



SUPPLEMENTARY REGULATORY CAPITAL DISCLOSURE

Third Quarter 2014

(unaudited)

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This document is available via the Bank's web site: www.nbc.ca



Notes to users

- 1) This Supplementary Regulatory Capital Disclosure document is unaudited and should be read in conjunction with the 2013 Annual Report. All amounts are in millions of Canadian dollars unless otherwise stated.
- 2) Financial information is available through the Report to Shareholders for all quarters of 2014 and also in the document entitled *Supplementary Financial Information* which is available on the Bank's website at nbc.ca.



Table of Contents

Pillar III and Regulatory Capital Disclosure

Regulatory Capital and Capital Ratios under Basel III	pages 4-5
Reconciliation Between Financial Accounting and Regulatory Capital Balance Sheets	page 6
Capital Adequacy Under Basel III	page 7
Risk-Weighted Assets Movement by Key Drivers	page 8
Consolidated Balance Sheet Cross Reference to Credit Risk Exposures	page 9
Standardized Credit Risk Exposure Under the Basel Asset Categories and by Risk Weight	page 10
Gross Credit Risk Exposure Under the Basel Asset Categories	page 11
Credit Quality of AIRB Exposure - Retail Portfolios	pages 12-13
AIRB Credit Risk Exposures: Non-retail Portfolios	pages 14-15
Distribution of Gross Loans, Acceptances, Impaired Loans and Individual and Collective Allowances by Borrower Category	page 16
Geographic Distribution of Gross Loans, Acceptances, Impaired Loans and Individual and Collective Allowances	page 17
Formation of Gross Impaired Loans and Allowance for Credit Losses	page 18
Gross Credit Exposure by Residual Contractual Maturity	page 19
Credit Risk Mitigation - Guarantees and Credit Derivatives	page 20
Banking Book Equity Exposures	page 21
Credit Derivative Positions (notional amounts)	page 22
Derivatives Financial Instruments According to Basel Definition	page 23
Aggregate Amount of Securitization Exposures	page 24
Capital Requirements for Securitization Exposures Under Securitization Framework	page 25
Asset Securitization - Managed Loans	page 26
Glossary	page 27



Regulatory Capital and Capital Ratios under Basel III ^{(1) (2)}

		Reference ⁽²⁾	2014			2013
			Q3	Q2	Q1	Q4
(unaudited) (millions of Canadian dollars)			All-in basis			
Common Equity Tier 1 capital: instruments and reserves						
1	Directly issued qualifying common share capital plus related contributed surplus ⁽³⁾	a + a'	2,313	2,274	2,246	2,218
2	Retained earnings	b	5,660	5,471	5,277	5,034
3	Accumulated other comprehensive income and other reserves	c	300	260	218	214
6	Common Equity Tier 1 capital before regulatory adjustments		8,273	8,005	7,741	7,466
Regulatory adjustments to Common Equity Tier 1 capital						
7	Prudential valuation adjustments		-	-	-	-
8	Goodwill (net of related tax liability)	e	1,271	1,272	1,272	1,064
9	Intangible assets other than mortgage-servicing rights	f - x	916	906	889	816
11	Accumulated other comprehensive income related to cash flow hedges	h	88	46	36	47
12	Shortfall of total provisions to expected losses	i	-	-	-	7
14	Gains (losses) due to changes in own credit risk on fair valued liabilities	j	18	12	24	21
15	Defined benefit pension plan assets (net of related tax liability)	k - y	61	110	60	40
16	Investments in own shares (if not already netted off contributed surplus on reported balance sheet)		1	6	5	11
22	Amount exceeding the 15% threshold		42	67	93	84
23	of which: significant investments in the common stock of financials	n	23	37	52	47
25	of which: deferred tax assets arising from temporary differences	o	19	30	41	37
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI (including regulatory adjustments in respect of own use property)		-	26	26	26
28	Total regulatory adjustments to Common equity Tier 1		2,397	2,445	2,405	2,116
29	Common Equity Tier 1 capital (CET1)		5,876	5,560	5,336	5,350
Additional Tier 1 capital: instruments						
30	Directly issued qualifying Additional Tier 1 instruments plus related contributed surplus ⁽³⁾	v	350	350	-	-
31	of which: classified as equity under applicable accounting standards	v + z	350	350	-	-
32	of which: classified as liabilities under applicable accounting standards	p	-	-	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1 ⁽³⁾	p' + v'	1,548	1,548	1,549	1,652
36	Additional Tier 1 capital before regulatory adjustments		1,898	1,898	1,549	1,652
Additional Tier 1 capital: regulatory adjustments						
43	Total regulatory adjustments to Additional Tier 1 capital		-	-	-	-
44	Additional Tier 1 capital (AT1)		1,898	1,898	1,549	1,652
45	Tier 1 capital (T1 = CET1 + AT1)		7,774	7,458	6,885	7,002
Tier 2 capital: instruments and provisions						
47	Directly issued capital instruments subject to phase out from Tier 2 ⁽³⁾	r'	1,858	1,865	1,868	2,144
50	Collective allowances	t	18	43	36	40
51	Tier 2 capital before regulatory adjustments		1,876	1,908	1,904	2,184
Tier 2 capital: regulatory adjustments						
57	Total regulatory adjustments to Tier 2 capital		-	-	-	-
58	Tier 2 capital (T2)		1,876	1,908	1,904	2,184
59	Total capital (TC = T1 + T2)		9,650	9,366	8,789	9,186

(1) As requested by OSFI, all the D-SIB in Canada must fully apply the Basel III deductions and must disclose the all-in-ratios.

(2) Reconciliation with Balance Sheet is presented on page 6.

(3) A complete list of capital instruments and their main features is now available on the Bank's website under *Investor Relations > Capital & Debt Information > Main Features of Regulatory Capital Instruments*.



Regulatory Capital and Capital Ratios under Basel III ⁽¹⁾ (continued)

		2014			2013
		Q3	Q2	Q1	Q4
(unaudited) (millions of Canadian dollars)		All-in basis			
60a	Common Equity Tier 1 Capital RWA (CET1)	64,703	64,235	64,627	61,251
60b	Tier 1 Capital RWA	64,972			
60c	Total capital RWA	65,375			
Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	9.1%	8.7%	8.3%	8.7%
62	Tier 1 (as a percentage of risk weighted assets)	12.0%	11.6%	10.7%	11.4%
63	Total capital (as a percentage of risk weighted assets)	14.8%	14.6%	13.6%	15.0%
64	Buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement expressed as a percentage of risk weighted assets)	7.0%	7.0%	7.0%	7.0%
65	of which: capital conservation buffer requirement	2.5%	2.5%	2.5%	2.5%
67a	of which: D-SIB buffer requirement	na	na	na	na
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	9.1%	8.7%	8.3%	8.7%
OSFI all-in target					
69	Common Equity Tier 1 all-in target ratio	7.0%	7.0%	7.0%	7.0%
70	Tier 1 capital all-in target ratio ⁽¹⁾	8.5%	8.5%	8.5%	na
71	Total capital all-in target ratio ⁽¹⁾	10.5%	10.5%	10.5%	na
Amounts below the thresholds for deduction (before risk weighting)					
72	Non-significant investments in the capital of other financials	220	233	195	157
73	Significant investments in the common stock of financials	510	497	504	447
75	Deferred tax assets arising from temporary differences (net of related tax liability)	413	405	390	355
Applicable caps on the inclusion of allowance in Tier 2					
76	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	11	33	35	40
77	Cap on inclusion of allowance in Tier 2 under standardised approach	60	55	59	64
78	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	7	10	1	-
79	Cap on inclusion of allowance in Tier 2 under internal ratings-based approach	295	284	284	266
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)					
82	Current cap on AT1 instruments subject to phase out arrangements	1,549	1,549	1,549	1,651
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	(2)	(2)	102	-
84	Current cap on T2 instruments subject to phase out arrangements	1,905	1,905	1,905	2,144
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	-	252
Transitional Capital Disclosure Template					
		Transitional basis			
29	Common Equity Tier 1 capital (CET1)	7,724	7,462	7,214	7,399
45	Tier 1 capital (T1 = CET1 + AT1)	8,596	8,321	7,727	7,957
59	Total capital (TC = T1 + T2)	10,465	10,217	9,613	10,117
60	Total risk weighted assets	66,958	65,101	65,453	62,182
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.54%	11.46%	11.02%	11.90%
62	Tier 1 (as a percentage of risk weighted assets)	12.84%	12.78%	11.81%	12.80%
63	Total capital (as a percentage of risk weighted assets)	15.63%	15.69%	14.69%	16.27%

(1) Prior to Q3 2014, Tier 1 and Total capital ratios had been calculated using the Common Equity Tier 1 Capital RWA (row 60a). Now, these ratios are calculated using the values in rows 60b and 60c, respectively.



Reconciliation between Financial Accounting and Regulatory Capital Balance Sheets ⁽¹⁾

Q3 2014					
(unaudited) (millions of Canadian dollars)	Cross - Reference to Definition of Capital ⁽²⁾	As in Report to Shareholders	Deconsolidation of Insurance ⁽³⁾ and other entities ⁽⁴⁾	Under regulatory scope of consolidation	Of which
Assets					
Cash and deposits with financial institutions		5,912	-	5,912	
Securities		54,765	2,037	56,802	
Assets purchased under reverse repurchase agreements and securities borrowed		22,019	-	22,019	
Loans					
Residential mortgage		38,663	(15,016)	23,647	
Personal and credit card		29,322	(1,365)	27,957	
Business and government		27,423	-	27,423	
Customers' liability under acceptances		8,584	-	8,584	
Less: Allowances for credit losses		(593)	-	(593)	
Collective allowances reflected in Tier 2 regulatory capital	t				(18)
Shortfall of allowances to expected loss	i				-
Allowances not reflected in regulatory capital					(575)
Other assets					
Derivative financial instruments		6,086	-	6,086	
Other		6,641	(47)	6,594	
Goodwill	e				1,271
Intangibles assets	f				1,039
Deferred tax assets					
Deferred tax assets excluding those arising from temporary differences	g				-
Deferred tax assets arising from temporary differences exceeding regulatory capital	o				19
Deferred tax assets - realize through loss carrybacks					1
Deferred tax assets - other temporary differences					395
Defined-benefit pension fund net assets	k				83
Significant investments in other financial institutions					
Significant investments exceeding regulatory thresholds	m + n				23
Significant investments not exceeding regulatory thresholds					487
Other					3,276
Total assets		198,822	(14,391)	184,431	
Liabilities					
Deposits		114,944	(225)	114,719	
Derivatives financial instruments		4,370	-	4,370	
Other liabilities		67,650	(14,391)	53,259	
Gains and losses due to changes in own credit risk on fair value liabilities	j				18
Deferred tax liabilities					
Related to goodwill	w				-
Related to intangibles	x				123
Related to pensions	y				22
Other deferred tax liabilities					54
Other					53,042
Subordinated debt		1,885	-	1,885	
Regulatory capital amortization of maturing debentures					-
Fair value adjustment and unamortized issuance cost					27
Subordinated debentures used for regulatory capital					
Allowed for inclusion in Tier 2 capital	r				-
Subject to phase out	r'				1,858
Excluded from Tier 2 capital due to cap					-
Total liabilities		188,849	(14,616)	174,233	
Equity Attributable to Shareholders					
Common shares	a	9,195	-	9,195	2,237
Contributed surplus	a'				75
Retained Earnings	b				5,660
Accumulated Other Comprehensive Income (loss)					
Net gains (losses) on instruments designated as cash flow hedges	c				300
Net foreign currency translation adjustments	h				88
Preferred shares					212
Allowed for inclusion in additional Tier 1 capital	v				923
Subject to phase out	v'				350
Excluded from additional Tier 1 capital due to cap					573
Non-controlling interests		778	225	1,003	-
Innovative instruments					
Allowed for inclusion in additional Tier 1 capital					1,003
Subject to phase out	p'				-
Excluded from additional Tier 1 capital due to cap					975
Other					-
Portion allowed for inclusion into CET1	d				28
Portion allowed for inclusion into Tier 1 capital	q				-
Portion allowed for inclusion into Tier 2 capital	s				-
Portion not allowed for regulatory capital					-
Total Equity		778	225	1,003	
Total Liabilities and Equity		189,627	(14,391)	175,236	

(1) The basis of consolidation used for financial accounting purposes, described in note 1 to the 2013 Annual Report audited consolidated financial statements, may differ from regulatory purposes.

