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 2023.

[Qualitative Disclosure Data: SuMi TRUST Holdings]

Sumitomo Mitsui Trust Holdings, Inc.

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

(1) Basic Policy on Risk Management

Sumitomo Mitsui Trust Group ("SuMi TRUST Group", hereinafter referred to as "the Group") follows a basic policy of accurately assessing risk conditions and implementing necessary measures through a series of risk management activities, including risk identification, evaluation, monitoring, control and mitigation, based on the Group's management policy and basic policy on the internal control system.

The Group's risk management framework encompasses the Risk Appetite Framework (please refer to (3) below) and is linked to functions organically within the Group.

(2) Risk Management System

1) Risk Governance System

For the group-wide risk governance system, the Group has developed a Three Lines of Defense system consisting of risk management by Individual Group 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]

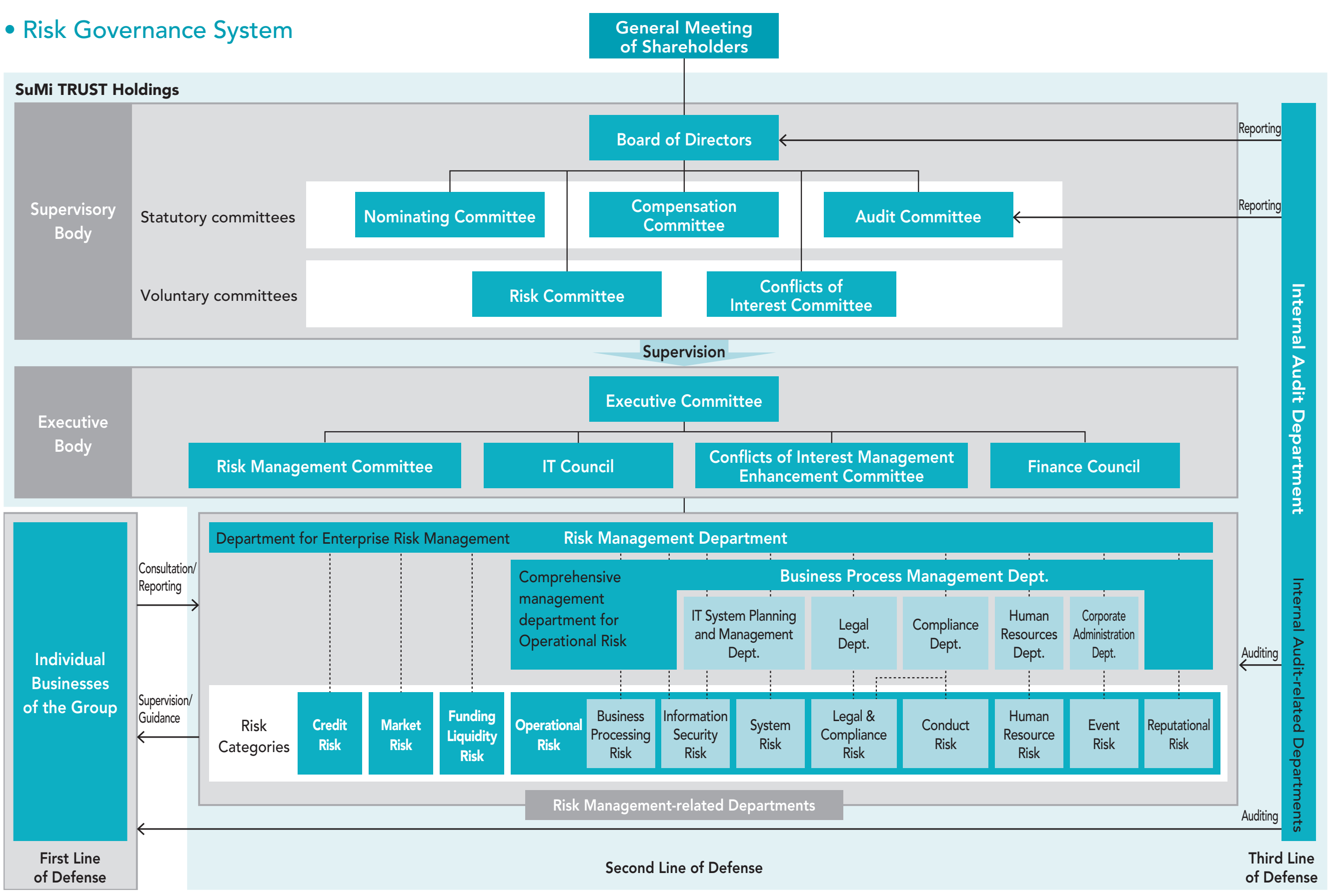
Each Group business identifies and gains an understanding of the risk characteristics involved in carrying out its own business, based on knowledge of the services and products in that business.

Each Group 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 that are outside of its risk appetite materialize. In addition, the status of risk management is reported to the second line of defense in a timely manner.

[Second Line of Defense]

In accordance with the Group-wide basic policy on risk management approved by the Board of Directors, as control departments responsible for the management of each risk category, the Risk Management Department and risk management-related departments perform a check and balance function for the risk taking of the first line of defense,

• Risk Governance System



and supervise and provide guidance regarding the risk governance system from an independent standpoint.

The Risk Management Department, as an enterprise risk management department identifies and evaluates group-wide risks, creates a risk management process, and sets risk limits. 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 audits 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.

[Board of Directors]

The Board of Directors is composed of all of the directors. It decides on the Group's management policy and strategic goals for risk taking of the Group, formulates a risk management policy, etc. that reflects these strategic goals based on a solid understanding of where and what risks exist, 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 Group.

[Risk Committee]

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

2) Risk Management Process

In the 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 Group are comprehensively identified, while ensuring the comprehensiveness of the Group's operations and the risks to be managed are identified based on the size and characteristics of the identified risks. Among those risks, risks that are particularly important are managed as material risks.

[Risk Evaluation]

The risks identified as requiring management undergo analysis, evaluation, and measurement in a manner appropriate for the scale, characteristics, and risk profiles of each of the Group's businesses. Among those risks, 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).

[Risk Monitoring]

After setting KRIs*1 and other indicators, risk conditions are monitored with appropriate frequency, given the conditions of the Group's internal environment (risk profiles, allocated capital usage status, etc.) and external environment (economy, markets, etc.). Recommendations, guidance, and advice are given to each of the Group's businesses based on the risk conditions. Monitoring results are reported and submitted to the Board of Directors, the Executive Committee, and other bodies regularly or as needed*2.

*1 KRI: Key Risk Indicator

*2 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 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 events that could have a significant impact on the soundness of management occurs, such as the risk amounts exceeding the acceptable range of risk appetite or 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 according to the severity of the risk.

[Risk predictor management for top risks, etc.]

We select top risks, emerging risks, and others, based on the features of the business model and risk characteristics of the Group.

We set risk appetite indicators for risks resulting from internal factors and early warning indicators for risks resulting from external factors for monitoring purpose.

■ Main top risks and emerging risks

Risks related to falling prices for strategic shareholdings, etc.
Risks related to concentration of credit in major obligors in the credit portfolio
Risks related to cyber attacks
Risks related to climate change
Risks related to the manifestation of geopolitical risk (e.g., Ukraine crisis)
Risks related to innovation
Risks related to Japan's declining birthrate and aging population

(3) Risk Appetite

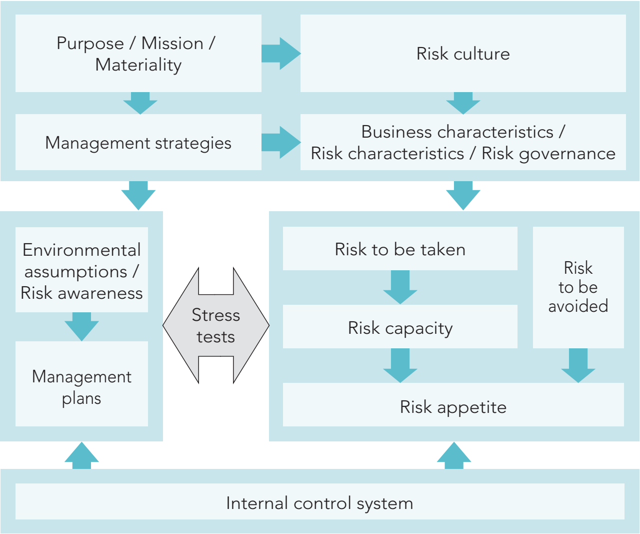
1) Outline of the Risk Appetite Framework

The Risk Appetite Framework is a group-wide corporate management framework consisting of the process for determining risk appetite within the Group's risk capacity, together with an internal control system that monitors the process and ensures its appropriateness and sufficiency, in order to achieve management strategies formulated based on the Group's Purpose, Mission, Materiality and others.

With the primary objective of balancing improvement in profitability with enhancement of risk management, the Group's Risk Appetite Framework establishes communication processes through the setting, propagation, and monitoring of risk appetite and promotes the improvement of transparency in the decision-making process, the optimization of the allocation of management resources, and the strengthening of the monitoring system for risk-taking overall.

Through the above, the Group is promoting the enhancement of risk governance, which forms a part of corporate governance, with the aim to achieve sound and sustainable development through the value creation process by implementing and upgrading the Risk Appetite Framework.

• Overview of the Risk Appetite Framework



2) Risk Appetite Operation

A. Determining Risk Appetite Target

The Group classifies risks into two categories: (1) risks to be taken (that occurs in relation to activities that generate returns) and (2) risks to be avoided (such as conduct risk that cannot be tolerated by the Group).

Under the Group's Risk Appetite Framework, the Board of Directors establishes a risk-taking policy, based on the Purpose and others, and sets risk appetite indicators taking the results of stress tests into account. In addition, the Executive Committee sets a detailed risk-taking policy and risk appetite indicators for each business type within the scope of the policy set by the Board of Directors. The Group maintains the Risk Appetite Statement to clarify the overall picture, policy, and indicators of the Risk Appetite Framework.

The risk-taking policy and risk appetite indicators are determined in a manner consistent with the management plan, and are reviewed at least once a year or when necessary.

B. Risk Appetite Monitoring

The Group sets risk appetite indicators from the three perspectives of return, risk, and cost, and regularly monitors and verifies that risk taking is conducted appropriately.

In addition, we set risk appetite indicators for each materiality to monitor actions to address material issues in order to ensure that the value creation process is functioning appropriately, and that financial and non-financial capital are circulating.

If the risk appetite indicators deviate from the set levels, the Group analyzes the cause and implements countermeasures or reconsiders the levels of risk taking.

(4) Fostering and Instilling a Risk Culture

The Group defines risk culture as a basic philosophy that prescribes the codes, attitudes, and conduct of the Group's organizations, as well as its directors, officers, and employees, that flexibly execute risk taking, risk management, and risk control based on an appropriate assessment of risks, guided by a high degree of self-discipline based on a fiduciary spirit.

We define risk-taking policies for each Group business when formulating its management plan, and encourage appropriate risk-taking by all directors, officers and employees.

In this way, the Group aims to build sustainable business models that contribute to enhancing corporate value and stakeholder value, and strives to get risk culture understood and embraced through e-Learning and discussion-based training, etc., to foster risk culture and get it rooted across the Group.

(5) Risk Characteristics

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

Each of the Group's businesses faces various risks, including credit risk, market risk, funding liquidity risk, and operational risk, depending on its business characteristics.

In this context, as a basis for improving management of risks related to trust business operations, we have established the Group-wide Trust Business Guidelines to provide information about basic matters that warrant caution. SuMi TRUST Bank primarily manages these risks in the operational risk category, particularly in terms of its duty of due care as a prudent manager, duty of loyalty, and duty to segregate property as a trustee.

With regards to conduct risk as well, SuMi TRUST Bank, which is the core of the Group, periodically assesses the status of major risks and strives to promote and foster awareness among directors, officers and employees through internal training, etc., thereby reducing and managing risks and preventing them from materializing.

• 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 and 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 and 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.

(6) Enterprise Risk Management

1) Enterprise Risk Management System

We manage risks by comprehensively ascertaining the risks faced by the Group, which are evaluated on an individual risk category basis, and comparing and contrasting them against our corporate strength i.e. capital adequacy (enterprise risk management).

We evaluate the effectiveness of our risk management and risk control annually, and when a 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 aggregate risks that can be quantitatively measured using a single yardstick, such as VaR*, and compare aggregated risk value against our corporate strength i.e. capital adequacy, thereby managing risks (integrated risk management).

*VaR: Value at Risk

• Overview of Risk Measurement Approaches in Integrated Risk Management

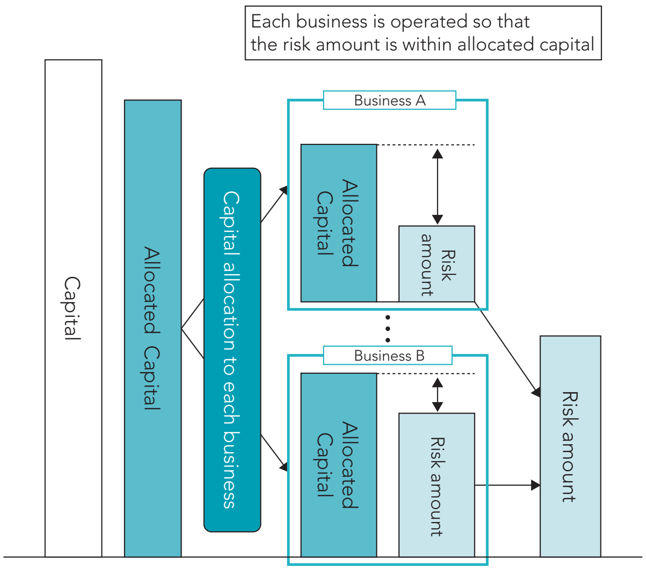
Risk category	Main scope	Main measurement approaches
Credit risk	Assets such as loans and bills discounted (including off-balance transactions)	Monte Carlo Simulation Method
Market risk	Risks related to trading accounts, banking accounts' interest rates, foreign exchange, stocks, commodities, and credit 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 the Group's capital allocation operations, SuMi TRUST Holdings allocates capital to each Group business for 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 level. 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 Group business is operated within both the allocated amount of risk capital and its risk appetite. The Risk Management Department measures risk amounts on a monthly basis, and reports regularly on the risk status, 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.

(7) 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 ratio regulations, for improving the quality and amount of capital, strengthening risk identification, etc.

In this context, as part of the Group's efforts to advance its risk management, we have been applying Advanced Measurement Approach to operational risks since the end of March 2014 and 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, liquidity coverage ratio was added to the first pillar at the end of March 2015 as part of the liquidity ratio regulations, followed by leverage ratio at the end of March 2019 and net stable funding ratio at the end of September 2021 as part of the liquidity ratio regulations. The Group complies with these regulations.

Moreover, in December 2015, the 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.

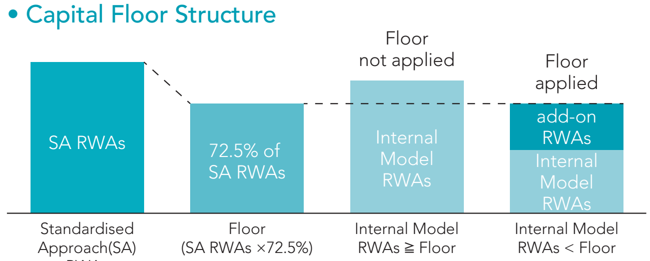
Financial institutions subject to international standards in Japan will be required to introduce the finalized Basel III framework in 2024. In April 2022, the Notification of Financial Services Agency that defines regulatory standards in Japan was announced. The Group will therefore continue to improve its risk management structure in preparation for the introduction of the new regulations by establishing a risk-asset calculation system compliant with the new regulatory requirements and by considering a portfolio management methodology based on appropriate profitability control, among other measures.

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

Exposures		Current Standards	New Standards
Equity		Advanced or Foundation IRB Approach	Standardised Approach
Financial Institution			Foundation IRB Approach
Corporate	Large corporate		
	Small and medium-sized corporate		Advanced or Foundation IRB Approach
Specialised Lending (e.g. Real estate non-recourse loan)			

• 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. After the introduction of the new regulations described above, the contents of our disclosures will be further enhanced.

(8) Crisis Management

The Group strives to develop systems to swiftly and appropriately implement measures in the event of disasters, large-scale 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.

In the event of a crisis, an emergency response headquarters led by the President will be established to ensure the safety of our clients, directors, officers, employees, and their families as a top priority.

Further, we have BCPs (business continuity plans) in place to continue to provide services in the event of a crisis. In order to ensure the effectiveness of our BCPs, we periodically conduct exercises and revise their content.

In particular, we have been working to develop and enhance alternative systems, such as backup offices and backup systems, to prepare for large-scale disasters. In order to prepare for the outbreak and spread of new infectious diseases, we are striving to prevent the spread of infection and maintain our functions as a social infrastructure by using our experience in dealing with the COVID-19 pandemic such as further enhancing and utilizing the teleworking environments, etc.

We have designated addressing cyberattacks, which are causing damage throughout society, as a top risk, and we are planning and promoting our cyber security measures at the initiative of management through the formulation of the "Cyber Security Management Declaration."

- We have established SuMiTRUST-CSIRT* as a specialized organization for cybersecurity measures, and have built a management framework that collects and analyzes threat and vulnerability information from within and outside the Group, plans and implements security measures, and reports to management. We are also promoting the upgrading of security measures through security review meetings and our IT Council, as well as by utilizing outside expertise.
- The Group has established internal rules and regulations based on U.S. security standards, and has developed processes for responding to cyberattacks both in normal times and in emergency situations.
- In addition to conducting cybersecurity risk assessments and system vulnerability assessments on a regular basis for the Group, including its subsidiaries and affiliates, we are promoting the standardization of cybersecurity rules and regulations to enhance and standardize the cybersecurity framework for the Group as a whole.

* CSIRT (Computer Security Incident Response Team): In-house organization that collects, analyzes, and responds to early warning information about attacks.

2. Credit Risk Management

(1) Definition of Credit Risk

Credit risk is defined as the "risk resulting in losses incurred by the 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 Group in performing banking operations.

Major risk among the credit risks for the 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 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 assets specific to industries, etc.

(3) Credit Risk Management Policy

The basic policy of the 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 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

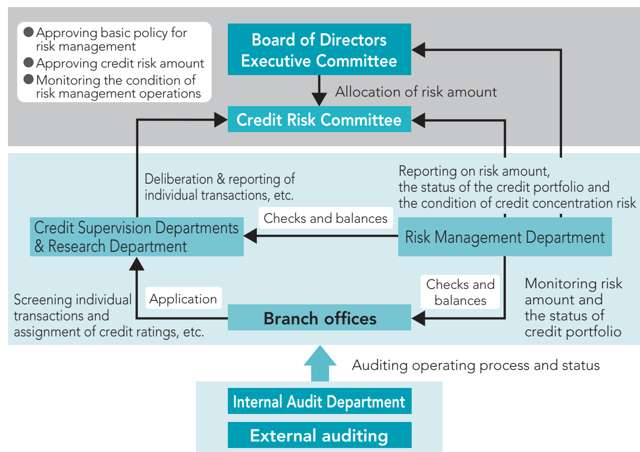
In addition to supervising credit risk management of the entire Group, SuMi TRUST Holdings also works to maintain and establish the systems at each of the Group companies. SuMi TRUST Bank, which is the Group's core bank, maintains the risk management system at the consolidated and global levels in order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

B. Asset Assessment

Asset assessment signifies the classification of the contents of the 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

• 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	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 / Restructured debt	Obligor with debt past due three or more months and / or restructured debt			Claims against Sub-Performing Obligors with Delinquent/ Restructured Debt Substandard Claims	Claims against Sub-Performing Obligors with Delinquent/ Restructured Debt 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	Doubtful Claims
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 and substantially bankrupt Claims
		Bankrupt / Insolvent Obligor	Obligor entering corporate reorganization, liquidation or other statutory procedures				

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

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 138 "(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" above, they are aggregated according to the obligor categorizations through asset assessment.

Most of the overdue loans with a delinquency period of three months or more are classified as "Doubtful Claims" or lower based on the Financial Revitalization Act. However, loans that are delinquent for up to roughly six months are not necessarily classified as "Doubtful Claims" or lower if there is little concern that the delinquency period will lengthen.

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.

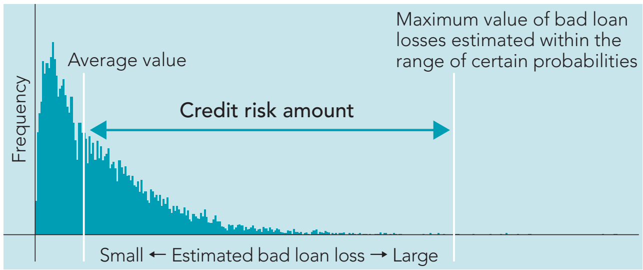
Based on our various client management systems, we micro-manage the credit conditions, credit balance, trading conditions, etc., of each clients.

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 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.

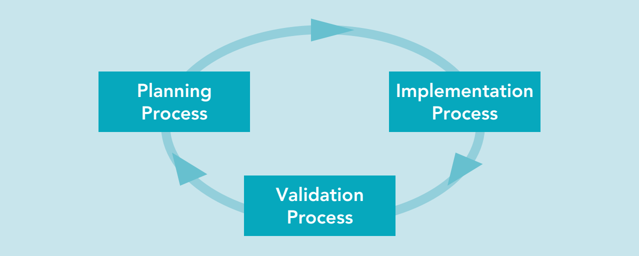
The credit rating system is broadly classified into the Japanese rating system (Japanese credit rating) and the Non-Japanese rating system (Non-Japanese credit rating), and each system comprises obligor ratings that reflect the PD of ordinary corporations; structured ratings that show the potentiality 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 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 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 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 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 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 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 2023, 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 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."

