

STATUS OF CAPITAL ADEQUACY/ BASEL DATA SECTION

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SCOPE OF CONSOLIDATION

■ **Differences and reasons for such differences between those companies belonging to the Corporate Group (hereinafter, the Holding Company Group) that calculate their capital adequacy ratio according to Article 15 of Notification 20, 2006, issued by the Financial Services Agency (hereinafter, Notification on Consolidated Capital Adequacy), which is based on the method stipulated in “Standards for Bank Holding Companies to Examine the Adequacy of its Capital Based on Assets, Etc. held by it and its Subsidiaries” pursuant to Article 52-25 of the Banking Act and those companies included within the scope of consolidation (hereinafter, Scope of Consolidation) based on Article 5 of the Regulations for Preparation of Consolidated Financial Statements.**

Asahi Servicos e Representacoes Ltda. and DFL-SHUTOKEN LEASING (HONG KONG) COMPANY LIMITED are not included in the scope of consolidation under the provisions of Article 5-2 of the Regulations for Preparation of Consolidated Financial Statements, but, based on Article 15 of the Notification on Consolidated Capital Adequacy, these companies are included in the Holding Company Group for calculation of the consolidated capital adequacy ratio.

■ Number, names, and principal business activities of the major consolidated subsidiaries in the Holding Company Group

Number of consolidated subsidiaries: 35

Names and principal business activities of consolidated subsidiaries:
As shown below

Company Name	Principal Business Activities
Resona Bank, Ltd.	Banking and trust banking business
Saitama Resona Bank, Ltd.	Banking business
Kansai Mirai Bank, Ltd.	Banking business
Minato Bank, Ltd.	Banking business
Kansai Mirai Financial Group, Inc.	Supervision of subsidiaries' operations and other ancillary businesses
Resona Guarantee Co., Ltd.	Credit guarantee
Resona Kessai Service Co., Ltd.	Collection of bills and receivables, and factoring
Resona Card Co., Ltd.	Credit card administration and credit guarantee
Resona Capital Co., Ltd.	Private equity business
Resona Asset Management Co., Ltd.	Investment management business Investment advisory and agency business
Resona Research Institute Co., Ltd.	Business consulting services
Resona Business Service Co., Ltd.	Business Process Outsourcing Services and Placement Services
Resona Corporate Investment Co., Ltd.	Management of investment business partnership assets
Resona Digital Hub Co., Ltd.	DX promotion support
FinBASE Co., Ltd.	Financial digital platform Sales business
Loco Door Co., Ltd.	Regional revitalization support business
Resona Innovation Partners Co., Ltd.	Corporate venture capital
Shutoken Leasing Co., Ltd.	Finance leasing
DFL Lease Co., Ltd.	Finance leasing
Resona Mi Rise Co., Ltd.	Banking support services
Regional Design Laboratory of Saitama Co., Ltd.	Solving regional issues
Mirai Reenal Partners Co., Ltd.	Solving management issues

Kansai Mirai Lease Co., Ltd.	Finance leasing
Kansai Mirai Guarantee Co., Ltd.	Credit guarantee
Minato Lease Co., Ltd.	Finance leasing
Minato Card Co., Ltd.	Credit card administration
Minato Guarantee Co., Ltd.	Credit guarantee
Minato Capital Co., Ltd.	Investments
P.T. Bank Resona Perdania	Banking business
P.T. Resona Indonesia Finance	Finance leasing
Resona Merchant Bank Asia, Ltd.	Financing business and consulting services
4 other companies	

■ Names, total assets, and net assets as shown on the balance sheets, and principal business activities of affiliated companies engaging in financial businesses as specified in Article 21 of the Notification on Consolidated Capital Adequacy

None

■ Names, total assets, and net assets as shown on the balance sheets and principal business activities of companies that belong to the Holding Company Group but are not included within the Scope of Consolidation for accounting purposes and companies that do not belong to the Holding Company Group but are included within the Scope of Consolidation for accounting purposes.

Companies that belong to the Holding Company Group but are not included within the Scope of Consolidation for accounting purposes
(Billions of yen)

Company Name	Total Assets	Net Assets	Principal Business Activities
Asahi Servicos e Representacoes Ltda.	0.0	0.0	Research, provision of information
DFL-SHUTOKEN LEASING (HONG KONG) COMPANY LIMITED	3.0	0.1	Money Lending, Finance leasing

Companies that do not belong to the Holding Company Group but are included within the Scope of Consolidation for accounting purposes
None

■ Restrictions on transfer of funds or capital within the Holding Company Group

None

■ Names of other financial institutions, etc. (other financial institutions as specified in Article 18, Paragraph 6, Item 1 of the Notification on Consolidated Capital Adequacy), that are included among bank subsidiaries, etc., with capital below the amount stipulated in capital adequacy regulations, and the total amounts by which the capital of these financial institutions are below the stipulated amount

None

CAPITAL

Structure of Capital and Capital Adequacy

The capital structure of Resona Holdings is as shown below. Please note that the capital ratio is calculated based on the “Notification on Consolidated Capital Adequacy,” and is computed on a consolidated basis. In addition, the amount equivalent to operational risk as of March 31, 2023 is calculated by The Standardized Approach and the amount as of March 31, 2024 by the Standardized Measurement Approach. The amount equivalent to market risk is calculated by the Standardized Approach.

■ Consolidated Capital Adequacy Ratio (Japanese Domestic Standard)

(Millions of yen, %)

Items	As of March 31, 2024	As of March 31, 2023
Core Capital: instruments and reserves		
Directly issued qualifying common stock or preferred stock mandatorily convertible into common stock capital plus related capital surplus and retained earnings	2,199,658	2,115,442
of which: capital and capital surplus	160,054	185,005
of which: retained earnings	2,072,691	1,963,546
of which: treasury stock (-)	7,322	8,154
of which: earnings to be distributed (-)	25,764	24,956
of which: other than the above	-	-
Accumulated other comprehensive income included in Core Capital	13,577	(12,639)
of which: foreign currency translation adjustments	(137)	(880)
of which: remeasurements of defined benefit plans	13,714	(11,759)
Total amount of share award rights and subscription rights to acquire common stock or preferred stock mandatorily convertible into common stock	137	215
Adjusted non-controlling interests (amount allowed to be included in Core Capital)	2,505	2,180
Reserves included in Core Capital: instruments and reserves	22,307	39,240
of which: general reserve for possible loan losses	7,870	4,792
of which: eligible provisions	14,437	34,447
Eligible Non-cumulative perpetual preferred stock subject to transitional arrangement included in Core Capital: instruments and reserves	-	-
Eligible capital instrument subject to transitional arrangement included in Core Capital: instruments and reserves	/	27,579
Capital instrument issued through the measures for strengthening capital by public institutions included in Core Capital: instruments and reserves	-	-
45% of revaluation reserve for land included in Core Capital: instruments and reserves	/	2,588
Non-controlling interests included in Core Capital subject to transitional arrangements	2,846	4,899
Core Capital: instruments and reserves (A)	2,241,033	2,179,505
Core Capital: regulatory adjustments		
Total intangible fixed assets (net of related tax liability, excluding those relating to mortgage servicing rights)	31,635	36,045
of which: goodwill (including those equivalent)	-	-
of which: other intangible fixed assets other than goodwill and mortgage servicing rights	31,635	36,045
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2,923	2,790
Shortfall of eligible provisions to expected losses	-	-
Gain on sale related to securitization transactions	3,311	3,530
Gains and losses due to changes in own credit risk on fair valued liabilities	1,495	1,269
Net defined benefit asset	60,920	34,810
Investments in own shares (excluding those reported in the Net Assets)	19	28
Reciprocal cross-holdings in relevant instruments issued by Other Financial Institutions	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (“Other Financial Institutions”), net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	-	-
Amount exceeding the 10% threshold on specified items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Amount exceeding the 15% threshold on specified items	-	-
of which: significant investments in the common stock of Other Financial Institutions, net of eligible short positions	-	-
of which: mortgage servicing rights	-	-
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Core Capital: regulatory adjustments (B)	100,306	78,475
Total capital		
Total capital ((A)-(B)) (C)	2,140,727	2,101,030
Risk-weighted assets		
Credit risk-weighted assets	15,524,712	15,435,496
Total of items included in risk-weighted assets subject to transitional arrangements	-	57,520
of which: Other Financial Institutions Exposures	-	-
of which: other than the above	-	57,520
Amount equivalent to market risk x 12.5	266,929	84,715
Amount equivalent to operational risk x 12.5	863,153	1,103,597
Output floor	-	204,173
Total amount of risk-weighted assets (D)	16,654,795	16,827,983
Capital adequacy ratio (consolidated)		
Capital adequacy ratio (consolidated) ((C)/(D))	12.85	12.48

Note: The Company receives agreed procedure services from Ernst & Young ShinNihon LLC as an external audit on calculating the consolidated capital adequacy ratio, in accordance with the Japanese Institute of Certified Public Accountants Practical Guidelines on Professional Services No. 4465 "Practical Guidelines on Agreed Procedure Services for Calculation of Capital Adequacy Ratio and Leverage Ratio." This service is not part of the audit on consolidated and non-consolidated financial statements or audit on internal control over financial reporting. This service is not to express an opinion or conclusion about the capital adequacy ratio itself or internal control system related to calculating the capital adequacy ratio. It involves Ernst & Young ShinNihon LLC conducting procedures within the scope agreed with the Company and reporting the results to the Company.

■ Capital Requirements for Credit Risk	(Millions of yen)
As of March 31	2023
Capital requirements for credit risk	1,076,242
Standardized Approach	47,748
IRB Approach	1,025,136
Corporate exposures (excluding specialized lending)	707,225
Specialized lending	23,543
Sovereign exposures	9,225
Bank exposures	11,822
Residential mortgage exposures	160,021
Qualifying revolving retail exposures	4,989
Other retail exposures	58,701
Purchased receivables exposures	26,454
Other IRB exposures	23,151
Securitization exposures	3,357
Capital requirements for credit risk of equity exposures in the IRB Approach	53,906
Market-Based Approach (Simple Risk Weight Method)	6,103
PD/LGD Approach	36,882
Exposure related to the fund-raising methods of other financial institutions other than equity exposure	10,920
Other	0
Capital requirements for exposures relating to equity investments in funds	60,377
Look-through approach	56,594
Mandate-based approach	—
Simple approach 250%	809
Simple approach 400%	1,426
Fall-back approach 1,250%	1,547
Capital requirements for CVA risk	6,034
Capital requirements for exposure to the Central Counterparty	359
Exposure related to portions of specified items that cannot be included in regulatory adjustment	33,317
Amount of items included in risk-weighted assets subject to transitional arrangements	4,601
Output floor	16,333
Total	1,251,173

Note: Capital requirements are calculated by multiplying credit risk-weighted assets by 8%.

■ Capital Requirements for Market Risk

(Millions of yen)

As of March 31	2023
Standardized approach	6,777
Interest rate risk	2,822
Equity risk	—
Foreign exchange risk	2,324
Commodity risk	—
Option transactions	1,630

Note: Capital requirement for market risk is calculated in accordance with the following formula; Amount equivalent to market risk x 12.5 x 8%

■ Capital Requirements for Operational Risk

(Millions of yen)

As of March 31	2023
The Standardized Approach	88,287

Note: Capital requirement for operational risk is calculated in accordance with the following formula; Amount equivalent to operational risk x 12.5 x 8%

■ Total Consolidated Capital Requirement

(Millions of yen)

As of March 31	2023
Total consolidated capital requirement	1,346,238

Note: Total consolidated capital requirement is calculated by multiplying the Total amount of risk-weighted assets by 8%.

■ Risk-weighted Assets and Required Capital

(Millions of yen)

	Risk-weighted Assets	Required Capital
	March 31, 2024	
Credit risk	15,524,712	1,241,977
Standardized Approach	987,069	78,965
IRB Approach	12,559,302	1,004,744
Corporate exposures (excluding specialized lending)	8,709,246	696,739
Specialized lending	342,202	27,376
Sovereign exposures	109,364	8,749
Bank exposures	222,090	17,767
Residential mortgage exposures	1,757,300	140,584
Qualifying revolving retail exposures	64,049	5,123
Other retail exposures	765,441	61,235
Purchased receivables exposures	305,290	24,423
Other IRB exposures	284,316	22,745
Securitization exposures	48,921	3,913
Equity exposures	553,386	44,270
Equity exposures categorized as speculative investments in unlisted equities	—	—
Equity exposures other than the above	553,386	44,270
Exposures relating to equity investments in funds	699,490	55,959
Look-through approach	662,573	53,005
Mandate-based approach	—	—
Simple approach 250%	7,432	594
Simple approach 400%	2,145	171
Fall back approach 1250%	27,338	2,187
CVA Risk	60,754	4,860
The reduced BA-CVA	60,754	4,860
Exposure related to the central counterparty	2,012	160
Exposure related to the fund-raising methods of other financial institutions other than equity exposure	197,525	15,802
Exposure related to portions of specified items that cannot be included in regulatory adjustment	416,251	33,300
Market risk	266,929	21,354
Of which: Simple Approach is applied	1,004	80
Of which: Standardized Approach is applied	265,924	21,273
Inter-account transfers	—	—
Operational risk	863,153	69,052
Output floor	—	—
Total (consolidated risk-weighted assets and total consolidated required capital)	16,654,795	1,332,383

Note: Capital requirements are calculated by multiplying risk-weighted assets by 8%.

Operational Risk

■ Calculation of BI

Business Indicator (BI) is calculated as the sum total of Interest, Leases and Dividend Component (ILDC), Services Component (SC) and Financial Component (FC).

■ Calculation of ILM

Internal Loss Multiplier (ILM) is calculated based on Loss Component (LC) as calculated using internal losses data.

LC is calculated by multiplying the average annual operational risk losses for the past 10 years (net losses exceeding ¥2 million) by 15.

For any consolidated subsidiaries not using internal losses data, a conservative ILM estimate with a lower limit of 1 is applied.

■ Business Divisions Excluded from the Calculation of BI for Calculating the Amount Equivalent to Operational Risk

None

■ Operational Risk Losses Excluded from the Calculation of ILM for Calculating the Amount Equivalent to Operational Risk

None

■ Minimum Required Operational Risk Capital

(Millions of yen)

	As of March 31, 2024
Business indicator component (BIC)	112,998
Internal loss multiplier (ILM)	0.61
Minimum required operational risk capital (ORC)	69,052
Operational risk RWA	863,153

Note: Operational risk RWA is calculated by multiplying the minimum required operational risk capital by 12.5.

