

Central Bank of Bahrain

**Composition of capital disclosure  
requirements**

Appendices to Module PD

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# Composition of capital disclosure requirements

## Introduction

1. During the financial crisis, the lack of detail and the lack of consistency in reporting made the assessment of the capital positions of banks difficult or impossible to do with any accuracy. It is often suggested that lack of clarity on the quality of capital contributed to uncertainty during the financial crisis. To address the above concerns and to ensure that banks back their risk exposures with a high quality capital base, these appendices introduce a set of detailed requirements to raise the quality and consistency of capital in the banking sector. In addition, these appendices establish certain high level disclosure requirements to improve transparency of regulatory capital and enhance market discipline and include more detailed Pillar 3 disclosure requirements. These appendices set out these detailed requirements.

To enable market participants to compare the capital adequacy of banks across jurisdictions it is essential that banks disclose the full list of regulatory capital items and regulatory adjustments. To improve consistency and ease of use of disclosures relating to the composition of regulatory capital, banks are required to publish their capital positions according to the common templates below.

2. The requirements are set out as follows:
  - **Post 1 January 2019 disclosure template (Appendix PD-1).** A common template is established that banks must use to report the breakdown of their regulatory capital when the transition period for the phasing-in of deductions ends on 1 January 2019. It is designed to disclose all regulatory adjustments, including amounts falling below thresholds for deduction, and thus enhance consistency and comparability in the disclosure of the elements of capital between banks and across jurisdictions.
  - **Reconciliation requirements (Appendix PD-2).** A 3 step approach for banks to follow is established to ensure that a full reconciliation of all regulatory capital elements back to the published financial statements is provided in a consistent manner. This approach is not based on a common template because the starting point for reconciliation, the bank's reported balance sheet, may vary due to the application of different accounting standards.
  - **Main features template (Appendix PD-3).** A common template is established that banks must use to provide a description of the main features of regulatory capital instruments issued.
  - **Other disclosure requirements.** Banks must provide the full terms and conditions of regulatory capital instruments on their website and report the calculation of any ratios involving components of regulatory capital, in addition to the disclosures required in Appendix PD-3.

- **Template during the transitional period (Appendix PD-4).** This is a modified version of the post 1 January 2019 template to be used during the transitional phase. This template outlines the requirement for banks to disclose the components of capital that are benefiting from the transitional arrangements.

### **Implementation date and frequency of reporting**

3. The disclosure requirements set out in this document are to be followed by no later than 30<sup>th</sup> June 2015. Banks will be required to comply with the disclosure requirements from the date of publication of their first set of financial statements relating to a balance sheet date on or after 30<sup>th</sup> June 2015 (with the exception of the Post 1 January 2019 template set out in Appendix PD-1). Furthermore, banks must publish this disclosure with the same frequency as, and concurrent with, the publication of their financial statements, irrespective of whether the financial statements are audited. In the case of the main features template and provision of the full terms and conditions of capital instruments, banks are required to update these disclosures on their website whenever a new capital instrument is issued and included in capital and whenever there is a redemption, conversion/write-down or other material change in the nature of an existing capital instrument.
4. Domestic Systemically Important Banks (D-SIBs) may be required to make certain additional disclosures with respect to certain defined elements on a quarterly basis. Bahraini banks qualifying as D-SIBs will be informed accordingly.
5. Banks' disclosures required by this document must either be included in banks' published Annual Reports or on their website. Banks must also make available on their website an archive (for a retention period of 5 years) of all templates relating to prior reporting periods. Irrespective of the location of the disclosure (Annual Report or bank website), all disclosures must be in the format required by this document.

## Appendix PD-1

### Post 1 January 2019 Disclosure Template

Key points to note about the template set out in this Appendix are:

- The template is designed to capture the capital positions of banks after the transition period for the phasing-in of deductions ends on 1 January 2019 (the template for banks to use to report their capital positions during this transitional phase is set out in Appendix PD-4).
- *Certain rows are in italics.* These rows will be deleted after all the ineligible capital instruments have been fully phased out (i.e. from 1 January 2024 onwards).
- The reconciliation requirements included in Appendix PD-2 result in the decomposition of certain regulatory adjustments. For example, the disclosure template below includes the adjustment ‘Goodwill net of related tax liability’. The requirements in Appendix PD-2 will lead to the disclosure of both the goodwill component and the related tax liability component of this regulatory adjustment.
- Regarding the shading:
  - Each dark grey row in a template 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 of the template.
  - The light grey rows with a thick border show the main components of regulatory capital and the capital ratios.
- Also provided below is a table that sets out an explanation of each line of the template, with references to the appropriate paragraphs of the Basel III text.

