



BASEL III PILLAR 3 DISCLOSURES

Mizuho Bank, Ltd. Bangkok Branch

As of March 31, 2024

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¹ Table number is arranged in same number indicated by The Bank of Thailand's Notification No. SorNorSor. 14/2562.

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Scope of application

Pursuant to the issue of the Notification of the Bank of Thailand Re: Information Disclosure Regarding Capital Fund Maintenance for Commercial Banks which requires commercial banks to disclose bank information. The information disclosures contained in this document is related to the Mizuho Bank, Ltd. - Bangkok Branch (MHBK-BKK) (standalone basis).

Since Mizuho Bank, Ltd. - Bangkok Branch (MHBK-BKK) is a branch of Mizuho Bank, Ltd. (MHBK) and is managed under the group of Mizuho Financial Group (MHFG), Bangkok Branch's information disclosure policies and risk management will be based on the Disclosure Policy and Risk Management System set by the MHFG stated in the "www.mizuho-fg.co.jp". MHFG set the disclosure policy and maintains basic policies for risk management established by its board of directors that are applicable to the entire group.

Key prudential metrics

Table 1: Key prudential metrics
Unit: Million Baht

Item	Mar-24	Mar-23
Available capital		
1 Common Equity Tier 1 (CET1) Capital	-	-
1A Fully loaded ECL CET1 Capital	-	-
2 Tier 1 Capital	-	-
2A Fully loaded ECL Tier 1 Capital	-	-
3 Total Capital fund	96,745	96,190
3A Fully loaded ECL ² Total Capital	96,745	96,190
Risk-weighted assets)		
4 Total risk-weighted assets (RWA)	322,596	355,579
Capital ratios (Unit: Percentage)		
5 Common Equity Tier 1 CET1 ratio (%)	-	-
5A Fully loaded ECL CET1 ratio (%)	-	-
6 Tier 1 Capital ratio (%)	-	-
6A Fully loaded ECL Tier 1 Capital ratio (%)	-	-
7 Total Capital ratio (%)	27.38	25.30
7A Fully loaded ECL total capital ratio ²	27.38	25.30
Buffer requirements (Unit: Percentage)		
8 Capital conservation buffer requirement (%)	2.5	2.5
9 Capital countercyclical buffer requirement (%)	-	-
10 Higher loss absorbency ratio (%)	-	-
11 Total capital buffer requirements (%) (Total of item 8 - item 10)	2.5	2.5
12 Common Equity Tier1 (CET1) available after meeting the bank's minimum capital requirement	-	-
Liquidity Coverage Ratio (LCR)³		
13 Total HQLA	87,722	113,662
14 Total net cash outflows within 30 Days	64,217	69,674
15 LCR ratio (%)	136	162

Remark:

² Expected Credit Loss: ECL according to Thai Financial Reporting Standard No.9: Financial Instrument (TFRS 9). The first time adoption is 1 April 2020.

³ To comply with BOT's Notification no. SorNorSor 2/2561Re: Liquidity Coverage Ratio Disclosure Standard.

Capital Structure

As at March 31, 2024 and March 31, 2023, assets maintained under section 32 for capital funds are government and state enterprise securities which funds remitted into Thailand from head office and borrowings from other branches under the same entity.

Table 2: Capital of Foreign Banks Branches

Item	Unit: Million Baht	
	Mar-24	Mar-23
1. Assets required to be maintained under Section 32	97,459	96,575
2. Sum of net capital for maintenance of assets under Section 32 and net balance of inter-office accounts (2.1+ 2.2)	114,296	173,282
2.1 Capital for maintenance of assets under Section 32	97,177	96,547
2.2 Net balance of inter-office accounts which the branch is the debtor (the creditor) to the head office and other branches located in other countries, the parent company and subsidiaries of the head office	17,119	76,735
3. Total regulatory capital (3.1-3.2)	96,745	96,190
3.1 Total regulatory capital before deductions (The lowest amount among item 1 item, 2 or item 2.1)	97,177	96,547
3.2 Deductions	(432)	(357)

Capital Adequacy

As at March 31, 2024 and March 31, 2023, Mizuho Bank, Ltd - Bangkok Branch uses the standardized approach for credit risk and market risk and the basic indicator approach for operational risk. The related information is presented in the following tables.

