

Security Code: 8308

June 7, 2017

To Our Shareholders

Resona Holdings, Inc.

1-5-65 Kiba, Koto-ku, Tokyo

Kazuhiro Higashi

Director, President and Representative Executive Officer

## NOTICE OF CONVENTION OF THE 16TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby notify you that the 16th Ordinary General Meeting of Shareholders will be held as stated below. Your attendance is respectfully requested.

If it is inconvenient for you to attend the Meeting, you are able to exercise your voting rights by either in writing (via Voting Right Exercise Form) or by electronic method (via the Internet, etc.). You are sincerely requested to examine the reference documents for the Meeting below and to exercise your voting rights by 5:30 p.m. Thursday, June 22, 2017.

1. Date: 10:00 a.m. Friday, June 23, 2017 (open at 9:00 a.m.)
2. Place: Convention Hall, Second Basement Floor, Resona Group Osaka Headquarters Building  
2-2-1 Bingomachi, Chuo-ku, Osaka

(Please note that you will be led to the second place of the meeting, etc. if the convention hall described above is full.)

In addition, starting from this year, we will have a relay venue in Tokyo as follows.

Main Hall, Toranomom Hills Forum  
23 Toranomom 1 cho-me, Minatoku, Tokyo

### 3. Purposes:

- Matters to be Reported: Report on business report, consolidated financial statements, financial statements and audit results of consolidated financial statements by the Independent Accounting Auditors and the Audit Committee for the 16th fiscal year (from April 1, 2016 to March 31, 2017)
- Matters to be Resolved:

<Company's Proposals (Agenda No. 1 and No. 2)>

Agenda No. 1: Partial Amendment to the Articles of Incorporation

Agenda No. 2: Election of 10 Directors

<Shareholders' Proposals (Agenda No. 3 through No. 20)>

Agenda No. 3: Partial Amendment to the Articles of Incorporation (Submission to the Bank of Japan of Written Request to Not Further Negative Interest Rate Policy)

Agenda No. 4: Partial Amendment to the Articles of Incorporation (Individual Disclosure of Remuneration of Officers)

Agenda No. 5: Partial Amendment to the Articles of Incorporation (Separation of Roles of Chairman of the Board of Directors and Chief Executive Officer)

Agenda No. 6: Partial Amendment to the Articles of Incorporation (Creation of System Permitting Reinstatement of Employee of the Company after Standing for National or Local Election)

Agenda No. 7: Partial Amendment to the Articles of Incorporation (Exercise of Voting Rights of Shares Held for Strategic Reasons)

Agenda No. 8: Partial Amendment to the Articles of Incorporation (Disclosure of Policy and Results of Officer Training)

Agenda No. 9: Partial Amendment to the Articles of Incorporation (Provision Regarding Communication between Shareholders and Directors and Relevant Handling)

Agenda No. 10: Partial Amendment to the Articles of Incorporation (Provision Regarding the Structure Allowing Shareholders to Recommend Candidates for Directors to the Nominating Committee and Equal Treatment)

Agenda No. 11: Partial Amendment to the Articles of Incorporation (Description in Convocation Notice, Etc. of Shareholder's Proposals with the Maximum of At Least 100)

Agenda No. 12: Partial Amendment to the Articles of Incorporation (Establishment of Contact Point within the Audit Committee for Whistle-blowing)

Agenda No. 13: Partial Amendment to the Articles of Incorporation (Holding of Management Meetings by Outside Directors Only Not Involving Representative Executive Officers)

Agenda No. 14: Partial Amendment to the Articles of Incorporation (Establishment of Special Positions and Quota for Promotion to Regular Positions and Managers for Previous Graduates for Women, Etc. Who Suffered Interruption of Business Career by Childbirth or Child Rearing)

Agenda No. 15: Partial Amendment to the Articles of Incorporation (Prohibition of Discrimination against Activist Investors)

Agenda No. 16: Partial Amendment to the Articles of Incorporation (Establishment of Special Committee Regarding the Company's Expressing Opinion on Series of Acts by Mr. Katsutoshi Kaneda, Minister of Justice)

Agenda No. 17: Partial Amendment to the Articles of Incorporation (Establishment of Special Investigation Committee Regarding Loans to Kabushiki Kaisha Kenko)

Agenda No. 18: Dismissal of Director Mitsudo Urano

Agenda No. 19: Partial Amendment to the Articles of Incorporation (Establishment of Special Investigation Committee Regarding Director Mitsudo Urano)

Agenda No. 20: Election of Director

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Among the documents to be provided in conjunction with this notice, the "systems to ensure that operations are conducted in an appropriate manner" and the "matters regarding specified wholly-owned subsidiaries" in the business report as well as the "notes to the financial statements" and the "notes to the consolidated financial statements" are provided through the Company's website pursuant to the laws and Article 23 of the Company's Articles of Incorporation, and they are not stated in the documents accompanying this notice. The financial statements and the consolidated financial statements audited by the Audit Committee or the Independent Accounting Auditors include the notes to the financial statements and the notes to the consolidated financial statements provided through the Company's website.

Any modification made to the reference documents for the Meeting, the business report, the financial statements and the consolidated financial statements will be notified through the Company's website.

The Company's website: <http://www.resona-gr.co.jp/>

<Guidance Notes on the Method to Exercise Voting Rights>

(1) If you can attend the Meeting:

Ordinary General Meeting of Shareholders:

Date: 10:00 a.m. Friday, June 23, 2017 (open at 9:00 a.m.)

Please bring the enclosed Voting Right Exercise Form and submit it to the receptionist at the place of the Meeting. Also bring this booklet as a reference material for the Meeting.

Please note that a person other than a shareholder may not attend the Meeting.

If you are going to attend the Meeting by proxy, you may delegate your voting rights to one of the other shareholders holding voting rights at the Meeting. The proxy is required to submit a document certifying authority of such proxy to attend the Meeting.

(2) If you are not able to attend the Meeting:

You can exercise your voting rights in advance via the Internet or by post.

By post:

Deadline for Exercising Voting Rights: 5:30 p.m. Thursday, June 22, 2017 (must be received by that time)

Please indicate your approval or disapproval of each agenda on the enclosed Voting Right Exercise Form and send it back to us by detaching the relevant part of the form.

A Voting Right Exercise Form without an indication of approval or disapproval of the agenda will be treated as indicating approval for the proposals made by the Company and disapproval for the proposals made by shareholders.

Via the Internet:

Deadline for Exercising Voting Rights: Up to 5:30 p.m. Thursday, June 22, 2017

Please enter approval or disapproval for each agenda by accessing the Company's designated website: <http://www.web54.net>

(Please refer to the next page for details)

The results of voting will be announced later through the Company's website ("To Shareholders and Investors" section).

The Company also plans to webcast the Meeting on its website later.

The Company website "To Shareholders and Investors" section: <http://www.resona-gr.co.jp/holdings/Investors/>

<Guidance Notes on the Exercise of Voting Rights via the Internet>

To exercise voting rights via the Internet, please access our designated website using a personal computer, smartphone or cellular phone and follow the instructions on the screen.

URL of the website to exercise your voting rights: <http://www.web54.net>

If you are using a smartphone or cellular phone with a bar-code scanner function, you may access using the "QR Code".

Deadline for Exercising Voting Rights: Up to 5:30 p.m. Thursday, June 22, 2017

Handling of Password:

- (a) A new password is a means to verify whether a person exercising voting rights is a shareholder. Therefore, please keep the password in a safe place with utmost care. If you forget the new password or lose it, please note that you will not be able to exercise your voting rights via the Internet nor change the contents of exercise you already made. (we cannot respond to inquiries regarding the new password.)
- (b) If you enter erroneous passwords more than a fixed number of times, operation will be locked and you will not be able to exercise voting rights with the password originally issued nor change the contents of exercise you already made. If you would like your password to be reissued, please follow the instructions on the screen.
- (c) The Voting Rights Exercise Code described in the Voting Right Exercise Form is valid only for the Meeting.

Matters for Attention:

- (a) If the same shareholder exercises voting rights both in writing and by the electronic method, only the vote by the electronic method will be considered valid.
- (b) If the same shareholder exercises voting rights more than once via the electronic method, only the last exercise will be considered valid.
- (c) Any fees of Internet service providers and telecommunication carriers (such as access fees, etc.) for using the website to exercise voting rights shall be borne by shareholders.

Conditions for Systems:

(1) For personal computers and smartphones:

- (a) If a pop-up blocker function is activated on your web browser or relevant add-in tool etc., please deactivate (or temporarily deactivate) the function and enable the use of "cookies" for the aforementioned website on the privacy settings.
- (b) If you are unable to access the aforementioned website, Internet communications may be restricted by a firewall, proxy server, or security software settings etc. Please check the relevant settings.

(2) For cellular phones:

- (a) Cellular phone should be compatible with any of (i) i-mode, (ii) EZweb or (iii) Yahoo! Keitai with capability of 128 bit SSL (Secure Socket Layer) encrypted communications.

i-mode, EZweb, Yahoo! and Yahoo! Keitai are a trademark, registered trademark or service name of NTT DOCOMO INC., KDDI CORPORATION, Yahoo! Incorporated of the United States, and SOFTBANK MOBILE CORPORATION, respectively.

If you have any question concerning the exercise of voting rights via the Internet, please call the following dedicated telephone number:

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agent Web Support

0120-652-031 (open hours: 9:00 a.m. to 9:00 p.m.)

The Company is a participant in the platform for electronic exercise of voting rights for institutional investors operated by ICJ, Inc.

## Agenda and Reference Matters

### Agenda No. 1: **Partial Amendment to the Articles of Incorporation**

1. Reason for the proposal
  - (1) In relation to the cancellation of all of Class 6 Preferred Shares, delete the provision regarding the total number of authorized shares in each class with respect to such Preferred Shares as well as reduce the total number of authorized shares.
  - (2) In relation to the cancellation of all of Class 6 Preferred Shares, delete the provisions regarding such Preferred Shares.
2. Contents of the amendment

The contents of the amendment are as follows (amended portions are underlined):

| Current Articles   | Amended Articles   |
|--|--|
| Chapter II Shares  | Chapter II Shares  |
| Article 5. (Total Number of Authorized Shares and Total Number of Authorized Shares in Each Class)   | Article 5. (Total Number of Authorized Shares and Total Number of Authorized Shares in Each Class)   |
| The total number of shares that may be issued by the Company shall be <u>6,027,000,000</u> shares and the total number of shares in each class that may be issued by the Company shall be as described below; provided, however, that the total number of authorized shares in each class with respect to the First through Fourth Series of Class 7 Preferred Shares shall not exceed 10,000,000 shares in the aggregate and the total number of authorized shares in each class with respect to the First through Fourth Series of Class 8 Preferred Shares shall not exceed 10,000,000 shares in the aggregate, respectively. | The total number of shares that may be issued by the Company shall be <u>6,024,000,000</u> shares and the total number of shares in each class that may be issued by the Company shall be as described below; provided, however, that the total number of authorized shares in each class with respect to the First through Fourth Series of Class 7 Preferred Shares shall not exceed 10,000,000 shares in the aggregate and the total number of authorized shares in each class with respect to the First through Fourth Series of Class 8 Preferred Shares shall not exceed 10,000,000 shares in the aggregate, respectively. |
| Ordinary Shares:<br>6,000,000,000 shares   | Ordinary Shares:<br>6,000,000,000 shares   |
| Class 5 Preferred Shares:<br>4,000,000 shares  | Class 5 Preferred Shares:<br>4,000,000 shares  |
| <u>Class 6 Preferred Shares:</u><br><u>3,000,000 shares</u>  | <u>&lt;Deleted&gt;</u>   |
| First Series of Class 7 Preferred Shares:<br>10,000,000 shares   | First Series of Class 7 Preferred Shares:<br>10,000,000 shares   |
| Second Series of Class 7 Preferred Shares:<br>10,000,000 shares  | Second Series of Class 7 Preferred Shares:<br>10,000,000 shares  |
| Third Series of Class 7 Preferred Shares:<br>10,000,000 shares   | Third Series of Class 7 Preferred Shares:<br>10,000,000 shares   |
| Fourth Series of Class 7 Preferred Shares:<br>10,000,000 shares  | Fourth Series of Class 7 Preferred Shares:<br>10,000,000 shares  |
| First Series of Class 8 Preferred Shares:<br>10,000,000 shares   | First Series of Class 8 Preferred Shares:<br>10,000,000 shares   |
| Second Series of Class 8 Preferred Shares:<br>10,000,000 shares  | Second Series of Class 8 Preferred Shares:<br>10,000,000 shares  |
| Third Series of Class 8 Preferred Shares:  | Third Series of Class 8 Preferred Shares:  |

