

REGULATORY CAPITAL

In thousands of Canadian dollars, except percentage amounts (Unaudited)		AS AT OCTOBER 31, 2020	AS AT JULY 31, 2020	AS AT APRIL 30, 2020	AS AT JANUARY 31, 2020
Row ⁽¹⁾					
Common Equity Tier 1 capital: instruments and reserves					
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	\$ —	\$ 1,157,349	\$ 1,153,092	\$ 1,146,956
2	Retained earnings	—	1,125,012	1,100,627	1,156,681
3	Accumulated other comprehensive income (and other reserves)	—	9,655	21,735	2,471
6	Common Equity Tier 1 capital before regulatory adjustments	—	2,292,016	2,275,454	2,306,108
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI	—	17,301	16,405	—
28	Total regulatory adjustments to Common Equity Tier 1 ⁽²⁾	—	(444,506)	(457,139)	(449,928)
29	Common Equity Tier 1 capital (CET1)	—	1,864,811	1,834,720	1,856,180
29a	Common Equity Tier 1 capital (CET1)⁽⁴⁾ excluding transitional arrangements for ECL provisioning	—	1,847,510	1,818,315	n.a.
Additional Tier 1 capital: instruments					
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	—	244,038	244,038	244,038
31	of which: classified as equity under applicable accounting standards	—	244,038	244,038	244,038
33	Directly issued capital instruments subject to phase out from Additional Tier 1	—	—	—	—
36	Additional Tier 1 capital before regulatory adjustments	—	244,038	244,038	244,038
43	Total regulatory adjustments to Additional Tier 1 capital	—	—	—	—
44	Additional Tier 1 capital (AT1)	—	244,038	244,038	244,038
45	Tier 1 capital (T1 = CET1 + AT1)	—	2,108,849	2,078,758	2,100,218
45a	Tier 1 capital (T1 = CET1 + AT1)⁽⁴⁾ excluding transitional arrangements for ECL provisioning	—	2,091,548	2,062,353	n.a.
Tier 2 capital: instruments and allowances					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	—	349,356	349,270	349,187
47	Directly issued capital instruments subject to phase out from Tier 2	—	—	—	—
50	Collective allowances	—	80,652	79,808	64,345
51	Tier 2 capital before regulatory adjustments	—	430,008	429,078	413,532
57	Total regulatory adjustments to Tier 2 capital	—	(1,450)	(1,129)	(67)
58	Tier 2 capital (T2)	—	428,558	427,949	413,465
59	Total capital (TC = T1 + T2)	\$ —	\$ 2,537,407	\$ 2,506,707	\$ 2,513,683
59a	Total capital (TC = T1 + T2)⁽⁴⁾ excluding transitional arrangements for ECL provisioning	\$ —	\$ 2,537,407	\$ 2,506,707	\$ n.a.
60	Total risk-weighted assets	\$ —	\$ 19,927,246	\$ 20,869,680	\$ 20,618,646
Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	— %	9.4 %	8.8 %	9.0 %
61a	Common Equity Tier 1 (as a percentage of risk-weighted assets) ⁽⁴⁾ excluding transitional arrangements for ECL provisioning	— %	9.3 %	8.7 %	n.a.
62	Tier 1 (as a percentage of risk-weighted assets)	— %	10.6 %	10.0 %	10.2 %
62a	Tier 1 (as a percentage of risk-weighted assets) ⁽⁴⁾ excluding transitional arrangements for ECL provisioning	— %	10.5 %	9.9 %	n.a.
63	Total capital (as a percentage of risk-weighted assets)	— %	12.7 %	12.0 %	12.2 %
63a	Total capital (as a percentage of risk-weighted assets) ⁽⁴⁾ excluding transitional arrangements for ECL provisioning	— %	12.7 %	12.0 %	n.a.
OSFI target⁽³⁾					
69	Common Equity Tier 1 target ratio	— %	7.0 %	7.0 %	7.0 %
70	Tier 1 capital target ratio	— %	8.5 %	8.5 %	8.5 %
71	Total capital target ratio	— %	10.5 %	10.5 %	10.5 %
Capital instruments subject to phase-out arrangements (only applicable between January 1st, 2013 and January 1st, 2022)					
82	Current cap on AT1 instruments subject to phase out arrangements	\$ —	\$ 60,644	\$ 60,644	\$ 60,644
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	\$ —	\$ 88,762	\$ 88,762	\$ 88,762
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	\$ —	\$ —	\$ —	\$ —

(1) Row numbering, as per OSFI advisory revised May 2018, is provided for consistency and comparability in the disclosure of elements of capital among banks and across jurisdictions. Certain rows have been removed because there are no values in such rows.

