



## SUPPLEMENTARY REGULATORY CAPITAL DISCLOSURE

THIRD QUARTER 2016

(unaudited)

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## Notes to users

- 1) This Supplementary Regulatory Capital Disclosure document is unaudited and should be read in conjunction with the 2015 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 2016 and also in the document entitled *Supplementary Financial Information* which is available on the Bank's website at [nbc.ca](http://nbc.ca).



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# Regulatory Capital and Capital Ratios under Basel III<sup>(1)</sup>

		Reference <sup>(2)</sup>	2016			2015			
			Q3	Q2	Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)			All-in basis						
<b>Common Equity Tier 1 capital: instruments and reserves</b>									
1	Directly issued qualifying common share capital plus related contributed surplus <sup>(3)</sup>	a + a'	2 663	2 689	2 691	2 681	2 375	2 382	2 365
2	Retained earnings	b	6 683	6 530	6 593	6 705	6 500	6 231	5 957
3	Accumulated other comprehensive income and other reserves	c	217	145	91	145	234	304	362
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	d	7	-	-	-	-	-	-
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>		<b>9 570</b>	<b>9 364</b>	<b>9 375</b>	<b>9 531</b>	<b>9 109</b>	<b>8 917</b>	<b>8 684</b>
<b>Regulatory adjustments to Common Equity Tier 1 capital</b>									
7	Prudential valuation adjustments		-	-	-	-	-	-	-
8	Goodwill (net of related tax liability)	e	1 661	1 545	1 557	1 536	1 519	1 439	1 495
9	Intangible assets other than mortgage-servicing rights	f - x	977	954	898	908	905	895	891
11	Accumulated other comprehensive income related to cash flow hedges	h	165	160	124	123	94	149	116
12	Shortfall of total provisions to expected losses	i	-	-	12	-	-	3	-
14	Gains (losses) due to changes in own credit risk on fair valued liabilities	j	(2)	(1)	28	5	-	(1)	20
15	Defined benefit pension plan assets (net of related tax liability)	k - y	8	30	13	154	98	78	3
16	Investments in own shares (if not already netted off contributed surplus on reported balance sheet)		3	7	-	4	5	10	-
22	Amount exceeding the 15% threshold		-	-	-	-	-	-	-
23	of which: significant investments in the common stock of financials	n	-	-	-	-	-	-	-
25	of which: deferred tax assets arising from temporary differences	o	-	-	-	-	-	-	-
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI (including regulatory adjustments in respect of own use property)		-	-	-	-	-	-	-
28	<b>Total regulatory adjustments to Common equity Tier 1</b>		<b>2 812</b>	<b>2 695</b>	<b>2 632</b>	<b>2 730</b>	<b>2 621</b>	<b>2 573</b>	<b>2 525</b>
29	<b>Common Equity Tier 1 capital (CET1)</b>		<b>6 758</b>	<b>6 669</b>	<b>6 743</b>	<b>6 801</b>	<b>6 488</b>	<b>6 344</b>	<b>6 159</b>
<b>Additional Tier 1 capital: instruments</b>									
30	Directly issued qualifying Additional Tier 1 instruments plus related contributed surplus <sup>(3)</sup>	v	1 450	1 050	1 050	650	650	650	650
31	of which: classified as equity under applicable accounting standards	v + z	1 450	1 050	1 050	650	650	650	650
32	of which: classified as liabilities under applicable accounting standards	p	-	-	-	-	-	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1 <sup>(3)(4)</sup>	p' + v'	950	1 162	1 161	1 175	1 348	1 348	1 348
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	q	1	-	-	-	-	-	-
36	<b>Additional Tier 1 capital before regulatory adjustments</b>		<b>2 401</b>	<b>2 212</b>	<b>2 211</b>	<b>1 825</b>	<b>1 998</b>	<b>1 998</b>	<b>1 998</b>
<b>Additional Tier 1 capital: regulatory adjustments</b>									
41	Other deductions from Tier 1 capital as determined by OSFI		1	1	-	-	-	3	-
41a	of which: Reverse mortgages		1	1	-	-	-	3	-
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>		<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>
44	<b>Additional Tier 1 capital (AT1)</b>		<b>2 400</b>	<b>2 211</b>	<b>2 211</b>	<b>1 825</b>	<b>1 998</b>	<b>1 995</b>	<b>1 998</b>
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>		<b>9 158</b>	<b>8 880</b>	<b>8 954</b>	<b>8 626</b>	<b>8 486</b>	<b>8 339</b>	<b>8 157</b>
<b>Tier 2 capital: instruments and provisions</b>									
47	Directly issued capital instruments subject to phase out from Tier 2 <sup>(5)(6)</sup>	r'	1 009	1 009	1 010	1 008	1 508	1 508	1 520
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	s	2	-	-	-	-	-	-
50	Collective allowances <sup>(6)</sup>	t	236	275	33	44	33	27	44
51	<b>Tier 2 capital before regulatory adjustments</b>		<b>1 247</b>	<b>1 284</b>	<b>1 043</b>	<b>1 052</b>	<b>1 541</b>	<b>1 535</b>	<b>1 564</b>
<b>Tier 2 capital: regulatory adjustments</b>									
57	<b>Total regulatory adjustments to Tier 2 capital</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
58	<b>Tier 2 capital (T2)</b>		<b>1 247</b>	<b>1 284</b>	<b>1 043</b>	<b>1 052</b>	<b>1 541</b>	<b>1 535</b>	<b>1 564</b>
59	<b>Total capital (TC = T1 + T2)</b>		<b>10 405</b>	<b>10 164</b>	<b>9 997</b>	<b>9 678</b>	<b>10 027</b>	<b>9 874</b>	<b>9 721</b>

(1) As requested by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), all the Domestic Systemically Important Banks (D-SIBs) 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 7.

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

(4) Figures as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.

(5) Figures as at October 31, 2015 include the November 2, 2015 redemption of \$500 million in notes.

(6) During the second quarter of 2016, a \$250 million (\$183 million net of income taxes) sectoral provision for credit losses was recorded for producers and service companies in the oil and gas sector.



# Regulatory Capital and Capital Ratios under Basel III<sup>(1)</sup> (continued)

		2016			2015			
		Q3	Q2	Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)		All-in basis						
60a	Common Equity Tier 1 Capital RWA (CET1)	68 530	68 375	69 741	68 835	68 617	67 071	66 264
60b	Tier 1 Capital RWA	68 765	68 604	70 006	69 094	68 883	67 333	66 534
60c	Total capital RWA	68 966	68 800	70 233	69 316	69 111	67 557	66 766
<b>Capital ratios</b>								
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	9.9%	9.8%	9.7%	9.9%	9.5%	9.5%	9.3%
62	Tier 1 (as a percentage of risk weighted assets) <sup>(2)</sup>	13.3%	12.9%	12.8%	12.5%	12.3%	12.4%	12.3%
63	Total capital (as a percentage of risk weighted assets) <sup>(2)(3)</sup>	15.1%	14.8%	14.2%	14.0%	14.5%	14.6%	14.6%
64	Institution-specific 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)	8.0%	8.0%	8.0%	7.0%	7.0%	7.0%	7.0%
67	of which: G-SIB buffer requirement	na	na	na	na	na	na	na
67a	of which: D-SIBs buffer requirement	1.0%	1.0%	1.0%	na	na	na	na
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	9.9%	9.8%	9.7%	9.9%	9.5%	9.5%	9.3%
<b>OSFI all-in target</b>								
69	Common Equity Tier 1 all-in target ratio	8.0%	8.0%	8.0%	7.0%	7.0%	7.0%	7.0%
70	Tier 1 capital all-in target ratio	9.5%	9.5%	9.5%	8.5%	8.5%	8.5%	8.5%
71	Total capital all-in target ratio	11.5%	11.5%	11.5%	10.5%	10.5%	10.5%	10.5%
<b>Amounts below the thresholds for deduction (before risk weighting)</b>								
72	Non-significant investments in the capital of other financial institutions	234	255	198	148	193	200	245
73	Significant investments in the common stock of financial institutions	229	278	321	412	410	297	345
75	Deferred tax assets arising from temporary differences (net of related tax liabilities)	31	24	467	414	427	428	424
<b>Applicable caps on the inclusion of allowance in Tier 2</b>								
76	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	65	51	33	35	31	27	25
77	Cap on inclusion of allowance in Tier 2 under standardised approach	81	58	66	68	60	53	47
78	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) <sup>(4)</sup>	171	224	–	8	2	–	19
79	Cap on inclusion of allowance in Tier 2 under internal ratings-based approach	304	310	317	310	318	316	313
<b>Capital instruments subject to phase-out arrangements (only applicable between Jan 1, 2018 and Jan 1, 2022)</b>								
82	Current cap on AT1 instruments subject to phase out arrangements	1 162	1 162	1 162	1 356	1 356	1 356	1 356
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–	–	–	–	–	–	–
84	Current cap on T2 instruments subject to phase out arrangements	1 429	1 429	1 429	1 667	1 667	1 667	1 667
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–	–	–	–	–	–	–
<b>Transitional Capital Disclosure Template</b>								
		Transitional basis						
29	Common Equity Tier 1 capital (CET1)	7 819	7 710	7 769	8 384	8 005	7 808	7 609
45	Tier 1 capital (T1 = CET1 + AT1)	9 554	9 296	9 355	9 287	9 091	8 930	8 705
59	Total capital (TC = T1 + T2)	10 801	10 580	10 395	10 339	10 632	10 465	10 274
60	Total risk weighted assets	70 132	69 947	71 468	70 806	70 591	69 008	72 038
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.2%	11.0%	10.9%	11.8%	11.3%	11.3%	10.6%
62	Tier 1 (as a percentage of risk weighted assets) <sup>(2)</sup>	13.6%	13.3%	13.1%	13.1%	12.9%	12.9%	12.1%
63	Total capital (as a percentage of risk weighted assets) <sup>(2)(3)</sup>	15.4%	15.1%	14.6%	14.6%	15.1%	15.2%	14.3%

(1) As requested by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), all the Domestic Systemically Important Banks (D-SIBs) in Canada must fully apply the Basel III deductions and must disclose the all-in-ratios.

(2) Ratios as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.

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(4) During the second quarter of 2016, a \$250 million (\$183 million net of income taxes) sectoral provision for credit losses was recorded for producers and service companies in the oil and gas sector.

## Leverage Ratio under Basel III

(unaudited) (millions of Canadian dollars)

		2016			2015			
		Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Accounting assets vs. leverage ratio exposure – Transitional basis</b>								
1	Total consolidated assets as per published financial statements	229 896	220 734	219 301	216 090	215 560	207 123	214 474
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(76)	(89)	(53)	(59)	(70)	(87)	(77)
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–	–	–	–	–	–	–
4	Adjustment for derivative financial instruments <sup>(1)</sup>	1 348	1 091	567	1 924	3 516	4 178	318
5	Adjustment for securities financing transactions <sup>(1)</sup>	1 220	1 832	1 826	1 972	1 415	(1 966)	(3 381)
6	Adjustment for off balance-sheet items	20 294	19 996	19 599	19 585	18 745	18 472	17 761
7	Other adjustments	(4 010)	(3 767)	(3 968)	(3 915)	(5 160)	(4 003)	(4 030)
8	<b>Leverage Ratio Exposure (transitional basis)</b>	<b>248 672</b>	<b>239 797</b>	<b>237 272</b>	<b>235 597</b>	<b>234 006</b>	<b>223 717</b>	<b>225 065</b>
<b>Leverage ratio common disclosure</b>								
<b>On-balance sheet exposures</b>								
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	202 407	193 238	188 359	185 659	180 550	176 215	176 139
2	(Asset amounts deducted in determining Basel III transitional Tier 1 capital)	(2 421)	(2 301)	(2 238)	(2 086)	(2 015)	(1 986)	(1 969)
3	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)</b>	<b>199 986</b>	<b>190 937</b>	<b>186 121</b>	<b>183 573</b>	<b>178 535</b>	<b>174 229</b>	<b>174 170</b>
<b>Derivative exposures</b>								
4	Replacement cost associated with all derivative transactions (i.e., net of eligible cash variation margin)	4 828	6 337	7 318	5 527	7 370	6 152	7 764
5	Add-on amounts for PFE associated with all derivative transactions	6 417	6 272	6 262	6 881	8 217	8 363	7 274
6	Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	–	–	–	–	–	–	–
7	(Deductions of receivables assets for cash variation margin provided in derivative transactions)	–	–	–	–	–	–	–
8	(Exempted CCP-leg of client cleared trade exposures)	–	–	–	–	–	–	–
9	Adjusted effective notional amount of written credit derivatives	1 046	663	518	357	311	281	180
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–	–	–	–	–	–
11	<b>Total derivative exposures (sum of lines 4 to 10)</b>	<b>12 291</b>	<b>13 272</b>	<b>14 098</b>	<b>12 765</b>	<b>15 898</b>	<b>14 796</b>	<b>15 218</b>
<b>Securities financing transaction exposures</b>								
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	14 880	13 760	15 628	17 702	19 413	23 887	25 597
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(1 270)	(246)	(337)	(199)	(729)	(9 547)	(9 570)
14	Counterparty credit risk (CCR) exposure for SFTs	2 490	2 078	2 163	2 171	2 144	1 880	1 889
15	Agent transaction exposures	–	–	–	–	–	–	–
16	<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>16 100</b>	<b>15 592</b>	<b>17 454</b>	<b>19 674</b>	<b>20 828</b>	<b>16 220</b>	<b>17 916</b>
<b>Other off-balance sheet exposures</b>								
17	Off-balance sheet exposure at gross notional amount	57 378	57 018	55 485	55 438	53 848	52 892	52 948
18	(Adjustments for conversion to credit equivalent amounts)	(37 084)	(37 022)	(35 886)	(35 853)	(35 103)	(34 420)	(35 187)
19	<b>Off-balance sheet items (sum of lines 17 and 18)</b>	<b>20 294</b>	<b>19 996</b>	<b>19 599</b>	<b>19 585</b>	<b>18 745</b>	<b>18 472</b>	<b>17 761</b>
<b>Capital and Total Exposures - Transitional Basis</b>								
20	Tier 1 capital <sup>(2)</sup>	9 554	9 296	9 355	9 287	9 091	8 930	8 705
21	<b>Total Exposures (sum of lines 3, 11, 16 and 19)</b>	<b>248 671</b>	<b>239 797</b>	<b>237 272</b>	<b>235 597</b>	<b>234 006</b>	<b>223 717</b>	<b>225 065</b>
<b>Leverage Ratio – Transitional Basis</b>								
22	<b>Basel III leverage ratio</b>	<b>3.8%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>4.0%</b>	<b>3.9%</b>
<b>All-in basis (Required by OSFI)</b>								
23	Tier 1 capital – All-in basis <sup>(2)</sup>	9 158	8 880	8 954	8 626	8 486	8 339	8 157
24	(Regulatory adjustments)	(2 816)	(2 697)	(2 604)	(2 726)	(2 620)	(2 577)	(2 506)
25	<b>Total Exposures</b>	<b>248 276</b>	<b>239 401</b>	<b>236 906</b>	<b>234 957</b>	<b>233 401</b>	<b>223 126</b>	<b>224 528</b>
26	<b>Leverage ratio – All-in basis</b>	<b>3.7%</b>	<b>3.7%</b>	<b>3.8%</b>	<b>3.7%</b>	<b>3.6%</b>	<b>3.7%</b>	<b>3.6%</b>

(1) Adjustments due to differences between accounting and regulatory netting standards.

