

M&T Bank Corporation

Pillar 3 Regulatory Capital Disclosures

For the Quarter Ended
December 31, 2017

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Background

M&T Bank Corporation (“M&T”) and its wholly owned bank subsidiaries, M&T Bank and Wilmington Trust, National Association (“Wilmington Trust, N.A.”), are required to comply with applicable capital adequacy standards established by the federal banking agencies.

In July 2013, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation approved final rules establishing a new comprehensive capital framework for U.S. banking organizations. Those regulatory capital standards substantially revised the risk-based capital requirements applicable to bank holding companies and their depository institution subsidiaries, including the definitions and the components of regulatory capital, the determination of risk-weighted assets, and other matters affecting banking institutions’ regulatory capital ratios.

These rules went into effect as to M&T and its subsidiary banks on January 1, 2015, subject to phase-in periods for certain components and other provisions. The regulatory capital standards apply to M&T and all of its subsidiaries, referred to collectively as “the Company,” except that each depository subsidiary is required to disclose its capital ratios.

Overview

In accordance with Pillar 3 of the regulatory capital standards, bank holding companies with total consolidated assets of \$50 billion or more, including M&T, are required to provide market participants certain information regarding their capital adequacy, including a summary of information about: corporate risk management framework and governance; the internal capital adequacy assessment process; and disclosures regarding credit, counterparty, interest rate, and other specified forms of risk. M&T does not meet the criteria to be considered an advanced approaches organization and, as a result, is required to provide disclosures under the standardized approach.

The Regulatory Capital Disclosures provided within this document or in M&T’s filings noted below and referenced in Appendix A of this document are presented in compliance with Sections 61 and 63 of Regulation Q – Part 217, Public Disclosures Related to Capital Requirements. M&T’s Annual Report on Form 10-K for the year ended December 31, 2017 (“Form 10-K”) filed with the Securities and Exchange Commission (“SEC”) contains management’s discussion of the overall corporate risk profile of the Company. The Pillar 3 Regulatory Capital Disclosures should be read in conjunction with Form 10-K filed with the SEC and the Consolidated Financial Statements for Bank Holding Companies – FR Y-9C for the quarter ended December 31, 2017 (“FR Y-9C”). The accompanying Pillar 3 Regulatory Capital Disclosure Cross-reference Sheet (see Appendix A) indicates where the required disclosures are located. The Pillar 3 Regulatory Capital Disclosures have not been audited by M&T’s external auditors.

Risk Management Framework and Governance

M&T's Enterprise Risk Management Framework represents the Company's overall risk management structure, including the policies, processes, controls and systems through which risk is managed on a daily basis. The Enterprise Risk Management Framework provides a common method for all employees, officers and directors to understand and communicate the types of risk that M&T faces in pursuit of its business objectives. It serves as an integral part of daily operations, business planning and capital planning, and is a foundational component of M&T's conservative risk management culture. It encompasses the significant aspects of risk management, and pertains to current and emerging risk considerations. These risks are described extensively in M&T's Form 10-K in Part I, Item 1A "Risk Factors." The major risks facing the Company and described therein include:

- Market Risk (including interest rate and investment risks)
- Risks Relating to Compliance and the Regulatory Environment
- Credit Risk
- Liquidity Risk (including model risk)
- Strategic Risk
- Operational Risk (including legal, reputational and cyber risks)

Detailed discussions of the risks outlined above and other risks facing the Company are included within Form 10-K in Part 1, Item 1 "Business," and Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations." Furthermore, Part II, Item 7 under the heading "Forward-Looking Statements" includes a description of certain risks, uncertainties and assumptions identified by management that are difficult to predict and that could materially affect the Company's financial condition and results of operations, as well as the value of the Company's financial instruments.

The Enterprise Risk Management Framework supports the identification, measurement, monitoring and reporting of material risks with appropriate governance and oversight, thereby ensuring transparency, consistency and accountability for risk throughout the enterprise and adherence to the Company's risk appetite. The Enterprise Risk Management Framework incorporates the following components.

Risk Appetite Statement

M&T's Risk Appetite Statement ("RAS") articulates the types of risks that the Company is willing to accept and those that it seeks to avoid in pursuit of its business objectives. The RAS affirms the principles by which the Company identifies itself, while providing a central guide for decision-making processes. It serves as the link between the Company's corporate values and business operations by ensuring that all directors, officers and employees share a consistent understanding of the Company's appetite for risk, further enhancing the risk identification process and providing more clarity for aligning the Company's approach to capital management with its key risk appetite metrics.

Qualitative and quantitative risk metrics monitor emerging risks and provide specific measures that are used to monitor risk-taking relative to the Company's risk appetite.

Committee Roles and Responsibilities

M&T's integrated risk governance structure begins with oversight by members of the Board of Directors through the Risk Committee of the Board of Directors. Senior management oversight of the Enterprise Risk Management Framework is provided through a risk governance structure that includes the Management Risk Committee, which oversees nine Risk Governance Committees that identify and monitor specific risks applicable to the Company's businesses.

Risk Management Policies and Practices

The Enterprise Risk Management Framework incorporates a culture of risk ownership within the business lines, with independent risk management functions and Internal Audit serving as additional layers of control. Front-line business and operational support areas participate in the delivery of products or services to customers, as well as related servicing and technology. They are responsible for aligning their respective business strategies with the risk appetite established by M&T. These units are responsible for identifying key risks within their operations and establishing appropriate internal controls within the units. They are also responsible for establishing business line policies, procedures and limits in accordance with the RAS and monitor performance against those limits to ensure they operate within the boundaries of their risk-taking authority. The Risk Management area, which is independent from the front-line business and operational support areas, establishes the enterprise-wide risk management policies, procedures, methodologies and tools, including the risk governance framework. This function oversees the establishment of risk limits and monitors compliance with those limits, in accordance with the risk appetite. Internal Audit, which reports to the Audit Committee of the Board of Directors, serves as an additional layer of control and is independent from the front-line business and operational support areas and the risk management functions. They provide assurance to senior management and the Board of Directors as to the effectiveness of risk management programs, policies, processes, practices, and controls, as well as adherence to regulatory standards.

Internal Capital Adequacy Assessment Process

M&T's Internal Capital Adequacy Assessment Process ("CAP") is the established documented approach through which the Company assesses its capital requirements in relation to the material risks facing the organization, leveraging the efforts of the Enterprise Risk Management Framework. The CAP is intended to ensure that M&T holds sufficient capital relative to its risk profile to support its business activities under a range of conditions, including adverse economic environments.

The Company's assessment of capital adequacy incorporates enterprise-wide capital stress testing that assess potential post-stress capital requirements in relation to available capital resources, considering the comprehensive inventory of key vulnerabilities and scenarios identified through the aforementioned risk identification process. This approach considers key risks and vulnerabilities when assessing the capital needs stemming from potential exposures; whether on- or off-balance sheet. The CAP also incorporates explicit capital adequacy thresholds and limits with respect to the Company's established risk appetite.

