Basel III Disclosure Data

This section outlines matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2014) with regard to the status of capital adequacy, as set forth in Article 19-2, Paragraph1, Item 5-(d) of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No.10, 1982).

The following disclosure, unless otherwise stated, is with respect to Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") as of the end of March 2021.

[Qualitative Disclosure Data: SuMi TRUST Holdings]

Qualitative Disclosure Data:
Sumitomo Mitsui Trust Holdings, Inc.

1. Overview of the Risk Management of the Sumitomo Mitsui Trust Group

(1) Basic Policy on Risk Management

In order to ensure sound management, secure revenue through risk taking based on management strategies, and achieve sustainable growth, the Sumitomo Mitsui Trsut Group (the "SuMi TRUST Group") follows a basic policy of accurately assessing risk conditions and implementing necessary risk-related measures through a series of risk management activities, including risk identification, evaluation, monitoring, control and mitigation, validation for advancement, and review, based on the management policy and basic policy on the internal control system of the SuMi TRUST Group.

The risk management framework of the SuMi TRUST Group encompasses the Risk Appetite Framework (please refer to (5) below), and integrates it to function organically within the SuMi TRUST Group.

(2) Risk Characteristics of the SuMi TRUST Group

Based on a fiduciary spirit, and leveraging its significant expertise and comprehensive capabilities, the SuMi TRUST Group, as a financial group specialised in trust banking, strives to create distinct value through a total solution business model that combines its banking, asset management and administration, real estate businesses and others.

The businesses of the SuMi TRUST Group consist of the Retail Total Solution (TS) Services Business, the Wholesale Total Solution (TS) Services Business, the Wholesale Asset Management (AM) Business, the Stock Transfer Agency Services Business, the Real Estate Business, the Fiduciary Services Business, the Global Markets Business, the Private Banking (PB) Business, and the Asset Formation Advisory, Work place, Business, etc.

The Group faces various risks, including credit risk, market risk, funding liquidity risk, and operational risk, which vary depending on the business characteristics of each of the businesses. In this context, as a basis for improving management of risks related to trust business operations, we have established Group-wide Trust Business Guidelines to provide information about basic matters that warrant caution. Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank") primarily manages these risks in the operational risk category, particularly in terms of its duty of due care as a prudent

• Businesses and Main Risk Characteristics of the Group

Risk Category \ Individual Businesses	Retail TS	Wholesale TS	Wholesale AM	Stock Transfer Agency Services	Real Estate	Fiduciary Services	Global Markets	Private Banking	Asset Formation Advisory, Work place	Asset Management	Corporate Management*
Credit Risk	○	○	○				○	○	○		
Market Risk		○	○				○				○
Funding Liquidity Risk							○				
Operational Risk	○	○	○	○	○	○	○	○	○	○	○

* Strategic shareholdings management, etc.

• Risk Definition

Risk Category	Definition
Credit Risk	Risk that the Group may incur losses due to a decrease or impairment of the value of assets (including off-balance sheet assets), for reasons such as deterioration of the financial condition of obligors. In this regard, "country risk" in particular refers to the risk that the Group may incur losses on credit provided overseas, due to the foreign exchange, political, or economic conditions in the country where our clients operate.
Market Risk	Risk that the Group may incur losses due to fluctuations in the value of assets/liabilities (including off-balance sheet assets/liabilities), or in the earnings generated from assets/liabilities, due to fluctuations in various market risk factors, such as interest rates, foreign exchange rates, stocks, commodities, and credit spreads. In this regard, "market liquidity risk" in particular refers to the risk that the Group may incur losses due to a situation in which it becomes impossible to conduct transactions in the market, or becomes obligatory to trade at prices that are significantly more disadvantageous than usual, due to market turmoil.
Funding Liquidity Risk	Risk that the Group may incur losses in a situation where it becomes impossible to secure necessary funds, or becomes obligatory to raise funds at interest rates significantly higher than usual.
Operational Risk (Below are "risk sub-categories" within Operational Risk)	Risk that may adversely affect the Group, clients, markets, financial infrastructure, society, or the work environment due to inadequate or failed business processes, the activities of executives or employees, computer systems, or due to external events.
Business Processing Risk	Risk that the Group may incur losses due to inappropriate business procedures arising from executives or employees neglecting to engage in proper business activities, or other incidents such as accidents or fraud.
System Risk	Risk that the Group may incur losses due to reasons such as computer system failures, malfunctions, and defects, as well as the risk that the Group may incur losses due to unauthorized computer usage.
Information Security Risk	Risk that the Group may incur losses due to the improper management or maintenance of information assets. This includes information leaks, information errors, and misuse of information, as well as an inability to use the information system.
Legal & Compliance Risk	Risk that the Group may incur losses due to uncertainty regarding the legal aspects of transactions, or due to insufficient compliance with laws, regulations, etc.
Conduct Risk	Risk that may adversely affect the Group, clients, markets, financial infrastructure, society, or the work environment due to the actions of Group companies, executives, or employees that are unprofessional or do not meet the expectations and trust of stakeholders*. * Appropriate service level set by the Group based on an understanding of reasonable expectations
Human Resource Risk	Risk that the Group may incur losses due to personnel and labor management issues, such as unequal or unfair management of personnel, and harassment.
Event Risk	Risk that the Group may incur losses due to external events that impair business, such as natural disasters, crimes such as terrorism, damage to public infrastructure that prevents its functioning, and the spread of infectious diseases, or due to the inappropriate use or management of tangible assets.
Reputational Risk	Risk that the Group may incur losses as a result of a deterioration of the reputation of SuMi TRUST Holdings or its subsidiaries, due to reasons such as mass media reports, rumors, or speculation.

manager, duty of loyalty, and duty to segregate property as a trustee.

Reporting is regularly performed regarding whether the overall risk of the SuMi TRUST Group, combining the risks of each business, is within the limits of risk capacity (soundness and liquidity) that have been determined by the Board of Directors.

(3) Risk Governance System

For the group-wide risk governance system, the SuMi TRUST Group has developed a Three Lines of Defense system consisting of risk management by individual businesses (first line of defense), risk management by the Risk Management Department and individual risk management-related departments (second line of defense), and validation by the Internal Audit Department (third line of defense).

[First Line of Defense]

Each Group business identifies and gains an understanding of the risk characteristics involved in carrying out its own business, based on knowledge of the services and products in that business.

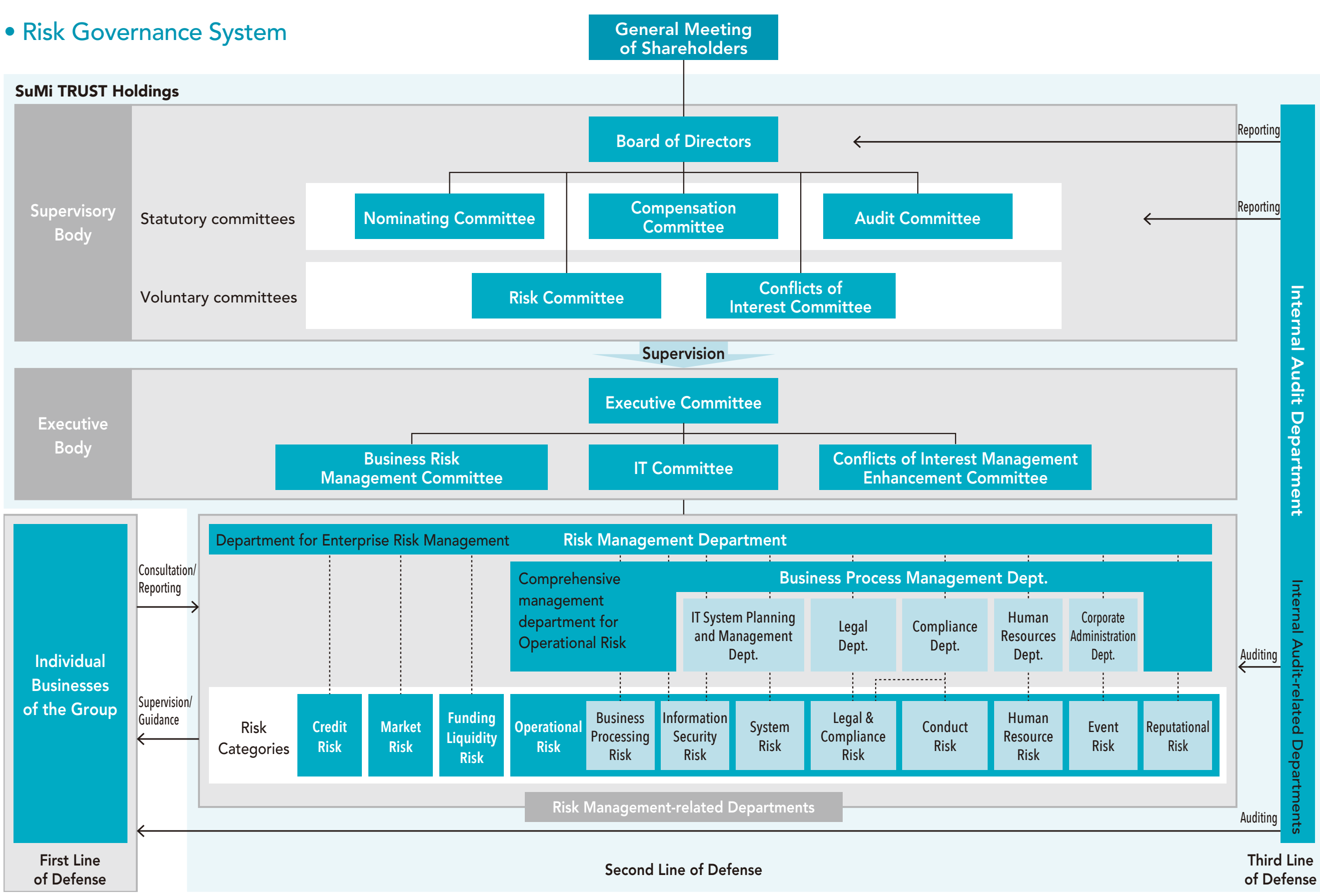
Each business takes risks within the scope of its risk appetite in accordance with its risk-taking policy, evaluates risks, and swiftly implements risk control at the on-site level when risks materialize. In addition, the status of risk management is reported to the second line of defense in a timely manner.

[Second Line of Defense]

The Risk Management Department and risk management-related departments act as control departments responsible for the management of each risk category. In accordance with the Group-wide basic policy on risk management approved by the Board of Directors, the Risk Management Department and risk management-related departments act as a check-and-balance function for the risk taking of the first line of defense, and supervise and provide guidance regarding the risk governance system from an independent standpoint.

The Risk Management Department, as an Enterprise Risk Management Department, performs overall risk management, identifies and evaluates group-wide risks, creates a risk management process, and sets risk limits in accordance with the group-wide risk management policy determined by the

• Risk Governance System



Board of Directors. In addition, it formulates group-wide recovery strategies, in advance, to prepare for cases when risks materialize. Furthermore, it shares information with risk management-related departments appropriately, monitors the overall status of risks and risk management in an integrated manner, and reports the status to the Executive Committee and the Board of Directors.

[Third Line of Defense]

The Internal Audit Department verifies the effectiveness and appropriateness of the group-wide risk governance system and processes from a standpoint independent of the first and second lines of defense.

[Executive Committee]

The Executive Committee is composed of representative executive officers* and executive officers* designated by the President. It makes decisions on matters concerning risk management and undertakes preliminary discussions regarding matters to be resolved by and reported to the Board of Directors.

* Executive officers defined by the Companies Act.

[Board of Directors]

The Board of Directors is composed of all of the directors. It decides on the management policy and strategic goals for risk taking of the SuMi TRUST Group, formulates a risk management policy, etc. that reflects these strategic goals based on a solid understanding of the location and nature of risks, and develops an appropriate risk governance system and supervises its implementation. The Board of Directors has voluntarily established the Risk Committee and the Conflicts of Interest Committee, as advisory bodies, based on the business strategies and risk characteristics of the SuMi TRUST Group.

[Risk Committee]

The Risk Committee receives requests for consultation from the Board of Directors on matters concerning the business circumstances surrounding the SuMi TRUST Group and the effectiveness of its risk management, etc., reviews their appropriateness, and reports its findings.

[Conflicts of Interest Committee]

The Conflicts of Interest Committee receives requests for consultation from the Board of Directors on matters concerning the fiduciary duties and conflict of interest management, which are the foundation on which the SuMi TRUST Group seeks to become the "Best Partner" of its clients based on a fiduciary spirit, reviews their appropriateness, and reports its findings.

(4) Risk Management Process

In the SuMi TRUST Group, the Risk Management Department and individual risk management-related departments act as the second line of defense, performing risk management using the following procedure. This risk management process, along with its associated systems, undergoes regular auditing by the Internal Audit Department, which acts as the third line of defense.

[Risk Identification]

The risks faced by the SuMi TRUST Group are comprehensively identified, while ensuring the comprehensiveness of operations of the SuMi TRUST Group and the risks to be managed are identified based on the scale and characteristics of the identified risks. Of note, risks that are particularly important are managed as material risks.

[Risk Evaluation]

The risks identified as requiring management undergo analysis, assessment, and measurement in a manner appropriate for the business scale, characteristics, and risk profiles. We periodically evaluate material risks in terms of frequency of occurrence, degree of impact, and severity to determine whether they can be classified as "top risks" (risks that require management attention due to their potential to have a material impact on the Group's business capabilities and earnings targets within one year) or "emerging risks" (risks that could have a material impact in the medium to long term; i.e., after one year).

When risks cannot be quantified, their impact is assessed to the greatest extent possible, and they are managed through measures such as implementing preventive measures based on the nature of the risks.

[Risk Monitoring]

Risk conditions are monitored with appropriate frequency, given the conditions of internal environment (risk profiles, allocated capital usage status, etc.) and external environment (economy, markets, etc.) of the SuMi TRUST Group. Recommendations, guidance, and advice are given to the businesses of the SuMi TRUST Group based on the risk conditions. Monitoring contents are reported and submitted to the Board of Directors, the Executive Committee, and other bodies regularly or as needed.*

* The information on risks is reported to the Executive Committee and the Board of Directors on a monthly or quarterly basis according to its content. The information on risks to be reported is created by using internal databases, and risk measurement systems, etc. The SuMi TRUST Group is developing and advancing management information systems while complying with the "Principles for Risk Data Aggregation" of the Basel Committee on Banking Supervision.

• Main Items to Be Reported to the Board of Directors and Executive Committee

Frequency	Contents to be reported
Monthly	Comprehensive risk situation (including whether the risk amount is within the limit) ⇛Specifically, the amount of risk, usage of allocated capital, the amount of regulatory risk, and risk appetite situation, etc., for each business and each risk category are reported.
Quarterly	1) Status of the external environment, including the economic circulation, 2) whether the risk amount is within the limit, the risk profile, and its trend, 3) the progress and evaluation of risk management plans, etc. ⇛Specifically, the status of top risk, etc., as well as items to be reported monthly are reported.

[Risk Control and Mitigation]

If any incidents that could have a significant impact on the soundness of management occur, such as the risk amounts exceeding the risk limits, or the existence of concerns that it might do so, appropriate reports are presented to the Board of Directors, the Executive Committee, and other bodies, and the necessary countermeasures are implemented.

[Risk predictor management for top risks, etc.]

Risk appetite indicators are defined for risks resulting from internal factors, based on the features of the business model and risk characteristics of the SuMi TRUST Group, and these management indicators are monitored. Regarding risks resulting from external factors, the top risks are selected, and risk predictors are monitored. Countermeasures are implemented based on the monitoring results for both types of risks.

The top risks at present include "the global COVID-19 pandemic" and other risks. Along with countermeasures, these risks are reported to the Board of Directors and the Executive Committee. Emerging risks at present include "climate change" and other risks, and we are analyzing these risks and considering necessary countermeasures.

The Group's main top risks and emerging risks are listed in the table below.

■ Main top risks and emerging risks

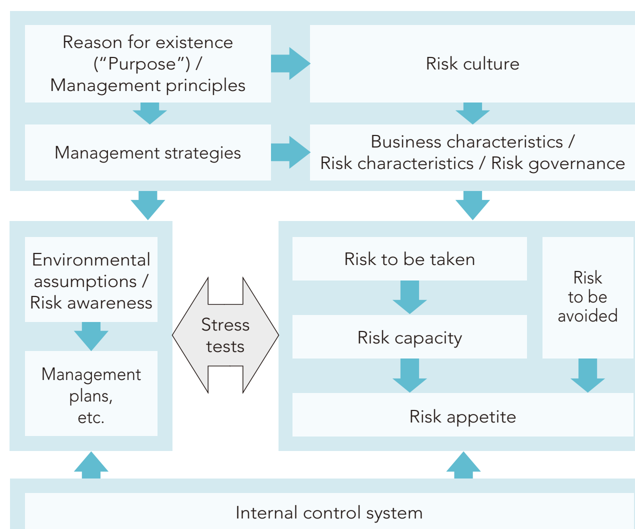
Top risks	Risks related to the global COVID-19 pandemic
	Risks related to falling prices for strategic shareholdings and similar assets
	Risk of concentration of credit in major obligors in the credit portfolio
	Risks related to cyber attacks
Emerging risks	Risks related to climate change
	Risks related to innovation
	Risks related to Japan's declining birthrate and aging population

(5) Risk Appetite Framework

The SuMi TRUST Group defines the Risk Appetite Framework (RAF) as a company-wide framework for business management composed of a process for determining risk appetite (category and level of risk the Group should take to implement management strategies) within the risk capacity range to complete management strategies designed by the Board of Directors based on the reason for existence (Purpose) and management principles of the Group, and internal control system for supporting them.

The main aim of the Group's RAF is to both improve profitability and enhance risk management. The Group establishes communication processes through the setting, propagation, and oversight of risk appetite and promotes the improvement of transparency in the decision-making process regarding all kinds of risk-taking policies, including capital allocation and profitability maximization. In addition, the Group promotes the optimization and speed-up of management resources allocation and the strengthening of the monitoring system, by using RAF as the universal language of the Group.

• Outline of the Risk Appetite Framework



The SuMi TRUST Group formulated the Risk Appetite Statement (RAS), which clearly describes the entire framework of RAF and the details of risk appetite, etc. By thoroughly informing RAS among the staff of the Group, the Group encourages lively discussion on risk appetite and promotes the fostering and spread of sound risk culture. In addition, we have established indicators for risk appetite from the perspectives of return, risk, and cost, and continuously monitor and verify whether we are taking appropriate risks based on our business model. The results of monitoring are reported to the Board of Directors and the Executive Committee every six months.

(6) Fostering of Risk Culture

The SuMi TRUST Group defines risk culture as a basic philosophy that prescribes the codes, attitudes, and conduct of the SuMi TRUST Group's organization, as well as executives and employees, that flexibly carries out risk-taking, risk management, and risk control based on an appropriate evaluation of risks, guided by a high degree of self-discipline with the background of fiduciary spirit.

In order to improve its corporate value and stakeholder value, the SuMi TRUST Group takes risk based on risk appetite, strictly complies with applicable laws and regulations to establish solid credibility from clients and society, and takes a resolute stance against antisocial forces.

In order to foster and spread "risk culture," the SuMi TRUST Group clarifies its risk-taking policies by line of business with the aim of building a sustainable business model through adequate risk-taking by all directors, officers and employees. At each office, the SuMi TRUST Group aims to foster the culture of recognizing the "importance of becoming familiar with risks" and "appropriate attitudes for challenging risks" and taking action.

In addition, the executives and employees of the SuMi TRUST Group follow the "Codes of Conduct regarding Risks" in order to support sustainable growth, while ensuring the soundness of management.

(7) Enterprise Risk Management

1) Enterprise Risk Management System

The SuMi TRUST Group manage risks by comprehensively grasping the risks faced by the Group, which are evaluated on an individual risk category basis, and comparing and contrasting them against our corporate strength (enterprise risk management).

We evaluate the effectiveness of our risk management and risk control annually, and when the need arises due to changes in the business environment or other circumstances, we will consider revisions to our risk category system, risk management system, and other policies.

Among the risks we manage through our enterprise risk management, we combine the risk values for risks that can be quantitatively measured using a single standard, such as VaR, and compare the combined value against our corporate strength (capital position), thereby managing risks (integrated risk management).

• Overview of Risk Measurement Approaches in Integrated Risk Management

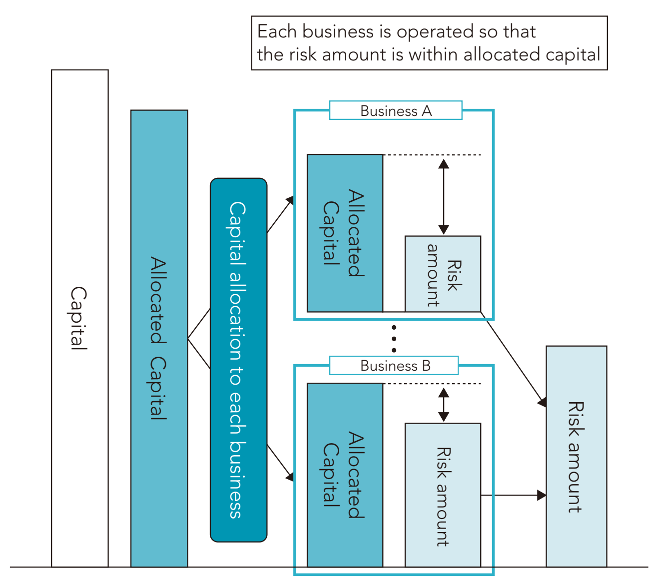
Risk category	Main scope	Main measurement approaches
Credit risk	Assets such as loans and bills discounted (including off-balance transactions)	Monte Carlo Simulation Method
Market risk	Risks related to trading accounts, banking accounts' interest rates, foreign exchange, stocks, commodities, and credit spreads (including off-balance transactions)	Historical Simulation Method
Operational risk	Business processes, the activities of executives and employees, and computer systems, etc.	Monte Carlo Simulation Method

2) Capital Allocation Operations

For the purpose of capital allocation operations of the SuMi TRUST Group , SuMi TRUST Holdings allocates capital to each business, including the Group companies, based on each risk category (credit risk, market risk, and operational risk) in consideration of the external environment, risk-return performance status, scenario analysis, and the results of assessments of capital adequacy levels. The capital allocation plan is subject to the approval of the Board of Directors. Capital allocation levels are determined based on the Group's risk appetite.

Each business is operated within both the allocated amount of risk capital and its risk appetite. The Risk Management Department measures the risk amount on a monthly basis, and reports regularly on the risk conditions, compared to the allocated capital and risk appetite, to the Board of Directors, and others.

• Capital Allocation Scheme



3) Stress Tests and Assessment of Capital Adequacy Level

The Risk Management Department performs three types of stress tests (hypothetical scenario stress testing, historical scenario stress testing, and examination of probability of occurrence) each time a capital allocation plan is formulated or reviewed, with the aim of ensuring capital adequacy from the standpoint of depositor protection. Based on the results of these stress tests, it assesses the level of capital adequacy, and reports to the Board of Directors, and others.

- **Hypothetical Scenario Stress Testing**
  Assessment of capital adequacy level by formulating a stress scenario that has a sufficiently strong impact and a realistic probability of occurrence and then estimating capital adequacy ratio, etc. in times of stress.
- **Historical Scenario Stress Testing**
  Assessment of capital adequacy level through estimation of capital adequacy ratio, etc. in times of stress using parameters from stress times that had occurred in the past.
- **Examination of Probability of Occurrence**
  Assessment of capital adequacy level by comparing the risk with 99.9% confidence interval with total capital defined under capital regulatory standards.

• Stress Test Framework

1) Formulating a scenario proposal	Formulate multiple proposals for future "hypothetical scenarios," "historical scenarios" in past events, etc.
2) Scenario discussion and selection	Scenarios are discussed and selected at the meetings of committees, etc. attended by executives.
3) Impact evaluation	Estimate the impact when the selected scenario occurs, and carry out assessment of capital adequacy level and other assessments.
4) Reporting to the Board of Directors and others	Receive the report on assessment results and utilize it in formulating a management plan.

(8) Compliance with the Basel Standards

The Basel rules, which are the international standard rules regarding the soundness of banks, consist of "the first pillar," which defines the minimum capital requirements such as capital regulatory standards, "the second pillar," which regulates the inspection on self-management and supervision of financial institutions, and "the third pillar," which regulates market discipline, which is subject to market evaluation based on appropriate disclosure.

Basel II was implemented in Japan at the end of March 2007. Since the end of March 2013, Basel III has been implemented in a phased manner. Basel III is composed of capital regulatory standards, leverage ratio regulations, and liquidity regulations, for improving the quality and amount of capital, strengthening risk identification, etc.

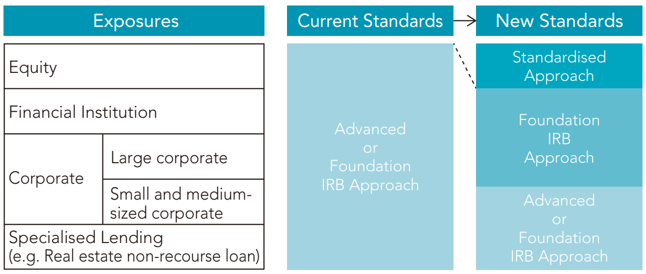
Under such circumstances, as part of the efforts to advance its risk management, the SuMi TRUST Group adopted the Advanced Measurement Approach to operational risks since the end of March 2014, and the Advanced Internal Ratings-Based (AIRB) Approach to credit risks since the end of March 2015, both in compliance with the capital regulatory standards. In addition, as part of the liquidity regulations, liquidity coverage ratio and leverage ratio have been added to the first pillar since the end of March 2015, and the end of March 2019, respectively, with which the SuMi TRUST Group has duly complied.

Moreover, in December 2015, the SuMi TRUST Group was designated as one of Domestic Systemically Important Banks (D-SIBs), which is the "domestic version" of Global Systemically Important Banks (G-SIBs) specified by the Financial Stability Board (FSB), and is subject to the 0.5% surcharge defined under capital regulatory standards.

After implementing Basel III, the Basel Committee on Banking Supervision has been continually reviewing capital regulatory standards. To ensure appropriate risk sensitivity, simplicity and comparability of regulations, the Committee made the final agreement to make revisions related to a risk-weighted assets measurement approach, which is the denominator of capital adequacy ratio, in December 2017. While partially constraining the use of internally-modelled approaches by banks, the Committee adopted capital floors based on standardised approaches in order to prevent the undervaluation of risk-weighted assets based on internal models.

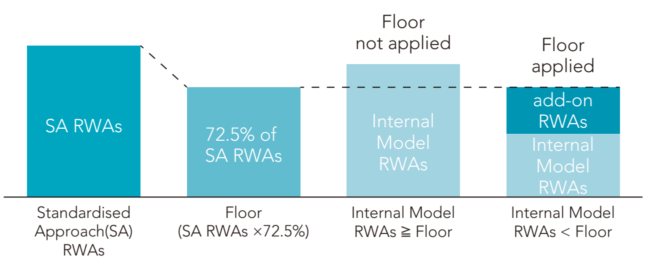
In order to comply with this new regulation scheduled to be implemented at the end of March 2023, the SuMi TRUST Group will engage in the development of a risk management system geared to the launch of this new regulation, including the creation of the system for calculating risk assets in compliance with the new regulatory requirements and the preparation for establishing a portfolio management methodology based on adequate profitability control.

• **Regulatory Reform of Risk-weighted Assets Measurement Approach for Credit Risk**



• Standardised Approach: Supervisory risk weight according to external credit ratings
• Foundation IRB Approach: Risk weight calculated based on banks' own estimates of probability of default (PD)
• Advanced IRB Approach: Risk weight calculated based on banks' own estimates of probability of default (PD) and loss given default (LGD)

• **Capital Floor Structure**



• In the case where 72.5%* of SA RWAs (Floor) is larger than internal model RWAs, Add-on RWAs are charged.
* Capital Floor will be subject to a five-year linear phase-in arrangement from the date of implementation of new standards. The applicable multiplier will start at 50% and increase by 5% at the end of each year until the end of Year 5, and it will eventually reach 72.5%.

As for the third pillar, from the end of March 2018, the adoption of common disclosure templates for internationally active banks, and the enhancement of disclosure items have been implemented to offer necessary information that is sufficiently comparable to all market participants.

(9) Crisis Management

The SuMi TRUST Group has developed systems to swiftly and appropriately implement emergency and crisis response measures in the event of natural disasters, computer system failures, outbreaks of new infectious diseases, and the like, which are rooted in its public mission and social responsibilities as a financial institution, and strives to disseminate information regarding these systems throughout the organization.

Specifically, we have developed BCPs (business continuity plans) for continuing business in the event of a crisis, after securing the safety of our clients, directors, officers, employees, and their families. In order to ensure the effectiveness of our BCPs, we periodically conduct exercises and revise their content. In addition, we have created a response system in which, in the event of a crisis, an emergency response headquarters is created, which is headed by the President.

For large-scale natural disasters such as earthquakes, which are envisioned as having a significant impact, we are enhancing our response system through the preparation of backup offices and backup systems.

We are also strengthening our security measures at the initiative of management to respond to cyber attacks, which are causing damage throughout society, through the formulation of the "Cyber Security Management Declaration." Specifically, the Group has established SuMiTRUST-CSIRT as an internal organization for gathering information, conducting analysis, implementing measures concerning cyber attacks, and allocating necessary staffing. The Group also works to continuously strengthen human resources and to enhance the management system through collaboration with external specialized agencies. In addition, we are endeavoring to strengthen our ability to respond to incidents through the creation and improvement of manuals, etc. for use in both normal times and emergencies, and periodic training and drills.

To address risks related to business continuity amid the COVID-19 pandemic, we established an emergency task force and set our basic stance of "ensuring the health and safety of our employees and their families," "maintaining business continuity as a key piece of social infrastructure," and "preventing the spread of infection in population (including activities that make the population less vulnerable). In accordance to our stance, we have flexibly implemented measures while taking into account the COVID-19 infection situation in Japan and overseas, government requests, client trends, etc. In addition, we have implemented various business continuity measures as stipulated in our BCP and actively utilize teleworking in order to balance the maintenance of services with safety considerations.

2. Credit Risk Management

(1) Definition of Credit Risk

Credit risk is defined as the "risk resulting in losses incurred by The Sumitomo Mitsui Trust Group (the "SuMi TRUST Group") due to a decrease or impairment in value of an asset (including off-balance sheet assets) owing to such reasons as deterioration in the financial condition of an obligor." Of this, country risk in particular means "risk resulting in losses incurred by the Group on credit provided overseas, due to foreign exchange rates or political and economic conditions of the country of the obligor."

(2) Characteristics of Credit Risk

Credit risk is the most fundamental risk concerning the basic function of finance – "credit creation function" – and it is one of the most significant risks that are borne by the Sumitomo Mitsui Trust Group (the "SuMi TRUST Group") in performing banking operations.

Major risk among the credit risks for the SuMi TRUST Group is the risk of a large amount of loan-loss (or the provision for the allowance) being generated through default or credit deterioration of our major obligors. To control the "credit concentration risk" arising from the credit concentration to specific corporate groups, and "chain-reacting default risk" arising from the credit concentration to specific regions, industries, etc., the SuMi TRUST Group strives to appropriately control the risks by setting the credit guideline amounts based on obligor ratings and country ratings, and monitoring the balance of credit and risk amount specific to industries, etc.

(3) Credit Risk Management Policy

The basic policy of the SuMi TRUST Group's credit risk management is "stricter management of individual credit" and "credit portfolio diversification." Regarding the former, we make our individual credit management more precise through our screening and investigation of each transaction, asset assessment, and credit ratings that we assign internally. Regarding the latter, we endeavor to mitigate the concentration risk by managing diversification of our credit portfolio as a whole according to the industries and countries incorporating major obligors. Additionally, we regularly measure the credit risk amount in order to quantitatively grasp the possibility of the loss of portfolio.

Also, we maintain "risk-return adjustment" by reflecting the profit level established after taking into consideration the projected loss ratio and overhead ratio per credit rating on the transaction terms of individual transactions, to secure the profit margin (spread) proportionate to the risks.

Incidentally, the SuMi TRUST Group's credit risk management covers not only credit transactions via banking accounts, but also the transactions with trust accounts with a principal guaranteed contract.

(4) Credit Risk Management System

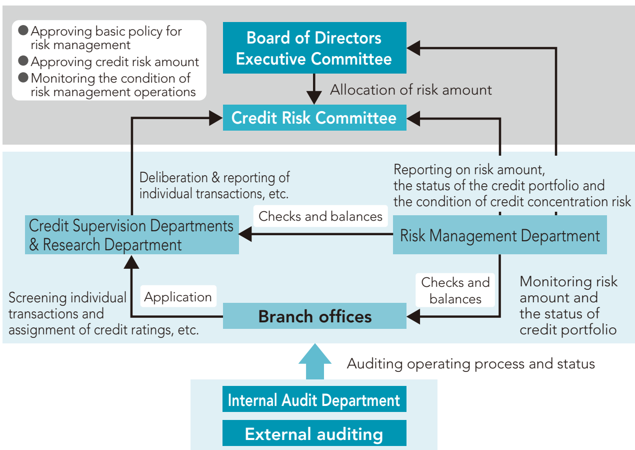
In addition to supervising credit risk management of the entire Group, Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") also works to maintain and establish the systems at each of the Group companies. Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), which is the SuMi TRUST Group's core bank, maintains the risk management system at the consolidated and global levels in order to manage credit risk.

At SuMi TRUST Bank, the Credit Risk Committee, which is the management-level meeting, establishes credit strategies and credit risk management plans once yearly. The established plans are further submitted to the Executive Committee and the Board of Directors for discussion and resolution (approval) to decide important matters regarding risk management. The Credit Risk Committee is called regularly to discuss the basic policy for credit operations, and important matters concerning individual investments and loans transactions, as well as trust transactions. By controlling credit risk, it is working to secure the revenue while keeping an eye on the soundness of assets.

The Risk Management Department, operating as a credit risk management section, manages the portfolio through credit concentration risk management and credit risk amount measuring; manages and inspects the asset assessment and write-offs and allowances for loan losses systems; manages the internal rating system; and inspects the appropriateness of the rating systems and parameters. The details of monitoring and the risk control measures for credit risk, such as the status of the portfolio, credit risk amount, status of rating fluctuation, and the management status of credit limit amounts, are reported to the Credit Risk Committee each month, and to the Executive Committee once a quarter.

The branch offices apply for the granting of individual transactions and ratings to the credit supervision departments and the research department. The credit supervision departments screen individual transactions, while the research department undertakes industrial research and the creditworthiness research of individual corporations. The Risk Management Department keeps the initiatives of these departments in check. The Internal Audit Department, which is independent from the other departments, audits the internal management system for each of the processes to inspect the appropriateness and effectiveness of the risk management system.