(2) Figures as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.

# Reconciliation between Financial Accounting and Regulatory Capital Balance Sheets <sup>(1)</sup>

(unaudited) (millions of Canadian dollars)	Q3 2016				
	Cross - Reference to Definition of Capital <sup>(2)</sup>	As In Report to Shareholders	Deconsolidation of Insurance <sup>(3)</sup> and other entities <sup>(4)</sup>	Under regulatory scope of consolidation	Of which
<b>Assets</b>					
Cash and deposits with financial institutions		8 824	-	8 824	
Securities		62 441	3 749	66 190	
Assets purchased under reverse repurchase agreements and securities borrowed		14 880	-	14 880	
<b>Loans</b>					
Residential mortgage		47 531	(18 897)	28 634	
Personal and credit card		33 429	(1 388)	32 041	
Business and government		37 650	-	37 650	
Customers' liability under acceptances		6 959	-	6 959	
Less: Allowances for credit losses		(780)	-	(780)	
Collective allowances reflected in Tier 2 regulatory capital <sup>(5)</sup>	t				(236)
Shortfall of allowances to expected loss	i				-
Allowances not reflected in regulatory capital					(544)
<b>Other assets</b>					
Derivative financial instruments		10 943	-	10 943	
Other		8 019	(52)	7 967	
Goodwill	e				1 661
Intangibles assets	f				1 142
<b>Deferred tax assets</b>					503
Deferred tax assets excluding those arising from temporary differences	g				-
Deferred tax assets arising from temporary differences exceeding regulatory thresholds	o				-
Deferred tax assets - realize through loss carrybacks					472
Deferred tax assets - other temporary differences					31
Defined-benefit pension fund net assets	k				11
<b>Significant Investments in other financial institutions</b>					229
Significant investments exceeding regulatory thresholds	m + n				-
Significant investments not exceeding regulatory thresholds					229
Other					4 420
<b>Total assets</b>		<b>229 896</b>	<b>(16 588)</b>	<b>213 308</b>	
<b>Liabilities</b>					
Deposits		138 875	-	138 875	
Derivatives financial instruments		7 968	-	7 968	
Other liabilities		70 022	(16 588)	53 434	
Gains and losses due to changes in own credit risk on fair value liabilities	j				(2)
<b>Deferred tax liabilities</b>					164
Related to goodwill	w				-
Related to intangibles	x				165
Related to pensions	y				3
Other deferred tax liabilities					(4)
Other					53 272
Subordinated debt		1 014	-	1 014	
Regulatory capital amortization of maturing debentures					-
Fair value-adjustment and unamortized issuance cost					5
<b>Subordinated debentures used for regulatory capital</b>					1 009
Allowed for inclusion in Tier 2 capital	r				-
Subject to phase out	r'				1 009
Ineligible additional Tier 2 capital					-
Excluded from Tier 2 capital due to cap					-
<b>Total liabilities</b>		<b>217 879</b>	<b>(16 588)</b>	<b>201 291</b>	
<b>Equity Attributable to Shareholders</b>		11 213	-	11 213	
Common shares	a				2 592
Contributed surplus	a'				71
Retained Earnings	b				6 683
<b>Accumulated Other Comprehensive Income (loss)</b>	c				217
Net gains (losses) on instruments designated as cash flow hedges	h				165
Other					52
<b>Preferred shares</b>					1 650
Allowed for inclusion in additional Tier 1 capital	v				1 450
Subject to phase out	v'				200
Ineligible additional Tier 1 capital					-
Excluded from additional Tier 1 capital due to cap					-
Non-controlling interests		804	10	814	
<b>Innovative Instruments</b>					814
Allowed for inclusion in additional Tier 1 capital					-
Subject to phase out	p'				750
Excluded from additional Tier 1 capital due to cap					-
Other					54
Portion allowed for inclusion into CET1	d				7
Portion allowed for inclusion into Tier 1 capital	q				1
Portion allowed for inclusion into Tier 2 capital	s				2
Portion not allowed for regulatory capital					-
<b>Total Equity</b>		<b>12 017</b>	<b>10</b>	<b>12 027</b>	
<b>Total Liabilities and Equity</b>		<b>229 896</b>	<b>(16 578)</b>	<b>213 318</b>	

(1) The basis of consolidation used for financial accounting purposes, described in note 1 to the 2015 Annual Report audited consolidated financial statements, may differ from regulatory purposes.

The regulatory consolidation does not include structured entities, 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 \$163 million and \$11 million respectively.

(4) The amount is mainly due to securitization entities. For more information on structured entities, please see pages 185 to 188 of the 2015 Annual Report.

(5) During the second quarter of 2016, a \$250 million (\$183 million net of income taxes) sectoral provision for credit losses was recorded for producers and service companies in the oil and gas sector.

# Capital Adequacy under Basel III<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)	2016						2015					
	Q3					Capital requirement <sup>(2)</sup>	Q2	Q1	Q4	Q3	Q2	Q1
	Exposure at default	Risk-weighted assets					Risk-weighted assets					
	Standardized	AIRB Approach	Other	Total								
<b>Credit risk</b>												
Retail												
Residential mortgages	47 567	624	4 824	–	5 448	436	5 027	5 265	4 975	4 823	4 920	4 692
Qualifying revolving retail	5 692	–	1 227	–	1 227	98	1 152	1 011	1 036	973	1 017	1 003
Other retail	15 306	1 966	4 908	–	6 874	550	6 705	6 692	6 651	6 507	5 589	5 049
Non-retail												
Corporate	57 548	2 257	23 744	–	26 001	2 080	26 869	27 196	26 662	26 486	25 683	24 155
Sovereign	28 045	193	656	–	849	68	580	658	629	578	633	550
Financial institutions	4 303	360	1 011	–	1 371	109	1 315	1 209	974	835	746	845
Banking book equity <sup>(3)</sup>	624	–	624	–	624	50	595	580	593	578	633	589
Securitization	3 177	–	785	–	785	63	781	795	798	755	1 582	2 291
Other assets	27 291	–	–	3 700	3 700	296	3 495	3 842	4 252	4 213	4 754	5 202
<b>Counterparty credit risk</b>												
Corporate	6 853	58	61	–	119	10	91	94	96	102	69	80
Sovereign	15 257	–	18	–	18	1	17	14	22	16	13	6
Financial institutions	58 759	–	1 683	–	1 683	135	1 204	1 415	1 402	1 756	1 477	1 423
Trading portfolio	9 683	189	2 307	–	2 496	199	2 659	2 897	2 774	3 765	3 572	3 743
Credit valuation adjustment charge <sup>(4)</sup>		2 145	–	–	2 145	172	2 090	2 423	2 367	2 434	2 395	2 475
Regulatory scaling factor		–	2 508	–	2 508	201	2 570	2 593	2 512	2 577	2 511	2 430
<b>Total - Credit risk</b>	<b>280 105</b>	<b>7 792</b>	<b>44 356</b>	<b>3 700</b>	<b>55 848</b>	<b>4 468</b>	<b>55 150</b>	<b>56 684</b>	<b>55 743</b>	<b>56 398</b>	<b>55 594</b>	<b>54 533</b>
<b>Market risk</b>												
VaR	–	–	1 097	–	1 097	88	1 319	1 266	1 262	976	731	693
Stressed VaR	–	–	1 512	–	1 512	121	1 972	1 707	1 875	1 225	953	1 086
Interest-rate specific risk	682	–	–	–	682	54	680	806	828	920	864	1 099
<b>Total - Market risk</b>	<b>682</b>	<b>682</b>	<b>2 609</b>	<b>–</b>	<b>3 291</b>	<b>263</b>	<b>3 971</b>	<b>3 779</b>	<b>3 965</b>	<b>3 121</b>	<b>2 548</b>	<b>2 878</b>
<b>Operational risk</b>		<b>9 391</b>	<b>–</b>	<b>–</b>	<b>9 391</b>	<b>751</b>	<b>9 254</b>	<b>9 278</b>	<b>9 127</b>	<b>9 098</b>	<b>8 929</b>	<b>8 853</b>
<b>Total</b>	<b>280 105</b>	<b>17 865</b>	<b>46 965</b>	<b>3 700</b>	<b>68 530</b>	<b>5 482</b>	<b>68 375</b>	<b>69 741</b>	<b>68 835</b>	<b>68 617</b>	<b>67 071</b>	<b>66 264</b>
<b>Capital ratio under Basel III</b>												
Common Equity Tier 1 (CET1)					9.9%		9.8%	9.7%	9.9%	9.5%	9.5%	9.3%
Tier 1 <sup>(5)</sup>					13.3%		12.9%	12.8%	12.5%	12.3%	12.4%	12.3%
Total <sup>(5)(6)</sup>					15.1%		14.8%	14.2%	14.0%	14.5%	14.6%	14.6%
<b>Leverage ratio under Basel III</b>					3.7%		3.7%	3.8%	3.7%	3.6%	3.7%	3.6%

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

(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.

(5) Ratios as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.

(6) Ratios as at October 31, 2015 include the November 2, 2015 redemption of \$500 million in notes.





## Risk-Weighted Assets Movement by Key Drivers<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)	2016					2015			
	Q3			Q2	Q1	Q4	Q3	Q2	Q1
	Non-counterparty credit risk	Counterparty credit risk <sup>(2)</sup>	Total	Total	Total	Total	Total	Total	Total
<b>Credit risk – Risk-weighted assets at beginning</b>	49 089	6 061	55 150	56 684	55 743	56 398	55 594	54 533	52 782
Book size	(420)	6	(414)	(368)	631	1 038	146	844	757
Book quality	(432)	297	(135)	(41)	(411)	(365)	80	563	500
Model updates	–	–	–	8	–	(1 324)	(168)	–	(229)
Methodology and policy	–	–	–	–	–	–	–	–	–
Acquisitions and disposals	790	–	790	–	–	–	–	–	–
Foreign exchange movements	360	97	457	(1 133)	721	(4)	746	(346)	723
<b>Credit risk – Risk-weighted assets at end</b>	<b>49 387</b>	<b>6 461</b>	<b>55 848</b>	<b>55 150</b>	<b>56 684</b>	<b>55 743</b>	<b>56 398</b>	<b>55 594</b>	<b>54 533</b>
<b>Market risk – Risk-weighted assets at beginning</b>			3 971	3 779	3 965	3 121	2 548	2 878	3 317
Movement in risk levels <sup>(3)</sup>			(680)	192	(186)	217	23	(330)	(439)
Model updates			–	–	–	627	550	–	–
Methodology and policy			–	–	–	–	–	–	–
Acquisitions and disposals			–	–	–	–	–	–	–
<b>Market risk – Risk-weighted assets at end</b>			<b>3 291</b>	<b>3 971</b>	<b>3 779</b>	<b>3 965</b>	<b>3 121</b>	<b>2 548</b>	<b>2 878</b>
<b>Operational risk – Risk-weighted assets at beginning</b>			9 254	9 278	9 127	9 098	8 929	8 853	8 719
Movement in risk levels			137	(24)	151	29	169	76	134
Acquisitions and disposals			–	–	–	–	–	–	–
<b>Operational risk – Risk-weighted assets at end</b>			<b>9 391</b>	<b>9 254</b>	<b>9 278</b>	<b>9 127</b>	<b>9 098</b>	<b>8 929</b>	<b>8 853</b>
<b>Risk-weighted assets at end</b>			<b>68 530</b>	<b>68 375</b>	<b>69 741</b>	<b>68 835</b>	<b>68 617</b>	<b>67 071</b>	<b>66 264</b>

(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.



## Reconciliation of Balance Sheet with Credit Risk Exposures

(unaudited) (millions of Canadian dollars)	Q3 2016							
	Exposures subject to credit risk capital					Other exposures		Balance sheet
	Drawn		Other exposures			Subject to market risk capital	All other <sup>(1)</sup>	
	Non-retail	Retail	Securitization	Repo-style transactions	Derivatives financial instruments			
<b>Assets</b>								
Cash and deposits with financial institutions <sup>(2)</sup>	8 116	-	-	-	-	-	708	8 824
Securities								
At fair value through profit or loss	3 871	-	633	-	-	41 023	-	45 527
Available-for-sale	14 028	-	6	-	-	-	122	14 156
Held-to-maturity	2 758	-	-	-	-	-	-	2 758
	20 657	-	639	-	-	41 023	122	62 441
Securities purchased under reverse repurchase agreements and securities borrowed	-	-	-	14 880	-	-	-	14 880
<b>Loans</b>								
Residential mortgage <sup>(3)</sup>	25 033	22 498	-	-	-	-	-	47 531
Personal and credit card	-	32 041	1 388	-	-	-	-	33 429
Business and government	35 620	2 030	-	-	-	-	-	37 650
	60 653	56 569	1 388	-	-	-	-	118 610
Customers' liability under acceptances	6 959	-	-	-	-	-	-	6 959
Allowance for credit losses <sup>(4)</sup>	(149)	(31)	-	-	-	-	(600)	(780)
	67 463	56 538	1 388	-	-	-	(600)	124 789
<b>Other</b>								
Derivative financial instruments <sup>(2)</sup>	-	-	-	-	10 943	-	-	10 943
Due from clients, dealers and brokers	-	-	-	-	-	-	235	235
Purchase receivables	-	831	-	-	-	-	722	1 553
Investments in associates and joint ventures	-	-	-	-	-	-	638	638
Premises and equipment	-	967	-	-	-	-	478	1 445
Goodwill	-	-	-	-	-	-	1 404	1 404
Intangible assets	-	-	-	-	-	-	1 142	1 142
Other assets	-	-	-	-	-	-	1 602	1 602
	-	1 798	-	-	10 943	-	6 221	18 962
	<b>96 236</b>	<b>58 336</b>	<b>2 027</b>	<b>14 880</b>	<b>10 943</b>	<b>41 023</b>	<b>6 451</b>	<b>229 896</b>

(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.

(4) During the second quarter of 2016, a \$250 million (\$183 million net of income taxes) sectoral provision for credit losses was recorded for producers and service companies in the oil and gas sector.



