May 15, 2020

To all whom it may concern

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Notice Regarding the Introduction of Restricted Stock Compensation Plan

At the Board of Directors meeting held on May 15, 2020, Credit Saison Co., Ltd. (hereinafter: "Credit Saison") has reviewed the executive compensation plan, and passed a resolution regarding introduction of a restricted stock compensation plan for Directors (excluding Outside Directors, the same shall apply hereafter) and Executive Officers (hereinafter: “the Plan”). In addition, Credit Saison determined to submit a proposal regarding the introduction of the Plan to the 70th Ordinary General Meeting of Shareholders to be held on June 18, 2020 (hereinafter: “the General Meeting of Shareholders”).

1. Purpose and requirements for the introduction of the Plan

(1) Purpose of the introduction of the Plan

The Plan is intended to provide the Directors of Credit Saison (hereinafter: “the Eligible Directors”) and the Executive Officers thereof (together with the Eligible Directors, hereinafter: “the Eligible Officers”) with incentives to sustainably increase Credit Saison’s corporate value as well as to further promote shared value with its shareholders.

(2) Requirements for the introduction of the Plan

As the Plan consists of monetary compensation to be provided for granting restricted stocks to the Eligible Directors, its introduction shall require the approval of shareholders at the General Meeting of Shareholders for the provision of such compensation.

While compensation for Directors was resolved at the 57th Ordinary General Meeting of Shareholders held on June 23, 2007, that the aggregate compensation payable to Directors shall be no more than 750 million yen per year (including not more than 50 million yen per year for Outside Directors) (provided, however, the amount does not include the portion of employee’s salaries for Directors who also serve as employees), Credit Saison will request shareholders’ approval of the introduction of the Plan to set a compensation limitation to Eligible Directors under the Plan within the scope of the aforementioned Directors’ monetary compensation limitations.

2. Overview of the Plan

Under the Plan, all monetary compensation claims granted to Eligible Officers by Credit Saison shall be delivered as property contributed in-kind, and Eligible Officers shall receive common stock of Credit Saison to be issued or disposed of.

Total compensation amounts payable to Eligible Directors out of Eligible Officers shall be no more than 150 million yen per year, within the scope of the current monetary compensation limitations. Total number of common stock of Credit Saison to be issued or disposed of under the Plan shall not exceed 250,000 shares per year (for clarification, in the event of unavoidable ground which requires adjustment of the number of shares such as a stock split or reverse stock split of Credit Saison's common stock, the total number of shares to be issued or disposed of may be adjusted within a reasonable range).

In order to realize the sharing of medium- to long-term corporate value with shareholders, which is one of the purposes of the introduction of the Plan, the transfer restriction period shall consist of the time from the date when restricted stock is granted to the date when the Eligible Officer retires or resigns from all of the posts among Credit Saison's Director, its Executive Officer and other post(s) specified by its Board of Directors. Details of grant timing and allocations to each Eligible Officers shall be decided by the Board of Directors.

The amounts paid per one share of Credit Saison to be issued or disposed of under the Plan will be decided by the Board of Directors, based on the closing price of Credit Saison's common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution of the Board of Directors (if there is no transaction concluded on said date, the closing price of the most recent trading day preceding said date) to the extent that it will not be excessively advantageous for the Eligible Officers.

When Credit Saison issues or disposes of common stock under the Plan, Credit Saison and Eligible Officer shall conclude a restricted share allocation agreement (hereinafter: "the Allocation Agreement") which shall include the following items:

(i) Eligible Officer shall not transfer, create security interest on, or otherwise dispose of Credit Saison's common stock allocated under the Allocation Agreement for the period prescribed in advance.

(ii) If the certain event occurs, Credit Saison shall acquire the allocated shares without consideration.