

Value Creation Initiatives

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CSO/CSuO Message

CSO/CSuO Message

CSO: Chief Strategy Officer
CSuO: Chief Sustainability Officer



Nobuki Iwadate

Group CSO,
Group CSuO and Executive Officer,
Resona Holdings

In the face of an increasingly uncertain business environment, corporations are being called upon to reconsider why they are promoting sustainability and how they will improve corporate value.

Social Division and Antagonism Exert an Economic Impact That Also Affects Sustainability —

In a society where people's value systems are becoming increasingly diverse, we are being called upon to maintain a keen awareness of the risk of social division and antagonism. Currently, looming geopolitical tensions and the decoupling of economic zones are not only impacting financial markets but also contributing to overall uncertainty in the outlook for the Japanese economy.

These conditions are also impacting sustainability. People's perceptions of what constitutes sustainability vary greatly by country and region, as do relevant legal regulations. We are now encountering a growing number of circumstances in which conventional

norms are no longer applicable. Given this environment, the difficulty of formulating a long-term business outlook has increased.

Taking these complex circumstances into account, it is up to me as the officer in charge of formulating the Company's strategies and promoting sustainability to tackle this reality head on and take action to blaze our path toward the future. I am striving to fulfill this important mission entrusted to me by the CEO and have taken on board "flexibly adapting to changes" and "determining the long-term direction" as two essential components of the Company's growth strategies.

Flexibly Adapting to Changes

The pace at which AI, DX and other digital technologies are advancing has accelerated beyond all expectations. In addition, the scope of business operations affected by these technological advancements is expanding rapidly, precipitating fundamental changes in customer behavior and expectations. At the same time, ongoing demographic aging coupled with a low birthrate is having long-term effects on the structure of regional economies and funding demand.

The changes described above call for the redesign of our business and service models, a process that requires a flexible and agile management approach. We should not only be striving to accommodate changes but to discover opportunities arising from such changes. We consider this openness to opportunity to be an essential quality for financial institutions going forward.

For more details on our initiatives, please also refer to the CDIO Message (▶p. 74) and CPRO Message (▶p. 75).

Determining the Long-Term Direction

Promoting sustainability is an essential management issue and we recognize that our approach should not be swayed by changes in the external environment. It is essential to chart our course to the future as envisioned in our Purpose and Long-Term Vision.

As a company responsible for providing finance, a component of social infrastructure, we are in a position to address evolving customer needs while supporting social sustainability.

In this light, "flexibly adapting to changes" and "determining the long-term direction" are not contradictory endeavors. Rather, the two must be integrated to enable us to improve our corporate value.

"Starting with addressing issues confronting customers and society as a whole, we seek to thoroughly configure our business approach and practice such approach." Never a mere sentiment, this is an enduring description of what we do and are. We make decisions and take action in accordance with this principle even as we strive to improve our corporate value by "flexibly adapting to changes" and "determining the long-term direction."

Source of Competitiveness—"Connection" and "Co-Creation"

The fact that the ultimate source of business competitiveness lies in human capital requires no debate. The combination of diverse human resources equipped with a range of knowledge, experience and value systems provides businesses with the flexibility, creativity and power needed to deliver new value even in an era of radical changes like this moment.

These topics are elaborated on in the CHRO Message (▶p. 62). Accordingly, I will point out the fact that our connections with customers and society as a whole constitute yet another essential source of the Company's competitiveness.

The Company boasts 16 million individual customers as well as 500,000 corporate customers. These figures do not simply represent the number of transactions but are a testament to our deep involvement, as a financier, in people's daily lives and corporate activities.

In the past, the Company was confronted by adversities arising from a management crisis involving the injection of public funds. This substantially damaged the Company's financial value, negatively impacting the trust and confidence of customers. However, we were nevertheless allowed to continue operations. We believe this was because over the years we had built and nurtured connections with customers. These connections were considered sufficiently valuable and worthy of being preserved for the sake of society.

This experience now serves as a cornerstone for all of us, prompting us to regularly revisit such questions as "What is trust?" and "What is a business's reason for being?"

We now consider these "connections," along with "co-creation," to be a future source of power as we enter an era in which businesses are called upon to redefine their genuine value from the perspective of sustainability.

At the moment, we are amid a phase of broadening and deepening these connections. We are working not only to strengthen our relationship with customers but also to nurture new connections with a diverse range of stakeholders, such as business partners, regional communities, administrative agencies, educational institutions, startups, and NPOs. We believe that co-creation involving these stakeholders will be key to adapting to changes and enhancing our value creation capabilities.

These relationships, which enable us to engage in co-creation with an even broader range of stakeholders, are not necessarily formal business alliances; rather, they are connections that allow us to address social issues while creating new services and enriching our relationship with customers. In this way, we are creating a cycle that builds deeper bonds of trust with society.

We are convinced that the endeavors described above will not only lead to improvements in financial results but also enable the Company to stably enhance its social, human and intellectual capital.

The Long-Term Sustainability Indicators presented below play an important role in management's assessment of the Group's progress and pursuit of ongoing sustainability initiatives. Please refer to the detailed explanations of these items that are presented later in this report.

Long-Term Sustainability Indicators				
		FY2023	FY2024	FY2030 (target levels)
Value for customers and society	Value Creation Capability Indicator Number of cases where solutions are provided	11.8 million cases	12.9 million cases	20.0 million cases
	Retail Transition Financing (RTF) Target (cumulative total balance of funds extended in RTF)	¥3.7 trillion	¥5.7 trillion	¥10 trillion
Environmental value	Declaration of Net-zero Greenhouse Gas Emissions in the Investment and Financing Portfolio	—	—	2050 Net zero
	Interim target for the energy sector (Portfolio carbon intensity)	150gCO ₂ e/kWh (FY2022)	145gCO ₂ e/kWh (FY2023)	100 to 130gCO ₂ e/kWh
	Carbon Neutrality Target (Scopes 1 & 2)	From FY2013 level (69)%	From FY2013 level (76)% (provisional value)	Net zero
Social value	Targets for the Empowerment and Promotion of Women Ratio of directors and executive officers ¹ Ratio of senior managers ² Ratio of line managers ²	12.1% ³ 14.8% 32.8%	11.7% ⁴ 16.5% 34.4%	30% or more 20% or more 40% or more
Value for employees	Well-Being Indicator Ratio of positive responses in questionnaires regarding a sense of fulfillment felt in work and private life as part of employee surveys	70.0%	72.1%	Increase the ratio of positive responses

¹ Resona Holdings

² Sum of Resona Holdings and the four Group banks; figures for FY2023 include Kansai Mirai Financial Group

³ As of April 1, 2024

⁴ As of April 1, 2025

Toward the Creation of a Sustainable Society

Governance **A Basic Framework Enabling the Board of Directors to Supervise Sustainability Initiatives**

The Board of Directors has established important policies regarding how the Resona Group will respond to the expectations of society and live up to the trust placed in it through its business activities and how it will create resonance between a sustainable society and its own sustainable growth.

Based on these policies, executives have identified issues (materiality) of particular priority for the Group as well as indicators and targets (i.e., Long-Term Sustainability Indicators) to ensure that management can directly promote and control initiatives to address such materiality.

Progress in these initiatives is being overseen by the Group Sustainability Promotion Committee, which meets quarterly and consists of executives.

Specifically, the committee determines annual in-house KPIs for a number of indicators and targets, monitors them throughout the year, and carries out an overall review and verification at the end of each year. The results of these activities are annually reported to the Board of Directors in accordance with criteria established by the Board regarding agenda items to be submitted to its meetings.

In addition, matters deemed particularly important are addressed by the Board on an as necessary basis. In this way, we have secured a robust structure that ensures proper supervision

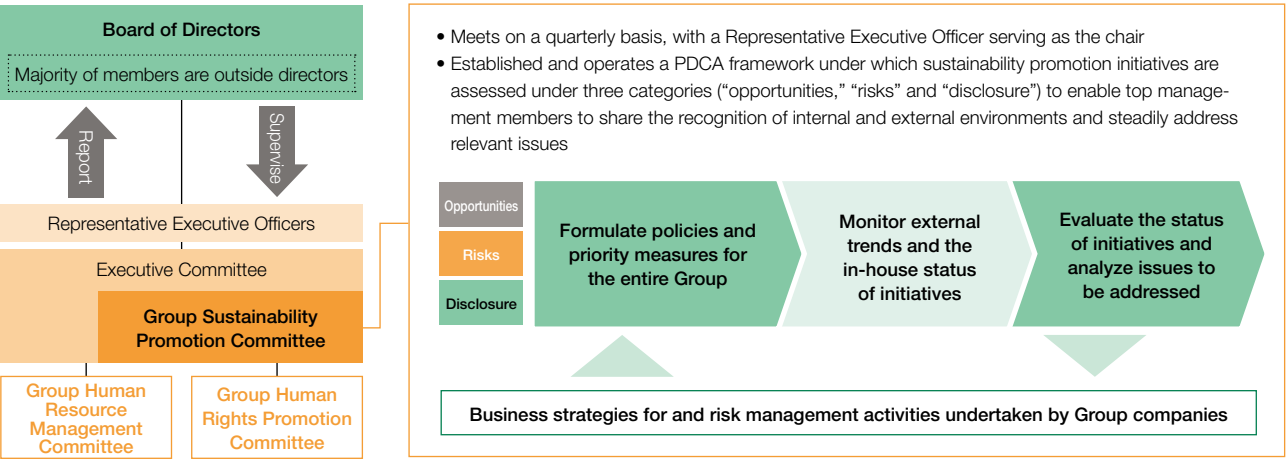
over sustainability initiatives.

With outside directors constituting its majority, the Board of Directors addresses reports from executives and engages in multi-faceted discussions to issue opinions and instructions, with the aim of pushing ahead further with sustainability initiatives.

Furthermore, by including skills related to “sustainability” and “diversity & inclusion” among those particularly expected of director candidates (➡p. 97), we have established a framework to equip the Board of Directors with members boasting a range of specialist experience and knowledge.

With the aim of promoting sustainability initiatives across the entire Group, the Sustainability Promotion Committee is chaired by the President of Resona Holdings and consists of such executives as presidents of Group banks, officers in charge of corporate planning departments, risk management departments, corporate sales departments and individual sales departments as well as the president of Resona Asset Management.

To each of its meetings, the committee invites an external specialist to serve as an advisor with the aim of supplementing objectivity and specialist knowledge with regard to the promotion, management and evaluation of initiatives. The opinions and advice provided by this specialist are reflected in committee deliberations.



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

The Company's policies for the determination of compensation for directors and executive officers are determined by the Compensation Committee, whose membership consists exclusively of independent outside directors.

The compensation system in place for executive officers takes into account ESG indicators and, to this end, utilizes evaluations conducted by an external firm to determine the content of medium- to long-term incentives. Among these are such environmental indicators as GHG emissions volumes as well as the presence or

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

In addition, evaluation criteria for determining the content of annual incentives under this system include the annual results of initiatives related to the achievement of Long-Term Sustainability Targets. As such, compensation for executive officers is linked to evaluations granted to the recipients in terms of sustainability initiatives. (➡p. 94)

Main Content of Relevant Agenda Items Submitted to and Other Subjects Discussed by the Board of Directors (July 2024 to June 2025)

- Top risks addressed in FY2024 (including our response to climate change and biodiversity, etc.)
- Revision of the Resona Group Environmental Policy (clarification of a stance centered on reducing negative environmental impacts throughout the value chain)
- Outcomes of FY2024 sustainability initiatives and issues to be addressed going forward
- Status of dialogue with institutional investors and points to be considered in order to enhance our activities

Main Opinions Contributed by Board Members on Outcomes of FY2024 Sustainability Initiatives and Issues to Be Addressed Going Forward

Main Achievements

- Achieved in-house KPIs, including the Retail Transition Financing Target
- Assessed the current status of decarbonization initiatives undertaken by corporate customers
- Strengthened intraregional collaboration leveraging opportunities afforded by Expo 2025 Osaka, Kansai
- Enriched educational content to enhance the general public's financial literacy and strengthened collaboration with external organizations to promote SDGs awareness among students
- Initiated a Groupwide response to the enactment of the revised Act for Eliminating Discrimination against Persons with Disabilities
- Maintained our ongoing inclusion in ESG index selected by GPIF (domestic stock), etc.

Issues That Must Be Addressed Going Forward and Priority Measures

- Step up collaboration between frontline sales staff and external partners to stimulate demand among SME customers
- Strengthen external collaboration to assess trends regarding SX in Japan and overseas
- Assess the current status of decarbonization initiatives undertaken by corporate customers while engaging in ongoing dialogues
- Review materiality and long-term KPIs in light of changes in society
- Upgrade information disclosure in accordance with standards issued by the Sustainability Standards Board of Japan (SSBJ), etc.

Steadily make immediate progress and implement preparatory measures over the medium to long term

Main Opinions Voiced by Outside Directors

- With regard to the empowerment of women, the number of female managers and senior managers has increased steadily, albeit slowly, and the Group's efforts in this area can be considered robust. On the other hand, increasing the representation of female officers will demand even more progressive measures. The Group's related endeavors therefore need to be accelerated.

Sustainability-Related Policies Determined by the Board of Directors

	Resona Group Sustainability Basic Policy	Resona Group Environmental Policy	Resona Group Human Rights Policy
Main items	<ul style="list-style-type: none">• Promoting Sustainability through Business Activities• Developing a Management Structure Supporting the Promotion of Sustainability• Participation of All Officers and Employees and Dissemination of the Policy• Engagement with Business Partners and Suppliers• Building Relationships of Mutual Trust with Society• Governance	<ul style="list-style-type: none">• Scope of Application• International Norms, Rules and Initiatives Supported by the Group• Environmental Commitment• Engagement with Stakeholders• Dissemination of the Policy and Education• Disclosure• Governance Structure• Periodic Review of the Policy	<ul style="list-style-type: none">• Scope of Application• Applicable International Norms• Commitment to Respecting Human Rights• Human Rights Due Diligence• Grievance Mechanism• Engagement with Stakeholders• Dissemination of the Policy and Education• Disclosure• Governance Structure• Periodic Review of the Policy

Main Topics Discussed by the Group Sustainability Promotion Committee and the Executive Committee (FY2024)

- Setting of in-house KPIs for FY2024 and annual progress in the achievement of such KPIs
- Review and evaluation of FY2024 initiatives as well as how to respond to issues going forward
- In-house KPIs for FY2025
- Identification and examination of points to be discussed in the course of reviewing materiality

- Content of information to be disclosed in the Integrated Report (FY2023)
- Status of ESG-related external ratings and measures to be undertaken to enhance information disclosure
- Status of response to the enactment of the revised Act for Eliminating Discrimination against Persons with Disabilities
- Initiatives related to financial and economic education and measures to be undertaken going forward, etc.

FY2024 Highlights

In the course of setting in-house KPIs at the beginning of the fiscal year, some internal officers stated that “it is necessary to deliberate whether the present composition of KPIs and the levels they are set at are appropriate in light of current changes in society.” As a result of the above discussions, we have concluded that the materiality and long-term indicators need to be reviewed as these constitute the basis for in-house KPIs. This, in turn, caused us to launch a review of materiality. With regard to these discussions, the external advisor provided us with

advice, stating that “present issues regarding sustainability are quite diverse and complex; it is important to clarify what the Resona Group values as a corporation in responding to such issues.” Furthermore, with regard to the review of materiality, the Board of Directors requested that a sufficient amount of time be allocated for discussions at the planning stage. In accordance with this request, the review of materiality was included in agenda items to be addressed twice via free discussion sessions in FY2024.

Strategy

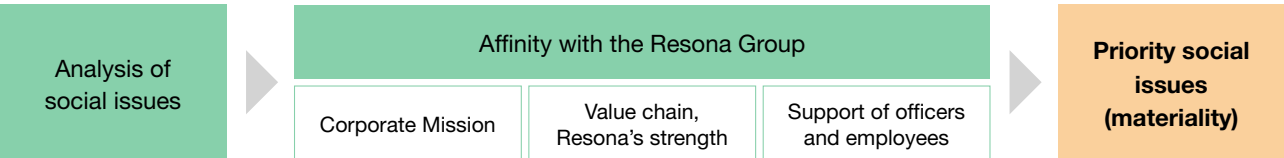
Material Social Issues That Should Be Tackled by Resona

For the Resona Group to sustainably improve its corporate value, it must enhance both its economic and social value.

In an increasingly complex society, we are being called upon to help people move forward toward a better future with confidence and hope. We aspire to fulfill this mission irrespective of changes in society. Accordingly, our business approach is thoroughly configured to always start with addressing issues confronting customers and society as a whole. This approach constitutes the core of our strategy.

Guided by the aspiration described above, we are striving to enhance our ability to deliver value from the aspects of economic and social value. As part of these efforts, from among a variety of social issues we have identified important items (materiality) that are of particular priority for the Group, selected with reference to the Corporate Mission, the Group's value chain and strength, awareness of these issues among top management members and employees, and other input.

Selection process for important social issues (materiality)



Priority social issues (materiality)	Main Opportunities and Risks		Relationships between Social Issues and Resona's Areas of Business Focus							Long-Term Sustainability Indicators
	Opportunities	Risks	Strengthening of Value Creation Capabilities							
			Loans	Succession	Asset Formation Support	Housing Loans	Cashless / DX Solutions	Financial Digital Platform	Inorganic Strategy	
Local Communities Revitalization of Local Economies	<ul style="list-style-type: none">Growing need for SX related assistance services among SMEsGrowing need for DX solutions and the use of AI technologiesFundraising and capital funding needs on the back of the evolving macro environment	<ul style="list-style-type: none">Shrinkage of regional economies due to population declineDelays in adaptation to changes in social and industrial structuresProlongation of fallout from inflation and its impact on corporate customersDeterioration of strategic execution capabilities due to the lack of essential human resources	●	●	●	●	●	●	●	
Low Birthrate and Aging Society Elimination of Anxiety Triggered by Low Birthrate and Aging Society	<ul style="list-style-type: none">Need for solutions that ensure the smooth succession of businesses and assetsNeed for long-term asset formationNeed for solutions in preparation for growing future anxiety		●	●	●	●	●	●	●	
Environment Response to Global Warming and Climate Change	<ul style="list-style-type: none">Need for fundraising aimed at realizing carbon neutralityNeed for financial products designed to address environmental concernsNeed for fundraising aimed at securing preparedness against ever more frequent natural disastersFresh industrial growth in step with a transition to a circular economy	<ul style="list-style-type: none">Stagnation in businesses run by corporate customers due to delays in their response to public calls for carbon neutrality and biodiversity protectionIncreasing occurrence of abnormal weather or a natural disaster causing severe damage to business bases and housing	●		●	●	●	●	●	
Human Rights Diversity & Inclusion	<ul style="list-style-type: none">Enhancement of competitiveness and productivity thanks to the consolidation of inputs from workers with diverse value systemsEmergence of new markets in step with the diversification of value system	<ul style="list-style-type: none">Deterioration in product and service quality as well as a loss of human resource and organizational vitality due to the stagnation of diversity related initiatives				●	●	●	●	
Development of Next-Generation Management Platforms			Governance		Human Capital		Intellectual Capital			

Toward the Creation of a Sustainable Society

Strategy Supporting Customer Efforts to Promote Sustainability Transformation (SX)

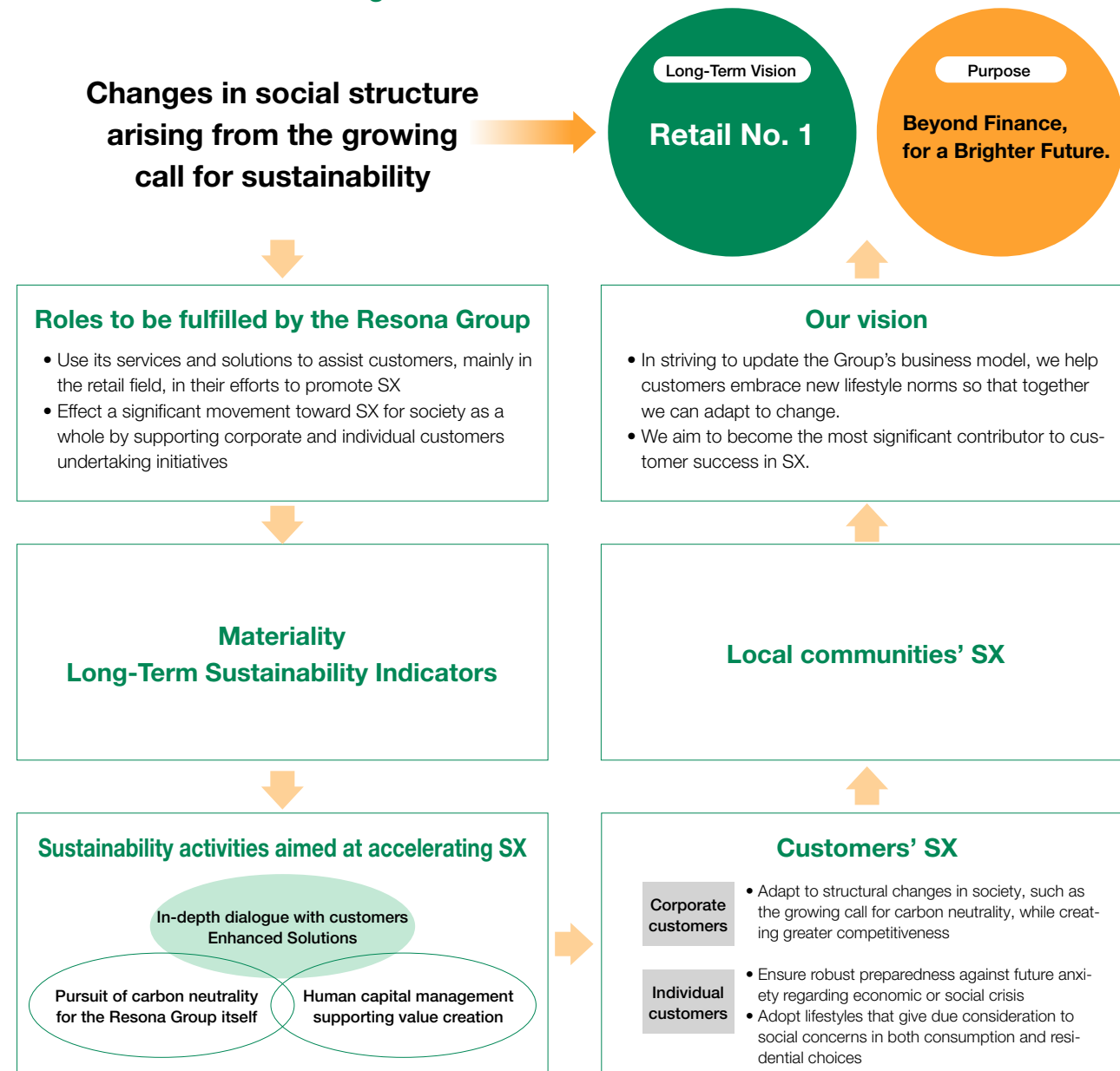
The Resona Group believes that its corporate growth must always be in step with the growth of its customers and their local communities, regardless of changes in society.

Accordingly, we consider opportunities and risks associated with important social issues (materiality) of priority for the Group to be always linked with opportunities and risks for customers.

In order to sustainably enhance the Group's corporate value, adapting to major structural changes in society, such as the growing

need to achieve SX and DX, is essential. Furthermore, the Group's efforts in these areas should not be limited to its own operations, but include helping its customers and their local communities to do the same.

To this end, the Group is promoting SX within the framework described below.