The regulatory consolidation does not include SPEs, where significant risk has been transferred to third parties nor subsidiaries and associates engaged in insurance activities.

(2) The references identify balance sheet components which are used in calculation of regulatory capital on page 4.

(3) Total assets related to Insurance activities and National Bank Life Insurance Company, and other are \$160 millions and \$19 millions respectively.

(4) The amount is mainly due to securitization entities. For more information on Special Purpose Entities (SPEs), please see pages 186 and 187 of the 2013 Annual Report.



Capital Adequacy under Basel III ⁽¹⁾

	2014						2013		
	Exposure at default	Q3				Capital requirement ⁽²⁾	Q2	Q1	Q4
		Risk-weighted assets					Risk-weighted assets		
(unaudited) (millions of Canadian dollars)	Standardized	Advanced	Other	Total					
Credit risk									
Retail									
Residential mortgages	40,388	69	4,414	-	4,483	359	4,521	4,554	4,565
Qualifying revolving retail	4,992	-	1,012	-	1,012	81	1,408	1,374	1,440
Other retail	12,213	516	4,435	-	4,951	396	5,338	5,157	5,625
Non-retail									
Corporate	47,950	2,702	20,362	-	23,064	1,845	22,378	22,075	22,174
Sovereign	21,162	-	486	-	486	39	462	439	418
Financial institutions	3,273	127	852	-	979	78	984	1,086	743
Banking book equities ⁽³⁾	469	-	469	-	469	38	581	445	437
Securitization	4,077	-	2,200	-	2,200	176	2,066	2,296	2,269
Other assets	22,228	-	-	5,004	5,004	400	4,869	4,672	4,337
Counterparty credit risk									
Corporate	8,176	308	53	-	361	29	162	217	229
Sovereign	10,560	-	9	-	9	1	8	12	10
Financial institutions	51,546	-	1,893	-	1,893	151	2,132	2,820	2,425
Trading portfolio	9,846	363	3,085	-	3,448	276	3,009	2,941	2,524
Credit valuation adjustment charge ⁽⁴⁾		1,914	-	-	1,914	153	1,607	1,625	-
Regulatory scaling factor		-	2,313	-	2,313	185	2,319	2,317	2,255
Total - Credit risk	236,880	5,999	41,583	5,004	52,586	4,207	51,844	52,030	49,451
Market risk									
VaR		-	780	-	780	62	818	903	775
Stressed VaR		-	1,351	-	1,351	108	1,783	1,831	1,109
Interest-rate specific risk		1,310	-	-	1,310	105	1,287	1,376	1,498
Total - Market risk		1,310	2,131	-	3,441	275	3,888	4,110	3,382
Operational risk		8,676	-	-	8,676	694	8,503	8,487	8,418
Total	236,880	15,985	43,714	5,004	64,703	5,176	64,235	64,627	61,251
Capital ratio									
Capital ratios under Basel III									
Common Equity Tier 1 (CET1)					9.1%		8.7%	8.3%	8.7%
Tier 1					12.0%		11.6%	10.7%	11.4%
Total					14.8%		14.6%	13.6%	15.0%
Assets-to-capital multiple					18.8		18.8	20.0	18.4

(1) Figures are presented in an "all-in" basis, and the October 31, 2013 figures have not been adjusted to reflect changes in accounting standards.

(2) The capital requirement is equal to 8% of risk-weighted assets.

(3) Calculated using the simple risk weight method.

(4) Calculated based on CET1 risk-weighted assets.



Risk-Weighted Assets Movement by Key Drivers ⁽¹⁾

(unaudited) (millions of Canadian dollars)	2014				
	Q3			Q2	Q1
	Non-counterparty credit risk	Counterparty credit risk ⁽²⁾	Total	Total	Total
Credit risk – Risk-weighted assets at beginning	44,926	6,918	51,844	52,030	49,451
Book size	716	366	1,082	(141)	1,209
Book quality	(27)	324	297	(120)	(697)
Model updates	(672)	–	(672)	–	–
Methodology and policy	–	–	–	–	1,625
Acquisitions and disposals	–	–	–	–	–
Foreign exchange movements	18	17	35	75	442
Credit risk – Risk-weighted assets at end	44,961	7,625	52,586	51,844	52,030
Market risk – Risk-weighted assets at beginning			3,888	4,110	3,382
Movement in risk levels ⁽³⁾			(447)	(222)	728
Model updates			–	–	–
Methodology and policy			–	–	–
Acquisitions and disposals			–	–	–
Market risk – Risk-weighted assets at end			3,441	3,888	4,110
Operational risk – Risk-weighted assets at beginning			8,503	8,487	8,418
Movement in risk levels			173	16	69
Acquisitions and disposals			–	–	–
Operational risk – Risk-weighted assets at end			8,676	8,503	8,487
Risk-weighted assets at end			64,703	64,235	64,627

(1) Figures are presented in an "all-in" basis.

(2) Calculated based on CET1 risk-weighted assets.

(3) Also includes foreign exchange movement that is not considered material.



Consolidated Balance Sheet Cross Reference to Credit Risk Exposures

Q3 2014								
(unaudited) (millions of Canadian dollars)	Exposures subject to credit risk capital					Other exposures		Total
	Drawn		Other exposures			Subject to market risk capital	All other ⁽¹⁾	
	Non-retail	Retail	Securitization	Repo-style transactions	Derivatives			
Assets								
Cash and deposits with financial institutions ⁽²⁾	5,546	-	-	-	-	-	366	5,912
Securities								
At fair value through profit or loss	2,169	-	1,210	-	-	42,253	-	45,632
Available-for-sale	8,932	-	69	-	-	-	132	9,133
	11,101	-	1,279	-	-	42,253	132	54,765
Securities purchased under reverse reprurchase agreements and securities borrowed	-	-	-	22,019	-	-	-	22,019
Loans								
Residential mortgage ⁽³⁾	19,746	18,917	-	-	-	-	-	38,663
Personal and credit card	-	27,957	1,365	-	-	-	-	29,322
Business and government	25,608	1,815	-	-	-	-	-	27,423
	45,354	48,689	1,365	-	-	-	-	95,408
Customers' liability under acceptances	8,584	-	-	-	-	-	-	8,584
Allowance for credit losses	(182)	(21)	-	-	-	-	(390)	(593)
	53,756	48,668	1,365	-	-	-	(390)	103,399
Other								
Derivative financial instruments ⁽²⁾	-	-	-	-	6,086	-	-	6,086
Due from clients, dealers and brokers	-	-	-	-	-	-	935	935
Investments in associates and joint ventures	-	-	-	-	-	-	677	677
Premises and equipment	-	-	-	-	-	-	381	381
Goodwill	-	-	-	-	-	-	1,271	1,271
Intangible assets	-	-	-	-	-	-	1,039	1,039
Other assets	-	-	-	-	-	-	2,338	2,338
	-	-	-	-	6,086	-	6,641	12,727
	70,403	48,668	2,644	22,019	6,086	42,253	6,749	198,822

(1) Includes deconsolidated assets related to insurance activities and all other assets that are neither subject to credit nor market risks.

(2) These exposures may also be subject to market risk.

(3) As per Basel definition, NHA MBS pooled and 5 units or more mortgages are included in the non-retail category.

Standardized Credit Risk Exposure Under the Basel Asset Categories and by Risk Weight ⁽¹⁾

2014								
(unaudited) (millions of Canadian dollars)								
Risk Weight	Q3							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Residential mortgages	-	-	455	-	22	-	-	477
Other retail	-	-	-	-	2,738	-	-	2,738
	-	-	455	-	2,760	-	-	3,215
Non-Retail								
Corporate	-	-	-	-	-	7,900	25	7,925
Sovereign	150	-	-	-	-	-	-	150
Financial Institutions	-	341	-	117	-	-	-	458
	150	341	-	117	-	7,900	25	8,533
Trading	-	-	-	-	-	569	-	569
Total	150	341	455	117	2,760	8,469	25	12,317

(unaudited) (millions of Canadian dollars)								
Risk Weight	Q2							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Residential mortgages	-	-	459	-	24	-	-	483
Other retail	-	-	-	-	2,947	-	-	2,947
	-	-	459	-	2,971	-	-	3,430
Non-Retail								
Corporate	-	-	-	-	-	7,042	20	7,062
Sovereign	229	-	-	-	-	-	-	229
Financial Institutions	-	-	-	-	-	118	-	118
	229	-	-	-	-	7,160	20	7,409
Trading	-	-	-	-	-	597	-	597
Total	229	-	459	-	2,971	7,757	20	11,436

(unaudited) (millions of Canadian dollars)								
Risk Weight	Q1							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Residential mortgages	-	-	457	-	26	-	-	483
Other retail	-	-	-	-	2,560	-	-	2,560
	-	-	457	-	2,586	-	-	3,043
Non-Retail								
Corporate	-	-	-	-	-	5,488	20	5,508
Sovereign	177	-	-	-	-	-	-	177
Financial Institutions	-	322	-	-	-	208	-	530
	177	322	-	-	-	5,696	20	6,215
Trading	-	-	-	-	-	749	-	749
Total	177	322	457	-	2,586	6,445	20	10,007

2013								
(unaudited) (millions of Canadian dollars)								
Risk Weight	Q4							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Residential mortgages	-	-	399	-	27	-	-	426
Other retail	-	-	-	-	2,429	-	-	2,429
	-	-	399	-	2,456	-	-	2,855
Non-Retail								
Corporate	-	-	-	-	-	5,461	20	5,481
Sovereign	202	-	-	-	-	-	-	202
Financial Institutions	-	226	-	-	-	99	-	325
	202	226	-	-	-	5,560	20	6,008
Trading	-	-	-	-	-	806	-	806
Total	202	226	399	-	2,456	6,366	20	9,669

(1) Exposure amounts are the expected gross exposure upon the default of an obligor. These amounts are net of specific allowance but do not reflect the impact of credit risk mitigation and collateral held.