Table 3: Minimum capital requirement for credit risk classified by type of assets (SA)

	<i>Unit: Million Baht</i>	
Minimum capital requirement for credit risk classified by type of assets under the SA	Mar-24	Mar-23
Performing claims		
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public section entities (PSEs) treated as claims on sovereigns	1,629	8
2. Claims on financial institutions , non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	4,848	7,028
3. Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	28,900	31,998
4. Claims on retail portfolios	-	-
5. Claims on housing loans	-	-
6. Other assets	57	55
Non-performing claims	51	25
First-to-default credit derivatives and Securitizations	-	-
Total minimum capital requirement for credit risk under the SA	35,485	39,114

Table 6: Minimum capital requirement for market risk for positions in the trading book (Standardized measurement approach)

	<i>Unit: Million Baht</i>	
Minimum capital requirement for market risk (positions in the trading book)	Mar-24	Mar-23
1. Standardized approach	1,664	1,359
2. Internal model approach	-	-
Total minimum capital requirement for market risk	1,664	1,359

Table 7: Minimum capital requirement for operation risk (BIA)

Minimum capital requirement for operational risk	<i>Unit: Million Baht</i>	
	Mar-24	Mar-23
1. Calculate by Basic Indicator Approach	1,720	1,355
2. Calculate by Standardized Approach	-	-
3. Calculate by Alternative Standardized Approach	-	-
4. Calculate by Advanced Measurement Approaches	-	-
Total minimum capital requirement for operational risk	1,720	1,355

Table 8: Total capital to risk-weighted assets Tier 1 capital to risk-weighted assets and Tier 1 capital of Shareholder's equity to risk-weighted assets

Ratio	Mar-24		Mar-23	
	Capital ratio of Our Bank	Capital ratio of BOT minimum requirement	Capital ratio of Our Bank	Capital ratio of BOT minimum requirement
1. Total capital to risk-weighted assets	27.38	11.00	25.30	11.00
2. Tier 1 capital to risk-weighted assets*	n/a	n/a	n/a	n/a
3. Tier 1 capital of Shareholder's equity to risk-weighted assets*	n/a	n/a	n/a	n/a

* Disclosed only in case of locally incorporated commercial banks

Risk Exposures and Assessment

General

We classify our risk exposures according to various kinds of risk, including credit risk, market risk, liquidity risk and operational risk and manage each type of risk according to its characteristics. In addition to managing each type of risk individually, we have established a risk management structure to identify and evaluate overall risk and, where necessary, to devise appropriate responses to keep risk within limits that are managerially acceptable in both qualitative and quantitative terms. We are controlling risks with the branch's structure following to the head office policies and methods. Bangkok Branch identifies risk broadly and takes a proactive and sophisticated approach to risk management. We set the ALCM Market Risk Committee, Credit Risk Committee and Operational Risk Committee meeting in monthly basis.

We internally arrange divisions within the Branch to take responsibilities of individual risk management as follows:

Credit Risk: Credit Risk Management Division and Loan Risk Management Division

Market Risk: Risk Management Division Asia Department

Operational Risk: Risk Administration Division

Guidelines for setting risk controlling limits

We endeavor to obtain a clear grasp of overall risk exposure and have implemented measures to keep such risks within the financial base in accordance with the risk capital allocation framework. More specifically, Head Office allocates risk capital to all branches including us as the capital to control risk within the limits.

Credit Risk

a. General disclosure for credit risk exposure under SA

Qualitative Disclosures

The scope and nature of risk, and the structure and responsibilities of relevant risk management units

We define credit risk as the exposure to the risk losses that may be incurred due to a decline in, or total loss of, the value of assets and off-balance-sheet instruments, as a result of deterioration in a counterparty's financial position. Credit Risk Management Division was responsible for credit risk management.

The policies for hedging or mitigating risks

The first approach is "credit management" in which we manage the process for each individual transaction and individual obligor from execution until collection, based on our assessment of the credit quality of the customer. Through this process, we curb losses in the case of a credit event. We use credit ratings to monitor the status of their obligors in a timely manner, reviewing these ratings whenever there is a change in an obligor's credit status as well as on a regular basis.

Credit risk management policy

One of the most important elements of the risk management infrastructure is the use of an internal rating system that consists of credit ratings and pool allocations. Credit ratings consist of obligor ratings which represent the level of credit risk of the obligor, and transaction ratings which represent the possibility of ultimately incurring losses related to each individual claim by taking into consideration the nature of any collateral or guarantee and the seniority of the claim. In principle, obligor ratings apply to all obligors and are subject to regular reviews at least once a year to reflect promptly the fiscal period end financial results of the obligors, as well as special reviews as required whenever the obligor's credit standing changes. This enables us to monitor both individual obligors and the status of the overall portfolio in a timely fashion. Because we consider obligor ratings to be an initial phase of the self-assessment process regarding the quality of our loans and off-balance-sheet instruments, such obligor ratings are closely linked to the obligor staging and are an integral part of the process for determining the reserves for loan losses and write-offs in our self-assessment of loans and off-balance-sheet instruments.

We manage credit risk based on analysis of the capability of debtors to make payment and their financial position by using the above internal rating system. In addition, we also manage the concentration of its loan portfolio by grading debtors by reliability and industry, and taking into consideration risk factors to ensure the effectiveness of the bank reserves.