■ Business Indicator and Subcomponents

(Millions of yen)

	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Interest, lease and dividend component	426,825	/	/
Interest and lease income	493,696	482,584	464,874
Interest and lease expense	91,418	79,991	52,214
Interest earning assets	72,416,268	71,703,318	74,707,903
Dividend income	23,900	21,764	21,534
Services component	327,268	/	/
Fee and commission income	264,816	259,499	257,831
Fee and commission expense	76,650	72,360	70,269
Other operating income	65,295	72,155	61,478
Other operating expense	43,799	45,639	42,454
Financial component	24,242	/	/
Net P&L on the trading book	797	3,040	3,214
Net P&L on the banking book	45,384	16,591	(3,238)
BI	778,336	/	/
Business indicator component (BIC)	112,998	/	/
BI gross of excluded divested activities	778,336	/	/
Reduction in BI due to excluded divested activities	-	/	/

■ Historical Losses

(Millions of yen, number of instances)

	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Ten-year average
Using ¥2,000,000 threshold											
Total amount of operational losses net of recoveries (no exclusions)	629	450	227	499	154	274	488	345	474	817	436
Total number of operational risk losses	84	44	38	25	35	33	33	49	47	59	44
Total amount of excluded operational risk losses	—	—	—	—	—	—	—	—	—	—	—
Total number of exclusions	—	—	—	—	—	—	—	—	—	—	—
Total amount of operational losses net of recoveries and net of excluded losses	629	450	227	499	154	274	488	345	474	817	436
Using ¥10,000,000 threshold											
Total amount of operational losses net of recoveries (no exclusions)	302	307	106	405	45	158	387	184	337	680	291
Total number of operational risk losses	8	8	5	2	2	5	5	5	12	23	7
Total amount of excluded operational risk losses	—	—	—	—	—	—	—	—	—	—	—
Total number of exclusions	—	—	—	—	—	—	—	—	—	—	—
Total amount of operational losses net of recoveries and net of excluded losses	302	307	106	405	45	158	387	184	337	680	291
Details of operational risk capital calculation											
Are losses used to calculate the ILM (yes/no)?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	—
If “no” in the row above, is the exclusion of internal loss data due to non-compliance with the minimum loss data standards (yes/no)?	—	—	—	—	—	—	—	—	—	—	—

Note: In cases where there is a consolidated subsidiary to which a conservative ILM estimate has been applied, the losses data for that consolidated subsidiary will not be included.

Main Features of Regulatory Capital Instruments (Japanese Domestic Standard)

The financial instruments for raising capital are as listed below:

■ Common Stock

Issuer	Instrument type	Amount recognized in core capital (Millions of yen)	Dividends/coupons (only officially announced items)	Outline of provisions for conversion to another type of instrument for raising capital or for repayment when certain conditions are met
Resona Holdings, Inc.	Common Stock	2,199,658	—	—
Resona Holdings, Inc.	Subscription rights	137	—	—
P.T. Bank Resona Perdania	Non-controlling Interests	5,352	—	—

For further details please access Resona Holdings website: <https://www.resona-gr.co.jp/holdings/english/investors/financial/basel3/>

RISK MANAGEMENT

Credit Risk

■ Qualified Rating Agencies Used in Making Judgments on Risk Weights

In determining the risk weights for portfolios to which the Standardized Approach is applied, the Resona Group makes use of ratings issued by the following four qualified rating agencies (Eligible External Credit Assessment Institutions (ECAI)): Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), Moody's Investors Service, Inc. (Moody's), and S&P Global Ratings (S&P) (excluding securitized products and structured finance).

With respect to exposure, when there are two or more ratings from a qualified rating agency and the corresponding risk weights differ, then the second lowest risk weight is used (note that if the lowest risk weight corresponds to more than one rating, then the lowest risk weight is used).

■ Credit Risk Exposure at Fiscal Year-End: By Region, By Industry, Including Claims Past Due, or Default: By Residual Contractual Maturity

(Millions of yen)

	As of March 31, 2024						Past due or default
	Total	Loans and bills discounted, foreign exchange, etc.	Securities	Off-balance sheet transactions	Derivatives transactions	Other	
By Region							
Japan	79,536,540	64,236,756	8,201,024	5,948,568	144,990	1,005,199	631,650
Overseas	179,061	156,062	12,866	3,968	663	5,499	14,876
Total	79,715,601	64,392,819	8,213,891	5,952,536	145,654	1,010,699	646,526
By Industry							
Manufacturing	4,312,591	3,557,932	321,605	407,252	24,226	1,574	186,106
Agriculture and forestry	30,073	28,112	741	1,147	69	2	2,631
Fishery	3,225	2,741	—	482	1	—	144
Mining, quarrying of stone, gravel extraction	14,310	12,397	1,766	117	29	—	1,254
Construction	1,033,405	874,696	79,507	72,633	6,465	102	17,166
Electricity, gas, heating, water	563,635	506,025	25,969	21,081	10,540	18	3,549
Information and communication	476,983	389,824	60,495	26,095	469	98	7,180
Transportation, postal services	1,033,762	918,527	60,083	49,233	5,637	280	37,587
Wholesale and retail trade	3,519,810	3,086,654	225,886	189,323	16,556	1,388	124,034
Finance and insurance	1,422,159	983,945	120,569	195,217	45,755	76,671	7,369
Real estate	8,726,491	8,582,475	50,817	72,481	20,126	591	60,413
Goods rental and leasing	524,633	507,396	5,711	11,328	153	44	2,835
Services	2,734,990	2,444,413	118,409	159,768	11,956	442	106,614
Individuals	15,081,226	15,015,203	—	65,981	—	40	62,068
Japanese central and local governments, government-affiliated organizations, and local public corporations, etc.	37,255,425	26,606,215	6,122,448	4,523,761	3,000	—	237
Foreign central governments and central banks, etc.	998,829	655	998,174	—	—	—	1
Others	1,984,046	875,603	21,704	156,629	663	929,445	27,330
Total	79,715,601	64,392,819	8,213,891	5,952,536	145,654	1,010,699	646,526
By Residual Contractual Maturity							
One year or less	5,751,859	4,165,219	568,345	970,839	24,081	23,374	/
One year to less than three years	4,029,460	3,049,555	784,032	184,672	11,200	—	/
Three years to less than five years	6,097,124	4,084,166	1,132,491	865,799	14,666	—	/
Five years to less than seven years	4,346,040	3,033,658	1,263,311	38,881	10,188	—	/
Over seven years	29,906,631	25,371,400	4,087,068	399,786	48,375	—	/
Exposures with no maturity dates	29,584,484	24,688,818	378,641	3,492,557	37,141	987,325	/
Total	79,715,601	64,392,819	8,213,891	5,952,536	145,654	1,010,699	/

Notes: 1. For exposures to which the A-IRB approach is applied, the balance is presented before the subtraction of reserves, etc., and partial direct write-offs. For exposures to which the F-IRB approach is applied, the balance is presented before the subtraction of reserves, etc., before partial direct write-offs, and after taking into account the effect of credit risk mitigation techniques. In addition, for exposures to which the Standardized Approach is applied, the balance is presented after the subtraction of reserves, etc., after partial direct write-offs, and after taking into account the effect of credit risk mitigation techniques.

2. "Loans and bills discounted, foreign exchange, etc." includes transactions such as cash and due from banks, call loans, monetary claims bought, trading assets, loans and bills discounted, and foreign exchange assets.

3. "Off-balance sheet transactions" includes customers' liabilities for acceptances and guarantees, commitments, and amounts equivalent to credit risk exposure in relation to loans in the trust account (after taking into account of the Credit Conversion Factor (CCF)).

4. Exposure related to the central counterparty is included within the category of "Other" types of exposure.
 5. Credit risk exposures by region are categorized based on the locations of the holding companies, banks, and consolidated subsidiaries.
 6. Out of the totals above, the credit risk exposure calculated by applying the IRB approach was ¥78,423,402 million, and the credit risk exposure calculated by applying the Standardized Approach (including exposure related to the central counterparty) was ¥1,292,198 million.

(Millions of yen)

	As of March 31, 2023							Past due three months or more, or default
	Total	Loans and bills discounted, foreign exchange, etc.	Securities	Off-balance sheet transactions	Derivatives transactions	Other		
By Region								
Japan	82,837,339	64,351,556	7,396,289	10,015,741	156,404	917,347	586,980	
Overseas	177,912	157,469	9,805	3,964	347	6,325	2,192	
Total	83,015,251	64,509,025	7,406,095	10,019,705	156,751	923,672	589,173	
By Industry								
Manufacturing	4,061,706	3,203,797	342,531	494,711	19,902	763	149,557	
Agriculture and forestry	30,520	28,078	898	1,521	21	2	3,041	
Fishery	2,320	2,318	—	1	—	—	—	
Mining, quarrying of stone, gravel extraction	14,709	12,480	1,957	245	25	—	1,238	
Construction	938,433	760,377	83,044	91,929	3,056	25	16,021	
Electricity, gas, heating, water	557,467	463,169	26,548	56,642	11,089	18	2,530	
Information and communication	411,281	322,535	44,411	43,396	627	310	6,328	
Transportation, postal services	991,908	840,865	62,529	86,039	2,333	141	35,323	
Wholesale and retail trade	3,305,036	2,823,854	238,277	218,772	23,452	679	96,361	
Finance and insurance	3,726,640	893,136	120,026	2,401,998	74,551	236,928	829	
Real estate	8,467,270	8,280,963	54,776	117,844	13,045	640	79,214	
Goods rental and leasing	486,090	456,539	10,583	18,781	142	44	2,505	
Services	2,639,894	2,330,580	119,818	181,762	6,907	825	115,674	
Individuals	14,950,491	14,884,462	—	65,958	—	70	66,446	
Japanese central and local governments, government-affiliated organizations, and local public corporations, etc.	40,111,106	28,354,417	5,569,947	6,183,263	1,247	2,229	213	
Foreign central governments and central banks, etc.	718,471	914	717,556	—	—	—	2	
Others	1,601,901	850,533	13,188	56,838	347	680,994	13,883	
Total	83,015,251	64,509,025	7,406,095	10,019,705	156,751	923,672	589,173	
By Residual Contractual Maturity								
One year or less	9,170,807	5,692,256	200,156	3,223,968	40,406	14,019	/	
One year to less than three years	4,412,971	2,972,604	1,043,491	313,546	32,510	50,817	/	
Three years to less than five years	5,206,887	3,768,752	837,865	551,026	24,663	24,579	/	
Five years to less than seven years	2,951,359	2,122,038	738,021	42,917	16,071	32,311	/	
Over seven years	30,174,541	25,460,225	4,206,492	359,922	42,751	105,149	/	
Exposures with no maturity dates	31,098,684	24,493,148	380,068	5,528,324	347	696,795	/	
Total	83,015,251	64,509,025	7,406,095	10,019,705	156,751	923,672	/	

- Notes: 1. For exposures to which the A-IRB approach is applied, the balance is presented before the subtraction of reserves, etc., and partial direct write-offs. For exposures to which the F-IRB approach is applied, the balance is presented before the subtraction of reserves, etc., before partial direct write-offs, and after taking into account the effect of credit risk mitigation techniques. In addition, for exposures to which the Standardized Approach is applied, the balance is presented after the subtraction of reserves, etc., after partial direct write-offs, and after taking into account the effect of credit risk mitigation techniques.
 2. "Loans and bills discounted, foreign exchange, etc." includes transactions such as cash and due from banks, call loans, monetary claims bought, trading assets, loans and bills discounted, and foreign exchange assets.
 3. "Off-balance sheet transactions" includes customers' liabilities for acceptances and guarantees, commitments, and amounts equivalent to credit risk exposure in relation to loans in the trust account (after taking into account of the Credit Conversion Factor (CCF)).
 4. Exposure related to the central counterparty is included within the category of "Other" types of exposure.
 5. Credit risk exposures by region are categorized based on the locations of the holding companies, banks, and consolidated subsidiaries.
 6. Out of the totals above, the credit risk exposure calculated by applying the IRB approach was ¥82,086,947 million, and the credit risk exposure calculated by applying the Standardized Approach (including exposure related to the central counterparty) was ¥928,303 million.

■ General Reserve for Possible Loan Losses and Special Reserve for Certain Overseas Loans

(Millions of yen)

Years ended March 31,	2024			2023		
	Balance at beginning of fiscal year	Increase/(decrease) during the fiscal year	Balance at end of fiscal year	Balance at beginning of fiscal year	Increase/(decrease) during the fiscal year	Balance at end of fiscal year
General reserve for possible loan losses	116,111	(943)	115,168	117,601	(1,489)	116,111
Special reserve for certain overseas loans	0	(0)	0	2	(1)	0

Note: General Reserve for Possible Loan Losses and Special Reserve for Certain Overseas Loans are not categorized by region, industry.