<b>Basel III common disclosure template to be used from 1 January 2019</b>		
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
1.	Directly issued qualifying common share capital plus related stock surplus	
2.	Retained earnings	
3.	Accumulated other comprehensive income (and other reserves)	
4.	<i>Not applicable</i>	
5.	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	
6.	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
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.	Not applicable	
15.	Defined-benefit pension fund net assets	
16.	Investments in own shares	
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)	
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.	CBB 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.	<b>Total regulatory adjustments to Common equity Tier 1</b>	
29.	<b>Common Equity Tier 1 capital (CET1)</b>	
<b>Additional Tier 1 capital: instruments</b>		
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.	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>	
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.	<i>of which: instruments issued by subsidiaries subject to phase out</i>	
36.	<b>Additional Tier 1 capital before regulatory adjustments</b>	
<b>Additional Tier 1 capital: regulatory adjustments</b>		
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.	CBB specific regulatory adjustments	
42.	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	
43.	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	
44.	<b>Additional Tier 1 capital (AT1)</b>	
45.	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	
<b>Tier 2 capital: instruments and provisions</b>		
46.	Directly issued qualifying Tier 2 instruments plus related stock surplus	
47.	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	

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.	<i>of which: instruments issued by subsidiaries subject to phase out</i>	
50.	Provisions	
51.	<b>Tier 2 capital before regulatory adjustments</b>	
<b>Tier 2 capital: regulatory adjustments</b>		
52.	Investments in own Tier 2 instruments	
53.	Reciprocal cross-holdings in Tier 2 instruments	
54.	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 the 10% threshold)	
55.	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	
56.	National specific regulatory adjustments	
57.	<b>Total regulatory adjustments to Tier 2 capital</b>	
58.	<b>Tier 2 capital (T2)</b>	
59.	<b>Total capital (TC = T1 + T2)</b>	
60.	<b>Total risk weighted assets</b>	
<b>Capital ratios and buffers</b>		
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	2.5
66.	of which: bank specific countercyclical buffer requirement	N/A
67.	of which: D-SIB buffer requirement	N/A
68.	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	
<b>National minima including CCB (where different from Basel III)</b>		
69.	CBB Common Equity Tier 1 minimum ratio	9.0
70.	CBB Tier 1 minimum ratio	10.5
71.	CBB total capital minimum ratio	12.5
<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
72.	Non-significant investments in the capital 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)	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
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.	N/A	
79.	N/A	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2019 and 1 Jan 2023)</b>		
80.	<i>Current cap on CET1 instruments subject to phase out arrangements</i>	
81.	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	
82.	<i>Current cap on AT1 instruments subject to phase out arrangements</i>	
83.	<i>Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>	
84.	<i>Current cap on T2 instruments subject to phase out arrangements</i>	
85.	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and</i>	

	<i>maturities)</i>	
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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.

<b>Explanation of each row of the common disclosure template</b>	
<b>Row number</b>	<b>Explanation</b>
1.	Instruments issued by the parent company of the reporting group that meet all of the CET1 entry criteria set out in Paragraph CA-2.1.3. This should be equal to the sum of common stock (and related surplus only). Other paid-in capital elements and all minority interest must be excluded.
2.	Retained earnings, prior to all regulatory adjustments. This row should include interim profit and loss that has met audit and review procedures set by the CBB (CA-2.1.2b). Dividends must 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 CA-B.2.1f. 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 CA-2.3.1 (see Appendix CA-1 for example calculation).
6.	Sum of rows 1 to 5.
7.	Prudential valuation adjustments according to the requirements of CA-16, taking into account the guidance set out in <i>Supervisory guidance for assessing banks' financial instrument fair value practices, April 2009</i> (in particular Principle 10).
8.	Goodwill net of related tax liability, as set out in paragraphs CA-2.4.2-3.
9.	Other intangibles other than mortgage-servicing rights (net of related tax liability), as set out in paragraphs CA-2.4.2-3.
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 CA-2.4.4.
11.	The element of the cash-flow hedge reserve described in paragraphs CA-2.4.6-7.
12.	Shortfall of provisions to expected losses as described in paragraph Ca-2.4.8.
13.	Securitisation gain on sale (as set out in paragraph CA-2.4.8).
14.	. Not applicable.
15.	Defined-benefit pension fund net assets, amount to be deducted (see paragraphs CA-2.4.10-11).
16.	Investments in own shares as set out in paragraph 78 of Basel III.
17.	Reciprocal cross-holdings in common equity, as set out in paragraph CA-2.4.15.
18.	Investments in the capital of banking, financial and insurance entities outside 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 (paragraphs CA-2.4.16-19).
19.	Significant investments in the common stock of banking, financial and insurance entities outside the scope of regulatory consolidation (amount above 10% threshold), amount to be deducted from CET1 (paragraphs CA-2.4.20-2384 to 88 of Basel III).
20.	Mortgage servicing rights (amount above 10% threshold), amount to be deducted from CET1 in accordance with paragraph CA-2.4.23.
21.	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability), amount to be deducted from CET1 (paragraphs CA-2.4.20-23).
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 paragraph CA-2.4.23.
23.	Amount reported in row 22 that relates to significant investments in the common stock of financial entities.