| Current Articles   | Amended Articles   |
|--|--|
| <p>10,000,000 shares</p> <p>Fourth Series of Class 8 Preferred Shares:</p> <p>10,000,000 shares</p>  | <p>10,000,000 shares</p> <p>Fourth Series of Class 8 Preferred Shares:</p> <p>10,000,000 shares</p>  |
| <p style="text-align: center;">Chapter III Preferred Shares<br/>Article 11. (Preferred Dividends)</p> <p>1. In the event that the Company pays dividends of surplus set forth in Article 51 (excluding the interim dividends provided for in Paragraph 1 of Article 51), the Company shall pay to shareholders of preferred shares (hereinafter referred to as the “Preferred Shareholders”) or registered share pledgees of preferred shares (hereinafter referred to as the “Registered Pledgees of Preferred Shares”), prior to the payment to shareholders of ordinary shares (hereinafter referred to as the “Ordinary Shareholders”) or registered share pledgees of ordinary shares (hereinafter referred to as the “Registered Pledgees of Ordinary Shares”), dividends of surplus in the respective amounts described below (hereinafter referred to as the “Preferred Dividends”); provided, however, that if the Preferred Interim Dividends provided for in Article 12 were paid during the business year immediately preceding the payment of dividends of surplus, the amounts of the Preferred Dividends shall be reduced by the amounts of such Preferred Interim Dividends.</p> <p>Class 5 Preferred Shares:<br/>An amount of money per share equivalent to the amount paid in per share of the Class 5 Preferred Shares (JPY 25,000) multiplied by the rate of dividends of 3.675% per annum (JPY 918.75 per JPY 25,000 which is equivalent to the amount paid in).</p> <p><u>Class 6 Preferred Shares:</u><br/><u>An amount of money per share equivalent to the amount paid in per share of the Class 6 Preferred Shares (JPY 25,000) multiplied by the rate of dividends of 4.95% per annum (JPY 1,237.50 per JPY 25,000 which is equivalent to the amount paid in).</u></p> <p>First through Fourth Series of Class 7 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First through Fourth Series of Class 7 Preferred Shares (which shall not exceed JPY 35,000 per share for the First through Fourth Series of Class 7 Preferred Shares) multiplied by the rate of dividends to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares shall be paid. Provided, the</p> | <p style="text-align: center;">Chapter III Preferred Shares<br/>Article 11. (Preferred Dividends)</p> <p>1. In the event that the Company pays dividends of surplus set forth in Article 51 (excluding the interim dividends provided for in Paragraph 1 of Article 51), the Company shall pay to shareholders of preferred shares (hereinafter referred to as the “Preferred Shareholders”) or registered share pledgees of preferred shares (hereinafter referred to as the “Registered Pledgees of Preferred Shares”), prior to the payment to shareholders of ordinary shares (hereinafter referred to as the “Ordinary Shareholders”) or registered share pledgees of ordinary shares (hereinafter referred to as the “Registered Pledgees of Ordinary Shares”), dividends of surplus in the respective amounts described below (hereinafter referred to as the “Preferred Dividends”); provided, however, that if the Preferred Interim Dividends provided for in Article 12 were paid during the business year immediately preceding the payment of dividends of surplus, the amounts of the Preferred Dividends shall be reduced by the amounts of such Preferred Interim Dividends.</p> <p>Class 5 Preferred Shares:<br/>An amount of money per share equivalent to the amount paid in per share of the Class 5 Preferred Shares (JPY 25,000) multiplied by the rate of dividends of 3.675% per annum (JPY 918.75 per JPY 25,000 which is equivalent to the amount paid in).</p> <p style="text-align: center;"><u>&lt;Deleted&gt;</u></p> <p>First through Fourth Series of Class 7 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First through Fourth Series of Class 7 Preferred Shares (which shall not exceed JPY 35,000 per share for the First through Fourth Series of Class 7 Preferred Shares) multiplied by the rate of dividends to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares shall be paid. Provided, the</p> |



| Current Articles  | Amended Articles  |
|---|---|
| <p>rate of dividends shall not exceed, in case of a fixed rate of dividends, 10% per annum, or, in case of a variable rate of dividends, LIBOR, TIBOR, swap rate or any other benchmark for interest rate used generally in issue of securities plus 5% per annum.</p> <p>First through Fourth Series of Class 8 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First through Fourth Series of Class 8 Preferred Shares (which shall not exceed JPY 35,000 per share for the First through Fourth Series of Class 8 Preferred Shares) multiplied by the rate of dividends to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares shall be paid. Provided, the rate of dividends shall not exceed, in case of a fixed rate of dividends, 10% per annum, or, in case of a variable rate of dividends, LIBOR, TIBOR, swap rate or any other benchmark for interest rate used generally in issue of securities plus 5% per annum.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>Article 13. (Distribution of Residual Assets)</p> <p>1. If the Company distributes the residual assets, the Company shall pay to the Preferred Shareholders or the Registered Pledges of Preferred Shares, prior to the payment to the Ordinary Shareholders or the Registered Pledges of Ordinary Shares, the respective amounts of money specified below:</p> <p>Class 5 Preferred Shares:<br/>JPY 25,000 per share</p> <p><u>Class 6 Preferred Shares:</u><br/><u>JPY 25,000 per share</u></p> <p>First through Fourth Series of Class 7 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First through Fourth Series of Class 7 Preferred Shares multiplied by the ratio to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares. Provided the maximum of such ratio shall be 120% and the minimum of such ratio shall be 80%.</p> <p>First through Fourth Series of Class 8 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First</p> | <p>rate of dividends shall not exceed, in case of a fixed rate of dividends, 10% per annum, or, in case of a variable rate of dividends, LIBOR, TIBOR, swap rate or any other benchmark for interest rate used generally in issue of securities plus 5% per annum.</p> <p>First through Fourth Series of Class 8 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First through Fourth Series of Class 8 Preferred Shares (which shall not exceed JPY 35,000 per share for the First through Fourth Series of Class 8 Preferred Shares) multiplied by the rate of dividends to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares shall be paid. Provided, the rate of dividends shall not exceed, in case of a fixed rate of dividends, 10% per annum, or, in case of a variable rate of dividends, LIBOR, TIBOR, swap rate or any other benchmark for interest rate used generally in issue of securities plus 5% per annum.</p> <p>2. (Same as at present)</p> <p>3. (Same as at present)</p> <p>Article 13. (Distribution of Residual Assets)</p> <p>1. If the Company distributes the residual assets, the Company shall pay to the Preferred Shareholders or the Registered Pledges of Preferred Shares, prior to the payment to the Ordinary Shareholders or the Registered Pledges of Ordinary Shares, the respective amounts of money specified below:</p> <p>Class 5 Preferred Shares:<br/>JPY 25,000 per share</p> <p><u>&lt;Deleted&gt;</u></p> <p>First through Fourth Series of Class 7 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First through Fourth Series of Class 7 Preferred Shares multiplied by the ratio to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares. Provided the maximum of such ratio shall be 120% and the minimum of such ratio shall be 80%.</p> <p>First through Fourth Series of Class 8 Preferred Shares:<br/>An amount of money per share equivalent to the amount to be paid in per share of the First</p> |

| Current Articles  | Amended Articles   |
|---|--|
| <p>through Fourth Series of Class 8 Preferred Shares multiplied by the ratio to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares. Provided the maximum of such ratio shall be 120% and the minimum of such ratio shall be 80%.</p>   | <p>through Fourth Series of Class 8 Preferred Shares multiplied by the ratio to be determined in the manner prescribed by a resolution of the Board of Directors prior to an issue of shares of such preferred shares. Provided the maximum of such ratio shall be 120% and the minimum of such ratio shall be 80%.</p>                                  |
| <p>2. (Omitted)</p>   | <p>2. (Same as at present)</p>   |
| <p>Article 16. (Call Provision of Preferred Shares)</p>   | <p>Article 16. (Call Provision of Preferred Shares)</p>  |
| <p>1. (Omitted)</p>   | <p>1. (Same as at present)</p>   |
| <p><u>2. The Company may, on one or more days to be determined separately by the Representative Executive Officer pursuant to the provisions of Paragraph 1 of Article 168 of the Companies Act which shall be dates on or after December 8, 2016, acquire all or part of shares of the Class 6 Preferred Shares, and in such case the Company shall pay, in exchange for each share of the Class 6 Preferred Shares, the amount of money equal to JPY 25,000 plus the amount equivalent to the accrued dividends of surplus (which shall mean the amount of the Preferred Dividends prorated for the period from the first day of the business year in which the acquisition takes place through the day of acquisition (including such first day and the day of acquisition), less the amount of the Preferred Interim Dividends if the same was paid during the same business year).</u></p> | <p>&lt;Deleted&gt;</p>   |
| <p><u>3.</u> (Omitted)</p>  | <p><u>2.</u> (Same as at present)</p>  |
| <p><u>4.</u> (Omitted)</p>  | <p><u>3.</u> (Same as at present)</p>  |
| <p><u>5.</u> (Omitted)</p>  | <p><u>4.</u> (Same as at present)</p>  |
| <p><u>6.</u> When pursuant to paragraphs 1 through 4 above the Company acquires part of shares of the Class 5 Preferred Shares, <u>the Class 6 Preferred Shares</u>, the First through Fourth Series of Class 7 Preferred Shares or the First through Fourth Series of Class 8 Preferred Shares, the Representative Executive Officer shall select shares to be acquired by drawing lots.</p>   | <p><u>5.</u> When pursuant to paragraphs 1 through 3 above the Company acquires part of shares of the Class 5 Preferred Shares, the First through Fourth Series of Class 7 Preferred Shares or the First through Fourth Series of Class 8 Preferred Shares, the Representative Executive Officer shall select shares to be acquired by drawing lots.</p> |
| <p>Chapter IV Shareholders Meetings<br/>Article 24. (Class Meetings)</p>  | <p>Chapter IV Shareholders Meetings<br/>Article 24. (Class Meetings)</p>   |
| <p>1. (Omitted)</p>   | <p>1. (Same as at present)</p>   |
| <p>2. (Omitted)</p>   | <p>2. (Same as at present)</p>   |
| <p>3. In cases where the Company carries out an act listed in each Item of Paragraph 1 of Article</p>   | <p>3. In cases where the Company carries out an act listed in each Item of Paragraph 1 of Article</p>  |

| Current Articles   | Amended Articles  |
|--|---|
| <p>322 of the Companies Act, no resolution of class meetings of the Class 5 Preferred Shares, <u>the Class 6 Preferred Shares</u>, the First through Fourth Series of Class 7 Preferred Shares or the First through Fourth Series of Class 8 Preferred Shares shall be required.</p> | <p>322 of the Companies Act, no resolution of class meetings of the Class 5 Preferred Shares, the First through Fourth Series of Class 7 Preferred Shares or the First through Fourth Series of Class 8 Preferred Shares shall be required.</p> |

