

SUPPLEMENTARY REGULATORY CAPITAL DISCLOSURE



January 31, 2017

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Effective November 1, 2012, Canadian banks are subject to the revised capital adequacy requirements as published by the Basel Committee on Banking Supervision (BCBS) and commonly referred to as Basel III. Basel III builds on the "International Convergence of Capital Measurement and Capital Standards: A Revised Framework" (Basel II). Refer to page 2 "Basel III Implementation" for further details.

The Basel III Framework is comprised of three Pillars:

- Pillar 1 – the actual methodologies that must be applied to calculate the minimum capital requirements.
- Pillar 2 – the requirement that banks have internal processes to assess their capital adequacy in relation to their strategies, risk appetite and actual risk profile. Regulators are expected to review these internal capital adequacy assessments.
- Pillar 3 – reflects the market disclosures required by banks to assist users of the information to better understand the risk profile.

This Appendix reflects the Pillar 3 market disclosures based on information gathered as part of the Pillar 1 process, and should assist users in understanding the changes to the risk-weighted assets and capital requirements.

Basel III classifies risk into three broad categories: credit risk, market risk and operational risk. Under Pillar 1 of the Basel III Framework, minimum capital for these three risks is calculated using one of the following approaches:

- Credit risk capital – Internal Ratings Based Approach (Advanced or Foundation) or Standardized Approach.
- Operational risk capital – Advanced Measurement Approach (AMA), Standardized Approach or Basic Indicator Approach.
- Market risk capital - Internal models or Standardized Approach.

Credit Risk

The credit risk component consists of on- and off- balance sheet claims. The Basel III rules are not applied to traditional balance sheet categories but to categories of on- and off- balance sheet exposures which represent general classes of assets/exposures (Corporate, Sovereign, Bank, Retail and Equity) based on their different underlying risk characteristics.

Generally, while calculating capital requirements, exposure types such as Corporate, Sovereign, Bank, Retail and Equity are analyzed by the following credit risk exposure sub-types: Drawn, Undrawn, Repo-style Transactions, Over-the-counter (OTC) Derivatives, Exchange Traded Derivatives and Other Off-balance Sheet claims.

The Bank uses the Advanced Internal Ratings Based (AIRB) approach for credit risk in its material Canadian, US and European portfolios and for a significant portion of international corporate and commercial portfolios. The Bank uses internal estimates, based on historical experience, for probability of default (PD), loss given default (LGD) and exposure at default (EAD).

- Under the AIRB approach, credit risk risk-weighted assets (RWA) are calculated by multiplying the capital requirement (K) by EAD times 12.5, where K is a function of the PD, LGD, maturity and prescribed correlation factors. This results in the capital calculations being more sensitive to underlying risks.
- Risk weights for exposures which fall under the securitization framework are computed under the Internal Assessments Approach (IAA) or the Ratings-Based Approach (RBA). RBA risk weights depend on the external rating grades given by two of the external credit assessment institutions (ECAI): S&P, Moody's and DBRS.
- A multiplier of 1.25 is applied to the correlation parameter of all exposures to all unregulated Financial Institutions, and regulated Financial Institutions with assets of at least US\$100 billion.
- Exchange-traded derivatives which previously were excluded from the capital calculation under Basel II are risk-weighted under Basel III.
- An overall scaling factor of 6% is added to the credit risk RWA for all AIRB portfolios. For the remaining portfolios, the Standardized Approach is used to compute credit risk.
- The Standardized Approach applies regulator prescribed risk weight factors to credit exposures based on the external credit assessments (public ratings), where available, and also considers other additional factors (e.g. provision levels for defaulted exposures, loan-to-value for retail, eligible collateral, etc.).

Operational Risk

OSFI has approved Scotiabank's application to use the Advanced Measurement Approach (AMA) for Operational Risk, subject to a capital floor based on the Standardized Approach, in the first quarter of 2017. The Bank also utilizes the Standardized Approach for operational risk for units not covered under AMA. AMA utilizes risk drivers for capital movements (such as internal loss experience, business environment and internal control factors, external loss experience, and scenarios); while the Standardized Approach is based on a fixed percentage ranging from 12% to 18% of the average of the previous three years' gross income.

