Office of the Superintendent of Financial Institutions Canada
Bureau du surintendant des institutions financières Canada

PILLAR 3 ROADMAP

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PILLAR 3 ROADMAP				Disclosure Provided				Frequency				Location of Disclosure**
				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
Table 1. Scope of application												
Qualitative Disclosures	a)	The name of the top corporate entity in the group to which the Framework applies										
	b)	An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities[122] within the group										
		(a)	that are fully consolidated;[123]									
		(b)	that are pro-rata consolidated;[124]									
		(c)	that are given a deduction treatment;[125] and									
		(d)	from which surplus capital is recognised[125] plus	N/A								
		(e)	that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	N/A								
	(c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.										
Quantitative Disclosures	(d)	The aggregate amount of surplus capital[126] of insurance subsidiaries (whether deducted or subjected to an alternative method[127]) included in the capital of the consolidated group.		N/A – OSFI will not recognize surplus capital in insurance subsidiaries at the operating bank level. Surplus capital may be recognized only at the bank holding company level, consistent with the approach outlined in OSFI's Guideline A-2 on the capital regime for insurance holding companies.								
	(e)	The aggregate amount of capital deficiencies[128] in all subsidiaries not included in the consolidation i.e. that are deducted and the name(s) of such subsidiaries.										

** Provide details (e.g., financial statements, MD&A, website) and page reference where applicable.

122 Entity = securities, insurance and other financial subsidiaries, commercial subsidiaries, significant minority equity investments in insurance, financial and commercial entities.

123 Following the listing of significant subsidiaries in the consolidated accounting, e.g. IAS 27.

124 Following the listing of subsidiaries in consolidated accounting, e.g. IAS 31.

125 May be provided as an extension (extension of entities only if they are significant for the consolidating bank) to the listing of significant subsidiaries in consolidated accounting, e.g. IAS 27 and 32.

126 Surplus capital in unconsolidated regulated subsidiaries is the difference between the amount of the investment in those entities and their regulatory capital requirements.

127 See paragraphs 30 and 33.

128 A capital deficiency is the amount by which actual capital is less than the regulatory capital requirement. Any deficiencies which have been deducted on a group level in addition to the investment in such subsidiaries are not to be included in the aggregate capital deficiency.

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			Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
	(f)	The aggregate amounts (e.g. current book value) of the firm's total interests in insurance entities, which are risk-weighted[129] rather than deducted from capital or subjected to an alternate group-wide method[130], as well as their name, their country of incorporation or residence, the proportion of ownership interest and, if different, the proportion of voting power in these entities. In addition, indicate the quantitative impact on regulatory capital of using this method versus using the deduction or alternate group-wide method.	N/A								
Table 2. Capital structure											
Qualitative Disclosures	(a)	Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of innovative, complex or hybrid capital instruments.									
Quantitative Disclosures	(b)	The amount of Tier 1 capital, with separate disclosure of:									
		• paid-up share capital/common stock;									
		• reserves;									
		• minority interests in the equity of subsidiaries;									
		• innovative instruments;[131]									
		• other capital instruments;									
		• surplus capital from insurance companies;[132]	N/A								
		• regulatory calculation differences deducted from Tier 1 capital;[133] and									
		• other amounts deducted from Tier 1 capital, including goodwill and investments.									

[129] See paragraph 31.
[130] See paragraph 30.
[131] Innovative instruments are covered under the Committee's press release, Instruments eligible for inclusion in Tier 1 capital (27 October 1998).
[132] See paragraph 33.
[133] Representing 50% of the difference (when expected losses as calculated within the IRB approach exceed total provisions) to be deducted from Tier 1 capital.

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	(c)	The total amount of tier 2 and tier 3 capital.										
	(d)	Other deductions from capital.[134]										
	(e)	Total eligible capital										
Table 3. Capital adequacy												
Qualitative Disclosures	(a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.										
Quantitative Disclosures	(b)	Capital requirements for credit risk:										
		•	Portfolios subject to standardised or simplified standardised approach, disclosed separately for each portfolio;									
		•	Portfolios subject to the IRB approaches, disclosed separately for each portfolio under the foundation IRB approach and for each portfolio under the advanced IRB approach:									
			• Corporate (including SL not subject to supervisory slotting criteria), sovereign and bank;									
			• Residential mortgage;									
			• Qualifying revolving retail;[135] and									
			• Other retail;									
		•	Securitization exposures									
	(c)	Capital requirements for equity exposures in the IRB approach:										
		•	Equity portfolios subject to the market-based approaches;									
			• Equity portfolios subject to simple risk weight method; and									

