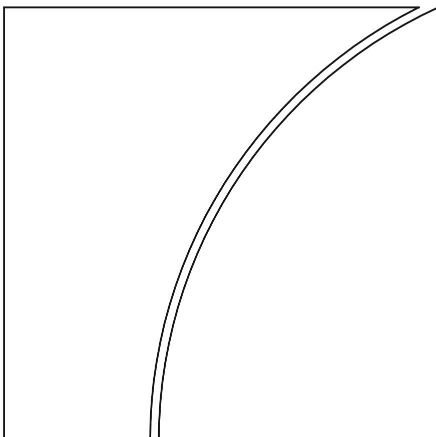
Basel Committee on Banking Supervision

Consultative Document



Pillar 3 disclosure requirements – consolidated and enhanced framework

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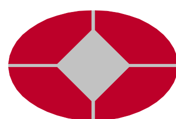

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Pillar 3 disclosure requirements – consolidated and enhanced framework

Introduction

The Basel Committee on Banking Supervision (BCBS) issued its revised Pillar 3 disclosure requirements in January 2015.[1] These superseded the Pillar 3 disclosure requirements issued in 2004 (as amended in July 2009), and completed the first phase of the review of Pillar 3 that the Committee announced it was undertaking in its June 2014 Consultative Document.[2] This Consultative Document sets out proposals from the second phase of the Pillar 3 review, the broad scope of which was also announced in the June 2014 Consultative Document.

The second phase of the review has covered the following three elements.

1. Enhancements to the revised Pillar 3 framework

In its June 2014 Consultative Document the Committee flagged that it proposed to develop a "dashboard" of key regulatory metrics that would provide users of Pillar 3 data with an overview of a bank's prudential position. The key metrics to be included within this dashboard are set out in this Consultative Document.

The Committee also announced in the June 2014 Consultative Document that it will require banks to disclose hypothetical risk-weighted assets calculated according to the standardised approach for credit risk. This would serve as a benchmark to their risk-weighted assets calculated using the internal ratings-based approach. The Committee proposes in this Consultative Document that banks should also provide hypothetical risk-weighted assets calculated according to the standardised approaches for market risk, counterparty credit risk and the securitisation framework. Draft proposals for these disclosure requirements are set out in this Consultative Document pending the finalisation of the Committee's ongoing reviews of the standardised approaches and the capital floor.

The review of enhancements to the Pillar 3 framework has also resulted in a new disclosure requirement for prudent valuation adjustments.

When finalised, these proposals will introduce four new templates into the revised Pillar 3 framework: Templates KM1, HYP1, HYP2 and PV1.

2. Further revisions and additions to the Pillar 3 framework arising from ongoing reforms to the regulatory policy framework

The Committee recognises the importance of ensuring that the disclosure requirements in the Pillar 3 framework continue to be relevant and meaningful to users in the light of policy developments. To this end, this Consultative Document incorporates proposed disclosure requirements arising from the total loss-absorbing capacity (TLAC) regime for global systemically important banks (G-SIBs), issued in

[1] See BCBS, *Revised Pillar 3 disclosure requirements*, January 2015, www.bis.org/bcbs/publ/d309.pdf.

[2] See BCBS, *Review of the Pillar 3 disclosure requirements*, June 2014, www.bis.org/publ/bcbs286.pdf.

November 2015,[3] the Committee's proposed revisions on operational risk[4] and its revised standard on market risk.[5] The revised operational risk disclosure requirements will supersede the corresponding disclosure requirements issued by the Committee in June 2004 and the revised market risk disclosures will supersede the corresponding requirements issued by the Committee in January 2015.

These proposals will introduce nine new disclosure requirements to the revised Pillar 3 framework. Four new disclosure requirements for TLAC are proposed (Templates KM2, TLAC1, TLAC2 and TLAC3). The proposals for operational risk will result in an amendment to the existing template OV1 and introduce one new table of qualitative data (Table ORA) and three new templates of quantitative data (Templates OR1 to OR3). The proposals add one additional table (Table MRC) for market risk to those in the revised Pillar 3 standard, which have been adapted to fit the new market risk framework resulting from the Committee's recently completed fundamental review of the trading book.

3. Consolidation of all existing and prospective BCBS disclosure requirements into the Pillar 3 framework

A large part of the work in the second phase of the Pillar 3 review has involved consolidating all existing and prospective disclosure requirements previously issued or announced by the Committee into the revised Pillar 3 standard. Although these disclosure requirements form a large element of the second phase, the review has involved only minor changes in format to the existing disclosure requirements in order to bring them into line with the revised Pillar 3 standard.

The consolidation process has covered the existing and prospective disclosure requirements for the composition of capital, the leverage ratio, the Liquidity Coverage Ratio (LCR), the Net Stable Funding Ratio (NSFR), the indicators for determining G-SIBs, the countercyclical capital buffer and remuneration. This has resulted in 14 existing or prospective disclosure requirements being reformatted into three new tables and 11 new templates.[6]

The above proposals, which are consistent with the principles for banks' Pillar 3 disclosures set out in Part 1 (II) of the revised Pillar 3 standard issued in January 2015, are described more fully below in Part 1. Parts 2 to 14 of this Consultative Document set out the detailed reporting requirements of the proposed new tables and templates.

The Committee welcomes comments from both Pillar 3 users and preparers on the proposals described in this Consultative Document by 10 June 2016 using the following link: www.bis.org/bcbs/commentupload.htm. All comments will be published on the Bank for International Settlements' website unless a respondent specifically requests confidential treatment.

[3] See Financial Stability Board, *Principles on loss-absorbing and recapitalisation capacity of G-SIBs in resolution: total loss-absorbing capacity term sheet,* November 2015, www.financialstabilityboard.org/2015/11/total-loss-absorbing-capacity-tlac-principles-and-term-sheet/.

[4] See BCBS, *Standardised Measurement Approach for operational risk - consultative document*, March 2016, www.bis.org/bcbs/publ/d355.pdf.

[5] See BCBS, *Minimum capital requirements for market risk*, January 2016, http://www.bis.org/bcbs/publ/d352.pdf.

[6] Tables CCA, LIQA and REMA and templates CC1, CC2, GSIB1, CCyB1, LR1, LR2, LIQ1, LIQ2, REM1, REM2 and REM3.

Part 1: Proposals for revised and new disclosure requirements

This part sets out the scope of the disclosure requirements considered in the second phase of the review of Pillar 3 and explains the background to, and the frequency and implementation dates of, the various proposed enhancements to the revised Pillar 3 framework. As noted above, the review has comprised three elements, which are explained in more detail below. Subsequent parts of this Consultative Document set out the detailed disclosure requirements to be included in the revised Pillar 3 framework.

1. Enhancements to the revised Pillar 3 framework

1.1. Proposal for a dashboard of key regulatory metrics

In its July 2013 discussion paper entitled "The regulatory framework: balancing risk sensitivity, simplicity and comparability",[7] the Committee noted that it could be beneficial for a standardised suite of resilience measures to be developed, together with standardised definitions and a disclosure template, in order to help investors compare these measures across banks and over time. The Committee noted that, while most potential measures can be produced at low marginal cost by banks and that many are already in the public domain, investors might find it challenging to collate and compare them. As such, standardised disclosures may improve market discipline.

In accordance with this proposal, the Committee has developed a set of key regulatory metrics for inclusion in the "Overview" section of a bank's Pillar 3 report, which will consequently be renamed "Part 2: Overview of risk management, key prudential metrics and RWA". Two disclosure requirements have been developed to form the key metrics. Template KM1 will provide users with a time series set of key regulatory metrics covering a bank's available capital (including buffer requirements and ratios), its risk-weighted assets (RWA), and its leverage, Liquidity Coverage and Net Stable Funding ratios. For those banks designated as G-SIBs, a separate template (Template KM2) will be required to provide key metrics on TLAC – see Section 2.1.

The Committee proposes that both templates be published on a quarterly basis. Banks should build up quarterly data for each metric from the date of implementation and report metrics for the previous four quarterly periods after one year of reporting.

The detailed disclosure requirements for the suite of key metrics are set out in Part 2.

1.2. Use of standardised approaches to benchmark internally modelled capital requirements

The June 2014 Consultative Document announced that the second phase of the Pillar 3 review would include disclosure proposals for benchmarking the outcomes of banks' internal models with the hypothetical capital requirements calculated according to the standardised approach for credit risk. The aim of this requirement is to reduce the opacity around banks' internally modelled RWA and to enhance comparability across banks. The Committee has subsequently decided to expand these disclosure requirements to cover counterparty credit risk, market risk and the securitisation framework in order to provide users with a comprehensive set of benchmark RWA for all risk elements.

[7] Available at www.bis.org/publ/bcbs258.pdf.

This Consultative Document sets out two draft templates for these disclosure requirements, prepared on the current Basel framework. The final design of the templates is subject to change, pending the outcomes of the Committee's ongoing projects on the standardised approach and on the internal models frameworks for different risk categories. The draft templates are included in the Consultative Document to illustrate the likely design of the proposed disclosure requirements and to seek feedback on that design.

As the Consultative Document sets out only draft disclosure requirements, no implementation date or frequency of reporting are proposed at this stage. Both will be considered when the disclosure requirements have been finalised. In terms of implementation, however, the intention is to align the implementation date with that of any revisions to the standardised approaches.

Separately, in a Consultative Document issued in December 2014,[8] the Committee noted that disclosure requirements on capital floors would form part of the Pillar 3 review when decisions on the policy framework around capital floors had been finalised. The outcome of the Committee's work on capital floors will therefore be included in future reviews of Pillar 3 requirements and factored into the final design of the disclosure requirements for benchmark RWA calculations, as appropriate.

1.3. Disclosure requirements for prudent valuation adjustments

In July 2009, the Committee issued revisions to the market risk framework, which included guidance for banks on the prudent valuation framework.[9] The revisions required banks to provide qualitative information on their approach to calculating prudent valuation adjustments. This disclosure requirement was incorporated in the new Pillar 3 standard issued in January 2015 through Table LIA, which requires banks to provide details of the systems and controls they have in place to ensure that their valuation estimates are prudent and reliable.

However, the July 2009 revisions to the market risk framework did not require banks to provide detailed quantitative disclosures of their prudent valuation adjustments. Banks were only required to provide the aggregate sum of their prudent valuation adjustments in the disclosure requirement for composition of capital.[10]

The Committee considers that an additional breakdown of a bank's aggregate prudent valuation adjustment would provide meaningful information to users and improve market discipline. A new disclosure requirement (Template PV1) is proposed to meet this objective. The new template is set out below in Part 3. The Committee proposes that the new disclosure requirement be published annually by all banks that record a prudent valuation adjustment.

2. Further revisions and additions to the Pillar 3 framework arising from ongoing reforms to the regulatory policy framework

2.1. Disclosure requirements for total loss absorbing capacity of G-SIBs

Following the recent agreement on the new TLAC regime for G-SIBs,[11] the Committee has agreed that disclosure requirements on TLAC should be included in the revised Pillar 3 framework. The new disclosure

[8] See BCBS, *Capital floors: the design of a framework based on standardised approaches – consultative document*, December 2014, www.bis.org/bcbs/publ/d306.htm.

[9] See BCBS, *Revisions to the Basel II market risk framework*, July 2009, www.bis.org/publ/bcbs158.pdf.

[10] See BCBS, *Composition of capital disclosure requirements*, June 2012, http://www.bis.org/publ/bcbs221.pdf.

[11] See Financial Stability Board, op cit.

requirements for the TLAC regime for G-SIBs are described below and are set out in Part 4. The introduction of the TLAC regime has also resulted in a small number of changes to the existing disclosure requirements for the composition of capital, which are set out in Section 3.1.

There are three new disclosure requirements proposed specifically for the TLAC regime, resulting in four new templates:

(i) As noted above, a new template (Template KM2) is proposed to set out the key metrics of the TLAC regime at a G-SIB's resolution group level.

(ii) Template TLAC1 represents an alternative and expanded version for G-SIBs of the existing disclosure requirements applicable to other internationally active banks on their capital composition (Template CC1). From the conformance date of the TLAC regime,[12] Template TLAC1 will become a required disclosure for all G-SIBs, at the level of both the G-SIB consolidated group and each resolution group within the G-SIB.[13] At that time, Template CC1 will continue to be used by non-G-SIBs only for disclosure of composition of capital.

(iii) Templates TLAC2 and TLAC3 present information on creditor rankings at the legal entity level for material subgroup entities (ie entities that are part of a material subgroup) and resolution entities, which have issued internal TLAC to one or more resolution entities. These templates provide information on the amount and residual maturity of TLAC and on the instruments issued by resolution entities and material subsidiaries that rank pari passu with, or junior to, TLAC instruments.

Template KM2 is to be published on a quarterly basis as it complements the dashboard of key metrics provided in Template KM1 set out in Section 1.1. Templates TLAC1, TLAC2 and TLAC3 should be published on a semiannual basis, effective from the TLAC conformance date.

The Committee is still considering certain issues regarding multiple point of entry (MPE) G-SIBs and Template TLAC1 and would particularly welcome feedback on the following issues:

(i) the calculation and reporting of the deductions of a parent resolution group's investment in regulatory capital instruments issued by its subsidiary resolution groups (see note under the table of explanatory notes for individual rows of Template TLAC1); and

(ii) whether a G-SIB resolution group should disclose both the pre- and post-adjustment amounts (as currently proposed in Template TLAC1) in relation to: (a) deduction of TLAC issued by other resolution groups with the same G-SIB (ie rows 59l and 59m) and issued by the resolution group (ie rows 59n and 59o); and (b) its total RWA (rows 59r and 59s). The alternative would be to present the "post-adjustment" amounts only. The adjustments are described in the final two paragraphs of section 3 of the TLAC term sheet.

2.2. Operational risk

The Committee noted in its June 2014 Consultative Document that it would consider the disclosure requirements for operational risk in the second phase of its review of Pillar 3 once the policy reviews in this area were completed. As a consequence, the original disclosure requirements for operational risk set out in the 2004 Pillar 3 framework were unchanged.

[12] 1 January 2019 in general, or otherwise applicable, depending on the TLAC regime entering into force.

[13] For single point of entry (SPE) G-SIBs, it is assumed that the consolidated group is the same as the resolution group. This means that TLAC1 will only need to be completed once to report the bank's regulatory capital and TLAC positions.

As the Committee is now consulting on a Standardised Measurement Approach[14] (SMA) for operational risk to replace the existing approaches, the disclosure requirements for operational risk proposed in this Consultative Document reflect the changes being proposed in the operational risk framework.

Rows 20 and 21 in the overview Template OV1 of the revised Pillar 3 standard issued in January 2015 have been amended to reflect the proposed changes to the operational risk framework, and three new templates (Templates OR1, OR2 and OR3) are proposed. These will provide users with quantitative data on historical operational risk losses, the drivers of a bank's operational risk charge under the SMA and details of a bank's incurred losses from operational risks over the previous three years, respectively. A new table (Table ORA) has also been introduced to provide users with qualitative data on a bank's operational risk management framework.

The amended and new disclosure requirements are set out below in Part 12. When finalised, they will supersede the existing operational risk disclosure requirements set out in the June 2004 Pillar 3 framework. It is proposed that all of the new operational risk disclosure requirements should be published annually.

2.3. Market risk

The Committee issued revised disclosure requirements for market risk in January 2015 (see Part 7 in the revised Pillar 3 standard issued in January 2015). The Committee has since concluded its work on the fundamental review of the trading book (FRTB) and has issued a revised standard,[15] which includes new market risk measurement methods. The Committee has therefore revised the disclosure requirements it issued in January 2015 to reflect these changes. The new disclosure requirements are set out below at Part 11.

The Committee proposes that the new market risk disclosure requirements be implemented concurrently with the implementation of the new standard, ie from 31 December 2019, at which point the new disclosure requirements will supersede those set out in the January 2015 standard. The frequency of the disclosure requirements are set out in Part 11 below.

2.4. Interest rate risk in the banking book

The Committee noted in its June 2014 Consultative Document that it would consider the disclosure requirements for interest rate risk in the banking book (IRRBB) in the second phase of its review of Pillar 3 once the policy reviews in this area had been completed. The Committee issued a Consultative Document on IRRBB in June 2015,[16] and the Committee's work in this area is in the process of being finalised. New disclosure requirements and the implementation date will be included in the final IRBB framework. In the interim, the disclosure requirements for IRRBB set out in Part 9 of the revised Pillar 3 standard issued in January 2015 remain in place.

[14] See BCBS, *Standardised Measurement Approach for operational risk - consultative document*, March 2016, www.bis.org/bcbs/publ/d355.pdf.

[15] See BCBS, *Minimum capital requirements for market risk*, January 2016, www.bis.org/bcbs/publ/d352.htm.

[16] See BCBS, *Interest rate risk in the banking book – consultative document*, June 2015, www.bis.org/bcbs/publ/d319.htm.

3. Consolidation of all existing and prospective BCBS disclosure requirements into the Pillar 3 framework

As noted in the revised Pillar 3 standard issued in January 2015, the Committee intends to gather all existing and new disclosure requirements in a single and coherent Pillar 3 framework to facilitate users' access to comprehensive regulatory information and to improve market discipline. With this aim in mind, the second phase of the work on Pillar 3 has reviewed all existing disclosure requirements arising from earlier Basel standards and prospective disclosure requirements arising from Basel III and the Committee's wider reform agenda. The review has resulted in amendments to the format and frequency of these disclosures to align them with the new Pillar 3 standard issued by the Committee in January 2015. The Committee will not consider comments aimed at modifying disclosure requirements which remain unchanged from previously issued standards.

The review proposes to consolidate the disclosure requirements issued by the Committee in the following documents:[17]

- *Composition of capital disclosure requirements* (June 2012)
- *Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement* (July 2013)
- *Basel III: A global regulatory framework for more resilient banks and banking systems – revised version* (June 2011) – section dealing with the geographical distribution of credit exposures subject to the countercyclical buffer
- *Basel III leverage ratio framework and disclosure requirements* (January 2014)
- *Liquidity coverage ratio disclosure standards* (January 2014)
- *Net Stable Funding Ratio disclosure standards* (June 2015)
- *Pillar 3 disclosure requirements for remuneration* (July 2011)

3.1. Composition of capital and of TLAC

The Committee issued its *Composition of capital disclosure requirements* in June 2012 (hereafter referred to as "the 2012 document") to enable market participants to compare the capital adequacy of banks across jurisdictions. As part of the consolidation of these disclosure requirements into the new Pillar 3 framework, the Committee has focused on those disclosure requirements announced in the 2012 document that are scheduled to be introduced on 1 January 2018 – the existing transitional disclosure requirements will remain in place until then.

The Committee does not propose any substantive changes to the disclosure requirements contained in the 2012 document. The main changes are stylistic, to bring the existing disclosures in line with the revised Pillar 3 framework. However, small changes have been proposed to Template CC1 and to Table CCA to reflect the introduction of the TLAC regime for G-SIBs. Template CC1, which focuses on regulatory capital elements at a consolidated level, has been amended to provide information on adjustments due to other TLAC-eligible instruments held by the reporting bank.

The revised disclosure requirements for the composition of capital comprise two templates (Templates CC1 and CC2) and one table (Table CCA). Template CC1 details the composition of a bank's regulatory capital. It is consistent with Annex 1 in the 2012 document, but includes an additional column (b) to illustrate the reconciliations in Template CC2. Template CC2, which provides a reconciliation to the

[17] All documents are available at www.bis.org/bcbs/publications.htm.

balance sheet set out in a bank's financial statements, remains unchanged from the template set out in Annex 2 of the 2012 document.

Table CCA details the main features of a bank's regulatory capital instruments and other TLAC-eligible instruments.[18] It is drawn from the table in Annex 3 of the 2012 document. This table should be posted on the bank's website, with its location (ie the web link) referenced in the bank's Pillar 3 report, to facilitate users' access to the required disclosure. Table CCA represents the minimum level of summary disclosure that banks are required to report in respect of each regulatory capital instrument and, where applicable, other TLAC-eligible instruments issued.

The detailed disclosure requirements for composition of capital and TLAC described in Section 2.1 and in the section above are set out in Part 4. The table below summarises the scope of application for each disclosure requirement before and after entering into force of the TLAC regime:

Disclosure requirements	**Scope of application pre-TLAC conformance date[19]**	**Scope of application post-TLAC conformance date**
Template KM2 – Key metrics – TLAC requirements (at resolution group level)	Na	All G-SIBs – resolution group level
Template CC1 – Composition of regulatory capital (post-1 January 2018 disclosure template requirements)	All banks – consolidated level	Non G-SIBs – consolidated level
Template CC2 – Reconciliation of regulatory capital to balance sheet	All banks – consolidated level	All banks – consolidated level
Table CCA – Main features of regulatory capital instruments and of other TLAC instruments	All banks (all regulatory capital instruments issued)	All banks (all regulatory capital and other TLAC-eligible instruments issued)
Template TLAC1 – Capital and TLAC composition for G-SIB	Na	All G-SIBs – consolidated level and resolution group level
Templates TLAC2 and TLAC3 – Creditor ranking at legal entity level: information for material subgroup entity and resolution entity	Na	G-SIBs – entity level (resolution entities and material subgroup entities)

Templates CC1 and CC2 should be published on a semiannual basis with the first disclosure to be included in a bank's Pillar 3 report at its financial year-end 2017. In line with existing disclosure requirements, Table CCA should be updated on a bank's website whenever the bank issues or repays a capital or TLAC instrument or whenever there is a redemption, conversion, writedown or other material change in the nature of an existing instrument.

During the transition phase, the disclosure template,[20] which includes disclosure of regulatory adjustments provided during the progressive entering into force of Basel III, should continue to be published by banks up to and including the date of their 2017 financial year-end, after which it will no longer be required.

The revised disclosure requirements are set out in Part 4.

[18] In this context, "other TLAC-eligible instruments" refers to instruments other than regulatory capital instruments that meet the TLAC eligibility criteria.

[19] In the pre-TLAC conformance period, any elements of the requirements that relate to TLAC are not applicable.

[20] See BCBS, *Composition of capital disclosure requirements*, June 2012, Annex 4.

3.2. Disclosure requirements for macroprudential supervisory measures

(a) G-SIB methodology

In July 2013, the Committee issued an updated methodology for assessing G-SIBs and the higher loss absorbency requirements for those banks.[21] The methodology set out 12 indicators to assess G-SIBs and required those indicators to be made publicly available.

In consolidating these disclosure requirements into this Consultative Document, the Committee has transposed the 12 indicators into a new disclosure requirement (Template G-SIB1). However, national authorities have discretion to require banks to disclose a more detailed breakdown of the assessment indicators, which is set out in the existing template used by banks to report their data to the Committee's data hub. Those banks which are required by their national authorities, or choose, to disclose the full breakdown of their indicators should include the web link or other relevant reference in their Pillar 3 report to facilitate users' access to this information.

The amended disclosure requirements for the G-SIB indicators should be published on an annual basis and included in a bank's first Pillar 3 report issued after the indicators are published on its website. This should be no later than four months after the bank's financial year-end, commencing in 2017, and no later than end-July each year.

The revised disclosure requirements are set out in Part 5.

(b) Geographical distribution of credit exposures subject to countercyclical buffer

The Committee set out details of the countercyclical buffer regime in December 2010 and issued an FAQ document[22] in October 2015 clarifying a number of elements of how the regime should operate in practice. The FAQ also included a section on disclosure requirements around the calculation of the buffer, including details of the geographic breakdown of banks' private sector credit exposures. The Committee is proposing to introduce a new template (Template CCyB1) to capture this disclosure requirement.

It is proposed that Template CCyB1 should be published semiannually, with the first disclosure due in a bank's Pillar 3 report as at its financial year-end 2017.

The revised disclosure requirements are set out in Part 5.

3.3. Disclosure requirements for the leverage ratio

The Committee issued its standard on the leverage ratio disclosure requirements in January 2014.[23] The disclosure requirements comprise two elements: a summary comparison of accounting assets versus the leverage ratio exposure measure, and the leverage ratio common disclosure template. As part of the consolidation exercise, the Committee has transposed these disclosure requirements into two new templates (Templates LR1 and LR2) to align them with the new Pillar 3 format. The new disclosure requirements do not give rise to any substantive changes from the disclosure requirements issued in January 2014. Therefore, at this time the Committee is not considering modifying the content of these templates. The Committee plans to consult on proposed revisions to the Basel III leverage ratio framework. Any revisions to the leverage ratio framework that require changes to the templates LR1 and LR2 will be reflected in due course.

[21] See BCBS, *Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement*, July 2013, www.bis.org/publ/bcbs255.pdf.

[22] See BCBS, *Frequently asked questions on the Basel III countercyclical capital buffer*, October 2015, www.bis.org/bcbs/publ/d339.pdf.

[23] See BCBS, *Basel III leverage ratio framework and disclosure requirements*, January 2014, www.bis.org/publ/bcbs270.pdf.

The Committee proposes that both Template LR1 and Template LR2 be published on a quarterly basis, commencing at a bank's financial year-end 2017.

The revised disclosure requirements are set out in Part 6.