■ Specific Reserve for Possible Loan Losses: By Region and Industry

(Millions of yen)

Year ended March 31,	2024		
	Balance at beginning of fiscal year	Increase/(decrease) during the fiscal year	Balance at end of fiscal year
By Region			
Japan	93,213	3,428	96,642
Overseas	4,387	3,445	7,833
Total	97,601	6,873	104,475
By Industry			
Manufacturing	30,742	(3,851)	26,891
Agriculture and forestry	1,331	(1,267)	64
Fishery	—	—	—
Mining, quarrying of stone, gravel extraction	62	65	127
Construction	2,612	153	2,766
Electricity, gas, heating, water	—	590	590
Information and communication	851	(52)	799
Transportation, postal services	3,440	1,324	4,765
Wholesale and retail trade	19,740	6,696	26,437
Finance and insurance	108	4,422	4,531
Real estate	4,627	(395)	4,231
Goods rental and leasing	319	26	345
Services	22,586	(3,914)	18,672
Individuals	2,255	(788)	1,466
Japanese central and local governments, government-affiliated organizations, and local public corporations, etc.	—	—	—
Foreign central governments and central banks, etc.	—	—	—
Others	8,922	3,861	12,784
Total	97,601	6,873	104,475
Year ended March 31,	2023		
	Balance at beginning of fiscal year	Increase/(decrease) during the fiscal year	Balance at end of fiscal year
By Region			
Japan	112,569	(19,355)	93,213
Overseas	3,518	869	4,387
Total	116,087	(18,485)	97,601
By Industry			
Manufacturing	46,465	(15,722)	30,742
Agriculture and forestry	735	595	1,331
Fishery	—	—	—
Mining, quarrying of stone, gravel extraction	192	(130)	62
Construction	2,491	120	2,612
Electricity, gas, heating, water	18	(18)	—
Information and communication	894	(43)	851
Transportation, postal services	2,256	1,183	3,440
Wholesale and retail trade	18,829	911	19,740
Finance and insurance	71	37	108
Real estate	5,586	(959)	4,627
Goods rental and leasing	194	124	319
Services	28,744	(6,157)	22,586
Individuals	1,632	623	2,255
Japanese central and local governments, government-affiliated organizations, and local public corporations, etc.	—	—	—
Foreign central governments and central banks, etc.	—	—	—
Others	7,973	949	8,922
Total	116,087	(18,485)	97,601

Note: Specific reserve for possible loan losses by region are categorized based on the locations of the holding companies, banks, and consolidated subsidiaries.

■ Write-Offs of Claims: By Industry

(Millions of yen)

Year ended March 31,	2024	2023
Manufacturing	2,198	4,396
Agriculture and forestry	833	51
Fishery	—	—
Mining, quarrying of stone, gravel extraction	—	—
Construction	1,185	719
Electricity, gas, heating, water	—	—
Information and communication	112	99
Transportation, postal services	706	77
Wholesale and retail trade	5,705	2,609
Finance and insurance	16	2
Real estate	1,362	1,371
Goods rental and leasing	5	(0)
Services	1,029	2,109
Individuals	118	269
Japanese central and local governments, government-affiliated organizations, and local public corporations, etc.	—	—
Foreign central governments and central banks, etc.	—	—
Others	5,207	4,299
Total	18,481	16,007

[Exposure Subject to the Standardized Approach]

■ Exposure by Risk Weight Category

(Millions of yen)

As of March 31,	2023	
	With external rating	Without external rating
0%	2,314	28,686
10%	—	12,572
20%	53,706	620
35%	—	—
50%	30,642	48
75%	—	—
100%	5,953	543,662
150%	—	13,178
250%	—	—
350%	—	—
1,250%	—	—
Others	—	—
Total	92,617	598,768

Notes: 1. Ratings are limited to those provided by qualified rating agencies.

2. Exposures by risk weight categories are reported as the balance after taking into account the effect of credit risk mitigation techniques.

■ Exposure Subject to the Standardized Approach: Exposures Which Fall Under Provisions of Articles 33 to 54, and the Provisions of Article 55-2 of the Notification on Consolidated Capital Adequacy

(1) Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects

(Millions of yen)

	As of March 31, 2024					
	Exposures Before CCF and CRM		Exposures Post-CCF and CRM		Credit Risk-Weighted Assets	Weighted Average RW
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount		
Japanese government and the Bank of Japan	19,107	—	19,107	—	—	0.00%
Foreign central governments and central banks	30,287	8,431	30,287	116	13,784	45.33%
Japanese local governments	9,524	—	9,524	—	—	0.00%
Japanese government-affiliated organizations	10,333	—	10,333	—	1,033	10.00%
Banks, securities companies, and insurance companies	96,347	61,926	96,347	51,812	73,989	49.93%
Corporates	771,272	986,390	769,249	103,273	849,287	97.33%
SMEs and individuals	23	7,027	—	—	—	—
Past due	25,353	2,515	25,240	2,090	38,855	142.16%
Equity	91,880	—	91,880	—	91,880	100.00%
Others	2,603	—	2,603	—	520	20.00%
Total	1,056,735	1,066,291	1,054,575	157,293	1,069,350	88.23%

(2) Exposures by Asset classes and Risk Weights

(Millions of yen)

	As of March 31, 2024											
	Exposure Amount (Post-CCF and CRM)											
	Below 40%	40% to 70%	75%	80%	85%	90% to 100%	105% to 130%	150%	250% (Note)	400% (Note)	1,250%	Total
Japanese government and the Bank of Japan	19,107	—	—	—	—	—	—	—	—	—	—	19,107
Foreign central governments and central banks	2,836	27,568	—	—	—	—	—	—	—	—	—	30,404
Japanese local governments	9,524	—	—	—	—	—	—	—	—	—	—	9,524
Japanese government-affiliated organizations	10,333	—	—	—	—	—	—	—	—	—	—	10,333
Banks, securities companies, and insurance companies	92,076	4,651	—	—	—	51,433	—	—	—	—	—	148,160
Corporates	21,497	12,074	—	—	—	838,951	—	—	—	—	—	872,522
SMEs and individuals	—	—	—	—	—	—	—	—	—	—	—	—
Past due	—	2,061	—	—	—	159	—	25,110	—	—	—	27,330
Equity	—	—	—	—	—	—	—	—	91,880	—	—	91,880
Others	2,603	—	—	—	—	—	—	—	—	—	—	2,603
Total	157,980	46,354	—	—	—	890,543	—	25,110	91,880	—	—	1,211,869

Note: A risk weight of 100% is applied as a transitional measure.

(3) Exposures and CCF by Risk Weight

(Millions of yen)

	As of March 31, 2024			
	On-Balance Sheet Exposure Amount (Before CRM)	Off-Balance Sheet Exposure Amount (Before CCF and CRM)	CCF Weighted Average	Exposure Amount (Post-CCF and CRM)
Below 40%	157,600	10,493	3.62%	157,980
40% to 70%	46,295	8,467	99.66%	46,354
75%	—	—	—	—
80%	—	—	—	—
85%	—	—	—	—
90% to 100%	737,883	1,044,850	14.92%	890,543
105% to 130%	—	—	—	—
150%	23,076	2,479	84.41%	25,110
250% (Note)	91,880	—	—	91,880
400% (Note)	—	—	—	—
1,250%	—	—	—	—
Total	1,056,735	1,066,291	15.65%	1,211,869

Note: A risk weight of 100% is applied as a transitional measure.

[Exposure Subject to the IRB Approach]**■ Specialized Lending Exposure subject to Slotting Criteria by Risk Weight Category**

(1) Specialized Lending Exposure Excluding High Volatility Commercial Real Estate Lending (Millions of yen)

Slotting criteria	Residual contractual maturity	Risk weight	As of March 31, 2024	As of March 31, 2023
Strong	Under 2 and half years	50%	9,661	10,152
	Over 2 and half years	70%	52,174	70,303
Good	Under 2 and half years	70%	36,357	46,193
	Over 2 and half years	90%	184,719	147,608
Satisfactory	No term	115%	65,820	45,993
Weak	No term	250%	22,588	905
Default	No term	0%	722	—
Total			372,045	321,156

(2) High Volatility Commercial Real Estate Lending (Millions of yen)

Slotting criteria	Residual contractual maturity	Risk weight	As of March 31, 2024	As of March 31, 2023
Strong	Under 2 and half years	70%	—	—
	Over 2 and half years	95%	—	—
Good	Under 2 and half years	95%	7,697	7,470
	Over 2 and half years	120%	7,551	10,545
Satisfactory	No term	140%	559	10,033
Weak	No term	250%	—	—
Default	No term	0%	—	—
Total			15,809	28,049

■ Equity Exposure under Simple Risk Weight Method by Risk Weight Category

As of March 31,		2023
Risk weight		
300%		12,266
400%		8,793
Total		21,060

■ Corporate Exposures and Equity Exposures subject to PD/LGD Approach

(Millions of yen)

As of March 31, 2024									
Credit rating	PD (Estimated) (Note 1)	LGD (Estimated) (Note 1)	EL default (Estimated) (Note 1)	Weighted average RW	On balance sheet EAD	Off balance sheet EAD	Amounts of undrawn commitments	Weighted average CCF on undrawn commitments	
Corporate exposures (Note 2)	/	/	/	/	19,862,740	1,135,383	3,283,749	22.76%	
SA, A	0.11%	34.47%	/	24.90%	6,861,636	577,151	2,051,237	20.33%	
B-E	0.78%	27.96%	/	47.72%	11,435,915	522,371	1,157,074	26.99%	
F, G	8.52%	26.15%	/	98.34%	1,076,320	26,192	50,540	24.39%	
Default	100.00%	31.47%	35.35%	13.20%	488,867	9,668	24,897	23.02%	
Sovereign exposures	/	/	/	/	33,604,857	4,526,762	546,756	10.25%	
SA, A	0.00%	34.62%	/	0.25%	33,579,418	4,524,212	540,975	10.00%	
B-E	0.87%	33.28%	/	54.31%	25,199	2,550	5,780	33.40%	
F, G	—	—	/	—	—	—	—	—	
Default	100.00%	16.96%	17.04%	0.65%	239	—	—	—	
Bank exposures	/	/	/	/	583,743	138,948	299,587	11.52%	
SA, A	0.09%	44.93%	/	28.96%	549,918	123,828	224,697	10.37%	
B-E	0.65%	42.01%	/	52.12%	32,825	15,114	74,840	14.97%	
F, G	13.42%	44.78%	/	196.44%	1,000	5	50	10.00%	
Default	—	—	—	—	—	—	—	—	
Purchased receivables (Corporate) (Note 2)	/	/	/	/	408,355	5,637	11,839	40.00%	
SA, A	0.05%	40.61%	/	23.36%	244,689	358	897	40.00%	
B-E	2.04%	42.42%	/	109.35%	137,238	5,090	10,470	40.00%	
F, G	9.22%	37.51%	/	146.08%	19,522	188	470	40.00%	
Default	100.00%	37.61%	17.60%	10.38%	6,905	—	—	—	

Notes: 1. Weighted average figures based on EAD

2. Specialized lending exposure subject to supervisory slotting criteria is not included.

(Millions of yen)

As of March 31, 2023									
Credit rating	PD (Estimated) (Note 1)	LGD (Estimated) (Note 1)	EL default (Estimated) (Note 1)	Weighted average RW	On balance sheet EAD	Off balance sheet EAD	Amounts of undrawn commitments	Weighted average CCF on undrawn commitments	
Corporate exposures (Note 2)	/	/	/	/	18,571,093	3,008,090	1,355,208	75.00%	
SA, A	0.11%	25.45%	/	17.99%	6,253,092	2,306,924	714,945	75.00%	
B-E	0.78%	28.14%	/	48.14%	10,683,264	662,315	610,188	75.00%	
F, G	8.48%	27.22%	/	100.87%	1,191,668	31,398	24,047	75.00%	
Default	100.00%	33.26%	37.17%	23.17%	443,067	7,452	6,027	75.00%	
Sovereign exposures	/	/	/	/	34,543,770	6,184,511	—	—	
SA, A	0.00%	34.35%	/	0.23%	34,519,562	6,183,648	—	—	
B-E	0.86%	32.99%	/	60.66%	23,992	862	—	—	
F, G	—	—	/	—	—	—	—	—	
Default	100.00%	11.63%	11.09%	6.74%	215	—	—	—	
Bank exposures	/	/	/	/	524,903	738,368	22,400	75.00%	
SA, A	0.09%	16.19%	/	9.77%	488,555	724,781	10,000	75.00%	
B-E	0.58%	32.35%	/	41.77%	36,347	13,586	12,400	75.00%	
F, G	—	—	/	—	—	—	—	—	
Default	—	—	—	—	—	—	—	—	
Equity exposures subject to PD/LGD approach	/	/	/	/	329,930	—	—	—	
SA, A	0.08%	90.00%	/	104.52%	260,051	—	—	—	
B-E	0.54%	90.00%	/	202.04%	64,297	—	—	—	
F, G	7.23%	90.00%	/	484.71%	4,617	—	—	—	
Default	100.00%	90.00%	/	1125.00%	963	—	—	—	
Purchased receivables (Corporate) (Note 2)	/	/	/	/	402,718	12,784	14,652	75.00%	
SA, A	0.06%	40.27%	/	24.12%	213,925	210	—	—	
B-E	2.05%	38.67%	/	103.27%	170,660	11,834	13,665	75.00%	
F, G	7.60%	33.95%	/	125.51%	10,423	740	987	75.00%	
Default	100.00%	33.50%	36.86%	55.05%	7,708	—	—	—	

Notes: 1. Weighted average figures based on EAD

2. Specialized lending exposure subject to supervisory slotting criteria is not included.

■ Retail Exposures

(Millions of yen)

	As of March 31, 2024								
	PD (Estimated) (Note)	LGD (Estimated) (Note)	EL default (Estimated) (Note)	Weighted average RW	On balance sheet EAD	Off balance sheet EAD	Amounts of undrawn commitments	Weighted average CCF on undrawn commitments	
Residential mortgage exposures	/	/	/	/	13,532,306	5,937	—	—	
Non-default	0.43%	23.90%	/	12.93%	13,477,728	5,826	—	—	
Default	100.00%	23.07%	21.00%	25.82%	54,578	110	—	—	
Qualifying revolving retail exposures	/	/	/	/	85,310	52,513	469,116	11.19%	
Non-default	2.60%	65.69%	/	46.52%	85,031	52,450	468,901	11.19%	
Default	100.00%	71.92%	69.72%	27.53%	278	62	214	29.05%	
Other retail exposures	/	/	/	/	2,583,851	18,471	62,423	18.09%	
Non-default	1.10%	38.22%	/	29.40%	2,526,591	18,176	62,252	18.01%	
Default	100.00%	41.48%	39.08%	29.93%	57,259	295	170	47.92%	
Purchased receivables (Retail)	/	/	/	/	278,229	—	—	—	
Non-default	0.25%	20.20%	/	7.84%	278,020	—	—	—	
Default	100.00%	24.55%	22.78%	22.17%	208	—	—	—	
	As of March 31, 2023								
	PD (Estimated) (Note)	LGD (Estimated) (Note)	EL default (Estimated) (Note)	Weighted average RW	On balance sheet EAD	Off balance sheet EAD	Amounts of undrawn commitments	Weighted average CCF on undrawn commitments	
Residential mortgage exposures	/	/	/	/	13,327,011	7,761	—	—	
Non-default	0.54%	24.42%	/	14.10%	13,271,070	7,636	—	—	
Default	100.00%	24.45%	22.34%	26.39%	55,940	125	—	—	
Qualifying revolving retail exposures	/	/	/	/	84,685	43,182	482,344	8.95%	
Non-default	2.61%	65.54%	/	46.06%	84,429	43,144	482,113	8.95%	
Default	100.00%	70.76%	68.55%	27.65%	256	38	231	16.51%	
Other retail exposures	/	/	/	/	2,582,211	23,429	51,114	33.51%	
Non-default	1.14%	33.16%	/	26.46%	2,523,180	23,180	50,970	33.51%	
Default	100.00%	39.33%	36.82%	31.36%	59,030	248	144	33.83%	
Purchased receivables (Retail)	/	/	/	/	302,799	—	—	—	
Non-default	0.21%	20.88%	/	7.52%	302,556	—	—	—	
Default	100.00%	24.02%	22.03%	24.97%	242	—	—	—	