Market Risk

The Bank uses both internal models and standardized approaches to calculate market risk capital. Commencing Q1 2012, the Bank implemented additional market risk measures in accordance with Basel's Revisions of the Basel II market risk framework (July 2009). Additional measures include stressed Value-at-Risk, incremental risk charge and comprehensive risk measure.

IFRS

Effective Q1 2012, all amounts reflect the adoption of IFRS. Effective Q1 2014, all amounts reflect the adoption of new accounting standards, IFRS10 (Consolidated Financial Statements) and IAS19R (Employee Benefits).

This "Supplementary Regulatory Capital Disclosure" has been updated to reflect OSFI's Advisory, "Required Public Disclosure Requirements related to Basel III Pillar 3" (issued July 2, 2013), effective Q3 2013 for all D-SIBs. The main features template that sets out a summary of information on the terms and conditions of the main features of all capital instruments is posted on the Bank's website as follows: <http://www.scotiabank.com/ca/en/0,,3066,00.htm>

BASEL III IMPLEMENTATION



Canadian banks are subject to the revised capital adequacy requirements as published by the Basel Committee on Banking Supervision (BCBS) - commonly referred to as Basel III - effective November 1, 2012. Basel III builds on the "International Convergence of Capital Measurement and Capital Standards: A Revised Framework" (Basel II). The Office of the Superintendent of Financial Institutions (OSFI) has issued guidelines, reporting requirements and disclosure guidance which are consistent with the Basel III reforms (except for implementation dates described below).

As compared to previous standards, Basel III places a greater emphasis on common equity by introducing a new category of capital, Common Equity Tier 1 (CET1), which consists primarily of common shareholders equity net of regulatory adjustments. These regulatory adjustments include goodwill, intangible assets, deferred tax assets, pension assets and investments in financial institutions over certain thresholds. Overall, the Basel III rules increase the level of regulatory deductions relative to Basel II. Basel III also increases the level of risk-weighted assets for significant investments and deferred tax amounts due to temporary timing differences under defined thresholds, exposures to large or unregulated financial institutions meeting specific criteria, exposures to centralized counterparties and exposures that give rise to wrong way risk.

To enable banks to meet the new standards, Basel III contains transitional arrangements commencing January 1, 2013, through January 1, 2019. Transitional requirements result in a phase-in of new deductions to common equity over 5 years. Under the transitional rules, all CET1 deductions are multiplied by a factor during the transitional period, beginning with 0% in 2013, 20% in 2014, 40% in 2015, 60% in 2016, 80% in 2017 and 100% in 2018. The portion of the CET1 regulatory adjustments not deducted during the transitional period will continue to be subject to Basel II treatment. In addition, non-qualifying capital instruments will be phased-out over 10 years and the capital conservation buffer will be phased in over 4 years. As of January 2019, the banks will be required to meet new minimum requirements related to risk-weighted assets of: Common Equity Tier 1 ratio of 4.5% plus a capital conservation buffer of 2.5%, collectively 7%. Including the capital conservation buffer, the minimum Tier 1 ratio will be 8.5%, and the Total capital ratio will be 10.5%.

OSFI required Canadian deposit-taking institutions to fully implement the 2019 Basel III reforms in 2013, without the transitional phase-in provisions for capital deductions, and achieve a minimum 7% common equity target, by the first quarter of 2013 along with a minimum Tier 1 ratio of 7% and Total capital ratio of 10%. Since the first quarter of 2014, the minimum Tier 1 ratio rose to 8.5% and the Total capital ratio rose to 10.5%.