24.	Amount reported in row 22 that relates to mortgage servicing rights.
25.	Amount reported in row 22 that relates to deferred tax assets arising from temporary differences.
26.	Any specific regulatory adjustments that the CBB requires to be applied to CET1.
27.	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient AT1 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 CET1, calculated as the sum of rows 7 to 22 plus rows 26 & 27.
29.	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 CA-2.1.6 and any related stock surplus as set out in paragraph CA-2.1.4. All instruments issued by subsidiaries of the consolidated group should be excluded from this row. This row may include AT1 capital issued by an SPV of the parent company only if it meets the requirements set out in paragraph CA-2.1.6.
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 CA-B.2.1f.
34.	AT1 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 CA-2.3.3 (see Appendix CA-1 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 CA-B.2.1f.
36.	The sum of rows 30, 33 and 34.
37.	Investments in own AT1 instruments, amount to be deducted from AT1 (paragraph CA-2.4.12).
38.	Reciprocal cross-holdings in AT1 instruments, amount to be deducted from AT1 in accordance with paragraph CA-2.4.14-15.
39.	Investments in the capital of banking, financial and insurance entities outside 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 (paragraphs CA-2.4.16-19).
40.	Significant investments in the capital of banking, financial and insurance entities outside the scope of regulatory consolidation (net of eligible short positions), amount to be deducted from AT1 in accordance with paragraphs CA-2.4.20-21.
41.	Any specific regulatory adjustments that require to be applied to AT1 in addition to the Basel III minimum set of adjustments.
42.	Regulatory adjustments applied to AT1 due to insufficient Tier 2 to cover deductions. If the amount reported in row 57 exceeds amount reported in row 51 the excess is to be reported here.
43.	The sum of rows 37 to 42.
44.	AT1 capital, to be calculated as row 36 minus row 43.
45.	T1 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 T2 entry criteria set out in paragraph CA-2.1.10 and any related stock surplus as set out in paragraph CA-2.1.8b. All instruments issued of subsidiaries of the consolidated group should be excluded from this row. This row may include T2 capital issued by an SPV of the parent company only if it meets the requirements set out in paragraph CA-2.3.5.
47.	Directly issued capital instruments subject to phase out from Tier 2 (paragraph CA-B.2.1f).
48.	T2 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), see paragraph CA-2.3.4.
49.	The amount reported in row 48 that relates to instruments subject to phase out from T2 in accordance with the requirements of paragraph CA-B.2.1f.
50.	Provisions included in Tier 2, calculated in accordance with paragraph CA-2.1.8d.
51.	The sum of rows 46 to 48 and row 50.
52.	Investments in own T2 instruments to be deducted from T2 (paragraphs CA-2.4.12-14).
53.	Reciprocal cross-holdings in T2 instruments, amount deducted from T2 (paragraph CA-2.4.15).
54.	Investments in the capital of banking, financial and insurance entities outside scope of regulatory consolidation where bank does not own more than 10% of the issued common share capital of the entity (net of eligible short positions), amount deducted from T2 (paragraphs CA-2.14-15).
55.	Significant investments in the capital of banking, financial and insurance entities outside scope

