

TLAC information

■ TLAC1: TLAC composition for G-SIBs (at resolution group level)

Sumitomo Mitsui Financial Group, Inc. and Subsidiaries

(Millions of yen, except percentages)

Basel III Template No.	Items		As of March 31, 2021	As of March 31, 2020
Preferred resolution strategy (1)				
The SPE (Single Point of Entry) resolution strategy is considered to be the preferred resolution strategy for Sumitomo Mitsui Financial Group, Inc. (SMFG) and its subsidiaries. More concretely, at the time of a stress, following the relevant authority's determination that one or more of the material sub-groups, i.e. Sumitomo Mitsui Banking Corporation and SMBC Nikko Securities Inc., have reached the point of non-viability, losses incurred to them would be passed to SMFG, the ultimate holding company. While this could lead to a resolution of SMFG, the material sub-groups are expected to continue their business as usual under the Specified Bridge Financial Institution, etc. incorporated by the Deposit Insurance Corporation of Japan (DICJ) to which SMFG transfers its business.				
Regulatory capital elements of TLAC and adjustments (2)				
1	Common Equity Tier 1 capital (CET1)	(A)	10,562,772	9,581,264
2	Additional Tier 1 capital (AT1) before TLAC adjustments	(B)	636,528	668,672
3	AT1 ineligible as TLAC as issued out of subsidiaries to third parties	(C)	—	—
4	Other adjustments	(D)	—	—
5	AT1 instruments eligible under the TLAC framework ((B) - (C) - (D))	(E)	636,528	668,672
6	Tier 2 capital (T2) before TLAC adjustments	(F)	1,089,970	1,302,063
7	Amortised portion of T2 instruments where remaining maturity > 1 year	(G)	(179,401)	(249,452)
8	T2 capital ineligible as TLAC as issued out of subsidiaries to third parties	(H)	—	—
9	Other adjustments	(I)	52,811	152,042
10	T2 instruments eligible under the TLAC framework ((F) - (G) - (H) - (I))	(J)	1,216,561	1,399,473
11	TLAC arising from regulatory capital ((A) + (E) + (J))	(K)	12,415,862	11,649,410
Non-regulatory capital elements of TLAC (3)				
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	(L)	5,307,262	4,972,597
13	External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities but meet all other TLAC term sheet requirements			
14	Of which: amount eligible as TLAC after application of the caps			
15	External TLAC instruments issued by funding vehicles prior to 1 January 2022			
16	Eligible ex ante commitments to recapitalise a G-SIB in resolution	(M)	1,650,200	1,539,976
17	TLAC arising from non-regulatory capital instruments before adjustments ((L) + (M))	(N)	6,957,463	6,512,574
Non-regulatory capital elements of TLAC: adjustments (4)				
18	TLAC before deductions ((K) + (N))	(O)	19,373,325	18,161,984
19	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to SPE G-SIBs)	(P)	—	—
20	Deduction of investments in own other TLAC liabilities	(Q)	—	—
21	Other adjustment to TLAC	(R)	—	—
22	TLAC after deductions ((O) - (P) - (Q) - (R))	(S)	19,373,325	18,161,984
Risk-weighted assets and leverage exposure measure for TLAC purposes (5)				
23	Total risk-weighted assets (RWA)	(T)	66,008,023	61,599,066
24	Total exposures	(U)	198,170,783	237,488,658
TLAC ratios and buffers (6)				
25	TLAC before deduction of CET1 specific buffer requirement (as a percentage of RWA) ((S) / (T))		29.34%	29.48%
25a	TLAC (as a percentage of RWA)		25.82%	25.96%
26	TLAC (as a percentage of total exposures) ((S) / (U))		9.77%	7.64%
27	CET1 available after meeting the minimum capital requirements		10.61%	10.63%
28	CET1 specific buffer requirement		3.52%	3.52%
29	of which: capital conservation buffer requirement		2.50%	2.50%
30	of which: countercyclical buffer requirement		0.02%	0.02%
31	of which: G-SIB/D-SIB additional requirement		1.00%	1.00%
TLAC (as a percentage of total exposures) (including deposits with the Bank of Japan) (7)				
	Total exposures	(U)	198,170,783	
	The amount of deposits with the Bank of Japan		61,884,206	
	Total exposures (including deposits with the Bank of Japan)	(U')	260,054,990	
	TLAC (as a percentage of total exposures) (including deposits with the Bank of Japan) ((S)/(U'))		7.44%	