The BCBS issued the rules on the assessment methodology for global systemically important banks (G-SIBs) and their additional loss absorbency requirements. In their view, additional policy measures for G-SIBs are required due to negative externalities (i.e., adverse side effects) created by systemically important banks which are not fully addressed by current regulatory policies. The assessment methodology for G-SIBs is based on an indicator-based approach and comprises five broad categories: size, interconnectedness, lack of readily available substitutes, global (cross-jurisdictional) activity and complexity. Additional loss absorbency requirements may range from 1% to 3.5% Common Equity Tier 1 depending upon a bank's systemic importance and will be introduced in parallel with the Basel III capital conservation and countercyclical buffers from 2016 through to 2019. Scotiabank is not designated as a G-SIB.

Since similar externalities can apply at a domestic level, the BCBS extended the G-SIBs framework to domestic systemically important banks (D-SIBs) focusing on the impact that a distress or failure would have on a domestic economy. Given that the D-SIB framework complements the G-SIB framework, the Committee considers that it would be appropriate if banks identified as D-SIBs by their national authorities are required by those authorities to comply with the principles in line with phase-in arrangements for the G-SIB framework, i.e., January 2016. In a March 2013 advisory letter, OSFI designated the 6 largest banks in Canada as domestic systemically important banks (D-SIBs), increasing their minimum capital ratio requirements by 1% for the identified D-SIBs. This 1% surcharge is applicable to all minimum capital ratio requirements for CET1, Tier 1 and Total Capital, by no later than January 1, 2016, in line with the requirements for global systemically important banks.

As of January 2016, the Scotiabank and other Canadian D-SIB banks are also required to meet new D-SIB minimum requirements; a minimum Common Equity Tier 1 ratio of 8.0%, Tier 1 ratio of 9.5% and a Total capital ratio of 11.5%.

In December 2013, OSFI announced its decision to implement the phase-in (over 5 years) of the regulatory capital for Credit Valuation Adjustment (CVA) on Bilateral OTC Derivatives effective Q1 2014. In accordance with OSFI's requirements, this quarter a scalar for CVA risk-weighted assets (RWA) of 0.72, 0.77 and 0.81, respectively (0.64, 0.71 and 0.77, respectively in 2015 and 2016), is being applied to compute the CET1 capital ratio, Tier 1 capital ratio and Total capital ratio, respectively.

OSFI required Canadian deposit-taking institutions to implement the BCBS' countercyclical buffer requirements, starting Q1, 2017. The countercyclical buffer is only applicable to private sector credit exposures in jurisdictions with published buffer requirements. At present only three jurisdictions apply a countercyclical buffer and the Bank's exposures within these three jurisdictions are not material.

Risk-weighted assets are computed on an all-in Basel III basis unless otherwise indicated. All-in is defined as capital calculated to include all of the regulatory adjustments that will be required by 2019 but retaining the phase-out rules for non-qualifying capital instruments.

As at January 31, 2013, all of the Bank's preferred shares, capital instruments and subordinated debentures did not meet these additional criteria and are subject to phase-out commencing January 2013. The Bank reserves the right to redeem, call or repurchase any capital instruments within the terms of each offering at any time in the future.

Commencing in 2015 and continuing in 2016, the Bank issued subordinated debentures and preferred shares which contain non-viability contingent capital (NVCC) provisions necessary for the preferred shares and debentures to qualify as Tier 1 or Tier 2 regulatory capital. Under the NVCC provisions, the preferred shares and debentures are convertible into a variable number of common shares upon: (i) the public announcement by OSFI that the Bank has ceased, or is about to cease, to be viable; or (ii) by a federal or provincial government of Canada that the Bank accepted or agreed to accept a capital injection.

In addition to risk-based capital requirements, the Basel III reforms introduced a simpler, non risk-based Leverage ratio requirement to act as a supplementary measure to its risk-based capital requirements. The Leverage ratio is defined as a ratio of Basel III Tier 1 capital to a leverage exposure measure which includes on-balance sheet assets and off-balance sheet commitments, derivatives and securities financing transactions, as defined within the requirements. As a member of the BCBS, OSFI has adopted the Basel III Leverage requirements as part of its domestic requirements for banks, bank holding companies, federally regulated trust and loan companies in Canada.