3.4. Disclosure requirements for the Liquidity Coverage Ratio and Net Stable Funding Ratio

(a) Liquidity Coverage Ratio (LCR)

The Committee issued disclosure standards for the LCR in January 2014.[24] These contained a common disclosure template for the LCR and provided guidance on additional quantitative and qualitative information that banks may choose to disclose relating to, inter alia, their internal liquidity risk measurement and management framework.

In consolidating these disclosure requirements into the new Pillar 3 framework, the Committee proposes to transpose the LCR common disclosure template into a new template (Template LIQ1) without change. Therefore, at this time the Committee is not considering modifying the content of this template.

The Committee has also decided to transpose the guidance on additional disclosures into a table (Table LIQA) to provide additional qualitative information for users on a bank's liquidity risk management framework. The format of the content of this table is flexible, to enable banks to disclose those elements of its liquidity risk management framework it considers relevant, given its business model and liquidity risk profile.

Template LIQ1 should be published on a quarterly basis commencing at a bank's financial year-end 2017. It is proposed that Table LIQA should be published annually.

The revised LCR disclosure requirements are set out in Part 7.

(b) Net Stable Funding Ratio (NSFR)

The disclosure requirements issued by the Committee for the NSFR in June 2015[25] have been transposed, without amendment, into a new template (Template LIQ2). Therefore, at this time the Committee is not considering modifying the content of this template.

In line with the proposed frequency of the LCR disclosures, the Committee proposes that banks publish Template LIQ2 on a semiannual basis. The first disclosure should be made in a bank's first semiannual Pillar 3 report after 1 January 2018.

The revised NSFR disclosure requirements are set out in Part 7.

3.5. Disclosure requirements for remuneration

As part of its consolidation process of all existing disclosure requirements, the Committee has reviewed the disclosure requirements for remuneration that it issued in July 2011 in order to bring them into line with the revised Pillar 3 format.

The existing qualitative disclosure requirements on remuneration have been incorporated into a new disclosure requirement (Table REMA), which provides a description of a bank's remuneration policy. The existing quantitative disclosures have been consolidated into three new templates (Templates REM1, REM2 and REM3), which provide information on a bank's fixed and variable remuneration awarded during the financial year, details of any special payments made, and information on a bank's total outstanding

[24] See BCBS, *Liquidity coverage ratio disclosure standards*, January 2014 (rev March 2014), www.bis.org/publ/bcbs272.pdf.

[25] See BCBS, *Net Stable Funding Ratio disclosure standards*, June 2015, www.bis.org/bcbs/publ/d324.pdf.

deferred and retained remuneration, respectively. The new disclosure requirements do not result in any substantive changes from the disclosure requirements issued in July 2011.

The amended disclosure requirements should be published on an annual basis, with the first disclosure due in a bank's Pillar 3 report as at its financial year-end 2017.

The revised disclosure requirements are set out in Part 14.

4. General considerations

4.1. Scope of application

Unless otherwise specified, all disclosure requirements proposed in this Consultative Document apply to internationally active banks at the top consolidated level.

Where there are exceptions to this general scope of application, they are noted in the scope of application field that precedes all templates and tables.

4.2. Frequency and timing of disclosures

The reporting frequencies for each of the new disclosure requirements described in this Consultative Document are set out in the schedule in Section 6. In line with the revised Pillar 3 standard issued in January 2015, the frequencies vary between quarterly, semiannual and annual reporting depending upon the nature of the specific disclosure requirement. This is a minimum standard of disclosure frequency, and banks may choose (or may be required by their supervisors) to disclose information more frequently.

In line with the approach adopted in the revised Pillar 3 standard issued in January 2015, a bank's Pillar 3 report must be published concurrently with its financial report for the corresponding period. If a Pillar 3 disclosure is required to be published for a period when a bank does not produce any financial report, the disclosure requirement must be published as soon as practicable. However, the time lag must not exceed that allowed to the bank for its regular financial reporting period-ends (eg if a bank reports only annually and its annual financial statements are made available five weeks after the end of the annual reporting period-end, interim Pillar 3 disclosures on a quarterly and/or semiannual basis must be available within five weeks after the end of the relevant quarter or semester).

4.3. Implementation dates

This document introduces and consolidates disclosure requirements that will come into force at different times. As a consequence, different implementation dates for the proposed disclosure requirements have been proposed in line with the following general criteria:

- Where the disclosure requirements have already been implemented and the changes are minor, the implementation date has been set for a bank's 2017 financial year-end.
- Where the disclosure requirements are dependent on the implementation of another policy framework, the implementation date has been linked to the implementation of that other framework.

A detailed breakdown of the proposed implementation dates of each of the disclosure requirements set out in this Consultative Document appears in the schedule in Section 6. In line with the

approach adopted for the revised Pillar 3 standard, the Committee encourages earlier implementation by large internationally active banks.

4.4. Assurance of Pillar 3 data

These paragraphs are copied from January 2015 revised Pillar 3 and are reproduced here for convenience.

The information provided by banks in the new disclosure requirements must be subject, at a minimum, to the same level of internal review and internal control processes as the information provided by banks for their financial reporting (ie the level of assurance must be the same as for information provided within the management discussion and analysis part of the financial report).

Banks must establish a formal board-approved disclosure policy for Pillar 3 information that sets out the internal controls and procedures for disclosure of such information. The key elements of this policy should be described in the year-end Pillar 3 report or cross-referenced to another location where they are available. The board of directors and senior management are responsible for establishing and maintaining an effective internal control structure over the disclosure of financial information, including Pillar 3 disclosures. They must also ensure that appropriate review of the disclosures takes place. One or more senior officers of a bank, ideally at board level or equivalent, must attest in writing that Pillar 3 disclosures have been prepared in accordance with the board-agreed internal control processes.

4.5. Proprietary and confidential information

This paragraph are copied from January 2015 revised Pillar 3 and are reproduced here for convenience.

The Committee believes that the disclosure requirements set out below strike an appropriate balance between the need for meaningful disclosure and the protection of proprietary and confidential information. In exceptional cases, disclosure of certain items required by Pillar 3 may reveal the position of a bank or contravene its legal obligations by making public information that is proprietary or confidential in nature. In such cases, a bank does not need to disclose those specific items, but must disclose more general information about the subject matter of the requirement instead. It must also explain in the narrative commentary to the disclosure requirement the fact that the specific items of information have not been disclosed and the reasons for this.

5. Presentation of the disclosure requirements

This section is taken from the January 2015 revised Pillar 3 standard as these provisions are also applicable to the disclosure requirements included in the following parts.

5.1. Templates and tables

In line with the revised Pillar 3 disclosure requirements set out in January 2015, the disclosure requirements arising from the second phase of the Committee's review of Pillar 3 are presented in the form of either templates or tables. Templates must be completed with quantitative data in accordance with the definitions provided. Tables generally relate to qualitative requirements, but quantitative information is also required in some instances. Banks may choose the format they prefer when presenting the information requested in tables.

5.2. Templates with a fixed format

When the format of the template is described as fixed, banks must complete the fields in accordance with the instructions given. If a row/column is not considered to be relevant to a bank's activities, or the required information would not be meaningful to users (eg immaterial from a quantitative perspective), the bank may delete the specific row/column from the template, but the numbering of the subsequent rows and columns must not be altered. Banks may add extra rows and extra columns to fixed format templates if they wish to provide additional detail to a disclosure requirement, but the numbering of prescribed rows and columns in the template must not be altered.

5.3. Templates/tables with a flexible format

Where the format of a template/table is described as flexible, banks may present the required information either in the format provided in this document or in one that better suits the bank. The format for the presentation of qualitative information in tables is not prescribed. However, where a customised presentation of the information is used, the bank must provide information comparable with that specified in the disclosure requirement (ie at a similar level of granularity as if the template/table were completed as presented in this document).

5.4. Signposting

Banks may disclose in a document separate from their Pillar 3 report (eg in a bank's annual report or through published regulatory reporting) the templates/tables with a flexible format, and the fixed format templates where the criteria in the following paragraph are met. In such circumstances, the bank must signpost clearly in its Pillar 3 report where the disclosure requirements have been published. This signposting in the Pillar 3 report must include:

- the title and number of the disclosure requirement;
- the full name of the separate document in which the disclosure requirement has been published;
- a web link where relevant; and
- the page and paragraph number of the separate document where the disclosure requirements can be located.

The disclosure requirements for templates with a fixed format may be disclosed by banks in a separate document other than the Pillar 3 report, provided all of the following criteria are met:

- the information contained in the signposted document is equivalent in terms of presentation and content to that required in the fixed template and allows users to make meaningful comparisons with information provided by banks disclosing the fixed format templates;
- the information contained in the signposted document is based on the same scope of consolidation as the one used in the disclosure requirement;
- the disclosure in the signposted document is mandatory; and
- the supervisory authority responsible for ensuring the implementation of the Basel standards is subject to legal constraints in its ability to require the reporting of duplicative information.

Banks may only make use of signposting if the level of assurance on the reliability of data in the separate document is equivalent to, or greater than, the internal assurance level required for the Pillar 3 report (see section on assurance in Section 4.4).

5.5. Qualitative narrative to accompany the disclosure requirements

Banks are expected to supplement the quantitative information provided in both fixed and flexible templates with a narrative commentary to explain at least any significant changes between reporting periods and any other issues that management considers to be of interest to market participants. The form this additional narrative takes is at the bank's discretion. This disclosure of additional quantitative and qualitative information will provide market participants with a broader picture of a bank's risk position and promote market discipline.

5.6. Navigation across templates

To facilitate navigation, linkages across templates are provided in the explanations to the templates. Cells are described with their row number/column letter combination and, when located in another template, preceded by the template code. The cells whose content matches amounts reported in other templates are identified in the template with a double box.

6. List of format and frequency of each disclosure requirement

The list below sets out whether the disclosure requirements in this Consultative Document are required in a fixed or flexible format and the proposed frequency of publication of each template and table. For a complete list of Pillar 3 tables and templates, combining those introduced in the January 2015 revised Pillar 3 framework and those at the time of this document, refer to the Annex.

	Tables and templates[a]	Format	Frequency	Implementation date[b]
Part 2 – Overview of risk management, key prudential metrics and RWA	KM1 – Key metrics (at consolidated group level)	Fixed	Quarterly	End-2017
	KM2 – Key metrics – TLAC requirements (at resolution group level)	Fixed	Quarterly	1 January 2019[c]
	OV1 – Overview of RWA	Fixed	Quarterly	End-2017
	HYP1 – Hypothetical RWA calculated according to the standardised approaches as benchmarks to internally modelled RWA	Fixed	Semiannual	TBD
	HYP2 – Hypothetical RWA calculated according to the standardised approach for credit risk (excluding counterparty credit risk) at asset class level	Fixed	Semiannual	TBD
Part 3 – Linkages between financial statements and regulatory exposures	PV1 – Prudential valuation adjustments	Fixed	Annual	End-2017
Part 4 – Composition of capital	CC1 – Composition of regulatory capital	Fixed	Semiannual	End-2017
	CC2 – Reconciliation of regulatory capital to balance sheet	Flexible	Semiannual	End-2017
	CCA – Main features of regulatory capital instruments and of other TLAC instruments	Flexible	Semiannual	End-2017
	TLAC1 – Capital and TLAC composition for G-SIBs	Fixed	Semiannual	1 January 2019[c]
	TLAC2 – Material subgroup entity – creditor ranking at legal entity level	Fixed	Semiannual	1 January 2019[c]
	TLAC3 – Resolution entity – creditor ranking at legal entity level	Fixed	Semiannual	1 January 2019[c]
Part 5 – Macroprudential supervisory measures	GSIB1 – Disclosure of G-SIB indicators (simple consolidation without change)	Fixed	Annual	End-2017
	CCyB1 – Geographical distribution of credit exposures used in the countercyclical buffer	Flexible	Semiannual	End-2017
Part 6 – Leverage ratio	LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure (simple consolidation without change)	Fixed	Quarterly	End-2017
	LR2 – Leverage ratio common disclosure template (simple consolidation without change)	Fixed	Quarterly	End-2017
Part 7 – Liquidity	LIQA – Liquidity risk management (simple consolidation without change)	Flexible	Annual	End-2017
	LIQ1 – Liquidity Coverage Ratio (simple consolidation without change)	Fixed	Quarterly	End-2017
	LIQ 2 – Net Stable Funding Ratio (simple consolidation without change)	Fixed	Semiannual	1 January 2018
Part 8 – Credit risk	See January 2015 *Revised Pillar 3 disclosure requirements*			
Part 9 – Counterparty credit risk	See January 2015 *Revised Pillar 3 disclosure requirements*			
Part 10 – Securitisation	See January 2015 *Revised Pillar 3 disclosure requirements*			
Part 11 – Market risk	MRA – General qualitative disclosure requirements related to market risk	Flexible	Annual	End-2019
	MR1 – Market risk under SA	Fixed	Semiannual	End-2019

	Tables and templates[a]	Format	Frequency	Implementation date[b]
	MRB – Qualitative disclosures for banks using the IMA	Flexible	Annual	End-2019
	MRC – The structure of desks for banks using the IMA	Flexible	Semiannual	End-2019
	MR2 – Market risk IMA per desk	Fixed	Semiannual	End-2019
	MR3 – Market risk IMA per risk type	Fixed	Semiannual	End-2019
	MR4 – RWA flow statements of market risk exposures under IMA	Fixed	Quarterly	End-2019
Part 12 – Operational risk	ORA – General qualitative information about operational risk management	Flexible	Annual	[Op risk]
	OR1 – Historical losses used for SMA calculation	Fixed	Annual	[Op risk]
	OR2 – SMA – business indicator and subcomponents	Fixed	Annual	[Op risk]
	OR3 – Historical losses	Fixed	Annual	[Op risk]
Part 13 – Interest rate risk in the banking book	See separate consultative document[26]			[IRBB]
Part 14 – Remuneration	REMA – Remuneration policy	Flexible	Annual	End-2017
	REM1 – Remuneration awarded during the financial year	Flexible	Annual	End-2017
	REM2 – Special payments	Flexible	Annual	End-2017
	REM3 – Deferred remuneration	Flexible	Annual	End-2017

[a] Tables are grey shaded, templates are not.

[b] When indicated within square brackets, the implementation date will coincide with the implementation date of the regulatory project underpinning the disclosure requirements.

[c] Or otherwise applicable, depending on the TLAC regime entering into force.

[26] See BCBS, *Interest rate risk in the banking book*, June 2015, http://www.bis.org/bcbs/publ/d319.htm.

Part 2: Overview of risk management, key prudential metrics and RWA

Template KM1: Key metrics (at consolidated group level)

[New template]

Purpose: The dashboard provides an overview of a bank's prudential regulatory situation.
Scope of application: The template is mandatory for all banks.
Content: Regulatory key metrics. Banks are required to disclose each metric's value using the corresponding standard's specifications for the reporting period-end (designated by T in the template below) as well as the four previous quarter-end figures (T-1 to T-4).[27]
Frequency: Quarterly.
Format: Fixed. If banks wish to add rows to provide additional regulatory or financial metrics, they must provide definitions for these metrics and a full explanation of how the metrics are calculated (including the scope of consolidation and the regulatory capital used if relevant). The additional metrics must not replace the metrics in this disclosure requirement.
Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant change in each metric's value compared with previous quarters, including the key drivers of such changes (eg whether the changes are due to evolutions in the regulatory framework, group structure or business model).

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)					
2	Tier 1					
3	Total capital					
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)					
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)					
6	Tier 1 ratio (%)					
7	Total capital ratio (%)					
	Additional CET1 buffers requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)					

[27] When a metric for a new standard is reported for the first time, retrospective data for previous data points are not required to be disclosed.

9	Countercyclical buffer requirement (%)					
10	Bank GSIB and/or DSIB additional requirements (%)					
11	Total of bank CET1 specific buffer requirements (%) (row8+row9+row10)					
12	CET1 available to meet buffers after meeting the bank's minimum capital requirements, and, if applicable, TLAC requirements (%)					
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure					
14	Basel III leverage ratio (%) (row 2/row 13)					
	Liquidity Coverage Ratio					
15	Total HQLA					
16	Total Net Cash Outflow					
17	LCR ratio (%)					
	Net Stable Funding Ratio					
18	Total Available Stable Funding					

19	Total Required Stable Funding					
20	NSFR ratio (%)					

Instructions

CET1 available to meet buffers after meeting the bank's minimum capital requirements: measures the CET1 available after meeting the bank's minimum capital requirement and, if applicable, after meeting TLAC requirement.

Total Basel III leverage ratio exposure measure: according to specifications set out in part 6 on leverage ratio. The amounts may reflect end-of-period or averages depending on local implementation.

Total HQLA: total adjusted value according to specifications set out in part 7 on liquidity, using simple averages of daily observations over the previous quarter (ie the average calculated over a period of, typically, 90 days).

Total Net Cash Outflow: total adjusted value according to specifications set out in part 7 on liquidity, using simple averages of daily observations over the previous quarter (ie the average calculated over a period of, typically, 90 days).

Linkages across templates

Amount in [KM1:1/a] is equal to [CC1:29/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:29/a] (for G-SIBs)

Amount in [KM1:2/a] is equal to [CC1:45/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:45/a] (for G-SIBs)

Amount in [KM1:3/a] is equal to [CC1:59/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:59/a] (for G-SIBs)

Amount in [KM1:4/a] is equal to [CC1:60/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:60/a] (for G-SIBs)

Amount in [KM1:5/a] is equal to [CC1:61/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:61/a] (for G-SIBs)

Amount in [KM1:6/a] is equal to [CC1:62/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:62/a] (for G-SIBs)

Amount in [KM1:7/a] is equal to [CC1:63/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:63/a] (for G-SIBs)

Amount in [KM1:8/a] is equal to [CC1:65/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:65/a] (for G-SIBs)

Amount in [KM1:9/a] is equal to [CC1:66/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:66/a] (for G-SIBs)

Amount in [KM1:10/a] is equal to [CC1:67/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:67/a] (for G-SIBs)

Amount in [KM1:12/a] is equal to [CC1:68/a] (for non-G-SIBs) or [G-SIB group-level TLAC1:68/a] (for G-SIBs)

Amount in [KM1:13/a] is equal to [LR2:21/a]

Amount in [KM1:14/a] is equal to [LR2:22/a]

Amount in [KM1:15/a] is equal to [LIQ1:21/b]

Amount in [KM1:16/a] is equal to [LIQ1:22/b]

Amount in [KM1:17/a] is equal to [LIQ1:23/b]

Amount in [KM1:18/a] is equal to [LIQ2:14/e]

Amount in [KM1:19/a] is equal to [LIQ2:33/e]

Amount in [KM1:20/a] is equal to [LIQ2:34/e]

Template KM2: Key metrics - TLAC requirements (at resolution group level)

[New template]

Purpose: Provide summary information about Total Loss-Absorbing Capacity (TLAC) available, and TLAC requirements applied, at resolution group level under the Single Point of Entry and Multiple Point of Entry approaches.
Scope of application: The template is mandatory for all resolution groups of G-SIBs.
Content: Regulatory exposure measures. Banks are required to disclose the figure as of the end of the reporting period (designated by T in the template below) as well as the previous four quarter ends (designed by T-1 to T-4 in the template below).[28] When the banking group includes several resolution groups (Multiple Point of Entry approach), this template is to be reproduced for each resolution group.
Frequency: Quarterly.
Format: Fixed.
Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant change over the reporting period and the key drivers of such changes.

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
	Resolution group 1					
1	Total Loss Absorbing Capacity (TLAC) available					
2	Total RWA at the level of resolution group					
3	TLAC as a percentage of RWA (row1/row2) (%)					
4	Total leverage exposure measure at the level of resolution group					
5	TLAC as a percentage of leverage exposure measure (row1/row4) (%)					

Linkages across templates

Amount in [KM2:1/a] is equal to [resolution group-level TLAC1:59q/a]

Amount in [KM2:2/a] is equal to [resolution group-level TLAC1:60/a]

Amount in [KM2:3/a] is equal to [resolution group-level TLAC1:63a/a]

Amount in [KM2:4/a] is equal to [resolution group-level TLAC1:60a/a]

Amount in [KM2:5/a] is equal to [resolution group-level TLAC1:63b/a]

[28] When a metric for a new standard is reported for the first time, retrospective data for previous data points are not required to be disclosed.

Table OVA: Bank risk management approach

[See January 2015 revised Pillar 3 disclosure requirements*]*

Template OV1: Overview of RWA

[Minor changes to reflect changes in the operational risk framework and the new securitisation framework]

Purpose: Provide an overview of total RWA forming the denominator of the risk-based capital requirements. Further breakdowns of RWA are presented in subsequent parts.
Scope of application: The template is mandatory for all banks.
Content: Risk-weighted assets and capital requirements under Pillar 1.
Frequency: Quarterly.
Format: Fixed.
Accompanying narrative: Banks are expected to identify and explain the drivers behind differences in reporting periods T and T-1 where these differences are significant. When minimum capital requirements in column (c) do not correspond to 8% of RWA in column (a), banks must explain the adjustments made. If the bank uses the IMM for its equity exposures under the market-based approach, it must provide annually a description of the main characteristics of its internal model in an accompanying narrative.

		a	b	c
		RWA		Minimum capital requirements
		T	T-1	T
1	Credit risk (excluding counterparty credit risk)			
2	Of which standardised approach (SA)			
3	Of which internal rating-based (IRB) approach			
4	Counterparty credit risk (CCR)			
5	Of which standardised approach for counterparty credit risk (SA-CCR)			
6	Of which internal model method (IMM)			
7	Equity positions in banking book under market-based approach			
8	Equity investments in funds – look-through approach			
9	Equity investments in funds – mandate-based approach			
10	Equity investments in funds – fall-back approach			
11	Settlement risk			
12	Securitisation exposures in banking book			
13	Of which securitisation internal ratings-based approach (SEC-IRBA)			
14	Of which securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)			
15	Of which securitisation standardised approach (SEC-SA)			
16	Market risk			
17	Of which standardised approach (SA)			
18	Of which internal model approaches (IMA)			
19	Operational risk			
20	Amounts below the thresholds for deduction (subject to 250% risk weight)			
21	Floor adjustment			
22	Total (1+4+7+8+9+10+11+12+16+19+20+21)			

Definitions and instructions

RWA: risk-weighted assets according to the Basel framework and as reported in accordance with the subsequent parts of this document. Where the regulatory framework does not refer to RWA but directly to capital charges (eg for market risk and operational risk), banks should indicate the derived RWA number (ie by multiplying capital charge by 12.5).

RWA (T-1): risk-weighted assets as reported in the previous Pillar 3 release (ie at the end of the previous quarter).

Minimum capital requirement T: Pillar 1 capital requirements at the reporting date. This will normally be RWA*8% but may differ if a floor is applicable or adjustments (such as scaling factors) are applied at jurisdiction level.

Credit risk (excluding counterparty credit risk): RWA and capital requirements according to the credit risk framework reported in Part 4 of the Pillar 3 framework; it excludes all positions subject to the securitisation regulatory framework, including securitisation exposures in the banking book (which are reported in row 12) and capital requirements relating to a counterparty credit risk charge, which are reported in row 4.

Of which standardised approach: RWA and capital requirements according to the credit risk standardised approach.

Of which internal rating based approaches: RWA and capital requirements according to the credit risk internal-rating based (IRB) approaches (Foundation Internal Ratings-Based (FIRB) and Advanced Internal Ratings-Based (AIRB)).

Counterparty credit risk: RWA and capital charges according to the counterparty credit risk framework, as reported in Part 5 of the Pillar 3 framework.

Equity positions in the banking book under the market-based approach: the amounts in row 7 correspond to RWA where the bank applies the market-based approach (simple risk-weight approach) or internal models method (IMM) approach (described in paragraphs 343–349 of the Basel framework). Where the regulatory treatment of equities is in accordance with the market-based/simple risk-weight method, the corresponding RWA are included in template CR10 in Part 4 of the Pillar 3 framework and in row 7 of this template. Where the regulatory treatment of equities in the banking book is in accordance with the PD/LGD approach, the corresponding RWA and capital requirements are reported in template CR6 (portfolio Equity PD/LGD) in Part 4 of the Pillar 3 framework and included in row 3 of this template. Where the regulatory treatment of equities is in accordance with the standardised approach, the corresponding RWA are reported in template CR4 in Part 4 of the Pillar 3 framework and included in row 2 of this template).

Equity investments in funds - look-through approach: RWA and capital requirements calculated in accordance with paragraphs 80(ii)–80(v) of the Basel framework as of 1 January 2017.[29] There is no corresponding template in the Pillar 3 framework.

Equity investments in funds – mandate-based approach: RWA and capital requirements calculated in accordance with paragraphs 80(vi) to 80(vii) of the Basel framework as of 1 January 2017.[30] There is no corresponding template in the Pillar 3 framework.

Equity investments in funds – fall-back approach: RWA and capital requirements calculated in accordance with paragraph 80(viii) of the Basel framework as of 1 January 2017.[31] There is no corresponding template in the Pillar 3 framework.