M&T's Capital Management Committee ("CMC") is the primary management body responsible for regular oversight of the CAP. The CMC proactively monitors M&T's prospective capital generation and capital requirements, as well as potential material risks facing the Company, leveraging the Enterprise Risk Management Framework. M&T's Risk Committee of the Board of Directors is responsible for establishment of capital goals reflecting the organization's risk appetite and verifying that the Company's capital position considers material risks and is appropriate for its risk profile.

Regulatory Capital Ratios

M&T and its subsidiary banks are required to comply with applicable capital adequacy regulations established by the federal banking agencies. Among other matters, those capital standards: (i) include a capital measure called "Common Equity Tier 1" ("CET1") and a related regulatory capital ratio of CET1 to risk-weighted assets; (ii) specify that Tier 1 capital consists of CET1 and "Additional Tier 1 capital" instruments meeting certain revised requirements; and (iii) mandate that most deductions/adjustments to regulatory capital measures be made to CET1 and not to the other components of capital. Under the capital standards, for most banking organizations, including M&T, the most common form of Additional Tier 1 capital is non-cumulative perpetual preferred stock and the most common forms of Tier 2 capital are subordinated notes and a portion of the allowance for loan and lease losses, in each case, subject to the specific requirements of the capital standards.

Pursuant to the capital standards, the minimum capital ratios for a banking organization to be considered adequately capitalized are as follows:

- 4.5% CET1 to risk-weighted assets (each as defined in the capital regulations);
- 6.0% Tier 1 capital (that is, CET1 plus Additional Tier 1 capital) to risk-weighted assets (each as defined in the capital regulations);
- 8.0% Total capital (that is, Tier 1 capital plus Tier 2 capital) to risk-weighted assets (each as defined in the capital regulations); and
- 4.0% Tier 1 capital to average consolidated assets as reported in consolidated financial statements (known as the "leverage ratio"), as defined in the capital regulations.

In addition, capital regulations provide for the phase-in of a "capital conservation buffer" composed entirely of CET1 on top of these minimum risk-weighted asset ratios. When fully phased-in on January 1, 2019, the capital conservation buffer will be 2.5%. For 2017, the phased-in transition portion of that buffer is 1.25%.

The calculation of the capital conservation buffer is based on a comparison of each of the following three risk-based capital ratios and the stated minimum required ratios for each, with the reportable capital conservation buffer being the smallest of the three differences:

- CET1 capital ratio minus the minimum CET1 capital ratio;
- Tier 1 capital ratio minus the minimum Tier 1 capital ratio; and
- Total capital ratio minus the minimum Total capital ratio.

The lowest of the three capital ratio differences was CET1 capital of 626 basis points over the minimum capital ratio. M&T has eligible retained income of \$1.4 billion. Therefore, the Company does not have any limitations on distributions and discretionary bonus payments resulting from the capital conservation buffer requirement. As of December 31, 2017, M&T's regulatory capital ratios exceed the minimum capital ratios and the additional transition portion of the capital conservation buffer.

A more detailed discussion of regulatory capital requirements is included in Part I, Item 1 of M&T's Form 10-K under the headings "Capital Requirements" and "Limits on Undercapitalized Depository Institutions."

Table 1 provides the regulatory capital ratios of the Company, M&T Bank and Wilmington Trust, N.A. as of December 31, 2017:

Table 1: Regulatory Capital Ratios

December 31, 2017

	M&T (Consolidated)	M&T Bank	Wilmington Trust, N.A.
Common equity Tier 1 capital	10.99%	10.30%	48.16%
Tier 1 capital	12.26%	10.30%	48.16%
Total capital	14.75%	12.40%	48.54%
Tier 1 leverage	10.31%	8.68%	13.03%

Pursuant to the capital standards, non-advanced approaches banking organizations, including M&T, could make a one-time permanent election to exclude the effects of certain accumulated other comprehensive income or loss items reflected in shareholders' equity under generally accepted accounting principles in the U.S. ("GAAP"). M&T made that election during the first quarter of 2015.

In compliance with the capital standards, the Company reviewed the aggregate amount of surplus capital of insurance subsidiaries included in the regulatory capital of the consolidated group and has determined that it was not material.

For further information on capital refer to Form 10-K in Part I, Item 1 under the heading "Stress Testing and Capital Plan Review," Part II, Item 7 under the heading "Capital" and notes 10 and 23 of Notes to Financial Statements in Part II, Item 8.

Risk-weighted Assets

The capital standards also address asset risk weights that affect the denominator in banking institutions' regulatory capital ratios. Under the capital standards, M&T is subject to the standardized approach for determination of risk-weighted assets associated with its on- and off-balance sheet exposures. Table 2 summarizes the Company's standardized risk-weighted assets by certain categories, as defined in the capital standards.

Table 2: Risk-weighted Assets

December 31, 2017

(In thousands)

	M&T (Consolidated)
Exposures to sovereign entities	\$ 2,226,403
Exposures to depository institutions, foreign banks & credit unions	128,075
Exposures to public sector entities	278,306
Corporate exposures	66,623,812
Residential mortgage exposures	16,587,207
Statutory multifamily mortgages & pre-sold construction loans	955,370
High-volatility commercial real estate ("HVCRE") loans	4,798,426
Past due loans	726,115
Other assets	3,176,655
Cleared transactions	104
Securitization exposures	1,001,362
Equity exposures	639,066
Total Risk-weighted Assets(a)	\$ 97,140,901

(a) M&T does not have any exposures to supranational entities and multilateral development banks, default fund contributions or unsettled transactions.

Credit Risk General Disclosures

The Company employs a long-term strategy and credit risk philosophy that focuses on stable, proven and conservative underwriting criteria and active portfolio monitoring which is consistent with the Company's risk appetite. The process integrates transparent qualitative and quantitative factors in the decision-making process with credit scorecards and models to create a robust underwriting and risk management framework. Past due loan status is measured based on the number of days that contractually required principal or interest payments are delinquent.

Commercial Exposures

- The Company utilizes a committee approval structure for large commercial relationships.
- Approval decisions are not solely made centrally, but are supplemented by regional committees that enhance centrally assembled corporate best practices with in-market

expertise. Using a mix of centralized and regional committees, the Company is able to retain credit consistency while applying geographic expertise.

- A centralized underwriting function provides for consistent application of underwriting standards, including debt service and loan-to-value ratios, and independence from the business line.
- The Company's risk rating consists of two measurements, a Probability of Default and a Loss Given Default. These measurements, which incorporate expectations for default and give consideration to collateral types and values, are used to differentiate risk within the portfolio and consider the expectation of default for each loan.

Once approved, loans are subject to a granular approach to portfolio management which assists in the early identification of asset quality issues.

- Extensive monthly and quarterly reporting for Executive Management and the Board of Directors.
 - Includes metrics such as portfolio size, industry concentrations, property type, delinquency, non-performing, charge-offs and risk rating distributions.
- Commercial Credit Quality Assurance ("CQA") team is responsible to ensure basic safety and soundness of the commercial loan and commercial real estate loan portfolios. The team's primary focus is the continuous monitoring, analysis, and general oversight of the commercial criticized asset portfolios to ensure these loans are properly risk-rated with appropriate accrual designation and timely recognition of charge-offs.