A Framework for Promoting SX

Within the above framework, we have positioned "in-depth dialogue with customers" and "enhanced solutions" as two drivers that directly aid customers in their SX efforts.

The majority of the Group's customers consist of SMEs and individual customers. Because the business environments that SMEs typically operate in differ widely from what large enterprises face,

helping an SME promote SX requires in-depth dialogue aimed at fully understanding their unique circumstances and identifying bottlenecks hampering their efforts to achieve SX. Moreover, we need to be able to offer enhanced solutions that enable them to take the first step and steadily move forward toward future business growth. We thus consider these two drivers of importance.

In-Depth Dialogue with Customers

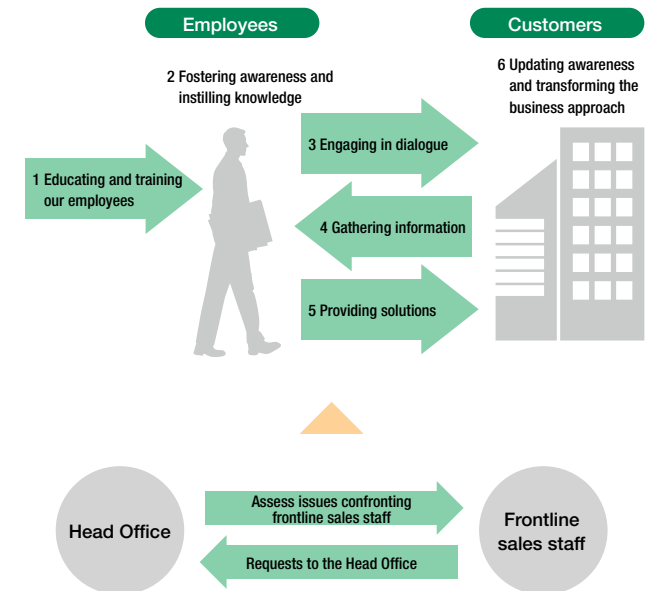
As illustrated in the diagram on the right, the Group has taken various organizational actions aimed at supporting customer efforts to update their awareness and transform how they approach their business (arranged into six steps). Every year, we specify a step for particular focus and identify associated annual in-house KPIs.

When our actions fail to yield expected outcomes, we examine each step and analyze its flaws. This ensures that we are able to constantly improve and upgrade our initiatives.

In FY2024, we launched interviews with SME customers based on a flow of model initiatives we established in accordance with our own standards to help them promote initiatives to achieve carbon neutrality and, to this end, steadily move forward from their current situation.

As a result, we distributed customer questionnaires, acquiring more than 20,000 responses on a consolidated basis in line with our particular focus on helping customers assess their current situation and identify the steps they should take next.

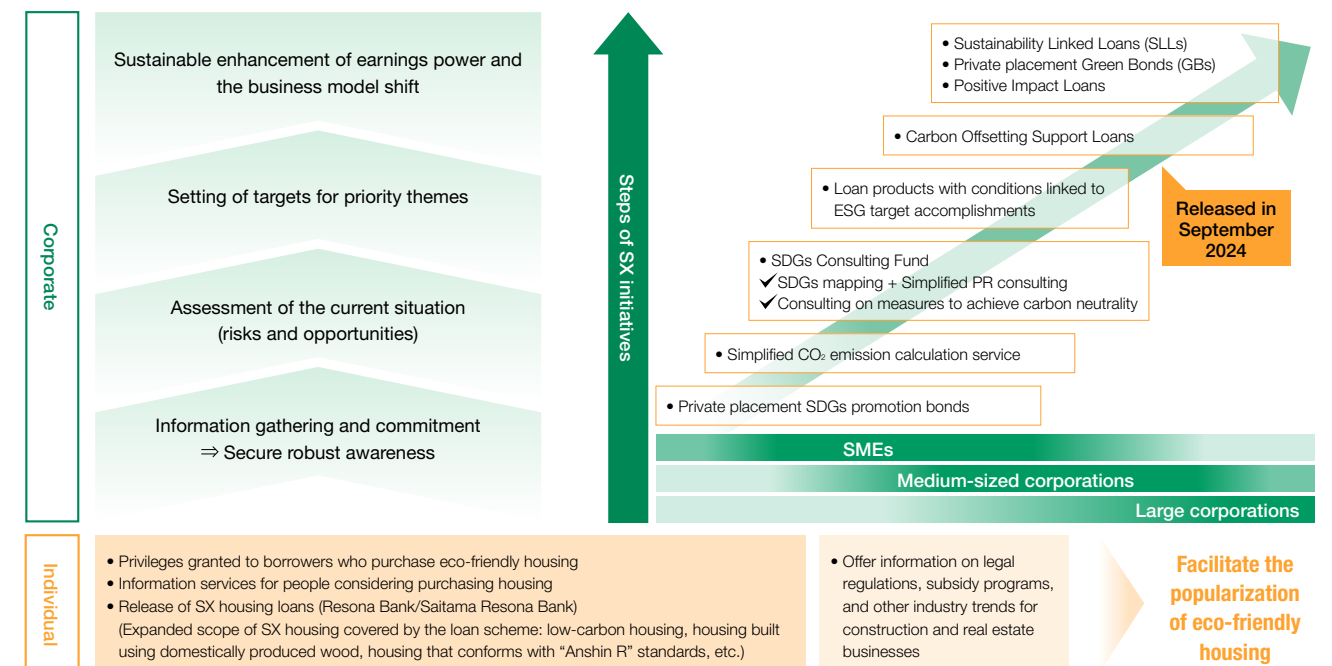
To enhance our organizational action capabilities, we have also undertaken detailed interviews with frontline sales staff to assess issues they are confronting and ask them to submit requests to the Head Office as part of efforts to extend even more robust support to these individuals from the Head Office.

**Enhanced Solutions**

The status of sustainability efforts undertaken by SMEs and the management resources they can afford to allocate to such efforts vary greatly by company. With this in mind, we strive to assess the current situation of each via dialogue while, at the same time, constantly upgrading solutions aimed at helping them steadily take the next step.

In September 2024, we began delivering "Carbon Offsetting

Support Loans," a loan product designed to provide borrowers with a comprehensive set of assistance services. These range from those supporting the calculation of GHG emissions (based on the volume of activities) as well as carbon-offsetting solutions aimed at helping borrowers address GHG emissions that remain in place even after successful reduction efforts to the provision of information disclosure-related assistance packages.

Relevant items included in Long-Term
Sustainability Indicators

Retail Transition Financing Target ⇒ p. 56

Toward the Creation of a Sustainable Society

Strategy Climate Change

The Resona Group could be affected materially by either transition to a decarbonized society or the progression of global warming.

With this in mind, we have identified climate change response as an important social issue (materiality) that should be prioritized by the Group. Based on our recognition of opportunities and risks

arising from climate change, we are endeavoring to reduce the volume of greenhouse gas (GHG) emissions associated with our investment and financing portfolio as well as the volume of GHG emissions from our own energy use.

Business Opportunities and Risks Arising from Climate Change

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

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

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

Projected developments

- GHG emissions from businesses are severely restricted by government-led policies and laws.
- Advances in and the popularization of low-carbon technologies enhances the availability of low-carbon alternatives to existing products and services.
- Frequency of sudden occurrences of abnormal weather remains virtually unchanged.

Impact on the financial industry

Financing streams will be ever more focused on measures to alleviate climate change impact.

Time frame

Short to long term

Projected financial impact

Opportunities	Product and service markets	Growing funding needs among businesses for the development of low-carbon products and services and capital expenditure aimed at reducing their GHG emissions Increased opportunities for the Group to offer financial services due to growing public awareness of climate change
	Resource efficiency, energy sources, and market resilience	Reduction in business costs due to enhanced resource and energy efficiency Shift to low-carbon energy sources and the resulting alleviation of the future impact of carbon price surge Growth in the Group's corporate value due to the implementation of a sustainability-focused business model

Risks	Transition risks	Policy and legal	Introduction of stringent government-led policies and regulations negatively affecting the operations of corporate customers and reducing the value of the Group's loan assets
		Technology and market	Advances in low-carbon technologies and changes in consumer preferences prompting a shift to alternative products and services and negatively affecting the operating results of corporate customers, resulting in a reduction in the value of the Group's loan assets
		Reputation	A decline in Resona Holdings' share price due to inconsistencies between strategy and actions or insufficient disclosure of information about climate change
	Physical risks	Acute	Virtually unchanged frequency of sudden occurrences of abnormal weather (hence, no major financial impact is expected)
		Chronic	No chronic and irreversible climate change (hence, no major financial impact is expected)

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

Projected developments

- Without notable breakthroughs in climate change countermeasures, the volume of overall GHG emissions continues to grow at the current pace.
- Due to an increase in the number of sudden occurrences of abnormal weather, society suffers even more significant damage.
- Chronic and irreversible changes, such as a sea level rise, affect economic activities undertaken by businesses and individuals.

Impact on the financial industry

Financing streams will be ever more focused on measures to adapt to climate change effects.

Time frame

Short to long term

Projected financial impact

Opportunities	Product and service markets	Growing demand for funding for public projects and capital expenditure aimed at alleviating physical damage attributable to abnormal weather
	Resource efficiency, energy sources, and market resilience	Reduction in business costs due to enhanced resource and energy efficiency

Risks	Transition risks		No significant breakthroughs in climate change countermeasures (hence, no major financial impact is expected)
	Physical risks	Acute	Reduction in the value of the Group's loan assets due to the impact of climate change, such as the suspension of business induced by damage to corporate customers' facilities, the absence of such customers' employees due to damage to their homes, or a decline in the value of collateral assets due to such damage
		Chronic	Suspension of the Group's operations due to damage to its facilities or injuries to its employees because of a disaster

In-Depth Qualitative Analysis of Climate Change Scenarios

We recognize that the risks and opportunities described above could result in a significant financial impact on our portfolio of loans, which represents the Group's largest asset.

Based on this recognition, we have selected priority sectors requiring urgent action from among carbon-related sectors specified

by the TCFD. Targeting these sectors, we conducted an in-depth analysis of climate change scenarios.

Currently, these priority sectors comprise ① “Energy / Utility,” ② “Transportation / Automotive” and ③ “Real estate development / Construction.”

Process Used to Select Priority Sectors

Assess climate change impact by sector	With reference to information published by the TCFD, the United Nations Environment Programme Finance Initiative (UNEP FI) and the Sustainability Accounting Standards Board (SASB), assess the magnitude of the climate change impact on sectors deemed susceptible
Account for credit amounts by sector	In addition, take into account the proportion ¹ of assets relevant to each sector included in the Group's portfolio
Reflect the portfolio-based GHG emissions volume	Take into account the relative proportions of GHG emissions volumes (Scopes 1 + 2 and Scope 3) from each sector in the portfolio
Determine priority sectors	Determine priority sectors based on the results of the above processes

	Climate change impact	Portfolio size	Scale of GHG emissions volumes	Selection results
Energy / Utility	Large	Small	Large	Priority sector (①)
Transportation/Automotive	Large	Medium	Large	Priority sector (②)
Real estate development / Construction	Medium	Large	Medium	Priority sector (③)
Material	Large	Small	Large	Not selected ²
Agriculture / Food	Medium	Small	Small	Not selected
Pulp / Forestry products	Large	Small	Small	Not selected

Formulation of Scenarios for Each Priority Sector and the Qualitative Analysis of Developments in Climate Change-Related Risks

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

① Identify important factors associated with risks and opportunities	With reference to information published by the TCFD, the UNEP FI and the SASB, conduct surveys and identify important factors considered to exert a profound impact on risks and opportunities affecting each sector
② Assume the future status of society and possible impact on each sector	Analyze important factors identified via ① left and assume the magnitude of climate change impact and the timing of its materialization based on highly objective parameters recommended by the International Energy Agency and other bodies that support a scientific approach. Incorporate findings from this analysis into the “Five Forces Analysis” ³ to hypothesize the future status of society and thereby assess the impact on priority sectors
③ Formulate scenarios and conduct qualitative analysis	Formulate certain scenarios and assess developments in climate change-related risks in each sector

① Important Factors Associated with Risks and Opportunities in Each Sector

① Energy / Utility		② Transportation / Automotive		③ Real estate development / Construction	
Policy	Introduction and/or heightening of carbon tax	Policy	Introduction and/or heightening of carbon tax	Policy	Introduction and/or heightening of carbon tax
Legal	Tightening of GHG emission regulations	Legal	Tightening of GHG emission regulations	Legal	Strengthening of environment-related building regulations
Market	Popularization of renewable energy	Market	Rising energy prices	Market	Shift in customer needs to buildings with higher environmental performance
Reputational	Higher customer awareness regarding the need to address environmental concerns	Technology	Transition to electric vehicles	Acute	Increasingly frequent occurrences of flooding and other natural disaster damage
Acute	Surging expenses for the reinforcement of disaster countermeasures and the emergence of physical damage	Acute	Operational impact of a catastrophic disaster		
		Chronic	Damage to railroads due to heat expansion and rising air conditioning expenses (transportation)		

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

Priority sectors	Scenario	Future status of society	Impact on sector
① Energy / Utility	1.5°C	Initiatives aimed at achieving carbon neutrality advance significantly, leading to the introduction of a carbon tax and the growing popularization of renewable energy	The use of renewable energy gains popularity at an ever-faster pace with the move toward carbon neutrality
	4°C	Physical risks rise due to the continued dependence on fossil fuels	While fossil fuel demand grows solidly, the sector is affected by frequent occurrences of damage arising from abnormal weather and surging disaster countermeasure costs
② Transportation / Automotive	1.5°C	Initiatives aimed at achieving carbon neutrality advance significantly, leading to the introduction of a carbon tax, the popularization of renewable energy and EVs and the acceleration of modal shift in the transportation sector	Toward carbon neutrality, the use of eco-friendly vehicles and rail cars gains growing popularity, resulting in the acceleration of modal shift
	4°C	Physical risks rise as the transition to a low carbon society fails to gain further momentum	While the market environment remains unchanged, the sector is affected by frequent occurrences of damage arising from abnormal weather and surging disaster countermeasure costs
③ Real estate development / Construction	1.5°C	Initiatives aimed at achieving carbon neutrality advance significantly, leading to the enforcement of carbon taxation, the introduction of building materials with low carbon footprint and the growing popularization of renewable energy	The construction of facilities designed to reduce environmental burden progresses at an ever-faster pace
	4°C	Rising physical risks lead to growing demand for buildings with greater disaster resilience	While the construction of facilities with greater resilience against flooding and other disasters progresses, the sector is affected by frequent occurrences of damage arising from abnormal weather and surging disaster countermeasure costs

1 Large: More than ¥5 trillion; Medium: ¥1 trillion to ¥5 trillion; Small: Less than ¥1 trillion

2 Not selected due to differing risk characteristics associated with each type of material and the resulting segmentation of the portfolio

3 A method of sector analysis accounting for impacts attributable to sellers, buyers, newcomers and alternatives, with policies considered as an element affecting all other factors

Toward the Creation of a Sustainable Society

Climate change

3 Developments in Climate Change-Related Risks

Low risk Medium risk High risk

Priority sectors	Transition risks: 1.5°C Scenario					Physical risks: 4°C Scenario				
	2030	2035	2040	2045	2050	2030	2035	2040	2045	2050
① Energy / Utility										
② Transportation / Automotive										
③ Real estate development / Construction										

Priority sectors	Transition risks: 1.5°C Scenario	Physical risks: 4°C Scenario
① Energy / Utility	Risk becomes constantly high around 2030 based on an assumption that the use of fossil fuel will decrease due to the enforcement of carbon taxation, across-the-board efforts to achieve carbon emission reduction targets and changes in the energy mix	Risk becomes constantly high from 2030 onward based on an assumption that monetary damage arising from flooding will increase approximately 20%, and then subsidies to medium in line with an assumed increase in crude oil prices (approximately 30%) in 2040 and resulting growth in revenue
② Transportation / Automotive	Risk remains medium based on an assumption that demand for vehicles with internal combustion engines (ICEs) will significantly decline around 2030 due to carbon taxation and the enforcement of stricter regulations on such vehicles However, risk becomes constantly high from 2035 onward due to the enforcement of domestic regulations on the marketing of new ICE vehicles in the 2030s, provided that falling demand is not compensated for by demand for eco-friendly vehicles	Risk rises to and remains medium from 2030 onward based on an assumption that monetary damage arising from flooding will increase approximately 20%
③ Real estate development / Construction	Risk remains low based on an assumption that an increase in costs attributable to a possible increase in the regulatory pressure to lower energy consumption intensity will be offset by growing revenue backed by rising demand for net-zero energy buildings (ZEBs) in 2040	Risk becomes constantly high from 2030 onward based on an assumption that monetary damage arising from flooding will increase approximately 20%

In-Depth Quantitative Analysis of Climate Change Scenarios

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

Transition Risks (1.5°C Scenario)

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

In addition, we have positioned "introduction and/or heightening of carbon tax" as an important risk factor to be used as an

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

Target Sectors	All the priority sectors (① "Energy / Utility," ② "Transportation / Automotive" and ③ "Real estate development / Construction")
Assumptions for the Scenario	The assumed impact on the Group's credit risk exposure is based on additional expenses that would be incurred by clients due to the introduction and/or heightening of carbon tax as well as future business responses to the growing public call for carbon neutrality
Reference Scenarios	IEA Net-Zero Emissions by 2050 and IPCC RCP2.6
Analysis Period	Present to 2050
Risk Indicator	Estimated increase in credit costs
Analysis Results	Credit costs could increase during the period leading up to 2050 by a maximum of around ¥93.0 billion

Physical Risks (4°C Scenario)

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

Due to restrictions in data available for analysis, we have positioned

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

Target Sectors	Business Corporations in General
Assumptions for the Scenario	Based on analyses of hazard maps and natural disaster models, we have estimated the frequency of flooding arising from the materialization of acute risk and resulting growth in flood damage. Having assessed the impact of the above factors on the business performance of clients and their real estate properties pledged as collateral for loans, we have thus determined the extent to which the Group's credit exposure would be affected.
Reference Scenarios	IPCC RCP8.5
Analysis Period	Present to 2050
Risk Indicator	Estimated increase in credit costs
Analysis Results	Credit costs could increase during the period leading up to 2050 by a maximum cumulative total of around ¥14.0 billion

Action to Be Taken Based on Results of Scenario Analysis

The results of the preceding scenario analysis suggest that the impact of transition and physical risks on credit costs can be considered limited. However, we believe that these results are not indicative of the full impact on the Group's overall risk exposure as the above analysis has taken into account only a portion of the relevant risk factors while using various assumptions in the course of damage estimation.

The analysis of climate change impact requires the study of a diverse range of risk factors and their intertwining relationships. Moreover, the spillover effect of climate change-related risks could evolve, depending on various underlying factors. Therefore, we will continue striving to enhance the accuracy of our analysis.

At the same time, even though we are in the process of developing more precise analysis methods, we are convinced that climate change is highly likely to have a financial impact on our loan

assets, the largest category of assets in the Group's possession.

Accordingly, we clearly recognize that the opportunities and risks our clients face will directly affect the Group.

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

Looking ahead, we will not only increase the sophistication of scenario analysis but also upgrade the methods used to assess and monitor the volume of financed emissions even as we engage in in-depth customer dialogue and enhance our solutions. In this way, we will assist our customers in their pursuit of carbon neutrality.

Collaboration with Stakeholders Other Than Investees (Participation in Initiatives)

The realization of carbon neutrality requires overcoming a number of hurdles. This also necessitates collaboration with stakeholders other than our investees and borrowers.

To help realize carbon neutrality throughout society, we participate in a variety of initiatives.

PCAF



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

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

GX League



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

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

Sustainability Data
Standardization Consortium



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

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

Relevant Items Included in Long-Term
Sustainability Indicators

Retail Transition Financing Target ➡ p. 56
Declaration of Net-zero Greenhouse Gas Emissions in the Investment and Financing Portfolio ➡ p. 57
Interim target for the energy sector (Portfolio carbon intensity) ➡ p. 58

Reducing GHG Emissions from the Company's Energy Use

If we are to help our customers understand the importance of carbon neutrality initiatives and help them navigate the various difficulties that will come their way, we need to lead the way by reducing the volume of our own energy-related CO₂ emissions.

Also, most of the energy used in the course of our business activities is accounted for by electricity. As a member of several

regional communities, we need to play our part in the popularization of renewable energy by proactively using it.

Taking these factors into account, the Resona Group has set the Carbon Neutrality Target in 2021 and is striving to reduce the volume of CO₂ emissions from its energy use.

Relevant Items Included in Long-Term
Sustainability Indicators

Carbon Neutrality Target (Scope 1, Scope 2) ➡ p. 59

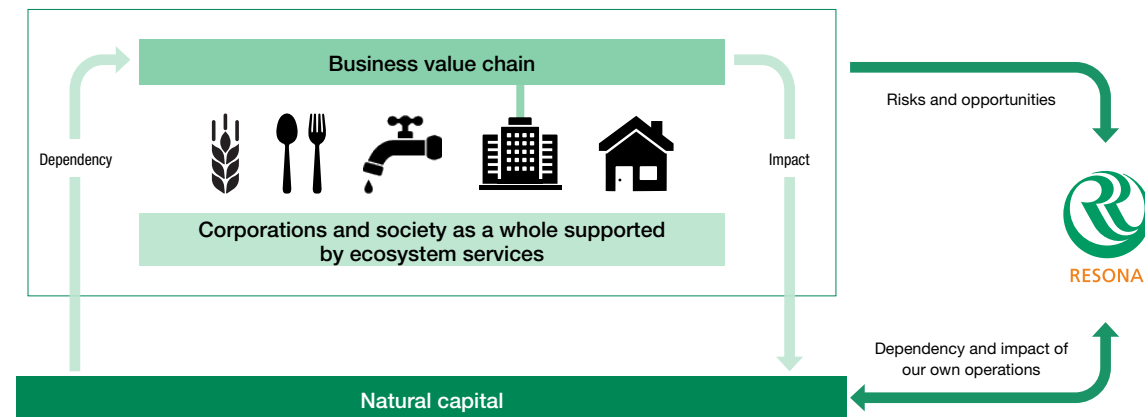
Toward the Creation of a Sustainable Society

Strategy Nature-Related Issues

Relationship between Businesses, Including Financial Institutions, and Natural Capital —

Financial institutions, like ourselves, not only affect natural capital through direct business operations but also maintain a broad and in-depth relationship with such capital through their lending to and investment in corporate and individual customers. Accordingly, these institutions have a responsibility to ensure that nature-related issues are handled properly.

Risks and opportunities arising from our clients' dependency and impact on natural capital are directly linked with risks and opportunities the Resona Group itself faces. With this in mind, the Group promotes the careful analysis of its portfolio of loans, which represents its largest asset, via the use of the LEAP Approach Guidance¹ stipulated under the TNFD's information disclosure framework.