Note: Weighted average figures based on EAD

■ Actual Losses by Types of Exposures and Comparison to the Result of the Year Before

	(Millions of yen)	
Years ended March 31,	2024	2023
Resona Holdings, Inc. (Consolidated) (Note 3)	35,660	15,950
Resona Bank, Ltd. (Non-Consolidated) + Saitama Resona Bank, Ltd. (Non-Consolidated) + Kansai Mirai Financial Group, Inc. (Note 3)	29,229	15,085
Corporate exposures	29,506	16,844
Sovereign exposures	(0)	(1)
Bank exposures	—	—
Residential mortgage exposures	(267)	419
Qualifying revolving retail exposures	2	1
Other retail exposures	3,406	3,810
Resona Bank, Ltd. (Consolidated) (Note 3)	26,061	10,162
Resona Bank, Ltd. (Non-Consolidated) (Note 3)	19,941	9,567
Corporate exposures	15,998	9,908
Sovereign exposures	(0)	(1)
Bank exposures	—	—
Residential mortgage exposures	(254)	353
Qualifying revolving retail exposures (Note 2)	—	—
Other retail exposures	1,699	2,287
Saitama Resona Bank, Ltd. (Consolidated) (Note 3)	3,760	2,153
Saitama Resona Bank, Ltd. (Non-Consolidated) (Note 3)	3,760	2,153
Corporate exposures	5,033	1,427
Sovereign exposures	—	—
Bank exposures	—	—
Residential mortgage exposures	(74)	78
Qualifying revolving retail exposures (Note 2)	—	—
Other retail exposures	836	219
Kansai Mirai Financial Group, Inc. (Note 3)		3,364
Corporate exposures	8,474	5,508
Sovereign risk exposures	—	—
Bank exposures	—	—
Residential mortgage exposures	62	(13)
Qualifying revolving retail exposures	2	1
Other retail exposures	870	1,303

- Notes: 1. Actual losses refer to total credit-related expenses incurred during the fiscal year. They consist of disposal of non-performing loans, net addition to general loan loss reserves, disposal of non-performing loans in the trust accounts, and gain from recoveries of written-off claims.
Disposal of non-performing loans refers to write-off of loans, net addition to specific loan loss reserves, net addition to special reserves for certain overseas loans, gains or losses from sale of loans, and other net additions to reserves. Also, actual losses by types of exposures do not include net addition to general loan loss reserves for Normal and Watch borrowers and net addition to reserves under the Burden Sharing System charged by the credit guarantee corporation. Figures in parentheses indicate a profit due to the reversal of the reserve.
2. Since the losses are limited to exposures guaranteed by the consolidated subsidiaries of Resona Holdings, Inc., actual losses have been omitted from the above exposure classification.
3. Credit-related expenses for assets and subsidiaries exempt from IRB calculation are included in actual losses.

Analysis

The credit-related expenses of Resona Holdings for the year ended March 31, 2024 amounted to ¥35.6 billion, ¥19.7 billion higher than in the previous fiscal year.

The principal reason is a ¥10.8 billion year-on-year increase in the net addition to specific loan loss reserves of Resona Bank (non-consolidated).

■ Comparison of Estimated and Actual Losses by Types of Exposures

(Millions of yen)

	As of March 31, 2023 (Note 3)		Year ended March 31, 2024
	Estimated losses	Estimated losses after deduction of reserves (Note 4)	Actual losses (Note 5)
Resona Holdings, Inc. (Consolidated) (Note 6)	/	/	35,660
Resona Bank, Ltd. (Non-Consolidated) + Saitama Resona Bank, Ltd. (Non-Consolidated) + Kansai Mirai Financial Group, Inc. (Note 6)	268,777	25,750	29,229
Corporate exposures	227,647	13,537	29,506
Sovereign exposures	155	155	(0)
Bank exposures	561	561	—
Residential mortgage exposures	3,565	180	(267)
Qualifying revolving retail exposures	419	410	2
Other retail exposures	31,158	5,644	3,406
Resona Bank, Ltd. (Consolidated) (Note 6)	/	/	26,061
Resona Bank, Ltd. (Non-Consolidated) (Note 6)	137,887	7,275	19,941
Corporate exposures	117,976	328	15,998
Sovereign exposures	52	52	(0)
Bank exposures	445	445	—
Residential mortgage exposures	1,668	510	(254)
Qualifying revolving retail exposures (Note 2)	—	—	—
Other retail exposures	13,495	1,692	1,699
Saitama Resona Bank, Ltd. (Consolidated) (Note 6)	/	/	3,760
Saitama Resona Bank, Ltd. (Non-Consolidated) (Note 6)	33,490	2,226	3,760
Corporate exposures	27,811	2,420	5,033
Sovereign exposures	57	57	—
Bank exposures	17	17	—
Residential mortgage exposures	680	120	(74)
Qualifying revolving retail exposures (Note 2)	—	—	—
Other retail exposures	4,775	(531)	836
Kansai Mirai Financial Group, Inc. (Note 6)	97,399	16,248	5,527
Corporate exposures	81,859	10,788	8,474
Sovereign exposures	45	45	—
Bank exposures	98	98	—
Residential mortgage exposures	1,216	(450)	62
Qualifying revolving retail exposures	419	410	2
Other retail exposures	12,888	4,483	870

- Notes: 1. Losses incurred from the exposures guaranteed by the consolidated subsidiaries of Resona Holdings are not included in estimated losses.
2. Since losses are limited to exposures guaranteed by the consolidated subsidiaries of Resona Holdings, estimated losses and actual losses have been omitted from the above exposure classification.
3. Estimated losses are the Expected Loss (EL) as of March 31, 2023.
4. Estimated losses after deduction of reserves are represented by deducting general loan loss reserves (excluding reserves for Normal and Watch borrowers), specific loan loss reserves, and partial direct write-offs from EL.
5. Actual losses refers to total credit-related expenses incurred during the fiscal year. They consist of disposal of non-performing loans, net addition to general loan loss reserves, disposal of non-performing loans in the trust accounts, and gains from recoveries of written-off claims.
Disposal of non-performing loans refers to write-off of loans, net addition to specific loan loss reserves, net addition to special reserves for certain overseas loans, gains or losses from sale of loans, and other net additions to reserves. Also, actual losses by types of exposures do not include net addition to general loan loss reserves for Normal and Watch borrowers and net addition to reserves under the Burden Sharing System charged by the Credit Guarantee Corporation. Figures in parentheses indicate a profit due to the reversal of the reserve.
6. Credit-related expenses for assets and subsidiaries exempt from IRB calculation are included in actual losses.

	(Millions of yen)		
	As of March 31, 2022 (Note 4)		Year ended March 31, 2023
	Estimated losses	Estimated losses after deduction of reserves (Note 5)	Actual losses (Note 6)
Resona Holdings, Inc. (Consolidated) (Note 7)	/	/	15,950
Resona Bank, Ltd. (Non-Consolidated) + Saitama Resona Bank, Ltd. (Non-Consolidated) + Kansai Mirai Financial Group, Inc. (Note 7)	285,815	14,165	15,085
Corporate exposures	241,479	(2,065)	16,844
Sovereign exposures	109	109	(1)
Bank exposures	584	584	—
Residential mortgage exposures	3,543	446	419
Qualifying revolving retail exposures	453	442	1
Other retail exposures	30,896	5,902	3,810
Resona Bank, Ltd. (Consolidated) (Note 7)	/	/	10,162
Resona Bank, Ltd. (Non-Consolidated) (Note 7)	147,915	3,744	9,567
Corporate exposures	124,526	(7,818)	9,908
Sovereign exposures	40	40	(1)
Bank exposures	470	470	—
Residential mortgage exposures	1,465	640	353
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	13,191	2,192	2,287
Saitama Resona Bank, Ltd. (Consolidated) (Note 7)	/	/	2,153
Saitama Resona Bank, Ltd. (Non-Consolidated) (Note 7)	34,449	194	2,153
Corporate exposures	28,708	256	1,427
Sovereign exposures	13	13	—
Bank exposures	19	19	—
Residential mortgage exposures	660	179	78
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	4,940	(381)	219
Kansai Mirai Financial Group, Inc. (Note 7)	103,449	10,227	3,364
Corporate exposures	88,245	5,496	5,508
Sovereign exposures	55	55	—
Bank exposures	94	94	—
Residential mortgage exposures	1,417	(373)	(13)
Qualifying revolving retail exposures	453	442	1
Other retail exposures	12,763	4,091	1,303

- Notes: 1. Estimated losses and actual losses on equity exposures for which the PD/LGD approach is applied are not included in credit-related expense, since they are difficult to determine whether the losses are due to credit risks or not.
2. Losses incurred from the exposures guaranteed by the consolidated subsidiaries of Resona Holdings are not included in estimated losses.
3. Since losses are limited to exposures guaranteed by the consolidated subsidiaries of Resona Holdings, estimated losses and actual losses have been omitted from the above exposure classification.
4. Estimated losses are the Expected Loss (EL) as of March 31, 2022.
5. Estimated losses after deduction of reserves are represented by deducting general loan loss reserves (excluding reserves for Normal and Watch borrowers), specific loan loss reserves, and partial direct write-offs from EL.
6. Actual losses refers to total credit-related expenses incurred during the fiscal year. They consist of disposal of non-performing loans, net addition to general loan loss reserves, disposal of non-performing loans in the trust accounts, and gains from recoveries of written-off claims.
Disposal of non-performing loans refers to write-off of loans, net addition to specific loan loss reserves, net addition to special reserves for certain overseas loans, gains or losses from sale of loans, and other net additions to reserves. Also, actual losses by types of exposures do not include net addition to general loan loss reserves for Normal and Watch borrowers and net addition to reserves under the Burden Sharing System charged by the Credit Guarantee Corporation. Figures in parentheses indicate a profit due to the reversal of the reserve.
7. Credit-related expenses for assets and subsidiaries exempt from IRB calculation are included in actual losses.

(Millions of yen)

	As of March 31, 2021 (Note 4)		Year ended March 31, 2022
	Estimated losses	Estimated losses after deduction of reserves (Note 5)	Actual losses (Note 6)
Resona Holdings, Inc. (Consolidated) (Note 7)	/	/	58,728
Resona Bank, Ltd. (Non-Consolidated) + Saitama Resona Bank, Ltd. (Non-Consolidated) + Kansai Mirai Financial Group, Inc. (Note 7)	267,480	18,093	61,411
Corporate exposures	227,441	9,187	54,218
Sovereign exposures	173	172	0
Bank exposures	540	540	—
Residential mortgage exposures	3,651	356	67
Qualifying revolving retail exposures	486	457	2
Other retail exposures	32,713	4,908	3,039
Resona Bank, Ltd. (Consolidated) (Note 7)	/	/	49,725
Resona Bank, Ltd. (Non-Consolidated) (Note 7)	125,773	12,979	47,282
Corporate exposures	108,164	8,040	42,216
Sovereign exposures	60	60	0
Bank exposures	456	456	—
Residential mortgage exposures	1,488	587	(12)
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	13,579	1,813	1,887
Saitama Resona Bank, Ltd. (Non-Consolidated) (Note 7)	32,122	2,987	5,582
Corporate exposures	26,002	2,839	5,420
Sovereign exposures	40	40	—
Bank exposures	24	24	—
Residential mortgage exposures	667	183	12
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	5,349	(138)	9
Kansai Mirai Financial Group, Inc. (Note 7)	109,584	2,126	8,547
Corporate exposures	93,274	(1,693)	6,581
Sovereign exposures	72	72	—
Bank exposures	59	59	—
Residential mortgage exposures	1,495	(414)	67
Qualifying revolving retail exposures	486	457	2
Other retail exposures	13,784	3,233	1,141

- Notes: 1. Estimated losses and actual losses on equity exposures for which the PD/LGD approach is applied are not included in credit-related expense, since they are difficult to determine whether the losses are due to credit risks or not.
2. Losses incurred from the exposures guaranteed by the consolidated subsidiaries of Resona Holdings are not included in estimated losses.
3. Since losses are limited to exposures guaranteed by the consolidated subsidiaries of Resona Holdings, estimated losses and actual losses have been omitted from the above exposure classification.
4. Estimated losses are the Expected Loss (EL) as of March 31, 2021.
5. Estimated losses after deduction of reserves are represented by deducting general loan loss reserves (excluding reserves for Normal and Watch borrowers), specific loan loss reserves, and partial direct write-offs from EL.
6. Actual losses refers to total credit-related expenses incurred during the fiscal year. They consist of disposal of non-performing loans, net addition to general loan loss reserves, disposal of non-performing loans in the trust accounts, and gains from recoveries of written-off claims.
Disposal of non-performing loans refers to write-off of loans, net addition to specific loan loss reserves, net addition to special reserves for certain overseas loans, gains or losses from sale of loans, and other net additions to reserves. Also, actual losses by types of exposures do not include net addition to general loan loss reserves for Normal and Watch borrowers and net addition to reserves under the Burden Sharing System charged by the Credit Guarantee Corporation. Figures in parentheses indicate a profit due to the reversal of the reserve.
7. Credit-related expenses for assets and subsidiaries exempt from IRB calculation are included in actual losses.