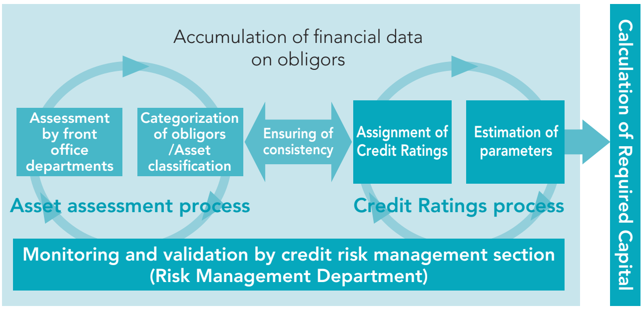
[Second Step] Estimation of Parameters

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 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 Group applies to each asset class are shown on page 231.

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 233.

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 233

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

Approach method	Asset Class[*1]			EAD ratio[*2]		Calculation method of credit risk-weighted assets	Assignment of credit ratings, etc.[*3]
			Sub-class	1)	2)		
Internal Ratings-based Approach	Corporate Exposures, etc.	Corporate Exposures	—	29%	30%	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	1%	1%	Supervisory Slotting Criteria Approach	
		Sovereign Exposures	—	37%	38%	Supervisory Formula	Obligor Ratings, Facility Ratings
		Financial Institution Exposures	—	1%	1%	Supervisory Formula	Obligor Ratings, Facility Ratings
	Retail Exposures		Residential mortgage exposures	16%	16%	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 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 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 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

SuMi TRUST Bank, the core bank of the 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 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 this 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 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

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.

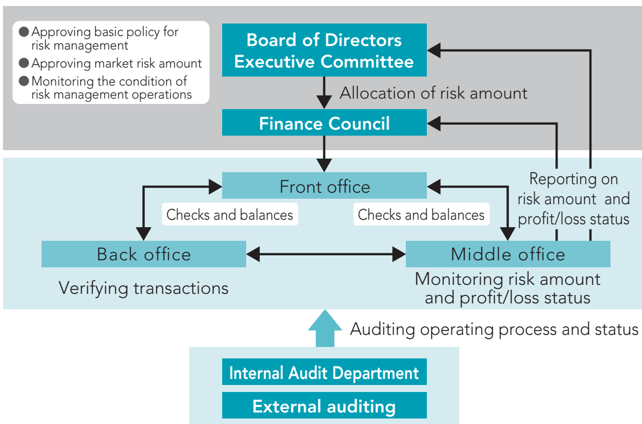
SuMi TRUST Bank develops the Asset Liability Management (ALM)* basic plan that covers comprehensive risk operation and management of assets and liabilities from the viewpoints of the entire company and a risk management plan concerning market risk and funding liquidity risk once in six months at the Finance Council, 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 Finance Council 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 Finance Council 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 Finance Council, 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 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.

In the case of both SuMi TRUST Holdings (consolidated) and SuMi TRUST Bank (consolidated and non-consolidated), ΔEVE is maximized with "steepener" (this result has not changed from the previous 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 Finance Council, 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 Finance Council.

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 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 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 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 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 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 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 Group, clients, markets, financial infrastructure, society, or the work environment due to inadequate or failed business processes, the activities of executives and employees, computer systems, or due to external events. The 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 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 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 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 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 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 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 Group's operations, and products and services that the 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

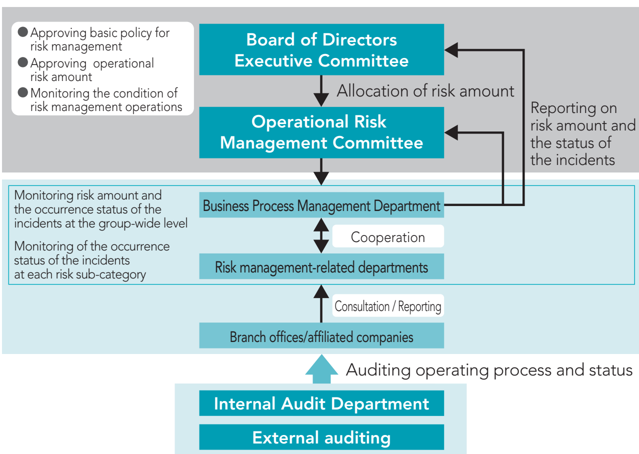
The Group is striving to create a system related to operational risk management of each Group company based on the basic policy on operational risk management of the entire Group.

At SuMi TRUST Bank, which is the core bank of the Group, policies related to the operational risk management system and other important matters including plans, 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 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 executives and employees, 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 Group may incur losses due to inappropriate business procedures arising from executives and 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 Group recognizes that business processing risk is something unavoidable in the course of business execution. The 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 an operational 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 Group may incur losses due to such reasons as computer system failure, malfunctions and defects, as well as the risk that the Group may incur losses due to unauthorized use of computers.

Since computer systems are vital for the 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 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 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 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 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 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 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 Group
External loss data	Information on operational risk losses collected from the outside of the Group
Business environment and internal control status	An element affecting operational risk and relating to the business environment and internal control status of the 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 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.

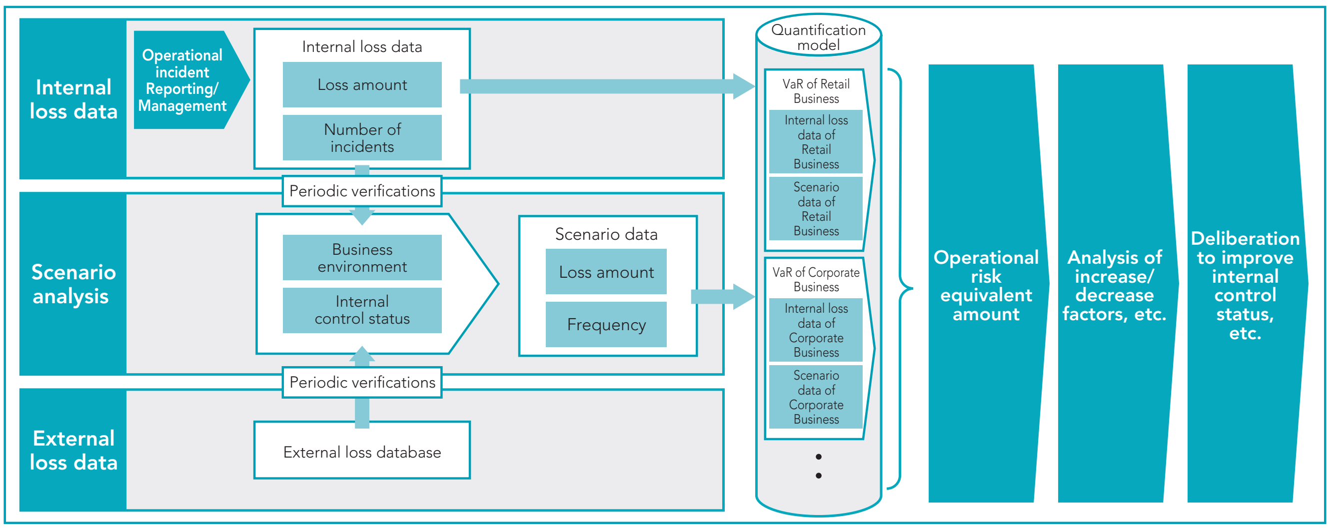
C. Measurement Model for Operational Risk Amount

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.

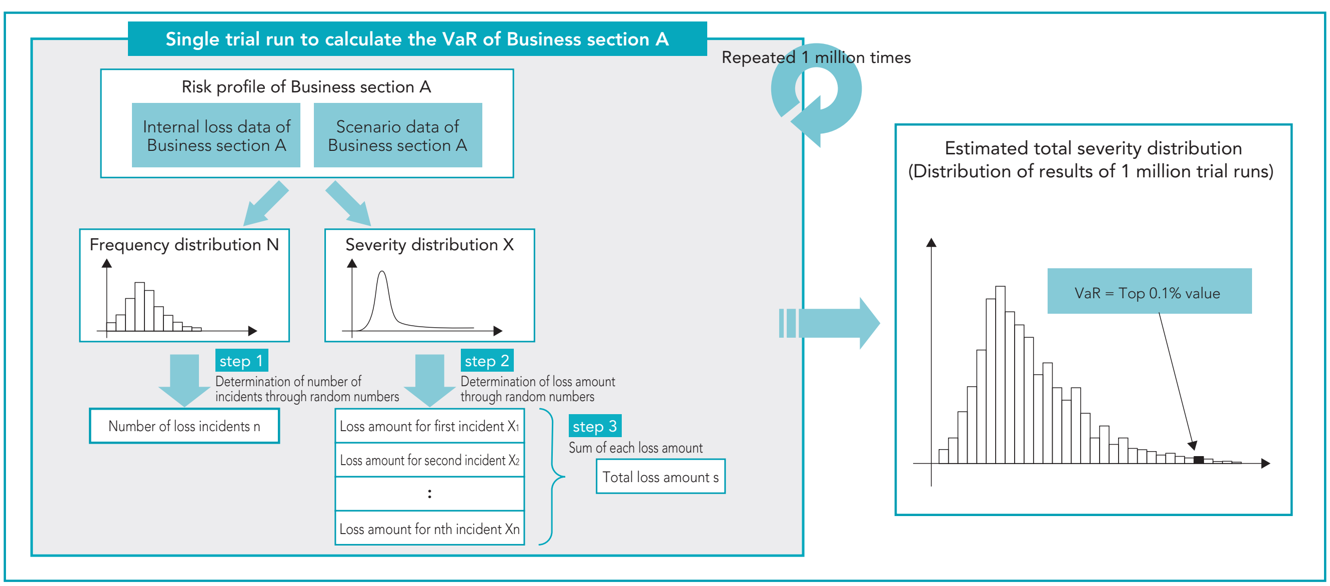
The Poisson distribution has been applied to the frequency distribution, and our own distribution method has been applied to severity distribution in order to grasp the amount of tail risk.

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 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 Group places emphasis on substantial effectiveness of guarantees by confirming the guarantor's capacity and intention of guarantee. The guarantees that the 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 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 2023, 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 Group, although guarantees on obligors are offered by their respective parent companies in many cases, this is not always significantly inclined for specific guarantors. SuMi TRUST Bank, which is the core bank of the 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 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 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 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 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 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 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 Group's overall exposure is currently low, and we have recognized that the impact is limited.

3) Compliance with Capital Regulatory Standards

The 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 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 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 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 Group manages resecuritised products in the same manner.

B. Originator

The Group will consider using securitisation transactions, which are originated by the 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 Group bears after implementation of securitisation. Securitised products originated by the Group are held by investors outside the Group and are not held by the 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 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 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 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 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 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 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 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 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 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 2023, the valuation of the equity securities in the Group's consolidated financial statements is determined as follows: Equity securities issued by unconsolidated subsidiaries and affiliated companies not accounted for by the equity method are stated at moving-average cost. "Available-for-Sale Securities" are valued at the market price (cost of securities sold is calculated using primarily the moving-average method). Equity securities with no market prices 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.

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, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	¥ 2,509,770	¥ 2,488,849	¥ 2,478,725	¥ 2,514,599	¥ 2,480,157
2	Tier 1	2,793,511	2,770,846	2,760,252	2,796,283	2,761,527
3	Total capital	3,081,287	3,070,609	3,091,460	3,163,929	3,144,436
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	23,256,895	22,684,414	22,293,002	20,732,714	20,135,316
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio	10.79%	10.97%	11.11%	12.12%	12.31%
6	Tier 1 ratio	12.01%	12.21%	12.38%	13.48%	13.71%
7	Total capital ratio	13.24%	13.53%	13.86%	15.26%	15.61%
	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	0.03%	0.02%	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	3.03%	3.02%	3.00%	3.00%	3.00%
12	CET1 available after meeting the bank's minimum capital requirements	5.24%	5.53%	5.86%	7.26%	7.61%
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	52,117,307	52,208,484	53,780,647	52,870,097	51,876,951
14	Basel III leverage ratio	5.36%	5.30%	5.13%	5.28%	5.32%

KM1 Basel III Template No.		Millions of Yen, %				
		a	b	c	d	e
		Fiscal Year 2022 4th Quarter	Fiscal Year 2022 3rd Quarter	Fiscal Year 2022 2nd Quarter	Fiscal Year 2022 1st Quarter	Fiscal Year 2021 4th Quarter
	Consolidated Liquidity Coverage Ratio (LCR)					
15	Total HQLA allowed to be included in the calculation	¥ 19,451,554	¥ 19,347,711	¥ 19,092,731	¥ 18,252,532	¥ 17,729,217
16	Net cash outflows	14,058,935	13,043,191	12,770,595	12,501,166	11,018,789
17	Consolidated LCR	138.3%	148.3%	149.5%	146.0%	160.8%
	Consolidated Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	36,384,855	36,047,995	36,508,303	36,164,445	35,985,670
19	Total required stable funding	31,662,323	31,526,581	32,024,750	31,018,596	30,784,893
20	Consolidated NSFR	114.9%	114.3%	114.0%	116.5%	116.8%

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 2023, 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 "SuMi TRUST Holdings Group") and the companies included in the scope of accounting consolidation.

(2) The number of consolidated subsidiaries that belong to SuMi TRUST Holdings Group is 58. 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 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		2023	2022	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		**¥ 2,547,791**	¥ 2,483,781	
1a	of Which: Capital Stock and Capital Surplus		**807,755**	837,723	
2	of Which: Retained Earnings		**1,803,002**	1,682,519	
1c	of Which: Treasury Stock (Deduction)		**22,933**	2,714	
26	of Which: Earnings to be Distributed (Deduction)		**40,033**	33,747	
	of Which: Others		**—**	—	
1b	Subscription Rights to Common Shares		**945**	1,006	
3	Accumulated Other Comprehensive Income		**204,259**	198,028	(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)	**2,752,995**	2,682,815	
	Common Equity Tier 1 Capital: Regulatory Adjustments				
8+9	Intangible Assets Other than Mortgage Servicing Rights (Net of Related Deferred Tax Liabilities)		**122,286**	123,049	
8	of Which: Goodwill (Including Those Equivalent)		**46,042**	56,025	
9	of Which: Other Intangible Assets		**76,243**	67,024	
10	Deferred Tax Assets That Rely on Future Profitability Excluding Those Arising from Temporary Differences (Net of Related Deferred Tax Liabilities)		**427**	653	
11	Deferred Gains or Losses on Derivatives under Hedge Accounting		**(49,287)**	(62,022)	
12	Shortfall of Eligible Provisions to Expected Losses		**—**	—	
13	Securitisation Gain on Sale		**925**	1,344	
14	Gains and Losses Due to Changes in Own Credit Risk on Fair Valued Liabilities		**7,454**	6,253	
15	Defined-Benefit Pension Fund Net Assets (Assets for Retirement Benefits) (Net of Related Deferred Tax Liabilities)		**161,380**	133,350	
16	Investments in Own Shares (Excluding Those Reported in the Net Assets Section)		**37**	29	
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)	**243,224**	202,658	
	Common Equity Tier 1 Capital (CETI)				
29	Common Equity Tier 1 Capital	(C) = (A)–(B)	**¥ 2,509,770**	¥ 2,480,157	

CC1
As of March 31

Basel III Template No.		Items		Millions of Yen, % a 2023	b 2022	c 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	270,000	
		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)		13,750	11,380	
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)	283,750	281,380	
		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		10	10	
42		Regulatory Adjustments Applied to Additional Tier 1 Due to Insufficient Tier 2 to Cover Deductions		—	—	
43		Additional Tier 1 Capital: Regulatory Adjustments	(E)	10	10	
		Additional Tier 1 Capital (AT1)				
44		Additional Tier 1 Capital	(F) = (D) – (E)	283,740	281,370	
		Tier 1 Capital (T1 = CET1 + AT1)				
45		Tier 1 Capital	(G) = (C) + (F)	2,793,511	2,761,527	
		Tier 2 Capital: Instruments and Provisions				
46		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		270,630	339,855	
		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)		3,049	2,163	
47+49		Eligible Tier 2 Capital Instruments Subject to Phase out from Tier 2 Capital		—	—	
47		of Which: Directly Issued and Issued by Special Purpose Vehicles		—	—	
49		of Which: Issued by Subsidiaries		—	—	
50		Provisions Allowed in Group Tier 2		15,635	42,429	
50a		of Which: General Allowance for Credit Losses		3,525	3,050	
50b		of Which: Excess Amount of Eligible Provisions to Expected Losses		12,110	39,379	
51		Tier 2 Capital: Instruments and Provisions	(H)	¥ 289,316	¥ 384,448	

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

CC1 As of March 31 Basel III Template No.	Items		Millions of Yen, % a 2023	b 2022	c 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)	287,776	382,908	
	Total Capital (TC = T1 + T2)				
59	Total Capital	(K) = (G) + (J)	3,081,287	3,144,436	
	Total Risk Weighted Assets				
60	Total Risk Weighted Assets	(L)	23,256,895	20,135,316	
	Capital Ratios and Buffers (Consolidated)				
61	Common Equity Tier 1 Capital Ratio	(C)/(L)	10.79%	12.31%	
62	Tier 1 Capital Ratio	(G)/(L)	12.01%	13.71%	
63	Total Capital Ratio	(K)/(L)	13.24%	15.61%	
64	Total of bank CET1 specific buffer requirements		3.03%	3.00%	
65	of Which: Capital conservation buffer requirement		2.50%	2.50%	
66	of Which: Countercyclical buffer requirement		0.03%	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		5.24%	7.61%	
	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)		179,145	105,325	
73	Significant Investments in the Common Stock of Banking, Financial and Insurance Entities (Amount below the Thresholds for Deduction)		177,753	191,918	
74	Mortgage Servicing Rights (Amount below the Thresholds for Deduction)		—	—	
75	Deferred Tax Assets Arising from Temporary Differences (Amount below the Thresholds for Deduction)		46,719	56,165	
	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)		3,525	3,050	
77	Cap on Inclusion of Provisions in Tier 2 under Standardised Approach		14,764	13,252	
78	Provisions Eligible for Inclusion in Tier 2 in Respect of Exposures Subject to Internal Ratings-Based Approach (Prior to Applicable of Cap)		12,110	39,379	
79	Cap on Inclusion of Provisions in Tier 2 under Internal Ratings-Based Approach		111,059	96,874	
	Capital Instruments Subject to Phase out Arrangements				
82	Current Cap on Additional Tier 1 Instruments Subject to Phase out Arrangements		—	—	
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	Amount Excluded from Tier 2 Due to Cap (Excess over Cap after Redemptions and Maturities)		¥ —	¥ —	

Note: SuMi TRUST Holdings' consolidated capital adequacy ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).
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 2022

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	¥ 21,602,473		
Call Loans and Bills Bought	24,006		
Receivables under Resale Agreements	110,003		
Receivables under Securities Borrowing Transactions	436,093		
Monetary Claims Bought	970,058		
Trading Assets	1,514,603		
Money Held in Trust	16,136		7–a
Securities	6,933,067		3–b, 7–b
Loans and Bills Discounted	31,810,926		7–c
Foreign Exchanges	47,445		
Lease Receivables and Investment Assets	688,933		
Other Assets	3,839,561		7–d
Tangible Fixed Assets	222,588		
Intangible Fixed Assets	130,969		3–a
Assets for Retirement Benefits	232,625		4
Deferred Tax Assets	10,729		5–a
Customers' Liabilities for Acceptances and Guarantees	562,523		
Allowance for Loan Losses	(129,998)		
Total Assets	¥ 69,022,746		

CC2	a	c	d
Items	Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)			
Deposits	¥ 35,387,287		
Negotiable Certificates of Deposit	7,461,005		
Call Money and Bills Sold	1,912,878		
Payables under Repurchase Agreements	1,030,780		
Trading Liabilities	1,472,636		
Borrowed Money	6,039,543		9–a
Foreign Exchanges	847		
Short-term Bonds Payable	2,332,377		
Bonds Payable	2,501,760		9–b
Borrowed Money from Trust Account	4,332,472		
Other Liabilities	3,038,112		7–e
Provision for Bonuses	19,136		
Provision for Directors' Bonuses	402		
Provision for Stocks Payment	1,064		
Liabilities for Retirement Benefits	13,720		
Provision for Reward Points Program	21,282		
Provision for Reimbursement of Deposits	3,028		
Provision for Contingent Losses	1,344		
Deferred Tax Liabilities	65,585		5–b
Deferred Tax Liabilities for Land Revaluation	2,381		5–c
Acceptances and Guarantees	562,523		
Total Liabilities	66,200,172		
(Net Assets)			
Capital Stock	261,608		1–a
Capital Surplus	546,146		1–b
Retained Earnings	1,803,002		1–c
Treasury Stock	(22,933)		1–d
Total Shareholders' Equity	2,587,824		
Valuation Differences on Available-for-Sale Securities	258,240		
Deferred Gains (Losses) on Hedges	(48,470)		6
Revaluation Reserve for Land	(6,855)		
Foreign Currency Translation Adjustments	24,531		
Adjustments for Retirement Benefits	(23,187)		
Total Accumulated Other Comprehensive Income	204,259	(a)	
Subscription Rights to Shares	945		2
Non-controlling Interests	29,545		8
Total Net Assets	2,822,574		
Total Liabilities and Net Assets	¥ 69,022,746		

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

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

(Appendix)

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	546,146		1–b
Retained Earnings	1,803,002		1–c
Treasury Stock	(22,933)		1–d
Total Shareholders' Equity	¥ 2,587,824		