In October 2014, OSFI released its Leverage Requirements Guideline which outlines the application of the Basel III Leverage ratio in Canada and the replacement of the former Assets-to-Capital Multiple (ACM), effective Q1 2015. Institutions are expected to maintain a material operating buffer above the 3% minimum. The Bank meets OSFI's authorized leverage ratio. Commencing Q1 2015, disclosure in accordance with OSFI's September 2014 Public Disclosure Requirements related to Basel III Leverage ratio has been made in the Supplementary Regulatory Capital Disclosure on pages 27-29.

REGULATORY CAPITAL HIGHLIGHTS⁽¹⁾


(\$MM)	Basel III - IFRS									
	Q1 2017		Q4 2016		Q3 2016		Q2 2016		Q1 2016	
	Transitional Approach	All-in Approach ⁽²⁾	Transitional Approach	All-in Approach ⁽²⁾	Transitional Approach	All-in Approach ⁽²⁾	Transitional Approach	All-in Approach ⁽²⁾	Transitional Approach	All-in Approach ⁽²⁾
Common Equity Tier 1 capital	43,312	40,540	45,816	39,989	43,696	37,690	41,801	35,911	43,742	37,645
Tier 1 capital	46,415	45,247	47,668	45,066	45,041	42,264	43,425	40,759	44,826	41,983
Total capital	54,505	53,400	55,824	53,330	53,091	50,471	51,327	48,839	53,031	50,413
Risk-weighted Assets⁽³⁾										
CET1 Capital Risk-weighted Assets	362,326	359,611	368,215	364,048	362,358	357,657	361,678	356,866	381,381	374,457
Tier 1 Capital Risk-weighted Assets	362,326	359,942	368,215	364,504	362,358	358,177	361,678	357,389	381,381	375,365
Total Capital Risk-weighted Assets	362,326	360,208	368,215	364,894	362,358	358,622	361,678	357,837	381,381	376,143
Capital Ratios (%)										
Common Equity Tier 1 (as a percentage of risk-weighted assets)	12.0	11.3	12.4	11.0	12.1	10.5	11.6	10.1	11.5	10.1
Tier 1 (as a percentage of risk-weighted assets)	12.8	12.6	12.9	12.4	12.4	11.8	12.0	11.4	11.8	11.2
Total capital (as a percentage of risk-weighted assets)	15.0	14.8	15.2	14.6	14.7	14.1	14.2	13.6	13.9	13.4
Leverage:										
Leverage Exposures	1,006,799	1,005,757	1,013,346	1,010,987	1,016,572	1,014,048	1,007,540	1,005,103	1,039,339	1,037,881
Leverage Ratio (%)	4.6	4.5	4.7	4.5	4.4	4.2	4.3	4.1	4.3	4.0
OSFI Target: All-in Basis (%)										
Common Equity Tier 1 minimum ratio		8.0		8.0		8.0		8.0		8.0
Tier 1 capital all-in minimum ratio		9.5		9.5		9.5		9.5		9.5
Total capital all-in minimum ratio		11.5		11.5		11.5		11.5		11.5
Leverage all-in minimum ratio		3.0		3.0		3.0		3.0		3.0
Capital instruments subject to phase-out arrangements										
Current cap on Additional Tier 1 (AT1) instruments subject to phase-out arrangements (%)	50	50	60	60	60	60	60	60	60	60
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	32	32	-	-	-	-	69	69	414	414
Current cap on Tier 2 (T2) instruments subject to phase-out arrangements (%)	50	50	60	60	60	60	60	60	60	60
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-	-	-	-	-	-

(1) Prior quarters are detailed on page 7.

(2) 'All-in' approach is defined as capital calculated to include all of the regulatory adjustments that will be required by 2019 but retaining the phase-out rules for non-qualifying capital instruments.

(3) As per OSFI guideline, effective Q1 2014, Credit Valuation Adjustment (CVA) RWA on derivatives was phased-in using Scalars. Commencing in Q1, 2017, the CVA risk-weighted assets have been calculated using scalars of 0.72, 0.77 and 0.81, to compute the CET1 capital ratio, Tier 1 capital ratio and Total capital ratio, respectively.