Definition of past due and impairment / Guideline to calculate general provision and specific provision

The bank sets allowances for doubtful accounts in accordance with the notification of the bank of Thailand and the policy of the bank based on Thai Financial Reporting Standard 9 Financial Instrument and adjusts these by the additional amounts which are expected not to be collectible, based on the analysis and evaluation of the current status of the debtors, taking into consideration the recovery risk, the value of collateral, and current economic conditions.

The Bank set provision by calculating the changing of the estimating expected credit loss (ECL) of the loan balance and contingent liabilities. The financial assets' impairment classification, impairment assessment, impairment provision and its accounting treatment are required by the Bank of Thailand.

Quantitative Disclosures

General information on credit risk* (Table 9 -17)

Table 9 Outstanding amounts of significant on-balance sheet assets and off-balance sheet items before adjusted by credit risk mitigation

(Show outstanding at the end of the month)**

Unit: Million Baht

Item	Mar-24	Mar-23
1. On-balance sheet assets (1.1 + 1.2 + 1.3 + 1.4)	472,277	510,008
1.1 Net loans ^{1/}	330,770	373,202
1.2 Net Investment in debt securities ^{2/}	120,502	114,724
1.3 Deposits (including accrued interest receivables)	5,286	6,372
1.4 Derivative assets	15,719	15,710
2. Off-balance sheet items ^{3/} (2.1 + 2.2 + 2.3)	1,213,001	1,094,729
2.1 Aval of bills, guarantees, and letter of credits	6,852	1,746
2.2 OTC derivatives ^{4/}	1,179,157	1,062,904
2.3 Un-drawn committed line	26,992	30,079

*Commercial banks shall disclose position in banking book and trading book. Assets on balance sheet not including equity exposures. Off-balance sheet items including equity exposures

**If the period-end outstanding amount is not significantly different from the average outstanding amount over the period, commercial banks need not disclose the average outstanding amount over the period

1/ Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of inter-bank and money market.

2/ Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

3/ Before multiplying credit conversion factor

4/ Including equity-related derivatives

Table 10: Outstanding amounts of on-balance sheet assets and off-balance sheet items before adjusted credit risk mitigation classified by country or geographic area of debtor*
Mar-24
Unit: Million Baht

Country or geographic area of debtor	On-balance sheet assets					Off-balance sheet items ^{3/}			
	Total	Net loans ^{1/}	Net Investment in debt securities ^{2/}	Deposits (including accrued interest receivables)	Derivative assets	Total	Aval of bills, guarantees, and letter of credits	OTC derivatives	Undrawn committed line
1. Thailand	453,872	314,684	120,502	3,110	15,576	860,793	6,852	829,189	24,752
2. Asia pacific (exclude Thailand)	10,124	9,582	-	488	54	296,589	-	294,349	2,240
3. North America and Latin America	1,316	466	-	763	87	39,338	-	39,338	-
4. Africa and Middle East	8	8	-	-	-	-	-	-	-
5. Europe	6,934	6,030	-	902	2	16,115	-	16,115	-
6. Australia	23	-	-	23	-	166	-	166	-
Total	472,277	330,770	120,502	5,286	15,719	1,213,001	6,852	1,179,157	26,993

Mar-23
Unit: Million Baht

Country or geographic area of debtor	On-balance sheet assets					Off-balance sheet items ^{3/}			
	Total	Net loans ^{1/}	Net Investment in debt securities ^{2/}	Deposits (including accrued interest receivables)	Derivative assets	Total	Aval of bills, guarantees, and letter of credits	OTC derivatives	Undrawn committed line
1. Thailand	491,722	355,887	114,724	5,507	15,604	778,532	1,609	746,869	30,054
2. Asia pacific (exclude Thailand)	10,879	10,569	-	298	12	270,624	80	270,519	25
3. North America and Latin America	1,420	1,025	-	301	94	33,814	57	33,757	-
4. Africa and Middle East	-	-	-	-	-	-	-	-	-
5. Europe	5,785	5,628	-	157	-	11,301	-	11,301	-
6. Australia	202	93	-	109	-	458	-	458	-
Total	510,008	373,202	114,724	6,372	15,710	1,094,729	1,746	1,062,904	30,079

* Commercial banks shall classify countries or geographic areas according to guidelines used in their internal management and shall explain supporting reasons

1/ Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

2/ Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

3/ Before multiplying credit conversion factor

Table 11 Outstanding amounts of on-balance sheet assets and off balance sheet items before credit risk mitigation classified by residual maturity
Unit: Million Baht