## Standardized Credit Risk Exposure Under the Basel Asset Categories and by Risk Weight <sup>(1)</sup>

(unaudited) (millions of Canadian dollars)		2016																							
		Q3							Q2							Q1									
		0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total
Risk Weight																									
<b>Retail</b>																									
Residential mortgage	-	-	2 148	14	268	92	-	2 522	-	-	959	14	278	89	-	1 340	-	-	815	15	279	75	-	1 184	
Other retail	-	-	-	-	5 200	-	-	5 200	-	-	-	-	5 061	-	-	5 061	-	-	-	-	5 385	-	-	5 385	
	-	-	<b>2 148</b>	<b>14</b>	<b>5 468</b>	<b>92</b>	-	<b>7 722</b>	-	-	<b>959</b>	<b>14</b>	<b>5 339</b>	<b>89</b>	-	<b>6 401</b>	-	-	<b>815</b>	<b>15</b>	<b>5 664</b>	<b>75</b>	-	<b>6 569</b>	
<b>Non-Retail</b>																									
Corporate	-	-	-	-	-	4 911	-	4 911	-	-	-	-	-	4 557	1	4 558	-	-	-	-	-	4 408	1	4 409	
Sovereign	255	-	-	-	-	193	-	448	358	-	-	-	-	-	-	358	187	-	-	-	-	-	-	187	
Financial Institutions	-	499	-	-	-	215	30	744	-	555	-	-	-	42	-	597	-	608	-	-	-	47	-	655	
	<b>255</b>	<b>499</b>	-	-	-	<b>5 319</b>	<b>30</b>	<b>6 103</b>	<b>358</b>	<b>555</b>	-	-	-	<b>4 599</b>	<b>1</b>	<b>5 513</b>	<b>187</b>	<b>608</b>	-	-	-	<b>4 455</b>	<b>1</b>	<b>5 251</b>	
<b>Trading</b>	<b>9</b>	-	-	-	-	<b>221</b>	-	<b>230</b>	<b>6</b>	-	-	-	-	<b>506</b>	-	<b>512</b>	-	-	-	-	-	<b>579</b>	-	<b>579</b>	
<b>Total</b>	<b>264</b>	<b>499</b>	<b>2 148</b>	<b>14</b>	<b>5 468</b>	<b>5 632</b>	<b>30</b>	<b>14 055</b>	<b>364</b>	<b>555</b>	<b>959</b>	<b>14</b>	<b>5 339</b>	<b>5 194</b>	<b>1</b>	<b>12 426</b>	<b>187</b>	<b>608</b>	<b>815</b>	<b>15</b>	<b>5 664</b>	<b>5 109</b>	<b>1</b>	<b>12 399</b>	

(unaudited) (millions of Canadian dollars)		2015																							
		Q4							Q3							Q2									
		0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total
Risk Weight																									
<b>Retail</b>																									
Residential mortgage	-	-	857	10	235	67	-	1 169	-	-	1 209	10	247	67	-	1 533	-	-	674	17	181	50	-	922	
Other retail	-	-	-	-	5 264	-	-	5 264	-	-	-	-	5 083	-	-	5 083	-	-	-	-	3 489	-	-	3 489	
	-	-	<b>857</b>	<b>10</b>	<b>5 499</b>	<b>67</b>	-	<b>6 433</b>	-	-	<b>1 209</b>	<b>10</b>	<b>5 330</b>	<b>67</b>	-	<b>6 616</b>	-	-	<b>674</b>	<b>17</b>	<b>3 670</b>	<b>50</b>	-	<b>4 411</b>	
<b>Non-Retail</b>																									
Corporate	-	-	-	-	-	3 200	1	3 201	-	-	-	-	-	3 904	2	3 906	-	-	-	-	-	4 446	1	4 447	
Sovereign	248	-	-	-	-	-	-	248	223	-	-	-	-	-	-	223	229	-	-	-	-	-	-	229	
Financial Institutions	-	447	-	-	-	17	-	464	-	553	-	-	-	17	-	570	-	441	-	-	-	16	-	457	
	<b>248</b>	<b>447</b>	-	-	-	<b>3 217</b>	<b>1</b>	<b>3 913</b>	<b>223</b>	<b>553</b>	-	-	-	<b>3 921</b>	<b>2</b>	<b>4 699</b>	<b>229</b>	<b>441</b>	-	-	-	<b>4 462</b>	<b>1</b>	<b>5 133</b>	
<b>Trading</b>	-	-	-	-	-	<b>519</b>	-	<b>519</b>	-	-	-	-	-	<b>621</b>	-	<b>621</b>	-	-	-	-	-	<b>374</b>	-	<b>374</b>	
<b>Total</b>	<b>248</b>	<b>447</b>	<b>857</b>	<b>10</b>	<b>5 499</b>	<b>3 803</b>	<b>1</b>	<b>10 865</b>	<b>223</b>	<b>553</b>	<b>1 209</b>	<b>10</b>	<b>5 330</b>	<b>4 609</b>	<b>2</b>	<b>11 936</b>	<b>229</b>	<b>441</b>	<b>674</b>	<b>17</b>	<b>3 670</b>	<b>4 886</b>	<b>1</b>	<b>9 918</b>	

(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.

## Maximum Credit Risk Exposure Under the Basel Asset Categories<sup>(1)</sup>

	2016																	
	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)																		
<b>Retail</b>																		
Residential mortgage	41 590	5 977	–	–	–	47 567	38 577	5 859	–	–	–	44 436	39 234	5 785	–	–	–	45 019
Qualifying revolving retail	2 763	2 929	–	–	–	5 692	2 688	2 754	–	–	–	5 442	2 660	2 445	–	–	–	5 105
Other retail	14 014	1 279	–	–	13	15 306	13 709	1 253	–	–	13	14 975	13 892	1 304	–	–	13	15 209
	<b>58 367</b>	<b>10 185</b>	<b>–</b>	<b>–</b>	<b>13</b>	<b>68 565</b>	<b>54 974</b>	<b>9 866</b>	<b>–</b>	<b>–</b>	<b>13</b>	<b>64 853</b>	<b>55 786</b>	<b>9 534</b>	<b>–</b>	<b>–</b>	<b>13</b>	<b>65 333</b>
<b>Non-retail</b>																		
Corporate	41 348	13 376	6 842	11	2 824	64 401	40 855	13 360	4 588	7	2 710	61 520	40 053	13 283	5 142	6	2 592	61 076
Sovereign	24 345	3 592	14 956	301	108	43 302	19 032	3 829	12 175	321	107	35 464	21 927	3 923	9 779	306	132	36 067
Financial Institutions	3 398	347	58 296	463	558	63 062	3 793	344	50 981	640	633	56 391	3 468	301	52 256	541	662	57 228
	<b>69 091</b>	<b>17 315</b>	<b>80 094</b>	<b>775</b>	<b>3 490</b>	<b>170 765</b>	<b>63 680</b>	<b>17 533</b>	<b>67 744</b>	<b>968</b>	<b>3 450</b>	<b>153 375</b>	<b>65 448</b>	<b>17 507</b>	<b>67 177</b>	<b>853</b>	<b>3 386</b>	<b>154 371</b>
Trading book	–	–	–	9 683	–	9 683	–	–	–	10 607	–	10 607	–	–	–	–	11 428	–
Securitization	636	–	–	–	2 541	3 177	634	–	–	–	2 444	3 078	647	–	–	–	2 311	2 958
<b>Total - Gross Credit Risk</b>	<b>128 094</b>	<b>27 500</b>	<b>80 094</b>	<b>10 458</b>	<b>6 044</b>	<b>252 190</b>	<b>119 288</b>	<b>27 399</b>	<b>67 744</b>	<b>11 575</b>	<b>5 907</b>	<b>231 913</b>	<b>121 881</b>	<b>27 041</b>	<b>67 177</b>	<b>12 281</b>	<b>5 710</b>	<b>234 090</b>
<b>Standardized Approach</b>	<b>10 851</b>	<b>455</b>	<b>2 058</b>	<b>238</b>	<b>453</b>	<b>14 055</b>	<b>9 295</b>	<b>407</b>	<b>1 796</b>	<b>518</b>	<b>410</b>	<b>12 426</b>	<b>9 588</b>	<b>419</b>	<b>1 406</b>	<b>585</b>	<b>401</b>	<b>12 399</b>
<b>AIRB Approach<sup>(2)</sup></b>	<b>117 243</b>	<b>27 045</b>	<b>78 036</b>	<b>10 220</b>	<b>5 591</b>	<b>238 135</b>	<b>109 993</b>	<b>26 992</b>	<b>65 948</b>	<b>11 057</b>	<b>5 497</b>	<b>219 487</b>	<b>112 293</b>	<b>26 622</b>	<b>65 771</b>	<b>11 696</b>	<b>5 309</b>	<b>221 691</b>
<b>Total - Gross Credit Risk</b>	<b>128 094</b>	<b>27 500</b>	<b>80 094</b>	<b>10 458</b>	<b>6 044</b>	<b>252 190</b>	<b>119 288</b>	<b>27 399</b>	<b>67 744</b>	<b>11 575</b>	<b>5 907</b>	<b>231 913</b>	<b>121 881</b>	<b>27 041</b>	<b>67 177</b>	<b>12 281</b>	<b>5 710</b>	<b>234 090</b>
<b>Adjustment to exposure for collateral</b>																		
Standardized Approach	–	–	(2 000)	(32)	–	(2 032)	–	–	(1 764)	(400)	–	(2 164)	–	–	(1 379)	(369)	–	(1 748)
AIRB Approach <sup>(2)</sup>	–	–	(66 866)	–	–	(66 866)	–	–	(56 595)	–	–	(56 595)	–	–	(55 798)	–	–	(55 798)
<b>Total - Net Credit Risk</b>	<b>128 094</b>	<b>27 500</b>	<b>11 228</b>	<b>10 426</b>	<b>6 044</b>	<b>183 292</b>	<b>119 288</b>	<b>27 399</b>	<b>9 385</b>	<b>11 175</b>	<b>5 907</b>	<b>173 154</b>	<b>121 881</b>	<b>27 041</b>	<b>10 000</b>	<b>11 912</b>	<b>5 710</b>	<b>176 544</b>

  

	2015																	
	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)																		
<b>Retail</b>																		
Residential mortgage	38 784	5 647	–	–	–	44 431	38 682	5 739	–	–	–	44 421	36 865	5 615	–	–	–	42 480
Qualifying revolving retail	2 708	2 490	–	–	–	5 198	2 608	2 408	–	–	–	5 016	2 648	2 442	–	–	–	5 090
Other retail	13 736	1 302	–	–	14	15 052	13 508	1 313	–	–	14	14 835	11 826	1 267	–	–	13	13 106
	<b>55 228</b>	<b>9 439</b>	<b>–</b>	<b>–</b>	<b>14</b>	<b>64 681</b>	<b>54 798</b>	<b>9 460</b>	<b>–</b>	<b>–</b>	<b>14</b>	<b>64 272</b>	<b>51 339</b>	<b>9 324</b>	<b>–</b>	<b>–</b>	<b>13</b>	<b>60 676</b>
<b>Non-retail</b>																		
Corporate	38 859	13 344	3 604	6	2 616	58 429	37 554	13 050	3 552	2	2 659	56 817	36 426	13 179	4 546	4	2 562	56 717
Sovereign	21 026	3 985	9 833	616	124	35 584	19 704	3 438	10 504	304	111	34 061	18 341	3 479	8 464	321	96	30 701
Financial Institutions	2 139	277	59 420	505	692	63 033	1 888	228	61 376	421	645	64 558	1 861	277	61 896	717	657	65 408
	<b>62 024</b>	<b>17 606</b>	<b>72 857</b>	<b>1 127</b>	<b>3 432</b>	<b>157 046</b>	<b>59 146</b>	<b>16 716</b>	<b>75 432</b>	<b>727</b>	<b>3 415</b>	<b>155 436</b>	<b>56 628</b>	<b>16 935</b>	<b>74 906</b>	<b>1 042</b>	<b>3 315</b>	<b>152 826</b>
Trading book	–	–	–	10 318	–	10 318	–	–	–	12 003	–	12 003	–	–	–	–	11 394	–
Securitization	646	–	–	–	2 336	2 982	610	–	–	–	2 235	2 845	1 131	–	–	–	2 956	4 087
<b>Total - Gross Credit Risk</b>	<b>117 898</b>	<b>27 045</b>	<b>72 857</b>	<b>11 445</b>	<b>5 782</b>	<b>235 027</b>	<b>114 554</b>	<b>26 176</b>	<b>75 432</b>	<b>12 730</b>	<b>5 664</b>	<b>234 556</b>	<b>109 098</b>	<b>26 259</b>	<b>74 906</b>	<b>12 436</b>	<b>6 284</b>	<b>228 983</b>
<b>Standardized Approach</b>	<b>9 074</b>	<b>339</b>	<b>496</b>	<b>525</b>	<b>431</b>	<b>10 865</b>	<b>9 249</b>	<b>338</b>	<b>1 291</b>	<b>622</b>	<b>436</b>	<b>11 936</b>	<b>6 839</b>	<b>304</b>	<b>1 890</b>	<b>372</b>	<b>513</b>	<b>9 918</b>
<b>AIRB Approach<sup>(2)</sup></b>	<b>108 824</b>	<b>26 706</b>	<b>72 361</b>	<b>10 920</b>	<b>5 351</b>	<b>224 162</b>	<b>105 305</b>	<b>25 838</b>	<b>74 141</b>	<b>12 108</b>	<b>5 228</b>	<b>222 620</b>	<b>102 259</b>	<b>25 955</b>	<b>73 016</b>	<b>12 064</b>	<b>5 771</b>	<b>219 065</b>
<b>Total - Gross Credit Risk</b>	<b>117 898</b>	<b>27 045</b>	<b>72 857</b>	<b>11 445</b>	<b>5 782</b>	<b>235 027</b>	<b>114 554</b>	<b>26 176</b>	<b>75 432</b>	<b>12 730</b>	<b>5 664</b>	<b>234 556</b>	<b>109 098</b>	<b>26 259</b>	<b>74 906</b>	<b>12 436</b>	<b>6 284</b>	<b>228 983</b>
<b>Adjustment to exposure for collateral</b>																		
Standardized Approach	–	–	(487)	(282)	–	(769)	–	–	(1 240)	(285)	–	(1 525)	–	–	(1 859)	(165)	–	(2 024)
AIRB Approach <sup>(2)</sup>	–	–	(63 535)	–	–	(63 535)	–	–	(64 634)	–	–	(64 634)	–	–	(64 520)	–	–	(64 520)
<b>Total - Net Credit Risk</b>	<b>117 898</b>	<b>27 045</b>	<b>8 835</b>	<b>11 163</b>	<b>5 782</b>	<b>170 723</b>	<b>114 554</b>	<b>26 176</b>	<b>9 558</b>	<b>12 445</b>	<b>5 664</b>	<b>168 397</b>	<b>109 098</b>	<b>26 259</b>	<b>8 527</b>	<b>12 271</b>	<b>6 284</b>	<b>162 439</b>

(1) These amounts do not take into account allowances for credit losses nor amounts pledged as collateral. The tables also exclude equity securities.  
(2) For drawn, undrawn and Other off-balance sheet exposures, eligible financial collateral is taken into account in the Bank's Loss Given Default (LGD) models.