[134] Including 50% of the difference (when expected losses as calculated within the IRB approach exceed total provisions) to be deducted from Tier 2 capital.
[135] Banks should distinguish between the separate non-mortgage retail portfolios used for the Pillar 1 capital calculation (i.e. qualifying revolving retail exposures and other retail exposures) unless these portfolios are insignificant in size (relative to overall credit exposures) and the risk profile of each portfolio is sufficiently similar such that separate disclosure would not help users' understanding of the risk profile of the banks' retail business.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
			• Equities in the banking book under the internal models approach (for banks using IMA for banking book equity exposures)									
		•	Equity portfolios subject to PD/LGD approaches.									
	(d)	Capital requirements for market risk[136]:										
		•	Standardised approach;									
		•	Internal models approach – Trading book.									
	(e)	Capital requirements for operational risk[136] :										
		•	Basic indicator approach;									
		•	Standardised approach;									
		•	Advanced measurement approach (AMA).									
	(f)	Total and Tier 1[137] capital ratio:										
		•	For the top consolidated group; and									
		•	For significant bank subsidiaries (stand alone or sub-consolidated depending on how the Framework is applied).									
Table 4[138]. Credit risk: general disclosures for all banks												
Qualitative Disclosures	(a)	The general qualitative disclosure requirements (paragraph 824) with respect to credit risk, including:										
		•	Definitions of past due and impaired (for accounting purposes);									
		•	Description of approaches followed for specific and general allowances and statistical methods;									
		•	Discussion of the bank's credit risk management policy; and									

136 Capital requirements are to be disclosed only for the approaches used.
137 Including proportion of innovative capital instruments.
138 Table 4 does not include equities.

				Disclosure Provided				Frequency				Location of Disclosure**
				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
		•	For banks that have partly, but not fully adopted either the foundation IRB or the advanced IRB approach, a description of the nature of exposures within each portfolio that are subject to the 1) standardised, 2) foundation IRB, and 3) advanced IRB approaches and of management's plans and timing for migrating exposures to full implementation of the applicable approach.									
Quantitative Disclosures	(b)	Total gross credit risk exposures[139], plus average gross exposure[140] over the period[141] broken down by major types of credit exposure. [142]										
	(c)	Geographic[143] distribution of exposures, broken down in significant areas by major types of credit exposure.										
	(d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.										
	(e)	Residual contractual maturity breakdown of the whole portfolio,[144] broken down by major types of credit exposure.										
	(f)	By major industry or counterparty type:										
		•	Amount of impaired loans and if available, past due loans, provided separately;[145]									

[139] That is, after accounting offsets in accordance with the applicable accounting regime and without taking into account the effects of credit risk mitigation techniques, e.g. collateral and netting.

[140] Where the period end position is representative of the risk positions of the bank during the period, average gross exposures need not be disclosed.

[141] Where average amounts are disclosed in accordance with an accounting standard or other requirement which specifies the calculation method to be used, that method should be followed. Otherwise, the average exposures should be calculated using the most frequent interval that an entity's systems generate for management, regulatory or other reasons, provided that the resulting averages are representative of the bank's operations. The basis used for calculating averages need be stated only if not on a daily average basis.

[142] This breakdown could be that applied under accounting rules, and might, for instance, be (a) loans, commitments and other non-derivative off balance sheet exposures, (b) debt securities, and (c) OTC derivatives.

[143] Geographical areas may comprise individual countries, groups of countries or regions within countries. Banks might choose to define the geographical areas based on the way the bank's portfolio is geographically managed. The criteria used to allocate the loans to geographical areas should be specified.

[144] This may already be covered by accounting standards, in which case banks may wish to use the same maturity groupings used in accounting.

[145] Banks are encouraged also to provide an analysis of the ageing of past-due loans.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
		•	Specific and general allowances; and									
		•	Charges for specific allowances and charge-offs during the period.									
	(g)	Amount of impaired loans and, if available, past due loans provided separately broken down by significant geographic areas including, if practical, the amounts of specific and general allowances related to each geographical area.[146]										
	(h)	Reconciliation of changes in the allowances for loan impairment.[147]										
	(i)	For each portfolio, the amount of exposures (for IRB banks, drawn plus EAD on undrawn) subject to the 1) standardised, 2) foundation IRB, and 3) advanced IRB approaches.										
Table 5. Credit risk: disclosures for portfolios subject to the standardized approach and supervisory risk weights in the IRB approaches[148]												
Qualitative Disclosures	(a)	For portfolios under the standardised approach:										
		•	Names of ECAIs and ECAs used, plus reasons for any changes;									
		•	Types of exposure for which each agency is used;									
		•	A description of the process used to transfer public issue ratings onto comparable assets in the banking book; and									
		•	The alignment of the alphanumerical scale of each agency used with risk buckets.[149]									

