

April 28, 2017

To who it may concern:

Company Name: Resona Holdings, Inc
Director, President and Representative Executive Officer: Kazuhiro Higashi
(Code No.: 8308, 1st Section of the Tokyo Stock Exchange)

Notice Concerning Introduction of a Performance Share Unit Plan

Resona Holdings, Inc. (the “Company”) hereby announces, as described below, that the Compensation Committee resolved, at the meeting held today, to introduce a performance share unit plan (“the Plan”) to the compensation system, as a medium-to long-term incentive for the directors and executive officers responsible for business execution at the Company as well as Resona Bank, Ltd., Saitama Resona Bank, Ltd. and The Kinki Osaka Bank, Ltd. (collectively the “Group banks”).

The introduction of the Plan at the Group banks is subject to the approval of the respective Board of Directors of each bank, with their board meetings scheduled for May 2017, as well as the approval of the Annual General Meeting of Shareholders to be held in June.

1. Purpose of the Plan

The current compensation system for directors and executive officers responsible for business execution at the Company and its Group banks includes a stock purchase based compensation, with the Directors’ Shareholding Association granting shares to the Recipients. The Company and its Group banks will abolish the current stock purchase based compensation in June 2017, and introduce the Plan to the compensation system for directors and executive officers responsible for business execution from this July.

The incorporation of the Plan is intended to provide greater incentives for achieving the Company’s medium-term management plan and to link the compensation system more closely to shareholder value. Recipients will be granted the Company’s shares and cash compensation after the closing of the final fiscal year of the current medium-term management plan, with consolidated ROE (based on shareholders’ equity) determining the provision ratio that ranges from 0% to 100%.

2. Outline of the Plan

(1) Eligible Recipients

The Plan will apply to directors and executive officers responsible for business execution at the Company and its Group banks. More specifically, the Plan will apply to executive officers of the Company, as well as representative directors, executive directors and executive officers as defined in our internal regulations of the Group Banks. Directors not holding authority to execute business (including outside directors) and company auditors are ineligible for the Plan.

(2) Composition of Benefits Granted as Performance Share Units

Shares will account for 60% of the overall value of performance share units. Cash compensation will account for the remaining 40% of the value of performance share units, considering the income taxes borne by Recipients.

(3) Individual Stock Compensation and Cash Compensation

① Number of Shares Granted to Each Recipient

Standard number of shares¹ × provision ratio² × 60%

(The total amount of shares awarded to all Recipients is limited to 1,900,000 shares.)

② Cash Compensation to Each Recipient

Standard number of shares¹ × provision ratio² × 40% × the Company's share price³

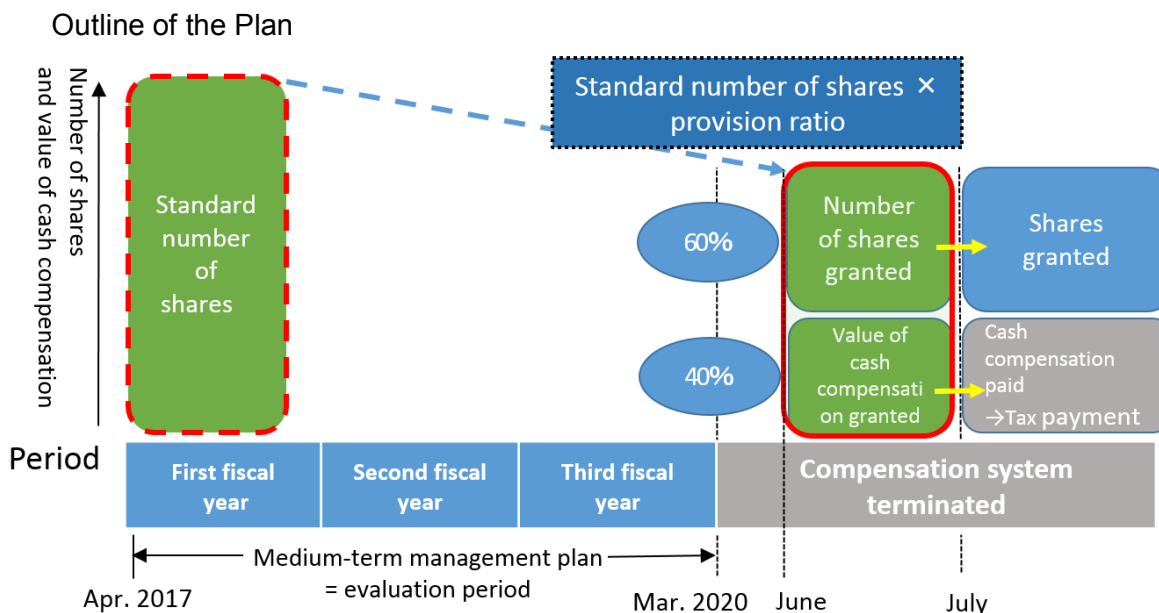
[1] Determined based on the Recipient's position

[2] Varies from 0% to 100% depending on the consolidated ROE (based on shareholders' equity) for the fiscal year ending March 31, 2020, the final fiscal year of the medium-term management plan

[3] Closing price of Resona Holdings' common stock announced at the Tokyo Stock Exchange a day prior to the Company's Board of Directors meeting, which is scheduled for June 2020 to pass a resolution for a third-party allotment in connection with the Plan

(4) Time of Delivery

After the evaluation of the Recipients' performance is completed in March 2020, the end of the final fiscal year of the medium-term management plan, shares and cash compensation will be granted in July 2020 determined by the above formulas.



3. Overall Structure of Compensation after the introduction of the Plan

The proportion of performance share units in the overall compensation granted to eligible Recipients is equivalent to that of the current stock purchase based compensation. The composition of compensation granted to eligible directors and executive officers at the Company and its Group banks after the incorporation of the Plan is as follows.

Position-based compensation (fixed compensation)	Performance-based compensation (Standard amount) (variable compensation)		Total
	Cash (Annual incentive)	Performance share units (Medium- to long-term incentives)	
50~60%	20~25%	20~25%	100%