## Credit Quality of AIRB Exposure - Retail Portfolios<sup>(1)</sup>

			2016											
			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 % <sup>(2)</sup>			
<i>(unaudited) (millions of Canadian dollars)</i>														
<b>Canadian residential mortgage and HELOCs</b>	<b>Risk Grade</b>	<b>PD bands</b>												
			<b>Insured Drawn and Undrawn<sup>(3)</sup></b>	Exceptionally low	0.000% - 0.144%	1 774	–	100%	0.08%	17.7%	3.3%	59	0.2	3%
				Very low	0.145% - 0.506%	2 304	–	100%	0.30%	10.2%	5.1%	118	0.7	5%
				Low	0.507% - 1.116%	1 094	–	100%	0.77%	5.5%	5.6%	61	0.4	6%
				Low	1.117% - 2.681%	671	–	100%	1.74%	3.5%	6.2%	42	0.4	7%
				Medium	2.682% - 9.348%	951	–	100%	5.47%	2.7%	9.2%	87	1.4	11%
				High	9.349% - 99.99%	162	–	100%	26.20%	2.6%	14.1%	23	1.1	23%
				Default	100.00%	71	–	100%	100.00%	2.9%	23.3%	16	1.4	46%
						<b>7 027</b>	<b>–</b>	<b>100%</b>	<b>2.75%</b>	<b>9.5%</b>	<b>5.8%</b>	<b>406</b>	<b>5.6</b>	<b>7%</b>
			<b>Uninsured Undrawn<sup>(4)</sup></b>	Exceptionally low	0.000% - 0.144%	4 073	9 447	57%	0.05%	22.5%	3.1%	128	0.5	3%
Very low	0.145% - 0.506%	1 649		3 704	73%	0.26%	23.4%	11.4%	188	1.0	12%			
Low	0.507% - 1.116%	169		199	88%	0.71%	23.8%	23.8%	40	0.3	26%			
Low	1.117% - 2.681%	41		52	84%	1.63%	23.5%	40.4%	16	0.2	45%			
Medium	2.682% - 9.348%	12		15	83%	4.21%	23.7%	70.3%	8	0.1	83%			
High	9.349% - 99.99%	1		1	89%	18.77%	23.3%	121.4%	1	–	169%			
Default	100.00%	2		2	84%	100.00%	22.7%	284.0%	7	–	284%			
				<b>5 947</b>	<b>13 420</b>	<b>62%</b>	<b>0.19%</b>	<b>22.8%</b>	<b>6.5%</b>	<b>388</b>	<b>2.1</b>	<b>7%</b>		
<b>Uninsured Drawn<sup>(5)</sup></b>	Exceptionally low	0.000% - 0.144%	15 592			0.07%	22.8%	4.1%	643	2.6	4%			
	Very low	0.145% - 0.506%	12 066			0.27%	25.3%	12.5%	1 512	8.3	13%			
	Low	0.507% - 1.116%	2 922			0.72%	25.4%	25.4%	742	5.4	28%			
	Low	1.117% - 2.681%	820			1.69%	25.4%	44.2%	363	3.5	50%			
	Medium	2.682% - 9.348%	365			4.58%	24.9%	76.6%	280	4.2	91%			
	High	9.349% - 99.99%	248			26.16%	27.5%	152.7%	378	18.1	245%			
	Default	100.00%	58			100.00%	26.9%	193.6%	112	10.5	420%			
				<b>32 071</b>			<b>0.68%</b>	<b>24.1%</b>	<b>12.6%</b>	<b>4 030</b>	<b>52.6</b>	<b>15%</b>		
<b>Qualifying revolving credit</b>	Exceptionally low	0.000% - 0.144%	2 814	4 907	58%	0.05%	71.3%	2.3%	66	1.0	3%			
	Very low	0.145% - 0.506%	971	677	82%	0.29%	71.5%	10.3%	100	2.0	13%			
	Low	0.507% - 1.116%	623	258	91%	0.78%	72.4%	22.8%	142	3.5	30%			
	Low	1.117% - 2.681%	822	376	99%	1.77%	82.9%	48.6%	398	12.1	67%			
	Medium	2.682% - 9.348%	368	50	101%	4.50%	78.7%	87.3%	322	12.9	131%			
	High	9.349% - 99.99%	73	4	102%	21.06%	74.2%	186.0%	136	12.1	392%			
	Default	100.00%	21	–	105%	100.00%	59.1%	299.5%	63	9.8	885%			
				<b>5 692</b>	<b>6 272</b>	<b>75%</b>	<b>1.34%</b>	<b>73.6%</b>	<b>21.6%</b>	<b>1 227</b>	<b>53.4</b>	<b>33%</b>		
<b>Other retail<sup>(6)</sup></b>	Exceptionally low	0.000% - 0.144%	2 277	1 465	84%	0.07%	40.9%	7.1%	162	0.6	7%			
	Very low	0.145% - 0.506%	2 770	386	97%	0.30%	51.7%	27.1%	751	4.4	29%			
	Low	0.507% - 1.116%	2 327	297	98%	0.78%	60.7%	54.9%	1 279	11.1	61%			
	Low	1.117% - 2.681%	1 644	119	98%	1.73%	64.7%	79.5%	1 305	18.5	94%			
	Medium	2.682% - 9.348%	777	61	98%	4.47%	63.8%	92.7%	721	22.0	128%			
	High	9.349% - 99.99%	200	8	98%	21.31%	62.5%	136.6%	273	28.1	312%			
	Default	100.00%	111	5	98%	100.00%	56.1%	376.4%	417	33.5	757%			
				<b>10 106</b>	<b>2 341</b>	<b>95%</b>	<b>2.42%</b>	<b>54.7%</b>	<b>48.6%</b>	<b>4 908</b>	<b>118.2</b>	<b>63%</b>		
				<b>60 843</b>	<b>22 033</b>	<b>87%</b>	<b>1.22%</b>	<b>32.0%</b>	<b>18.0%</b>	<b>10 959</b>	<b>231.9</b>	<b>23%</b>		

(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<sup>(1)</sup>

			2016									
			Q2									
			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 % <sup>(2)</sup>	
<b>Canadian residential mortgage and HELOCs</b>												
	<b>Risk Grade</b>	<b>PD bands</b>										
<b>Insured Drawn and Undrawn<sup>(3)</sup></b>	Exceptionally low	0.000% - 0.144%	1 690	-	100%	0.07%	17.8%	3.2%	54	0.2	3%	
	Very low	0.145% - 0.506%	1 831	-	100%	0.29%	10.2%	5.0%	91	0.5	5%	
	Low	0.507% - 1.116%	751	-	100%	0.77%	5.0%	5.1%	39	0.3	6%	
	Low	1.117% - 2.681%	443	-	100%	1.72%	3.3%	5.8%	26	0.2	6%	
	Medium	2.682% - 9.348%	564	-	100%	5.28%	2.7%	8.9%	50	0.8	11%	
	High	9.349% - 99.99%	149	-	100%	27.72%	2.6%	13.9%	21	1.1	23%	
	Default	100.00%	77	-	100%	100.00%	2.7%	23.1%	18	1.1	40%	
				<b>5 505</b>	<b>-</b>	<b>100%</b>	<b>3.05%</b>	<b>10.2%</b>	<b>5.4%</b>	<b>299</b>	<b>4.2</b>	<b>6%</b>
<b>Uninsured Undrawn<sup>(4)</sup></b>	Exceptionally low	0.000% - 0.144%	3 961	9 256	56%	0.05%	22.6%	3.1%	124	0.5	3%	
	Very low	0.145% - 0.506%	1 643	3 688	72%	0.26%	23.4%	11.3%	186	1.0	12%	
	Low	0.507% - 1.116%	172	211	87%	0.71%	23.8%	23.7%	41	0.3	26%	
	Low	1.117% - 2.681%	37	50	83%	1.63%	23.6%	40.5%	15	0.1	45%	
	Medium	2.682% - 9.348%	12	15	82%	4.38%	24.3%	73.4%	9	0.1	87%	
	High	9.349% - 99.99%	2	2	82%	16.61%	24.1%	126.1%	2	0.1	178%	
	Default	100.00%	3	2	81%	100.00%	22.9%	286.6%	7	-	287%	
				<b>5 830</b>	<b>13 224</b>	<b>62%</b>	<b>0.20%</b>	<b>22.8%</b>	<b>6.6%</b>	<b>384</b>	<b>2.1</b>	<b>7%</b>
<b>Uninsured Drawn<sup>(5)</sup></b>	Exceptionally low	0.000% - 0.144%	15 211			0.07%	23.0%	4.2%	633	2.5	4%	
	Very low	0.145% - 0.506%	11 786			0.27%	25.3%	12.6%	1 486	8.1	13%	
	Low	0.507% - 1.116%	3 029			0.72%	25.5%	25.4%	769	5.5	28%	
	Low	1.117% - 2.681%	1 055			1.60%	26.1%	44.0%	464	4.4	49%	
	Medium	2.682% - 9.348%	426			4.76%	26.1%	82.2%	350	5.3	98%	
	High	9.349% - 99.99%	190			26.57%	27.8%	148.0%	281	14.4	242%	
	Default	100.00%	64			100.00%	27.5%	227.8%	145	8.9	403%	
				<b>31 761</b>			<b>0.68%</b>	<b>24.3%</b>	<b>13.0%</b>	<b>4 128</b>	<b>49.1</b>	<b>15%</b>
<b>Qualifying revolving credit</b>	Exceptionally low	0.000% - 0.144%	2 732	4 786	58%	0.05%	70.9%	2.3%	63	1.0	3%	
	Very low	0.145% - 0.506%	928	635	82%	0.29%	70.3%	10.1%	94	1.9	13%	
	Low	0.507% - 1.116%	592	232	90%	0.78%	71.5%	22.6%	134	3.3	30%	
	Low	1.117% - 2.681%	735	333	98%	1.77%	81.5%	47.8%	351	10.6	66%	
	Medium	2.682% - 9.348%	362	45	101%	4.51%	77.9%	86.5%	313	12.6	130%	
	High	9.349% - 99.99%	72	4	102%	21.71%	73.9%	186.6%	134	12.3	400%	
	Default	100.00%	21	-	105%	100.00%	59.8%	294.7%	63	10.2	889%	
				<b>5 442</b>	<b>6 035</b>	<b>74%</b>	<b>1.38%</b>	<b>72.7%</b>	<b>21.2%</b>	<b>1 152</b>	<b>51.9</b>	<b>33%</b>
<b>Other retail<sup>(6)</sup></b>	Exceptionally low	0.000% - 0.144%	2 226	1 412	84%	0.07%	39.7%	6.8%	152	0.6	7%	
	Very low	0.145% - 0.506%	2 585	389	97%	0.30%	50.3%	26.3%	680	3.9	28%	
	Low	0.507% - 1.116%	2 131	283	97%	0.78%	59.4%	53.8%	1 147	10.0	60%	
	Low	1.117% - 2.681%	1 552	123	98%	1.72%	64.0%	78.7%	1 222	17.3	93%	
	Medium	2.682% - 9.348%	1 136	61	99%	4.05%	67.4%	96.8%	1 100	30.6	130%	
	High	9.349% - 99.99%	186	7	100%	20.46%	63.1%	135.6%	252	25.1	304%	
	Default	100.00%	98	4	99%	100.00%	60.7%	382.7%	376	34.2	818%	
				<b>9 914</b>	<b>2 279</b>	<b>95%</b>	<b>2.37%</b>	<b>54.3%</b>	<b>49.7%</b>	<b>4 929</b>	<b>121.7</b>	<b>65%</b>
			<b>58 452</b>	<b>21 538</b>	<b>87%</b>	<b>1.21%</b>	<b>32.4%</b>	<b>18.6%</b>	<b>10 892</b>	<b>229.0</b>	<b>24%</b>	

(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.

# AIRB Credit Risk Exposure: Non-retail Portfolios<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)

		Q3 2016										Q2 2016							
		Corporate AIRB exposures by Internal PD grade																	
Internal Ratings grades	PD Range 0.000%	S&P rating equivalent	EAD Amount			Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	EAD Amount			Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)			
			Drawn	Undrawn	Other					Drawn	Undrawn	Other					Drawn	Undrawn	Other
1	0.000 - 0.035	AAA... AA-	46	18	4	68	0.03%	30.1%	3	4%	31	14	-	45	0.03%	27.1%	2	4%	
1.5	0.035 - 0.044	A+	45	15	141	201	0.04%	44.3%	12	6%	42	11	75	128	0.04%	39.7%	7	5%	
2	0.044 - 0.063	A	150	317	443	910	0.05%	53.8%	178	20%	274	350	424	1 048	0.05%	48.1%	188	18%	
2.5	0.063 - 0.103	A-	1 635	999	50	2 684	0.08%	52.4%	594	22%	1 800	1 171	59	3 030	0.08%	47.3%	637	21%	
3	0.103 - 0.170	BBB+	4 288	3 014	261	7 563	0.13%	42.1%	2 223	29%	4 268	2 889	154	7 311	0.13%	41.6%	2 114	29%	
3.5	0.170 - 0.280	BBB	5 679	2 790	775	9 244	0.22%	37.7%	2 871	31%	5 400	2 641	790	8 831	0.22%	38.1%	2 912	33%	
4	0.280 - 0.462	BBB-	7 226	2 120	371	9 717	0.36%	33.3%	3 411	35%	6 633	2 256	386	9 275	0.36%	35.0%	3 618	39%	
4.5	0.462 - 0.762	BB+	5 486	1 241	173	6 900	0.59%	35.9%	3 024	44%	5 727	1 184	190	7 101	0.59%	36.3%	3 279	46%	
5	0.762 - 1.256	BB	6 722	1 299	285	8 306	0.98%	34.3%	4 327	52%	6 695	1 481	306	8 482	0.98%	35.3%	4 930	58%	
5.5	1.256 - 2.070	BB-	3 015	610	67	3 692	1.61%	34.8%	2 375	64%	2 770	507	119	3 396	1.61%	33.2%	2 114	62%	
6	2.070 - 3.412	B+	2 023	316	84	2 423	2.66%	34.0%	1 757	73%	2 086	324	88	2 498	2.66%	33.9%	1 850	74%	
6.5	3.412 - 5.625	B	1 142	235	204	1 581	4.38%	31.2%	1 267	80%	1 029	191	141	1 361	4.38%	33.7%	1 153	85%	
7	5.625 - 9.272	B-	778	78	11	867	7.22%	30.1%	745	86%	896	93	27	1 016	7.22%	35.0%	1 068	105%	
7.5	9.272 - 15.284	CCC+	224	36	14	274	11.90%	26.3%	246	98%	218	26	2	246	11.90%	28.4%	263	107%	
8	15.284 - 25.195	CCC	151	2	-	153	19.62%	15.1%	99	65%	147	1	-	148	19.62%	12.0%	74	50%	
8.5	25.195 - 100	CCC-	63	2	5	70	32.35%	11.7%	37	53%	60	1	5	66	32.35%	11.7%	36	55%	
9	100	CC	292	20	5	317	100.00%	35.9%	613	193%	348	1	1	350	100.00%	40.0%	855	244%	
9.5	100	C	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	100	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>			<b>38 965</b>	<b>13 112</b>	<b>2 893</b>	<b>54 970</b>	<b>1.45%</b>	<b>37.0%</b>	<b>23 805</b>	<b>43%</b>	<b>38 424</b>	<b>13 141</b>	<b>2 767</b>	<b>54 332</b>	<b>1.56%</b>	<b>37.3%</b>	<b>25 100</b>	<b>46%</b>	