Gross Credit Risk Exposure Under the Basel Asset Categories ⁽¹⁾

	2014																	
	Q3						Q2						Q1					
	Drawn	Undrawn commitments	Repo-style transactions	OTC derivatives	Other off-balance sheet items	Total	Drawn	Undrawn commitments	Repo-style transactions	OTC derivatives	Other off-balance sheet items	Total	Drawn	Undrawn commitments	Repo-style transactions	OTC derivatives	Other off-balance sheet items	Total
(unaudited) (millions of Canadian dollars)																		
Retail																		
Residential mortgages	35,069	5,319	-	-	-	40,388	34,014	5,085	-	-	-	39,099	34,010	4,939	-	-	-	38,949
Qualifying revolving retail	2,620	2,372	-	-	-	4,992	2,600	2,010	-	-	-	4,610	2,559	1,943	-	-	-	4,502
Other retail	11,000	1,199	-	-	14	12,213	11,232	1,148	-	-	15	12,395	10,845	1,166	-	-	14	12,025
	48,689	8,890	-	-	14	57,593	47,846	8,243	-	-	15	56,104	47,414	8,048	-	-	14	55,476
Non-retail																		
Corporate	32,975	12,626	8,128	49	2,348	56,126	33,117	11,624	5,935	15	2,565	53,256	32,162	12,004	2,709	50	2,335	49,260
Sovereign	18,209	2,855	10,394	166	98	31,722	17,756	3,290	12,783	297	103	34,229	17,601	3,093	13,398	283	132	34,507
Financial Institutions	2,411	221	50,878	669	640	54,819	2,605	260	46,449	718	385	50,417	2,617	198	53,327	428	825	57,395
	53,595	15,702	69,400	884	3,086	142,667	53,478	15,174	65,167	1,030	3,053	137,902	52,380	15,295	69,434	761	3,292	141,162
Trading portfolio	-	-	-	9,846	-	9,846	-	-	-	9,664	-	9,664	-	-	-	-	9,596	9,596
Securitization	1,223	-	-	-	2,854	4,077	1,241	-	-	-	2,886	4,127	1,363	-	-	-	-	3,034
Total - Gross Credit Risk	103,507	24,592	69,400	10,730	5,954	214,183	102,565	23,417	65,167	10,694	5,954	207,797	101,157	23,343	69,434	10,357	6,340	210,631
Standardized Approach	5,628	324	4,741	621	1,003	12,317	5,770	329	3,743	613	981	11,436	5,657	260	2,275	799	1,016	10,007
AIRB Approach	97,879	24,268	64,659	10,109	4,951	201,866	96,795	23,088	61,424	10,081	4,973	196,361	95,500	23,083	67,159	9,558	5,324	200,624
Total - Gross Credit Risk	103,507	24,592	69,400	10,730	5,954	214,183	102,565	23,417	65,167	10,694	5,954	207,797	101,157	23,343	69,434	10,357	6,340	210,631
Adjustment to exposure for collateral																		
Standardized Approach	-	-	(4,483)	(209)	-	(4,692)	-	-	(3,636)	(282)	-	(3,918)	-	-	(2,110)	(349)	-	(2,459)
AIRB Approach	-	-	(57,712)	-	-	(57,712)	-	-	(54,645)	-	-	(54,645)	-	-	(59,172)	-	-	(59,172)
Total - Net Credit Risk	103,507	24,592	7,205	10,521	5,954	151,779	102,565	23,417	6,886	10,412	5,954	149,234	101,157	23,343	8,152	10,008	6,340	149,000

	2013																	
	Q4						Q3						Q2					
	Drawn	Undrawn commitments	Repo-style transactions	OTC derivatives	Other off-balance sheet items	Total	Drawn	Undrawn commitments	Repo-style transactions	OTC derivatives	Other off-balance sheet items	Total	Drawn	Undrawn commitments	Repo-style transactions	OTC derivatives	Other off-balance sheet items	Total
(unaudited) (millions of Canadian dollars)																		
Retail																		
Residential mortgages	33,533	4,881	-	-	-	38,414	33,105	4,866	-	-	-	37,971	31,976	4,713	-	-	-	36,689
Qualifying revolving retail	2,600	1,974	-	-	-	4,574	2,570	1,961	-	-	-	4,531	2,545	1,876	-	-	-	4,421
Other retail	10,805	1,155	-	-	16	11,976	10,821	1,144	-	-	17	11,982	10,800	1,114	-	-	15	11,929
	46,938	8,010	-	-	16	54,964	46,496	7,971	-	-	17	54,484	45,321	7,703	-	-	15	53,039
Non-retail																		
Corporate	31,576	12,504	2,425	40	2,176	48,721	31,649	11,639	805	62	2,084	46,239	30,895	10,944	1,211	32	2,146	45,228
Sovereign	16,368	3,126	14,924	276	139	34,833	14,547	2,942	12,764	260	136	30,649	14,429	3,187	12,359	251	136	30,362
Financial Institutions	2,352	143	48,470	405	738	52,108	3,928	94	48,544	362	733	53,661	3,010	159	41,018	395	725	45,307
	50,296	15,773	65,819	721	3,053	135,662	50,124	14,675	62,113	684	2,953	130,549	48,334	14,290	54,588	678	3,007	120,897
Trading portfolio	-	-	-	8,074	-	8,074	-	-	-	7,652	-	7,652	-	-	-	-	7,469	7,469
Securitization	1,323	-	-	-	2,984	4,307	1,357	-	-	-	2,929	4,286	1,358	-	-	-	-	3,003
Total - Gross Credit Risk	98,557	23,783	65,819	8,795	6,053	203,007	97,977	22,646	62,113	8,336	5,899	196,971	95,013	21,993	54,588	8,147	6,025	185,766
Standardized Approach	5,338	456	2,183	845	847	9,669	7,597	672	525	1,031	779	10,604	7,364	746	973	881	795	10,759
AIRB Approach	93,219	23,327	63,636	7,950	5,206	193,338	90,380	21,974	61,588	7,305	5,120	186,367	87,649	21,247	53,615	7,266	5,230	175,007
Total - Gross Credit Risk	98,557	23,783	65,819	8,795	6,053	203,007	97,977	22,646	62,113	8,336	5,899	196,971	95,013	21,993	54,588	8,147	6,025	185,766

(1) These amounts do not take into account allowances for credit losses nor amounts pledged as collateral. The tables also exclude equity securities.



Credit Quality of AIRB Exposure - Retail Portfolios ⁽¹⁾

			2014								
			Q3								
			EAD	Notional of undrawn commitments	Exposure weighted-average (EAD %)	Exposure weighted-average (PD %)	Exposure weighted-average (LGD %)	Exposure weighted-average risk weight asset (RWA %)	RWA	Expected Losses (EL)	EL adjusted average risk weight % ⁽²⁾
Canadian residential mortgages and HELOCs											
Insured Drawn and Undrawn ⁽³⁾	Exceptionally low	0.000% - 0.144%	2,416	-	100%	0.07%	18.1%	3%	78	0.3	3%
	Very low	0.145% - 0.506%	2,804	-	100%	0.29%	10.8%	5%	151	0.8	6%
	Low	0.507% - 1.116%	1,174	-	100%	0.76%	5.6%	6%	66	0.5	6%
	Low	1.117% - 2.681%	589	-	100%	1.72%	3.4%	6%	35	0.3	7%
	Medium	2.682% - 9.348%	392	-	100%	4.65%	2.7%	8%	32	0.5	10%
	High	9.349% - 99.99%	178	-	100%	27.07%	2.6%	14%	24	1.3	23%
	Default	100.00%	62	-	100%	100.00%	2.4%	23%	14	0.6	35%
				7,615	-	100%	2.07%	11.0%	5%	400	4.3
Uninsured Undrawn ⁽⁴⁾	Exceptionally low	0.000% - 0.144%	3,721	8,150	60%	0.05%	23.0%	3%	118	0.4	3%
	Very low	0.145% - 0.506%	1,460	3,732	68%	0.27%	23.5%	12%	167	0.9	12%
	Low	0.507% - 1.116%	100	122	85%	0.71%	24.2%	24%	24	0.2	26%
	Low	1.117% - 2.681%	26	33	83%	1.64%	23.7%	41%	11	0.1	46%
	Medium	2.682% - 9.348%	10	12	84%	4.37%	23.9%	72%	7	0.1	86%
	High	9.349% - 99.99%	1	1	92%	17.68%	24.1%	128%	2	0.1	187%
	Default	100.00%	1	2	77%	100.00%	25.2%	315%	5	-	315%
				5,319	12,052	63%	0.17%	23.2%	6%	334	1.8
Uninsured Drawn ⁽⁵⁾	Exceptionally low	0.000% - 0.144%	12,961			0.07%	23.6%	4%	554	2.2	4%
	Very low	0.145% - 0.506%	10,193			0.27%	25.7%	13%	1,299	7.1	14%
	Low	0.507% - 1.116%	2,438			0.72%	25.9%	26%	629	4.5	28%
	Low	1.117% - 2.681%	676			1.68%	25.7%	45%	303	2.9	50%
	Medium	2.682% - 9.348%	400			4.79%	26.8%	85%	339	5.2	101%
	High	9.349% - 99.99%	247			28.87%	31.1%	163%	403	22.8	278%
	Default	100.00%	61			100.00%	26.9%	249%	153	7.1	393%
				26,976			0.81%	24.8%	14%	3,680	51.8
Qualifying revolving credit	Exceptionally low	0.000% - 0.144%	2,577	4,384	59%	0.05%	70.2%	2%	59	0.9	3%
	Very low	0.145% - 0.506%	915	632	82%	0.29%	69.4%	10%	91	1.8	12%
	Low	0.507% - 1.116%	541	216	89%	0.78%	69.3%	22%	118	2.9	29%
	Low	1.117% - 2.681%	496	144	93%	1.79%	74.9%	44%	220	6.7	61%
	Medium	2.682% - 9.348%	359	48	99%	4.58%	75.5%	85%	303	12.3	127%
	High	9.349% - 99.99%	84	5	101%	20.46%	71.8%	182%	153	13.1	375%
	Default	100.00%	20	-	104%	100.00%	76.8%	345%	68	9.9	973%
				4,992	5,429	74%	1.41%	70.8%	20%	1,012	47.6
Other retail ⁽⁶⁾	Exceptionally low	0.000% - 0.144%	2,295	1,345	87%	0.07%	40.4%	7%	163	0.6	7%
	Very low	0.145% - 0.506%	2,685	362	98%	0.29%	45.6%	24%	640	3.7	26%
	Low	0.507% - 1.116%	2,090	227	98%	0.80%	58.9%	54%	1,125	9.9	60%
	Low	1.117% - 2.681%	1,448	81	99%	1.75%	64.8%	80%	1,154	16.4	94%
	Medium	2.682% - 9.348%	653	33	99%	4.46%	65.3%	95%	619	18.7	131%
	High	9.349% - 99.99%	196	6	99%	21.53%	62.0%	136%	266	26.6	305%
	Default	100.00%	109	7	98%	100.00%	61.9%	428%	468	33.5	811%
				9,476	2,061	95%	2.45%	52.1%	47%	4,435	109.4
			54,378	19,542	88%	1.26%	31.7%	18%	9,861	214.9	23%

(1) Represents retail exposures under the AIRB approach. Amounts are before allowance for credit losses and after credit risk mitigation.

(2) EL adjusted average risk weight is calculated as $(RWA + 12.5 \times EL) / EAD$.

(3) Includes insured drawn and undrawn retail mortgages and home equity lines of credit.

(4) Includes only uninsured undrawn retail mortgages and home equity lines of credit.

(5) Includes only uninsured drawn retail mortgages and home equity lines of credit.

(6) Includes all other drawn and undrawn retail exposures.