146 The portion of general allowance that is not allocated to a geographical area should be disclosed separately.

147 The reconciliation shows separately specific and general allowances; the information comprises: a description of the type of allowance; the opening balance of the allowance; charge-offs taken against the allowance during the period; amounts set aside (or reversed) for estimated probable loan losses during the period, any other adjustments (e.g. exchange rate differences, business combinations, acquisitions and disposals of subsidiaries), including transfers between allowances; and the closing of the allowance. Charge-offs and recoveries that have been recorded directly to the income statement should be disclosed separately.

148 A *de minimis* exception would apply where ratings are used for less than 1% of the total loan portfolio.

149 This information need not be disclosed if the bank complies with a standard mapping which is published by the relevant supervisor.

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Quantitative Disclosures	(b)	•	For exposure amounts after risk mitigation subject to the standardised approach, amount of a bank's outstandings (rated and unrated) in each risk bucket as well as those that are deducted; and									
		•	For exposures subject to the supervisory risk weights in IRB (HVCRE, any SL products subject to supervisory slotting criteria and equities under the simple risk weight method) the aggregate amount of a bank's outstandings in each risk bucket.									
Table 6. Credit risk: disclosures for portfolios subject to IRB approaches												
Qualitative Disclosures*	(a)	Supervisor's acceptance of approach/ supervisory approved transition										
	(b)	Explanation and review of the:										
		•	structure of internal rating systems and relation between internal and external ratings;									
		•	use of internal estimates other than for IRB capital purposes;									
		•	process for managing and recognising credit risk mitigation; and									
		•	control mechanisms for the rating system including discussion of independence, accountability, and rating systems review.									
	(c)	Description of the internal ratings process, provided separately for five distinct portfolios:										
		•	Corporate (including SMEs, specialised lending and purchased corporate receivables), sovereign and bank;									
		•	Equities;[150]									
		•	Residential mortgages;									

[150] Equities need only be disclosed here as a separate portfolio where the bank uses the PD/LGD approach for equities held in the banking book.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	Location of Disclosure**
		•	Qualifying revolving retail;[151] and									
		•	Other retail.									
		The description should include, for each portfolio:										
		•	the types of exposure included in the portfolio;									
		•	the definitions, methods and data for estimation and validation of PD, and (for portfolios subject to the IRB advanced approach) LGD and/or EAD, including assumptions employed in the derivation of these variables;[152] and									
		•	description of deviations as permitted under paragraph 456 and footnote 82 from the reference definition of default where determined to be material, including the broad segments of the portfolio(s) affected by such deviations.[153]									
Quantitative disclosures: risk assessment*	(d)	For each portfolio (as defined above) except retail, present the following information across a sufficient number of PD grades (including default) to allow for a meaningful differentiation of credit risk:[154]										
		•	Total exposures (for corporate, sovereign and bank, outstanding loans and EAD on undrawn commitments,[155] for equities, outstanding amount);									

[151] In both the qualitative disclosures and quantitative disclosures that follow, banks should distinguish between the qualifying revolving retail exposures and other retail exposures unless these portfolios are insignificant in size (relative to overall credit exposures) and the risk profile of each portfolio is sufficiently similar such that separate disclosure would not help users' understanding of the risk profile of the banks' retail business.

[152] This disclosure does not require a detailed description of the model in full — it should provide the reader with a broad overview of the model approach, describing definitions of the variables, and methods for estimating and validating those variables set out in the quantitative risk disclosures below. This should be done for each of the five portfolios. Banks should draw out any significant differences in approach to estimating these variables within each portfolio.

[153] This is to provide the reader with context for the quantitative disclosures that follow. Banks need only describe main areas where there has been material divergence from the reference definition of default such that it would affect the readers' ability to compare and understand the disclosure of exposures by PD grade.

[154] The PD, LGD and EAD disclosures below should reflect the effects of collateral, netting and guarantees/credit derivatives, where recognised under Part 2. Disclosure of each PD grade should include the exposure weighted-average PD for each grade. Where banks are aggregating PD grades for the purposes of disclosure, this should be a representative breakdown of the distribution of PD grades used in the IRB approach.