## Agenda No. 2: **Election of Ten (10) Directors**

As the terms of office of all ten (10) Directors will expire at the close of this General Meeting of Shareholders, the Company proposes to elect ten (10) Directors based on the decision by the Nominating Committee. The candidates for the Directors are as follows:

| Candidate No. | Name                             | Current positions, etc. at the Company                          |
|---------------|----------------------------------|---|
| 1             | Kazuhiro Higashi (Reappointment) | Director, President and Representative Executive Officer        |
| 2             | Tetsuya Kan (Reappointment)      | Director and Representative Executive Officer                   |
| 3             | Toshiki Hara (New candidate)     | Representative Executive Officer                                |
| 4             | Kaoru Isono (Reappointment)      | Director  |
| 5             | Toshio Arima (Reappointment)     | Outside Director, Independent director                          |
| 6             | Yoko Sanuki (Reappointment)      | Outside Director, Independent director                          |
| 7             | Mitsudo Urano (Reappointment)    | Outside Director, Independent director                          |
| 8             | Tadamitsu Matsui (Reappointment) | Outside Director, Independent director                          |
| 9             | Hidehiko Sato (Reappointment)    | Outside Director, Independent director                          |
| 10            | Chiharu Baba (New candidate)     | New candidate for Outside Director, Independent director (plan) |

| Candidate No. | Name (Date of birth), etc.   | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.   |
|---------------|--|---|
| 1             | <p>Kazuhiro Higashi (April 25, 1957)</p> <p>&lt;Number of the Company's shares owned&gt;<br/> Ordinary shares: 60,800 shares</p> <p>&lt;Period in office as Director&gt;<br/> 8 years (as of the close of this General Meeting of Shareholders)</p> <p>&lt;Attendance at meetings of board of directors &gt;<br/> 18 / 18 meetings (FY 2016)</p> | <p>[Biography]</p> <p>April 1982      Joined the Group</p> <p>October 2003      Executive Officer, General Manager of Financial Accounting Division of the Company and Executive Officer, in charge of Planning Division (financial accounting) of Resona Bank, Ltd.</p> <p>June 2005      Outside Director of Resona Trust &amp; Banking Co., Ltd.</p> <p>June 2007      Managing Executive Officer, in charge of Corporate Administration Office of Resona Bank, Ltd.</p> <p>June 2009      Director, Deputy President and Executive Officer of the Company</p> <p>April 2011      Director, Deputy President and Representative Executive Officer of the Company</p> <p>April 2012      Representative Director, Deputy President and Executive Officer of Resona Bank, Ltd.</p> <p>April 2013      Director, President and Representative Executive Officer of the Company (incumbent)</p> <p>April 2013      Representative Director, President and Executive Officer of Resona Bank, Ltd.</p> <p>April 2017      Chairman of the Board, President and Representative Director of Resona Bank, Ltd. (incumbent)</p> <p>[Status of key concurrent position]</p> <p>Chairman of the Board, President and Representative Director of Resona Bank, Ltd.</p> <p>[Reasons for election of the candidate for Director]</p> <p>Mr. Kazuhiro Higashi has wealth of business experience at finance divisions, corporate administration divisions and others as well as managerial experience as the President of the Company and Resona Bank, Ltd. The Company proposes him as a candidate for a Director, expecting that he will continue to contribute to continuous growth of the Group and increase in corporate value on a medium- to long-term basis as the person with ultimate responsibility over business operations, and to receive the continued benefit of his experience and expertise in supervising the operation of the Company.</p> <p>* Special conflict of interest between Mr. Kazuhiro Higashi and the Company</p> <p>There are no special conflicts of interest between Mr. Kazuhiro Higashi and the Company.</p> |

| Candidate No. | Name (Date of birth), etc.   | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.   |
|---------------|--|---|
| 2             | <p>Tetsuya Kan<br/>(April 3, 1961)</p> <p>&lt;Number of the Company's shares owned&gt;</p> <p>Ordinary shares:<br/>40,800 shares</p> <p>&lt;Period in office as Director&gt;</p> <p>4 years (as of the close of this General Meeting of Shareholders)</p> <p>&lt;Attendance at meetings of board of directors &gt;</p> <p>18 / 18 meetings (FY 2016)</p> | <p>[Biography]</p> <p>April 1984    Joined the Group</p> <p>April 2008    Executive Officer, in charge of Osaka area (out-of city north block) of Resona Bank, Ltd.</p> <p>June 2009    Executive Officer, in charge of Osaka area (out-of city south block)</p> <p>June 2011    Managing Executive Officer, in charge of Area Support Division</p> <p>April 2012    Managing Executive Officer, in charge of Corporate Administration Division</p> <p>April 2013    Representative Executive Officer, in charge of Group Strategy Division and Purchasing Strategy Division of the Company</p> <p>April 2013    Director and Executive Officer, in charge of Corporate Administration Division of Resona Bank, Ltd.</p> <p>June 2013    Director and Representative Executive Officer, in charge of Group Strategy Division and Purchasing Strategy Division of the Company</p> <p>April 2017    Director and Representative Executive Officer, in charge of Group Strategy Division of the Company (incumbent)</p> <p>April 2017    Deputy President and Representative Director, Executive Officer of Resona Bank, Ltd. (incumbent)</p> <p>[Status of key concurrent position]</p> <p>Deputy President and Representative Director, Executive Officer of Resona Bank, Ltd.</p> <p>[Reasons for election of the candidate for Director]</p> <p>Mr. Tetsuya Kan has wealth of business experience at business divisions, corporate administration divisions and others as well as managerial experience as the head of the corporate administration divisions of the Company and Resona Bank, Ltd. The Company proposes him as a candidate for a Director, expecting that he will continue to contribute to continuous growth of the Group and increase in corporate value on a medium- to long-term basis as the head of the corporate administration divisions and others, and to receive the continued benefit of his experience and expertise in supervising the operation of the Company.</p> <p>* Special conflicts of interest between Mr. Tetsuya Kan and the Company</p> <p>There are no special conflicts of interest between Mr. Tetsuya Kan and the Company.</p> |

| Candidate No. | Name<br>(Date of birth), etc.  | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.  |
|---------------|--|--|
| 3             | <p>Toshiki Hara<br/>(April 1, 1960)</p> <p>&lt;Number of the Company's shares owned&gt;<br/>Ordinary shares:<br/>25,500 shares</p> | <p>[Biography]</p> <p>April 1982    Joined the Group</p> <p>April 2008    Executive Officer, in charge of Osaka area (out-of city south block) of Resona Bank, Ltd.</p> <p>June 2009    Executive Officer, in charge of Kanagawa area</p> <p>June 2010    Managing Executive Officer, in charge of Kanagawa area</p> <p>April 2012    Managing Executive Officer, in charge of Human Resources Division and Personnel Training Division</p> <p>April 2013    Representative Executive Officer, in charge of Human Resources Division of the Company</p> <p>April 2013    Director and Executive Officer, in charge of Human Resources Division and Personnel Training Division of Resona Bank, Ltd.</p> <p>June 2013    Director and Representative Executive Officer, in charge of Human Resources Division of the Company</p> <p>April 2014    Deputy President and Representative Director, Executive Officer of Resona Bank, Ltd., in charge of supervision of Eastern Japan area</p> <p>April 2015    Director of Kinki Osaka Bank, Ltd.</p> <p>April 2017    Representative Executive Officer, in charge of Human Resources Division and Corporate Governance Office of the Company (incumbent)</p> <p>April 2017    Director and Executive Officer, in charge of Human Resources Division, Personnel Training Division and Corporate Governance Office of Resona Bank, Ltd. (incumbent)</p> <p>April 2017    Executive Officer, vice in charge of Human Resources Division of Saitama Resona Bank, Ltd. (incumbent)</p> <p>[Status of key concurrent positions]</p> <p>Director and Executive Officer of Resona Bank, Ltd.<br/>Executive Officer of Saitama Resona Bank, Ltd.</p> <p>[Reasons for election of the candidate for Director]</p> <p>Mr. Toshiki Hara has wealth of business experience at business divisions and others as well as managerial experience as Deputy President of Resona Bank, Ltd., and the head of the human resources divisions of the Company and Resona Bank, Ltd. The Company proposes him as a candidate for a Director, expecting that he will contribute to continuous growth of the Group and increase in corporate value on a medium- to long-term basis as the head of the human resources divisions and others, and to receive the benefit of his experience and expertise in supervising the operation of the Company.</p> <p>* Special conflicts of interest between Mr. Toshiki Hara and the Company</p> <p>There are no special conflicts of interest between Mr. Toshiki Hara and the Company.</p> |

| Candidate No. | Name<br>(Date of birth), etc.   | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.  |
|---------------|---|--|
| 4             | <p data-bbox="454 315 676 383">Kaoru Isono<br/>(February 21, 1956)</p> <p data-bbox="454 421 676 584">&lt;Number of the Company's shares owned&gt;<br/>Ordinary shares:<br/>27,500 shares</p> <p data-bbox="454 622 676 808">&lt;Period in office as Director&gt;<br/>8 years (as of the close of this General Meeting of Shareholders)</p> <p data-bbox="454 853 676 1010">&lt;Attendance at meetings of board of directors &gt;<br/>18 / 18 meetings (FY 2016)</p> <p data-bbox="454 1055 676 1211">&lt;Attendance at meetings of Audit Committee &gt;<br/>13 / 13 meetings (FY 2016)</p> | <p data-bbox="710 271 847 304">[Biography]</p> <p data-bbox="710 315 1453 416">April 1978    Joined Long-Term Credit Bank of Japan<br/>October 2000    Manager, Market Risk Management Division of Shinsei Bank, Limited</p> <p data-bbox="710 427 1437 483">April 2004    Executive Officer, in charge of Risk Management Division and Compliance Division of the Company</p> <p data-bbox="710 495 1437 584">April 2004    Executive Officer, in charge of Risk Management Division and Compliance Division of Resona Bank, Ltd.</p> <p data-bbox="710 595 1310 629">June 2004    Outside Director of Nara Bank, Limited</p> <p data-bbox="710 640 1390 674">June 2007    Outside Director of Kinki Osaka Bank, Limited</p> <p data-bbox="710 685 1406 741">June 2009    Director, Chairperson of Audit Committee of the Company</p> <p data-bbox="710 752 1437 786">June 2010    Director, Member of Audit Committee (incumbent)</p> <p data-bbox="710 797 1262 831">[Reasons for election of the candidate for Director]</p> <p data-bbox="710 842 1453 1122">Mr. Kaoru Isono has wealth of business experience at risk management divisions and ALM divisions and appropriate expertise on finance and accounting matters as well as wealth of experience in supervising the management as a member of the Audit Committee. He has proactively provided opinions and suggestions at various meetings of the Company and otherwise especially from the perspective of the enhancement of the Group's internal controls. The Company proposes him as a candidate for Director to receive the continued benefit of his experience and expertise in supervising the operation of the Company.</p> <p data-bbox="710 1133 1390 1189">* Special conflicts of interest between Mr. Kaoru Isono and the Company</p> <p data-bbox="710 1200 1422 1256">There are no special conflicts of interest between Mr. Kaoru Isono and the Company.</p> |



| Candidate No. | Name<br>(Date of birth), etc.  | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.   |
|---------------|--|---|
| 5             | <p>Toshio Arima<br/>(May 31, 1942)<br/>Outside Director<br/>(Independent director)</p> <p>&lt;Number of the Company's shares owned&gt;<br/>Ordinary shares:<br/>12,800 shares</p> <p>&lt;Period in office as Director&gt;<br/>6 years (as of the close of this General Meeting of Shareholders)</p> <p>&lt;Attendance at meetings of board of directors &gt;<br/>14 / 18 meetings (FY 2016)</p> <p>&lt;Attendance at meetings of Nominating Committee &gt;<br/>8 / 8 meetings (FY 2016)</p> <p>&lt;Attendance at meetings of Compensation Committee &gt;<br/>9 / 10 meetings (FY 2016)</p> | <p>[Biography]</p> <p>April 1967      Joined Fuji Xerox Co., Ltd.</p> <p>June 2002      President and Representative Director</p> <p>October 2006    Director of FUJIFILM Holdings Corporation</p> <p>June 2007      Board Director and Executive Advisor of Fuji Xerox Co., Ltd.</p> <p>June 2007      Outside Director of Resona Bank, Ltd.</p> <p>June 2008      Executive Corporate Advisor of Fuji Xerox Co., Ltd.</p> <p>March 2011     Outside Director of Kirin Holdings Company, Limited (incumbent)</p> <p>June 2011      Outside Director of Fuji Heavy Industries Ltd.</p> <p>June 2011      Outside Director, Member of Nominating Committee of the Company</p> <p>October 2011    Chairman of the Board, Global Compact Japan Network (currently, Global Compact Network Japan) (incumbent)</p> <p>June 2012      Outside Director, Chairperson of Nominating Committee of the Company (incumbent)</p> <p>November 2012   Member of Compensation Committee (incumbent)</p> <p>[Status of key concurrent positions]</p> <p>Chairman of the Board, Global Compact Network Japan<br/>Outside Director of Kirin Holdings Company, Limited</p> <p>[Reasons for election of the candidate for Outside Director]</p> <p>Mr. Toshio Arima has contributed proactively in the meetings of the Board of Directors and others by offering opinions and advice especially from the perspective of customer service and CSR based on his extensive idea and experience as a manager of manufacturing business and sales business. He is independent of the management team and there is no threat of any conflict of interest arising with the general shareholders. The Company believes Mr. Arima will continue to be highly capable of utilizing his idea and experience in supervising the management and appoints him as a candidate for an Outside Director.</p> <p>* Special conflicts of interest between Mr. Toshio Arima and the Company and independence of Mr. Toshio Arima<br/>There are no special conflicts of interest between Mr. Toshio Arima and the Company.</p> <p>There is no donation to Global Compact Network Japan for which Mr. Toshio Arima serves concurrently.</p> <p>[Legal violation, etc. by other companies in which the candidate for Outside Director held executive positions within the past 5 years]</p> <p>Fuji Heavy Industries Ltd. for which Mr. Toshio Arima, a candidate for an Outside Director, served as an outside director from June 2011 to June 2016, received an indication from the Tokyo Regional Taxation Bureau on August 10, 2011 for inappropriate accounting in the Clean Robot Division.</p> <p>Mr. Arima had no involvement in the case, and he carried out his duties duly by confirming whether the measures to prevent recurrence were functioning adequately, at the meetings of the Board of Directors and other occasions. Hence, the Company has concluded that Mr. Arima is qualified to be a candidate for an Outside Director.</p> |