	of regulatory consolidation (net of eligible short positions), amount to be deducted from Tier 2 in accordance with paragraphs CA-2.4.20-22.
56.	Any specific regulatory adjustments that require to be applied to T2 in addition to the Basel III minimum set of adjustments.
57.	The sum of rows 52 to 56.
58.	T2 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 (N/A as yet) requirements plus D-SIB buffer requirement (N/A), expressed as a percentage of risk weighted assets). To be calculated as 6.5% plus 2.5%. This row shows the CET1 ratio below which the bank becomes 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), 2.5%.
66.	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the bank specific countercyclical buffer requirement. N/A at present.
67.	The amount in row 64 (expressed as a percentage of risk weighed assets) that relates to the bank's D-SIB requirement. N/A at present.
68.	CET1 available to meet buffers (as a percentage of risk weighted assets). To be calculated as the CET1 ratio of the bank, less any common equity used to meet the bank's T1 and Total capital requirements.
69.	CBB Common Equity Tier 1 minimum ratio: 6.5%
70.	CBB Tier 1 minimum ratio: 8.0%
71.	CBB total capital minimum ratio: 10.0%
72.	Non-significant investments in the capital of other financials, the total amount of such holdings that are not reported in row 18, row 39 and row
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 T2 in respect of exposures subject to standardised approach, calculated in accordance with paragraph CA-2.1.8d, prior to the application of the cap.
77.	Cap on inclusion of provisions in T2 under standardised approach (paragraph CA-2.1.8d).
78.	Provisions eligible for inclusion in T2 in respect of exposures subject to IRB approach, calculated in accordance with paragraph 61 of Basel III, prior to the application of the cap. N/A
79.	Cap for inclusion of provisions in T2 under IRB approach (paragraph 61 of Basel III). N/A
80.	Current cap on CET1 instruments subject to phase out arrangements (paragraph CA-B.2.1f).
81.	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities), see paragraph CA-B.2.1f.
82.	Current cap on AT1 instruments subject to phase out arrangements, see paragraph CA-B.2.1f.
83.	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities), see paragraph CA-B.2.1f.
84.	Current cap on T2 instruments subject to phase out arrangements, see paragraph CA-B.2.1f.
85.	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities), see paragraph CA-B.2.1f.

- Banks are not permitted to add, delete or change the definitions of any rows from the common reporting template. This will prevent a divergence of templates that could undermine the objectives of consistency and comparability.

## Appendix PD-2

### Illustration of the 3 step approach to reconciliation

Banks are required to take a 3 step approach to show the link between their balance sheet in their published financial statements and the numbers that are used in the composition of capital disclosure template set out in Appendix PD-1.

The 3 steps require banks to:

- Step 1: Disclose the reported balance sheet under the regulatory scope of consolidation (i.e. entities which are consolidated in the consolidated PIR).
- 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 composition of capital disclosure template.
- Step 3: Map each of the components that are disclosed in Step 2 to the composition of capital disclosure template set out in Appendix PD-1.

The 3 step approach outlined below is designed to offer the following benefits:

- The level of disclosure is proportionate, varying with the complexity of the balance sheet of the reporting bank (i.e. banks are not subject to a fixed template that is designed to fit the most complex banks. A bank can skip a step if there is no further information added by that step).
- Readers can trace the origin of the elements of the regulatory capital back to their exact location on the balance sheet under the regulatory scope of consolidation.
- Banks are required to map all the components of the regulatory capital disclosure templates back to the balance sheet under the regulatory scope of consolidation, regardless of whether the accounting standards require the source to be reported on the balance sheet.

#### **Step 1: Disclose the reported balance sheet under the regulatory scope of consolidation**

The scope of consolidation for accounting purposes and for regulatory purposes are often different. This factor often explains much of the difference between the numbers used in the calculation of regulatory capital and the numbers used in a bank's published financial statements. Therefore, a key element in any reconciliation involves disclosing how the balance sheet in the published financial statements changes when the regulatory scope of consolidation is applied. Step 1 is illustrated below.

If the scope of regulatory consolidation and accounting consolidation is identical for a particular banking group, it would not need to undertake Step 1. The banking group could simply state that there is no difference between the regulatory consolidation and the accounting consolidation and move to Step 2.

In addition to Step 1 below, banks are required to perform the following steps:

1. To disclose the list of the legal entities that are included within the accounting scope of consolidation but excluded from the regulatory scope of consolidation at the end of the table. This will better enable the CBB and market participants to investigate the risks posed by unconsolidated subsidiaries.
2. Banks are required to list the legal entities included in the regulatory consolidation that are not included in the accounting scope of consolidation. In the case below, because an entity is included in regulatory consolidation which is not included in accounting consolidation, the amount of cash shown in the first line is larger for the PIR than it is in the financial statements.
3. If some entities are included in both the regulatory scope of consolidation and accounting scope of consolidation, but the method of consolidation differs between these two scopes, banks are required to list these legal entities separately and explain the differences in the consolidation methods.
4. Regarding each legal entity that is required to be disclosed by this paragraph, banks must also disclose its total balance sheet assets and total balance sheet equity (as stated on the accounting balance sheet of the legal entity) and a description of the principal activities of the entity.