[155] Outstanding loans and EAD on undrawn commitments can be presented on a combined basis for these disclosures.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
		•	For banks on the IRB advanced approach, exposure-weighted average LGD (percentage); and									
		•	Exposure weighted-average risk-weight.									
		For banks on the IRB advanced approach, amount of undrawn commitments and exposure-weighted average EAD for each portfolio;[156]										
		For each retail portfolio (as defined above), either:[157]										
		•	Disclosures as outlined above on a pool basis (i.e. same as for non-retail portfolios); or									
		•	Analysis of exposures on a pool basis (outstanding loans and EAD on commitments) against a sufficient number of EL grades to allow for a meaningful differentiation of credit risk.									
Quantitative disclosures: historical results*	(e)	Actual losses (e.g. charge-offs and specific provisions) in the preceding period for each portfolio (as defined above) and how this differs from past experience. A discussion of the factors that impacted on the loss experience in the preceding period – for example, has the bank experienced higher than average default rates, or higher than average LGDs and EADs.										
	(f)	Banks' estimates against actual outcomes over a longer period.[158] At a minimum, this should include information on estimates of losses against actual										

[156] Banks need only provide one estimate of EAD for each portfolio. However, where banks believe it is helpful, in order to give a more meaningful assessment of risk, they may also disclose EAD estimates across a number of EAD categories, against the undrawn exposures to which these relate.

[157] Banks would normally be expected to follow the disclosures provided for the non-retail portfolios. However, banks may choose to adopt EL grades as the basis of disclosure where they believe this can provide the reader with a meaningful differentiation of credit risk. Where banks are aggregating internal grades (either PD/LGD or EL) for the purposes of disclosure, this should be a representative breakdown of the distribution of those grades used in the IRB approach.

[158] These disclosures are a way of further informing the reader about the reliability of the information provided in the "quantitative disclosures: risk assessment" over the long run. The disclosures are requirements from year-end 2009; In the meantime, early adoption would be encouraged. The phased implementation is to allow banks sufficient time to build up a longer run of data that will make these disclosures meaningful.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
		losses in each portfolio (as defined above) over a period sufficient to allow for a meaningful assessment of the performance of the internal rating processes for each portfolio.[159] Where appropriate, banks should further decompose this to provide analysis of PD and, for banks on the advanced IRB approach, LGD and EAD outcomes against estimates provided in the quantitative risk assessment disclosures above.[160]											
Table 7. Credit risk mitigation: disclosures for standardised and IRB approaches[161,162]												
Qualitative Disclosures*	(a)	The general qualitative disclosure requirement (paragraph 824) with respect to credit risk mitigation including:										
		•	policies and processes for, and an indication of the extent to which the bank makes use of, on- and off-balance sheet netting;									
		•	policies and processes for collateral valuation and management;									
		•	a description of the main types of collateral taken by the bank;									
		•	the main types of guarantor/credit derivative counterparty and their creditworthiness; and									
		•	information about (market or credit) risk concentrations within the mitigation taken.									

[159] The Committee will not be prescriptive about the period used for this assessment. Upon implementation, it might be expected that banks would provide these disclosures for as long run of data as possible — for example, if banks have 10 years of data, they might choose to disclose the average default rates for each PD grade over that 10-year period. Annual amounts need not be disclosed.

[160] Banks should provide this further decomposition where it will allow users greater insight into the reliability of the estimates provided in the 'quantitative disclosures: risk assessment'. In particular, banks should provide this information where there are material differences between the PD, LGD or EAD estimates given by banks compared to actual outcomes over the long run. Banks should also provide explanations for such differences.

[161] At a minimum, banks must give the disclosures below in relation to credit risk mitigation that has been recognised for the purposes of reducing capital requirements under this Framework. Where relevant, banks are encouraged to give further information about mitigants that have not been recognised for that purpose.