(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	¥ 2,587,824	Shareholders' Equity Attributable to Common Shares (before Adjusting National Specific Regulatory Adjustments (Earnings to be Distributed))	
of Which: Capital Stock and Capital Surplus	807,755		1a
of Which: Retained Earnings	1,803,002		2
of Which: Treasury Stock (Deduction)	22,933		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	¥ 945		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	945		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 945		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	¥ 130,969		3–a
Securities	6,933,067		3–b
of Which: Goodwill Arising on the Application of the Equity Method	24,316		
Associated Deferred Tax Liabilities	32,999		

(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)	¥ 46,042		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	76,243	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	¥ 232,625		4
Associated Deferred Tax Liabilities	71,244		

(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)	¥ 161,380		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 10,729		5–a
Deferred Tax Liabilities	65,585		5–b
Deferred Tax Liabilities for Land Revaluation	2,381		5–c
Associated Intangible Fixed Assets	32,999		
Associated Assets for Retirement Benefits	71,244		

(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)	¥ 427	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)	46,719	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)	46,719		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	¥ (48,470)		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	¥ (49,287)	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.
Money Held in Trust	¥ 16,136		7–a
Securities	6,933,067		7–b
Loans and Bills Discounted	31,810,926	Including Subordinated Debts	7–c
Other Assets	3,839,561	Including derivatives	7–d
Other Liabilities	¥ 3,038,112	Including derivatives	7–e

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Investments in Own Capital	¥ 37		
Common Equity Tier 1 Capital	37		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	179,145		
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)	179,145		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	179,303		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	177,753		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 29,545		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)	13,750	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)	3,049	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	¥ 6,039,543		9–a
Bonds Payable	2,501,760		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	270,630		46

Fiscal Year 2021

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	¥ 18,223,364		
Call Loans and Bills Bought	5,000		
Receivables under Resale Agreements	150,741		
Receivables under Securities Borrowing Transactions	652,534		
Monetary Claims Bought	854,093		
Trading Assets	967,565		
Money Held in Trust	16,308		
Securities	7,879,235		3–b, 7–a
Loans and Bills Discounted	30,876,507		7–b
Foreign Exchanges	29,494		
Lease Receivables and Investment Assets	688,141		
Other Assets	3,354,333		7–c
Tangible Fixed Assets	224,535		
Intangible Fixed Assets	125,667		3–a
Assets for Retirement Benefits	192,223		4
Deferred Tax Assets	15,613		5–a
Customers’ Liabilities for Acceptances and Guarantees	541,228		
Allowance for Loan Losses	(163,369)		
Total Assets	¥ 64,633,220		

CC2	a	c	d
Items	Consolidated Balance Sheet (Millions of Yen)	Ref. No. of Composition of Capital	Ref. No. of Appendix
(Liabilities)			
Deposits	¥ 33,230,162		
Negotiable Certificates of Deposit	6,587,944		
Call Money and Bills Sold	799,524		
Payables under Repurchase Agreements	1,485,033		
Trading Liabilities	906,686		
Borrowed Money	7,153,498		9–a
Foreign Exchanges	1,275		
Short-term Bonds Payable	2,387,553		
Bonds Payable	2,076,604		9–b
Borrowed Money from Trust Account	4,298,827		
Other Liabilities	2,312,326		7–d
Provision for Bonuses	21,087		
Provision for Directors' Bonuses	181		
Provision for Stocks Payment	732		
Liabilities for Retirement Benefits	13,553		
Provision for Reward Points Program	19,965		
Provision for Reimbursement of Deposits	3,626		
Provision for Contingent Losses	1,649		
Deferred Tax Liabilities	44,081		5–b
Deferred Tax Liabilities for Land Revaluation	2,388		5–c
Acceptances and Guarantees	541,228		
Total Liabilities	61,887,931		
(Net Assets)			
Capital Stock	261,608		1–a
Capital Surplus	576,114		1–b
Retained Earnings	1,682,519		1–c
Treasury Stock	(2,714)		1–d
Total Shareholders' Equity	2,517,528		
Valuation Differences on Available-for-Sale Securities	277,617		
Deferred Gains (Losses) on Hedges	(42,759)		6
Revaluation Reserve for Land	(6,839)		
Foreign Currency Translation Adjustments	12,719		
Adjustments for Retirement Benefits	(42,708)		
Total Accumulated Other Comprehensive Income	198,028	(a)	
Subscription Rights to Shares	1,006		2
Non-controlling Interests	28,725		8
Total Net Assets	2,745,288		
Total Liabilities and Net Assets	¥ 64,633,220		

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

(Appendix)

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	1,682,519		1–c
Treasury Stock	(2,714)		1–d
Total Shareholders' Equity	¥ 2,517,528		

(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	¥ 2,517,528	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	1,682,519		2
of Which: Treasury Stock (Deduction)	2,714		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	¥ 1,006		2
of Which: Subscription Rights to Shares Issued by the Bank Holding Company	1,006		

(2) Composition of capital

Items in the Composition of Capital	Amount (Millions of Yen)	Remarks	Basel III Template No.
Subscription Rights to Common Shares	¥ 1,006		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	¥ 125,667		3–a
Securities	7,879,235		3–b
of Which: Goodwill Arising on the Application of the Equity Method	26,515		
Associated Deferred Tax Liabilities	29,133		

(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)	¥ 56,025		8
Other Intangible Assets (Net of Related Deferred Tax Liabilities)	67,024	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	¥ 192,223		4
Associated Deferred Tax Liabilities	58,872		

(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)	¥ 133,350		15

5. Deferred tax assets

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Deferred Tax Assets	¥ 15,613		5–a
Deferred Tax Liabilities	44,081		5–b
Deferred Tax Liabilities for Land Revaluation	2,388		5–c
Associated Intangible Fixed Assets	29,133		
Associated Assets for Retirement Benefits	58,872		

(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)	¥ 653	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)	56,165	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)	56,165		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	¥ (42,759)		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	¥ (62,022)	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	¥ 7,879,235		7–a
Loans and Bills Discounted	30,876,507	Including Subordinated Debts	7–b
Other Assets	3,354,333	Including derivatives	7–c
Other Liabilities	¥ 2,312,326	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	¥ 29		
Common Equity Tier 1 Capital	29		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	105,325		
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)	105,325		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	193,468		
Amount above the 10% Threshold on the Specified Items	—		19
Amount exceeding the 15% Threshold on the Specified Items	—		23
Additional Tier 1 Capital	10		40
Tier 2 Capital and Other TLAC Liabilities	1,540		55
Amount below the Thresholds for Deduction (before risk weighting)	191,918		73

8. Non-controlling Interests

(1) Consolidated balance sheet

Consolidated Balance Sheet Items	Amount (Millions of Yen)	Remarks	Ref. No.
Non-controlling Interests	¥ 28,725		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)	11,380	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)	2,163	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	¥ 7,153,498		9–a
Bonds Payable	2,076,604		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	339,855		46

Credit Risk

Consolidated

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

	Millions of Yen							
	2023				2022			
	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	¥ 55,699,987	¥ 48,618,240	¥ 3,176,602	¥ 3,905,145	¥ 52,708,775	¥ 44,467,458	¥ 4,460,179	¥ 3,781,137
Outside Japan	8,055,672	5,855,508	1,320,461	879,702	7,000,315	5,432,862	1,102,540	464,912
Total for Geographic Regions	¥ 63,755,659	¥ 54,473,748	¥ 4,497,063	¥ 4,784,847	¥ 59,709,090	¥ 49,900,320	¥ 5,562,720	¥ 4,246,049
Manufacturing	4,927,457	3,236,020	380,104	1,311,332	4,713,051	3,092,841	351,745	1,268,464
Agriculture and Forestry	5,744	5,744	0	—	4,117	4,117	0	—
Fisheries	95	1	94	—	66	1	64	—
Mining and Quarrying of Stones and Gravel	134,585	73,056	201	61,327	80,924	68,005	162	12,756
Construction	376,851	259,171	25,301	92,377	335,291	212,858	22,894	99,538
Electricity, Gas, Heat Supply and Water	1,671,358	1,447,385	32,007	191,965	1,604,628	1,309,216	29,248	266,163
Information and Communication	444,852	326,659	3,480	114,711	463,918	358,425	3,259	102,233
Transport and Postal Activities	1,481,175	1,167,751	112,976	200,447	1,578,711	1,250,310	110,113	218,286
Wholesale and Retail Trade	1,993,863	1,602,412	58,586	332,864	1,993,066	1,618,779	56,561	317,725
Finance and Insurance	2,167,284	1,437,299	472,978	257,007	2,138,194	1,379,681	494,434	264,078
Real Estate	4,063,364	3,378,226	373,862	311,275	4,157,535	3,513,530	363,138	280,866
Goods Rental and Leasing	1,275,053	1,163,694	2,842	108,515	1,281,564	1,109,573	2,872	169,119
Local Public Bodies	146,314	102,956	38,117	5,240	153,741	114,366	33,919	5,455
Individuals	11,754,441	11,471,425	—	283,015	11,798,546	11,509,294	—	289,252
Others	33,313,217	28,801,942	2,996,509	1,514,765	29,405,731	24,359,317	4,094,304	952,108
Total for Industry Sectors	¥ 63,755,659	¥ 54,473,748	¥ 4,497,063	¥ 4,784,847	¥ 59,709,090	¥ 49,900,320	¥ 5,562,720	¥ 4,246,049
To 1 year	28,654,585	26,093,165	963,699	1,597,720	25,729,450	22,023,311	2,259,777	1,446,360
> 1 year to 3 years	8,091,437	5,555,266	1,051,603	1,484,567	7,275,422	5,104,110	801,988	1,369,323
> 3 years to 5 years	7,074,267	5,592,276	854,597	627,393	7,305,938	5,755,275	933,053	617,609
> 5 years	19,935,369	17,233,039	1,627,162	1,075,166	19,398,280	17,017,623	1,567,901	812,755
Total for Residual Maturity	¥ 63,755,659	¥ 54,473,748	¥ 4,497,063	¥ 4,784,847	¥ 59,709,090	¥ 49,900,320	¥ 5,562,720	¥ 4,246,049

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, 2023		FY2022	As of March 31, 2022		FY2021
	Term-end balance of exposures	Allowances for loan losses	Write-offs	Term-end balance of exposures	Allowances for loan losses	Write-offs
Japan	¥ 127,585	¥ 44,531	¥ 43,581	¥ 184,932	¥ 78,127	¥ 10,974
Outside Japan	36,395	7,282	2,543	54,258	7,989	2,675
Total for Geographic Regions	¥ 163,981	¥ 51,814	¥ 46,125	¥ 239,191	¥ 86,116	¥ 13,650
Manufacturing	64,889	35,706	39,494	101,488	60,168	5,743
Agriculture and Forestry	127	77	—	144	86	—
Fisheries	0	0	—	3	3	—
Mining and Quarrying of Stones and Gravel	10	1	—	10	1	—
Construction	814	561	6	599	458	24
Electricity, Gas, Heat Supply and Water	17	0	—	41	0	—
Information and Communication	83	68	2	88	72	4
Transport and Postal Activities	1,826	741	16	2,501	791	5
Wholesale and Retail Trade	2,462	1,143	2	8,226	5,779	6
Finance and Insurance	345	64	39	1,636	264	5
Real Estate	10,651	213	125	15,142	709	171
Goods Rental and Leasing	205	118	2,465	3,136	2,710	0
Local Public Bodies	—	—	—	—	—	—
Individuals	38,212	2,324	1,391	44,953	4,057	4,972
Others	44,335	10,791	2,582	61,218	11,012	2,717
Total for Industry Sectors	¥ 163,981	¥ 51,814	¥ 46,125	¥ 239,191	¥ 86,116	¥ 13,650

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	2023	2022
< 1 month	**¥ 55,832**	¥ 57,015
≥ 1 month to < 2 months	**11,027**	11,072
≥ 2 months to < 3 months	**10,419**	9,053
≥ 3 months	**—**	—
Total	**¥ 77,280**	¥ 77,141

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	2023	2022
Amounts of Increased Allowances for Such Exposures Due to the Restructuring of the Loan Conditions	**¥ 46,391**	¥ 80,131
Other Amounts	**—**	—
Term-end Balance of Exposures	**¥ 46,391**	¥ 80,131

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	2023	2022
Total exposures relating to funds	**¥ 1,398,571**	¥ 1,206,013
Look-through Approach	**999,434**	803,115
Mandate-based Approach	**399,032**	402,782
Probability Approach (subject to 250% risk weight)	**—**	—
Probability Approach (subject to 400% risk weight)	**—**	—
Fall-Back Approach (subject to 1,250% risk weight)	**104**	115

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, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
1	Credit risk (excluding counterparty credit risk)	**¥ 13,526,356**	¥ 12,428,600	**¥ 1,140,774**	¥ 1,048,742
2	of Which: Standardised Approach (SA)	**556,708**	410,820	**44,536**	32,865
3	of Which: Internal Ratings-Based (IRB) Approach	**12,222,112**	11,344,677	**1,036,435**	962,028
	of Which: Significant investments in commercial entities	**—**	—	**—**	—
	of Which: Lease residual value	**138,902**	66,079	**11,112**	5,286
	Other assets	**608,633**	607,023	**48,690**	48,561
4	Counterparty credit risk (CCR)	**1,234,786**	1,271,839	**100,644**	103,834
5	of Which: Standardised Approach for Counterparty Credit Risk (SA-CCR)	**—**	—	**—**	—
	of Which: Current Exposure Method (CEM)	**375,435**	409,215	**31,818**	34,692
6	of Which: Expected Positive Exposure (EPE)	**—**	—	**—**	—
	of Which: Credit Valuation Adjustment (CVA)	**644,470**	660,133	**51,557**	52,810
	of Which: Central Counterparty (CCP)	**76,398**	55,007	**6,111**	4,400
	Others	**138,481**	147,482	**11,156**	11,930
7	Equity positions in banking book under market-based approach	**301,987**	226,481	**25,608**	19,205
8	Equity investment in funds (Look-Through Approach (LTA))	**1,987,217**	893,876	**158,977**	71,510
9	Equity investment in funds (Mandate-Based Approach (MBA))	**1,669,856**	1,363,728	**133,588**	109,098
	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)	**1,311**	1,448	**104**	115
11	Settlement risk	**—**	—	**—**	—
12	Securitisation exposures in banking book	**320,847**	357,010	**25,667**	28,560
13	of Which: Internal Rating-Based Approach (SEC-IRBA)	**303,454**	341,805	**24,276**	27,344
14	of Which: External Rating-Based Approach (SEC-ERBA)	**17,232**	14,852	**1,378**	1,188
15	of Which: Standardised Approach (SEC-SA)	**—**	—	**—**	—
	of Which: subject to 1,250% risk weight	**160**	352	**12**	28
16	Market risk	**1,838,234**	1,268,574	**147,058**	101,485
17	of Which: Standardised Approach (SA)	**82,169**	33,718	**6,573**	2,697
18	of Which: Internal Model Approaches (IMA)	**1,756,065**	1,234,856	**140,485**	98,788
19	Operational risk	**1,006,720**	945,703	**80,537**	75,656
20	of Which: Basic Indicator Approach (BIA)	**219,688**	209,208	**17,575**	16,736
21	of Which: The Standardised Approach (TSA)	**—**	—	**—**	—
22	of Which: Advanced Measurement Approach (AMA)	**787,031**	736,495	**62,962**	58,919
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	**561,184**	620,460	**47,588**	52,615
	Amounts included under transitional arrangements	**—**	—	**—**	—
24	Floor adjustment	**—**	—	**—**	—
25	Total (after applying scaling factor)	**¥ 23,256,895**	¥ 20,135,316	**¥ 1,860,551**	¥ 1,610,825

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, 2023						
	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		¥ 21,602,473	¥ 21,602,473	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought		24,006	24,006	—	—	—	—
Receivables under Resale Agreements		110,003	—	110,003	—	—	—
Receivables under Securities Borrowing Transactions		436,093	—	436,093	—	—	—
Monetary Claims Bought		970,058	856,703	—	113,354	—	—
Trading Assets		1,514,603	—	1,448,705	—	1,514,603	—
Money Held in Trust		16,136	16,130	—	—	—	5
Securities		6,933,067	6,230,277	—	702,758	—	31
Loans and Bills Discounted		31,810,926	31,428,425	—	382,500	—	—
Foreign Exchanges		47,445	47,445	—	—	—	—
Lease Receivables and Investment Assets		688,933	688,933	—	—	—	—
Other Assets		3,839,561	565,213	2,676,046	9,660	1,739,326	588,641
Tangible Fixed Assets		222,588	222,588	—	—	—	—
Intangible Fixed Assets		130,969	32,999	—	—	—	97,969
Assets for Retirement Benefits		232,625	71,244	—	—	—	161,380
Deferred Tax Assets		10,729	10,301	—	—	—	427
Customers' Liabilities for Acceptances and Guarantees		562,523	562,523	—	—	—	—
Allowance for Loan Losses		(129,998)	(129,998)	—	—	—	—
Total Assets		¥ 69,022,746	¥ 62,229,268	¥ 4,670,849	¥ 1,208,273	¥ 3,253,930	¥ 848,456
Liabilities:							
Deposits		¥ 35,387,287	¥ —	¥ —	¥ —	¥ —	¥ 35,387,287
Negotiable Certificates of Deposit		7,461,005	—	—	—	—	7,461,005
Call Money and Bills Sold		1,912,878	—	—	—	—	1,912,878
Payables under Repurchase Agreements		1,030,780	—	1,030,780	—	—	—
Trading Liabilities		1,472,636	—	1,472,636	—	1,472,636	—
Borrowed Money		6,039,543	—	—	—	—	6,039,543
Foreign Exchanges		847	—	—	—	—	847
Short-Term Bonds Payable		2,332,377	—	—	—	—	2,332,377
Bonds Payable		2,501,760	—	—	—	—	2,501,760
Borrowed Money from Trust Account		4,332,472	—	—	—	—	4,332,472
Other Liabilities		3,038,112	—	2,304,915	—	1,933,195	733,196
Provision for Bonuses		19,136	—	—	—	—	19,136
Provision for Directors' Bonuses		402	—	—	—	—	402
Provision for Stocks Payment		1,064	—	—	—	—	1,064
Liabilities for Retirement Benefits		13,720	—	—	—	—	13,720
Provision for Reward Points Program		21,282	—	—	—	—	21,282
Provision for Reimbursement of Deposits		3,028	—	—	—	—	3,028
Provision for Contingent Losses		1,344	—	—	—	—	1,344
Deferred Tax Liabilities		65,585	—	—	—	—	65,585
Deferred Tax Liabilities for Land Revaluation		2,381	—	—	—	—	2,381
Acceptances and Guarantees		562,523	—	—	—	—	562,523
Total Liabilities		¥ 66,200,172	¥ —	¥ 4,808,333	¥ —	¥ 3,405,831	¥ 61,391,839

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, 2022					
	a / b	c	d	e	f	g
		Carrying values of items				
	a: Carrying values as reported in published consolidated financial statement / b: 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	¥ 18,223,364	¥ 18,223,364	¥ —	¥ —	¥ —	¥ —
Call Loans and Bills Bought	5,000	5,000	—	—	—	—
Receivables under Resale Agreements	150,741	—	150,741	—	—	—
Receivables under Securities Borrowing Transactions	652,534	—	652,534	—	—	—
Monetary Claims Bought	854,093	749,019	—	105,073	—	—
Trading Assets	967,565	—	954,747	—	967,565	—
Money Held in Trust	16,308	16,308	—	—	—	—
Securities	7,879,235	7,281,068	—	598,136	—	29
Loans and Bills Discounted	30,876,507	30,511,438	—	365,069	—	—
Foreign Exchanges	29,494	29,494	—	—	—	—
Lease Receivables and Investment Assets	688,141	688,141	—	—	—	—
Other Assets	3,354,333	168,380	2,555,498	1,570	1,500,703	628,884
Tangible Fixed Assets	224,535	224,535	—	—	—	—
Intangible Fixed Assets	125,667	29,133	—	—	—	96,534
Assets for Retirement Benefits	192,223	58,872	—	—	—	133,350
Deferred Tax Assets	15,613	14,960	—	—	—	653
Customers' Liabilities for Acceptances and Guarantees	541,228	541,228	—	—	—	—
Allowance for Loan Losses	(163,369)	(163,369)	—	—	—	—
Total Assets	¥ 64,633,220	¥ 58,377,576	¥ 4,313,523	¥ 1,069,850	¥ 2,468,269	¥ 859,452
Liabilities:						
Deposits	¥ 33,230,162	¥ —	¥ —	¥ —	¥ —	¥ 33,230,162
Negotiable Certificates of Deposit	6,587,944	—	—	—	—	6,587,944
Call Money and Bills Sold	799,524	—	—	—	—	799,524
Payables under Repurchase Agreements	1,485,033	—	1,485,033	—	—	—
Trading Liabilities	906,686	—	906,686	—	906,686	—
Borrowed Money	7,153,498	—	—	—	—	7,153,498
Foreign Exchanges	1,275	—	—	—	—	1,275
Short-Term Bonds Payable	2,387,553	—	—	—	—	2,387,553
Bonds Payable	2,076,604	—	—	—	—	2,076,604
Borrowed Money from Trust Account	4,298,827	—	—	—	—	4,298,827
Other Liabilities	2,312,326	—	1,735,568	—	1,574,196	576,758
Provision for Bonuses	21,087	—	—	—	—	21,087
Provision for Directors' Bonuses	181	—	—	—	—	181
Provision for Stocks Payment	732	—	—	—	—	732
Liabilities for Retirement Benefits	13,553	—	—	—	—	13,553
Provision for Reward Points Program	19,965	—	—	—	—	19,965
Provision for Reimbursement of Deposits	3,626	—	—	—	—	3,626
Provision for Contingent Losses	1,649	—	—	—	—	1,649
Deferred Tax Liabilities	44,081	—	—	—	—	44,081
Deferred Tax Liabilities for Land Revaluation	2,388	—	—	—	—	2,388
Acceptances and Guarantees	541,228	—	—	—	—	541,228
Total Liabilities	¥ 61,887,931	¥ —	¥ 4,127,288	¥ —	¥ 2,480,883	¥ 57,760,642

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, 2023				
		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	¥ 68,174,289	¥ 62,229,268	¥ 4,670,849	¥ 1,208,273	¥ 3,253,930
2	Liabilities carrying value amount under scope of regulatory consolidation	4,808,333	—	4,808,333	—	3,405,831
3	Total net amount under regulatory scope of consolidation	63,365,956	62,229,268	(137,483)	1,208,273	(151,901)
4	Off-balance sheet amounts	5,143,051	4,813,095	—	329,956	—
5	Differences due to netting, the exposure calculation method, etc.	3,219,982	—	3,842,087	—	(622,105)
6	Differences due to consideration of allowances and write-offs	23,682	23,682	—	—	—
7	Other	46,719	46,719	—	—	—
8	Regulatory exposure amounts	71,799,392	67,112,767	3,704,603	1,538,229	(774,007)

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 8.