Under Step 1 banks are required to report their balance sheet figures as shown in their published financial statements (numbers reported in the middle column below, in a balance sheet that is provided for illustrative purposes). Then banks must report the numbers when the regulatory scope of consolidation is applied as reported in the form PIR (numbers reported in the right hand column below of the illustrative balance sheet). The numbers from the PIR should not have any risk-weighting attached to them. 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 rows and give a value of zero in the middle column. Likewise banks can delete rows below if they are not applicable. The table below is illustrative only. The number of items will vary from bank to bank.

	<b>Balance sheet as in published financial statements</b>	<b>Consolidated PIR data</b>
	<b>As at period end</b>	<b>As at period end</b>
<b>Assets</b>		
Cash and balances at central banks	<b>1,000</b>	<b>1,150</b>
Items in the course of collection from other banks		
Trading portfolio assets		
Financial assets at fair value through P&L		
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		
Property, plant and equipment		
<b>Total assets</b>		
<b>Liabilities</b>		
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		
Derivative financial instruments		
Debt securities in issue		
Accruals, deferred income and other liabilities		
Current and deferred tax liabilities (DTLs)		
Subordinated liabilities		
Provisions		
Retirement benefit liabilities		
<b>Total liabilities</b>		
<b>Shareholders' Equity</b>		
Paid-in share capital		
Retained earnings		
Accumulated other comprehensive income		
<b>Total shareholders' equity</b>		

**Step 2: Expand the lines of the regulatory balance sheet to display all of the components used in the definition of capital disclosure template**

Under Step 2 banks are required to expand the balance sheet under the regulatory scope of consolidation (column 3 revealed in Step 1) to identify all the elements that are used in the definition of capital disclosure template set out in Appendix PD-1. Set out below are some examples of elements 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 element must be given a reference number/letter that can be used in Step 3.

Many of the elements used in the calculation of regulatory capital cannot be readily identified from the face of the balance sheet. Therefore, banks should expand the rows of the regulatory-scope balance sheet such that all of the components used in the composition of capital disclosure template (described in Appendix PD-1) are displayed separately.

For example, paid-in share capital may be reported as one line on the balance sheet. However, some elements of this may meet the requirements for inclusion in Common Equity Tier 1 (CET1) and other elements may only meet the requirements for Additional Tier 1 (AT1) or Tier 2 (T2), or may not meet the requirements for inclusion in regulatory capital at all. Therefore, if the bank has some paid-in capital that feeds into the calculation of CET1 and some that feeds into the calculation of AT1, it should expand the ‘paid-in share capital’ line of the balance sheet in the following way (also illustrated below):

Paid-in share capital		Ref
of which amount eligible for CET1		h
of which amount eligible for AT1		i

In addition, as illustrated above, each element of the expanded balance sheet must be given a reference number/letter for use in Step 3.

As another example, one of the regulatory adjustments is the deduction of intangible assets. While at first it may seem as if this can be taken straight off the face of the balance sheet, there are a number of reasons why this is unlikely to be the case. Firstly, the amount on the balance sheet may combine goodwill, other intangibles and mortgage servicing rights (MSRs). MSRs are not to be deducted in full (they are instead subject to the threshold deduction treatment). Secondly, the amount to be deducted is net of any related deferred tax liability (DTL). This DTL will be reported on the liability side of the balance sheet and is likely to be reported in combination with other DTLs that have no relation to goodwill or intangibles. Therefore, the bank should expand the balance sheet in the following way:

Goodwill and intangible assets		Ref
of which goodwill		a
of which other intangibles (excluding MSRs)		b
of which MSRs		c

Current and deferred tax liabilities		Ref
Of which DTLs related to goodwill		d
Of which DTLs related to other intangible assets (excluding MSRs)		e
Of which DTLs related to MSRs		f

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. 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.

Step 2 is illustrated below.

	Balance sheet as in published financial statements	Consolidated PIR data	Reference
	As at period end	As at period end	
<b>Assets</b>			
Cash and balances at central banks			
Items in the course of collection from other banks			
Trading portfolio assets			
Financial assets at fair value through P&L			
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			
<b>Total assets</b>			
<b>Liabilities</b>			
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			
Other financial liabilities			
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			
<b>Total liabilities</b>			
<b>Shareholders' Equity</b>			
Paid-in share capital			
of which amount eligible for CET1			h
of which amount eligible for AT1			i
Retained earnings			
Accumulated other comprehensive income			
<b>Total shareholders' equity</b>			

### Step 3: Map each of the components that are disclosed in Step 2 to the composition of capital disclosure templates

Under Step 3 banks are required to complete a column added to the post 1 January 2019 disclosure template to show the source of every input.