Settlement risk: the amounts correspond to the requirements in Annex 3 of the Basel framework and the third bullet point in paragraph 90 of the Basel III framework. There is no corresponding template in the Pillar 3 framework.

Securitisation exposures in banking book: the amounts correspond to capital requirements applicable to the securitisation exposures in the banking book (Part 6 of the Pillar 3 framework). The RWA amounts must be derived from the capital requirements (they do not systematically correspond to RWA reported in SEC3 and SEC4, which are before application of the cap).

Market risk: the amounts reported in row 16 correspond to the RWA and capital requirements (capital charges including additional charges at supervisor's discretion in the market risk framework (Part 11 of the Pillar 3 framework). It also includes capital charges for securitisation positions booked in the trading book but excludes the counterparty credit risk capital charges (reported in Part 5 of the Pillar 3 framework and row 4 of this template). The RWA for market risk correspond to the capital charge times 12.5.

Of which: standardised approach: RWA and capital requirements (capital charge) according to the market risk standardised approach. including capital requirements for securitisation positions booked in the trading book

Of which: internal models approach: RWA and capital requirements (capital charge) according to the market risk IMA

Operational risk: the amounts correspond to amounts disclosed according to Part 8 of the Pillar 3 framework and the corresponding Pillar 1 requirements in the Basel framework.

Amounts below the thresholds for deduction (subject to 250% risk-weight):[32] the amounts correspond to items subject to a 250% risk weight according to paragraph 89 of Basel III. It includes in particular significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation and below the threshold for deduction, after application of the 250% risk weight.

Floor adjustment: this row must be used to disclose the impact of any Pillar 1 floor adjustment on total RWA and total capital so that the total row reflects the total RWA and total capital requirements, including such an adjustment. Pillar 2 adjustments applied do not need to be disclosed here. Floor or adjustments applied at a more granular level (eg at risk category level) must be reflected in the capital requirements reported for this risk category.

Linkages across templates

Amount in [OV1:2/a] is equal to [CR4:14/e]

Amount in [OV1:3/a] is equal to the sum of [CR6: Total (all portfolios)/i] + [CR10: Specialised lending total RWA for HVCRE and other than HVCRE]

Amount in [OV1:4/a] is equal to the sum of [CCR1:6/f+CCR2:4/b+CCR8:1/b+CCR8:11/b].

Amount in [OV1:7/a] is equal to the sum of [CR10/Equities exposures Simple risk-weight approach/Total RWA] + the RWA corresponding to the internal model method for equity exposures in the banking book (paragraphs 346–349 of the Basel framework)

Amount in [OV1:12/c] is equal to the sum of [SEC3:1/n + SEC3:1/o + SEC3:1/p + SEC3:1/q] + [SEC4:1/n + SEC4:1/o + SEC4:1/p + SEC4:1/q]

Amount in [OV1:17/a] is equal to [MR1:9/a]

Amount in [OV1:18/a] is equal to [MR2:8/f]

Template HYP1: Hypothetical RWA calculated according to the standardised approaches as benchmarks to internally modelled RWA

[New template]

Purpose: Provide hypothetical amounts of RWA computed according to the standardised approaches when banks are allowed to use internal models to compute their RWA for the purpose of risk-based capital requirements.

Scope of application: The template is mandatory for all banks using internal models.

Content: Risk-weighted assets.

Frequency: Semiannual.

Format: Fixed.

Accompanying narrative: Banks are expected to explain the main drivers of differences between the amounts disclosed in column (a) that are used to calculate their capital ratios and amounts disclosed in column (b) that would be used should the banks not be allowed to use internal models.

		a	b
		RWA	
		Internally modelled	Hypothetical under standardised approach
1	Credit risk (excluding counterparty credit risk)		
2	Counterparty credit risk (CCR)		
3	Securitisation exposures in banking book		
4	Of which Securitisation Internal Ratings-Based Approach (SEC-IRBA)		
5	Of which Securitisation External Ratings-Based Approach (SEC-ERBA), including Internal Assessment Approach (IAA)		
6	Market risk		
7	Of which general interest rate risk		
8	Of which credit spread risk (non-securitisation)		
9	Of which equity risk		
10	Of which commodity risk		
11	Of which foreign exchange risk		
12	Of which default risk (non-securitisation)		

Definitions and instructions

Credit risk:

Internally modelled: RWA according to the credit risk internal-rating based (IRB) approaches (Foundation Internal Ratings-Based (FIRB) and Advanced Internal Ratings-Based (AIRB)) of the credit risk framework reported in Part 4 of the Pillar 3 framework ; the row excludes all positions subject to the securitisation regulatory framework, including securitisation exposures in the banking book (which are reported in row 3) and capital requirements relating to a counterparty credit risk charge, which are reported in row 2.

[29] See revisions to the Basel framework published in BCBS, *Capital requirements for banks' equity investments in funds*, December 2013.

[30] Ibid.

[31] Ibid.

[32] See BCBS, *Basel III: A global regulatory framework for more resilient banks and banking systems*, December 2010 (rev June 2011), www.bis.org/publ/bcbs189.htm, hereafter referred to as Basel III.

Hypothetical under standardised approach: RWA as they would result from applying the credit risk standardised approach to the exposures giving rise to RWA reported in column a.

Counterparty credit risk:

Internally modelled: RWA according to the internal model method (IMM) in the counterparty credit risk framework, as reported in Part 5 of the Pillar 3 framework.

Hypothetical under standardised approach: RWA as they would result from applying SA-CCR instead of IMM to measure the EAD and from applying the SA instead of the IRB.

Securitisation exposures in banking book:

Internally modelled: RWA for securitisation positions in the banking book according to the SEC-IRBA and SEC-ERBA or IAA respectively.

Hypothetical under standardised approach: RWA as they would result from applying SEC-SA instead of SEC-IRBA and SEC-ERBA or IAA respectively.

Market risk:

Internally modelled: derived RWA corresponding to the capital charge resulting from applying the IMA to the desks under IMA.

Hypothetical under standardised approach: hypothetical RWA as they would result from applying the market risk standardised approach to the desks under IMA.

Linkages across templates

[HYP1:1/a] is equal to [OV1:3/a]

[HYP1:2/a] is equal to [OV1:6/a]

[HYP1:4/a] is equal to [OV1:13/a]

[HYP1:5/a] is equal to [OV1:14/a]

[HYP1:6/a] is equal to [OV1:18/a]

Template HYP2 – Hypothetical RWA calculated according to the standardised approach for credit risk (excluding counterparty credit risk) at asset class level

[New template – draft subject to change according to other BCBS projects]

Purpose: Provide a hypothetical RWA figure calculated according to the standardised approach (SA) for credit risk at asset class level as a benchmark against the corresponding RWA figure calculated under the internal ratings based method.
Scope of application: The template is mandatory for all banks using internal models for credit risk
Content: Risk-weighted assets. The RWA amounts under the IRB approach by asset class and the equivalent hypothetical RWA amounts calculated under the SA for the corresponding IRB asset classes should be presented.
Frequency: Semiannual.
Format: Fixed. The columns are fixed but the portfolio breakdowns in the rows will be set at jurisdiction level to reflect the exposure classes required under local implementation of IRB and SA and the resulting mapping possibilities.
Accompanying narrative: Banks are expected to explain the main drivers of differences between the amounts disclosed in column (a) that are used to calculate their capital ratios and amounts disclosed in column (b) that would be used should the banks apply the SA.

		a		b
	By IRB asset classes	RWA under IRB	By SA exposure category:	Hypothetical RWA under SA
1	Sovereign		SA exposure categories corresponding to the IRB asset class of "Sovereign"	
2			Sovereigns and their central banks	
3			Non-central government PSEs	
4			Past-due loans	
5			etc	
6	Banks		SA exposure categories corresponding to the IRB asset class of "banks"	
7			Multilateral development banks	
8			Banks	
9			Securities firms	
10			Past-due loans	
11			etc	
12	Corporates		SA exposure categories corresponding to the IRB asset class of "Corporates"	
13			Corporates	
14			Past-due loans	
15			etc	
16	Specialised Lending		SA exposure categories corresponding to the IRB asset class of "Specialised Lending"	
17			Corporates	
18			Secured by commercial real estate	
19			Past-due loans	
20			etc	
21	Equity (PD/LGD)		SA exposure categories corresponding to the IRB asset class of "Equity (PD/LGD)"	
22			Equity	
23			etc	
24	Retail, of which;		SA exposure categories corresponding to the IRB asset class of "Retail"	
25	QRRE		Regulatory retail portfolios	
26	Residential		Secured by residential property	

27	SME		Secured by commercial real estate	
28	Others		Higher risk categories	
29			Past-due loans	
30			etc	
31	Purchased Receivables		SA exposure categories corresponding to the IRB asset class of "Purchased Receivables"	
32			Corporates	
33			Regulatory retail portfolios	
34			Higher risk categories	
35			Past-due loans	
36			etc	
37	Others…		SA exposure categories corresponding to the IRB asset class of "banks"	
38			Others	
39			etc	
40	Total		Total	

Note: The IRB asset classes and SA exposure categories are included for illustrative purposes. The final disclosure requirements will reflect any changes in asset classes that arise from the Committee's ongoing policy reviews of the Internal-Ratings Based and Standardised Approaches for credit risk.

Definitions and instructions

The asset classes for IRB and SA shown in the above are examples cited from the existing templates CR4 and CR5 for SA and CR6 and CR 7 for IRB, in accordance with the existing Basel framework. These classes/categories and their mapping are indicated in this draft template merely for illustrative purposes. Consistent with the design of this template, the breakdown in rows will vary at jurisdiction level to reflect exposure categories required under local implementation of IRB approaches and any difference applied in each jurisdiction's implementation of the SA, as well as any specificities in the resulting possibilities of mapping.

Linkages across templates

[HYP2:40/a] is equal to [HYP1:1/a]

[HYP2:40/b] is equal to [HYP1:1/b]

Part 3: Linkages between financial statements and regulatory exposures

Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

[Unchanged from the version issued in January 2015 revised Pillar 3 disclosure requirements*]*

Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

[Unchanged from the version issued in January 2015 revised Pillar 3 disclosure requirements*]*

Template PV1: Prudent valuation adjustments

[New template]

Purpose: Provide a breakdown of the constituent elements of a bank's prudent valuation adjustments according to the requirements of paragraphs 698 to 701 of Basel II (comprehensive version, June 2006), taking into account the guidance set out in Supervisory guidance for assessing banks' financial instrument fair value practices, April 2009 (in particular Principle 10)

Scope of application: The template is mandatory for all banks which record a prudent valuation adjustment

Content: Prudent valuation adjustments for all assets measured at fair value (marked to market or marked to model) and for which a prudent valuation adjustment is required. Assets can be non-derivative or derivative instruments.

Frequency: Annual

Format: Fixed. The row number cannot be altered. Rows which are not applicable to the reporting bank should be filled with 0 and the reason why they are not applicable should be explained in the accompanying narrative.

Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes over the reporting period and the key drivers of such changes. In particular, banks are expected to detail 'Other adjustments', where significant, and to define them when they are not listed in the Basel framework. Banks are also expected to explain the types of financial instruments for which the highest amounts of prudent valuation adjustments are observed.

		a	b	c	d	e	f	g	**h**	i	j
		Equity	Interest Rates	FX	Credit	Commodities	Investing and funding costs	Unearned credit spreads	**Total**	Of which: in the trading book	Of which: in the banking book
1	Close-out uncertainty, of which:										
2	*Mid-market value*										
3	*Close-out cost*										
4	*Concentration*										
5	Early termination										
6	Model risk										
7	Operational risk										
8	Future administrative costs										
9	Other										
10	**Total Adjustment**										

Definitions and instructions

Columns

Investing and funding costs: prudent valuation adjustment to reflect the valuation uncertainty in the funding costs that other market participants would factor into the exit price for a position or portfolio. It includes funding valuation adjustments on derivatives exposures

Unearned credit spreads: prudent valuation adjustment to take account of the valuation uncertainty in the adjustment necessary to include the current value of expected losses due to counterparty default on derivative positions, including the valuation uncertainty on CVAs.

Rows

Mid-market value; prudent valuation adjustment required to reflect an appropriate level of prudence given the range of plausible mid values that could be derived from available market data either for the instrument price or price of equivalent instrument or for each valuation input used in the relevant valuation model when this input has been calibrated from prices of instruments.

Close-out cost: prudent valuation adjustment required to take account of the valuation uncertainty to adjust for the fact that the position level valuations calculated do not reflect an exit price for the position or portfolio (for example, where such valuations are calibrated to a mid-market price).

Concentration: prudent valuation adjustment over and above market price and close-out costs that would be required to get to a prudent exit price for positions that are larger than the size of positions for which the valuation has been calculated (ie cases where the aggregate position held by the institution is larger than normal traded volume or larger than the position sizes on which observable quotes or trades that are used to calibrate the price or inputs used by the core valuation model are based).

Early termination: prudent valuation adjustment to take into account the potential losses arising from contractual or non-contractual early terminations of customer trades that are not reflected in the valuation.

Model risk: prudent valuation adjustment to account of valuation model risk which arises due either to (i) the potential existence of a range of different models or model calibrations which are used by market participants, (ii) the lack of a firm exit price for the specific product being valued, (iii) the use of an incorrect valuation methodology, (iv) the risk of using unobservable and possibly incorrect calibration parameters, or to (v) the fact that market or product factors are not captured by the core valuation model.

Operational risk: prudent valuation adjustment to take into account the potential losses that may be incurred as a result of operational risk related to valuation processes.

Future administrative costs: prudent valuation adjustment to take into account the administrative costs and future hedging costs over the expected life of the exposures for which a direct exit price is not applied for the close-out costs. This valuation adjustment has to include the operational costs arising from hedging, administration and settlement of contracts in the portfolio. The future administrative costs are incurred by the portfolio or position but are not reflected in the core valuation model or the prices used to calibrate inputs to that model.

Other: 'Other' prudent valuation adjustments which are required to take into account factors that will influence the exit price but which do not fall in any of the categories listed in paragraph 718(cix). These should be described by banks in the narrative commentary that supports the disclosure.

Linkages across templates

[PV1:10/h] is equal to [CC1:7/a] for non G-SIBs and [TLAC1:7/a] for G-SIBs.

Part 4: Composition of capital

[Part 4 integrates the disclosure requirements for TLAC with the existing June 2012 Composition of capital disclosure requirements*. It presents the disclosure requirements when the TLAC regime has taken effect (ie from 1 January 2019 or otherwise applicable). Additions and amendments to the existing disclosure requirements arising from the TLAC requirements are highlighted in orange.]*

Banks should comply with the following requirements to meet the disclosure requirements in Part 4:

(a) Non-G-SIBs should report their capital positions using Template CC1.

G-SIBs should report their capital and TLAC positions using templates TLAC1, TLAC2 and TLAC3 in the following manner:

(i) All G-SIBs use TLAC 1 to disclose the composition of capital and the TLAC positions at the consolidated group level, and MPE G-SIBs also use TLAC1 at each resolution group level.[33]

(ii) All G-SIBs use templates TLAC2 and TLAC3 to disclose creditor ranking on both a resolution entity basis and a material subgroup entity basis.

(b) All banks should report the main features of their regulatory capital, with G-SIBs including details of their other TLAC instruments, using table CCA.

(c) Through a three-step approach, all banks are required to show the link between their balance sheet in their published financial statements and the numbers disclosed in either template CC1 (in the case of non-G-SIBs) or template TLAC1 (in the case of G-SIBs). In the case of MPE G-SIBs, the 3-step approach only applies at the consolidated group level.

The three steps are as follows:

- Step 1: Disclose the reported balance sheet under the regulatory scope of consolidation. If the scopes of regulatory consolidation and accounting consolidation are identical for a particular banking group, it could simply state that there is no difference and move on to step 2.

  Where the accounting and regulatory scopes of consolidation differ, banks are required to disclose the list of legal entities that are included within the accounting scope of consolidation but excluded from the regulatory scope of consolidation or, alternatively, any legal entities included in the regulatory consolidation that are not included in the accounting scope of consolidation. This will enable market participants to consider any risks posed by unconsolidated subsidiaries. If some entities are included in both the regulatory and accounting scopes of consolidation, but the method of consolidation differs between these two scopes, banks are required to list the relevant legal entities separately and explain the differences in the consolidation methods. For each legal entity that is required to be disclosed by this paragraph, a bank must also disclose the total balance sheet assets, the total balance sheet equity and a description of the principal activities of the entity.

- Step 2: Expand the lines of the balance sheet under the regulatory scope of consolidation to display all of the components that are used in the relevant composition of capital disclosure template (ie CC1 or TLAC1). It is important to note that banks will only need to expand elements of the balance sheet to the extent that this is necessary to reach the components that are used in the composition of capital disclosure template set out in template CC1 or TLAC1. So, for example, if all of the paid-in capital of the bank met the requirements to be included in CET1, the bank would not need to expand this line. The level of disclosure is proportionate, varying with the complexity of the bank's balance sheet and its capital structure.

[33] For SPE G-SIBs, it is assumed that the consolidated group is the same as the resolution group. This means that TLAC1 will only need to be completed once to report their regulatory capital and TLAC positions.

- Step 3: Map each of the components that are disclosed in step 2 to the composition of capital disclosure template set out in template CC1 or TLAC1.

Template CC1: Composition of regulatory capital

[This template differs only from the Composition of capital disclosure requirements *(June 2012) by the addition of rows 52 to 55 and row 72 to capture banks' investments in other TLAC-eligible instruments, and the addition of column (b) to illustrate the reconciliation disclosures in Template CC2.]*

Purpose: Provide a breakdown of the constituent elements of a bank's capital (after the transition period for the phasing in of deductions ends on 1 January 2018).

Scope of application: The template is mandatory for all non G-SIB banks, either (i) when they have fully applied the Basel III deductions in advance of 1 January 2018 (ie before the end of transition period); or (ii) upon the end of transition period, whichever takes place earlier. For (i) above, banks must clearly disclose the fact that they are using this template because they have fully applied the Basel III deductions.

All G-SIBs are required to disclose their consolidated composition of capital via Template TLAC1.

Content: Breakdown of regulatory capital according to the scope of regulatory consolidation

Frequency: Semiannual

Format: Fixed.

Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes over the reporting period and the key drivers of such change.

		a	b
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
	Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus		(h)
2	Retained earnings		
3	Accumulated other comprehensive income (and other reserves)		
4	*Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)*		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		
6	**Common Equity Tier 1 capital before regulatory adjustments**		
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)		(a) minus (d)
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)		(b) minus (e)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		
11	Cash-flow hedge reserve		
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined-benefit pension fund net assets		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)		
17	Reciprocal cross-holdings in common equity		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)		

		a	b
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
20	Mortgage servicing rights (amount above 10% threshold)		(c) minus (f) minus 10% threshold
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		
22	Amount exceeding the 15% threshold		
23	of which: significant investments in the common stock of financials		
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		
28	**Total regulatory adjustments to Common equity Tier 1**		
29	**Common Equity Tier 1 capital (CET1)**		
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		(i)
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	*Directly issued capital instruments subject to phase out from Additional Tier 1*		
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)		
35	*of which: instruments issued by subsidiaries subject to phase out*		
36	Additional Tier 1 capital before regulatory adjustments		
	Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
41	National specific regulatory adjustments		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	**Total regulatory adjustments to Additional Tier 1 capital**		
44	**Additional Tier 1 capital (AT1)**		
45	**Tier 1 capital (T1 = CET1 + AT1)**		
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		
47	*Directly issued capital instruments subject to phase out from Tier 2*		
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)		
49	*of which: instruments issued by subsidiaries subject to phase out*		
50	Provisions		
51	**Tier 2 capital before regulatory adjustments**		
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments and other TLAC-eligible instruments		
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC-eligible instruments		
54	Investments in the capital and other TLAC-eligible instruments[34] of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		

[34] Regulatory treatment to be specified under a separate consultative document.

		a	b
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
55	Significant investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments		
57	**Total regulatory adjustments to Tier 2 capital**		
58	**Tier 2 capital (T2)**		
59	**Total regulatory capital (TC = T1 + T2)**		
60	**Total risk weighted assets**		
	Capital ratios and buffers		
61	**Common Equity Tier 1 (as a percentage of risk weighted assets)**		
62	**Tier 1 (as a percentage of risk weighted assets)**		
63	**Total capital (as a percentage of risk weighted assets)**		
64	**Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus D-SIB buffer requirement, expressed as a percentage of risk weighted assets)**		
65	of which: capital conservation buffer requirement		
66	of which: bank specific countercyclical buffer requirement		
67	of which: D-SIB buffer requirement		
68	**Common Equity Tier 1 (as a percentage of risk weighted assets) available to meet buffers after meeting the bank's minimum capital requirements,**		
	National minima (if different from Basel 3)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)		
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)		
71	National total capital minimum ratio (if different from Basel 3 minimum)		
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital and other TLAC-eligible instruments of other financials		
73	Significant investments in the common stock of financials		
74	Mortgage servicing rights (net of related tax liability)		
75	Deferred tax assets arising from temporary differences (net of related tax liability)		
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)		
77	Cap on inclusion of provisions in Tier 2 under standardised approach		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	*Current cap on CET1 instruments subject to phase out arrangements*		
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*		
82	*Current cap on AT1 instruments subject to phase out arrangements*		
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*		
85	*Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)*		

Instructions

(i) Certain rows are in italics. These rows will be deleted after all the ineligible capital instruments have been fully phased out (ie from 1 January 2022 onwards).

(ii) The reconciliation requirements included in Template CC2 result in the decomposition of certain regulatory adjustments. For example, the disclosure template below includes the adjustment 'Goodwill net of related tax liability'. The reconciliation requirements will lead to the disclosure of both the goodwill component and the related tax liability component of this regulatory adjustment.

(iii) Regarding the shading:

- Each dark grey row introduces a new section detailing a certain component of regulatory capital.

- The light grey rows with no thick border represent the sum cells in the relevant section.
- The light grey rows with a thick border show the main components of regulatory capital and the capital ratios.

Columns

Source: Banks are required to complete column (b) to show the source of every major input, which is to be cross-referenced to the corresponding rows in template CC2. This is the Step 3 as required under the 3-step approach to reconciliation as explained and illustrated in paragraphs 23-26 and 44-45 (Annex 2) of *Composition of capital disclosure requirements (June 2012)*.

Rows

Set out in the following table is an explanation of each row of the template above. Regarding the regulatory adjustments banks are required to report deductions from capital as positive numbers and additions to capital as negative numbers. For example, goodwill (row 8) should be reported as a positive number, as should gains due to the change in the own credit risk of the bank (row 14). However, losses due to the change in the own credit risk of the bank should be reported as a negative number as these are added back in the calculation of Common Equity Tier 1.

Row Number	Explanation
1	Instruments issued by the parent company of the reporting group that meet all of the CET1 entry criteria set out in Paragraph 53 of Basel III. This should be equal to the sum of common stock (and related surplus only) and other instruments for non-joint stock companies, both of which must meet the common stock criteria. This should be net of treasury stock and other investments in own shares to the extent that these are already derecognised on the balance sheet under the relevant accounting standards. Other paid-in capital elements must be excluded. All minority interest must be excluded.
2	Retained earnings, prior to all regulatory adjustments. In accordance with paragraph 52 of Basel III, this row should include interim profit and loss that has met any audit, verification or review procedures that the supervisory authority has put in place. Dividends are to be removed in accordance with the applicable accounting standards, ie they should be removed from this row when they are removed from the balance sheet of the bank.
3	Accumulated other comprehensive income and other disclosed reserves, prior to all regulatory adjustments.
4	Directly issued capital instruments subject to phase-out from CET1 in accordance with the requirements of paragraph 95 of Basel III. This is only applicable to non-joint stock companies. Banks structured as joint-stock companies must report zero in this row.
5	Common share capital issued by subsidiaries and held by third parties. Only the amount that is eligible for inclusion in group CET1 should be reported here, as determined by the application of paragraph 62 of Basel III (see Annex 3 of Basel III for example calculation).
6	Sum of rows 1 to 5.
7	Prudential valuation adjustments according to the requirements of paragraphs 698 to 701 of Basel II (comprehensive version, June 2006), taking into account the guidance set out in *Supervisory guidance for assessing banks' financial instrument fair value practices, April 2009* (in particular Principle 10)
8	Goodwill net of related tax liability, as set out in paragraphs 67 to 68 of Basel III.
9	Other intangibles other than mortgage-servicing rights (net of related tax liability), as set out in paragraph 67 to 68 of Basel III.
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability), as set out in paragraph 69 of Basel III.
11	The element of the cash-flow hedge reserve described in paragraphs 71 and 72 of Basel III.
12	Shortfall of provisions to expected losses as described in paragraph 73 of Basel III.
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)
14	Gains and losses due to changes in own credit risk on fair valued liabilities, as described in paragraph 75 of Basel III.
15	Defined-benefit pension fund net assets, the amount to be deducted as set out in paragraphs 76 and 77 of Basel III.
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet), as set out in paragraph 78 of Basel III.
17	Reciprocal cross-holdings in common equity, as set out in paragraph 79 of Basel III.
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation where the bank does not own more than 10% of the issued share capital (amount above 10% threshold), amount to be deducted from CET1 in accordance with paragraphs 80 to 83 of the Basel III.
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold), amount to be deducted from CET1 in accordance with paragraphs 84 to 88 of Basel III.
20	Mortgage servicing rights (amount above 10% threshold), amount to be deducted from CET1 in accordance with paragraphs 87 to 88 of Basel III.
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability), amount to be deducted from CET1 in accordance with paragraphs 87 to 88 of Basel III.