Nature-Related Risks and Opportunities for Clients

Risks / Opportunities		Consequences arising from businesses with high dependency	Consequences arising from businesses with high impact
Risks	Physical risks (chronic)	<ul style="list-style-type: none"> Shortage of raw material supply and resulting growth in procurement costs due to the loss of natural capital and the deterioration of its value 	<ul style="list-style-type: none"> Reputational risks arising from the Group's involvement in the loss of natural capital
	Physical risks (acute)	<ul style="list-style-type: none"> Damage suffered by the Group's business sites and the resulting deterioration of its operating results due to abnormal weather and climate-related disasters of growing magnitude 	
	Transition risks	<ul style="list-style-type: none"> Growth in costs and the suspension of business operations due to the need to respond to shifts in government policies and the strengthening of legal regulations in connection with the restoration and preservation of natural capital 	<ul style="list-style-type: none"> Growth in the cost of responding to shifts in government policies and the strengthening of legal regulations in connection with the restoration and preservation of natural capital Reputational risks arising from inconsistencies between the Group's strategy and actions or its failure to engage in robust initiatives and information disclosure
Opportunities	Resource efficiency, products and services	<ul style="list-style-type: none"> Transition to more efficient services and processes with lower dependence on natural resources and energy and improved resilience against resource shortages Development of resource-saving products and services as well as green solutions Acquisition of new business opportunities arising from the proper assessment of the economic value of regional natural resources 	

Heat Map Analysis

Using ENCORE,² a tool specialized in nature-related risk analysis, we have conducted a heat map analysis of each sector in order to assess its degree of dependency and impact and also determined the proportion of the Group's financing portfolio accounted for by each sector.

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

We also used a six-grade rating system encompassing "Very

High," "High," "Medium," "Low," "Very Low" and "N/A."

As it did in the previous fiscal year, the analysis confirmed that the Group's portfolio includes no disproportional financing to sectors with high dependency and impact.

In our analysis, we will narrow our focus from wider sectors that show disproportionately high dependency and impact down to sectors that account for relatively large proportions of our financing portfolio. After doing so, we will consider conducting value chain mapping, sector-based risk identification, and sector-based location analysis.

Degree of Dependency and Impact by Sector

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

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

Initiatives to Preserve Biodiversity

Protecting regional natural resources available only when the natural environment is flourishing is instrumental to enhancing the resilience of the community and vitalizing its economy. To that end, we engage in initiatives that involve employees and customers willing to play their part in preserving biodiversity even as we help these participants raise their environmental literacy.



"Resona cultivates bonds" — Tree planting project



Cultivating Saitama Resona's forest



Forest development activities undertaken by Kansai Mirai Bank



An Operation Cleanup covering coastal areas along three channels

¹ Guidance on the identification and assessment of nature-related issues: The LEAP approach (issued by the TNFD in October 2023)

² Exploring Natural Capital Opportunities, Risks and Exposure

Toward the Creation of a Sustainable Society

Strategy Our Response to Human Rights-Related Issues

The Resona Group recognizes that its business activities may contribute to a direct or indirect negative impact on human rights. Accordingly, in addition to striving to prevent the occurrence of the negative impact on human rights, the Group endeavors to provide remedies through appropriate procedures if such an impact occurs.

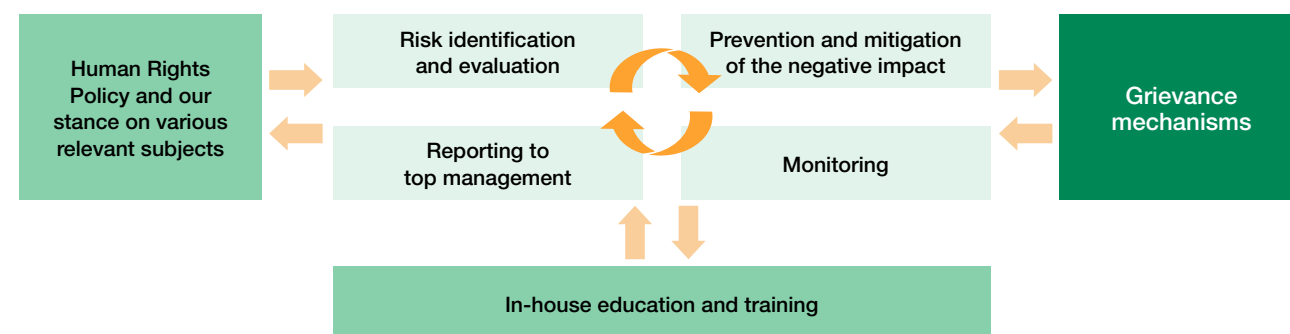
We also strive to identify human rights-related issues deemed particularly important for the Group through a human rights due diligence process and stakeholder engagement and periodically review these issues.

Initiatives to Ensure Respect for Human Rights

The Group has established a Human Rights Policy that stipulates its intention to respect the human rights of all stakeholders and, based on this policy, has developed a framework for ensuring respect for human rights.

We have also named “borrower companies” and “employees” as stakeholder groups requiring particular priority, with human rights due diligence focused on assessing their status. For “suppliers,” we have established and announced our policies and stance regarding how we ensure respect for human rights.

Establishment and Management of Human Rights Due Diligence Process (PDCA)



Response to human rights risks and human rights due diligence			Grievance mechanisms
Customers	Borrowers	<ul style="list-style-type: none"> “Basic Stance on Lending” clearly describes our stance regarding how we ensure respect for human rights Conduct interviews with borrower companies to assess their status of labor management, human resource development and initiatives to ensure respect for human rights (as part of efforts to assess the degree of customer commitment to addressing ESG issues through business operations) 	<ul style="list-style-type: none"> Grievances received by branches as well as those gleaned via our corporate websites and our Customer Consultation Center are reported to the Compliance Committee on a quarterly basis. After investigating each reported case in a manner that honors the consultant’s intention, we implement remedies to address the issue identified via such investigation.
	Individuals	<ul style="list-style-type: none"> Policy on Customer-Oriented Business Conduct and Personal Information Protection Declaration 	
External businesses		<ul style="list-style-type: none"> Policy regarding Purchasing Activities and Declaration on Partnership Building Questionnaires targeting vendors 	<ul style="list-style-type: none"> Established the Resona Legal Counsel Hotline through which an external law office accepts reports
Employees		<ul style="list-style-type: none"> Assessment of the status of employees at home and abroad Establishment of the Customer Harassment Response Policy Establishment of the Harassment Prevention Policy Human rights-related training and education based on the policies named above 	<ul style="list-style-type: none"> The Resona Legal Counsel Hotline and the Resona Compliance Hotline (internal and external hotlines) are in place

Initiatives to Ensure Compliance with the Act for Eliminating Discrimination against Persons with Disabilities

We strive to ensure that our services offered at branches are accessible to all people, regardless of whether they have disabilities, to this end implementing various initiatives.

For example, we have compiled and distributed a “Customer Reception Handbook” that features our basic stance toward the realization of an inclusive society, along with cases of exemplary customer reception involving branch visitors in need of support, including elderly customers. By doing so, we are striving to help employees raise their awareness regarding, and skills to accommodate, such customers.

Furthermore, opinions voiced by customers are consolidated on a quarterly basis and reported to top management on a semi-annual basis or more frequently if necessary so that proper measures are executed to address areas requiring improvement.

Indicators and targets associated with such human rights-related issues as diversity & inclusion are presented in “Value Creation Initiatives Undertaken by Diverse Human Resources” (▶p. 72).

Strategy Initiatives to Enhance the General Public’s Financial Literacy

Money plays an important role, it allows anyone to obtain economic security, fulfill their dreams, and remain true to their authentic self in the course of pursuing their life plans.

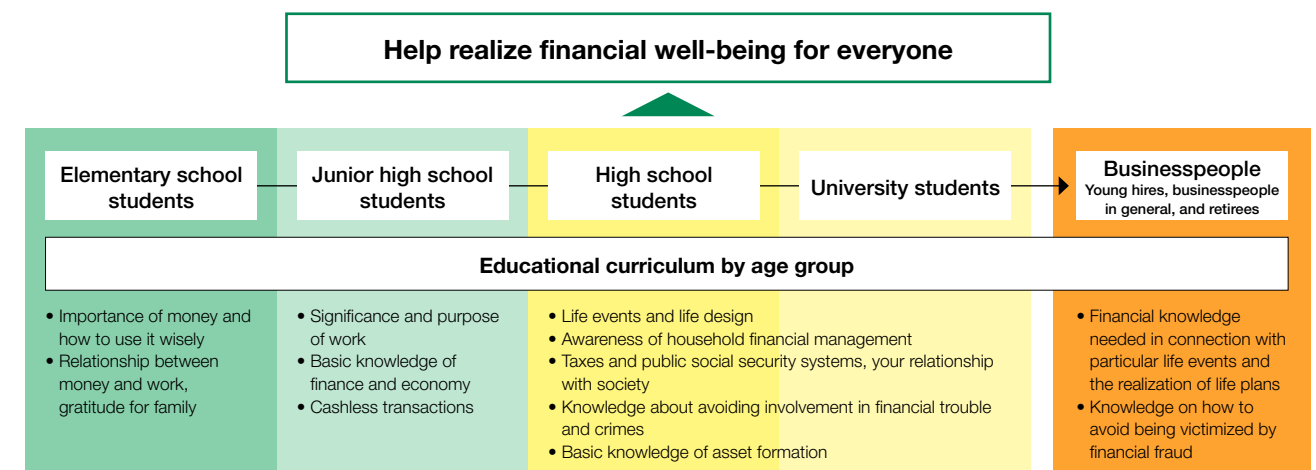
Accordingly, autonomous and independent life design requires diverse knowledge and literacy on how to wisely deal with money.

Today, citizens increasingly need to acquire a range of knowledge in order to adapt to changes in society, which range from

uncertainty about future finances due to an aging population with a low birthrate to a growing rate of financial fraud and the rising popularity of cashless settlement.

The Group therefore aims to help realize a society in which everyone can enjoy financial well-being by enhancing our age group-based curriculum of financial and economic education.

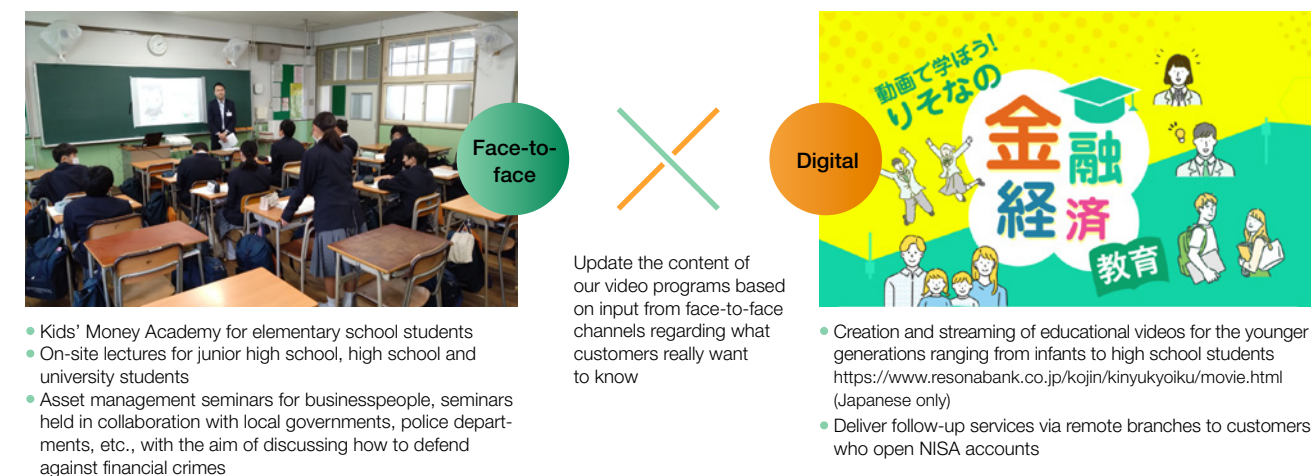
Overview of Our Financial and Economic Education Initiatives



Initiatives Under Way in Both Face-to-Face and Digital Channels

The Group aims for the early realization of financial well-being for all people and, to this end, is enhancing relevant initiatives in both face-to-face and digital channels. Specifically, we provide face-to-face,

in-depth learning programs while distributing digital-based content that can be accessed at anytime from anywhere.



Collaboration with Expo 2025 Osaka, Kansai

On-site lectures for students about to embark on school trips involving visits to Expo 2025 Osaka, Kansai

We planned and implemented special lectures for junior high school students about to visit Expo 2025 Osaka, Kansai, as part of their school trips. These lectures included imparting basic knowledge of cashless settlement and tips on how to wisely manage their spending within the allowances given to them by parents. (Collaboration with Kinki Nippon Tourist Co., Ltd.)

Exhibited “RESOTERRA” as part of Virtual Expo

Our educational content, which was created based on a concept of “Sustainability × Finance,” was exhibited in a virtual venue of Expo 2025 Osaka, Kansai. (▶p. 54)

Toward the Creation of a Sustainable Society

Strategy Sustainability Education

The young people and children who will lead society in the future have the right to know about climate change, the loss of biodiversity, environmental pollution, widening economic dividends and other major issues that possibly threaten social sustainability.

As a company supported by the environment and society while engaging in economic activities, the Resona Group is striving to educate younger generations on a variety of social issues and invite them to think together about how to resolve these issues.

Assessing Environmental and Social Issues from the Economic and Financial Perspective



Sponsoring Collaborative Courses and Endowed Courses for University Students

We sponsor collaborative courses and endowed courses in partnership with universities. These courses address such topics as sustainability initiatives undertaken by businesses and investors, regional circular and ecological spheres, and the role of finance.

- Sophia University: “Issues and Possibility of SDGs—From the Perspective of Businesses and Investors”
- Kansai University: “Assessing SDGs from Practical Finance”



Participating in Virtual Expo by Exhibiting “RESOTERRA”

We participated in the Virtual Expo pavilion of Expo 2025 Osaka, Kansai, exhibiting content designed to help visitors learn about what can be done in the future via “Sustainability × Finance.”

Based on a concept that “the individual's choice translates into the power to change the future,” this content allows visitors to play games to virtually experience the solution of environmental and social issues through ESG investment, with action taken by all players affecting the future of the Earth.

Deepening Our Thoughts and Ideas to Yield Economic Value from Sustainability Initiatives



Co-Sponsoring the “SDGs QUEST Mirai Koshien”

We serve as a co-sponsor of Kansai area and Saitama Prefecture tournaments of SDGs QUEST Mirai Koshien, a nationwide high school championship in which students form teams, spontaneously study SDGs, and competitively pitch ideas regarding actions aimed at contributing SDGs.

To support the high school students who take on the challenges described above, prior to competition we co-host study sessions aimed at imparting tips on how to create innovative ideas and disseminate such ideas in collaboration with the sponsor of this championship. (Kansai area tournaments)



Holding the Resona SDGs Idea Contest

Since FY2021, Resona Bank has been holding the annual SDGs Idea Contest for students. For the FY2024 round of this event, “Resolving Region-Specific Issues × Innovation” was chosen as the theme for the contest. Prior to the final match, Resona Bank staff served as supporters for teams about to advance to the final, helping them deepen their ideas in preparation for the match and facilitating discussions to assess social issues from a more practical perspective.

Risk Management Management of Risks and Impact

The Company has positioned risks that are deemed to possess a high possibility of impacting heavily on the Resona Group as top risks in order to develop a consistent risk management structure, placing the foremost emphasis on managing these risks.

Top risks recognized as being relevant to sustainability include “Deterioration in competitiveness, etc., due to changes in social and industrial structures,” “Changes in the earnings structure and deterioration in profitability, etc., due to the revision of laws, regulations, government policies, etc.,” and “Operational suspension, etc., due to the occurrence of natural disasters.”

We have also identified such main risk scenarios as “Loss of growth opportunities, the emergence of stranded assets and other issues due to delays in the response to climate change and biodiversity issues, etc., that negatively impact corporate value,” “Deterioration of corporate value due to the absence of information disclosure practices that can be considered sufficient by external stakeholders,” and “Operational suspension or other serious consequences, including a

threat to human life, due to a major natural disaster, such as an earthquake, massive wind or flooding, or a pandemic.”

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

We have also clarified types and definitions of risks to be managed and the organizational structure for risk management as well as the fundamental risk management framework, with the aim of establishing a structure enabling us to manage various risks by using methodologies aligned with their characteristics (▶p. 99).

To address credit risk, which is considered to have a particularly strong impact on the Group's operations, we are working to step up risk management via, for example, “Initiatives for Socially Responsible Investing and Lending” described below.



Initiatives for Socially Responsible Investing and Lending

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

Loan Business

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

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

Investment

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

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

Overview of the “Basic Stance on Lending”

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



Sustainability Initiatives Undertaken by Resona Asset Management

Resona Asset Management, a Group company tasked with asset management, has issued the Sustainability Report.
https://www.resona-am.co.jp/investors/pdf/sus_report2024-2025en.pdf

Toward the Creation of a Sustainable Society

Indicators and Targets

Retail Transition Financing Target

Cumulative Total of Transition Financing from FY2021 to FY2030: ¥10 Trillion

Financing
Coverage

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

FY2024 results: Approximately ¥1.9 trillion (Cumulative total since FY2021: Approx. ¥5.7 trillion)

Breakdown of Financing

Financing in
environment-related fields

Investment and financing aimed at supporting or facilitating initiatives to promote social or business sustainability
Investment and financing requiring recipients to use such funds for the resolution of social issues

(Main examples)

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

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

(Main examples)

- Financing for renewable energy power generation businesses, including project finance and private placement Green Bonds
- Sustainability Linked Loans, SME loans with conditions linked to ESG target accomplishments (setting targets in environment-related fields)
- Housing loans with conditions linked to conformity with prescribed energy-saving standards
- SDGs- and ESG-related funds¹ (to help tackle environmental issues)

Review of FY2024 Accomplishments and Future Initiatives

In FY2024, the amount of funds extended in retail transition financing was approximately ¥1.9 trillion, virtually unchanged from the previous fiscal year, bringing the cumulative four-year total to roughly ¥5.7 trillion. This represented a progress ratio of 57% against our target of ¥10 trillion.

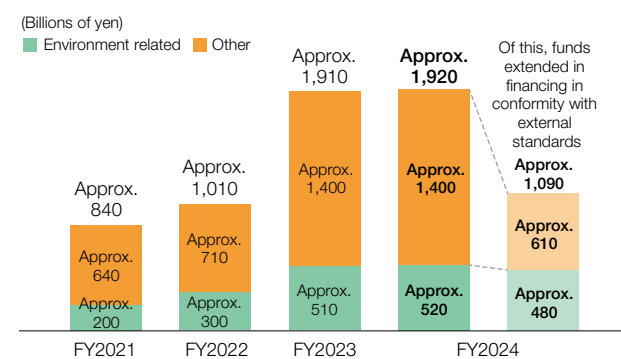
The breakdown of such financing has not changed substantially. The volume of financing in the environment-related and other fields was on par with the level recorded in the previous fiscal year, while the proportion of such financing in conformity with external sustainability standards² remains flat year on year. In the environment-related field, funds extended as financing in conformity with external sustainability standards, such as the Green Loan Principles, accounted for more than 90%.

With regard to the provision of non-financing solutions, we have focused on engaging with SME customers to assess the status of their initiatives to achieve carbon neutrality via interviews. These efforts, in turn, encouraged customers to utilize our simplified CO₂ emission calculation service, with the number of cases in which this service was delivered growing approximately threefold.

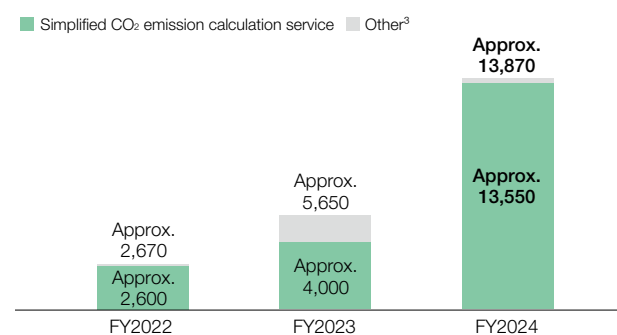
On the other hand, the number of SMEs that regularly assess the volume of their CO₂ emissions remains low. It was also confirmed that the status of their initiatives varies greatly, depending on the size of their operations.

We will continue to facilitate in-depth dialogue with customers while strengthening our ability to deliver solutions.

Amount of Transition Financing Extended



Number of Cases in Which Non-Financial Solutions Were Delivered



Indicators and Targets

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

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

Calculation of GHG Emissions from the Investment and Financing Portfolio

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

In order to promote the measurement, monitoring and reduction of financed emissions, the Group calculates portfolio-related GHG emissions volumes in accordance with standards formulated by the PCAF,⁴ an international initiative, prioritizing carbon-related sectors specified by the TCFD.

As the above calculation is performed using a simplified method

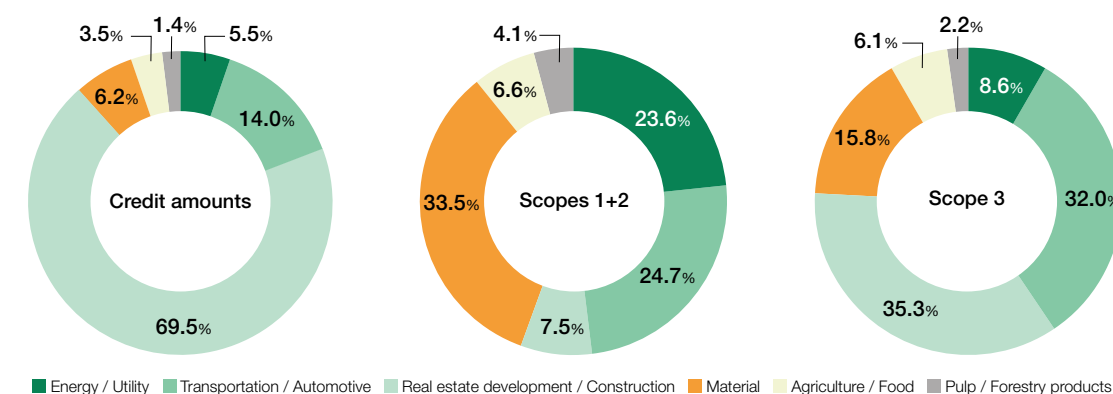
based mostly on estimated values provided by the PCAF database, the Group recognizes the possibility of deviation from the actual volume of GHG emissions.

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

Financed Emissions Calculated Based on the PCAF Standards

Sector	Credit amounts (billions of yen)	Portfolio-related GHG emissions volume (Mt-CO ₂ e)		Measurement Scopes 1+2 Scope 3 coverage ratio (%)
		Scopes 1+2	Scope 3	
Energy / Utility	571.9	4.3	6.2	90.4
Transportation / Automotive	1,461.8	4.5	23.1	99.5
Real estate development / Construction	7,278.6	1.4	25.5	98.2
Material	644.4	6.1	11.4	96.3
Agriculture / Food	371.6	1.2	4.4	99.7
Pulp / Forestry products	143.8	0.7	1.6	100.0
Total	10,472.1	18.2	72.2	97.9

Composition by Sector



Overview of Measurement

Target assets	Loans (corporate financing, project financing), corporate bonds
Target sectors	Carbon-related sectors specified by the TCFD (excluding the financial sector)
Target years	<ul style="list-style-type: none"> • Credit amounts: Value as of March, 31, 2024 • Financial and emissions data from clients: Data available for the most recent fiscal year ended on March 31, 2024 or earlier in principle
Formula	<ul style="list-style-type: none"> • The volume of emissions from clients × $\frac{\text{The amount of credit extended by the Group to clients}}{\text{Total amount of loans extended to and corporate bonds issued by clients}}$ • The volume of emissions from clients is based on publicly disclosed data. When such data is unavailable, the volume of emissions is estimated using emissions factors (per unit of profit) provided by the PCAF database.