[162] Credit derivatives that are treated, for the purposes of this Framework, as part of synthetic securitisation structures should be excluded from the credit risk mitigation disclosures and included within those relating to securitisation.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
Quantitative Disclosures*	(b)	For each separately disclosed credit risk portfolio under the standardised and/or foundation IRB approach, the total exposure (after, where applicable, on- or off- balance sheet netting) that is covered by:										
		•	eligible financial collateral; and									
		•	other eligible IRB collateral;									
		after the application of haircuts.[163]										
	(c)	For each separately disclosed portfolio under the standardised and/or IRB approach, the total exposure (after, where applicable, on- or off-balance sheet netting) that is covered by guarantees/credit derivatives.										
Table 8. General disclosure for exposures related to counterparty credit risk												
Qualitative Disclosures	(a)	The general qualitative disclosure requirement (paragraphs 824 and 825) with respect to derivatives and CCR, including:										
		•	Discussion of methodology used to assign economic capital and credit limits for counterparty credit exposures;									
		•	Discussion of policies for securing collateral and establishing credit reserves;									
		•	Discussion of policies with respect to wrong-way risk exposures;									
		•	Discussion of the impact of the amount of collateral the bank would have to have to provide given a credit rating downgrade.									
Quantitative Disclosures	(b)	Gross positive fair value of contracts, netting benefits, netted current credit exposure, collateral held (including type, e.g. cash, government										

[163] If the comprehensive approach is applied, where applicable, the total exposure covered by collateral after haircuts should be reduced further to remove any positive adjustments that were applied to the exposure, as permitted under Part 2.

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			Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
		securities, etc.), and net derivatives credit exposure.[164] Also report measures for exposure at default, or exposure amount, under the IMM, SM or CEM, whichever is applicable. The notional value of credit derivative hedges, and the distribution of current credit exposure by types of credit exposure.[165]									
	(c)	Credit derivative transactions that create exposures to CCR (notional value), segregated between use for the institution's own credit portfolio, as well as in its intermediation activities, including the distribution of the credit derivatives products used[166], broken down further by protection bought and sold within each product group.									
	(d)	The estimate of alpha if the bank has received supervisory approval to estimate alpha.									
Table 9. Securitization: disclosure for standardised and IRB approaches											
Qualitative Disclosures*	(a)	The general qualitative disclosure requirement (paragraph 824) with respect to securitisation (including synthetics), including a discussion of:									
		• the bank's objectives in relation to securitisation activity, including the extent to which these activities transfer credit risk of the underlying securitised exposures away from the bank to other entities;									

[164] *Net credit exposure* is the credit exposure on derivatives transactions after considering both the benefits from legally enforceable netting agreements and collateral arrangements. The notional amount of credit derivative hedges alerts market participants to an additional source of credit risk mitigation.

[165] This might be interest rate contracts, FX contracts, equity contracts, credit derivatives, and commodity/other contracts.

[166] This might be Credit Default Swaps, Total Return Swaps, Credit options, and other.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
		•	the roles played by the bank in the securitisation process[167] and an indication of the extent of the bank's involvement in each of them; and									
		•	the regulatory capital approaches (e.g. RBA, IAA and SFA) that the bank follows for its securitisation activities.									
	(b)	Summary of the bank's accounting policies for securitisation activities, including:										
		•	whether the transactions are treated as sales or financings;									
		•	recognition of gain on sale;									
		•	key assumptions for valuing retained interests, including any significant changes since the last reporting period and the impact of such changes; and									
		•	treatment of synthetic securitisations if this is not covered by other accounting policies (e.g. on derivatives).									
	(c)	Names of ECAIs used for securitisations and the types of securitisation exposure for which each agency is used.										
Quantitative Disclosures*	(d)	The total outstanding exposures securitised by the bank and subject to the securitisation framework (broken down into traditional/synthetic), by exposure type.[168,169,170]										
	(e)	For exposures securitised by the bank and subject to the securitisation framework:										

[167] For example: originator, investor, servicer, provider of credit enhancement, sponsor of asset backed commercial paper facility, liquidity provider, swap provider.
[168] For example, credit cards, home equity, auto, etc.
[169] Securitisation transactions in which the originating bank does not retain any securitisation exposure should be shown separately but need only be reported for the year of inception.
[170] Where relevant, banks are encouraged to differentiate between exposures resulting from activities in which they act only as sponsors, and exposures that result from all other bank securitisation activities that are subject to the securitisation framework.

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		•	amount of impaired/past due assets securitised; and									
		•	losses recognised by the bank during the current period[171]									
		broken down by exposure type.										
	(f)	Aggregate amount of securitisation exposures retained or purchased[172] broken down by exposure type.										
	(g)	Aggregate amount of securitisation exposures retained or purchased and the associated IRB capital charges for these exposures broken down into a meaningful number of risk weight bands. Exposures that have been deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from Total Capital, and other exposures deducted from total capital should be disclosed separately by type of underlying asset.										
	(h)	For securitisations subject to the early amortisation treatment, the following items by underlying asset type for securitised facilities:										
		•	the aggregate drawn exposures attributed to the seller's and investors' interests;									
		•	the aggregate IRB capital charges incurred by the bank against its retained (i.e. the seller's) shares of the drawn balances and undrawn lines; and									
		•	the aggregate IRB capital charges incurred by the bank against the investor's shares of drawn balances and undrawn lines.									