22	Total amount by which the 3 threshold items exceed the 15% threshold, excluding amounts reported in rows 19 to 21, calculated in accordance with paragraphs 87 and 88 of Basel III.
23	The amount reported in row 22 that relates to significant investments in the common stock of financials
24	The amount reported in row 22 that relates to mortgage servicing rights
25	The amount reported in row 22 that relates to deferred tax assets arising from temporary differences
26	Any national specific regulatory adjustments that national authorities required to be applied to CET1 in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 to cover deductions. If the amount reported in row 43 exceeds the amount reported in row 36 the excess is to be reported here.
28	Total regulatory adjustments to Common equity Tier 1, to be calculated as the sum of rows 7 to 22 plus rows 26 and 27.
29	Common Equity Tier 1 capital (CET1), to be calculated as row 6 minus row 28.
30	Instruments issued by the parent company of the reporting group that meet all of the AT1 entry criteria set out in paragraph 55 of Basel III and any related stock surplus as set out in paragraph 56 of Basel III. All instruments issued by subsidiaries of the consolidated group should be excluded from this row. This row may include Additional Tier 1 capital issued by an SPV of the parent company only if it meets the requirements set out in paragraph 65 of Basel III.
31	The amount in row 30 classified as equity under applicable accounting standards.
32	The amount in row 30 classified as liabilities under applicable accounting standards.
33	Directly issued capital instruments subject to phase out from Additional Tier 1 in accordance with the requirements of paragraph 94 (g) of Basel III.
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties, the amount allowed in group AT1 in accordance with paragraph 63 of Basel III (see Annex 3 of Basel III for example calculation).
35	The amount reported in row 34 that relates to instruments subject to phase out from AT1 in accordance with the requirements of paragraph 94(g) of Basel III.
36	The sum of rows 30, 33 and 34.
37	Investments in own Additional Tier 1 instruments, amount to be deducted from AT1 in accordance with paragraph 78 of Basel III.
38	Reciprocal cross-holdings in Additional Tier 1 instruments, amount to be deducted from AT1 in accordance with paragraph 79 of Basel III.
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation where the bank does not own more than 10% of the issued common share capital of the entity (net of eligible short positions), amount to be deducted from AT1 in accordance with paragraphs 80 to 83 of the Basel III.
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions), amount to be deducted from AT1 in accordance with paragraphs 84 to 85 of Basel III.
41	Any national specific regulatory adjustments that national authorities require to be applied to AT1 in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions. If the amount reported in row 57 exceeds the amount reported in row 51 the excess is to be reported here.
43	The sum of rows 37 to 42.
44	Additional Tier 1 capital, to be calculated as row 36 minus row 43.
45	Tier 1 capital, to be calculated as row 29 plus row 44.
46	Instruments issued by the parent company of the reporting group that meet all of the Tier 2 entry criteria set out in paragraph 58 of Basel III and any related stock surplus as set out in paragraph 59 of Basel III. All instruments issued of subsidiaries of the consolidated group should be excluded from this row. This row may include Tier 2 capital issued by an SPV of the parent company only if it meets the requirements set out in paragraph 65 of Basel III.
47	Directly issued capital instruments subject to phase out from Tier 2 in accordance with the requirements of paragraph 94 (g) of Basel III.
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 32) issued by subsidiaries and held by third parties (amount allowed in group Tier 2), in accordance with paragraph 64 of Basel III.
49	The amount reported in row 48 that relates to instruments subject to phase out from T2 in accordance with the requirements of paragraph 94(g) of Basel III.
50	Provisions included in Tier 2, calculated in accordance with paragraphs 60 and 61 of Basel III.
51	The sum of rows 46 to 48 and row 50.

52	Investments in own Tier 2 and other TLAC-eligible instruments, amount to be deducted from Tier 2 in accordance with paragraph 78 of Basel III.
53	Reciprocal cross-holdings in Tier 2 and other TLAC-eligible instruments, amount to be deducted from Tier 2 in accordance with paragraph 79 of Basel III.
54	Investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation where the bank does not own more than 10% of the issued common share capital of the entity (net of eligible short positions), amount to be deducted from Tier 2 in accordance with paragraphs 80 to 83 of the Basel III.
55	Significant investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions), amount to be deducted from Tier 2 in accordance with paragraphs 84 to 85 of Basel III.
56	Any national specific regulatory adjustments that national authorities require to be applied to Tier 2 in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
57	The sum of rows 52 to 56.
58	Tier 2 capital, to be calculated as row 51 minus row 57.
59	Total capital, to be calculated as row 45 plus row 58.
60	Total risk weighted assets of the reporting group.
61	Common Equity Tier 1 (as a percentage of risk weighted assets), to be calculated as row 29 divided by row 60 (expressed as a percentage).
62	Tier 1 ratio (as a percentage of risk weighted assets), to be calculated as row 45 divided by row 60 (expressed as a percentage).
63	Total capital ratio (as a percentage of risk weighted assets), to be calculated as row 59 divided by row 60 (expressed as a percentage).
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus D-SIB buffer requirement, expressed as a percentage of risk weighted assets). To be calculated as 4.5% plus 2.5% plus the bank specific countercyclical buffer requirement calculated in accordance with paragraphs 142 to 145 of Basel III plus the bank D-SIB requirement (where applicable). This row will show the CET1 ratio below which the bank will become subject to constraints on distributions.
65	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the capital conservation buffer), ie banks will report 2.5% here.
66	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the bank specific countercyclical buffer requirement.
67	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the bank's D-SIB requirement, if applicable.
68	Common Equity Tier 1 (as a percentage of risk-weighted assets) available to meet buffers after meeting the bank's minimum capital requirements. To be calculated as the CET1 ratio of the bank, less any common equity used to meet the bank's CET1, Tier 1 and Total minimum capital requirements.
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum). Guidance should be sought from national supervisors.
70	National Tier 1 minimum ratio (if different from Basel 3 minimum). Guidance should be sought from national supervisors.
71	National total capital minimum ratio (if different from Basel 3 minimum). Guidance should be sought from national supervisors.
72	Investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity
73	Significant investments in the common stock of financials, the total amount of such holdings that are not reported in row 19 and row 23.
74	Mortgage servicing rights, the total amount of such holdings that are not reported in row 20 and row 24.
75	Deferred tax assets arising from temporary differences, the total amount of such holdings that are not reported in row 21 and row 25.
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach, calculated in accordance paragraph 60 of Basel III, prior to the application of the cap.
77	Cap on inclusion of provisions in Tier 2 under standardised approach, calculated in accordance paragraph 60 of Basel III.
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach, calculated in accordance paragraph 61 of Basel III, prior to the application of the cap.

79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach, calculated in accordance paragraph 61 of Basel III.
80	Current cap on CET1 instruments subject to phase out arrangements, see paragraph 95 of Basel III.
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities), see paragraph 95 of Basel III.
82	Current cap on AT1 instruments subject to phase out arrangements, see paragraph 94(g) of Basel III.
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities), see paragraph 94(g) of Basel III.
84	Current cap on T2 instruments subject to phase out arrangements, see paragraph 94(g) of Basel III.
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities), see paragraph 94(g) of Basel III.

In general, to ensure that the common templates remain comparable across jurisdictions there should be no adjustments to the version banks use to disclose their regulatory capital position. However, the following exceptions apply to take account of language differences and to reduce the reporting of unnecessary information:

- The common template and explanatory table above can be translated by the relevant national authorities into the relevant national language(s) that implement the Basel standards. The translated version of the template will retain all of the rows included the template above.
- Regarding the explanatory table, the national version can reference the national rules that implement the relevant sections of Basel III.
- Banks are not permitted to add, delete or change the definitions of any rows from the common reporting template implemented in their jurisdiction. This is irrespective of the concession allowed in paragraph 17 of the revised Pillar 3 Phase 1 package that banks may delete the specific row/column from the template if such row/column is not considered to be relevant to the banks' activities or the required information would not be meaningful to the users, and will prevent a divergence of templates that could undermine the objectives of consistency and comparability.
- This national version of the template will retain the same row numbering used in the first column of the template above, such that market participants can easily map the national templates to the common version above. However, the common template includes certain rows that reference national specific regulatory adjustments (row 26, 41, and 56). The relevant national authority should insert rows after each of these to provide rows for banks to disclose each of the relevant national specific adjustments (with the totals reported in rows 26, 41 and 56). The insertion of any rows must leave the numbering of the remaining rows unchanged, eg rows detailing national specific regulatory adjustments to common equity Tier 1 could be labelled Row 26a, Row 26b etc, to ensure that the subsequent row numbers are not affected.
- In cases where the national implementation of Basel III applies a more conservative definition of an element listed in the template above, national authorities may choose between one of two approaches:
  - Approach 1: in the national version of the template maintain the same definitions of all rows as set out in the template above, and require banks to report the impact of the more conservative national definition in the designated rows for national specific adjustments (ie row 26, row 41, row 56).
  - Approach 2: in the national version of the template use the definitions of elements as implemented in that jurisdiction, clearly labelling them as being different from the Basel III minimum definition, and require banks to separately disclose the impact of each of these different definitions in the notes to the template.

  The aim of both approaches is to provide all the information necessary to enable market participants to calculate the capital of banks on a common basis.

Template CC2 – Reconciliation of regulatory capital to balance sheet

[This template is unchanged from the one currently used for the reconciliation disclosure as prescribed in Composition of capital disclosure requirements *(June 2012).]*

Purpose: Enable users to identify the differences between the scope of accounting consolidation and the scope of regulatory consolidation, and to show the link between a bank's balance sheet in its published financial statements and the numbers that are used in the composition of capital disclosure template set out in Template CC1 (or Template TLAC1 for G-SIBs).
Scope of application: The template is mandatory for all banks.
Content: Carrying values (corresponding to the values reported in financial statements).
Frequency: Semiannual
Format: Flexible (but the rows must align with the presentation of the bank's financial report).
Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes in the expanded balance sheet items over the reporting period and the key drivers of such change. Narrative commentary to significant changes in other balance sheet items could be found in table LIA

	a	b	c
	Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
	As at period end	**As at period end**	
Assets			
Cash and balances at central banks			
Items in the course of collection from other banks			
Trading portfolio assets			
Financial assets designated at fair value			
Derivative financial instruments			
Loans and advances to banks			
Loans and advances to customers			
Reverse repurchase agreements and other similar secured lending			
Available for sale financial investments			
Current and deferred tax assets			
Prepayments, accrued income and other assets			
Investments in associates and joint ventures			
Goodwill and intangible assets			
of which goodwill			(a)
of which other intangibles (excluding MSRs)			(b)
of which MSRs			(c)
Property, plant and equipment			
Total assets			
Liabilities			
Deposits from banks			
Items in the course of collection due to other banks			
Customer accounts			
Repurchase agreements and other similar secured borrowing			
Trading portfolio liabilities			
Financial liabilities designated at fair value			
Derivative financial instruments			
Debt securities in issue			
Accruals, deferred income and other liabilities			
Current and deferred tax liabilities			
of which DTLs related to goodwill			(d)
of which DTLs related to intangible assets (excluding MSRs)			(e)
of which DTLs related to MSRs			(f)
Subordinated liabilities			
Provisions			
Retirement benefit liabilities			
Total liabilities			
Shareholders' Equity			

	a	b	c
	Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
	As at period end	**As at period end**	
Paid-in share capital			
of which amount eligible for CET1			(h)
of which amount eligible for AT1			(i)
Retained earnings			
Accumulated other comprehensive income			
Total shareholders' equity			

Columns

Banks are required to take their balance sheet in their published financial statements (numbers reported in column (a) above) and report the numbers when the regulatory scope of consolidation is applied (numbers reported in column (b) above). This is referred to as Step 1 under the 3-step approach to reconciliation as explained and illustrated in paragraphs 14-16 and 42 (Annex 2) of *Composition of capital disclosure requirements (June 2012)*).

If there are rows in the balance sheet under the regulatory scope of consolidation that are not present in the published financial statements, banks are required to add these and give a value of zero in column (a).

If a bank's scope of accounting consolidation and its scope of regulatory consolidation are exactly the same, column (a) and (b) should be merged and this fact should be clearly disclosed.

Rows

Similar to Template LI1, the rows in the above template should basically follow the balance sheet presentation used by the bank in its financial statements, on which basis the bank is required to expand the balance sheet to identify all the items that are disclosed in Template CC1 (for non G-SIBs) or Template TLAC1 (for G-SIBs) (referred to as Step 2 under the 3-step approach to reconciliation as explained and illustrated in paragraphs 17-22 and 43 (Annex 2) of *Composition of capital disclosure requirements (June 2012)*). Set out above (ie items (a) to (i)) are some examples of items that may need to be expanded for a particular banking group. The more complex the balance sheet of the bank, the more items would need to be disclosed. Each item must be given a reference number/letter in column (c) that is used as cross-reference to column (b) of Template CC1 (for non-G-SIBs) or Template TLAC1 (for G-SIBs).

Linkages across templates

(i) The amounts in column (a) and (b) in Template CC2 before balance sheet expansion (ie before Step 2) should be identical to column (a) and (b) in Template LI1.

(ii) Each expanded item is to be cross-referenced to the corresponding items in Template CC1 (for non-G-SIBs or Template TLAC1 for G-SIBs).

Table CCA: Main features of regulatory capital instruments and of other TLAC instruments

[This table is based on the template currently used for disclosure of the main features of a bank's regulatory capital instruments as prescribed in Composition of capital disclosure requirements *(June 2012) but it includes new rows 3a and 34a specific to other TLAC-eligible instruments.]*

Purpose: Provide a description of the main features of a bank's regulatory capital instruments and other TLAC-eligible instruments, as applicable.

Scope of application: The template is mandatory for all banks. In addition to completing the template for all regulatory capital instruments, G-SIBs should complete lines 3a and 34a in the template for all other TLAC-eligible instruments starting from the TLAC conformance date.

Content: Quantitative and qualitative information as required.

Frequency: Table CCA should be posted on a bank's website. It should be updated whenever the bank issues or repays a capital instrument (or other TLAC-eligible instrument where applicable), and whenever there is a redemption, conversion / write-down or other material change in the nature of an existing instrument. Updates should, at a minimum, be made on a semiannual basis. Banks should include the web link in each Pillar 3 report to the issuances made over the previous period.

Format: Flexible.

Accompanying information: Banks are required to make available on their websites the full terms and conditions of all instruments included in regulatory capital and TLAC.

		a
		Quantitative / qualitative information
1	Issuer	
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	
3	Governing law(s) of the instrument	
3a	Means by which enforceability requirement of section 13 of the TLAC term sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	
4	Transitional Basel III rules	
5	Post-transitional Basel III rules	
6	Eligible at solo/group/group & solo	
7	Instrument type (types to be specified by each jurisdiction)	
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	
9	Par value of instrument	
10	Accounting classification	
11	Original date of issuance	
12	Perpetual or dated	
13	Original maturity date	
14	Issuer call subject to prior supervisory approval	
15	Optional call date, contingent call dates and redemption amount	
16	Subsequent call dates, if applicable	
	Coupons / dividends	
17	Fixed or floating dividend/coupon	
18	Coupon rate and any related index	
19	Existence of a dividend stopper	
20	Fully discretionary, partially discretionary or mandatory	
21	Existence of step up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	
24	If convertible, conversion trigger (s)	
25	If convertible, fully or partially	
26	If convertible, conversion rate	
27	If convertible, mandatory or optional conversion	
28	If convertible, specify instrument type convertible into	
29	If convertible, specify issuer of instrument it converts into	
30	Write-down feature	
31	If write-down, write-down trigger(s)	
32	If write-down, full or partial	

33	If write-down, permanent or temporary	
34	If temporary write-down, description of write-up mechanism	
34a	Type of subordination	
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	
36	Non-compliant transitioned features	
37	If yes, specify non-compliant features	

Instructions

Banks will be required to complete all of the shaded cells for each outstanding regulatory capital instrument and, in the case of G-SIBs, TLAC-eligible instruments (banks should insert "NA" if the question is not applicable).

Banks are required to report each instrument, including common shares, in a separate column of the template, such that the completed Table CCA would provide a 'main features report' that summarises all of the regulatory capital and TLAC-eligible instruments of the banking group.

The list of main features represents a minimum level of required summary disclosure. In implementing this minimum requirement, each Basel Committee member authority is encouraged to add to this list if there are features that it is important to disclose in the context of the banks they supervise.

Rows

This table was developed in a spreadsheet that will be made available to banks on the Basel Committee's website. To complete most of the cells banks simply need to select an option from a drop down menu. Using the reference numbers in the left column of the table above, the following table provides a more detailed explanation of what banks are required to report in each of the grey cells, and, where relevant, the list of options contained in the spreadsheet's drop down menu.

Row Number	Explanation	Format / List of options (where relevant)
1	Identifies issuer legal entity.	Free text
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	Free text
3	Specifies the governing law(s) of the instrument	Free text
3a	Other TLAC-eligible instruments governed by foreign law (ie a law other than that of the "home" jurisdiction of a resolution entity) include a clause in the contractual provisions whereby investors expressly submit to, and provide consent to the application of, the use of resolution tools in relation to the instrument by the home authority notwithstanding any provision of foreign law to the contrary, unless there is equivalent binding statutory provision for cross-border recognition of resolution actions.	Select from menu: [Yes] [No]
4	Specifies the regulatory capital treatment during the Basel III transitional Basel III phase (ie the component of capital that the instrument is being phased-out from).	Select from menu: [Common Equity Tier 1] [Additional Tier 1] [Tier 2]
5	Specifies regulatory capital treatment under Basel III rules not taking into account transitional treatment.	Select from menu: [Common Equity Tier 1] [Additional Tier 1] [Tier 2] [Ineligible]
6	Specifies the level(s) within the group at which the instrument is included in capital.	Select from menu: [Solo] [Group] [Solo and Group]
7	Specifies instrument type, varying by jurisdiction. Helps provide more granular understanding of features, particularly during transition.	Select from menu: menu options to be provided to banks by each jurisdiction
8	Specifies amount recognised in regulatory capital.	Free text
9	Par value of instrument	Free text
10	Specifies accounting classification. Helps to assess loss absorbency.	Select from menu: [Shareholders' equity] [Liability – amortised cost] [Liability – fair value option] [Non-controlling interest in consolidated subsidiary]
11	Specifies date of issuance.	Free text
12	Specifies whether dated or perpetual.	Select from menu: [Perpetual] [Dated]
13	For dated instrument, specifies original maturity date (day, month and year). For perpetual instrument put "no maturity".	Free text
14	Specifies whether there is an issuer call option. Helps to assess permanence.	Select from menu: [Yes] [No]
15	For instrument with issuer call option, specifies first date of call if the instrument has a call option on a specific date (day, month and year) and, in addition, specifies if the instrument has a tax and/or regulatory event call. Also specifies the redemption price. Helps to assess permanence.	Free text
16	Specifies the existence and frequency of subsequent call dates, if applicable. Helps to assess permanence.	Free text
17	Specifies whether the coupon/dividend is fixed over the life of the instrument, floating over the life of the instrument, currently fixed but will move to a floating rate in the future, currently floating but will move to a fixed rate in the future.	Select from menu: [Fixed], [Floating] [Fixed to floating], [Floating to fixed]
18	Specifies the coupon rate of the instrument and any related index that the coupon/dividend rate references.	Free text

Row Number	Explanation	Format / List of options (where relevant)
19	Specifies whether the non-payment of a coupon or dividend on the instrument prohibits the payment of dividends on common shares (ie whether there is a dividend stopper).	Select from menu: [Yes] [No]
20	Specifies whether the issuer has full discretion, partial discretion or no discretion over whether a coupon/dividend is paid. If the bank has full discretion to cancel coupon/dividend payments under all circumstances it must select "fully discretionary" (including when there is a dividend stopper that does not have the effect of preventing the bank from cancelling payments on the instrument). If there are conditions that must be met before payment can be cancelled (eg capital below a certain threshold), the bank must select "partially discretionary". If the bank is unable to cancel the payment outside of insolvency the bank must select "mandatory".	Select from menu: [Fully discretionary] [Partially discretionary] [Mandatory]
21	Specifies whether there is a step-up or other incentive to redeem.	Select from menu: [Yes] [No]
22	Specifies whether dividends / coupons are cumulative or noncumulative.	Select from menu: [Noncumulative] [Cumulative]
23	Specifies whether instrument is convertible or not. Helps to assess loss absorbency.	Select from menu: [Convertible] [Nonconvertible]
24	Specifies the conditions under which the instrument will convert, including point of non-viability. Where one or more authorities have the ability to trigger conversion, the authorities should be listed. For each of the authorities it should be stated whether it is the terms of the contract of the instrument that provide the legal basis for the authority to trigger conversion (a contractual approach) or whether the legal basis is provided by statutory means (a statutory approach).	Free text
25	For conversion trigger separately, specifies whether the instrument will: (i) always convert fully; (ii) may convert fully or partially; or (iii) will always convert partially	Free text referencing one of the options above
26	Specifies rate of conversion into the more loss absorbent instrument. Helps to assess the degree of loss absorbency.	Free text
27	For convertible instruments, specifies whether conversion is mandatory or optional. Helps to assess loss absorbency.	Select from menu: [Mandatory] [Optional] [NA]
28	For convertible instruments, specifies instrument type convertible into. Helps to assess loss absorbency.	Select from menu: [Common Equity Tier 1] [Additional Tier 1] [Tier 2] [Other]
29	If convertible, specify issuer of instrument into which it converts.	Free text
30	Specifies whether there is a write down feature. Helps to assess loss absorbency.	Select from menu: [Yes] [No]
31	Specifies the trigger at which write-down occurs, including point of non-viability. Where one or more authorities have the ability to trigger write-down, the authorities should be listed. For each of the authorities it should be stated whether it is the terms of the contract of the instrument that provide the legal basis for the authority to trigger write-down (a contractual approach) or whether the legal basis is provided by statutory means (a statutory approach).	Free text
32	For each write-down trigger separately, specifies whether the instrument will: (i) always be written down fully: (ii) may be written down partially; or (iii) will always be written down partially. Helps assess the level of loss absorbency at write-down.	Free text referencing one of the options above
33	For write down instrument, specifies whether write down is permanent or temporary. Helps to assess loss absorbency.	Select from menu: [Permanent] [Temporary] [NA]
34	For instrument that has a temporary write-down, description of write-up mechanism.	Free text
34a	Type of subordination	[Select from menu [Structural] [Statutory] [Contractual] [Exemption from subordination]
35	Specifies instrument to which it is most immediately subordinate. Helps to assess loss absorbency on gone-concern basis. Where applicable, banks should specify the column numbers of the instruments in the completed main features template to which the instrument is most immediately subordinate.	Free text
36	Specifies whether there are non-compliant features.	Select from menu: [Yes] [No]
37	If there are non-compliant features, asks bank/institution to specify which ones. Helps to assess instrument loss absorbency.	Free text

Template TLAC1: Capital and TLAC composition for G-SIBs

[This template is similar to template CC1, but some rows have been added, amended or have had their descriptions amended to allow for the reporting by G-SIBs of TLAC in addition to their regulatory capital.]

Purpose: Provide details of the regulatory capital and TLAC positions of G-SIBs.

Scope of application: This template is mandatory for all G-SIBs. It should be completed at the level of the G-SIB regulatory consolidated group and, in the case of MPE G-SIBs, at the level of each resolution group within a G-SIB.

Content: Carrying values (corresponding to the values reported in financial statements).

Frequency: Semiannual.

Format: Fixed.