		Q3 2016										Q2 2016							
		Sovereign AIRB exposures by Internal PD grade																	
Internal Ratings grades	PD Range 0.000%	S&P rating equivalent	EAD Amount			Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	EAD Amount			Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)			
			Drawn	Undrawn	Other					Drawn	Undrawn	Other					Drawn	Undrawn	Other
1	0.000 - 0.010	AAA... AA-	17 679	78	331	18 088	0.01%	7.7%	212	1%	12 220	80	353	12 653	0.01%	5.0%	123	1%	
1.5	0.010 - 0.019	A+	4 483	2 530	663	7 676	0.01%	12.7%	225	3%	4 733	2 771	528	8 032	0.01%	12.8%	233	3%	
2	0.019 - 0.033	A	1 509	957	503	2 969	0.03%	18.5%	132	4%	1 495	955	507	2 957	0.03%	18.4%	136	5%	
2.5	0.033 - 0.060	A-	9	1	-	10	0.05%	16.3%	-	-	7	1	-	8	0.05%	14.6%	-	-	
3	0.060 - 0.107	BBB+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3.5	0.107 - 0.191	BBB	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	0.191 - 0.342	BBB-	10	-	-	10	0.26%	21.0%	2	20%	19	-	-	19	0.26%	14.5%	2	11%	
4.5	0.342 - 0.612	BB+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	0.612 - 1.095	BB	6	-	-	6	-	-	2	-	-	-	-	-	-	-	-	-	
5.5	1.095 - 1.960	BB-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	1.960 - 3.507	B+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6.5	3.507 - 6.276	B	200	26	12	238	4.69%	14.1%	101	42%	200	22	10	232	4.69%	14.4%	103	44%	
7	6.276 - 11.231	B-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7.5	11.231 - 20.099	CCC+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	20.099 - 35.967	CCC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8.5	35.967 - 100	CCC-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	100	CC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9.5	100	C	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	100	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>			<b>23 896</b>	<b>3 592</b>	<b>1 509</b>	<b>28 997</b>	<b>0.04%</b>	<b>10.2%</b>	<b>674</b>	<b>2%</b>	<b>18 674</b>	<b>3 829</b>	<b>1 398</b>	<b>23 901</b>	<b>0.04%</b>	<b>9.4%</b>	<b>597</b>	<b>2%</b>	

		Q3 2016										Q2 2016							
		Financial Institutions AIRB exposures by Internal PD grade																	
Internal Ratings grades	PD Range 0.000%	S&P rating equivalent	EAD Amount			Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	EAD Amount			Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)			
			Drawn	Undrawn	Other					Drawn	Undrawn	Other					Drawn	Undrawn	Other
1	0.000 - 0.035	AAA... AA-	214	-	185	399	0.03%	22.9%	41	10%	401	-	2 605	3 006	0.03%	60.4%	232	8%	
1.5	0.035 - 0.044	A+	483	-	2 853	3 336	0.04%	48.2%	283	8%	541	-	492	1 033	0.04%	46.2%	180	17%	
2	0.044 - 0.063	A	208	30	3 065	3 303	0.05%	35.7%	221	7%	148	30	2 455	2 633	0.05%	35.6%	176	7%	
2.5	0.063 - 0.103	A-	89	-	2 004	2 093	0.08%	34.5%	226	11%	474	-	1 459	1 933	0.08%	23.0%	189	10%	
3	0.103 - 0.170	BBB+	18	-	210	228	0.13%	43.1%	62	27%	145	-	366	511	0.13%	42.1%	124	24%	
3.5	0.170 - 0.280	BBB	1 367	50	872	2 289	0.22%	31.1%	586	26%	1 335	48	746	2 129	0.22%	29.6%	536	25%	
4	0.280 - 0.462	BBB-	139	100	1 046	1 285	0.36%	42.3%	505	39%	181	100	940	1 221	0.36%	37.3%	443	36%	
4.5	0.462 - 0.762	BB+	289	-	76	365	0.59%	48.0%	236	65%	288	5	91	384	0.59%	50.0%	281	73%	
5	0.762 - 1.256	BB	233	6	242	481	0.98%	51.9%	454	94%	98	2	27	127	0.98%	41.0%	90	71%	
5.5	1.256 - 2.070	BB-	-	-	6	6	1.61%	48.5%	5	83%	-	-	5	5	1.61%	45.1%	5	100%	
6	2.070 - 3.412	B+	-	-	6	6	2.66%	37.8%	5	83%	-	-	4	4	2.66%	36.2%	3	75%	
6.5	3.412 - 5.625	B	31	-	8	39	4.38%	53.2%	70	179%	48	-	48	48	4.38%	58.2%	107	223%	
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>			<b>3 071</b>	<b>186</b>	<b>10 573</b>	<b>13 830</b>	<b>0.23%</b>	<b>39.1%</b>	<b>2 694</b>	<b>19%</b>	<b>3 659</b>	<b>185</b>	<b>9 190</b>	<b>13 034</b>	<b>0.13%</b>	<b>40.3%</b>	<b>2 366</b>	<b>18%</b>	

Credit commitments - AIRB Non-retail portfolios	Q3 2016	
	Notional undrawn commitments	EAD on undrawn commitments <sup>(2)</sup>
Corporate	34 019	13 112
Sovereign	8 792	3 592
Financial Institutions	373	186
<b>Total</b>	<b>43 184</b>	<b>16 890</b>

Credit commitments - AIRB Non-retail portfolios	Q2 2016	
	Notional undrawn commitments	EAD on undrawn commitments <sup>(2)</sup>
Corporate	34 105	13 141
Sovereign	9 393	3 829
Financial Institutions	370	185
<b>Total</b>	<b>43 868</b>	<b>17 155</b>

(1) The data presented above take into account permissible netting and exclude SME-Retail Portfolio, trading related portfolio and Equity.  
(2) 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 Exposure: Non-retail Portfolios<sup>(1)</sup> (continued)

Internal Ratings grades		Q1 2016										Q4 2015										Q3 2015									
		S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)			
		Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other			
1	0.000 - 0.035	AAA- AA-	27	5	32	0.03%	20.5%	1	3%	26	2	28	0.03%	17.6%	1	4%	21	2	23	0.03%	19.0%	1	4%	23	0.03%	19.0%	1	4%			
1.5	0.035 - 0.044	A+	32	7	50	0.04%	40.4%	5	6%	35	5	10	0.04%	26.0%	3	6%	37	4	8	0.04%	19.3%	3	6%	49	0.04%	19.3%	3	6%			
2	0.044 - 0.063	A	361	508	325	1.19%	48.1%	222	19%	307	474	313	1.09%	48.9%	209	19%	183	372	514	1.06%	50.6%	190	18%	1069	0.05%	50.6%	190	18%			
2.5	0.063 - 0.103	A-	1 997	1 175	60	3.32%	46.3%	659	20%	1 874	1 198	61	3.13%	45.3%	621	20%	1 797	1 156	61	3.01%	46.2%	591	20%	3 014	0.08%	46.2%	591	20%			
3	0.103 - 0.170	BBB+	4 399	2 574	152	7.12%	40.4%	2 002	28%	4 418	2 814	151	7.38%	38.8%	1 994	27%	3 886	2 763	124	6.77%	38.4%	1 778	26%	2 763	0.13%	38.4%	1 778	26%			
3.5	0.170 - 0.280	BBB	5 199	2 727	798	8.72%	37.2%	2 821	32%	5 448	2 759	755	8.96%	37.9%	2 955	33%	4 899	2 854	668	8.421	0.22%	36.9%	2 732	32%	7 821	0.22%	36.9%	2 732	32%		
4	0.280 - 0.462	BBB-	5 961	2 031	357	8.34%	37.5%	3 511	42%	5 809	2 344	374	8.52%	37.8%	3 589	42%	5 674	1 859	276	7 809	0.36%	36.8%	3 079	39%	8 421	0.36%	36.8%	3 079	39%		
4.5	0.462 - 0.762	BB+	5 532	1 172	184	6.88%	35.8%	3 182	46%	4 822	909	187	5.91%	34.7%	2 639	45%	4 685	944	236	5 865	0.59%	36.1%	2 809	48%	6 685	0.59%	36.1%	2 809	48%		
5	0.762 - 1.256	BB	6 437	1 491	307	8.23%	35.8%	4 889	59%	6 483	1 284	404	8.17%	35.6%	4 837	59%	7 005	1 578	308	8 891	0.98%	39.0%	5 944	67%	9 891	0.98%	39.0%	5 944	67%		
5.5	1.256 - 2.070	BB-	2 962	650	142	3.75%	35.7%	2 563	68%	2 917	710	158	3.78%	36.2%	2 608	69%	2 772	682	149	3 603	1.61%	36.9%	2 547	71%	4 603	1.61%	36.9%	2 547	71%		
6	2.070 - 3.412	B+	1 892	421	175	2.48%	35.5%	1 926	77%	1 678	383	142	2.20%	36.1%	1 756	80%	1 680	407	156	2 243	2.66%	36.6%	1 837	82%	3 243	2.66%	36.6%	1 837	82%		
6.5	3.412 - 5.625	B	1 108	147	74	1.32%	35.2%	1 153	87%	1 192	163	73	1.42%	35.3%	1 233	86%	1 160	145	97	1 402	4.38%	36.6%	1 235	88%	1 402	4.38%	36.6%	1 235	88%		
7	5.625 - 9.272	B-	894	120	35	1.04%	40.4%	1 287	123%	870	91	31	0.99%	47.2%	1 066	107%	919	80	41	1 040	7.22%	38.4%	1 177	113%	1 040	7.22%	38.4%	1 177	113%		
7.5	9.272 - 15.284	CCC+	209	27	1	2.37	11.90%	43.9%	369	156%	182	26	2	11.90%	39.7%	294	141%	173	22	1	196	11.90%	36.7%	266	136%	196	11.90%	36.7%	266	136%	
8	15.284 - 25.195	CCC	29	2	1	31	19.62%	43.1%	53	171%	21	1	208	19.62%	36.4%	32	145%	14	14	14	19.62%	35.1%	19	136%	14	19.62%	35.1%	19	136%		
8.5	25.195 - 100	CCC-	65	2	1	67	32.35%	59.3%	188	281%	81	1	3	32.35%	64.8%	266	313%	60	1	61	32.35%	58.9%	167	274%	61	32.35%	58.9%	167	274%		
9	100	CC	268	1	1	270	100.00%	39.5%	540	200%	275	3	278	100.00%	40.9%	576	207%	276	6	282	100.00%	41.7%	682	242%	276	100.00%	41.7%	682	242%		
9.5	100	C	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	100	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>			<b>37 372</b>	<b>13 060</b>	<b>2 661</b>	<b>53 093</b>	<b>1.40%</b>	<b>38.0%</b>	<b>25 371</b>	<b>48%</b>	<b>36 438</b>	<b>13 167</b>	<b>2 662</b>	<b>1.43%</b>	<b>37.7%</b>	<b>24 679</b>	<b>47%</b>	<b>35 241</b>	<b>12 875</b>	<b>2 639</b>	<b>50 755</b>	<b>1.46%</b>	<b>38.2%</b>	<b>25 057</b>	<b>49%</b>						

  

Internal Ratings grades		Q1 2016										Q4 2015										Q3 2015									
		S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)			
		Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other			
1	0.000 - 0.010	AAA- AA-	16 301	122	355	16 778	0.01%	10.5%	342	2%	15 823	130	658	16 611	0.01%	10.4%	329	2%	14 464	146	357	14 967	0.01%	10.4%	298	2%					
1.5	0.010 - 0.019	A+	4 088	2 946	1 110	8 144	0.01%	13.3%	209	3%	3 664	3 295	618	7 577	0.01%	13.6%	220	3%	3 795	2 751	676	7 222	0.01%	13.7%	201	3%					
2	0.019 - 0.033	A	1 323	826	112	2 161	0.03%	18.2%	104	5%	1 269	532	11	1 812	0.03%	18.1%	80	4%	1 199	510	10	1 719	0.03%	17.7%	74	4%					
2.5	0.033 - 0.060	A-	7	1	-	8	0.05%	14.6%	1	13%	7	1	-	8	0.05%	14.6%	-	-	8	1	-	9	0.05%	14.7%	1	11%					
3	0.060 - 0.107	BBB+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
3.5	0.107 - 0.191	BBB	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
4	0.191 - 0.342	BBB-	21	-	-	21	0.26%	14.5%	2	10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
4.5	0.342 - 0.612	BB+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
5	0.612 - 1.095	BB	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
5.5	1.095 - 1.960	BB-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
6	1.960 - 3.507	B+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
6.5	3.507 - 6.276	B	-	28	8	36	4.69%	14.1%	14	39%	-	27	8	35	4.69%	14.1%	14	40%	-	30	5	35	4.69%	14.1%	14	40%					
7	6.276 - 11.231	B-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
7.5	11.231 - 20.099	CCC+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
8	20.099 - 35.967	CCC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
8.5	35.967 - 100	CCC-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
9	100	CC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
9.5	100	C	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
10	100	D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
<b>Total</b>			<b>21 740</b>	<b>3 923</b>	<b>1 485</b>	<b>27 148</b>	<b>0.02%</b>	<b>11.9%</b>	<b>672</b>	<b>2%</b>	<b>20 778</b>	<b>3 985</b>	<b>1 295</b>	<b>26 058</b>	<b>0.02%</b>	<b>11.9%</b>	<b>651</b>	<b>2%</b>	<b>19 481</b>	<b>3 438</b>	<b>1 048</b>	<b>23 967</b>	<b>0.02%</b>	<b>12.0%</b>	<b>594</b>	<b>2%</b>					

  

Internal Ratings grades		Q1 2016										Q4 2015										Q3 2015									
		S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)	S&P rating equivalent			EAD Amount		Average PD (%)	Average LGD (%)	RWA	Percentage RWA (%)			
		Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other	Drawn	Undrawn	Other			
1	0.000 - 0.035	AAA- AA-	126	-	2 504	2 630	0.03%	64.0%	214	8%	309	-	2 533	2 842	0.03%	64.1%	381	13%	215	-	2 448	2 663	0.03%	64.4%	349	13%					
1.5	0.035 - 0.044	A+	327	-	416	743	0.04%	50.1%	93	13%	327	-	493	820	0.04%	45.0%	109	13%	355	-	341	696	0.04%	49.1%	115	17%					
2	0.044 - 0.063	A	269	30	2 425	2 724	0.05%	37.1%	179	7%	152	30	1 951	2 133	0.05%	37.5%	178	8%	156	30	1 730	1 916	0.05%	38.0%	166	9%					
2.5	0.063 - 0.103	A-	251	-	1 611	1 862</																									



# AIRB Credit Risk Exposure - Back-Testing<sup>(1)</sup>

	2016											
	Q3						Q2					
	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) <sup>(2)</sup>	Actual (LGD %) <sup>(3)</sup>	Estimated (EAD %) <sup>(4)</sup>	Actual (EAD %) <sup>(4)</sup>	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) <sup>(2)</sup>	Actual (LGD %) <sup>(3)</sup>	Estimated (EAD %) <sup>(4)</sup>	Actual (EAD %) <sup>(4)</sup>
(unaudited) (millions of Canadian dollars)												
<b>Retail portfolio<sup>(5)</sup></b>												
Uninsured residential mortgages incl. Home equity line of credit <sup>(6)</sup>	0.41%	0.18%	27.34%	9.83%	96.97%	80.40%	0.41%	0.17%	28.40%	9.43%	97.09%	76.12%
Insured residential mortgages <sup>(7)</sup>	1.37%	0.89%	2.87%	na	na	na	1.37%	0.90%	2.86%	na	na	na
Qualifying revolving retail	1.30%	1.29%	71.98%	77.59%	99.05%	97.27%	1.37%	1.27%	72.62%	78.60%	99.95%	97.69%
Other retail	1.81%	1.62%	70.54%	61.39%	97.51%	95.51%	1.78%	1.71%	70.63%	60.15%	93.01%	94.07%
<b>Wholesale &amp; Sovereign portfolio<sup>(8)</sup></b>												
Corporate	1.69%	0.47%	42.38%	23.65%	81.86%	77.95%	1.71%	0.55%	42.08%	30.77%	82.90%	75.78%
Sovereign <sup>(9)</sup>	0.04%	0.00%	11.54%	na	81.00%	na	0.04%	0.00%	11.54%	na	81.00%	na
Financial Institutions <sup>(9)</sup>	0.63%	0.00%	39.00%	na	100.00%	na	0.61%	0.00%	39.00%	na	100.00%	na