[171] For example, charge-offs/allowances (if the assets remain on the bank's balance sheet) or write-downs of I/O strips and other residual interests.

[172] Securitisation exposures, as noted in Part 2, Section IV, include, but are not restricted to, securities, liquidity facilities, other commitments and credit enhancements such as I/O strips, cash collateral accounts and other subordinated assets.

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			Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
	(i)	Banks using the standardised approach are also subject to disclosures (g) and (h), but should use the capital charges for the standardised approach.									
	(j)	Summary of current year's securitisation activity, including the amount of exposures securitised (by exposure type), and recognised gain or loss on sale by asset type.									
Table 10. Market risk: disclosures for banks using the standardised approach[173]											
Qualitative disclosures	(a)	The general qualitative disclosure requirement (paragraph 824) for market risk including the portfolios covered by the standardised approach.									
Quantitative disclosures	(b)	The capital requirements for:									
		• interest rate risk;									
		• equity position risk;									
		• foreign exchange risk; and									
		• commodity risk.									
Table 11. Market risk: disclosures for banks using the internal models approach (IMA) for trading portfolios											
Qualitative disclosures	(a)	The general qualitative disclosure requirement (paragraph 824) for market risk including the portfolios covered by the IMA. In addition, a discussion of the extent of and methodologies for compliance with the "Prudent valuation guidance" for positions held in the trading book (paragraphs 690 to 701).									
	(b)	The discussion should include an articulation of the soundness standards on which the bank's internal capital adequacy assessment is based. It should also include a description of the methodologies used to achieve a capital adequacy assessment that is consistent with the soundness standards.									

[173] The standardised approach here refers to the "standardised measurement method" as defined in the Market Risk Amendment.

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				Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
	(c)	For each portfolio covered by the IMA:										
		•	the characteristics of the models used;									
		•	a description of stress testing applied to the portfolio; and									
		•	a description of the approach used for backtesting/validating the accuracy and consistency of the internal models and modelling processes.									
	(d)	The scope of acceptance by the supervisor.										
Quantitative disclosures	(e)	For trading portfolios under the IMA:										
		•	The high, mean and low VaR values over the reporting period and period-end; and									
		•	A comparison of VaR estimates with actual gains/losses experienced by the bank, with analysis of important "outliers" in backtest results.									
Table 12. Operational risk												
Qualitative disclosures	(a)	In addition to the general qualitative disclosure requirement (paragraph 824), the approach(es) for operational risk capital assessment for which the bank qualifies.										
	(b)	Description of the AMA, if used by the bank, including a discussion of relevant internal and external factors considered in the bank's measurement approach. In the case of partial use, the scope and coverage of the different approaches used.										
	(c)*	For banks using the AMA, a description of the use of insurance for the purpose of mitigating operational risk.										

PILLAR 3 ROADMAP			Disclosure Provided				Frequency				Location of Disclosure**
			Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
Table 13. Equities: disclosures for banking book positions											
Qualitative disclosures	(a)	The general qualitative disclosure requirement (paragraph 824) with respect to equity risk, including:									
		• differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and									
		• discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.									
Quantitative disclosures*	(b)	Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.									
	(c)	The types and nature of investments, including the amount that can be classified as:									
		• Publicly traded; and									
		• Privately held.									
	(d)	The cumulative realised gains (losses) arising from sales and liquidations in the reporting period.									
	(e)	• Total unrealised gains (losses)[174]									
		• Total latent revaluation gains (losses)[175]									
		• any amounts of the above included in Tier 1 and/or Tier 2 capital.									

[174] Unrealised gains (losses) recognised in the balance sheet but not through the profit and loss account.
[175] Unrealised gains (losses) not recognised either in the balance sheet or through the profit and loss account.

PILLAR 3 ROADMAP			Disclosure Provided				Frequency				Location of Disclosure**
			Yes	No	N/A	If No or N/A reason disclosure not provided	Annual	Qrtly	Other	If other provide details	
	(f)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements.									
Table 14. Interest rate risk in the banking book											
Qualitative disclosures	(a)	The general qualitative disclosure requirement (paragraph 824), including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behaviour of non-maturity deposits, and frequency of IRRBB measurement.									
Quantitative disclosures	(b)	The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).									