Consumer and Residential Real Estate Exposures

- Residential real estate loans are generally underwritten according to the standards set by the secondary markets, including Fannie Mae and Freddie Mac.
- Consumer loan underwriting decisions are primarily based on Credit Score (FICO), Debt-to-Income, Revolving Debt-to-Income, Combined Loan-to-Value, Lien Position (Home Equity) and, when appropriate, Internal Custom Scorecards.
- The performance of the residential real estate loan and consumer loan portfolios is monitored very closely through a combination of reporting, feedback from the Customer Asset Management (collections) area, and management oversight. Reporting is varied and extensive, with reports being produced monthly or quarterly, including monthly dashboard reports that provide product performance metrics.

Further discussion of the credit quality of the loan portfolios is provided in M&T's Form 10-K, as referenced in Appendix A.

Table 3: Loans and Leases, Net of Unearned Discount provides the geographic distribution by major types of credit exposures that includes loans and leases, net of unearned discount, and contractual commitments to extend credit and letters of credit. For further information on the Company's commitments to extend credit and letters of credit, Appendix A provides references to M&T's Form 10-K and FR Y-9C.

Table 3: Loans and Leases, Net of Unearned Discount

December 31, 2017

	Unused Outstandings Commitments(a) (Dollars in millions)		Total	Percent of Dollars Outstanding						
				Mid-Atlantic			New			
				New York	Pennsylvania	Maryland	Jersey	Other(b)	Other	
Real estate										
Residential	\$ 19,613	\$ 548	\$ 20,161	35%	7%	6%	27%	6%	19%	
Commercial	33,366	6,245	39,611	41	13	12	7	10	17	
Total real estate	52,979	6,793	59,772	39%	11%	10%	13%	9%	18%	
Commercial, financial, etc.	20,463	10,060	30,523	38%	25%	13%	6%	6%	12%	
Consumer										
Home equity lines and loans	5,294	5,483	10,777	39%	22%	25%	3%	9%	2%	
Automobile	3,544	-	3,544	26	19	9	7	13	26	
Other secured or guaranteed	3,581	-	3,581	18	9	6	6	7	54	
Other unsecured	848	2,652	3,500	38	21	24	2	12	3	
Total consumer	13,267	8,135	21,402	33%	19%	19%	4%	10%	15%	
Total loans	86,709	24,988	111,697	38%	16%	12%	10%	8%	16%	
Commercial leases	1,280	22	1,302	48%	17%	9%	3%	2%	21%	
Total loans and leases	\$ 87,989	\$ 25,010	\$ 112,999	38%	16%	12%	10%	8%	16%	
Letters of credit	\$ -	\$ 2,545	\$ 2,545	57%	20%	11%	2%	6%	4%	

(a) Includes contractual commitments to extend credit and letters of credit.

(b) Includes Delaware, Virginia, West Virginia and the District of Columbia.

For each separately disclosed portfolio, Table 4 presents the total exposure that is covered by guarantees and the risk-weighted asset amount associated with that exposure.

Table 4: Guarantees

December 31, 2017

(In thousands)

<u>Exposure Type</u>	<u>Guarantor</u>	<u>Exposure Amount</u>	<u>Risk-weighted Assets</u>
Investment securities held to maturity	Government Issued / Guaranteed(a)	\$ 3,187,953	\$ 228,989
Investment securities available for sale	U.S. Treasury / Federal Agencies	1,965,665	30
Investment securities available for sale	Government Issued / Guaranteed(a)	8,755,482	1,270,942
Loans and Leases - Residential	Government Issued / Guaranteed(a)	1,424,971	298,449
Loans and Leases - All Other	Government Issued / Guaranteed(a)	423,029	63,821
Total		<u>\$ 15,757,100</u>	<u>\$ 1,862,231</u>

(a) Includes guarantees by Government-sponsored entities.

Table 5 presents the Company's remaining contractual maturities by credit exposure category.

Table 5: Remaining Contractual Maturities by Credit Exposure

December 31, 2017

(In thousands)

	<u>One year or less</u>	<u>One year through five years</u>	<u>Over five years</u>	<u>Total</u>
Loans and leases, net(a)	\$ 18,826,811	\$ 29,659,410	\$ 38,620,164	\$ 87,106,385
Unfunded commitments	12,955,660	12,188,660	6,657,169	31,801,489
Investment securities available for sale(b)	1,140,383	3,583,464	6,172,437	10,896,284
Investment securities held to maturity(c)	151,044	601,043	2,601,126	3,353,213
Total	<u>\$ 33,073,898</u>	<u>\$ 46,032,577</u>	<u>\$ 54,050,896</u>	<u>\$ 133,157,371</u>

(a) Net of unearned income and fees. Amounts do not include nonaccrual loans of approximately \$883 million.

(b) Investment securities available for sale are presented at estimated fair value.

(c) Investment securities held to maturity are presented at amortized cost.

Management determines the allowance for credit losses that is required for specific loan categories based on the relative risk characteristics of the loan portfolio. Refer to Form 10-K under the heading "Provision for Credit Losses" section of Management's Discussion and Analysis of Financial Condition and Results of Operations and note 5 of Notes to Financial Statements in Part II, Item 8 of Form 10-K for further discussion of the evaluation of the allowance for credit losses. Table 6 provides information regarding loans past due (accruing and nonaccrual) and impaired loans by geography and major type of credit exposure.

Table 6: Past Due and Impaired Loans by Geography

December 31, 2017
(In thousands)

	Past due loans					Impaired loans				
	Accruing loans					Recorded investment				
	30-89 days past due	Past due 90 days or more (b)	Acquired at a discount past due 90 days or more (c)	Purchased impaired loans (d)	Nonaccrual	Total recorded investment	With no allowance	With allowance	Related allowance	
Commercial										
New York	\$ 60,583	\$ 622	\$ —	\$ —	\$ 101,067	\$ 103,276	\$ 53,049	\$ 50,227	\$ 16,272	
Pennsylvania	10,137	19	—	—	56,554	78,018	16,975	61,043	13,431	
Maryland	7,146	27	327	—	52,597	53,690	14,920	38,770	6,148	
New Jersey	17,011	606	—	21	14,758	14,760	1,007	13,753	1,138	
Other Mid-Atlantic (a)	2,547	—	—	—	6,501	7,117	1,543	5,574	1,221	
Other	70,332	48	—	—	9,514	9,515	1,632	7,883	7,278	
Total commercial	167,756	1,322	327	21	240,991	266,376	89,126	177,250	45,488	
Commercial Real Estate										
New York	132,217	—	—	—	85,611	100,599	64,415	36,184	4,395	
Pennsylvania	17,730	—	4,051	—	32,855	36,009	18,008	18,001	2,311	
Maryland	5,217	—	—	1,539	21,108	26,525	12,450	14,075	1,878	
New Jersey	14,943	1,982	—	484	35,444	35,685	32,843	2,842	364	
Other Mid-Atlantic (a)	4,084	—	1,965	20,633	12,113	12,997	8,742	4,255	698	
Other	20,740	2,462	—	—	14,390	14,390	12,411	1,979	449	
Total commercial real estate	194,931	4,444	6,016	22,656	201,521	226,205	148,869	77,336	10,095	
Residential Real Estate										
New York	179,526	78,402	161	150,890	114,135	54,823	10,922	43,901	1,922	
Pennsylvania	39,195	19,950	1,515	9,085	21,180	14,506	1,344	13,162	651	
Maryland	33,560	18,554	1,196	20,804	14,226	23,092	927	22,165	1,036	
New Jersey	135,703	45,477	249	129,105	84,671	20,131	1,942	18,189	645	
Other Mid-Atlantic (a)	33,563	11,291	3,708	10,544	10,674	15,314	1,127	14,187	659	
Other	136,723	59,763	753	66,910	87,053	74,297	6,900	67,397	2,987	
Total residential real estate	558,270	233,437	7,582	387,338	331,939	202,163	23,162	179,001	7,900	
Consumer										
New York	41,594	1,376	—	—	44,106	17,965	—	17,965	3,329	
Pennsylvania	29,260	1,553	683	—	17,587	9,754	—	9,754	1,898	
Maryland	25,970	1,160	6,239	—	19,934	20,153	—	20,153	3,802	
New Jersey	9,738	77	40	—	4,402	1,474	—	1,474	265	
Other Mid-Atlantic (a)	16,837	309	25,525	—	8,131	7,471	—	7,471	1,490	
Other	34,587	727	1,006	—	13,987	8,748	—	8,748	1,495	
Total consumer	157,986	5,202	33,493	—	108,147	65,565	—	65,565	12,279	
Total	\$1,078,943	\$ 244,405	\$ 47,418	\$ 410,015	\$ 882,598	\$ 760,309	\$ 261,157	\$ 499,152	\$75,762	