	2016						2015					
	Q1						Q4					
	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) <sup>(2)</sup>	Actual (LGD %) <sup>(3)</sup>	Estimated (EAD %) <sup>(4)</sup>	Actual (EAD %) <sup>(4)</sup>	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) <sup>(2)</sup>	Actual (LGD %) <sup>(3)</sup>	Estimated (EAD %) <sup>(4)</sup>	Actual (EAD %) <sup>(4)</sup>
(unaudited) (millions of Canadian dollars)												
<b>Retail portfolio<sup>(5)</sup></b>												
Uninsured residential mortgages incl. Home equity line of credit <sup>(6)</sup>	0.43%	0.20%	28.06%	6.92%	96.89%	78.91%	0.43%	0.20%	29.45%	7.05%	97.42%	75.74%
Insured residential mortgages <sup>(7)</sup>	1.39%	0.93%	2.80%	na	na	na	1.36%	0.94%	2.83%	na	na	na
Qualifying revolving retail	1.43%	1.21%	72.43%	78.68%	99.69%	97.48%	1.40%	1.22%	73.94%	78.31%	99.64%	97.45%
Other retail	1.81%	1.77%	70.02%	61.30%	92.86%	93.31%	1.81%	1.90%	68.32%	60.07%	92.46%	92.32%
<b>Wholesale &amp; Sovereign portfolio<sup>(8)</sup></b>												
Corporate	1.69%	0.56%	41.99%	28.98%	82.85%	79.03%	1.67%	0.77%	42.26%	33.16%	83.12%	73.91%
Sovereign <sup>(9)</sup>	0.04%	0.00%	11.54%	na	81.00%	na	0.04%	0.00%	11.54%	na	81.00%	na
Financial Institutions <sup>(9)</sup>	0.62%	0.00%	39.00%	na	100.00%	na	0.62%	0.00%	39.00%	na	100.00%	na

- (1) Actual and estimated parameters are reported on a three-month lag. For example, for Q3 2016, estimated percentages are as of April 30, 2015 and actual percentages reflect experience in the following 12 months.
- (2) Estimated LGD reflects loss estimates under a downturn economic scenario and is based on defaulted accounts.
- (3) Actual LGD includes indirect costs and discount rate and is based on defaulted accounts on which recovery process is completed.
- (4) Estimated and actual EAD are computed for revolving products only and are based on defaulted accounts.
- (5) Retail PD and EAD are based on account weighted average whilst retail LGD is based on exposure weighted average.
- (6) Actual and estimated EAD for residential mortgage is computed only for Home equity lines of credit since the conventional residential mortgages are non-revolving.
- (7) Actual LGD for insured residential mortgages is n/a to reflect the credit risk mitigation from government backed entities.
- (8) Wholesale and Sovereign's PD is based on borrower weighted average whilst the LGD and EAD are based on facility weighted average.
- (9) Actual LGD for the Financial Institutions and Sovereign are na because no defaulted facilities recovery were completed during the period. Actual EAD are na because no default was observed during the period.

## Distribution of Gross Credit Risk Exposure (Non-Retail Portfolio by Industries)

(unaudited)  
(millions of Canadian dollars)

2016																		
Q3							Q2						Q1					
EAD - Gross Exposure <sup>(1)</sup>																		
Non-Retail Portfolio	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total
Agriculture	3 688	227	6	–	–	3 921	3 604	238	6	–	–	3 848	3 586	190	6	–	–	3 782
Oil and Gas	2 559	1 269	58	–	–	3 886	2 911	1 572	64	–	–	4 547	3 204	1 661	62	–	–	4 927
Mining	317	738	34	–	–	1 089	357	493	30	–	–	880	494	397	34	–	–	925
Utilities	2 240	1 660	452	–	–	4 352	2 071	1 901	380	–	–	4 352	1 979	1 944	374	–	–	4 297
Construction <sup>(2)</sup>	2 249	1 122	210	–	–	3 581	2 226	1 186	207	–	–	3 619	2 179	1 191	210	–	–	3 580
Manufacturing	3 765	1 921	258	–	–	5 944	3 615	1 968	250	–	–	5 833	3 641	2 125	266	–	–	6 032
Wholesale Trade	1 832	652	46	–	–	2 530	1 819	628	53	–	–	2 500	1 735	634	55	–	–	2 424
Retail Trade	2 695	1 106	45	–	–	3 846	3 159	785	46	–	–	3 990	3 094	851	51	–	–	3 996
Transportation	2 426	1 631	94	–	–	4 151	1 886	1 596	75	–	–	3 557	2 062	1 573	79	–	–	3 714
Communications	1 467	652	283	–	–	2 402	1 416	631	279	–	–	2 326	1 321	522	288	–	–	2 131
Finance and Insurance	23 136	1 311	751	75 497	775	101 470	18 142	1 328	767	64 283	968	85 488	19 801	1 568	671	66 444	852	89 336
Real Estate <sup>(3)</sup>	7 669	697	27	72	–	8 465	7 595	675	30	70	–	8 370	7 914	587	32	59	–	8 592
Professional Services	1 137	730	330	–	–	2 197	1 069	662	348	–	–	2 079	943	715	352	–	–	2 010
Education & Health Care	2 524	1 224	7	–	–	3 755	2 526	1 506	6	–	–	4 038	2 758	1 073	7	–	–	3 838
Other Services	4 336	1 056	220	–	–	5 612	4 102	1 094	295	1 175	–	6 666	4 049	1 077	286	–	–	5 412
Government	4 657	1 170	17	4 525	–	10 369	4 939	1 153	14	2 216	–	8 322	4 314	1 238	11	674	1	6 238
Other	2 394	149	652	–	–	3 195	2 243	117	600	–	–	2 960	2 374	161	602	–	–	3 137
Total – Non-retail <sup>(4)</sup>	69 091	17 315	3 490	80 094	775	170 765	63 680	17 533	3 450	67 744	968	153 375	65 448	17 507	3 386	67 177	853	154 371

2015																		
Q4							Q3						Q2					
EAD - Gross Exposure <sup>(1)</sup>																		
Non-Retail Portfolio	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total
Agriculture	3 509	190	6	–	–	3 705	3 314	178	6	–	–	3 498	3 124	180	4	–	–	3 308
Oil and Gas	3 175	1 921	66	–	–	5 162	3 244	2 154	57	–	–	5 455	3 652	2 007	40	–	–	5 699
Mining	391	380	124	–	–	895	381	449	110	–	–	940	320	365	104	–	–	789
Utilities	1 758	2 023	367	–	–	4 148	1 646	1 642	240	–	–	3 528	1 544	1 766	230	–	1	3 541
Construction <sup>(2)</sup>	2 185	1 263	207	–	–	3 655	2 273	1 312	215	–	–	3 800	2 036	1 068	193	–	–	3 297
Manufacturing	3 573	1 978	268	–	–	5 819	3 656	1 826	283	–	–	5 765	3 462	1 836	268	–	–	5 566
Wholesale Trade	1 814	533	50	–	–	2 397	1 760	552	66	–	–	2 378	1 762	547	66	–	–	2 375
Retail Trade	2 830	1 002	49	–	–	3 881	2 917	921	58	–	–	3 896	3 198	793	62	–	–	4 053
Transportation	1 932	1 562	80	–	–	3 574	1 840	1 667	77	–	–	3 584	1 679	1 881	66	–	–	3 626
Communications	1 212	545	283	–	–	2 040	1 185	534	279	–	–	1 998	1 166	653	283	–	–	2 102
Finance and Insurance	18 847	1 670	660	72 179	1 127	94 483	16 182	1 379	817	74 218	727	93 323	14 931	1 300	740	73 666	1 041	91 678
Real Estate <sup>(3)</sup>	7 508	554	32	63	–	8 157	7 119	623	46	70	–	7 858	6 847	704	27	78	–	7 656
Professional Services	980	685	348	–	–	2 013	1 051	639	351	–	–	2 041	1 010	712	327	–	–	2 049
Education & Health Care	2 453	1 069	6	–	–	3 528	2 566	738	5	–	–	3 309	2 341	708	5	–	–	3 054
Other Services	3 988	988	250	–	–	5 226	4 521	868	199	112	–	5 700	4 207	1 005	210	1	–	5 423
Government	3 974	1 243	11	615	–	5 843	3 706	1 233	7	1 032	–	5 978	3 689	1 410	7	1 161	–	6 267
Other	1 895	–	625	–	–	2 520	1 785	1	599	–	–	2 385	1 660	–	683	–	–	2 343
Total – Non-retail <sup>(3)</sup>	62 024	17 606	3 432	72 857	1 127	157 046	59 146	16 716	3 415	75 432	727	155 436	56 628	16 935	3 315	74 906	1 042	152 826

(1) EAD amounts are after securitization and exclude trading related portfolio.

(2) Includes some public private partnership and project finance loans.

(3) Includes residential mortgages 5 units and more.

(4) This total excludes SME retail exposure.



## Gross Credit Risk Exposure at Default in Europe <sup>(1)</sup>

(unaudited) (millions of Canadian dollars)	2016																	
	Q3						Q2						Q1					
	Drawn	Undrawn commitments	Repo-style transactions <sup>(2)</sup>	OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Repo-style transactions <sup>(2)</sup>	OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Repo-style transactions <sup>(2)</sup>	OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total
Greece	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Ireland	–	–	1 675	3	–	1 678	–	–	1 503	1	–	1 504	1	–	865	1	–	867
Italy	–	–	–	–	1	1	–	–	–	–	1	1	–	–	–	–	1	1
Portugal	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Spain	20	–	–	–	90	110	25	–	–	–	132	157	25	–	–	–	134	159
<b>Total GIIPS</b>	<b>20</b>	<b>–</b>	<b>1 675</b>	<b>3</b>	<b>91</b>	<b>1 789</b>	<b>25</b>	<b>–</b>	<b>1 503</b>	<b>1</b>	<b>133</b>	<b>1 662</b>	<b>26</b>	<b>–</b>	<b>865</b>	<b>1</b>	<b>135</b>	<b>1 027</b>
France	54	33	1 210	261	292	1 850	21	–	154	91	285	551	98	–	1 254	250	285	1 887
Germany	1	–	–	16	51	68	–	–	–	38	51	89	4	–	–	27	57	88
United Kingdom	70	5	3 915	834	5	4 829	71	5	3 660	744	5	4 485	135	5	4 452	1 058	13	5 663
Other Europe	68	–	1 237	193	19	1 517	139	–	852	253	18	1 262	165	–	1 076	286	21	1 548
<b>Total - Credit Risk</b>	<b>213</b>	<b>38</b>	<b>8 037</b>	<b>1 307</b>	<b>458</b>	<b>10 053</b>	<b>256</b>	<b>5</b>	<b>6 169</b>	<b>1 127</b>	<b>492</b>	<b>8 049</b>	<b>428</b>	<b>5</b>	<b>7 647</b>	<b>1 622</b>	<b>511</b>	<b>10 213</b>

Adjustment to exposure for collateral	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total
<b>Total - Net Credit Risk<sup>(4)</sup></b>	<b>213</b>	<b>38</b>	<b>1 700</b>	<b>458</b>	<b>2 409</b>	<b>256</b>	<b>5</b>	<b>1 538</b>	<b>492</b>	<b>2 291</b>	<b>428</b>	<b>5</b>	<b>1 838</b>	<b>511</b>	<b>2 782</b>

(unaudited) (millions of Canadian dollars)	2015																	
	Q4						Q3						Q2					
	Drawn	Undrawn commitments	Repo-style transactions <sup>(2)</sup>	OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Repo-style transactions <sup>(2)</sup>	OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Repo-style transactions <sup>(2)</sup>	OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total
Greece	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1
Ireland	–	–	784	–	–	784	–	–	–	–	–	–	–	–	–	–	–	–
Italy	–	–	–	–	–	–	–	–	–	–	1	1	–	–	–	–	–	–
Portugal	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Spain	30	–	–	1	102	133	25	–	–	2	133	160	24	–	–	1	134	159
<b>Total GIIPS</b>	<b>30</b>	<b>–</b>	<b>784</b>	<b>1</b>	<b>102</b>	<b>917</b>	<b>25</b>	<b>–</b>	<b>2</b>	<b>134</b>	<b>161</b>	<b>161</b>	<b>24</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>135</b>	<b>160</b>
France	47	4	1 794	502	220	2 567	89	2	2 419	505	286	3 301	63	2	1 468	570	291	2 394
Germany	6	103	–	23	44	176	1	108	254	23	42	428	131	122	239	16	41	549
United Kingdom	269	5	3 831	786	10	4 901	661	2	4 946	876	1	6 486	622	3	4 541	852	1	6 019
Other Europe	195	12	847	308	16	1 378	71	5	951	377	20	1 424	148	7	518	448	20	1 141
<b>Total - Credit Risk</b>	<b>547</b>	<b>124</b>	<b>7 256</b>	<b>1 620</b>	<b>392</b>	<b>9 939</b>	<b>847</b>	<b>117</b>	<b>8 570</b>	<b>1 783</b>	<b>483</b>	<b>11 800</b>	<b>988</b>	<b>134</b>	<b>6 766</b>	<b>1 887</b>	<b>488</b>	<b>10 263</b>

Adjustment to exposure for collateral	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items <sup>(3)</sup>	Total
<b>Total - Net Credit Risk<sup>(4)</sup></b>	<b>547</b>	<b>124</b>	<b>1 969</b>	<b>392</b>	<b>3 032</b>	<b>847</b>	<b>117</b>	<b>1 802</b>	<b>483</b>	<b>3 249</b>	<b>988</b>	<b>134</b>	<b>2 019</b>	<b>488</b>	<b>3 629</b>

(1) Exposure at default is the expected gross exposure upon the default of an obligor. This amount is before any specific allowance or partial write-offs and does not reflect the impact of credit risk mitigation and collateral held. This table excludes Equity exposures.

(2) Represents securities purchased under reverse repurchase agreements and sold under repurchase agreements, and securities borrowed and loaned.

(3) Letters of guarantee and credit that represent the Bank's commitment to make payments in the event that a client cannot meet its financial obligations to third parties.

(4) For drawn, undrawn and Other off-balance sheet exposures, eligible financial collateral is taken into account in the Bank's Loss Given Default (LGD) models.