Accompanying narrative: G-SIBs are expected to supplement the template with a narrative commentary to explain any significant changes over the reporting period and the key drivers of any such change.

		a	b
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
	Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus		
2	Retained earnings		
3	Accumulated other comprehensive income (and other reserves)		
4	*Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)*		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		
6	**Common Equity Tier 1 capital before regulatory adjustments**		
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)		
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		
11	Cash-flow hedge reserve		
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined-benefit pension fund net assets		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)		
17	Reciprocal cross-holdings in common equity		
18	Investments in the capital of banking, financial and insurance entities that are outside the regulatory scope of consolidation (or resolution group where relevant), net of eligible short positions, where the group does not own more than 10% of the issued share capital (amount above 10% threshold)		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the regulatory scope of consolidation (or resolution group where relevant), net of eligible short positions (amount above 10% threshold)		
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		
22	Amount exceeding the 15% threshold		
23	of which: significant investments in the common stock of financials		
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments		

		a	b
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		
28	**Total regulatory adjustments to Common equity Tier 1**		
29	**Common Equity Tier 1 capital (CET1)**		
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	*Directly issued capital instruments subject to phase out from Additional Tier 1*		
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)		
35	*of which: instruments issued by subsidiaries subject to phase out*		
36	Additional Tier 1 capital before regulatory adjustments		
	Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments		
39	Investments in the capital of banking, financial and insurance entities that are outside the regulatory scope of consolidation (or resolution group where relevant), net of eligible short positions, where the group does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (or resolution group where relevant) (net of eligible short positions)		
41	National specific regulatory adjustments		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	**Total regulatory adjustments to Additional Tier 1 capital**		
44	**Additional Tier 1 capital (AT1)**		
45	**Tier 1 capital (T1 = CET1 + AT1)**		
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		
47	*Directly issued capital instruments subject to phase out from Tier 2*		
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)		
49	*of which: instruments issued by subsidiaries subject to phase out*		
50	Provisions		
51	**Tier 2 capital before regulatory adjustments**		
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments and other TLAC-eligible instruments		
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC-eligible instruments		
54	Investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the regulatory scope of consolidation (or resolution group where relevant), net of eligible short positions, where the group does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		
55	Significant investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the regulatory scope of consolidation (or resolution group where relevant) (net of eligible short positions)		
56	National specific regulatory adjustments		
57	**Total regulatory adjustments to Tier 2 capital**		
58	**Tier 2 capital (T2)**		
59	**Total regulatory capital (TC = T1 + T2)**		
	Regulatory capital elements of TLAC and adjustments		
59a	Amortised portion of Tier 2 instruments where remaining maturity > 1 year		

		a	b
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
59b	Regulatory capital ineligible as TLAC		
59c	of which: AT1 instruments issued out of subsidiaries to third parties		
59d	of which: T2 instruments issued out of subsidiaries to third parties		
59e	of which: all other		
59f	**TLAC arising from regulatory capital**		
	Non-regulatory capital elements of TLAC and adjustments		
59g	External TLAC instruments issued directly by the bank and subordinated to Excluded Liabilities		
59h	External TLAC instruments issued directly by the bank which are not subordinated to Excluded Liabilities but meet all other TLAC term sheet requirements.		
59i	of which: amount eligible as TLAC after application of the caps		
59j	External TLAC instruments issued by funding vehicles prior to 1 January 2022		
59k	Eligible ex ante commitments to recapitalise a G-SIB in resolution		
59l	Investments in external TLAC issued by other resolution groups within the same G-SIB (not applicable to SPE G-SIBs)		
59m	of which: amount to be deducted at the investor level		
59n	External TLAC issued by the resolution group that is held by other resolution groups within the same G-SIB (not applicable to SPE G-SIBs)		
59o	of which: amount to be deducted at the issuer level		
59p	**Non-regulatory capital TLAC**		
	Total TLAC		
59q	**Total TLAC**		
	Risk weighted assets and adjustments		
59r	Total risk weighted assets prior to adjustments permitted under the TLAC regime		
59s	Adjustments to risk weighted assets as permitted under the TLAC regime		
60	**Total risk weighted assets**		
60a	**Leverage exposure measure**		
	Capital ratios and buffers		
61	**Common Equity Tier 1 (as a percentage of risk weighted assets)**		
62	**Tier 1 (as a percentage of risk weighted assets)**		
63	**Total capital (as a percentage of risk weighted assets)**		
63a	**TLAC (as a percentage of risk weighted assets)**		
63b	**TLAC (as a percentage of leverage exposure)**		
64	**Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets) (not applicable to any resolution group of an MPE G-SIB)**		
65	of which: capital conservation buffer requirement. (not applicable to any resolution group of an MPE GSIB)		
66	of which: bank specific countercyclical buffer requirement. (not applicable to any resolution group of an MPE GSIB)		
67	of which: G-SIB buffer requirement. (not applicable to any resolution group of an MPE GSIB)		
68	**Common Equity Tier 1 (as a percentage of risk weighted assets) available to meet buffers after meeting the G-SIB's minimum capital and TLAC requirements (not applicable to any resolution group of an MPE G-SIB)**		
	National minima (if different from Basel 3)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)		
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)		
71	National total capital minimum ratio (if different from Basel 3 minimum)		
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital and TLAC of other financials		
73	Significant investments in the common stock of financials		
74	Mortgage servicing rights (net of related tax liability)		
75	Deferred tax assets arising from temporary differences (net of related tax liability)		

		a	b
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)		
77	Cap on inclusion of provisions in Tier 2 under standardised approach		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	*Current cap on CET1 instruments subject to phase out arrangements*		
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*		
82	*Current cap on AT1 instruments subject to phase out arrangements*		
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*		
85	*Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)*		

Instructions

When Template TLAC1 is completed for a resolution group, the capital position of the resolution group shall include only capital instruments issued by entities belonging to the resolution group. The capital instruments issued by entities included in the entire banking group, but not belonging to the resolution group, must be excluded. Similarly, the capital position is based on the RWA and leverage ratio exposure measures calculated at the level of the resolution group. When Template TLAC1 is completed for the entire banking group at the consolidated level, the TLAC resources should include all TLAC qualifying resources across all resolution groups within the G-SIB (after the application of the applicable deductions for inter-resolution group holdings), and the RWA and leverage ratio exposure measure should be those that apply to the entire banking group for the purposes of calculating regulatory capital requirements.

(i) Certain rows are in italics. These rows will be deleted after all the ineligible capital instruments have been fully phased out (ie from 1 January 2022 onwards).

(ii) Regarding the shading:

- Each dark grey row introduces a new section detailing a certain component of regulatory capital.
- The light grey rows with no thick border represent the sum cells in the relevant section.
- The light grey rows with a thick border show the main components of regulatory capital and the capital ratios.

Columns

Source: For the disclosure of their composition of capital at the regulatory consolidated group level, G-SIBs are required to complete column (b) to show the source of every major input, which is to be cross-referenced to the corresponding rows in Template CC2. This is the Step 3 as required under the 3-step approach to reconciliation as explained and illustrated in paragraphs 23-26 and 44-45 (Annex 2) of *Composition of capital disclosure requirements (June 2012)*. Individual resolution groups of an MPE G-SIB are not required to disclose column (b) at the resolution group level.

Rows

Set out in the following table is an explanation of each row of the template above. Regarding the regulatory adjustments banks are required to report deductions from capital as positive numbers and additions to capital as negative numbers. For example, goodwill (row 8) should be reported as a positive number, as should gains due to the change in the own credit risk of the bank (row 14). However, losses due to the change in the own credit risk of the bank should be reported as a negative number as these are added back in the calculation of Common Equity Tier 1.

Row Number	Explanation
1	Instruments issued by the parent company of the reporting group that meet all of the CET1 entry criteria set out in Paragraph 53 of Basel III. This should be equal to the sum of common stock (and related surplus only) and other instruments for non-joint stock companies, both of which must meet the common stock criteria. This should be net of treasury stock and other investments in own shares to the extent that these are already derecognised on the balance sheet under the relevant accounting standards. Other paid-in capital elements must be excluded. All minority interest must be excluded.
2	Retained earnings, prior to all regulatory adjustments. In accordance with paragraph 52 of Basel III, this row should include interim profit and loss that has met any audit, verification or review procedures that the supervisory authority has put in place. Dividends are to be removed in accordance with the applicable accounting standards, ie they should be removed from this row when they are removed from the balance sheet of the bank.
3	Accumulated other comprehensive income and other disclosed reserves, prior to all regulatory adjustments.

4	Directly issued capital instruments subject to phase-out from CET1 in accordance with the requirements of paragraph 95 of Basel III. This is only applicable to non-joint stock companies. Banks structured as joint-stock companies must report zero in this row.
5	Common share capital issued by subsidiaries and held by third parties. Only the amount that is eligible for inclusion in group CET1 should be reported here, as determined by the application of paragraph 62 of Basel III (see Annex 3 of Basel III for example calculation).
6	Sum of rows 1 to 5.
7	Prudential valuation adjustments according to the requirements of paragraphs 698 to 701 of Basel II (comprehensive version, June 2006), taking into account the guidance set out in *Supervisory guidance for assessing banks' financial instrument fair value practices, April 2009* (in particular Principle 10)
8	Goodwill net of related tax liability, as set out in paragraphs 67 to 68 of Basel III.
9	Other intangibles other than mortgage-servicing rights (net of related tax liability), as set out in paragraph 67 to 68 of Basel III.
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability), as set out in paragraph 69 of Basel III.
11	The element of the cash-flow hedge reserve described in paragraphs 71 and 72 of Basel III.
12	Shortfall of provisions to expected losses as described in paragraph 73 of Basel III.
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)
14	Gains and losses due to changes in own credit risk on fair valued liabilities, as described in paragraph 75 of Basel III.
15	Defined-benefit pension fund net assets, the amount to be deducted as set out in paragraphs 76 and 77 of Basel III.
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet), as set out in paragraph 78 of Basel III.
17	Reciprocal cross-holdings in common equity, as set out in paragraph 79 of Basel III.
18	Investments in the capital of banking, financial and insurance entities that are outside the regulatory scope of consolidation or resolution group where relevant where the group does not own more than 10% of the issued share capital (amount above 10% threshold), amount to be deducted from CET1 in accordance with paragraphs 80 to 83 of the Basel III.
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the regulatory scope of consolidation or resolution group where relevant (amount above 10% threshold), amount to be deducted from CET1 in accordance with paragraphs 84 to 88 of Basel III.
20	Mortgage servicing rights (amount above 10% threshold), amount to be deducted from CET1 in accordance with paragraphs 87 to 88 of Basel III.
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability), amount to be deducted from CET1 in accordance with paragraphs 87 to 88 of Basel III.
22	Total amount by which the 3 threshold items exceed the 15% threshold, excluding amounts reported in rows 19 to 21, calculated in accordance with paragraphs 87 and 88 of Basel III.
23	The amount reported in row 22 that relates to significant investments in the common stock of financials
24	The amount reported in row 22 that relates to mortgage servicing rights
25	The amount reported in row 22 that relates to deferred tax assets arising from temporary differences
26	Any national specific regulatory adjustments that national authorities required to be applied to CET1 in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 to cover deductions. If the amount reported in row 43 exceeds the amount reported in row 36 the excess is to be reported here.
28	Total regulatory adjustments to Common equity Tier 1, to be calculated as the sum of rows 7 to 22 plus rows 26 and 27.
29	Common Equity Tier 1 capital (CET1), to be calculated as row 6 minus row 28.
30	Instruments issued by the parent company of the reporting group that meet all of the AT1 entry criteria set out in paragraph 55 of Basel III and any related stock surplus as set out in paragraph 56 of Basel III. All instruments issued by subsidiaries of the consolidated group should be excluded from this row. This row may include Additional Tier 1 capital issued by an SPV of the parent company only if it meets the requirements set out in paragraph 65 of Basel III.
31	The amount in row 30 classified as equity under applicable accounting standards.
32	The amount in row 30 classified as liabilities under applicable accounting standards.
33	Directly issued capital instruments subject to phase out from Additional Tier 1 in accordance with the requirements of paragraph 94 (g) of Basel III.
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties, the amount allowed in group AT1 in accordance with paragraph 63 of Basel III (see Annex 3 of Basel III for example calculation).
35	The amount reported in row 34 that relates to instruments subject to phase out from AT1 in accordance with the requirements of paragraph 94(g) of Basel III.
36	The sum of rows 30, 33 and 34.
37	Investments in own Additional Tier 1 instruments, amount to be deducted from AT1 in accordance with paragraph 78 of Basel III.
38	Reciprocal cross-holdings in Additional Tier 1 instruments, amount to be deducted from AT1 in accordance with paragraph 79 of Basel III.
39	Investments in the capital of banking, financial and insurance entities that are outside the regulatory scope of consolidation or resolution group where relevant where the group does not own more than 10% of the issued common share capital of the entity (net of eligible short positions), amount to be deducted from AT1 in accordance with paragraphs 80 to 83 of the Basel III.

40	Significant investments in the capital of banking, financial and insurance entities that are outside the regulatory scope of consolidation (net of eligible short positions), amount to be deducted from AT1 in accordance with paragraphs 84 to 85 of Basel III.
41	Any national specific regulatory adjustments that national authorities require to be applied to AT1 in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions. If the amount reported in row 57 exceeds the amount reported in row 51 the excess is to be reported here.
43	The sum of rows 37 to 42.
44	Additional Tier 1 capital, to be calculated as row 36 minus row 43.
45	Tier 1 capital, to be calculated as row 29 plus row 44.
46	Instruments issued by the parent company of the reporting group that meet all of the Tier 2 entry criteria set out in paragraph 58 of Basel III and any related stock surplus as set out in paragraph 59 of Basel III. All instruments issued of subsidiaries of the consolidated group should be excluded from this row. This row may include Tier 2 capital issued by an SPV of the parent company only if it meets the requirements set out in paragraph 65 of Basel III.
47	Directly issued capital instruments subject to phase out from Tier 2 in accordance with the requirements of paragraph 94 (g) of Basel III.
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 32) issued by subsidiaries and held by third parties (amount allowed in group Tier 2), in accordance with paragraph 64 of Basel III.
49	The amount reported in row 48 that relates to instruments subject to phase out from T2 in accordance with the requirements of paragraph 94(g) of Basel III.
50	Provisions included in Tier 2 and other TLAC-eligible instruments, calculated in accordance with paragraphs 60 and 61 of Basel III.
51	The sum of rows 46 to 48 and row 50.
52	Investments in own Tier 2 instruments, amount to be deducted from Tier 2 in accordance with paragraph 78 of Basel III.
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC-eligible instruments, amount to be deducted from Tier 2 in accordance with paragraph 79 of Basel III.
54	Investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the regulatory scope of consolidation or resolution group where relevant where the group does not own more than 10% of the issued common share capital of the entity (net of eligible short positions), amount to be deducted from Tier 2 in accordance with paragraphs 80 to 83 of the Basel III.
55	Significant investments in the capital and other TLAC-eligible instruments of banking, financial and insurance entities that are outside the regulatory scope of consolidation or resolution group where relevant (net of eligible short positions), amount to be deducted from Tier 2 in accordance with paragraphs 84 to 85 of Basel III.
56	Any national specific regulatory adjustments that national authorities require to be applied to Tier 2 in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
57	The sum of rows 52 to 56.
58	Tier 2 capital, to be calculated as row 51 minus row 57.
59	Total capital, to be calculated as row 45 plus row 58. (See table note below)
59a	Amortised portion of Tier 2 instruments where remaining maturity is greater than 1 year. This row recognises that as long as the remaining maturity of a Tier 2 instrument is above the 1 year residual maturity requirement of the TLAC term sheet, the full amount may be included in TLAC, even if the instrument is partially derecognised in regulatory capital via the requirement to amortise the instrument in the 5 years before maturity. Only the amount not recognised in regulatory capital but meeting all TLAC eligibility criteria should be reported in this row.
59b	Regulatory capital ineligible as TLAC. This row reports the total of all elements of regulatory capital that are not permitted to be recognised in TLAC. To be calculated as the sum of row 59c, row 59d and row 59e.
59c	AT1 instruments issued out of subsidiaries to third parties that are ineligible as TLAC. According to Section 8c of TLAC term sheet such instruments could be recognised to meet minimum TLAC until 31 December 2021. An amount (equal to that reported in row 34 above) should thus be reported only starting from 1 January 2022.
59d	T2 instruments issued out of subsidiaries to third parties that are ineligible as TLAC. According to Section 8c of TLAC term sheet such instruments could be recognised to meet minimum TLAC until 31 December 2021, An amount (equal to that reported in row 34 above) should thus be reported only starting from 1 January 2022.
59e	All elements of regulatory capital, other than reported in row 59c and row 59d above, that are ineligible as TLAC. For example, some jurisdictions recognise an element of Tier 2 capital in the final year before maturity, but such amounts are ineligible as TLAC. Regulatory capital instruments issued by funding vehicles is another example.
59f	TLAC arising from regulatory capital. To be calculated as: row 59 + row 59a – row 59b.
59g	External TLAC instruments issued directly by the G-SIB or resolution entity (as the case may be) and subordinated to Excluded Liabilities. To be reported here instruments must meet the subordination requirements set out in points (a) to (c) of Section 11 of the TLAC Term Sheet, or be exempt from this requirement by meeting the conditions set out in points (i) to (iv) of the same section.
59h	External TLAC instruments issued directly by the G-SIB or resolution entity (as the case may be) that are not subordinated to Excluded Liabilities but meet the other TLAC term sheet requirements. The amount reported here should be those subject to recognition as a result of the application of the penultimate and antepenultimate paragraphs of Section 11 of the TLAC term sheet. The full amounts should be reported in this row, ie without applying the 2.5% and 3.5% caps set out the penultimate paragraph.
59i	The amount reported in row 59h above after the application of the 2.5% and 3.5% caps set out in the penultimate paragraph of Section 11 of the TLAC term sheet.

59j	External TLAC instrument issued by a funding vehicle prior to 1 January 2022. Amounts issued after the 1 January 2022 are not eligible as TLAC and so should not be reported here.
59k	Eligible ex ante commitments to recapitalise a G-SIB in resolution, subject to the conditions set out in the second paragraph of Section 7 of the TLAC term sheet.
59l	Investments in external TLAC issued by other resolution groups within the same G-SIB. This row is only applicable for individual resolution group of MPE G-SIBs and should exclude any amounts that are deducted in the calculation of row 59.
59m	The amount in row 59l above to be deducted at the investor level, as described in the penultimate paragraph of Section 3 of the TLAC term sheet. This row is only applicable for individual resolution group of MPE G-SIBs. (See Note below)
59n	External TLAC issued by the resolution group that is held by other resolution groups within the same G-SIB. This row is only applicable for individual resolution group of MPE G-SIBs and should exclude any amounts that are deducted in the calculation of row 1. This row is only applicable for individual resolution group of MPE G-SIBs.
59o	The amount in row 59n above to be deducted at the issuer level, as described in the penultimate paragraph of Section 3 of the TLAC term sheet. This row is only applicable for individual resolution group of MPE G-SIBs.
59p	Non-regulatory capital TLAC. To be calculated as: row 59g+row 59i+row 59j +row 59k –row 59m –row 59o
59q	Total TLAC of the G-SIB or resolution group (as the case may be). To be calculated as: row 59f+row 59p.
59r	Total risk weighted assets of the resolution group prior to any adjustment permitted under the TLAC regime as described in row 59s below).
59s	Adjustments to risk weighted assets of the resolution group as permitted under the TLAC regime. Such an adjustment may arise where a G-SIB has more than one resolution entity and resolution group (i.e. in the case of MPE), and may be applied in respect of differences in the calculation of risk weighted assets between home and host jurisdiction. See paragraph 7, Section 3 of FSB's TLAC term sheet for detailed requirements.
60	Total risk weighted assets to be calculated as row 59r minus row 59s.
60a	Leverage exposure measure (denominator of leverage ratio).
61	Common Equity Tier 1 (as a percentage of risk weighted assets), to be calculated as row 29 divided by row 60 (expressed as a percentage).
62	Tier 1 ratio (as a percentage of risk weighted assets), to be calculated as row 45 divided by row 60 (expressed as a percentage).
63	Total capital ratio (as a percentage of risk weighted assets), to be calculated as row 59 divided by row 60 (expressed as a percentage).
63a	TLAC ratio (as a percentage of risk weighted assets), to be calculated as row 59q divided by row 60 (expressed as a percentage).
63b	TLAC ratio (as a percentage of leverage exposure measure), to be calculated as row 59q divided by row 60a (expressed as a percentage).
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets). To be calculated as 4.5% plus 2.5% plus the G-SIB's specific countercyclical buffer requirement calculated in accordance with paragraphs 142 to 145 of Basel III plus the G-SIB's requirement as set out in *Global systemically important banks: assessment methodology and the additional loss absorbency requirement: Rules text (November 2011)*. This row will show the CET1 ratio below which the G-SIB will become subject to constraints on distributions. This row is not applicable to individual resolution groups of an MPE G-SIB, unless the national authority requires such disclosure.
65	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the capital conservation buffer), ie G-SIBs will report 2.5% here. This row is not applicable to individual resolution groups of an MPE G-SIB, unless otherwise required by the national authority.
66	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the G-SIB's specific countercyclical buffer requirement. This row is not applicable to individual resolution groups of an MPE G-SIB, unless otherwise required by the national authority.
67	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the G-SIB's requirement. This row is not applicable to individual resolution groups of an MPE G-SIB, unless otherwise required by the national authority.
68	Common Equity Tier 1 (as a percentage of risk-weighted assets) available to meet the buffers after meeting the G-SIB's minimum capital requirements and TLAC requirement. To be calculated as the CET1 ratio of the G-SIB, less any common equity (as a percentage of risk-weighted assets) used to meet the G-SIB's CET1, Tier 1, total minimum capital and TLAC requirements. This row is not applicable to individual resolution groups of an MPE G-SIB, unless otherwise required by the national authority.
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum). Guidance should be sought from national supervisors.
70	National Tier 1 minimum ratio (if different from Basel 3 minimum). Guidance should be sought from national supervisors.
71	National total capital minimum ratio (if different from Basel 3 minimum). Guidance should be sought from national supervisors.
72	Non-significant investments in the capital and other TLAC-eligible instruments of other financials, the total amount of such holdings that are not reported in row 18, row 39 and row 54.
73	Significant investments in the common stock of financials, the total amount of such holdings that are not reported in row 19 and row 23.
74	Mortgage servicing rights, the total amount of such holdings that are not reported in row 20 and row 24.
75	Deferred tax assets arising from temporary differences, the total amount of such holdings that are not reported in row 21 and row 25.
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach, calculated in accordance paragraph 60 of Basel III, prior to the application of the cap.

77	Cap on inclusion of provisions in Tier 2 under standardised approach, calculated in accordance paragraph 60 of Basel III.
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach, calculated in accordance paragraph 61 of Basel III, prior to the application of the cap.
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach, calculated in accordance paragraph 61 of Basel III.
80	Current cap on CET1 instruments subject to phase out arrangements, see paragraph 95 of Basel III.
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities), see paragraph 95 of Basel III.
82	Current cap on AT1 instruments subject to phase out arrangements, see paragraph 94(g) of Basel III.
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities), see paragraph 94(g) of Basel III.
84	Current cap on T2 instruments subject to phase out arrangements, see paragraph 94(g) of Basel III.
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities), see paragraph 94(g) of Basel III.

(**Note**: When Template TLAC1 is being completed to reflect the parent resolution group of an MPE G-SIB, until a time when the policy treatment of intra-group holdings of capital is specified, the relevant national authority supervising the group can choose to require the group to calculate and report row 59 either: (i) **net** of its investments in the regulatory capital of subsidiary resolution groups (ie by deducting such investments in rows 19, 40 and 55 as applicable), or (ii) **gross**, in which case the investments will need to be deducted at the total TLAC level along with any investments in non-regulatory capital elements of TLAC (ie row 59m).

In general, to ensure that the common templates remain comparable across jurisdictions there should be no adjustments to the version banks use to disclose their regulatory capital position. However, the following exceptions apply to take account of language differences and to reduce the reporting of unnecessary information:

- The common template and explanatory table above can be translated by the relevant national authorities into the relevant national language(s) that implement the Basel standards. The translated version of the template will retain all of the rows included the template above.
- Regarding the explanatory table, the national version can reference the national rules that implement the relevant sections of Basel III.
- Banks are not permitted to add, delete or change the definitions of any rows from the common reporting template implemented in their jurisdiction. This is irrespective of the concession allowed in paragraph 17 of the revised Pillar 3 Phase 1 package that banks may delete the specific row/column from the template if such row/column is not considered to be relevant to the banks' activities or the required information would not be meaningful to the users, and will prevent a divergence of templates that could undermine the objectives of consistency and comparability.
- This national version of the template will retain the same row numbering used in the first column of the template above, such that market participants can easily map the national templates to the common version above. However, the common template includes certain rows that reference national specific regulatory adjustments (row 26, 41, and 56). The relevant national authority should insert rows after each of these to provide rows for banks to disclose each of the relevant national specific adjustments (with the totals reported in rows 26, 41 and 56). The insertion of any rows must leave the numbering of the remaining rows unchanged, eg rows detailing national specific regulatory adjustments to common equity Tier 1 could be labelled Row 26a, Row 26b etc, to ensure that the subsequent row numbers are not affected.
- In cases where the national implementation of Basel III applies a more conservative definition of an element listed in the template above, national authorities may choose between one of two approaches:
  - Approach 1: in the national version of the template maintain the same definitions of all rows as set out in the template above, and require banks to report the impact of the more conservative national definition in the designated rows for national specific adjustments (ie row 26, row 41 and row 56).
  - Approach 2: in the national version of the template use the definitions of elements as implemented in that jurisdiction, clearly labelling them as being different from the Basel III minimum definition, and require banks to separately disclose the impact of each of these different definitions in the notes to the template.

  The aim of both approaches is to provide all the information necessary to enable market participants to calculate the capital of banks on a common basis.