For example, the Post 1 January 2019 Disclosure Template includes the line “goodwill net of related deferred tax liability”. Next to the disclosure of this item in the template the bank would be required to put “a–d” to show that row 8 of the template has been calculated as the difference between component “a” of the balance sheet under the regulatory scope of consolidation, illustrated in step 2, and component “d”.

Extract of common disclosure template (with added column)			
Common Equity Tier 1 capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2
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.	<i>Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)</i>		
5.	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		
6.	<b>Common Equity Tier 1 capital before regulatory adjustments</b>		
7.	Prudential valuation adjustments		
8.	Goodwill (net of related tax liability)		a-d

When reporting the disclosure template, described in Appendix PD-1 and Appendix PD-4, the bank is required to use the reference numbers/letters from Step 2 to show the source of every input.

For example, the composition of capital disclosure template includes the line “goodwill net of related deferred tax liability”. Next to the disclosure of this item in the definition of capital disclosure template the bank should put “a–d” to illustrate how these components of the balance sheet under the regulatory scope of consolidation have been used to calculate this item in the disclosure template.

Appendix PD-3 requires banks to disclose a description of the main features of regulatory capital instruments issued. While banks will also be required to make available the full terms and conditions of their regulatory capital instruments (see paragraph 2 of the introduction), the length of these documents makes the extraction of the key features a burdensome task. The issuing bank is better placed to undertake

this task than market participants and supervisors that want an overview of the capital structure of the bank.

To ensure that banks disclose the main features of regulatory capital instruments in a consistent and comparable way, banks are required to complete a ‘main features template’. This template represents the minimum level of summary disclosure that banks are required to report in respect of each regulatory capital instrument issued. The template is set out in Appendix PD-3, along with a description of each of the items to be reported.

Some key points to note about the template are:

- The updated disclosure has been designed to be completed by Bahraini banks in line with the new capital adequacy framework that came into effect on 1 January 2015. It therefore also includes disclosure relating to instruments that are subject to the transitional arrangements.
- Banks are required to report each regulatory capital instrument, including common shares, in a separate column of the template, such that the completed template would provide a ‘main features report’ that summarises all of the regulatory capital instruments of the banking group.
- The list of main features represents a minimum level of required summary disclosure.
- Banks are required to keep the completed main features report up-to-date, such that the report is updated and made publicly available whenever a bank issues or repays a capital instrument and whenever there is a redemption, conversion/write-down or other material change in the nature of an existing capital instrument.
- Given that the template includes information on the amount recognised in regulatory capital at the latest reporting date, the main features report should either be included in the bank’s published financial reports or, at a minimum, these financial reports must provide a direct link to where the report can be found on the bank’s website.

## Appendix PD-3

### Main features template

Set out below is the template that banks must use to ensure that the key features of all regulatory capital instruments are disclosed. Banks are required to complete all of the shaded cells for each outstanding regulatory capital instrument (banks should insert “NA” if the question is not applicable).

<b>Disclosure template for main features of regulatory capital instruments</b>		
1.	Issuer	
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	
3.	Governing law(s) of the instrument	
	<i>Regulatory treatment</i>	
4.	Transitional CBB rules	
5.	Post-transitional CBB 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	
	<i>Coupons / dividends</i>	
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	
35.	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	
36.	Non-compliant transitioned features	
37.	If yes, specify non-compliant features	

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, including, where relevant, the list of options contained in the spreadsheet’s drop down menu.