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: Differences due to taking into account off-balance sheet amounts, 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, 2022				
		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	¥ 63,773,767	¥ 58,377,576	¥ 4,313,523	¥ 1,069,850	¥ 2,468,269
2	Liabilities carrying value amount under scope of regulatory consolidation	4,127,288	—	4,127,288	—	2,480,883
3	Total net amount under regulatory scope of consolidation	59,646,479	58,377,576	186,234	1,069,850	(12,614)
4	Off-balance sheet amounts	4,264,429	3,930,312	—	334,117	—
5	Differences due to netting, the exposure calculation method, etc.	2,783,618	—	2,877,909	—	(94,291)
6	Differences due to consideration of allowances and write-offs	30,373	30,373	—	—	—
7	Other	56,165	56,165	—	—	—
8	Regulatory exposure amounts	66,781,066	62,394,428	3,064,143	1,403,967	(106,905)

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 8.
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: Differences due to off-balance sheet amounts, consideration of allowances and write-offs, and other adjustments such as deferred tax assets (temporary differences)
• 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.

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

CR1: Credit quality of assets

CR1		Millions of Yen			
		March 31, 2023			
		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	¥ 152,107	¥ 31,251,411	¥ 116,064	¥ 31,287,455
2	Debt Securities	0	3,553,686	—	3,553,686
3	Other on-balance sheet assets (debt-based assets)	13,832	23,351,887	13,216	23,352,502
4	Total on-balance sheet assets (1+2+3)	165,939	58,156,985	129,281	58,193,644
	Off-balance sheet assets				
5	Acceptances and Guarantees, etc.	113	562,410	716	561,806
6	Commitments, etc.	42	5,035,259	1,344	5,033,957
7	Total off-balance sheet assets (5+6)	156	5,597,669	2,061	5,595,764
	Total				
8	Total (4+7)	¥ 166,095	¥ 63,754,654	¥ 131,342	¥ 63,789,408

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, 2022			
		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	¥ 227,989	¥ 30,269,561	¥ 147,852	¥ 30,349,699
2	Debt Securities	749	4,663,271	—	4,664,020
3	Other on-balance sheet assets (debt-based assets)	16,124	19,822,885	14,630	19,824,380
4	Total on-balance sheet assets (1+2+3)	244,863	54,755,718	162,482	54,838,099
	Off-balance sheet assets				
5	Acceptances and Guarantees, etc.	143	541,084	886	540,341
6	Commitments, etc.	1,367	4,328,591	1,649	4,328,309
7	Total off-balance sheet assets (5+6)	1,510	4,869,676	2,536	4,868,651
	Total				
8	Total (4+7)	¥ 246,374	¥ 59,625,395	¥ 165,019	¥ 59,706,751

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, 2023 Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year		¥ 244,863
2	Changes in stock of loans and debt securities for each factor during the fiscal year	Of which: Newly defaulted	28,466
3		Of which: Returning to non-defaulted status	31,137
4		Of which: Written-offs	46,489
5		Of which: Other factors	(29,763)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)		165,939

Notes: 1. The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.
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, 2022 Amounts
1	Stock of defaulted loans and debt securities at the end of the previous fiscal year		¥ 161,273
2	Changes in stock of loans and debt securities for each factor during the fiscal year	Of which: Newly defaulted	131,922
3		Of which: Returning to non-defaulted status	10,117
4		Of which: Written-offs	10,962
5		Of which: Other factors	(27,251)
6	Stock of defaulted loans and debt securities at the end of the fiscal year (1+2-3-4+5)		244,863

Notes: 1. The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.
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, 2023				
		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	¥ 29,922,767	¥ 1,364,687	¥ 396,547	¥ 278,130	¥ —
2	Debt Securities	3,553,686	—	—	—	—
3	Other on-balance sheet assets (debt-based assets)	23,352,391	110	101	4	—
4	Total (1+2+3)	¥ 56,828,846	¥ 1,364,798	¥ 396,648	¥ 278,134	¥ —
5	Of which defaulted	109,760	7,419	6,600	—	—

CR3		Millions of Yen March 31, 2022				
		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	¥ 29,144,608	¥1,205,090	¥ 336,640	¥ 164,745	¥ —
2	Debt Securities	4,645,034	18,986	—	18,900	—
3	Other on-balance sheet assets (debt-based assets)	19,824,285	94	91	3	—
4	Total (1+2+3)	¥ 53,613,928	¥1,224,171	¥ 336,731	¥ 183,648	¥ —
5	Of which defaulted	161,567	5,861	4,555	—	—

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

CR4		Millions of Yen, %					
		March 31, 2023					
		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	¥ 35	¥ —	¥ 35	¥ —	¥ —	—%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	—	—
3	Foreign central governments and foreign central banks	274,205	—	274,205	—	27,209	9.92
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	37	—	37	—	—	—
6	Foreign non-central government public sector entities (PSEs)	22,005	—	22,005	—	21,966	99.82
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	313,434	—	313,434	—	147,858	47.17
12	Corporates, etc.	346,335	120,772	346,335	13,741	359,672	99.88
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	79.69
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	¥ 956,114	¥ 120,772	¥ 956,114	¥ 13,741	¥ 556,708	57.40%

CR4		Millions of Yen, %					
		March 31, 2022					
		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	¥ 36	¥ —	¥ 36	¥ —	¥ —	—%
2	Government of Japan and Bank of Japan (BOJ)	60	—	60	—	—	—
3	Foreign central governments and foreign central banks	272,010	—	272,010	—	17,736	6.52
4	Bank for International Settlements, etc.	—	—	—	—	—	—
5	Local governments of Japan	12	—	12	—	—	—
6	Foreign non-central government public sector entities (PSEs)	14,108	—	14,108	—	13,964	98.97
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	241,904	—	241,904	—	87,845	36.31
12	Corporates, etc.	279,320	135,587	279,320	12,053	291,273	99.96
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	—	0	146.97
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	¥ 807,453	¥ 135,587	¥ 807,453	¥ 12,053	¥ 410,820	50.13%

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

CR5		Millions of Yen										
		March 31, 2023										
		a	b	c	d	e	f	g	h	i	j	k
Item No.		Credit risk exposure amounts (post-CCF and post-CRM)										
	Risk weight / Asset classes	0%	10%	20%	35%	50%	75%	100%	150%	250%	1,250%	Total
1	Cash	¥ 35	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 35
2	Government of Japan and Bank of Japan (BOJ)	60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks	219,785	—	—	—	54,419	—	—	—	—	—	274,205
4	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan	37	—	—	—	—	—	—	—	—	—	37
6	Foreign non-central government public sector entities (PSEs)	—	—	15	—	53	—	21,936	—	—	—	22,005
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	—	—	202,636	—	6,931	—	103,865	—	—	—	313,434
12	Corporates, etc.	—	—	—	—	811	—	359,266	—	—	—	360,077
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	—	—	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	¥ 219,917	¥ —	¥ 202,652	¥ —	¥ 62,217	¥ —	¥ 485,068	¥ 0	¥ —	¥ —	¥ 969,856

CR5		Millions of Yen										
		March 31, 2022										
		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	¥ 36	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 36
2	Government of Japan and Bank of Japan (BOJ)	60	—	—	—	—	—	—	—	—	—	60
3	Foreign central governments and foreign central banks	236,538	—	—	—	35,472	—	—	—	—	—	272,010
4	Bank for International Settlements, etc.	—	—	—	—	—	—	—	—	—	—	—
5	Local governments of Japan	12	—	—	—	—	—	—	—	—	—	12
6	Foreign non-central government public sector entities (PSEs)	—	—	147	—	51	—	13,909	—	—	—	14,108
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	—	—	187,518	—	8,089	—	46,297	—	—	—	241,904
12	Corporates, etc.	—	—	—	—	201	—	291,172	—	—	—	291,373
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	—	—	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	¥ 236,646	¥ —	¥ 187,666	¥ —	¥ 43,814	¥ —	¥ 351,379	¥ 0	¥ —	¥ —	¥ 819,506

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

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
		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	¥ 2,449,235	¥ 33	75.00%	¥ 2,460,278	0.00%	0.0	33.13%	2.2	¥ 25,715	1.04%	¥ 16	
2	0.15 to < 0.25	824	—	—	293	0.20	0.0	33.14	3.7	120	41.14	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	2,450,059	33	75.00	2,460,571	0.00	0.0	33.13	2.2	25,835	1.04	16	¥ 33
Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))													
1	0.00 to < 0.15	22,230,617	207,623	75.17	22,386,706	0.00	0.1	44.99	1.0	117,747	0.52	141	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.44	0	
3	0.25 to < 0.50	12,483	0	75.00	12,483	0.29	0.0	45.00	3.8	9,069	72.64	16	
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	22,243,100	207,623	75.17	22,399,190	0.00	0.1	44.99	1.0	126,816	0.56	158	300
Financial Institution exposures (AIRB)													
1	0.00 to < 0.15	487,600	—	—	496,343	0.05	0.0	31.71	2.5	93,661	18.87	87	
2	0.15 to < 0.25	44,000	9,000	75.00	50,750	0.20	0.0	33.14	1.2	12,391	24.41	34	
3	0.25 to < 0.50	11,285	7,575	86.79	17,860	0.49	0.0	33.14	1.3	7,364	41.23	29	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	6,394	2,116	90.35	8,306	1.48	0.0	33.14	1.1	5,313	63.97	40	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	549,279	18,691	81.52	573,259	0.10	0.0	31.90	2.4	118,731	20.71	191	323
Financial Institution exposures (FIRB)													
1	0.00 to < 0.15	219,348	136,795	75.00	321,945	0.06	0.0	47.49	2.2	95,488	29.65	94	
2	0.15 to < 0.25	21,819	—	—	21,819	0.20	0.0	74.56	1.7	13,656	62.58	33	
3	0.25 to < 0.50	4,018	—	—	4,018	0.31	0.0	45.00	0.0	1,208	30.07	5	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	3,354	—	—	3,354	1.31	0.0	45.00	2.7	3,669	109.40	19	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	248,540	136,795	75.00	351,137	0.08	0.0	49.12	2.1	114,023	32.47	153	89

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
		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	¥ 7,333,421	¥ 2,866,609	75.97%	¥ 9,634,156	0.07%	0.7	32.28%	2.5	¥ 1,793,227	18.61%	¥ 2,371	
2	0.15 to < 0.25	1,881,814	447,238	74.73	2,176,781	0.20	0.3	31.75	2.2	692,236	31.80	1,412	
3	0.25 to < 0.50	2,342,885	639,487	74.85	2,816,888	0.39	1.1	31.29	2.0	1,158,048	41.11	3,463	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	872,287	120,799	73.66	919,094	1.58	0.7	28.89	2.2	598,683	65.13	4,238	
6	2.50 to < 10.00	72,455	7,689	78.60	80,888	7.45	0.0	26.63	1.8	78,828	97.45	1,609	
7	10.00 to < 100.00	21,211	430	100.00	8,735	18.41	0.0	32.88	1.0	13,957	159.77	529	
8	100.00 (Default)	67,779	—	—	69,735	100.00	0.0	33.13	1.0	32,676	46.85	20,495	
9	Sub-total	12,591,854	4,082,255	75.60	15,706,279	0.73	3.0	31.81	2.3	4,367,657	27.80	34,118	¥ 73,919
	Corporate exposures (excluding SME exposures and specialised lending) (FIRB)												
1	0.00 to < 0.15	847,072	280,692	81.54	1,081,505	0.07	0.7	51.47	2.8	368,763	34.09	424	
2	0.15 to < 0.25	37,573	34,381	100.00	72,113	0.20	0.3	55.77	2.4	46,451	64.41	82	
3	0.25 to < 0.50	557,465	105,236	74.69	635,711	0.34	1.4	45.86	2.9	421,163	66.25	978	
4	0.50 to < 0.75	121,441	30,607	75.00	144,397	0.62	0.0	44.94	3.3	130,866	90.62	407	
5	0.75 to < 2.50	422,269	25,202	74.39	440,947	1.43	1.4	43.00	3.8	520,027	117.93	2,704	
6	2.50 to < 10.00	116,738	2,338	70.95	118,383	5.37	0.2	43.33	4.2	199,275	168.32	2,724	
7	10.00 to < 100.00	64,966	—	—	64,966	27.91	0.0	44.86	4.1	170,955	263.14	8,131	
8	100.00 (Default)	26,775	0	0.00	32,407	100.00	0.0	43.78	1.0	0	0.00	14,189	
9	Sub-total	2,194,302	478,459	80.51	2,590,433	2.59	4.5	47.77	3.1	1,857,503	71.70	29,643	17,781
	SME exposures (AIRB)												
1	0.00 to < 0.15	68,309	5,150	75.00	68,171	0.12	0.0	30.84	1.7	11,260	16.51	26	
2	0.15 to < 0.25	121,534	2,999	75.00	98,370	0.20	0.0	30.01	3.3	29,884	30.37	60	
3	0.25 to < 0.50	112,953	10,728	94.24	111,756	0.43	0.0	24.14	2.9	33,009	29.53	110	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	114,459	14,659	76.91	122,439	1.63	0.1	22.95	2.8	59,910	48.93	445	
6	2.50 to < 10.00	7,979	405	63.10	8,235	7.34	0.0	21.13	1.2	4,888	59.36	129	
7	10.00 to < 100.00	249	—	—	249	18.41	0.0	12.38	1.6	123	49.72	5	
8	100.00 (Default)	1,891	—	—	1,950	100.00	0.0	26.59	1.0	722	37.04	460	
9	Sub-total	427,376	33,942	81.76	411,173	1.30	0.3	26.24	2.7	139,799	34.00	1,238	1,651
	SME exposures (FIRB)												
1	0.00 to < 0.15	5,033	—	—	5,033	0.12	0.0	74.79	4.9	4,006	79.59	4	
2	0.15 to < 0.25	44	—	—	44	0.20	0.0	44.98	1.0	11	26.67	0	
3	0.25 to < 0.50	103,562	3,877	75.00	105,048	0.49	0.6	37.66	4.4	64,077	60.99	193	
4	0.50 to < 0.75	1,290	—	—	1,290	0.62	0.0	40.00	4.9	967	75.01	3	
5	0.75 to < 2.50	282,835	4,890	75.66	284,287	1.66	1.5	39.48	4.7	263,520	92.69	1,870	
6	2.50 to < 10.00	5,839	—	—	5,997	7.24	0.0	39.53	4.0	7,524	125.45	169	
7	10.00 to < 100.00	2,131	—	—	2,131	18.41	0.0	45.00	1.2	4,223	198.19	176	
8	100.00 (Default)	3,840	59	0.00	3,928	100.00	0.0	39.43	1.0	0	0.00	1,549	
9	Sub-total	404,577	8,828	74.85	407,761	2.45	2.3	39.48	4.5	344,332	84.44	3,967	281

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
		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	¥ 1,426,193	¥ 185,780	75.07%	¥ 1,565,675	0.08%	0.3	27.84%	4.1	¥ 385,920	24.64%	¥ 400	
2	0.15 to < 0.25	89,724	43,093	75.00	122,044	0.20	0.0	31.37	4.1	53,644	43.95	78	
3	0.25 to < 0.50	866,367	188,471	75.13	1,007,982	0.31	0.2	24.12	4.4	408,044	40.48	772	
4	0.50 to < 0.75	199,718	46,118	73.58	233,656	0.65	0.0	24.66	4.4	129,339	55.35	375	
5	0.75 to < 2.50	337,240	45,194	72.26	369,902	1.50	0.0	24.99	3.2	231,374	62.55	1,379	
6	2.50 to < 10.00	61,948	42,880	73.51	93,470	4.00	0.0	25.68	3.5	80,057	85.64	1,001	
7	10.00 to < 100.00	106,651	18,393	75.00	120,445	18.87	0.0	32.87	3.0	204,182	169.52	7,772	
8	100.00 (Default)	4,281	—	—	4,287	100.00	0.0	30.74	1.0	1,836	42.84	1,171	
9	Sub-total	3,092,126	569,931	74.62	3,517,465	1.21	0.8	26.51	4.1	1,494,401	42.48	12,952	¥ 4,380
		Specialised lending (FIRB)											
1	0.00 to < 0.15	4,764	—	—	4,764	0.09	0.2	45.00	1.0	831	17.45	2	
2	0.15 to < 0.25	87	—	—	87	0.20	0.0	45.00	1.0	26	30.44	0	
3	0.25 to < 0.50	3,413	—	—	3,413	0.31	0.2	45.00	1.0	1,363	39.94	4	
4	0.50 to < 0.75	842	—	—	842	0.65	0.0	45.00	1.0	505	59.98	2	
5	0.75 to < 2.50	1,113	—	—	1,113	1.30	0.0	45.00	1.0	896	80.49	6	
6	2.50 to < 10.00	165	—	—	165	4.87	0.0	45.00	1.0	212	128.34	3	
7	10.00 to < 100.00	724	—	—	724	15.43	0.0	45.00	1.0	1,459	201.45	50	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	11,111	—	—	11,111	1.40	0.6	45.00	1.0	5,295	47.65	70	—
		Equity exposures (PD/LGD Approach)											
1	0.00 to < 0.15	994,116	—	—	585,811	0.07	0.2	90.00	5.0	678,278	115.78	—	
2	0.15 to < 0.25	126,546	—	—	83,762	0.20	0.1	90.00	5.0	122,516	146.26	—	
3	0.25 to < 0.50	80,760	—	—	48,832	0.36	0.3	90.00	5.0	88,660	181.55	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	22,527	—	—	18,761	1.64	0.2	90.00	5.0	57,078	304.22	—	
6	2.50 to < 10.00	4,805	—	—	3,902	7.20	0.0	90.00	5.0	16,615	425.72	—	
7	10.00 to < 100.00	100	—	—	100	18.41	0.0	90.00	5.0	730	726.62	—	
8	100.00 (Default)	60	—	—	60	100.00	0.0	90.00	5.0	675	1,125.00	—	
9	Sub-total	1,228,917	—	—	741,231	0.19	1.0	90.00	5.0	964,554	130.12	—	
		Purchased receivables for corporates, etc. (default risk) (AIRB)											
1	0.00 to < 0.15	9,250	—	—	9,250	0.09	0.0	33.14	3.8	2,846	30.77	3	
2	0.15 to < 0.25	6,000	—	—	6,000	0.20	0.0	33.14	4.0	2,610	43.51	4	
3	0.25 to < 0.50	23,939	—	—	23,939	0.42	0.0	31.34	3.2	12,075	50.44	32	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	53,297	—	—	53,297	1.50	0.0	33.05	3.7	47,031	88.24	265	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	510	—	—	510	18.41	0.0	33.14	1.8	853	167.24	31	
8	100.00 (Default)	4,641	—	—	4,641	100.00	0.0	33.14	1.0	2,175	46.86	1,364	
9	Sub-total	97,640	—	—	97,640	5.80	0.0	32.65	3.5	67,592	69.22	1,700	7

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
		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	¥ 915	¥ —	—%	¥ 915	0.12%	0.0	100.00%	1.0	¥ 454	49.70%	¥ —	
2	0.15 to < 0.25	2,280	—	—	2,280	0.22	0.0	100.00	1.0	1,631	71.54	—	
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	3,195	—	—	3,195	0.19	0.0	100.00	1.0	2,086	65.29	—	¥ —
	Purchased receivables for corporates, etc. (default risk) (FIRB)												
1	0.00 to < 0.15	440,066	4,956	100.00	445,023	0.05	0.2	45.00	1.1	58,399	13.12	111	
2	0.15 to < 0.25	78,866	—	—	78,866	0.20	0.1	45.00	1.0	24,419	30.96	72	
3	0.25 to < 0.50	145,132	6,677	75.00	150,140	0.37	1.2	45.00	1.3	70,878	47.20	250	
4	0.50 to < 0.75	1,688	1,669	75.00	2,940	0.62	0.0	45.00	4.9	3,140	106.78	8	
5	0.75 to < 2.50	87,488	—	—	87,488	1.53	3.7	45.00	1.1	72,700	83.09	604	
6	2.50 to < 10.00	4,653	—	—	4,653	6.49	0.5	45.00	1.0	6,816	146.47	135	
7	10.00 to < 100.00	0	6,009	75.00	4,507	13.43	0.0	45.00	4.9	10,907	242.00	272	
8	100.00 (Default)	4,731	—	—	4,731	100.00	0.0	45.00	1.0	0	0.00	2,129	
9	Sub-total	762,627	19,312	81.41	778,351	1.02	5.9	45.00	1.2	247,262	31.76	3,585	419
	Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)												
1	0.00 to < 0.15	539,930	18,110	81.84	554,752	0.07	0.6	90.10	1.1	166,445	30.00	23	
2	0.15 to < 0.25	53,995	—	—	53,995	0.21	0.1	99.23	1.0	38,201	70.74	0	
3	0.25 to < 0.50	18,576	1,201	75.00	19,478	0.43	0.0	83.25	1.5	19,151	98.32	8	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	1,891	—	—	1,891	0.99	0.0	90.04	1.2	6,208	328.24	2	
6	2.50 to < 10.00	954	—	—	954	3.54	0.0	100.00	1.0	2,464	258.33	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	615,348	19,312	81.41	631,071	0.10	0.8	90.69	1.1	232,471	36.83	34	—
	Purchased receivables for retail (default risk)												
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	20,381	—	—	20,381	0.29	24.3	72.13	—	7,750	38.02	43	
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	20,381	—	—	20,381	0.29	24.3	72.13	—	7,750	38.02	43	51