• Credit Risk Management System



(5) Credit Risk Management Method

In order to manage the credit risk appropriately, the SuMi TRUST Group strives to construct and maintain a sound portfolio via the two mutually-complementing approaches: "individual credit management" – managing each individual transaction through credit screening at entry point and mid-term monitoring management – and "credit portfolio management" –analyzing and evaluating risk concentration conditions to the specific types of industry, regions, certain corporate groups, etc., while regarding the whole credit as a single lump portfolio to manage them from a macro viewpoint.

1) Credit Rating, Asset Assessment and Write-Offs and Allowances for Loan Losses

A. Credit Rating

"Credit rating" indicates, in a graded manner, a client's credit condition and the possibility of default/loss, and serves as the basis for the screening of individual transactions and credit portfolio management. There are several different types of credit ratings: "obligor rating" aimed at corporations including sovereigns and financial institutions; "structured rating" aimed at structured finances such as real estate non-recourse loans; and "facility rating" indicating the possibility of loss per transaction. For the details of SuMi TRUST Bank's internal rating system, please refer to 2 (6) "Internal Rating System."

• Tables of Credit Rating, Asset Assessment and Disclosed Non-performing Loans

Credit rating		Asset assessment				Classification of non-performing loans based on the Financial Revitalization Act	Classification of risk management loan
Rating Rank*	Definition	Obligor category	Definition	Asset Classification	Definition		
1	Highest credibility of payment of principal and interest	Sound Obligor	Obligor that is operationally and financially sound	Class I (unclassified)	Assets with no risk of collection or no risk of impairment of the asset value	Normal Claims	
2	Very high credibility of payment of principal and interest						
3	High credibility of payment of principal and interest, but prone to be affected by the worsening business environment, etc.						
4	Perceived credibility of payment of principal and interest, but with declining potential						
5	No problem for credibility of payment of principal and interest at present but with potentiality of declining by deterioration of business environment, etc.						
6	Capable for principal and interest payment, but with potentiality of losing the ability if the business environment is deteriorated, etc.						
7	Obligor categorized as "Sub-Performing Obligor" in asset assessment and higher attention is required because of its sluggish and unstable operating performance, weak financial condition, etc.	Sub-Performing Obligor	Obligor required attention for monitoring because of following situations • Obligor with delinquency on obligations (payment of principal or interest) • Obligor with operational or financial problems	Class II	Assets with higher-than-acceptable level of risk of collection		
8	Obligor categorized as "Sub-Performing Obligor" in asset assessment and careful attention is required because of its extremely deteriorated financial condition, etc.	Sub-Performing Obligor with Delinquent and/or Restructured debt	Obligor with debt past due three or more months and / or restructured debt			Substandard Claims	Restructured Loans / Loans Past Due Three Months or More
9	Obligor categorized as "Possibly Insolvent Obligor" in asset assessment	Possibly Insolvent Obligor	Obligor with high probability of bankruptcy in the future due to significantly weak business conditions and unfavorable progress of business restructuring plan	Class III	Assets with high potential of impairment or loss, whose rational estimate of loss amount is difficult	Doubtful Claims	Delinquent Loans
10	Obligor categorized as either "Substantially Insolvent Obligor" or "Bankrupt / Insolvent Obligor" in asset assessment or bankruptcy is occurred	Substantially Insolvent Obligor	Obligor, not legally or formally bankrupt, but virtually bankrupt	Class IV	Assets regarded uncollectible or worthless	Bankrupt and substantially bankrupt Claims	
		Bankrupt / Insolvent Obligor	Obligor entering corporate reorganization, liquidation or other statutory procedures				Loans in Bankruptcy Procedures

* As for obligor ratings and structured ratings, we subdivide them further as necessary (e.g. 5+, 5, 5-, etc.).

B. Asset Assessment

Asset assessment signifies the classification of the contents of the SuMi TRUST Group's assets through individually screening them into graded levels of recovery risk and value damage risk, as part of the preparatory process for write-offs and allowances for loan losses. At SuMi TRUST Bank, all assets in banking accounts and the trust accounts with a principal guaranteed contract are put through asset assessment as a general rule and as for clients, their "obligor categorization" based on their repayment capability according to financial condition, funding liquidity, profitability, etc., is determined each time their financial results are disclosed and/or whenever a situation that might affect their creditworthiness arises. Additionally, the "categorization" of each asset is determined once a quarter based on the result of the obligor categorization, security condition, etc., and this is reflected in the write-offs and allowances for loan losses appropriately as well as utilized in the management of credit risk.

C. Relationship Between Credit Rating and Asset Assessment

The two systems – credit rating and asset assessment – are operated with shared financial data on the clients that serve as the basis for mutually securing consistency. We are able to correctly assess the soundness of our credit portfolio by operating the two systems that enable us to grasp the clients' creditworthiness in a timely and appropriate manner.

D. Write-offs and Allowances for Loan Losses

Write-offs and allowances for loan losses signify the act of disposing losses of the appropriate amount in the quarterly settlement of accounts through timely and reasonable estimation of the amount of losses in the future by a track record of loan-loss, etc., based on the result of asset assessment. For the overview of SuMi TRUST Bank's allowances for loan losses and write-off criteria, please refer to page 139 "(5) Allowance for Loan Losses" of "4. Significant Accounting Policies."

E. Disclosure of Non-performing Loans

Non-performing loans to be disclosed include the risk management loans based on the Banking Act, and non-performing loans based on the Financial Revitalization Act.

As seen in the "Tables of Credit Rating, Asset Assessment and Disclosed Non-performing Loans" following below, they are aggregated according to the obligor categorizations through asset assessment.

Incidentally, the delinquent loans that are overdue for or over three months are almost always classified as "Doubtful Claims" or lower based on the Financial Revitalization Act. However, those with little concern for a long-term delinquency may not occasionally be classified as above "Doubtful Claims" or lower up to roughly six months overdue.

2) Credit Concentration Risk Management

Based on our belief that grasping the exposure of each client is the basis of credit risk management, we uniformly manage the transactions such as loans, investments and off-balance transactions, and monitor the status of observance of credit limit set against each of the segments (specific corporate groups, industries, countries of the location, etc.). We also regularly examine the impact of the materializing risks to major clients and industry diversification.

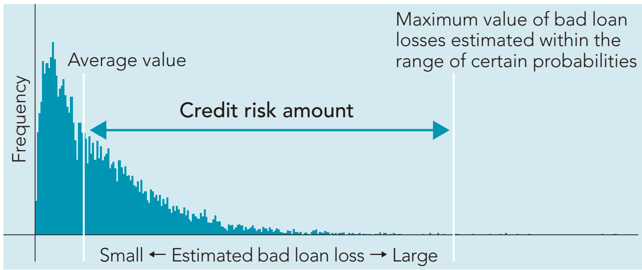
Based on our various client management systems, we micro-manage the credit conditions, credit balance, trading conditions, etc., of each clients.

3) Credit Risk Quantification

With our credit risk quantification, we quantitatively grasp the potentiality of banks' assets being affected by losses by loan losses over the coming year, and based on the estimation values such as probability of default (PD) and loss given default (LGD) per rating, measure the difference between maximum loan losses (maximum possible amount of loss within the scope of given probabilities) and expected loan losses (the mean value of losses) as credit risk amount.

At SuMi TRUST Bank, we employ the "Monte Carlo Simulation Method" to depict the distribution of loss amount: we run numerous potential scenarios (100,000 cases) as our risk measurement method to estimate the maximum loss via loss severity distribution (please refer to "Credit Risk Amount" below).

• Credit Risk Amount



In measuring them, we take the correlation between individual assets into consideration; therefore our computed credit risk amount is able to reflect not only the quality of individual assets, but also the diversification effect of our credit portfolio as a whole. By monitoring credit risk amount regularly, we aim to grasp the conditions of "credit portfolio diversification" and "stricter management of individual credit" and check the appropriateness of capital rationing as well as the soundness of business operation.

SuMi TRUST Bank also strives to advance the risk measurement and the scenario setting to suit the characteristics of individual assets.

(6) Internal Rating System

1) Overview of the Internal Rating System

The internal rating system of SuMi TRUST Bank which is the SuMi TRUST Group's core bank, is designed to ensure the accurate evaluation process of financial assets held based on its risk management policies, and to assist in its revenue management and credit risk management. The system in turn consists of a credit rating system and a credit pool management system.

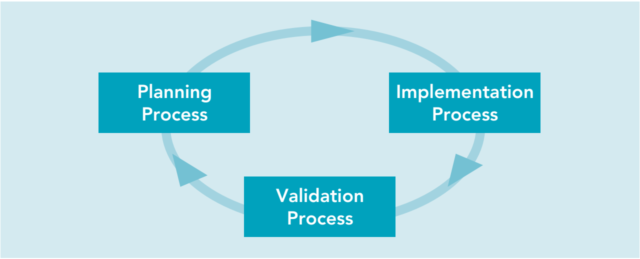
The credit rating system is broadly classified into the Japanese rating system (Japanese credit rating) and the Non-Japanese rating system (Non-Japanese credit rating), and each system comprises obligor ratings that reflect the PD of ordinary corporations; structured ratings that show the potentiality of real estate non-recourse loans and occurrence of default in project finances, etc.; and facility ratings that show the potentiality of occurrence of loss taking guarantees, collateral, credit terms, etc., of each facility into consideration.

Credit pool management system is designed to manage small-lot loans to individuals – such as mortgage loan and card loans – as transaction groups (pools) with similar risk characteristics. Credit pool classifications are compiled using products, clients, transaction details, security condition, delinquency status, etc. as indicators, and they include the mortgage loan pool with related company guarantees and business use loan pool.

2) Operation of the Internal Rating System

The process of the assignment of credit ratings, etc. comprises the "planning process" in which the definition of credit ratings, etc., and the procedures and criteria (credit rating policies) are drawn up, the "implementation process" in which the credit rating assignment criteria and credit pool allotment criteria are appropriately implemented, and the "validation process" in which the appropriateness and objectivity of credit ratings, etc., are ensured.

• Administration Process of Credit Ratings



A. Planning Process

The planning process is a process to formulate models such as specific credit rating assignment criteria, credit pool classification, and "credit rating models" to ensure the objectivity of our internal rating systems, and is carried out by the credit risk management sections.

[Process of Model Introduction (for Credit Rating Models)]

A credit rating model is a tool to statistically estimate the rating ranks corresponding to the PD (probability of default) of the clients using their financial indicators, etc.

When introducing the credit rating models developed by the Group, such as those aimed at the domestic corporations, the following process is followed:

First, the credit risk management sections develop a model and the development process and the verification details are compiled in a document (model description document*). Then the document is verified by the persons in charge but independent from the development project section of the same departments. In addition, the Internal Audit Department audits the document and confirms the validity of the development and validation process.

Meanwhile, when applying the credit rating models developed by external credit rating agencies, etc., such as those aimed at the overseas corporations, the following process is followed:

The credit risk management sections verify said model and put the findings into a document. Then the Internal Audit Department audits the document and confirms the validity of the validation process.

The performances of these models, etc. are also verified as part of the internal rating system annual reviews, and their outlines are reported to both the Credit Risk Committee and the Executive Committee.

* Model description document: a document detailing the contents such as the logic behind the model development, estimation methods, data employed, method of selecting parameters (financial indicators), and performance verification of the developed model (comparison with old models)

B. Implementation Process

During the implementation process, assignment of credit ratings and allotment of credit pool classifications are carried out following the criteria determined during the planning process. The assignment of credit ratings and the allotment of credit pool classifications are carried out by the research department and the Business Management Department as the "implementation departments." The actual process of implementing the credit ratings comprises new assignment, regular review of at least once a year, and monthly reviews, to help the credit ratings to be reviewed at the right time according to the fluctuation in the clients' creditworthiness.

Credit ratings are granted as a combination of "quantitative assessment" and "qualitative assessment." "Quantitative assessment" is an evaluation based on the credit rating models, etc., while the "qualitative assessment" is a human evaluation (by expert judgement). Because credit ratings are evaluated as a combination of "quantitative assessment" and "qualitative assessment," ultimately monitoring the objectivity of "qualitative assessment" by expert judgement, etc., becomes important in securing the appropriateness of the ratings.

At SuMi TRUST Bank, the credit risk management sections monitor if the assignment of credit ratings by the implementation departments is carried out appropriately according to the criteria, and this monitoring function ensures the appropriateness of the implementation process as a whole, including the expert judges' objectivity.

• Implementation Process of Credit Ratings

C. Validation Process

In order to ensure the objectivities of credit ratings, etc., and the credit rating models, as well as the appropriateness of their results, the credit risk management sections carry out a validation process annually in the name of the validation department.

In carrying out the validation, the implementation departments manage the data to be verified, and the validation department runs the following validation process:

- Verifying the appropriateness of credit rating results
- Verifying the objectivity of credit rating assignment criteria
- Verifying the appropriateness of credit pool classification
- Verifying the validity of the parameters applied to credit ratings and credit pools respectively

The validation results are reported to both the Credit Risk Committee and the Executive Committee.

3) System Procedure for the Assignment of Internal Ratings

The outline of main procedures in the assignment of ratings and allocating the credit pool classification based on the internal rating system is as follows. For the outline of models used in the SuMi TRUST Group's individual portfolios, please refer to 2 (7) "Compliance with Capital Regulatory Standards."

A. Obligor Rating (Japanese Credit Rating)

[Target]

Japanese corporations (domiciled and Japanese-descended non-domicile residents)

[Quantitative Assessment]

The credit rating models (industry-based), in which the clients' financial indicators are used as the explanatory variables, and their typical PD as the explained variable, are employed.

[Qualitative Assessment]

The information that is not reflected in the financial indicators, such as business affiliations, industry trends, external credit ratings and future cash-flow stability, is evaluated by the persons in charge of assignment of the industry-based credit ratings (expert judges) from the implementation departments. To mitigate the unevenness of the evaluation results, the qualitative assessment items are put together into a document to restrict the adjustment discretion. In addition, the credit risk management sections monitor the adjustment details in order to ensure the objectivity of the evaluation.

B. Obligor Rating (Non-Japanese Credit Rating)

[Target]

Overseas corporations (Non-Japanese-descended and non-domiciled residents)

[Quantitative Assessment]

The credit rating models (industry- and regions-based) to reproduce the external credit ratings by using the financial indicators as the explanatory variables are employed.

[Qualitative Assessment]

These are evaluated mainly through comparing the peer companies in the same industry, but also taking into consideration the evaluation indicators specific to overseas, while ensuring consistency with the qualitative assessment criteria for Japanese credit rating. To mitigate the unevenness of the evaluation results, the qualitative assessment items are put together into a document to limit adjustment discretion. In addition, the credit risk management sections monitor the adjustment details in order to ensure the objectivity of the evaluation.

C. Structured Rating

[Target]

Structured finance transaction, whose underlying resource for principal and interest payment is cash-flow generated by specific financing asset or the financing project

[Quantitative Assessment]

This is evaluated using indicators with high correlations with probability of default and default risks, depending on the financing asset and the risk characteristics of the transaction. For example, in the case of a real estate non-recourse loan, we would adopt LTV (Loan to Value) and DSCR (Debt Service Coverage Ratio).

[Qualitative Assessment]

Adjustment to the rating level based on quantitative assessments to reflect the financing asset and transaction specific individual characteristics that quantitative assessment indicators are not capable of capturing. For example, if a credit enhancement is available externally, the rating levels are amended based on its probability. As the qualitative assessment of structured ratings tends to be strongly transaction specific, in the assignment of the ratings, the credit risk management sections monitor the validities of the qualitative assessment in order to ensure its objectivity.

D. Facility Rating

[Target]

Loans to corporates, sovereigns, and financial institutions to which an obligor rating (Japanese credit rating) is assigned and loans for specialised lending (but limited to those subject to AIRB) to which a structured rating is assigned (including payment acceptance/commitment line)

[Evaluation Method]

Expected loss taking account of guarantees, collateral, credit terms, etc. of each facility is evaluated and a rating according to the level is assigned.

E. Credit Pool Classification

[Subject of Assignment]

Small credit for loans targeted at individuals. (However, out of loans to individuals, credit transactions for business loan with outstanding balance of 100 million yen or more are subject to credit ratings to each obligor.)

[Assignment of Credit Pool Classification]

Regarding target credit, credit pool classifications (each class consisting of similar level of exposure of credit risk) are set using indicators (risk drivers) such as risk characteristics of clients, risk characteristics of transactions (products), security condition, and delinquency situation. Furthermore, each credit pool is categorized as "residential mortgage exposures," "qualifying revolving retail exposures" and "other retail exposures."

Assignment to the credit pool classifications is carried out by the implementation departments based on the products and transaction details.

(7) Compliance with Capital Regulatory Standards

1) Application of the Internal Ratings-based Approach

A. Scope of the Internal Ratings-based Approach Application

As a method of calculating credit risk-weighted assets related to the calculation of required capital demanded by the capital regulatory standards, the SuMi TRUST Group adopts the "internal ratings-based approach" that uses data such as credit ratings, which are used for obligors' credit management within SuMi TRUST Holdings. Since the end of March 2015, SuMi TRUST Holdings and SuMi TRUST Bank have been using the Advanced Internal Ratings-Based Approach (AIRB). The scope of the application of the internal ratings-based approach in the SuMi TRUST Group is as follows.

(A) Business Unit

Type of the internal ratings-based approach	Major companies
Advanced Internal Ratings-Based Approach (AIRB)	Sumitomo Mitsui Trust Holdings, Inc. Sumitomo Mitsui Trust Bank, Limited
Foundation Internal Ratings-Based Approach (FIRB)	Sumitomo Mitsui Trust Guarantee Co., Ltd. Sumishin Guaranty Company Limited Sumitomo Mitsui Trust Card Co., Ltd. Sumitomo Mitsui Trust Loan & Finance Co., Ltd. Sumitomo Mitsui Trust Panasonic Finance Co., Ltd. Sumitomo Mitsui Trust Club Co., Ltd.

(B) Asset Class

Type of the internal ratings-based approach	Asset contents
Advanced Internal Ratings-Based Approach (AIRB)	Loans and securities for corporates, etc.*
Foundation Internal Ratings-Based Approach (FIRB)	Assets excluding those following below • Assets which are subject to AIRB • Assets which are not subject to AIRB or FIRB

* Corporates not subject to specialised lending are limited to those to which a domestic credit rating is assigned.

Out of specialised lending, AIRB applies to real estate non-recourse loans (excluding those with high volatility), project finance, and object finance for ships and aircrafts.

Loans include acceptances & guarantees and commitment lines, etc. Also, those concerning subordinated debt, derivatives transactions, repo transactions and call loans are excluded.

B. Exclusion of the Application of the Internal Ratings-based Approach

In the SuMi TRUST Group, the standardised approach* is applied as exclusion of the application of the internal ratings-based approach, among the subsidiaries of SuMi TRUST Holdings and SuMi TRUST Bank, to the business units in which the proportion of credit operations, etc. is low or credit operation is not performed as well as to certain asset classes that are not significant from the viewpoint of credit risk management. The exclusion is determined carefully based on the importance from the following points with respect to target business units and asset classes.

- The magnitude of the expected loss related to credit risk and the frequency of credit provision
- Positioning in the investments and loans policy or credit risk management policy
- Proportion to the entire credit risk-weighted assets.

* The standardised approach is a method to calculate the risk-weighted assets using the external credit ratings of eligible rating agencies, instead of the SuMi TRUST Bank's credit ratings (internal ratings). The eligible rating agencies that are used to determine risk weights are Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service, Inc. (Moody's), S&P Global Ratings (S&P), and Fitch Ratings, Inc., (Fitch).

C. Phased Rollout of the Internal Ratings-based Approach

The SuMi TRUST Group applies the standardised approach to subsidiaries (business units) that are in preparation for application of the internal ratings-based approach, assuming the approach will change to the internal ratings-based approach in the future. As of the end of March 2021, Sumitomo Mitsui Trust Bank (Thai) Public Company Limited falls under this category.

2) Calculation of the Required Capital Using the Internal Ratings-based Approach

As mentioned in 1), the SuMi TRUST Group mainly applies the internal ratings-based approach to calculate the regulatory required capital.

A. Basic Process of the Internal Ratings-based Approach

With the internal ratings-based approach, the regulatory required capital is calculated by the following three steps.

[First Step] Assignment of Credit Ratings, etc. (Credit Ratings and Credit Pool Classifications)

The bank develops a unique ratings system (internal rating system)* according to its risk characteristics, and based on this system, we give a rating to clients. Credit ratings, etc. not only ensure consistency with asset assessment, but also ensure the accuracy through validation by each credit risk management section.

* For details of the internal rating system of SuMi TRUST Bank, please refer to 2 (6) "Internal Rating System."

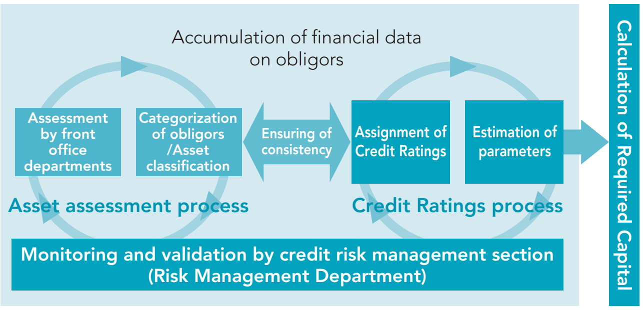
[Second Step] Estimation of Parameters

The results of individual credits (default actual data) that are performed based on credit ratings, etc. are aggregated and parameters (input variables) necessary for credit risk-weighted assets calculation are estimated. The validity of the estimated parameters is periodically verified.

[Third Step] Calculation of the Required Capital

The required capital is calculated by applying the parameters to the formula that is announced.

• Basic Process of the IRB Approach



B. Application Method Per Asset Class

The SuMi TRUST Group determines the scope of the internal ratings-based approach based on the accumulation status of internal performance data such as risk characteristics for each asset class and default performance required to estimate parameters. In the capital regulatory standards, methods for calculating risk weights and credit ratings to be used vary for each asset with credit risk. The credit ratings, etc. and the outline of credit risk-weighted assets calculation method that the SuMi TRUST Group applies to each asset class are shown on page 235.

C. Estimation and Verification of Parameters

The key parameters that need to be estimated to calculate the credit risk-weighted assets are probability of default (PD), loss given default (LGD), and exposure at default (EAD) (credit conversion factor (CCF)).

Parameters are estimated for those to be applied to corporate exposures, etc. and those to be applied to retail exposures (credit pool management target). In principle, estimated parameters are verified annually. The verification results are reported to the Credit Risk Committee and the Executive Committee. The results are also subject to internal audits.

The definition of each parameter and the outline of the estimation method and verification method are shown on page 236.

In principle, the parameters used in the capital regulatory standards are the same as the ones that are used for regulatory purposes and internal control management purposes to ensure objectivity and accuracy. For the internal control management purposes, the parameters are used for credit risk amount measurement and credit limit amount management.

The main differences of the parameters used in the calculation of allowances and capital adequacy ratio are as follows.

• Main Differences of the Parameters Used in the Calculation of Allowances and Capital Adequacy Ratio

	Calculation of allowances	Calculation of capital adequacy ratios
Parameters to be used	Expected loan loss ratio based on historical loan loss rate	Probability of Default (PD)
		Loss Given Default (LGD)
	The actual balance of loans (for the undrawn balance of the commitment line, the amount calculated by multiplying the amount by the actual withdrawal rate)	Exposure At Default (EAD)
Standard of default (loan loss)	When the obligor categorized as "Possibly Insolvent Obligor" or lower	When the obligor categorized as "Sub-Performing Obligor with Delinquent and/or Restructured debt" or lower
Parameter calculation method	Expected loan loss ratio: • for Sound Obligor: The average value of historical one year loan loss rate for the most recent three periods, with floor adjustment taking into consideration the longer-term time horizon. • for Sub-Performing Obligor or lower: The average value of historical three years' cumulative loan loss rate for the most recent three periods, with floor adjustment taking into consideration the longer-term time horizon.	Please refer to "Definition of Each Parameter and the Outline of the Estimation and Verification Method" on page 236

• Credit Risk-weighted Assets Calculation Method and Credit Ratings Applied to Each Asset Class

Approach method	Asset Class*1		Sub-class	EAD ratio*2 1)	EAD ratio*2 2)	Calculation method of credit risk-weighted assets	Assignment of credit ratings, etc.*3
Internal Ratings-based Approach	Corporate Exposures, etc.	Corporate Exposures	—	32%	32%	Supervisory Formula	Obligor Ratings, Facility Ratings
		Specialised Lending	Real estate non-recourse loans (excluding those with high volatility), project finance, and object finance for ships and aircraft	5%	5%	Supervisory Formula	Structured Ratings, Facility Ratings
			Real estate non-recourse loans (with high volatility) and other loans not stated above	0%	0%	Supervisory Slotting Criteria Approach	
		Sovereign Exposures	—	35%	36%	Supervisory Formula	Obligor Ratings, Facility Ratings
		Financial Institution Exposures	—	1%	1%	Supervisory Formula	Obligor Ratings, Facility Ratings
	Retail Exposures		Residential mortgage exposures	17%	17%	Supervisory Formula	Credit Pools
			Qualifying revolving retail exposures	1%	1%	Supervisory Formula	Credit Pools
			Other retail exposures	2%	2%	Supervisory Formula	Credit Pools
	Equity Exposures		Japanese listed equities Japanese unlisted equities of obligors with credit exposures	1%	1%	Supervisory Formula	Obligor Ratings
			Japanese unlisted equities of obligors with no credit exposures Non-Japanese equities	0%	0%	Simple Risk-weight Method (Market-based Approach)	—
	Exposures relating to Funds		—	2%	2%	Look-through Approach	Obligor ratings, etc.
	Purchased Receivables		Regulatory formula for underlying assets	1%	1%	Supervisory Formula	Obligor Ratings, Facility Ratings
			Slotting criteria approach for underlying assets	0%	0%	Supervisory Slotting Criteria Approach	Structured Ratings
			Cases where classification is not possible due to multiple underlying assets	0%	0%	Top-down Approach	Credit Pools
	Others		Other assets, etc.	1%	1%	Designated risk weight is applied	—
Standardised Approach	Phased rollout/exclusion of IRB Approach		—	2%	2%	Designated risk weight is applied	—

[Applicable Credit Risk-weighted Assets Calculation Method]

Supervisory Formula	A method of calculating by using a predetermined function formula (risk weight function formula)
Supervisory Slotting Criteria Approach	A method of associating internal ratings with five predetermined ranks and calculating using a designated risk weight
Simple Risk-weight Method	A method of calculating by using a designated risk weight
Look-through Approach	A method of applying the calculation method according to the underlying assets
Top-down Approach	A method of calculating purchased assets as one aggregate using a predetermined function formula (risk weight function formula)

*1 Corporate exposures, etc., include lease transactions. In addition, corporate exposures, etc. include the exposures for small and mid-sized entities (SME).
*2 The proportion of EAD for each asset class in total EAD (*) on the 1) consolidated basis of SuMi TRUST Holdings and 2) consolidated basis of SuMi TRUST Bank is stated.
(*) Counterparty credit risk exposures, such as derivatives transactions and repo transactions and securitisation exposures are excluded from the aggregate calculation. For securitisation exposures, "Method based on Internal Ratings-Based Approach," "Rating-Based Approach," and others are used.
*3 The outline of the rating models used by the SuMi TRUST Group's core bank, SuMi TRUST Bank, is as follows.

	Outline of models	Applied asset class
Japanese obligor ratings	[Rating model] A model (developed in-house) that uses financial indicators as explanatory variables and a typical PD as explained variables is used. Different combinations of financial indicator and weight are used for each of the five industries (manufacturing industry, wholesale/retail industry, service industry [including non-banking], transport/communication industry, construction/real estate industry). [PD estimation] PD is estimated for each rating category.	• Corporate exposures • Equity exposures • Exposures relating to Funds • Purchased receivables
Non-Japanese obligor ratings	[Rating model] A model (developed by external credit rating agencies) that uses financial indicators as explanatory variables and reproduces external credit ratings is used. Different combinations of financial indicator and weight are used for each of the eight regions and industries (North America, Europe, Asia, Pacific, emerging countries, airlines, real estate investment business, real estate development business). [PD estimation] PD is estimated for each rating category.	• Corporate exposures • Equity exposures • Exposures relating to Funds • Purchased receivables
Credit pool classifications	[Credit pool classifications] Credit pool classifications (consisting of exposures with comparable levels of credit risk) are established based on indicators (risk drivers), such as the risk characteristics of the obligor, the risk characteristics of transactions (products), the security condition, and the delinquency situation, etc. [PD classification] PD is estimated for each credit pool classification or estimation category where multiple credit pool classifications are aggregated.	• Retail exposures • Purchased receivables

• Definition of Each Parameter and the Outline of the Estimation and Verification Method

Type of parameters and definition	Summary of the methods for estimation and verification	
	Corporate Exposures, etc.	Retail Exposures
PD (Probability of Default) - An estimate of the probability that a borrower or transaction will be unable to meet its debt obligation in a particular period	[Estimation method] • PD is estimated for each rating category. In addition, the estimated value is called "typical PD" as a long-term stable representation of its creditworthiness. • Estimated values are calculated by using the long-term average default rate based on the internal performance data or data of the external credit rating agencies, and modification is made, taking into account the recession period. *1 [Verification method] • The validity of the level of estimated values is verified by confirming the order of the actual default rate and carrying out backtestings comparing the actual value with the estimated value.	[Estimation method] • PD is estimated for each credit pool classification or the estimation category where multiple credit pool classifications are aggregated. • For residential mortgage, estimated values are calculated by using the long-term average default rate based on internal performance data, and modification is made, taking into account statistical variance adjustment and seasoning effect. *2 [Verification method] • The validity of the level of estimated values is verified by confirming the seasoning effect and carrying out backtestings.
LGD (Loss Given Default) - An estimate of the ratio of expected loss in case a borrower or transaction falls into default against the exposure at default	[Estimation method] • LGD is estimated for each security category (classified into four according to the ratio of collateralized amount to exposure amount) or category (classified according to the characteristics of the underlying assets). The estimated value is called "typical LGD" as a long-term stable representation of the loss rate level. • Estimated values are calculated by using the long-term average default loss rate based on internal results data or external results data and adjusted for statistical variances and periods of economic downturn.*3 [Verification method] • In addition to verifying the robustness of modeling and adjustment methods, the validity of the level of the estimated value is verified by carrying out backtestings.	[Estimation method] • LGD is estimated for each credit pool classification or the estimation category where multiple credit pool classifications are aggregated. • Estimated values are calculated by using the actual collection results from the default obligor using the internal performance data. Statistical variance adjustment and economic downturn adjustment are added to the model. *4 [Verification method] • In addition to verifying the robustness of correction methods, the validity of the level of the estimated value is verified by carrying out backtestings.
EAD (Exposure At Default) - Estimated amount of exposure at default, taking into account the possibility of additional withdrawal of off-balance sheet assets such as commitment line. EAD estimates the withdrawal rate (credit conversion factor (CCF)) against the undrawn balance of offbalance sheet assets	[Estimation method] • CCF is not estimated, but estimate values are determined based on parameter set by regulatory authority.	[Estimation method] • EAD is estimated for each credit pool classification or the estimation category where multiple credit pool classifications are aggregated. • Estimated values are calculated by using the actual additional withdrawal results from the default obligor based on the internal performance data, and statistical variance adjustment is made. *5 [Verification method] • In addition to verifying the robustness of correction methods, the validity of the level of the estimated value is verified by carrying out backtestings.

*1 • For the portfolio with low default probability (LDP: Low Default Portfolio), conservative estimates are made by accumulating the rating transition matrix in the estimation process, even for the rating category where no default has occurred or default rarely occurs.
• For corporate exposures, etc., excluding sovereign exposures, if the level of the estimate falls below the regulatory floor level (0.03%) (Japanese rating: 1 to 3, Non-Japanese rating: 1 to 2), the floor value is applied.
• As described above, the estimated value is calculated based on the long-term default actual data including the recession period, and it is confirmed by test that the estimated value is sufficiently conservative as compared with each single year actual default rate in the past three periods.

*2 • For retail exposures, as for the pool classifications where the level of the estimated value is below the regulatory floor level (0.03%), the floor value is applied.
• As described above, the estimated value is calculated based on the long-term default actual data including the recession period, and, for most of the pool classifications, it is confirmed by conducting backtestings that the estimated value is sufficiently conservative as compared with each single year actual default rate in the past three periods. As a result of backtestings, parameters for pools that exceed the parameter correction standard are corrected to appropriate levels.

*3 • Correction of the recession period is based on the correlation between LGD and economic indicators.
• When performing estimation based on internal results data, the estimated value is calculated based on the model LGD formulating the relationship between collection factors and collection rate, which enables stable calculation of the estimated values even for LDP portfolios. In addition, the validity of the estimated value level is verified by backtestings.
• When using internal results data, for obligors who have completed the collection procedure, average period from the default of the obligor to the completion of the collection procedure is less than two years.

*4 • Correction of the recession period is based on the correlation between LGD and economic indicators.
• As for residential mortgage, approximately 80% of the cases have been completed the collection procedure within five years from default.

*5 • The estimate of CCF uses data on commitment line contracts and line of credit contracts for which installment has not been implemented and employs a cohort method based on the proportion of additional withdrawals up to the default point for undrawn balances at the beginning of the fiscal year.

3. Market Risk Management

(1) Definition of Market Risk

Market risk refers to the risk that the Sumitomo Mitsui Trust Group (the "SuMi TRUST Group") may incur losses due to fluctuations in the value of assets/liabilities (including off-balance sheet assets/liabilities), or in the earnings generated from assets/liabilities, due to fluctuations in various market risk factors, such as interest rates, foreign exchange rates, stocks, commodities, and credit spreads. Of this, "market liquidity risk" in particular means risk that the SuMi TRUST Group may incur losses caused in a situation where it becomes impossible to conduct transactions in the market or becomes obligatory to trade at prices significantly disadvantageous than usual due to market turmoil.

(2) Characteristics of Market Risk

Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), the core bank of the SuMi TRUST Group, operates a business (banking) to secure profits through interest rate risk control of assets and liabilities, and a business (trading) to secure profits through transactions such as short-term trading of interest rates and foreign exchange rates. In these businesses, we use Value at Risk (VaR), etc. and manage market risk using the same structure.

For trading, we aim at securing stable profits through market-making operations such as foreign exchange rates and derivatives.

The main risk in the SuMi TRUST Group's market risks is losses due to drop of prices of strategic shareholdings, etc. In addition to the basic policy of reducing strategic shareholdings, we have been working to control risk by hedging against market fluctuations. From fiscal 2021, the Group has shifted to a policy of not holding any of the conventional strategic shareholdings (shareholding of business partners as stable shareholders without the purpose of forming capital or business alliances, etc.), and based on the new policy, we will continue to reduce our strategic shareholdings and hedging volume.

(3) Market Risk Management Policy

In managing market risk, we aim to ensure adequate profits commensurate with the strategic targets, scale and characteristics of the business of the SuMi TRUST Group. We are doing this by improving the management system, along with ensuring its operational soundness by adequate control over risks.