(a) Includes Delaware, Virginia, West Virginia and the District of Columbia.

(b) Excludes loans acquired at a discount.

(c) Loans acquired at a discount that were recorded at fair value at acquisition date. This category does not include purchased impaired loans that are presented separately.

(d) Accruing loans acquired at a discount that were impaired at acquisition date and recorded at fair value.

Counterparty Credit Risk

Although trading account activities represent a very small component of its overall business, M&T maintains policies, controls and processes to manage its mark-to-market settlement and over-collateralization risks in conjunction with its entering into transactions with third parties. Outside of core lending activities, counterparty risk at M&T arises primarily from derivatives transactions with outside firms. The Company engages in those derivative transactions to meet the financial needs of customers who require interest rate swap or foreign exchange services. The Company generally mitigates the foreign exchange and interest rate risk associated with those customer activities by entering into offsetting positions with counterparties. The types and amounts of these activities are subject to a well-defined series of potential loss exposure limits established by management and approved by M&T's Board of Directors.

The Counterparty Risk Management group is responsible for a variety of risk management activities to oversee counterparty credit risk which include:

- Monitoring daily material changes in market-related metrics (stock price, public credit ratings and available credit default swap rates) of obligors.
- Daily monitoring of counterparty exposures by product.
- Monitoring compliance with Regulation F (restricts exposure to banks that are inadequately capitalized).
- Assigning internal risk ratings to each counterparty at relationship initiation and reassessing during annual or more frequent reviews.
- Reviewing all impaired securities (both individually and by investment category) regularly.
- Monitoring regularly the length of time that individual securities have been market-impaired (that is, where fair value is less than amortized cost).

In addition, the Company sets trading limits for credit facilities that it extends to qualified trading counterparties based upon an approved and validated historic Value-at-Risk methodology.

Credit Risk Mitigation

The Company utilizes a loan grading system which is applied to all commercial loans and commercial real estate loans. Loans with an elevated level of credit risk are classified as "criticized" and are subjected to additional scrutiny and review by credit personnel. The timing and extent of potential losses, considering collateral valuation and other factors, and the Company's potential courses of action are regularly reviewed. Because collateral is a fundamental mitigant for credit risk, to the extent that loans are collateral-dependent, they are evaluated based on the fair value of the loan's collateral as estimated at or near the financial statement date. The main types of collateral taken by the Company include real estate, cash, depreciable assets, accounts receivable, inventory and other business-related assets. Residential real estate loans and consumer loans are generally evaluated collectively after considering such factors as payment performance and recent loss experience and trends, which are mainly driven by current collateral values in the market place as well as the amount of loan defaults. Refer to Part II, Item 7 of Form 10-K under the heading "Provision for Credit Losses" for further discussion on loan collateral, geographic distribution of loans and credit risk mitigation activities.

M&T utilizes legal agreements (primarily master netting agreements) that are established with counterparties to help reduce counterparty risk. Within a master netting agreement can be a Credit Support Annex, which establishes collateral posting rules for the counterparties to cover exposure in the agreement. A Credit Support Annex typically contains a few standard themes:

- Frequency of when collateral calls are made (typically daily).
- The minimum amount posted for new collateral calls (referred to as a minimum transfer amount).
- The type of collateral generally accepted by the Company which includes cash, U.S. Treasury securities and U.S. Agency securities. Other types of securities may be accepted, but only after consultation with Risk Management.

M&T's Legal department reviews all counterparty derivative agreements before execution.

Securities purchased under agreements to resell and securities sold under agreements to repurchase (collectively known as repurchase agreements) are treated as collateralized financing transactions and are recorded at amounts equal to the cash or other consideration exchanged. These repurchase agreements are largely with bank or broker counterparties who also engage in derivatives trading with the Company. It is generally the Company's policy to take possession of collateral pledged to secure agreements to resell to mitigate any credit risk associated with the transaction.

The Company does not hedge credit risk associated with lending, repurchase agreements or derivatives transactions beyond collateral requirements. Based on adherence to the Company's credit standards and the presence of the netting and collateral provisions, including any necessary haircuts, the Company believes that the credit risk inherent in these derivative contracts was not material.

Securitizations

The Company's securitization activity has consisted of securitizing loans originated for sale into government issued or guaranteed mortgage-backed securities. The amounts of those securitizations in each of the last three years are presented in the Company's Consolidated Statement of Cash Flows included in Part II, Item 8 of Form 10-K. The Company has not recognized any losses as a result of having securitized assets.

The disclosures in this section refer to securitizations held and the regulatory capital related to these exposures calculated in accordance with regulatory capital standards. A participant in the securitization market is typically an originator, investor or sponsor. The Company's primary securitization-related activity is investing in products created by third parties. The Company is not applying any credit risk mitigation to its securitization exposures and doesn't have exposure to nongovernment-related securitization guarantors. The Company does not have any synthetic securitization exposure.

In accordance with the capital standards, the Company utilizes the Simplified Supervisory Formula Approach ("SSFA") to determine risk-weighted assets for its securitization exposures, which considers the Company's seniority in the securitization structure and risk factors inherent in the underlying assets.

The Company's investments in third party securitizations at December 31, 2017 are presented in Table 7.