¹ Investment trusts and investment advisory services run by Resona Asset Management

² Financing in conformity with Green Loan Principles, Social Loan Principles and other standards

³ SDG-related business matching service and fee-based consulting

⁴ Partnership for Carbon Accounting Financials

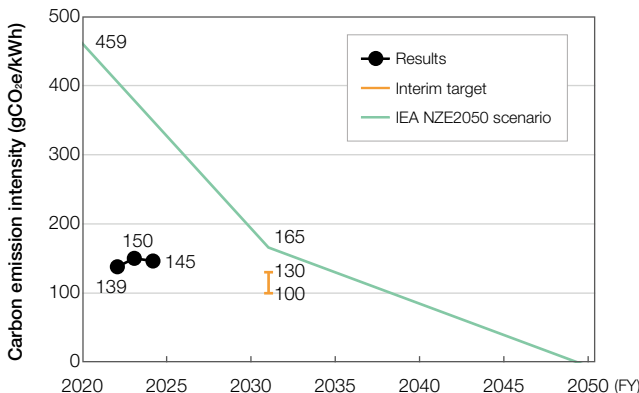
Interim Target for the Energy Sector

Carbon Emission Intensity in FY2030: 100 to 130gCO₂e/kWh

As of March 31, 2024, the carbon emission intensity of the energy sector amounted to 145gCO₂e/kWh, a decrease of 5gCO₂e/kWh year on year, yet remained below the level¹ specified under the 1.5 °C scenario (NZE2050) for 2030.

The factors leading to this decrease included the lower emission intensity reported by a portion of clients engaged in the power business due to the resumption of nuclear power plants.

While the overall amount of investment and financing grew approximately 10% year on year, funds extended in lending to clients who specialize in emission-free renewable energy power generation continued to account for about half of this amount.



Financed Emissions Associated with the Energy Sector (as of March 31, 2024)

	Scope subject to GHG emission calculation	Indicator	Results	Amount of investment and financing	Coverage ratio ²	Data quality score ³
Energy (electric power)	Power generation Scope 1	Physical carbon emission intensity	145 gCO ₂ e/kWh	¥347.0 billion	91%	2.2
Oil / Gas	Mining Scopes 1 to 3	Absolute volume	0.12 MtCO ₂ e	¥5.6 billion	100%	2.8
Coal	Mining Scopes 1 to 3	Absolute volume	-	(Not applicable)	-	-

Support Policies for the Energy Sector

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

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

and renewable energy power plants.

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

Dialogue and Engagement with Major Domestic Power Companies

We launched discussions with major domestic power companies engaged in loan transactions with us, with the aim of promoting decarbonization.

Main points discussed thus far

- Policies and targets for decarbonization
- The content of plans for the achievement of targets
- Status of progress in the plans and issues

Through these discussions, we learned that the current energy mix varies greatly by power company and as does their potential for renewable energy generation. We also identified a variety of issues that should be tackled to realize decarbonization even as power companies strive to maintain stable supplies of the energy needed to support the industrial and living infrastructures of regional communities.

We will maintain an accurate understanding of these issues in order to continuously extend optimal financial support to facilitate transition.

Our Stance on Lending to Coal-Fired Thermal Power Generators

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

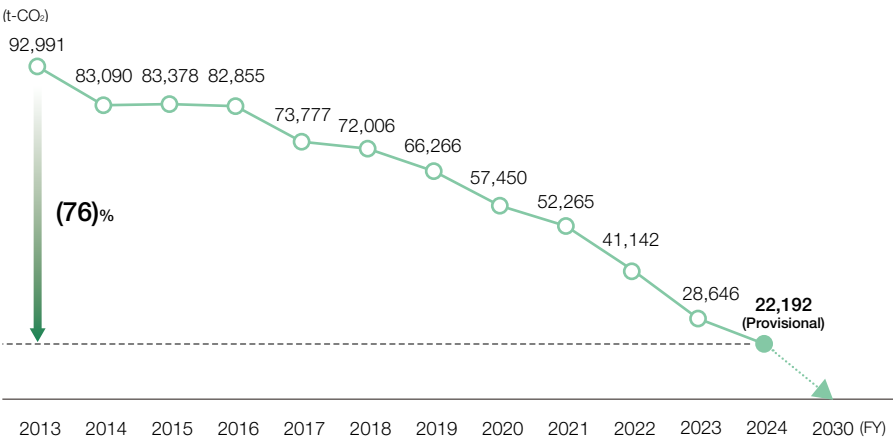
restoration following a disaster.

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

Carbon Neutrality Target (Scope 1, Scope 2)

Reduce CO₂ Emissions Attributable to Energy used by the Resona Group to Net Zero by the End of FY2030

CO₂ Emissions Volume⁴



Breakdown of FY2024 Emissions (Provisional)

Scope 1	4,321
Scope 2	17,871
Emissions from energy sources	17,059
Total	22,192

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

By the end of FY2024, we had completed this switchover at more than 80% of properties for which the Company procures power supply contracts, with the rate of reduction in CO₂ emissions amounting to 76% (provisional; compared with the FY2013 level).

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

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

Interim Targets for FY2025

Items	Interim targets
Scopes 1+2	From the FY2013 level: (70)%
Scope 1	From the FY2013 level: (40)%
Scope 2	From the FY2013 level: (80)%



Obtaining a Third-Party Assurance

Every year since FY2020, our data regarding the volume of CO₂ emissions (Scopes 1 and 2) has been verified by an independent third-party assurance organization. Continuing this process, we plan to obtain a third-party assurance for data regarding the volume of CO₂ emissions in FY2024. <https://www.resona-gr.co.jp/holdings/english/sustainability/data/esg/>

¹ Comparison with the estimated carbon emission intensity of 165gCO₂e/kWh for 2030 under the NZE2050 (WEO2022)

² Sector-based ratio, based on the volume of lending

³ Data quality score defined by the PCAF

⁴ Scope 1 and Scope 2 CO₂ emissions attributable to Group banks are calculated based on methods stipulated by Japan's Energy Saving Act for statutory periodic reporting. Figures for FY2019 and earlier are calculated by multiplying emissions volumes by the basic emission factors of each electricity supplier. Figures for FY2020 and later are calculated by multiplying emissions volumes by the adjusted emission factors of each electricity supplier. CO₂ emissions attributable to fuel consumption by Company-owned cars are determined via a simplified calculation method using the Group's annual fuel costs and publicized figures for the annual and national average price of gasoline and the emissions coefficient.

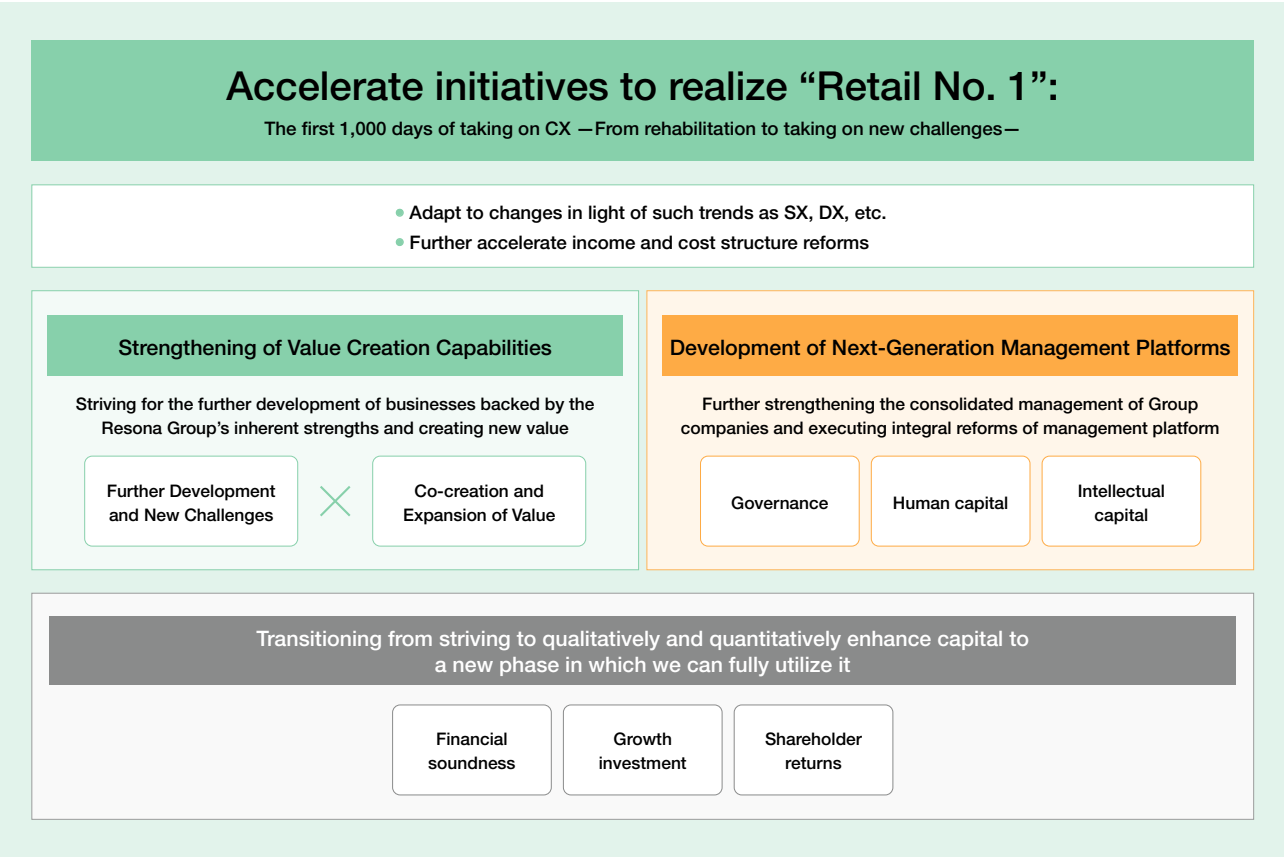
Overview of and Progress under the Medium-Term Management Plan

Overview of and Progress under the Medium-Term Management Plan

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

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

Overview of the MMP



Development of Next-Generation Management Platforms

Human Resources

CHRO Message

CHRO: Chief Human Resource Officer

Itaru Kuki

Group CHRO and Executive Officer,
Resona Holdings

The issues customers and regional communities confront are constantly becoming more diverse and complex, necessitating more sophisticated solutions and the Resona Group needs to be capable of providing optimal solutions and value. To that end, we must ensure that our employees feel fulfilled in their jobs and are able to attain personal growth. Human capital management is a ceaseless endeavor. In line with changes in internal and external environments, the Resona Group will constantly seek innovation, keeping pace with its employees' pursuit of personal growth.

Aiming for Value Creation and Well-Being

Human resources are the Resona Group's most important asset. Accordingly, we promote human capital management aimed at welcoming diverse human resources who aspire to embody our Purpose and enabling all employees to realize their full potential, irrespective of gender, age, job category or other attributes, in order to maximize our organizational vitality.

We have also formulated human resource strategies (➡p. 64) to be implemented under the current medium-term management

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

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

Investment in Human Resources and Resulting Change in Employee Competencies

In this era of rapid change, it is impossible to be fully confident in the future. However, one constant remains, the delivery of new value to customers and regional communities irrespective of circumstances always starts with developing human resources.

The Group has announced its intention to invest a cumulative total of more than ¥33.0 billion in additional funds in human resources over the course of the MMP period. Thus far, the greater part of this investment has been in improving wages, developing human resources and stepping up recruitment. While wage improvement mainly consists of raises for existing employees and better starting packages for new hires, the development of existing human resources extends to helping them acquire more sophisticated specialist expertise and take on boundary-transcending learning programs. Moreover, with regard to recruitment, in addition to new graduates and partner employees, we have stepped up our focus on hiring mid-career professionals.

Although we anticipate that it will be some time before this investment starts yielding tangible effects, we are already seeing positive signs.

In line with our human resource strategy, we have clearly identified goals to be achieved via the use of six strategic drivers, and various initiatives are now under way. To confirm the progress of these initiatives, we have also set non-financial targets, progress toward which has been mostly stable (➡p. 65).

To ensure the effectiveness of our investment activities, we will robustly operate a PDCA cycle while considering the implementation of additional measures or the review of existing measures.

In addition, we have adopted a Well-Being Indicator as a Long-Term Sustainability Indicator, ensuring the comprehensive confir-

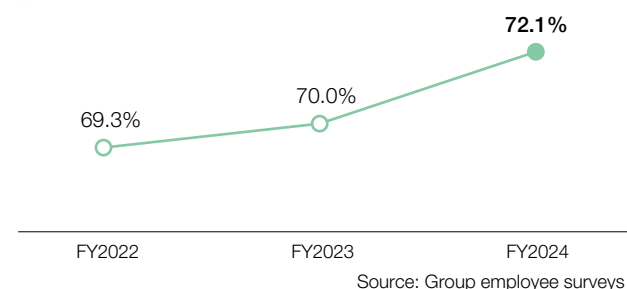
mation of employee status. This indicator is based on the ratio of positive responses in employee awareness surveys regarding the sense of fulfillment felt in work and private life. We have seen an ongoing annual improvement in this indicator.

Plan for Investment in Human Resources (FY2023 – FY2025)



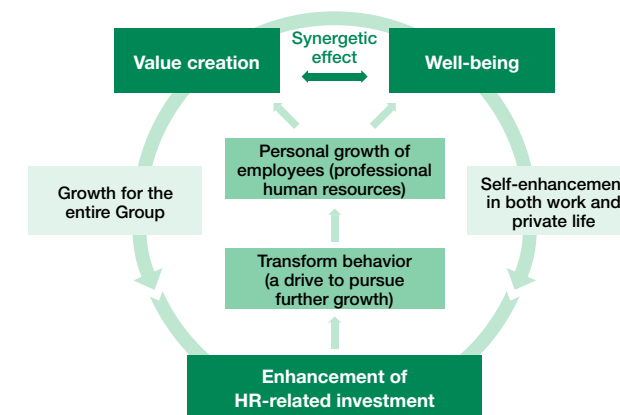
Improvement in the Well-Being Indicator

Do you feel a sense of fulfillment in your everyday work and private life?



Investment in human resources is essential to securing a source of future competitiveness and, therefore, it must be undertaken constantly. Our investment in this area is intended to encourage a behavioral transformation among employees even as they gain greater professional skills. This is how we will realize a sustainable virtuous cycle of facilitating value creation and improving employee well-being as outlined in our human resource strategy.

Looking ahead, we will strive to develop an environment in which everyone can work vibrantly to bolster the Resona Group's ability to create value that goes beyond finance based on resonance between diverse professional human resources and partners within and outside the Group. In this way, we will continue to take on new challenges in order to play an even greater role in creating a prosperous future for all stakeholders.



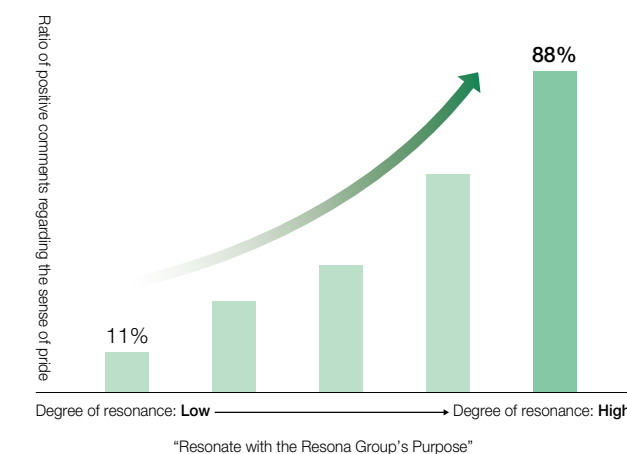
Professional Human Resources Resonate with Each Other when Pursuing a Common Purpose

We deem it important to empower employees to take on new challenges by helping them understand and resonate with the Purpose as they strive to create a brighter future for customers and society as a whole. Over the course of the two years since its establishment, our employees seem to have developed a deeper understanding of the Purpose, thanks in part to messages issued by top management and workshops held by each business unit.

In fact, in the recent round of employee awareness surveys, a growing number of respondents used the provided blank spaces to submit positive comments on the Purpose, providing feedback attesting to the sense of pride and fulfillment they gain from their jobs. We have also confirmed that this positivity correlates with the degree of resonance with the Purpose indicated by the respondents.

We hope to empower professional human resources to both individually and together resonate with the Purpose, "Beyond Finance, for a Brighter Future." In this way, we will maximize our value creation capabilities.

Resonance with the Purpose x Employees' Pride in Resona



Upgrading the Group's Personnel System

Japan's labor supply capacity is diminishing due to an aging population, a lower birthrate and other factors, making it more difficult for businesses to secure human resources. As such, the environment surrounding corporations is radically evolving.

To adapt to this major change in the business environment, we are transitioning to a new personnel system. This personnel system, applicable to all Group members, is designed to address the following two key points: "wages for employees must be commensurate with value created via their duties" and "accommodate diverse perspectives on work." As we aim to accelerate the realization of a virtuous cycle of facilitating value creation and improving employee well-being as envisioned under our human resource strategy, we set a goal of completing this transition by the end of FY2026.

In line with the concept that "wages for employees must be commensurate with value created via their duties," we intend to encourage employees to take on new challenges as well as self-directed learning so that they can achieve personal growth

together with the Company. To this end, we will finely tune the level of wages granted to each employee based on the value they deliver to customers and society in the course of their efforts to practice the Purpose, "Beyond Finance, for a Brighter Future."

To "accommodate diverse perspectives on work," we need to provide employees with a diverse range of career options and allow them to make their own choices in line with their value systems and career orientations. This is important as we aim to help every employee find fulfillment in their work. Through these efforts, we will develop an even better working environment in which diverse human resources can thrive while doing our utmost to support individuals who aspire to attain personal growth and realize their career goals.

Furthermore, we will take good heed of what employees say as we engage them in dialogue, with the aim of developing a personnel system genuinely capable of creating a sustainable virtuous cycle that facilitates value creation and improves employee well-being.

Development of Next-Generation Management Platforms

Human Resources

Strategic Investment in Human Resources and Relevant Initiatives

- We still greatly value the reform-oriented corporate culture we developed in the course of overcoming the “Resona Shock” as an unchangeable foundation. To achieve further breakthroughs, we are increasing our investment in strategic drivers that have been set and constantly updated in step with changes in the internal and external environments.
- Backed by investment in these drivers, we are pursuing various initiatives aimed at encouraging a behavioral transformation among employees and the pursuit of personal growth. Ultimately, we aim to nurture three types of resonance, as discussed below, as strategic pillars. Thus, we are striving to realize a virtuous win-win cycle that brings benefits to both the Company and employees by facilitating value creation and improving employee well-being, with the aim of realizing “Retail No. 1,” our Long-Term Vision.

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

Ever since the 2003 “Resona Shock,” which struck the Group immediately after its inauguration, our human resource management has been focused on practicing diversity management that empowers each and every employee to serve as a key workforce component regardless of their gender, age, job category, etc. We have formulated new human resource strategies to create “resonance” as described below based on our Purpose, as well as our Corporate Mission, with the aim of realizing our Long-Term Vision “Retail No. 1.”

These strategies target facilitating (1) resonance between employees and the Company to improve employee engagement, (2) resonance among professionals to create synergies from the combination of their expertise in various fields of specialty and (3) resonance between the Company and external partners to promote

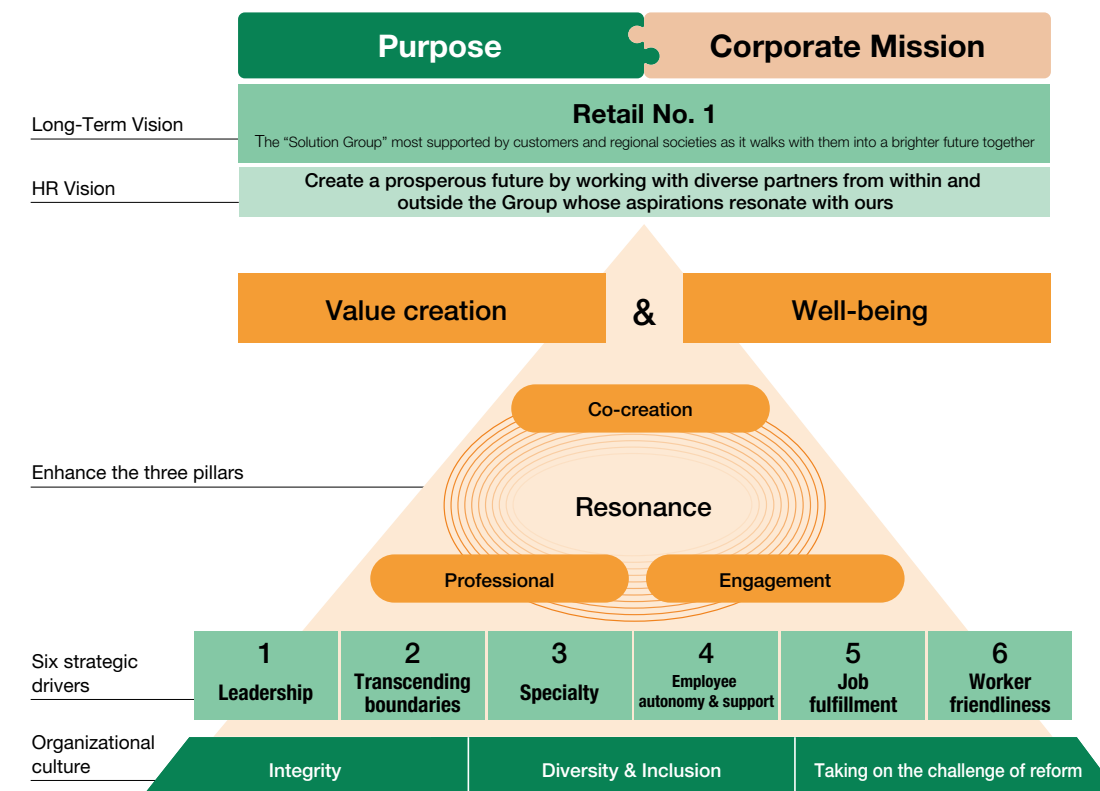
co-creation. With these three types of resonance as the pillars of our human resource strategies, we aim to realize a virtuous cycle of promoting value creation and enhancing employee well-being.