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2023											
		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	¥ 37,673	26.78%	¥ 10,089	0.09%	41.3	58.93%	—	¥ 343	3.40%	¥ 5	
2	0.15 to < 0.25	44,899	673,196	11.22	120,479	0.21	185.7	71.83	—	9,918	8.23	188	
3	0.25 to < 0.50	20,354	989,063	7.16	91,241	0.35	128.4	76.32	—	11,711	12.83	244	
4	0.50 to < 0.75	41,639	272,152	11.22	72,194	0.53	88.0	71.83	—	12,167	16.85	276	
5	0.75 to < 2.50	11,696	195,865	12.34	35,869	1.12	102.8	70.89	—	10,440	29.10	285	
6	2.50 to < 10.00	33,816	62,685	11.88	41,265	4.92	39.4	71.97	—	33,950	82.27	1,462	
7	10.00 to < 100.00	179	1,100	10.93	300	51.09	0.4	68.47	—	521	173.83	109	
8	100.00 (Default)	99	4,522	7.74	6,982	100.00	7.6	72.26	—	7,962	114.02	4,409	
9	Sub-total	152,686	2,236,260	9.80	378,421	2.78	593.9	72.50	—	87,014	22.99	6,981	¥ 8,488
	Residential mortgage exposures												
1	0.00 to < 0.15	4,352,764	11,997	100.00	4,364,761	0.10	144.8	15.63	—	161,908	3.70	685	
2	0.15 to < 0.25	2,221,679	28	100.00	2,221,707	0.16	98.2	16.37	—	126,577	5.69	601	
3	0.25 to < 0.50	3,641,317	979	100.00	3,642,309	0.32	217.2	15.78	—	324,156	8.89	1,845	
4	0.50 to < 0.75	73,813	—	—	73,813	0.68	5.5	20.65	—	14,790	20.03	104	
5	0.75 to < 2.50	99,441	19	100.00	99,460	0.86	9.9	18.43	—	20,842	20.95	158	
6	2.50 to < 10.00	6,391	—	—	6,391	7.36	0.2	12.57	—	3,199	50.06	59	
7	10.00 to < 100.00	57,322	11	100.00	57,333	19.48	3.4	16.58	—	52,998	92.44	1,869	
8	100.00 (Default)	27,314	10	100.00	27,869	100.00	1.6	17.32	—	7,923	28.42	4,194	
9	Sub-total	10,480,044	13,046	100.00	10,493,647	0.57	481.1	15.91	—	712,396	6.78	9,518	25,172
	Other retail exposures												
1	0.00 to < 0.15	0	20,285	21.48	4,358	0.09	18.1	18.15	—	189	4.34	0	
2	0.15 to < 0.25	177,463	—	—	177,463	0.23	52.8	69.78	—	56,582	31.88	296	
3	0.25 to < 0.50	176,430	—	—	176,430	0.36	65.5	39.07	—	42,135	23.88	262	
4	0.50 to < 0.75	400,679	123,425	27.27	434,668	0.55	235.6	35.23	—	119,035	27.38	888	
5	0.75 to < 2.50	166,117	7,026	99.67	173,120	1.26	94.3	61.55	—	117,375	67.79	1,379	
6	2.50 to < 10.00	41,982	15,008	36.79	47,505	6.28	36.1	34.67	—	25,198	53.04	1,055	
7	10.00 to < 100.00	2,673	836	92.23	3,476	35.36	0.7	32.35	—	2,562	73.70	508	
8	100.00 (Default)	8,490	1,852	29.59	17,071	100.00	9.3	47.91	—	7,674	44.95	7,565	
9	Sub-total	973,838	168,434	30.79	1,034,095	2.60	512.7	46.32	—	370,753	35.85	11,957	13,383
	Lease transactions												
1	0.00 to < 0.15	201,478	—	—	201,478	0.08	0.4	45.00	2.5	49,971	24.80	72	
2	0.15 to < 0.25	134,119	—	—	134,119	0.20	0.1	45.00	3.5	73,230	54.60	123	
3	0.25 to < 0.50	55,961	—	—	55,961	0.42	0.3	45.00	2.5	36,072	64.46	107	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	39,588	—	—	39,588	1.72	0.3	45.00	2.6	40,590	102.53	307	
6	2.50 to < 10.00	9,021	—	—	9,021	5.33	0.0	45.00	2.0	13,027	144.40	216	
7	10.00 to < 100.00	15,178	—	—	15,178	18.41	0.0	45.00	3.9	36,313	239.23	1,258	
8	100.00 (Default)	112	—	—	385	100.00	0.0	45.00	1.0	0	0.00	173	
9	Sub-total	455,460	—	—	455,733	1.10	1.2	45.00	2.9	249,206	54.68	2,258	2,057
Total (all portfolios)		¥ 59,002,470	¥ 7,992,924	56.36%	¥ 63,062,153	0.57%	1,633.4	36.40%	1.9	¥ 11,535,487	18.29%	¥ 118,592	¥ 148,344

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, 2022											
		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	¥ 3,587,234	¥ 33	75.00%	¥ 3,602,414	0.00%	0.0	32.09%	1.9	¥ 27,695	0.76%	¥ 16	
2	0.15 to < 0.25	2,223	—	—	385	0.20	0.0	31.83	2.6	125	32.41	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	3,589,457	33	75.00	3,602,800	0.00	0.0	32.09	1.9	27,820	0.77	16	¥ 44
	Sovereign exposures (Foundation Internal Ratings-Based Approach (FIRB))												
1	0.00 to < 0.15	18,540,535	122,103	75.34	18,651,439	0.00	0.1	44.99	1.0	101,782	0.54	123	
2	0.15 to < 0.25	0	—	—	0	0.20	0.0	45.00	1.0	0	30.44	0	
3	0.25 to < 0.50	21,628	0	75.00	12,728	0.29	0.0	45.00	3.0	8,750	68.74	16	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	10,082	—	—	82	35.80	0.0	45.00	1.0	213	258.11	13	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	18,572,246	122,103	75.34	18,664,250	0.00	0.1	44.99	1.0	110,746	0.59	154	185
	Financial Institution exposures (AIRB)												
1	0.00 to < 0.15	512,156	8,500	100.00	534,878	0.05	0.0	31.10	2.8	106,014	19.82	88	
2	0.15 to < 0.25	51,000	9,000	75.00	57,750	0.20	0.0	32.10	1.3	13,788	23.87	37	
3	0.25 to < 0.50	8,800	7,575	86.79	15,375	0.49	0.0	32.10	1.0	5,762	37.48	24	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	6,277	1,996	91.28	8,099	1.43	0.0	30.58	1.4	4,803	59.31	34	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	578,233	27,071	87.35	616,102	0.09	0.0	31.21	2.6	130,368	21.16	185	343
	Financial Institution exposures (FIRB)												
1	0.00 to < 0.15	158,235	113,103	75.00	243,063	0.05	0.0	48.01	1.3	52,966	21.79	70	
2	0.15 to < 0.25	1,729	—	—	1,729	0.20	0.0	71.02	2.3	1,180	68.25	2	
3	0.25 to < 0.50	22,314	—	—	22,314	0.27	0.0	58.44	1.5	14,312	64.14	36	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	3,167	—	—	3,167	1.76	0.0	45.00	3.8	4,206	132.80	25	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	185,447	113,103	75.00	270,274	0.09	0.0	48.98	1.3	72,665	26.88	134	61

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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	¥ 7,149,077	¥ 2,801,193	76.04%	¥ 9,339,244	0.07%	0.6	31.42%	2.5	¥ 1,713,083	18.34%	¥ 2,268	
2	0.15 to < 0.25	1,722,211	466,183	75.89	2,044,349	0.20	0.3	30.61	2.1	597,443	29.22	1,278	
3	0.25 to < 0.50	2,267,134	500,491	72.10	2,629,361	0.38	1.1	30.20	2.2	1,049,116	39.90	2,997	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	998,803	202,761	70.49	1,099,367	1.58	0.7	28.36	2.2	717,185	65.23	4,930	
6	2.50 to < 10.00	66,860	11,808	79.03	78,106	7.07	0.0	24.74	1.7	67,830	86.84	1,345	
7	10.00 to < 100.00	7,590	234	75.00	6,067	18.41	0.0	23.85	2.2	7,265	119.75	266	
8	100.00 (Default)	122,147	—	—	127,932	100.00	0.0	32.09	1.0	52,602	41.11	36,851	
9	Sub-total	12,333,824	3,982,671	75.25	15,324,428	1.13	3.0	30.85	2.3	4,204,527	27.43	49,938	¥106,738
	Corporate exposures (excluding SME exposures and specialised lending) (FIRB)												
1	0.00 to < 0.15	839,060	121,671	78.78	939,667	0.07	0.8	52.29	2.8	323,649	34.44	366	
2	0.15 to < 0.25	45,696	66,740	100.00	112,581	0.20	0.3	54.03	2.2	67,955	60.36	124	
3	0.25 to < 0.50	501,230	65,356	74.16	548,835	0.33	1.3	46.32	2.7	350,565	63.87	820	
4	0.50 to < 0.75	88,007	13,159	75.00	97,877	0.62	0.0	45.00	3.7	93,440	95.46	276	
5	0.75 to < 2.50	375,270	21,737	75.53	391,737	1.44	1.3	44.12	3.7	473,425	120.85	2,503	
6	2.50 to < 10.00	116,417	2,218	78.30	118,270	5.36	0.2	44.35	4.1	202,528	171.24	2,816	
7	10.00 to < 100.00	71,076	—	—	71,077	30.21	0.0	44.99	3.8	190,956	268.65	9,662	
8	100.00 (Default)	31,604	896	96.65	37,803	100.00	0.0	44.51	1.0	0	0.00	16,830	
9	Sub-total	2,068,364	291,779	82.24	2,317,850	3.22	4.2	48.52	3.0	1,702,520	73.45	33,398	18,463
	SME exposures (AIRB)												
1	0.00 to < 0.15	55,704	582	75.00	54,187	0.12	0.0	30.59	2.2	11,006	20.31	20	
2	0.15 to < 0.25	102,593	—	—	96,153	0.20	0.0	30.14	3.2	28,887	30.04	59	
3	0.25 to < 0.50	85,649	7,119	90.09	89,560	0.41	0.0	24.74	2.8	27,195	30.36	88	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	111,412	18,255	76.77	122,834	1.59	0.1	21.85	2.7	56,253	45.79	418	
6	2.50 to < 10.00	6,530	111	77.53	6,616	7.34	0.0	20.54	1.5	3,898	58.91	102	
7	10.00 to < 100.00	1,292	—	—	1,292	18.41	0.0	22.32	2.8	1,281	99.16	53	
8	100.00 (Default)	1,277	—	—	1,306	100.00	0.0	21.50	1.0	349	26.71	253	
9	Sub-total	364,460	26,068	80.37	371,950	1.24	0.3	25.94	2.8	128,873	34.64	995	1,097
	SME exposures (FIRB)												
1	0.00 to < 0.15	15	—	—	15	0.11	0.0	45.00	1.0	2	18.80	0	
2	0.15 to < 0.25	45	—	—	45	0.20	0.0	45.00	1.0	12	26.98	0	
3	0.25 to < 0.50	106,414	1,412	75.00	105,982	0.48	0.6	38.22	4.6	67,536	63.72	197	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	314,453	1,986	77.62	313,489	1.67	1.7	39.36	4.8	292,822	93.40	2,066	
6	2.50 to < 10.00	6,748	—	—	6,762	7.32	0.0	38.55	4.1	8,285	122.53	188	
7	10.00 to < 100.00	2,195	—	—	2,223	18.41	0.0	45.00	1.4	4,356	195.98	184	
8	100.00 (Default)	5,992	0	0.00	6,184	100.00	0.0	40.10	1.0	0	0.00	2,480	
9	Sub-total	435,864	3,399	76.52	434,703	2.95	2.5	39.11	4.7	373,016	85.80	5,117	405

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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	¥1,320,005	¥101,243	75.00%	¥1,395,938	0.08%	0.3	26.30%	4.1	¥ 312,385	22.37%	¥ 314	
2	0.15 to < 0.25	85,887	22,114	75.00	102,472	0.20	0.0	30.80	3.8	42,750	41.71	64	
3	0.25 to < 0.50	869,979	143,937	74.99	977,920	0.33	0.2	24.34	4.3	404,129	41.32	795	
4	0.50 to < 0.75	151,786	52,471	75.18	191,238	0.64	0.0	25.07	4.3	105,239	55.03	309	
5	0.75 to < 2.50	363,252	47,578	73.65	398,295	1.48	0.0	24.74	3.4	253,091	63.54	1,467	
6	2.50 to < 10.00	99,872	55,054	73.27	140,211	3.92	0.0	23.35	3.6	110,294	78.66	1,230	
7	10.00 to < 100.00	73,761	18,286	75.00	87,475	22.66	0.0	38.88	4.0	185,006	211.49	8,065	
8	100.00 (Default)	15,398	1,331	75.00	16,401	100.00	0.0	28.29	1.0	5,570	33.96	4,195	
9	Sub-total	2,979,942	442,016	74.65	3,309,953	1.61	0.8	25.82	4.1	1,418,468	42.85	16,443	¥ 5,257
	Specialised lending (FIRB)												
1	0.00 to < 0.15	1,213	—	—	1,213	0.08	0.2	45.00	1.0	197	16.26	0	
2	0.15 to < 0.25	71	—	—	71	0.20	0.0	45.00	1.0	21	30.44	0	
3	0.25 to < 0.50	1,371	—	—	1,371	0.32	0.1	45.00	1.0	557	40.62	2	
4	0.50 to < 0.75	270	—	—	270	0.63	0.0	45.00	1.0	159	59.19	0	
5	0.75 to < 2.50	550	—	—	550	1.44	0.0	45.00	1.0	461	83.78	3	
6	2.50 to < 10.00	78	—	—	78	3.67	0.0	45.00	1.0	91	116.67	1	
7	10.00 to < 100.00	203	—	—	203	17.87	0.0	45.00	1.0	418	205.72	16	
8	100.00 (Default)	0	—	—	0	100.00	0.0	45.00	1.0	0	0.00	0	
9	Sub-total	3,759	—	—	3,759	1.46	0.6	45.00	1.0	1,907	50.73	24	—
	Equity exposures (PD/LGD Approach)												
1	0.00 to < 0.15	1,107,433	—	—	542,498	0.07	0.3	90.00	5.0	620,248	114.33	—	
2	0.15 to < 0.25	121,996	—	—	63,349	0.20	0.1	90.00	5.0	92,740	146.39	—	
3	0.25 to < 0.50	95,660	—	—	52,370	0.36	0.4	90.00	5.0	95,187	181.75	—	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	36,491	—	—	28,959	1.79	0.2	90.00	5.0	89,227	308.10	—	
6	2.50 to < 10.00	3,009	—	—	2,198	6.57	0.0	90.00	5.0	9,283	422.29	—	
7	10.00 to < 100.00	415	—	—	415	18.41	0.0	90.00	5.0	2,560	616.26	—	
8	100.00 (Default)	283	—	—	160	100.00	0.0	90.00	5.0	1,804	1,125.00	—	
9	Sub-total	1,365,289	—	—	689,953	0.23	1.1	90.00	5.0	911,053	132.04	—	
	Purchased receivables for corporates, etc. (default risk) (AIRB)												
1	0.00 to < 0.15	12,881	—	—	12,881	0.10	0.0	32.10	3.3	3,531	27.41	4	
2	0.15 to < 0.25	7,000	—	—	7,000	0.20	0.0	32.10	5.0	3,379	48.27	4	
3	0.25 to < 0.50	11,578	—	—	11,578	0.31	0.0	32.10	2.3	4,608	39.80	11	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	64,425	—	—	64,425	1.53	0.0	31.60	4.0	57,110	88.64	313	
6	2.50 to < 10.00	2,018	—	—	2,018	7.88	0.0	32.10	3.6	2,740	135.78	51	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	2,895	—	—	2,895	100.00	0.0	32.10	1.0	1,190	41.12	834	
9	Sub-total	100,799	—	—	100,799	4.07	0.0	31.78	3.7	72,560	71.98	1,219	488

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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	¥ 4,442	¥ —	—%	¥ 4,442	0.12%	0.0	100.00%	1.0	¥ 2,208	49.70%	¥ —	
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	4,442	—	—	4,442	0.12	0.0	100.00	1.0	2,208	49.70	—	¥ —
Purchased receivables for corporates, etc. (default risk) (FIRB)													
1	0.00 to < 0.15	306,276	4,019	100.00	310,295	0.06	0.2	45.00	1.0	42,010	13.53	89	
2	0.15 to < 0.25	81,589	—	—	81,589	0.20	0.1	45.00	1.0	25,312	31.02	75	
3	0.25 to < 0.50	112,416	2,892	75.00	114,585	0.37	1.0	45.00	1.1	51,756	45.16	192	
4	0.50 to < 0.75	423	2,639	75.00	2,402	0.62	0.0	45.00	4.5	2,452	102.08	6	
5	0.75 to < 2.50	47,170	—	—	47,170	1.52	3.3	45.00	1.1	38,989	82.65	323	
6	2.50 to < 10.00	4,330	—	—	4,330	6.56	0.5	45.00	1.0	6,384	147.43	127	
7	10.00 to < 100.00	522	—	—	522	18.41	0.0	45.00	1.0	1,140	218.32	43	
8	100.00 (Default)	4,546	—	—	4,546	100.00	0.0	45.00	1.0	0	0.00	2,045	
9	Sub-total	557,274	9,550	85.52	565,442	1.14	5.4	45.00	1.1	168,046	29.71	2,903	365
Purchased receivables for corporates, etc. (dilution risk and originator risk of loan participation) (FIRB)													
1	0.00 to < 0.15	386,470	6,658	90.09	392,468	0.06	0.3	92.50	1.1	113,138	28.82	13	
2	0.15 to < 0.25	54,292	—	—	54,292	0.21	0.1	92.00	1.0	35,343	65.09	7	
3	0.25 to < 0.50	16,136	2,892	75.00	18,305	0.40	0.1	73.75	1.6	15,796	86.29	12	
4	0.50 to < 0.75	18	—	—	18	0.62	0.0	45.00	1.0	10	58.78	0	
5	0.75 to < 2.50	1,521	—	—	1,521	1.01	0.1	91.46	1.2	8,840	581.09	1	
6	2.50 to < 10.00	3,250	—	—	3,250	6.88	0.0	100.00	1.0	10,750	330.68	—	
7	10.00 to < 100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	461,689	9,550	85.52	469,857	0.14	0.7	91.76	1.1	183,879	39.13	35	—
Purchased receivables for retail (default risk)													
1	0.00 to < 0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to < 0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to < 0.50	32,046	—	—	32,046	0.30	29.5	70.83	—	12,135	37.86	69	
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	32,046	—	—	32,046	0.30	29.5	70.83	—	12,135	37.86	69	88