Credit Quality of AIRB Exposure - Retail Portfolios ⁽¹⁾ (continued)

	2014									
	Q2					Q1				
(unaudited) (millions of Canadian dollars)		Exposure weighted-average (PD %)	Exposure weighted-average ⁽¹⁾ (LGD %)	Exposure weighted average risk-asset	Exposure weighted-average risk weight asset (RWA %)		Exposure weighted-average (PD %)	Exposure weighted-average (1) (LGD %)	Exposure weighted average risk-asset	Exposure weighted-average risk weight asset (RWA %)
Credit quality of AIRB Retail portfolios	EAD					EAD				
Retail residential mortgages ⁽²⁾										
0,000-0,145	18,802	0.07%	23.3%	733	4%	18,368	0.07%	23.2%	718	4%
0,146-0,507	14,088	0.28%	22.3%	1,582	11%	14,172	0.28%	22.1%	1,580	11%
0,508-1,166	3,292	0.74%	20.2%	675	21%	3,458	0.74%	20.0%	705	20%
1,167-2,681	1,203	1.75%	16.4%	347	29%	1,206	1.71%	17.3%	364	30%
2,682-9,348	667	4.86%	18.3%	389	58%	724	4.78%	18.1%	416	57%
9,349-99,999	438	27.93%	24.0%	555	127%	399	29.22%	25.1%	525	132%
100	126	100.00%	14.4%	169	134%	139	100.00%	14.0%	175	126%
Total retail residential mortgages	38,616	0.98%	22.4%	4,450	12%	38,466	1.01%	22.2%	4,483	12%
Qualifying revolving retail ⁽³⁾										
0,000-0,145	2,151	0.05%	89.5%	65	3%	2,082	0.05%	89.3%	63	3%
0,146-0,507	924	0.29%	88.5%	117	13%	923	0.29%	88.3%	117	13%
0,508-1,166	524	0.77%	88.8%	145	28%	516	0.78%	88.7%	143	28%
1,167-2,681	478	1.82%	89.9%	256	54%	466	1.81%	89.7%	249	53%
2,682-9,348	406	4.58%	90.0%	413	101%	393	4.59%	90.1%	400	102%
9,349-99,999	98	21.31%	89.3%	221	226%	95	21.17%	89.4%	215	226%
100	29	100.00%	86.2%	191	665%	27	100.00%	85.8%	187	683%
Total Qualifying revolving retail	4,610	1.84%	89.3%	1,408	31%	4,502	1.82%	89.1%	1,374	31%
Other Retail ⁽⁴⁾										
0,000-0,145	2,426	0.07%	47.6%	199	8%	2,424	0.07%	47.2%	201	8%
0,146-0,507	2,812	0.30%	53.6%	795	28%	2,840	0.29%	52.1%	772	27%
0,508-1,166	2,045	0.80%	67.0%	1,249	61%	1,989	0.80%	65.6%	1,187	60%
1,167-2,681	1,345	1.76%	71.8%	1,189	88%	1,378	1.74%	72.1%	1,218	88%
2,682-9,348	572	4.47%	70.7%	588	103%	595	4.45%	67.5%	584	98%
9,349-99,999	138	20.43%	67.4%	199	144%	130	20.77%	65.3%	183	141%
100	110	100.00%	65.4%	532	483%	109	100.00%	64.4%	515	471%
Total Other Retail	9,448	2.26%	58.9%	4,751	50%	9,465	2.25%	57.9%	4,660	49%

	2014			
	Q2		Q1	
	Notional undrawn commitments	EAD on undrawn commitments ⁽⁵⁾	Notional undrawn commitments	EAD on undrawn commitments ⁽⁵⁾
Credit commitments - AIRB Retail portfolios				
Retail residential mortgages	11,677	5,085	11,432	4,939
Qualifying revolving retail	5,303	2,010	5,180	1,943
Other retail	2,003	1,162	2,016	1,180
Total	18,983	8,257	18,628	8,062

(1) The bank uses a LGD substitution approach for government or corporate guaranteed loans.

(2) Includes AIRB retail residential mortgages of 1 to 4 units and HELOC.

(3) Includes AIRB lines of credit and credit card receivables.

(4) Includes AIRB consumer loans, SME credit card receivables, certain SME loans and other personal loans.

(5) EAD undrawn commitments is the undrawn commitments (notional amount) that is currently undrawn but expected to be drawn in the event of a default.

AIRB Credit Risk Exposures: Non-retail Portfolios ⁽¹⁾

(unaudited) (millions of Canadian dollars)

Q3 2014											Q2 2014							
Corporate AIRB exposures by internal PD grade																		
Internal Ratings grades	PD Range 0.000%	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	S&P rating equivalent	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)
		Drawn	Undrawn	Other	Total						Drawn	Undrawn	Other	Total				
1	0.000 - 0.035	28	6	-	34	0.030	19	1	3	AAA... AA-	53	9	-	62	0.030	23	2	4
1.5	0.035 - 0.044	23	3	-	26	0.039	19	1	4	A+	35	4	-	39	0.039	19	1	4
2	0.044 - 0.063	135	405	11	551	0.049	31	77	14	A	139	385	11	535	0.049	30	79	15
2.5	0.063 - 0.103	1,452	1,812	59	3,323	0.090	42	687	21	A-	1,398	1,501	56	2,955	0.080	42	546	18
3	0.103 - 0.170	3,878	2,819	149	6,846	0.132	39	1,680	25	BBB+	4,152	2,706	150	7,008	0.132	39	1,711	24
3.5	0.170 - 0.280	4,560	2,319	586	7,465	0.218	37	2,300	31	BBB	4,067	2,357	466	6,890	0.218	36	2,014	28
4	0.280 - 0.462	4,831	1,931	245	7,007	0.360	36	2,593	37	BBB-	4,718	1,967	227	6,912	0.360	36	2,526	37
4.5	0.462 - 0.762	3,842	674	126	4,642	0.593	37	2,186	47	BB+	3,692	673	163	4,528	0.593	37	2,143	45
5	0.762 - 1.256	6,016	1,310	285	7,611	0.978	37	4,447	58	BB	6,883	992	278	8,153	0.978	38	4,764	49
5.5	1.256 - 2.070	2,324	707	93	3,124	1.612	38	2,312	74	BB-	2,305	447	114	2,866	1.612	39	2,102	73
6	2.070 - 3.412	1,257	189	62	1,508	2.658	37	1,187	79	B+	1,290	165	148	1,603	2.658	33	1,117	70
6.5	3.412 - 5.625	922	96	111	1,129	4.381	33	911	81	B	825	98	23	946	4.381	36	792	84
7	5.625 - 9.272	814	100	50	964	7.222	37	1,031	107	B-	920	56	15	991	7.222	38	1,084	109
7.5	9.272 - 15.284	270	12	1	283	11.90	35	345	122	CCC+	173	18	1	192	11.90	32	229	119
8	15.284 - 25.195	58	31	-	89	19.62	36	154	173	CCC	77	32	-	109	19.62	35	184	169
8.5	25.195 - 100	45	-	-	45	32.35	73	166	368	CCC-	6	-	-	6	32.35	37	10	170
9	100	255	6	2	263	100.0	42	336	128	CC	271	3	3	277	100.0	43	452	163
9.5	100	-	-	-	-	-	-	-	-	C	-	-	-	-	-	-	-	-
10	100	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-	-
Total		30,710	12,420	1,780	44,910			20,415			31,004	11,413	1,655	44,072			19,756	

Q3 2014											Q2 2014							
Sovereign AIRB exposures by internal PD grade																		
Internal Ratings grades	PD Range 0.000%	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	S&P rating equivalent	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)
		Drawn	Undrawn	Other	Total						Drawn	Undrawn	Other	Total				
1	0.000 - 0.035	13,526	32	190	13,748	0.008	11	238	2	AAA... AA-	13,474	36	367	13,877	0.008	10	238	2
1.5	0.035 - 0.044	3,289	2,195	533	6,017	0.014	13	155	3	A+	2,804	2,641	796	6,241	0.014	13	140	1
2	0.044 - 0.063	1,221	594	9	1,824	0.025	18	80	4	A	1,240	578	10	1,828	0.025	17	79	4
2.5	0.063 - 0.103	-	-	-	-	-	-	-	-	A-	-	-	-	-	-	-	-	-
3	0.103 - 0.170	8	1	-	9	0.080	15	1	9	BBB+	7	1	-	8	0.080	15	1	10
3.5	0.170 - 0.280	-	-	-	-	-	-	-	-	BBB	-	-	-	-	-	-	-	-
4	0.280 - 0.462	-	-	-	-	-	-	-	-	BBB-	-	-	-	-	-	-	-	-
4.5	0.462 - 0.762	-	-	-	-	-	-	-	-	BB+	-	-	-	-	-	-	-	-
5	0.762 - 1.256	-	-	-	-	-	-	-	-	BB	4	-	-	4	0.819	19	1	28
5.5	1.256 - 2.070	-	-	-	-	-	-	-	-	BB-	-	-	-	-	-	-	-	-
6	2.070 - 3.412	16	-	-	16	2.622	19	7	42	B+	-	-	-	-	-	-	-	-
6.5	3.412 - 5.625	-	33	2	35	4.692	14	14	41	B	-	34	2	36	4.692	14	14	40
7	5.625 - 9.272	-	-	-	-	-	-	-	-	B-	-	-	-	-	-	-	-	-
7.5	9.272 - 15.284	-	-	-	-	-	-	-	-	CCC+	-	-	-	-	-	-	-	-
8	15.284 - 25.195	-	-	-	-	-	-	-	-	CCC	-	-	-	-	-	-	-	-
8.5	25.195 - 100	-	-	-	-	-	-	-	-	CCC-	-	-	-	-	-	-	-	-
9	100	-	-	-	-	-	-	-	-	CC	-	-	-	-	-	-	-	-
9.5	100	-	-	-	-	-	-	-	-	C	-	-	-	-	-	-	-	-
10	100	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-	-
Total		18,060	2,855	734	21,649			495			17,529	3,290	1,175	21,994			473	

Q3 2014											Q2 2014							
Financial Institutions AIRB exposures by internal PD grade																		
Internal Ratings grades	PD Range 0.000%	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	S&P rating equivalent	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)
		Drawn	Undrawn	Other	Total						Drawn	Undrawn	Other	Total				
1	0.000 - 0.035	306	-	2,017	2,323	0.030	60	207	9	AAA... AA-	135	-	223	358	0.030	33	57	16
1.5	0.035 - 0.044	514	-	670	1,184	0.039	42	137	12	A+	582	-	750	1,332	0.039	40	149	3
2	0.044 - 0.063	164	30	99	293	0.049	39	51	18	A	686	30	248	964	0.049	40	136	14
2.5	0.063 - 0.103	323	-	1,981	2,304	0.080	11	122	5	A-	100	-	3,475	3,575	0.080	35	372	2
3	0.103 - 0.170	227	-	275	502	0.132	49	155	31	BBB+	302	12	449	763	0.132	50	252	8
3.5	0.170 - 0.280	438	-	224	662	0.218	44	267	40	BBB	472	-	189	661	0.218	49	291	10
4	0.280 - 0.462	133	73	1,072	1,278	0.360	42	648	51	BBB-	46	100	468	614	0.360	53	435	8
4.5	0.462 - 0.762	212	-	490	702	0.593	62	570	81	BB+	187	-	509	696	0.593	61	560	15
5	0.762 - 1.256	92	-	301	393	0.978	41	266	68	BB	93	-	474	567	0.978	39	378	11
5.5	1.256 - 2.070	2	-	189	191	1.612	58	287	150	BB-	2	-	201	203	1.612	58	301	16
6	2.070 - 3.412	-	-	-	-	2.658	38	0	-	B+	-	-	-	2,658	20	-	12	-
6.5	3.412 - 5.625	-	-	32	32	4.381	34	35	110	B	-	-	41	4,381	50	67	7	-
7	5.625 - 9.272	-	-	-	-	-	-	-	-	B-	-	-	-	-	-	-	-	-
7.5	9.272 - 15.284	-	-	-	-	-	-	-	-	CCC+	-	-	-	-	-	-	-	-
8	15.284 - 25.195	-	-	-	-	19.624	3	0	-	CCC	-	-	-	19,624	3	-	17	-
8.5	25.195 - 100	-	-	-	-	-	-	-	-	CCC-	-	-	-	-	-	-	-	-
9	100	-	-	-	-	-	-	-	-	CC	-	-	-	-	-	-	-	-
9.5	100	-	-	-	-	-	-	-	-	C	-	-	-	-	-	-	-	-
10	100	-	-	-	-	-	-	-	-	D	-	-	-	-	-	-	-	-
Total		2,411	103	7,350	9,864			2,745			2,605	142	7,027	9,774			2,998	

	Q3 2014		Q2 2014	
	Notional undrawn commitments	EAD on undrawn commitments ⁽³⁾	Notional undrawn commitments	EAD on undrawn commitments ⁽³⁾
Corporate	30,143	12,421	27,019	11,413
Sovereign	6,618	2,855	7,463	3,290
Financial Institutions	206	103	285	142
Total	36,967	15,379	34,767	14,845

(1) The data presented above take into account permissible netting and exclude SME-Retail Portfolio.

(2) In the Bank asset class rated "9", the EAD amount is less than \$500 K, but it was taken into account in the RWA exposure calculation.

(3) EAD undrawn commitments are the undrawn commitments (notional amount) that is currently undrawn but expected to be drawn in the event of a default.



