

REGULATORY CAPITAL

In thousands of dollars, except percentage amounts (Unaudited)

Row ⁽¹⁾	AS AT OCTOBER 31, 2021	AS AT JULY 31, 2021	AS AT APRIL 30, 2021	AS AT JANUARY 31, 2021	
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	\$ 1,176,389	\$ 1,172,956	\$ 1,169,309	\$ 1,165,769
2	Retained earnings	1,195,264	1,305,156	1,254,113	1,197,243
3	Accumulated other comprehensive income (and other reserves)	(18,561)	(15,030)	(19,067)	(4,364)
6	Common Equity Tier 1 capital before regulatory adjustments	2,353,092	2,463,082	2,404,355	2,358,648
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI	19,006	10,802	12,182	15,887
28	Total regulatory adjustments to Common Equity Tier 1 ⁽²⁾	(333,337)	(439,900)	(431,146)	(439,806)
29	Common Equity Tier 1 capital (CET1)	2,038,761	2,033,984	1,985,391	1,934,729
29a	Common Equity Tier 1 capital (CET1)⁽³⁾ excluding transitional arrangements for ECL provisioning	2,019,755	2,023,182	1,973,209	1,918,842
Additional Tier 1 capital: instruments					
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	245,683	245,720	244,038	244,038
31	of which: classified as equity under applicable accounting standards	245,683	245,720	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	245,683	245,720	244,038	244,038
Additional Tier 1 capital: regulatory adjustments					
43	Total regulatory adjustments to Additional Tier 1 capital	(1,147)	—	—	—
44	Additional Tier 1 capital (AT1)	244,536	245,720	244,038	244,038
45	Tier 1 capital (T1 = CET1 + AT1)	2,283,297	2,279,704	2,229,429	2,178,767
45a	Tier 1 capital (T1 = CET1 + AT1)⁽³⁾ excluding transitional arrangements for ECL provisioning	2,264,291	2,268,902	2,217,247	2,162,880
Tier 2 capital: instruments and allowances					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	349,782	349,696	349,610	349,528
47	Directly issued capital instruments subject to phase out from Tier 2	—	—	—	—
50	Collective allowances	97,000	82,904	85,276	91,640
51	Tier 2 capital before regulatory adjustments	446,782	432,600	434,886	441,168
57	Total regulatory adjustments to Tier 2 capital	(74)	—	—	—
58	Tier 2 capital (T2)	446,708	432,600	434,886	441,168
59	Total capital (TC = T1 + T2)	\$ 2,730,005	\$ 2,712,304	\$ 2,664,315	\$ 2,619,935
59a	Total capital (TC = T1 + T2)⁽³⁾ excluding transitional arrangements for ECL provisioning	\$ 2,730,005	\$ 2,712,304	\$ 2,664,315	\$ 2,619,935
60	Total risk-weighted assets	\$ 20,007,010	\$ 19,675,022	\$ 19,697,909	\$ 19,715,068
Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	10.2 %	10.3 %	10.1 %	9.8 %
61a	Common Equity Tier 1 (as a percentage of risk-weighted assets) ⁽³⁾ excluding transitional arrangements for ECL provisioning	10.1 %	10.3 %	10.0 %	9.7 %
62	Tier 1 (as a percentage of risk-weighted assets)	11.4 %	11.6 %	11.3 %	11.1 %
62a	Tier 1 (as a percentage of risk-weighted assets) ⁽³⁾ excluding transitional arrangements for ECL provisioning	11.3 %	11.5 %	11.3 %	11.0 %
63	Total capital (as a percentage of risk-weighted assets)	13.6 %	13.8 %	13.5 %	13.3 %
63a	Total capital (as a percentage of risk-weighted assets) ⁽³⁾ excluding transitional arrangements for ECL provisioning	13.6 %	13.8 %	13.5 %	13.3 %
OSFI target⁽⁴⁾					
69	Common Equity Tier 1 target ratio	7.0 %	7.0 %	7.0 %	7.0 %
70	Tier 1 capital target ratio	8.5 %	8.5 %	8.5 %	8.5 %

(1) Row numbering, as per OSFI's Capital Disclosures Requirements guideline 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) 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.

(4) The countercyclical buffer as at October 31, 2021, July 31, 2021, April 30, 2021 and January 31, 2021 was nil, as all private sector credit exposures were either in Canada or the United States.

REGULATORY CAPITAL (CONT'D)

In thousands of 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	\$ 1,162,015	\$ 1,157,349	\$ 1,153,092	\$ 1,146,956
2	Retained earnings	1,152,973	1,125,012	1,100,627	1,156,681
3	Accumulated other comprehensive income (and other reserves)	8,622	9,655	21,735	2,471
6	Common Equity Tier 1 capital before regulatory adjustments	2,323,610	2,292,016	2,275,454	2,306,108
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI	22,976	17,301	16,405	—
28	Total regulatory adjustments to Common Equity Tier 1 ⁽²⁾	(453,507)	(444,506)	(457,139)	(449,928)
29	Common Equity Tier 1 capital (CET1)	1,893,079	1,864,811	1,834,720	1,856,180
29a	Common Equity Tier 1 capital (CET1)⁽³⁾ excluding transitional arrangements for ECL provisioning	1,870,103	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	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)	2,137,117	2,108,849	2,078,758	2,100,218
45a	Tier 1 capital (T1 = CET1 + AT1)⁽³⁾ excluding transitional arrangements for ECL provisioning	2,114,141	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	349,442	349,356	349,270	349,187
47	Directly issued capital instruments subject to phase out from Tier 2	—	—	—	—
50	Collective allowances	85,978	80,652	79,808	64,345
51	Tier 2 capital before regulatory adjustments	435,420	430,008	429,078	413,532
57	Total regulatory adjustments to Tier 2 capital	(1,325)	(1,450)	(1,129)	(67)
58	Tier 2 capital (T2)	434,095	428,558	427,949	413,465
59	Total capital (TC = T1 + T2)	\$ 2,571,212	\$ 2,537,407	\$ 2,506,707	2,513,683
59a	Total capital (TC = T1 + T2)⁽³⁾ excluding transitional arrangements for ECL provisioning	\$ 2,571,212	\$ 2,537,407	\$ 2,506,707	n/a
60	Common Equity Tier 1 capital risk-weighted assets	\$ 19,669,263	\$ 19,927,246	\$ 20,869,680	\$ 20,618,646
Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	9.6 %	9.4 %	8.8 %	9.0 %
61a	Common Equity Tier 1 (as a percentage of risk-weighted assets) ⁽³⁾ excluding transitional arrangements for ECL provisioning	9.5 %	9.3 %	8.7 %	n/a
62	Tier 1 (as a percentage of risk-weighted assets)	10.9 %	10.6 %	10.0 %	10.2 %
62a	Tier 1 (as a percentage of risk-weighted assets) ⁽³⁾ excluding transitional arrangements for ECL provisioning	10.7 %	10.5 %	9.9 %	n/a
63	Total capital (as a percentage of risk-weighted assets)	13.1 %	12.7 %	12.0 %	12.2 %
63a	Total capital (as a percentage of risk-weighted assets) ⁽³⁾ excluding transitional arrangements for ECL provisioning	13.1 %	12.7 %	12.0 %	n/a
OSFI target⁽⁴⁾					
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	\$ 60,644	\$ 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	\$ 88,762
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	\$ —	\$ —	\$ —	\$ —

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