<b>Further explanation of items in main features disclosure template</b>	
1.	Identifies issuer legal entity. <i>Free text</i>
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement) <i>Free text</i>
3.	Specifies the governing law(s) of the instrument <i>Free text</i>
4.	Specifies the regulatory capital treatment during the transitional phase (i.e. the component of capital that the instrument is being phased-out from). <i>Select from menu: [Common Equity Tier 1] [Additional Tier 1] [Tier 2]</i>
5.	Specifies regulatory capital treatment under CBB rules not taking into account transitional treatment. <i>Select from menu: [Common Equity Tier 1] [Additional Tier 1] [Tier 2] [Ineligible]</i>
6.	Specifies the level(s) within the group at which the instrument is included in capital. <i>Select from menu: [Solo] [Group] [Solo and Group]</i>
7.	Specifies instrument type, varying by jurisdiction. Helps provide more granular understanding of features, particularly during transition. <i>Select from menu: menu options to be provided to banks by each jurisdiction</i>
8.	Specifies amount recognised in regulatory capital. <i>Free text</i>
9.	Par value of instrument <i>Free text</i>
10.	Specifies accounting classification. Helps to assess loss absorbency. <i>Select from menu: [Shareholders’ equity] [Liability – amortised cost] [Liability – fair value option] [Non-controlling interest in consolidated subsidiary]</i>
11.	Specifies date of issuance. <i>Free text</i>
12.	Specifies whether dated or perpetual. <i>Select from menu: [Perpetual] [Dated]</i>
13.	For dated instrument, specifies original maturity date (day, month and year). For perpetual instrument put “no maturity”. <i>Free text</i>
14.	Specifies whether there is an issuer call option. Helps to assess permanence. <i>Select from menu: [Yes] [No]</i>
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. <i>Free text</i>
16.	Specifies the existence and frequency of subsequent call dates, if applicable. Helps to assess permanence. <i>Free text</i>
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. <i>Select from menu: [Fixed], [Floating] [Fixed to floating], [Floating to fixed]</i>
18.	Specifies the coupon rate of the instrument and any related index that the coupon/dividend rate references.

	<i>Free text</i>
19.	Specifies whether the non payment of a coupon or dividend on the instrument prohibits the payment of dividends on common shares (i.e. whether there is a dividend stopper). <i>Select from menu: [yes], [no]</i>
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 (e.g. 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”. <i>Select from menu: [Fully discretionary] [Partially discretionary] [Mandatory]</i>
21.	Specifies whether there is a step-up or other incentive to redeem. <i>Select from menu: [Yes] [No]</i>
22.	Specifies whether dividends / coupons are cumulative or noncumulative. <i>Select from menu: [Noncumulative] [Cumulative]</i>
23.	Specifies whether instrument is convertible or not. Helps to assess loss absorbency. <i>Select from menu: [Convertible] [Nonconvertible]</i>
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). <i>Free text</i>
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 <i>Free text referencing one of the options above</i>
26.	Specifies rate of conversion into the more loss absorbent instrument. Helps to assess the degree of loss absorbency. <i>Free text</i>
27.	For convertible instruments, specifies whether conversion is mandatory or optional. Helps to assess loss absorbency. <i>Select from menu: [Mandatory] [Optional] [NA]</i>
28.	For convertible instruments, specifies instrument type convertible into. Helps to assess loss absorbency. <i>Select from menu: [Common Equity Tier 1] [Additional Tier 1] [Tier 2] [Other]</i>
29.	If convertible, specify issuer of instrument into which it converts. <i>Free text</i>
30.	Specifies whether there is a write down feature. Helps to assess loss absorbency. <i>Select from menu: [Yes] [No]</i>
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). <i>Free text</i>
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. <i>Free text referencing one of the options above</i>
33.	For write down instrument, specifies whether write down is permanent or temporary. Helps to assess loss absorbency. <i>Select from menu: [Permanent] [Temporary] [NA]</i>
34.	For instrument that has a temporary write-down, description of write-up mechanism. <i>Free text</i>
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. <i>Free text</i>

36.	Specifies whether there are non-compliant features. <i>Select from menu: [Yes] [No]</i>
37.	If there are non-compliant features, asks bank/institution to specify which ones. Helps to assess instrument loss absorbency. <i>Free text</i>

## Appendix PD-4

### Disclosure template during the transition phase

The template that banks must use during the transition phase is the same as the Post 1 January 2019 disclosure template set out in Appendix PD-1 except for the following additions (all of which are highlighted in the template below using cells with dotted borders and capitalised text):

During the transition phase banks are required to disclose the specific components of capital, including capital instruments and regulatory adjustments that are benefiting from the transitional provisions.

The transitional arrangements phase in the regulatory adjustments between 1 January 2015 and 1 January 2019. They require 20% of the adjustments to be made in 2015. In 2016 this increases to 40%, and so on, until the full amount of the adjustments are applied from 1 January 2019.

These transitional arrangements create an additional layer of complexity in the definition of capital in the period between 1 January 2015 and 1 January 2019, especially due to the fact that existing national treatments of the residual regulatory adjustments vary considerably.

Banks are required to use a modified version of the Post 1 January 2019 Disclosure Template, set out in Appendix PD-1, in a way that discloses treatments for the regulatory adjustments. The use of a modified version of the Post 1 January 2019 Disclosure Template, rather than the development of a completely separate set of reporting requirements should help to reduce systems costs for banks. The template is modified in just two ways: (1) an additional column indicates the amounts of the regulatory adjustments that will be subject to the local treatment; and (2) there are additional rows in four separate places to indicate where the adjustment amounts reported in the added column actually affect capital during the transition period. The modifications to the template are set out below, along with some examples of how the template will work in practice.