AIRB Credit Risk Exposures: Non-retail Portfolios ⁽¹⁾ (continued)

(unaudited) (millions of Canadian dollars)

Q1 2014													Q4 2013				
Corporate AIRB exposures by internal PD grade																	
Internal Ratings grades	PD Range 0.000%	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	S&P rating equivalent	PD Range 0.000%	Mnt_EAD ⁽²⁾	Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	
		Drawn	Undrawn	Other	Total												
1	0.000 - 0.035	53	7	-	60	0.030	26	4	4	AAA...AA-	0.000 - 0.035	17	0.030	18	-	2	
1.5	0.035 - 0.044	37	3	-	40	0.039	18	1	3	A+	0.035 - 0.044	41	0.039	19	1	3	
2	0.044 - 0.063	114	301	3	418	0.049	31	59	14	A	0.044 - 0.063	274	0.049	22	30	11	
2.5	0.063 - 0.103	1,087	1,513	74	2,674	0.080	40	518	19	A-	0.063 - 0.103	2,867	0.080	39	507	18	
3	0.103 - 0.170	4,311	3,017	171	7,499	0.132	41	2,012	27	BBB+	0.103 - 0.170	7,152	0.132	42	1,962	27	
3.5	0.170 - 0.280	4,014	2,407	461	6,882	0.218	37	2,079	29	BBB	0.170 - 0.280	6,629	0.218	39	1,995	30	
4	0.280 - 0.462	4,644	2,047	288	6,979	0.360	34	2,473	35	BBB-	0.280 - 0.462	7,255	0.360	36	2,633	36	
4.5	0.462 - 0.762	3,441	639	87	4,167	0.593	37	1,943	44	BB+	0.462 - 0.762	4,138	0.593	37	1,801	42	
5	0.762 - 1.256	6,429	1,119	232	7,780	0.978	39	4,808	62	BB	0.762 - 1.256	7,941	0.978	38	4,696	58	
5.5	1.256 - 2.070	2,090	337	144	2,571	1.612	37	1,721	67	BB-	1.256 - 2.070	2,595	1.612	37	1,725	66	
6	2.070 - 3.412	1,257	184	138	1,579	2.658	31	1,045	66	B+	2.070 - 3.412	1,538	2.658	33	1,055	69	
6.5	3.412 - 5.625	851	138	19	1,008	4.381	35	828	82	B	3.412 - 5.625	941	4.381	36	752	80	
7	5.625 - 9.272	993	59	9	1,061	7.222	35	1,115	105	B-	5.625 - 9.272	957	7.222	34	970	101	
7.5	9.272 - 15.284	197	20	10	227	11.90	36	298	131	CCC+	9.272 - 15.284	265	11.90	40	368	139	
8	15.284 - 25.195	89	6	8	103	19.62	39	185	179	CCC	15.284 - 25.195	114	19.62	44	221	194	
8.5	25.195 - 100	41	-	-	41	32.35	30	61	148	CCC-	25.195 - 100	10	32.35	26	10	101	
9	100	230	2	2	234	100.0	42	255	109	CC	100	289	100.0	41	449	155	
9.5	100	-	-	-	-	-	-	-	-	C	100	-	-	-	-	-	
10	100	-	-	-	-	-	-	-	-	D	100	-	-	-	-	-	
Total		29,878	11,799	1,646	43,323			19,405				43,023			19,175		

Q1 2014													Q4 2013				
Sovereign AIRB exposures by internal PD grade																	
Internal Ratings grades	PD Range 0.000%	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	S&P rating equivalent	PD Range 0.000%	Mnt_EAD ⁽²⁾	Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	
		Drawn	Undrawn	Other	Total												
1	0.000 - 0.035	13,132	56	471	13,659	0.008	12	218	1	AAA...AA-	0.000 - 0.010	12,609	0.008	12	202	1	
1.5	0.035 - 0.044	3,026	2,542	834	6,402	0.014	13	146	1	A+	0.010 - 0.019	6,209	0.014	13	142	1	
2	0.044 - 0.063	1,253	463	10	1,726	0.025	17	71	4	A	0.019 - 0.033	1,591	0.025	17	68	4	
2.5	0.063 - 0.103	8	1	2	11	0.045	13	1	2	A-	0.033 - 0.060	12	0.045	14	1	3	
3	0.103 - 0.170	-	-	-	-	-	-	-	-	BBB+	0.060 - 0.107	-	-	-	-	-	
3.5	0.170 - 0.280	-	-	-	-	-	-	-	-	BBB	0.107 - 0.191	-	-	-	-	-	
4	0.280 - 0.462	-	-	-	-	-	-	-	-	BBB-	0.191 - 0.342	-	-	-	-	-	
4.5	0.462 - 0.762	-	-	-	-	-	-	-	-	BB+	0.342 - 0.612	-	-	-	-	-	
5	0.762 - 1.256	4	-	-	4	0.819	19	1	28	BB	0.612 - 1.095	4	0.819	19	1	28	
5.5	1.256 - 2.070	-	-	-	-	-	-	-	-	BB-	1.095 - 1.960	-	-	-	-	-	
6	2.070 - 3.412	-	-	-	-	4.692	14	14	40	B+	1.960 - 3.507	-	-	-	-	-	
6.5	3.412 - 5.625	-	31	3	34	-	-	-	-	B	3.507 - 6.276	34	4.692	14	14	40	
7	5.625 - 9.272	-	-	-	-	-	-	-	-	B-	6.276 - 11.231	-	-	-	-	-	
7.5	9.272 - 15.284	-	-	-	-	-	-	-	-	CCC+	11.231 - 20.09	-	-	-	-	-	
8	15.284 - 25.195	-	-	-	-	-	-	-	-	CCC	20.099 - 35.967	-	-	-	-	-	
8.5	25.195 - 100	-	-	-	-	-	-	-	-	CCC-	35.967 - 100	-	-	-	-	-	
9	100	-	-	-	-	-	-	-	-	CC	100	-	-	-	-	-	
9.5	100	-	-	-	-	-	-	-	-	C	100	-	-	-	-	-	
10	100	-	-	-	-	-	-	-	-	D	100	-	-	-	-	-	
Total		17,423	3,093	1,320	21,836			451				20,459			428		

Q1 2014													Q4 2013				
Financial institutions AIRB exposures by internal PD grade																	
Internal Ratings grades	PD Range 0.000%	EAD Amount ⁽²⁾				Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	S&P rating equivalent	PD Range 0.000%	Mnt_EAD ⁽²⁾	Average PD (%)	Average LGD (%)	Mnt_RWA	Percentage RWA (%)	
		Drawn	Undrawn	Other	Total												
1	0.000 - 0.035	100	-	155	255	0.030	34	32	13	AAA...AA-	0.000 - 0.035	295	0.030	22	27	9	
1.5	0.035 - 0.044	604	-	510	1,114	0.039	42	134	3	A+	0.035 - 0.044	2,667	0.039	39	211	2	
2	0.044 - 0.063	650	-	176	826	0.049	46	139	17	A	0.044 - 0.063	672	0.049	43	92	6	
2.5	0.063 - 0.103	37	30	3,786	3,853	0.080	33	362	1	A-	0.063 - 0.103	2,026	0.080	62	363	3	
3	0.103 - 0.170	560	13	387	960	0.132	49	325	10	BBB+	0.103 - 0.170	937	0.132	50	300	6	
3.5	0.170 - 0.280	152	-	912	1,064	0.218	40	414	7	BBB	0.170 - 0.280	988	0.218	38	366	7	
4	0.280 - 0.462	113	100	230	443	0.360	53	301	11	BBB-	0.280 - 0.462	559	0.360	48	300	7	
4.5	0.462 - 0.762	234	-	325	559	0.593	41	361	11	BB+	0.462 - 0.762	578	0.593	42	334	8	
4.5	0.762 - 1.256	9	-	777	786	0.978	35	471	9	BB	0.762 - 1.256	557	0.978	38	325	9	
5	1.256 - 2.070	4	-	209	213	1.612	36	192	8	BB-	1.256 - 2.070	323	1.612	34	261	10	
6	2.070 - 3.412	-	-	389	389	2.658	73	640	34	B+	2.070 - 3.412	240	2.658	79	435	36	
6.5	3.412 - 5.625	1	-	153	154	4.381	55	261	18	B	3.412 - 5.625	6	4.381	50	10	168	
7	5.625 - 9.272	-	-	-	-	-	-	-	-	B-	5.625 - 9.272	-	-	-	-	-	
7.5	9.272 - 15.284	-	-	-	-	-	-	-	-	CCC+	9.272 - 15.284	-	-	-	-	-	
8	15.284 - 25.195	-	-	-	-	19.624	3	-	17	CCC	15.284 - 25.195	-	-	-	-	-	
8.5	25.195 - 100	-	-	-	-	-	-	-	-	CCC-	25.195 - 100	-	-	-	-	-	
9	100	-	-	-	-	100.0	54	-	675	CC	100	-	100.0	54	-	663	
9.5	100	-	-	-	-	-	-	-	-	C	100	-	-	-	-	-	
10	100	-	-	-	-	-	-	-	-	D	100	-	-	-	-	-	
Total		2,464	143	8,009	10,616			3,632				9,848			3,024		

	Q1 2014		Q4 2014	
	Notional undrawn commitments	EAD on undrawn commitments ⁽³⁾	Notional undrawn commitments	EAD on undrawn commitments ⁽³⁾
Corporate	6,965	3,093	7,141	3,126
Sovereign	27,840	11,799	27,854	12,048
Financial Institutions	286	143	286	143
Total	35,091	15,035	35,281	15,317

(1) The data presented above take into account permissible netting and exclude SME-Retail Portfolio.

(2) In the Bank asset class rated "9", the EAD amount appears zero because it is less than \$500 K, but it was taken into account in the RWA exposure calculation.

(3) EAD undrawn commitments are the undrawn commitments (notional amount) that is currently undrawn but expected to be drawn in the event of a default.



Distribution of Gross Loans, Acceptances, Impaired Loans and Individual and Collective Allowances by Borrower Category

2014																		
(unaudited) (millions of Canadian dollars)	Q3						Q2					Q1						
	EAD ⁽¹⁾		Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Provision for credit losses	EAD ⁽¹⁾		Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Provision for credit losses	EAD ⁽¹⁾		Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Provision for credit losses
	Financial Markets ⁽⁶⁾	Loans and BAS					Financial Markets ⁽⁶⁾	Loans and BAS					Financial Markets ⁽⁶⁾	Loans and BAS				
Residential mortgages ⁽³⁾	40,388	49,120	60	9	1	39,099	47,961	61	9	1	38,949	47,216	67	9	3			
Qualifying revolving retail ⁽⁴⁾	4,992	3,982	17	10	26	4,610	3,962	17	10	28	4,502	3,922	16	9	25			
Other retail ⁽⁵⁾	9,285	8,999	51	24	12	9,136	8,899	48	24	12	9,092	8,825	47	24	13			
Total retail	54,665	62,101	128	43	39	52,845	60,822	126	43	41	52,543	59,963	130	42	41			
	EAD ⁽¹⁾					EAD ⁽¹⁾					EAD ⁽¹⁾							
	Financial Markets ⁽⁶⁾	Loans and BAS				Financial Markets ⁽⁶⁾	Loans and BAS				Financial Markets ⁽⁶⁾	Loans and BAS						
Agriculture	10	4,039	3,770	19	8	-	3,944	3,681	25	10	-	3,877	3,608	29	12	(1)		
Mining and Oil & Gas	7	5,817	3,360	27	24	(1)	6,160	3,541	23	23	13	6,085	3,612	21	22	1		
Utilities	371	2,678	672	1	-	412	2,543	641	1	1	432	2,440	683	1	1	-		
Construction	15	3,134	1,762	39	12	15	2,863	1,651	41	12	15	2,856	1,540	36	8	3		
Manufacturing	10	5,414	3,350	68	56	(1)	5,049	3,317	89	62	88	5,088	3,225	97	65	3		
Wholesale Trade	-	2,616	1,947	19	11	5	2,609	1,977	12	10	5	2,405	1,745	14	11	-		
Retail Trade	-	4,181	3,280	10	5	3	4,411	3,495	5	3	5	4,521	3,240	6	3	-		
Transportation	91	2,916	1,105	12	5	83	2,770	1,167	12	5	83	2,752	1,135	1	-	-		
Communications	88	2,268	1,354	12	6	95	2,053	1,355	7	5	10	2,207	1,566	7	5	-		
Finance and Insurance	77,909	9,012	1,449	1	1	73,168	8,388	1,466	2	-	77,128	8,303	1,721	1	1	-		
Real Estate ⁽⁷⁾	94	6,774	6,799	5	1	30	6,343	6,449	6	2	41	6,054	6,101	7	2	-		
Professional Services	-	2,800	1,586	19	15	-	2,967	1,841	20	15	-	2,887	1,713	19	16	2		
Education & Health Care	-	3,353	2,741	16	10	-	3,304	2,489	17	8	-	3,314	2,510	17	7	-		
Other Services	55	4,702	3,495	20	14	41	4,267	3,233	17	13	33	4,310	3,285	16	14	1		
Government	3,256	1,611	583	-	-	3,855	1,800	492	-	-	3,249	1,761	620	-	-	-		
Other	38	2,336	4,638	15	15	1,559	2,402	4,530	14	14	1,648	2,485	4,044	15	14	1		
Total – Non-retail ⁽⁸⁾	81,944	63,651	41,891	283	184	79,288	61,873	41,325	291	183	82,750	61,345	40,348	287	181	10		
Total	81,944	118,316	103,992	411	227	79,288	114,718	102,147	417	226	82,750	113,888	100,311	417	223	51		