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

Goals We Aim to Achieve through the Power of Six Strategic Drivers

Strategic Drivers	Goals	Initiatives	
1 Leadership	<ul style="list-style-type: none"> • Push ahead further with diversity & inclusion to promote co-creation involving diverse human resources within and outside the Group • Nurture and secure leaders with diverse value systems and experience 	<ul style="list-style-type: none"> • Assistance programs aimed at empowering women • Empowerment of mid-career hires to fill key positions • Training for selected candidates and job rank-based training 	➡p. 66
2 Transcending boundaries	<ul style="list-style-type: none"> • Facilitate career building and networking that transcends organizational boundaries to help individual employees achieve personal growth and to enhance teamwork capabilities • Empower employees to attain further growth in a way that goes beyond finance by allowing them to spontaneously gain experience in working with partners from different cultures 	<ul style="list-style-type: none"> • Dispatch employees to external training or second them to external entities • Employee secondment among Group companies • Alumni and referral recruitment 	➡p. 67
3 Specialty	<ul style="list-style-type: none"> • Enable all employees to develop as professional human resources¹ • Enhance our solution capabilities through collaboration and coordination among human resources equipped with strengths in various fields of specialty 	<ul style="list-style-type: none"> • Step up investment in human resource development • Enhance the content of support programs for those seeking to acquire skill certification • Nurture DX- and IT-related human resources 	➡p. 68
4 Employee autonomy & support	<ul style="list-style-type: none"> • Foster an organizational culture that encourages individuals who spontaneously think, learn and take on challenges • Secure growth for both the Company and employees by providing an environment supportive of those 	<ul style="list-style-type: none"> • In-house job-posting system • Comprehensive career support system • Introduce LMS and TMS² 	➡p. 69
5 Job fulfillment	<ul style="list-style-type: none"> • Ensure that all Group workplaces allow employees to work with confidence and to express what makes them unique • Employees are able to understand the significance of their jobs in terms of contribution to the Company and society as a whole and achieve tangible personal growth and career fulfillment 	<ul style="list-style-type: none"> • Entrenchment of the Purpose • Invigorate communications (via one-on-one meetings, etc.) • Improve wages 	➡p. 70
6 Worker friendliness	<ul style="list-style-type: none"> • Enable each employee to strike a work-life balance • At the Resona Group, each employee is assured of a workplace that will support their emotional and physical health over the long term 	<ul style="list-style-type: none"> • Workstyle reforms • Help employees engaging in child rearing or nursing care as well as those battling diseases, etc., strike a balance between work and private lives • Health management 	➡p. 71

Overview of Human Resource (HR) Strategies



Non-financial targets ³	Actual				Targets		Strengthening the three pillars	Value creation
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2030		
▶ Ratio of female line managers	30.5%	31.4%	32.8%	34.4%	33%	40%	Co-creation Professional Engagement	Value creation
▶ Ratio of mid-career employees to the overall number of managers	9.5%	10.2%	11.7%	13.1%	13%	18%		
▶ Ratio of mid-career employees to the number of newly appointed senior managers, including those from different sectors ⁴	32%	42%	44%	59%	60%	100%		
▶ Number of human resources with highly specialized expertise ⁵	2,438	2,481	2,468	2,520	2,650	3,000		
▶ Cumulative total number of individuals selected via in-house job postings (FY2021 – FY2030)	366	684	1,194	1,991	2,583 ⁶	4,000		
▶ Ratio of positive responses in employee awareness surveys (i) A sense of fulfillment in work (ii) Openness of workplace communications	68% 79%	66% 79%	69% 80%	70% 81%	➡ ➡	➡ ➡		
▶ Ratio of annual paid leave utilized	76.4%	77.6%	83.1%	87.9%	85%	88%	Well-being	

¹ Individuals equipped with strong specialist skills enabling the resolution of issues customers are confronting and with a personal dedication to enhancing customers' happiness

² LMS: Learning Management System; TMS: Talent Management System

³ Of companies in the scope of consolidation, applicable to Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group (until the end of FY2023), Kansai Mirai Bank and Minato Bank

⁴ Individuals in overseas assignments or dispatched or seconded to external entities

⁵ Number of individuals with high-ranking certification acquired via in-house specialist training courses or similar certification

⁶ Upwardly revised from the FY2025 target of 1,750 in light of FY2024 results

Development of Next-Generation Management Platforms

Human Resources

Six Strategic Drivers

1 Leadership | Nurturing Diverse Leaders

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

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

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

Empowering Women to Achieve Success

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

Our specific initiatives to this end include a mentoring system through which female employees who have been newly appointed as senior managers are given appropriate support touching on aspects of their duties and emotional health. We also offer leadership training to foster our female employees' career awareness. Furthermore, we introduced a trainee system designed to prepare them for the challenge of handling unfamiliar operations.

Today, a growing number of female employees are being promoted

to the post of group leader (GL), a position equivalent to that of deputy manager, to take on new missions. In FY2024, we held a networking seminar for female Head Office GLs aimed at encouraging the nurturing of the closer peer connections necessary to ensure the smoother execution of tasks.

Looking ahead, we will implement these and other initiatives to create an organization that empowers women to play key roles in an even broader range of fields as part of efforts to create new value.



Networking Seminar for Female Head Office GLs

We held a joint networking seminar for female Head Office employees who have just been promoted to the post of GL at four Group banks. This event was followed by an exchange meeting attended by presidents and officers from these banks. In this way, we helped participants build networks among them so that they can be better motivated to pursue, and develop keen awareness toward, career advancement.



Recruiting Mid-Career Hires

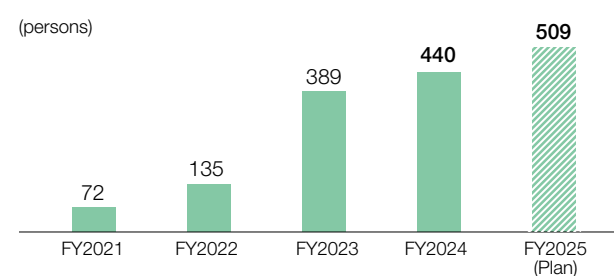
Also, as part of efforts to secure specialist human resources and promote diversity & inclusion, we are focusing on recruiting mid-career hires. As a result, we have seen a steady increase in the number of mid-career hires who leverage their skills and experience accumulated at external corporations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

We are stepping up initiatives to support mid-career hires who have been part of our workforce for the time being. These range

from training programs to exchange meetings. Reflecting this, the ratio of mid-career hires among managers rose to 13.1%, up 1.4 percentage points year on year, in FY2024.

We are thus endeavoring to enable these human resources to leverage the fresh perspectives and unique insights they have acquired since entering the workforce from external companies.

Annual Number of Mid-Career Hires Entering the Group



2 Transcending Boundaries

Familiarizing Employees with Diverse Value Systems and Developing Interpersonal Networks

Boundary-Transcending Programs

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

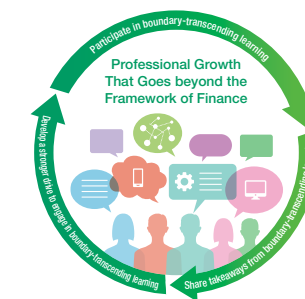
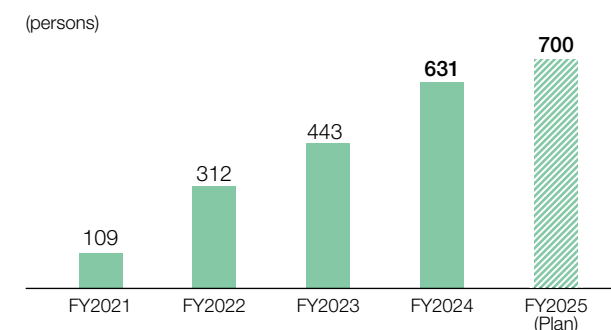
For example, we implement secondment programs that place employees at external corporations and government agencies or enroll them in university graduate schools in addition to conducting co-creation activities involving collaboration between Resona Group employees and human resources from different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

to interact with people from external corporations.

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

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

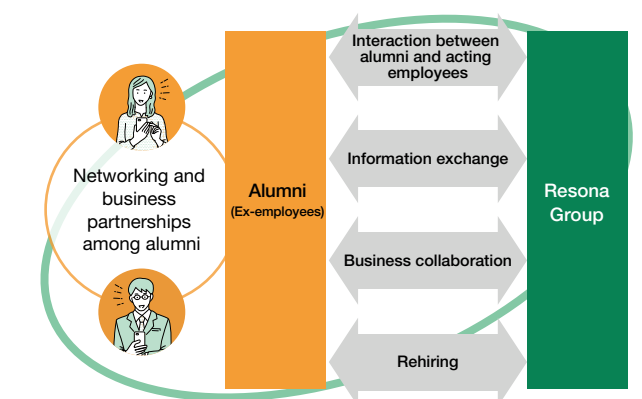
Participants in External Training



Developing the Alumni Network

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

Creation through Co-Creation of New Value via the Alumni Network



Development of Next-Generation Management Platforms

Human Resources

Six Strategic Drivers

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

The Resona Group is striving to enable all employees to become professional human resources, namely, individuals equipped with strong specialist skills enabling the resolution of diverse issues customers are confronting and with a personal dedication to enhancing customer happiness. To that end, we focus on helping employees enhance their strengths in their fields of specialty via on-the-job training (OJT) and other in-house and external training programs while promoting reskilling in step with the times. Currently, reskilling initiatives are under way to enable employees to obtain DX, SX and AML/CFT knowledge as well as to raise their practical capabilities to handle matters in these areas. These initiatives also involve holding seminars themed on generative AI and the introduction of a cutting-edge learning system.

Nurturing Human Resources with Highly Specialized Expertise

We are aware of the need to secure and nurture human resources equipped with the highly specialized expertise they need to offer in-depth consulting to customers seeking to resolve the increasingly diverse and complex issues they are confronting. Based on this awareness, we have set a target of raising the number of such human resources to 3,000 by the end of FY2030 and are stepping up human resource-related investment to this end.

In FY2024 we recruited an even greater number of specialist human resources, mainly mid-career hires. In addition, we enhanced our line-up of supportive systems designed to encourage employees to acquire certification requiring highly sophisticated expertise while introducing a team learning system as part of efforts to develop a learning environment for those wishing to engage in self-directed studies.

Despite a decline in overall headcount reflecting the retirement of elderly employees, fluctuations in staff composition by age group and other changes, the number of human resources with highly specialized expertise increased year on year in FY2024, thanks to the ongoing initiatives described above as well as enhanced investment in human resource development and other factors.

In particular, the number of specialists has been growing among employees 40 or younger. In fact, such human resources now account for ever larger proportions of the workforces of Group companies within the scope of calculation. Along with recruitment, this reflects a steady increase in the number of employees earmarked for in-house specialist courses, further enhancing the robust pool of candidates who will potentially grow into human resources with highly specialized expertise.

Nurturing DX- and IT-Related Human Resources

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

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

In FY2024, we conducted such initiatives as implementing “digital skill certification tests” and holding seminars themed on generative AI, both of which are available to all employees, in addition to continuing with the activities discussed above.

Looking ahead, we will step up initiatives to help employees improve their digital skill levels.

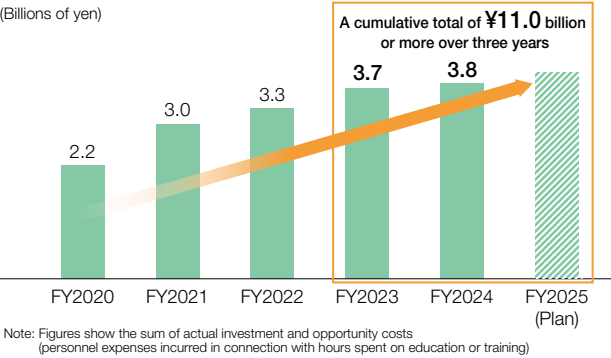
Number of Employees with Certification (as of March 31, 2025)

FP 1st grade	FP 2nd grade	SME management consultant	Social insurance labor consultant
1,374	13,775	117	104
Real estate notary	Pension actuary	IT passport	AML/CFT standard
5,865	55	5,089	16,171

Indicators Related to Human Resources with Highly Specialized Expertise

Item	FY2022	FY2023	FY2024
Human resources with highly specialized expertise (Proportion in workforce)	2,481 (9.7%)	2,468 (9.8%)	2,520 (10.0%)
40 or younger	653	670	687
Earmarked for in-house specialist courses	952	1,062	1,186

Funds Invested in Education and Training



Composition of Our Programs for Developing Human Resources with Digital Skills

Level	Major skill categories	DX literacy	Data utilization	IT skills
	Skill subcategories			
4	Human resource distribution	Learning content	Organized learning content and training programs based on sub-skill categories and individual level of achievement	
3				
2				
1				
Introductory level				

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

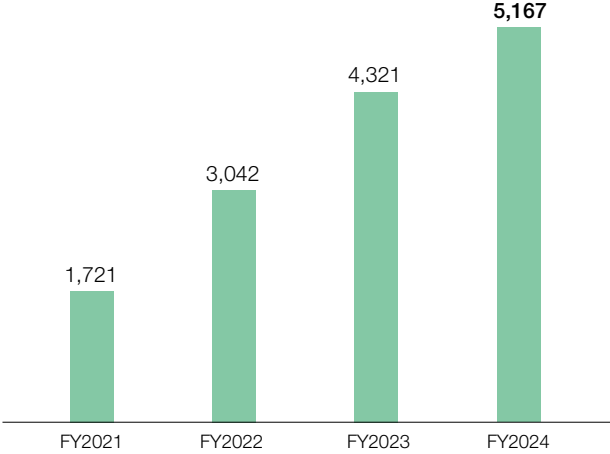
To encourage employees to autonomously pursue career development, we instituted a comprehensive career support system in conjunction with the 2021 introduction of the multipath personnel system. This career support system aims to help employees navigate through various career development processes (learning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

As part of Career College¹ programs designed to accommodate the needs of those who want to learn about available career options, we introduced one-on-one dialogue sessions and internship programs. For employees about to take action to realize their career goals, we expanded options available via in-house posting programs to support those willing to be seconded to external companies or otherwise transcend boundaries. In these ways, we have upgraded, year by year, assistance measures for employees who autonomously take on challenges.

Empowering every employee to pursue autonomous career development and work with a sense of fulfillment is key to securing sustainable improvement in corporate value. We will continue to enhance the content of the career development assistance available, provide even more abundant opportunities to take on new challenges and otherwise step up efforts to empower our employees to realize their own career visions.

Participants in Career Collage / Fair

(April 2021 ~ cumulative total of persons)



Comprehensive Career Support System

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

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

Want to learn about available career options	<ul style="list-style-type: none">Held biannually, Career College programs are designed to help employees learn about the various career options available to them. Introduced one-on-one dialogue sessions and internship programs in FY2024.The cumulative total number of participants is more than 5,000 (FY2021 to FY2024).
Want to seek consultation on my career	<ul style="list-style-type: none">We provide career design training formulated to meet needs among employees in various age groups, while business unit managers and other supervisors stand ready to provide support.All employees in supervisor positions undergo training to enhance their career counseling capabilities.We established counseling desks linked to advisors with career consultant certification
Want to realize my career goals	<ul style="list-style-type: none">We have developed career course-based training systems and organized the means of acquiring the necessary skills and certification for each course.Employees formulate their own skills development plans that they share with their supervisors and that will inform their career development initiatives thereafter.We have also made available tools that support employees' self-motivated learning efforts and have instituted a trainee system, with employees allowed to autonomously select from among several options.

¹ Involving roundtable talks and workshop events held by more than 30 various departments within the Group to showcase tasks being handled at respective workplaces and communicate their attractiveness

Development of Next-Generation Management Platforms

Human Resources

Six Strategic Drivers

5 Job Fulfillment

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

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

The Resona Group aims to secure an environment in which all employees are empowered to realize their full potential irrespective of their gender, age, job category or other attributes, thereby striving to help each grow into a professional.

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

Furthermore, we are providing employees with options regarding retirement age, which can range between 60 and 65, and have made available a “senior smart employee” system that allows individuals in this age group to cut back on their working hours and days. By doing so, we ensure that each employee can spontaneously select their workstyle in their 60s. We are also allowing those past retirement age to continue working until they are 70.

In FY2026, we plan to execute the additional updating of our personnel system based on the two key concepts: “wages for employees must be commensurate with value created via their duties” and “accommodate diverse perspectives on work.”

The 20 Courses Offered Under the Multipath Personnel System¹

01	Client relations/ Lending and FX	11	Markets
02	Services	12	Risk management
03	Business turnaround	13	Finance
04	Private banking	14	Data scientist
05	Corporate solutions	15	DX specialist
06	Management consulting	16	IT specialist
07	Real estate	17	Facility management
08	Trust/Pension	18	Legal affairs
09	Corporate planning	19	AML/CFT specialist
10	Asset management	20	Audit

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

Advocating for the Understanding of Diversity and Respect for Human Rights

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

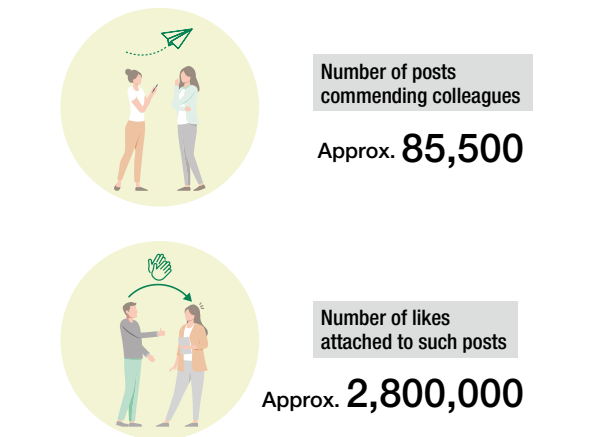
We also distribute periodic “human rights newsletters” while soliciting “human rights awareness slogans” from employees, with prizes being granted to those whose submissions are deemed excellent. Through these and other initiatives, we provide all employees with opportunities to think about human rights and realize their importance.

Invigorating Communications

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

In addition, we introduced the new communication tool “Mechal²” in April 2023 as part of efforts to diversify opportunities available to employees to communicate with each other, create an organizational culture that encourages them to commend one another and foster an atmosphere that ensures psychological safety.

Initiatives Undertaken over the Past Two Years Using Mechal



¹ The system is open to employees at Resona Bank, Saitama Resona Bank and some other Group companies
² Used by employees at Kansai Mirai Bank, Minato Bank and their affiliates

6 Worker Friendliness

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

Helping Employees Strike a Balance between Work and Family Duties

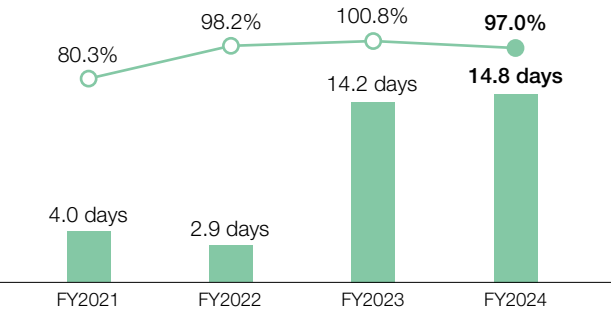
To develop an environment supportive of employees striving to strike a balance between work and child rearing, we maintain childcare-related leave programs while enabling eligible employees to opt for cessation from work or to shorten their working hours for child rearing.

At the same time, to aid in the smooth reinstatement into the workforce of employees returning from childcare leave, we have introduced a program that includes various seminars. In addition to designating the first 14 days of postnatal paternity childcare leave as paid leave, we have upgraded various supportive systems while constantly striving to raise the awareness of employees regarding the importance of striking a balance between work and child rearing. As a result, the ratio of eligible male employees who have opted for cessation from work for child rearing remains high.

In FY2024, we also lengthened the period in which employees can shorten their working hours or enjoy other special arrangements to secure time to engage in child rearing or nursing care. At the same time, we have begun providing new allowances and otherwise enhanced the volume of wages as they strive to be paid to employees who need economic support to strike a balance between work and child rearing. In these and other ways, we have

constantly stepped up our support extended to employees striving to strike a work-life balance.

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



Note: In accordance with the standard stipulated by the Ministry of Health, Labour and Welfare, the ratio of eligible male employees who have opted for cessation from work for child rearing represents the ratio of individuals who began taking leave to individuals whose spouses have given birth during the fiscal year subject to calculation. Accordingly, resulting figures may exceed 100%.

Health Management

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

Health management	<ul style="list-style-type: none">We not only implement legally mandated periodic checkups but also provide comprehensive medical checkups at Company-designated healthcare facilities to employees in their 35th year and, in years when their age is an even number, to those over 40.
Mental healthcare	<ul style="list-style-type: none">Conduct stress checks while providing interviews with industrial physicians based on findings from the collective analysis of stress check results.Provide various training programs on self-care and line-care while conducting one-on-one meetings
Help employees raise their health literacy	<ul style="list-style-type: none">Host business school programs focused on various health-related topics and walking eventsBegan holding physical fitness measurement events for employees in FY2024Distribute monthly “health news” themed on sleeping, exercise habits, lifestyle diseases and other topics under the supervision of industrial physicians
Foster a sound workplace environment	<ul style="list-style-type: none">Assign staff specializing in industrial health and tasked with offering health-related support in addition to appointing industrial physiciansSmoking has been banned during working hours since April 2020
Development of the relevant structure	<ul style="list-style-type: none">Develop a promotion structure supporting Groupwide collaborationUtilize a health management system

Countermeasures against Harassment

We deem it important to maintain a workplace free of harassment so that each employee can stay emotionally and physically healthy as they work. Accordingly, we are updating preemptive initiatives based on the “Harassment Prevention Guidelines.” Specifically, we provide all employees with an e-learning program titled “harassment prevention training” to ensure they are well-versed in how to best prevent sexual harassment and power harassment. We also

distribute periodic “Harassment Correspondence.”

Moreover, we announced our “Customer Harassment Response Policy,” in line with which we take a firm, organization-spanning stance against acts that constitute customer harassment. In doing so, we strive to develop a workplace environment that allows employees to work with confidence.

Supporting Employees’ Financial Wellness

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

Asset formation support	<ul style="list-style-type: none">Pension (corporate DB/DC + matching contribution)Employees shareholding association (ESOP trust and subsidiaries)Asset formation savings
Asset management support (education)	<ul style="list-style-type: none">Implement sessions on various asset formation support measures as part of new recruit trainingImplement annual investment education for all employees (e-learning)Distribute an asset formation guidebook for employees

Note: Other measures include providing loan conversion assistance to help employees secure financial stability as well as making various welfare programs available to them in step with life events

Development of Next-Generation Management Platforms

Human Resources

Value Creation Initiatives Undertaken by Diverse Human Resources

- Since its inauguration, the Resona Group has promoted “diversity & inclusion” to empower all human resources to achieve success. To this end, our Long-Term Sustainability Indicators, which set targets for 2030, include targets for the empowerment and promotion of women.
- Meanwhile, the “Resona Women’s Council,” which brings female employees’ perspectives to business management, has marked the 20th anniversary of its launch. The Council’s intentions going forward include taking heed of an even more diverse range of employees as it works to fulfill its mission of advising top management.

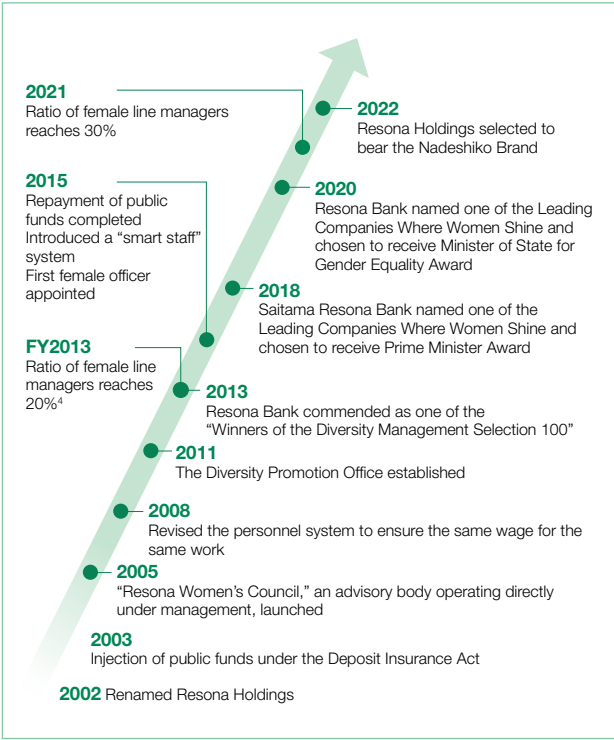
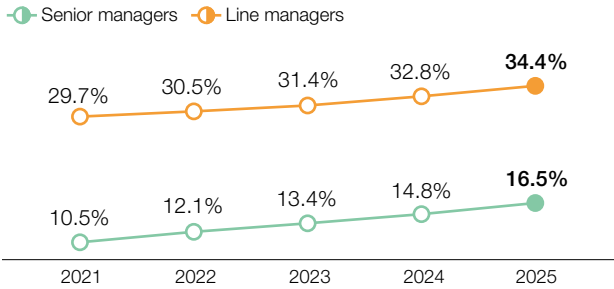
Ratio of women ¹	2021	2025	FY2030 targets
Directors and executive officers (Resona Holdings)	19.2%	11.7%	30% or more
Senior managers (5 Group companies ²)	10.5%	16.5%	20% or more
Line managers (5 Group companies ²)	29.7%	34.4%	40% or more

The Resona Group actively provides career development support to female employees, with the aim of supporting them in setting ever higher career goals.