Item	Mar-24			Mar-23		
	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total
1. On-balance sheet assets (1.1+1.2+1.3+1.4)	303,989	168,288	472,277	354,418	155,950	510,368
1.1 Net loans ^{1/}	211,920	118,850	330,770	247,480	125,722	373,202
1.2 Net Investment in debt securities ^{2/}	76,646	43,856	120,502	89,571	25,153	114,724
1.3 Deposits (including accrued interest receivables)	5,286	-	5,286	6,732	-	6,732
1.4 Derivative assets	10,137	5,582	15,719	10,635	5,075	15,710
2. Off-balance sheet items^{3/} (2.1+2.2+2.3)	803,656	409,345	1,213,001	712,243	382,486	1,094,729
2.1 Aval of bills, guarantees, and letter of credits	3,364	3,488	6,852	1,318	428	1,746
2.2 OTC derivatives	791,906	387,251	1,179,157	699,702	363,202	1,062,904
2.3 Undrawn committed line	8,386	18,606	26,992	11,223	18,856	30,079

^{1/} Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

^{2/} Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

^{3/} Before multiplying credit conversion factor

Table 12 Financial instruments accrual value before credit risk mitigation and general provision & specific provision.
Unit: Million Baht

Mar-24						
ITEM	Loans including accrued interest receivables ^{1/}		Reserve value ^{2/}	Reserve value of the position using the SA method ^{2/}		Net Value ^{3/}
	Defaulted exposures ^{1/}	Non-defaulted exposures ^{1/}		General provision	Specific provision	
1. Loans and Accrued Interest Receivables, Net ^{4/}	37,037	292,504	1,229		1,229	328,312
2. Net investment in debt securities ^{5/}	-	120,502	35		35	120,467
3. Deposits (including accrued interest), Net ^{6/}	197	5,088	4		4	5,281
4. Credit limit commitments and financial guarantees contract ^{7/}	2,970	61,755	115		115	64,610
Total	40,204	479,849	1,383		1,383	518,670

Unit: Million Baht

Mar-23						
ITEM	Loans including accrued interest receivables ^{1/}		Reserve value ^{2/}	Reserve value of the position using the SA method ^{2/}		Net Value ^{3/}
	Defaulted exposures ^{1/}	Non-defaulted exposures ^{1/}		General provision	Specific provision	
1. Loans and Accrued Interest Receivables, Net ^{4/}	36,562	337,662	1,022		1,022	373,202
2. Net investment in debt securities ^{5/}	-	115,291	33		33	115,258
3. Deposits (including accrued interest), Net ^{6/}	113	6,259	2		2	6,370
4. Credit limit commitments and financial guarantees contract ^{7/}	2,035	67,426	96		96	69,365
Total	38,710	526,638	1,153		1,153	564,195

** For the first fiscal year this announcement comes into force Have a commercial bank disclose specific information for the current year. Without disclosing the comparative information of the previous year

1/Depending on the method the commercial banks used SA: Inferior position and non-inferior position. The same applies to financial assets with credit impairment (Non-performing). According to the Bank of Thailand Notification Re: Criteria for Classification and Reservation of Financial Institutions

2/Expected credit loss allowance as defined in TFRS9. For financial instruments measured at fair value through other comprehensive income. The reserve value is not required as stipulated in IFRS 7: Disclosure of financial instruments the outstanding value of such type of financial instruments. It is shown in net of reserve value.

3/Net Value = Outstanding Balance -Reserve Value

4/Including accrued interest receivable not yet due and net of deferred revenues, Gain or loss from changing new conditions and including interbank and money market item-net.

5/Excluding accrued interest and net of securities revaluation allowance but excluding investments in receivables.

6/ Total interest income not yet due.

7/ Before multiplying credit conversion factor

Table 13 Loans and accrued interest receivables and investment in debt securities before credit risk mitigation classified by countries or geographic areas of debtors and by asset classification specification specified by the BOT's regulation.

Unit: Million Baht

Mar-24								
Country or geographic area of debtor	Loans including accrued interest receivables ^{1/}				Investment in debt securities ^{2/}			
	No significant increase in credit	With a significant increase in credit	With credit impairment	Total	No significant increase in credit	With a significant increase in credit	With credit impairment	Total
1. Thailand	282,761	29,719	1,213	313,693	120,502	-	-	120,502
2. Asia pacific (exclude Thailand)	9,581	105	-	9,686	-	-	-	-
3. North America and Latin America	466	-	-	466	-	-	-	-
4. Africa and Middle East	8	-	-	8	-	-	-	-
5. Europe	-	5,894	-	5,894	-	-	-	-
6. Australia	-	-	-	-	-	-	-	-
Total	292,816	35,718	1,213	329,747	120,502	-	-	120,502