2013																		
(unaudited) (millions of Canadian dollars)	Q4					Q3					Q2							
	EAD ⁽¹⁾		Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Provision for credit losses	EAD ⁽¹⁾		Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Provision for credit losses	EAD ⁽¹⁾		Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Provision for credit losses
	Financial Markets ⁽⁶⁾	Loans and BAS					Financial Markets ⁽⁶⁾	Loans and BAS					Financial Markets ⁽⁶⁾	Loans and BAS				
Residential mortgages ⁽³⁾	38,414	46,836	53	8	5	37,971	45,758	49	7	4	36,689	44,495	42	7	3			
Qualifying revolving retail ⁽⁴⁾	4,574	3,962	16	9	100	4,531	3,932	15	8	75	4,420	3,909	15	8	51			
Other retail ⁽⁵⁾	9,047	8,801	47	23	44	9,068	9,466	44	22	33	9,089	9,530	42	20	21			
Total retail	52,035	59,599	116	40	149	51,570	59,156	108	37	112	50,198	57,934	99	35	75			
	EAD ⁽¹⁾					EAD ⁽¹⁾					EAD ⁽¹⁾							
	Financial Markets ⁽⁶⁾	Loans and BAS				Financial Markets ⁽⁶⁾	Loans and BAS				Financial Markets ⁽⁶⁾	Loans and BAS						
Agriculture	-	3,821	3,553	29	13	-	3,711	3,407	33	14	3	3,578	3,297	32	12	1		
Mining and Oil & Gas	8	6,355	3,763	21	21	6	7,092	4,365	25	21	26	6,549	3,978	26	18	23		
Utilities	357	2,255	586	1	1	343	2,257	657	1	1	312	2,002	539	1	1	-		
Construction	-	2,973	1,718	30	5	-	2,705	1,696	29	5	3	2,668	1,697	27	6	1		
Manufacturing	89	5,055	3,286	97	66	89	5,001	3,313	101	71	3	4,881	3,324	75	67	(1)		
Wholesale Trade	-	2,407	1,714	13	12	-	2,738	2,005	13	11	-	2,518	1,838	12	10	-		
Retail Trade	-	4,683	2,873	5	3	(1)	4,532	2,988	5	3	1	4,052	2,831	6	3	1		
Transportation	90	2,778	1,202	1	-	93	2,766	1,170	1	-	64	2,674	1,135	1	-	-		
Communications	10	2,138	1,471	6	5	6	2,211	1,504	5	5	21	2,293	1,439	5	5	-		
Finance and Insurance	74,221	6,368	1,693	1	-	70,960	4,781	1,724	1	-	64,399	4,387	1,476	1	1	-		
Real Estate ⁽⁷⁾	49	5,761	5,844	5	2	49	5,245	4,869	9	4	21	5,091	4,770	8	4	-		
Professional Services	-	2,787	1,564	21	13	-	2,739	1,533	7	3	-	2,713	1,521	6	3	-		
Education & Health Care	-	3,325	2,607	20	7	-	3,192	2,567	4	1	-	3,246	2,412	3	1	-		
Other Services	55	4,323	3,354	15	13	(5)	4,285	3,329	15	13	(16)	4,373	3,389	22	16	(16)		
Government	3,854	1,632	401	-	-	4,237	1,633	524	-	-	3,610	1,783	495	-	-	-		
Other	1,168	2,029	2,688	14	11	1,096	1,647	2,721	20	16	1	1,796	2,701	22	18	1		
Total – Non-retail ⁽⁸⁾	79,901	58,690	38,317	279	32	76,928	56,535	38,372	269	168	69,134	54,604	36,842	247	165	10		
Total	79,901	110,725	97,916	395	212	76,928	108,105	97,528	377	205	69,134	104,802	94,776	346	200	85		

(1) EAD amounts are after securitization.
(2) Gross Loans comprise securitized assets. The residential mortgage gross loans become smaller than the EAD amounts when securitization is taken into account.
(3) Includes Retail residential mortgages comprising one to four units (Basel definition) and HELOC.
(4) Includes line of credit and credit card receivables.
(5) Consumer loans and other personal loans but excludes SME retail.
(6) Financial Market excluding Trading Related, Banking Book Equities and Securitization.
(7) Includes non residential mortgage (5 units and more).
(8) This total includes SME retail.



Geographic Distribution of Gross Loans, Acceptances, Impaired Loans and Individual and Collective Allowances ⁽¹⁾

(unaudited) (millions of Canadian dollars)	2014								
	Q3			Q2			Q1		
	Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances
Canada									
Residential mortgages ⁽³⁾	49,018	60	9	47,862	61	9	47,122	67	9
Qualifying revolving retail ⁽⁴⁾	3,982	17	10	3,962	17	10	3,922	16	9
Other retail ⁽⁵⁾	8,995	51	24	8,894	48	24	8,821	47	24
Non Retail ⁽⁶⁾	41,335	278	184	40,906	291	183	39,924	287	181
	103,330	406	227	101,624	417	226	99,789	417	223
United States									
Residential mortgages ⁽³⁾	102	-	-	99	-	-	94	-	-
Qualifying revolving retail ⁽⁴⁾	-	-	-	-	-	-	-	-	-
Other retail ⁽⁵⁾	4	-	-	5	-	-	4	-	-
Non Retail ⁽⁶⁾	431	5	-	364	-	-	375	-	-
	537	5	-	468	-	-	473	-	-
Others									
Residential mortgages ⁽³⁾	-	-	-	-	-	-	-	-	-
Qualifying revolving retail ⁽⁴⁾	-	-	-	-	-	-	-	-	-
Other retail ⁽⁵⁾	-	-	-	-	-	-	-	-	-
Non Retail ⁽⁶⁾	125	-	-	55	-	-	49	-	-
	125	-	-	55	-	-	49	-	-
Total	103,992	411	227	102,147	417	226	100,311	417	223

(unaudited) (millions of Canadian dollars)	2013								
	Q4			Q3			Q2		
	Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances	Gross loans ⁽²⁾	Impaired loans	Individual and collective allowances
Canada									
Residential mortgages ⁽³⁾	46,752	53	8	45,678	49	7	44,424	42	7
Qualifying revolving retail ⁽⁴⁾	3,962	16	9	3,932	15	8	3,909	15	8
Other retail ⁽⁵⁾	8,797	47	23	9,462	44	22	9,526	22	20
Non Retail ⁽⁶⁾	37,977	279	172	38,084	266	167	36,581	244	164
	97,488	395	212	97,156	374	204	94,440	323	199
United States									
Residential mortgages ⁽³⁾	84	-	-	80	-	-	71	-	-
Qualifying revolving retail ⁽⁴⁾	-	-	-	-	-	-	-	-	-
Other retail ⁽⁵⁾	4	-	-	4	-	-	4	-	-
Non Retail ⁽⁶⁾	287	-	-	233	3	1	186	3	1
	375	-	-	317	3	1	261	3	1
Others									
Residential mortgages ⁽³⁾	-	-	-	-	-	-	-	-	-
Qualifying revolving retail ⁽⁴⁾	-	-	-	-	-	-	-	-	-
Other retail ⁽⁵⁾	-	-	-	-	-	-	-	-	-
Non Retail ⁽⁶⁾	53	-	-	55	-	-	75	-	-
	53	-	-	55	-	-	75	-	-
Total	97,916	395	212	97,528	377	205	94,776	326	200

(1) Geographic information based on borrower address (country).

(2) Gross loans comprise securitized assets.

(3) Includes Retail residential mortgages comprising one to four units (Basel definition) and HELOC.

(4) Includes line of credit and credit card receivables.

(5) Includes consumer loans, and other personal loans but excludes SME retail.

(6) Non Retail portfolio includes SME-Retail loans.



Formation of Gross Impaired Loans and Allowance for Credit Losses

(unaudited) (millions of Canadian dollars)

Formation of Gross Impaired Loans ⁽¹⁾ (by sector)	2014			2013			YTD		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2014	2013
Opening balance	417	417	395	377	346	354	387	395	387
Write-offs									
Retail	(18)	(19)	(20)	(16)	(18)	(16)	(16)	(57)	(50)
Commercial	(10)	(10)	(3)	(7)	(8)	(5)	(4)	(23)	(17)
Wealth Management	(1)	(1)	(1)	(1)	(1)	(1)	-	(3)	(2)
Corporate	-	-	-	-	-	-	(14)	-	(14)
Real Estate	-	-	-	-	-	(1)	-	-	(1)
Total write-offs	(29)	(30)	(24)	(24)	(27)	(23)	(34)	(83)	(84)
Formation									
Retail	20	15	36	21	26	20	21	71	67
Commercial	2	15	9	29	30	(13)	35	26	52
Wealth Management	1	-	1	1	2	1	1	2	4
Corporate	-	-	-	(6)	(6)	7	(56)	-	(55)
Real estate	-	-	-	-	3	-	-	-	3
Other	-	-	-	(3)	3	-	-	-	3
Total formation	23	30	46	42	58	15	1	99	74
Closing balance	411	417	417	395	377	346	354	411	377

(1) Credit card receivables are not included

Formation of Gross Impaired Loans (by activities)	2014			YTD	Full Year
	Q3	Q2	Q1		
Opening balance	417	417	395	395	387
Classified as impaired during the year	142	139	127	408	587
Transferred to not impaired during the period	(6)	(7)	(2)	(15)	(16)
Net repayments	(88)	(77)	(57)	(222)	(363)
Write-offs	(48)	(48)	(40)	(136)	(177)
Recoveries of loans previously written off	(4)	(5)	(5)	(14)	(17)
Disposals of loans	(2)	(2)	(1)	(5)	(6)
Exchange and other movements	-	-	-	-	-
Closing balance	411	417	417	411	395

Allowance for Credit Losses	2014			2013			YTD		Full Year	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2014		2013
Allowances at beginning	592	589	578	571	566	556	577	578	577	577
Write-offs	(54)	(54)	(47)	(43)	(47)	(45)	(55)	(155)	(147)	(203)
Recoveries of amounts written off in previous years	4	4	6	2	4	2	2	14	8	17
Charge to income statement (provision for credit losses)	49	51	51	48	48	53	32	151	133	181
Disposal of loans	2	2	1					5		6
Exchange and other movements	-	-	-					-		-
Allowances at end	593	592	589	578	571	566	556	593	571	578