Table 7: Securitizations

December 31, 2017

(In thousands)

Securitizations by exposure type and capital treatment are shown below (a):

	Exposure Amount	SSFA Risk-weighted Assets	Capital Impact of RWA(b)
Collateralized mortgage obligations	\$ 153,160	\$ 1,000,785	\$ 80,063
Other	133	577	46
Total securitization exposure	\$ 153,293	\$ 1,001,362	\$ 80,109

Securitizations by risk-weight bands and capital treatment are shown below (a):

	Exposure Amount	SSFA Risk-weighted Assets	Capital Impact of RWA(b)
Securitization			
Zero to 250% risk weighting	\$ 43,957	\$ 29,707	\$ 2,377
251% to 500% risk weighting	—	—	—
501% to 1250% risk weighting	109,336	971,655	77,732
Total securitization exposure	\$ 153,293	\$ 1,001,362	\$ 80,109

(a) Table relates to the Company as an investor in the securitization.

(b) The capital impact of RWA is calculated by multiplying risk-weighted assets by the minimum total capital ratio of 8%.

Equities Not Subject To Market Risk Rule

Management of M&T's investment activities generally resides within the Company's Treasury Division. The Treasury Investment Policy, approved by M&T's Board of Directors, aligns with M&T's RAS and outlines the governance framework, operational guidelines, decision-making process, and investment criteria for all discretionary investment securities of the Company.

The Company had total equity exposures of approximately \$1.5 billion at December 31, 2017 that consisted predominantly of Bank Owned Life Insurance ("BOLI") separate accounts (\$490 million), tax-advantaged investments (\$405 million) consisting largely of investments in qualified affordable housing projects, stock of the Federal Reserve Bank of New York (\$305 million) and the Federal Home Loan Bank of New York (\$110 million), investments in mutual funds (\$70 million) and preferred stock issued by government-sponsored entities (\$28 million). The Company uses the simple risk-weight approach for its individual equity securities, the alternative modified look-through approach for BOLI assets held in separate accounts and the full look-through approach for investments in mutual funds. These assets are reviewed for creditworthiness and evaluated regularly for impairment.

Nonpublic equities are generally recorded either at cost or using the equity method. Details of the Company's accounting policies for investment securities and the valuation of financial instruments are provided in note 1 of Notes to Financial Statements in Part II, Item 8 of Form 10-K.

Marketable equity securities are classified as available-for-sale and carried at fair value with net unrealized gains or losses reported within other comprehensive income (loss) in shareholders' equity. For regulatory capital purposes, net unrealized gains or losses recorded in accumulated other comprehensive income are predominantly excluded from CET1 and Tier 1 Capital, as the Company elected to "opt-out" of the option to reflect Accumulated Other Comprehensive Income in these metrics.

Equity in mutual funds maintained in the trading account are reported at fair value. Changes in fair value are recorded in trading account and foreign exchange gains in the Company's consolidated statement of income. At December 31, 2017, the Company does not have material equity exposure in the trading account.

The Company realized net gains of \$21 million from the disposition of equity securities for the quarter ended December 31, 2017, largely associated with the sale of a portion of the Company's Fannie Mae and Freddie Mac preferred stock holdings.

Table 8 summarizes the Company's equities not subject to the market risk rule.

Table 8: Equities Not Subject to Market Risk Rule

December 31, 2017
(In thousands)

	Nonpublic	Public	Total
Amortized cost	\$ 1,352,577	\$ 126,022	\$ 1,478,599
Unrealized gains(a)	—	22,797	22,797
Latent revaluation gains (losses)(b)	—	—	—
Fair value	<u>\$ 1,352,577</u>	<u>\$ 148,819</u>	<u>\$ 1,501,396</u>

- (a) The amount of unrealized gains included in Tier 2 Capital was approximately \$10 million or 45 percent of the total unrealized gains reported for the current period.
- (b) Management believes that any latent revaluation gains or losses that may exist are not material.

The risk-weighted assets and associated capital requirements for equities not subject to the market risk rule, calculated using the 8% minimum total risk-based capital ratio, follow.

	Exposure Amount	Risk-weighted Assets	Capital Impact of RWA
Not subject to risk weight	\$ 12,538	\$ —	\$ —
0%	304,712	—	—
20%	110,316	22,063	1,765
100%	459,889	459,889	36,791
Full look-through approach	124,124	47,304	3,784
Alternative modified look-through approach	489,817	109,811	8,785
Total capital requirements for equity securities	<u>\$ 1,501,396</u>	<u>\$ 639,067</u>	<u>\$ 51,125</u>

Forward-looking Statements

This document and Form 10-K contain forward-looking statements that are based on expectations, estimates and projections about the Company's business, management's beliefs and assumptions made by management. Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "target," "estimate," "continue," "positions," "prospects" or "potential," by future conditional verbs such as "will," "would," "should," "could," or "may," or by variations of such words or by similar expressions. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions ("Future Factors") which are difficult to predict and are subject to any impact arising from the risks and risk factors discussed herein and in the aforementioned documents. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Forward-looking statements speak only as of the date they are made and the Company assumes no duty to update forward-looking statements.

Future Factors include changes in interest rates, spreads on earning assets and interest-bearing liabilities, and interest rate sensitivity; prepayment speeds, loan originations, credit losses and market values of loans, collateral securing loans and other assets; sources of liquidity; common shares outstanding; common stock price volatility; fair value of and number of stock-based compensation awards to be issued in future periods; the impact of changes in market values on trust-related revenues; legislation and/or regulation affecting the financial services industry as a whole, and M&T and its subsidiaries individually or collectively, including tax legislation or regulation; regulatory supervision and oversight, including monetary policy and capital requirements; changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies; increasing price and product/service competition by competitors, including new entrants; rapid technological developments and changes; the ability to continue to introduce competitive new products and services on a timely, cost-effective basis; the mix of products/services; containing costs and expenses; governmental and public policy changes; protection and validity of intellectual property rights; reliance on large customers; technological, implementation and cost/financial risks in large, multi-year contracts; the outcome of pending and future litigation and governmental proceedings, including tax-related examinations and other matters; continued availability of financing; financial resources in the amounts, at the times and on the terms required to support M&T and its subsidiaries' future businesses; and material differences in the actual financial results of merger, acquisition and investment activities compared with M&T's initial expectations, including the full realization of anticipated cost savings and revenue enhancements.

These are representative of the Future Factors that could affect the outcome of the forward-looking statements. In addition, such statements could be affected by general industry and market conditions and growth rates, general economic and political conditions, either nationally or in the states in which M&T and its subsidiaries do business, including interest rate and currency exchange rate fluctuations, changes and trends in the securities markets, and other Future Factors. A detailed discussion of Risk Factors is included in Form 10-K.

M&T Bank Corporation
Pillar 3 Regulatory Capital Disclosure Cross-reference Sheet
For the Quarter Ended December 31, 2017

In compliance with the Pillar 3 Regulatory Capital Disclosure Requirements, M&T Bank Corporation ("M&T") has provided the following summary of the required disclosure locations. All documents referenced are as of and for the year ended December 31, 2017.