	(Millions of yen)		
	As of March 31, 2020 (Note 4)		Year ended March 31, 2021
	Estimated losses	Estimated losses after deduction of reserves (Note 5)	Actual losses (Note 6)
Resona Holdings, Inc. (Consolidated) (Note 7)	/	/	57,435
Resona Bank, Ltd. (Non-Consolidated) + Saitama Resona Bank, Ltd. (Non-Consolidated) + Kansai Mirai Financial Group, Inc. (Non-Consolidated) (Note 7)	254,718	20,188	53,649
Corporate exposures	212,163	9,927	24,216
Sovereign exposures	166	166	(1)
Bank exposures	639	639	—
Residential mortgage exposures	3,892	348	7,707
Qualifying revolving retail exposures	618	582	9
Other retail exposures	35,345	6,636	3,420
Resona Bank, Ltd. (Consolidated) (Note 7)	/	/	34,908
Resona Bank, Ltd. (Non-Consolidated) (Note 7)	121,292	17,893	32,390
Corporate exposures	103,262	13,431	12,028
Sovereign exposures	59	59	(1)
Bank exposures	541	541	—
Residential mortgage exposures	1,529	642	7,674
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	14,624	1,946	1,976
Saitama Resona Bank, Ltd. (Non-Consolidated) (Note 7)	30,639	3,872	9,039
Corporate exposures	23,989	3,472	4,396
Sovereign exposures	21	21	—
Bank exposures	22	22	—
Residential mortgage exposures	710	84	(68)
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	5,859	237	465
Kansai Mirai Financial Group, Inc. (Note 7)	102,786	(1,577)	12,219
Corporate exposures	84,911	(6,976)	7,791
Sovereign exposures	84	84	—
Bank exposures	74	74	—
Residential mortgage exposures	1,652	(378)	100
Qualifying revolving retail exposures	618	582	9
Other retail exposures	14,861	4,453	978

- Notes: 1. Estimated losses and actual losses on equity exposures for which the PD/LGD approach is applied are not included in credit-related expense, since they are difficult to determine whether the losses are due to credit risks or not.
2. Losses incurred from the exposures guaranteed by the consolidated subsidiaries of Resona Holdings are not included in estimated losses.
3. Since losses are limited to exposures guaranteed by the consolidated subsidiaries of Resona Holdings, estimated losses and actual losses have been omitted from the above exposure classification.
4. Estimated losses are the Expected Loss (EL) as of March 31, 2020.
5. Estimated losses after deduction of reserves are represented by deducting general loan loss reserves (excluding reserves for Normal and Watch borrowers), specific loan loss reserves, and partial direct write-offs from EL.
6. Actual losses refers to total credit-related expenses incurred during the fiscal year. They consist of disposal of non-performing loans, net addition to general loan loss reserves, disposal of non-performing loans in the trust accounts, and gains from recoveries of written-off claims.
Disposal of non-performing loans refers to write-off of loans, net addition to specific loan loss reserves, net addition to special reserves for certain overseas loans, gains or losses from sale of loans, and other net additions to reserves. Also, actual losses by types of exposures do not include net addition to general loan loss reserves for Normal and Watch borrowers and net addition to reserves under the Burden Sharing System charged by the Credit Guarantee Corporation. Figures in parentheses indicate a profit due to the reversal of the reserve.
7. Credit-related expenses for assets and subsidiaries exempt from IRB calculation are included in actual losses.

	(Millions of yen)		
	As of March 31, 2019 (Note 4)		Year ended March 31, 2020
	Estimated losses	Estimated losses after deduction of reserves (Note 5)	Actual losses (Note 6)
Resona Holdings, Inc. (Consolidated) (Note 7)	/	/	22,972
Resona Bank, Ltd. (Non-Consolidated) + Saitama Resona Bank, Ltd. (Non-Consolidated) + Kansai Mirai Financial Group, Inc. (Note 7)	232,008	747	20,282
Corporate exposures	194,781	(6,250)	9,703
Sovereign exposures	129	128	1
Bank exposures	484	484	—
Residential mortgage exposures	3,452	(64)	54
Qualifying revolving retail exposures	287	251	10
Other retail exposures	31,498	4,841	4,016
Resona Bank, Ltd. (Consolidated) (Note 7)	/	/	9,292
Resona Bank, Ltd. (Non-Consolidated) (Note 7)	122,004	11,752	9,591
Corporate exposures	103,820	7,711	1,851
Sovereign exposures	46	46	1
Bank exposures	432	432	—
Residential mortgage exposures	1,511	458	(122)
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	14,917	1,831	1,797
Saitama Resona Bank, Ltd. (Non-Consolidated) (Note 7)	32,613	1,104	4,465
Corporate exposures	25,568	1,358	2,857
Sovereign exposures	9	9	—
Bank exposures	8	8	—
Residential mortgage exposures	740	34	(10)
Qualifying revolving retail exposures (Note 3)	—	—	—
Other retail exposures	6,217	(360)	129
Kansai Mirai Financial Group, Inc. (Note 7)	77,391	(12,110)	6,224
Corporate exposures	65,393	(15,319)	4,994
Sovereign exposures	72	72	—
Bank exposures	43	43	—
Residential mortgage exposures	1,201	(557)	186
Qualifying revolving retail exposures	287	251	10
Other retail exposures	10,364	3,371	2,088

- Notes: 1. Estimated losses and actual losses on equity exposures for which the PD/LGD approach is applied are not included in credit-related expense, since they are difficult to determine whether the losses are due to credit risks or not.
2. Losses incurred from the exposures guaranteed by the consolidated subsidiaries of Resona Holdings are not included in estimated losses.
3. Since losses are limited to exposures guaranteed by the consolidated subsidiaries of Resona Holdings, estimated losses and actual losses have been omitted from the above exposure classification.
4. Estimated losses are the Expected Loss (EL) of Resona Bank, Ltd. and Saitama Resona Bank, Ltd. as of March 31, 2019, and that of Kansai Mirai Financial Group, Inc. as of March 31, 2020.
5. Estimated losses after deduction of reserves are represented by deducting general loan loss reserves (excluding reserves for Normal and Watch borrowers), specific loan loss reserves, and partial direct write-offs from EL.
6. Actual losses refers to total credit-related expenses incurred during the fiscal year. They consist of disposal of non-performing loans, net addition to general loan loss reserves, disposal of non-performing loans in the trust accounts, and gains from recoveries of written-off claims. Disposal of non-performing loans refers to write-off of loans, net addition to specific loan loss reserves, net addition to special reserves for certain overseas loans, gains or losses from sale of loans, and other net additions to reserves. Also, actual losses by types of exposures do not include net addition to general loan loss reserves for Normal and Watch borrowers and net addition to reserves under the Burden Sharing System charged by the Credit Guarantee Corporation. Figures in parentheses indicate a profit due to the reversal of the reserve.
7. Credit-related expenses for assets and subsidiaries exempt from IRB calculation are included in actual losses.

Credit Risk Mitigation Techniques

In calculating the Capital Adequacy Ratio, the Resona Group adopts the “Comprehensive Approach” as credit risks mitigation techniques which is stipulated in the Notification on Consolidated Capital Adequacy. Credit risk mitigation techniques are approaches to reduce the level of credit risk borne by the Resona Group such as the pledging of Eligible Financial Collateral, offsetting loans with deposits held with the Resona Group (On-Balance Sheet Netting), other eligible IRB collateral (limited to exposure to which the Foundation Internal Ratings-Based Approach has been adopted), guarantees, and the use of credit derivatives.

Please note that with regard to exposures adopting the Advanced Internal Ratings-Based Approach, the LGD estimates take account of on-balance sheet netting and credit risk mitigation through collateral.

■ Principal Types of Collateral

The principal type of collateral is as follows.

1. Cash and deposits
2. Listed stocks
3. Real estate
4. Discounted bills
5. Bonds

■ Outline of Procedure on Evaluation and Administration of Collateral

The pledged collateral is properly retained by acquiring the lien on the mortgage and administered under the retention policy so that timely execution of collateral rights is possible. In order to properly acknowledge the coverage status of loans to collateral held, collateral which their value fluctuates according to the financial market are re-evaluated periodically.

■ Outline of Policy and Procedure for On-Balance Sheet Netting of Loans and Deposits

With regard to exposures adopting the Advanced Internal Ratings-Based Approach, since the LGD estimates take account of on-balance sheet netting, the above-mentioned procedures have not been implemented.

■ Exposure to which Credit Risk Mitigation Techniques Method Is Applied

(Millions of yen)

	As of March 31, 2024		
	Eligible financial collateral	Other eligible IRB collateral	Total
Exposure calculated by the Advanced Internal Ratings-Based Approach	/	/	/
Exposure calculated by the Foundation Internal Ratings-Based Approach	1,960,813	1,412,381	3,373,195
Corporate exposures	1,115,226	1,411,993	2,527,219
Sovereign exposures	50	—	50
Bank exposures	845,537	388	845,926
Standardized Approach	11,698	/	11,698
Total	1,972,512	1,412,381	3,384,894

	As of March 31, 2024		
	Guarantees	Credit derivatives	Total
Internal Ratings-Based Approach	2,210,817	—	2,210,817
Corporate exposures	940,233	—	940,233
Sovereign exposures	36,625	—	36,625
Bank exposures	—	—	—
Residential mortgage exposures	378,389	—	378,389
Qualifying revolving retail exposures	—	—	—
Other retail exposures	855,570	—	855,570
Standardized Approach	9	—	9
Total	2,210,827	—	2,210,827

Notes: 1. On-balance sheet netting not included.

2. Exposure to which credit risk mitigation techniques are applied concerning the underlying assets of exposures relating to equity investments in funds is not included.

With regard to exposures adopting the Foundation Internal Ratings-Based Approach, based on contracts governing bank transactions in which the netting of loans and deposits is permitted, we offset the loan balance with the deposits held with us that are not pledged as collateral and define that amount as credit exposure after credit risk mitigation techniques.

When there is a maturity and/or currency mismatch, we will adjust the offset amount according to the practices stipulated in the Notification on Consolidated Capital Adequacy.

■ Outline of Policy and Procedure on Legally Binding Netting Contracts for Derivative and Repo-Style Transactions

In applying bilateral netting contracts for derivatives and repo-style transactions, the Bank reviews its legality prior to engagement of the contract. In the case of International SWAP and Derivative Association (ISDA) Master Agreements, we review and confirm that the article on Close-out Netting is legally binding under the laws of each country.

For transactions that are entered individually, we obtain comments from the legal counsel and conduct compliance checks in order to maintain its legality.

The transaction subject to credit risk mitigation techniques in the Trading and Banking Book is as follows.

Transactions: Derivative Transactions (Interest rate swaps, Currency swaps, Interest rate options, FRA, Forward contracts, Currency options, etc.), Repo-style Transactions

■ Information on Credit and Market Risk Concentration Arising from Credit Risk Mitigation Techniques

There is no credit and market risk concentration as a result of the use of credit risk mitigation techniques.

■ Types of Guarantors and Principal Counterparties in Credit Derivative Transactions and Explanation of Their Credit Standings

Major guarantors are central and local governments, government affiliated institutions, multilateral development banks, and banks and securities companies with lower risk weight compared to the borrower and/or the claims subject to the guarantee.

There is no outstanding balance of credit derivatives.

	As of March 31, 2023		
	Eligible financial collateral	Other eligible IRB collateral	Total
Exposure calculated by the Advanced Internal Ratings-Based Approach	/	/	/
Exposure calculated by the Foundation Internal Ratings-Based Approach	307,171	1,348,222	1,655,394
Corporate exposures	257,467	1,348,014	1,605,481
Sovereign exposures	50	—	50
Bank exposures	49,653	208	49,862
Standardized Approach	10,913	/	10,913
Total	318,085	1,348,222	1,666,308

	As of March 31, 2023		
	Guarantees	Credit derivatives	Total
Internal Ratings-Based Approach	2,487,263	—	2,487,263
Corporate exposures	1,113,549	—	1,113,549
Sovereign exposures	41,167	—	41,167
Bank exposures	—	—	—
Residential mortgage exposures	380,639	—	380,639
Qualifying revolving retail exposures	—	—	—
Other retail exposures	951,906	—	951,906
Standardized Approach	14	—	14
Total	2,487,277	—	2,487,277

Note: Exposure to which credit risk mitigation techniques are applied concerning the underlying assets of exposures relating to equity investments in funds is not included.

Derivative Transactions

■ Status of Derivative Transactions and Long-Settlement Transactions

(Millions of yen)

	As of March 31, 2024
	Credit equivalent amount
Gross replacement cost	101,044
Gross credit equivalent amount	/
Interest rate related	/
Interest rate swaps	/
Interest rate options	/
Currency-related	/
Currency swaps	/
Currency options	/
Forward contracts	/
Credit default swaps (Note 2)	/
Long-settlement transactions	/
Credit risk mitigation under close-out netting contracts	/
Collateral (Collateral held – Collateral placed)	37,303
Collateral held	51,865
Cash	51,865
Securities	—
Collateral placed	14,561
Cash	14,561
Securities	—
Credit equivalent amount (after netting / adjusting collateral)	145,654

	As of March 31, 2023
	Credit equivalent amount
Gross replacement cost	71,709
Gross credit equivalent amount	156,766
Interest rate related	52,547
Interest rate swaps	52,361
Interest rate options	186
Currency-related	104,073
Currency swaps	19,566
Currency options	16,818
Forward contracts	67,688
Credit default swaps (Note 2)	129
Long-settlement transactions	15
Credit risk mitigation under close-out netting contracts	28,399
Collateral (Collateral held – Collateral placed)	5,801
Collateral held	13,188
Cash	13,188
Securities	—
Collateral placed	7,387
Cash	7,387
Securities	—
Credit equivalent amount (after netting / adjusting collateral)	122,565

Notes: 1. Since March 31, 2024, the method for calculating the credit equivalent amount has been changed from the "Current Exposure" method to "SA-CCR".
2. Transactions of Kansai Mirai Financial Group, Inc.

Notional Amount of Credit Derivatives

(Millions of yen)

	As of March 31, 2024	As of March 31, 2023
Credit default swaps		
Protection bought	64	1,046
Protection sold	—	—

Securitization Exposures

Method of Calculating Credit Risk-Weighted Assets of Securitization Exposures

In calculating the credit risk-weighted asset of securitization exposures, the Resona Group adopts the Internal Ratings-Based Approach, the External Ratings-Based Approach, and the Standardized Approach as stipulated in the Notification on Consolidated Capital Adequacy.