Gross Credit Exposure by Residual Contractual Maturity ⁽¹⁾

2014												
(unaudited) (millions of Canadian dollars)	Q3				Q2				Q1			
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Retail												
Residential mortgages	26,008	13,619	283	39,910	25,022	13,238	356	38,616	24,417	13,654	395	38,466
Qualifying revolving retail	4,992	-	-	4,992	4,610	-	-	4,610	4,502	-	-	4,502
Other retail	5,391	2,632	1,453	9,476	5,410	2,683	1,355	9,448	5,481	2,656	1,328	9,465
	36,391	16,251	1,736	54,378	35,042	15,921	1,711	52,674	34,400	16,310	1,723	52,433
Non-retail												
Corporate	33,322	13,300	1,579	48,201	32,391	12,462	1,341	46,194	29,721	12,878	1,153	43,752
Sovereign	20,535	6,472	4,565	31,572	23,229	6,812	3,959	34,000	21,833	8,708	3,789	34,330
Financial Institutions	46,570	7,785	6	54,361	41,569	8,729	1	50,299	46,417	10,419	29	56,865
	100,427	27,557	6,150	134,134	97,189	28,003	5,301	130,493	97,971	32,005	4,971	134,947
Trading book	1,345	5,945	1,987	9,277	1,735	5,692	1,640	9,067	2,425	4,839	1,583	8,847
Total	138,163	49,753	9,873	197,789	133,966	49,616	8,652	192,234	134,796	53,154	8,277	196,227

2013												
(unaudited) (millions of Canadian dollars)	Q4				Q3				Q2			
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Retail												
Residential mortgages	23,995	13,568	425	37,988	23,740	12,999	333	37,072	23,681	11,820	300	35,801
Qualifying revolving retail	4,574	-	-	4,574	4,531	-	-	4,531	4,421	-	-	4,421
Other retail	5,552	2,687	1,308	9,547	5,663	2,652	1,209	9,524	5,746	2,599	1,165	9,510
	34,121	16,255	1,733	52,109	33,934	15,651	1,542	51,127	33,848	14,419	1,465	49,732
Non-retail												
Corporate	28,940	12,871	1,429	43,240	29,112	10,322	944	40,378	27,546	10,786	805	39,137
Sovereign	25,050	5,312	4,269	34,631	20,187	5,418	4,865	30,470	19,118	5,882	5,121	30,121
Financial Institutions	41,923	9,860	-	51,783	52,310	1,113	-	53,423	43,988	1,050	-	45,038
	95,913	28,043	5,698	129,654	101,609	16,853	5,809	124,271	90,652	17,718	5,926	114,296
Trading book	1,912	4,045	1,311	7,268	1,558	3,987	1,138	6,683	1,482	3,977	1,159	6,618
Total	131,946	48,343	8,742	189,031	137,101	36,491	8,489	182,081	125,982	36,114	8,550	170,646

(1) Gross credit exposure is the expected exposure upon the default of an obligor before any specific allowances or credit risk mitigation.



Credit Risk Mitigation - Guarantees and Credit Derivatives

(unaudited) (millions of Canadian dollars)	2014					
	Q3		Q2		Q1	
	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾
Total exposure covered by:						
Retail						
Residential mortgages	293	6,480	296	5,707	296	5,928
Qualifying revolving retail	-	-	-	-	-	-
Other retail	2,051	303	2,164	304	1,899	313
	2,344	6,783	2,460	6,011	2,195	6,241
Non-retail						
Corporate	444	2,437	652	2,414	520	2,376
Sovereign	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-
	444	2,437	652	2,414	520	2,376
Trading book	-	105	-	86	-	12
Total	2,788	9,325	3,112	8,511	2,715	8,629

(unaudited) (millions of Canadian dollars)	2013					
	Q4		Q3		Q2	
	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾
Total exposure covered by:						
Retail						
Residential mortgages	242	6,147	420	6,079	388	6,126
Qualifying revolving retail	-	-	-	-	-	-
Other retail	1,201	306	1,170	307	1,138	294
	1,443	6,453	1,590	6,386	1,526	6,420
Non-retail						
Corporate	254	2,338	643	1,903	504	2,110
Sovereign	-	-	-	-	-	-
Financial Institutions	-	2	-	870	-	90
	254	2,340	643	2,773	504	2,200
Trading book	-	9	-	13	-	18
Total	1,697	8,802	2,233	9,172	2,030	8,638

(1) No eligible financial collateral.

(2) For exposures under the AIRB approach, eligible financial collateral is taken into account in the Bank's Loss Given Default (LGD) models. Separate disclosure of eligible financial collateral is, therefore, not required.



Banking Book Equity Exposures

(unaudited)
(millions of Canadian dollars)

	2014											
	Q3				Q2				Q1			
	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)
Public	261	-	261	55	379	-	379	55	257	-	257	24
Private	208	35	173	23	202	38	164	18	235	38	197	30
	469	35	434	78	581	38	543	73	492	38	454	54

(unaudited)
(millions of Canadian dollars)

	2013											
	Q4				Q3				Q2			
	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)
Public	226	-	226	34	102	-	102	29	245	-	245	42
Private	211	38	173	21	215	39	176	20	220	40	180	19
	437	38	399	55	317	39	278	49	465	40	425	61



Credit Derivative Positions (notional amounts)

2014												
(unaudited) (millions of Canadian dollars)	Q3				Q2				Q1			
	Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading	
	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold
Credit default swaps												
Indices, singles names and other	55	-	593	253	44	-	469	195	45	-	742	201
Tranches on indices	-	-	-	1	-	-	-	1	-	-	-	1
Total return swaps	-	-	40	7	-	-	10	7	-	-	-	10

2013												
(unaudited) (millions of Canadian dollars)	Q4				Q3				Q2			
	Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading	
	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold
Credit default swaps												
Indices, singles names and other	42	-	1,071	235	20	-	943	219	20	-	823	152
Tranches on indices	-	-	-	1	-	-	-	1	-	-	-	1
Total return swaps	-	-	-	9	459	-	-	8	473	-	-	8

(1) Protection sold solely for the purpose of reducing protection purchased.



Derivatives Financial Instruments According to Basel Definition

	2014			2013
	Q3	Q2	Q1	Q4
(unaudited) (millions of Canadian dollars)				
Under Basel III				
Foreign Exchange Related Contracts				
Swaps	111,293	110,949	96,916	72,836
Options	4,639	4,754	3,550	3,039
- purchased	4,370	5,014	4,073	3,164
- sold	14,181	14,564	14,308	12,310
Exchange traded and OTC futures contracts				
Total notional amount	134,483	135,281	118,847	91,349
Replacement cost	1,519	1,595	2,392	1,034
- gross	956	985	1,367	578
- net ⁽¹⁾	1,792	1,697	1,430	978
Future credit risk	2,748	2,682	2,797	1,556
Credit equivalent ⁽²⁾	967	915	966	604
Risk-weighted equivalent ⁽³⁾				
Interest Rate Related Contracts				
Swaps	411,810	422,061	359,892	294,637
Options	35,751	16,333	8,325	5,144
- purchased	36,847	22,604	8,460	4,030
- sold	21,203	14,544	27,783	24,120
Exchange traded and OTC futures contracts				
Total notional amount	505,611	475,542	404,460	327,931
Replacement cost	3,193	2,974	3,253	2,895
- gross	1,143	1,169	1,158	1,136
- net ⁽¹⁾	2,302	2,269	2,027	1,686
Future credit risk	3,445	3,438	3,185	2,822
Credit equivalent ⁽²⁾	996	920	933	923
Risk-weighted equivalent ⁽³⁾				
Financial Futures				
Total notional amount	61,899	58,387	53,658	33,291
Equity and Commodity Contracts				
Total notional amount	44,559	42,829	40,039	42,489
Replacement cost	1,971	1,965	2,045	1,604
- gross	1,648	1,681	1,794	1,261
- net ⁽¹⁾	4,214	4,017	3,975	2,700
Future credit risk	5,862	5,698	5,770	3,961
Credit equivalent ⁽²⁾	1,602	1,258	1,107	1,013
Risk-weighted equivalent ⁽³⁾				
Credit Derivatives				
Total notional amount (trading only)	894	682	954	1,316
Total Return Swap Notional Amount ⁽⁴⁾	18,545	17,602	16,693	15,430
Replacement cost	97	84	110	92
- gross	18	15	15	17
- net ⁽¹⁾	401	502	477	439
Future credit risk	419	517	492	455
Credit equivalent ⁽²⁾	117	123	122	133
Risk-weighted equivalent ⁽³⁾				
Total Derivatives				
Total notional amount	765,991	730,323	634,651	511,806
Replacement cost	6,780	6,618	7,800	5,625
- gross	3,765	3,850	4,334	2,992
- net ⁽¹⁾	8,709	8,485	7,909	5,803
Future credit risk	12,474	12,335	12,244	8,794
Credit equivalent ⁽²⁾	3,682	3,216	3,128	2,673
Risk-weighted equivalent ⁽³⁾				

(1) Net replacement cost is gross positive replacement cost with consideration of master netting agreements without consideration of collateral

(2) Includes the impact of master netting agreements but excludes collateral

(3) Risk weighted amounts reported are net of impact of collaterals and master netting agreements

(4) Securitised exposure recognized for capital ratio but not for consolidated balance sheet purposes due to IFRS regulation



Aggregate Amount of Securitization Exposures

(unaudited) (millions of Canadian dollars)	2014									2013		
	Q3			Q2			Q1			Q4		
	Banking Book		Trading book									
	On balance sheet	Off balance sheet	On balance sheet	On balance sheet	Off balance sheet	On balance sheet	On balance sheet	Off balance sheet	On balance sheet	On balance sheet	Off balance sheet	On balance sheet
Bank's own assets												
Traditional exposures												
Insured Mortgage loans												
Retained ⁽¹⁾	2,164	-	-	2,236	-	-	1,772	-	-	1,973	-	-
Credit Cards												
Retained ⁽¹⁾												
Seller's interest	203	376	-	190	353	-	165	312	-	188	343	-
Purchased ⁽²⁾	85	-	-	85	-	-	85	-	-	85	-	-
Total - Bank's own assets	2,452	376	-	2,511	353	-	2,022	312	-	2,246	343	-
Third party assets												
Sponsored												
Traditional exposures ⁽³⁾												
Residential Mortgages - Insured	-	1,429	2	-	1,494	16	-	1,621	16	-	1,515	4
Residential Mortgages - conventional	-	177	-	-	46	-	-	18	-	-	15	-
Fleet Lease Receivables	-	100	-	-	99	1	-	96	1	-	84	-
Auto Floorplans	-	-	-	-	-	-	-	-	-	-	-	-
Auto Loans	-	329	1	-	373	4	-	424	4	-	485	2
Purchased												
Traditional exposures												
Insured Mortgage loans - MBS	3,550	-	1,132	3,251	-	1,085	3,074	-	738	2,906	-	772
Credit Cards - ABS	-	-	83	-	-	51	-	-	88	-	-	41
Home Equity - ABS	-	-	2	-	-	2	-	-	2	-	-	2
Commercial mortgage back securities (CMBS)	-	-	4	-	-	16	-	-	13	-	-	13
Collateralized debt obligation (CDO)	-	-	3	-	-	3	-	-	3	-	-	3
Collateralized mortgage obligation (CMO)	-	-	4	-	-	1	-	-	4	-	-	3
Synthetic exposures												
CDX tranches	-	-	1	-	-	-	-	-	-	-	-	-
Resecuritized exposures												
Master Asset Vehicules ⁽⁴⁾	1,125	835	-	1,138	844	-	1,264	873	-	1,215	886	-
Commercial paper not included in the Pan-Canadian restructuring plan	103	-	-	103	-	-	98	-	-	108	-	-
Collateralized mortgage obligation (CMO)	-	-	2	-	-	3	-	-	3	-	-	4
Total - Third party assets	4,778	2,870	1,234	4,492	2,856	1,182	4,436	3,032	872	4,229	2,985	844
Total - Bank	7,230	3,246	1,234	7,003	3,209	1,182	6,458	3,344	872	6,475	3,328	844

(1) The Retained exposures for residential mortgage loans insured and credit cards receivables are treated under the AIRB Framework as if they remained on the Bank's balance sheet.