REGULATORY CAPITAL - DEFINITION OF CAPITAL COMPONENTS



(\$MM)

	Cross-Reference ⁽¹⁾	All-in Q1 2017	All-in Q4 2016	
Common Equity Tier 1 Capital: Instruments and Reserves				
1	Directly issued qualifying common share capital plus related stock surplus	u+y	15,764	15,665
2	Retained Earnings	v	35,653	34,752
3	Accumulated Other Comprehensive Income	w	1,589	2,240
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	bb	597	597
6	Common Equity Tier 1 capital before regulatory adjustments		53,603	53,254
Common Equity Tier 1 Capital: Regulatory Adjustments				
8	Goodwill (net of related tax liability)	g	(7,789)	(7,875)
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	h-q+i-r	(3,694)	(3,714)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	k	(467)	(484)
11	Cash flow hedge reserve	x	(146)	(263)
12	Shortfall of allowances to expected losses	ee	(158)	(48)
14	Gains and losses due to changes in own credit risk on fair value liabilities	p	(271)	(311)
15	Defined-benefit pension fund net assets (net of related tax liability)	l-s	(122)	(124)
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	a	(9)	(7)
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)	e	(403)	(400)
22	Amount exceeding the 15% threshold		-	(35)
23	of which: significant investments in the common stock of financials	f	-	(23)
25	of which: deferred tax assets arising from temporary differences	j	-	(12)
26	Other deductions from CET1 as determined by OSFI	o	(4)	(4)
28	Total regulatory adjustments to Common Equity Tier 1		(13,063)	(13,265)
29	Common Equity Tier 1 Capital (CET1)		40,540	39,989
Additional Tier 1 Capital: Instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	z	1,350	1,350
31	of which: classified as equity under applicable accounting standards		1,350	1,350
33	Directly issued capital instruments subject to phase-out from Additional Tier 1	aa ⁽²⁾	3,267	3,644
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)	cc	90	95
36	Additional Tier 1 capital before regulatory adjustments		4,707	5,089
Additional Tier 1 Capital: Regulatory Adjustments				
39	Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (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)	b	-	(12)
41	Other deductions from Tier 1 capital as determined by OSFI		-	-
43	Total regulatory adjustments to Additional Tier 1 capital		-	(12)
44	Additional Tier 1 Capital (AT1)		4,707	5,077
45	Tier 1 Capital (T1=CET1 + AT1)		45,247	45,066
Tier 2 Capital: Instruments and Provisions				
46	Directly issued qualifying Tier 2 instruments	m	3,620	3,707
47	Directly issued capital instruments subject to phase-out from Tier 2		3,887	3,926
48	Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	dd	112	103
50	Eligible Collective Allowance and Excess of allowance over expected loss	c+d	534	528
51	Tier 2 capital before regulatory adjustments		8,153	8,264