Unit: Million Baht

Mar-23

Country or geographic area of debtor	Loans including accrued interest receivables ^{1/}				Investment in debt securities ^{2/}			
	No significant increase in credit	With a significant increase in credit	With credit impairment	Total	No significant increase in credit	With a significant increase in credit	With credit impairment	Total
1. Thailand	326,014	29,900	889	356,803	114,724	-	-	114,724
2. Asia pacific (exclude Thailand)	10,556	138	-	10,694	-	-	-	-
3. North America and Latin America	1,031	-	-	1,031	-	-	-	-
4. Africa and Middle East	-	-	-	-	-	-	-	-
5. Europe	-	5,646	-	5,646	-	-	-	-
	93	-	-	93	-	-	-	-
Total	337,694	35,684	889	374,267	114,724	-	-	114,724

* Commercial banks shall classify countries or geographic areas according to guidelines used in their internal management and shall explain supporting reasons

** For the first fiscal year this announcement comes into force Have a commercial bank disclose specific information for the current year. Without disclosing the comparative information of the previous year

1/ Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

2/ Excluding accrued interest and net of security allowance for revaluation. But excluding investments in receivables

Table 13a Provisions (General provision and Specific provision) and bad debt written-off during period for loan including accrued interest receivables and investment in debt securities classified by country or geographic area*

Unit: Million Baht

Mar-24					
Country or geographic area of debtor	Loans including accrued interest receivables ^{1/}			Investment in debt securities ^{2/}	
	The reserve value of the position using the SA method ^{3/}		Bad debt written-off during period	The reserve value of the position using the SA method	
	General provision ^{2/}	Specific provision		General provision ^{4/}	Specific provision
1. Thailand		1,203	-		35
2. Asia pacific (exclude Thailand)		17	-		-
3. North America and Latin America		-	-		-
4. Africa and Middle East		-	-		-
5. Europe		9	-		-
Total		1,229	-		35

Unit: Million Baht

Mar-23					
Country or geographic area of debtor	Loans including accrued interest receivables ^{1/}			Investment in debt securities ^{2/}	
	The reserve value of the position using the SA method ^{3/}		Bad debt written-off during period	The reserve value of the position using the SA method	
	General provision ^{2/}	Specific provision		General provision ^{4/}	Specific provision
1. Thailand		1,001	-		33
2. Asia pacific (exclude Thailand)		9	-		-
3. North America and Latin America		-	-		-
4. Africa and Middle East		-	-		-
5. Europe		12	-		-
Total		1,022	-		33

* Commercial banks shall classify countries or geographic areas according to guidelines used in their internal management and shall explain supporting reasons

^{1/} Including provision and bad debt written-off during period of loans including accrued interest receivables of interbank and money market

^{2/} Including investment in debtors

^{3/} Expected credit losses.

^{4/} Disclosed in total amount

Table 14 Outstanding amount of loans including accrued interests* before adjusted by credit risk mitigation classified by type of business
Unit: Million Baht

Type of business	Mar -24			Total
	No significant increase in credit	With a significant increase in credit	With credit impairment	
- Agriculture and mining	445	-	-	445
- Manufacturing and commerce	84,471	16,647	575	101,693
- Real estate business and construction	2,656	4,105	-	6,761
- Public utilities and services	30,837	8,963	637	40,437
- Housing loans	-	-	-	-
- Others (Commercial banks shall use their owns discretion to determine significance)	71,020	6,133	-	77,153
- Inter-bank and money market item	100,517	-	-	100,517
Total	289,946	35,848	1,212	327,006

Unit: Million Baht

Type of business	Mar -23			Total
	No significant increase in credit	With a significant increase in credit	With credit impairment	
- Agriculture and mining	-	1,364	-	1,364
- Manufacturing and commerce	102,366	9,097	195	111,658
- Real estate business and construction	3,463	9,190	694	13,347
- Public utilities and services	44,289	1,846	-	46,135
- Housing loans	-	-	-	-
- Others (Commercial banks shall use their owns discretion to determine significance)	62,726	14,187	-	76,913
- Inter-bank and money market item	124,850	-	-	124,850
Total	337,694	35,684	889	374,267

Type of business	ISIC Codes/Personal Consumption Codes*
- Agriculture and mining	A000000 all B000000 all
- Manufacturing and commerce	C000000 all and G000000 all
- Real estate business and construction	F000000 all and L000000 all
- Public utilities and services	D000000 all E000000 all H000000 all I000000 all J000000 all M000000 all N000000 all P000000 all Q000000 all R000000 and S000000 all
- Housing loans	cl personal consumption : 241002-3 241007-8 241010-11 And 241013-15
- Others (Commercial banks shall use their owns discretion to determine significance)	K000000 all O000000 all T000000 all U000000 all and cl personal consumption : 241004, 241017-19 and 241021-26

* This is to clarify business type classification for commercial banks and to ensure consistency of business type classification disclosure. Commercial banks need not to disclose the ISIC codes/Personal Consumption Codes