| Candidate No. | Name (Date of birth), etc.  | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.  |
|---------------|---|--|
| 6             | <p data-bbox="475 443 655 607">Yoko Sanuki<br/>(April 3, 1949)<br/>Outside Director<br/>(Independent director)</p> <p data-bbox="475 651 667 741">&lt;Number of the Company's shares owned&gt;</p> <p data-bbox="475 752 655 819">Ordinary shares:<br/>10,300 shares</p> <p data-bbox="459 853 683 920">&lt;Period in office as Director&gt;</p> <p data-bbox="459 931 683 1043">5 years (as of the close of this General Meeting of Shareholders)</p> <p data-bbox="459 1088 683 1245">&lt;Attendance at meetings of board of directors &gt;<br/>18 / 18 meetings (FY 2016)</p> <p data-bbox="459 1290 683 1447">&lt;Attendance at meetings of Audit Committee &gt;<br/>13 / 13 meetings (FY 2016)</p> | <p data-bbox="715 275 847 309">[Biography]</p> <p data-bbox="715 320 1209 342">April 1981 Registered as Attorney-at-law</p> <p data-bbox="715 353 1385 409">November 2001 Representative of NS Law Office (incumbent)</p> <p data-bbox="715 421 1401 454">June 2003 Outside Auditor of KURAYA SANSEIDO Inc.</p> <p data-bbox="715 465 1377 488">June 2007 Outside Auditor of Meiji Dairies Corporation</p> <p data-bbox="715 499 1369 566">April 2009 Outside Director of Meiji Holdings Co., Ltd. (incumbent)</p> <p data-bbox="715 577 1305 600">June 2011 Outside Director of Resona Bank, Ltd.</p> <p data-bbox="715 611 1425 678">June 2012 Outside Director, Member of Audit Committee of the Company</p> <p data-bbox="715 689 1377 712">June 2015 Chairperson of Audit Committee (incumbent)</p> <p data-bbox="715 723 1098 757">[Status of key concurrent positions]</p> <p data-bbox="715 768 1273 790">Attorney-at-law (Representative of NS Law Office)</p> <p data-bbox="715 801 1193 824">Outside Director of Meiji Holdings Co., Ltd.</p> <p data-bbox="715 835 1353 869">[Reasons for election of the candidate for Outside Director]</p> <p data-bbox="715 880 1449 1037">Ms. Yoko Sanuki has contributed proactively in the meetings of the Board of Directors and others by offering opinions and advice especially from the perspective of legal risk and compliance based on her extensive knowledge and experience as an expert in law.</p> <p data-bbox="715 1048 1449 1339">Although her past involvement in managing a corporation has only been as an outside director or an outside audit &amp; supervisory board member, she is independent of the management team and there is no threat of any conflict of interest arising with the general shareholders. The Company believes Ms. Sanuki will continue to be highly capable of utilizing her experience and expertise in supervising the management and appoints her as a candidate for an Outside Director.</p> <p data-bbox="715 1350 1401 1417">* Special conflicts of interest between Ms. Yoko Sanuki and the Company and independence of Ms. Yoko Sanuki</p> <p data-bbox="715 1429 1433 1496">There are no special conflicts of interest between Ms. Yoko Sanuki and the Company.</p> <p data-bbox="715 1507 1449 1574">Although Ms. Yoko Sanuki is a lawyer, there is no advisory contract with the Company or any of its subsidiary banks.</p> <p data-bbox="715 1585 1417 1608">* Ms. Yoko Sanuki's name on her family register is Yoko Itasawa.</p> |

| Candidate No. | Name<br>(Date of birth), etc.   | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.   |
|---------------|---|---|
| 7             | <p>Mitsudo Urano<br/>(March 20, 1948)<br/>Outside Director<br/>(Independent director)</p> <p>&lt;Number of the Company's shares owned&gt;<br/>Ordinary shares:<br/>3,000 shares</p> <p>&lt;Period in office as Director&gt;<br/>4 years (as of the close of this General Meeting of Shareholders)</p> <p>&lt;Attendance at meetings of board of directors &gt;<br/>16 / 18 meetings (FY 2016)</p> <p>&lt;Attendance at meetings of Compensation Committee &gt;<br/>10 / 10 meetings (FY 2016)</p> | <p>[Biography]</p> <p>April 1971      Joined Nippon Reizo Co. Ltd. (currently, Nichirei Corporation)</p> <p>April 1997      General Manager of Strategic Planning Division</p> <p>June 1999      Director and General Manager of Strategic Planning Division</p> <p>June 2001      Representative Director and President</p> <p>January 2005      Representative Director and President of Nichirei Foods Inc.</p> <p>April 2007      Director and Chairman</p> <p>June 2007      Representative Director and Chairman of Nichirei Corporation</p> <p>May 2008      Chairman of Japan Frozen Food Association</p> <p>June 2008      Outside Corporate Auditor of Nippon Mining Holdings, Inc.</p> <p>June 2009      Outside Director of Mitsui Fudosan Co., Ltd.</p> <p>June 2009      Outside Corporate Auditor of NSD CO., LTD.</p> <p>June 2010      Outside Corporate Auditor of JX Holdings, Inc.</p> <p>June 2011      Outside Director of Yokogawa Electric Corporation (incumbent)</p> <p>June 2013      Outside Director, Member of Compensation Committee of the Company</p> <p>June 2013      Senior Advisor of Nichirei Corporation (incumbent)</p> <p>June 2013      Outside Director of HOYA CORPORATION (incumbent)</p> <p>June 2014      Outside Director, Chairperson of Compensation Committee of the Company (incumbent)</p> <p>June 2014      Outside Director of Hitachi Transport System, Ltd. (incumbent)</p> <p>[Status of key concurrent positions]</p> <p>Senior Advisor of Nichirei Corporation</p> <p>Outside Director of Yokogawa Electric Corporation</p> <p>Outside Director of HOYA CORPORATION</p> <p>Outside Director of Hitachi Transport System, Ltd.</p> <p>[Reasons for election of the candidate for Outside Director]</p> <p>Mr. Mitsudo Urano has contributed proactively in the meetings of the Board of Directors and others by offering opinions and advice especially from the perspective of management reforms and organizational climate reforms based on his extensive idea and experience as a manager of manufacturing business and logistics business. He is independent of the management team and there is no threat of any conflict of interest arising with the general shareholders. The Company believes Mr. Urano will be highly capable of utilizing his ideas and experience in supervising the management and appoints him as a candidate for an Outside Director.</p> <p>* Special conflicts of interest between Mr. Mitsudo Urano and the Company and independence of Mr. Mitsudo Urano</p> |

| Candidate No. | Name<br>(Date of birth), etc. | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.   |
|---------------|-------------------------------|---|
|               |                               | <p>There are no special conflicts of interest between Mr. Mitsudo Urano and the Company.</p> <p>Although Mr. Mitsudo Urano is Senior Advisor of Nichirei Corporation, there is no loan transaction with the Company's subsidiary banks.</p> |

| Candidate No. | Name<br>(Date of birth)   | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.  |
|---------------|---|--|
| 8             | <p>Tadamitsu Matsui<br/>(May 13, 1949)<br/>Outside Director<br/>(Independent director)</p> <p>&lt;Number of the Company's shares owned&gt;<br/>Ordinary shares:<br/>12,200 shares</p> <p>&lt;Period in office as Director&gt;<br/>3 years (as of the close of this General Meeting of Shareholders)</p> <p>&lt;Attendance at meetings of board of directors &gt;<br/>16 / 18 meetings (FY 2016)</p> <p>&lt;Attendance at meetings of Nominating Committee &gt;<br/>8 / 8 meetings (FY 2016)</p> <p>&lt;Attendance at meetings of Compensation Committee &gt;<br/>10 / 10 meetings (FY 2016)</p> | <p>[Biography]</p> <p>June 1973      Joined THE SEIYU Co., Ltd.</p> <p>May 1993      Director of Ryohin Keikaku Co., Ltd.</p> <p>May 1997      Managing Director</p> <p>March 1999    Senior Managing Director</p> <p>January 2001    President and Representative Director</p> <p>May 2001      Director of RK Truck Co., Ltd.</p> <p>January 2008    Chairman and Representative Director and Executive Officer of Ryohin Keikaku Co., Ltd.</p> <p>May 2009      President and Representative Director of MUJI.net Co., Ltd.</p> <p>April 2010     President and Representative Director of T&amp;T Corporation (currently, MATSUI office corporation) (incumbent)</p> <p>June 2013      Outside Director of Resona Bank, Ltd.</p> <p>September 2013    Outside Director of Adastria Holdings Co., Ltd. (currently, Adastria Co., Ltd.) (incumbent)</p> <p>June 2014      Outside Director, Member of Compensation Committee of the Company (incumbent)</p> <p>June 2014      Outside Director of OOTOYA Holdings Co., Ltd.</p> <p>May 2015      Outside Director of NEXTAGE Co., Ltd. (incumbent)</p> <p>June 2016      Outside Director, Member of Nominating Committee of the Company (incumbent)</p> <p>November 2016    Outside Director of SADAMATSU Company Limited</p> <p>[Status of key concurrent positions]</p> <p>Representative Director and President of MATSUI office corporation</p> <p>Outside Director of Adastria Co., Ltd.</p> <p>Outside Director of NEXTAGE Co., Ltd.</p> <p>Outside Director of SADAMATSU Company Limited</p> <p>[Reasons for election of the candidate for Outside Director]</p> |