CR6		Millions of Yen, %, 1,000 cases, Year											
		March 31, 2022											
		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	¥ 39,550	27.13%	¥ 10,730	0.09%	42.7	59.37%	—	¥ 380	3.55%	¥ 6	
2	0.15 to < 0.25	41,972	706,261	11.31	121,914	0.22	197.3	70.80	—	10,120	8.30	193	
3	0.25 to < 0.50	19,951	945,124	7.43	90,210	0.35	137.6	75.96	—	11,682	12.94	244	
4	0.50 to < 0.75	34,826	242,256	11.31	62,247	0.54	79.0	70.80	—	10,488	16.84	239	
5	0.75 to < 2.50	11,201	212,375	12.36	37,469	1.15	109.8	70.10	—	10,956	29.24	302	
6	2.50 to < 10.00	31,691	62,122	12.05	39,181	4.82	38.7	70.96	—	31,356	80.03	1,341	
7	10.00 to < 100.00	188	1,166	11.09	317	48.23	0.5	67.08	—	538	169.51	107	
8	100.00 (Default)	42	3,374	8.53	7,708	100.00	8.7	71.20	—	8,856	114.89	4,779	
9	Sub-total	139,872	2,212,231	10.05	369,779	3.00	614.6	71.68	—	84,378	22.81	7,214	¥ 9,047
Residential mortgage exposures													
1	0.00 to < 0.15	4,595,396	11,505	100.00	4,606,902	0.10	154.3	17.46	—	195,407	4.24	833	
2	0.15 to < 0.25	2,156,221	28	100.00	2,156,249	0.17	96.0	17.19	—	132,592	6.14	636	
3	0.25 to < 0.50	3,535,196	1,269	100.00	3,536,476	0.33	210.5	16.56	—	338,399	9.56	1,944	
4	0.50 to < 0.75	81,937	—	—	81,937	0.69	6.1	21.18	—	17,059	20.81	121	
5	0.75 to < 2.50	95,837	19	100.00	95,857	0.89	9.9	19.15	—	21,364	22.28	164	
6	2.50 to < 10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to < 100.00	62,721	4	100.00	62,726	19.28	3.6	17.40	—	60,537	96.51	2,126	
8	100.00 (Default)	32,338	14	100.00	33,402	100.00	1.8	18.54	—	9,503	28.45	5,432	
9	Sub-total	10,559,648	12,843	100.00	10,573,551	0.63	482.5	17.15	—	774,863	7.32	11,258	25,355
Other retail exposures													
1	0.00 to < 0.15	0	21,411	21.91	4,691	0.09	19.2	18.44	—	213	4.54	0	
2	0.15 to < 0.25	165,451	—	—	165,451	0.24	50.6	68.65	—	52,725	31.86	278	
3	0.25 to < 0.50	192,735	—	—	192,735	0.37	67.0	37.89	—	45,478	23.59	286	
4	0.50 to < 0.75	352,775	404	100.00	353,475	0.54	85.4	34.12	—	92,673	26.21	680	
5	0.75 to < 2.50	176,754	136,520	31.29	219,477	1.17	256.4	60.29	—	141,121	64.29	1,606	
6	2.50 to < 10.00	38,864	15,414	36.74	44,528	6.35	38.6	33.76	—	23,177	52.05	1,001	
7	10.00 to < 100.00	2,547	859	93.07	3,382	35.60	0.7	30.39	—	2,350	69.47	454	
8	100.00 (Default)	8,847	1,767	31.23	18,773	100.00	10.2	48.33	—	9,125	48.60	8,344	
9	Sub-total	937,976	176,377	31.08	1,002,517	2.83	528.4	46.44	—	366,866	36.59	12,654	15,552
Lease transactions													
1	0.00 to < 0.15	213,286	—	—	213,286	0.07	0.4	45.00	2.6	52,422	24.57	75	
2	0.15 to < 0.25	128,970	—	—	128,970	0.20	0.1	45.00	3.9	74,446	57.72	118	
3	0.25 to < 0.50	53,527	—	—	53,527	0.43	0.3	45.00	2.5	35,242	65.83	104	
4	0.50 to < 0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to < 2.50	43,152	—	—	43,152	1.74	0.3	45.00	2.6	44,873	103.98	338	
6	2.50 to < 10.00	14,226	—	—	14,226	5.25	0.0	45.00	3.7	23,615	165.99	336	
7	10.00 to < 100.00	5,028	—	—	5,028	18.41	0.0	45.00	3.9	12,178	242.16	416	
8	100.00 (Default)	—	—	—	513	100.00	0.0	45.00	1.0	0	0.00	231	
9	Sub-total	458,193	—	—	458,707	0.78	1.2	45.00	3.0	242,778	52.92	1,621	5,251
Total (all portfolios)		¥ 55,728,834	¥ 7,428,799	55.05%	¥ 59,183,170	0.74%	1,675.9	35.43%	2.0	¥ 10,989,683	18.56%	¥ 143,385	¥ 188,749

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, 2023	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 126,816	¥ 126,816
2	Sovereign Exposures – AIRB	24,895	24,895
3	Financial Institution Exposures – FIRB	114,023	114,023
4	Financial Institution Exposures – AIRB	117,941	117,941
5	Corporate exposures (excluding specialised lending) – FIRB	2,201,835	2,201,835
6	Corporate exposures (excluding specialised lending) – AIRB	4,509,187	4,509,187
7	Specialised lending – FIRB	691,919	691,919
8	Specialised lending – AIRB	1,494,401	1,494,401
9	Retail – Qualifying revolving retail exposures	87,014	87,014
10	Retail – Residential mortgage exposures	712,396	712,396
11	Retail – Other retail exposures	370,753	370,753
12	Equity Exposures – FIRB	1,266,542	1,266,542
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	487,484	487,484
15	Purchased receivables – AIRB	69,678	69,678
16	Total	¥ 12,274,892	¥ 12,274,892

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

CR7		Millions of Yen	
		March 31, 2022	
		a	b
Item No.	Portfolio	Pre-credit derivatives credit RWA amounts	Actual credit RWA amounts
1	Sovereign Exposures – FIRB	¥ 110,746	¥ 110,746
2	Sovereign Exposures – AIRB	26,586	26,586
3	Financial Institution Exposures – FIRB	72,665	72,665
4	Financial Institution Exposures – AIRB	128,594	128,594
5	Corporate exposures (excluding specialised lending) – FIRB	2,075,536	2,075,536
6	Corporate exposures (excluding specialised lending) – AIRB	4,336,409	4,336,409
7	Specialised lending – FIRB	356,900	356,900
8	Specialised lending – AIRB	1,418,468	1,418,468
9	Retail – Qualifying revolving retail exposures	84,378	84,378
10	Retail – Residential mortgage exposures	774,863	774,863
11	Retail – Other retail exposures	366,866	366,866
12	Equity Exposures – FIRB	1,137,535	1,137,535
13	Equity Exposures – AIRB	—	—
14	Purchased receivables – FIRB	364,060	364,060
15	Purchased receivables – AIRB	74,768	74,768
16	Total	¥ 11,328,380	¥ 11,328,380

Note: 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, 2023 RWA amounts
1	RWA at the end of the previous fiscal year		¥ 12,472
2	Factor of RWA changes	Asset size	1,062
3		Asset quality	(364)
4		Model updates	—
5		Methodology and policy	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	272
8		Others	—
9	RWA at the end of the fiscal year		¥ 13,444

Note: The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

CR8 Item No.			Billions of Yen March 31, 2022 RWA amounts
1	RWA at the end of the previous fiscal year		¥ 12,707
2	Factor of RWA changes	Asset size	33
3		Asset quality	(533)
4		Model updates	—
5		Methodology and policy	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	265
8		Others	—
9	RWA at the end of the fiscal year		¥ 12,472

Note: The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

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

Entities subject to AIRB and FIRB

CR9		%, Cases												
		March 31, 2023 (Period covered: September 30, 2021 - September 30, 2022)												
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, 2021	September 30, 2022				
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BBB	AAA~ BBB+	0.00%	0.07%	794	825	0	0	0.00%	1.2%
Financial Institution Exposures	—	AA~ B-	Aa2~ B3	AA~ B-	AA+~ BB-	AAA~ BB	0.10	0.19	420	431	0	0	0.00	1.8
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	521	547	0	0	0.00	56.3
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA-~ A	0.06	0.06	559	564	0	0	0.01	
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A-~ BBB	0.19	0.22	2,732	2,807	1	0	0.02	
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB-~ BB	1.05	1.23	5,498	5,585	4	0	0.17	
	> 5% to < 100%	—	—	—	—	—	12.00	8.87	285	257	12	0	3.63	
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	46	40	0	0	0.00	12.9
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	135	149	0	0	0.00	
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.24	0.25	311	344	0	0	0.00	
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.43	2.61	599	614	0	0	0.20	
	> 15% to < 100%	—	—	—	—	—	35.80	35.80	58	63	3	0	11.53	
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.40	3.40	253	0	0	0	0.00	0.0
Qualifying revolving retail exposures	≥ 0% to 10%						0.43	0.28	41,170	39,646	32	0	0.09	0.0
	> 10% to < 100%						23.49	23.49	90	86	19	0	15.28	
Residential mortgage exposures	≥ 0% to 2%						0.20	0.23	544,382	555,598	241	0	0.08	5.5
	> 2% to < 100%						18.69	19.05	3,576	3,772	531	0	12.96	
Other retail exposures	≥ 0% to 10%						0.64	0.85	36,933	35,628	91	0	0.35	0.4
	> 10% to < 100%						23.61	25.43	147	138	21	0	17.25	

Entities subject to FIRB

CR9														
		%, Cases												
		March 31, 2023 (Period covered: September 30, 2021 - September 30, 2022)												
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, 2021	September 30, 2022				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.02%	0.03%	225	216	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	A+~ BBB	AA-~ BBB+	0.27	0.18	3	4	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	36	37	0	0	0.00	3.1
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA-~ A	0.06	0.06	83	89	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A-~ BBB	0.19	0.17	420	427	0	0	0.02	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB-~ BB	1.23	1.11	834	838	2	2	0.73	
	> 5% to < 100%	—	—	—	—	—	9.88	8.70	200	198	3	1	4.62	
Qualifying revolving retail exposures	≥ 0% to 10%						0.93	0.78	566,943	548,648	3,008	88	0.70	0.6
	> 10% to < 100%						61.25	61.25	490	527	316	0	59.81	
Residential mortgage exposures	≥ 0% to 2%						0.67	0.73	12,670	12,200	18	0	0.36	0.3
	> 2% to < 100%						21.92	21.92	339	323	28	0	11.82	
Other retail exposures	≥ 0% to 10%						0.98	1.42	296,485	291,125	1,046	38	0.56	2.4
	> 10% to < 100%						34.12	55.42	576	600	234	1	47.17	

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 SuMi TRUST Group.

4. The PD estimation of 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 2021. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2021 to the end of September 2022.

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 ten 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 2022) 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, 2022 (Period covered: September 30, 2020 - September 30, 2021)												
a	b	c					d	e	f		g	h	i	
Portfolio	PD Range	External rating equivalent: S&P	Moody's	Fitch	R&I	JCR	Weighted average PD (EAD weighted)	Arithmetic average PD (by obligors)	Number of obligors: September 30, 2020	September 30, 2021	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
Sovereign Exposures	—	AAA~ B-	Aaa~ B3	AAA~ B-	AAA~ BBB-	AAA~ BBB	0.00%	0.10%	757	792	0	0	0.00%	0.9%
Financial Institution Exposures	—	AA~ B-	Aa2~ B3	AA~ B-	AA+~ BB-	AAA~ BB	0.10	0.19	422	420	0	0	0.00	1.6
Corporate Exposures (Japanese)	≥ 0% to 0.03%	AAA~ A-	Aaa~ A3	—	AAA~ AA-	AAA~ AA	0.03	0.03	542	522	0	0	0.00	60.4
	> 0.03% to 0.1%	BBB+~ BBB-	Baa1~ Baa3	—	A+~ A-	AA-~ A	0.06	0.06	572	560	0	0	0.02	
	> 0.1% to 0.5%	BB+~ BB-	Ba1~ Ba3	—	BBB+~ BBB-	A-~ BBB	0.20	0.22	2,765	2,732	0	0	0.01	
	> 0.5% to 5%	B+~ B-	B1~ B3	—	BB+~ BB-	BBB-~ BB	1.02	1.22	5,213	5,498	9	0	0.18	
	> 5% to < 100%	—	—	—	—	—	9.74	7.89	294	285	7	0	3.57	
Corporate Exposures (Non-Japanese)	≥ 0% to 0.03%	AAA~ AA-	Aaa~ Aa3	AAA~ AA-	—	—	0.03	0.03	48	48	0	0	0.00	11.1
	> 0.03% to 0.1%	A+~ A-	A1~ A3	A+~ A-	—	—	0.06	0.06	128	135	0	0	0.00	
	> 0.1% to 0.5%	BBB+~ BBB-	Baa1~ Baa3	BBB+~ BBB-	—	—	0.23	0.24	281	310	0	0	0.00	
	> 0.5% to 15%	BB+~ B-	Ba1~ B3	BB+~ B-	—	—	2.35	2.87	570	599	1	0	0.22	
	> 15% to < 100%	—	—	—	—	—	34.71	34.71	53	58	3	0	12.24	
Purchased receivables for corporates, etc. (Top-down approach)	—	—	—	—	AAA~ BB+	AAA~ BBB-	3.53	3.53	301	253	0	0	0.53	0.0
Qualifying revolving retail exposures	≥ 0% to 10%						0.46	0.30	41,973	41,170	30	0	0.09	0.0
	> 10% to < 100%						23.78	23.78	124	90	20	0	14.63	
Residential mortgage exposures	≥ 0% to 2%						0.20	0.22	521,749	544,382	328	0	0.09	6.1
	> 2% to < 100%						19.97	19.93	3,817	3,576	552	0	12.75	
Other retail exposures	≥ 0% to 10%						0.61	0.61	38,141	36,933	99	0	0.36	0.4
	> 10% to < 100%						23.90	25.63	160	147	33	0	17.57	

Entities subject to FIRB

CR9		%, Cases												
		March 31, 2022 (Period covered: September 30, 2020 - September 30, 2021)												
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, 2020	September 30, 2021				
Sovereign Exposures	—	—	—	—	AAA~ BBB	AAA~ BBB+	0.02%	0.03%	236	225	0	0	0.00%	0.0%
Financial Institution Exposures	—	—	—	—	AA+~ BBB	AAA~ BBB+	0.13	0.18	5	3	0	0	0.00	0.0
Corporate Exposures (Japanese)	≥ 0% to 0.03%	—	—	—	AAA~ AA-	AAA~ AA	0.03	0.03	40	36	0	0	0.00	3.2
	> 0.03% to 0.1%	—	—	—	A+~ A-	AA-~ A	0.06	0.06	77	83	0	0	0.00	
	> 0.1% to 0.5%	—	—	—	BBB+~ BBB-	A-~ BBB	0.19	0.19	450	420	1	0	0.02	
	> 0.5% to 5%	—	—	—	BB+~ BB-	BBB-~ BB	1.19	1.12	885	834	10	0	0.78	
	> 5% to < 100%	—	—	—	—	—	7.55	7.87	228	200	8	0	4.97	
Qualifying revolving retail exposures	≥ 0% to 10%						0.95	0.82	594,682	566,943	3,445	110	0.72	0.7
	> 10% to < 100%						63.20	62.95	499	490	314	0	59.29	
Residential mortgage exposures	≥ 0% to 2%						0.65	0.72	13,031	12,670	41	0	0.38	0.3
	> 2% to < 100%						22.51	22.51	316	339	30	0	12.21	
Other retail exposures	≥ 0% to 10%						1.02	1.48	305,485	295,730	1,149	31	0.58	2.6
	> 10% to < 100%						41.84	63.35	566	560	285	2	47.90	

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 SuMi TRUST Group.

4. The PD estimation of 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 2020. In addition, Column g and Column h were obtained by counting the number of defaulted obligors from the end of September 2020 to the end of September 2021.

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 nine 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 2021) 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, 2023									
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	3,602	—	70%	3,602	—	—	—	3,602	2,521	14
	2.5 years≤	179	—	90%	—	179	—	—	179	161	1
Satisfactory		6,633	—	115%	3,630	—	—	3,003	6,633	7,628	185
Weak		—	—	250%	—	—	—	—	—	—	—
Default		—	—	—	—	—	—	—	—	—	—
Total		¥ 10,415	¥ —	—	¥7,232	¥179	¥ —	¥3,003	¥ 10,415	¥ 10,312	¥ 201
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	34,856	2,205	70%					36,510	25,557	146
	2.5 years≤	4,352	26,457	95%					24,194	22,985	96
Good	< 2.5 years	4,424	100	95%					4,499	4,274	17
	2.5 years≤	31,605	34,686	120%					57,620	69,144	230
Satisfactory		77,003	193,287	140%					221,969	310,756	6,215
Weak		37,654	79,710	250%					97,437	243,594	7,795
Default		—	—	—					—	—	—
Total		¥ 189,896	¥ 336,447	—					¥ 442,231	¥ 676,312	¥14,501
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		11,384	2,519	300%					13,740	41,220	
Simple risk weight method – Unlisted shares		39,612	34,105	400%					65,191	260,766	
Internal Models Approach		—	—	—					—	—	
Total		¥ 50,997	¥ 36,625	—					¥ 78,931	¥ 301,987	
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, 2022									
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	11,006	6,383	70%					15,794	11,055	63
	2.5 years≤	2,682	4,368	95%					5,958	5,660	23
Good	< 2.5 years	45,048	8,966	95%					51,772	49,184	207
	2.5 years≤	45,247	71,026	120%					98,516	118,220	394
Satisfactory		50,799	95,003	140%					122,051	170,872	3,417
Weak		—	—	250%					—	—	—
Default		—	—	—					—	—	—
Total		¥ 154,783	¥185,747	—					¥ 294,094	¥ 354,993	¥ 4,105
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		9,347	15,799	300%					25,147	75,441	
Simple risk weight method – Unlisted shares		35,446	3,085	400%					37,760	151,040	
Internal Models Approach		—	—	—					—	—	
Total		¥ 44,793	¥ 18,884	—					¥ 62,907	¥ 226,481	
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, 2023					
		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)	431,346	781,275			1,212,622	375,435
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					774,667	138,481
5	Exposure variation estimation model					—	—
6	Total						¥ 513,916

CCR1		Millions of Yen					
		March 31, 2022					
		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)	640,927	611,576			1,252,504	409,215
2	Expected Exposure Method (IMM)			—	—	—	—
3	Simple Approach for credit risk mitigation					—	—
4	Comprehensive Approach for credit risk mitigation					846,397	147,482
5	Exposure variation estimation model					—	—
6	Total						¥ 556,698

CCR2: Credit valuation adjustment (CVA) capital charge

CCR2		Millions of Yen	
		March 31, 2023	
		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	989,621	644,470
5	Total portfolios subject to the CVA capital charge	¥ 989,621	¥ 644,470

CCR2		Millions of Yen	
		March 31, 2022	
		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	1,209,187	660,133
5	Total portfolios subject to the CVA capital charge	¥1,209,187	¥ 660,133

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

CCR3: CCR exposures by regulatory portfolio and risk weights

CCR3		Millions of Yen								
		March 31, 2023								
		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	—	—	612,728	—	—	—	—	—	612,728
11	Corporates, etc.	—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals	—	—	—	—	—	—	—	—	—
13	Other than the above	—	—	—	—	—	1,224	—	—	1,224
14	Total	¥ —	¥ —	¥ 612,728	¥ —	¥ —	¥ 1,224	¥ —	¥ —	¥ 613,952

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

CCR3		Millions of Yen								
		March 31, 2022								
		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	—	—	600,903	—	—	—	—	—	600,903
11	Corporates, etc.	—	—	—	—	—	—	—	—	—
12	SMEs, etc. and individuals	—	—	—	—	—	—	—	—	—
13	Other than the above	—	—	—	—	—	6	—	—	6
14	Total	¥ —	¥ —	¥ 600,903	¥ —	¥ —	¥ 6	¥ —	¥ —	¥ 600,909

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, 2023						
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	¥ 34,325	0.01%	0.0	39.42%	1.4	¥ 2,432	7.08%
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	34,325	0.01	0.0	39.42	1.4	2,432	7.08
Financial Institution exposures								
1	0.00 to < 0.15	632,632	0.04	0.1	20.91	2.5	130,197	20.58
2	0.15 to < 0.25	71	0.20	0.0	45.00	3.7	43	60.77
3	0.25 to < 0.50	19,527	0.28	0.0	16.30	4.0	17,701	90.65
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	652,230	0.05	0.1	20.74	2.6	147,942	22.68
Corporate exposures and SME exposures								
1	0.00 to < 0.15	263,502	0.04	0.3	15.33	2.4	53,246	20.20
2	0.15 to < 0.25	13,238	0.20	0.0	46.52	2.5	5,957	45.00
3	0.25 to < 0.50	14,571	0.35	0.1	45.00	2.5	8,524	58.49
4	0.50 to < 0.75	—	—	—	—	—	—	—
5	0.75 to < 2.50	4,002	1.40	0.0	45.00	3.2	4,338	108.41
6	2.50 to < 10.00	440	7.50	0.0	45.00	1.6	715	162.18
7	10.00 to < 100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	295,755	0.10	0.6	16.45	2.4	72,783	24.60
Specialised lending								
1	0.00 to < 0.15	30,389	0.10	0.1	45.00	4.2	13,344	43.91
2	0.15 to < 0.25	957	0.20	0.0	45.00	4.6	615	64.27
3	0.25 to < 0.50	23,361	0.29	0.0	45.00	4.9	18,561	79.45
4	0.50 to < 0.75	26,306	0.65	0.0	45.00	4.7	27,792	105.65
5	0.75 to < 2.50	44,808	1.33	0.0	45.00	4.7	57,664	128.69
6	2.50 to < 10.00	29,246	3.10	0.0	45.00	4.8	46,333	158.42
7	10.00 to < 100.00	77	13.81	0.0	45.00	5.0	188	243.81
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	155,147	1.15	0.3	45.00	4.6	164,499	106.02
Total (all portfolios)		¥ 1,137,458	0.21%	1.1	21.05%	2.8	¥ 387,658	34.08%

Note: 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, 2022						
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	¥ 29,100	0.01%	0.0	21.10%	1.7	¥ 2,338	8.03%
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	29,100	0.01	0.0	21.10	1.7	2,338	8.03
		Financial Institution exposures						
1	0.00 to < 0.15	710,740	0.04	0.1	24.39	2.0	131,195	18.45
2	0.15 to < 0.25	201	0.20	0.0	89.61	2.4	126	62.85
3	0.25 to < 0.50	18,912	0.30	0.0	35.36	4.4	18,013	95.24
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	729,854	0.05	0.1	24.60	2.0	149,335	20.46
		Corporate exposures and SME exposures						
1	0.00 to < 0.15	464,563	0.04	0.3	13.70	1.6	85,418	18.38
2	0.15 to < 0.25	18,437	0.20	0.0	45.00	2.0	7,429	40.29
3	0.25 to < 0.50	17,290	0.36	0.1	45.65	2.3	10,042	58.08
4	0.50 to < 0.75	—	—	—	—	—	—	—
5	0.75 to < 2.50	4,088	1.64	0.1	45.00	2.9	4,604	112.62
6	2.50 to < 10.00	409	4.22	0.0	45.00	4.6	681	166.34
7	10.00 to < 100.00	143	35.80	0.0	45.00	1.0	370	258.11
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	504,932	0.09	0.6	14.48	1.6	108,546	21.49
		Specialised lending						
1	0.00 to < 0.15	53,459	0.09	0.1	45.00	4.6	23,915	44.73
2	0.15 to < 0.25	1,259	0.20	0.0	45.00	4.1	774	61.51
3	0.25 to < 0.50	23,255	0.31	0.0	45.00	4.9	18,620	80.06
4	0.50 to < 0.75	26,262	0.65	0.0	45.00	4.8	28,109	107.03
5	0.75 to < 2.50	23,862	1.26	0.0	45.00	4.7	30,136	126.28
6	2.50 to < 10.00	45,807	3.11	0.0	45.00	4.8	72,479	158.22
7	10.00 to < 100.00	259	13.95	0.0	45.00	4.9	632	243.75
8	100.00 (Default)	—	—	—	—	—	—	—
9	Sub-total	174,167	1.18	0.3	45.00	4.7	174,667	100.28
Total (all portfolios)		¥ 1,438,054	0.20%	1.1	20.49%	2.2	¥ 434,887	30.24%