Table 15 Provisions (General provision and Specific provision) and bad debt written-off during period for loan including accrued interest receivables * classified by type of business

Unit: Million Baht

Type of business	Mar-24			Mar-23		
	General provision ^{1/}	Specific provision	Bad debt written-off during period	General provision ^{1/}	Specific provision	Bad debt written-off during period
- Agriculture and mining		3	-		6	-
- Manufacturing and commerce		450	-		180	-
- Real estate business and construction		19	-		681	-
- Public utilities and services		702	-		90	-
- Housing loans		-	-		-	-
- Others (Commercial banks shall use their owns discretion to determine significance)		36	-		49	-
- Inter-bank and money market item		19	-		16	-
Total		1,229	-		1,022	-

* Including outstanding amount of loans including accrued interest receivables of interbank and money market

^{1/} Disclosed in total amount

Table 16 Reconciliation of change in provisions (General provision and Specific provision) for loans including accrued interest receivables*
Unit: Million Baht

Type of business	Mar-24			Mar-23		
	General provision ^{1/}	Specific provision	Total	General provision ^{1/}	Specific provision	Total
- Provisions at the beginning of the period	-	1,022	1,022	-	544	544
- Bad debt written-off during the period	-	-	-	-	-	-
- Increases or Decreases of provisions during the period	-	202	202	-	481	481
- Other provision (provision for losses from foreign exchange, provisions for merger and sale of businesses)	-	5	5	-	(3)	(3)
- Provision at the end of the period	-	1,229	1,229	-	1,022	1,022

* Including outstanding amount of loans including accrued interest receivables of interbank and money market

^{1/} Disclosed in total amount

Table 17 Outstanding amounts of on-balance sheet assets and off-balance sheet items* classified by type of assets under the SA
Unit: Million Baht

Type of assets	Mar-24			Mar-23		
	On balance sheet assets	Off balance sheet item **	Total	On balance sheet assets	Off balance sheet item **	Total
1. Performing claims						
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	30,010	124,136	154,146	111,180	148	111,328
1.2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions and securities firms	67,531	33,638	101,169	135,333	24,020	159,353
1.3 Claims on corporate, non-central government public sector entities (PSEs) treated as claims on corporate	507	262,216	262,723	248,527	42,361	290,888
1.4 Claims on retail portfolios	-	-	-	-	-	-
1.5 Housing loans	-	-	-	-	-	-
1.6 Other assets	21,095	215	21,310	22,894	-	22,894
2. Non-performing claims	-	461	461	193	37	230
3. First-to-default credit derivatives and Securitization	-	-	-	-	-	-
Total	119,143	420,666	539,809	518,127	66,566	584,693

* After multiplying with credit conversion factor and specific provision

** Including all Repo-style transactions (Including Reverse repo transactions)

b. Credit risk exposure under SA

Mizuho Bank, Ltd - Bangkok Branch discloses credit risk exposures classified by credit risk-weighted assets under method of standardized approach. We use rating assessed by Standard & Poor's and Moody's Investors Service in risk weighting on claims on debtors other than corporate. We assign 100% as the risk weighting to all claims on corporate.

The risk exposure is calculated by way of multiplying exposure and risk weighting of the debtors in accordance with ratings assigned by agency above (Table 19).

Credit risk exposures under the SA*
Table 19 Outstanding amount of net on-balance sheet assets and off-balance sheet items after adjusted by credit risk mitigation for each type of asset, classified by risk weight under the SA**
Unit: Million Baht

Type of asset	Mar-24															
	Rate outstanding amount					Unrated outstanding amount										
	Risk weight (%)	0	20	50	100	150	0	20	35	50	75	100	250	625	937.5	100/9.125%
Performing claims																
1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns		116,125	29,015	-	9,006	-										
2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions and securities firms		-	64,698	11,415	24,310	746										
3 Claims on corporate, non-central government public sector entities (PSEs) treated as claims on corporate		-	-	-	262,723	-										
4 Claims on retail portfolios																
5 Housing loans																
6 Other assets						20,790	-					520	-	-	-	-
Risk weight (%)				50	100	150					75					
Non-performing claims^{1/}				39	368	53										
Capital deduction items prescribed by BOT																

Unit: Million Baht

Type of asset	Mar-23															
	Rate outstanding amount					Unrated outstanding amount										
	Risk weight (%)	0	20	50	100	150	0	20	35	50	75	100	250	625	937.5	100/8.5%
Performing claims																
1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns		111,180	-	148	-	-										
2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions and securities firms		11	113,792	9,527	35,327	697										
3 Claims on corporate, non-central government public sector entities (PSEs) treated as claims on corporate		-	-	-	290,888	-										
4 Claims on retail portfolios																
5 Housing loans																
6 Other assets						22,395	-					498	-	-	-	-
Risk weight (%)				50	100	150					75					
Non-performing claims^{1/}				45	149	36										
Capital deduction items prescribed by BOT																

* Including insignificant credit portfolios using the SA of the commercial banks that use the IRB

** After multiplying with credit conversion factor

^{1/} For the portion claims with no credit risk mitigation of which risk weight are determined by the proportion of provision to total amount of claims

c. Credit risk mitigation under SA

We don't have eligible financial collateral that the Bank of Thailand allows to use for risk mitigation. At the same time, we don't have eligible guarantee and credit derivatives as the credit risk mitigation (Table 28).