(4) Market Risk Management System

Sumitomo Mitsui Trust Holdings, Inc. ("SuMi TRUST Holdings") oversees risk management of the market and funding liquidity of the entire group and is working to improve the structure of each Group company. SuMi TRUST Bank has developed a risk management system at the consolidated and global levels in order to manage market and funding liquidity risks.

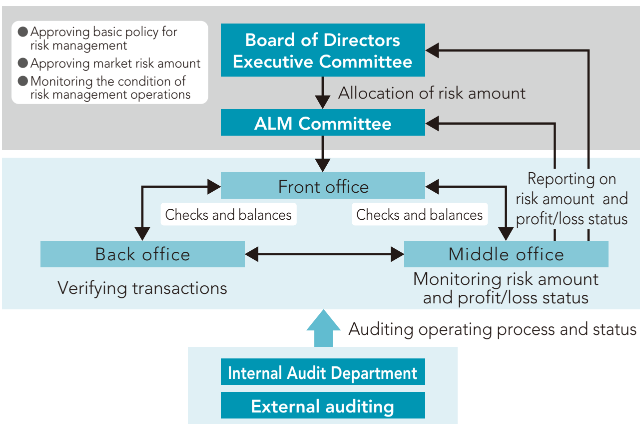
SuMi TRUST Bank develops the Asset Liability Management (ALM)* basic plan that covers comprehensive risk operation and management of assets and liabilities from the viewpoints of the entire company and a risk management plan concerning market risk and funding liquidity risk once in six months at the ALM Committee, a management-level meeting body. The developed plans are deliberated and resolved (approved) by the Executive Committee and the Board of Directors, and important matters related to risk management are decided. By holding the ALM Committee monthly and controlling market risk and funding liquidity risk, we are making efforts to improve the soundness of the composition of assets and liabilities and stabilize earnings.

In addition, the front office (market-based transactions departments), back office (administration departments), and middle office (risk management departments) are independent. This way, a system of mutual check and balance among departments is in place. The front office and back office operate business such as appropriate control of risks in accordance with the size and characteristics, and human resource development in order to ensure the effectiveness of risk management based on accurate recognition of the risks. The middle office develops or operates the risk management process including identification, evaluation, monitoring, control and reduction of market risk, and plans and promotes risk management systems to demonstrate the check function for the front office, etc. In addition to having the function of planning and developing policies and procedures concerning market risk management, the middle office also has the function of monitoring market risk status such as market risk amount and profit and loss measurement.

The appropriateness and effectiveness of the risk management systems are verified by internal auditing or external auditing.

* ALM (Asset Liability Management): managing cash flow, liquidity, foreign exchange risk, and interest rate risk, etc., by grasping the characteristics of expirations and interest rates of our assets and liabilities.

• Market Risk/Funding Liquidity Risk Management System



(5) Market Risk Management Method

Within the scope of capital, SuMi TRUST Holdings develops a capital allocation plan and allocates capital to each Group company. Based on the allocated capital, SuMi TRUST Bank sets various limits including loss limit to control the risk and loss to a certain range.

We conduct multifaceted risk management from quantitative and qualitative perspectives. As for the compliance status of various limits, it is reported daily to the members of the ALM Committee through monitoring of the market risks status. Multiple risk analyses including identifying sensitivities to risk factors for each position, predictive management of risk factor fluctuations, and preparation for emergency using stress tests are also reported regularly to the Board of Directors and the ALM Committee, etc.

In the measurement of interest rate risk, we estimate and reflect the core deposit, term deposits redemption ratio and conditional prepayment rate of mortgage loan, etc. For details, please refer to 3 (7) 6) "Calculation Method of Interest Rate Risk."

Measurement Model for Market Risk Amount

The market risk amount is measured by the internal model method using VaR as a scale. Details of the measurement model are as follows.

Measurement model	Historical simulation method
Confidence interval	99%
Holding period	Trading: 10 days Banking: Convert VaR of holding period 10 days by square route T/10 times ALM related position: 63 days (3 months) Credit investment, strategic shareholdings, and credit valuation adjustment (CVA) 260 days (1 year) Others: 21 days (1 month)
Observation period	1,300 days (5 years)
Update frequency	Daily
Weighting	Historical weight method is applied. (Assign a higher probability to recent historical scenarios than older historical scenarios)
Price revaluation	Full revaluation method (For CVA, sensitivity-based method)
Fluctuation of risk factors	Absolute return

The scope of application of the internal model is interest rate risk, equity position risk, foreign exchange risk, and commodities risk (excluding some products) at SuMi TRUST Bank. The correlation between each risk factor is not taken into consideration, and the risk amount is simply added when creating synthesis of risk.

In order to verify the reliability and effectiveness of the internal model, backtestings are performed to compare the actual results of the daily profit/loss and the virtual profit/loss with the daily VaR whose holding period is one day. In addition, the validity of the model calculation method and precondition is verified periodically to ensure that the assumption for VaR calculation is not deviating from the actual market situation.

The VaR measurement using the historical simulation method that is affected by market fluctuations in the past observation period has a limit that it is impossible to capture large market fluctuations that have not occurred in the past or occurred outside of the observation period. This limit is complemented by implementing stress tests. The amount of loss when applying the expected scenario based on the maximum fluctuation range of each risk factor in the past and the future forecast to the current portfolio is regularly estimated.

(6) Compliance with Capital Adequacy Regulations Calculation of Market Risk Equivalent Amount

The market risk equivalent amount refers to the sum of market risk in the trading account and foreign exchange risk and commodities risk in accounts other than the trading account, which is a factor used to calculate capital adequacy ratio. The SuMi TRUST Group calculates the market risk equivalent amount mainly by applying the Internal Model Approaches*. For calculation, general market risks and individual risks are simply added.

General market risk consists of VaR, which measures using the most recent market data, and stressed VaR, which measures using market data during the stress period. The preconditions of stressed VaR differ from the market risk measurement model described in 3 (5) "Market Risk Management Method" as follows.

Holding period	10 days (Convert VaR of holding period 1 day by square route ten times)
Observation period	260 days (1 year)
Weighting	Not applicable

Furthermore, the observation period is, in principle, set as the stress period for the stressed VaR in which the risk amount becomes the largest, taking into consideration the market data from 2007 onwards and the holding position in the past one year.

* Standardised approach is applied to the general individual risks of SuMi TRUST Bank as well as the foreign exchange risk of consolidated subsidiaries.

(7) Interest Rate Risk Management in the Banking Book

1) Definition of the Interest Rate Risk in the Banking Book

Interest rate risk in the banking book (IRRBB) is the risk that the capital and profit/loss of banks will be damaged now or in the future due to adverse impact on the banking book positions by changes in interest rate levels.

The present value is considered as economic value of equity (EVE) and future profits are considered as net interest income (NII), and the loss ranges against the current interest rate level are measured as ΔEVE and ΔNII respectively. The scope of the measurement is a position with interest rate risk in the banking book of SuMi TRUST Bank, and other Group companies that hold interest rate risk.

2) Characteristics of Interest Rate Risk in the Banking Book

IRRBB is caused by maturity dates mismatch (gap risk), interest rate mismatch (basis risk), and optionality associated with interest rate change (option risk) in the banking account positions.

ΔEVE is maximized associated with "steepener" for SuMi TRUST Holdings (consolidated) and SuMi Trust Bank (consolidated) and with "parallel down" for SuMi Trust Bank (non-consolidated), which is a change from "parallel up" at the end of last fiscal year. However, the ratio of ΔEVE to Tier 1 capital is still well below the regulated level of 15%, and interest rate risk in the banking book is low.

3) Interest Rate Risk in the Banking Book Management Policy

The risk management policy concerning IRRBB is the same as 3 (3) "Market Risk Management Policy."

To control interest rate risk, hedge accounting is applied to transactions that use interest rate swaps as hedging instruments and meet the application requirements of hedge accounting.

4) Interest Rate Risk in the Banking Book Management System

SuMi TRUST Holdings oversees risk management related to the IRRBB of the entire Group, and SuMi TRUST Bank maintains and manages IRRBB management systems at the consolidated and global levels.

5) Interest Rate Risk in the Banking Book Management Method

At SuMi TRUST Bank, the ALM basic plan that covers comprehensive risk operation and management of assets and liabilities from the viewpoints of the entire company is developed once in six months at the ALM Committee, a management-level meeting body. At that time, alarm points are set for the increase/decrease of the economic value of equity (ΔEVE) of the position. IRRBB is measured monthly, and alarm points are monitored. Reports on the measurement results are submitted monthly to the ALM Committee.

6) Calculation Method of Interest Rate Risk

The assumptions, etc. for calculating IRRBB are as follows.

- Non-maturity Deposits ("NMDs")

The maximum maturity of the interest rate revision assigned to non-maturity deposits is five years, and the average maturity is 0.6 years.

- Core Deposits

The standardised approach exemplified by the Financial Services Agency is applied to the cases of SuMi TRUST Bank. Out of the NMDs that the clients can withdraw at any time, we recognize the balance that is expected to be stable and non-linked to interest rate as deposits with the maximum maturity of five years and the average maturity of 2.5 years.

• Term Deposits Redemption Ratio

Targeting yen-based term deposits, the redemption rate is set after checking past redemption results.

• Conditional Prepayment Rate of Loans

Targeting mortgage loan, etc., the prepayment rate is set after checking past repayment results.

• Treatment of Foreign Currencies

The target currencies are determined based on their respective ratio in the scale of the balance sheet, importance to the SuMi TRUST Group's position, and other factors.

The correlation (considering dispersion or offset) of different currencies is treated as follows.

ΔEVE: Correlation of different currencies is not considered, and only the currencies for which EVE decreases are combined.

ΔNII: Correlation of different currencies is considered, and the currencies for which NII increases and the currencies for which NII decreases are simply combined.

• Treatment of Spreads

In calculation, spreads are not included in discounted interest rates and cash flows.

• Pass-through Rate of Received Credit Interest Rates

In measuring ΔNII, upon reviewing of interest rates of received credit (term deposits, etc.), the pass-through rate is estimated based on the past record to understand how much the interest rates of received credit follow the fluctuation of the market interest rates.

7) Interest Rate Risk Other Than ΔEVE and ΔNII

SuMi TRUST Bank measures and manages the market risk amount by the method described in 3 (5) "Market Risk Management Method."

With the stress test conducted to complement the limitation of VaR, we are striving to grasp the potential vulnerability by including the portfolio of the entire SuMi TRUST Bank including both banking accounts and trading accounts in the measurement range, reproducing scenarios that give a certain fluctuation (shock) to risk factors or past stress events such as the collapse of Lehman Brothers, or developing a forward looking virtual scenario that takes into consideration the future position and the market situation.

4. Funding Liquidity Risk Management

(1) Definition of Funding Liquidity Risk

The funding liquidity risk refers to "the risk that the SuMi TRUST Group may incur losses in a situation where it becomes impossible to secure necessary funds or becomes obligatory to raise funds at interest rates significantly higher than usual."

(2) Characteristics of Funding Liquidity Risk

The main risk in the funding liquidity risk of the SuMi TRUST Group is deterioration of foreign currency funding when assuming downgrades of Japan and/or Japanese financial institutions. Sumitomo Mitsui Trust Bank, Limited, which is the core bank of the SuMi TRUST Group, has developed medium- to long-term procurement policies according to each currency's characteristics such as the status of assets/liabilities and market liquidity, and is striving to operate stable foreign currency financing that can withstand the market disruptions and cash outflows in the past.

(3) Funding Liquidity Risk Management Policy

In managing funding liquidity risk, based on the full recognition that risk materialization may directly lead to the bankruptcy of the SuMi TRUST Group, our basic policy is to implement proper funding liquidity risk management with two pillars: 1) "to pursue the balance between funding cost and stability" by various means of procurement, and 2) "emergency preparedness" by verifying procurement capability and countermeasures under the stress environment in advance.

Based on the compliance with international standards on bank capital and liquidity (Basel III, etc.), we will continue to promote the advancement of funding liquidity risk management systems.

(4) Funding Liquidity Risk Management System

The funding liquidity risk management systems are the same framework as 3 (4) "Market Risk Management System."

(5) Funding Liquidity Risk Management Method

As the indicator of funding liquidity risk management, the ALM basic plan specifies the limits for the funding liquidity mismatch amount* for each company, office and currency as well as the responses at the time of limit conflict. The compliance status is also monitored on a daily basis. In addition, stress tests are performed based on multiple scenarios such as sudden changes in the market environment and changes in the procurement environment specific to the SuMi TRUST Group to grasp the amount of funds needed when funding liquidity risk materializes.

As countermeasures for the materialization of funding liquidity risk, a financing phase (peacetime, presage time, concern time, crisis time) is established according to tightness of the financing situation. Qualitative/quantitative events that may affect financing are monitored from peacetime as crisis management indicators, and a contingency plan is developed as countermeasures against the crisis. Regarding the contingency plan, the adequacy of the financing amount at the time of materialization of funding liquidity risk is verified by stress tests to ensure feasibility through periodic training.

* Funding liquidity mismatch amount: the amount of funds needed on a daily basis to cover the final figure of the settlement account for each currency.

5. Operational Risk Management

(1) Definition of Operational Risk

Operational risk refers to the risk that may adversely affect the Sumitomo Mitsui Trust Group (the "SuMi TRUST Group"), clients, markets, financial infrastructure, society, or the work environment due to inadequate or failed business processes, the activities of executives or employees, computer systems, or due to external events. The SuMi TRUST Group classifies operational risk into business processing risk, system risk, information security risk, legal and compliance risk, conduct risk, human resource risk, event risk and reputational risk for the purpose of risk management.

(2) Characteristics of Operational Risk

Major risks related to the SuMi TRUST Group's operational risk are cyber attacks, delay in system development and increases in development costs, along with the risks associated with ineffective anti-money laundering and terrorist financing measures.

Our business operations are exposed to the risk of being adversely affected by cyber attacks (such as ransomware attacks and DDoS attacks*), resulting in suspension of services, leakage of information, destruction and alteration of data, etc. The SuMi TRUST Group recognizes cyber security measures as one of the critical management priorities, and formulated the "Cyber Security Management Declaration," thereby promoting security enhancing measures under the initiative of the management.

* DDoS attack: Distributed Denial of Service attack; an attempt to render services unavailable by imposing high processing load on a target computer from multiple machines.

Furthermore, the SuMi TRUST Group's business performance may be adversely influenced by various factors, including costs arising from postponed system releases due to delay in progress with system development projects and maintenance of alternative systems, and additional costs incurred for development employee allowances as a result of increases in development costs. The SuMi TRUST Group strives to diminish and mitigate risks through monitoring of development status by related departments, such as risk management-related departments.

Moreover, we face the risk of being used for financial crime activities, including money laundering and terrorist financing, resulting from ineffective anti-money laundering and terrorist financing measures, which could pose a serious threat to the soundness of our financial system. This also exposes us to the risk of being subjected to administrative dispositions such as business suspension orders, payment of large fines, and deterioration of our reputation. The SuMi TRUST Group strives to diminish and mitigate risks through a risk-based approach by enhancing measures for eliminating money laundering, etc., based on gap analysis benchmarking against the regulatory requirements (including those overseas), and the clarification of the challenges to be addressed.

(3) Operational Risk Management Policy

Upon building an operational risk management system, the SuMi TRUST Group recognizes operational risk to be an inevitable risk incidental to business execution, implements proper risk management according to the scale and characteristics of operations and risks, and ensures business soundness and appropriateness.

In preparation for enhancement of the SuMi TRUST Group's operations, and products and services that the SuMi TRUST Group provides, and development of new risks following changes in social and economic environments, such as advancement of information technology and diversifying needs, we will further enhance our operational risk management system.

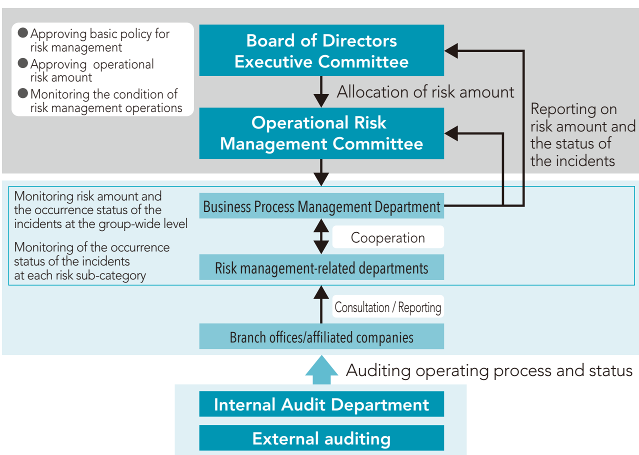
(4) Operational Risk Management System

The SuMi TRUST Group is striving to create a system related to operational risk management of each Group company based on the basic policy on operational risk management of the entire Group.

At Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), which is the core bank of the SuMi TRUST Group, policies related to the operational risk management system and other important matters, such as "the risk management plan (operational risk)," are planned and proposed at the Operational Risk Management Committee and the Executive Committee, and resolved (approved) by the Board of Directors.

Based on such policies, we have established a department in charge of comprehensive operational risk management, and risk management-related departments for each sub-category of operational risk. The Business Process Management Department, the department in charge of comprehensive operational risk management, is working on creation and enhancement of the operational risk management system in cooperation with each risk management-related department.

• Operational Risk Management System



(5) Operational Risk Management Method

Operational risks involved in all areas of the SuMi TRUST Group's business, including outsourced business, are subject to operational risk management, which adequately identifies and assesses risk from both qualitative and quantitative perspectives. Meanwhile, preventative measures against risk materialization, as well as responses in the event of materialization, causal analysis and measures to prevent recurrence are developed to mitigate operational risk.

SuMi TRUST Bank has defined any cases, in which a client or we have incurred losses as a result of inappropriate business procedures in the course of operations by employees and officers, as an operational incident or a minor incident (hereinafter "operational incident, etc."), and has established a system of reporting and managing operational incidents, etc. in an effort to properly deal with such operational incidents, etc. upon their occurrence, prevent and reduce recurrence, and improve the quality of business processing.

Any operational incident, etc. will be reported upon its occurrence in a timely manner to the business supervision departments, risk management-related departments, and the Risk Management Department through registration to the reporting system by the department that caused operational incidents, etc. Furthermore, according to the impact of a relevant case, such as the scope of influence and the amount of loss, the operational incident, etc. will be reported to the Operational Risk Management Subcommittee, the Operational Risk Management Committee, the Executive Committee, and any other related committees. The department in which the incident, etc. has occurred will take proper and expeditious action toward clients involved in accordance with the instructions by the business supervision department and other related departments, examine and analyze the causes of the incident, etc., and discuss, plan, and implement measures to prevent recurrence.

As for periodical analysis, the business supervision departments regularly analyze the occurrence tendency of operational incidents, etc. taking place in each business and their causes, and develop measures to prevent recurrence that are deemed effective for the business in general. In addition, risk management-related departments and the Risk Management Department develop and review effective measures to prevent recurrence from group-wide and cross-sectional perspectives.

(6) Risk Management for Each Sub-category

1) Business Processing Risk Management

Business processing risk refers to the risk that the SuMi TRUST Group may incur losses due to inappropriate business procedures arising from executives or employees neglecting to engage in proper business activities, or other incidents such as accidents or fraud.

Engaging in a broad range of businesses including banking, asset management, asset administration (including trust business) and real estate, the SuMi TRUST Group recognizes that business processing risk is something unavoidable in the course of business execution. The SuMi TRUST Group is processing risk management in accordance with the scale and characteristics of business operations and risk so as to ensure peace of mind and satisfaction for its clients.

In SuMi TRUST Bank, the Business Process Management Department, which is responsible for comprehensive management of business processing risk, comprehensively reviews inter-business issues concerning business processing risk and business process streamlining, and develops a system for ensuring the effectiveness of SuMi TRUST Bank's business processing risk management from a company-wide viewpoint. Meanwhile, we have established a department to oversee and provide guidance to business processing operations at each business, which reviews policies set out in each business and provides guidance and training on general business processing to the head office departments and the business offices. Furthermore, SuMi TRUST Bank developed a risk management plan that incorporated the goals for business processing risk management and it has implemented activities to mitigate business processing risk, including documentation of business processing, exhaustive checks for clerical errors and associated analysis, development of remedial measures and cautioning based on the macro analysis of clerical errors, outsourcing management, and self-inspection.

2) System Risk Management

System risk refers to the risk that the SuMi TRUST Group may incur losses due to such reasons as computer system failure, malfunctions and defects, as well as the risk that the SuMi TRUST Group may incur losses due to unauthorized use of computers.

Since computer systems are vital for the SuMi TRUST Group to carry out its business operations, it recognizes that system risk is a serious risk with potential impacts on a wide range of clients, which may cause disrepute to the Group. Therefore, the SuMi TRUST Group is conducting adequate system risk management in accordance with the importance, nature and operational function of each system.

In SuMi TRUST Bank, the IT System Planning and Management Department, which is responsible for system risk management, strives to mitigate system risk, through measures to prevent system risk from materializing, adequate response and causal analysis of the risk when materialized, and development of measures to prevent recurrence.

Moreover, SuMi TRUST Bank enhances the credibility of hardware and software as well as system operation, through measures including maintenance of hardware, securing of spare/alternate functions, back-up in place and preparation of manuals. In addition to above, measures for ensuring security of the information system and preventing illegal access and use by insider or through cyber or other attacks are also in place. Meanwhile, in order to minimize the impact of large-scale failures and disasters on the information system and to ensure early recovery and business continuity, we have in place a clarified communication and response system, manuals describing alternate measures and recovery procedures, along with the implementation of education and training on operations.

3) Information Security Risk Management

Information security risk refers to the risk that the SuMi TRUST Group may incur losses because information assets are not properly maintained or managed. This includes information leaks, incorrect information, an inability to use the information system and misuse of information. Since the information asset is one of the critical management resources involving the risk that could disrupt the basis of management, the SuMi TRUST Group adequately maintains and manages all information assets under its care.

In SuMi TRUST Bank, the Business Process Management Department and the IT System Planning and Management Department, which is responsible for information security risk management, is committed to developing and enhancing an information security risk management system.

SuMi TRUST Bank places degrees of importance on all information assets under its care according to the impact of potential losses that SuMi TRUST Bank and clients may incur in the event of their leaks, loss or alteration. Methods and procedures for acquisition, use, management, safekeeping, internal communication, external use and disposal of information assets are set out according to the degrees of importance, for the effective implementation of security measures.

Meanwhile, we, as a business operator handling personal information and in charge of affairs using the individual number and affairs related to the individual number, adequately manage personal information, individual number and specific personal information (individual number and specific personal information, hereinafter referred to as “Specific Personal Information”) in compliance with the Act on the Protection of Personal Information, the Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure and guidelines set forth by government agencies, in addition to other standards. In addition, we have announced the “Declaration for the Protection of Personal Information” in an extensive effort to protect the personal information and Specific Personal Information of our clients and shareholders.

SuMi TRUST Bank is providing education and information to raise awareness of the information security risk management on a company-wide basis. Furthermore, the adequacy and effectiveness of the personal information management system are verified and ensured through self-inspection and internal audits.

4) Risk Management of Other Sub-categories

Regarding legal and compliance risk management, we not only are promoting compliance by setting compliance standards that executives and employees should follow and fostering their awareness of compliance, but also examine the consistency and compliance concerning company regulations and other rules, and the legality and suitability of transactions and business procedures from the legal perspective (legal checks).

With respect to conduct risk management, SuMi TRUST

Bank regularly assesses the status of major conduct risks and works to reduce and manage risks and prevent risks from materializing by promoting and fostering the awareness of executives and employees through internal training and other means.

In order to manage human resource risk, we have been poised to handle issues related to personnel and labor management, such as unequal or unfair management of personnel and harassment, through a multitude of approaches, including internal training and education, interviews, and establishment of consultation desk.

As event risk management, in an effort to tackle natural disasters, the spread of infectious diseases, occurrence of fire, crimes, or traffic accidents that may impair business, we have adopted various steps, including measures to avert disaster in case that disaster strikes, preventive measures, such as disaster prevention, protection against crimes, and safe driving management, and establishment of a business continuity management system.

For managing reputational risk, we are striving to prevent any harmful reputation and rumor from growing by detecting mass media reports and online posting that may damage the SuMi TRUST Group's reputations, and have set up a system of dealing with clients and making external announcements in a timely and proper manner in response to negative reputations or rumors, if any.

(7) Compliance with Capital Regulatory Standards

1) Calculation of Operational Risk Equivalent Amount

Since the end of March 2014, the SuMi TRUST Group has adopted the Advanced Measurement Approach in lieu of the Standardised Approach, which was used previously, in the calculation of the operational risk equivalent amount under capital adequacy requirements.

Exceptionally, we adopt the Basic Indicator Approach for a portion of the corporations deemed less important in the calculation of the operational risk equivalent amount and corporations that are in preparation for the adoption of the Advanced Measurement Approach.

2) Outline of the Advanced Measurement Approach

A. Measurement Framework

The SuMi TRUST Group calculates the operational risk equivalent amount by aggregating "each maximum loss amounts of operational risk expected over a period of one year, with 99.9% one-sided confidence interval (hereinafter "VaR")," for each of the eleven quantification units (all business sections, corporate management sections and earthquakes) that are based on the consistency between management regarding operational incidents and profit management.

The operational risk equivalent amount is calculated using the four elements that are required for the adoption of the Advanced Measurement Approach, i.e. internal loss data, external loss data, business environment and the internal control status, and scenario analysis, as well as the quantification model. The results of the calculation are utilized in activities to enhance operational risk management, including the deliberation of measures to improve the internal control status.

• Overview of 4 Elements of Scenario Analysis

Element	Details
Internal loss data	Information on operational risk losses arising inside the SuMi TRUST Group
External loss data	Information on operational risk losses collected from the outside of the SuMi TRUST Group
Business environment and internal control status	An element affecting operational risk and relating to the business environment and internal control status of the SuMi TRUST Group
Scenario analysis	An estimation method based on expert knowledge and experience, and information on operational risk, regarding the amount and frequency of serious operational risk losses

Additionally, in the calculation of the operational risk equivalent amount, we do not reflect the mitigating effects of insurance, and do not exclude expected loss or conduct adjustments based on the correlation between the quantification units.

B. Scenario Analysis

In order to accurately understand the SuMi TRUST Group's risk profile, we identify events involving a large amount of losses associated with operational risk that cannot be covered by internal loss data alone when we conduct scenario analysis. We also construct scenario data that estimate loss amount and probability of such events.

The evaluation results of elements including the business environment and the internal control status are reflected in the subjects to the construction of scenario data, and the estimation of loss amount and frequency.

In addition, we ensure the objectivity, accuracy and completeness of the constructed scenario data by conducting verification using both internal loss data and external loss data.

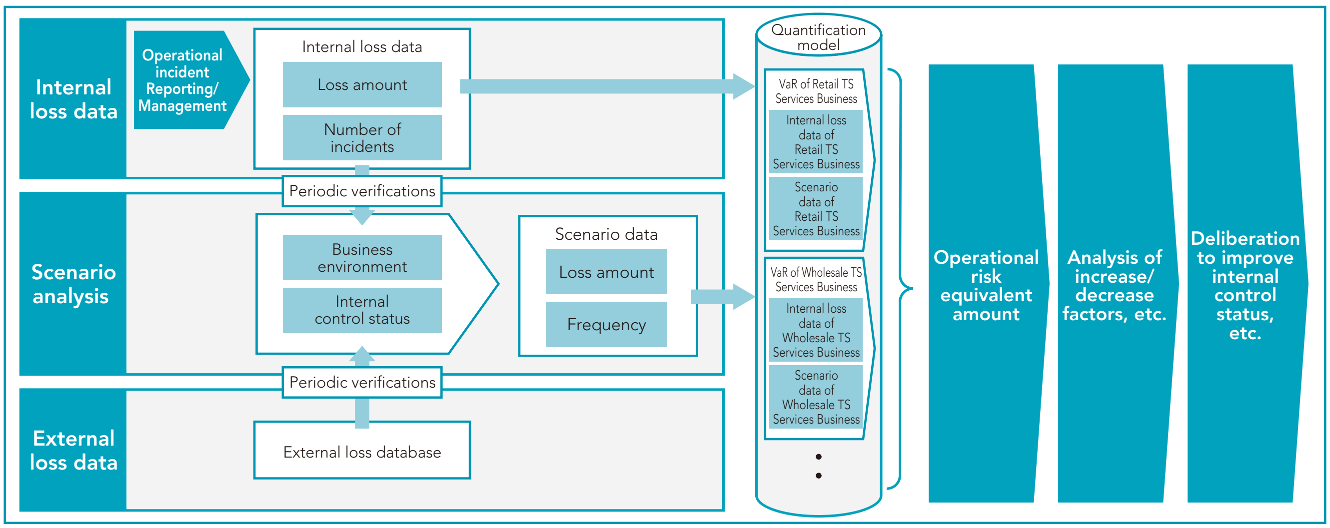
C. Measurement Model for Operational Risk Amount

The VaR of each measurement unit is calculated by plotting frequency distributions and severity distribution based on the internal loss data and the scenario data prepared through the scenario analysis, and expressed through Monte Carlo Simulation that mixes such distributions and estimates the total severity distribution.

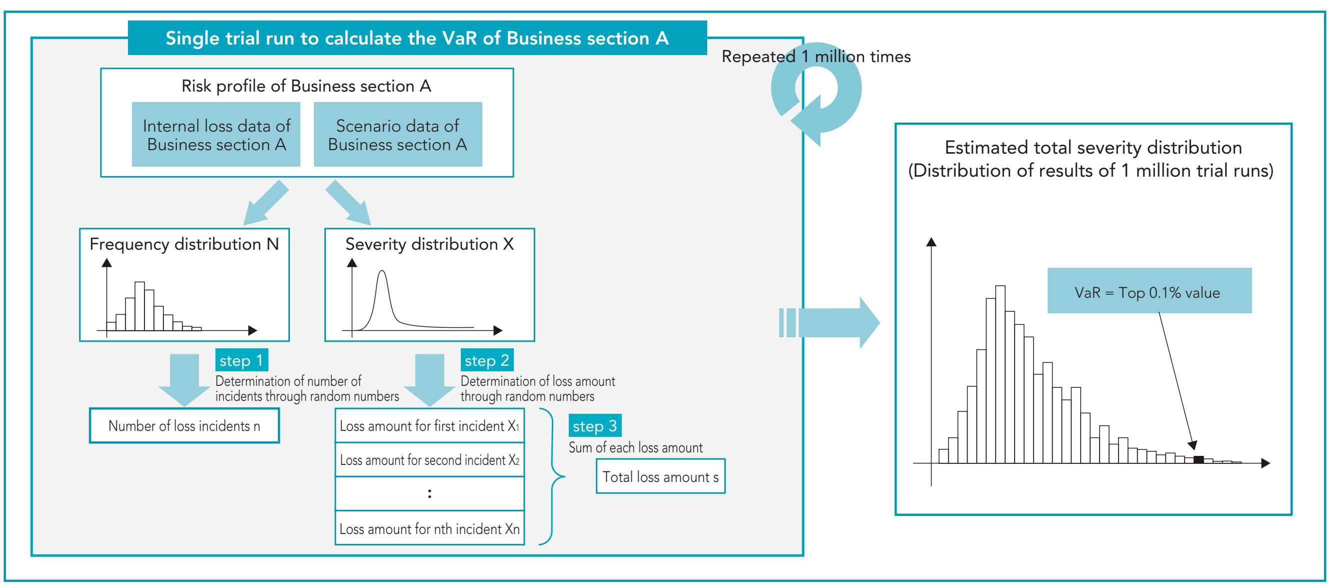
The Poisson distribution has been applied to the frequency distribution, and our own distribution method has been applied to severity distribution in order to grasp the amount of tail risk.

We confirm the appropriateness of the quantification model and the results of the VaR calculations by conducting periodic verifications such as backtestings.

• Outline of the Quantification Framework



• Outline of Quantification Model



6. Other Matters

(1) Credit Risk Mitigation Techniques

1) Implementation of Credit Risk Mitigation Techniques

Controls of credit exposures can be achieved not simply by reducing the balance of outstanding credit but also by seeking to loan protection via collateral and guarantees. These protection measures are collectively called "credit risk mitigation techniques."

While we measure the creditworthiness of clients comprehensively by looking at their business status and technological capabilities as well as their future potential, we also employ the credit risk mitigation techniques in order to cover deficiencies in creditworthiness or enhance the quality of loans.

In doing this, it is necessary for the credit risk mitigation techniques to be "valid" both legally and practically. In order to ensure that validity, we set internal standards for sound and reliable protection and management.

At that time, we uniformly manage information of collateral and guarantees through a system.

2) Details of Collateral Evaluation and Management

As a uniform decision on acceptance of collateral and guarantees cannot be made due to individual circumstances, such as creditworthiness of obligors, we determine whether or not to accept collateral or guarantees by taking into consideration various factors, including the compatibility with the purpose of use and characteristics of loans and bills discounted, collateral value, the guarantor's capability for performance of guarantee, and legal validity.

As the ultimate purpose of collateral is to acquire monetary value through conversion into cash of a relevant property, we have defined requirements for accepting collateral that 1) collateral value is acknowledged, 2) foreclosure sale of a relevant property is easy, and 3) it is easy to obtain and manage collateral.

Financial assets such as term deposits and securities, and real estate have accounted largely for the collateral that the SuMi TRUST Group has accepted. As a general rule, we evaluate collateral of real estate, and other similar property at least once a year, and other collateral with fair value, such as securities, on a regular basis.

Guarantees are classified into several categories, such as specific debt guarantee that guarantees only specific debts, and revolving guarantee. The forms of providing guarantees also vary, including the official contract for guarantees, letter of indemnity on guarantee, and commitment to guarantee. Regardless of the category and form of guarantee, the SuMi TRUST Group places emphasis on substantial effectiveness of guarantees by confirming the guarantor's capacity and intention of guarantee. The guarantees that the SuMi TRUST Group has accepted have been made up greatly of cases in which parent companies guarantee debts of their respective subsidiaries in corporate credit transactions. We regularly check the guarantor's intention of guarantee.

3) Compliance with Capital Regulatory Standards

The capital regulatory standards specify types and requirements regarding credit risk mitigation techniques that can decrease risk-weighted assets according to the calculation of credit risk-weighted assets in a limited manner. The SuMi TRUST Group has defined the scope of the credit risk mitigation techniques that can be applied to calculation of a capital adequacy ratio depending on risk-weighted assets measurement approaches after closely examining the eligibility for the requirements.