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference – if applicable
Scope of Application				
Qualitative: (a)	The name of the top corporate entity in the group to which the Risk-Based Capital Standards (subpart D) apply.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Overview	1	
(b)	A brief description of the differences in the basis for consolidating entities for accounting and regulatory purposes, with a description of those entities: (1) That are fully consolidated; (2) That are deconsolidated and deducted from total capital; (3) For which the total capital requirement is deducted; and (4) That are neither consolidated nor deducted (for example, where the investment in the entity is assigned a risk weight in accordance with this subpart).	Not applicable. M&T does not have differences in the basis of consolidation for accounting and regulatory purposes.		
(c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	Form 10-K: •Part 1-Distributions (Unaudited) •Part 1-Capital Requirements (Unaudited) •Part 1-Transactions with Affiliates (Unaudited) •Note 23-Regulatory Matters (Audited)		<i>Form 10-K</i> pg 9 pg 9-11 pg 15 pg 181-182
Quantitative: (d)	The aggregate amount of surplus capital of insurance subsidiaries included in the regulatory capital of the consolidated group.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Regulatory Capital Ratios	4-5	
(e)	The aggregate amount by which actual regulatory capital is less than the minimum regulatory capital requirement in all subsidiaries with regulatory capital requirements and the name(s) of the subsidiaries with such deficiencies.	Not applicable. Actual total capital exceeds the minimum total capital requirements.		
Capital Structure				
Qualitative: (a)	Summary information on the terms and conditions of the main features of all regulatory capital instruments.	Form 10-K: •Part 1-Capital Requirements (Unaudited) •MD&A-Capital (Unaudited) •Note 9-Borrowings (Audited) •Note 10-Shareholders' Equity (Audited)		<i>Form 10-K</i> pg 9-11 pg 94-97 pg 140-144 pg 144-145
Quantitative: (b)	The amount of common equity tier 1 capital, with separate disclosure of: (1) Common stock and related surplus; (2) Retained earnings; (3) Common equity minority interest; (4) AOCI; and (5) Regulatory adjustments and deductions made to common equity tier 1 capital.	FR Y-9C (Unaudited): •Schedule HC-R-Regulatory Capital		<i>FR Y-9C</i> Schedule HC-R
(c)	The amount of tier 1 capital, with separate disclosure of: (1) Additional tier 1 capital elements, including additional tier 1 capital instruments and tier 1 minority interest not included in common equity tier 1 capital; and (2) Regulatory adjustments and deductions made to tier 1 capital.	FR Y-9C (Unaudited): •Schedule HC-R-Regulatory Capital		<i>FR Y-9C</i> Schedule HC-R
(d)	The amount of total capital, with separate disclosure of: (1) Tier 2 capital elements, including tier 2 capital instruments and total capital minority interest not included in tier 1 capital; and (2) Regulatory adjustments and deductions made to total capital.	FR Y-9C (Unaudited): •Schedule HC-R-Regulatory Capital		<i>FR Y-9C</i> Schedule HC-R

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference – if applicable
Capital Adequacy				
Qualitative: (a)	A summary discussion of the bank holding company's approach to assessing the adequacy of its capital to support current and future activities.	Form 10-K: •Part 1-Capital Requirements (Unaudited) •MD&A-Capital (Unaudited) •Note 10-Shareholders' Equity (Audited) •Note 23-Regulatory Matters (Audited) Pillar 3 Regulatory Capital Disclosures (Unaudited): •Internal Capital Adequacy Assessment Process	3-4	<i>Form 10-K</i> pg 9-11 pg 94-97 pg 144-145 pg 181-182
Quantitative: (b)	Risk-weighted assets for: (1) Exposures to sovereign entities; (2) Exposures to certain supranational entities and MDBs; (3) Exposures to depository institutions, foreign banks, and credit unions; (4) Exposures to PSEs; (5) Corporate exposures; (6) Residential mortgage exposures; (7) Statutory multifamily mortgages and pre-sold construction loans; (8) HVCRE loans; (9) Past due loans; (10) Other assets; (11) Cleared transactions; (12) Default fund contributions; (13) Unsettled transactions; (14) Securitization exposures; and (15) Equity exposures.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 2-Risk-weighted Assets	6	
(c)	Standardized market risk-weighted assets as calculated under subpart F of this part.	Not applicable.		
(d)	Common Equity tier 1, tier 1 and total risk-based capital ratios: (1) For the top consolidated group; and (2) For each depository institution subsidiary.	Form 10-K (Unaudited): •MD&A-Capital Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 1-Regulatory Capital Ratios	5	<i>Form 10-K</i> pg 94-97
(e)	Total standardized risk-weighted assets.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 2-Risk-weighted Assets	6	
Capital Conservation Buffer				
Quantitative: (a)	At least quarterly, the bank holding company must calculate and publicly disclose the capital conservation buffer as described under §.11.	FR Y-9C (Unaudited): •Schedule HC-R-Regulatory Capital		<i>FR Y-9C</i> Schedule HC-R
(b)	At least quarterly, the bank holding company must calculate and publicly disclose the eligible retained income of the bank holding company, as described under §.11.	FR Y-9C (Unaudited): •Schedule HC-R-Regulatory Capital Pillar 3 Regulatory Capital Disclosures (Unaudited): •Regulatory Capital Ratios	4-5	<i>FR Y-9C</i> Schedule HC-R
(c)	At least quarterly, the bank holding company must calculate and publicly disclose any limitations it has on distributions and discretionary bonus payments resulting from the capital conservation buffer framework described under §.11 including the maximum payout amount for the quarter.	FR Y-9C (Unaudited): •Schedule HC-R-Regulatory Capital Pillar 3 Regulatory Capital Disclosures (Unaudited): •Regulatory Capital Ratios	4-5	<i>FR Y-9C</i> Schedule HC-R
General Qualitative Disclosure Requirement				
	For each separate risk area, the bank holding company must describe its risk management objectives and policies, including: strategies and processes; the structure and organization of the relevant risk management function; the scope and nature of risk reporting and/or measurement systems; policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants.	See the references to the qualitative disclosures described below for each respective Pillar 3 disclosure requirement for the location of these disclosures for each risk area. In addition, see the Corporate Governance section of M&T's website at http://ir.mandtbank.com . Pillar 3 Regulatory Capital Disclosures (Unaudited): •Risk Management Framework and Governance	2-3	
Credit Risk General Disclosures				
Qualitative: (a)	The general qualitative disclosure requirement with respect to credit risk (excluding counterparty credit risk disclosed) including the: (1) Policy for determining past due or delinquency status; (2) Policy for placing loans on nonaccrual; (3) Policy for returning loans to accrual status; (4) Definition of and policy for identifying impaired loans (for financial accounting purposes); (5) Description of the methodology that the bank holding company uses to estimate its allowance for loan and lease losses, including statistical methods used where applicable; (6) Policy for charging-off uncollectible amounts; and (7) Discussion of the bank holding company's credit risk management policy.	Form 10-K: •MD&A-Provision for Credit Losses (Unaudited) •Note 1-Significant Accounting Policies (Audited) •Note 3-Investment Securities (Audited) •Note 4-Loans and Leases (Audited) •Note 5-Allowance for Credit Losses (Audited) •Note 21-Commitments and Contingencies (Audited) Pillar 3 Regulatory Capital Disclosures (Unaudited): •Credit Risk General Disclosures •Counterparty Credit Risk •Credit Risk Mitigation	6-10 11 11-12	<i>Form 10-K</i> pg 67-79 pg 114-120 pg 122-126 pg 126-131 pg 132-136 pg 175-177