## Formation of Gross Impaired Loans and Allowance for Credit Losses

(unaudited) (millions of Canadian dollars)	2016			2015				2014				YTD		Full Year	
Formation of Gross Impaired Loans <sup>(1)</sup> (by sector)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015	2015	2014
<b>Opening balance</b>	521	434	457	449	446	389	486	411	417	417	395	457	486	486	395
Write-offs															
Personal and Commercial															
Retail	(18)	(20)	(23)	(23)	(18)	(21)	(21)	(19)	(18)	(19)	(20)	(61)	(60)	(83)	(76)
Commercial	(66)	(5)	(20)	(11)	(16)	(15)	(62)	(14)	(10)	(10)	(3)	(91)	(93)	(104)	(37)
Wealth Management	(2)	(1)	(2)	(1)	(1)	(1)	(1)	(2)	(1)	(1)	(1)	(5)	(3)	(4)	(5)
Financial Markets															
Corporate	–	–	–	–	(6)	–	–	–	–	–	–	–	(6)	(6)	–
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total write-offs</b>	<b>(86)</b>	<b>(26)</b>	<b>(45)</b>	<b>(35)</b>	<b>(41)</b>	<b>(37)</b>	<b>(84)</b>	<b>(35)</b>	<b>(29)</b>	<b>(30)</b>	<b>(24)</b>	<b>(157)</b>	<b>(162)</b>	<b>(197)</b>	<b>(118)</b>
Formation															
Personal and Commercial															
Retail	11	21	23	23	16	28	22	29	20	15	36	55	66	89	100
Commercial	6	89	(5)	19	24	65	(37)	79	2	15	9	90	52	71	105
Wealth Management	(1)	3	4	1	4	1	2	2	1	–	1	6	7	8	4
Financial Markets															
Corporate	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	1	–	–	–	–	–	–	–	–	–	–	1	–	–	–
<b>Total formation</b>	<b>17</b>	<b>113</b>	<b>22</b>	<b>43</b>	<b>44</b>	<b>94</b>	<b>(13)</b>	<b>110</b>	<b>23</b>	<b>30</b>	<b>46</b>	<b>152</b>	<b>125</b>	<b>168</b>	<b>209</b>
<b>Closing balance</b>	<b>452</b>	<b>521</b>	<b>434</b>	<b>457</b>	<b>449</b>	<b>446</b>	<b>389</b>	<b>486</b>	<b>411</b>	<b>417</b>	<b>417</b>	<b>452</b>	<b>449</b>	<b>457</b>	<b>486</b>

Formation of Gross Impaired Loans (by activity)	2016			2015				2014				YTD		Full Year	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015	2015	2014
<b>Opening balance</b>	521	434	457	449	446	389	486	411	417	417	395	457	486	486	395
Classified as impaired during the period	204	211	145	135	149	187	107	196	142	139	127	560	443	578	604
Transferred to not impaired during the period	(6)	(6)	(3)	(5)	(7)	(8)	(3)	(4)	(6)	(7)	(2)	(15)	(18)	(23)	(19)
Net repayments	(158)	(66)	(91)	(64)	(78)	(62)	(100)	(63)	(88)	(77)	(57)	(315)	(240)	(304)	(285)
Write-offs	(104)	(45)	(64)	(53)	(60)	(54)	(97)	(50)	(48)	(48)	(40)	(213)	(211)	(264)	(186)
Recoveries of loans previously written off	(6)	(5)	(4)	(5)	(5)	(7)	(5)	(3)	(4)	(5)	(5)	(15)	(17)	(22)	(17)
Disposals of loans	–	–	–	–	–	–	(1)	(1)	(2)	(2)	(1)	–	(1)	(1)	(6)
Exchange and other movements	1	(2)	(6)	–	4	1	2	–	–	–	–	(7)	7	7	–
<b>Closing balance</b>	<b>452</b>	<b>521</b>	<b>434</b>	<b>457</b>	<b>449</b>	<b>446</b>	<b>389</b>	<b>486</b>	<b>411</b>	<b>417</b>	<b>417</b>	<b>452</b>	<b>449</b>	<b>457</b>	<b>486</b>

Allowance for Credit Losses	2016			2015				2014				YTD		Full Year	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015	2015	2014
<b>Allowances at beginning</b>	837	566	569	561	563	561	604	593	592	589	578	569	604	604	578
Write-offs	(110)	(50)	(68)	(58)	(65)	(61)	(103)	(54)	(54)	(54)	(47)	(228)	(229)	(287)	(209)
Recoveries of amounts written off in previous years	8	5	5	5	6	5	5	7	4	4	6	18	16	21	21
Charge to income statement (provision for credit losses) <sup>(2)</sup>	45	317	63	61	56	57	54	57	49	51	51	425	167	228	208
Disposal of loans	–	–	–	–	–	–	1	1	2	2	1	–	1	1	6
Exchange and other movements	–	(1)	(3)	–	1	1	–	–	–	–	–	(4)	2	2	–
<b>Allowances at end</b>	<b>780</b>	<b>837</b>	<b>566</b>	<b>569</b>	<b>561</b>	<b>563</b>	<b>561</b>	<b>604</b>	<b>593</b>	<b>592</b>	<b>589</b>	<b>780</b>	<b>561</b>	<b>569</b>	<b>604</b>

(1) Credit card receivables are not included.

(2) During the second quarter of 2016, a \$250 million sectoral provision for credit losses was recorded for producers and service companies in the oil and gas sector.



## Gross Credit Exposure by Residual Contractual Maturity<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)	2016											
	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
<b>Retail</b>												
Residential mortgages	27 940	16 793	312	45 045	27 803	15 024	269	43 096	28 416	15 175	244	43 835
Qualifying revolving retail	5 692	-	-	5 692	5 442	-	-	5 442	5 105	-	-	5 105
Other retail	5 197	2 832	2 077	10 106	5 165	2 841	1 908	9 914	5 193	2 768	1 863	9 824
	<b>38 829</b>	<b>19 625</b>	<b>2 389</b>	<b>60 843</b>	<b>38 410</b>	<b>17 865</b>	<b>2 177</b>	<b>58 452</b>	<b>38 714</b>	<b>17 943</b>	<b>2 107</b>	<b>58 764</b>
<b>Non-retail</b>												
Corporate	40 456	17 015	2 019	59 490	37 654	16 231	3 077	56 962	34 930	18 286	3 451	56 667
Sovereign	26 525	10 899	5 430	42 854	18 659	10 441	6 006	35 106	19 110	10 778	5 992	35 880
Financial Institutions	60 350	1 925	43	62 318	53 799	1 979	16	55 794	54 571	1 984	18	56 573
	<b>127 331</b>	<b>29 839</b>	<b>7 492</b>	<b>164 662</b>	<b>110 112</b>	<b>28 651</b>	<b>9 099</b>	<b>147 862</b>	<b>108 611</b>	<b>31 048</b>	<b>9 461</b>	<b>149 120</b>
<b>Trading book</b>	<b>1 069</b>	<b>4 958</b>	<b>3 426</b>	<b>9 453</b>	<b>2 201</b>	<b>5 344</b>	<b>2 550</b>	<b>10 095</b>	<b>1 973</b>	<b>5 376</b>	<b>3 500</b>	<b>10 849</b>
<b>Total</b>	<b>167 229</b>	<b>54 422</b>	<b>13 307</b>	<b>234 958</b>	<b>150 723</b>	<b>51 860</b>	<b>13 826</b>	<b>216 409</b>	<b>149 298</b>	<b>54 367</b>	<b>15 068</b>	<b>218 733</b>

(unaudited) (millions of Canadian dollars)	2015											
	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
<b>Retail</b>												
Residential mortgages	28 320	14 630	313	43 263	28 107	14 392	390	42 889	27 971	13 292	295	41 558
Qualifying revolving retail	5 198	-	-	5 198	5 016	-	-	5 016	5 089	1	-	5 090
Other retail	5 265	2 736	1 786	9 787	5 278	2 741	1 732	9 751	5 223	2 790	1 604	9 617
	<b>38 783</b>	<b>17 366</b>	<b>2 099</b>	<b>58 248</b>	<b>38 401</b>	<b>17 133</b>	<b>2 122</b>	<b>57 656</b>	<b>38 283</b>	<b>16 083</b>	<b>1 899</b>	<b>56 265</b>
<b>Non-retail</b>												
Corporate	33 479	18 609	3 140	55 228	30 851	19 572	2 488	52 911	31 884	17 981	2 405	52 270
Sovereign	19 200	10 345	5 791	35 336	19 632	8 397	5 809	33 838	17 871	6 767	5 834	30 472
Financial Institutions	57 338	2 749	2 482	62 569	57 807	3 836	2 345	63 988	55 630	6 903	2 418	64 951
	<b>110 017</b>	<b>31 703</b>	<b>11 413</b>	<b>153 133</b>	<b>108 290</b>	<b>31 805</b>	<b>10 642</b>	<b>150 737</b>	<b>105 385</b>	<b>31 651</b>	<b>10 657</b>	<b>147 693</b>
<b>Trading book</b>	<b>1 050</b>	<b>5 714</b>	<b>3 035</b>	<b>9 799</b>	<b>2 139</b>	<b>6 177</b>	<b>3 066</b>	<b>11 382</b>	<b>1 538</b>	<b>6 713</b>	<b>2 769</b>	<b>11 020</b>
<b>Total</b>	<b>149 850</b>	<b>54 783</b>	<b>16 547</b>	<b>221 180</b>	<b>148 830</b>	<b>55 115</b>	<b>15 830</b>	<b>219 775</b>	<b>145 206</b>	<b>54 447</b>	<b>15 325</b>	<b>214 978</b>

(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)	2016					
	Q3		Q2		Q1	
<b>Total exposure covered by:</b>	Standardized <sup>(1)</sup>	AIRB <sup>(2)</sup>	Standardized <sup>(1)</sup>	AIRB <sup>(2)</sup>	Standardized <sup>(1)</sup>	AIRB <sup>(2)</sup>
<b>Retail</b>						
Residential mortgage	1 146	6 259	963	4 737	541	5 534
Qualifying revolving retail	-	-	-	-	-	-
Other retail	2 578	195	2 694	203	2 809	299
	<b>3 724</b>	<b>6 454</b>	<b>3 657</b>	<b>4 940</b>	<b>3 350</b>	<b>5 833</b>
<b>Non-retail</b>						
Corporate	712	2 099	1 016	2 178	1 107	2 489
Sovereign	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-
	<b>712</b>	<b>2 099</b>	<b>1 016</b>	<b>2 178</b>	<b>1 107</b>	<b>2 489</b>
<b>Trading book</b>	-	<b>16</b>	-	<b>17</b>	-	<b>34</b>
<b>Total</b>	<b>4 436</b>	<b>8 569</b>	<b>4 673</b>	<b>7 135</b>	<b>4 457</b>	<b>8 356</b>

(unaudited) (millions of Canadian dollars)	2015					
	Q4		Q3		Q2	
<b>Total exposure covered by:</b>	Standardized <sup>(1)</sup>	AIRB <sup>(2)</sup>	Standardized <sup>(1)</sup>	AIRB <sup>(2)</sup>	Standardized <sup>(1)</sup>	AIRB <sup>(2)</sup>
<b>Retail</b>						
Residential mortgage	593	5 615	948	6 106	403	5 822
Qualifying revolving retail	-	-	-	-	-	-
Other retail	2 646	299	2 622	301	2 177	303
	<b>3 239</b>	<b>5 914</b>	<b>3 570</b>	<b>6 407</b>	<b>2 580</b>	<b>6 125</b>
<b>Non-retail</b>						
Corporate	636	2 529	1 135	2 448	546	2 284
Sovereign	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-
	<b>636</b>	<b>2 529</b>	<b>1 135</b>	<b>2 448</b>	<b>546</b>	<b>2 284</b>
<b>Trading book</b>	-	<b>19</b>	-	<b>9</b>	-	<b>3</b>
<b>Total</b>	<b>3 875</b>	<b>8 462</b>	<b>4 705</b>	<b>8 864</b>	<b>3 126</b>	<b>8 412</b>

(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

(unaudited)  
(millions of Canadian dollars)

	2016											
	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	283	–	283	(25)	288	–	288	(24)	282	–	282	(56)
Private	341	40	301	62	307	35	272	66	298	35	263	56
	<b>624</b>	<b>40</b>	<b>584</b>	<b>37</b>	<b>595</b>	<b>35</b>	<b>560</b>	<b>42</b>	<b>580</b>	<b>35</b>	<b>545</b>	<b>–</b>

(unaudited)  
(millions of Canadian dollars)

	2015											
	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	312	–	312	(20)	309	–	309	(10)	359	–	359	45
Private	281	35	246	51	269	34	235	39	274	30	244	21
	<b>593</b>	<b>35</b>	<b>558</b>	<b>31</b>	<b>578</b>	<b>34</b>	<b>544</b>	<b>29</b>	<b>633</b>	<b>30</b>	<b>603</b>	<b>66</b>



## Credit Derivative Positions (notional amounts)

	2016											
	Q3				Q2				Q1			
	Credit portfolio <sup>(1)</sup>		Trading		Credit portfolio <sup>(1)</sup>		Trading		Credit portfolio <sup>(1)</sup>		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
(unaudited) (millions of Canadian dollars)												
Credit default swaps												
Indices, singles names and other	59	20	1 728	1 059	88	19	1 411	677	63	21	1 319	533
Tranches on indices	-	-	-	-	-	-	-	-	-	-	-	-
Total return swaps	-	-	239	-	-	-	177	-	-	-	186	-
Credit options	-	-	41	15	-	-	38	38	-	-	63	63

	2015											
	Q4				Q3				Q2			
	Credit portfolio <sup>(1)</sup>		Trading		Credit portfolio <sup>(1)</sup>		Trading		Credit portfolio <sup>(1)</sup>		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
(unaudited) (millions of Canadian dollars)												
Credit default swaps												
Indices, singles names and other	59	20	991	364	39	-	901	348	36	-	809	316
Tranches on indices	-	-	-	21	-	-	-	-	-	-	-	-
Total return swaps	-	-	157	-	-	-	183	-	-	-	72	-
Credit options	-	-	26	26	-	-	13	-	-	-	12	12