With regard to assets to which the Advanced Internal Ratings-Based Approach (AIRB) is applied, we consider the collateral effect through the Loss Given Default (LGD). We have adopted the credit risk mitigation techniques for assets to which the Foundational Internal Ratings-Based Approach (FIRB) is applied, and the details are as follows:

• Overview of Credit Risk Mitigation Techniques (CRM)

CRM techniques	Major requirements
Offsetting of loans and bills discounted against deposits in our banks (netting)*	• Term deposits • A valid banking transaction contract, or any other effective agreement, with a statement about timely offsetting has been concluded.
Guarantees and credit derivatives	• The creditworthiness of the guarantor (the party providing protection) is greater than that of the obligor. • The contract has been concluded in writing and does not include any provision that disturbs performance of guarantee (offering of protection).
Eligible collateral	
Eligible financial collateral (deposits in our banks, stocks, and debt securities)	• Establishment of security rights (such as the right of pledge) • Any special agreement that restricts exercise of security rights has not been concluded.
Eligible real estate collateral (real estate, foundations)	• Register of settlement of mortgage (definitive/provisional registration) • Any special agreement that restricts exercise of security rights has not been concluded. • Investigation of soil pollution has been completed, or the impact of soil pollution has been taken into consideration in evaluation.
Other eligible asset collateral (ships, aircrafts)	• Establishment of security rights (definitive/provisional registration; with security rights being set as the first right) • Any special agreement that restricts exercise of security rights has not been concluded.

* In the fiscal year ended March 2021, we employed netting only for assets to which the Foundation Internal Ratings-Based Approach was applied.

4) Concentration of Credit and Market Risks Following the Adoption of Credit Risk Mitigation Techniques

Guarantees and credit derivatives have been considered as approaches involving risk concentration.

In the SuMi TRUST Group, although guarantees on obligors are offered by their respective parent companies in many cases, this is not always significantly inclined for specific guarantors. Sumitomo Mitsui Trust Bank, Limited ("SuMi TRUST Bank"), which is the core bank of the SuMi TRUST Group monitors and manages concentration risks for the entire corporate group, with guarantees taken into consideration.

The notional principal of the protection of the credit derivatives that SuMi TRUST Bank has purchased is not noteworthy enough to be defined as risk concentration. It is managed by being included in the credit limit amount of the provider of protection.

(2) Credit Risk for the Other Party of Derivatives Transactions and Repo Transactions (Counterparty Credit Risk)

1) Risk Characteristics

Counterparty credit risk ("CCR") is a risk that the SuMi TRUST Group may incur loss due to nonfulfillment of a contract when a counterparty, the other party of a transaction, such as a derivatives transaction, has gone bankrupt. The SuMi TRUST Group has conducted various derivatives transactions (such as the interest rate swap transaction) with financial institutions.

2) Risk Management Policy

A. Management of Counterparty Credit Risk Exposures

With regard to CCR, the SuMi TRUST Group has set a credit line for clients, such as financial institutions, for each type of market-based transactions and manage CCR exposures. We have managed credit concentration risk of each client by setting a credit limit amount in the same manner as for corporates and adding up credit transactions for loans, etc. and market-based transactions. Furthermore, in the same manner as other exposures, we allocate capital to each business and monitor the usage status.

B. Credit Risk Mitigation Techniques and Collateral Management

As a general rule, SuMi TRUST Bank, the core bank of the Group, reduces credit risk by entering into legally valid bilateral netting contracts (such as an ISDA Master Agreement) with clients when conducting derivatives and repo transactions. Furthermore, with the aim of minimizing credit risk at the time of conducting derivatives transactions, SuMi TRUST Bank is promoting the conclusion of a Credit Support Annex (CSA) as a supplementary contract of the ISDA Master Agreement. A CSA is a bilateral agreement that supplements credit through a pledge of collateral corresponding to the amount of unrealized loss by the party holding unrealized loss to the other party with unrealized gain based on calculation of the present value of derivatives transactions, etc. or other similar items between SuMi TRUST Bank and the counterparty with which SuMi TRUST Bank has concluded the CSA.

The SuMi TRUST Group transfers collateral on a continuous basis with the counterparty with which we have entered into a CSA so that unrealized gains and losses become neutral. However, we will be required to offer additional collateral when the creditworthiness of either party has deteriorated and the party's rating has dropped, with the impacts of such deterioration taken into consideration. The amount of additional collateral varies depending on the details of the contract concluded with each company.

C. Management of Wrong-way Risk

Wrong-way risk is risk of losses expanding through the synergetic effect of any adverse correlation between the derivatives exposures transaction and the creditworthiness of the other party of the transaction (the counterparty). Currently, the SuMi TRUST Group manages this risk by mitigating credit risk through conclusion of CSAs, and grasping CCR in a timely and proper manner.

D. Impact of Deteriorated Creditworthiness of Our Banks

As specified in B. above, the SuMi TRUST Group has regularly transferred collateral with counterparties in derivatives transactions and other similar transactions. In these transactions, we may be required to provide additional collateral to counterparties due to deterioration of our own creditworthiness. However, the proportion of derivatives transactions to the SuMi TRUST Group's overall exposure is currently low, and we have recognized that the impact is limited.

3) Compliance with Capital Regulatory Standards

The SuMi TRUST Group has adopted the "Current Exposure Method" in risk-weighted asset calculation of counterparty credit risk. The approach is one of the methods for calculating the credit equivalent amount of derivatives transactions by adding the add-on (which corresponds to the amount for potential future exposure, and is calculated by multiplying the notional amount by the split based on residual maturity) to the "replacement cost" (as calculated through fair market valuation of transactions).

In accordance with the capital regulatory standards (Basel III) which have been revised with financial crisis taken into consideration, the SuMi TRUST Group calculates risk-weighted assets for Credit Value Adjustment (CVA) that adjusts exposure when the creditworthiness of counterparty has changed, and for the Central Counterparty (CCP) exposures.

(3) Securitisation Transactions

1) Risk Characteristics

Securitisation transactions are transactions in which, on the back of one or more assets, the credit risk related to the assets is stratified into two or more layers that are in a relationship of a senior-subordinated structure and part or all of the assets are transferred to a third party. Typical examples include Residential Mortgage Backed Securities (RMBS), Commercial Mortgage Backed Securities (CMBS), and Collateralized Loan Obligation (CLO) according to underlying assets, and resecuritised products with securitised products as underlying assets. The method of grasping credit risk differs between the originator (the party that composes products) and an investor (the party that purchases products) in securitisation transactions. When the originator has accepted the subordinated part of assets at the time of product composition, some credit risk will remain. Meanwhile, when the investor has bought a securitised product, credit risk will arise. Furthermore, as securitised products underlie resecuritised products, it will become complicated to grasp risks regarding resecuritised products, and credit risk of resecuritised products may become greater than those of general securitised products.

Although the SuMi TRUST Group engages in activities primarily as the investor, we have yielded business results in product composition as an originator.

2) Risk Management Policy

A. Investor

In principle, the SuMi TRUST Group invests in securitised products, to which high external credit ratings have been assigned, and manages risks by the assignment of credit ratings (structured ratings) based on the internal rating system. During an investment period, we strive to obtain stable earnings opportunities by periodically monitoring not only external credit ratings but also the status and performance of the assets underlying securitised products, and risk characteristics and structure status of securitisation transactions, and then reflecting such status for reviewing credit ratings. The SuMi TRUST Group manages resecuritised products in the same manner.

B. Originator

The SuMi TRUST Group will consider using securitisation transactions, which are originated by the SuMi TRUST Group, according to situations as a method for controlling portfolios of finance receivables held. When doing so, we will construct transaction content in which an intended transfer of credit risk is made effectively, and properly calculate the part of credit risk-weighted assets that the SuMi TRUST Group bears after implementation of securitisation. As a general rule, while the securitised products originated by the SuMi TRUST Group have been held by investors outside the consolidated holding company group, part of the products have been owned by SBI Sumishin Net Bank, Ltd., one of the SuMi TRUST Group's affiliates.

3) Risk Management Method

We measure credit risk amount of securitisation exposures based on the value of credit risk-weighted assets specified by the capital regulatory standards. In addition, interest rate risk involved in securitisation exposures is subject to measurement of market risk amount.

4) Securitisation transactions of Third Party Assets

With regard to securitisation transactions of assets purchased from third parties, the SuMi TRUST Group has engaged in liquidation of receivables mainly by buying multiple receivables, such as accounts receivables and bills of credit, via specific purpose companies (SPCs), and provides Asset Based Lending (ABL) to SPCs and sets up backup lines for Asset Backed Commercial Papers (ABCPs) issued by SPCs. In addition, SuMi TRUST Bank has conducted proper management of underlying assets for investors.

In the SuMi TRUST Group, securitisation conduits, such as SPCs and trust as follows, conduct securitisation transactions of third party assets. We have never offered securitisation conduits credit supplementation not stipulated in respective contracts.

Name of securitisation conduit	Whether to be included in the consolidation scope* according to calculation of the capital adequacy ratio	Whether or not securitisation exposure is held
Vector Asset Funding Corporation	Included	Held
Nexus Asset Funding Corporation	Included	Held
Fresco Asset Funding Corporation	Included	Held
Crecer Asset Funding Corporation	Included	Held
RBA Asset Funding Corporation	Not included	Not held
Sumitomo Mitsui Trust Bank, Limited (Trust account)	Not included	Held

* The consolidation scope according to calculation of the capital adequacy ratio of SuMi TRUST Holdings and SuMi TRUST Bank.

5) Accounting Policy

When conducting securitisation transactions, as a general rule, the SuMi TRUST Group adopts a selling process that results in derecognition of financial assets through the transfer of the control over contractual rights to the financial assets to another party in accordance with "Accounting Standards for Financial Instruments" (Accounting Standards Board of Japan (ASBJ) Statement No. 10). For instance, in the case of finance receivables, in principle, assets are derecognized upon legal completion of transfer of the assets and receipt of consideration for the transfer; however, in the event that we hold retained interests after conducting securitisation transactions, the SuMi TRUST Group does not recognize sales of the assets corresponding to the retained interests, and renders it subject to measurement of credit risk-weighted assets. Meanwhile, regarding transactions in which a considerable degree of credit is offered without prior payment of capital, the SuMi TRUST Group will employ a financial process of posting raised capital as a liability. In addition, when we possess assets for the purpose of securitisation transactions, the SuMi TRUST Group evaluates the assets in accordance with "Accounting Standards for Financial Instruments" and records them in the banking account.

6) Compliance with Capital Regulatory Standards

With regard to calculation of credit risk-weighted assets for securitisation exposures, we have prioritized calculation methods, and selected from applicable calculation methods on which the highest priority has been placed. First of all, if it is possible to grasp the required capital ratio of the underlying assets as calculated by using the Internal Ratings-Based Approach, we use the "Securitisation Internal Ratings-Based Approach" to calculate the risk weight. Then, if it is difficult to apply the "Securitisation Internal Ratings-Based Approach," we calculate the risk weight of securitisation exposures to which eligible external ratings has been assigned by applying the "Securitisation External Ratings-Based Approach" Then, if it is difficult to apply either of the aforementioned two approaches, and that it is possible to grasp the required capital ratio of the underlying assets as calculated by using the Standardised Approach, we use the "Securitisation Standardised Approach" to calculate the risk weight. If it is impossible to apply any of the aforementioned approaches, we apply 1,250% risk weight. In the case of resecuritisation products, we use the "Standardised Approach-Based Approach" or apply 1,250% risk weight.

The eligible rating agencies used for calculating the value of credit risk-weighted assets based on the "Rating-Based Approach" include 5 companies, which are Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service, Inc. (Moody's), S&P Global Ratings (S&P), and Fitch Ratings, Inc., (Fitch).

While the SuMi TRUST Group essentially has rendered securitisation exposure subject to calculation of credit risk-weighted assets, we use the "Standardised Approach" for calculating market risk equivalent amount.

(4) Capital Subscriptions and Other Similar Exposures or Equity Exposures

1) Risk Characteristics

As part of capital subscription business, the SuMi TRUST Group has strategically made equity investments in the banking accounts and held stocks with the aim of investing in organizations expected to bring benefits to the SuMi TRUST Group and cementing relationships with clients (strategic shareholdings). Stocks are characterized as involving the risk of fluctuation in their prices (market risk) as well as the risk that the issuers may become in default (credit risk).

Equity investment is aimed to pursue medium-term risk return, being exposed to the risk of fluctuation in cash flows, such as dividend distribution, and the risk that the Net Asset Value of the subscriber's share on the capital may fluctuate.

Strategic shareholdings of listed shares with market prices are subject to fair market valuation and are exposed to a risk of fluctuation in their market prices. Unlisted shares are also exposed to a risk that their estimated value may decline.

2) Risk Management Policy

We properly manage stocks held in the banking accounts, by taking into consideration profitability, within a scope of a certain risk amount through a framework of credit risk and market risk management according to the purpose of holding the stocks and risk characteristics.

For equity investments, etc., we make every effort to limit risk by scrutinizing transactions, taking into account market conditions and the investment performance of the portfolio manager.

In addition, our policy is to not hold conventional strategic shareholdings (shareholding of business partners as stable shareholders without the purpose of forming capital or business alliances, etc.). Based on this policy, we are working to reduce our strategic shareholdings, and we are also flexibly implementing hedging transactions to limit the risk of share price fluctuations.

3) Risk Management Method

Concerning the stocks held in the category of "available-for-sale securities," we measure risk according to whether or not there is a market price. We recognize a risk of price fluctuation for the stocks with market price and measure the stock VaR with a holding period of one year and a 99% confidence interval. Meanwhile, regarding unlisted shares without market prices, as it is not possible to directly observe price fluctuation, we measure the risk amount with the holding period of one year while using an approach for indirectly estimating the volatility by selecting an appropriate alternate index, and a reference to the Supervisory Formula Approach specified by the capital regulatory standards, depending on situations.

Concerning "Shares of Subsidiaries," we have rendered the assets and liabilities held by a relevant subsidiary subject to direct risk management. Furthermore, as for "Shares of Affiliated Companies," fluctuations in the value of our interest in relevant affiliated companies due to equity in losses or earnings are subject to risk management.

4) Accounting Policy

As of the end of March 2021, with regard to the securities stated in the SuMi TRUST Group's consolidated financial statements, equity securities issued by unconsolidated subsidiaries and affiliated companies not accounted for by the equity method are valued using the "moving-average cost," and securities classified as available-for-sale securities are in principle valued using the "fair value based on the market price, etc., on the consolidated balance sheet date (cost of securities sold is calculated using primarily the moving-average method)." However, "available-for-sale securities" for which their fair values are extremely difficult to be determined are carried at cost using the moving-average method. Valuation differences on "available-for-sale securities" are recorded as a separate component of net assets and reported in the consolidated balance sheets.

5) Compliance with Capital Regulatory Standards

We measure the required capital of credit risk with an approach applied according to whether relevant equities are Japanese or Non-Japanese, and whether or not relevant equities are listed. Japanese equities are measured based on the Supervisory Formula Approach using the credit ratings assigned to relevant issuers.

Furthermore, we apply the Simple Risk-weight Method (Market-Based Approach) that multiplies the risk weight determined according to whether the equities are listed or not, in order to measure any Japanese equities without credit ratings, and Non-Japanese equities. The market risk amount is measured using VaR as a scale. For more details, please refer to "(5) Market Risk Management Method" of "3. Market Risk Management."

Basel III Disclosure Data

Sumitomo Mitsui Trust Holdings, Inc.

This section outlines and discloses matters to be stated in explanatory documents relating to the fiscal year, separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2014) with regard to the status of capital adequacy, as set forth in Article 19-2, Paragraph 1, Item 5-(d) of the Ordinance for Enforcement of the Banking Act (Ministry of Finance Ordinance No.10, 1982), as well as separately stipulated by the Commissioner of the Financial Services Agency (Notification No.7 of Financial Services Agency, 2015) with regard to the status of management soundness relating to liquidity, as set forth in Article 19-2, Paragraph 1, Item 5-(e) of the Ordinance for Enforcement of the Banking Act.

[Quantitative Disclosure Data: SuMi TRUST Holdings]

Quantitative Disclosure Data:
Sumitomo Mitsui Trust Holdings, Inc.

KM1: Key Metrics

Consolidated

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	¥ 2,455,126	¥ 2,449,030	¥ 2,449,874	¥ 2,415,795	¥ 2,404,831
2	Tier 1	2,736,717	2,731,950	2,802,616	2,768,733	2,758,167
3	Total capital	3,190,944	3,264,079	3,349,226	3,280,819	3,283,105
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	20,243,399	20,209,728	19,711,096	19,523,675	19,053,967
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio	12.12%	12.11%	12.42%	12.37%	12.62%
6	Tier 1 ratio	13.51%	13.51%	14.21%	14.18%	14.47%
7	Total capital ratio	15.76%	16.15%	16.99%	16.80%	17.23%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements	0.50%	0.50%	0.50%	0.50%	0.50%
11	Total of bank CET1 specific buffer requirements	3.00%	3.00%	3.00%	3.00%	3.00%
12	CET1 available after meeting the bank's minimum capital requirements	7.51%	7.51%	7.92%	7.87%	8.12%
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	49,441,295	49,395,230	47,847,547	48,757,812	59,325,377
14	Basel III leverage ratio	5.53%	5.53%	5.85%	5.67%	4.64%

KM1 Basel III Template No.		Millions of Yen, %				
		Fiscal Year 2020 4th Quarter	Fiscal Year 2020 3rd Quarter	Fiscal Year 2020 2nd Quarter	Fiscal Year 2020 1st Quarter	Fiscal Year 2019 4th Quarter
	Liquidity Coverage Ratio (LCR)					
15	Total HQLA allowed to be included in the calculation	¥ 18,052,471	¥ 18,053,546	¥ 17,953,290	¥ 13,694,560	¥ 14,412,361
16	Net cash outflows	10,841,449	9,695,429	10,968,739	11,250,626	11,150,192
17	Consolidated LCR	166.5%	186.2%	163.6%	121.7%	129.2%

Capital Adequacy Ratio

Consolidated

We calculate the consolidated BIS capital adequacy ratio in line with provisions of Article 52-25 of the Banking Act and on the basis of calculation formula prescribed under the criteria for judging whether a bank holding company and its subsidiaries' capital adequacy ratios are appropriate in light of assets held (the Financial Services Agency 2006 Notification No. 20, hereinafter referred to as the "FSA Bank Holding Company Capital Adequacy Notification").

As of the end of March 2021, we used the Advanced Internal Ratings-Based (IRB) Approach for the calculation of credit risk-weighted assets, the Advanced Measurement Approach for the calculation of operational risk, and market risk regulations.

Scope of Consolidation

Consolidated

(1) There is no difference between companies belonging to the group of companies subject to the consolidated BIS capital adequacy ratio as prescribed by the FSA Bank Holding Company Capital Adequacy Notification, Article 3 (hereinafter referred to as the "SuMi TRUST Holdings Group") and the companies included in the scope of accounting consolidation.

(2) The number of consolidated subsidiaries that belong to the SuMi TRUST Holdings Group is 63. The principal company is the following.

Name	Principal Business Operations
Sumitomo Mitsui Trust Bank, Limited	Trust and Banking Businesses

(3) There is no affiliated company that undertakes financial services subject to the FSA Bank Holding Company Capital Adequacy Notification, Article 9.

(4) There are no particular restrictions etc. on the transfer of funds and capital within the SuMi TRUST Holdings Group.

(5) Of the subsidiaries which are banking, financial and insurance entities that are outside the scope of regulatory consolidation, none failed to meet the regulatory required capital.

Composition of Capital (Consolidated BIS capital adequacy ratio)

Consolidated

CC1: Composition of Capital

CC1 As of March 31		Millions of Yen, %		
		a	b	c
Basel III Template No.	Items	2021	2020	Reference Numbers to Reconciliation with the Balance Sheet
	Common Equity Tier 1 Capital: Instruments and Reserves			
1a+2–1c–26	Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 2,387,881	¥ 2,306,255	
1a	of Which: Capital Stock and Capital Surplus	837,723	842,204	
2	of Which: Retained Earnings	1,581,096	1,495,029	
1c	of Which: Treasury Stock (Deduction)	2,815	2,855	
26	of Which: Earnings to be Distributed (Deduction)	28,122	28,122	
	of Which: Others	—	—	
1b	Subscription Rights to Common Shares	1,024	1,057	
3	Accumulated Other Comprehensive Income	277,756	220,889	(a)
5	Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	—	—	
6	Common Equity Tier 1 Capital: Instruments and Reserves (A)	2,666,661	2,528,201	
	Common Equity Tier 1 Capital: Regulatory Adjustments			
8+9	Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	90,437	107,352	
8	of Which: Goodwill (Including Those Equivalent)	38,070	48,532	
9	of Which: Other Intangible Assets	52,366	58,820	
10	Deferred Tax Assets That Rely on Future Profitability Excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	172	435	
11	Deferred Gains or Losses on Derivatives under Hedge Accounting	(40,649)	(45,964)	
12	Shortfall of Eligible Provisions to Expected Losses	—	—	
13	Securitisation Gain on Sale	1,111	1,122	
14	Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities	—	—	
15	Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	160,369	60,414	
16	Investments in Own Shares (Excluding Those Reported in the Net Assets Section)	94	8	
17	Reciprocal Cross-Holdings in Common Equity	—	—	
18	Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does Not Own More than 10% of the Issued Share Capital (Amount above 10% Threshold)	—	—	
19+20+21	Amount above the 10% Threshold on the Specified Items	—	—	
19	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
20	of Which: Mortgage Servicing Rights	—	—	
21	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
22	Amount Exceeding the 15% Threshold on the Specified Items	—	—	
23	of Which: Significant Investments in the Common Stock of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	—	—	
24	of Which: Mortgage Servicing Rights	—	—	
25	of Which: Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	—	—	
27	Regulatory Adjustments Applied to Common Equity Tier 1 Due to Insufficient Additional Tier 1 and Tier 2 to Cover Deductions	—	—	
28	Common Equity Tier 1 Capital: Regulatory Adjustments (B)	211,535	123,370	
	Common Equity Tier 1 Capital (CETI)			
29	Common Equity Tier 1 Capital (C) = (A)–(B)	¥ 2,455,126	¥ 2,404,831	

CC1 As of March 31				Millions of Yen, %		
				a	b	c
Basel III Template No.		Items		2021	2020	Reference Numbers to Reconciliation with the Balance Sheet
		Additional Tier 1 Capital: Instruments				
30	31a	Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards		¥ —	¥ —	
	31b	Subscription Rights to Additional Tier 1 Instruments		—	—	
	32	Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards		270,000	340,000	
		Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles		—	—	
34–35		Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)		11,590	13,336	
33+35		Eligible Tier 1 Capital Instruments Subject to Phase out from Additional Tier 1 Capital		—	—	
33		of Which: Directly Issued and Issued by Special Purpose Vehicles		—	—	
35		of Which: Issued by Subsidiaries		—	—	
36		Additional Tier 1 Capital: Instruments	(D)	281,590	353,336	
		Additional Tier 1 Capital: Regulatory Adjustments				
37		Investments in Own Additional Tier 1 Instruments		—	—	
38		Reciprocal Cross-Holdings in Additional Tier 1 Instruments		—	—	
39		Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)		—	—	
40		Significant Investments in the Additional Tier 1 Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions		—	—	
42		Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions		—	—	
43		Additional Tier 1 Capital: Regulatory Adjustments	(E)	—	—	
		Additional Tier 1 Capital (AT1)				
44		Additional Tier 1 Capital	(F) = (D) – (E)	281,590	353,336	
		Tier 1 Capital (T1 = CET1 + AT1)				
45		Tier 1 Capital	(G) = (C) + (F)	2,736,717	2,758,167	
		Tier 2 Capital: Instruments and Provisions				
		Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards		—	—	
		Subscription Rights to Tier 2 Instruments		—	—	
		Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards		335,153	306,584	
46		Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles		—	—	
48–49		Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)		2,105	2,432	
47+49		Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital		85,790	171,581	
47		of Which: Directly Issued and Issued by Special Purpose Vehicles		—	—	
49		of Which: Issued by Subsidiaries		85,790	171,581	
50		Provisions Allowed in Group Tier 2		32,718	45,878	
50a		of Which: General Allowance for Credit Losses		3,280	3,100	
50b		of Which: Excess Amount of Eligible Provisions to Expected Losses		29,437	42,778	
51		Tier 2 Capital: Instruments and Provisions	(H)	¥ 455,767	¥ 526,478	

CC1 As of March 31			Millions of Yen, %		
			a	b	c
Basel III Template No.	Items		2021	2020	Reference Numbers to Reconciliation with the Balance Sheet
	Tier 2 Capital: Regulatory Adjustments				
52	Investments in Own Tier 2 Instruments		¥ —	¥ —	
53	Reciprocal Cross-Holdings in Tier 2 Instruments and Other TLAC Liabilities		—	—	
54	Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions, Where the Bank Does not Own More than 10% of the Issued Common Share Capital of the Entity (Amount above 10% Threshold)		—	—	
55	Significant Investments in the Tier 2 Instruments and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions		1,540	1,540	
57	Tier 2 Capital: Regulatory Adjustments	(I)	1,540	1,540	
	Tier 2 Capital (T2)				
58	Tier 2 Capital	(J) = (H) – (I)	454,227	524,938	
	Total Capital (TC = T1 + T2)				
59	Total Capital	(K) = (G) + (J)	3,190,944	3,283,105	
	Total Risk Weighted Assets				
60	Total Risk Weighted Assets	(L)	20,243,399	19,053,967	
	Capital Ratios and Buffers (Consolidated)				
61	Common Equity Tier 1 Capital Ratio	(C)/(L)	12.12%	12.62%	
62	Tier 1 Capital Ratio	(G)/(L)	13.51%	14.47%	
63	Total Capital Ratio	(K)/(L)	15.76%	17.23%	
64	Total of bank CET1 specific buffer requirements		3.00%	3.00%	
65	of Which: Capital conservation buffer requirement		2.50%	2.50%	
66	of Which: Countercyclical buffer requirement		0.00%	0.00%	
67	of Which: Bank G-SIB and/or D-SIB additional requirements		0.50%	0.50%	
68	CET1 available after meeting the bank's minimum capital requirements		7.51%	8.12%	
	Regulatory Adjustments (before Risk Weighting)				
72	Investments in the Instruments of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital (Amount below the Threshold for Deduction)		134,244	114,974	
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)		165,595	152,917	
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)		—	—	
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)		23,744	13,478	
	Provisions Included in Tier 2 Capital: Instruments and Provisions				
76	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Standardised Approach (Prior to Applicable of Cap)		3,280	3,100	
77	Cap on Inclusion of Provisions in Tier 2 under Standardised Approach		11,187	9,498	
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)		29,437	42,778	
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach		97,352	91,832	
	Capital Instruments Subject to Phase out Arrangements				
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements		54,500	109,000	
83	Amount Excluded from Additional Tier 1 Due to Cap (Excess over Cap after Redemptions and Maturities)		—	—	
84	Current Cap on Tier 2 Instruments Subject to Phase out Arrangements		85,790	171,581	
85	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)		¥ 69,699	¥ 17,609	

Note: SuMi TRUST Holdings received a certain procedure by KPMG AZSA LLC of the calculation of the consolidated BIS capital adequacy ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).
The certain procedure is not part of the audit of the consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the consolidated BIS capital adequacy ratio itself or parts of internal control over the procedure to calculate the ratio.

Main Features and Further Information of Regulatory Capital Instruments Consolidated

Outline and Details of Agreements Concerning Capital Funding Instruments are available on our website (https://www.smth.jp/english/investors/report/basel).

Explanation on Reconciliation between Balance Sheet Items and Regulatory Capital Elements Consolidated

Fiscal Year 2020

CC2: Reconciliation of Regulatory Capital to Balance Sheet

CC2	a	c	d
Items	Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)			
Cash and Due from Banks	¥ 18,488,763		
Call Loans and Bills Bought	8,766		
Receivables under Resale Agreements	160,268		
Receivables under Securities Borrowing Transactions	727,689		
Monetary Claims Bought	892,309		
Trading Assets	433,766		
Money Held in Trust	12,223		
Securities	6,983,483		3–b, 7–a
Loans and Bills Discounted	30,506,968		7–b
Foreign Exchanges	25,396		
Lease Receivables and Investment Assets	695,172		
Other Assets	2,260,399		7–c
Tangible Fixed Assets	228,180		
Intangible Fixed Assets	112,303		3–a
Assets for Retirement Benefits	231,165		4
Deferred Tax Assets	14,459		5–a
Customers' Liabilities for Acceptances and Guarantees	511,782		
Allowance for Loan Losses	(129,223)		
Total Assets	¥ 62,163,876		

CC2 Items	a Consolidated Balance Sheet (Millions of Yen)	c Ref. No. of Composition of Capital	d Ref. No. of Appendix
(Liabilities)			
Deposits	¥ 33,467,678		
Negotiable Certificates of Deposit	7,160,594		
Call Money and Bills Sold	60,675		
Payables under Repurchase Agreements	1,628,440		
Trading Liabilities	321,576		
Borrowed Money	5,782,602		9–a
Foreign Exchanges	577		
Short-term Bonds Payable	2,545,049		
Bonds Payable	1,545,605		9–b
Borrowed Money from Trust Account	4,915,208		
Other Liabilities	1,359,860		7–d
Provision for Bonuses	18,460		
Provision for Directors' Bonuses	219		
Provision for Stocks Payment	532		
Liabilities for Retirement Benefits	13,752		
Provision for Reward Points Program	18,945		
Provision for Reimbursement of Deposits	4,138		
Provision for Contingent Losses	1,633		
Deferred Tax Liabilities	81,594		5–b
Deferred Tax Liabilities for Land Revaluation	2,388		5–c
Acceptances and Guarantees	511,782		
Total Liabilities	59,441,319		
(Net Assets)			
Capital Stock	261,608		1–a
Capital Surplus	576,114		1–b
Retained Earnings	1,581,096		1–c
Treasury Stock	(2,815)		1–d
Total Shareholders' Equity	2,416,003		
Valuation Differences on Available-for-Sale Securities	329,429		
Deferred Gains (Losses) on Hedges	(44,926)		6
Revaluation Reserve for Land	(6,739)		
Foreign Currency Translation Adjustments	4,000		
Adjustments for Retirement Benefits	(4,007)		
Total Accumulated Other Comprehensive Income	277,756	(a)	
Subscription Rights to Shares	1,024		2
Non-controlling Interests	27,772		8
Total Net Assets	2,722,556		
Total Liabilities and Net Assets	¥ 62,163,876		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

Note: Amounts in the "Composition of capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 261,608		1–a
Capital Surplus	576,114		1–b
Retained Earnings	1,581,096		1–c
Treasury Stock	(2,815)		1–d
Total Shareholders' Equity	¥ 2,416,003		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 2,416,003	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	837,723		1a
of Which: Retained Earnings	1,581,096		2
of Which: Treasury Stock (Deduction)	2,815		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Subscription Rights to Shares

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Subscription Rights to Shares	¥ 1,024		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	1,024		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 1,024		1b
Subscription Rights to Additional Tier 1 Instruments	—		31b
Subscription Rights to Tier 2 Instruments	—		46

3. Intangible assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 112,303		3–a
Securities	6,983,483		3–b
of Which: Goodwill Arising on the Application of the Equity Method	777		
Associated Deferred Tax Liabilities	22,644		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ 38,070		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	52,366	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

4. Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits)

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Assets for Retirement Benefits	¥ 231,165		4
Associated Deferred Tax Liabilities	70,796		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	¥ 160,369		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 14,459		5–a
Deferred Tax Liabilities	81,594		5–b
Deferred Tax Liabilities for Land Revaluation	2,388		5–c
Associated Intangible Fixed Assets	22,644		
Associated Assets for Retirement Benefits	70,796		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ 172	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	23,744	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	23,744		75

6. Deferred gains or losses on hedges
(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains (Losses) on Hedges	¥ (44,926)		6

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (40,649)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

7. Investments in the Capital and Other TLAC Liabilities of Financial Entities
(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 6,983,483		7–a
Loans and Bills Discounted	30,506,968	Including Subordinated Debts	7–b
Other Assets	2,260,399	Including derivatives	7–c
Other Liabilities	¥ 1,359,860	Including derivatives	7–d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ 94		
Common Equity Tier 1 Capital	94		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-holdings in the Capital and other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	134,244		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before risk weighting)	134,244		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	167,135		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	165,595		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 27,772		8

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	¥ —	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	5
Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—		30–31ab–32
Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	11,590	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	34–35
Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—		46
Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,105	After Reflecting Amounts Eligible for Inclusion (after Non-controlling Interest Adjustments)	48–49

9. Other Capital Instruments

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 5,782,602		9–a
Bonds Payable	1,545,605		9–b

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 270,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	335,153		46

Fiscal Year 2019

CC2	a	c	d
Items	Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Assets)			
Cash and Due from Banks	¥ 13,141,192		
Call Loans and Bills Bought	71,236		
Receivables under Resale Agreements	1,220,761		
Receivables under Securities Borrowing Transactions	740,658		
Monetary Claims Bought	999,705		
Trading Assets	507,646		
Money Held in Trust	7,230		
Securities	6,437,599		3–b, 7–a
Loans and Bills Discounted	29,703,375		7–b
Foreign Exchanges	36,952		
Lease Receivables and Investment Assets	673,880		
Other Assets	2,124,043		7–c
Tangible Fixed Assets	213,547		
Intangible Fixed Assets	129,455		3–a
Assets for Retirement Benefits	87,096		4
Deferred Tax Assets	14,564		5–a
Customers’ Liabilities for Acceptances and Guarantees	518,811		
Allowance for Loan Losses	(127,205)		
Total Assets	¥ 56,500,552		

CC2	a	c	d
Items	Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)			
Deposits	¥ 30,688,920		
Negotiable Certificates of Deposit	5,860,292		
Call Money and Bills Sold	142,974		
Payables under Repurchase Agreements	1,558,919		
Payables under Securities Lending Transactions	—		
Trading Liabilities	371,950		
Borrowed Money	5,856,384		9–a
Foreign Exchanges	3,213		
Short-term Bonds Payable	1,707,097		
Bonds Payable	1,125,731		9–b
Borrowed Money from Trust Account	4,750,289		
Other Liabilities	1,215,433		7–d
Provision for Bonuses	18,619		
Provision for Directors' Bonuses	172		
Provision for Stocks Payment	279		
Liabilities for Retirement Benefits	14,044		
Provision for Reward Points Program	16,889		
Provision for Reimbursement of Deposits	4,867		
Provision for Contingent Losses	1,440		
Deferred Tax Liabilities	50,875		5–b
Deferred Tax Liabilities for Land Revaluation	2,439		5–c
Acceptances and Guarantees	518,811		
Total Liabilities	53,909,645		
(Net Assets)			
Capital Stock	261,608		1–a
Capital Surplus	580,595		1–b
Retained Earnings	1,495,029		1–c
Treasury Stock	(2,855)		1–d
Total Shareholders' Equity	2,334,377		
Valuation Difference on Available-for-Sale Securities	351,459		
Deferred Gains or Losses on Hedges	(56,765)		6
Revaluation Reserve for Land	(6,623)		
Foreign Currency Translation Adjustment	1,332		
Adjustments for Retirement Benefits	(68,513)		
Total Accumulated Other Comprehensive Income	220,889	(a)	
Subscription Rights to Shares	1,057		2
Non-controlling Interests	34,583		8
Total Net Assets	2,590,907		
Total Liabilities and Net Assets	¥ 56,500,552		

Note: The regulatory scope of consolidation is the same as the accounting scope of consolidation.