(2) The credit card receivable purchased held from Bank's own assets securitization represent the Bank's interest in investment grade subordinated notes issued.

(3) Sponsored Traditional exposures comprise Bank's committed amount to the Fusion Trust liquidity facility line and the Bank's purchased note of Fusion Trust.

(4) Resecuritized exposures comprise the carrying value of the restructured notes held by the Bank and the Bank's committed amount to the margin funding facility related to the MAV conduit.

Capital Requirements for Securitization Exposures Under Securitization Framework

2014																		
(unaudited) (millions of Canadian dollars)	Q3						Q2						Q1					
	Banking Book			Trading book			Banking Book			Trading book			Banking Book			Trading book		
	On balance sheet		Off balance sheet		On balance sheet		On balance sheet		Off balance sheet		On balance sheet		On balance sheet		Off balance sheet		On balance sheet	
	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets																
Bank's own assets ⁽¹⁾																		
Credit Cards																		
Seller's interest exposure ⁽²⁾	203	138	376	54	-	-	190	131	353	50	-	-	165	119	312	44	-	-
Total - Bank's own assets	203	138	376	54	-	-	190	131	353	50	-	-	165	119	312	44	-	-
Third party assets																		
Securitized																		
7% - 30%	14	2	2,034	144	85	59	-	-	2,012	145	53	36	-	-	2,160	153	92	74
35% - 100%	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	53	-
150% - 850%	-	-	-	-	1	3	-	-	-	-	1	5	-	-	-	-	3	11
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Equity - ABS	-	-	-	-	2	24	-	-	-	-	2	20	-	-	-	-	-	20
Collateralized mortgage obligation (CMO)	-	-	-	-	4	47	-	-	-	-	4	51	-	-	-	-	-	42
Others	-	-	-	-	4	47	-	-	-	-	10	127	-	-	-	-	-	51
Resecuritized																		
7% - 30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35% - 100%	998	538	835	325	-	-	1,033	564	844	338	-	-	1,146	637	873	349	-	-
150% - 850%	168	477	-	-	-	-	166	495	-	-	-	-	163	490	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Asset Vehicles	57	715	-	-	-	-	42	526	-	-	-	-	53	667	-	-	-	-
Commercial paper not included in the Pan-Canadian restructuring plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	2	26	-	-	-	-	3	39	-	-	-	-	3	42
Total - Third party assets	1,237	1,732	2,869	469	99	206	1,241	1,585	2,856	483	73	278	1,362	1,794	3,033	502	170	367
Total	1,440	1,870	3,245	523	99	206	1,431	1,716	3,209	533	73	278	1,527	1,913	3,345	546	170	367

2013																		
(unaudited) (millions of Canadian dollars)	Q4						Q3						Q2					
	Banking Book			Trading book			Banking Book			Trading book			Banking Book			Trading book		
	On balance sheet		Off balance sheet		On balance sheet		On balance sheet		Off balance sheet		On balance sheet		On balance sheet		Off balance sheet		On balance sheet	
	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets																
Bank's own assets ⁽¹⁾																		
Credit Cards																		
Seller's interest exposure ⁽²⁾	188	132	343	48	-	-	190	129	346	51	-	-	214	122	409	73	-	-
Total - Bank's own assets	188	132	343	48	-	-	190	129	346	51	-	-	214	122	409	73	-	-
Third party assets																		
Securitized																		
7% - 30%	-	-	2,098	148	54	5	-	-	2,040	144	57	5	-	-	2,115	150	7	4
35% - 100%	-	-	-	-	1	1	-	-	-	-	2	1	-	-	-	-	1	-
150% - 850%	-	-	-	-	3	11	-	-	-	-	3	14	-	-	-	-	1	1
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Equity - ABS	-	-	-	-	2	20	-	-	-	-	2	23	-	-	-	-	3	44
Collateralized mortgage obligation (CMO)	-	-	-	-	3	40	-	-	-	-	6	75	-	-	-	-	5	60
Others	-	-	-	-	8	104	-	-	-	-	8	96	-	-	-	-	11	140
Resecuritized																		
7% - 30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35% - 100%	1,101	608	886	355	-	-	1,137	635	888	355	-	-	1,069	554	888	355	-	-
150% - 850%	171	520	-	-	2	20	167	513	-	-	-	-	235	611	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Asset Vehicles	51	638	-	-	-	-	53	664	-	-	-	-	55	682	-	-	-	-
Commercial paper not included in the Pan-Canadian restructuring plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	4	45	-	-	-	-	4	50	-	-	-	-	4	54
Total - Third party assets	1,323	1,766	2,984	503	77	246	1,357	1,812	2,928	499	82	264	1,359	1,847	3,003	505	32	303
Total	1,511	1,898	3,327	551	77	246	1,547	1,941	3,274	550	82	264	1,573	1,969	3,412	578	32	303

(1) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the securitized credit cards portfolio because the excess spread of the underlying portfolio has remained above the threshold for which capital charge would be incurred.

(2) Seller's interest are treated under Internal Rating Based Approaches.



Asset Securitization - Managed Loans

2014															
(unaudited) (millions of Canadian dollars)	Q3					Q2					Q1				
	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized
Banking Book															
Insured mortgage loans	12,628	-	-	1,540	-	12,455	-	-	1,162	-	12,088	-	-	1,035	-
Credit card receivables	1,365	5	12	-	-	1,365	6	15	-	-	1,365	6	13	-	-
Total	13,993	5	12	1,540	-	13,820	6	15	1,162	-	13,453	6	13	1,035	-
Trading Book															
Insured mortgage loans	2,214	-	-	339	202	1,921	-	-	231	200	1,842	-	-	282	195

2013															
(unaudited) (millions of Canadian dollars)	Q4					Q3					Q2				
	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized
Banking Book															
Insured mortgage loans	12,012	-	-	1,106	-	11,880	-	-	1,098	-	12,052	-	-	1,107	-
Credit card receivables	1,365	5	13	-	-	1,365	5	13	-	-	1,365	6	14	-	-
Total	13,377	5	13	1,106	-	13,245	5	13	1,098	-	13,417	6	14	1,107	-
Trading Book															
Insured mortgage loans	1,435	-	-	148	141	1,306	-	-	159	89	1,161	-	-	76	48

(1) Notional amount.

(2) Comprises impaired loans and fully secured loans that are 90 days or more past due and for which, in the opinion of management, there is reasonable assurance that principal and interest will ultimately be collected. Credit card receivables are not classified as impaired loans but, instead, are written off when payments are 180 days in arrears.



GLOSSARY

Advanced Internal Ratings-Based (AIRB) approach	See risk-weighted assets below.
Banking Book Equities	Banking book equities comprise mainly exposures held for strategic and other reasons.
Capital Ratio	The Bank's capital divided by risk-weighted assets. The Bank's capital can be either CET1 Capital, Tier 1 capital or Total capital, producing three different capital ratios.
Common Equity Tier 1 (CET1) capital	This is a primary Basel III capital measure comprised mainly of common equity, retained earnings and accumulated other comprehensive income (AOCI) (excluding AOCI relating to cash flow hedges). Regulatory deductions made to arrive at the CET1 capital include goodwill and intangible assets, unconsolidated investments in banking, financial, and insurance entities, deferred tax assets, defined benefit pension fund assets and shortfalls in allowances.
Corporate	All direct credit risk exposures to corporations, partnerships and proprietorships, exposures guaranteed by those entities.
Credit Risk	Credit risk is the risk of a financial loss if an obligor does not fully honour its contractual commitments to the Bank. Obligors may be borrowers, issuers, counterparties or guarantors. Credit risk is the most significant risk facing the Bank in the normal course of business. The Bank is exposed to credit risk not only through its direct lending activities and transactions but also through commitments to extend credit, letters of guarantee, letters of credit, over-the-counter derivatives trading, available-for-sale debt securities, securities purchased under reverse repurchase agreements, deposits with financial institutions, brokerage activities and transactions carrying a settlement risk for the Bank such as irrevocable fund transfers to third parties via electronic payment systems.
Drawn exposure	The amount of credit risk exposure resulting from loans already advanced to the customer.
Exposure at default (EAD)	An estimate of the amount of exposure to a customer at the event of, and at the time of, default.
Financial institutions	All direct credit risk exposures to deposit-taking institutions and regulated securities firms, and exposures guaranteed by those entities.
Loss given default (LGD)	An estimate of the amount of exposure to a customer that will not be recovered following a default by that customer, expressed as a percentage of the exposure at default.
Market risk	Market risk is the risk of financial loss resulting from adverse movements in underlying market factors. Market risk at the Bank arises from its participation in market-making, trading, investment and asset/liability management activities.
Operational risk	Operational risk is the risk of loss resulting from an inadequacy or a failure ascribable to people, processes, technology or external events. Operational risks are present in every activity of the Bank. Theft, fraud, unauthorized transactions, system errors, human error, amendments to or misinterpretation of acts and regulations, litigation or disputes with clients or property damage are just a few examples of events likely to cause financial loss, harm the Bank's reputation or result in regulatory penalties or sanctions.
Other off-balance sheet	Letters of guarantee, documentary letters of credit and securitized assets that represent the Bank's commitment to make payments in the event that a client cannot meet its financial obligations to third parties.
Other retail	This exposure class includes consumer loans, SME credit card receivables, SME loans (excluding mortgages of five units or more), and other personal loans.
Over-the-counter derivatives (OTC)	The amount of credit risk exposure resulting from derivatives that trade directly between two counterparties, rather than through exchanges.
Probability of default (PD)	An estimate of the likelihood of default for any particular customer which occurs when that customer is not able to repay its obligations as they become contractually due.
Qualifying revolving retail (QRR)	This exposure class includes lines of credit and credit card receivables.
Repo-style transactions	Financial obligations related to securities sold (repos) or repurchased (reverse repos) pursuant to an agreement under which the securities will be repurchased (repos) or resold (reverse repos) on a specified date and at a specified price. Such an agreement is a form of short-term funding (repos) or collateralized lending (reverse repos). Repo-style transactions also include loaned and borrowed securities that are off-balance sheet.
Retail Residential Mortgage	This exposure class includes loans to individuals against residential property (four units or less) and lines of credit secured by equity in residential property (HELOC).
Risk-weighted assets (RWA)	Assets are risk weighted according to the guidelines established by the Office of the Superintendent of Financial Institutions. In the standardized calculation approach, factors are applied to the face value of certain assets in order to reflect comparable risk levels. In the advanced approach, risk-weighted assets are derived from the Bank's internal models which represents the Bank's own assessment of the risks it incurs. Off-balance sheet instruments are converted to balance sheet (or credit) equivalents by adjusting the notional values before applying the appropriate risk-weighting factors.
Scaling Factor	An add-on of 6% is applied as a calibration adjustment to the risk weighted assets amount for credit risk assessed under the AIRB approach.
Sovereign	All direct credit risk exposures to governments, central banks and certain public sector entities, and exposures guaranteed by those entities.
Standardized approach	See risk-weighted assets.
Tier 1 capital	CET1 capital plus the amount related to preferred shares and innovative instruments less specific Tier 1 deductions.
Tier 2 capital	Tier 2 capital is mainly comprised of subordinated debentures and the collective allowance.
Total capital	Total capital is defined as the sum of Tier 1 and Tier 2 capital.
Undrawn commitments	The amount of credit risk exposure resulting from loans that have not been advanced to a customer, but which a customer may be entitled to draw in the future.