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|  |  | <p>Mr. Tadamitsu Matsui has contributed proactively in the meetings of the Board of Directors and others by offering opinions and advice especially from the perspective of promotion of management reforms and service reforms based on his extensive idea and experience as a manager of retail business. He is independent of the management team and there is no threat of any conflict of interest arising with the general shareholders. The Company believes Mr. Matsui will be highly capable of utilizing his ideas and experience in supervising the management and appoints him as a candidate for an Outside Director.</p> <p>* Special conflicts of interest between Mr. Tadamitsu Matsui and the Company and independence of Mr. Tadamitsu Matsui</p> <p>There are no special conflicts of interest between Mr. Tadamitsu Matsui and the Company.</p> <p>Although Mr. Tadamitsu Matsui is President and Representative Director of MATSUI office corporation, there is no loan transaction with the Company's subsidiary banks.</p> |
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| Candidate No. | Name<br>(Date of birth)  | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.  |
|---------------|--|--|
| 9             | <p>Hidehiko Sato<br/>(April 25, 1945)<br/>Outside Director<br/>(Independent director)</p> <p>&lt;Number of the Company's shares owned&gt;<br/>Ordinary shares:<br/>5,000 shares</p> <p>&lt;Period in office as Director&gt;<br/>2 years (as of the close of this General Meeting of Shareholders)</p> <p>&lt;Attendance at meetings of board of directors &gt;<br/>18 / 18 meetings (FY 2016)</p> <p>&lt;Attendance at meetings of Audit Committee &gt;<br/>13 / 13 meetings (FY 2016)</p> | <p>[Biography]</p> <p>April 1968    Joined National Police Agency</p> <p>August 1986    Counselor of the Cabinet Legislation Bureau</p> <p>April 1992    Manager of Criminal Investigation Bureau, Metropolitan Police Department</p> <p>February 1995    General Manager of Saitama Prefectural Police</p> <p>December 1996    Director General of Criminal Investigation Bureau, National Police Agency</p> <p>January 1999    General Manager of Osaka Prefectural Police</p> <p>August 2002    Commissioner General of National Police Agency</p> <p>August 2004    Advisor to National Police Agency</p> <p>February 2005    Managing Director of Mutual Aid Association of National Police</p> <p>June 2011    Attorney-at-law (member of the Dai-ichi Tokyo Bar Association) (incumbent)</p> <p>June 2011    Outside Director and Member of Audit Committee of JS Group Corporation (currently LIXIL Group Corporation)</p> <p>June 2011    Outside Audit and Supervisory Board Member of Sumitomo Dainippon Pharma Co., Ltd.</p> <p>June 2013    Outside Director of Sumitomo Dainippon Pharma Co., Ltd. (incumbent)</p> <p>June 2013    Outside Director, Member of Nomination Committee and Member of Audit Committee of LIXIL Group Corporation (incumbent)</p> <p>June 2014    Outside Director of Resona Bank, Ltd.</p> <p>June 2015    Outside Director, Member of Audit Committee of the Company (incumbent)</p> <p>[Status of key concurrent positions]</p> <p>Attorney-at-law (Hibiki Law Office)</p> <p>Outside Director of LIXIL Group Corporation</p> <p>Outside Director of Sumitomo Dainippon Pharma Co., Ltd.</p> <p>[Reasons for election of the candidate for Outside Director]</p> |

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|  |  | <p>Mr. Hidehiko Sato has contributed proactively in the meetings of the Board of Directors and others by offering opinions and advice especially from the perspective of compliance and organizational management based on his professional knowledge in legal affairs and his experience in public administration. Although his past involvement in managing a corporation has only been as an outside director or an outside audit &amp; supervisory board member, he is independent of the management team and there is no threat of any conflict of interest arising with the general shareholders. The Company believes Mr. Sato will continue to be highly capable of utilizing his knowledge and experience in supervising the management and appoints him as a candidate for an Outside Director.</p> <p>* Special conflicts of interest between Mr. Hidehiko Sato and the Company and independence of Mr. Hidehiko Sato</p> <p>There are no special conflicts of interest between Mr. Hidehiko Sato and the Company.</p> <p>Although Mr. Hidehiko Sato is a lawyer, there is no advisory contract with the Company or any of its subsidiary banks.</p> |
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| Candidate No.          | Name<br>(Date of birth)  | Brief profile, position, responsibility at the Company and status of key concurrent positions, etc.  |
|------------------------|--|--|
| 10<br>New<br>candidate | <p>Chiharu Baba<br/>(November 15, 1950)<br/>Outside Director<br/>(Independent director<br/>(plan))</p> <p>&lt;Number of the<br/>Company's shares<br/>owned&gt;<br/>Ordinary shares:<br/>4,100 shares</p> | <p>[Biography]</p> <p>April 1973    Joined The Industrial Bank of Japan, Limited</p> <p>June 2001    Executive Officer and General Manager of Consolidated Risk Management Division</p> <p>April 2002    Managing Executive Officer of Mizuho Bank, Ltd.</p> <p>April 2004    Senior Managing Executive Officer of Mizuho Trust &amp; Banking Co., Ltd.</p> <p>June 2004    Executive Managing Director</p> <p>April 2005    Deputy President and Representative Director</p> <p>June 2007    Standing Audit &amp; Supervisory Board Member of Japan Energy Corporation</p> <p>July 2010    Standing Audit &amp; Supervisory Board Member of JX Nippon Oil &amp; Energy Corporation</p> <p>June 2012    Standing Audit &amp; Supervisory Board Member of JX Nippon Mining &amp; Metals Corporation</p> <p>June 2014    Advisor of JX Nippon Mining &amp; Metals Corporation</p> <p>June 2015    Outside Director of Saitama Resona Bank, Ltd. (incumbent)</p> <p>June 2015    Outside Audit &amp; Supervisory Board Member of Tohoku Electric Power Co., Inc. (incumbent)</p> <p>[Status of key concurrent positions]<br/>Outside Audit &amp; Supervisory Board Member of Tohoku Electric Power Co., Inc.</p> <p>[Reasons for election of the candidate for Outside Director]<br/>The Company expects Mr. Chiharu Baba to contribute proactively by offering opinions and advice especially from the perspective of profit management and risk management based on his knowledge and experience as an expert in finance area. He is independent of the management team and there is no threat of any conflict of interest arising with the general shareholders. The Company believes Mr. Baba will be highly capable of using his knowledge and experience in supervising the management and appoints him as a candidate for an Outside Director.</p> <p>* Special conflicts of interest between Mr. Chiharu Baba and the Company and Independence of Mr. Chiharu Baba<br/>There are no special conflicts of interest between Mr. Chiharu Baba and the Company.</p> |

(Notes)

1. Among the candidates for Directors, Toshio Arima, Yoko Sanuki, Mitsudo Urano, Tadimitsu Matsui, Hidehiko Sato and Chiharu Baba are candidates for outside directors as set out in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
2. Among the candidates for Outside Directors, Toshio Arima, Yoko Sanuki, Mitsudo Urano, Tadimitsu Matsui and Hidehiko Sato are independent directors under the provisions of the Tokyo Stock Exchange. Chiharu Baba meets the requirements for independent director under the provisions of the Tokyo Stock Exchange, and the Company plans to file him as an independent director with the Tokyo Stock Exchange.
3. The Company selects at the Nominating Committee, persons suited for supervision of the management, upon examination of satisfaction of the requirements for candidates for Directors and independence of candidates for Outside Directors, based upon the "Standards for Selecting Candidates for Directors" adopted by the Nominating Committee.  
In addition, in order to ensure further management transparency and objectivity, the Company nominates candidates for Directors so that Outside Directors account for the majority not only of the Nominating Committee, the Compensation Committee and the Audit Committee, but also of the Board of Directors. In order to increase the corporate value of the Group, the Company intends to continue to maintain the transparency and objectivity of the management of the Company.
4. The Company has concluded a liability limitation agreement with each of the current Outside Directors to limit liabilities stipulated in Article 423, Paragraph 1 of the Companies Act up to the total of the amount defined in each of the items in Article 425, Paragraph 1 of the Companies Act. The Company will conclude the same liability limitation agreement with each of the Outside Directors in case they are elected at the Meeting.

Outline of "Standards for Selecting Candidates for Directors"

[Requirements for Candidates for Directors]

Candidates for Directors under these Standards shall be persons satisfying the following requirements:

- (1) A person suitable for supervising the management from the perspective of contributing to creation of continuing corporate value of the Resona Group;
- (2) A person who has the personality and knowledge required of a Director, as well as motivation and capabilities to faithfully perform his/her duties;
- (3) A person who can secure the necessary time to faithfully perform his/her duties as a Director;
- (4) A person who satisfies the qualifications of a director as required by laws and regulations.

[Requirements for Independence of Candidates for Outside Directors]

1. An Outside Director who is independent under these Standards shall mean a person who satisfies the requirements as an outside director under laws and regulations, and at the same time does not fall under any of the following items:
  - (1) A person who is an executive director, executive officer, or employee (hereinafter referred to as an "Executive") of the Company or an affiliated company of the Company, or was an Executive of the Company or an affiliated company of the Company during the 10-year period prior to the date of the assumption of office;
  - (2) A person who is a major shareholder holding 5% or more of the Company's total voting rights, or if such shareholder is a legal entity or association, a person who is an Executive of such shareholder;
  - (3) A person who is an Executive of a company having material business relationship (Note 1) with the Company or an affiliated company of the Company, or the parent company or an important subsidiary of such company;
  - (4) A person who has received compensation or other economic benefits (other than remuneration as the Company's Director) in an average amount of 10 million yen or more for the past three years as an attorney-at-law or consultant or other of the

Company or affiliated companies of the Company; or in case of a legal entity or association falling in such criteria, an Executive of a legal entity or association 2% or more of consolidated sales of which is from the Company or affiliated companies of the Company;

- (5) A person who is an accounting auditor of the Company or its affiliated company, or an partner, employee or the like of such accounting auditor;
- (6) A person who is an Executive of a legal entity or association receiving donations or the like from the Company or its affiliated companies in an amount exceeding the greater in average for the past three years of 10 million yen per annum or an amount equivalent to 30% of annual total expenses of such legal entity or association;
- (7) A person who fell within any of the items from (2) to (6) above during the past five years;
- (8) A person whose spouse or relative within the second degree of kinship falls within any of the items from (1) through (6) above;
- (9) A person who is an Executive of a company that has one or more directors sent from the Company or an affiliated company of the Company, or the parent company or a subsidiary or the like of such company;
- (10) A person who has served as an Outside Director for more than eight years in total;
- (11) A person who may constantly pose a threat of a substantial conflict of interest with general shareholders of the Company as a whole, for reasons other than the matters considered in the items from (1) to (10) above.

(Note 1) "Material business relationship" means transactions and the like that fall under any of the following:

- (i) In case of ordinary business transactions, 2% or more of the consolidated gross operating profit of the Company or the consolidated gross sales of the counterparty;
- (ii) In case where balance of loans from the Company or its affiliated companies is stated in the business report of the counterparty and is considered difficult to be replaced by alternative means of funding in the short term.

2. Even if any of the items from (1) to (11) above applies, if the Nominating Committee examines independence of the subject person based upon the totality of circumstances and considers that he/she is suited as an Outside Director with independence, that person may be selected as a candidate for an Outside Director with independence. In such a case, an explanation shall be made about the reason why such person is considered to be appropriate as an Outside Director with independence.

[Determination of Candidates for Directors]

1. In determining candidates for Directors, the Nominating Committee shall secure persons who satisfy the requirements for candidates for Directors set forth in these Standards, with various backgrounds and experience.
2. In addition to the preceding paragraph, in determining candidates for Directors, the Nominating Committee shall in principle secure persons considered as Outside Directors with independence under these Standards for the majority of the Board of Directors.

<Shareholders' Proposals (Agenda Nos. 3 through 20) Pages 29 through 5>

The proposals made by certain shareholders (two (2) shareholders in total)

The proposal for Agenda No. 3 has been made by one (1) shareholder (ratio of voting right: 0.004%).

The proposals for Agenda Nos. 4 through 20 have been made by one (1) shareholder (ratio of voting right: 0.001%).

Pursuant to the laws and regulations, we have described the details of and reason for the proposal for each Agenda item as stated in the documents submitted by the shareholders, regardless of their truth or falsity, except we have redacted the expressions that are clearly inappropriate by blacking-out.

The Companies Act permits the exercise of a shareholder's proposal right where certain conditions are met.

For this meeting, as eighteen (18) proposals in total were made by two (2) shareholders, the Company has described such proposals herein. However, the Board of Directors of the Company opposes all of such proposals.

Please exercise your voting rights after reading the details of and reason for the proposal for each Agenda item proposed by the shareholders as well as the opinions of the Board of Directors of the Company to such proposal, described in the following pages.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

### **Agenda No. 3: Partial Amendment to the Articles of Incorporation (Submission to the Bank of Japan of Written Request to Not Further Negative Interest Rate Policy)**

#### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The presidents of the banks within the Group shall deliver by hand to the Governor of the Bank of Japan a written request to not further the negative interest rate policy."

#### Reason for the proposal

The negative interest rate policy adopted by the Bank of Japan is a policy that imposes risks only on financial institutions. Its objectives of increasing loans, improving money circulation, putting the economy on track for recovery and increasing profit have more side effects than benefits. Although loans have increased, loans of inferior credit with a high risk of becoming non-performing loans, such as real estate loans to lessors while vacant houses are increasing and card loans at high interest rates, will only result in non-performing loans in future, and lessons from the past financial crisis are not being heeded at all. It is worried that if such policy is proceeded further, banks may post net losses and many of small- to medium-sized financial institutions and regional banks, which have weaker business base, may become insolvent. Dampened sentiment of many investors due to sluggish stock prices of banks, insurance companies and the three Japan Post Group companies has made consumer spending fall further, and such situation has formed a vicious cycle. The presidents of the banks within the Group should deliver by hand to the Governor of the Bank of Japan a written request not to further the wrong policy. While the proposing shareholder is also an contributor to the Bank of Japan, a proposal is made to the commercial bank, as unlike a corporation there is no general meeting or system of making proposals and there is therefore no way to express an opinion.

#### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Articles of Incorporation of a company are to set forth basic principles of a company and it is not appropriate to have in the Articles of Incorporation a provision concerning a fiscal policy, as proposed by the shareholder.

Under the New Medium-Term Management Plan announced in April 2017, the Group will make efforts to construct a "next-generation retail financial services model" adapted to the changing times and changes in customers' financial behaviors and to accomplish medium- to long-term income structure reforms centering on augmentation of recurring fee income based on development of profound relationships with customers and further productivity improvement. Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

#### Agenda No. 4: **Partial Amendment to the Articles of Incorporation (Individual Disclosure of Remuneration of Officers)**

##### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The amounts and contents of remuneration paid to Directors must be disclosed individually in the Business Report and the Annual Securities Report every year, and all of the remuneration must be individually evaluated and disclosed on a Japanese yen basis."

##### Reason for the proposal

Disclosure of the amounts and contents of remuneration paid to each Director is extremely important for shareholders to check whether or not the remuneration paid to the Directors is appropriate, from the viewpoint of maximizing the shareholders' benefits. In capital markets in developed countries other than Japan, individual disclosure of remuneration is a matter of course, which has not caused any inconvenience to investors, and the share price indexes of those capital markets have created significantly higher returns than Japan's share price indexes such as the Nikkei Stock Average for the past 20 years. The real issue in Japan generally is not that the amount of remuneration to Directors is too large, but that the remuneration structure is completely unrelated to medium- to long-term shareholder value. If individual remuneration is disclosed, it would be easier to evaluate cost efficiency. This proposal obtained 48.47% support at the ordinary general meeting of shareholders of HOYA CORPORATION in 2011, and if the Company is the first to make individual disclosure of remuneration, it would draw attention in a good way.

##### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

With respect to remuneration to Directors and Executive Officers, the Company has adopted the appropriate remuneration structure considering the respective roles of Directors and Executive Officers and other factors. For Directors, the remuneration structure is focused on sound supervision of the Executive Officers. For Executive Officers, the remuneration has been structured to emphasise performance-based portion with the aim of maintaining and increasing appropriate motivation for execution of duties. In addition, it is also the basic concept for the remuneration for Executive Officers that it is structured to include share-based compensation with the aim of giving motivation to achieve sustainable and medium- to long-term growth of the Resona Group and enhance shareholder value.

Furthermore, the remuneration policy described above and the amounts of individual remuneration are determined by the Compensation Committee consisting only of Outside Directors who have a high degree of independence, taking into account evaluation of the results of the Company and each individual, so that objectivity and transparency are ensured.

On the other hand, in respect of disclosure of remuneration, the Company has disclosed the total amount of remuneration to Directors and Executive Officers, the amount of remuneration of each type and the number of executives as well as the "policy for remuneration for directors and executive officers" in the Business Reports, Corporate Governance Reports and others in accordance with the laws and regulations appropriately.

As the Company has appropriately determined and disclosed the executive remuneration, we believe that there would be no risk of harming the interests of shareholders by not making individual disclosure of remuneration.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

## **Agenda No. 5: Partial Amendment to the Articles of Incorporation (Separation of Roles of Chairman of the Board of Directors and Chief Executive Officer)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"Concurrent holding of the position of the Chairman of the Board of Directors and the position of the Chief Executive Officer shall in principle be prohibited, and the Chairman of the Board of Directors must be an Outside Director. In an exceptional case where the concurrent holding of the positions is permitted, the Company must explain in writing in its disclosure material to shareholders such as a Notice of Convocation of the General Meeting of Shareholders or reference material why such concurrent holding of the positions is of maximum benefit to the shareholders, and must appoint a Leading Outside Director instead. The role of the Leading Outside Director shall be set by the Board of Directors and shall be disclosed to the shareholders."

### Reason for the proposal

The Chief Executive Officer holds power over the Company's internal resources and personnel matters and therefore should be viewed as the subject of closest supervision. The concurrent holding of the position of the Chief Executive Officer and the Chairman of the Board of Directors should be avoided to the extent possible, because it would be against the international trend of strengthening corporate governance. It is suspected that, under the Company's current structure, managers, who are subject to power of the Representative Executive Officers and others in terms of personnel matters and other matters, actually have strong influence over selection of information for decisions of the Board of Directors and each Committee. However, such task should be performed by the Chairman of the Board of Directors, who is independent from the President, and such person is required to spend more time overseeing the Company than other Outside Directors. The intent of this proposal is standard understanding of corporate governance researchers and practitioners in North America ("CFA Examination Preparation Handbook - Level II", p. 177, Tadashi Ono, Kinzai Institute for Financial Affairs, Inc.; Independence of the Chairman of the Board of Directors is the second check point of the "Corporate Governance-Related Check Points Regarding the Board of Directors from Shareholders' Perspective") and the concept of Leading Outside Director is widely known.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The "Basic Corporate Governance Policy" of the Company provides that highly independent Outside Directors shall constitute a majority of the Board of Directors and the Nominating Committee and the Compensation Committee shall in principle consist only of Outside Directors, thereby establishing governance structure with high degree of transparency and objectivity.

On the other hand, with respect to the Chairman of the Board of Directors of the Company, Article 30, Paragraph 1 of the Articles of Incorporation provides that "Unless otherwise provided in laws or regulations, a Board of Directors meeting shall be called by a Director designated by the Board of Directors and such Director shall act as chairperson at the meeting", enabling the Board of Directors, a majority of which is comprised of highly independent Outside Directors as described



above, to designate the Chairman from among Directors including Outside Directors, thereby establishing a rule with high degree of transparency and objectivity.

Furthermore, while the Board of Directors has designated the Director holding the concurrent position of President and Executive Officer as the current Chairman, the term of such appointment is one year, and handling of proceedings at the Board of Directors is subject to evaluation by all Directors every year. The results of the evaluation have been positive overall, and we see no need to limit the Chairman to Outside Directors under the Articles of Incorporation.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

## **Agenda No. 6: Partial Amendment to the Articles of Incorporation (Creation of System Permitting Reinstatement of Employee of the Company after Standing for National or Local Election)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company must establish a system under which an employee of the Company may stand for national election or election for members of a local assembly or the head of a local government without taking procedure for resignation, or which permits reinstatement of such employee after his/her term of office expires."

### Reason for the proposal

Public attention has been drawn to low quality of local assemblies indicated by a crying member of a prefectural assembly and jeering amounting to sexual harassment, and cases where members of labor unions of Tokyo Electric Power Company and others became members of local assemblies while keeping the position of full-time employees. It should be useful for persons with certain knowledge and experience to newly enter into the public sector as well as to establish the social infrastructure for such purpose. It is desirable that the Company's employees will serve as members of local assemblies or the head of local governments and then return to the job at the Company, to promote variety of talents for the Company and the public service area. While the Company presumably has the system of secondment, etc., this is generally to the supervising authorities and others, and the Company should actively promote measures to reconsider the practice of lifetime employment and seniority wage system which has become the harm to the society. In the United States, there is the "White House Fellow" system started by Lyndon Johnson, the 36th President, to take a one-year onsite training by becoming an assistant to high-ranking officers of the government such as the Chief of Staff, Vice President or cabinet member. Employees of first-class companies apply for it and reinstatement after the fellowship is common.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

First of all, this proposal relates to matters of execution of business affairs and it would not necessarily be appropriate to bind management decision by the Board of Directors by the Articles of Incorporation. In addition, the employment rules of the Resona Group already have provisions which permit leave of absence from work when to take on public duties, and decisions are made on a case-by-case basis.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

## **Agenda No. 7: Partial Amendment to the Articles of Incorporation (Exercise of Voting Rights of Shares Held for Strategic Reasons)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company shall instruct its subsidiaries which are subject to management and control by the Company, such as banking subsidiaries and securities company subsidiaries, in exercising their voting rights of shares held for strategic reasons, to exercise their voting rights appropriately by such means as seeking opinions from independent proxy advisers."

### Reason for the proposal

The Company's group that holds shares of several trillion yen or more on a consolidated basis should carry out risk management and value enhancement measures including avoiding impairment of value of continuously held shares. However, in relation to the exercise of voting rights of shares held for strategic reasons, the Company has taken actions that were strikingly lacking in economic rationality, such as supporting the management's proposals without criticism for listed companies which continued to have a low ROE ratio for a long period of time. In recent years, the responsibilities of institutional investors, including banks, to perform duties as trustee to manage funds toward the investee companies were set out in a non-binding manner, including by promulgation by the Tokyo Stock Exchange and the Financial Service Agency of the Stewardship Code. In addition, the need of communication between institutional investors and listed companies has been emphasised, and such change in Japan's capital markets, where unprecedented judgements continued to be made including one on the Murakami fund case, is highly regarded internationally. Therefore, enhancement of the equity portfolio value should be pursued through the rational exercise of voting rights of shares held for strategic reasons. At the ordinary general meeting of shareholders of Mizuho Financial Group in 2015, a similar proposal received 34% support.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

With respect to the exercise of voting rights of shares held by the Company's group for strategic reasons, the Company has already established the following "Policy for Exercise of Voting Rights" and announced its contents:

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

In exercising voting rights of shares held for strategic reasons, we have established the structure under which, pursuant to the foregoing policy, yes or no is individually determined and examined for each agenda item.

As we will make continued efforts to ensure that voting rights are exercised appropriately based upon the foregoing policy and examination structure, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

## Agenda No. 8: **Partial Amendment to the Articles of Incorporation (Disclosure of Policy and Results of Officer Training)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The policy regarding training of officers at the Company and its consolidated subsidiaries must be disclosed."

### Reason for the proposal

When to exercise voting rights to elect officers, the brief profile of candidates described in the convocation notice and the information required by the Tokyo Stock Exchange to be disclosed are not sufficient to determine whether or not each candidate is an appropriate person. Monitoring and supervising the Company as a whole is different from executing business in each department, and it is necessary to be well-acquainted with officers' duties, including prevention of scandals. The level of such knowledge and attitude held by not only candidates for outside officers but also candidates from within the Company that constitute a majority of the candidates, is not clear. Therefore, shareholders can judge appropriateness of the candidates by disclosure of the policy for training of officers (at least as to whether training of officers by a disinterested party is conducted or not). Scandals by officers promoted from within the Company normally occur due to the lack of understanding of their positions as fiduciary for shareholders, and training of directors is one of the checkpoints in a textbook for corporate governance in the United States and Europe. At the general meeting of shareholders of Mizuho Financial Group in 2013, a similar proposal received 28% support.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Nominating Committee has determined in the "Standards for Electing Director Candidates" the requirements for candidates for Directors which include, among other things, being a person appropriate to carry out supervision of the management from the viewpoint of contributing to the continuous corporate value creation of the Resona Group, and has selected persons meeting such requirements as candidates for Directors.

In addition, the Company conducts training of Directors on topics including the Company's financial condition and issues for management as well as compliance with laws where needed, so that Directors can perform their duties.

Furthermore, aiming for sustained improvements in corporate value, the Company introduced a succession plan in June 2007 as a mechanism to ensure the successions of the top management roles and responsibilities at the Company and each group bank.

The succession plan covers various candidates, from those who are candidates for the next generation of top leadership to those who are new candidates for directorships of the Company and the group banks. The process of selecting and nurturing successors is carried out steadily according to a schedule, matching qualified candidates to the appropriate rank. The Group retains the transparency and objectivity of this process by drawing on the advice of external consultants in carrying out the selection and nurturing programs.

The Company has disclosed the gist of the foregoing matters in its Annual Securities Reports and Corporate Governance Reports.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

### **Agenda No. 9: Partial Amendment to the Articles of Incorporation (Provision Regarding Communication between Shareholders and Directors and Relevant Handling)**

#### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company must establish a structure in which shareholders who have significant concerns can directly communicate individually with all Directors including Outside Directors, the Nominating Committee, the Compensation Committee and the Audit Committee without being detected by inside Directors. Communication between a shareholder and each Director being made through Executive Officers or employees under the command of Executive Officers should be avoided unless necessary for the purpose of record keeping. In case of record keeping, the records on procedures on reception, delivery to the Board of Directors and respective committees, and response must be retained and submitted at the request of shareholders."