Name of Formula Used in Calculating the Amount Corresponding to Market Risk in Securitization Exposure

There were no securitization exposures subject to calculation of market risk equivalent amount.

When the Holding Company Group Securitizes Third-Party Assets through Special-Purpose Entities, Indicate the Type of Special-Purpose Entity and whether the Holding Company Group Holds Securitization Exposure from such Transaction

Special-Purpose Entity for Securitization	Type
AB Global Funding Limited, Tokyo Branch	SPC
March Asset Management Co., Ltd.	SPC

With respect to the status, whether the Holding Company Group retains the securitization exposure from such transactions or not, please refer to “Securitization Exposure that Is Subject to Calculation of Credit Risk Assets, When the Holding Company Group Is the Sponsor of Securitization Programs (ABCP, etc.)”.

Name of the Subsidiaries of the Holding Company Group (Excluding Consolidated Subsidiaries) and Affiliated Companies that Holds Securitization Exposure Conducted by the Holding Company Group (Including Securitization Transactions Conducted through Special-Purpose Entities)

None

Accounting Policy with Respect to Securitization Exposures

The Resona Group applies the Accounting Standards for Financial Instruments and the Practical Guidelines for Accounting for Financial Instruments in accounting for securitization transactions. For those securitization transactions in which the Group is an investor, such financial assets are reported at market value. However, for securitization transactions where the Group is the originator, the following accounting treatment is applied.

With respect to future cash inflows, collection costs, credit risk, risk of redemption before maturity, and others that compose the concerned financial assets, transfer and extinction of ownership and the residual financial assets are recognized, provided that the following conditions are all satisfied.

Conditions:

1. The contractual rights of the recipient of the financial assets that are transferred are legally secured from the transferring party and the creditors of the transferring party.
2. The contractual rights to the benefits of the financial assets that are transferred to the recipient can be received directly or indirectly by normal methods.
3. The transferring party does not have any rights or duties to repurchase the financial assets that such party has transferred prior to the date of maturity.

When these conditions for the recognition of extinction are satisfied, the book value of the portion to be extinguished and the difference between the amount to be received or paid is treated as a gain (loss) for the accounting period. The book value of the portion to be extinguished is calculated as a proportion to the book value of the financial assets.

Moreover, when new financial assets or new financial liabilities are created as a result of the extinction of financial assets, such new assets and liabilities are reported at market value.

Please note that in securitization transactions involving the use of a special-purpose company and trust, when the Group as the transferring party holds all or a portion of the securities or other financial instruments issued by the special-purpose company, that portion is treated as a residual portion and is not recognized as an extinction of the financial assets.

Qualified Credit Ratings Agency in Determining the Risk Weights for Securitization Exposures

In calculating the credit risk-weighted assets of securitization exposures, the Resona Group applies the External Ratings-Based Approach and adopts the ratings issued by the following Qualified Ratings Agencies (Eligible External Credit Assessment Institutions). These rating agencies are those designated by the Financial Services Agency, as of March 31, 2024.

- Rating and Investment Information, Inc. (R&I)
- Japan Credit Rating Agency, Ltd. (JCR)
- Moody’s Investors Service, Inc. (Moody’s)

When using the Internal Assessment Approach, give a summary of the method

The Resona Group does not use the Internal Assessment Approach

When Material Changes Occur in Quantitative Information, Give a Statement of the Content

None

■ Securitization Exposure that Is Subject to Calculation of Credit Risk Assets When the Holding Company Group Is the Originator.

1. Breakdown of Securitization Exposure Retained

(1) Securitization exposure (excluding re-securitization exposure)

(Millions of yen)

	As of March 31, 2024										Total	
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	Amount	Required capital
Retained securitization exposures	—	29,734	9,234	—	—	—	—	—	—	—	38,968	1,083
Risk weight:												
To 20%	—	—	—	—	—	—	—	—	—	—	—	—
Over 20% to 100%	—	29,734	9,234	—	—	—	—	—	—	—	38,968	1,083
Over 100% to 1,250%	—	—	—	—	—	—	—	—	—	—	—	—
1,250% (Note 1)	—	—	—	—	—	—	—	—	—	—	—	—
Capital increase due to securitization transactions	—	3,048	263	—	—	—	—	—	—	—	3,311	3,311

Notes: 1. Figures presented are the securitization exposures to which the 1,250% risk weight is applied pursuant to Article 226 and Article 226-4, Paragraph 1, Item 1 and 2 of the Notification on Consolidated Capital Adequacy.

2. All securitization exposures retained are from on-balance-sheet transactions.

	As of March 31, 2023										Total	
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	Amount	Required capital
Retained securitization exposures	—	29,734	9,234	—	—	—	—	—	—	—	38,968	1,220
Risk weight:												
To 20%	—	—	—	—	—	—	—	—	—	—	—	—
Over 20% to 100%	—	29,734	9,234	—	—	—	—	—	—	—	38,968	1,220
Over 100% to 1,250%	—	—	—	—	—	—	—	—	—	—	—	—
1,250% (Note 1)	—	—	—	—	—	—	—	—	—	—	—	—
Capital increase due to securitization transactions	—	3,245	284	—	—	—	—	—	—	—	3,530	3,530

Notes: 1. Figures presented are the securitization exposures to which the 1,250% risk weight is applied pursuant to Article 226 and Article 226-4, Paragraph 1, Item 1 and 2 of the Notification on Consolidated Capital Adequacy.

2. All securitization exposures retained are from on-balance-sheet transactions.

(2) Re-securitization exposure

None

2. Underlying Assets

(Millions of yen)

	As of March 31, 2024										Total
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	
Amount of underlying assets	—	161,823	16,740	—	—	—	—	—	—	—	178,563
Asset transfer-type securitizations	—	161,823	16,740	—	—	—	—	—	—	—	178,563
Past due, or default	—	23	—	—	—	—	—	—	—	—	23
Losses during the year (Note)	—	—	—	—	—	—	—	—	—	—	—
Synthetic securitizations	—	—	—	—	—	—	—	—	—	—	—
Past due, or default	—	—	—	—	—	—	—	—	—	—	—
Losses during the year (Note)	—	—	—	—	—	—	—	—	—	—	—
Amount of exposures securitized during the year (Note)	—	—	—	—	—	—	—	—	—	—	—
Amount of gain (loss) recognized for the period in connection with securitization transactions (Note)	—	—	—	—	—	—	—	—	—	—	—
Securitization exposures subject to early amortization provisions	—	—	—	—	—	—	—	—	—	—	—
Amount of assets held for the purpose of securitization transactions	—	—	—	—	—	—	—	—	—	—	—

Note: The amount shown is the cumulative amount from October 2023 to March 2024.

	As of March 31, 2023										Total
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	
Amount of underlying assets	—	171,751	18,133	—	—	—	—	—	—	—	189,885
Asset transfer-type securitizations	—	171,751	18,133	—	—	—	—	—	—	—	189,885
Past due three months or more, or default	—	24	—	—	—	—	—	—	—	—	24
Losses during the year (Note)	—	—	—	—	—	—	—	—	—	—	—
Synthetic securitizations	—	—	—	—	—	—	—	—	—	—	—
Past due three months or more, or default	—	—	—	—	—	—	—	—	—	—	—
Losses during the year (Note)	—	—	—	—	—	—	—	—	—	—	—
Amount of exposures securitized during the year (Note)	—	44,609	—	—	—	—	—	—	—	—	44,609
Amount of gain (loss) recognized for the period in connection with securitization transactions (Note)	—	837	—	—	—	—	—	—	—	—	837
Securitization exposures subject to early amortization provisions	—	—	—	—	—	—	—	—	—	—	—
Amount of assets held for the purpose of securitization transactions	—	—	—	—	—	—	—	—	—	—	—

Note: The amount shown is the cumulative amount from October 2022 to March 2023.

■ **Securitization Exposure that Is Subject to Calculation of Market Risk When the Holding Company Group Is the Originator.**

None

■ **Securitization Exposure that Is Subject to Calculation of Credit Risk Assets When the Holding Company Group Is the Sponsor of Securitization Programs (ABCP, etc.).**

1. Breakdown of Securitization Exposures Retained

(1) Securitization exposure (excluding re-securitization exposure)

(Millions of yen)

	As of March 31, 2024										Total	
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	Amount	Required capital
Retained securitization exposures	—	—	—	—	—	—	—	11,632	—	15,438	27,071	1,415
Risk weight:												
To 20%	—	—	—	—	—	—	—	3,503	—	1,146	4,649	68
Over 20% to 100%	—	—	—	—	—	—	—	7,910	—	14,292	22,203	1,325
Over 100% to 1,250%	—	—	—	—	—	—	—	218	—	—	218	20
1,250% (Note 1)	—	—	—	—	—	—	—	—	—	—	—	—
Capital increase due to securitization transactions	—	—	—	—	—	—	—	—	—	—	—	—

Notes: 1. Figures presented are the securitization exposures to which the 1,250% risk weight is applied pursuant to Article 226 and Article 226-4, Paragraph 1, Item 1 and 2 of the Notification on Consolidated Capital Adequacy.

2. All securitization exposures retained are from on-balance-sheet transactions.

	As of March 31, 2023										Total	
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	Amount	Required capital
Retained securitization exposures	—	—	—	—	—	—	—	8,438	—	8,683	17,122	706
Risk weight:												
To 20%	—	—	—	—	—	—	—	2,243	—	2,206	4,449	62
Over 20% to 100%	—	—	—	—	—	—	—	6,195	—	6,477	12,672	644
Over 100% to 1,250%	—	—	—	—	—	—	—	—	—	—	—	—
1,250% (Note 1)	—	—	—	—	—	—	—	—	—	—	—	—
Capital increase due to securitization transactions	—	—	—	—	—	—	—	—	—	—	—	—

Notes: 1. Figures presented are the securitization exposures to which the 1,250% risk weight is applied pursuant to Article 226 and Article 226-4, Paragraph 1, Item 1 and 2 of the Notification on Consolidated Capital Adequacy.

2. All securitization exposures retained are from on-balance-sheet transactions.

(2) Re-securitization exposure

None

2. Underlying Assets

(Millions of yen)

	As of March 31, 2024										Total
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	
Amount of underlying assets	—	—	—	—	—	—	—	21,902	—	18,678	40,581
Asset transfer-type securitizations	—	—	—	—	—	—	—	21,902	—	18,678	40,581
Past due, or default	—	—	—	—	—	—	—	—	—	17	17
Losses during the year (Note 1)	—	—	—	—	—	—	—	—	—	8	8
Synthetic securitizations	—	—	—	—	—	—	—	—	—	—	—
Past due, or default	—	—	—	—	—	—	—	—	—	—	—
Losses during the year (Note 1)	—	—	—	—	—	—	—	—	—	—	—
Amount of exposures securitized during the year (Note 1) (Note 2)	—	—	—	—	—	—	—	27,076	—	46,779	73,855
Amount of gain (loss) recognized for the period in connection with securitization transactions (Note 1)	—	—	—	—	—	—	—	—	—	—	—
Securitization exposures subject to early amortization provisions	—	—	—	—	—	—	—	—	—	—	—
Amount of assets held for the purpose of securitization transactions	—	—	—	—	—	—	—	—	—	—	—

Notes: 1. The amount shown is the cumulative amount from October 2023 to March 2024.

2. Includes purchase of claims, such as bills, lease receivables, and accounts receivables, etc., originally held by our customers and trust beneficiary rights composed of above-mentioned underlying assets through issuance of CP (ABCP) and/or offering loans (ABL) to special-purpose companies.

	As of March 31, 2023										Total
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	
Amount of underlying assets	—	—	—	—	—	—	—	18,033	—	10,231	28,265
Asset transfer-type securitizations	—	—	—	—	—	—	—	18,033	—	10,231	28,265
Past due three months or more, or default	—	—	—	—	—	—	—	—	—	31	31
Losses during the year (Note 1)	—	—	—	—	—	—	—	—	—	2,683	2,683
Synthetic securitizations	—	—	—	—	—	—	—	—	—	—	—
Past due three months or more, or default	—	—	—	—	—	—	—	—	—	—	—
Losses during the year (Note 1)	—	—	—	—	—	—	—	—	—	—	—
Amount of exposures securitized during the year (Note 1) (Note 2)	—	—	—	—	—	—	—	23,682	—	32,095	55,777
Amount of gain (loss) recognized for the period in connection with securitization transactions (Note 1)	—	—	—	—	—	—	—	—	—	—	—
Securitization exposures subject to early amortization provisions	—	—	—	—	—	—	—	—	—	—	—
Amount of assets held for the purpose of securitization transactions	—	—	—	—	—	—	—	—	—	—	—

Notes: 1. The amount shown is the cumulative amount from October 2022 to March 2023.

2. Includes purchase of claims, such as bills, lease receivables, and accounts receivables, etc., originally held by our customers and trust beneficiary rights composed of above-mentioned underlying assets through issuance of CP (ABCP) and/or offering loans (ABL) to special-purpose companies.

■ **Securitization Exposure that Is Subject to Calculation of Market Risk When the Holding Company Group Is the Sponsor of Securitization Programs (ABCP, etc.).**

None

■ **Securitization Exposure that Is Subject to the Calculation of Credit Risk Assets When the Holding Company Group Is an Investor.**

(1) Securitization exposure (excluding re-securitization exposure)

(Millions of yen)

	As of March 31, 2024										Total	
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	Amount	Required capital
Retained securitization exposures	—	—	16	—	—	—	463	—	—	—	480	7
Risk weight:												
To 20%	—	—	16	—	—	—	463	—	—	—	480	7
Over 20% to 100%	—	—	—	—	—	—	—	—	—	—	—	—
Over 100% to 1,250%	—	—	—	—	—	—	—	—	—	—	—	—
1,250% (Note 1)	—	—	—	—	—	—	—	—	—	—	—	—

Notes: 1. Figures presented are the securitization exposures to which the 1,250% risk weight is applied pursuant to Article 226 and Article 226-4, Paragraph 1, Item 1 and 2 of the Notification on Consolidated Capital Adequacy.