Note: 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, 2023					
		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)	¥ —	¥ 489,069	¥ —	¥ 349,191	¥ 110,003	¥ 436,093
2	Cash (other currency)	—	603,603	—	553,303	1,030,780	983
3	Domestic sovereign debt	9,707	34,104	17,970	54,515	282,806	314,304
4	Other sovereign debt	2,853	—	—	—	994,578	2,960,192
5	Government agency debt	—	—	—	—	157,314	45,711
6	Corporate bonds	—	—	—	—	214,348	—
7	Equity securities	—	—	—	6,554	1,138,863	673,387
8	Other collateral	—	—	—	—	—	—
9	Total	¥ 12,561	¥1,126,777	¥ 17,970	¥ 963,565	¥ 3,928,695	¥ 4,430,672

CCR5		Millions of Yen					
		March 31, 2022					
		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)	¥ —	¥ 166,263	¥ —	¥ 480,779	¥ 50,028	¥ 803,276
2	Cash (other currency)	—	220	—	323,716	1,435,005	972
3	Domestic sovereign debt	12,815	858	14,455	30,797	337,823	353,438
4	Other sovereign debt	859	—	—	—	1,155,773	2,738,273
5	Government agency debt	—	—	—	—	129,008	97,303
6	Corporate bonds	—	—	—	—	312,503	199,355
7	Equity securities	—	—	—	6,995	1,074,742	819,386
8	Other collateral	—	—	—	—	—	—
9	Total	¥ 13,674	¥ 167,342	¥ 14,455	¥ 842,289	¥ 4,494,884	¥ 5,012,006

CCR6: Credit derivatives exposures

CCR6		Millions of Yen	
		March 31, 2023	
		a	b
Item No.		Protection bought	Protection sold
	Notionals		
1	Single-name credit default swaps	¥ 22,600	¥ 22,600
2	Index credit default swaps	46,054	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 68,654	¥ 22,600
	Fair values		
7	Positive fair value (asset)	47	507
8	Negative fair value (liability)	(507)	(47)

CCR6		Millions of Yen	
		March 31, 2022	
		a	b
Item No.		Protection bought	Protection sold
	Notionals		
1	Single-name credit default swaps	¥ 29,000	¥ 29,000
2	Index credit default swaps	37,392	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notionals	¥ 66,392	¥ 29,000
	Fair values		
7	Positive fair value (asset)	32	643
8	Negative fair value (liability)	(2,963)	(32)

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

As of March 31, 2023
Not applicable.

As of March 31, 2022
Not applicable.

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

CCR8: Exposures to central counterparties (CCP)

CCR8		Millions of Yen	
		March 31, 2023	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 76,398
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,475,738	49,514
3	(i) OTC derivatives	2,330,868	46,617
4	(ii) Exchange-traded derivatives	53,376	1,067
5	(iii) Repo transactions	91,494	1,829
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	366,646	7,332
9	Pre-funded default fund contributions	29,908	19,550
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, 2022	
Item No.		a	b
		EAD to CCP (post-CRM)	RWA amounts
1	Exposures to qualifying central counterparties (QCCPs) (total)		¥ 55,007
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,536,663	30,733
3	(i) OTC derivatives	1,241,187	24,823
4	(ii) Exchange-traded derivatives	202,133	4,042
5	(iii) Repo transactions	93,342	1,866
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	242,227	4,844
9	Pre-funded default fund contributions	32,748	19,429
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, 2023								
		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	¥ 85,532	¥ —	¥ 85,532	¥ 296,443	¥ —	¥ 296,443	¥ 183,039	¥ —	¥ 183,039
2	Residential mortgage	85,532	—	85,532	26,922	—	26,922	145,666	—	145,666
3	Credit card	—	—	—	45,547	—	45,547	28,015	—	28,015
4	Other retail exposures	—	—	—	223,973	—	223,973	9,357	—	9,357
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	6,856	—	6,856	6,403	—	6,403	960,547	—	960,547
7	Loans to corporates	—	—	—	—	—	—	960,547	—	960,547
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	6,856	—	6,856	6,403	—	6,403	—	—	—
10	Other wholesale	—	—	—	—	—	—	—	—	—
11	Re-securitisation	—	—	—	—	—	—	—	—	—

SEC1		Millions of Yen								
		March 31, 2022								
		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	¥ 85,983	¥ —	¥ 85,983	¥ 377,826	¥ —	¥ 377,826	¥ 126,073	¥ —	¥ 126,073
2	Residential mortgage	85,983	—	85,983	67,793	—	67,793	87,427	—	87,427
3	Credit card	—	—	—	40,787	—	40,787	28,428	—	28,428
4	Other retail exposures	—	—	—	269,245	—	269,245	10,216	—	10,216
5	Re-securitisation	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	6,548	—	6,548	14,921	—	14,921	791,122	—	791,122
7	Loans to corporates	—	—	—	—	—	—	791,122	—	791,122
8	Commercial mortgage	—	—	—	—	—	—	—	—	—
9	Lease and receivables	6,548	—	6,548	14,921	—	14,921	—	—	—
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, 2023
Not applicable.

As of March 31, 2022
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, 2023														
		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	¥229,021	¥229,021	¥229,021	¥222,617	¥ 6,403	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	125,536	125,536	125,536	125,536	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	28,626	28,626	28,626	28,626	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	12,039	12,039	12,039	5,182	6,856	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—
		Exposure Values (by regulatory approach)														
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	390,779	390,779	390,779	377,518	13,260	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	4,443	4,443	4,443	4,443	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—
		RWA (by regulatory approach)														
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	134,895	134,895	134,895	104,421	30,474	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	967	967	967	967	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	160	160	160	160	—	—	—	—	—	—	—	—	—	—	—
		Capital requirement values (by regulatory approach)														
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	10,791	10,791	10,791	8,353	2,437	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	77	77	77	77	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	12	12	12	12	—	—	—	—	—	—	—	—	—	—	—

SEC3		Millions of Yen														
		March 31, 2022														
		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	¥328,047	¥328,047	¥328,047	¥313,125	¥14,921	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	101,665	101,665	101,665	101,665	—	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	44,314	44,314	44,314	44,314	—	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	11,224	11,224	11,224	4,676	6,548	—	—	—	—	—	—	—	—	—	—
5	1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—
							Exposure Values (by regulatory approach)									
6	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	485,006	485,006	485,006	463,535	21,470	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	245	245	245	245	—	—	—	—	—	—	—	—	—	—	—
8	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—
							RWA (by regulatory approach)									
10	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	155,117	155,117	155,117	126,415	28,701	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	36	36	36	36	—	—	—	—	—	—	—	—	—	—	—
12	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Subject to 1,250% risk weight	352	352	352	352	—	—	—	—	—	—	—	—	—	—	—
							Capital requirement values (by regulatory approach)									
14	Subject to the Internal Ratings-Based Approach (SEC-IRBA) or Internal Assessment Approach (IAA)	12,409	12,409	12,409	10,113	2,296	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	2	2	2	2	—	—	—	—	—	—	—	—	—	—	—
16	Subject to the Standardised Approach (SEC-SA)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Subject to 1,250% risk weight	28	28	28	28	—	—	—	—	—	—	—	—	—	—	—

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, 2023														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
Item No.		Total	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	¥1,096,481	¥1,096,481	¥1,096,481	¥158,753	¥937,727	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	23,545	23,545	23,545	1,393	22,152	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	16,359	16,359	16,359	15,691	668	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	7,200	7,200	7,200	7,200	—	—	—	—	—	—	—	—	—	—	—
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)	1,115,572	1,115,572	1,115,572	155,024	960,547	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	28,015	28,015	28,015	28,015	—	—	—	—	—	—	—	—	—	—	—
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)	168,558	168,558	168,558	29,378	139,180	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	16,265	16,265	16,265	16,265	—	—	—	—	—	—	—	—	—	—	—
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)	13,484	13,484	13,484	2,350	11,134	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,301	1,301	1,301	1,301	—	—	—	—	—	—	—	—	—	—	—
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, 2022														
		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	¥830,760	¥830,760	¥830,760	¥96,969	¥733,790	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
2	> 20% to 50% risk weight	17,672	17,672	17,672	16,024	1,647	—	—	—	—	—	—	—	—	—	—
3	> 50% to 100% risk weight	3,988	3,988	3,988	3,376	611	—	—	—	—	—	—	—	—	—	—
4	> 100% to < 1,250% risk weight	64,773	64,773	64,773	9,701	55,071	—	—	—	—	—	—	—	—	—	—
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)	888,767	888,767	888,767	97,644	791,122	—	—	—	—	—	—	—	—	—	—
7	Subject to the External Ratings-Based Approach (SEC-ERBA)	28,428	28,428	28,428	28,428	—	—	—	—	—	—	—	—	—	—	—
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)	186,688	186,688	186,688	18,116	168,571	—	—	—	—	—	—	—	—	—	—
11	Subject to the External Ratings-Based Approach (SEC-ERBA)	14,815	14,815	14,815	14,815	—	—	—	—	—	—	—	—	—	—	—
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)	14,935	14,935	14,935	1,449	13,485	—	—	—	—	—	—	—	—	—	—
15	Subject to the External Ratings-Based Approach (SEC-ERBA)	1,185	1,185	1,185	1,185	—	—	—	—	—	—	—	—	—	—	—
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, 2023
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 17,885
2	Equity risk (general and specific)	—
3	Foreign exchange risk	64,272
4	Commodity risk	11
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 82,169

MR1		Millions of Yen
		March 31, 2022
Item No.		RWA (Amounts calculated by dividing risk equivalent amounts by 8%)
1	Interest rate risk (general and specific)	¥ 4,521
2	Equity risk (general and specific)	—
3	Foreign exchange risk	29,197
4	Commodity risk	—
	Options transactions	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Specific risk related to securitisation exposures	—
9	Total	¥ 33,718

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

MR2			Billions of Yen					
			March 31, 2023					
			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, 2022)		¥ 275	¥ 959	¥ —	¥ —		¥ 1,234
1b	Regulatory adjustment ratio (1a/1c)		2.58	3.74	—	—		3.40
1c	RWA at the end of the previous fiscal year		106	255	—	—		362
2	Factor of RWA changes	Movement in risk levels	(11)	70	—	—		58
3		Model updates/changes	—	—	—	—		—
4		Methodology and policy	—	—	—	—		—
5		Acquisitions and disposals	—	—	—	—		—
6		Foreign exchange movements	(5)	(8)	—	—		(13)
7		Others	23	(14)	—	—		9
8a	RWA at the end of the fiscal year		114	302	—	—		416
8b	Regulatory adjustment ratio (8c/8a)		3.94	4.31	—	—		4.21
8c	RWA at the end of current reporting period (March 31, 2023)		451	1,305	—	—		1,756

Note: The end of the previous fiscal year indicates March 31, 2022, and the end of the fiscal year indicates March 31, 2023.

MR2			Billions of Yen					
			March 31, 2022					
			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, 2021)		¥ 365	¥ 1,039	¥ —	¥ —		¥ 1,405
1b	Regulatory adjustment ratio (1a/1c)		3.13	3.08	—	—		3.09
1c	RWA at the end of the previous fiscal year		116	336	—	—		453
2	Factor of RWA changes	Movement in risk levels	(9)	(22)	—	—		(31)
3		Model updates/changes	(33)	49	—	—		15
4		Methodology and policy	—	—	—	—		—
5		Acquisitions and disposals	—	—	—	—		—
6		Foreign exchange movements	(3)	(55)	—	—		(58)
7		Others	36	(52)	—	—		(16)
8a	RWA at the end of the fiscal year		106	255	—	—		362
8b	Regulatory adjustment ratio (8c/8a)		2.58	3.74	—	—		3.40
8c	RWA at the end of current reporting period (March 31, 2022)		275	959	—	—		1,234

Note: The end of the previous fiscal year indicates March 31, 2021, and the end of the fiscal year indicates March 31, 2022.

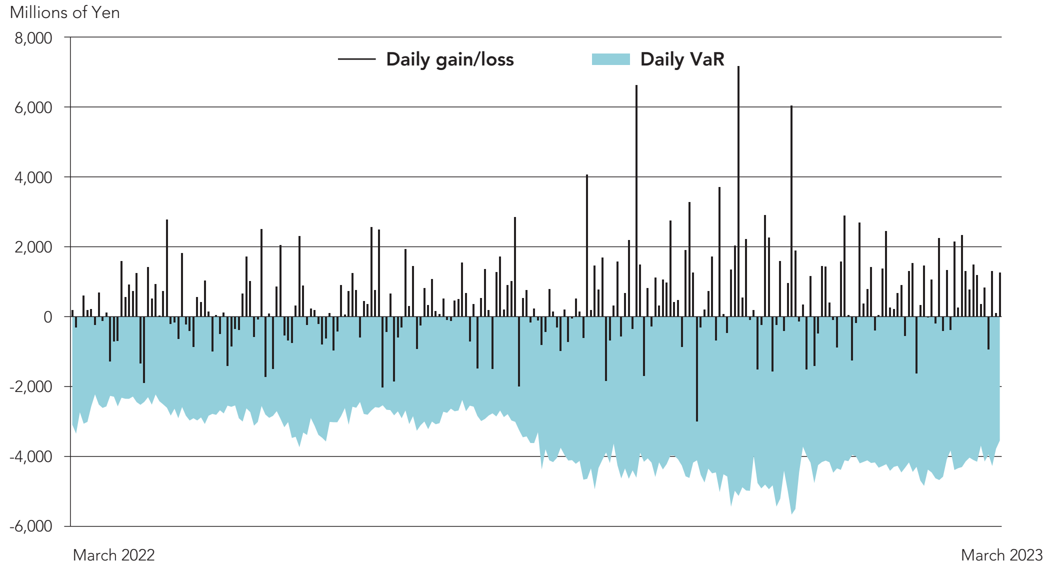
MR3: Values of Internal Model Approaches (IMA) (Market risk)

MR3 Item No.		Millions of Yen March 31, 2023
	VaR (holding period:10 business days, one-sided confidence interval:99%)	
1	Maximum value	¥ 16,680
2	Average value	11,099
3	Minimum value	7,159
4	Period end	9,135
	Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5	Maximum value	44,291
6	Average value	30,705
7	Minimum value	18,089
8	Period end	24,219
	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, 2022
	VaR (holding period:10 business days, one-sided confidence interval:99%)	
1	Maximum value	¥ 15,601
2	Average value	8,618
3	Minimum value	5,388
4	Period end	8,552
	Stressed VaR (holding period:10 business days, one-sided confidence interval:99%)	
5	Maximum value	46,371
6	Average value	33,841
7	Minimum value	20,195
8	Period end	20,464
	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)	—

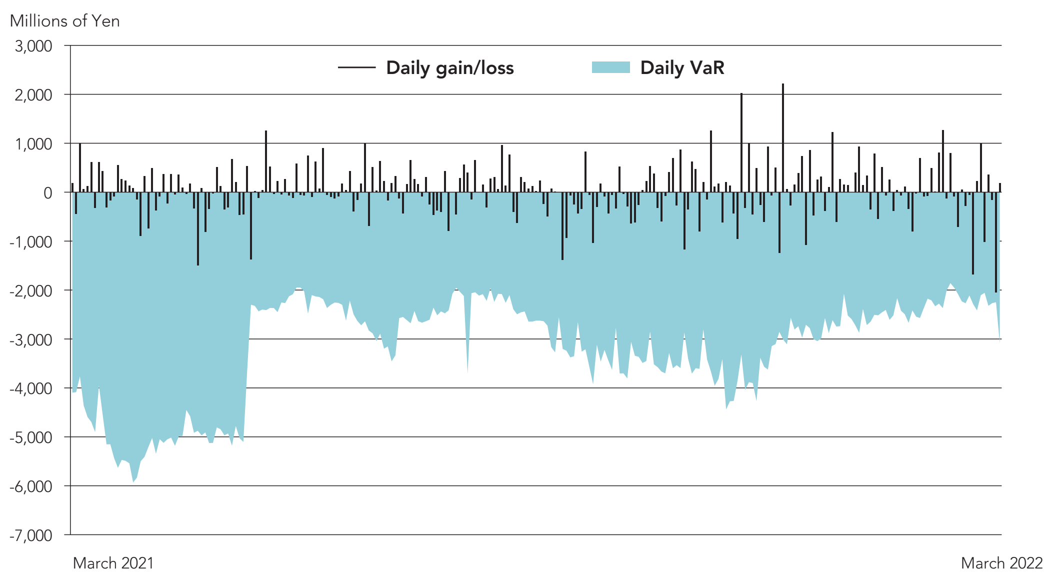
MR4: Backtesting results by Internal Model Approaches (IMA)

MR4	March 31, 2023



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

MR4	March 31, 2022



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

IRRBB1: Interest rate risk

IRRBB1		Millions of Yen			
		a	b	c	d
Item No.		⊿EVE		⊿NII	
		March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
1	Parallel up	**¥ 40,982**	¥ 94,116	**¥ (100,104)**	¥ (123,722)
2	Parallel down	**—**	2,127	**96,930**	119,484
3	Steepener	**61,868**	106,332		
4	Flattener	**1,605**	—		
5	Short rate up	**5,491**	75		
6	Short rate down	**21,915**	22,118		
7	Maximum	**61,868**	106,332	**96,930**	119,484
		e		f	
		March 31, 2023		March 31, 2022	
8	Tier 1 Capital	**¥ 2,793,511**		¥ 2,761,527	

CCyB1: Countercyclical buffer requirement: Status by Country or Region

CCyB1	Millions of Yen, %			
	March 31, 2023			
	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
Australia	**1.00%**	**¥ 157,790**		
Germany	**0.75%**	**34,744**		
Hong Kong	**1.00%**	**26,479**		
Luxembourg	**0.50%**	**117,080**		
Sweden	**1.00%**	**3,903**		
United Kingdom	**1.00%**	**351,255**		
Subtotal		**691,255**		
Total		**¥ 18,758,476**	**0.03%**	**¥6,977**

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 SuMi TRUST Group's exposures in the six countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to SuMi TRUST Group's total exposures was limited.

CCyB1	Millions of Yen, %			
	March 31, 2022			
	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%	¥ 37,060		
Luxembourg	0.50%	79,071		
Subtotal		116,131		
Total		¥ 16,314,922	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 SuMi TRUST Group's exposures in the two countries or regions in which the countercyclical buffer requirement set by regulatory authorities exceeded 0 to 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 Basel III Template No.			Millions of Yen	
			March 31, 2023	March 31, 2022
1	Cross-jurisdictional activity	Cross-jurisdictional claims	**¥ 12,541,563**	¥ 10,557,253
2		Cross-jurisdictional liabilities	**17,202,904**	15,676,420
3	Size	Total exposures	**70,946,055**	67,218,303
4	Interconnectedness	Intra-financial system assets	**6,189,970**	6,566,865
5		Intra-financial system liabilities	**10,003,170**	7,892,338
6		Securities outstanding	**13,947,791**	12,552,343
7	Substitutability / Financial institution infrastructure	Assets under custody	**293,905,768**	296,607,074
8		Payments through settlement systems	**846,086,785**	675,131,439
9		Underwritten transactions in debt and equity markets	**5,443**	8,365
10		Total trading volume	**1,296,635**	1,369,560
11	Complexity	Notional amount of over-the-counter (OTC) derivatives	**195,550,470**	186,626,026
12		Level 3 assets	**339,791**	352,601
13		Trading and available-for-sale (AFS) securities	**3,372,864**	3,183,461

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		2023	2022
		On-Balance Sheet Exposures			
1		On-Balance Sheet Exposures before Deducting Adjustment Items		¥ 45,353,432	¥ 44,943,111
1a	1	Total Assets Reported in the Consolidated Balance Sheet		50,478,136	49,548,958
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)		5,124,704	4,605,846
2	7	The Amount of Adjustment Items Pertaining to Tier 1 Capital (Deduction)		284,142	257,093
3		Total On-Balance Sheet Exposures	(A)	45,069,289	44,686,018
		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.		719,406	958,636
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.		1,199,063	1,069,627
		The Amount of Receivables Arising from Providing Cash Margin in Relation to Derivatives Transactions, etc.		823,974	804,496
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)		84,270	149,682
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		22,600	29,000
10		The Amount of Deductions from Effective Notional Amount of Written Credit Derivatives (Deduction)		22,600	29,000
11	4	Total Exposures Related to Derivative Transactions	(B)	2,658,175	2,683,078
		Exposures Related to Repo Transactions			
12		The Amount of Assets Related to Repo Transactions, etc.		546,097	803,276
13		The Amount of Deductions from the Assets Above (Line 12) (Deduction)		—	—
14		The Exposures for Counterparty Credit Risk for Repo Transactions, etc.		228,299	417,004
15		The Exposures for Agent Repo Transaction			
16	5	The Total Exposures Related to Repo Transactions, etc.	(C)	774,396	1,220,280
		Exposures Related to Off-Balance Sheet Transactions			
17		Notional Amount of Off-Balance Sheet Transactions		8,981,004	8,399,573
18		The Amount of Adjustments for Conversion in Relation to Off-Balance Sheet Transactions (Deduction)		5,365,558	5,111,999
19	6	Total Exposures Related to Off-Balance Sheet Transactions	(D)	3,615,445	3,287,573
		Basel III Leverage Ratio on a Consolidated Basis			
20		The Amount of Capital (Tier 1 Capital)	(E)	2,793,511	2,761,527
21	8	Total Exposures	(F) = (A)+(B)+(C)+(D)	¥ 52,117,307	¥ 51,876,951
22		Basel III Leverage Ratio on a Consolidated Basis	(G) = (E)/(F)	5.36%	5.32%
		Minimum leverage ratio requirement		3.00%	
		Leverage ratio buffer requirement		—%	
		Basel III Leverage Ratio If Including Deposits Held with the Bank of Japan			
		Total Exposures	(F)	¥ 52,117,307	¥ 51,876,951
		Deposits Held with the Bank of Japan		18,544,609	15,084,261
		Total Exposures If Including Deposits Held with the Bank of Japan	(F')	70,661,917	66,961,213
		Basel III Leverage Ratio If Including Deposits Held with the Bank of Japan	(H) = (E)/(F')	3.95%	4.12%

Note: SuMi TRUST Holdings' Basel III leverage ratio calculation was audited by KPMG AZSA LLC, an external auditor, in accordance 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).
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.