	Cross-Reference ⁽¹⁾	All-in Q1 2017	All-in Q4 2016	
Tier 2 Capital: Regulatory Adjustments				
57	Total regulatory adjustments to Tier 2 capital		-	-
58	Tier 2 Capital (T2)		8,153	8,264
59	Total Capital (TC = T1 + T2)		53,400	53,330
60	Total Risk-weighted Assets		361,468	366,391
60a	Common Equity Tier 1 (CET1) Capital RWA		359,611	364,048
60b	Tier 1 Capital RWA		359,942	364,504
60c	Total Capital RWA		360,208	364,894
Capital Ratios and Buffers				
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)		11.3	11.0
62	Tier 1 (as a percentage of risk-weighted assets)		12.6	12.4
63	Total capital (as a percentage of risk-weighted assets)		14.8	14.6
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk-weighted assets)		8.0%	8.0%
65	of which: capital conservation buffer requirement		2.5%	2.5%
66	Not applicable.		-	-
67	of which: G-SIB buffer requirement		-	-
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)		11.3	11.0
OSFI all-in target (minimum + capital conservation buffer + DSIB surcharge (if applicable))				
69	Common Equity Tier 1 All-in target ratio		8.0%	8.0%
70	Tier 1 capital all-in target ratio		9.5%	9.5%
71	Total capital all-in target ratio		11.5%	11.5%
Amounts below the thresholds for the deduction (before risk-weighting)				
72	Non-significant investments in the capital of other financial institutions		1,669	1,464
73	Significant investments in the common stock of financial institutions		4,094	4,019
75	Deferred tax assets arising from temporary differences (net of related tax liability)		1,962	1,979
Applicable caps on the inclusion of allowances in Tier 2				
76	Allowances eligible for inclusion in Tier 2 in respect to exposures subject to standardized approach (prior to application of cap)		534	528
77	Cap on inclusion of allowances in Tier 2 under standardized approach		1,331	1,339
78	Allowances eligible for inclusion in Tier 2 in respect to exposures subject to internal ratings-based approach (prior to application of cap)		-	-
79	Cap for inclusion of allowances in Tier 2 under internal ratings-based approach		1,231	1,260
Capital instruments subject to phase-out arrangements (only applicable between Jan 1 2018 and Jan 1 2022)				
80	Current cap on CET1 instruments subject to phase-out arrangements		50%	60%
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		50%	60%
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		32	-
84	Current cap on T2 instruments subject to phase-out arrangements		50%	60%
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		-	-

(1) Cross-referenced to the Consolidated Balance Sheet: Source of Definition of Capital Components on page 5 (refer to column: Under Regulatory Scope of Consolidation).

(2) Line 33 also includes \$1,400 of capital instruments issued by trusts not consolidated under accounting standard IFRS 10, effective Q1 2014.