■ TLAC2: - Material subgroup entity - creditor ranking at legal entity level

Sumitomo Mitsui Banking Corporation

(Millions of yen)

		As of March 31, 2021								Sum of 1 to 4
		Creditor ranking								
Basel III Template No.	Items	1 (most junior)		2		3		4 (most senior)		
1	Is the resolution entity the creditor/investor?	Yes	No	Yes	No	Yes	No	Yes	No	
2	Description of creditor ranking	Common share capital		Additional Tier 1 instruments		Tier 2 instruments *		Other internal TLAC liabilities		
3	Total capital and liabilities net of credit risk mitigation (A)	3,545,551	-	1,155,000	-	990,201	534,065	6,049,980	-	12,274,797
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities (A) - (B)	3,545,551	-	1,155,000	-	990,201	534,065	6,049,980	-	12,274,797
6	Subset of row 5 that are eligible as TLAC	3,545,551	-	1,155,000	-	990,201	273,000	5,308,487	-	11,272,239
7	1 year ≤ residual maturity < 2 years	-	-	-	-	-	48,000	852,490	-	900,490
8	2 years ≤ residual maturity < 5 years	-	-	-	-	437,742	70,000	1,744,677	-	2,252,420
9	5 years ≤ residual maturity < 10 years	-	-	-	-	552,458	135,000	2,418,766	-	3,106,224
10	10 years ≤ residual maturity (excluding perpetual securities)	-	-	-	-	-	-	292,553	-	292,553
11	Perpetual securities	3,545,551	-	1,155,000	-	-	20,000	-	-	4,720,551

* Including eligible Tier 2 capital instruments subject to transitional arrangements

SMBC Nikko Securities Inc.

(Millions of yen)

		As of March 31, 2021							Sum of 1 to 3
		Creditor ranking							
Basel III Template No.	Items	1 (most junior)		2		3 (most senior)			
1	Is the resolution entity the creditor/investor?	Yes	No	Yes	No	Yes	No		
2	Description of creditor ranking	Common share capital		Subordinated debts		Other internal TLAC liabilities			
3	Total capital and liabilities net of credit risk mitigation (A)	467,714	-	-	-	-	-	467,714	
4	Subset of row 3 that are excluded liabilities (B)	-	-	-	-	-	-	-	
5	Total capital and liabilities less excluded liabilities (A) - (B)	467,714	-	-	-	-	-	467,714	
6	Subset of row 5 that are eligible as TLAC	467,714	-	-	-	-	-	467,714	
7	1 year ≤ residual maturity < 2 years	-	-	-	-	-	-	-	
8	2 years ≤ residual maturity < 5 years	-	-	-	-	-	-	-	
9	5 years ≤ residual maturity < 10 years	-	-	-	-	-	-	-	
10	10 years ≤ residual maturity (excluding perpetual securities)	-	-	-	-	-	-	-	
11	Perpetual securities	467,714	-	-	-	-	-	467,714	

Sumitomo Mitsui Banking Corporation

(Millions of yen)

		As of March 31, 2020								Sum of 1 to 4
Basel III Template No.	Items	Creditor ranking								
		1 (most junior)		2		3		4 (most senior)		
1	Is the resolution entity the creditor/investor?	Yes	No	Yes	No	Yes	No	Yes	No	
2	Description of creditor ranking	Common share capital		Additional Tier 1 instruments		Tier 2 instruments *		Other internal TLAC liabilities		
3	Total capital and liabilities net of credit risk mitigation (A)	3,545,551	–	1,185,000	–	1,010,822	770,855	5,249,352	–	11,761,581
4	Subset of row 3 that are excluded liabilities (B)	–	–	–	–	–	–	–	–	–
5	Total capital and liabilities less excluded liabilities (A) - (B)	3,545,551	–	1,185,000	–	1,010,822	770,855	5,249,352	–	11,761,581
6	Subset of row 5 that are eligible as TLAC	3,545,551	–	1,185,000	–	1,010,822	531,215	4,977,327	–	11,249,916
7	1 year ≤ residual maturity < 2 years	–	–	–	–	–	258,215	708,103	–	966,318
8	2 years ≤ residual maturity < 5 years	–	–	–	–	303,417	98,000	1,875,138	–	2,276,555
9	5 years ≤ residual maturity < 10 years	–	–	–	–	664,405	155,000	2,262,344	–	3,081,749
10	10 years ≤ residual maturity (excluding perpetual securities)	–	–	–	–	43,000	–	131,741	–	174,741
11	Perpetual securities	3,545,551	–	1,185,000	–	–	20,000	–	–	4,750,551

* Including eligible Tier 2 capital instruments subject to transitional arrangements

SMBC Nikko Securities Inc.