2. All securitization exposures retained are from on-balance-sheet transactions.

	As of March 31, 2023										Total	
	General loan claims	Housing loan claims	Apartment/condominium loan claims	Credit card claims	Lease receivables	Consumer loan claims	Auto loan claims	Bills	Medical service fee claims	Other claims	Amount	Required capital
Retained securitization exposures	—	20	25	—	—	—	1,428	—	—	—	1,475	23
Risk weight:												
To 20%	—	20	25	—	—	—	1,428	—	—	—	1,475	23
Over 20% to 100%	—	—	—	—	—	—	—	—	—	—	—	—
Over 100% to 1,250%	—	—	—	—	—	—	—	—	—	—	—	—
1,250% (Note 1)	—	—	—	—	—	—	—	—	—	—	—	—

Notes: 1. Figures presented are the securitization exposures to which the 1,250% risk weight is applied pursuant to Article 226 and Article 226-4, Paragraph 1, Item 1 and 2 of the Notification on Consolidated Capital Adequacy.

2. All securitization exposures retained are from on-balance-sheet transactions.

(2) Re-securitization exposure

None

■ **Securitization Exposure that Is Included in the Calculation of Market Risk When the Holding Company Group Is an Investor.**

None

CVA Risk

■ **CVA Risk**

The reduced BA-CVA is used to calculate the amount equivalent to CVA risk.

(Millions of yen)

	As of March 31, 2024	
	Components	CVA risk equivalent amount x 12.5
Aggregation of systematic components of CVA risk	13,572	/
Aggregation of idiosyncratic components of CVA risk	3,425	/
Total	/	60,754

Market Risk

■ **MR1. Capital Requirements for Market Risk under the Standardized Approach**

(Millions of yen)

Item number	As of March 31, 2023 Capital Requirement
1 Interest rate risk (general and specific)	3,113
2 Equity risk (general and specific)	—
3 Foreign exchange risk	3,663
4 Commodity risk	—
Option transactions	—
5 Simplified approach	—
6 Delta-plus method	—
7 Scenario approach	—
8 Specific risk related to securitization exposures	—
9 Total	6,777

(Millions of yen)

Item number	As of March 31, 2024 Capital Requirement
1 General interest rate risk	2,130
2 Equity risk	—
3 Commodity risk	10
4 Foreign exchange risk	17,163
5 Credit spread risk (non-securitizations)	1,184
6 Credit spread risk (securitizations (non-CTP))	161
7 Credit spread risk (securitizations (CTP))	—
8 Default risk (non-securitizations)	275
9 Default risk (securitizations (non-CTP))	—
10 Default risk (securitizations (CTP))	—
11 Residual risk add-on	347
Other	—
12 Total	21,273

■ **MR3. Capital Requirements for Market Risk under the Simplified Standardized Approach**

(Millions of yen)

Item number	As of March 31, 2024				
	Outright products	Option transactions			Total
		Simplified approach	Delta-plus method	Scenario approach	
1 Interest rate risk (general and specific)	26	—	—	—	26
2 Equity risk (general and specific)	—	—	—	—	—
3 Commodity risk	—	—	—	—	—
4 Foreign exchange risk	54	—	—	—	54
5 Specific risk related to securitization exposures	—	/	/	/	—
6 Total	80	—	—	—	80

Equity Exposures

■ Equity Exposure on the Consolidated Balance Sheets

(Millions of yen)

As of March 31,	2024		2023	
	Consolidated balance sheet amount	Market value	Consolidated balance sheet amount	Market value
Listed stocks exposure	1,067,390	1,067,390	882,680	882,680
Investment/equity exposure other than the above	49,293	49,293	115,579	115,579
Total	1,116,683	1,116,683	998,259	998,259

■ Gain (Loss) on Sale or Write-off of Equity Exposure

(Millions of yen)

Years ended March 31,	2024	2023
Gain on sale	68,971	58,173
Loss on sale	(3,080)	(3,116)
Write-off	(228)	(940)
Net gains/(losses)	65,661	54,117

■ Unrealized Gain Recognized on the Consolidated Balance Sheet but Not on the Consolidated Statement of Income

(Millions of yen)

As of March 31,	2024	2023
Unrealized gain	757,920	567,148

■ Unrealized Gain (Loss) Not Recognized Either on the Consolidated Balance Sheet or on the Consolidated Statement of Income

None

■ Equity Exposure Portfolio

(Millions of yen)

As of March 31,	2024
Equity exposures categorized as speculative investments in unlisted equities	—
Equity exposures other than the above	353,560
Total	353,560

As of March 31,	2023
Market-based approach (Simple Risk Weight Method)	21,060
PD/LGD Approach	329,930
Total	350,990

Exposures Relating to Investment Funds

■ Exposures Relating to Equity Investments in Funds

(Millions of yen)

As of March 31,	2024	2023
Exposures relating to equity investments in funds	624,163	689,215
Look-through approach	618,466	679,644
Mandate-based approach	—	—
Simple approach 250%	2,973	3,818
Simple approach 400%	536	4,205
Fall-back approach 1,250%	2,187	1,547

Interest Rate Risk

■ IRRBB1: Interest rate risk

In handling interest rate risk in banking book, capital adequacy regulations require banks to have adequate internal control processes in place so as to maintain measured decrease in economic value of equity (Δ EVE) for certain interest rate shock scenarios such as parallel up and down shifts, as shown in the table below, within an appropriate range.

Amounts of decrease in economic value at the Resona Group are within 20% of the value of capital, and the Company recognizes that there are no issues with respect to interest rate risk management.

Moreover, there have been no significant changes from the previous year.

Amounts of decrease in net interest income (Δ NII) are measured for certain interest rate shock scenarios caused by parallel up and down shifts.

Item number	(Millions of yen)			
	Δ EVE		Δ NII	
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024	As of March 31, 2023
1 Parallel up	93,147	60,665	12,175	9,576
2 Parallel down	244,181	232,058	142,256	126,766
3 Steepener	26,817	14,953	/	/
4 Flattener	/	/	/	/
5 Short rate up	/	/	/	/
6 Short rate down	/	/	/	/
7 Maximum	244,181	232,058	142,256	126,766
	As of March 31, 2024		As of March 31, 2023	
8 Capital	2,140,727		2,101,030	

Notes: 1. The average repricing maturity assigned to liquid deposits is 2.2 years.

2. The longest repricing maturity assigned to liquid deposits is 10 years.

3. In calculating Δ EVE, the balance of non-maturity deposits which remain on the books for an extended time (core deposits) is estimated using statistical methods based on historical trends in liquid deposit balances using the Company's internal models.

4. Prepayments and early withdrawal of time deposits at Resona Bank, Saitama Resona Bank and Kansai Mirai Bank are estimated, by statistical methods based on past prepayment and withdrawal data for each product type using the Company's internal models. For prepayments of housing loans, Minato Bank makes estimates using statistical methods.

5. When aggregating Δ EVE and Δ NII, correlations between currencies are not taken into account, and positive values calculated for each currency are simply combined.

6. In the calculation of Δ EVE and Δ NII, fluctuations in credit risk spreads are not considered.

Comparison of IRB Approach and Standardized Approach

■ Criteria for Categorizing Exposures Subject to Standardized Approach into the IRB Approach Portfolio

The criteria for categorizing exposures subject to the Standardized Approach into the IRB Approach portfolio are as follows:

IRB Approach Portfolio	Standardized Approach Portfolio
Sovereign exposures	Japanese government and the Bank of Japan exposures, foreign central government and central bank exposures, Japanese local government exposures, foreign non-central government public sector entity exposures, multilateral development bank exposures, Japan Finance Organization for Municipalities exposures, Japanese government-affiliated organization exposures, local public corporation exposures
Bank exposures	Bank exposures, securities company exposures, insurance company exposures, uncollected bills
Equity exposures	Equity exposures
Purchased receivables	None
Corporate exposures (excluding SMEs and specialized lending)	Corporate exposures, past due exposures
SMEs exposures	None
Residential mortgage exposures	None
Qualifying revolving retail exposures	None
Other retail exposures	Individual exposures
Specialized lending	None

■ Comparison of Modelled and Standardized RWA for Credit Risk at Asset Class Level

(Millions of yen)

	As of March 31, 2024				
	(1)	(2)	(3)	(4)	(5)
	RWA for modelled approaches that banks have supervisory approval to use (IRB approach)	RWA for column (1) if re-computed using the standardized approach	RWA for the standardized approach	Total Actual RWA ((1) + (3))	RWA calculated using full standardized approach (ie RWA used in the base of the output floor)((2) + (3))
Sovereign exposures	109,364	229,144	15,033	124,398	244,178
Of which: Japanese local governments	—	—	—	—	—
Of which: foreign non-central governments public sector entities	—	—	216	216	216
Of which: multilateral development banks	—	—	—	—	—
Of which: Japan Finance Organization for Municipalities	—	1,560	—	—	1,560
Of which: Japanese government-affiliated organizations	15,048	145,752	1,033	16,081	146,785
Of which: local public corporations	48	684	—	48	684
Bank exposures	222,090	184,087	74,293	296,384	258,381
Equity exposures	461,505	261,680	91,880	553,386	353,560
Purchased receivables	305,290	429,229	—	305,290	429,229
Corporate exposures (excluding SMEs and specialized lending)	5,546,365	9,532,210	888,142	6,434,508	10,420,353
Of which: F-IRB is applied	3,698,604	5,676,335	101,754	3,800,358	5,778,089
Of which: A-IRB is applied	1,847,761	3,855,875	786,388	2,634,149	4,642,264
SMEs exposures	3,162,881	7,333,640	—	3,162,881	7,333,640
Of which: F-IRB is applied	1,213,224	1,978,099	—	1,213,224	1,978,099
Of which: A-IRB is applied	1,949,656	5,355,541	—	1,949,656	5,355,541
Residential mortgage exposures	1,757,300	5,059,113	—	1,757,300	5,059,113
Qualifying revolving retail exposures	64,049	85,070	—	64,049	85,070
Other retail exposures	765,441	1,728,247	—	765,441	1,728,247
Specialized lending	342,202	359,591	—	342,202	359,591
Of which: income-producing real estate and high volatility commercial real estate	133,178	142,139	—	133,178	142,139
Total	12,736,491	25,202,016	1,069,350	13,805,842	26,271,366

■ Securitization Exposures

(Millions of yen)

	As of March 31, 2024	
	RWA	RWA calculated using the Standardized Approach
Securitization exposures	48,921	115,292

DISCLOSURE ON REMUNERATION

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1. Status of Organizational Systems Related to Remuneration of the Resona Group Relevant Officers and Employees

(1) Scope of “Relevant Officers and Employees”
The scope of “Relevant Officers” and “Relevant Employees” (referred to collectively as “Relevant Officers and Employees”) are specified in the “Notification on Remuneration*” and have the following meanings as applied by the Resona Group.

*Notification on Remuneration: Based on the Ordinance for Enforcement of the Banking Act Article 19-2 Paragraph 1 Item 6, this notification covers matters related to remuneration, and specifies persons who may have a material impact on banking operations and the state of bank assets as the head of the Financial Services Agency has issued a separate notice (Financial Services Agency Notification No. 21) specifying such persons.

1) Scope of “Relevant Officers”

“Relevant Officers” are the Company’s Directors and Executive Officers. Outside directors are excluded.

2) Scope of “Relevant Employees”

“Relevant Employees” are staff of the Company and officers and employees of principal consolidated subsidiaries who “receive a high level of remuneration” and may have a material impact on the banking operations and/or the assets of the Resona Group.

(a) Scope of “Principal Consolidated Subsidiaries”

“Principal consolidated subsidiaries” are those subsidiaries whose total assets exceed 2% of the consolidated total assets of the bank holding company and that have a material impact on Resona Group management. Specifically, these subsidiaries are Resona Bank, Saitama Resona Bank, Kansai Mirai FG, Kansai Mirai Bank, and Minato.

(b) Scope of “Persons Receiving High Level of Remuneration”

“Persons receiving a high level of remuneration” are those persons receiving the base amount of remuneration or higher from the Company and its principal consolidated subsidiaries. (Here and hereinafter, “the Resona Group” refers to the Company (Resona Holdings), which is the holding company for the Resona Group, and its principal consolidated subsidiaries.) In the Resona Group, the criterion for compensation is ¥27 million or higher, which was the total annual compensation received by full-time Directors of the Resona Group in the immediately preceding three fiscal years divided by the number of directors. This base compensation amount is applied in common to all principal consolidated subsidiaries.

Please note that when Severance Payments are made, the amount of the Severance Payment is deducted from remuneration and then, “the amount corresponding to the Severance Payment divided by the number of years of service” is added back. The resulting figure is regarded as that person’s remuneration.

(c) Scope of “Persons Having a Material Impact on the Business and/or the Assets of the Resona Group”

“Persons having a material impact on the business and/or assets of the Resona Group” are those persons who may have a substantial impact on the conduct of the Resona Group’s operations in the course of executing regular transactions and managing matters under their supervision, and who may have an important impact on the state of assets if losses are reported. Specifically, such persons include staff of the Risk Management Division and Compliance Division; Directors and Corporate Auditors of Resona Bank, Saitama Resona Bank, Kansai Mirai FG, Kansai Mirai Bank, and Minato (excluding Outside Directors and Outside Corporate Auditors); and Executive Officers with the additional titles of Senior Managing Executive Officer, Managing Executive Officer and Executive Officers in charge of either the Market, Risk Management, or Compliance sections as well as the staff of these sections.

Please note that, because of the differences in the compensation decision-making process, Directors, Corporate Auditors, and Executive Officers of principal consolidated subsidiaries who are included in “Relevant Officers” and “Relevant Employees” are regarded as “Relevant Officers, etc.” in Disclosure on Remuneration. In addition, “Relevant Employees” after the exclusion of such Directors, Corporate Auditors, and Executive Officers are considered to be “Relevant Staff.”

(2) Decision Making on Remuneration of Relevant Officers and Employees

1) Decision Making on Remuneration of Relevant Officers, etc. Resona Holdings, adopted the form of company with a nominating committee, etc. as a corporate governance system and has formed a Compensation Committee as required by law.

The Compensation Committee is responsible for setting policies regarding decision making for remuneration of Directors and Executive Officers, as well as for making decisions on compensation of individual Directors and Executive Officers. The Compensation Committee is, in principle, composed exclusively of Outside Directors, is independent of the business promotion departments, and possesses the authority to set the remuneration policy and the amounts of remuneration of individual Directors and Executive Officers.