As a result, the ratio of female senior managers, along with the ratio of female line managers, has increased at a steady pace since the targets for these ratios were set.

Meanwhile, although the ratio of female directors and executive officers at Resona Holdings has declined from the level at the time of target setting, the overall number of female officers at the five core Group companies has since increased from nine to 13.

Percentage of Female Senior Managers and Line Managers³



1 The ratio of female directors and executive officers is as of June 30 in 2021 and April 1 in 2025; the ratios of female senior managers and line managers are as of April 1 in 2021 and March 31 in 2025.

2 Sum of Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank; Kansai Mirai Financial Group was included until March 31, 2024.

3 Figures for 2021 are as of April 1, while figures for 2022, 2023, 2024 and 2025 are as of March 31.

4 Sum of Resona Bank and Saitama Resona Bank

Activities of the “Resona Women’s Council”

Since its inauguration in 2003, the Resona Group’s human resource management has been focused on practicing diversity management that empowers each and every employee to serve as a key workforce component regardless of their gender, age or job category. We stepped up this approach, aiming to become a workplace of choice for women across society while striving to remove any barriers that may cause them to give up on lasting career development. To that end, in 2005 we established the “Resona Women’s Council,” an advisory body operating directly under top management, based on a belief that updating how we manage business from the perspective of women, who account for a half of the population, is essential.

The “Resona Women’s Council” has provided top management with proposals on a variety of measures related to the empowerment of women and the support of employee efforts to strike a balance between work and private life. These proposals include those aimed at updating the workplace environment or instituting career

development assistance programs, and many have been adopted and implemented. Moreover, thanks to their involvement in the above activities, a number of Council members have developed strong aspirations to take on leadership positions. Because of this, the Council has been seen as a symbol of women’s empowerment.

In recent years, the Council’s proposals have come to include a number that are not necessarily gender specific. Reflecting this, the Council was upgraded in April 2025 into the “Resona Women’s Council 2.0,” which boasts a 3:7 male to female ratio. The Council now strives to integrate a diverse range of value systems, encouraging an ever more progressive approach in terms of diversity & inclusion across the Group.



Council members at work

Examples of Tangible Measures Developed Based on Proposals from the Resona Women’s Council

Mentoring system	A system in which female employees who are selected as senior managerial candidates are assisted via mentoring by officers, branch managers and individuals other than their immediate supervisors
My Career Training	A training program designed to empower female employees to develop a stronger awareness of their ability to become candidates for managers and senior managers
Introductory Parenting Seminar	A seminar that provides expectant mothers and their spouses with advice from their senior colleagues regarding such topics as how to strike a balance between work and child rearing
Challenge Plus Activity (team learning)	An activity aimed at better motivating employees to engage in self-directed learning via the use of a team learning system that involves those who share the same objective regardless of their departmental affiliations or years of service



Roundtable Discussion among Council Members

(who were active for the April 2024 to March 2025 period)

Attendees (from left)
Yuki Hiro, Resona Bank
Asami Ozawa, Saitama Resona Bank
Yukimi Kosaka, Kansai Mirai Bank

— Why did the Council decide on “The power of value creation in blazing a path to the future for Resona” as its proposal theme?

Kosaka: The first round of Council meetings involved a learning session on Long-Term Sustainability Indicators and their background. This set the stage for in-depth discussions of “women’s empowerment” and the “Value Creation Capability Indicator,” two key issues addressed by these indicators.

Ozawa: We intended to submit proposals that benefit both employees and customers. In particular, we consider “women’s empowerment” to be an area in which we, as women, can deliver meaningful suggestions. So, our discussions have included measures to increase the number of female officers. Furthermore, based on our belief that addressing our immediate issues will also help us develop valuable proposals for customers, we have chosen the “Value Creation Capability Indicator” as an agenda item, and have therefore been deliberating on what the Group can do to counter a disaster.

— What positive takeaways have you obtained and what struggles have you faced in the course of Council activities?

Hiro: The Council’s members consisted of diverse employees holding various positions and responsible for differing tasks, thus I was exposed to a variety of opinions. I came into the discussion believing that corporate sales-related tasks, of which I’m in charge, are inherently busier than other tasks and that anyone engaged in them will thus find it impossible to strike a balance between work and child rearing. However, in the course of deliberating workstyles for corporate sales, a Council member in charge of individual customer sales repudiated my stance, stating that circumstances surrounding the staff serving individual customers are no different yet they are able to strike a balance so we, too, should be able to overcome this challenge. These remarks helped me overturn my stereotypical perceptions.

Kosaka: In the Council setting, as we were not specifically conscious of differences in position, we were able to address each other on equal footing. This was a fresh and positive experience. As we were also focused on efficiently soliciting opinions

from each member at monthly regular meetings, we organized the agenda items beforehand, so as not to waste time.

Ozawa: When the Council meets in Osaka, members from other regions have to travel and use local accommodation. Knowing this, I left my office earlier than usual on the days before meetings in order to head to Osaka. I, too, am in charge of corporate sales and so need to share information on how my projects are progressing with superiors and colleagues before leaving my desk behind. I also take time to explain the situation to my customers before attending Council meetings in order to secure their understanding.

This is how I have handled my work and Council activities over the course of the year. My involvement in the Council has granted me the opportunity to learn how to manage various tasks within a limited time.

— Please share other takeaways from Council activities.

Ozawa: My involvement in the Council expanded my consciousness of the wide range of operations taking place within the Company as individual members’ regular tasks differ widely. This prompted me to think seriously about my future career.

Kosaka: I feel that I obtained a good deal of takeaways from my engagement in Council discussions involving individuals from differing departments as well as from how they came to consensus. These takeaways will certainly support my future career advancement. Before launching the first round of discussions, we were advised by the secretariat to listen closely to opposing opinions and to not simply reject them out of hand. As a result, we all strove to consciously consider what other members were saying and to respond in constructive ways. These skills will be quite helpful when we get promoted to supervisory positions.

Hiro: The Council gave me the opportunity, outside my regular duties, to think about the future of the Resona Group. This freed me to learn about the direction the Company is currently taking. Moreover, interactions with other members prompted me to develop a desire to move forward toward a type of career path that will enable me to gain new knowledge and skills.

— The Council’s membership has been refreshed with the inclusion of male members. What are your thoughts on this?

Kosaka: Women’s empowerment is not an issue for female employees alone, it is one that should be addressed by the entire Group as part of the Long-Term Sustainability Indicators. Because the subject benefits from a diverse range of opinions, I therefore believe that it must be deliberated on by diverse Council members.

Hiro: I, too, believe that developing a woman-friendly working environment requires the inclusion of male members in the discussion.

Ozawa: I agree. I expect male Council members to contribute fresh opinions that could not be afforded by a conventional female-only membership.

Development of Next-Generation Management Platforms

DX Strategy

CDIO Message

CDIO: Chief Digital Innovation Officer

Hidefumi Kawabe

Group CDIO and Executive Officer,
Resona Holdings

In an era of rapid changes like this, a single enterprise acting alone is unable to sufficiently expand the value it delivers to its customers. I therefore believe it is important to engage in co-creation through alliances with external players with outstanding functions and technologies so that we can deliver new value not only to customers but all other stakeholders.

Expanding Value Delivered to Customers via Co-Creation

In 2018, we released the “Resona Group App” for individual customers, with IBM Japan and teamLab serving as our development partners. Since then, the app has undergone steady improvement, including major updates executed in 2024. As a result, this app is now the most frequently used transactional channel for individual customers. Also in 2023, we released the Resona Group App for Business for corporate customers. This newer app brings to bear know-how we have accumulated through the operation of the Resona Group App and was created with the aim of enabling SME customers to enjoy hassle-free, more convenient transactions. Today, this app has become yet another key transactional channel for corporate customers, boasting more than 50,000 downloads as well as a steadily expanding user base.

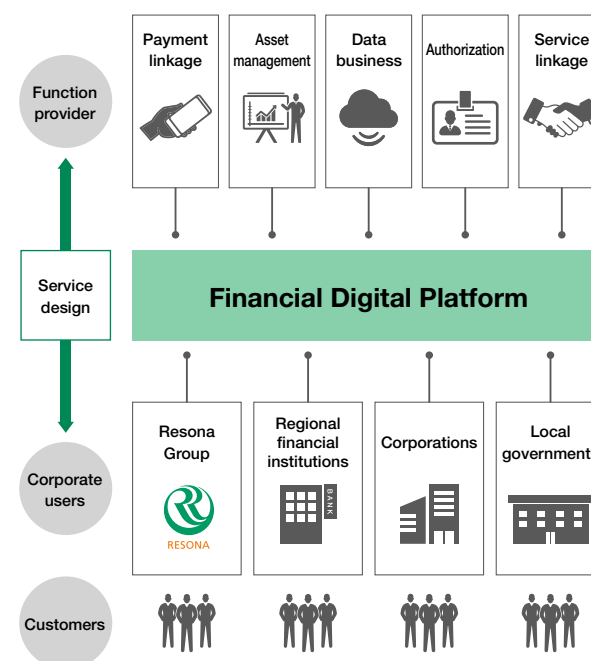
Going forward, we will continue taking on the challenge of enhancing the convenience afforded by our digital channels.

Also, in line with our desire to swiftly enhance the content of services aimed at supporting the daily lives of individual customers as well as those aimed at helping corporate customers address management challenges, we not only pursue service development in-house but engage in the co-creation of new services with our partners. For example, in the settlement field, we are enhancing our initiatives to make innovative settlement functions and technologies available to customers through a business alliance with JCB launched in 2024 and in May 2025 strengthened a business alliance with Digital Garage. Furthermore, we formed an alliance with BrainPad Inc. in the field of data utilization while entering into an alliance with SoftBank in the insurance field. Through these and other initiatives, the number of our external partners, with whom we work to deliver new value to stakeholders, is steadily growing.

Sharing Value via Our Platform

Our financial digital platform is an open, shared platform that enables the Resona Group and its partner companies to deliver value arising from their co-creation initiatives to as many people and businesses as possible. Today, the number of regional financial institutions that use this platform has steadily increased to comprise seven financial groups that include eight banks. Not only does it provide users with access to banking apps and the fund wrap, this platform also began delivering an AI-powered banking operation assistance tool incorporating know-how possessed by Resona and BrainPad regarding data analysis.

In this way, the scope of entities supporting this platform has expanded to transcend boundaries between sectors. This is, we believe, a testament to a shared passion possessed by these partners regarding the creation of a better society through the delivery of new value to customers. We will further expand equal partnerships with platform users and function contributors. This will, in turn, empower us to provide stakeholders with even better services in a swifter and more efficient manner. As a result, we expect that this platform will further enhance our competitiveness.



CPRO Message

CPRO: Chief Process Reengineering Officer

Toshiyuki Mizukawa

Group CPRO and Executive Officer,
Resona Holdings

The Resona Group now operates under a “multi-regional” structure centered around four Group banks. Based on this system, we strive to deliver value optimized to suit the characteristics of the customers and regions we serve. Simultaneously, we are tackling the important management issue of how to break away from the inherently cost-intensive mode of our retail operations in order to achieve sustainable growth. Accordingly, we are promoting frontline (branch-counter) reforms and middle- and back-office reforms with the aim of breaking away from the above structure, as well as strengthening the Group’s foundation for growth. These reforms are being undertaken in an integrated manner so that improvement in corporate value is driven by structural reforms.

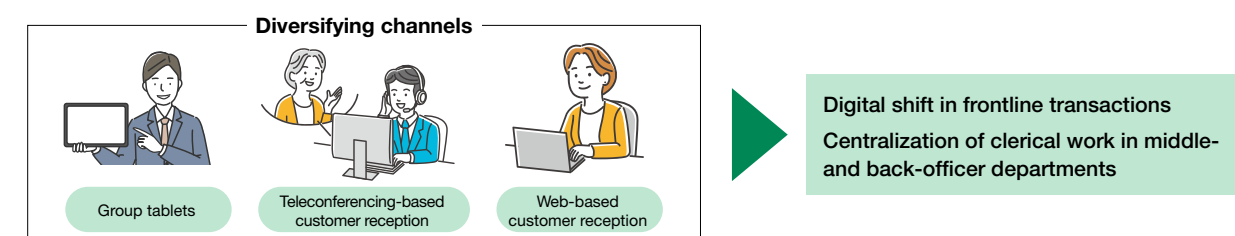
Frontline Reforms: Integrating Face-to-Face and Digital Channels

As part of frontline reforms, we are accelerating the creation of new customer experience and the digital shift of transactions. Starting with addressing customer needs, we are thus enhancing “customer experience value” via the integration of face-to-face and digital channels.

Our branch-counter operations now involve the use of “Resona Group tablets,” teleconferencing-based customer reception and other expanded digital-driven functions. We thus strive to integrate consulting and other procedures, with the aim of updating customer experience. Moreover, as part of efforts to diversify our channels to accommodate customer needs, we have expanded web-based customer reception

functions to enable customers to use personal devices to perform some procedures that have previously required a branch visit.

Through these initiatives, we are shifting our branches’ mission away from clerical work and toward the provision of solutions. At the same time, we are tackling frontline reforms to enable each branch to employ an optimal set of functions designed to accommodate the unique characteristics of the customers and region it serves. In addition, we will further develop DX-driven businesses to promote the digital shift in frontline transactions while making significant progress in the centralization of clerical work in middle- and back-office departments.

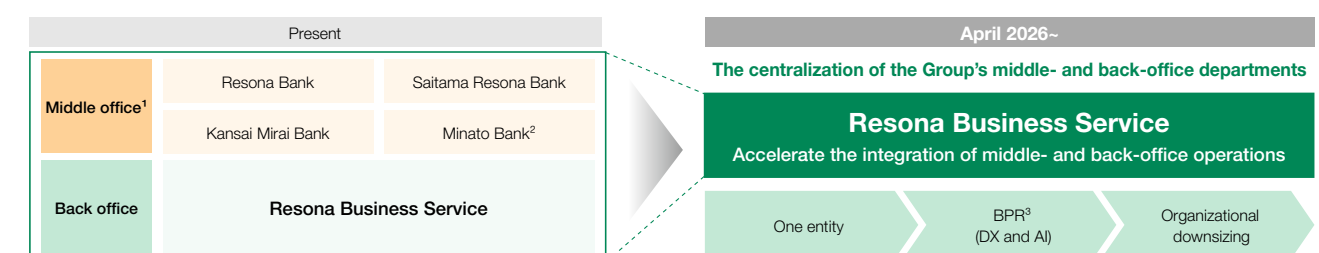


Middle- and Back-Office Reforms: Establishing a Foundation Supporting the “One-Platform, Multi-Regional Strategy”

In January 2025, we completed the integration of Minato Bank’s back-office operations and systems. As a result, we have unified the way back-office system operations are executed across the entire Group. Plans now call for merging middle-office departments (e.g., support offices) in place at Group banks with Resona Business Service in April 2026. This subsidiary, which has been commissioned by other Group entities to handle back-office operations, is expected to become the primary clerical work operator after the above organizational mergers. To this end, we are currently

unifying our business processes while promoting function-based organizational realignment. In this way, we will establish a foundation supporting our “one-platform, multi-regional strategy.”

By integrating the Group’s middle- and back-office departments, we will push ahead further with centralizing clerical work, eliminating redundancies, and executing business process reengineering powered by DX and AI, with the aim of streamlining our organization and achieving higher productivity.



1 Operational Support Office (SO), Digital Support Office

2 The Operational SO for Minato Bank is already established within Resona Business Service (January 2025-)

3 Business Process Reengineering

Development of Next-Generation Management Platforms

DX Strategy

CIO Message

CIO: Chief Information Officer

Koki KatayamaGroup CIO and Executive Officer,
Resona Holdings

To realize “Retail No. 1,” the Resona Group is currently promoting structural reforms of systems in a way that closely aligns with the overhaul of business processes, while pushing ahead with cost structure reforms. These reforms are expected to enable us to break away from an inherently cost-intensive mode of retail operations while helping us implement DX via the use of generative AI and other cutting-edge technologies, with the aim of developing a structure supporting the swift provision of high-value-added services to customers.

With regard to cybersecurity measures, we strive to build in safeguards against increasingly sophisticated global threats of cyberattacks. To this end, we regularly upgrade our information security structure. Through these efforts, we will maintain a safe and secure service environment that allows both in-house and external users to have confidence in our systems.

Promoting Next-Generation System via Structural Reforms of Systems

Having embarked on the final year of the second stage of these reforms under the title “Resona NEXT,” we are stably promoting 1) “generalization,” 2) “openness” and 3) “streamlining,” the respective goals of which are to stop using dedicated terminals specifically designed for financial institutions, to promote the shift to an open platform and to drastically streamline systems. The goal of these reforms is not simply to update our systems but also to strategically overhaul platforms supporting our business structure. This will, in turn, enable us to drastically improve executional speed, operational efficiency, and data utilization.

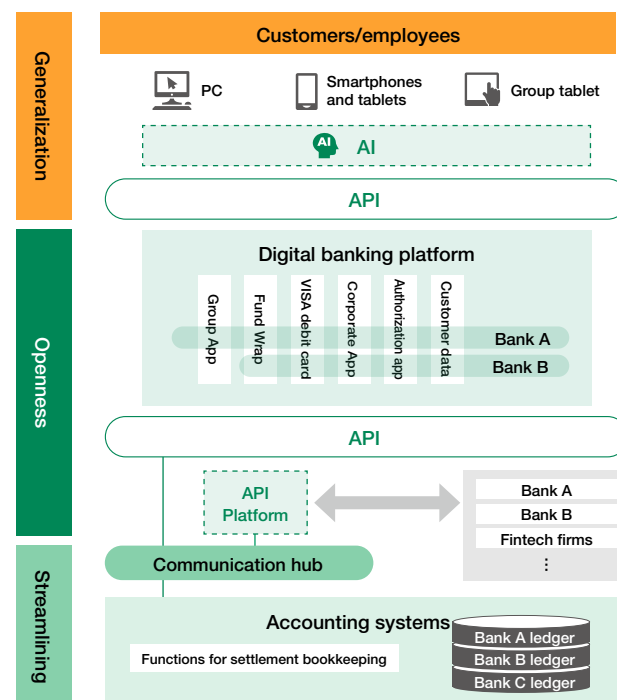
In FY2024, we completed the integration of systems in place at Minato Bank, successfully transitioning to “one platform” encompassing the entire Resona Group. This made it possible for us to deliver new customer experience value via the fusion of face-to-face and digital channels while taking a “multi-regional” service approach that accommodates differing conditions in regions nationwide.

In addition to executing the structural reforms described above, we have allocated 80% of our system-related investment budget to DX-related projects in order to develop an upgraded IT infrastructure that strategically helps us increase the pace of medium-to long-term service development. Utilizing this infrastructure, we aim to establish a structure capable of delivering the optimal and sophisticated solutions needed to resolve increasingly diverse issues our customers and society as a whole are confronting. We will do so by increasing the sophistication of our consulting-oriented sales approach while strengthening our cross-channel service structure. These are but examples of how we strive to accelerate the development of high-value-added services.

Augmenting Value Creation Capabilities via DX

We are updating in-house systems used by all employees to drastically improve the efficiency of internal operations. Along with further promoting data utilization, we are striving to integrate systems and operations in order to optimize our business processes as a whole.

Furthermore, we are shifting to the in-house development of systems while pushing ahead with the overall enhancement of employee skills related to IT and DX. In addition, we have introduced generative AI as standard for all employees. In these ways,



we will not only increase the efficiency of business operations but also create new services.

The initiatives discussed above will empower each individual employee to drastically enhance their capacities and, ultimately, yield a significant increase in our organizational capability. Drawing on this increased capability, we will enhance the value we deliver to customers through the flexible and agile provision of services. This is how the Resona Group will achieve sustainable growth.

Utilization of Generative AI and the Strengthening of Cybersecurity

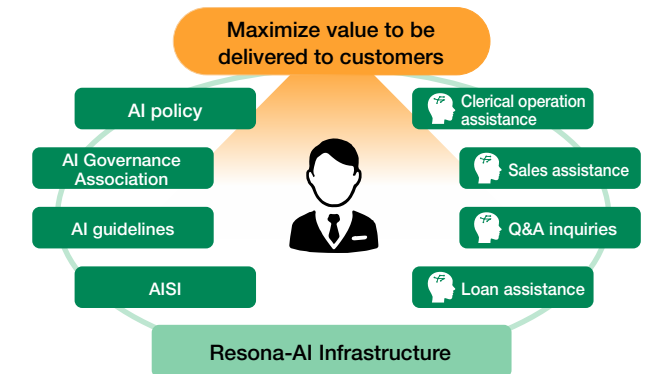
Business Process Reforms and Value Creation Powered by Generative AI

The Resona Group has identified the use of generative AI in business process reforms and human resource development as a strategic pillar. Through this endeavor, the Group aims to become a leading domestic company in terms of AI utilization. We will thus maximize value to be delivered to customers by updating customer experience, overhauling and streamlining business processes, and increasing the sophistication of our decision-making process.

To bolster the above, we are promoting the use of AI across the board. This goes far beyond mere operational streamlining. We have formed strategic alliances with cutting-edge tech companies while developing an AI infrastructure that all employees can access. We have also established the AI Center of Excellence (CoE) in addition to implementing in-house education focused on addressing this subject. In these ways, we are using AI to both maximize customer value and achieve sustainable improvement in corporate value.

At the same time, we intend to counter diverse risks that may arise from the use of AI, such as copyright infringement, hallucination, biases and the leak of confidential information. Accordingly, we became a member of the AI Governance Association while

formulating AI risk management guidelines and otherwise clearly codifying relevant in-house rules, with all employees being properly educated on these rules. We have also established an AI policy for the entire Resona Group. As such, we have secured transparency and reliability in the use of AI, with the aim of ensuring both proper risk management and the effective utilization of AI.



Initiatives to Enhance Cybersecurity

The Resona Group has positioned ensuring robust cybersecurity as one of its most important management issues. Therefore, the Group is strengthening its cybersecurity structure under the direct leadership of top management.