(2) Mainly comprised of deductions for software and other intangible assets, goodwill and pension plan assets.

(3) The countercyclical buffer as at April 30 and January 31, 2020 was nil, as all private sector credit exposures were either in Canada or the United States.

(4) Calculation of regulatory capital without the application of transitional arrangement given by OSFI for the provisioning of expected credit losses, in response to the COVID-19 pandemic

REGULATORY CAPITAL (CONT'D)

In thousands of Canadian dollars, except percentage amounts (Unaudited)

Row ⁽¹⁾	AS AT OCTOBER 31, 2019	AS AT JULY 31, 2019	AS AT APRIL 30, 2019	AS AT JANUARY 31, 2019	
Common Equity Tier 1 capital: instruments and reserves					
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	\$ 1,141,008	\$ 1,133,525	\$ 1,126,984	\$ 1,121,135
2	Retained earnings	1,161,668	1,158,824	1,152,058	1,132,718
3	Accumulated other comprehensive income (and other reserves)	(102)	571	5,256	756
6	Common Equity Tier 1 capital before regulatory adjustments	2,302,574	2,292,920	2,284,298	2,254,609
28	Total regulatory adjustments to Common Equity Tier 1 ⁽²⁾	(461,192)	(449,590)	(449,453)	(436,079)
29	Common Equity Tier 1 capital (CET1)	1,841,382	1,843,330	1,834,845	1,818,530
Additional Tier 1 capital: instruments					
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	244,038	244,038	244,038	244,038
31	of which: classified as equity under applicable accounting standards	244,038	244,038	244,038	244,038
33	Directly issued capital instruments subject to phase out from Additional Tier 1	—	—	—	—
36	Additional Tier 1 capital before regulatory adjustments	244,038	244,038	244,038	244,038
43	Total regulatory adjustments to Additional Tier 1 capital	—	—	—	—
44	Additional Tier 1 capital (AT1)	244,038	244,038	244,038	244,038
45	Tier 1 capital (T1 = CET1 + AT1)	2,085,420	2,087,368	2,078,883	2,062,568
Tier 2 capital: instruments and allowances					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	349,101	349,016	348,930	348,848
47	Directly issued capital instruments subject to phase out from Tier 2	—	—	—	—
50	Collective allowances	66,052	61,501	64,569	77,178
51	Tier 2 capital before regulatory adjustments	415,153	410,517	413,499	426,026
57	Total regulatory adjustments to Tier 2 capital	(3,465)	(364)	—	(107)
58	Tier 2 capital (T2)	411,688	410,153	413,499	425,919
59	Total capital (TC = T1 + T2)	\$ 2,497,108	\$ 2,497,521	\$ 2,492,382	\$ 2,488,487
60a	Common Equity Tier 1 capital risk-weighted assets	\$ 20,406,556	\$ 20,444,560	\$ 20,475,987	\$ 20,461,367
60b	Tier 1 capital risk-weighted assets	\$ 20,406,556	\$ 20,444,560	\$ 20,475,987	\$ 20,456,862
60c	Total capital risk-weighted assets	\$ 20,406,556	\$ 20,444,560	\$ 20,475,987	\$ 20,456,862
Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	9.0%	9.0%	9.0%	8.9%
62	Tier 1 (as a percentage of risk-weighted assets)	10.2%	10.2%	10.2%	10.1%
63	Total capital (as a percentage of risk-weighted assets)	12.2%	12.2%	12.2%	12.2%
OSFI all-in target⁽³⁾					
69	Common Equity Tier 1 all-in target ratio	7.0%	7.0%	7.0%	7.0%
70	Tier 1 capital all-in target ratio	8.5%	8.5%	8.5%	8.5%
71	Total capital all-in target ratio	10.5%	10.5%	10.5%	10.5%
Capital instruments subject to phase-out arrangements (only applicable between January 1st, 2013 and January 1st, 2022)					
82	Current cap on AT1 instruments subject to phase out arrangements	\$ 90,965	\$ 90,965	\$ 90,965	\$ 90,965
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	\$ 133,143	\$ 133,143	\$ 133,143	\$ 133,143
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	\$ —	\$ —	\$ —	\$ —

(1) Row numbering, as per OSFI advisory revised May 2018, is provided for consistency and comparability in the disclosure of elements of capital among banks and across jurisdictions. Certain rows have been removed because there are no values in such rows.

(2) Mainly comprised of deductions for software and other intangible assets, goodwill and pension plan assets.

(3) The countercyclical buffer as at October 31, July 31, April 30 and January 31, 2019 was nil, as all private sector credit exposures were either in Canada or the United States.