Template TLAC2 – Material subgroup entity – creditor ranking at legal entity level

[New template]

Purpose: Provide creditors with information regarding their ranking in the liabilities structure of a material subgroup entity (ie an entity that is part of a material subgroup) which has issued internal TLAC to a G-SIB resolution entity.

Scope of application: This template is mandatory for all G-SIBs. It is to be completed in respect of every material subgroup entity within each resolution group of a G-SIB, as defined by the TLAC term sheet, on a legal entity basis. G-SIBs should group the templates according to the resolution group to which the material subgroup entities (whose positions are represented in the templates) belong, such that it is clear to which resolution entity they have exposures.

Content: Carrying values (corresponding to the values reported in financial statements).

Frequency: Semiannual.

Format: Fixed (number and description of each column under "Creditor ranking" depending on the liabilities structure of a material subgroup entity).

Accompanying narrative: Where appropriate, banks should provide bank or jurisdiction specific information relating to credit hierarchies.

		Creditor ranking							Sum of 1 to n
		1 (most junior)	1 (most junior)	2	2	…	n (most senior)	n (most senior)	
1	Is the resolution entity the creditor/investor? (Yes or No)					…			
2	Description of creditor ranking (free text)								
3	Total capital and liabilities net of credit risk mitigation					…			
4	Subset of row 3 that are excluded liabilities					…			
5	Total capital and liabilities less excluded liabilities (row 3 minus row 4)					…			
6	Subset of row 5 that are *potentially* eligible as TLAC					…			
7	Subset of row 6 with 1 year <= residual maturity < 2 years					…			
8	Subset of Row 6 with 2 years <= residual maturity < 5 years					…			
9	Subset of Row 6 with 5 years <= residual maturity < 10 years					…			
10	Subset of Row 6 with residual maturity >= 10 years					…			

Explanations

- As different jurisdictions have different statutory creditor hierarchies, the template provides for an ordinal list of creditor ranking. The number of creditor rankings in the creditor hierarchy will depend on the set of liabilities of the entity. There is at least one column for each creditor ranking. In cases where the resolution entity is a creditor of part of the total amount in the creditor ranking, two columns should be completed (both with the same ordinal ranking): one covering amounts owned by the resolution entity and the other covering amounts not owned by the resolution entity. This allows investors to understand the internal TLAC intragroup arrangements and understand the risks to which they are exposed within the G-SIB.
- Columns should be added until the most senior ranking TLAC-eligible instruments, and all pari passu liabilities, have been reported. The table therefore contains all funding that is pari passu or junior to TLAC-eligible instruments, including equity and other capital instruments.
- To provide investors with information to better understand the creditor hierarchy, G-SIBs should provide a description of each creditor class ranking. This description can be in free form text. Typically the description should include a specification of at least one type of instrument that is within that creditor class ranking (eg common shares, Tier 2 instruments). This allows for the disclosure of the creditor hierarchy even if there is a range of different statutory creditor hierarchies in different jurisdictions, tranching that may exist within some jurisdictions' statutory hierarchies or which banks have established contractually with respect to the ranking of claims.
- Excluded liabilities in row 4 includes all of the following: (a) insured deposits; (b) liabilities that are funded directly by the issuer or a related party of the issuer, except where the relevant home and host authorities meeting in the Crisis Management Group (CMG) agree that it is consistent with the resolution strategy to count eligible liabilities issued to a parent of a resolution entity towards external TLAC; (c) liabilities arising from derivatives or debt instruments with derivative-linked features, such as structured notes; (d) liabilities arising other than through a contract, such as tax liabilities; and (e) any other liabilities that, under the laws governing the issuing entity, cannot be effectively written down or converted into equity by the relevant resolution authority.
- Row 6 includes the subset of the amounts reported in Row 5 that are potentially TLAC-eligible according to the TLAC regime (eg have a residual maturity of at least 1 year, are unsecured and if redeemable are not redeemable without supervisory approval). However, for the purposes of reporting this amount the 2.5% cap (3,5% from 2022) on the exemption from the subordination requirement should be disapplied. That is, amounts that are ineligible solely as a result of the 2.5% cap (3,5%) should be reported in row 6 together with amounts that are receiving recognition as TLAC.

Template TLAC3 – Resolution entity – creditor ranking at legal entity level

Purpose: Provide creditors with information regarding their ranking in the liabilities structure of each G-SIB resolution entity.

Scope of application: This template is to be completed in respect of every resolution entity within the G-SIB, as defined by the TLAC standard, on a legal entity basis.

Content: Carrying values (corresponding to the values reported in financial statements).

Frequency: Semiannual.

Format: Fixed (number and description of each column under "Creditor ranking" depending on the liabilities structure of a resolution entity).

Accompanying narrative: Where appropriate, banks should provide bank or jurisdiction specific information relating to credit hierarchies.

		Creditor ranking				Sum of 1 to n
		1 (most junior)	2	…	n (most senior)	
1	Description of creditor ranking (free text)					
2	Total capital and liabilities net of credit risk mitigation			…		
3	Subset of row 2 that are excluded liabilities			…		
4	Total capital and liabilities less excluded liabilities (row 2 minus row 3)			…		
5	Subset of row 4 that are *potentially* eligible as TLAC			…		
6	Subset of row 5 with 1 year <= residual maturity < 2 years			…		
7	Subset of Row 5 with 2 years <= residual maturity < 5 years			…		
8	Subset of Row 5 with 5 years <= residual maturity < 10 years			…		
9	Subset of Row 5 with residual maturity >= 10 years			…		

Definitions and instructions

This template is exactly the same as Template TLAC 2 except that no information is collected regarding exposures to the resolution entity (since the template describes the resolution entity itself). This means that there will only be one column for each layer of the creditor hierarchy.

Part 5: Macroprudential supervisory measures

Part 5 covers the disclosure requirements on macroprudential supervisory measures of the Basel framework, that is, the G-SIB indicators that are used to determine the systemic importance of banking groups and the drivers for countercyclical buffer requirements.

Template GSIB1 – Disclosure of G-SIB indicators

[Unchanged from existing disclosure requirements.]

Purpose: Provide an overview of the indicators that feed into the Committee's methodology for assessing the systemic importance of the world's largest banks.
Scope of application: The template is mandatory for all banks with a leverage ratio exposure measure[35] exceeding 200 billion euros[36] (as well as for any bank which has been classified as G-SIB in the previous year).
Content: The core set of indicators to be measured in line with the specifications set by the GSIB framework.[37]
Frequency: Annual. Banks are required to disclose the template within four months of their financial year end and in any case no later than end-July.[38] This template must also be included in the bank's financial year-end Pillar 3 report.
Format: Fixed**.** The information disclosed must be fully consistent with the data submitted to the relevant supervisory authorities for subsequent remittance to the Committee in the context of its annual data collection exercise for the assessment and identification of G-SIBs. Where jurisdictions require banks (or banks voluntarily choose) to disclose the full breakdown of the indicators, such disclosure must take place using the template and related instructions that sample banks use to report their data to the Committee's data hub or as required by their local jurisdiction. The template format and its reporting instructions are available on the BIS website.[39]
Accompanying narrative: Banks should indicate the annual reference date of the information reported as well as the date of first public disclosure. Banks should include a web link to the previous disclosure. Banks may supplement the template with a narrative commentary to explain any relevant qualitative characteristics necessary to understand the quantitative data. This information may include explanations about the use of estimates with a short explanation as regards the method used, the incidence of merger or modification on the structure of the entity on the reported data, the position of the bank in the bucket scale and the resulting change in its capital requirements, or reference to the BCBS website for data on denominators, cut-off scores and buckets.

[35] For G-SIB assessment purposes, the applicable leverage ratio exposure measure definition is contained in the Basel III leverage ratio standards of January 2014.

[36] For application of this threshold, banks should use the applicable exchange rate information provided on the BCBS website at www.bis.org/bcbs/gsib/. The disclosure itself is made in the bank's own currency.

[37] See BCBS, *Global systemically important banks: updated assessment methodology and the higher loss absorbency requirement*, July 2013, www.bis.org/publ/bcbs255.htm.

[38] National authorities may allow banks whose financial year ends on 30 June to report indicator values based on their position as at 31 December (ie interim rather than financial year-end data).

[39] See www.bis.org/bcbs/gsib/.

			a
	Category	Individual Indicator	Values
2	Size	Total Exposures	
3	Interconnectedness	Intra-financial System Assets	
4		Intra-financial System Liabilities	
5		Securities Outstanding	
6	Substitutability/ Financial Institution Infrastructure	Payments made in the reporting year (excluding intragroup payments)	
7		Assets Under Custody	
8		Underwritten Transactions in Debt and Equity Markets	
9	Complexity	Notional Amount of Over-The-Counter (OTC) Derivatives	
10		Trading and Available-For-Sale (AFS) Securities	
11		Level 3 Assets	
12	Cross-Jurisdictional Activity	Cross-Jurisdictional Claims	
13		Cross-Jurisdictional Liabilities	

Definitions and instructions

The template must be completed according to the instructions and definitions for the corresponding rows in force at the disclosure's reference date for the reporting by banks to the Committee for G-SIBs and available on the BIS website.

Template CCyB1 – Geographical distribution of credit exposures used in the countercyclical capital buffer

[New template to implement a disclosure requirement introduced in Basel III.[40]]

Purpose: Provide an overview of the geographical distribution of private sector credit exposures relevant for the calculation of the countercyclical buffer.
Scope of application: The template is mandatory for all banks subject to a countercyclical buffer requirement based on the jurisdictions in which they have private sector credit exposures subject to a countercyclical buffer requirement compliant with the Basel standards.
Content: Private sector credit exposures and other relevant inputs necessary for the computation of the bank-specific countercyclical capital buffer rate.
Frequency: Semiannual.
Format: Flexible. Columns and rows might be added or removed to fit with the domestic implementation of the countercyclical buffer and thereby provide information on any variables necessary for its computation. A column or a row may be removed if the information is not relevant to the domestic implementation of the countercyclical buffer framework.
Accompanying narrative: For the purposes of the countercyclical capital buffer, banks should use, where possible, exposures on an "ultimate risk" basis. They should disclose the methodology of geographical allocation used, and inform about the jurisdictions or types of exposures for which the ultimate risk method is not used as a basis for allocation. Information about the drivers for changes in the exposure amounts and the applicable jurisdiction specific rates should be summarised.

40 See BCBS, *Basel III: A global regulatory framework for more resilient banks and banking systems*, June 2011, paragraph 149: "Banks must ensure that their countercyclical buffer requirements are calculated and publically disclosed with at least the same frequency as their minimum capital requirements. The buffer should be based on the latest relevant jurisdictional countercyclical buffers that are available at the date that they calculate their minimum capital requirement. In addition, when disclosing their buffer requirement, banks must also disclose the geographic breakdown of their private sector credit exposures used in the calculation of the buffer requirement."

	a	b	c	d	e
Geographical breakdown	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate	Countercyclical buffer amount
		Exposure values	Risk-weighted assets		
(Home) Country 1					
Country 2					
Country 3					
⋮					
Country N					
Sum					
Total					

Definitions and instructions

Unless otherwise provided for in the domestic implementation of the countercyclical capital buffer framework, private sector credit exposures relevant for the calculation of the countercyclical buffer (relevant private sector credit exposures) refer to exposures to private sector counterparties which attract a credit risk capital charge in the banking book, and the risk-weighted equivalent trading book capital charges for specific risk, the incremental risk charge, and securitisation. Interbank exposures and exposures to the public sector are excluded, but non-bank financial sector exposures are included.

Country: country in which the bank has relevant private sector credit exposures, and which has set a countercyclical capital buffer rate greater than zero that was applicable during the reporting period covered by the template.

Sum: sum of private sector credit exposures or RWA for private sector credit exposures, respectively, in jurisdictions with a non-zero countercyclical buffer rate.

Total: total of private sector credit exposures or RWA for private sector credit exposures, respectively, across all jurisdictions to which the bank is exposed to, including jurisdictions with no countercyclical buffer rate or with a countercyclical buffer rate set at zero, and value of the bank specific countercyclical capital buffer rate and resulting countercyclical buffer amount.

Countercyclical capital buffer rate: Countercyclical capital buffer rate set by the relevant national authority in the country in question and in force during the period covered by the template. Countercyclical capital buffer rates that were set by the relevant national authority, but are not yet applicable in the country in question at the disclosure reference date (pre-announced rates) must not be reported.

Total exposure value: if applicable, total private sector credit exposures across all jurisdictions to which the bank is exposed to, including jurisdictions with no countercyclical buffer rate or with a countercyclical buffer rate set at zero.

Total RWA: if applicable, total value of risk-weighted assets for relevant private sector credit exposures, across all jurisdictions to which the bank is exposed to, including jurisdictions with no countercyclical buffer rate or with a countercyclical buffer rate set at zero.

Bank-specific countercyclical capital buffer rate: countercyclical capital buffer that varying between zero and 2.5% of total risk weighted assets calculated in accordance with paragraphs 142 to 145 of *Basel III: A global regulatory framework for more resilient* banks and banking systems as a weighted average of the countercyclical buffer rates that are being applied in jurisdictions where the relevant credit exposures of the bank are located and reported in rows 1 to N.

Countercyclical capital buffer amount: amount of Common Equity Tier 1 held to meet the countercyclical capital buffer requirement determined in accordance with paragraphs 139 to145 of *Basel III: A global regulatory framework for more resilient banks and banking systems*.

Linkages across templates

Amount in [CCyB1:Total/d] is equal to [KM1:9/a] for the semiannual disclosure of KM1, and to [KM1:9/b] in the quarterly disclosure of KM1

Amount in [CCyB1:Total/d] is equal to [CC1:66/a] (for non-G-SIBs) or [G-SIB group level TLAC1:66/a] (for G-SIBs)

Part 6: Leverage ratio

[Unchanged requirements; templates integrating disclosure requirements set out in the January 2014 Basel III leverage ratio framework and disclosure requirements*.]*

Template LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure

Purpose: Reconcile the total assets in the published financial statements to the leverage ratio exposure measure.
Scope of application: The table is mandatory for all banks.
Content: Quantitative information. The Basel III leverage ratio framework follows the same scope of regulatory consolidation as used for the risk-based capital framework. At a minimum, the disclosures should be reported on a quarter-end basis. However, banks may, subject to supervisory approval, use more frequent calculations (eg daily or monthly averaging), as long as they do so consistently.
Frequency: Quarterly.
Format: Fixed.
Accompanying narrative: Banks are required to disclose and detail the source of material differences between their total balance sheet assets (net of on-balance sheet derivative and SFT assets) as reported in their financial statements and their on-balance sheet exposures as set out in line 1 of Template LR2. Banks are required to include the basis for their disclosures (eg quarter-end, daily averaging or monthly averaging)

		a
1	Total consolidated assets as per published financial statements	
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	
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	Adjustments for derivative financial instruments	
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	
7	Other adjustments	
8	**Leverage ratio exposure**	

Definitions and instructions

1 The bank's total consolidated assets as per published financial statements.

2 Where a banking, financial, insurance or commercial entity is outside the regulatory scope of consolidation, only the amount of the investment in the capital of that entity (ie only the carrying value of the investment, as opposed to the underlying assets and other exposures of the investee) shall be included in the leverage ratio exposure measure. However, investments in those entities that are deducted from the bank's CET1 capital or from Additional Tier 1 capital in accordance with paragraphs 84 to 89 of the Basel III framework may also be deducted from the leverage ratio exposure measure. As these adjustments reduce the total leverage ratio exposure measure, they shall be reported as a negative figure.

3 This row shows the reduction of the consolidated assets for fiduciary assets that are recognised on the bank's balance sheet pursuant to the operative accounting framework and which meet the de-recognition criteria of IAS 39 / IFRS 9 or the IFRS 10 de-consolidation criteria. As these adjustments reduce the total leverage ratio exposure measure, they shall be reported as a negative figure.

4 Adjustments related to derivative financial instruments. The adjustment is the difference between the accounting value of the derivatives recognised as assets and the leverage ratio exposure value as determined by application of paragraphs 18 to 31 of the Basel III leverage ratio framework and disclosure requirements. If this adjustment leads to an increase in exposure, institutions shall disclose this as a positive amount. If this adjustment leads to a decrease in exposure, institutions shall disclose this as a negative amount.

5 Adjustments related to securities financing transactions (ie repos and other similar secured lending).The adjustment is the difference between the accounting value of the SFTs recognised as assets and the leverage ratio exposure value as determined by application

	of paragraphs 32 to 37 of the Basel III leverage ratio framework and disclosure requirements. If this adjustment leads to an increase in the exposure, institutions shall disclose this as a positive amount. If this adjustment leads to a decrease in exposure, institutions shall disclose this as a negative amount.
6	The credit equivalent amount of off-balance sheet items determined by applying the relevant credit conversion factors (subject to a floor of 10%) to the nominal value of the off balance-sheet item. As these adjustments increase the total leverage ratio exposure measure, they shall be reported as a positive figure.
7	Any other adjustments. If these adjustments lead to an increase in the exposure, institutions shall report this as a positive amount. If these adjustments lead to a decrease in exposure, the institutions shall disclose this as a negative amount.
8	The leverage ratio exposure, which should be the sum of the previous items.

Linkages across templates

[LR1:8/a] is equal to [LR2:21/a]

Template LR2: Leverage ratio common disclosure template

Purpose: Provide a detailed breakdown of the components of the leverage ratio denominator.

Scope of application: The table is mandatory for all banks.

Content: Quantitative information. At a minimum, the disclosures should be on a quarter-end basis. However, banks may, subject to supervisory approval, use more frequent calculations (eg daily or monthly averaging), as long as they do so consistently.

Frequency: Quarterly.

Format: Fixed.

Accompanying narrative: Banks must describe the key factors that have had a material impact on the leverage ratio at the end of the reporting period compared to the end of the previous reporting period. Banks are required to include the basis for their disclosures (eg quarter-end, daily averaging or monthly averaging).

		a	b
		T	T-1
On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)		
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		
3	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of lines 1 and 2)		
Derivative exposures			
4	Replacement cost associated with *all* derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)		
5	Add-on amounts for PFE associated with *all* derivatives transactions		
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 derivatives transactions)		
8	(Exempted CCP leg of client-cleared trade exposures)		
9	Adjusted effective notional amount of written credit derivatives		
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
11	**Total derivative exposures (sum of lines 4 to 10)**		
Securities financing transaction exposures			
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions		
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
14	CCR exposure for SFT assets		
15	Agent transaction exposures		
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**		
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount		
18	(Adjustments for conversion to credit equivalent amounts)		
19	**Off-balance sheet items (sum of lines 17 and 18)**		
Capital and total exposures			
20	**Tier 1 capital**		
21	**Total exposures (sum of lines 3, 11, 16 and 19)**		
Leverage ratio			
22	**Basel III leverage ratio**		

Definitions and instructions

Securities Financing Transactions: transactions such as repurchase agreements reverse repurchase agreements, security lending and borrowing, and margin lending transactions, where the value of the transactions depends on market valuations and the transactions are often subject to margin agreements.

Capital Measure: The capital measure for the leverage ratio is the Tier 1 capital of the risk-based capital framework as defined in paragraphs 49 to 96 of the Basel III framework[41] taking account of the transitional arrangements.

1 Banks must include all balance sheet assets in their exposure measure, including on-balance sheet derivatives collateral and collateral for SFTs, with the exception of on-balance sheet derivative and SFT assets that are included in rows 4 -16.

2 Balance sheet assets deducted from Basel III Tier 1 capital (as set out in paragraphs 66 to 89 of the Basel III framework). For example,

- Where a banking, financial or insurance entity is not included in the regulatory scope of consolidation as set out in paragraph 8 of the Basel III leverage ratio framework and disclosure requirements, the amount of any investment in the capital of that entity that is totally or partially deducted from CET1 capital or from Additional Tier 1 capital of the bank following the corresponding deduction approach in paragraphs 84 to 89 of the Basel III framework may also be deducted from the exposure measure.
- For banks using the internal ratings-based (IRB) approach to determining capital requirements for credit risk, paragraph 73 of the Basel III framework requires any shortfall in the stock of eligible provisions relative to expected losses to be deducted from CET1 capital. The same amount may be deducted from the exposure measure.

As the adjustments in row 2 reduce the exposure measure, they shall be reported as negative figures.

3 Sum of rows 1 and 2.

4 Replacement cost (RC) associated with all derivatives transactions (including exposures resulting from direct transactions between a client and a CCP where the bank guarantees the performance of its clients' derivative trade exposures to the CCP). Where applicable, in accordance with the Basel III leverage ratio framework and disclosure requirements , net of cash variation margin received (as set out in paragraph 26 of the Basel III leverage ratio framework and disclosure requirements), and with bilateral netting (as set out in the Annex).

5 Add-on amount for the Potential Future Exposure (PFE) of all derivative exposures calculated in accordance with paragraphs 19-21 and 31 of the Basel III leverage ratio framework and disclosure requirements.

6 Grossed-up amount of any collateral provided in relation to derivative exposures where the provision of that collateral has reduced the value of the balance sheet assets under the bank's operative accounting framework, in accordance with paragraph 24 of the Basel III leverage ratio framework and disclosure requirements.

7 Deductions of receivable assets in the amount of the cash variation margin provided in derivatives transactions where the posting of cash variation margin has resulted in the recognition of a receivable asset under the bank's operative accounting framework.

As the adjustments in row 7 reduce the exposure measure, they shall be reported as negative figures.

8 Trade exposures associated with the CCP leg of derivatives transactions resulting from client-cleared transactions or which the clearing member, based on the contractual arrangements with the client, is not obligated to reimburse the client for any losses suffered due to changes in the value of its transactions in the event that a QCCP defaults.

As the adjustments in row 8 reduce the exposure measure, they shall be reported as negative figures.

9 The effective notional amount of written credit derivatives which may be reduced by the total amount of negative changes in fair value amounts that have been incorporated into the calculation of Tier 1 capital with respect to written credit derivatives according to paragraph 30 of the Basel III leverage ratio framework and disclosure requirements.

10 This row includes:

The amount by which the notional amount of a written credit derivative is reduced by a purchased credit derivative on the same reference name according to paragraph 30 of the Basel III leverage ratio framework and disclosure requirements.

The deduction of add-on amounts for Potential Future Exposure in relation to written credit derivatives determined in accordance with paragraph 31 of the Basel III leverage ratio framework and disclosure requirements.

As the adjustments in row 10 reduce the exposure measure, they shall be reported as negative figures.

11 Sum of rows 4–10.

12 The gross amount SFT assets with no recognition of any netting, other than novation with QCCPs, determined in accordance with paragraph 33 of the Basel III leverage ratio framework and disclosure requirements, adjusted for any sales accounting transactions in accordance with paragraph 34 of the Basel III leverage ratio framework and disclosure requirements.

13 The cash payables and cash receivables of gross SFT assets with netting determined in accordance with paragraphs 33(i) second bullet of the Basel III leverage ratio framework and disclosure requirements. As these adjustments reduce the exposure measure, they shall be reported as a negative figure.

14 The amount of the counterparty credit risk add-on for SFTs determined in accordance with paragraph 33 (ii) of the Basel III leverage ratio framework and disclosure requirements.

[41] Available at www.bis.org/publ/bcbs189.htm.

15	The amount for which the bank acting as an agent in a SFT has provided an indemnity or guarantee determined in accordance with paragraphs 35 - 37 of the Basel III leverage ratio framework and disclosure requirements.
16	Sum of rows 12–15.
17	Total off-balance sheet exposure amounts (excluding off-balance sheet exposure amounts associated with SFT and derivative transactions) on a gross notional basis, before any adjustment for credit conversion factors (CCFs).
18	Reduction in gross amount of off-balance sheet exposures due to the application of CCFs. This corresponds to the complement of CCFs of the standardised approach for credit risk under the Basel II framework, subject to a floor of 10%. The floor of 10% will affect commitments that are unconditionally cancellable at any time by the bank without prior notice, or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness. These may receive a 0% CCF under the risk-based capital framework. As these adjustments reduce the exposure measure, they shall be reported as negative figures.
19	Sum of rows 17 and 18.
20	The amount of Tier 1 capital of the risk-based capital framework as defined in paragraphs 49 to 96 of the Basel III framework4 taking account of the transitional arrangements.
21	Sum of rows 3, 11, 16 and 19.
22	Basel III leverage ratio is defined as the Tier 1 capital measure of row 20 (the numerator) divided by the exposure measure (the denominator) of row 21, with this ratio expressed as a percentage:

Leverage ratio = LR2{20} / LR2{21}

Linkages across templates

[LR2:20/a] is equal to [KM1:2/a]

[LR2:21/a] is equal to [KM1:13/a]

[LR2:22/a] is equal to [KM1:14/a]

Part 7: Liquidity

[Unchanged requirements; templates integrating disclosure requirements set out in the January 2014 Liquidity coverage ratio disclosure standards *and in the June 2015* Net Stable Funding Ratio disclosure standards.]