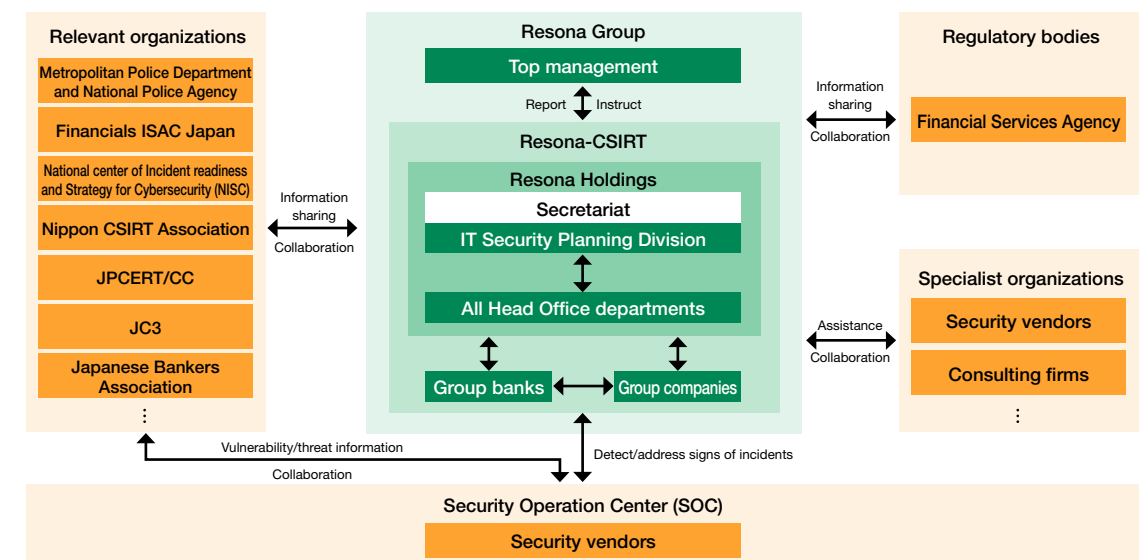
To enhance and upgrade our mode of IT management and governance, we established the IT Security Planning Division in April 2022. This division is currently tasked with developing a cross-organizational security management structure for the entire Group via, for example, the formulation and management of security policies, the utilization of AI, the handling of incidents, and the collection and analysis of vulnerability information.

Moreover, we formed the Resona-CSIRT to enhance our practical incident-response capabilities. This body is now serving as a Groupwide incident response team, enabling us to maintain a 24/7 monitoring structure. Furthermore, the CSIRT acts in collaboration with the Security Operation Center (SOC) when incidents occur in

order to ensure swift detection, response and restoration. In addition, we work with police departments, the National center of Incident readiness and Strategy for Cybersecurity (NISC), the Financials ISAC Japan, the Nippon CSIRT Association and other external specialist organizations, with the aim of sharing threat information, undertaking collective countermeasures, and otherwise upgrading cybersecurity measures on an ongoing basis.

We are also focused on securing and nurturing human resources equipped with robust expertise in this area. To this end, we will enhance our human resource pool by stepping up the recruitment of mid-career hires while enhancing in-house education.

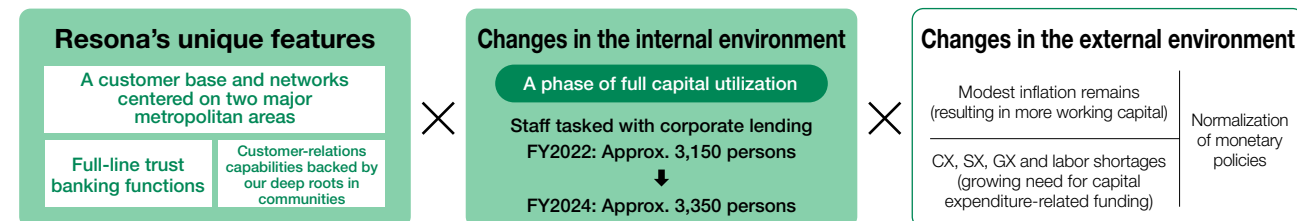
Today, cyberattacks are growing more malicious and sophisticated on a global basis. Looking ahead, we will accurately respond to the evolving threats of cyberattacks to constantly provide services that can be safely and securely used by our customers.



Strengthening of Value Creation Capabilities

Loan Business

Achieving a Turnaround and Expansion in Net Interest Income (NII) from Loans and Deposits Due to Growth in Both Balance and Rate



Today, funding demand is expanding on diverse fronts as businesses seek to secure enhanced working capital to counter modest inflation or strive to execute capital expenditure to address such structural changes as the growing public interest in CX, SX and GX as well as pressing labor shortages.

Against this backdrop, the Resona Group has entered a phase of full capital utilization and is proactively allocating management resources to the expansion of its loan business. For example, in conjunction with the launch of the current medium-term management plan (MMP), approximately 200 employees were appointed to corporate lending as additional staff. Such moves are focused on increasing our ability to address issues customers and society as a whole are confronting in a way that takes full advantage of the following three sources of the Group's strength.

The first is our customer base centered on the Tokyo metropolitan and Kansai areas. These two major metropolitan areas boast the nation's largest concentrations of population, economic might and industry. Our networks in these regions afford us direct access to customers with burgeoning funding demand.

The second is our full-line trust banking functions. These functions enable us to deliver a diverse lineup of trust-related solutions on a one-stop basis. This helps us address the increasingly diverse issues that our customers and society as a whole are confronting and require more sophisticated solutions.

The third is customer-relations capabilities backed by deep roots

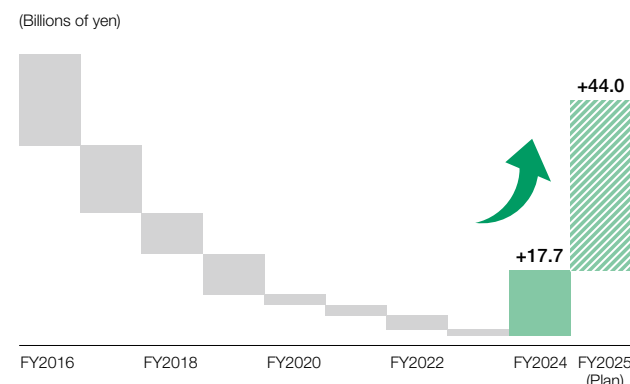
in communities. Specifically, our four Group banks align their sales approaches to region-specific circumstances, each with the aim of acting as their customers' "running partner" capable of meticulously meeting their needs.

In FY2024, the annual average loan balance grew 4.8% year on year to ¥43.2 trillion. Of this, the average balance of corporate loans rose 7.8% year on year, contributing to the overall increase and we almost met our final year MMP target of ¥21.3 trillion. In FY2025, we plan to raise this balance a further 7.1% year on year to ¥22.7 trillion.

Meanwhile, the loan rate in FY2024 amounted to 0.89%, a year-on-year increase of 8bps, reflecting the continuation of appropriate pricing aligned with borrower attributes on the back of the normalization of monetary policies. In FY2025, we expect the loan rate to rise 22bps to 1.12% as we will experience the impact of the higher rate on housing loans, which lag behind other loan products in terms of upward interest rate revisions.

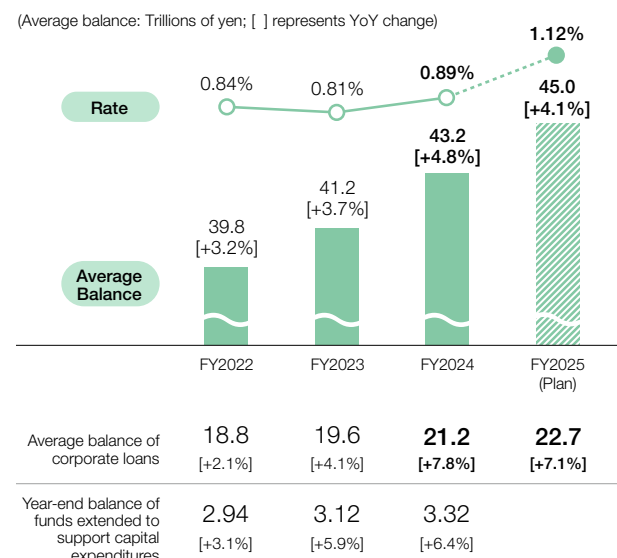
In FY2024, NII from domestic loans and deposits made a turnaround for the first time in 17 fiscal years, a year-on-year increase of ¥17.7 billion attributable to growth in both the balance and rate. For FY2025, we expect this indicator to increase ¥44.0 billion, indicating a greater year-on-year growth.

Looking ahead, we will continue striving to expand our portfolio of high-quality loans, which, in turn, serves as a core asset supporting our organic growth in the world with interest rates.

YoY Changes in NII from Domestic Loans and Deposits¹

RORA ² (on loans)	FY2023	FY2024	FY2025 (Plan)
	2.02%	2.22%	2.76%

¹ Total of Group banks, banking-book basis (including NCDs)
² Loan income / Loans RWA (average of initial and year-end balance)
³ Total of Group banks

Trends in the Average Balance of and Rate on Loans³

International Business

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



The Resona Group maintains 11 overseas bases at which its expatriates are stationed. With this network focused on the entire Asian region as well as the United States, we accommodate a broad range of customer needs for global expansion assistance, fundraising and other undertakings.

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

We also extend support to customers through representative offices and overseas partner banks. Stepping up these endeavors, we established the Los Angeles Representative Office in April 2025, and our plans call for opening another representative office in Hanoi by September 2025.

Going forward, we will upgrade our customer support structure by upgrading our overseas network and enhancing our solution delivery capabilities.

Management Support Initiatives for SME Customers

The Resona Group provides management support for customers. To this end, each Group bank's branches work in tandem with the Head Office and Group companies while, if necessary, collaborating with other financial institutions and external professionals to precisely address the varying needs of customers at different phases of development, ranging from startup, growth, and maturity to transition.

Support during the Startup and Growth Phases

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

Support during the Maturity and Transition Phases

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

Turnaround Support

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

Initiatives to Revitalize Communities

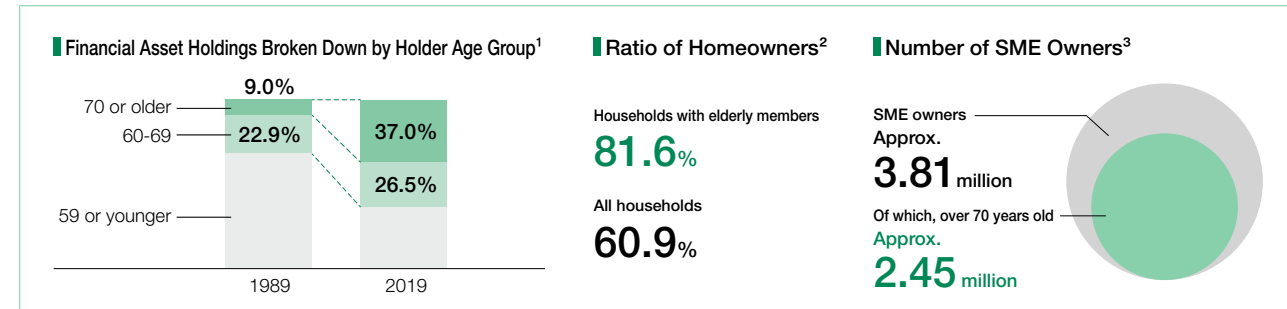
With a corporate mission that affirms our commitment to the further development of regional communities, we energetically support the management of SME customers and the revitalization of regional economies.

We also operate Business Plazas in five locations (Tokyo, Saitama, Shiga, Osaka and Kobe). Collectively, these provide Group entities with a universal platform that enables them to offer business matching-related consultation. In addition to business matching services between Resona Group customers, we offer a diverse range of matching services involving local governments, venture startups and professional human resources to support customers' business growth.

Strengthening of Value Creation Capabilities

Succession Business

Supporting the Smooth Succession of Businesses and Assets amid an Aging Society



Today, Japan is facing a structural problem arising from an aging society. Against this backdrop, the succession of businesses and assets to the next generation has become an important issue that must be resolved to realize sustainable economic development and regional vitalization. Assets to be passed down to successors range from cash, deposits and securities (including stocks of businesses they manage) to real estate. Furthermore, value systems and ways of thinking about succession vary widely. Accordingly, realizing smooth succession requires a tailor-made approach.

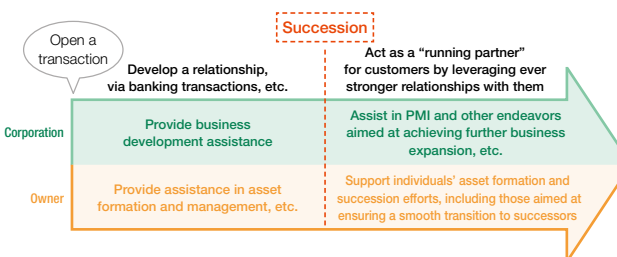
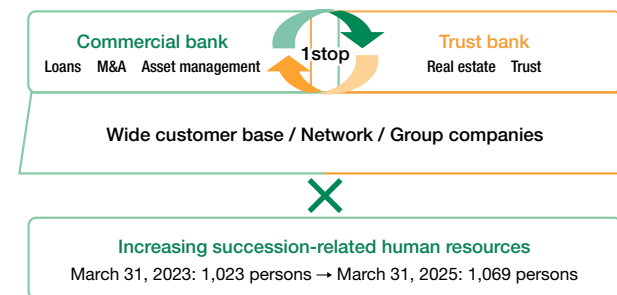
The Resona Group boasts unparalleled strength as a retail commercial bank equipped with full-line trust banking capabilities. Our commercial banking operations include the provision of assistance to customers seeking to expand their businesses and assets via lending, M&A, and asset management-related products and services. Leveraging our long-term relationships with customers, we comprehensively assess their intentions regarding their businesses and assets, especially when the time comes for succession. We are thus able to deliver diverse solutions backed by our full-line trust banking capabilities while taking a tailor-made approach to

extending succession support. Even after succession is completed, we continue to act as a “running partner” for our customers by building on our solid relationships with them.

Succession-related income consists of income from succession trust products, such as will trusts, as well as M&A and the real estate business. In FY2024, succession-related income amounted to ¥29.5 billion, up ¥3.9 billion (15.4%) year on year due particularly to the ongoing robustness of the real estate business. For FY2025, we aim for succession-related income of ¥28.5 billion, down ¥1.0 billion year on year, taking into account the projected absence of some income sources in place in FY2024. In any case, we expect this indicator to remain high.

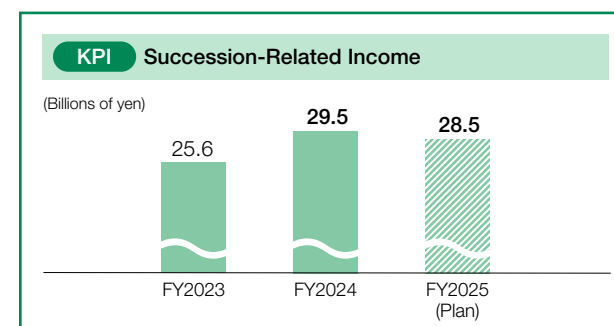
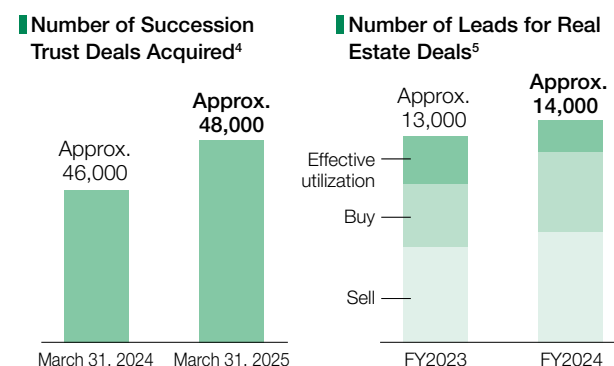
We consider the succession business a key business field through which we can play our part in the resolution of the structural problem now confronting Japan due to the progressive aging of its population. Looking ahead, we will strive to allocate sufficient management resources and otherwise rally the overall strength of the Group to the development of this business.

Building on our long-term relationships with customers, we act as their “running partner,” furnishing one-stop solutions backed by our full-line trust banking capabilities



¹ The Annual Report on the Aging Society issued by the Cabinet Office
² Housing and Land Survey 2023 undertaken by the Ministry of Internal Affairs and Communications
³ The Comprehensive Package of Measures for Supporting SMEs in Business Succession to Third Parties formulated by the Small and Medium Enterprise Agency
⁴ Total of Group banks
⁵ Resona Bank

Growing number of potential deals in our pipelines



Asset Formation Support Business

Commercial Bank × Trust Bank × Asset Manager ⇒ Supporting Asset Management in the Coming Era of Centenarians

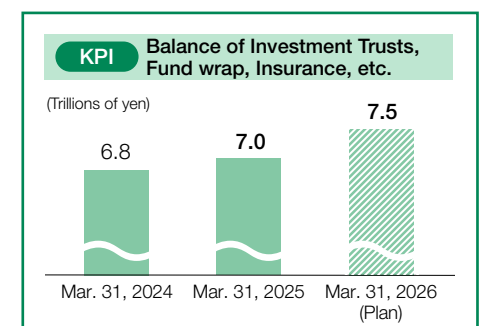
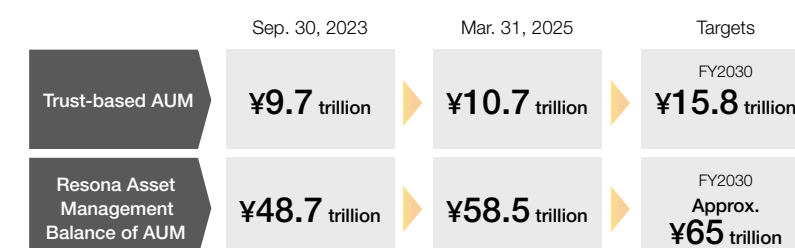
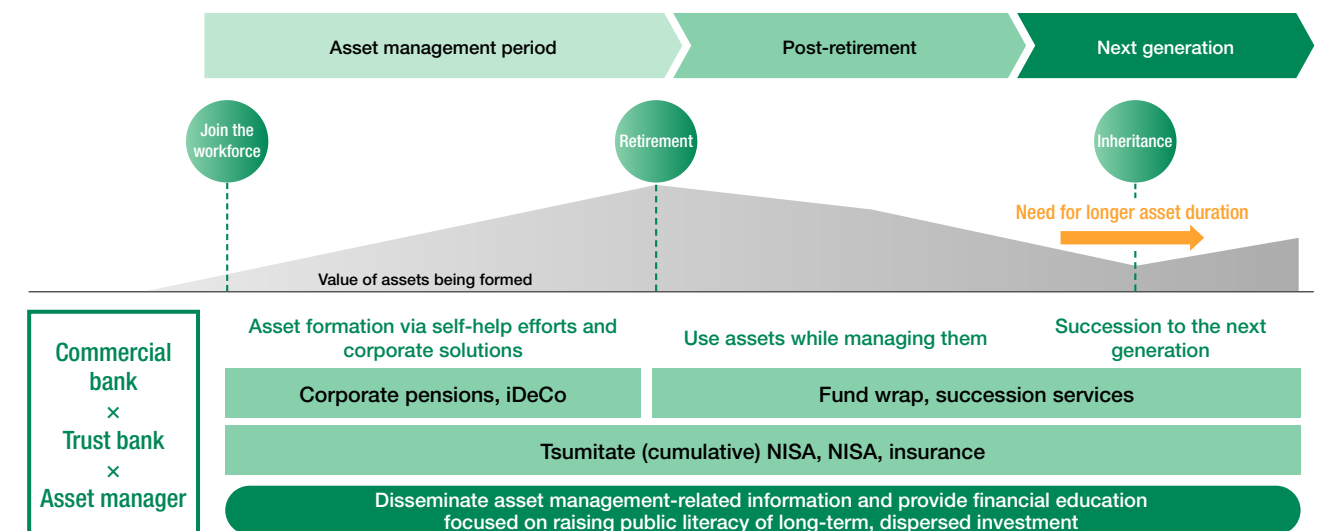
With the era of centenarians drawing near, forming a robust asset portfolio is of growing importance. In response, the Resona Group is delivering diverse asset formation solutions amid an environment of ongoing modest inflation. At the same time, the Japanese government has identified a target of building national strength through asset management. Against this backdrop, we are stepping up initiatives to support long-term asset formation while facilitating a shift from savings to investment.

Resona's asset formation business is unique in its ability to deliver one-stop, optimal solutions to retail customers by taking full advantage of its strength as a retail commercial bank equipped with full-line trust banking functions. In doing so, we offer proposals aimed at increasing the longevity of customer assets via, for example, long-term dispersed investment that leverages Tsumitate (cumulative) NISA, NISA, iDeCo and other programs with tax incentives, as well as a fund wrap designed to support stable asset management that appeals to bank customers. At the same time, in anticipation of the coming era of centenarians, we provide asset management-related consulting even as we remain conscious of customer needs for solutions that enable them to simultaneously manage and use assets.

We also provide retail customers with access to the asset management know-how for professional investors that we have accumulated through over 60 years of corporate pension fund management. To this end, each Group bank acts in collaboration with Resona Asset Management, a Group company specializing in asset management, to deliver asset management services.

Furthermore, we strive to leverage the combined capabilities offered by all Resona Group companies in this area to extend comprehensive support to the business operators that implement corporate pension plans as well as the employees enrolled in them. For business owners, we provide pension plan management support to help them step up initiatives to provide their employees with access to asset formation vehicles. In these ways, we play our part in enabling corporate employees to secure post-retirement financial stability and economic preparedness for years to come through asset formation. This will also contribute to the sustainable growth of their employers.

As a result, the balance of investment trusts, the fund wrap, insurance and other products grew from ¥6.8 trillion as of March 31, 2024, and hit the remarkable ¥7.0 trillion range on March 31, 2025. We expect this balance to increase to ¥7.5 trillion by March 31, 2026. Factoring in our expectations of future accomplishments over an even longer period, we also aim to increase the balance of trust-based AUM from ¥10.7 trillion as of March 31, 2025 to ¥15.8 trillion by the end of FY2030. Within the same time frame, we will endeavor to raise the overall balance of assets managed by Resona Asset Management from ¥58.5 trillion to approximately ¥65 trillion.



Strengthening of Value Creation Capabilities

Housing Loans Business

High-Quality and Profitable Portfolio

Over the course of many years of specialization in the retail field, the Resona Group has proactively pursued development in the housing loan business. Today, housing loans represent a key area of competitive strength for the Group. Amid the ongoing diversification of lifestyles and financing needs among individual customers, we will continue to assist them in purchasing homes, a major life event. As described below, we expect housing loans to remain a promising business field that yields ongoing competitive advantages in the form of profitability and financial soundness. Accordingly, we will stay focused on developing this business.

① Starting with furnishing housing loans and developing multilateral transactions

After securing a housing loan, borrowers will often keep their accounts at the same Group banks, adopting it as their main bank. This tendency, in turn, positions us to offer an even more diverse range of products and services to such borrowers in a way that aligns with their individual needs and is further supported by ongoing two-way communications via our apps. We therefore anticipate that these borrowers may well choose us as a counterpart for other long-term, multilateral transactions, ranging from such daily financial transactions as payroll transfer to asset management and succession in the coming era of centenarians.

② Expanding the housing loan balance via the updating of products and services based on customer needs and convenience
In July 2023, Resona Bank and Saitama Resona Bank established a fully online transactional structure that enables borrowers to complete all necessary housing loan procedures, thereby further enhancing customer convenience. We also made progress in enhancing the product lineup. For example, we introduced new group credit life insurance products while updating the lineup of loan products designed to support home relocations or the purchase of eco-friendly housing. These initiatives are expected to enable us to increase the volume of new housing loan origination.

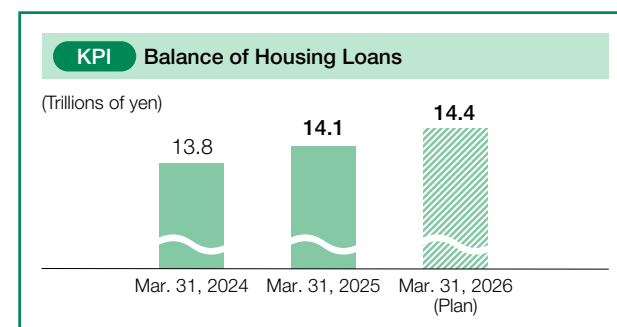
③ Boasting high profitability on the back of interest rate hikes
While the Bank of Japan normalizes its monetary policies, loans with variable interest rates account for approximately 95% of the Group's housing loan portfolio.