(Appendix)

Note: Amounts in the "Composition of Capital" exclude items for regulatory purpose under transitional arrangement.

1. Shareholders' equity

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Capital Stock	¥ 261,608		1–a
Capital Surplus	580,595		1–b
Retained Earnings	1,495,029		1–c
Treasury Stock	(2,855)		1–d
Total Shareholders' Equity	¥ 2,334,377		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Common Share Capital Plus Related Capital Surplus and Retained Earnings	¥ 2,334,377	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	842,204		1a
of Which: Retained Earnings	1,495,029		2
of Which: Treasury Stock (Deduction)	2,855		1c
of Which: Others	—		
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Equity under Applicable Accounting Standards	—	Shareholders' Equity Attributable to Preferred Shares with a Loss Absorbency at the Point of Non-Viability	31a

2. Subscription Rights to Shares

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Subscription Rights to Shares	¥ 1,057		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	1,057		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 1,057		1b
Subscription Rights to Additional Tier 1 Instruments	—		31b
Subscription Rights to Tier 2 Instruments	—		46

3. Intangible assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Intangible Fixed Assets	¥ 129,455		3–a
Securities	6,437,599		3–b
of Which: Goodwill Arising on the Application of the Equity Method	3,445		
Associated Deferred Tax Liabilities	¥ 25,547		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Goodwill (Net of Related Deferred Tax Liabilities, Including Those Equivalent)	¥ 48,532		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	58,820	Excluding Goodwill, Mortgage Servicing Rights (Software, etc.)	9
Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)	—		
Amount above the 10% Threshold on the Specified Items	—		20
Amount exceeding the 15% Threshold on the Specified Items	—		24
Amount below the Thresholds for Deduction (before Risk Weighting)	—		74

4. Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits)

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Assets for Retirement Benefits	¥ 87,096		4
Associated Deferred Tax Liabilities	26,681		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)	¥ 60,414		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 14,564		5–a
Deferred Tax Liabilities	50,875		5–b
Deferred Tax Liabilities for Land Revaluation	2,439		5–c
Associated Intangible Fixed Assets	25,547		
Associated Assets for Retirement Benefits	26,681		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Tax Assets That Rely on Future Profitability excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	¥ 435	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	10
Deferred Tax Assets Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)	13,478	This Item Does not Agree with the Amount Reported on the Consolidated Balance Sheet Due to Offsetting of Assets and Liabilities.	
Amount above the 10% Threshold on the Specified Items	—		21
Amount exceeding the 15% Threshold on the Specified Items	—		25
Amount below the Thresholds for Deduction (before Risk Weighting)	13,478		75

6. Deferred gains or losses on hedges

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Gains or Losses on Hedges	¥ (56,765)		6

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Deferred Gains or Losses on Derivatives under Hedge Accounting	¥ (45,964)	Excluding those items whose valuation differences arising from hedged items are recognized as "Accumulated other comprehensive income"	11

7. Investments in the capital of financial entities
(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Securities	¥ 6,437,599		7–a
Loans and Bills Discounted	29,703,375	Including subordinated Debts	7–b
Other Assets	2,124,043	Including derivatives	7–c
Other Liabilities	¥ 1,215,433	Including derivatives	7–d

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital Instruments	¥ 8		
Common Equity Tier 1 Capital	8		16
Additional Tier 1 Capital	—		37
Tier 2 Capital	—		52
Reciprocal Cross-holdings in the Capital and other TLAC Liabilities	—		
Common Equity Tier 1 Capital	—		17
Additional Tier 1 Capital	—		38
Tier 2 Capital and Other TLAC Liabilities	—		53
Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Where the Bank Does not Own More than 10% of the Issued Share Capital	114,974		
Common Equity Tier 1 Capital	—		18
Additional Tier 1 Capital	—		39
Tier 2 Capital and Other TLAC Liabilities	—		54
Amount below the Thresholds for Deduction (before Risk Weighting)	114,974		72
Significant Investments in the Capital and Other TLAC Liabilities of Banking, Financial and Insurance Entities That are Outside the Scope of Regulatory Consolidation, Net of Eligible Short Positions	154,457		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	—		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before Risk Weighting)	152,917		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 34,583		8

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Common Share Capital Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Common Equity Tier 1)	¥ —	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	5
Qualifying Additional Tier 1 Instruments Issued by Special Purpose Vehicles	—		30–31ab–32
Additional Tier 1 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Additional Tier 1)	13,336	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	34–35
Qualifying Tier 2 Instruments Issued by Special Purpose Vehicles	—		46
Tier 2 Instruments Issued by Subsidiaries and Held by Third Parties (Amount Allowed in Group Tier 2)	2,432	Maximum Amount (after Accounting for Adjustments for Non-controlling Interests)	48–49

9. Other Capital Instruments

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Borrowed Money	¥ 5,856,384		9–a
Bonds Payable	1,125,731		9–b

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Directly Issued Qualifying Additional Tier 1 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	¥ 340,000		32
Directly Issued Qualifying Tier 2 Instruments Plus Related Capital Surplus of Which Classified as Liabilities under Applicable Accounting Standards	306,584		46

Corporate Data
Financial Data/ Sumitomo Mitsui Trust Holdings, Inc.
Financial Data/ Sumitomo Mitsui Trust Bank, Limited
Basel III Disclosure Data/ Sumitomo Mitsui Trust Holdings, Inc.
Basel III Disclosure Data/ Sumitomo Mitsui Trust Bank, Limited

Credit Risk

Consolidated

Term-end Balance of Credit Risk Exposures by Category and their Breakdown by Major Type of Assets

	Millions of Yen							
	2021				2020			
	Term-end balance of exposures				Term-end balance of exposures			
As of March 31	Total	Loans, Call Loans, Deposits, etc.	Securities	Other Off-balance Sheet Transactions	Total	Loans, Call Loans, Deposits, etc.	Securities	Other Off-balance Sheet Transactions
Japan	¥ 53,122,141	¥ 45,633,963	¥ 3,253,099	¥ 4,235,078	¥ 45,280,055	¥ 39,116,928	¥ 2,861,269	¥ 3,301,857
Outside Japan	5,889,971	4,343,171	1,187,530	359,269	6,345,338	4,967,535	950,920	426,881
Total for Geographic Regions	¥ 59,012,113	¥ 49,977,134	¥ 4,440,630	¥ 4,594,347	¥ 51,625,393	¥ 44,084,464	¥ 3,812,190	¥ 3,728,738
Manufacturing	5,016,114	3,256,604	315,765	1,443,744	4,375,010	2,965,142	244,922	1,164,944
Agriculture and Forestry	4,154	4,154	0	—	5,530	5,528	2	—
Fisheries	38	1	37	—	32	0	31	—
Mining and Quarrying of Stones and Gravel	74,942	62,221	109	12,611	63,134	60,582	70	2,480
Construction	368,244	222,976	18,705	126,562	277,625	201,530	14,006	62,088
Electricity, Gas, Heat Supply and Water	1,553,939	1,206,212	18,525	329,201	1,435,848	1,177,202	9,131	249,513
Information and Communication	479,086	388,544	4,754	85,787	547,495	521,944	4,017	21,532
Transport and Postal Activities	1,679,221	1,333,397	99,257	246,566	1,433,447	1,198,672	108,438	126,336
Wholesale and Retail Trade	1,903,462	1,503,008	54,963	345,489	1,898,634	1,550,306	64,691	283,636
Finance and Insurance	2,200,825	1,438,388	484,425	278,011	2,073,351	1,464,303	392,559	216,488
Real Estate	4,236,947	3,592,190	345,093	299,662	4,135,291	3,476,468	386,885	271,938
Goods Rental and Leasing	1,406,953	1,209,085	4,584	193,283	1,229,180	1,094,906	3,709	130,563
Local Public Bodies	137,536	108,188	23,686	5,661	151,352	128,500	14,785	8,065
Individuals	11,416,713	11,099,558	—	317,154	11,135,706	10,796,943	—	338,762
Others	28,533,932	24,552,601	3,070,720	910,610	22,863,753	19,442,429	2,568,937	852,387
Total for Industry Sectors	¥ 59,012,113	¥ 49,977,134	¥ 4,440,630	¥ 4,594,347	¥ 51,625,393	¥ 44,084,464	¥ 3,812,190	¥ 3,728,738
To 1 year	25,903,094	23,053,371	1,417,435	1,432,287	19,847,455	17,466,862	1,215,100	1,165,492
> 1 year to 3 years	6,718,722	4,503,309	675,992	1,539,420	6,044,163	4,270,761	619,462	1,153,939
> 3 years to 5 years	6,879,541	5,485,671	879,432	514,438	6,776,432	5,644,114	694,596	437,722
> 5 years	19,510,754	16,934,782	1,467,770	1,108,201	18,957,342	16,702,726	1,283,031	971,584
Total for Residual Maturity	¥ 59,012,113	¥ 49,977,134	¥ 4,440,630	¥ 4,594,347	¥ 51,625,393	¥ 44,084,464	¥ 3,812,190	¥ 3,728,738

Notes: 1. Of exposures subject to the calculation of credit risk-weighted assets, the above lists corporate, retail, equities, etc., purchased receivables, lease transactions as well as exposures subject to phased rollout of the IRB Approach.
2. "Others" in the industry sectors include non-residents and state public services. Exposures for residual maturity of over 5 years include those with no fixed maturities.
3. The above data represents amounts after credit risk mitigation effects of netting contracts allowed under the law and netting against the obligor's cash on deposit.

Term-end Balance of Obligors' exposures related to Loans prescribed in the provisions of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions, Allowances, and Write-offs, as well as their Breakdown by Geographic Regions and Industry Sectors

	Millions of Yen					
	As of March 31, 2021		FY2020	As of March 31, 2020		FY2019
	Term-end balance of exposures	Allowances for loan losses	Write-offs	Term-end balance of exposures	Allowances for loan losses	Write-offs
Japan	¥ 105,091	¥ 28,908	¥ 8,793	¥ 96,440	¥ 25,119	¥ 14,650
Outside Japan	52,385	9,760	2,595	30,897	7,569	4
Total for Geographic Regions	¥ 157,476	¥ 38,669	¥ 11,389	¥ 127,337	¥ 32,689	¥ 14,654
Manufacturing	11,863	6,669	690	11,943	4,320	9,652
Agriculture and Forestry	228	132	5	284	160	0
Fisheries	2	2	4	11	11	—
Mining and Quarrying of Stones and Gravel	1,328	14	330	1,350	77	79
Construction	685	543	2	958	751	61
Electricity, Gas, Heat Supply and Water	3,320	2,759	—	3,741	2,590	1
Information and Communication	109	87	8	107	96	14
Transport and Postal Activities	1,891	732	32	1,694	659	22
Wholesale and Retail Trade	8,602	5,969	402	9,076	6,146	1,443
Finance and Insurance	197	146	5	234	171	7
Real Estate	15,705	1,290	232	13,841	760	20
Goods Rental and Leasing	3,429	2,979	0	3,369	2,918	5
Local Public Bodies	—	—	—	—	—	—
Individuals	50,781	5,046	6,852	45,765	4,652	3,123
Others	59,330	12,293	2,819	34,958	9,371	221
Total for Industry Sectors	¥ 157,476	¥ 38,669	¥ 11,389	¥ 127,337	¥ 32,689	¥ 14,654

Notes: 1. "Others" in the industry sectors include non-residents.
2. Allowances for loan losses include "general allowances for loan losses" and "specific allowances for loan losses", etc.

Term-end Balance of Exposures by Past Due Periods (excluding "Doubtful Claims" and "Bankrupt and substantially bankrupt Claims")

	Millions of Yen	
As of March 31	2021	2020
< 1 month	¥ 58,814	¥ 65,387
≥ 1 month to < 2 months	10,491	12,095
≥ 2 months to < 3 months	8,556	11,023
≥ 3 months	2,041	3,341
Total	¥ 79,904	¥ 91,848

Note: Among the term-end balance of exposures for each past due period, "Doubtful Claims" and "Bankrupt and substantially bankrupt Claims" prescribed in the provisions of the Ordinance for Enforcement of the Act on Emergency Measures for the Revitalization of the Financial Functions are excluded, in aggregate calculation.

Term-end Balance of Exposures of obligors whose loan conditions were Restructured for the purpose of restructuring or supporting business management ; of which Amounts of Increased Allowances for such exposures and Other Amounts due to the restructuring of the loan conditions

	Millions of Yen	
As of March 31	2021	2020
Amounts of Increased Allowances for Such Exposures Due to the Restructuring of the Loan Conditions	¥ 59,840	¥ 50,311
Other Amounts	—	—
Term-end Balance of Exposures	¥ 59,840	¥ 50,311

Note: Restructured loans are those loans that provide some arrangements favorable to the obligors for the purpose of restructuring or supporting business management, such as by reducing or exempting interest, postponing principal or interest payments, forgiving loans, and providing other benefits to the obligors, excluding those loans classified as “Loans in Bankruptcy Procedures”, “Delinquent Loans”, and “Loans past due three months or more”. In principle, the allowances for restructured loans has been all increased after restructuring loan conditions.

Equity Investments in Funds

Consolidated

Exposures Relating to Funds

	Millions of Yen	
As of March 31	2021	2020
Total exposures relating to funds	¥ 1,182,602	¥ 1,507,471
Look-through Approach	906,967	1,279,862
Mandate-based Approach	275,548	227,517
Probability Approach (subject to 250% risk weight)	—	—
Probability Approach (subject to 400% risk weight)	—	—
Fall-Back Approach (subject to 1,250% risk weight)	87	91

Note: Exposures subject to the calculation of credit risk-weighted assets under the provisions of Article 54-5 and 145 of the FSA Capital Adequacy Notification are shown.

Disclosure Data Designated as Per the Appended Forms

Consolidated

OV1: Overview of Risk-weighted assets (RWA)

OV1 Basel III Template No.		Millions of Yen			
		Risk-weighted assets (RWA)		Minimum capital requirements	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1	Credit risk (excluding counterparty credit risk)	¥ 12,476,989	¥ 12,172,577	¥ 1,053,378	¥ 1,028,035
2	of Which: Standardised Approach (SA)	370,123	291,431	29,609	23,314
3	of Which: Internal Ratings-Based (IRB) Approach	11,503,965	11,297,792	975,536	958,052
	of Which: Significant investments in commercial entities	—	—	—	—
	of Which: Lease residual value	76,111	59,850	6,088	4,788
	Other assets	526,789	523,503	42,143	41,880
4	Counterparty credit risk (CCR)	1,245,732	1,202,212	101,741	98,141
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	—	—	—	—
	of Which: Current Exposure Method (CEM)	407,852	393,082	34,573	33,317
6	of Which: Expected Positive Exposure (EPE)	—	—	—	—
	of Which: Credit Valuation Adjustment (CVA)	675,826	663,147	54,066	53,051
	of Which: Central Counterparty (CCP)	47,434	49,867	3,794	3,989
	Others	114,618	96,113	9,307	7,782
7	Equity positions in banking book under market-based approach	499,442	221,843	42,352	18,812
8	Equity investment in funds (Look-Through Approach (LTA))	1,054,073	861,656	84,325	68,932
9	Equity investment in funds (Mandate-Based Approach (MBA))	1,072,252	849,782	85,780	67,982
	Equity investment in funds (Probability Approach (PA) subject to 250% risk weight)	—	—	—	—
	Equity investment in funds (Probability Approach (PA) subject to 400% risk weight)	—	—	—	—
10	Equity investment in funds (Fall-Back Approach (FBA) subject to 1,250% risk weight)	1,091	1,137	87	91
11	Settlement risk	—	—	—	—
12	Securitisation exposures in banking book	309,080	348,026	24,726	27,842
13	of Which: Internal Rating-Based Approach (SEC-IRBA)	291,351	334,315	23,308	26,745
14	of Which: External Rating-Based Approach (SEC-ERBA)	17,132	12,804	1,370	1,024
15	of Which: Standardised Approach (SEC-SA)	—	—	—	—
	of Which: subject to 1,250% risk weight	597	906	47	72
16	Market risk	1,427,275	1,334,541	114,182	106,763
17	of Which: Standardised Approach (SA)	22,017	22,727	1,761	1,818
18	of Which: Internal Model Approaches (IMA)	1,405,258	1,311,813	112,420	104,945
19	Operational risk	972,392	941,219	77,791	75,297
20	of Which: Basic Indicator Approach (BIA)	191,747	186,498	15,339	14,919
21	of Which: The Standardised Approach (TSA)	—	—	—	—
22	of Which: Advanced Measurement Approach (AMA)	780,645	754,721	62,451	60,377
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	413,988	382,294	35,106	32,418
	Amounts included under transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying scaling factor)	¥ 20,243,399	¥ 19,053,967	¥ 1,619,471	¥ 1,524,317

Note: Total risk-weighted assets of Template No.25 are only applied scaling factor.

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of consolidated financial statement categories with regulatory risk categories

LI1	Millions of Yen						
	March 31, 2021						
	a	b	c	d	e	f	g
	Carrying values as reported in published consolidated financial statement	Carrying values under scope of regulatory consolidation	Carrying values of items				
			Credit risk (excluding amounts relevant to columns d and e)	Counterparty credit risk	Securitisation (excluding amounts relevant to column f)	Market risk	Items not subject to capital requirements or subject to deduction from capital
Assets:							
Cash and Due from Banks		¥ 18,488,763	¥ 18,488,763	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought		8,766	8,766	—	—	—	—
Receivables under Resale Agreements		160,268	—	160,268	—	—	—
Receivables under Securities Borrowing Transactions		727,689	—	727,689	—	—	—
Monetary Claims Bought		892,309	807,105	—	85,203	—	—
Trading Assets		433,766	—	389,244	—	433,766	—
Money Held in Trust		12,223	12,223	—	—	—	—
Securities		6,983,483	6,449,533	—	533,950	—	—
Loans and Bills Discounted		30,506,968	30,123,331	—	383,636	—	—
Foreign Exchanges		25,396	25,396	—	—	—	—
Lease Receivables and Investment Assets		695,172	695,172	—	—	—	—
Other Assets		2,260,399	407,787	1,497,139	1,668	621,262	353,803
Tangible Fixed Assets		228,180	228,180	—	—	—	—
Intangible Fixed Assets		112,303	—	—	—	—	112,303
Assets for Retirement Benefits		231,165	—	—	—	—	231,165
Deferred Tax Assets		14,459	—	—	—	—	14,459
Customers' Liabilities for Acceptances and Guarantees		511,782	511,782	—	—	—	—
Allowance for Loan Losses		(129,223)	(129,223)	—	—	—	—
Total Assets		¥ 62,163,876	¥ 57,628,820	¥ 2,774,342	¥ 1,004,459	¥ 1,055,029	¥ 711,732
Liabilities:							
Deposits		¥ 33,467,678	¥ —	¥ —	¥ —	¥ —	¥ 33,467,678
Negotiable Certificates of Deposit		7,160,594	—	—	—	—	7,160,594
Call Money and Bills Sold		60,675	—	—	—	—	60,675
Payables under Repurchase Agreements		1,628,440	—	1,628,440	—	—	—
Trading Liabilities		321,576	—	321,576	—	321,576	—
Borrowed Money		5,782,602	—	—	—	—	5,782,602
Foreign Exchanges		577	—	—	—	—	577
Short-Term Bonds Payable		2,545,049	—	—	—	—	2,545,049
Bonds Payable		1,545,605	—	—	—	—	1,545,605
Borrowed Money from Trust Account		4,915,208	—	—	—	—	4,915,208
Other Liabilities		1,359,860	—	796,693	—	665,336	563,166
Provision for Bonuses		18,460	—	—	—	—	18,460
Provision for Directors' Bonuses		219	—	—	—	—	219
Provision for Stocks Payment		532	—	—	—	—	532
Liabilities for Retirement Benefits		13,752	—	—	—	—	13,752
Provision for Reward Points Program		18,945	—	—	—	—	18,945
Provision for Reimbursement of Deposits		4,138	—	—	—	—	4,138
Provision for Contingent Losses		1,633	—	—	—	—	1,633
Deferred Tax Liabilities		81,594	—	—	—	—	81,594
Deferred Tax Liabilities for Land Revaluation		2,388	—	—	—	—	2,388
Acceptances and Guarantees		511,782	—	—	—	—	511,782
Total Liabilities		¥ 59,441,319	¥ —	¥ 2,746,711	¥ —	¥ 986,913	¥ 56,694,608

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the sum of amounts in Columns a and b is not equal to the sum of amounts in Columns c to g.
2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

LI1	Millions of Yen						
	March 31, 2020						
	a	b	c	d	e	f	g
			Carrying values of items				
	Carrying values as reported in published consolidated financial statement	Carrying values under scope of regulatory consolidation	Credit risk (excluding amounts relevant to columns d and e)	Counterparty credit risk	Securitisation (excluding amounts relevant to column f)	Market risk	Items not subject to capital requirements or subject to deduction from capital
Assets:							
Cash and Due from Banks		¥ 13,141,192	¥ 13,141,192	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought		71,236	71,236	—	—	—	—
Receivables under Resale Agreements		1,220,761	—	1,220,761	—	—	—
Receivables under Securities Borrowing Transactions		740,658	—	740,658	—	—	—
Monetary Claims Bought		999,705	956,067	—	43,637	—	—
Trading Assets		507,646	—	450,544	—	507,646	—
Money Held in Trust		7,230	7,230	—	—	—	—
Securities		6,437,599	5,927,180	—	510,419	—	—
Loans and Bills Discounted		29,703,375	29,313,191	—	390,184	—	—
Foreign Exchanges		36,952	36,952	—	—	—	—
Lease Receivables and Investment Assets		673,880	673,880	—	—	—	—
Other Assets		2,124,043	394,724	1,233,103	3,846	429,705	492,369
Tangible Fixed Assets		213,547	213,547	—	—	—	—
Intangible Fixed Assets		129,455	—	—	—	—	129,455
Assets for Retirement Benefits		87,096	—	—	—	—	87,096
Deferred Tax Assets		14,564	—	—	—	—	14,564
Customers' Liabilities for Acceptances and Guarantees		518,811	518,811	—	—	—	—
Allowance for Loan Losses		(127,205)	(127,205)	—	—	—	—
Total Assets		¥ 56,500,552	¥ 51,126,809	¥ 3,645,067	¥ 948,088	¥ 937,351	¥ 723,485
Liabilities:							
Deposits		30,688,920	—	—	—	—	30,688,920
Negotiable Certificates of Deposit		5,860,292	—	—	—	—	5,860,292
Call Money and Bills Sold		142,974	—	—	—	—	142,974
Payables under Repurchase Agreements		1,558,919	—	1,558,919	—	—	—
Payables under Securities Lending Transactions		—	—	—	—	—	—
Trading Liabilities		371,950	—	371,950	—	371,950	—
Borrowed Money		5,856,384	—	—	—	—	5,856,384
Foreign Exchanges		3,213	—	—	—	—	3,213
Short-Term Bonds Payable		1,707,097	—	—	—	—	1,707,097
Bonds Payable		1,125,731	—	—	—	—	1,125,731
Borrowed Money from Trust Account		4,750,289	—	—	—	—	4,750,289
Other Liabilities		1,215,433	—	673,658	—	539,042	541,774
Provision for Bonuses		18,619	—	—	—	—	18,619
Provision for Directors' Bonuses		172	—	—	—	—	172
Provision for Stocks Payment		279	—	—	—	—	279
Liabilities for Retirement Benefits		14,044	—	—	—	—	14,044
Provision for Reward Points Program		16,889	—	—	—	—	16,889
Provision for Reimbursement of Deposits		4,867	—	—	—	—	4,867
Provision for Contingent Losses		1,440	—	—	—	—	1,440
Deferred Tax Liabilities		50,875	—	—	—	—	50,875
Deferred Tax Liabilities for Land Revaluation		2,439	—	—	—	—	2,439
Acceptances and Guarantees		518,811	—	—	—	—	518,811
Total Liabilities		¥ 53,909,645	¥ —	¥ 2,604,527	¥ —	¥ 910,992	¥ 51,305,117

Notes: 1. Derivatives transactions included in "trading assets" and "trading liabilities" and foreign exchanges included in "other assets" and "other liabilities" are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the sum of amounts in Columns a and b is not equal to the sum of amounts in Columns c to g.
2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

LI2		Millions of Yen				
		March 31, 2021				
		a	b	c	d	e
			Items subject to:			
Item No.		Total	Credit risk (excluding amounts relevant to columns c and d)	Counterparty credit risk	Securitisation (excluding amounts relevant to column e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	¥ 61,452,144	¥ 57,628,820	¥ 2,774,342	¥ 1,004,459	¥ 1,055,029
2	Liabilities carrying value amount under scope of regulatory consolidation	2,746,711	—	2,746,711	—	986,913
3	Total net amount under regulatory scope of consolidation	58,705,432	57,628,820	27,631	1,004,459	68,115
4	Off-balance sheet amounts	4,529,256	4,280,797	—	248,459	—
5	Differences due to netting, the exposure calculation method, etc.	2,371,285	—	2,687,820	—	(316,535)
6	Differences due to consideration of allowances and write-offs	36,982	36,982	—	—	—
7	Regulatory exposure amounts	65,642,958	61,946,601	2,715,451	1,252,918	(248,419)

Notes: 1. Derivatives transactions included in “trading assets” and “trading liabilities” and foreign exchanges included in “other assets” and “other liabilities” are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the amount in Column a is not equal to the sum of amounts in Columns b to e, for Item No. 1, 2, 3, and 7.
2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.
3. The major factors in the difference between the amount of exposure in the capital regulatory standards and the amount posted in the consolidated balance sheet for each risk category are as follows:
• Credit Risk and Securitisation Exposures: Off-balance sheet amounts and differences due to consideration of allowances and write-offs
• Counterparty credit risk: Difference due to netting, the application of the credit risk mitigation techniques, and the application of the Current Exposure Method to the exposure calculation method
• Market risk: Difference due to netting, etc.

LI2		Millions of Yen				
		March 31, 2020				
		a	b	c	d	e
			Items subject to:			
Item No.		Total	Credit risk (excluding amounts relevant to columns c and d)	Counterparty credit risk	Securitisation (excluding amounts relevant to column e)	Market risk
1	Asset carrying value amount under scope of regulatory consolidation	¥ 55,777,067	¥ 51,126,809	¥ 3,645,067	¥ 948,088	¥ 937,351
2	Liabilities carrying value amount under scope of regulatory consolidation	2,604,527	—	2,604,527	—	910,992
3	Total net amount under regulatory scope of consolidation	53,172,539	51,126,809	1,040,539	948,088	26,359
4	Off-balance sheet amounts	3,629,341	3,423,672	—	205,669	—
5	Differences due to netting, the exposure calculation method, etc.	1,596,907	—	2,036,007	—	(439,099)
6	Differences due to consideration of allowances and write-offs	40,686	40,686	—	—	—
7	Regulatory exposure amounts	58,439,475	54,591,168	3,076,546	1,153,757	(412,740)

Notes: 1. Derivatives transactions included in “trading assets” and “trading liabilities” and foreign exchanges included in “other assets” and “other liabilities” are subject to capital charge in both counterparty credit risk and market risk. Accordingly, the amount in Column a is not equal to the sum of amounts in Columns b to e, for Item No. 1, 2, 3, and 7.
2. Among market risks, the foreign exchange risk in banking accounts is not easily linked to individual items of accounts in the consolidated balance sheet. Accordingly, it is not included in the above figures.
3. The major factors in the difference between the amount of exposure in the capital regulatory standards and the amount posted in the consolidated balance sheet for each risk category are as follows:
• Credit Risk and Securitisation Exposures: Off-balance sheet amounts and differences due to consideration of allowances and write-offs
• Counterparty credit risk: Difference due to netting, the application of the credit risk mitigation techniques, and the application of the Current Exposure Method to the exposure calculation method
• Market risk: Difference due to netting, etc.

CR1: Credit quality of assets

CR1		Millions of Yen			
		March 31, 2021			
		a	b	c	d
Item No.		Gross carrying values of		Allowances	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
	On-balance sheet assets				
1	Loans and Bills Discounted	¥ 143,700	¥ 29,962,652	¥ 113,277	¥ 29,993,075
2	Debt Securities	761	3,657,103	—	3,657,864
3	Other on-balance sheet assets (debt-based assets)	16,811	20,082,537	14,961	20,084,388
4	Total on-balance sheet assets (1+2+3)	161,273	53,702,294	128,238	53,735,328
	Off-balance sheet assets				
5	Acceptances and Guarantees, etc.	157	511,624	985	510,797
6	Commitments, etc.	2,323	5,037,694	1,633	5,038,384
7	Total off-balance sheet assets (5+6)	2,481	5,549,319	2,619	5,549,181
	Total				
8	Total (4+7)	¥ 163,754	¥ 59,251,613	¥ 130,857	¥ 59,284,510

Note: The aggregate calculation on this statement does not include counterparty credit risk, the credit risk related to securitisation transactions, or the credit risk related to funds.

CR1		Millions of Yen			
		March 31, 2020			
		a	b	c	d
Item No.		Gross carrying values of		Allowances	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
	On-balance sheet assets				
1	Loans and Bills Discounted	¥ 122,779	¥ 29,165,498	¥ 110,093	¥ 29,178,183
2	Debt Securities	720	3,126,705	—	3,127,426
3	Other on-balance sheet assets (debt-based assets)	20,109	14,891,103	15,891	14,895,321
4	Total on-balance sheet assets (1+2+3)	143,609	47,183,307	125,985	47,200,931
	Off-balance sheet assets				
5	Acceptances and Guarantees, etc.	694	523,550	1,220	523,025
6	Commitments, etc.	918	3,560,273	1,440	3,559,751
7	Total off-balance sheet assets (5+6)	1,613	4,083,824	2,660	4,082,777
	Total				
8	Total (4+7)	¥ 145,222	¥ 51,267,132	¥ 128,645	¥ 51,283,709

Note: The aggregate calculation on this statement does not include counterparty credit risk, the credit risk related to securitisation transactions, or the credit risk related to funds.

CR2: Changes in stock of defaulted loans and debt securities

CR2 Item No.			Millions of Yen March 31, 2021 Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year		¥ 143,609
2	Changes in stock of loans and debt securities for each factor during the fiscal year	Of which: Newly defaulted	57,773
3		Of which: Returning to non-defaulted status	11,918
4		Of which: Written-offs	11,530
5		Of which: Other factors	(16,661)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)		161,273

Notes: 1. The end of the previous fiscal year indicates March 31, 2020, and the end of the fiscal year indicates March 31, 2021.
2. The main factor for the item 5. "Of which: Other factors" is the stock decrease caused by the collection of defaulted exposures.

CR2 Item No.			Millions of Yen March 31, 2020 Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year		¥ 138,273
2	Changes in stock of loans and debt securities for each factor during the fiscal year	Of which: Newly defaulted	95,303
3		Of which: Returning to non-defaulted status	25,234
4		Of which: Written-offs	14,565
5		Of which: Other factors	(50,168)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)		143,609

Notes: 1. The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.
2. The main factor for the item 5. "Of which: Other factors" is the stock decrease caused by the collection of defaulted exposures.