CONSOLIDATED BALANCE SHEET: SOURCE OF DEFINITION OF CAPITAL COMPONENTS



(\$MM)	Cross Reference to Page 4 Definition of Capital Components	Consolidated Statement of Financial Position ⁽¹⁾	Under regulatory scope of consolidation ⁽²⁾	(\$MM)	Cross Reference to Page 4 Definition of Capital Components	Consolidated Statement of Financial Position ⁽¹⁾	Under regulatory scope of consolidation ⁽²⁾
		Q1 2017	Q1 2017			Q1 2017	Q1 2017
Assets				Liabilities			
Cash and deposits with financial institutions		48,429	48,429	Deposits			
Precious metals		7,198	7,198	Personal		199,145	199,145
Trading Assets				Business and government		363,972	363,972
Securities		88,360	88,356	Financial institutions		41,581	41,581
- Investment in own shares	a		9			604,698	604,698
- Other trading securities			88,347	Financial instruments designated at fair value through profit or loss		1,681	1,681
Loans		16,664	16,664	Other			
Other		1,494	1,494	Acceptances		11,185	11,185
		106,518	106,514	Obligations related to securities sold short		26,381	26,381
Financial assets designated at fair value through profit or loss		236	236	Derivative financial instruments		39,257	39,257
Securities purchased under resale agreements and securities borrowed		97,327	97,327	Obligations related to securities sold under repurchase agreements and securities lent		100,837	100,837
Derivative financial instruments		34,963	34,963	Subordinated debentures		7,507	7,507
Investment securities		72,721	72,059	- Regulatory capital amortization of maturing debentures			
- Significant investments in Additional Tier 1 capital of other financial institutions reflected in regulatory capital	b		-	- Subordinated debentures used for regulatory capital			
- Other securities ⁽³⁾			72,059	- of which: are included in Tier 2 capital	m		3,620
				- of which: are subject to phase-out included in Tier 2 capital (50%)			3,887
				- of which: are subject to phase-out not included in Tier 2 capital			
Loans				Other liabilities		37,614	36,029
Residential mortgages		224,085	223,933	- Liquidity reserves	o		4
Personal and credit cards ⁽³⁾		98,210	97,002	- Gains/losses due to changes in own credit risk including DVA on derivatives	p		271
Business and government ⁽³⁾		159,566	159,344	- Deferred tax liabilities			624
		481,861	480,278	- Intangible assets (excl. computer software and mortgage servicing rights)	q		840
Allowance for credit losses		4,508	4,508	- Intangible assets - computer software	r		219
- Collective Allowance reflected in Tier 2 capital	c		534	- Defined benefit pension fund assets	s		61
- Shortfall of allowances to expected loss	ee		(158)	- Other deferred tax liabilities			(496)
- Excess of allowances to expected loss	d		-	- Other liabilities			35,130
- Allowances not reflected in regulatory capital			4,132			222,781	221,196
Other				Total liabilities		829,160	827,575
Customers' liability under acceptances		11,185	11,185	Equity			
Property and equipment		2,275	2,271	Common equity			
Investments in associates		4,262	4,584	- Common shares	u	15,625	15,625
- Significant Investments in other financial institutions including deconsolidated subsidiaries exceeding 10% regulatory thresholds	e		403	- Retained earnings	v	35,653	35,653
- Significant Investments in other financial institutions including deconsolidated subsidiaries exceeding 15% regulatory thresholds	f		-	- Accumulated other comprehensive income (loss)	w	1,589	1,589
- Significant Investments in other financial institutions including deconsolidated subsidiaries within regulatory thresholds			4,181	- Cash flow hedging reserve	x		146
Goodwill & other intangible assets		12,056	12,542	- Other			1,443
- Goodwill	g		7,789	- Other reserves	y	139	139
- Intangibles (excl. computer software)	h		3,001	Total common equity		53,006	53,006
- Computer software intangibles	i		1,752	Preferred shares		3,249	3,249
Deferred tax assets		1,795	1,794	- of which: are qualifying Tier 1 capital	z		1,350
- Deferred tax assets arising from temporary differences exceeding the regulatory threshold	j		-	- of which: are subject to phase out and included in Tier 1 capital (50%)	aa		1,867
- Deferred tax assets that rely on future profitability	k		467	- of which: are subject to phase out and not included into Tier 1 capital			32
- Deferred tax assets not deducted from regulatory capital			1,327	Total equity attributable to equity holders of the bank		56,255	56,255
Other assets		10,674	10,535	Non-controlling interests			
- Defined pension fund assets	l		183	Non-controlling interest in subsidiaries		1,577	1,577
- Other assets			10,352	- portion allowed for inclusion into CET1	bb		597
				- portion allowed for inclusion into Tier 1 capital	cc		90
				- portion allowed for inclusion into Tier 2 capital	dd		112
				- portion not allowed for regulatory capital			778
Total assets		886,992	885,407	Total equity		57,832	57,832
				Total liabilities and equity		886,992	885,407

(1) Consolidated Statement of Financial Position as reported in the 2017 Quarter Report - First Quarter results (page 34).

(2) Legal Entities that are within the accounting scope of consolidation but excluded from the regulatory scope of consolidation represent the Bank's insurance subsidiaries whose principle activities include insurance, reinsurance, property and casualty insurance. Key subsidiaries are Scotia Insurance Barbados Ltd (assets: \$180, equity: \$332), Scotia Life Insurance Company (assets: \$87, equity: \$172), Scotia Jamaica Life Insurance Co. Ltd (assets: \$555, equity: \$135), Scotia Life Trinidad and Tobago Ltd (assets: \$326, equity: \$81) and Scotia Seguros (assets: \$62, equity: \$62).

(3) Effective Q3 2016, securitized credit card exposures are excluded from the regulatory scope of consolidation under OSFI's Securitization Framework.