Resona Bank, Saitama Resona Bank and Kansai Mirai FG are companies that have adopted the Audit and Supervisory Committee Model. Matters including the total amount of compensation of its Directors (excluding Directors who are Audit and Supervisory Committee Members) and the total amount of compensation of its Directors who are Audit and Supervisory Committee Members are decided by their respective shareholders’ meetings. The monthly compensation of individual Directors (excluding Directors who are Audit and Supervisory Committee Members) is decided by the President of the respective companies, who has been delegated this authority by the Board of Directors of the respective companies, based on the total amount of compensation decided at their respective shareholders’ meetings. Furthermore, the monthly compensation of individual Directors who are Audit and Supervisory Committee Members is decided through consultation among the Directors who are Audit and Supervisory Committee Members of the respective companies, within the scope of the total amount of compensation decided at their respective shareholders’ meetings.

In addition, Kansai Mirai FG’s consolidated subsidiaries, Kansai Mirai Bank and Minato, are companies that have adopted the Board of Corporate Auditors Model. Matters including the total amount of compensation of their Directors and the total amount of compensation of their Corporate Auditors are decided by their respective shareholders’ meetings. The monthly compensation of individual Directors is decided by the President of the respective banks, who has been delegated this authority by the Board of Directors of the respective banks, based on the total amount of compensation decided at their respective shareholders’ meetings. The monthly compensation of individual Corporate Auditors is decided through consultation among the Corporate Auditors of the respective banks, within the scope of the total amount of compensation decided at their respective shareholders’ meetings.

The monthly compensation of individual Executive Officers who are elected by the Board of Directors of the respective companies is decided by the President, who has been delegated this authority by the Board of Directors of the respective companies.

2) Decision Making on Remuneration of Relevant Staff

The remuneration of relevant staff is set and paid based on the salary policies duly established by such as the management committees of the respective Resona Group companies. These policies are systematically designed and put in writing by the Human Resources sections of the Resona Group companies, which are independent of the business promotion departments. In addition, when the salary policies of principal consolidated subsidiaries are changed, this is reported to the Company’s Human Resources

section, which is responsible for verifying the appropriateness of such changes.

Please note that compensation of traders and others in certain market sections in the Company’s principal consolidated subsidiaries are determined on an individual basis according to their duties and responsibilities.

(3) Decision Making on Remuneration of the Staff of Risk Management Division and Compliance Division

The compensation of the staff of the Risk Management Division and Compliance Division of Group companies is set based on salary policies, and the specific amounts are decided by the head of the respective Human Resources sections of these companies, which are independent of the business promotion departments, based on assessments of performance.

Moreover, personnel assessment items are used to evaluate the attainment of goals that have been set and approved by the persons responsible for employees in the Risk Management Division and Compliance Division. These goals reflect the contributions of employees within the risk management and compliance frameworks.

(4) Total Amount of Remuneration Paid to Members of the Committees, such as the Compensation Committee, and the Number of Meetings Held

	Number of Meetings (April 2023 to March 2024)
Compensation Committee (Resona Holdings, Inc.)	9

Note: The Compensation Committee has three members, all of whom are Outside Directors, and the total amount of remuneration is not stated in the above chart.

2. Evaluation of the Appropriateness of the Design and Operation of the Remuneration System of the Resona Group Relevant Officers and Employees

(1) Remuneration Policy

1) Remuneration Policy of Relevant Officers, etc.

(a) Remuneration Policy of the Company's Directors and Executive Officers

The Company's remuneration policy is determined by the Compensation Committee, which is composed exclusively of independent Outside Directors. An overview of the remuneration policy is as follows.

Compensation System for Directors

Compensation type	Type	Method of calculation	payment method
Position-based	Fixed compensation	<ul style="list-style-type: none"> Determined based on duties of position 	Monthly payments

In addition to the compensation listed above, relevant officers will also be paid the following compensation: (Duty-based additional compensation) Position-based fixed compensation paid in return for additional responsibilities upon assuming a concurrent position on any of the Nominating, Compensation, or Audit Committees, a Director or Corporate Auditor of a Group bank, etc. (Allowance) Position-based fixed compensation paid to Outside Directors to compensate for duties performed upon assuming the role of Chairperson of the Board of Directors or a position on any of the Nominating, Compensation, or Audit Committees.

Compensation System for Executive Officers

Compensation type	Type	Method of calculation	payment method
Position-based 33~65%	Fixed compensation	<ul style="list-style-type: none"> Determined based on duties of position 	Monthly payments
Annual incentive 19~33%	Variable compensation (Performance-based compensation)	<ul style="list-style-type: none"> Calculated based on "financial evaluation," "non-financial evaluation," and "individual evaluation" of the previous fiscal year Payment ratio varying from as low as zero to as high as 1.7 times the standard amount. (1) Financial evaluation: Evaluation based on achievement rate of evaluation indicators against the figures detailed in the annual plan <ul style="list-style-type: none"> Net income attributable to owners of parent Consolidated core income If the Common equity Tier 1 capital ratio falls below a set level, the payment amount will be zero (2) Non-financial evaluation: Evaluation based on long-term sustainability goals (3) Individual evaluation: Evaluation based on performance of individual officers in the fiscal year <ul style="list-style-type: none"> Medium- to long-term goals Annual goals Initiatives to cultivate and ensure the penetration of risk culture $\begin{matrix} (1) \text{ Financial evaluation} & + & (2) \text{ Non-financial evaluation} & + & (3) \text{ Individual evaluation} & = & \text{Annual incentive} \\ 50\% & & 10\% & & 40\% & & \end{matrix}$	One annual payment Paid according to evaluation of previous fiscal year
Medium- to long-term incentive 16~33%	Non-monetary compensation	<ul style="list-style-type: none"> Based on consolidated ROE, relative TSR, and ESG indicators for the final fiscal year of the Medium-term Management Plan Calculated according to determined performance-based coefficient Performance-based coefficient varies between 0 and 170% $\text{Consolidated ROE} \times \text{Relative TSR} + \text{ESG indicators} = \text{Medium- to long-term incentive}$	In principle, payment once in three years Upon conclusion of Medium-term Management Plan

In addition to the compensation listed above, relevant officers will also be paid the following compensation: (Duty-based additional compensation) Position-based fixed compensation paid in return for additional responsibilities upon assuming a concurrent position as a Director of the Company, or a concurrent position as a Director or Corporate Auditor of a Group bank, etc.

[Basic Approach]

- The Group has adopted a system that aims to provide sound incentives for officers to promote the Resona Group's sustainable growth and improve its corporate value over the medium- to long-term, and to ensure appropriate supervisory functions.
- Compensation for Directors and Executive Officers is determined appropriately with objectivity and transparency by the Compensation Committee, which is composed, in principle, solely of Outside Directors with a high degree of independence.

[Policy on Determining Ratio of Individual Compensation Amount for Directors and Executive Officers]

- Position-based compensation
Compensation is made in accordance with the nature and scope of responsibilities for each respective position. The composition of position-based compensation in total executive officer compensation is stated in "Compensation System for Executive Officers."
- Annual incentive
Executive Officers are compensated through an annual incentive in accordance with the performance of the Resona Group and the officers' own performance for each fiscal year. The composition of the annual incentive in overall compensation is, in principle, set to be higher the more senior the position.
- Medium- to long-term incentive
Executive Officers are compensated through a medium- to long-term incentive in accordance with the performance of the Resona Group during the period of the Medium-term Management Plan. The composition of the medium- to long-term incentive in overall compensation is, in principle, set to be higher the more senior the position.
- Duty-based additional compensation
Duty-based additional compensation is paid in accordance with duties when an Executive Officer concurrently serves as a Director, when a Director is appointed to any of the Nominating, Compensation, or Audit Committees, or when a Director or Executive Officer concurrently serves as a Director or Corporate Auditor of a Group bank, etc.
- Allowance
Outside Directors who act as Chairperson of the Board of Directors or Chairperson of any of the Nominating, Compensation, or Audit Committees are compensated through an allowance in accordance with the duties performed.

(b) Remuneration Policy of Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank, and Minato Bank

The remuneration policy is determined by the Company taking account of the matters decided by the Compensation Committee of the bank holding company, Resona Holdings. An overview of the remuneration policy is as follows.

[Basic Approach]

- The Group has adopted a system that aims to provide sound incentives for officers to promote the Resona Group's sustainable growth and improve its corporate value over the medium- to long-term, and to ensure appropriate supervisory functions.
- The total annual amount of compensation for Directors is determined at shareholders' meetings, and within the limits of that amount, the Board of Directors authorize the President to determine the details of individual Directors' compensation.

2) Remuneration Policy of Relevant Staff

For relevant staff, compensation consists of a fixed amount that is set according to duties and responsibilities and an amount that is linked to corporate performance. To reflect such contribution, compensation is decided based on assessments of performance. Please note that, when deciding on remuneration, the officer in charge of Human Resources sections takes account of this compensation system, the status of performance assessments, and actual payments as well as confirms that compensation practices do not place excessive emphasis on performance.

(2) Impact of the Level of Overall Remuneration on Capital (Relevant Officers, etc.)

Regarding the level of compensation paid by the Company, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank, and Minato Bank, the Compensation Committee of the Company calculates the maximum amount (theoretical value) that may be paid under the compensation system, then compares the outlook for payments to officers with the Medium-term Management Plan, thereby making sure that the level of compensation is financially sound for the Group as a whole and consistent with the future outlook and that such payments will not have any material impact on the adequacy of the Group's capital in the future.

(Relevant Staff)

Regarding compensation to the staff of the Resona Group, the Company considers the management condition of the Group as well as the Group's performance, the portion of compensation that varies with the performance assessments of individuals, etc., and the temporary payment portion; then compares these figures with the Medium-term Management Plan; and confirms that such payment will not have an adverse impact on the adequacy of the Group's capital in the future. In addition, the Company compares the amount of salaries paid to staff for the fiscal year with the level of income for the fiscal year as well as the status of retained earnings to confirm that these payments will not have an adverse impact on the capital ratio.

3. Consistency between the Remuneration System of the Resona Group Relevant Officers and Employees and Risk Management

(1) Method of Taking Account Risks in Deciding Remuneration (Relevant Officers, etc.)

The annual incentive for Executive Officers of the Company and the Representative Directors, Directors with executive responsibilities, and Executive Officers of Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank, and Minato Bank (hereinafter, Representative Directors, etc.) is determined with reference to the results of financial, non-financial, and individual assessments. Indicators used in these financial assessments are not only net income but also include profitability and soundness. In addition, in the individual assessments, reference is made to the attainment of objectives that have been set after taking account of various risks that may occur in the divisions where the Executive Officers and Representative Directors, etc., are in charge.

For Directors of the Company and Directors other than Representative Directors, etc., of Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank, and Minato Bank (hereinafter, Directors (non-executive)), compensation consists solely of position-based fixed compensation.

(Relevant Staff)

When the Resona Group companies design and review their payroll systems, the Human Resources section performs these design and review activities, and final decisions are made by the authorized organizational unit after being reviewed by the Executive Committee. Please note that, when such matters are brought up in meetings of the Executive Committee, the departments in charge of comprehensive risk management verify the appropriateness and suitability of the relevant payroll systems from a risk management perspective.

4. The Link between Remuneration of the Resona Group Relevant Officers and Employees and Corporate Performance

(1) Portion Linked to Corporate Performance in Deciding Remuneration of Relevant Officers and Employees

1) Method for Calculating the Portion Linked to Corporate Performance

(Relevant Officers, etc.)

When the Compensation Committee decides on compensation policy for Officers of the Resona Group as a whole, it takes account of the management policies, operating environment, and other relevant matters and then decides on the percentage of the portion of compensation linked to corporate performance for the fiscal year.

(Relevant Staff)

The portion of compensation linked to performance to be paid to the staff is determined based on Group performance according to a predetermined formula.

2) Method for Making Adjustments in the Portion Linked to Corporate Performance

(Relevant Officers, etc.)

When performance of the Group is not satisfactory, the portion of compensation linked to corporate performance for the staff of the Resona Group is determined in consideration of the management condition.

(Relevant Staff)

When performance of the Group is not satisfactory, the portion of compensation linked to corporate performance for the staff of the Resona Group is determined in consideration of the management condition.

3) Assessment that the Linkage to Corporate Performance Is not Excessively Short-Term Oriented

(Relevant Officers, etc.)

For compensation of officers, etc. of the Company, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank, and Minato Bank, the Compensation Committee has established criteria for the payment of compensation and, by assessing the ratio of the portion of compensation linked to corporate performance and the appropriateness of amounts paid, works to verify that compensation practices do not place excessive emphasis on performance.

(Relevant Staff)

For compensation of the staff of the Resona Group, taking into account the compensation system, assessments of performance, and actual payments made, Officers in charge of Human Resources sections of each company confirm that compensation practices in their respective companies do not place excessive emphasis on performance.

4) Monitoring and Restraint on Transactions that Only Reduce Risk Superficially

The middle-office and back-office departments as well as the internal auditing departments monitor transactions at appropriate intervals to ensure that relevant officers and employees have not made arrangements, etc., to reduce risk superficially and that there is no behavior that may be contrary to the intent of the compensation system, which has been designed to be consistent with risk management.

5. Types, Amounts, and the Method of Remuneration Paid to the Resona Group Relevant Officers and Employees

■ Total Amount of Remuneration of Relevant Officers and Employees

(From April 1, 2023 to March 31, 2024)

Item	Number	Total remuneration (¥ million)	Total fixed compensation			Total variable compensation			
			Basic compensation	Other	Basic compensation	One-time payments	Other		
Relevant Officers (excluding Outside Officers)	22	1,030	494	494	—	536	329	—	207
Relevant Employees	30	1,094	677	677	—	417	270	—	146

Notes: 1. The compensation of relevant officers includes the amount of compensation as officers of principal consolidated subsidiaries.

2. Basic compensation includes retirement benefits paid during the fiscal year (lump-sum retirement benefit payments divided by the number of years of service).

3. "Other" in the above chart is the Share-based variable portion, and the amount reported as an expense during the fiscal year of performance share units.

6. Other Matters for Reference Regarding Remuneration System of the Resona Group Relevant Officers and Employees

None.