CR3: Credit risk mitigation techniques (CRM) – overview

CR3		Millions of Yen				
		March 31, 2021				
		a	b	c	d	e
Item No.		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans and Bills Discounted	¥ 29,344,915	¥ 648,159	¥ 294,113	¥ 181,098	¥ —
2	Debt Securities	3,626,036	31,828	—	31,500	—
3	Other on-balance sheet assets (debt-based assets)	20,084,034	353	181	171	—
4	Total (1+2+3)	¥ 53,054,986	¥ 680,342	¥ 294,294	¥ 212,769	¥ —
5	Of which defaulted	127,803	6,038	4,791	—	—

CR3		Millions of Yen				
		March 31, 2020				
		a	b	c	d	e
Item No.		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans and Bills Discounted	¥ 28,617,886	¥ 560,297	¥ 262,517	¥ 185,954	¥ —
2	Debt Securities	3,075,495	51,930	1,000	45,431	—
3	Other on-balance sheet assets (debt-based assets)	14,890,153	5,167	162	5,004	—
4	Total (1+2+3)	¥ 46,583,536	¥ 617,395	¥ 263,680	¥ 236,389	¥ —
5	Of which defaulted	114,625	4,985	3,983	—	—

CR4: Standardised approach – Credit risk exposure and Credit risk mitigation (CRM) effects

CR4		Millions of Yen, %					
		March 31, 2021					
		a	b	c	d	e	f
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM			
Item No.	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Credit RWA amount	RWA density
1	Cash	¥ 14	¥ —	¥ 14	¥ —	¥ —	—%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	—	—
3	Foreign central governments and foreign central banks	338,001	—	338,001	—	35,594	10.53
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)	65	—	65	—	34	52.18
7	Multilateral development banks (MDBs)	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—
9	Government-affiliated agencies of Japan	—	—	—	—	—	—
10	The three local public corporations	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators	229,068	—	229,068	—	119,764	52.28
12	Corporates, etc.	191,878	282,315	191,878	22,975	214,731	99.94
13	SMEs, etc. and individuals	—	—	—	—	—	—
14	Residential mortgage loans	—	—	—	—	—	—
15	Real estate acquisition activities, etc.	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)	0	—	0	—	1	150.00
17	Past due loans for three months or more (residential mortgage loans)	—	—	—	—	—	—
18	Uncollected notes	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)	—	—	—	—	—	—
22	Total	¥ 759,086	¥ 282,315	¥ 759,086	¥ 22,975	¥ 370,124	47.33%

CR4		Millions of Yen, %					
		March 31, 2020					
		a	b	c	d	e	f
Item No.		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		Credit RWA amount	RWA density
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1	Cash	¥ 10	¥ —	¥ 10	¥ —	¥ 0	0.00%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	0	0.00
3	Foreign central governments and foreign central banks	340,528	—	340,528	—	31,335	9.20
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)	72	—	72	—	33	46.10
7	Multilateral development banks (MDBs)	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—
9	Government-affiliated agencies of Japan	—	—	—	—	—	—
10	The three local public corporations	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators	165,520	10,000	165,520	2,000	47,547	28.38
12	Corporates, etc.	197,774	376,332	197,774	14,738	212,513	100.00
13	SMEs, etc. and individuals	—	—	—	—	—	—
14	Residential mortgage loans	—	—	—	—	—	—
15	Real estate acquisition activities, etc.	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)	1	—	1	—	1	130.65
17	Past due loans for three months or more (residential mortgage loans)	—	—	—	—	—	—
18	Uncollected notes	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)	—	—	—	—	—	—
22	Total	¥ 703,966	¥ 386,332	¥ 703,966	¥ 16,738	¥ 291,431	40.43%

CR5: Standardised approach – Exposures by asset classes and risk weights

CR5		Millions of Yen										
		March 31, 2021										
		a	b	c	d	e	f	g	h	i	j	k
Item No.		Credit risk exposure amounts (post-CCF and post-CRM)										
	Asset classes / Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥ 14	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 14
2	Government of Japan and Bank of Japan (BOJ)	60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks	266,923	—	—	—	70,967	—	111	—	—	—	338,001
4	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan	—	—	—	—	—	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)	—	—	15	—	39	—	12	—	—	—	65
7	Multilateral development banks (MDBs)	—	—	—	—	—	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—	—	—	—	—	—
9	Government-affiliated agencies of Japan	—	—	—	—	—	—	—	—	—	—	—
10	The three local public corporations	—	—	—	—	—	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators	—	—	135,773	—	1,370	—	91,924	—	—	—	229,068
12	Corporates, etc.	—	—	—	—	245	—	214,609	—	—	—	214,853
13	SMEs, etc. and individuals	—	—	—	—	—	—	—	—	—	—	—
14	Residential mortgage loans	—	—	—	—	—	—	—	—	—	—	—
15	Real estate acquisition activities, etc.	—	—	—	—	—	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)	—	—	—	—	—	—	—	0	—	—	0
17	Past due loans for three months or more (residential mortgage loans)	—	—	—	—	—	—	—	—	—	—	—
18	Uncollected notes	—	—	—	—	—	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.	—	—	—	—	—	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.	—	—	—	—	—	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)	—	—	—	—	—	—	—	—	—	—	—
22	Total	¥ 266,997	¥ —	¥ 135,788	¥ —	¥ 72,621	¥ —	¥ 306,655	¥ 0	¥ —	¥ —	¥ 782,062

CR5		Millions of Yen										
		March 31, 2020										
		a	b	c	d	e	f	g	h	i	j	k
Item No.		Credit risk exposure amounts (post-CCF and post-CRM)										
	Asset classes \ Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥ 10	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 10
2	Government of Japan and Bank of Japan (BOJ)	60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks	277,857	—	—	—	62,671	—	—	—	—	—	340,528
4	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan	—	—	—	—	—	—	—	—	—	—	—
6	Foreign non-central government public sector entities (PSEs)	—	—	23	—	40	—	8	—	—	—	72
7	Multilateral development banks (MDBs)	—	—	—	—	—	—	—	—	—	—	—
8	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—	—	—	—	—	—
9	Government-affiliated agencies of Japan	—	—	—	—	—	—	—	—	—	—	—
10	The three local public corporations	—	—	—	—	—	—	—	—	—	—	—
11	Financial institutions and type I financial instruments business operators	—	—	135,266	—	23,518	—	8,734	—	—	—	167,520
12	Corporates, etc.	—	—	—	—	—	—	212,513	—	—	—	212,513
13	SMEs, etc. and individuals	—	—	—	—	—	—	—	—	—	—	—
14	Residential mortgage loans	—	—	—	—	—	—	—	—	—	—	—
15	Real estate acquisition activities, etc.	—	—	—	—	—	—	—	—	—	—	—
16	Past due loans for three months or more, etc. (excluding residential mortgage loans)	—	—	—	—	0	—	—	0	—	—	1
17	Past due loans for three months or more (residential mortgage loans)	—	—	—	—	—	—	—	—	—	—	—
18	Uncollected notes	—	—	—	—	—	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporations, etc.	—	—	—	—	—	—	—	—	—	—	—
20	Guaranteed by the Regional Economy Vitalization Corporation of Japan (REVIC), etc.	—	—	—	—	—	—	—	—	—	—	—
21	Investments, etc. (excluding significant investments)	—	—	—	—	—	—	—	—	—	—	—
22	Total	¥ 277,927	¥ —	¥ 135,290	¥ —	¥ 86,231	¥ —	¥ 221,256	¥ 0	¥ —	¥ —	¥ 720,705

CR6: IRB – Credit risk exposures by portfolio and PD range

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2021											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Sovereign exposures (Advanced Internal Ratings-Based Approach (AIRB))													
1	0.00 to < 0.15	¥ 2,621,257	¥ 33	75.00%	¥ 2,638,281	0.00%	0.0	32.09%	2.1	¥ 16,876	0.63%	¥ 9	
2	0.15 to < 0.25	1,837	—	—	45	0.20	0.0	27.64	1.8	10	24.17	0	
3	0.25 to < 0.50	2,304	—	—	113	0.30	0.0	32.10	1.0	31	28.18	0	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	2,625,399	33	75.00	2,638,440	0.00	0.0	32.09	2.1	16,919	0.64	9	¥ 51
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	18,897,473	71,113	75.67	18,982,865	0.00	0.0	44.99	1.1	86,554	0.45	118	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.51	0	
3	0.25 to < 0.50	34,451	338	75.00	20,905	0.29	0.0	45.00	3.5	14,777	70.68	27	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	7,771	—	—	71	8.63	0.0	45.00	1.0	118	165.28	2	
7	10.00 to < 100.00	10,188	—	—	188	13.42	0.0	45.00	1.5	383	203.73	11	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	18,949,885	71,451	75.66	19,004,030	0.00	0.1	44.99	1.1	101,833	0.53	159	150
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	476,380	12,000	100.00	514,048	0.05	0.0	31.27	3.4	117,915	22.93	84	
2	0.15 to < 0.25	39,500	9,000	75.00	46,250	0.20	0.0	32.10	1.2	10,815	23.38	30	
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to < 0.75	1,400	1,000	75.00	2,150	0.50	0.0	32.10	1.0	806	37.49	3	
5	0.75 to < 2.50	19,251	5,883	95.71	24,882	1.16	0.0	31.96	1.0	13,767	55.33	92	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	536,531	27,883	90.13	587,330	0.11	0.0	31.36	3.1	143,305	24.39	211	324
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	151,116	103,873	75.00	229,188	0.06	0.0	47.89	1.5	61,404	26.79	72	
2	0.15 to < 0.25	1,729	—	—	1,729	0.20	0.0	71.02	3.1	1,415	81.85	2	
3	0.25 to < 0.50	8,900	—	—	8,854	0.28	0.0	45.00	1.1	4,622	52.20	11	
4	0.50 to < 0.75	1	—	—	1	0.50	0.0	45.00	1.0	0	52.44	0	
5	0.75 to < 2.50	3,255	—	—	3,255	1.71	0.0	45.00	4.3	4,442	136.46	25	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	165,003	103,873	75.00	243,029	0.09	0.0	47.91	1.6	71,885	29.57	111	57

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2021											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Corporate exposures (excluding SME exposures and specialised lending) (AIRB)													
1	0.00 to < 0.15	¥ 7,084,227	¥ 3,087,710	75.91%	¥ 9,484,269	0.07%	0.7	31.38%	2.5	¥ 1,732,515	18.26%	¥ 2,267	
2	0.15 to < 0.25	1,948,161	485,776	74.77	2,281,047	0.20	0.4	30.62	2.3	719,975	31.56	1,432	
3	0.25 to < 0.50	1,429,315	361,884	74.26	1,689,333	0.30	0.5	31.40	2.2	662,085	39.19	1,637	
4	0.50 to < 0.75	1,116,000	249,616	77.45	1,305,426	0.50	0.7	29.27	2.3	587,601	45.01	1,929	
5	0.75 to < 2.50	828,406	148,090	69.03	895,076	1.39	0.7	28.80	2.1	579,000	64.68	3,611	
6	2.50 to < 10.00	170,224	9,048	81.90	178,311	6.28	0.1	24.05	2.2	148,773	83.43	2,714	
7	10.00 to < 100.00	88,691	775	75.00	88,695	18.67	0.0	31.70	3.2	151,091	170.34	5,252	
8	100.00 (Default)	32,151	—	—	38,465	100.00	0.0	31.68	1.0	15,605	40.56	10,940	
9	Sub-total	12,697,179	4,342,903	75.51	15,960,626	0.64	3.2	30.88	2.4	4,596,649	28.79	29,786	¥ 69,700
Corporate exposures (excluding SME exposures and specialised lending) (FIRB)													
1	0.00 to < 0.15	899,338	102,406	77.51	985,091	0.07	0.8	53.50	2.9	355,587	36.09	390	
2	0.15 to < 0.25	61,692	69,755	100.00	131,486	0.20	0.4	55.86	2.5	86,795	66.01	150	
3	0.25 to < 0.50	342,976	57,183	74.51	384,532	0.29	0.6	48.74	2.4	246,337	64.06	560	
4	0.50 to < 0.75	181,158	21,981	75.22	197,820	0.56	0.8	40.57	3.1	149,273	75.45	457	
5	0.75 to < 2.50	360,802	5,053	78.52	365,135	1.42	1.1	44.25	3.9	453,885	124.30	2,293	
6	2.50 to < 10.00	125,848	4,555	88.54	130,162	5.59	0.3	45.63	4.2	233,969	179.75	3,319	
7	10.00 to < 100.00	67,302	—	—	65,480	28.54	0.0	44.80	3.8	173,578	265.08	8,368	
8	100.00 (Default)	30,202	—	—	34,889	100.00	0.0	44.63	1.0	0	0.00	15,572	
9	Sub-total	2,069,322	260,935	82.88	2,294,598	3.02	4.3	49.42	3.0	1,699,426	74.06	31,113	17,866
SME exposures (AIRB)													
1	0.00 to < 0.15	81,031	7,010	75.00	84,387	0.12	0.0	31.19	2.1	17,141	20.31	33	
2	0.15 to < 0.25	82,986	—	—	76,288	0.20	0.0	31.76	3.1	24,024	31.49	49	
3	0.25 to < 0.50	31,264	—	—	31,114	0.30	0.0	30.01	3.2	10,688	34.35	28	
4	0.50 to < 0.75	43,671	542	75.00	42,339	0.50	0.0	23.60	2.4	12,940	30.56	50	
5	0.75 to < 2.50	118,751	7,605	79.46	121,704	1.56	0.1	22.37	2.8	58,076	47.71	426	
6	2.50 to < 10.00	9,458	15	100.00	9,474	6.65	0.0	17.19	2.6	4,826	50.94	113	
7	10.00 to < 100.00	2,259	—	—	1,563	18.67	0.0	22.94	2.7	1,676	107.21	67	
8	100.00 (Default)	1,325	—	—	2,646	100.00	0.0	26.97	1.0	903	34.14	641	
9	Sub-total	370,749	15,173	77.26	369,518	1.63	0.3	27.01	2.7	130,277	35.25	1,411	2,625
SME exposures (FIRB)													
1	0.00 to < 0.15	9	—	—	9	0.11	0.0	45.00	1.0	1	19.55	0	
2	0.15 to < 0.25	43	—	—	43	0.20	0.0	45.00	1.0	11	26.61	0	
3	0.25 to < 0.50	315	—	—	315	0.30	0.0	45.00	2.1	150	47.63	0	
4	0.50 to < 0.75	102,607	891	75.00	101,845	0.50	0.6	38.31	4.6	66,525	65.32	196	
5	0.75 to < 2.50	299,196	2,132	80.09	298,332	1.59	1.7	39.83	4.8	279,128	93.56	1,898	
6	2.50 to < 10.00	7,572	—	—	7,578	7.24	0.0	39.22	4.3	9,495	125.29	213	
7	10.00 to < 100.00	366	—	—	382	18.67	0.0	45.00	3.2	767	200.57	32	
8	100.00 (Default)	5,479	159	68.00	5,746	100.00	0.0	39.40	1.0	0	0.00	2,264	
9	Sub-total	415,591	3,183	78.05	414,253	2.81	2.4	39.45	4.7	356,081	85.95	4,606	487

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2021											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
	Specialised lending (AIRB)												
1	0.00 to < 0.15	¥ 1,285,800	¥ 89,285	75.45%	¥ 1,353,168	0.08%	0.3	26.69%	4.2	¥ 320,557	23.68%	¥ 325	
2	0.15 to < 0.25	83,351	5,047	75.00	87,137	0.20	0.0	28.32	3.5	30,991	35.56	50	
3	0.25 to < 0.50	656,681	110,796	74.55	739,284	0.29	0.1	22.88	4.3	276,271	37.37	505	
4	0.50 to < 0.75	257,189	164,593	75.07	380,751	0.58	0.0	23.14	4.5	191,839	50.38	515	
5	0.75 to < 2.50	324,249	68,959	73.14	374,690	1.42	0.0	25.01	3.6	246,085	65.67	1,355	
6	2.50 to < 10.00	101,129	40,266	75.00	131,329	4.78	0.0	26.32	3.4	120,959	92.10	1,649	
7	10.00 to < 100.00	71,700	9,653	75.00	78,940	24.77	0.0	38.88	4.0	168,930	213.99	7,951	
8	100.00 (Default)	14,993	2,288	75.00	16,714	100.00	0.0	24.65	1.0	5,331	31.89	3,694	
9	Sub-total	2,795,097	490,891	74.74	3,162,017	1.69	0.7	25.50	4.1	1,360,966	43.04	16,047	¥ 7,858
	Specialised lending (FIRB)												
1	0.00 to < 0.15	1,149	—	—	1,149	0.09	0.2	45.00	1.0	203	17.73	0	
2	0.15 to < 0.25	72	—	—	72	0.20	0.0	45.00	1.0	22	30.51	0	
3	0.25 to < 0.50	989	—	—	989	0.30	0.1	45.00	1.0	385	38.98	1	
4	0.50 to < 0.75	249	—	—	249	0.55	0.0	45.00	1.0	137	55.21	0	
5	0.75 to < 2.50	493	—	—	493	1.43	0.0	45.00	1.0	413	83.77	3	
6	2.50 to < 10.00	68	—	—	68	4.59	0.0	45.00	1.0	86	126.34	1	
7	10.00 to < 100.00	185	—	—	185	20.40	0.0	45.00	1.0	388	209.70	16	
8	100.00 (Default)	18	—	—	18	100.00	0.0	45.00	1.0	0	0.00	8	
9	Sub-total	3,226	—	—	3,226	2.22	0.6	45.00	1.0	1,637	50.76	32	—
	Equity exposures (PD/LGD Approach)												
1	0.00 to < 0.15	1,328,554	—	—	508,579	0.07	0.3	90.00	5.0	597,850	117.55	—	
2	0.15 to < 0.25	133,440	—	—	55,760	0.20	0.1	90.00	5.0	84,623	151.76	—	
3	0.25 to < 0.50	73,600	—	—	27,779	0.30	0.2	90.00	5.0	47,776	171.98	—	
4	0.50 to < 0.75	42,046	—	—	21,255	0.50	0.2	90.00	5.0	43,143	202.97	—	
5	0.75 to < 2.50	18,886	—	—	14,116	1.45	0.2	90.00	5.0	41,571	294.48	—	
6	2.50 to < 10.00	4,768	—	—	2,460	6.76	0.0	90.00	5.0	10,778	438.03	—	
7	10.00 to < 100.00	0	—	—	0	18.68	0.0	90.00	5.0	0	722.93	—	
8	100.00 (Default)	135	—	—	48	100.00	0.0	90.00	5.0	546	1,125.00	—	
9	Sub-total	1,601,432	—	—	630,001	0.17	1.3	90.00	5.0	826,289	131.15	—	
	Purchased receivables for corporates, etc. (default risk) (AIRB)												
1	0.00 to < 0.15	6,452	—	—	6,452	0.09	0.0	32.10	2.9	1,591	24.67	1	
2	0.15 to < 0.25	9,820	—	—	9,820	0.20	0.0	32.10	4.6	4,590	46.73	6	
3	0.25 to < 0.50	14,399	—	—	14,399	0.30	0.0	32.10	2.9	6,316	43.86	14	
4	0.50 to < 0.75	6,835	—	—	6,835	0.50	0.0	31.89	4.5	5,571	81.49	11	
5	0.75 to < 2.50	25,171	—	—	25,171	1.58	0.0	31.12	3.6	21,075	83.72	124	
6	2.50 to < 10.00	480	—	—	480	7.65	0.0	32.10	3.8	652	135.94	11	
7	10.00 to < 100.00	371	—	—	371	18.67	0.0	32.10	3.1	639	172.07	22	
8	100.00 (Default)	2,527	—	—	2,527	100.00	0.0	32.10	1.0	1,039	41.12	728	
9	Sub-total	66,059	—	—	66,059	4.74	0.0	31.70	3.5	41,477	62.78	920	499

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2021											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
	Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (AIRB)												
1	0.00 to < 0.15	¥ 2,280	¥ —	—%	¥ 2,280	0.13%	0.0	100.00%	1.0	¥ 1,191	52.25%	¥ —	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	2,280	—	—	2,280	0.13	0.0	100.00	1.0	1,191	52.25	—	¥ —
	Purchased receivables for corporates, etc. (default risk) (FIRB)												
1	0.00 to < 0.15	322,172	21,997	100.00	344,169	0.05	0.2	45.00	1.0	44,378	12.89	98	
2	0.15 to < 0.25	67,853	30	75.00	67,876	0.20	0.1	45.00	1.0	21,260	31.32	62	
3	0.25 to < 0.50	63,775	3,319	75.00	66,265	0.30	0.2	45.00	1.1	27,513	41.51	92	
4	0.50 to < 0.75	47,014	2,386	75.00	48,804	0.51	0.9	45.00	1.3	27,711	56.78	112	
5	0.75 to < 2.50	39,785	—	—	39,785	1.49	3.8	45.00	1.3	33,365	83.86	267	
6	2.50 to < 10.00	4,304	—	—	4,304	6.33	0.7	45.00	1.0	6,236	144.89	122	
7	10.00 to < 100.00	169	—	—	169	35.75	0.0	45.00	4.9	446	264.09	27	
8	100.00 (Default)	4,110	—	—	4,110	100.00	0.0	45.00	1.0	0	0.00	1,849	
9	Sub-total	549,186	27,733	94.82	575,485	1.01	6.1	45.00	1.1	160,912	27.96	2,632	428
	Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)												
1	0.00 to < 0.15	366,598	2,386	75.00	368,388	0.05	0.2	92.91	1.0	113,991	30.94	10	
2	0.15 to < 0.25	46,796	30	75.00	46,818	0.20	0.1	99.72	1.0	13,453	28.73	0	
3	0.25 to < 0.50	47,941	3,319	75.00	50,431	0.30	0.1	88.27	1.1	22,730	45.07	14	
4	0.50 to < 0.75	4,451	—	—	4,451	0.50	0.0	45.00	4.7	4,365	98.06	10	
5	0.75 to < 2.50	8,504	—	—	8,504	1.70	0.2	97.90	1.0	11,806	138.83	2	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	474,292	5,735	75.00	478,594	0.12	0.6	92.73	1.1	166,347	34.75	37	—
	Purchased receivables for retail (default risk)												
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	45,085	—	—	45,085	0.30	33.6	76.75	—	18,581	41.21	106	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	45,085	—	—	45,085	0.30	33.6	76.75	—	18,581	41.21	106	174

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2021											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
Qualifying revolving retail exposures													
1	0.00 to < 0.15	¥ 0	¥ 42,074	27.62%	¥ 11,624	0.10%	44.3	60.85%	—	¥ 441	3.79%	¥ 7	
2	0.15 to < 0.25	37,654	798,901	11.49	129,504	0.23	195.3	67.87	—	10,515	8.11	202	
3	0.25 to < 0.50	19,844	898,112	7.78	89,802	0.35	144.5	75.82	—	11,625	12.94	243	
4	0.50 to < 0.75	30,851	267,810	11.49	61,641	0.55	82.0	67.87	—	10,146	16.46	232	
5	0.75 to < 2.50	12,116	233,306	12.57	41,465	1.15	120.9	68.73	—	11,922	28.75	329	
6	2.50 to < 10.00	32,204	77,185	12.23	41,647	4.86	41.6	68.47	—	32,357	77.69	1,387	
7	10.00 to < 100.00	198	1,182	12.05	340	46.18	0.5	66.17	—	582	170.95	108	
8	100.00 (Default)	129	5,197	8.72	11,131	100.00	13.5	69.15	—	11,554	103.79	6,773	
9	Sub-total	132,999	2,323,770	10.48	387,158	3.81	642.9	69.70	—	89,144	23.02	9,284	¥ 12,489
Residential mortgage exposures													
1	0.00 to < 0.15	4,396,104	13,743	100.00	4,409,848	0.11	152.1	17.71	—	201,011	4.55	873	
2	0.15 to < 0.25	2,297,518	51	100.00	2,297,570	0.17	105.9	17.47	—	146,476	6.37	707	
3	0.25 to < 0.50	3,197,850	1,881	100.00	3,199,741	0.33	190.3	17.19	—	324,265	10.13	1,877	
4	0.50 to < 0.75	39,795	—	—	39,795	0.65	2.6	22.05	—	8,285	20.82	57	
5	0.75 to < 2.50	136,691	19	100.00	136,711	0.87	13.6	20.55	—	32,008	23.41	244	
6	2.50 to < 10.00	3,745	—	—	3,745	2.92	0.1	16.17	—	1,486	39.69	17	
7	10.00 to < 100.00	58,509	12	100.00	58,522	19.97	3.4	18.18	—	59,453	101.59	2,147	
8	100.00 (Default)	34,066	16	100.00	35,591	100.00	2.0	19.33	—	10,027	28.17	6,079	
9	Sub-total	10,164,281	15,724	100.00	10,181,524	0.67	470.3	17.56	—	783,016	7.69	12,004	25,829
Other retail exposures													
1	0.00 to < 0.15	0	22,625	22.13	5,008	0.10	20.4	21.29	—	272	5.44	1	
2	0.15 to < 0.25	153,768	—	—	153,768	0.24	47.2	73.50	—	52,388	34.06	276	
3	0.25 to < 0.50	205,871	—	—	205,871	0.38	70.4	38.42	—	49,928	24.25	317	
4	0.50 to < 0.75	339,598	384	100.00	340,279	0.56	88.3	35.80	—	95,289	28.00	711	
5	0.75 to < 2.50	177,771	145,035	31.83	223,949	1.20	271.2	61.10	—	147,492	65.85	1,713	
6	2.50 to < 10.00	36,806	16,542	36.49	42,843	6.83	41.8	33.57	—	22,467	52.44	1,020	
7	10.00 to < 100.00	2,928	799	91.92	3,716	34.59	0.7	32.17	—	2,724	73.30	522	
8	100.00 (Default)	10,241	1,712	30.30	21,756	100.00	11.4	47.72	—	6,344	29.15	9,874	
9	Sub-total	926,986	187,100	31.45	997,193	3.18	551.7	47.91	—	376,907	37.79	14,438	18,178
Lease transactions													
1	0.00 to < 0.15	219,164	—	—	219,164	0.07	0.4	45.00	2.7	53,869	24.57	74	
2	0.15 to < 0.25	151,854	—	—	151,854	0.20	0.1	45.00	4.1	90,665	59.70	140	
3	0.25 to < 0.50	21,951	—	—	21,951	0.30	0.1	45.00	2.4	12,083	55.04	30	
4	0.50 to < 0.75	41,661	—	—	41,661	0.50	0.2	45.00	3.2	32,672	78.42	94	
5	0.75 to < 2.50	38,027	—	—	38,027	1.62	0.3	45.00	2.8	39,528	103.94	277	
6	2.50 to < 10.00	3,989	—	—	3,989	5.92	0.0	45.00	3.5	6,217	155.85	106	
7	10.00 to < 100.00	1,856	—	—	1,856	18.67	0.0	45.00	3.8	4,473	241.00	156	
8	100.00 (Default)	—	—	—	326	100.00	0.0	45.00	1.0	0	0.00	146	
9	Sub-total	478,504	—	—	478,830	0.47	1.2	45.00	3.2	239,510	50.01	1,026	5,319
Total (all portfolios)		¥ 55,069,093	¥ 7,876,394	55.59%	¥ 58,519,285	0.63%	1,720.2	35.73%	2.0	¥ 11,182,363	19.10%	¥ 123,940	¥ 162,039

Notes: 1. "Number of obligors" in Column f: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.
2. Purchased receivables for retail (dilution risk and originator risk of loan participation) are not applicable.

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
	Sovereign exposures (Advanced Internal Ratings-Based Approach (AIRB))												
1	0.00 to < 0.15	¥ 2,252,178	¥ 33	75.00%	¥ 2,269,637	0.00%	0.0	32.09%	1.8	¥ 14,071	0.62%	¥ 8	
2	0.15 to < 0.25	2,906	469	75.00	314	0.20	0.0	31.13	3.6	121	38.73	0	
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	2,255,084	502	75.00	2,269,951	0.00	0.0	32.09	1.8	14,193	0.62	8	¥ 59
	Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))												
1	0.00 to < 0.15	13,225,296	102,116	92.02	13,359,874	0.00	0.0	44.99	1.0	86,772	0.64	117	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.51	0	
3	0.25 to < 0.50	41,559	8,528	75.00	32,224	0.28	0.0	43.60	2.6	19,988	62.02	39	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	27,759	—	—	559	6.02	0.0	45.00	2.0	846	151.38	15	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	13,294,615	110,644	90.71	13,392,658	0.00	0.1	44.99	1.1	107,606	0.80	172	143
	Financial Institution exposures (AIRB)												
1	0.00 to < 0.15	433,512	—	—	452,652	0.05	0.0	32.10	3.3	104,083	22.99	75	
2	0.15 to < 0.25	49,000	9,000	75.00	55,750	0.20	0.0	32.10	1.1	12,700	22.78	36	
3	0.25 to < 0.50	1,086	—	—	1,086	0.30	0.0	11.81	1.0	112	10.37	0	
4	0.50 to < 0.75	1,400	1,000	75.00	2,150	0.50	0.0	32.10	1.0	806	37.50	3	
5	0.75 to < 2.50	17,984	8,651	87.57	25,559	1.14	0.0	32.10	1.0	14,185	55.49	94	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	502,983	18,651	80.83	537,199	0.12	0.0	32.05	2.9	131,888	24.55	209	339
	Financial Institution exposures (FIRB)												
1	0.00 to < 0.15	456,549	122,155	80.67	554,966	0.06	0.0	44.17	1.5	120,062	21.63	162	
2	0.15 to < 0.25	1,626	—	—	1,626	0.20	0.0	72.66	4.2	1,617	99.44	2	
3	0.25 to < 0.50	23,583	6,521	75.00	25,974	0.27	0.0	45.00	1.2	13,568	52.23	32	
4	0.50 to < 0.75	1	—	—	1	0.50	0.0	45.00	1.0	0	52.44	0	
5	0.75 to < 2.50	4,197	—	—	4,197	1.78	0.0	45.00	4.4	5,727	136.44	33	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	485,959	128,676	80.39	586,767	0.08	0.1	44.29	1.6	140,976	24.02	230	164

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
	Corporate exposures (excluding SME exposures and specialised lending) (AIRB)												
1	0.00 to < 0.15	¥ 6,864,526	¥ 2,434,624	75.70%	¥ 8,776,921	0.07%	0.7	31.45%	2.6	¥ 1,688,245	19.23%	¥ 2,141	
2	0.15 to < 0.25	1,972,574	362,044	76.22	2,208,815	0.20	0.4	30.69	2.5	714,099	32.32	1,389	
3	0.25 to < 0.50	1,302,246	168,894	74.83	1,432,960	0.30	0.4	31.15	2.4	579,608	40.44	1,377	
4	0.50 to < 0.75	1,083,258	240,765	74.84	1,258,310	0.50	0.7	28.83	2.4	560,606	44.55	1,832	
5	0.75 to < 2.50	869,047	126,389	68.72	911,662	1.50	0.7	28.69	2.1	604,461	66.30	3,948	
6	2.50 to < 10.00	147,526	10,071	78.93	155,899	5.93	0.0	24.41	2.4	132,293	84.85	2,280	
7	10.00 to < 100.00	89,160	35	75.00	89,036	18.67	0.0	31.14	3.6	152,138	170.87	5,180	
8	100.00 (Default)	30,930	—	—	34,760	100.00	0.0	32.06	1.0	14,279	41.08	10,004	
9	Sub-total	12,359,271	3,342,824	75.40	14,868,366	0.64	3.3	30.85	2.5	4,445,734	29.90	28,155	¥ 67,246
	Corporate exposures (excluding SME exposures and specialised lending) (FIRB)												
1	0.00 to < 0.15	810,879	129,185	80.98	928,172	0.07	0.9	53.50	3.1	350,278	37.73	360	
2	0.15 to < 0.25	80,031	—	—	83,225	0.20	0.4	59.85	3.1	61,408	73.78	102	
3	0.25 to < 0.50	328,629	57,328	78.25	372,638	0.29	0.6	46.44	2.6	235,325	63.15	511	
4	0.50 to < 0.75	171,069	19,437	75.88	186,972	0.58	0.8	42.74	3.5	162,888	87.11	472	
5	0.75 to < 2.50	371,451	20,283	75.83	387,350	1.39	1.2	44.26	3.8	464,244	119.85	2,379	
6	2.50 to < 10.00	149,046	14,721	90.04	162,248	6.09	0.3	45.22	4.3	303,501	187.05	4,451	
7	10.00 to < 100.00	64,517	—	—	62,651	26.25	0.0	44.76	3.9	166,620	265.94	7,359	
8	100.00 (Default)	12,929	179	92.62	16,489	100.00	0.0	44.40	1.0	0	0.00	7,321	
9	Sub-total	1,988,553	241,136	80.05	2,199,748	2.33	4.6	49.07	3.3	1,744,266	79.29	22,959	14,304
	SME exposures (AIRB)												
1	0.00 to < 0.15	39,785	4,000	75.00	42,785	0.11	0.0	29.77	3.9	11,454	26.77	15	
2	0.15 to < 0.25	75,498	1,723	75.00	73,043	0.20	0.0	31.69	3.2	23,046	31.55	47	
3	0.25 to < 0.50	30,525	—	—	30,525	0.30	0.0	31.81	2.1	9,146	29.96	30	
4	0.50 to < 0.75	40,764	713	78.50	39,747	0.50	0.0	20.72	2.5	11,058	27.82	41	
5	0.75 to < 2.50	116,545	8,508	78.94	115,961	1.59	0.1	20.33	2.9	50,012	43.12	368	
6	2.50 to < 10.00	6,682	523	76.13	7,080	7.03	0.0	19.93	1.8	4,028	56.89	101	
7	10.00 to < 100.00	829	—	—	107	18.67	0.0	11.81	5.0	58	53.89	2	
8	100.00 (Default)	1,880	—	—	3,978	100.00	0.0	28.40	1.0	1,437	36.12	1,015	
9	Sub-total	312,511	15,468	77.37	313,230	2.18	0.3	25.53	2.9	110,241	35.19	1,621	3,283
	SME exposures (FIRB)												
1	0.00 to < 0.15	27	—	—	27	0.12	0.0	45.00	1.0	5	20.42	0	
2	0.15 to < 0.25	39	—	—	39	0.20	0.0	45.00	1.0	10	26.73	0	
3	0.25 to < 0.50	4	—	—	4	0.30	0.0	45.00	1.0	1	33.97	0	
4	0.50 to < 0.75	111,701	1,671	75.00	112,133	0.50	0.5	38.65	4.5	72,824	64.94	218	
5	0.75 to < 2.50	273,580	1,531	79.63	272,355	1.57	1.5	39.74	4.7	252,649	92.76	1,710	
6	2.50 to < 10.00	9,107	1	0.00	9,140	7.39	0.0	40.54	3.5	11,757	128.63	272	
7	10.00 to < 100.00	524	—	—	524	18.67	0.0	45.00	2.6	1,011	192.88	44	
8	100.00 (Default)	5,217	235	98.80	5,802	100.00	0.0	40.11	1.0	0	0.00	2,327	
9	Sub-total	400,202	3,439	78.66	400,027	2.85	2.3	39.47	4.6	338,260	84.55	4,574	587

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
	Specialised lending (AIRB)												
1	0.00 to < 0.15	¥1,386,047	¥150,657	75.00%	¥1,499,040	0.08%	0.3	27.34%	4.2	¥ 356,139	23.75%	¥ 361	
2	0.15 to < 0.25	71,748	5,850	75.00	76,136	0.20	0.0	25.91	3.7	25,107	32.97	40	
3	0.25 to < 0.50	540,609	142,098	74.83	646,951	0.29	0.1	24.16	4.4	254,982	39.41	465	
4	0.50 to < 0.75	282,051	44,188	75.61	315,465	0.56	0.0	20.69	4.3	138,436	43.88	377	
5	0.75 to < 2.50	312,508	62,662	74.17	358,985	1.37	0.0	27.37	4.0	266,355	74.19	1,399	
6	2.50 to < 10.00	77,678	30,088	75.00	100,244	5.02	0.0	28.54	3.8	102,946	102.69	1,371	
7	10.00 to < 100.00	12,524	9,828	75.00	19,895	25.06	0.0	37.70	3.5	41,186	207.01	2,102	
8	100.00 (Default)	12,642	1,478	64.93	13,606	100.00	0.0	22.95	1.0	5,129	37.69	2,712	
9	Sub-total	2,695,811	446,852	74.86	3,030,325	1.11	0.7	26.02	4.2	1,190,283	39.27	8,830	¥ 8,768
	Specialised lending (FIRB)												
1	0.00 to < 0.15	2,228	—	—	2,228	0.09	0.3	45.00	1.0	401	18.02	0	
2	0.15 to < 0.25	66	—	—	66	0.20	0.0	45.00	1.0	20	30.51	0	
3	0.25 to < 0.50	1,192	—	—	1,192	0.30	0.1	45.00	1.0	467	39.22	1	
4	0.50 to < 0.75	223	—	—	223	0.59	0.0	45.00	1.0	127	57.05	0	
5	0.75 to < 2.50	599	—	—	599	1.32	0.0	45.00	1.0	486	81.21	3	
6	2.50 to < 10.00	103	—	—	103	4.95	0.0	45.00	1.0	134	130.15	2	
7	10.00 to < 100.00	66	—	—	66	27.62	0.0	45.00	1.0	148	223.15	8	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	4,480	—	—	4,480	0.87	0.6	45.00	1.0	1,787	39.89	17	—
	Equity exposures (PD/LGD Approach)												
1	0.00 to < 0.15	1,054,812	—	—	433,493	0.07	0.3	90.00	5.0	515,854	118.99	—	
2	0.15 to < 0.25	97,479	—	—	36,941	0.20	0.1	90.00	5.0	56,861	153.92	—	
3	0.25 to < 0.50	61,834	—	—	24,134	0.30	0.2	90.00	5.0	42,371	175.56	—	
4	0.50 to < 0.75	33,500	—	—	16,506	0.50	0.2	90.00	5.0	33,359	202.10	—	
5	0.75 to < 2.50	19,469	—	—	16,095	1.31	0.2	90.00	5.0	44,910	279.02	—	
6	2.50 to < 10.00	3,229	—	—	1,947	6.74	0.0	90.00	5.0	8,423	432.58	—	
7	10.00 to < 100.00	0	—	—	0	18.68	0.0	90.00	5.0	0	703.02	—	
8	100.00 (Default)	61	—	—	19	100.00	0.0	90.00	5.0	217	1,125.00	—	
9	Sub-total	1,270,387	—	—	529,136	0.17	1.3	90.00	5.0	701,998	132.66	—	
	Purchased receivables for corporates, etc. (default risk) (AIRB)												
1	0.00 to < 0.15	8,690	—	—	8,690	0.10	0.0	32.10	2.8	2,241	25.78	2	
2	0.15 to < 0.25	18,858	—	—	18,858	0.20	0.0	32.10	2.4	5,904	31.31	12	
3	0.25 to < 0.50	3,750	—	—	3,750	0.30	0.0	32.10	4.2	1,976	52.71	3	
4	0.50 to < 0.75	3,752	—	—	3,752	0.50	0.0	31.85	3.1	2,169	57.81	6	
5	0.75 to < 2.50	28,502	—	—	28,502	1.61	0.0	31.88	3.8	25,491	89.43	146	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	2,309	—	—	2,309	100.00	0.0	32.10	1.0	949	41.12	665	
9	Sub-total	65,863	—	—	65,863	4.32	0.0	31.99	3.2	38,732	58.80	837	312