Table LIQA – Liquidity risk management

Purpose: Enable market participants to make an informed judgement about the soundness of a bank's liquidity risk management framework and liquidity position.
Scope of application: The table is mandatory for all banks, but the content is at a bank's discretion.
Content: Qualitative and potentially quantitative information.
Frequency: Annual.
Format: Flexible. Banks may choose the relevant information to be provided depending upon their business models and liquidity risk profiles, organisation and functions involved in liquidity risk management.

Below are examples of elements that banks may choose to describe, where relevant:	
Qualitative disclosures	
(a)	Governance of liquidity risk management, including: risk tolerance; structure and responsibilities for liquidity risk management; internal liquidity reporting; and communication of liquidity risk strategy, policies and practices across business lines and with the board of directors;
(b)	Funding strategy, including policies on diversification in the sources and tenor of funding, and whether the funding strategy is centralised or decentralised;
(c)	Liquidity risk mitigation techniques;
(d)	An explanation of how stress testing is used;
(e)	An outline of the bank's contingency funding plans.
Quantitative disclosures	
(f)	Customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank;
(g)	Concentration limits on collateral pools and sources of funding (both products and counterparties);
(h)	liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity;
(i)	balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps.

Template LIQ1: Liquidity Coverage Ratio

Purpose: Present the breakdown of a bank's cash outflows and cash inflows, as well as its available high quality liquid assets, as measured and defined according to the Liquidity Coverage Ratio standard.

Scope of application: The template is mandatory for all banks.

Content: Data must be presented as simple averages of daily observations over the previous quarter (ie the average calculated over a period of, typically, 90 days) in the local currency.

Frequency: Quarterly

Format: Fixed.

Accompanying narrative: Banks must publish the number of data points used in calculating the average figures in the template.

In addition, a bank should provide sufficient qualitative discussion to facilitate users' understanding of its LCR calculation. For example, where significant to the LCR, banks could discuss:

- the main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time;
- intra-period changes as well as changes over time;
- the composition of HQLA;
- concentration of funding sources;
- currency mismatch in the LCR; and
- other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile.

		a	b
		Total unweighted value (average)	**Total weighted value** (average)
High-quality liquid assets			
1	Total high quality liquid assets (HQLA)		
Cash outflows			
2	**Retail deposits and deposits from small business customers, of which:**		
3	Stable deposits		
4	Less stable deposits		
5	**Unsecured wholesale funding, of which:**		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7	Non-operational deposits (all counterparties)		
8	Unsecured debt		
9	**Secured wholesale funding**		
10	**Additional requirements, of which:**		
11	Outflows related to derivative exposures and other collateral requirements		
12	Outflows related to loss of funding on debt products		
13	Credit and liquidity facilities		
14	**Other contractual funding obligations**		
15	**Other contingent funding obligations**		
16	**TOTAL CASH OUTFLOWS**		
Cash inflows			
17	**Secured lending (eg reverse repos)**		

18	**Inflows from fully performing exposures**		
19	Other cash inflows		
20	**TOTAL CASH INFLOWS**		
			Total adjusted value
21	**Total HQLA**		
22	**Total net cash outflows**		
23	**Liquidity Coverage Ratio (%)**		

General explanations

Figures entered in the template must be averages of the observations of individual line items over the financial reporting period (ie the average of components and the average LCR over the most recent three months of daily positions, irrespective of the financial reporting schedule). The averages are calculated after the application of any haircuts, inflow and outflow rates and caps, where applicable. For example:

$$Total\ \boldsymbol{unweighted}\ stable\ deposits_{Qi} = \frac{1}{T} \times \sum_{t=1}^{T} (Total\ \boldsymbol{unweighted\ stable\ deposits})_t$$

$$Total\ \boldsymbol{weighted}\ stable\ deposits_{Qi} = \frac{1}{T} \times \sum_{t=1}^{T} (Total\ \boldsymbol{weighted\ stable\ deposits})_t$$

where *T* equals the number of observations in period *Qi*.

Weighted figures of HQLA (line 1, third column) must be calculated after the application of the respective haircuts but before the application of any caps on Level 2B and Level 2 assets. Unweighted inflows and outflows (lines 2–8, 11–15 and 17–20, second column) must be calculated as outstanding balances. *Weighted* inflows and outflows (lines 2–20, third column) must be calculated after the application of the inflow and outflow rates.

Adjusted figures of HQLA (line 21, third column) must be calculated after the application of both (i) haircuts and (ii) any applicable caps (ie cap on Level 2B and Level 2 assets). *Adjusted* figures of net cash outflows (line 22, third column) must be calculated after the application of both (i) inflow and outflow rates *and* (ii) any applicable cap (ie cap on inflows).

The LCR (line 23) must be calculated as the average of observations of the LCR:

$$LCR_{Qi} = \frac{1}{T} \times \sum_{t=1}^{T} LCR_t$$

Not all reported figures will sum exactly, particularly in the denominator of the LCR. For example, "total net cash outflows" (line 22) may not be exactly equal to "total cash outflows" minus "total cash inflows" (line 16 minus line 20) if the cap on inflows is binding. Similarly, the disclosed LCR may not be equal to an LCR computed on the basis on the average values of the set of line items disclosed in the template.

Definitions and instructions:

Columns

Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (ie cap on Level 2B and Level 2 assets for HQLA and cap on inflows).

Rows

Row number	Explanation	Relevant paragraph(s) of LCR standards[42]
1	Sum of all eligible high-quality liquid assets(HQLA), as defined in the standard, before the application of any limits, excluding assets that do not meet the operational requirements, and including, where applicable, assets qualifying under alternative liquidity approaches	28–68
2	Retail deposits and deposits from small business customers are the sum of stable deposits, less stable deposits and any other funding sourced from (i) natural persons and/or (ii) small business customers (as defined by paragraph 231 of the Basel II framework)	73–84, 89–92, 110
3	Stable deposits include deposits placed with a bank by a natural person and unsecured wholesale funding provided by small business customers, defined as "stable" in the standard	73–78, 89–91
4	Less stable deposits include deposits placed with a bank by a natural person and unsecured wholesale funding provided by small business customers, not defined as "stable" in the standard	73–74, 79–81, 89–91
5	Unsecured wholesale funding is defined as those liabilities and general obligations from customers other than natural persons and small business customers that are not collateralised	93–111
6	Operational deposits include deposits from bank clients with a substantive dependency on the bank where deposits are required for certain activities (ie clearing, custody or cash management activities). Deposits in institutional networks of cooperative banks include deposits of member institutions with the central institution or specialised central service providers.	93–106
7	Non-operational deposits are all other unsecured wholesale deposits, both insured and uninsured	107–109
8	Unsecured debt includes all notes, bonds and other debt securities issued by the bank, regardless of the holder, unless the bond is sold exclusively in the retail market and held in retail accounts	110
9	Secured wholesale funding is defined as all collateralised liabilities and general obligations	112–115
10	Additional requirements include other off-balance sheet liabilities or obligations	116–131

11	Outflows related to derivative exposures and other collateral requirements include expected contractual derivatives cash flows on a net basis. These outflows also include increased liquidity needs related to: downgrade triggers embedded in financing transactions, derivative and other contracts; the potential for valuation changes on posted collateral securing derivatives and other transactions; excess non-segregated collateral held at the bank that could contractually be called at any time; contractually required collateral on transactions for which the counterparty has not yet demanded that the collateral be posted; contracts that allow collateral substitution to non-HQLA assets; and market valuation changes on derivatives or other transactions.	116–123
12	Outflows related to loss of funding on secured debt products include loss of funding on: asset-backed securities, covered bonds and other structured financing instruments; and asset-backed commercial paper, conduits, securities investment vehicles and other such financing facilities	124–125
13	Credit and liquidity facilities include drawdowns on committed (contractually irrevocable) or conditionally revocable credit and liquidity facilities. The currently undrawn portion of these facilities is calculated net of any eligible HQLA if the HQLA have already been posted as collateral to secure the facilities or that are contractually obliged to be posted when the counterparty draws down the facility.	126–131
14	Other contractual funding obligations include contractual obligations to extend funds within a 30-day period and other contractual cash outflows not previously captured under the standard	132–133, 141
15	Other contingent funding obligations, as defined in the standard	134–140
16	Total cash outflows: sum of lines 2–15	
17	Secured lending includes all maturing reverse repurchase and securities borrowing agreements	145–147
18	Inflows from fully performing exposures include both secured and unsecured loans or other payments that are fully performing and contractually due within 30 calendar days from retail and small business customers, other wholesale customers, operational deposits and deposits held at the centralised institution in a cooperative banking network	153–154, 156–157
19	Other cash inflows include derivatives cash inflows and other contractual cash inflows.	155, 158–160
20	Total cash inflows: sum of lines 17–19	
21	Total HQLA (after the application of any cap on Level 2B and Level 2 assets)	28–54, Annex 1 in the standard
22	Total net cash outflows (after the application of any cap on cash inflows)	69
23	Liquidity Coverage Ratio (after the application of any cap on Level 2B and Level 2 assets and caps on cash inflows)	22

[42] See www.bis.org/publ/bcbs238.pdf.

Template LIQ2: Net Stable Funding Ratio

[Unchanged requirement; template consolidating the NSFR disclosure standards]

Purpose: Provide details of a bank's NSFR and selected details of its NSFR components.

Scope of application: The template is mandatory for all banks.

Content: Data must be presented as quarter-end observations in the local currency.

Frequency: Semiannual (but including two data sets covering the present and the previous quarter-ends).

Format: Fixed.

Accompanying narrative: Banks should provide a sufficient qualitative discussion around the NSFR to facilitate an understanding of the results and the accompanying data. For example, where significant to the NSFR, banks could discuss:

(a) the drivers of their NSFR results and the reasons for intra-period changes as well as the changes over time (eg changes in strategies, funding structure, circumstances etc); and

(b) the composition of the bank's interdependent assets and liabilities (as defined in paragraph 45 of the NSFR document) and to what extent these transactions are interrelated.

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
(in currency amount)		No maturity[43]	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item						
1	Capital:					
2	*Regulatory capital*					
3	*Other capital instruments*					
4	Retail deposits and deposits from small business customers:					
5	*Stable deposits*					
6	*Less stable deposits*					
7	Wholesale funding:					
8	*Operational deposits*					
9	*Other wholesale funding*					
10	Liabilities with matching interdependent assets					
11	Other liabilities:					
12	*NSFR derivative liabilities*					
13	*All other liabilities and equity not included in the above categories*					
14	**Total ASF**					
RSF Item						
15	Total NSFR high-quality liquid assets (HQLA)					
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:					

[43] Items to be reported in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities and physical traded commodities.

18	*Performing loans to financial institutions secured by Level 1 HQLA*					
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*					
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:*					
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*					
22	*Performing residential mortgages, of which:*					
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*					
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*					
25	Assets with matching interdependent liabilities					
26	Other assets:					
27	*Physical traded commodities, including gold*					
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*					
29	*NSFR derivative assets*					
30	*NSFR derivative liabilities before deduction of variation margin posted*					
31	*All other assets not included in the above categories*					
32	Off-balance sheet items					
33	**Total RSF**					
34	**Net Stable Funding Ratio (%)**					

General instructions for completion of the NSFR common disclosure template

Rows in the template are set and compulsory for all banks. Annex 1 provides a table that sets out an explanation of each line of the common template, with references to the relevant paragraph(s) of the Basel III NSFR rules text. Key points to note about the common template are:

– Each dark grey row introduces a section of the NSFR template.

– Each light grey row represents a broad subcomponent category of the NSFR in the relevant section.

– Each unshaded row represents a subcomponent within the major categories under ASF and RSF items.[44] The relevant subcomponents to be included in the calculation of each row are specified in Annex 1.

– No data should be entered for the cross-hatched cells.

- Figures entered in the template should be the quarter-end observations of individual line items.
- Figures entered for each RSF line item should include both unencumbered and encumbered amounts.

[44] As an exception, rows 21 and 23 are subcomponents of rows 20 and 22, respectively. Row 17 is the sum of rows 18, 19, 20, 22 and 24.

- Figures entered in unweighted columns are to be assigned on the basis of residual maturity and in accordance with paragraphs 18 and 29 of the NSFR rules text.

Definitions for each rows

Explanation of each row of the common disclosure template		
Row number	Explanation	Relevant paragraph(s) of NSFR standards
1	Capital is the sum of rows 2 and 3.	
2	Regulatory capital before the application of capital deductions, as defined in paragraph 49 of the Basel III text.[45]	21(a), 24(d) and 25(a)
3	Total amount of any capital instruments not included in row 2.	21(b), 24(d) and 25(a)
4	Retail deposits and deposits from small business customers, as defined in the LCR paragraphs 73–84 and 89–92, are the sum of row 5 and 6.	
5	Stable deposits comprise "stable" (as defined in the LCR in paragraphs 75–78) non-maturity (demand) deposits and/or term deposits provided by retail and small business customers.	21(c) and 22
6	Less stable deposits comprise "less stable" (as defined in the LCR in paragraphs 79–81) non-maturity (demand) deposits and/or term deposits provided by retail and small business customers.	21(c) and 23
7	Wholesale funding is the sum of rows 8 and 9.	
8	Operational deposits: As defined in LCR paragraphs 93–104, including deposits in institutional networks of cooperative banks.	21(c), 24(b) and 25(a), including footnote 10.
9	Other wholesale funding include funding (secured and unsecured) provided by non-financial corporate customer, sovereigns, public sector entities (PSEs), multilateral and national development banks, central banks and financial institutions.	21(c), 24(a), (c), and (d) and 25(a)
10	Liabilities with matching interdependent assets.	45
11	Other liabilities are the sum of rows 12 and 13.	
12	In the unweighted cells, report NSFR derivatives liabilities as calculated according to NSFR paragraphs 19 and 20. There is no need to differentiate by maturities. [The weighted value under NSFR derivative liabilities is cross-hatched given that it will be zero after the 0% ASF is applied.]	19, 20, 25(c)
13	All other liabilities and equity not included in above categories.	25(a), (b) and (d)
14	Total Available Stable Funding (ASF) is the sum of all weighted values in rows 1, 4, 7, 10 and 11.	
15	Total HQLA as defined in the LCR paragraphs 49–68 (encumbered and unencumbered), without regard to LCR operational requirements and LCR caps on Level 2 and Level 2B assets that might otherwise limit the ability of some HQLA to be included as eligible in calculation of the LCR: (a) Encumbered assets including assets backing securities or covered bonds. (b) Unencumbered means free of legal, regulatory, contractual or other restrictions on the ability of the bank to liquidate, sell, transfer or assign the asset.	Footnote 12, 36(a) and (b), 37, 39(a), 40(a) and (b), 42(a) and 43(a)
16	Deposits held at other financial institutions for operational purposes as defined in the LCR paragraphs 93–104.	40(d)
17	Performing loans and securities are the sum of rows 18, 19, 20, 22 and 24.	
18	Performing loans to financial institutions secured by Level 1 HQLA, as defined in the LCR paragraphs 50(c), (d) and (e).	38, 40(c) and 43(c)

45 Capital instruments reported here should meet all requirements outlined in BCBS, *Basel III: A global regulatory framework for more resilient banks and banking systems*, June 2011, www.bis.org/publ/bcbs189.pdf, and should only include amounts after transitional arrangements have expired under fully implemented Basel III standards (ie as in 2022).

19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions.	39(b), 40(c) and 43(c)
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs.	36(c), 40(e), 41(b), 42(b) and 43(a)
21	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs with risk weight of less than or equal to 35% under the Standardised Approach.	36(c), 40(e), 41(b) and 43(a)
22	Performing residential mortgages.	40(e), 41(a), 42(b) and 43(a)
23	Performing residential mortgages with risk weight of less than or equal to 35% under the Standardised Approach.	40(e), 41(a) and 43(a)
24	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	40(e), 42(c) and 43(a)
25	Assets with matching interdependent liabilities.	45
26	Other assets are the sum of rows 27 to 31.	
27	Physical traded commodities, including gold.	42(d)
28	Cash, securities or other assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	42(a)
29	In the unweighted cell, report NSFR derivative assets, as calculated according to NSFR paragraphs 34 and 35. There is no need to differentiate by maturities. In the weighted cell, if NSFR derivative assets are greater than NSFR derivative liabilities, (as calculated according to NSFR paragraphs 19 and 20), report the positive difference between NSFR derivative assets and NSFR derivative liabilities.	34, 35 and 43(b)
30	In the unweighted cell, report derivative liabilities as calculated according to NSFR paragraph 19, ie before deducting variation margin posted. There is no need to differentiate by maturities. In the weighted cell, report 20% of derivatives liabilities unweighted value (subject to 100% RSF).	19 and 43(d)
31	All other assets not included in the above categories	36(d) and 43(c)
32	Off-balance sheet items.	46 and 47
33	Total Required Stable Funding (RSF) is the sum of all weighted value in rows 15, 16, 17, 25, 26 and 32.	
34	Net stable funding ratio (%), as stated in paragraph 12 of this document.	9

Part 8: Credit risk *(See January 2015* Revised Pillar 3 disclosure requirements*)*

Part 9: Counterparty credit risk *(See January 2015* Revised Pillar 3 disclosure requirements*)*

Part 10: Securitisation *(See January 2015* Revised Pillar 3 disclosure requirements*)*

Part 11: Market risk

The proposed disclosure requirements for market risk supersede those issued in the January 2015 revised Pillar 3 standard. They correspond to the *Minimum capital requirements for market risk*[46] issued by the BCBS in January 2016 and hereafter referred to as the "market risk framework". This section includes the market risk capital requirements calculated for trading book and banking book exposures that are subject to a market risk charge. It also includes capital requirements for securitisation positions held in the trading book. However, it excludes the counterparty credit risk capital charges that apply to the same exposures, which are reported in Part 9 – Counterparty credit risk.

I. General information about market risk

Table MRA: General qualitative disclosure requirements related to market risk

Purpose: Provide a description of the risk management objectives and policies concerning market risk as defined in paragraph 1 of the market risk framework.
Scope of application: The table is mandatory for all banks that are subject to a market risk capital requirement for their trading activities.
Content: Qualitative information.
Frequency: Annual.
Format: Flexible.

(A) Banks must describe their risk management objectives and policies for market risk according to the framework below:	
(a)	Strategies and processes of the bank, this must include an explanation and/or a description of:
	• General management's strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the bank's market risks, including policies for hedging risk and the strategies/processes for monitoring the continuing effectiveness of hedges.
	• Desk structure of the bank. The bank must provide an exhaustive list of the desks which are under the IMA for regulatory capital requirements' purposes. The bank must also indicate which of its desks will be subject to the disclosure requirements in Template MR2 and explain the reasons for the selection of those desks and why the selection is representative of the bank's trading book under IMA. For the desks subject to individual disclosure in Template MR2, the bank should include the names of the desks, as well as the main risk types dealt with by the desk. The desk structure of the bank should make clear which desks or desks categories remain under the standardised approach.
	• Types of instruments included in each desk or desk categories
	• Policies for determining whether a position is designated as trading, including the definition of stale positions, the market value of stale positions, and the nominal value of stale positions;
	• differences in risk management practices and policies for any portfolios of covered positions that are split between the banking book and the trading book;
	• description of all desks (or at least the most significant) by broad risk class (at least FX, equity, general interest rate, credit spread, commodities, other) for which capital requirements are calculated using the standardised approach
(b)	Structure and organisation of the market risk management function: description of the market risk governance structure established to implement the strategies and processes of the bank discussed in row (a) above, describing the relationships and the communication mechanisms between the different parties involved in market risk management.
(c)	Scope and nature of risk reporting and/or measurement systems.

[46] See www.bis.org/bcbs/publ/d352.htm.

II. Market risk under standardised approach (SA)

Template MR1: Market risk under SA

Purpose: Display the components of the capital charge under the SA for market risk.
Scope of application: The template is mandatory for banks having part or all of their market risk charges measured according to the SA.
Content: Capital charge (as defined in paragraph 47 and following of the market risk framework)
Frequency: Semiannual.
Format: Fixed. Additional rows can be added for the breakdown of other risks.
Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes in the reporting period and the key drivers of such changes. In particular, banks must inform about any positions assigned to the trading or banking book in contradiction of the general presumptions of their instrument category, and the market and nominal values of such positions, as well as about any positions that have been moved from one book to the other since the last reporting period, including the market and nominal values of such positions and the reason for the move. In addition, they are expected to explain the changes in the scope regarding the positions for which capital requirements are calculated using the standardised approach.

			a	b	c	d=a+b+c
			Delta	Vega	Curvature	Capital charge in SA
1	Non-securitisations	General interest rate risk				
2		Credit spread risk				
3		Equity risk				
4		Commodity risk				
5		Foreign exchange risk				
6		Default risk				
7	Securitisations (non -correlation trading portfolio)	Credit spread risk				
8		Default risk				
9	Correlation trading portfolio	Credit spread risk				
10		Default risk				
11	Residual risk add-on					
12	**Total**					

Linkages across templates

[MR1:12/d] is equal to [OV1:17/c]

III. Market risk under internal models approach (IMA)

Table MRB: Qualitative disclosures for banks using the IMA

Purpose: Provide the scope, the main characteristics and the key modelling choices of the different models used for the capital charge computation of market risks.
Scope of application: The table is mandatory for all banks using an internal model to calculate the market risk capital requirements. To provide meaningful information to users on a bank's use of internal models, the bank must describe the main characteristics of the models used at the group-wide level (according to the scope of regulatory consolidation) and explain to what extent they represent all the models used at the group-wide level. The commentary must include the percentage of capital requirements covered by the models described for each of the regulatory models (Expected shortfall (ES), Default risk charge (DRC)).
Content: Qualitative information.
Frequency: Annual.
Format: Flexible.

(A) For ES models, banks must provide the following information:	
(a)	Description of activities and risks covered by the ES models. Where applicable, banks must also describe the main activities and risks not included in ES regulatory calculations (due to lack of historical data or model constraints) and treated under other measures (such as specific treatments allowed in some jurisdictions).
(b)	Soundness criteria on which internal capital adequacy assessment is based (eg forward-looking stress testing) and a description of the methodologies used to achieve a capital adequacy assessment that is consistent with the soundness standards.
(c)	General description of the ES model(s) including the range of values used for the n-business days factors, the reduced set of risk factors used to calibrate the period of stress and the full set of risk factors, the share of the variations in the full ES that is explained by the reduced set of risk factors, the observation period in terms of data for the calculation of the ES, the observation horizon used to identify the most stressful 12 months specification of whether the model(s) is (are) based on historical simulation, Monte Carlo simulations or other appropriate analytical methods. The description shall include any divergence from the minimum requirements in paragraph 181 of the market risk framework, either imposed by the supervisory authorities or implemented on a voluntary basis by the bank.
(d)	Data updating frequency.
(e)	General description on the empirical correlations within broad regulatory risk classes.
(f)	Description of stress testing applied to the main significant portfolios that are modelled.
(g)	Description of the approach used for backtesting and P&L attribution, as well as any other means of validating the accuracy and consistency of the internal models and modelling processes, with the frequency of (re)validation.

(B) Banks using internal models to determine the default risk charge must provide the following information:	
(a)	General description of the methodology:
(a) (i)	Information about the characteristics and scope of the expected shortfall and whether different models are used for different exposure classes, the range of PD by obligors on the different types of positions, the approaches used to correct market-implied PDs as applicable, the treatment of netting, basis risk between long and short exposures of different obligors, mismatch between a position and its hedge and concentrations that can arise within and across product classes during stressed conditions
(a) (ii)	Information about correlation assumptions.
(b)	Methodology used to achieve a capital assessment that is consistent with the required soundness standard (consistently with paragraph 186 of the market risk framework).
(c)	Approach used in the validation of the models and modelling processes, separately for each approach used for instance stress tests, sensitivity analysis, scenario analysis), and the assumptions and benchmarks they rely on.

Table MRC: The structure of desks for banks using IMA

Purpose: Provide an overview of the structure of a bank's trading desks relevant for the IMA.

Scope of application: The template is mandatory for all banks using the IMA.

Content: Qualitative information. Banks must tick the cell for each category of risk a desk gives rise to and each category of products traded by a desk.

Frequency: Semiannual.

Format: Flexible. Columns may be added, especially if the category of risk or trading product does not fit with one or some desk characteristics.

Accompanying narrative: Banks must decide which of their desks will be subject to the individual desk disclosure requirements in Template MR2 and explain the reasons for the selection and why this selection is representative of the bank's trading book under IMA. When a desk gives rise to more than one type of risk, all the risks generated by the desk should be described. Qualitative information may be provided on the different types of risks covered, especially for risks identified as "other". As for desks that are disclosed collectively, the aggregation of desks should take place by typical desk category, and banks shall clarify how many desks are included under a given aggregated typical desk category.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r
	Main risk types for each desk (category)						Main types of instruments traded by this desk (category)											Typical desk category
	FX	Equity	General interest rate	Credit spread	Commodities	Other	Cash	Forwards	Futures	Plain Vanilla Option	Complex Options	ABS	MBS	IR Swaps	FX Swaps	CDS	…	
Desk 1																		
Desk 2																		
…																		
Desk x																		
Desks disclosed collectively (number of desks grouped within a category)																		

Definitions and instructions

Typical desk category: Mapping of the bank's trading desks in IMA with the generic names of typical trading activities that best correspond to the trading desk activities. Examples of typical desk categories may include: Spot FX, FX derivatives, Domestic cash equity, Domestic equity derivatives, Foreign equities, Emerging market equities, Domestic interest rates and derivatives, Internal interest rates and derivatives, High-grade credit, High-yield credit, Distressed debt, Agricultural commodities, Energy, Macro hedge portfolio.