Credit risk mitigation* under SA

Table 28 Part of outstanding that is secured by collateral under SA classified by type of assets and collateral**

Unit: Million Baht

Type of asset	Mar-24		Mar-23	
	Eligible financial collateral ^{1/}	Guarantee and credit derivatives	Eligible financial collateral ^{1/}	Guarantee and credit derivatives
Performing assets				
Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns				
Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms				
Claims on corporate, non-central government public sector entities (PSEs) treated as claims on corporate				
Claims on retail portfolios				
Housing loans				
Other assets				
Non-performing assets				
Total				

* Excluding Securitization

** Values after on-balance sheets and off-balance sheets netting

^{1/} Eligible financial collateral that the Bank of Thailand allows to use for risk mitigation. Commercial banks applying the comprehensive approach shall disclose the value after haircut

Note : The bank has not used credit risk mitigation

Market Risk

Qualitative Disclosures

The objectives and risk management policy.

We define market risk as the risk of losses incurred due to fluctuations in interest rates and foreign exchange rates. Our definition includes the risk of losses incurred when it becomes impossible to execute transactions in the market because of market confusion or losses arising from transactions at prices that are significantly less favorable than usual. We define liquidity risk as the risk of losses arising from funding difficulties due to deterioration in our financial position that makes it difficult for us to raise necessary funds or that forces us to raise funds at significantly higher interest rates than usual.

The working units related to risk management.

Risk Management Division Asia Department is responsible for market risk management to measure, monitor, and report market risk within Mizuho Bank, Ltd. Bangkok Branch.

The policies for hedging or mitigating risks

To manage market risk, we set limits that correspond to risk capital allocations according to the risk profiles of our Branch and thereby prevent market risk from exceeding our ability to withstand losses based on our financial strength represented by capital, etc. The amount of risk capital allocated to market risk corresponds to VaR and additional costs that may arise in order to close relevant positions. For banking activities, we set position limits based on interest rate sensitivity as needed.

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may affect the financial position of the bank.

VaR is used to calculate Market Risk in banking and trading activities based on the following for the purpose of internal control:

- historical simulation method;
- confidence interval: one-tailed 99.0%;
- holding period in banking ; one month, and in trading ; one day; and
- historical observation period of three year

We also conduct interest sensitivity analyses of interest risk, a main source of market risk.

Because the value-at-risk method is based on statistical assumptions, we conduct stress testing to simulate the levels of losses that could be incurred in cases where the market moves suddenly to levels that exceed these assumptions. The stress testing methods we use include the calculation of losses on the basis of sensitivity analysis scenarios, hypothetical scenarios and the calculation of losses based on market fluctuations occurring during historical market events

The middle offices manage risk using additional risk indices (1BPV, 10BPV) and set stop loss limits as needed. They monitor their market liquidity risk for individual financial products in the market while taking turnover and other factors into consideration.

Interest rate risk exposure

Interest rate risk is the risk that the value of financial instruments will fluctuate as a result of changes in market interest rate

We also conduct interest sensitivity analyses of interest risk, our main source of market risk. Interest rate sensitivity (1 BPV in trading, 10 BPV in banking) shows how much net present value varies when interest rates rise by 1 basis(0.01%) and 10 basis (0.1%), and it explains the impact of interest rate movements on net present value when short- and long-term interest rates move differently.

Foreign exchange risk

Foreign exchange risk is the risk that change in exchange rates will result in change in the value of financial instruments or fluctuations in revenues or in the values of financial assets and financial liabilities.

Market risk exposure under SA

We have already started to conduct risk assessment by using internal model approach as described above.

However we herein disclose minimum capital requirements for market risk under standardized approach. Such capital amount is calculated as a sum of required amount for net position amount which is risk-weighted by period as interest rate risk and net position amount by currency as FX risk amount, for all types of transactions including interest swap, currency swap and FX forward.

We have only exposure for interest risk and foreign exchange risk under standardized approach.