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
	Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (AIRB)												
1	0.00 to < 0.15	¥ —	¥ —	—%	¥ —	—%	—	—%	—	¥ —	—%	¥ —	
2	0.15 to < 0.25	1,710	—	—	1,710	0.22	0.0	100.00	1.0	1,239	72.47	—	
3	0.25 to < 0.50	—	—	—	—	—	—	—	—	—	—	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	1,710	—	—	1,710	0.22	0.0	100.00	1.0	1,239	72.47	—	¥ —
	Purchased receivables for corporates, etc. (default risk) (FIRB)												
1	0.00 to < 0.15	483,484	2,372	75.00	485,263	0.06	0.3	45.00	1.1	66,743	13.75	136	
2	0.15 to < 0.25	64,422	—	—	64,422	0.21	0.1	45.00	1.0	20,241	31.41	60	
3	0.25 to < 0.50	132,722	—	—	132,722	0.33	0.2	45.00	1.2	58,650	44.19	200	
4	0.50 to < 0.75	48,097	2,717	75.00	50,134	0.54	1.2	45.00	1.2	29,126	58.09	122	
5	0.75 to < 2.50	56,045	—	—	56,045	1.57	5.3	45.00	1.3	49,537	88.38	397	
6	2.50 to < 10.00	5,310	—	—	5,310	6.19	1.1	45.00	1.1	7,782	146.56	148	
7	10.00 to < 100.00	2,322	—	—	2,322	16.89	0.0	45.00	1.6	4,806	206.95	176	
8	100.00 (Default)	4,037	—	—	4,037	100.00	0.0	45.00	1.0	0	0.00	1,816	
9	Sub-total	796,441	5,089	75.00	800,258	0.84	8.5	45.00	1.1	236,888	29.60	3,059	560
	Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)												
1	0.00 to < 0.15	578,025	5,089	75.00	581,842	0.06	0.4	94.35	1.1	167,833	28.84	17	
2	0.15 to < 0.25	19,872	—	—	19,872	0.22	0.1	99.49	1.0	14,065	70.77	0	
3	0.25 to < 0.50	39,216	—	—	39,216	0.34	0.2	66.44	1.3	27,085	69.06	29	
4	0.50 to < 0.75	1,001	—	—	1,001	0.50	0.0	45.00	2.9	877	87.58	2	
5	0.75 to < 2.50	6,020	—	—	6,020	0.91	0.2	95.12	1.2	9,071	150.66	3	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	644,136	5,089	75.00	647,953	0.09	1.1	92.75	1.1	218,932	33.78	53	—
	Purchased receivables for retail (default risk)												
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	58,756	—	—	58,775	0.30	35.0	75.28	—	23,858	40.59	136	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	58,756	—	—	58,775	0.30	35.0	75.28	—	23,858	40.59	136	237

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
Item No.	PD scale	On-balance sheet gross exposures	Off-balance sheet exposures pre-CCF and pre-CRM	Average CCF	EAD post-CCF and post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA amounts	RWA density	EL	Eligible provisions
	Qualifying revolving retail exposures												
1	0.00 to < 0.15	¥ 0	¥ 42,186	28.14%	¥ 11,872	0.10%	44.6	62.62%	—	¥ 481	4.05%	¥ 8	
2	0.15 to < 0.25	36,647	819,182	12.66	140,429	0.23	198.2	66.45	—	11,466	8.16	221	
3	0.25 to < 0.50	25,516	829,416	7.96	91,609	0.36	171.5	75.34	—	11,933	13.02	250	
4	0.50 to < 0.75	31,871	281,217	12.66	67,498	0.57	86.9	66.45	—	11,105	16.45	255	
5	0.75 to < 2.50	15,059	213,789	13.84	44,649	1.15	126.6	67.39	—	12,520	28.04	346	
6	2.50 to < 10.00	37,209	85,971	13.43	48,758	4.85	49.1	66.92	—	36,992	75.86	1,585	
7	10.00 to < 100.00	378	1,403	13.33	566	49.24	0.7	66.08	—	969	171.29	188	
8	100.00 (Default)	109	3,614	9.64	16,063	100.00	19.3	67.40	—	15,630	97.30	9,576	
9	Sub-total	146,792	2,276,782	11.37	421,448	4.81	697.2	68.47	—	101,100	23.98	12,433	¥ 17,707
	Residential mortgage exposures												
1	0.00 to < 0.15	4,025,749	14,944	100.00	4,040,694	0.09	136.9	18.34	—	174,400	4.31	737	
2	0.15 to < 0.25	2,941,838	82	100.00	2,941,920	0.17	139.4	18.06	—	194,374	6.60	939	
3	0.25 to < 0.50	2,612,664	2,340	100.00	2,615,015	0.35	157.1	18.11	—	285,730	10.92	1,669	
4	0.50 to < 0.75	41,039	—	—	41,039	0.62	2.8	22.43	—	8,404	20.47	57	
5	0.75 to < 2.50	132,716	19	100.00	132,736	0.89	13.5	21.22	—	32,538	24.51	249	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	68,321	20	100.00	68,342	20.21	3.8	18.68	—	71,391	104.46	2,607	
8	100.00 (Default)	33,521	15	100.00	34,837	100.00	2.0	20.05	—	8,496	24.38	6,307	
9	Sub-total	9,855,850	17,422	100.00	9,874,584	0.69	455.8	18.26	—	775,336	7.85	12,569	26,674
	Other retail exposures												
1	0.00 to < 0.15	0	23,634	22.78	5,384	0.10	21.7	22.17	—	316	5.87	1	
2	0.15 to < 0.25	15,790	—	—	15,790	0.18	1.7	46.37	—	2,781	17.61	13	
3	0.25 to < 0.50	350,660	—	—	350,660	0.32	121.7	59.56	—	114,313	32.59	673	
4	0.50 to < 0.75	320,724	447	100.00	321,469	0.57	91.1	39.06	—	99,369	30.91	749	
5	0.75 to < 2.50	178,853	146,533	28.29	220,324	1.21	289.7	66.15	—	158,137	71.77	1,863	
6	2.50 to < 10.00	28,279	26,105	57.09	43,184	4.32	46.1	29.25	—	18,682	43.26	636	
7	10.00 to < 100.00	21,642	497	83.87	22,104	15.78	1.9	33.00	—	13,241	59.90	1,330	
8	100.00 (Default)	7,495	1,524	31.52	20,304	100.00	12.5	52.67	—	5,473	26.95	10,258	
9	Sub-total	923,447	198,741	31.74	999,223	3.13	586.8	51.97	—	412,315	41.26	15,526	19,210
	Lease transactions												
1	0.00 to < 0.15	203,370	—	—	203,370	0.07	0.4	45.00	2.6	50,473	24.81	73	
2	0.15 to < 0.25	135,781	—	—	135,781	0.20	0.1	45.00	4.1	81,744	60.20	125	
3	0.25 to < 0.50	23,758	—	—	23,758	0.30	0.1	45.00	2.1	12,383	52.12	33	
4	0.50 to < 0.75	40,113	—	—	40,113	0.50	0.2	45.00	3.1	31,065	77.44	91	
5	0.75 to < 2.50	41,132	—	—	41,132	1.63	0.3	45.00	3.0	43,943	106.83	302	
6	2.50 to < 10.00	2,919	—	—	2,919	6.16	0.0	45.00	2.7	4,547	155.79	80	
7	10.00 to < 100.00	283	—	—	283	18.67	0.0	45.00	3.2	563	198.85	23	
8	100.00 (Default)	157	—	—	157	100.00	0.0	45.00	1.0	0	0.00	70	
9	Sub-total	447,516	—	—	447,516	0.39	1.3	45.00	3.1	224,722	50.21	801	4,928
Total (all portfolios)		¥ 48,510,376	¥ 6,811,321	53.22%	¥ 51,449,227	0.65%	1,799.7	35.37%	2.2	¥ 10,960,365	21.30%	¥ 112,195	¥ 164,527

Notes: 1. "Number of obligors" in Column f: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.
2. Purchased receivables for retail (dilution risk and originator risk of loan participation) are not applicable.

CR7: IRB – Effect on RWA of credit derivatives used as CRM technique

CR7		Millions of Yen	
		March 31, 2021	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 101,827	¥ 101,827
2	Sovereign Exposures – AIRB	15,677	15,677
3	Financial Institution Exposures – FIRB	71,870	71,870
4	Financial Institution Exposures – AIRB	139,834	139,834
5	Corporate exposures (excluding specialised lending) – FIRB	2,055,530	2,055,530
6	Corporate exposures (excluding specialised lending) – AIRB	4,731,640	4,731,640
7	Specialised lending – FIRB	323,239	323,239
8	Specialised lending – AIRB	1,360,966	1,360,966
9	Retail – Qualifying revolving retail exposures	89,144	89,144
10	Retail – Residential mortgage exposures	783,016	783,016
11	Retail – Other retail exposures	376,907	376,907
12	Equity Exposures – FIRB	1,325,732	1,325,732
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	345,841	345,841
15	Purchased receivables – AIRB	42,668	42,668
16	Total	¥ 11,763,897	¥ 11,763,897

Note: The SuMi TRUST Group does not use credit derivatives as credit risk mitigation techniques.

CR7		Millions of Yen	
		March 31, 2020	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 108,192	¥ 108,192
2	Sovereign Exposures – AIRB	12,818	12,818
3	Financial Institution Exposures – FIRB	141,054	141,054
4	Financial Institution Exposures – AIRB	129,364	129,364
5	Corporate exposures (excluding specialised lending) – FIRB	2,081,863	2,081,863
6	Corporate exposures (excluding specialised lending) – AIRB	4,559,875	4,559,875
7	Specialised lending – FIRB	339,214	339,214
8	Specialised lending – AIRB	1,190,283	1,190,283
9	Retail – Qualifying revolving retail exposures	101,100	101,100
10	Retail – Residential mortgage exposures	775,336	775,336
11	Retail – Other retail exposures	412,315	412,315
12	Equity Exposures – FIRB	923,841	923,841
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	479,679	479,679
15	Purchased receivables – AIRB	39,972	39,972
16	Total	¥ 11,294,912	¥ 11,294,912

Note: The SuMi TRUST Group does not use credit derivatives as credit risk mitigation techniques.

CR8: RWA flow statements of credit risk exposures under IRB

CR8 Item No.			Billions of Yen March 31, 2021 RWA amounts
1	RWA at the end of the previous fiscal year		¥ 12,184
2	Factor of RWA changes	Asset size	457
3		Asset quality	(52)
4		Model updates	—
5		Methodology and policy	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	118
8		Others	—
9	RWA at the end of the fiscal year		¥ 12,707

Note: The end of the previous fiscal year indicates March 31, 2020, and the end of the fiscal year indicates March 31, 2021.

CR8 Item No.			Billions of Yen March 31, 2020 RWA amounts
1	RWA at the end of the previous fiscal year		¥ 13,219
2	Factor of RWA changes	Asset size	331
3		Asset quality	(365)
4		Model updates	(23)
5		Methodology and policy	(819)
6		Acquisitions and disposals	—
7		Foreign exchange movements	(159)
8		Others	—
9	RWA at the end of the fiscal year		¥ 12,184

Note: The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

CR9: IRB – Backtesting of probability of default (PD) per portfolio

Entities subject to AIRB and FIRB

CR9		%, Cases												
		March 31, 2021 (Period covered: September 30, 2019 - September 30, 2020)												
a	b	c					d	e	f		g	h	i	
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)	Credit RWA amounts ratio
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2019	September 30, 2020				
Sovereign Exposures	—	AAA~ B	Aaa~ B2	AAA~ B	AAA~ BBB-	AAA~ BBB	0.00%	0.09%	671	757	0	0	0.00%	0.8%
Financial Institution Exposures	—	AA~ B-	Aa2~ B3	AA~ B-	AA+~ BB-	AAA~ BB	0.08	0.22	424	424	0	0	0.00	1.9
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	542	523	0	0	0.00	59.3
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA-~ A	0.06	0.06	508	539	1	0	0.02	
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A-~ BBB	0.19	0.22	2,681	2,717	2	0	0.02	
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB-~ BB	0.99	1.21	4,985	5,175	15	0	0.18	
	> 5% to <100%	—	—	—	—	—	8.41	8.88	246	283	21	0	3.71	
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	35	40	0	0	0.00	9.3
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.07	111	107	0	0	0.00	
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.25	0.26	263	255	0	0	0.00	
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.08	2.60	590	528	8	0	0.23	
	> 15% to < 100%	—	—	—	—	—	34.71	34.71	19	39	7	0	13.06	
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.53	3.53	314	301	1	0	0.59	0.0
Qualifying revolving retail exposures	≥ 0% to 10%						0.51	0.33	41,995	41,973	36	0	0.09	0.0
	> 10% to < 100%						24.13	24.13	175	123	28	0	14.44	
Residential mortgage exposures	≥ 0% to 2%						0.23	0.24	502,091	521,749	390	0	0.09	6.0
	> 2% to < 100%						20.50	20.41	5,205	3,817	646	0	12.54	
Other retail exposures	≥ 0% to 10%						0.65	0.63	39,766	38,141	191	0	0.38	0.4
	> 10% to < 100%						24.30	25.93	263	159	48	0	17.19	

Entities subject to FIRB

CR9		%, Cases												
		March 31, 2021 (Period covered: September 30, 2019 - September 30, 2020)												
a	b	c					d	e	f		g	h	i	
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)	Credit RWA amounts ratio
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2019	September 30, 2020				
Sovereign Exposures	—	—	—	—	AAA~ BBB+	AAA~ A-	0.03%	0.04%	213	236	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	AA+~ BBB+	AAA~ A-	0.03	0.14	5	5	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	46	40	0	0	0.00	3.2
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA-~ A	0.06	0.06	86	77	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A-~ BBB	0.19	0.24	480	450	0	0	0.00	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB-~ BB	1.14	1.23	958	885	9	1	0.74	
	> 5% to < 100%	—	—	—	—	—	8.02	7.78	260	228	10	1	5.15	
Qualifying revolving retail exposures	≥ 0% to 10%						1.15	0.92	611,482	594,682	3,744	89	0.74	0.7
	> 10% to < 100%						67.67	68.91	584	499	308	0	58.83	
Residential mortgage exposures	≥ 0% to 2%						0.65	0.73	13,129	13,031	75	0	0.39	0.3
	> 2% to < 100%						23.19	23.19	270	316	32	0	12.55	
Other retail exposures	≥ 0% to 10%						0.96	1.50	321,946	304,605	1,891	57	0.61	2.6
	> 10% to < 100%						44.78	62.54	933	564	458	1	47.59	

Notes: 1. On the previous page, Sumitomo Mitsui Trust Holdings, Inc., Sumitomo Mitsui Trust Bank, Limited and specific purpose companies (SPCs) engaging in liquidation of receivables, subject to AIRB and FIRB, are counted. On this page, Group companies (i.e. Sumitomo Mitsui Trust Guarantee Co., Ltd., Sumishin Guaranty Company Limited, Sumitomo Mitsui Trust Card Co., Ltd., Sumitomo Mitsui Trust Loan & Finance Co., Ltd., Sumitomo Mitsui Trust Panasonic Finance Co., Ltd., and Sumitomo Mitsui Trust Club Co., Ltd.), subject to FIRB, are counted.

2. Column a: As for "Corporate Exposures (excluding specialised lending)," "Specialised lending (subject to the PD/LGD Approach)," Equity exposures (subject to the PD/LGD Approach)," and "Purchased receivables (other than those for corporates, etc. subject to top-down approach)," these portfolio classifications have been integrated into "Corporate Exposures". In addition, different rating systems (PD) are used in Japanese rating and Non-Japanese rating, and so "Corporate Exposures" are classified into "Japanese" and "Non-Japanese."

3. Column c: With reference to the internal rating for each obligor, the range of external rating is stated in accordance with the relation between the internal rating and external rating of the internal rules for the SuMi TRUST Group.

4. The PD estimation of the SuMi TRUST Group covers the one-year default results with the reference date being the end of September every year. Accordingly, Column d and Column e were obtained with the reference date being the end of September 2019. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2019 to the end of September 2020.

5. Column f to Column h: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.

6. "Average historical annual default rate (5 years)" in column i represents the average value of the actual default rate for each year of the latest eight years rather than the latest five years.

7. The scope of application of the major model used in the consolidation range specified by the capital regulatory standards is determined while considering the portfolio classifications specified by regulations and credit decisions based on the risk driver of each portfolio (explanatory variables of the adopted rating model, etc.). "Credit RWA amounts ratio" of each internal model is stated for each portfolio*.
* "Credit RWA amounts ratio" (obtained with the reference date being the end of September 2020) is the ratio of RWA amounts for each portfolio to the total RWA amounts subject to the IRB approach (excluding counterparty credit risk, the credit risk related to securitisation transactions, and the credit risk related to funds).

8. In the ">10% to <100%" category of "Other retail exposures" of entities subject to FIRB, "Average historical annual default rate (5 years)" in Column i exceeds "Weighted average PD (EAD weighted)" in Column d. This is attributable to the difference in the method for obtaining average values. The appropriateness of the PD estimation in each pool classification is examined regularly every year.

Entities subject to AIRB and FIRB

CR9		%, Cases												
		March 31, 2020 (Period covered: September 30, 2018 - September 30, 2019)												
a	b	c					d	e	f		g	h	i	
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)	Credit RWA amounts ratio
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2018	September 30, 2019				
Sovereign Exposures	—	AAA~ B	Aaa~ B2	AAA~ B	AAA~ BB	AAA~ BB+	0.00%	0.13%	574	667	0	0	0.00%	0.9%
Financial Institution Exposures	—	AA~ B+	Aa2~ B1	AA~ B+	AA+~ BB-	AAA~ BB	0.11	0.32	424	426	0	0	0.00	2.3
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	426	442	0	0	0.00	50.4
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA-~ A	0.07	0.07	476	483	0	0	0.00	
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A-~ BBB	0.21	0.23	2,201	2,238	0	0	0.01	
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB-~ BB	1.03	1.31	4,713	4,851	8	0	0.16	
	> 5% to < 100%	—	—	—	—	—	7.71	9.19	230	239	8	0	3.03	
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	34	35	0	0	0.00	10.0
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	117	107	0	0	0.00	
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.24	0.26	228	235	0	0	0.00	
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.50	2.71	576	590	1	0	0.07	
	> 15% to < 100%	—	—	—	—	—	34.71	34.71	16	19	0	0	9.66	
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	4.30	4.72	1,326	314	4	0	0.63	0.0
Qualifying revolving retail exposures	≥ 0% to 10%						0.55	0.36	40,909	41,995	32	0	0.10	0.0
	> 10% to < 100%						24.63	24.63	136	175	25	0	14.22	
Residential mortgage exposures	≥ 0% to 2%						0.22	0.24	462,164	502,091	319	0	0.09	6.8
	> 2% to < 100%						20.58	20.50	4,862	5,205	636	0	12.56	
Other retail exposures	≥ 0% to 10%						0.80	1.14	40,543	39,766	107	0	0.36	0.4
	> 10% to < 100%						24.83	25.92	222	264	43	0	17.04	

Entities subject to FIRB

CR9		%, Cases												
		March 31, 2020 (Period covered: September 30, 2018 - September 30, 2019)												
a	b	c					d	e	f		g	h	i	
Portfolio	PD Range	External rating equivalent					Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors		Defaulted obligors during the reported period	Of which: new defaulted obligors during the reported period	Average historical annual default rate (5 years)	Credit RWA amounts ratio
		S&P	Moody's	Fitch	R&I	JCR			September 30, 2018	September 30, 2019				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.01%	0.03%	184	213	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	AA+~ BB-	AAA~ BB	0.05	0.33	7	5	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	49	46	0	0	0.00	3.3
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA-~ A	0.07	0.07	89	86	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A-~ BBB	0.22	0.23	497	480	0	0	0.00	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB-~ BB	1.29	1.22	912	958	11	1	0.71	
	> 5% to < 100%	—	—	—	—	—	8.40	8.18	233	260	13	2	5.34	
Qualifying revolving retail exposures	≥ 0% to 10%						1.03	0.94	618,334	611,483	3,009	43	0.76	0.7
	> 10% to < 100%						60.91	61.44	680	584	353	0	59.71	
Residential mortgage exposures	≥ 0% to 2%						0.67	0.75	12,728	13,129	48	0	0.37	0.3
	> 2% to < 100%						23.99	23.99	273	270	32	0	12.65	
Other retail exposures	≥ 0% to 10%						1.06	1.52	319,319	321,040	2,006	64	0.61	2.8
	> 10% to < 100%						45.79	64.07	903	906	444	1	47.38	

Notes: 1. On the previous page, Sumitomo Mitsui Trust Holdings, Inc., Sumitomo Mitsui Trust Bank, Limited and specific purpose companies (SPCs) engaging in liquidation of receivables, subject to AIRB and FIRB, are counted. On this page, Group companies (i.e. Sumitomo Mitsui Trust Guarantee Co., Ltd., Sumishin Guaranty Company Limited, Sumitomo Mitsui Trust Card Co., Ltd., Sumitomo Mitsui Trust Loan & Finance Co., Ltd., Sumitomo Mitsui Trust Panasonic Finance Co., Ltd., and Sumitomo Mitsui Trust Club Co., Ltd.), subject to FIRB, are counted.
2. Column a: As for "Corporate Exposures (excluding specialised lending)," "Specialised lending (subject to the PD/LGD Approach)," Equity exposures (subject to the PD/LGD Approach)," and "Purchased receivables (other than those for corporates, etc. subject to top-down approach)," the same rating system (same PD) is used, and so these portfolio classifications have been integrated into "Corporate Exposures". In addition, different rating systems (PD) are used in Japanese rating and Non-Japanese rating, and so "Corporate Exposures" are classified into "Japanese" and "Non-Japanese."
3. Column c: With reference to the internal rating for each obligor, the range of external rating is stated in accordance with the relation between the internal rating and external rating of the internal rules for the SuMi TRUST Group.
4. The PD estimation of the SuMi TRUST Group covers the one-year default results with the reference date being the end of September every year. Accordingly, Column d and Column e were obtained with the reference date being the end of September 2018. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2018 to the end of September 2019.
5. Column f to Column h: "Qualifying revolving retail exposures," "Residential mortgage exposures," and "Other retail exposures" are tallied with the number of loans, because it is difficult to grasp the number of some obligors.
6. "Average historical annual default rate (5 years)" in column i represents the average value of the actual default rate for each year of the latest seven years rather than the latest five years.
7. The scope of application of the major model used in the consolidation range specified by the capital regulatory standards is determined while considering the portfolio classifications specified by regulations and credit decisions based on the risk driver of each portfolio (explanatory variables of the adopted rating model, etc.). "Credit RWA amounts ratio" of each internal model is stated for each portfolio*.
* "Credit RWA amounts ratio" (obtained with the reference date being the end of September 2019) is the ratio of RWA amounts for each portfolio to the total RWA amounts subject to the IRB approach (excluding counterparty credit risk, the credit risk related to securitisation transactions, and the credit risk related to funds).
8. In the ">10% to <100%" category of "Other retail exposures" of entities subject to FIRB, "Average historical annual default rate (5 years)" in Column i exceeds "Weighted average PD (EAD weighted)" in Column d. This is attributable to the difference in the method for obtaining average values. The appropriateness of the PD estimation in each pool classification is examined regularly every year.

CR10: IRB – Specialised Lending (Supervisory Slotting Criteria Approach) and Equity Exposures (Market-Based Approach, etc.)

CR10		Millions of Yen, %									
		March 31, 2021									
a	b	c	d	e	f	g	h	i	j	k	l
Specialised lending (supervisory slotting criteria approach)											
Other than high-volatility commercial real estate (HVCRE)											
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW	Exposure amounts (EAD) PF	OF	CF	IPRE	Total	Credit RWA amounts	Expected losses
Strong	< 2.5 years	¥ —	¥ —	50%	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
	2.5 years≤	—	—	70%	—	—	—	—	—	—	—
Good	< 2.5 years	—	—	70%	—	—	—	—	—	—	—
	2.5 years≤	—	—	90%	—	—	—	—	—	—	—
Satisfactory		—	—	115%	—	—	—	—	—	—	—
Weak		—	—	250%	—	—	—	—	—	—	—
Default		—	—	—	—	—	—	—	—	—	—
Total		¥ —	¥ —	—	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
HVCRE											
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW					Exposure amounts (EAD)	Credit RWA amounts	Expected losses
Strong	< 2.5 years	2,428	3,657	70%					5,171	3,619	20
	2.5 years≤	1,171	2,091	95%					2,739	2,602	10
Good	< 2.5 years	17,625	209	95%					17,782	16,893	71
	2.5 years≤	42,899	53,093	120%					82,719	99,263	330
Satisfactory		61,014	69,433	140%					113,089	158,325	3,166
Weak		14,234	2,831	250%					16,358	40,896	1,308
Default		—	—	—					—	—	—
Total		¥ 139,373	¥ 131,316	—					¥ 237,861	¥ 321,601	¥ 4,908
Equity exposures (Market-Based Approach, etc.)											
Equity exposures subject to market-based approach											
Categories		On-balance sheet amounts	Off-balance sheet amounts	RW					Exposure amounts (EAD)	Credit RWA amounts	
Simple risk weight method – Listed shares		16,759	114,751	300%					131,511	394,534	
Simple risk weight method – Unlisted shares		22,645	4,776	400%					26,227	104,908	
Internal Models Approach		—	—	—					—	—	
Total		¥ 39,404	¥ 119,527	—					¥ 157,738	¥ 499,442	
Equity exposures subject to 100% risk weight											
Equity exposures subject to 100% risk weight in accordance with the provisions of Article 166, Paragraph 1 of the FSA Capital Adequacy Notification or Paragraph 1 of Article 144 of the FSA Bank Holding Company Capital Adequacy Notification		—	—	100%					—	—	

CR10		Millions of Yen, %									
		March 31, 2020									
a	b	c	d	e	f	g	h	i	j	k	l
Specialised lending (supervisory slotting criteria approach)											
Other than high-volatility commercial real estate (HVCRE)											
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW	Exposure amounts (EAD)					Credit RWA amounts	Expected losses
					PF	OF	CF	IPRE	Total		
Strong	< 2.5 years	¥ —	¥ —	50%	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
	2.5 years≤	—	—	70%	—	—	—	—	—	—	—
Good	< 2.5 years	—	—	70%	—	—	—	—	—	—	—
	2.5 years≤	—	—	90%	—	—	—	—	—	—	—
Satisfactory		—	—	115%	—	—	—	—	—	—	—
Weak		—	—	250%	—	—	—	—	—	—	—
Default		—	—	—	—	—	—	—	—	—	—
Total		¥ —	¥ —	—	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
HVCRE											
Regulatory categories	Remaining maturity	On-balance sheet amounts	Off-balance sheet amounts	RW					Exposure amounts (EAD)	Credit RWA amounts	Expected losses
Strong	< 2.5 years	4,128	—	70%					4,128	2,890	16
	2.5 years≤	2,407	3,049	95%					4,694	4,459	18
Good	< 2.5 years	19,855	727	95%					20,401	19,381	81
	2.5 years≤	49,668	48,183	120%					85,805	102,967	343
Satisfactory		39,072	39,882	140%					68,984	96,577	1,931
Weak		38,806	7,539	250%					44,460	111,151	3,556
Default		—	—	—					—	—	—
Total		¥ 153,938	¥ 99,381	—					¥ 228,474	¥ 337,426	¥ 5,948
Equity exposures (Market-Based Approach, etc.)											
Equity exposures subject to market-based approach											
Categories		On-balance sheet amounts	Off-balance sheet amounts	RW					Exposure amounts (EAD)	Credit RWA amounts	
Simple risk weight method – Listed shares		12,442	27,944	300%					40,386	121,160	
Simple risk weight method – Unlisted shares		23,379	2,388	400%					25,170	100,682	
Internal Models Approach		—	—	—					—	—	
Total		¥ 35,821	¥ 30,332	—					¥ 65,557	¥ 221,843	
Equity exposures subject to 100% risk weight											
Equity exposures subject to 100% risk weight in accordance with the provisions of Article 166, Paragraph 1 of the FSA Capital Adequacy Notification or Paragraph 1 of Article 144 of the FSA Bank Holding Company Capital Adequacy Notification		—	—	100%					—	—	

CCR1: Analysis of counterparty credit risk (CCR) exposure by approach

CCR1		Millions of Yen					
		March 31, 2021					
		a	b	c	d	e	f
Item No.		RC	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA amounts
1	SA-CCR	¥ —	¥ —		1.4	¥ —	¥ —
	Current Exposure Method (CEM)	488,830	576,002			1,064,833	407,852
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					672,039	114,618
5	Exposure variation estimation model					—	—
6	Total						¥ 522,471

CCR1		Millions of Yen					
		March 31, 2020					
		a	b	c	d	e	f
Item No.		RC	PFE	Effective EPE (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA amounts
1	SA-CCR	¥ —	¥ —		1.4	¥ —	¥ —
	Current Exposure Method (CEM)	428,371	497,019			925,390	393,082
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					1,663,723	96,113
5	Exposure variation estimation model					—	—
6	Total						¥ 489,196

CCR2: Credit valuation adjustment (CVA) capital charge

CCR2		Millions of Yen	
		March 31, 2021	
		a	b
Item No.		EAD post-CRM	RWA amounts (Amounts calculated by dividing CVA risk equivalent amounts by 8%)
1	Total portfolios subject to advanced risk measurement method	¥ —	¥ —
2	(i) Amount of CVA Value at Risk (including the multiplier)		—
3	(ii) Amount of CVA Stressed Value at Risk (including the multiplier)		—
4	Total portfolios subject to the standardised risk measurement method	992,801	675,826
5	Total portfolios subject to the CVA capital charge	¥ 992,801	¥ 675,826

CCR2		Millions of Yen	
		March 31, 2020	
		a	b
Item No.		EAD post-CRM	RWA amounts (Amounts calculated by dividing CVA risk equivalent amounts by 8%)
1	Total portfolios subject to advanced risk measurement method	¥ —	¥ —
2	(i) Amount of CVA Value at Risk (including the multiplier)		—
3	(ii) Amount of CVA Stressed Value at Risk (including the multiplier)		—
4	Total portfolios subject to the standardised risk measurement method	832,686	663,147
5	Total portfolios subject to the CVA capital charge	¥ 832,686	¥ 663,147

CCR3: CCR exposures by regulatory portfolio and risk weights

CCR3		Millions of Yen								
		March 31, 2021								
		a	b	c	d	e	f	g	h	i
		Credit equivalent amounts (post-CRM)								
Item No.	Regulatory portfolio / Risk weight	0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Government of Japan and Bank of Japan (BOJ)	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	Foreign central governments and foreign central banks	—	—	—	—	—	—	—	—	—
3	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—
4	Local governments of Japan	—	—	—	—	—	—	—	—	—
5	Foreign non-central government public sector entities (PSEs)	—	—	—	—	—	—	—	—	—
6	Multilateral development banks (MDBs)	—	—	—	—	—	—	—	—	—
7	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—	—	—	—
8	Government-affiliated agencies of Japan	—	—	—	—	—	—	—	—	—
9	The three local public corporations	—	—	—	—	—	—	—	—	—
10	Financial institutions and type I financial instruments business operators	—	—	431,016	—	—	—	—	—	431,016
11	Corporates, etc.	—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals	—	—	—	—	—	—	—	—	—
13	Other than the above	—	—	—	—	—	5	—	—	5
14	Total	¥ —	¥ —	¥ 431,016	¥ —	¥ —	¥ 5	¥ —	¥ —	¥ 431,021

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR3		Millions of Yen								
		March 31, 2020								
		a	b	c	d	e	f	g	h	i
		Credit equivalent amounts (post-CRM)								
Item No.	Regulatory portfolio / Risk weight	0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Government of Japan and Bank of Japan (BOJ)	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	Foreign central governments and foreign central banks	—	—	—	—	—	—	—	—	—
3	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—
4	Local governments of Japan	—	—	—	—	—	—	—	—	—
5	Foreign non-central government public sector entities (PSEs)	—	—	—	—	—	—	—	—	—
6	Multilateral development banks (MDBs)	—	—	—	—	—	—	—	—	—
7	Japan Finance Organization for Municipalities (JFM)	—	—	—	—	—	—	—	—	—
8	Government-affiliated agencies of Japan	—	—	—	—	—	—	—	—	—
9	The three local public corporations	—	—	—	—	—	—	—	—	—
10	Financial institutions and type I financial instruments business operators	—	—	384,004	—	—	—	—	—	384,004
11	Corporates, etc.	—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals	—	—	—	—	—	—	—	—	—
13	Other than the above	—	—	—	—	—	—	—	—	—
14	Total	¥ —	¥ —	¥ 384,004	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 384,004

Note: The aggregate calculation on this statement includes exposures based on the standardised approach only.