(Millions of yen)

		As of March 31, 2020								Sum of 1 to 3
Basel III Template No.	Items	Creditor ranking								
		1 (most junior)		2		3 (most senior)				
1	Is the resolution entity the creditor/investor?	Yes	No	Yes	No	Yes	No	Yes	No	
2	Description of creditor ranking	Common share capital		Subordinated debts		Other internal TLAC liabilities				
3	Total capital and liabilities net of credit risk mitigation (A)	467,714	–	–	–	–	–	–	–	467,714
4	Subset of row 3 that are excluded liabilities (B)	–	–	–	–	–	–	–	–	–
5	Total capital and liabilities less excluded liabilities (A) - (B)	467,714	–	–	–	–	–	–	–	467,714
6	Subset of row 5 that are eligible as TLAC	467,714	–	–	–	–	–	–	–	467,714
7	1 year ≤ residual maturity < 2 years	–	–	–	–	–	–	–	–	–
8	2 years ≤ residual maturity < 5 years	–	–	–	–	–	–	–	–	–
9	5 years ≤ residual maturity < 10 years	–	–	–	–	–	–	–	–	–
10	10 years ≤ residual maturity (excluding perpetual securities)	–	–	–	–	–	–	–	–	–
11	Perpetual securities	467,714	–	–	–	–	–	–	–	467,714

■ TLAC3: Creditor ranking of external TLAC, etc.

Sumitomo Mitsui Financial Group, Inc.

(Millions of yen)

Basel III Template No.		Items	As of March 31, 2021				Sum of 1 to 4
			Creditor ranking				
			1 (most junior)	2	3	4 (most senior)	
1	Description of creditor ranking		Common share capital	Additional Tier 1 instruments	Tier 2 instruments	Unsecured senior bonds *1	
2	Total capital and liabilities net of credit risk mitigation	(A)	3,904,025	655,000	990,201	6,100,508	11,649,735
3	Subset of row 2 that are excluded liabilities *2	(B)	—	—	—	48,045	48,045
4	Total capital and liabilities less excluded liabilities (A) - (B)		3,904,025	655,000	990,201	6,052,462	11,601,689
5	Subset of row 4 that are eligible as TLAC		3,904,025	655,000	990,201	5,310,969	10,860,196
6	1 year ≤ residual maturity < 2 years		—	—	—	852,490	852,490
7	2 years ≤ residual maturity < 5 years		—	—	437,742	1,746,453	2,184,195
8	5 years ≤ residual maturity < 10 years		—	—	552,458	2,418,766	2,971,224
9	10 years ≤ residual maturity (excluding perpetual securities)		—	—	—	293,259	293,259
10	Perpetual securities		3,904,025	655,000	—	—	4,559,025

*1 Excluding those owed to group companies

*2 Conservatively estimated in light of quantitative materiality

Sumitomo Mitsui Financial Group, Inc.

(Millions of yen)

Basel III Template No.		Items	As of March 31, 2020				Sum of 1 to 4
			Creditor ranking				
			1 (most junior)	2	3	4 (most senior)	
1	Description of creditor ranking		Common share capital	Additional Tier 1 instruments	Tier 2 instruments	Unsecured senior bonds *1	
2	Total capital and liabilities net of credit risk mitigation	(A)	3,901,407	685,000	1,010,822	5,296,468	10,893,698
3	Subset of row 2 that are excluded liabilities *2	(B)	—	—	—	47,116	47,116
4	Total capital and liabilities less excluded liabilities (A) - (B)		3,901,407	685,000	1,010,822	5,249,352	10,846,582
5	Subset of row 4 that are eligible as TLAC		3,901,407	685,000	1,010,822	4,977,327	10,574,557
6	1 year ≤ residual maturity < 2 years		—	—	—	708,103	708,103
7	2 years ≤ residual maturity < 5 years		—	—	303,417	1,875,138	2,178,555
8	5 years ≤ residual maturity < 10 years		—	—	664,405	2,262,344	2,926,749
9	10 years ≤ residual maturity (excluding perpetual securities)		—	—	43,000	131,741	174,741
10	Perpetual securities		3,901,407	685,000	—	—	4,586,407

*1 Excluding those owed to group companies

*2 Conservatively estimated in light of quantitative materiality