#### Reason for the proposal

It is important that shareholders can communicate with the Nominating Committee and the Audit Committee without being detected by the Executive Officers. The Company should, in particular, establish a system under which shareholders can independently recommend candidates for Directors to the Nominating Committee. For example, when a shareholder wishes to report to the secretariat of the Audit Committee regarding an illegal act jointly committed by a Representative Executive Officer and the corporate planning department of the Company, there is a risk that a senior employee may interfere with this action so that the report would not reach the Audit Committee. Even if a shareholder sends a report regarding the misconduct by an Executive Officer to the secretariat of the Audit Committee by content-certified mail, we cannot even know if a Representative Executive Officer or an employee under his command would have forwarded the record to the Audit Committee. To learn more about opinions of institutional investors relating to this proposal, please refer, for example, to the "International Principles of Corporate Governance and Accountability (Principle of Corporate Governance)" published by the California Public Employees' Retirement System (CalPERS) on April 21, 2008 (p. 35, etc.). "False corporate governance" must be stopped for the next generations

#### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

While, in the reason for the proposal, references are made to reports to the secretariat of the Audit Committee regarding an illegal act committed by Executive Officers and others, under the laws and regulations and the "Basic Corporate Governance Policy" of the Company, it is provided that supervising whether the internal control system has been properly established and managed is one of the principal tasks of the Audit Committee. More specifically, the Audit Committee is expected to give necessary instructions to the internal control divisions as needed, through verification of whether the handling process of the internal control divisions function effectively. The Company has established the external "Resona Legal Counsel Hotline" to receive whistle-blowing from inside regarding compliance matters and the "Resona Accounting Audit Hotline" to receive

charges or requests for responses from outside regarding inappropriate handling of accounting matters or internal control relating to accounting. Under these systems, reports are made to the Chairperson of the Audit Committee who has independence, without intervention by the executive department, thereby establishing a system to receive charges from inside and outside of the Company.

In addition, regarding an indication in the reason for the proposal that the Company should establish a system under which shareholders can independently recommend candidates for Directors to the Nominating Committee, the Company has made clear the requirements for candidates for Directors in the "Standards for Electing Director Candidates". Furthermore, under the Companies Act, shareholders satisfying certain conditions have a right to propose their own candidates at shareholders' meetings, therefore we consider that there is no need to adopt the structure proposed by the shareholder.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.



[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

### **Agenda No. 10: Partial Amendment to the Articles of Incorporation (Provision Regarding the Structure Allowing Shareholders to Recommend Candidates for Directors to the Nominating Committee and Equal Treatment)**

#### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"Shareholders may recommend candidates for Directors directly to the Nominating Committee without being detected by Executive Officers. The process for it must be disclosed and evaluation of the candidates recommended by shareholders must follow the same standard as used for candidates nominated by the Nominating Committee."

#### Reason for the proposal

The Nominating Committee should always perform its duties with the aim of forming a Board of Directors consisting of the most appropriate Directors. It is preferable that shareholders recommend candidates for new Directors who have the same ability without fee, because this method incurs smaller expenses as compared to using a search company. The Company has produced lacklustre performance compared to the share price indexes such as the Nikkei Stock Average. In view of the fiduciary duty and duty of loyalty of Directors, they can be subject to shareholders' derivative lawsuits if they nominate as candidates their "friends" who are less qualified where there are more qualified candidates for Directors. The Nominating Committee of the Company also neglects to select as candidates for Directors talented individuals of 49 years old or younger, or one-third or more of females and sexual minorities. This proposal also improves diversity in the Board of Directors.

#### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

First of all, under the Companies Act, shareholders satisfying certain conditions have a right to propose their own candidates for Directors at shareholders' meetings, and therefore we consider that there is no need to establish another system under which shareholders are allowed to recommend candidates for Directors to the Nominating Committee without notifying Executive Officers. The "Basic Corporate Governance Policy" of the Company provides that the Board of Directors shall consist of Directors having diversified and extensive knowledge, and the "Standards for Electing Director Candidates" established by the Nominating Committee provides for the requirements for candidates for Directors which include, among other things, being a person appropriate to carry out supervision of the management from the viewpoint of contributing to the continuous corporate value creation of the Resona Group.

Furthermore, it is provided that Members of the Audit Committee who are in charge of supervision shall include persons with appropriate knowledge about finance and accounting.

In addition to the foregoing, at the Company, the Nominating Committee which is comprised in principle of Outside Directors only determines candidates for Directors sincerely and appropriately pursuant to the standards described above, therefore we already have the process for selecting candidates for Directors that has high degree of transparency and objectivity. Therefore, we believe that there is no need to add the provision proposed by the shareholder to

the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

**Agenda No. 11: Partial Amendment to the Articles of Incorporation (Description in Convocation Notice, Etc. of Shareholder's Proposals with the Maximum of At Least 100)**

Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"When the Company receives a request for notification to shareholders of a shareholder's proposals pursuant to Article 305 of the Companies Act, the Company must describe in a Notice of Convocation of a General Meeting of Shareholders or reference material the agenda proposed, details of the proposals and reasons for the proposals up to the maximum of 100, so long as the proposals are legal."

Reason for the proposal

In a settlement negotiation in a case seeking revocation of resolutions at a shareholders' meeting of a company listed on the JASDAQ exchange, in which shareholders finally prevailed at the Supreme Court, Mr. Kazumasa Otsuka, who is an attorney-at-law and expert in the Companies Act, made a statement to one of the shareholders who made the shareholder proposals, to the effect that, if the maximum 100 shareholder proposals were made, the company would examine legality of the proposals and the qualification to make the proposals, but the company would describe all of the legal proposals. He submitted a document to the same effect to one of the proposing shareholders. In particular, if measures are taken to carry out the convocation process and exercise of voting rights (completely) electronically, even if there are 100 proposals, shareholders can vote in favour of the proposals which they want to support. At the time when importance of communication between shareholders and the Board of Directors is emphasised, limiting the number of proposals is old-fashioned thinking without understanding of the progress in voting technologies backed by Fintech and the blockchain technology.

Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

With respect to shareholders' proposals, the Company's policy is to respond to them sincerely and appropriately pursuant to the laws and regulations, considering the specific situation of each case including the contents of the proposals. We consider that it is not appropriate to provide the maximum number in the Articles of Incorporation.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[Pursuant to the laws and regulations, the details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity, except the expressions that are clearly inappropriate are redacted by blacking-out]

## Agenda No. 12: **Partial Amendment to the Articles of Incorporation (Establishment of Contact Point within the Audit Committee for Whistle-blowing)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company must establish a contact point within the Audit Committee for whistle-blowing concerning the Directors, Executive Officers or employees of the Company from within and outside the Company, and disclose its process within and outside the Company. The inside Directors and the Executive Officers as well as employees reporting to inside Directors or Executive Officers may not take part in the whistle-blowing process or the handling thereof."

### Reason for the proposal

Corporate scandals tend to be more serious, in terms of monetary amount and others, if led by top-management. Although the Audit Committee and Outside Directors have been established for the purpose of supervision of execution of business within the Company, there is a doubt that the Audit Committee and Outside Directors may have collusive relationships at companies including the Company. In fact, in case that an executive of Kenko Tokina Co., Ltd. (Nakano-ku, Tokyo) who is a relative of Mr Kaneda, Minister of Justice, repeatedly committed \*\*\*\*\*, the company neglected claims from shareholders. Compliance cannot be achieved by mere technical legality, and it is requested to meet socially-accepted ideas and norms overall, in other words "not just compliance with laws and regulations but respond to demands of the society" (Mr. Nobuo Gohara, who is an attorney-at-law and ex-prosecutor). In such case of the Company, supervision over inside Directors by Outside Directors and the Audit Committee cannot be said effectively functioning.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Company has established the external "Resona Legal Counsel Hotline" to receive whistle-blowing from within the Company. The process has been established so that the contents of whistle-blowing are reported to the Chairperson of the Audit Committee who is an Outside Director, without going through the executive department.

With respect to whistle-blowing from outside the Company, if for example whistle-blowing or requests for responses are made directly to the Audit Committee (or member of the Audit Committee) by contents certified mail or others, or if a charge is made to the "Resona Accounting Audit Hotline" which is publicly disclosed, a report is made to the Chairperson of the Audit Committee as needed, without intervention by the executive department.

As described above, the Company has appropriately established contact points to receive whistle-blowing from within and outside the Company concerning misconducts by the Directors, Executive Officers and employees and other matters, and the system has been properly established under which charges so made from within or outside the Company are reported to the Chairperson of the Audit Committee without intervention by the executive department and appropriate

verification is made.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

**Agenda No. 13: Partial Amendment to the Articles of Incorporation (Holding of Management Meetings by Outside Directors Only Not Involving Representative Executive Officers)**

Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Board of Directors must hold a management meeting by Outside Directors only which is not attended by any Representative Executive Officers or Executive Officers, at least once a year, and must report activities of such meeting to shareholders at least once a year."

Reason for the proposal

It is worried that, at the Board of Directors of the Company, Outside Directors who were invited by the management team and receive a large amount of remuneration compared to the number of hours they dedicate, mostly agree with the management team as their "yes-men" based upon the information provided by senior managers reporting to the Representative Executive Officers. It is proposed to hold regular management meetings of independent Outside Directors for discussion that are not attended by the Representative Executive Officers to change this situation. For example, this measure is recommended in the principles of corporate governance of the California Public Employees' Retirement System. If there are only meetings that are attended by the Representative Executive Officers, it is psychologically difficult to dismiss the Representative Executive Officers or to point out problems. A proposal to the same effect obtained 33.91% support at the general meeting of shareholders of HOYA CORPORATION in 2010, and it appears that there were some positive changes as the management of HOYA CORPORATION noted in the next year's notice of convocation of the general meeting of shareholders that it had "revised the company's regulations to reflect the point of the proposition in an appropriate manner".

Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

Regarding meetings only of Outside Directors, the Company provides in the "Basic Corporate Governance Policy" that such meetings may be held as needed to exchange information and share the recognition of any matters based on the independent and objective perspective among the Outside Directors. Further, under the foregoing Basic Policy, it is provided that a majority of the Board of Directors of the Company will consist of highly independent Outside Directors and the Nominating Committee and the Audit Committee will in principle consist only of Outside Directors. Under such structure, the Company has actually built the governance system with high transparency and objectivity centering on Outside Directors.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

**Agenda No. 14: Partial Amendment to the Articles of Incorporation (Establishment of Special Positions and Quota for Promotion to Regular Positions and Managers for Previous Graduates for Women, Etc. Who Suffered Interruption of Business Career by Childbirth or Child Rearing)**

Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"To support women and others who suffered interruption of business career due to childbirth or child rearing, the Company shall establish special positions and quota for promotion to regular positions and managers named as job offerings to previous graduates to those who are in the ages of over 30 or 40."

Reason for the proposal

In Japan, due to inflexibility of labour markets and the practice of seniority wage system and lifetime employment, the reality is that, if a female (or other) quits a job for childbirth or child rearing, it is difficult to return to the career path as a full-time or regular employee or for managers. This is a shame internationally, amounting to "social maternity harassment" and is a social issue to be corrected. As one solution of such issue, it is proposed that the Company shall adopt an employment policy of establishing special positions and quota for females (and others) who left the labour markets momentarily, so that life events such as childbirth and child rearing would not affect development of business careers. As from the perspective of HR policy, this would help secure human resources with wider experience and diversity who can also be candidates for managers, it is expected to contribute to the medium- to long-term share value of the Company. While the government has been considering various reform measures even now, most of reform measures for labour markets were only discussed and never implemented. The private sector should now take a positive action for reform.

Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

First of all, this proposal relates to matters of execution of business and it is not necessarily appropriate to bind management decisions of the Board of Directors by the Articles of Incorporation. Putting such issue aside, in response to an issue of interruption of business career due to life events such as child rearing and nursing care, the Company's group has already introduced the "JOB Return" system (return as smart staff) which gives employees (full-time employees) meeting certain criteria to return to work as smart staff within 5 years of retirement. In addition, in hiring candidates for managers, the Company hires anyone with motivation and capability without distinction.