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference – if applicable
Quantitative (b)	Total credit risk exposures and average credit risk exposures, after accounting offsets in accordance with GAAP, without taking into account the effects of credit risk mitigation techniques (for example, collateral and netting not permitted under GAAP), over the period categorized by major types of credit exposure. For example, bank holding companies could use categories similar to that used for financial statement purposes. Such categories might include, for instance: (1) Loans, off-balance sheet commitments, and other non-derivative off-balance sheet exposures; (2) Debt securities; and (3) OTC derivatives.	Form 10-K: •MD&A-Table 3 Average Balance Sheets and Taxable-equivalent Rates (Unaudited) •Note 3-Investment Securities (Audited) •Note 4-Loans and Leases (Audited) •Note 5-Allowance for Credit Losses (Audited) •Note 18-Derivative Financial Instruments (Audited) •Note 21-Commitments and Contingencies (Audited) FR Y-9C (Unaudited): •Schedule HC-B - Securities •Schedule HC-L - Derivatives and Off-Balance-Sheet Items		<i>Form 10-K</i> pg 55 pg 122-126 pg 126-131 pg 132-136 pg 162-165 pg 175-177 <i>FR Y-9C</i> Schedule HC-B Schedule HC-L
(c)	Geographic distribution of exposures, categorized in significant areas by major types of credit exposure.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 3-Loans and Leases, Net of Unearned Discount	8	
(d)	Industry or counterparty type distribution of exposures, categorized by major types of credit exposure.	FR Y-9C (Unaudited): •Schedule HC-B - Securities •Schedule HC-L - Derivatives and Off-Balance-Sheet Items Pillar 3 Regulatory Capital Disclosures (Unaudited): •Credit Risk General Disclosures •Counterparty Credit Risk •Credit Risk Mitigation	6-10 11 11-12	<i>FR Y-9C</i> Schedule HC-B Schedule HC-L
(e)	By major industry or counterparty type: (1) Amount of impaired loans for which there was a related allowance under GAAP; (2) Amount of impaired loans for which there was no related allowance under GAAP; (3) Amount of loans past due 90 days and on nonaccrual; (4) Amount of loans past due 90 days and still accruing; (5) The balance in the allowance for loan and leases losses at the end of each period, disaggregated on the basis of the bank holding company's impairment method. To disaggregate the information required on the basis of impairment methodology, an entity shall separately disclose the amounts based on the requirements in GAAP; and (6) Charge-offs during the period.	Form 10-K (Audited): •Note 4-Loans and Leases •Note 5-Allowance for Credit Losses		<i>Form 10-K</i> pg 126-131 pg 132-136
(f)	Amount of impaired loans and, if available, the amount of past due loans categorized by significant geographic areas including, if practical, the amounts of allowance related to each geographical area, further categorized as required by GAAP.	Form 10-K (Audited): •Note 5-Allowance for Credit Losses Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 6-Past Due and Impaired Loans by Geography Impaired and past due loans are aggregated by loan type for purposes of determining the allowance for credit losses.	10	<i>Form 10-K</i> pg 132-136
(g)	Reconciliation of changes in the allowances for loan and lease losses ("ALLL").	Form 10-K (Audited): •Note 5-Allowance for Credit Losses		<i>Form 10-K</i> pg 132-136
(h)	Remaining contractual maturity delineation (for example, one year or less) of the whole portfolio, categorized by credit exposure.	Form 10-K (Unaudited): •MD&A-Liquidity, Market Risk, and Interest Rate Sensitivity FR Y-9C (Unaudited): •Schedule HC-B - Securities •Schedule HC-L - Derivatives and Off-Balance-Sheet Items Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 5-Remaining Contractual Maturities by Credit Exposure	9	<i>Form 10-K</i> pg 85-93 <i>FR Y-9C</i> Schedule HC-B Schedule HC-L
General Disclosure for Counterparty Credit Risk-Related Exposures				
Qualitative: (a)	The general qualitative disclosure requirement with respect to OTC derivatives, eligible margin loans, and repo-style transactions, including a discussion of: (1) The methodology used to assign credit limits for counterparty credit exposures; (2) Policies for securing collateral, valuing and managing collateral and establishing credit reserves; (3) The primary types of collateral taken; and (4) The impact of the amount of collateral the bank holding company would have to provide given a deterioration in the bank holding company's own creditworthiness.	Form 10-K (Audited): •Note 1-Significant Accounting Policies •Note 18-Derivative Financial Instruments •Note 20-Fair Value Measurements Pillar 3 Regulatory Capital Disclosures (Unaudited): •Counterparty Credit Risk •Credit Risk Mitigation	11 11-12	<i>Form 10-K</i> pg 114-120 pg 162-165 pg 166-175

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference – if applicable
Quantitative (b)	Gross positive fair value of contracts, collateral held (including type, for example, cash, government securities), and net unsecured credit exposure. A bank holding company also must disclose the notional value of credit derivative hedges purchased for counterparty credit risk protection and the distribution of current credit exposure by exposure type.	Form 10-K (Audited): •Note 18-Derivative Financial Instruments FR Y-9C (Unaudited): •Schedule HC-L - Derivatives and Off-Balance-Sheet Items Pillar 3 Regulatory Capital Disclosures (Unaudited): •Counterparty Credit Risk •Credit Risk Mitigation	11 11-12	<i>Form 10-K</i> pg 162-165 <i>FR Y-9C</i> Schedule HC-L
(c)	Notional amount of purchased and sold credit derivatives, segregated between use for the bank holding company's own credit portfolio and in its intermediation activities, including the distribution of the credit derivative products used, categorized further by protection bought and sold within each product group.	Not applicable.		
Credit Risk Mitigation				
Qualitative: (a)	The general qualitative disclosure requirement with respect to credit risk mitigation including: (1) Policies and processes for collateral, valuation and management; (2) A description of the main types of collateral taken by the bank holding company; (3) The main types of guarantors/credit derivative counterparties and their creditworthiness; and (4) Information about (market or credit) risk concentrations with respect to credit mitigation.	Form 10-K: •MD&A-Provision for Credit Losses (Unaudited) •Note 1-Significant Accounting Policies (Audited) •Note 3-Investment Securities (Audited) •Note 4-Loans and Leases (Audited) •Note 5-Allowance for Credit Losses (Audited) •Note 18-Derivative Financial Instruments (Audited) •Note 20-Fair Value Measurements (Audited) Pillar 3 Regulatory Capital Disclosures (Unaudited): •Credit Risk Mitigation	11-12	<i>Form 10-K</i> pg 67-79 pg 114-120 pg 122-126 pg 126-131 pg 132-136 pg 162-165 pg 166-175
Quantitative (b)	For each separately disclosed credit risk portfolio, the total exposure that is covered by eligible financial collateral, and after the application of haircuts.	Form 10-K: •MD&A-Provision for Credit Losses (Unaudited) •Note 9-Borrowings (Audited) •Note 18-Derivative Financial Instruments (Audited) Pillar 3 Regulatory Capital Disclosures (Unaudited): •Credit Risk Mitigation	11-12	<i>Form 10-K</i> pg 67-79 pg 140-144 pg 162-165
(c)	For each separately disclosed portfolio, the total exposure that is covered by guarantees/credit derivatives and the risk-weighted asset amount associated with that exposure.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 4-Guarantees	9	
Securitization				
Qualitative: (a)	The general qualitative disclosure requirement with respect to a securitization (including synthetic securitizations), including a discussion of: (1) The bank holding company's objectives for securitizing assets, including the extent to which these activities transfer credit risk of the underlying exposures away from the bank holding company to other entities and including the type of risks assumed and retained with resecuritization activity; (2) The nature of the risks (e.g. liquidity risk) inherent in the securitized assets; (3) The roles played by the bank holding company in the securitization process and an indication of the extent of the bank holding company's involvement in each of them; (4) The processes in place to monitor changes in the credit and market risk of securitization exposures, including how those processes differ for resecuritization exposures; (5) The bank holding company's policy for mitigating the credit risk retained through securitization and resecuritization exposures; and (6) The risk-based capital approaches that the bank holding company follows for its securitization exposures including the type of securitization exposure to which each approach applies.	Form 10-K (Audited): •Note 1-Significant Accounting Policies Pillar 3 Regulatory Capital Disclosures (Unaudited): •Securitizations	12-13	<i>Form 10-K</i> pg 114-120
(b)	A list of: (1) The type of securitization SPEs that the bank holding company, as sponsor, uses to securitize third-party exposures. The bank holding company must indicate whether it has exposure to these SPEs, either on- or off-balance sheet; and (2) Affiliated entities: (i) That the bank holding company manages or advises; and (ii) That invest either in the securitization exposures that the bank holding company has securitized or in securitization SPEs that the bank holding company sponsors.	Form 10-K (Audited): •Note 1-Significant Accounting Policies Pillar 3 Regulatory Capital Disclosures (Unaudited): •Securitizations	12-13	<i>Form 10-K</i> pg 114-120