Template MR2: Market risk IMA per desk

Purpose: Display the values (maximum, minimum, average, and most recent) of the components of the capital charge under the IMA for market risk, and outputs of internal models per main desk level

Scope of application: The template is mandatory for banks using the IMA for part or all of their market risk for regulatory capital calculations.

Content: Expected shortfall value, default risk charge and non-modellable capital charge for each of the main significant desk(s), at the group-wide level (according to the scope of regulatory consolidation), without taking into account hedging or diversification benefits across desks, and outputs of approved desks for regulatory purposes.

Frequency: Semiannual.

Format: Fixed. The selection of desks subject to individual disclosure in rows is chosen by the bank (but the rationale for the selection of these desks should be explained in MRA and MRC).

Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes in the reporting period and the key drivers of such changes.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Expected shortfall values				Default risk charge				Capital charge for non-modellable risks factors				Aggregate capital charge for desks eligible to IMA	ES and default	
	Desk (category) name	high	mean	low	Most recent measure	high	mean	low	Most recent measure	high	mean	low	Most recent measure		Number of back testing exceptions	Number of P&L attribution breaches
1	**Total**															
	Of which															
2																
3																
4																
5																
6																
7																
8																
9																
10																
11																
12																
13																
14																
15																
…																
X	Sum of all															

Definitions and instructions

Sum of all other desks: simple sum of other desks not reported in row above.

Expected shortfall: measure of the riskiness of a position by considering both the size and the likelihood of losses above a certain confidence level, as defined and calculated in accordance with paragraph 181 FRTB. The ES model includes all risks that are considered as modellable.

Default risk charge: in accordance with paragraph 186 FRTB, measure of the default risk of trading book positions, except those subject to standardised charges or whose valuations depend solely on commodity prices. It covers inter alia sovereign exposures (including those denominated in the sovereign's domestic currency), equity positions, and defaulted debt positions.

Capital charge for non-modellable risk factors: capital charges as defined in paragraph 190 for each non-modellable risk factor in accordance with paragraph 183 to which the desk is exposed. When the desk is exposed to more than one non-modellable risk, the figure disclosed is the sum of the capital charges for those risks.

Aggregate capital charge for desks eligible to IMA: the aggregate capital charge per desk eligible to IMA is the sum if the most recent measure or the average of the previous 12 weeks, as determined in accordance with paragraph FRTB, of the ES, Default risk charge and capital charge for non-modellable risk factors but excluding charge for ineligible trading desks, which is reported in Template MR1.

Number of days when one of the two ratios are not fulfilled: backtesting of the P&L attribution as described in paragraph 183 and Appendix B of the market risk framework.

Template MR3: Market risk IMA per risk type

Purpose: Display the components of the capital charge under the IMA for market risk by risk type.

Scope of application: The template is mandatory for banks using the IMA for part or all of their market risk for regulatory capital calculations.

Content: Capital charge calculation (as defined in paragraphs 187 to 194 of the market risk framework) at the group-wide level (according to the scope of regulatory consolidation)

Frequency: Semiannual.

Format: Fixed.

Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes in the reporting period and the key drivers of such changes.

			a	b
			Risk measure (most recent)	Risk measure (average of the previous 12 weeks)
1	Unconstrained expected shortfall (ES)			
2	ES for the regulatory risk classes	General interest rate risk		
3		Credit spread risk		
4		Equity risk		
5		Commodity risk		
6		Foreign exchange risk		
7	Constrained expected shortfall (IMCC) (Rho*Unconstrained ES+(1-Rho)*aggregated risk class ES)			
8	Capital charge for non-modellable risk factors (SES)			
9	Default risk charge (DRC)			
10	Sub-total: a=7+8+9, b=multiplier*7+8+9			
11	Total capital charge (Max of column a and b)			

Definitions and instructions

Unconstrained expected shortfall: ES as defined paragraph 181 calculated without supervisory constraints on cross risk factor correlations

Constrained expected shortfall: ES as defined in paragraph 181 calculated empirical correlations recognised by banks across broad risk factor categories constrained by the supervisory aggregation scheme in accordance with paragraphs 188 and 189 so that constrained ES disclosed is the sum of partial expected shortfall charges (ie all other risk factors should be held constant) for the range of broad regulatory risk factor classes (interest rate risk, equity risk, foreign exchange risk, commodity risk and credit risk).

Capital charge for non-modellable risk factors: aggregate regulatory capital measure calculated in accordance with paragraph 190 for risk factors in model-eligible desks that are deemed unmodellable.in accordance with paragraph 183

Default risk charge: in accordance with paragraph 186 of market risk framework, measure of the default risk of trading book positions, except those subject to standardised charges or whose valuations depend solely on commodity prices. It covers inter alia sovereign exposures (including those denominated in the sovereign's domestic currency), equity positions, and defaulted debt positions.

Sub-total: for column a), the sub-total is the sum of rows 8 and 9 plus row 10. For column b) the sum of the 12-weeks average value disclosed in row 8 and 9 is multiplied by the applicable multiplication factor set in accordance with paragraph 189. To this sum is added the amount in row 10.

Total capital charge: the amount in this row is the highest amount between column a) and b)

Linkages across templates

[MR3:8/a] is equal to [MR2:1/l]

[MR3:9/a] is equal to [MR2:1/h]

[MR3:10/a] is equal to [MR2:1/m]

Template MR4: RWA flow statements of market risk exposures under an IMA

Purpose: Present a flow statement explaining variations in the market RWA determined under an IMA.

Scope of application: The template is mandatory for banks using an IMA for their market risk exposures.

Content: Risk-weighted assets for market risk. Changes in RWA amounts over the reporting period for each of the key drivers should be based on a bank's reasonable estimation of the figure.

Frequency: Quarterly.

Format: Fixed format. The columns and rows 1 and 8 are fixed. Banks may add additional rows between rows 7 and 8 to disclose additional elements that contribute to RWA variations.

Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes over the reporting period and the key drivers of such changes.

		a	C	d	e	f
		ES	NMR	DRC	Adjustments	Total RWA
1	RWA at previous quarter end					
2	Movement in risk levels					
3	Model updates/changes					
4	Regulatory changes					
5	Acquisitions and disposals					
6	Foreign exchange movements					
7	Other					
8	RWA at end of reporting period					

Definitions and instructions

Rows

Movement in risk levels: changes due to position changes.

Model changes: Significant updates to the model to reflect recent experience (eg recalibration), as well as significant changes in model scope including when desks moved from IMA to SA or conversely; if more than one model update has taken place, additional rows could be necessary.

Regulatory changes: Methodology changes to the calculations driven by regulatory policy changes.

Acquisitions and disposals: Modifications due to acquisition or disposal of business/product lines or entities.

Foreign exchange: Changes driven by foreign exchange movements.

Other: this category must be used to capture changes that cannot be attributed to any other category. Banks should add additional rows between rows 6 and 7 to disclose other material drivers of RWA movements over the reporting period.

Columns

RWA at end of reporting period *column ES:* derived risk-weighted assets corresponding to the [capital charge reflecting the Regulatory ES as well as any additional capital charge on the supervisor's decision] x 12.5.

RWA at end of reporting period *column NMR:* derived risk-weighted assets corresponding to the [capital charge for non-modellable risks as well as any additional capital charge on the supervisor's decision] x 12.5.

RWA at end of reporting period *column DRC:* derived risk-weighted assets corresponding to the [capital charge as well as any additional capital charge on the supervisor's decision] x 12.5.

Other adjustments: eg diversification effects, so that column f = a+b+c+e

Total RWA at end of reporting period: derived risk-weighted assets corresponding to the [total capital charge for market risk in the basis of IMA x 12.5]; this amount must reconcile with the amounts shown in template OV1.

Linkages across templates

[MR4:1/f] is equal to [OV1:18/b]

[MR4:8/f] is equal to [OV1:18/a]

Part 12: Operational risk

[The table and templates presented below are new – they reflect disclosure requirements corresponding to the operational risk framework under consultation.][47]

Table ORA – General qualitative information about operational risk management

Purpose: Describe the main characteristics and elements of a bank's operational risk management framework.
Scope of application: The table is mandatory for all banks.
Content: Qualitative information.
Frequency: Annual.
Format: Flexible.

Banks must describe:	
(a)	Their policies, frameworks and guidelines for the management of operational risk
(b)	The structure and organisation of their operational risk management and control function
(c)	Their operational risk measurement system
(d)	The scope and main context of their reporting framework on operational risk to executive management and to the board of directors
(e)	The risk mitigation and risk transfer used in the management of operational risk.

[47] See BCBS, *Standardised Measurement Approach for operational risk - consultative document*, March 2016, www.bis.org/bcbs/publ/d355.pdf.

Template OR1 – Historical losses used for SMA calculation

Purpose: Disclosure of incurred losses from operational risks over the last ten years at aggregate level in order to assess the adequacy of a bank's operational risk capital charge.

Scope of application: The table is mandatory for all banks that use losses in the calculation of the capital charge.

Content: Quantitative information.

Frequency: Annual.

Format: Fixed.

		a	b	c	d	E	f	g	h	i	j
		T	T -1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9
1	Total amount of all losses										
2	Total amount of losses exceeding 1m €										

Definitions and instructions

Row1: Includes the total of the loss amount of individual losses for each of the last ten reporting periods (usually the fiscal year).

Row2: Includes the total of the loss amount of individual losses exceeding 1m € for each of the last ten reporting periods (usually the fiscal year).

Columns: T designate the end of the annual reporting period, T-1 the previous year-end, etc.

Template OR2 – SMA – business indicator and subcomponents

Purpose: Provide a breakdown of the drivers of a bank's operational risk capital charge.
Scope of application: The table is mandatory for all banks.
Content: Quantitative information.
Frequency: Annual.
Format: Fixed.
Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes over the reporting period and the key drivers of such changes.

		a	b	c
	Business indicator / subcomponent	T	T-1	T-2
1	Interest			
1a	Of which Interest income			
1b	Of which Interest expense			
1c	Of which Dividend income			
2	Services			
2a	Of which Fee income			
2b	Of which Fee expense			
2c	Of which Other operating income			
2d	Of which Other operating expense			
3	Financial			
3a	Of which Net P&L on Trading Book			
3b	Of which Net P&L on Banking Book			

Definitions and instructions

Columns: T designates the end of the annual reporting period, T-1 the previous year-end, etc.

Template OR3 – Historical losses

Purpose: Disclosure of incurred losses from operational risks over the last three years at aggregate level in order to assess the adequacy of a bank's operational risk management.
Scope of application: The table is mandatory for all banks.
Content: Quantitative information.
Frequency: Annually.
Format: Fixed.

		a	b	c
		T	T-1	T-2
1	Number of losses exceeding 1m €			
2	Total amount of losses exceeding 1m €			
3	Total of 5 largest losses			

Definitions and instructions

Row 1: Includes the aggregate number of individual gross losses exceeding 1m € for each of the last three reporting periods (usually the fiscal year).

Row 2: Includes, in accordance with preceding row number 1, the total of the loss amount of individual losses exceeding 1m € for each of the last three reporting periods (usually the fiscal year).

Row 3: Includes the total loss amount of the 5 largest losses materialised through PnL for each of the last three reporting periods (usually the fiscal year).

Columns: T designate the end of the annual reporting period, T-1 the previous year-end, etc.

Part 13: Interest rate risk in the banking book

[See separate consultative documen.t]

Part 14: Remuneration

[The proposed disclosure requirements below reflect existing disclosure requirements issued in the July 2011 Pillar 3 disclosure requirements for remuneration*, although they have been adapted to fit the new format of the Pillar 3 framework].*

Table REMA – Remuneration policy

Purpose: Description of a bank's remuneration policy as well as the key features of its remuneration system to enable meaningful assessment by market participants of a bank's compensation practices.
Scope of application: The table is mandatory for all banks.
Content: Qualitative information.
Frequency: Annual.
Format: Flexible.

Banks must describe the main elements of their remuneration system and how it is implemented, including any changes introduced since the previous disclosure. In particular, the following elements, where relevant, should be described:

Qualitative disclosures	
(a)	Information relating to the bodies that oversee remuneration. Disclosures should include: • Name, composition and mandate of the main body overseeing remuneration. • External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process they provided advice or were involved. • A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches. • A description of the types of employees considered as material risk takers and as senior managers.
(b)	Information relating to the design and structure of remuneration processes. Disclosures shall include: • An overview of the key features and objectives of remuneration policy. • Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made, reasons for those changes and their impact on remuneration. • A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.
(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include an overview of the key risks, their measurement and how these measures affect remuneration.
(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with remuneration paid. Disclosures should include: • An overview of main performance metrics for bank, top-level business lines and individuals. • A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance. • A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the bank's criteria for determining "weak" performance metrics.
(e)	Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance. Disclosures should include: • A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance. • A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through clawback arrangements.
(f)	Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms. Disclosures should include: • An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms), with a description of the different forms of variable remuneration. • A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description of the factors that determine the mix and their relative importance.

Template REM1 – Remuneration awarded during the financial year

Purpose: Provide quantitative information on fixed and variable remuneration awarded during the financial year
Scope of application: The template is mandatory for all banks.
Content: Quantitative information
Frequency: Annually.
Format: Flexible
Accompanying narrative: Banks may wish to supplement the template with a narrative commentary to explain any significant movements over the reporting period and the key drivers of such movements.

			a	b
	Remuneration amount		Senior management	Other material risk takers
1	Fixed remuneration	Number of employees		
2		Total fixed remuneration (3+5+7)		
3		Of which cash-based		
4		Of which: deferred		
5		Of which shares or other share-linked instruments		
6		Of which deferred		
7		Of which other forms		
8		Of which deferred		
9	Variable remuneration	Number of employees		
10		Total variable remuneration (11+13+15)		
11		Of which cash-based		
12		Of which: deferred		
13		Of which shares or other share-linked instruments		
14		Of which deferred		
15		Of which other forms		
16		Of which deferred		
17	Total remuneration (2+10)			

Definitions and instructions

Senior management and other material risk takers categories in columns a) and b) must correspond to the type of employees described in REMA.

Other form of remuneration in rows 7 and 15 must be described either in REMA and if needed completed in accompanying narrative.

Template REM2 – Special payments

Purpose: Provide quantitative information on special payments for the financial year
Scope of application: The template is mandatory for all banks.
Content: Quantitative information
Frequency: Annual.
Format: Flexible.
Accompanying narrative: Banks may wish to supplement the template with a narrative commentary to explain any significant movements over the reporting period and the key drivers of such movements.

		a	b	c	d	e	f
Special payments		Guaranteed bonuses		Sign-on awards		Severance payments	
		Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
1	Senior management						
2	Other material risk takers						

Definitions and instructions

Senior management and other material risk takers categories in rows 1 and 2 must correspond to the type of employees described in REMA.

Guaranteed bonuses are payments of guaranteed bonuses during the financial year.

Sign-on awards are payments allocated to employees upon recruitment during the financial year.

Severance payments are payments allocated to employees dismissed during the financial year.

Template REM3 – Deferred remuneration

Purpose: Provide quantitative information on the total outstanding of a bank's deferred and retained remuneration
Scope of application: The template is mandatory for all banks.
Content: Quantitative information (amounts).
Frequency: Annual.
Format: Flexible.
Accompanying narrative: Banks may wish to supplement the template with a narrative commentary to explain any significant movements over the reporting period and the key drivers of such movements.

		a	b	c	d	e
	Deferred and retained remuneration	Total amount of outstanding deferred remuneration	Of which Total amount of outstanding deferred and retained remuneration exposed to ex post explicit[1] and/or implicit[2] adjustment	Total amount of reduction during the year due to ex post explicit[1] adjustments	Total amount of reduction during the year due to ex post implicit[2] adjustments	Total amount of deferred remuneration paid out in the financial year
1	Senior management					
2	Cash					
3	Shares					
4	Share-linked instruments					
5	Other					
6	Material risk takers					
7	Cash					
8	Shares					
9	Share-linked instruments					
10	Other					
11	Total					

Definitions and instructions

1 *Outstanding exposed to ex post explicit adjustment:* part of the deferred and retained remuneration that is subject to direct adjustment clauses (for instance subject to malus, claw backs or similar reversal or downward revaluations of awards).

2 *Outstanding exposed to ex post implicit adjustment:* part of the deferred and retained remuneration that is subject to adjustment clauses that could change the remuneration, due to the fact that they are linked to the performance of other indicators (for instance fluctuation in the value of shares performance or performance units).

In columns a) and b) the amounts at reporting date (cumulated over the last years) are expected. In columns c) to e) movements during the financial year are expected. While columns c) and d) show the movements specifically related to column b), column e) shows payments that have impacted column a.

Annex

Overall list of Pillar 3 disclosure requirements (including those introduced in January 2015)

	Tables and templates[a]	Format	Frequency	Implementation[b]
Part 2 – Overview of risk management, key prudential metrics and RWA	**KM1 – Key metrics (at consolidated group level)**	**Fixed**	**Quarterly**	**End-2017**
	KM2 – Key metric – TLAC requirements (at resolution group level)	**Fixed**	**Quarterly**	**1 January 2019[c]**
	OVA – Bank risk management approach	Flexible	Annual	End-2016
	OV1 – Overview of RWA	Fixed	Quarterly	End-2016
	HYP1 – Hypothetical RWA calculated according to the standardised approaches as benchmarks to internally modelled RWA	**Fixed**	**Semiannual**	**TBD**
	HYP2 - Hypothetical RWA calculated according to the standardised approaches for- credit risk (excluding counterparty credit risk) at asset class level	**Fixed**	**Semiannual**	**TBD**
Part 3 – Linkages between financial statements and regulatory exposures	LI1 – Differences between accounting and regulatory scopes of consolidation and mapping of financial statements with regulatory risk categories	Flexible	Annual	End-2016
	LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements	Flexible	Annual	End-2016
	LIA – Explanations of differences between accounting and regulatory exposure amounts	Flexible	Annual	End-2016
	PV1 – Prudential valuation adjustments	**Fixed**	**Annual**	**End-2017**
Part 4 – Composition of capital and TLAC disclosure	**CC1 – Composition of regulatory capital**	**Fixed**	**Semiannual**	**End-2017**
	CC2 – Reconciliation to balance sheet published in financial statements	**Fixed**	**Semiannual**	**End-2017**
	CCA – Main features of regulatory capital instruments, and for G-SIBs, other TLAC instruments	**Flexible**	**Semiannual**	**End-2017**
	TLAC1 –TLAC disclosure for G-SIBs	**Fixed**	**Semiannual**	1 January 2019[c]
	TLAC2 – Material subsidiary – creditor ranking at legal entity level	**Fixed**	**Semiannual**	1 January 2019[c]
	TLAC3 –Resolution entity – credit ranking at legal entity level	**Fixed**	**Semiannual**	1 January 2019[c]
Part 5 – Macroprudential supervisory measures	**GSIB1 – Disclosure on G-SIB indicators (simple consolidation without change)**	**Fixed**	**Annual**	**End-2017**
	CCyB1 – Geographical distribution of credit exposures used in the countercyclical capital buffer	**Flexible**	**Semiannual**	**End-2017**
Part 6 – Leverage ratio	**LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure (simple consolidation without change)**	**Fixed**	**Quarterly**	**End-2017**

	Tables and templates[a]	Format	Frequency	Implementation[b]
	LR2 – Leverage ratio disclosure template (simple consolidation without change)	**Fixed**	**Quarterly**	**End-2017**
Part 7 – Liquidity disclosure requirements	**LIQA – Liquidity risk management (simple consolidation without change)**	**Flexible**	**Annual**	**End-2017**
	LIQ1 – Liquidity Coverage Ratio (simple consolidation without change)	**Fixed**	**Quarterly**	**End-2017**
	LIQ2 – Net Stable Funding Ratio (simple consolidation without change)	**Fixed**	**Semiannual**	**1 January 2018**
Part 8 – Credit risk	CRA – General information about credit risk	Flexible	Annual	End-2016
	CR1 – Credit quality of assets	Fixed	Semiannual	
	CR2 – Changes in stock of defaulted loans and debt securities	Fixed	Semiannual	
	CRB – Additional disclosure related to the credit quality of assets	Flexible	Annual	
	CRC – Qualitative disclosure requirements related to credit risk mitigation techniques	Flexible	Annual	
	CR3 – Credit risk mitigation techniques – overview	Fixed	Semiannual	
	CRD – Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk	Flexible	Annual	
	CR4 – Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects	Fixed	Semiannual	
	CR5 – Standardised approach – exposures by asset classes and risk weights	Fixed	Semiannual	
	CRE – Qualitative disclosures related to IRB models	Flexible	Annual	
	CR6 – IRB – Credit risk exposures by portfolio and PD range	Fixed	Semiannual	
	CR7 – IRB – Effect on RWA of credit derivatives used as CRM techniques	Fixed	Semiannual	
	CR8 – RWA flow statements of credit risk exposures under IRB	Fixed	Quarterly	
	CR9 – IRB – Back testing of probability of default (PD) per portfolio	Flexible	Annual	
	CR10 – IRB – Specialised lending and equities under the simple risk weight method	Flexible	Semiannual	
Part 9 – Counterparty credit risk	CCRA – Qualitative disclosure related To counterparty credit risk	Flexible	Annual	End-2016
	CCR1 – Analysis of CCR by approach	Fixed	Semiannual	
	CCR2 – Credit valuation adjustment capital charge	Fixed	Semiannual	
	CCR3 – Standardised approach of CCR exposures by regulatory portfolio and risk weights	Fixed	Semiannual	
	CCR4 – IRB – CCR exposures by portfolio and PD scale	Fixed	Semiannual	
	CCR5 – Composition of collateral for CCR exposure	Flexible	Semiannual	
	CCR6 – Credit derivatives exposures	Flexible	Semiannual	
	CCR7 – RWA flow statements of CCR exposures under the internal model method (IMM)	Fixed	Quarterly	
	CCR8 – Exposures to central counterparties	Fixed	Semiannual	
Part 10 – Securitisation	SECA – Qualitative disclosure requirements related to securitisation exposures	Flexible	Annual	End-2016

 Pillar 3 disclosure requirements – consolidated and enhanced framework

	Tables and templates[a]	Format	Frequency	Implementation[b]
	SEC1 – Securitisation exposures in the banking book	Flexible	Semiannual	
	SEC2 – Securitisation exposures in the trading book	Flexible	Semiannual	
	SEC3 – Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor	Fixed	Semiannual	
	SEC4 – Securitisation exposures in the banking book and associated capital requirements – bank acting as investor	Fixed	Semiannual	
Part 11 – Market risk	**MRA – General qualitative disclosure requirements related to market risk**	**Flexible**	**Annual**	**End-2019**
	MR1 – Market risk under standardised approach	**Fixed**	**Semiannual**	**End-2019**
	MRB – Qualitative disclosures for banks using the IMA	**Flexible**	**Annual**	**End-2019**
	MRC – Desks' structure for banks using market risk IMA	**Flexible**	**Semiannual**	**End-2019**
	MR2 – Market risk IMA per desk	**Fixed**	**Semiannual**	**End-2019**
	MR3 – Market risk IMA per risk type	**Fixed**	**Semiannual**	**End-2019**
	MR4 – RWA flow statements of market risk exposures under an IMA	**Fixed**	**Quarterly**	**End-2019**
Part 12 – Operational risk	**ORA – General qualitative information about operational risk management**	**Flexible**	**Annual**	**[Op risk]**
	OR1 – Historical losses used for SMA calculation	**Fixed**	**Annual**	**[Op risk]**
	OR2 – SMA – business indicators and subcomponents	**Fixed**	**Annual**	**[Op risk]**
	OR3 – Historical losses	**Fixed**	**Annual**	**[Op risk]**
Part 13 – Interest rate risk in the banking book	See dedicated consultative document[48]			[IRBB]
Part 14 – Remuneration	**REMA – Remuneration policy**	**Flexible**	**Annual**	**End-2017**
	REM1 – Remuneration awarded during the financial year	**Flexible**	**Annual**	**End-2017**
	REM2 – Special payments	**Flexible**	**Annual**	**End-2017**
	REM3 – Deferred remuneration	**Flexible**	**Annual**	**End-2017**

a Tables are shaded grey. Templates and tables in bold are added by the present document, whereas non-bolded ones were introduced with the January 2015 revised Pillar 3 standard.
b When indicated within square brackets, the implementation date will coincide with the implementation date of the regulatory project underpinning the disclosure requirements.
c Or otherwise applicable, depending on TLAC regime entering into force.

[48] See BCBS, *Interest rate risk in the banking book*, June 2015, www.bis.org/bcbs/publ/d319.pdf.