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





## Derivatives Financial Instruments According to Basel Definition

	2016			2015			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)							
<b>Under Basel III</b>							
<b>Foreign Exchange Related Contracts</b>							
Swaps	185 738	205 355	205 049	187 833	162 669	157 410	150 030
Options	8 387	9 565	10 381	9 943	7 946	6 932	5 780
- purchased	7 861	9 439	11 660	10 507	8 441	7 299	6 663
- sold	62 710	28 677	30 470	24 491	25 699	21 758	22 398
Exchange traded and OTC futures contracts	264 696	253 036	257 560	232 774	204 755	193 399	184 871
Total notional amount	3 752	6 054	6 551	4 246	5 553	4 283	7 195
Replacement cost	2 366	3 154	3 962	2 715	3 045	2 145	3 037
- gross	2 033	2 086	2 035	1 869	1 653	1 927	1 455
- net <sup>(1)</sup>	4 399	5 240	5 997	4 584	4 697	4 072	4 492
Future credit risk	1 291	1 375	1 810	1 337	1 390	1 174	1 407
Credit equivalent <sup>(2)</sup>							
Risk-weighted equivalent <sup>(3)</sup>							
<b>Interest Rate Related Contracts</b>							
Swaps	377 655	378 617	437 908	418 765	444 988	440 470	429 950
Options	9 604	13 150	19 424	8 019	42 558	61 582	54 989
- purchased	5 765	7 831	12 293	5 101	39 293	37 712	61 376
- sold	7 840	6 480	7 506	12 142	12 315	4 819	7 093
Exchange traded and OTC futures contracts	400 864	406 078	477 131	444 027	539 154	544 583	553 408
Total notional amount	7 629	5 966	7 190	5 746	6 073	5 538	7 261
Replacement cost	1 609	1 663	1 648	1 509	1 491	1 837	1 795
- gross	1 513	1 548	1 606	1 581	1 753	1 804	1 683
- net <sup>(1)</sup>	3 122	3 211	3 254	3 090	3 244	3 641	3 478
Future credit risk	927	911	875	955	981	948	1 052
Credit equivalent <sup>(2)</sup>							
Risk-weighted equivalent <sup>(3)</sup>							
<b>Financial Futures</b>							
Total notional amount	121 080	101 956	108 307	78 345	152 997	131 541	117 475
<b>Equity and Commodity Contracts</b>							
Total notional amount	46 099	41 417	42 108	41 373	43 574	39 527	40 224
Replacement cost	2 712	2 990	3 416	2 877	3 101	2 557	3 342
- gross	2 447	2 640	3 084	2 572	2 803	2 189	2 939
- net <sup>(1)</sup>	1 899	1 638	1 693	1 693	3 967	3 766	3 723
Future credit risk	4 346	4 278	4 777	4 265	6 770	5 956	6 662
Credit equivalent <sup>(2)</sup>	314	515	537	520	1 465	1 543	1 464
Risk-weighted equivalent <sup>(3)</sup>							
<b>Credit Derivatives</b>							
Total notional amount (trading only) <sup>(5)</sup>	3 082	2 341	2 164	1 585	1 445	1 221	1 097
Total Return Swap Notional Amount <sup>(4) (5)</sup>	27 900	27 064	25 101	25 122	23 497	22 149	20 896
Replacement cost	101	81	90	92	81	78	65
- gross	27	42	40	37	30	31	40
- net <sup>(1)</sup>	917	1 001	929	1 020	837	804	358
Future credit risk	944	1 043	969	1 057	867	835	398
Credit equivalent <sup>(2)</sup>	122	88	81	135	71	90	72
Risk-weighted equivalent <sup>(3)</sup>							
<b>Total Derivatives</b>							
Total notional amount	863 721	831 892	912 371	823 226	965 422	932 420	917 971
Replacement cost	14 194	15 091	17 247	12 961	14 808	12 456	17 863
- gross	6 449	7 499	8 734	6 833	7 369	6 202	7 811
- net <sup>(1)</sup>	6 362	6 273	6 263	6 163	8 210	8 301	7 219
Future credit risk	12 811	13 772	14 997	12 996	15 578	14 504	15 030
Credit equivalent <sup>(2)</sup>	2 654	2 889	3 303	2 947	3 907	3 755	3 995
Risk-weighted equivalent <sup>(3)</sup>							

(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 standards.

(5) Trading Credit Derivatives only.



## Over The Counter Derivatives Financial Instruments Settled by Central Counterparties<sup>(1)</sup>

	2016								
	Q3			Q2			Q1		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties
(unaudited) (millions of Canadian dollars)									
Interest rate contracts	129 581	265 437	126 926	115 717	267 983	124 333	132 266	318 318	134 854
Foreign exchange contracts	160	–	264 536	129	–	252 907	179	–	257 381
Equity, commodity and credit derivative contracts <sup>(2)</sup>	17 778	2 792	56 511	13 263	1 880	55 679	14 122	1 513	53 738

	2015								
	Q4			Q3			Q2		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties
(unaudited) (millions of Canadian dollars)									
Interest rate contracts	80 417	295 829	146 126	225 609	317 422	149 120	221 512	303 423	151 189
Foreign exchange contracts	220	–	232 554	198	–	204 557	200	–	193 199
Equity, commodity and credit derivative contracts <sup>(2)</sup>	12 936	1 319	53 825	14 848	1 065	52 603	11 180	1 003	50 714

(1) Notional amounts.

(2) Credit derivative contracts in non-trading book are excluded.

## Aggregate Amount of Securitization Exposures

(unaudited) (millions of Canadian dollars)	2016										2015									
	Q3		Q2		Q1		Q4		Q3		Q2		Q1							
	Banking Book	Trading book	Banking Book	Trading book	Banking Book	Trading book	Banking Book	Trading book	Banking Book	Trading book	Banking Book	Trading book	Banking Book	Trading book						
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet
<b>Bank's own assets</b>																				
Traditional exposures																				
Insured Mortgage loans																				
Retained <sup>(1)</sup>	3 748	-	-	4 341	-	-	3 420	-	-	2 584	-	-	1 989	-	-	1 841	-	-	1 976	-
Credit Cards																				
Retained <sup>(1)</sup>	209	419	-	193	391	-	164	340	-	206	404	-	156	312	-	193	385	-	192	359
Seller's interest	89	-	-	89	-	-	89	-	-	89	-	-	80	-	-	86	-	-	85	-
Purchased <sup>(2)</sup>																				
<b>Total - Bank's own assets</b>	<b>4 046</b>	<b>419</b>	<b>-</b>	<b>4 623</b>	<b>391</b>	<b>-</b>	<b>3 673</b>	<b>340</b>	<b>-</b>	<b>2 879</b>	<b>404</b>	<b>-</b>	<b>2 225</b>	<b>312</b>	<b>-</b>	<b>2 120</b>	<b>385</b>	<b>-</b>	<b>2 253</b>	<b>359</b>
<b>Third party assets</b>																				
Sponsored																				
Traditional exposures <sup>(3)</sup>																				
Residential Mortgages - Insured	-	1 790	1	-	1 440	19	-	1 204	7	-	1 368	14	-	1 360	27	-	1 237	27	-	1 405
Residential Mortgages - conventional	-	734	-	-	562	7	-	483	3	-	480	5	-	354	7	-	276	6	-	244
Fleet Lease Receivables	-	261	-	-	259	3	-	263	1	-	242	2	-	242	5	-	242	5	-	99
Auto Floorplans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auto Loans	-	137	-	-	136	2	-	141	1	-	144	1	-	207	4	-	233	5	-	264
Purchased																				
Traditional exposures																				
Insured Mortgage loans - MBS	4 536	-	1 207	4 715	-	1 388	5 240	-	1 390	4 878	-	1 356	4 500	-	1 153	4 446	-	1 038	3 971	-
Credit Cards - ABS	89	-	36	89	-	49	89	-	68	89	-	49	86	-	107	86	-	81	-	78
Home Equity - ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgage back securities (CMBS)	13	-	-	13	-	-	13	-	-	13	-	-	14	-	-	61	-	3	61	-
Collateralized debt obligation (CDO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Synthetic exposures																				
CDX tranches	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Resecuritized exposures																				
Master Asset Vehicules <sup>(4)</sup>	543	-	-	543	-	-	545	-	-	545	-	-	531	-	-	1 028	821	-	1 056	825
Commercial paper not included in the Pan-Canadian restructuring plan	92	-	-	91	-	-	102	-	-	102	-	-	105	-	-	103	-	-	101	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total - Third party assets</b>	<b>5 273</b>	<b>2 922</b>	<b>1 244</b>	<b>5 451</b>	<b>2 397</b>	<b>1 468</b>	<b>5 989</b>	<b>2 091</b>	<b>1 470</b>	<b>5 627</b>	<b>2 234</b>	<b>1 427</b>	<b>5 236</b>	<b>2 163</b>	<b>1 303</b>	<b>5 724</b>	<b>2 809</b>	<b>1 165</b>	<b>5 189</b>	<b>2 837</b>
<b>Total - Bank</b>	<b>9 319</b>	<b>3 341</b>	<b>1 244</b>	<b>10 074</b>	<b>2 788</b>	<b>1 468</b>	<b>9 662</b>	<b>2 431</b>	<b>1 470</b>	<b>8 506</b>	<b>2 638</b>	<b>1 427</b>	<b>7 461</b>	<b>2 475</b>	<b>1 303</b>	<b>7 844</b>	<b>3 194</b>	<b>1 165</b>	<b>7 442</b>	<b>3 196</b>

- (1) The Retained exposures for insured mortgage loans and credit card 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 and Clarity Trust liquidity facility lines as well as the Bank's purchased note of Fusion Trust and Clarity 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.

## Capital Requirements for Securitization Exposures Under Securitization Framework

	2016																	
	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	
(unaudited) (millions of Canadian dollars)	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets
<b>Bank's own assets<sup>(1)</sup></b>																		
Credit Cards																		
Seller's interest exposure <sup>(2)</sup>	209	131	419	58	-	-	193	123	391	56	-	-	164	109	340	49	-	-
Purchased	89	41	-	-	-	-	89	41	-	-	-	-	89	41	-	-	-	-
<b>Total - Bank's own assets</b>	<b>298</b>	<b>172</b>	<b>419</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>282</b>	<b>164</b>	<b>391</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>253</b>	<b>150</b>	<b>340</b>	<b>49</b>	<b>-</b>	<b>-</b>
<b>Third party assets</b>																		
<b>Securitized</b>																		
7% - 30%	59	11	2 922	171	36	25	59	11	2 397	165	49	34	60	11	2 091	156	68	47
35% - 100%	43	32	-	-	-	-	43	32	-	-	-	-	43	32	-	-	-	-
150% - 850%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Equity - ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Resecuritized</b>																		
7% - 30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35% - 100%	515	216	-	-	-	-	516	217	-	-	-	-	529	238	-	-	-	-
150% - 850%	116	309	-	-	-	-	114	307	-	-	-	-	113	303	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Asset Vehicles	4	46	-	-	-	-	4	49	-	-	-	-	4	55	-	-	-	-
Commercial paper not included in the Pan-Canadian restructuring plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total - Third party assets</b>	<b>737</b>	<b>614</b>	<b>2 922</b>	<b>171</b>	<b>36</b>	<b>25</b>	<b>736</b>	<b>616</b>	<b>2 397</b>	<b>165</b>	<b>49</b>	<b>34</b>	<b>749</b>	<b>639</b>	<b>2 091</b>	<b>156</b>	<b>68</b>	<b>47</b>
<b>Total</b>	<b>1 035</b>	<b>786</b>	<b>3 341</b>	<b>229</b>	<b>36</b>	<b>25</b>	<b>1 018</b>	<b>780</b>	<b>2 788</b>	<b>221</b>	<b>49</b>	<b>34</b>	<b>1 002</b>	<b>789</b>	<b>2 431</b>	<b>205</b>	<b>68</b>	<b>47</b>

	2015																	
	Q4						Q2						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	
(unaudited) (millions of Canadian dollars)	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets
<b>Bank's own assets<sup>(1)</sup></b>																		
Credit Cards																		
Seller's interest exposure <sup>(2)</sup>	206	133	404	60	-	-	156	100	312	46	-	-	193	126	385	57	-	-
Purchased	89	41	-	-	-	-	86	38	-	-	-	-	86	38	-	-	-	-
<b>Total - Bank's own assets</b>	<b>295</b>	<b>174</b>	<b>404</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>242</b>	<b>138</b>	<b>312</b>	<b>46</b>	<b>-</b>	<b>-</b>	<b>279</b>	<b>164</b>	<b>385</b>	<b>57</b>	<b>-</b>	<b>-</b>
<b>Third party assets</b>																		
<b>Securitized</b>																		
7% - 30%	60	11	2 234	158	49	29	61	11	2 163	151	107	66	109	15	1 989	141	81	154
35% - 100%	43	32	-	-	-	-	39	29	-	-	-	-	38	28	-	-	-	-
150% - 850%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Equity - ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	41
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Resecuritized</b>																		
7% - 30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35% - 100%	529	238	-	-	-	-	501	226	-	-	-	-	1 010	430	820	328	-	-
150% - 850%	112	300	-	-	-	-	104	274	-	-	-	-	84	178	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Asset Vehicles	5	59	-	-	-	-	5	64	-	-	-	-	37	462	-	-	-	-
Commercial paper not included in the Pan-Canadian restructuring plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total - Third party assets</b>	<b>749</b>	<b>640</b>	<b>2 234</b>	<b>158</b>	<b>49</b>	<b>29</b>	<b>710</b>	<b>604</b>	<b>2 163</b>	<b>151</b>	<b>107</b>	<b>66</b>	<b>1 278</b>	<b>1 113</b>	<b>2 809</b>	<b>469</b>		





# Glossary

<b>Advanced Internal Ratings-Based (AIRB) approach</b>	See risk-weighted assets below.
<b>Banking Book Equities</b>	Banking book equities comprise mainly exposures held for strategic and other reasons.
<b>Capital Ratio</b>	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.
<b>Common Equity Tier 1 (CET1) capital</b>	Common Equity Tier 1 capital consists of common shareholders' equity less goodwill, intangible assets and other capital deductions. Common Equity Tier 1 capital ratio is calculated by dividing Common Equity Tier 1 capital by risk-weighted assets.
<b>Corporate</b>	All direct credit risk exposures to corporations, partnerships and proprietorships, exposures guaranteed by those entities.
<b>Credit Risk</b>	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.
<b>Drawn exposure</b>	The amount of credit risk exposure resulting from loans already advanced to the customer.
<b>Exposure at default (EAD)</b>	An estimate of the amount of exposure to a customer at the event of, and at the time of, default.
<b>Financial institutions</b>	All direct credit risk exposures to deposit-taking institutions and regulated securities firms, and exposures guaranteed by those entities.
<b>Leverage ratio</b>	The leverage ratio is calculated by dividing the amount of Tier 1 capital by the total exposure. Total exposure is defined as the sum of on-balance-sheet assets (including derivative exposures and securities financing transaction exposures) and off-balance-sheet items. Assets deducted from Tier 1 capital are also deducted from the total exposure.
<b>Loss given default (LGD)</b>	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.
<b>Market risk</b>	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.
<b>Operational risk</b>	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.
<b>Other off-balance sheet</b>	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.
<b>Other retail</b>	This exposure class includes consumer loans, SME credit card receivables, SME loans (excluding mortgages of five units or more), and other personal loans.
<b>Over-the-counter derivatives (OTC)</b>	The amount of credit risk exposure resulting from derivatives that trade directly between two counterparties, rather than through exchanges.
<b>Probability of default (PD)</b>	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.
<b>Qualifying revolving retail (QRR)</b>	This exposure class includes lines of credit and credit card receivables.
<b>Repo-style transactions</b>	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.
<b>Retail Residential Mortgage</b>	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).
<b>Risk-weighted assets (RWA)</b>	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.
<b>Scaling Factor</b>	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.
<b>Sovereign</b>	All direct credit risk exposures to governments, central banks and certain public sector entities, and exposures guaranteed by those entities.
<b>Standardized approach</b>	See risk-weighted assets.
<b>Tier 1 capital</b>	Tier 1 capital ratio consists of Common Equity Tier 1 capital and Additional Tier 1 instruments, namely, eligible non-cumulative preferred shares and the eligible amount of innovative instruments. Tier 1 capital ratio is calculated by dividing Tier 1 capital by risk-weighted assets.
<b>Tier 2 capital</b>	Tier 2 capital is mainly comprised of subordinated debentures and the collective allowance.
<b>Total capital</b>	Total capital is the sum of Tier 1 and Tier 2 capital. Total capital ratio is calculated by dividing total capital, less adjustments or regulatory deductions, by risk-weighted assets.
<b>Undrawn commitments</b>	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.