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference – if applicable
(c)	Summary of the bank holding company's accounting policies for securitization activities, including: (1) Whether the transactions are treated as sales or financings; (2) Recognition of gain-on-sale; (3) Methods and key assumptions applied in valuing retained or purchased interests; (4) Changes in methods and key assumptions from the previous period for valuing retained interests and impact of the changes; (5) Treatment of synthetic securitizations; (6) How exposures intended to be securitized are valued and whether they are recorded under subpart D of this part; and (7) Policies for recognizing liabilities on the balance sheet for arrangements that could require the bank holding company to provide financial support for securitized assets.	Form 10-K (Audited): •Note 1-Significant Accounting Policies •Note 20-Fair Value Measurements Pillar 3 Regulatory Capital Disclosures (Unaudited): •Securitizations	12-13	Form 10-K pg 114-120 pg 166-175
(d)	An explanation of significant changes to any of the quantitative information since the last reporting period.	Not applicable.		
Quantitative (e)	The total outstanding exposures securitized by the bank holding company in securitizations that meet the operational criteria provided in §.41 (categorized into traditional and synthetic securitizations), by exposure type, for securitizations of third-party exposures for which the bank acts only as sponsor.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Securitizations	12-13	
(f)	For exposures securitized by the bank holding company in securitizations that meet the operational criteria in §.41 (1) Amount of securitized assets that are impaired/past due categorized by exposure type; and (2) Losses recognized by the bank holding company during the current period categorized by exposure type.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Securitizations	12-13	
(g)	The total amount of outstanding exposures intended to be securitized categorized by exposure type.	Not applicable.		
(h)	Aggregate amount of: (1) On-balance sheet securitization exposures retained or purchased categorized by exposure type; and (2) Off-balance sheet securitization exposures categorized by exposure type.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 7-Securitizations	13	
(i)	(1) Aggregate amount of securitization exposures retained or purchased and the associated capital requirements for these exposures, categorized between securitization and resecuritization exposures, further categorized into a meaningful number of risk weight bands and by risk-based capital approach (e.g. SSFA); and (2) Exposures that have been deducted entirely from tier 1 capital, credit enhancing I/Os deducted from total capital (as described in §.42(a)(1), and other exposures deducted from total capital should be disclosed separately by exposure type.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 7-Securitizations M&T does not have any securitization exposures that have been deducted from capital.	13	
(j)	Summary of current year's securitization activity, including the amount of exposures securitized (by exposure type), and recognized gain or loss on sale by exposure type.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Securitizations	12-13	
(k)	Aggregate amount of resecuritization exposures retained or purchased categorized according to: (1) Exposures to which credit risk mitigation is applied and those not applied; and (2) Exposures to guarantors categorized according to guarantor creditworthiness categories or guarantor name.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Securitizations	12-13	
Equities Not Subject to Market Risk Rule				
Qualitative: (a)	The general qualitative disclosure requirement with respect to equity risk for equities not subject to subpart F of this part, including: (1) Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and (2) Discussion of important policies covering the valuation of and accounting for equity holdings not subject to subpart F of this part. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	Form 10-K (Audited): •Note 1-Significant Accounting Policies •Note 20-Fair Value Measurements Pillar 3 Regulatory Capital Disclosures (Unaudited): •Equities Not Subject to Market Risk Rule	13-14	Form 10-K pg 114-120 pg 166-175
Quantitative: (b)	Value disclosed on the balance sheet of investments, as well as the fair value of those investments; for securities that are publicly traded, a comparison to publicly-quoted share values where the share price is materially different from fair value.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Equities Not Subject to Market Risk Rule	13-14	
(c)	The types and nature of investments, including the amount that is: (1) Publicly traded; and (2) Nonpublicly traded.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 8-Equities Not Subject to Market Risk Rule	14	

Table	Disclosure Requirement	Disclosure Location	Disclosure Page	Source Reference – if applicable
(d)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Equities Not Subject to Market Risk Rule	13-14	
(e)	(1) Total unrealized gains (losses). (2) Total latent revaluation gains (losses). (3) Any amounts of the above included in tier 1 or tier 2 capital.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 8-Equities Not Subject to Market Risk Rule	14	
(f)	Capital requirements categorized by appropriate equity groupings, consistent with the bank holding company's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition regarding regulatory capital requirements.	Pillar 3 Regulatory Capital Disclosures (Unaudited): •Table 8-Equities Not Subject to Market Risk Rule	14	
Interest Rate Risk for Non-trading Activities				
Qualitative: (a)	The general qualitative disclosure requirement, including the nature of interest rate risk for non-trading activities and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of measurement of interest rate risk for non-trading activities.	Form 10-K (Unaudited): •MD&A-Liquidity, Market Risk, and Interest Rate Sensitivity		<i>Form 10-K</i> pg 85-93
Quantitative: (b)	The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring interest rate risk for non-trading activities, categorized by currency (as appropriate).	Form 10-K (Unaudited): •MD&A-Liquidity, Market Risk, and Interest Rate Sensitivity		<i>Form 10-K</i> pg 85-93