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 2022 4th Quarter		Fiscal Year 2022 3rd Quarter	
High-Quality Liquid Assets (1)					
1	Total high-quality liquid assets (HQLA)		¥ 19,451,554		¥ 19,347,711
Cash Outflows (2)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
2	Cash outflows related to unsecured retail funding	¥ 19,095,882	¥ 902,830	¥ 19,051,934	¥ 914,814
3	of which: Stable deposits	1,786,650	53,599	1,788,463	53,653
4	of which: Less stable deposits	8,488,939	849,230	8,608,609	861,160
5	Cash outflows related to unsecured wholesale funding	15,829,359	12,409,749	14,664,765	11,506,303
6	of which: Qualifying operational deposits	—	—	—	—
7	of which: Cash outflows related to unsecured wholesale funding other than qualifying operational deposits and debt securities	12,163,109	8,743,499	11,393,428	8,234,967
8	of which: Debt securities	3,666,249	3,666,249	3,271,336	3,271,336
9	Cash outflows related to secured funding, etc.		—		702
10	Cash outflows related to derivative transactions, etc. funding programs, credit and liquidity facilities	7,492,054	2,608,549	7,475,551	2,581,495
11	of which: Cash outflows related to derivative transactions, etc.	1,360,692	1,360,692	1,237,270	1,237,270
12	of which: Cash outflows related to funding programs	—	—	—	—
13	of which: Cash outflows related to credit and liquidity facilities	6,131,361	1,247,857	6,238,280	1,344,224
14	Cash outflows related to contractual funding obligations, etc.	298,680	213,172	236,298	164,432
15	Cash outflows related to contingencies	667,669	17,799	662,611	17,706
16	Total cash outflows		16,152,101		15,185,455
Cash Inflows (3)		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
17	Cash inflows related to secured lending, etc.	¥ 192,306	¥ —	¥ 230,742	¥ —
18	Cash inflows related to collection of loans, etc.	2,678,181	1,698,798	2,526,458	1,704,190
19	Other cash inflows	472,417	394,366	554,542	438,073
20	Total cash inflows	3,342,905	2,093,165	3,311,743	2,142,263
Consolidated Liquidity Coverage Ratio (4)					
21	Total HQLA allowed to be included in the calculation		¥ 19,451,554		¥ 19,347,711
22	Net cash outflows		14,058,935		13,043,191
23	Consolidated Liquidity Coverage Ratio (LCR)		138.3%		148.3%
24	The number of data used to calculate the average value		60		62

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.

Net Stable Funding Ratio (NSFR) — Consolidated

Consolidated Net Stable Funding Ratio

Quantitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a consolidated basis

Item No.		Millions of Yen, %				
		Fiscal Year 2022 4th Quarter				
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) items (1)						
1	Capital	¥ 3,055,431	¥ —	¥ —	¥ 305,000	¥ 3,360,431
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	3,055,431	—	—	240,630	3,296,062
3	of which: Other capital instruments that are not included in the above category	—	—	—	64,369	64,369
4	Funding from retail and small business customers	12,972,952	—	—	5,831,434	17,507,091
5	of which: Stable deposits	—	—	—	—	—
6	of which: Less stable deposits	12,972,952	—	—	5,831,434	17,507,091
7	Wholesale funding	5,683,302	23,509,280	2,813,502	9,045,839	15,504,586
8	of which: Operational deposits	—	—	—	—	—
9	of which: Other wholesale funding	5,683,302	23,509,280	2,813,502	9,045,839	15,504,586
10	Liabilities with matching interdependent assets	—	—	—	—	—
11	Other liabilities	470,374	1,198,712	—	137,039	12,744
12	of which: Derivative liabilities				137,039	
13	of which: All other liabilities and equity not included in the above categories	470,374	1,198,712	—	—	12,744
14	Total available stable funding					¥ 36,384,855
Required stable funding (RSF) items (2)						
15	HQLA					¥ 1,065,921
16	Deposits held at financial institutions for operational purposes	—	—	—	44,747	44,747
17	Loans, repo transactions-related assets, securities and other similar assets	184,523	5,897,274	2,139,808	27,561,904	26,271,303
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	546,097	—	—	0
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	61,519	1,011,003	513,708	2,374,193	2,832,254
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	3,789,743	1,200,467	11,616,262	12,329,888
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	802,089	94,194	237,202	602,323
22	of which: Residential mortgages	—	422,028	360,199	10,964,493	8,688,327
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	327,566	256,557	6,001,131	4,349,636
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	123,004	128,401	65,433	2,606,955	2,420,833
25	Assets with matching interdependent liabilities	—	—	—	—	—
26	Other assets	1,167,235	549,688	2,870	2,798,257	3,765,533
27	of which: Physical traded commodities, including gold	—				—
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)				302,697	257,292
29	of which: Derivative assets				—	—
30	of which: Derivative liabilities (before deduction of variation margin posted)				40,529	40,529
31	of which: All other assets not included in the above categories	1,167,235	549,688	2,870	2,455,030	3,467,711
32	Off-balance sheet items				7,196,661	514,817
33	Total required stable funding					¥ 31,662,323
34	Consolidated net stable funding ratio (NSFR)					114.9%

Item No.		Millions of Yen, %				
		Fiscal Year 2022 3rd Quarter				
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) items (1)						
1	Capital	¥ 3,032,710	¥ —	¥ —	¥ 305,000	¥ 3,337,710
2	of which: Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	3,032,710	—	—	248,022	3,280,733
3	of which: Other capital instruments that are not included in the above category	—	—	—	56,977	56,977
4	Funding from retail and small business customers	13,117,025	—	—	5,724,763	17,530,085
5	of which: Stable deposits	—	—	—	—	—
6	of which: Less stable deposits	13,117,025	—	—	5,724,763	17,530,085
7	Wholesale funding	5,425,933	22,573,589	2,003,406	9,394,578	15,165,327
8	of which: Operational deposits	—	—	—	—	—
9	of which: Other wholesale funding	5,425,933	22,573,589	2,003,406	9,394,578	15,165,327
10	Liabilities with matching interdependent assets	—	—	—	—	—
11	Other liabilities	259,909	1,243,647	—	217,965	14,872
12	of which: Derivative liabilities				217,965	
13	of which: All other liabilities and equity not included in the above categories	259,909	1,243,647	—	—	14,872
14	Total available stable funding					¥ 36,047,995
Required stable funding (RSF) items (2)						
15	HQLA					¥ 1,089,789
16	Deposits held at financial institutions for operational purposes	—	—	—	55,941	55,941
17	Loans, repo transactions-related assets, securities and other similar assets	175,767	6,110,135	2,115,545	27,771,397	26,465,207
18	of which: Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	—	544,210	—	—	0
19	of which: Loans to- and repo transactions with- financial institutions (not included in item 18)	66,723	949,480	458,525	2,315,460	2,727,854
20	of which: Loans and repo transactions-related assets (not included in item 18, 19 and 22)	—	4,115,273	1,197,153	11,600,073	12,478,439
21	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	783,628	76,460	231,182	580,313
22	of which: Residential mortgages	—	420,833	353,013	11,048,009	8,685,063
23	of which: With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	—	325,989	250,535	6,108,659	4,371,678
24	of which: Securities that are not in default and do not qualify as HQLA and other similar assets	109,043	80,337	106,853	2,807,854	2,573,849
25	Assets with matching interdependent liabilities	—	—	—	—	—
26	Other assets	985,587	476,248	3,566	2,448,949	3,423,007
27	of which: Physical traded commodities, including gold	—				—
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)				258,985	220,137
29	of which: Derivative assets				—	—
30	of which: Derivative liabilities (before deduction of variation margin posted)				58,100	58,100
31	of which: All other assets not included in the above categories	985,587	476,248	3,566	2,131,863	3,144,769
32	Off-balance sheet items				6,891,261	492,634
33	Total required stable funding					¥ 31,526,581
34	Consolidated net stable funding ratio (NSFR)					114.3%

Qualitative Disclosure Items for the Net Stable Funding Ratio (NSFR) on a consolidated basis

(1) Items concerning fluctuations in the consolidated NSFR over time

Our consolidated NSFR has remained stable mainly due to our predetermined funding policy on the sticky money.

(2) Items concerning special provisions for interdependent assets and liabilities

The "Special provisions for interdependent assets and liabilities" stipulated in the items under Article 99 of the Financial Services Agency Notification on Liquidity Ratio are not applied on a consolidated basis.

(3) Other items concerning consolidated NSFR

Our consolidated NSFR satisfies the regulated level (100%), and we do not expect NSFR to deviate significantly from the current level in the future.

Currently, the entire amount of funding from retail and small business customers is recorded as "less stable deposits."

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.21 of Financial Services Agency, 2012) with regard to the matters regarding compensation as having significant consequences on the business operation or asset status of a bank, a bank holding company, or their subsidiaries, as set forth in Article 19-2, Paragraph 1, Item 6, Article 19-3, Item 4 and Article 34-26, Paragraph 1, Item 5 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 2023.

[Compensation Disclosure Data: SuMi TRUST Holdings]

Compensation Disclosure Data:

Sumitomo Mitsui Trust Holdings, Inc.

1. Development Status of Organizational Structures Concerning Compensation, etc. for Applicable Officers and Employees within SuMi TRUST Group

(1) Scope of "Applicable Officers and Employees"

The scope of "applicable officers" and "applicable employees, etc." (collectively the "applicable officers and employees") as defined in the compensation notification to be disclosed is as follows:

(i) Scope of "Applicable Officers"

Applicable officers include directors, and executive officers*1 of SuMi TRUST Holdings, but exclude external directors.

*1 Executive officers defined by the Companies Act.

(ii) Scope of "Applicable Employees, etc."

Of SuMi TRUST Holdings' officers and employees outside the scope of applicable officers as well as officers and employees of its significant consolidated subsidiaries, a "person receiving a substantial amount of compensation" with significant consequence on the business operation or asset status of SuMi TRUST Holdings and its significant consolidated subsidiaries, are subject to disclosure as applicable employees, etc.

(a) Scope of "Significant Consolidated Subsidiary"

"Significant consolidated subsidiary" refers to a consolidated subsidiary either with its total assets representing more than 2% of the consolidated total assets, or with significant consequence on SuMi TRUST Holdings Group's management, namely Sumitomo Mitsui Trust Bank, Limited.

(b) Scope of a "Person Receiving a Substantial Amount of Compensation"

A "person receiving a substantial amount of compensation" refers to a person who receives compensation in excess of a certain threshold amount from SuMi TRUST Holdings or its significant consolidated subsidiaries. Such a threshold amount is set at ¥40 million within SuMi TRUST Holdings Group. This threshold amount has been determined based on the average compensation for officers paid in fiscal year 2022 (excluding the compensation paid to the officers who were newly appointed or retired in the fiscal year), and is commonly applicable across all significant consolidated subsidiaries, as more or less the same level and system of compensation is shared among all significant consolidated subsidiaries.

With respect to a person receiving lump-sum retirement benefit, this amount is first wholly deducted from the amount of compensation, then the "lump-sum retirement benefit divided by the number of years of service" is added back to calculate the deemed compensation for the purpose of determining whether the compensation is substantial or not.

(c) Scope of "Those with Significant Consequence on the Business Operation or Asset Status of SuMi TRUST Holdings Group"

"Those with significant consequence on the business operation or asset status of the group" refers to the persons who normally conduct transactions, or manage business affairs that have considerable impact on the business operation of SuMi TRUST Holdings, SuMi TRUST Holdings Group or its significant consolidated subsidiaries, or whose transactions can cause loss with significant impact on their asset status. Specifically, they include executive officers*2 of SuMi TRUST Holdings and employees equivalent to general managers in the departments involving loan operations and market risk management.

*2 Executive officers defined in internal policy.

(2) Names, Compositions, and Duties of the Committees and Other Major Institutions Which Supervise the Determination, Payment, and the Execution of Other Duties Regarding the Compensation, etc. for Applicable Officers and Employees

(i) Establishment and Securement of the Compensation Committee, etc.

SuMi TRUST Holdings is a company with Three Committees and has established a Compensation Committee, a statutory committee, to deliberate and decide the compensation system of directors and executive officers*1 and the content of the compensation. The Committee shall prescribe policy on decisions on the content of remuneration for individual directors and executive officers*1 of SuMi TRUST Holdings, and decide the content of remuneration for individual executive officers*1 and directors. In addition, the amounts of remuneration for individual executive officers*2 of SuMi TRUST Holdings are reported to the Compensation Committee.

The Compensation Committee is chaired by an external director, and a majority of the committee members are external directors. The committee oversees and checks the operation of the remuneration system for directors, executive officers*1, and executive officers*2, and has the authority to determine the policy for setting remuneration while being independent of the business promotion department.

(ii) Determination of Compensation for Applicable Employees, etc.

Compensation for employees, etc. within SuMi TRUST Holdings Group is payable, subject to the policies established primarily by the Boards of Directors and others of SuMi TRUST Holdings and its significant consolidated subsidiaries. According to such policies, compensation systems are designed by human resources departments of SuMi TRUST Holdings and its significant consolidated subsidiaries, independent of the business promotion departments and documented as payroll rules, etc. Information on the compensation systems of the significant consolidated subsidiaries is reported to, and verified by, the Human Resources Department of SuMi TRUST Holdings on a regular basis.

(iii) Determination of Compensation, etc. for Overseas Employees, etc.

Compensation for overseas employees, etc. are determined and payable under the local compensation system established by each overseas operation on its own, in compliance with local laws and regulations and local employment practice. Establishment and change of overseas compensation systems require consultation with, and validity verification by, the Human Resources Department of SuMi TRUST Holdings.

(iv) Total Amount of Compensation Paid to the Members of the Compensation Committee, etc. and the Number of Meetings Held for Compensation Committee, etc.

	The number of meetings held (April 1, 2022-March 31, 2023)	Total amount of compensation*
Compensation Committee (SuMi TRUST Holdings)	12 times	—
Board of Directors (SuMi TRUST Bank)	1 time	—

Note: The total amount of compensation, etc. is not stated as the amount equivalent to the compensation related to the execution of the duties for the Compensation Committee, etc. alone cannot be calculated separately.

2. Adequacy Evaluation of Design and Operation of the Compensation System for Applicable Officers and Employees of SuMi TRUST Holdings

(1) Policies Concerning Compensation, etc. for Applicable Officers and Employees

(i) Policies Concerning Compensation for "Applicable Officers"

The Group has defined its "Purpose" as "Creating new value with the power of trusts and let prosperous future for our clients and society bloom," and placed at the core of its management philosophy the notion of "balanced creation of both social value and economic value" with the goal of realizing the development of a sustainable society and achieving sustainable and stable growth for the Group. Recognizing the role that officer compensation plays in each and every executive's efforts to realize the goal and act in a manner that embodies its "Purpose," SuMi TRUST Holdings will constantly review its policies and systems to ensure that they are based on the philosophy.

The Compensation Committee determines the content of remuneration for individual directors and executive officers.*1

Our aim is for the remunerations for directors and executive officers*1 to function effectively as an incentive for improvement of corporate performance and expansion of enterprise value in order to realize stable and sustainable growth of SuMi TRUST Group, including its core subsidiary, SuMi TRUST Bank. Furthermore, we have created a remuneration structure that considers the balance of shortterm incentives and medium- to long-term incentives. This is to ensure remuneration that is not focusing on single-year performance evaluation in which short-term contribution to profit is emphasized, but focusing on officers' qualifications and capabilities as senior management, and based on a comprehensive evaluation that reflects assessment of medium- to long-term performance. As a holding company, in order to ensure that the supervisory function is fully exercised at each Group company, SuMi TRUST Holdings determines individual remuneration based on an accurate recognition of the role that corporate officers are expected to play in terms of business management and their results, and highly transparent, fair and objective evaluations.

Furthermore, we have introduced a share delivery trust system as a form of stock compensation linked to our medium-term performance to further enhance the motivation and morale of directors and executive officers so as to help drive stock price increases, improve our medium- to long-term performance, and ultimately boost shareholder profits.

(ii) Policies Concerning Compensation for "Applicable Employees, etc."

Compensations for the applicable employees, etc. of SuMi TRUST Group are determined by performance assessments, to reflect each employee's contribution to corporate performance in determining a performance-linked portion and evaluating target achieving performance. The human resources departments at each company have ensured that compensation payments are not excessively performance-oriented, on the basis of the compensation system in place, current status of performance assessment and actual payment records.

On the other hand, compensations for applicable overseas employees, etc. are determined under a basic principle by which payrolls are determined based on job description and responsibility, while bonuses are determined based on performance. Meanwhile, the total compensation budget is capped locally, based on the performance of each operation, preventing excessive impact on the overall compensation fund from individual employees' extraordinary performance.

(2) Regarding the influence of the overall level of remuneration on capital

(i) Officer compensation

The Compensation Committee determines remuneration for officers after checking the situation of profit and loss in the current term and the consistency with future management strategies. It has been confirmed that the total payment amount of officer compensation in the current term does not produce significant effects, considering the profit level, etc. in the current term.

(ii) Salaries for employees

As for the salaries for employees, the business situation of SuMi TRUST Holdings is reflected in the part that changes according to the performance of SuMi TRUST Holdings and individuals and bonuses. It has been confirmed that the total payment amount of salaries for employees in the current term does not produce significant effects, considering the profit level, etc. in the current term.

(3) Regarding the monitoring of the operation of the remuneration system

As for performance-based variable remuneration, such as directors' bonuses, the Compensation Committee monitors the operation of the remuneration system by checking the ratio of variable remuneration to the total amount of remuneration and the appropriateness of the payment amount, and confirms that performance-based pay is not excessive.

3. Regarding the Items about the Consistency between the Systems of Remuneration for Target Executives and Employees of SuMi TRUST Holdings and Risk Management, and the Linkage between the Remuneration and Performance of Target Employees of SuMi TRUST Group

The remunerations for target executives are determined by the Compensation Committee. Budget allocation is conducted while taking into account the financial condition, etc. of SuMi TRUST Group in order to determine remuneration for target employees.

4. Types, Total Amount of Payment, and Payment Method of Compensation, etc. for Applicable Officers and Employees of SuMi TRUST Group

(1) REM1: Compensation, etc. Allocated to the Fiscal Year under Review

REM1: Compensation, etc. allocated to the fiscal year under review			Persons, Millions of Yen	
			a	b
Item No.			Applicable Officers	Applicable Employees, etc.
1	Fixed compensation	The number of applicable officers and employees, etc.	17	36
2		Total amount of fixed compensation (3+5+7)	¥ 301	¥ 1,230
3		of Which: Cash compensation amount	301	1,230
4		of 3 above: Deferred amount	—	—
5		of Which: Stock compensation amount or Stock-linked compensation amount	—	—
6		of 5 above: Deferred amount	—	—
7		of Which: Other compensation amount	—	—
8		of 7 above: Deferred amount	—	—
9	Variable compensation	The number of applicable officers and employees, etc.	15	34
10		Total amount of variable compensation (11+13+15)	¥ 279	¥ 726
11		of Which: Cash compensation amount	218	657
12		of 11 above: Deferred amount	—	—
13		of Which: Stock compensation amount or Stock-linked compensation amount	61	69
14		of 13 above: Deferred amount	—	—
15		of Which: Other compensation amount	—	—
16		of 15 above: Deferred amount	—	—
17	Retirement benefits	The number of applicable officers and employees, etc.	—	—
18		Total amount of Retirement benefits	¥ —	¥ —
19		of Which: Deferred amount	—	—
20	Other compensations	The number of applicable officers and employees, etc.	3	3
21		Total amount of other compensations	¥ 2	¥ 2
22		of Which: Deferred amount	—	—
23	Total amount of compensations (2+10+18+21)		¥ 583	¥ 1,959

(2) REM2: Special Rewards, etc.

REM2: Special rewards, etc.	Persons, Millions of Yen					
	a	b	c	d	e	f
	Bonus guarantee		Lump-sum payment when hiring		Premium retirement payment	
	Headcount	Total amount	Headcount	Total amount	Headcount	Total amount
Applicable Officers	—	—	—	—	—	—
Applicable Employees, etc.	—	—	—	—	—	—

5. Other Items to be Referred Concerning the Compensation System for Applicable Officers and Employees of SuMi TRUST Group

Not applicable, other than those items raised in the preceding sections.