Quantitative Disclosures

Table 30: Minimum capital requirements for each type of market risk under the Standardized Approach

	<i>Unit: Million Baht</i>	
Minimum capital requirement for market risk under the Standardized Approach	Mar-24	Mar-23
Interest rate risk	1,377	1,012
Equity position risk	-	-
Foreign exchange rate risk	287	347
Commodity risk	-	-
Total minimum capital requirements	1,664	1,359

Operational Risk

Qualitative Disclosures

Operational Risk Management Structure

Risk Administration Division is responsible for operational risk management to keep record and analyze on relevant operational risk matters. Moreover, the roles of division are to analyze and report operational risk matters, including potential countermeasures, results of intra-office inspection and status of local regulation change, to management in the Operational Risk Committee (ORC). The committee is established in order to promote discussion operational risk management once a month and provide counter measures to operational risk occurred within the branch.

Framework of operational risk management

We defines operational risk as the risk of loss that we may incur resulting from inadequate or failed internal processes, people and systems or from external events. We recognize that operational risk includes information technology risk, operations risk, legal risk, human resources risk, tangible asset risk, regulatory change risk and reputation risk. The below table demonstrates each component of operational risk.

Component	Definition
Information Technology Risk	Risk that customers may suffer service disruptions, or that customers or the group may incur losses arising from system defects such as failures, faults, or incompleteness in computer operations, or illegal or unauthorized use of computer systems.
Operations Risk	Risk that customers may suffer service disruptions, as well as the risk that customers or the group may incur losses because senior executives or employees fail to fulfill their tasks properly, cause accidents or otherwise act improperly.
Legal Risk	Risk that the group may incur losses due to violation of laws and regulations, breach of contract, entering into improper contracts or other legal factors.
Human Resources Risk	Risk that the group may incur losses due to drain or loss of personnel, deterioration of morale, inadequate development of human resources, inappropriate working schedule, inappropriate working and safety environment, inequality or inequity in human resource management or discriminatory conduct.
Tangible Asset Risk	Risk that the group may incur losses from damage to tangible assets or a decline in the quality of working environment as a result of disasters, criminal actions or defects in asset maintenance.
Regulatory Change Risk	Risk that the group may incur losses due to changes in various regulations or systems, such as those related to law, taxation and accounting.
Reputational Risk	Risk that the group may incur losses due to damage to our credibility or the value of the Mizuho brand when market participants or others learn about, or the media reports on, various adverse events, including actual materialization of risks or false rumors.

The policies for hedging or mitigating risks

Mizuho has established and are strengthening management methods and systems to appropriately identify, assess, measure, monitor and control the operational risks which arise from the growing sophistication and diversification of financial operations and developments relating to information technology by utilizing Control Self-Assessments (CSA) and improving measurement methods. Control Self-Assessment is an autonomous method of risk management in which risk inherent in operations is identified and, after evaluating and monitoring risks that remains despite implementing risk control, the necessary measures are implemented to reduce risk.

Operational Risk Capital Assessment

The Branch has used the Basic Indicator Approach (BIA) to calculate capital requirements for operational risk. (Table 7)

Equity Risk

We do not have the exposure for equity risk. (Table 32)

Table 32 Equity exposures in banking book

Unit: Million Baht

Equity exposures	Mar-24	Mar-23
1. Equity exposures		
1.1 Equities listed and publicly traded in the Stock Exchange		
- Book value		
- Fair value		
1.2 Other equities		
2. Gains (losses) of sale of equities in the reporting period		
3. Net revaluation surplus (deficit) from valuation of AFS equity		
4. Minimum capital requirements for equity exposures classified by the calculation methods		
- SA		
- IRB		
5. Equity values for commercial banks applying IRB which the Bank of Thailand allows to use SA		
Total		

Interest rate risk in the banking book

Table 33 The effect of changes in interest rates* to net earnings

Currency	<i>Unit: Million Baht</i>	
	Mar-24 Effect to net earnings	Mar-23 Effect to net earnings
BAHT	1,040.94	837.19
USD	38.85	73.15
EURO	(5.05)	1.11
Others	(32.97)	(31.66)
Total effect	1,041.77	879.79
% of anticipated net interest income for the next one year	8.5 – 10.5 %	3 - 5 %

* Commercial banks shall use the percentage change in interest rates of 100 bps.

Composition of capital disclosure requirements in accordance with BCBS

Regarding the items to include, adjust, and deduct from the capital, the Bank of Thailand requires foreign bank branches to phase intangible assets out at 20 percent p.a. starting from 2014. For Mizuho Bank, Ltd - Bangkok Branch, intangible assets with amount of 432 Million Baht are deducted 100 percent from capital in 2024.

Roles and responsibilities of internal auditors

Head Office has established internal audit division and credit review division to conduct internal audits at overseas offices. Specifically, the internal audit division assesses the suitability and effectiveness of business activities associated with compliance and risk management. The credit review divisions audit credit ratings and the status of credit management in addition to auditing the self-assessment of assets to verify the accuracy and suitability of matters deemed necessary to assure the soundness of assets.