CCR4: IRB – CCR exposures by portfolio and PD scale

CCR4		Millions of Yen, %, 1,000 cases, Year						
		March 31, 2021						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	RWA density
		Sovereign exposures						
1	0.00 to < 0.15	¥ 19,904	0.02%	0.0	37.92%	1.7	¥ 2,114	10.62%
2	0.15 to < 0.25	—	—	—	—	—	—	—
3	0.25 to < 0.50	—	—	—	—	—	—	—
4	0.50 to < 0.75	—	—	—	—	—	—	—
5	0.75 to < 2.50	—	—	—	—	—	—	—
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	19,904	0.02	0.0	37.92	1.7	2,114	10.62
		Financial Institution exposures						
1	0.00 to < 0.15	544,536	0.04	0.1	20.01	2.3	102,347	18.79
2	0.15 to < 0.25	273	0.20	0.0	45.00	2.8	122	44.83
3	0.25 to < 0.50	40,354	0.28	0.0	20.83	3.8	32,704	81.04
4	0.50 to < 0.75	780	0.50	0.0	45.00	1.0	409	52.44
5	0.75 to < 2.50	—	—	—	—	—	—	—
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	585,944	0.06	0.1	20.08	2.4	135,583	23.13
		Corporate exposures and SME exposures						
1	0.00 to < 0.15	368,702	0.05	0.3	11.49	1.7	73,079	19.82
2	0.15 to < 0.25	35,152	0.20	0.0	45.00	4.1	21,019	59.79
3	0.25 to < 0.50	8,399	0.30	0.0	45.00	3.3	5,345	63.64
4	0.50 to < 0.75	6,391	0.51	0.0	46.46	3.6	5,591	87.48
5	0.75 to < 2.50	4,604	1.45	0.0	45.00	3.8	5,810	126.18
6	2.50 to < 10.00	1,470	4.42	0.0	45.00	4.3	2,434	165.59
7	10.00 to < 100.00	656	35.76	0.0	45.00	1.9	1,745	265.93
8	100.00 (Default)	1	100.00	0.0	45.00	1.0	0	0.00
9	Sub-total	425,378	0.16	0.6	12.70	2.0	115,026	27.04
		Specialised lending						
1	0.00 to < 0.15	70,895	0.09	0.1	45.00	4.7	30,311	42.75
2	0.15 to < 0.25	871	0.20	0.0	45.00	3.9	504	57.95
3	0.25 to < 0.50	30,711	0.29	0.0	45.00	4.9	24,578	80.03
4	0.50 to < 0.75	23,901	0.63	0.0	45.00	4.8	25,080	104.93
5	0.75 to < 2.50	45,409	1.54	0.0	45.00	4.8	61,376	135.16
6	2.50 to < 10.00	24,687	3.17	0.0	45.00	4.8	39,312	159.24
7	10.00 to < 100.00	6	35.80	0.0	45.00	1.0	14	234.20
8	100.00 (Default)	46	100.00	0.0	45.00	1.0	0	0.00
9	Sub-total	196,529	0.93	0.2	45.00	4.8	181,179	92.18
Total (all portfolios)		¥ 1,227,758	0.23%	1.1	18.05%	2.6	¥ 433,904	35.34%

Note: The SuMi TRUST Group applies the Foundation Internal Ratings-Based Approach to the calculation of risk-weighted assets related to counterparty credit risk.

CCR4		Millions of Yen, %, 1,000 cases, Year						
		March 31, 2020						
Item No.	PD scale	a	b	c	d	e	f	g
		EAD post-CRM	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	RWA density
				Sovereign exposures				
1	0.00 to < 0.15	¥ 1,103,545	0.00%	0.0	44.74%	0.1	¥ 3,031	0.27%
2	0.15 to < 0.25	—	—	—	—	—	—	—
3	0.25 to < 0.50	313	0.26	0.0	45.00	1.0	149	47.82
4	0.50 to < 0.75	—	—	—	—	—	—	—
5	0.75 to < 2.50	1,958	1.88	0.0	45.00	1.0	1,836	93.77
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	1,105,817	0.00	0.0	44.74	0.1	5,017	0.45
				Financial Institution exposures				
1	0.00 to < 0.15	453,530	0.05	0.1	15.89	2.5	94,107	20.74
2	0.15 to < 0.25	408	0.20	0.0	45.00	2.9	179	44.01
3	0.25 to < 0.50	37,474	0.28	0.0	21.96	4.0	30,425	81.18
4	0.50 to < 0.75	229	0.50	0.0	45.00	1.0	120	52.44
5	0.75 to < 2.50	30	1.03	0.0	45.00	1.0	22	74.38
6	2.50 to < 10.00	—	—	—	—	—	—	—
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	491,673	0.06	0.1	16.24	2.6	124,855	25.39
				Corporate exposures and SME exposures				
1	0.00 to < 0.15	251,173	0.05	0.2	7.78	2.0	53,117	21.14
2	0.15 to < 0.25	15,004	0.20	0.0	45.00	3.9	8,373	55.80
3	0.25 to < 0.50	9,604	0.30	0.0	45.00	4.3	7,452	77.59
4	0.50 to < 0.75	6,045	0.50	0.1	45.00	4.0	5,050	83.53
5	0.75 to < 2.50	6,502	1.49	0.1	46.51	3.7	8,586	132.04
6	2.50 to < 10.00	1,961	4.07	0.0	45.00	4.6	3,251	165.78
7	10.00 to < 100.00	884	34.71	0.0	45.00	2.9	2,442	276.03
8	100.00 (Default)	10	100.00	0.0	45.00	1.0	0	0.00
9	Sub-total	291,186	0.24	0.6	8.73	2.2	88,274	30.31
				Specialised lending				
1	0.00 to < 0.15	87,476	0.08	0.1	45.00	4.7	34,891	39.88
2	0.15 to < 0.25	1,105	0.20	0.0	45.00	4.1	663	60.06
3	0.25 to < 0.50	42,282	0.30	0.0	45.00	4.9	33,726	79.76
4	0.50 to < 0.75	19,164	0.67	0.0	45.00	4.9	21,156	110.39
5	0.75 to < 2.50	58,121	1.42	0.0	45.00	4.9	77,460	133.27
6	2.50 to < 10.00	14,568	3.30	0.0	45.00	4.8	23,287	159.84
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	51	100.00	0.0	45.00	1.0	0	0.00
9	Sub-total	222,770	0.13	0.2	45.00	4.8	191,186	85.82
Total (all portfolios)		¥ 2,111,448	0.13%	1.1	22.40%	1.5	¥ 409,334	19.38%

Note: The SuMi TRUST Group applies the Foundation Internal Ratings-Based Approach to the calculation of risk-weighted assets related to counterparty credit risk.

CCR5: Composition of collateral for CCR exposure

CCR5		Millions of Yen					
		March 31, 2021					
		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in repo transactions	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
Item No.		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 123,752	¥ —	¥ 311,385	¥ 30,067	¥ 732,944
2	Cash (other currency)	—	3,789	—	251,567	968,538	549
3	Domestic sovereign debt	—	1,081	—	19,040	228,621	354,177
4	Other sovereign debt	—	—	—	—	845,426	1,704,208
5	Government agency debt	—	—	—	—	116,000	13,375
6	Corporate bonds	—	—	—	—	384,389	326,855
7	Equity securities	—	—	—	12,577	701,562	560,016
8	Other collateral	—	—	—	—	—	—
9	Total	¥ —	¥ 128,624	¥ —	¥ 594,572	¥ 3,274,606	¥ 3,692,125

CCR5		Millions of Yen					
		March 31, 2020					
		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in repo transactions	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
Item No.		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash (domestic currency)	¥ —	¥ 126,581	¥ —	¥ 321,222	¥ 1,068,982	¥ 750,758
2	Cash (other currency)	—	8,357	—	183,139	1,129,347	30,521
3	Domestic sovereign debt	—	7,053	—	20,180	181,075	1,289,027
4	Other sovereign debt	—	—	—	—	993,263	1,679,432
5	Government agency debt	—	—	—	—	237,766	486,789
6	Corporate bonds	—	—	—	—	409,906	—
7	Equity securities	—	—	—	9,584	587,566	721,116
8	Other collateral	—	—	—	—	—	—
9	Total	¥ —	¥ 141,992	¥ —	¥ 534,127	¥ 4,607,910	¥ 4,957,645

CCR6: Credit derivatives exposures

CCR6		Millions of Yen	
		March 31, 2021	
Item No.		a	b
		Protection bought	Protection sold
	Notionals		
1	Single-name credit default swaps	¥ 40,500	¥ 40,500
2	Index credit default swaps	5,533	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 46,032	¥ 40,500
	Fair values		
7	Positive fair value (asset)	9	913
8	Negative fair value (liability)	(1,387)	(9)

CCR6		Millions of Yen	
		March 31, 2020	
Item No.		a	b
		Protection bought	Protection sold
	Notionals		
1	Single-name credit default swaps	¥ 53,600	¥ 68,600
2	Index credit default swaps	11,940	5,434
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 65,540	¥ 74,034
	Fair values		
7	Positive fair value (asset)	596	425
8	Negative fair value (liability)	(406)	(441)

CCR7: RWA flow statements of CCR exposures under Internal Model Method (IMM)

As of March 31, 2021
Not applicable.

As of March 31, 2020
Not applicable.

CCR8: Exposures to central counterparties (CCP)

CCR8		Millions of Yen	
		March 31, 2021	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 47,434
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,444,565	28,891
3	(i) OTC derivatives	1,208,535	24,170
4	(ii) Exchange-traded derivatives	167,635	3,352
5	(iii) Repo transactions	68,394	1,367
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	182,733	3,654
9	Pre-funded default fund contributions	23,319	14,888
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		¥ —
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Repo transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

CCR8		Millions of Yen	
		March 31, 2020	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 49,867
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,036,944	40,738
3	(i) OTC derivatives	1,759,635	35,192
4	(ii) Exchange-traded derivatives	222,792	4,455
5	(iii) Repo transactions	54,516	1,090
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	93,786	1,875
9	Pre-funded default fund contributions	20,508	7,253
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		¥ —
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) Repo transactions	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	
18	Non-segregated initial margin	—	—
19	Pre-funded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

SEC1: Securitisation exposures by underlying asset type (securitisation exposures subject to the calculation of the amount of credit risk-weighted assets only)

SEC1		Millions of Yen								
		March 31, 2021								
		a	b	c	d	e	f	g	h	i
Item No.	Type of underlying asset	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 86,324	¥ —	¥ 86,324	¥ 310,776	¥ —	¥ 310,776	¥ 98,354	¥ —	¥ 98,354
2	Residential mortgage	86,324	—	86,324	75,519	—	75,519	62,570	—	62,570
3	Credit card	—	—	—	40,517	—	40,517	31,905	—	31,905
4	Other retail exposures	—	—	—	194,740	—	194,740	3,877	—	3,877
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	7,511	—	7,511	27,233	—	27,233	720,685	—	720,685
7	Loans to corporates	—	—	—	—	—	—	720,685	—	720,685
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	7,511	—	7,511	27,233	—	27,233	—	—	—
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC1		Millions of Yen								
		March 31, 2020								
		a	b	c	d	e	f	g	h	i
Item No.	Type of underlying asset	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	¥ 75,122	¥ —	¥ 75,122	¥ 127,403	¥ —	¥ 127,403	¥ 139,219	¥ —	¥ 139,219
2	Residential mortgage	75,122	—	75,122	86,287	—	86,287	64,847	—	64,847
3	Credit card	—	—	—	492	—	492	26,253	—	26,253
4	Other retail exposures	—	—	—	40,623	—	40,623	48,118	—	48,118
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	18,752	—	18,752	—	—	—	742,846	—	742,846
7	Loans to corporates	—	—	—	—	—	—	720,622	—	720,622
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	18,752	—	18,752	—	—	—	22,223	—	22,223
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC2: Securitisation exposures by underlying asset type (securitisation exposures subject to the calculation of the market risk equivalent amounts only)

As of March 31, 2021
Not applicable.

As of March 31, 2020
Not applicable.

SEC3: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as originator or sponsor)

SEC3		Millions of Yen														
		March 31, 2021														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
Item No.		Total	Traditional securitisations (sub-total)	Securitisation			Re-securitisation			Synthetic securitisations (sub-total)	Securitisation			Re-securitisation		
					Retail underlying	Wholesale		Senior	Non-senior			Retail underlying	Wholesale		Senior	Non-senior
Exposure values (by RW bands)																
1	≤ 20% risk weight	¥290,498	¥290,498	¥290,498	¥263,264	¥27,233	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	83,784	83,784	83,784	83,784	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	40,987	40,987	40,987	40,987	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	16,528	16,528	16,528	9,016	7,511	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	47	47	47	47	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	431,780	431,780	431,780	397,035	34,744	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	17	17	17	17	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	47	47	47	47	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	153,520	153,520	153,520	111,402	42,117	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	2	2	2	2	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	597	597	597	597	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	12,281	12,281	12,281	8,912	3,369	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	47	47	47	47	—	—	—	—	—	—	—	—	—	—	—

SEC3		Millions of Yen														
		March 31, 2020														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
Item No.		Total	Traditional securitisations (sub-total)	Securitisation	Retail underlying	Wholesale	Re-securitisation	Senior	Non-senior	Synthetic securitisations (sub-total)	Securitisation	Retail underlying	Wholesale	Re-securitisation	Senior	Non-senior
Exposure values (by RW bands)																
1	≤ 20% risk weight	¥127,331	¥127,331	¥127,331	¥127,331	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	2,272	2,272	2,272	2,272	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	47,869	47,869	47,869	47,869	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	43,732	43,732	43,732	24,980	18,752	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—
Exposure Values (by regulatory approach)																
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	220,713	220,713	220,713	201,961	18,752	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	492	492	492	492	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—
RWA (by regulatory approach)																
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	156,305	156,305	156,305	104,805	51,500	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	73	73	73	73	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	906	906	906	906	—	—	—	—	—	—	—	—	—	—	—
Capital requirement values (by regulatory approach)																
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	12,504	12,504	12,504	8,384	4,120	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	5	5	5	5	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	72	72	72	72	—	—	—	—	—	—	—	—	—	—	—

SEC4: Securitisation exposures subject to the calculation of the amount of credit risk-weighted assets and related capital requirements (bank acting as investor)

SEC4		Millions of Yen														
		March 31, 2021														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
Item No.		Total	Traditional securitisations (sub-total)	Securitisation	Retail underlying	Wholesale	Re-securitisation	Senior	Non-senior	Synthetic securitisations (sub-total)	Securitisation	Retail underlying	Wholesale	Re-securitisation	Senior	Non-senior
	Exposure values (by RW bands)															
1	≤ 20% risk weight	¥717,104	¥717,104	¥717,104	¥77,100	¥640,004	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	55,565	55,565	55,565	3,103	52,462	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	35,834	35,834	35,834	7,614	28,219	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	10,535	10,535	10,535	10,535	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
	Exposure Values (by regulatory approach)															
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	784,824	784,824	784,824	64,138	720,685	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	34,215	34,215	34,215	34,215	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
	RWA (by regulatory approach)															
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	137,830	137,830	137,830	13,121	124,709	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	17,129	17,129	17,129	17,129	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
	Capital requirement values (by regulatory approach)															
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	11,026	11,026	11,026	1,049	9,976	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,370	1,370	1,370	1,370	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—

SEC4		Millions of Yen														
		March 31, 2020														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Total														
Item No.			Traditional securitisations (sub-total)							Synthetic securitisations (sub-total)						
				Securitisation			Re-securitisation				Securitisation			Re-securitisation		
					Retail underlying	Wholesale		Senior	Non-senior			Retail underlying	Wholesale		Senior	Non-senior
	Exposure values (by RW bands)															
1	≤ 20% risk weight	¥766,385	¥766,385	¥766,385	¥107,216	¥659,169	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	38,784	38,784	38,784	24,713	14,071	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	72,345	72,345	72,345	2,739	69,606	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	4,550	4,550	4,550	4,550	—	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
	Exposure Values (by regulatory approach)															
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	839,785	839,785	839,785	96,939	742,846	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	42,279	42,279	42,279	42,279	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
	RWA (by regulatory approach)															
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	178,008	178,008	178,008	21,982	156,026	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	12,730	12,730	12,730	12,730	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—
	Capital requirement values (by regulatory approach)															
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	14,240	14,240	14,240	1,758	12,482	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,018	1,018	1,018	1,018	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	0	0	0	0	—	—	—	—	—	—	—	—	—	—	—

MR1: Market risk under standardised approach

MR1		Millions of Yen
		March 31, 2021
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 2,640
2	Equity risk (general and specific)	—
3	Foreign exchange risk	19,376
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 22,017

MR1		Millions of Yen
		March 31, 2020
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,765
2	Equity risk (general and specific)	—
3	Foreign exchange risk	17,961
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 22,727

MR2: Risk-weighted Assets Flow Statements of Market Risk Exposures under Internal Model Approach

MR2			Billions of Yen					
			March 31, 2021					
			a	b	c	d	e	f
Item No.			VaR	Stressed VaR	Additional risk	Comprehensive risk	Others	Total RWA
1a	RWA at the end of previous reporting period (March 31, 2020)		¥ 297	¥1,013	¥ —	¥ —		¥ 1,311
1b	Regulatory adjustment ratio (1a/1c)		2.69	3.72	—	—		3.42
1c	RWA at the end of the previous fiscal year		110	272	—	—		382
2	Factor of RWA changes	Movement in risk levels	62	72	—	—		134
3		Model updates/changes	—	—	—	—		—
4		Methodology and policy	—	—	—	—		—
5		Acquisitions and disposals	—	—	—	—		—
6		Foreign exchange movements	(7)	1	—	—		(6)
7		Others	(48)	(8)	—	—		(57)
8a	RWA at the end of the fiscal year		116	336	—	—		453
8b	Regulatory adjustment ratio (8c/8a)		3.13	3.08	—	—		3.09
8c	RWA at the end of current reporting period (March 31, 2021)		365	1,039	—	—		1,405

Note: The end of the previous fiscal year indicates March 31, 2020, and the end of the fiscal year indicates March 31, 2021.

MR2			Billions of Yen					
			March 31, 2020					
			a	b	c	d	e	f
Item No.			VaR	Stressed VaR	Additional risk	Comprehensive risk	Others	Total RWA
1a	RWA at the end of previous reporting period (March 31, 2019)		¥ 181	¥ 900	¥ —	¥ —		¥ 1,081
1b	Regulatory adjustment ratio (1a/1c)		3.26	3.04	—	—		3.08
1c	RWA at the end of the previous fiscal year		55	295	—	—		350
2	Factor of RWA changes	Movement in risk levels	35	(24)	—	—		11
3		Model updates/changes	—	—	—	—		—
4		Methodology and policy	—	—	—	—		—
5		Acquisitions and disposals	—	—	—	—		—
6		Foreign exchange movements	(0)	7	—	—		6
7		Others	19	(5)	—	—		13
8a	RWA at the end of the fiscal year		110	272	—	—		382
8b	Regulatory adjustment ratio (8c/8a)		2.69	3.72	—	—		3.42
8c	RWA at the end of current reporting period (March 31, 2020)		297	1,013	—	—		1,311

Note: The end of the previous fiscal year indicates March 31, 2019, and the end of the fiscal year indicates March 31, 2020.

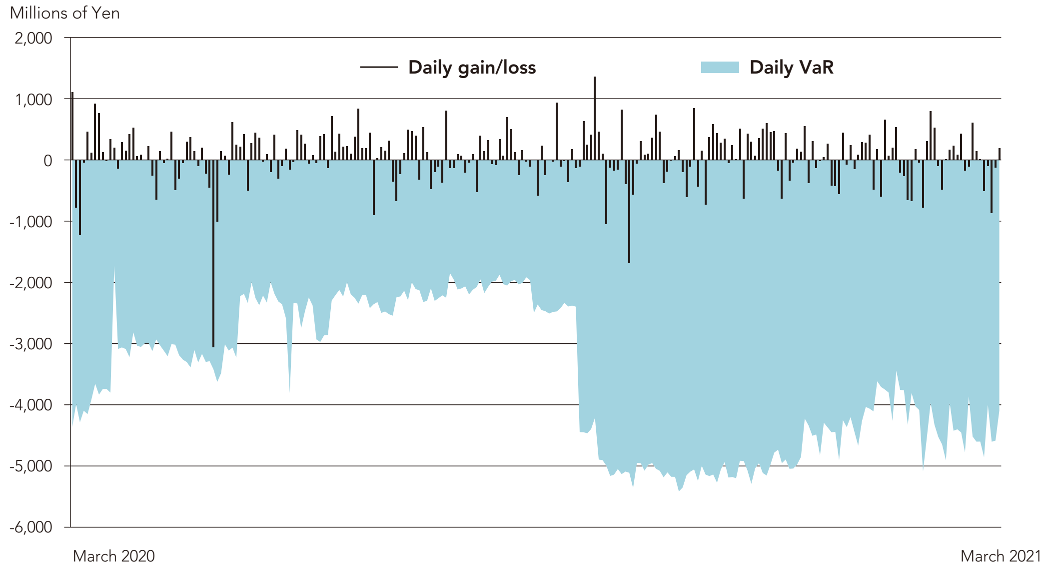
MR3: Values of Internal Model Approaches (IMA) (Market risk)

MR3 Item No.		Millions of Yen
		March 31, 2021
	VaR (holding period:10 business days, one-sided confidence interval:99%)	
1	Maximum value	¥ 13,022
2	Average value	8,745
3	Minimum value	4,985
4	Period end	9,347
	Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5	Maximum value	34,912
6	Average value	28,314
7	Minimum value	18,982
8	Period end	26,958
	Incremental risk charge (one-sided confidence interval: 99.9%)	
9	Maximum value	—
10	Average value	—
11	Minimum value	—
12	Period end	—
	Comprehensive risk capital charge (one-sided confidence interval: 99.9%)	
13	Maximum value	—
14	Average value	—
15	Minimum value	—
16	Period end	—
17	Floor (modified standardised measurement method)	—

MR3 Item No.		Millions of Yen
		March 31, 2020
	VaR (holding period:10 business days, one-sided confidence interval:99%)	
1	Maximum value	¥ 10,749
2	Average value	6,292
3	Minimum value	3,923
4	Period end	8,833
	Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5	Maximum value	32,726
6	Average value	24,541
7	Minimum value	15,998
8	Period end	21,785
	Incremental risk charge (one-sided confidence interval: 99.9%)	
9	Maximum value	—
10	Average value	—
11	Minimum value	—
12	Period end	—
	Comprehensive risk capital charge (one-sided confidence interval: 99.9%)	
13	Maximum value	—
14	Average value	—
15	Minimum value	—
16	Period end	—
17	Floor (modified standardised measurement method)	—

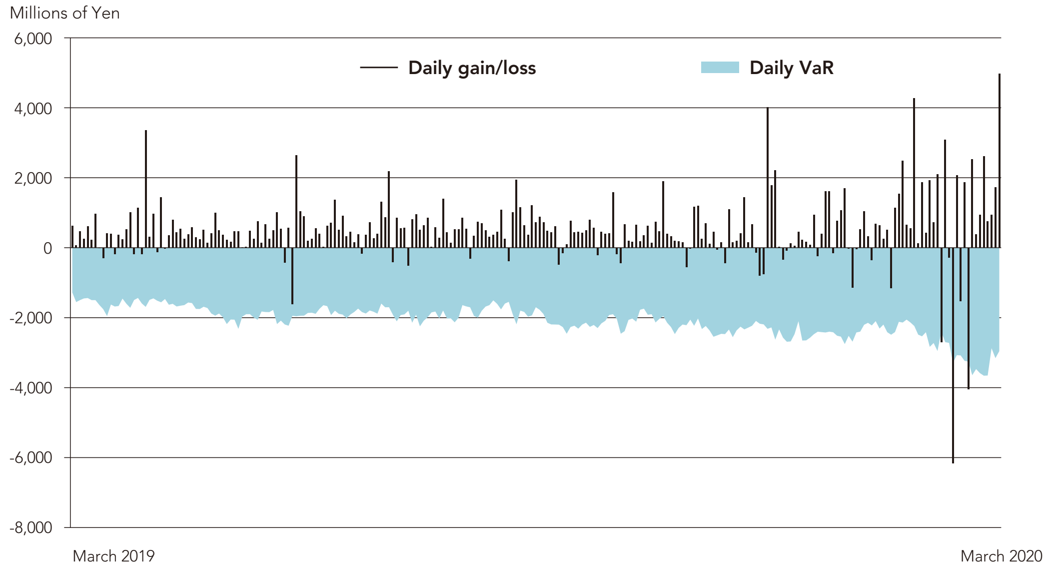
MR4: Backtesting results by Internal Model Approaches (IMA)

MR4	March 31, 2021



Note: As shown above, during the reported period, there was no exceedance occurred in backtesting.

MR4	March 31, 2020



Note: As shown above, during the reported period, three exceedances occurred in backtesting.

IRRBB1: Interest rate risk

IRRBB1		Millions of Yen			
		a	b	c	d
		⊿EVE		⊿NII	
Item No.		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
1	Parallel up	¥ 48,562	¥ 118,515	¥ (77,953)	¥ (49,316)
2	Parallel down	81,361	—	76,463	51,114
3	Steepener	92,204	84,912		
4	Flattener	858	—		
5	Short rate up	—	901		
6	Short rate down	57,337	4,773		
7	Maximum	92,204	118,515	76,463	51,114
		e		f	
		March 31, 2021		March 31, 2020	
8	Tier 1 Capital	¥ 2,736,717		¥ 2,758,167	

CCyB1: Countercyclical buffer requirement: Status by Country or Region

CCyB1	Millions of Yen, %			
	March 31, 2021			
	a	b	c	d
Country or region	Countercyclical capital buffer rate	Risk-weighted assets used in the computation of the countercyclical capital buffer	Bank-specific countercyclical capital buffer rate	Counter cyclical buffer requirement amount
Hong Kong	1.00%	¥ 44,562		
Luxembourg	0.50%	73,617		
Subtotal		118,180		
Total		¥ 16,222,459	0.00%	¥ —

Notes: 1. The amount of credit RWA by country or region is, in principle, calculated on the basis of where the ultimate risk of the exposure resides (based on the country or region where the borrower resides). However, with respect to securitisation exposures and equity investments in funds whose country or region are difficult to identify, calculations are made according to the country or region in which the exposure is booked.
2. The ratio of the SuMi TRUST Group's exposures in the two countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to the SuMi TRUST Group's total exposures was limited.

CCyB1	Millions of Yen, %			
	March 31, 2020			
	a	b	c	d
Country or region	Countercyclical capital buffer rate	Risk-weighted assets used in the computation of the countercyclical capital buffer	Bank-specific countercyclical capital buffer rate	Counter cyclical buffer requirement amount
France	0.25%	¥ 32,704		
Hong Kong	1.00%	48,457		
Luxembourg	0.25%	76,717		
Subtotal		157,878		
Total		¥ 15,100,955	0.00%	¥ —

Notes: 1. The amount of credit RWA by country or region is, in principle, calculated on the basis of where the ultimate risk of the exposure resides (based on the country or region where the borrower resides). However, with respect to securitisation exposures and equity investments in funds whose country or region are difficult to identify, calculations are made according to the country or region in which the exposure is booked.
2. The ratio of the SuMi TRUST Group's exposures in the three countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to the SuMi TRUST Group's total exposures was limited.

Indicators for Assessing Global Systemically Important Banks (G-SIBs)

Consolidated

GSIB1: Indicators for Assessing G-SIBs

GSIB1			Millions of Yen	
Basel III Template No.			**March 31, 2021**	March 31, 2020
1	Cross-jurisdictional activity	Cross-jurisdictional claims	**¥ 8,328,718**	¥ 8,479,909
2		Cross-jurisdictional liabilities	**14,163,351**	14,128,254
3	Size	Total exposures	**65,923,801**	59,493,586
4	Interconnectedness	Intra-financial system assets	**5,155,046**	6,251,975
5		Intra-financial system liabilities	**7,635,514**	6,988,253
6		Securities outstanding	**12,696,376**	9,864,511
7	Substitutability / Financial institution infrastructure	Assets under custody	**278,474,007**	254,682,381
8		Payments through settlement systems	**994,303,631**	973,168,450
9		Underwritten transactions in debt and equity markets	**9,518**	10,151
10	Complexity	Notional amount of over-the-counter (OTC) derivatives	**171,993,477**	174,462,401
11		Level 3 assets	**815,084**	669,726
12		Trading and available-for-sale (AFS) securities	**3,145,315**	3,436,026

Composition of Basel III Leverage Ratio

Consolidated

As of March 31				Millions of Yen, %	
Basel III Template No. (Table 2)	Basel III Template No. (Table 1)	Items		2021	2020
		On-Balance Sheet Exposures			
1		On-Balance Sheet Exposures before Deducting Adjustment Items		¥ 42,956,670	¥ 52,633,729
1a	1	Total Assets Reported in the Consolidated Balance Sheet		45,932,441	56,500,552
1b	2	The Amount of Assets of Subsidiaries that are not Included in the Scope of the Basel III Leverage Ratio on a Consolidated Basis (Deduction)		—	—
1c	7	The Amount of Assets of Subsidiaries that are Included in the Scope of the Basel III Leverage Ratio on a Consolidated Basis(except Those Included in the Total Assets Reported in the Consolidated Balance Sheet)		—	—
1d	3	The Amount of Assets that are Deducted from the Total Assets Reported in the Consolidated Balance Sheet (except Adjustment Items) (Deduction)		2,975,770	3,866,823
2	7	The Amount of Adjustment Items Pertaining to Tier 1 Capital (Deduction)		251,073	168,212
3		Total On-Balance Sheet Exposures	(A)	42,705,596	52,465,517
		Exposures Related to Derivative Transactions			
4		The Amount Equivalent to Replacement Cost Associated with Derivatives Transactions, etc. Multiplied by 1.4			
		Replacement Cost Associated with Derivatives Transactions, etc.		716,500	650,790
5		The Amount Equivalent to Potential Future Exposure Associated with Derivatives Transactions, etc. Multiplied by 1.4			
		Add-On Amount Associated with Derivatives Transactions, etc.		1,038,169	904,492
		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.		562,953	504,362
6		The Amount of Receivables Arising from Providing Collateral, Provided where Deducted from the Consolidated Balance Sheet Pursuant to the Operative Accounting Framework			
		The Amount of Receivables Arising from Providing Cash Margin, Provided where Deducted from the Consolidated Balance Sheet Pursuant to the Operative Accounting Framework		—	—
7		The Amount of Deductions of Receivables (out of those Arising from Providing Cash Variation Margin) (Deduction)		169,107	169,673
8		The Amount of Client-Cleared Trade Exposures for which a Bank or Bank Holding Company Acting as Clearing Member is not Obliged to Make Any Indemnification (Deduction)			
9		Adjusted Effective Notional Amount of Written Credit Derivatives		40,500	74,034
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)		40,500	53,600
11	4	Total Exposures Related to Derivative Transactions	(B)	2,148,516	1,910,406
		Exposures Related to Repo Transactions			
12		The Amount of Assets Related to Repo Transactions, etc.		887,958	1,961,419
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)		—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.		307,438	287,850
15		The Exposures for Agent Repo Transaction			
16	5	The Total Exposures Related to Repo Transactions, etc.	(C)	1,195,397	2,249,270
		Exposures Related to Off-Balance Sheet Transactions			
17		Notional Amount of Off-Balance Sheet Transactions		8,653,515	7,426,754
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)		5,261,730	4,726,571
19	6	Total Exposures Related to Off-Balance Sheet Transactions	(D)	3,391,784	2,700,183
		Basel III Leverage Ratio on a Consolidated Basis			
20		The Amount of Capital (Tier 1 Capital)	(E)	2,736,717	2,758,167
21	8	Total Exposures	(F) = (A)+(B)+(C)+(D)	¥ 49,441,295	¥ 59,325,377
22		Basel III Leverage Ratio on a Consolidated Basis	(G) = (E)/(F)	5.53%	4.64%
		Basel III Leverage Ratio If Including Deposits Held with the Bank of Japan			
		Total Exposures	(F)	¥ 49,441,295	
		Deposits Held with the Bank of Japan		16,231,435	
		Total Exposures If Including Deposits Held with the Bank of Japan	(F')	65,672,730	
		Basel III Leverage Ratio If Including Deposits Held with the Bank of Japan	(H) = (E)/(F')	4.16%	

Note: SuMi TRUST Holdings received a certain procedure by KPMG AZSA LLC of the calculation of the Basel III leverage ratio in line with "Practical Guidance on Agreed-Upon Procedures Engagement for Capital Adequacy Ratio and Leverage Ratio Calculation" (Practical Guidance 4465 for Specialized Business of the Japanese Institute of Certified Public Accountants, August 27, 2019).
The certain procedure is not part of the audit of the consolidated financial statements or the audit of the internal control over the financial reporting but was conducted by the external auditor on the agreed-upon scope and under agreed-upon examination procedures, and is a report of the results presented to us. It thus does not represent an opinion or conclusion by the external auditor regarding the Basel III leverage ratio itself or parts of internal control over the procedure to calculate the ratio.

The key drivers of material changes observed from March 31, 2020 to March 31, 2021

Total exposures substantially decreased, due to the revision of calculation rule that current account with the Bank of Japan was excluded from total exposures, according to the Revision of Financial Services Agency Notification No.12, 2019 (effected on June, 2020).

Liquidity Coverage Ratio (LCR)

Consolidated

Quantitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a consolidated basis

	Items	Millions of Yen, %, the Number of Data			
		Fiscal Year 2020 4th Quarter		Fiscal Year 2020 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)		¥ 18,052,471		¥ 18,053,546
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 18,100,666	¥ 856,663	¥ 18,077,298	¥ 854,119
3	of which: Stable deposits	797,884	23,936	777,642	23,329
4	of which: Less stable deposits	8,296,160	832,727	8,268,214	830,790
5	Cash outflows related to unsecured wholesale funding	13,265,385	10,331,776	12,657,052	9,770,572
6	of which: Qualifying operational deposits	—	—	—	—
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	10,445,319	7,511,710	9,998,421	7,111,941
8	of which: Debt securities	2,820,066	2,820,066	2,658,631	2,658,631
9	Cash outflows related to secured funding, etc.		108,049		47,643
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	6,454,374	1,609,852	6,286,901	1,509,812
11	of which: Cash outflows related to derivative transactions, etc.	346,926	346,926	308,679	308,679
12	of which: Cash outflows related to funding programs	—	—	—	—
13	of which: Cash outflows related to credit and liquidity facilities	6,107,448	1,262,926	5,978,222	1,201,133
14	Cash outflows related to contractual funding obligations, etc.	449,626	247,003	358,270	227,375
15	Cash outflows related to contingencies	11,362,848	21,699	11,417,464	21,935
16	Total cash outflows		13,175,042		12,431,456
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	¥ 75,135	¥ —	¥ 222,683	¥ —
18	Cash inflows related to collection of loans, etc.	2,938,462	2,068,627	3,245,450	2,504,022
19	Other cash inflows	645,441	264,966	561,019	232,005
20	Total cash inflows	3,659,038	2,333,593	4,029,152	2,736,027
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation		¥ 18,052,471		¥ 18,053,546
22	Net cash outflows		10,841,449		9,695,429
23	Consolidated Liquidity Coverage Ratio (LCR)		166.5%		186.2%
24	The number of data used to calculate the average value		60		63

Qualitative Disclosure Items for the Liquidity Coverage Ratio (LCR) on a consolidated basis

(1) Items concerning fluctuations in the LCR over time

Our consolidated LCR has trended steadily for the most part in the past two years.

(2) Items concerning evaluation of the LCR level

Our consolidated LCR satisfies the regulated level (100%) as required under liquidity ratio regulations and the actual LCR is roughly in line with our initial forecast. Up ahead, we do not expect our LCR to deviate significantly from the current level.

(3) Items concerning the composition of totals for eligible high-quality liquid assets

The majority of our eligible high-quality liquid assets are reserve deposit held at central banks and sovereign bonds. There have been no material fluctuations in the composition of currencies, their types and locations. Furthermore, there has been no material difference between totals for eligible high-quality liquid assets and net cash outflows in major currencies.

(4) Other items concerning LCR

We apply neither the "treatment for qualifying operational deposit" nor the "additional collateral required to market valuation changes based on the scenario approach."

Furthermore, taking account of the impact to LCR, we are using month-end data in lieu of daily data for the consolidated subsidiary companies of minor importance with practical restrictions.