Banks are required to use the template for all reporting periods on or after January 2015, and banks are required to report the template with the same frequency as the publication of their financial statements (quarterly). A new column has been added for banks to report the amount of each regulatory adjustment that is subject to the existing CBB Rulebook treatment during the transition phase (labelled as the “pre-2015 treatment”).

<b>Common disclosure template to be used during the transition of regulatory adjustments (i.e. from 30 June 2015 to 31 December 2018)</b>
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<b>AMOUNTS SUBJECT TO</b>
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		PRE-2015 TREATMENT
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
1.	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	
2.	Retained earnings	
3.	Accumulated other comprehensive income (and other reserves)	
4.	<i>Not Applicable</i>	
5.	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	
6.	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	
<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
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.	Not applicable.	
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)	
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	
REGULATORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-2015 TREATMENT		
OF WHICH: [INSERT NAME OF ADJUSTMENT]		
OF WHICH: ...		
27.	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover	

	deductions		
28.	<b>Total regulatory adjustments to Common equity Tier 1</b>		
29.	<b>Common Equity Tier 1 capital (CET1)</b>		
<b>Additional Tier 1 capital: instruments</b>			
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.	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>		
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.	<i>of which: instruments issued by subsidiaries subject to phase out</i>		
36.	<b>Additional Tier 1 capital before regulatory adjustments</b>		
<b>Additional Tier 1 capital: regulatory adjustments</b>			
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		
	REGULATORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-2015 TREATMENT		
	OF WHICH: [INSERT NAME OF ADJUSTMENT]		
	OF WHICH: ...		
42.	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43.	<b>Total regulatory adjustments to Additional Tier 1 capital</b>		
44.	<b>Additional Tier 1 capital (AT1)</b>		
45.	<b>Tier 1 capital (T1 = CET1 + AT1)</b>		
<b>Tier 2 capital: instruments and provisions</b>			
46.	Directly issued qualifying Tier 2 instruments plus related stock surplus		
47.	<i>Directly issued capital instruments subject to phase out from Tier 2</i>		
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.	<i>of which: instruments issued by subsidiaries subject to phase out</i>		
50.	Provisions		
51.	<b>Tier 2 capital before regulatory adjustments</b>		
<b>Tier 2 capital: regulatory adjustments</b>			
52.	Investments in own Tier 2 instruments		
53.	Reciprocal cross-holdings in Tier 2 instruments		
54.	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 the 10% threshold)		
55.	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56.	National specific regulatory adjustments		
	REGULATORY ADJUSTMENTS APPLIED TO TIER 2 IN RESPECT OF AMOUNTS SUBJECT TO PRE-2015 TREATMENT		
	OF WHICH: [INSERT NAME OF ADJUSTMENT]		
	OF WHICH: ...		
57.	<b>Total regulatory adjustments to Tier 2 capital</b>		
58.	<b>Tier 2 capital (T2)</b>		
59.	<b>Total capital (TC = T1 + T2)</b>		
	RISK WEIGHTED ASSETS IN RESPECT OF AMOUNTS SUBJECT TO PRE-2015 TREATMENT		
	OF WHICH: [INSERT NAME OF ADJUSTMENT]		
	OF WHICH: ...		
60.	<b>Total risk weighted assets</b>		
<b>Capital ratios</b>			
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.	<i>of which: capital conservation buffer requirement</i>		
66.	<i>of which: bank specific countercyclical buffer requirement (N/A)</i>		
67.	<i>of which: D-SIB buffer requirement (N/A)</i>		
68.	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)		
<b>National minima including CCB (if different from Basel 3)</b>			
69.	CBB Common Equity Tier 1 minimum ratio	9.0	
70.	CBB Tier 1 minimum ratio	10.5	
71.	CBB total capital minimum ratio	12.5	
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72.	Non-significant investments in the capital 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)		
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
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.	N/A		
79.	N/A		
<b>Capital instruments subject to phase-out arrangements</b>			

<i>(only applicable between 1 Jan 2020 and 1 Jan 2024)</i>		
80.	<i>Current cap on CET1 instruments subject to phase out arrangements</i>	
81.	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	
82.	<i>Current cap on AT1 instruments subject to phase out arrangements</i>	
83.	<i>Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>	
84.	<i>Current cap on T2 instruments subject to phase out arrangements</i>	
85.	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	