Furthermore, the Company has a system to promote "partner staff" (part-time employees) to full-time position or "smart staff" position and there are cases where ones initially hired as "partner staff" were switched to full-time employees and promoted to managers.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

## Agenda No. 15: **Partial Amendment to the Articles of Incorporation (Prohibition of Discrimination against Activist Investors)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company shall not discriminate against activist investors and shall instruct its subsidiaries not to discriminate against them."

### Reason for the proposal

After the start of the Second Abe Cabinet, the Corporate Governance Code and the Stewardship Code were promulgated and emphasis has been given to the need of dialogues between the management of listed companies and investors for the purpose of increasing medium- to long-term share value, which are highly valued internationally, especially from abroad. However, the Japanese businesses and officers in charge of making policies at the legislative and executive organs do not understand such value and it cannot be denied that there are still strong prejudice against "activist investors" and practices of discriminating against them. Such discrimination also amounts to a hate speech and infringement of property rights, and it is a shameful situation internationally. In developed countries other than Japan, activist investors only exercise shareholders' rights permitted under corporate law and conduct normal investment activities, and are the subject of investments by institutional investors such as university funds including Harvard University and pension funds including CalPERS.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

In the "Resona Way (Resona Group Corporate Promises)" disclosed on its website, the Company has declared "Resona cherishes relationships with shareholders", and has taken the stance of paying close attention to shareholders from its inception.

In addition, the Company provides in its "Basic Corporate Governance Policy" that it will actively promote constructive dialogues with shareholders, investors, etc. The Company has also adopted the "Basic Policy for Promoting Constructive Dialogues with Shareholders, Investors, etc." and disclosed its outline, in which "achieving continuous growth of the Group and increasing medium- to long-term corporate value through constructive dialogues with shareholders, investors, etc." is set as one of the purposes.

Pursuant to the above, the Company is striving to have opportunities to communicate with all shareholders and investors through such measures as actively conducting meetings with investors in and outside Japan. The Company never discriminates against some of investors and we do not consider that it is appropriate to provide for a specific type of shareholders in the Articles of Incorporation.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.



[Pursuant to the laws and regulations, the details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity, except the expressions that are clearly inappropriate are redacted by blacking-out]

**Agenda No. 16: Partial Amendment to the Articles of Incorporation (Establishment of Special Committee Regarding the Company's Expressing Opinion on Series of Acts by Mr. Katsutoshi Kaneda, Minister of Justice)**

Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company shall establish a special committee in relation to the report made by Mr. Katsutoshi Kaneda, Minister of Justice, to the Legislative Council contemplating legislation to limit shareholders' proposal rights, in order to clarify the Company's position based upon the facts and express a more accurate opinion with the aim of achieving medium- to long-term common shareholders' interests based upon comprehensive facts."

Reason for the proposal

At a general meeting of shareholders of HOYA CORPORATION, a shareholder pointed out that Mr. Katsutoshi Kaneda, Minister of Justice, received salary from a company related to the family of the founder while he was not in office. Although HOYA tried not to describe the reason for the proposal until the year before, a settlement was made at a court in 2015 agreeing to describe almost all of the text, and HOYA admitted the fact. On the other hand, Mr. Kaneda claimed its falsity in response to request for information by Weekly Shincho, and therefore either of what HOYA and Mr. Kaneda claims should be false (there is no indication that Mr. Kaneda took a legal action alleging its falsity). The draft report by Mr. Kaneda to the Legislative Council to limit shareholders' proposal rights appear to have come from personal problems of Mr. Kaneda, and the Company should strongly plead against it as it is against the interests of shareholders and the society as well as the spirit of the Stewardship Code. Incidentally, the executive of the aforementioned related company committed \*\*\*\*\*, and it is suspected that Mr. Kaneda does not want disclosure of the fact of receiving benefits from such person.

Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Articles of Incorporation of a company are to set forth basic principles of a company and it is not appropriate to provide for establishment of a special committee regarding a specific social problem like this in the Articles of Incorporation. We consider that, first of all, the factual matters described in the details of the proposal and the reason for the proposal are not directly related to the Company, and therefore there is no need to have such a provision as proposed here.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[Pursuant to the laws and regulations, the details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity, except the expressions that are clearly inappropriate are redacted by blacking-out]

## Agenda No. 17: **Partial Amendment to the Articles of Incorporation (Establishment of Special Investigation Committee Regarding Loans to Kabushiki Kaisha Kenko)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company must establish a special investigation committee regarding a loan agreement for loans of 700 million yen in the aggregate made by Saitama Resona Bank, Ltd., a subsidiary of the Company, to Kabushiki Kaisha Kenko on June 23, 2014."

### Reason for the proposal

The Company executed a loan agreement for loans in the total amount of 700 million yen to Kabushiki Kaisha Kenko (Shinjuku-ku, Tokyo at the time). However, the executive of that company regularly committed \*\*\*\*\*. A loan officer of the Company made the loans, possibly because he could not find a good borrower. Compliance cannot be achieved by mere technical legality, and it is requested to meet socially-accepted ideas and norms overall, in other words "not just compliance with laws and regulations but respond to demands of the society" (Mr. Nobuo Gohara, who is an attorney-at-law and ex-prosecutor). With this level of awareness for compliance with laws and regulations, the Company may be subject to criticism by human right organizations abroad and be exposed to the risk of a large amount of damage claims. Under the recognition of the proposing shareholder, such loans are problematic.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Articles of Incorporation of a company are to set forth basic principles of a company and it is not appropriate to provide for establishment of a special investigation committee regarding a specific execution of business like this in the Articles of Incorporation.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

### Agenda No. 18: **Dismissal of Director Mitsudo Urano**

#### Details of the proposal

It is proposed that Mr. Mitsudo Urano be dismissed from the office of Director.

#### Reason for the proposal

At the meeting of the board of directors of HOYA CORPORATION for its ordinary general meeting of shareholders held in 2014, Director Urano did not object to not describing in the notice of convocation part of the shareholder proposals submitted by shareholders. The Tokyo District Court decided that the company's actions were illegal including a violation of Article 93, Paragraph 1 of the Ordinance for Enforcement of the Companies Act (2014 (WA) No. 24338, judgement made on March 26, 2015). In addition, at an oral proceeding for a case in which a claim for compensation for damage was made for such infringement of shareholders' rights, HOYA CORPORATION, for which Director Urano serves as outside director, submitted to the court a document containing an allegation against its shareholder that such shareholder has a passbook for mentally-handicapped person, which amounted to a hate speech, and further made a petition to seek restriction on access to such document even though it did not have eligibility to do so. Such acts amount to a hate speech against a mentally-handicapped person, which is not tolerable at all from the international common sense on human rights. If a director of a US listed company commits such an act, he would be immediately forced to resign as infringing human rights. A person committing such an act has no qualification for a director.

#### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Company does not believe that there is any particular reason to dismiss Director Urano. In addition, the term of office of the Company's Directors is for one (1) year, so regardless of whether or not dismissal of a Director is resolved, the term of office of all Directors expires at the conclusion of the Meeting.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

## **Agenda No. 19: Partial Amendment to the Articles of Incorporation (Establishment of Special Investigation Committee Regarding Director Mitsudo Urano)**

### Details of the proposal

It is proposed that the following provision be added to the Articles of Incorporation:

"The Company shall establish a special investigation committee to find out and evaluate factual situations, and consider measures to prevent recurrences, regarding whether an issue that Director Mitsudo Urano's failure to describe a reason for proposal of a shareholder proposal in a notice of convocation was determined to be an illegal act by the Tokyo District Court and an issue that an allegation which appears to assert that a mentally-handicapped person does not have rights as a shareholder was made in a court proceeding for a case in which a claim for compensation for damage was made for such illegal act constitute illegal acts such as a hate speech or a breach of compliance ."

### Reason for the proposal

The Tokyo District Court (Civil Department No. 8, Presiding Judge Shinya Onodera) ruled against HOYA CORPORATION, for which Director Urano serves as outside director, for failure to describe the reasons for the amendment proposals in the notice of convocation for its ordinary general meeting of shareholders in June 2014. The Court held that such act was illegal, stating that "the defendant's failure to include the omitted portions in the notice is considered as a violation of Article 93, Paragraph 1 of the Ordinance for Enforcement of the Companies Act" and "the failure to include the omitted portions in the notice is recognized as a reason for revocation of the relevant resolution (Article 831, Paragraph 1, Item 1 of the Companies Act)" (2014 (WA) No. 24338, Case of Claim for Revocation of Resolution at the General Meeting of Shareholders, judgement made on March 26, 2015). In a separate case in which a claim for compensation for damages for such illegal act was disputed, a crazy allegation was made against a shareholder that such shareholder has a passbook for mentally-handicapped person, which must be said as a hate speech against a mentally-handicapped person. Director Urano has considerable liability as an outside director of HOYA CORPORATION which, at the time when awareness of human rights is requested, made an assertion as if a mentally-handicapped person does not have rights as a shareholder, including by making an illegal petition to restrict access through its counsel, Attorney Norimitsu Arai and Attorney Tsuyoshi Shimizu, et al, and his moral and legal liabilities should be sought. If a proposal nominating Director Urano as candidate for Director would be made by the Company or such proposal would have been made by a shareholder for notification to shareholders, the proposing shareholder demands that the details of and reason for the following amended proposal be included in the Notice of Convocation or reference material.

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Articles of Incorporation of a company are to set forth basic principles of a company and it is not appropriate to provide for establishment of a special investigation committee regarding a specific execution of business like this in the Articles of Incorporation.

Therefore, we believe that there is no need to add the provision proposed by the shareholder to the Articles of Incorporation.

[The details of and reason for the proposal are described as stated in the document submitted by the shareholder, regardless of their truth or falsity]

## Agenda No. 20: **Election of Director**

### Details of the proposal

It is proposed that Mr. Lucian Bebchuk be elected as Director instead of Mr. Mitsudo Urano.

### Reason for the proposal

At an oral proceeding in a case of claim for compensation for damage regarding non-inclusion of the reason for shareholder's proposal in a notice of convocation, Director Mitsudo Urano made an assertion against a shareholder that such shareholder has a passbook for mentally-handicapped person, which almost amounts to a hate speech. Surprisingly, despite submitting a documents including his allegation in front of the court at an oral proceeding at the court which is in principle made open to the public, he made a petition seeking restriction on access which the presiding judge admitted lacking eligibility. Japan ratified the "Convention on the Rights of Persons with Disabilities" in 2014, and the Japanese government has the duty to ensure that persons with disabilities enjoy the same human rights as others without discrimination. After an incident in Sagami-hara where persons with disabilities were killed or injured in a facility, Prime Minister Abe and Chief Cabinet Secretary Suga promised for the government to make every effort to uncover the truth and take measures to prevent recurrences. The proposing shareholder and others were surprised that a director of a financial institution having public nature made such an assertion lacking awareness of human rights. There is no appearance of sincerity, including the number of concurrent positions held by him.

Candidate for Director: Lucian A. Bebchuk

Profile: Born in Poland on December 4, 1955. After he received B.A. in Mathematics and Economics from the University of Haifa and an LL.B. from the University of Tel-Aviv, moved to the United States and received an LL.M. and S.J.D in Law and a M.A. and Ph.D in Economics from Harvard University. His work includes "Pay without Performance: the Unfulfilled Promise of Executive Compensation", co-authored with Jesse Fried. Especially known for his study in the "Long-Term Effects of Hedge Fund Activism" which analyzed approximately 2,000 cases in the United States from 1994 to 1997, demonstrating that management indexes improve toward 5 years after targeted by activities by activists in terms of both ROA (Return on Assets) and "Tobin's q" (ratio of corporation's corporate value divided by re-acquisition cost of capital).

### Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this proposal.

The Nominating Committee of the Company that solely consists of Outside Directors has the policy in selecting candidates for Outside Directors of proposing persons who not only have knowledge and experience as outside directors but are highly independent and capable of making discussions toward enhancement of corporate value from the standpoint of shareholders. We believe that the composition of Directors as proposed in the Company's proposal in the agenda for election of Directors is most appropriate and sufficient for the Company.