④ High-quality loan portfolio
Housing loans boast low and stable credit costs. Accordingly, these constitute loan assets with relatively low capital charges.
As of March 31, 2025, the Resona Group's balance of housing loans stood at ¥14.1 trillion, the largest in Japan. Looking ahead, we will strive to extend these loans to as many customers as possible by enhancing convenience for borrowers, with our plans calling for increasing this balance to ¥14.4 trillion by March 31, 2026.

RORA

=

Net income	Multilateral transactions originating from housing loan borrowers	Average number of products in transactions +around 1.6 times ¹ compared with other customers	
	Upsides of interest rate hikes	Rate: 1.16% (target for FY2025; +0.25% YoY)	
	Cost competitiveness and room for further cost reductions	✓ Merits of scale ✓ Web-based, end-to-end transactions help improve clerical efficiency	
Risk-weighted assets (RWA)	High-quality assets with low risk weight (RW)	RW: 12.68% ²	Long-term, secured loans
	Resilience against interest rate hikes	The final subrogation payment ratio ³ (0.01%)	Screening interest rates are set by factoring in substantial stressors



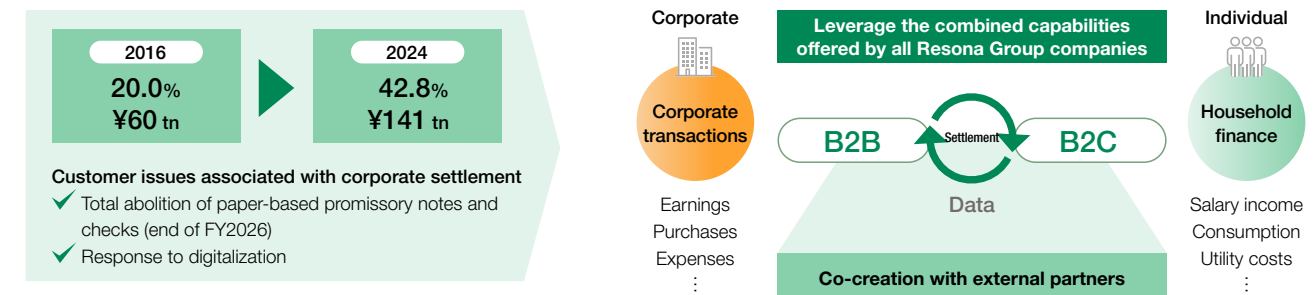
¹ Comparison between housing loan borrowers and potential II & III customers (as of Mar. 31, 2025; sum of Resona Bank, Saitama Resona Bank and Kansai Mirai Bank)

² Resona Holdings, consolidated basis; as of Sep. 30, 2024; non-default

³ FY2024, housing loans guarantee subsidiaries' subrogation ratio x (1-collection after subrogation); sum of residential housing loans and apartment loans

Cashless and DX Solutions Business

Offering Convenience for Corporate Transactions and Household Finances

Cashless Ratio / Market-Size¹

Currently accounting for around 40% of total transactions, the domestic cashless market has expanded rapidly in the wake of the COVID-19 pandemic and continues to grow. At the same time, our corporate customers are facing a variety of emerging issues related to settlement, such as the need to digitize their operations on the back of pressing labor shortages as well as to secure preparedness for the total abolition of paper-based promissory notes and checks scheduled for March 31, 2027.

The Resona Group engages in co-creation involving external partners and otherwise strives to offer a diverse range of solutions to meet needs for cashless payment and operational streamlining measures to support day-to-day household finance and corporate transactions, with the aim of delivering new value to customers.

As of March 31, 2025, the number of debit cards issued totaled 3,300,000, a year-on-year increase of 3.8%. These cards are issued as standard with individual deposit accounts while boasting strong affinity with the banking app, which has become the most frequently used transaction channel. Because of these and other factors, debit cards are being used by a growing number of customers in their

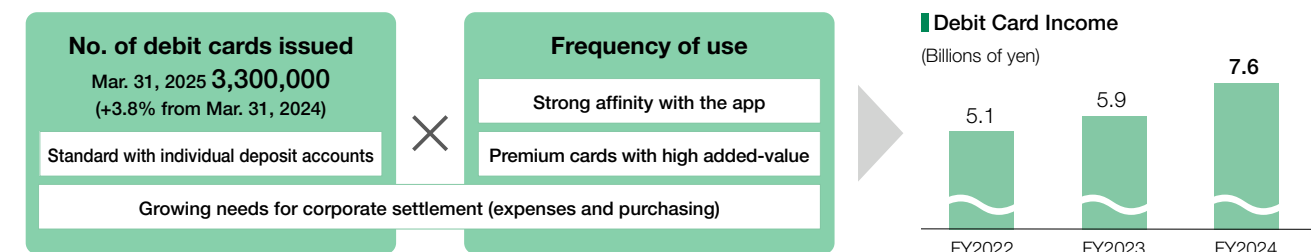
day-to-day transactions.

Similarly, an increasing number of corporate customers now opt to use debit cards in the course of expense settlement and purchasing. Reflecting this, income from debit cards has increased considerably and is expected to grow further going forward.

Meanwhile, progress has been made in our initiatives to co-create value with strategic partners. In September 2024, we entered into a business alliance agreement with JCB Co., Ltd. in the corporate settlement field. Based on this agreement, we engage in the joint planning and development of new solutions aimed at enabling SME customers to improve productivity. As part of our ongoing capital and business alliance with Digital Garage, we released "Bill Card Payment Online" a new corporate settlement service, in October 2024. This alliance also led to the release of "CurePort," an online settlement service targeting the medical industry that enables patients to go home right after doctor visits without undertaking payment procedures.

We will continue to address issues our corporate and individual customers are facing even as we strive to raise settlement-related income.

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



Co-creation of value with strategic partners

- Business alliance with JCB in the corporate settlement field (September 2024-)
- Release of "CurePort," a settlement service jointly developed with Digital Garage for medical institutions and patients (December 2024-)



¹ Source: Data published by the Ministry of Economy, Trade and Industry (March 2025)

Strengthening of Value Creation Capabilities

Financial Digital Platform

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

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

In addition, we have made our banking app and fund wrap available at these regional financial institutions to benefit their customers. These two products have garnered solid reputations while enjoying steady growth in user numbers.

In April and May 2025, respectively, The Juroku Bank and The Keiyo Bank joined the ranks of our external partners with access to our banking app. The Juroku Bank already began handling our fund wrap in November 2024.

In December 2024, we jointly developed the AI-driven banking operation assistance tool “Data Ignition” with BrainPad, as part of new functions to be delivered via our PF, making it available to The Shizuoka Bank as the first customer. This tool incorporates AI models developed through our banking operations and was designed to be used by external corporate users without any additional alignments. “Data Ignition” was chosen to receive the Data Utilization Award 2025 under an award program run by the

Financial Data Utilizing Association in recognition of the drastic workload reductions it enables by allowing user financial institutions to avoid redundant tasks in AI model development and operations.

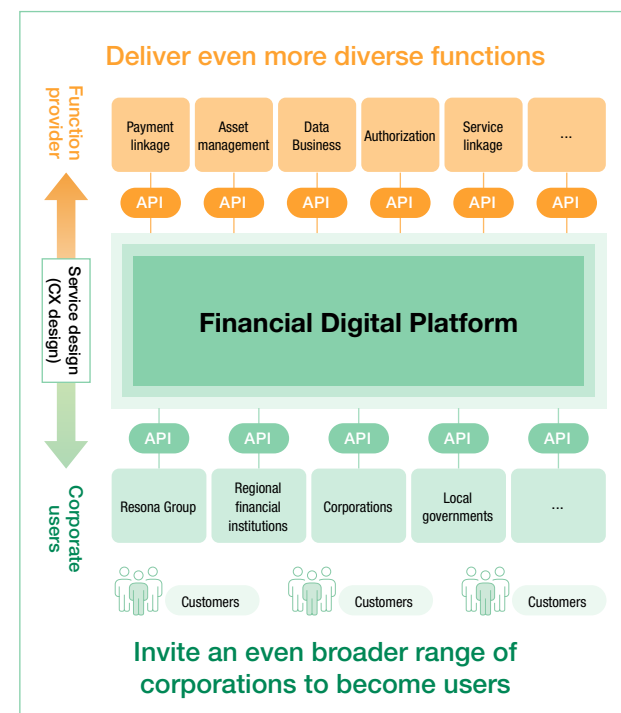
Today, the number of regional financial institutions that use or handle Resona Group products and services has steadily increased to comprise seven financial groups that include eight banks. Going forward, we will strive to further expand the number of PF participants and users by, for example, enhancing the menu of functions offered.

We have also made progress in initiatives to co-create new businesses with partners from different sectors. In the settlement field, we entered into a business alliance agreement with JCB Co., Ltd. in September 2024 while stepping up our business alliance with Digital Garage in May 2025. In the data utilization field, we entered into an “individual agreement” in April 2024 with Shizuoka Bank and our capital and business alliance partner BrainPad based on a basic agreement regarding the commissioning of businesses. The new agreement aims to upgrade Shizuoka Bank’s mode of data utilization.

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

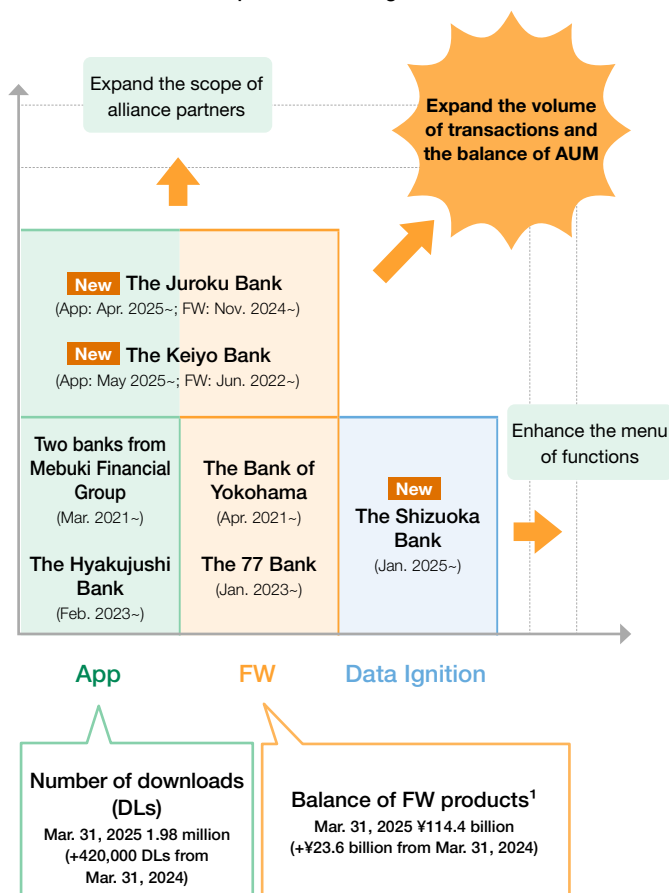
Develop and expand an ecosystem in which all PF participants enjoy win-win relationships

- Engage in co-creation with leading companies in the field of banking systems
 - Established FinBASE in tandem with IBM Japan and NTT DATA to act in collaboration with the above two partners in the exploration of new participants and the pursuit of agile development, etc.



1 Including corporate customers

Roll out Resona Group solutions to regional financial institutions



Number of downloads (DLs)
Mar. 31, 2025 1.98 million
(+420,000 DLs from Mar. 31, 2024)

Balance of FW products¹
Mar. 31, 2025 ¥114.4 billion
(+¥23.6 billion from Mar. 31, 2024)

Inorganic Strategy

Delivering New Value via Co-Creation

As the business environment evolves rapidly, co-creation involving external partners has become essential to addressing the increasingly diverse issues requiring increasingly sophisticated solutions that our customers are confronting. This is also integral to our efforts to achieve sustainable growth for the Resona Group.

Therefore, with external partners we pursue co-creation aimed at securing win-win relationships between ourselves, our partners and our customers. Also, we have positioned inorganic growth investment via the use of capital as an important strategy in our efforts to enhance our customer base, management resources and functions. With this in mind and in line with the current medium-term management plan (MMP), we undertook the two deals described below, and these deals are already yielding synergies.

- The transformation of two leasing companies (DFL Lease and Shutoken Leasing) into wholly owned subsidiaries
In January 2024, we made two leasing companies, which were formerly equity-method affiliates, wholly owned subsidiaries and, in April 2024, merged them into a single company under the name Resona Leasing Co., Ltd. This move enabled us to strengthen collaboration with Group banks in the area of leasing. Reflecting this, the number of “refer-up” leasing deals (referrals by Group banks for bank customers with lease-related needs) has increased 1.8 times year on year, while contribution to group income of Resona Leasing grew from ¥400 million in FY2023 to ¥1,460 million in FY2024.
- Strengthening the capital and business alliance with Digital

Garage (DG) and expanding our equity stake from around 2% to around 12%

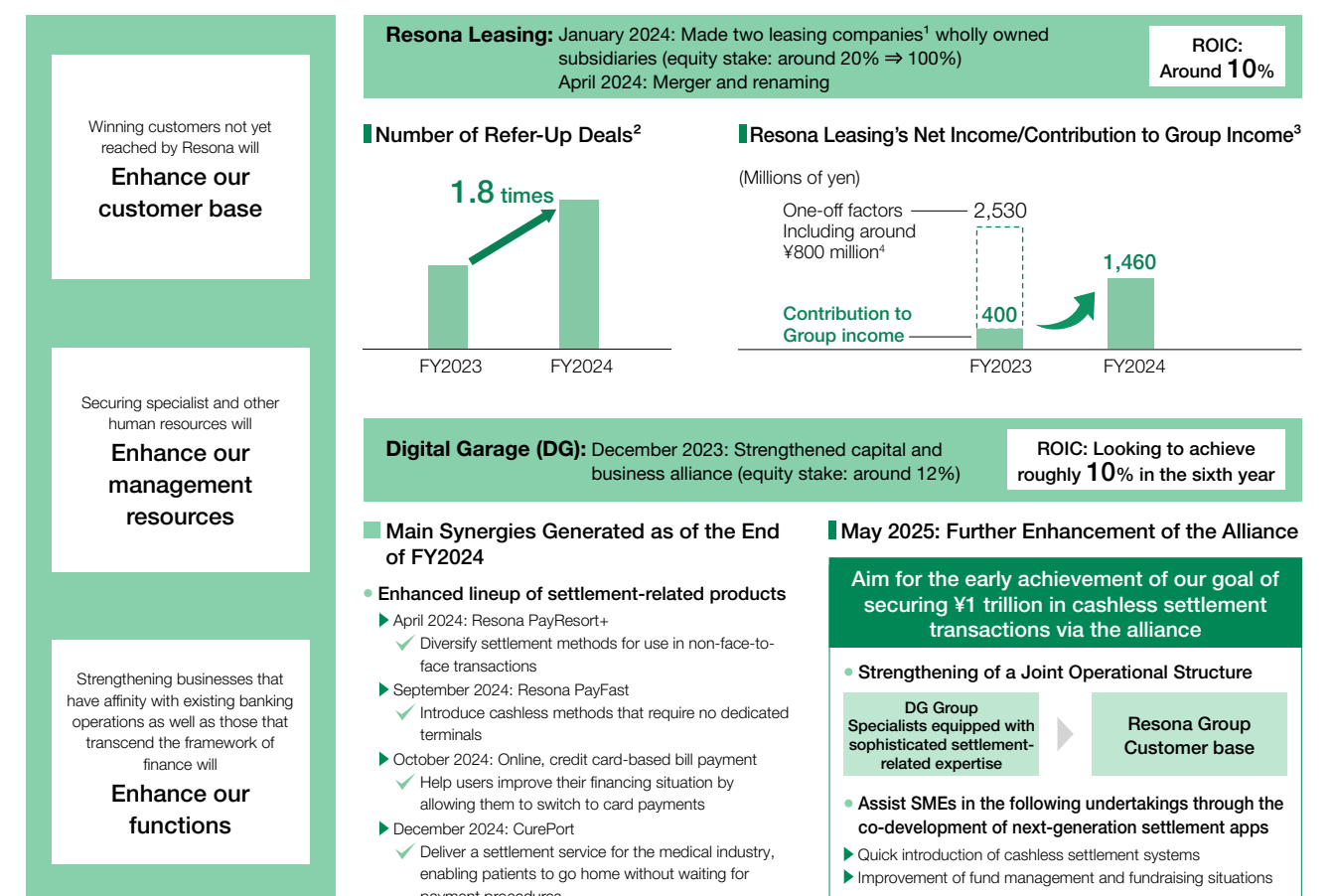
In December 2023, we strengthened up our capital and business alliance with DG. Leveraging sophisticated infrastructure, know-how and other assets possessed by DG in the settlement field, we are currently making progress in the enhancement of settlement-related products as described below in “Main Synergies Generated as of the End of FY2024.”

In May 2025, we further stepped up this alliance. Today, our alliance with DG involves:

- The secondment of the DG Group’s human resources equipped with sophisticated expertise in settlement; these human resources act in close collaboration with Resona Group employees and support the latter, with the aim of strengthening a joint operational structure
- The co-development of next-generation settlement apps designed to assist SMEs in the immediate introduction of cashless settlement systems and support their fund management and fundraising efforts

Through the two initiatives named above, we aim for the early achievement of our goal of securing cashless settlement transactions worth ¥1 trillion through this alliance.

Going forward, we will consider expanding inorganic growth investment aimed at enhancing ROE, starting with addressing issues our customers and society as a whole are confronting.



¹ DFL Lease and Shutoken Leasing

² Referrals from Resona Bank or Saitama Resona Bank to Resona Leasing

³ FY2023: Total of two leasing companies

⁴ Shutoken Leasing: Special dividends from the former subsidiary

Strengthening of Value Creation Capabilities

Customer-Oriented Business Conduct

In line with its Corporate Mission, the Resona Group endeavors to live up to customers' expectations. These endeavors encompass a diverse range of financial services handled by each Group company and place the utmost value on helping customers realize joy and happiness. To this end, we have announced the "Resona Policy on Fiduciary Duty" (hereinafter the "Policy") aimed at guiding the thoroughgoing pursuit of initiatives genuinely focused on serving customers. The Policy not only applies to our asset formation

business but also clarifies our intention to pursue customers' best interests, starting with addressing issues each customer, community, and society as a whole confront. To announce how we will translate the Policy into specific action, we formulated the "Initiative Policy for Practicing Customer-Oriented Business Conduct" in FY2024. In conjunction with this, our Group banks, asset management subsidiary, and other Group companies codified similar policies in order to promote customer-oriented business conduct.

	All business fields	
	Asset formation business	
Resona Holdings	Resona Policy on Fiduciary Duty	
Group banks	Initiative Policy for Practicing Customer-Oriented Business Conduct	
	Fiduciary Duty Basic Policies	
Group companies	Initiative Policy for Practicing Customer-Oriented Business Conduct	



There are growing public expectations with regard to what financial institutions can do to support the stable formation of household assets. Financial institutions are called upon to do more than sell existing products and services, they are also expected to formulate, develop and otherwise create optimal solutions for their customers on an ongoing basis.

The Resona Group recognizes that continuously delivering products and services designed to serve customers' best interests is essential to realizing its Purpose, "Beyond Finance, for a Brighter Future." Such efforts, we believe, must also be undertaken in conjunction with the enhancement of value creation capabilities even as we adapt to changes in internal and external environments.

Based on this recognition, we updated the above Policy, along with its initiative policy, on April 1, 2025, with the aim of clarifying our intention to develop an effective management structure.

Furthermore, product governance structures have been established by companies (departments) tasked with the formulation and sale of financial products in a way that aligns with their respective roles while conforming with philosophies and basic concepts to be shared by all Group companies. In addition, we are striving to develop a smooth collaborative structure while working to facilitate sound intragroup relationships that are not overly cozy. By doing so, we aim to ensure the ongoing provision of products and services capable of serving the best interests of customers in all business fields.

Overview of Resona Policy on Fiduciary Duty

I. Basic Stance

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

II. Provision of Optimal Services

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

III. Human Resources and Organization

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

Entrenchment of the Purpose

Entrenchment of the Purpose

The Resona Group's Purpose

Beyond Finance, for a Brighter Future.

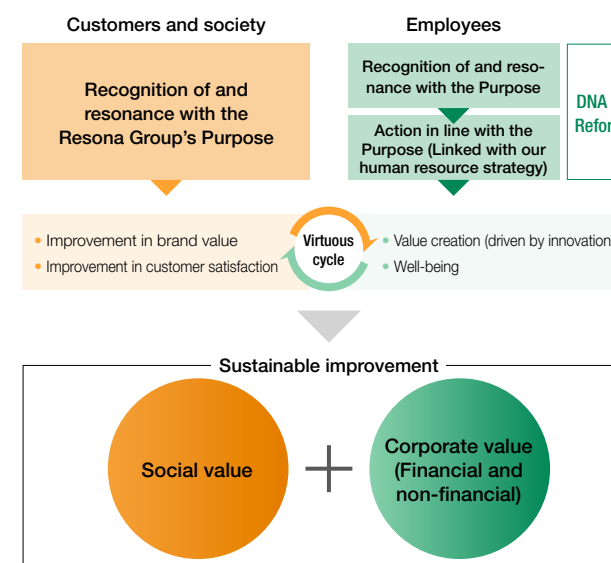
In a world that keeps changing,
we're here to provide peace of mind so
that we can welcome the future with
hope and confidence.

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

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

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

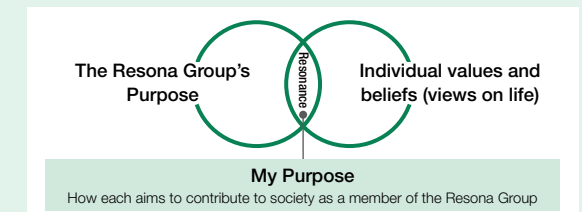
Through the entrenchment of our Purpose among employees, customers and society as a whole, we will accelerate initiatives to achieve sustainable improvement in social and corporate value.



Entrenchment of the Purpose among employees

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

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



My Purpose Workshop



Ryo Hasegawa
Saitama Nishi Regional Headquarters,
Saitama Resona Bank



**"Nurturing mutual connections
and working together with you
for a brighter future for our community."**

My father's passion for his business led me to join the Company

When I was a student, I worked part-time at my father's liquor store. This helped me discover his character as a business owner and understand various aspects of his responsibilities, including sales, taking orders, purchasing and accounting. Although this discovery caused me to look upon him with greater respect, I became worried about him being the sole person responsible for all aspects of this business with no-one to lean on or seek counsel from. My aspiration to support SME owners like my father is what led me to choose to join Saitama Resona Bank.

An aspiration to contribute to the development of my Saitama community with the power of connections

In the course of interacting with many people through my work, I learned that acting in collaboration with someone like you could yield infinite possibilities, far more than what I could achieve acting alone. When I say "you," I mean each customer, each colleague working for the Resona Group and every community member I may encounter going forward. I aspire to develop connections with many people even as I play my part in the development of my Saitama community.

Serving as a hub to contribute to the creation of new value

As a member of the Regional Headquarters, I am responsible for creating proposals to help customers resolve issues they are confronting or to develop their businesses. In doing so, I strive to facilitate the in-house coordination and sharing of insights gleaned by branches regarding the troubles our customers encounter and other circumstances affecting them. In short, I serve as an information hub and have cultivated many connections with the aim of creating new value. Looking ahead, I intend to do my best to help create a brighter future for local communities.