BALANCE SHEET ASSET CATEGORIES CROSS-REFERENCED TO CREDIT RISK EXPOSURES


	Credit Risk Exposures						Other Exposures		Total	
	Drawn		Other Exposures				Market Risk Exposures			All Other ⁽¹⁾
	Non-retail	Retail	Securitization	Repo-style Transactions	OTC Derivatives	Equity	Also subject to Credit Risk			
As at January 31, 2017 (\$MM)										
Cash and deposits with financial institutions	45,968	-	-	-	-	-	-	2,461	48,429	
Precious metals	-	-	-	-	-	-	7,198	-	7,198	
Trading assets:										
Securities	-	-	-	-	-	-	88,360	-	88,360	
Loans	8,664	-	-	-	-	-	8,664	-	16,664	
Other	-	-	-	-	-	-	1,494	-	1,494	
Financial assets designated at fair value through profit or loss	15	-	-	-	-	-	221	-	236	
Securities purchased under resale agreements and securities borrowed	-	-	-	97,327	-	-	-	-	97,327	
Derivative financial instruments	-	-	-	-	34,963	-	31,782	-	34,963	
Investment securities	69,056	-	541	-	-	2,386	-	738	72,721	
Loans:										
Residential mortgages ⁽²⁾	103,538	120,395	-	-	-	-	-	152	224,085	
Personal and credit cards	-	94,640	2,460	-	-	-	-	1,110	98,210	
Business & government	149,754	2,582	7,221	-	-	-	-	9	159,566	
Allowances for credit losses ⁽³⁾	(786)	-	-	-	-	-	-	(3,722)	(4,508)	
Customers' liability under acceptances	11,185	-	-	-	-	-	-	-	11,185	
Property and equipment	-	-	-	-	-	-	-	2,275	2,275	
Investments in associates	-	-	-	-	-	-	-	4,262	4,262	
Goodwill and other intangible assets	-	-	-	-	-	-	-	12,056	12,056	
Other (including Deferred tax assets)	925	484	-	-	-	-	-	11,060	12,469	
Total	388,319	218,101	10,222	97,327	34,963	2,386	40,446	105,273	30,401	886,992

	Credit Risk Exposures						Other Exposures		Total	
	Drawn		Other Exposures				Market Risk Exposures			All Other ⁽¹⁾
	Non-retail	Retail	Securitization	Repo-style Transactions	OTC Derivatives	Equity	Also subject to Credit Risk			
As at October 31, 2016 (\$MM)										
Cash and deposits with financial institutions	44,001	-	-	-	-	-	-	2,343	46,344	
Precious metals	-	-	-	-	-	-	8,442	-	8,442	
Trading assets:										
Securities	-	-	-	-	-	-	87,287	-	87,287	
Loans	11,485	-	-	-	-	-	11,485	7,936	19,421	
Other	-	-	-	-	-	-	1,853	-	1,853	
Financial assets designated at fair value through profit or loss	16	-	-	-	-	-	205	-	221	
Securities purchased under resale agreements and securities borrowed	-	-	-	92,129	-	-	-	-	92,129	
Derivative financial instruments	-	-	-	-	41,657	-	36,401	-	41,657	
Investment securities	68,134	-	832	-	-	2,042	-	1,911	72,919	
Loans:										
Residential mortgages ⁽²⁾	104,890	117,839	-	-	-	-	-	159	222,888	
Personal and credit cards	-	95,825	2,418	-	-	-	-	1,259	99,502	
Business & government	152,720	2,489	7,161	-	-	-	-	30	162,400	
Allowances for credit losses ⁽³⁾	(781)	-	-	-	-	-	-	(3,845)	(4,626)	
Customers' liability under acceptances	11,978	-	-	-	-	-	-	-	11,978	
Property and equipment	-	-	-	-	-	-	-	2,520	2,520	
Investments in associates	-	-	-	-	-	-	-	4,299	4,299	
Goodwill and other intangible assets	-	-	-	-	-	-	-	12,141	12,141	
Other (including Deferred tax assets)	637	383	-	-	-	-	-	13,871	14,891	
Total	393,080	216,536	10,411	92,129	41,657	2,042	47,886	105,723	34,688	896,266

(1) Includes the Bank's insurance subsidiaries' assets and all other assets which are not subject to credit and market risks.

(2) Includes \$101.0 billion (Q4, 2016 - \$102.9 billion) in mortgages guaranteed by Canada Mortgage Housing Corporation (CMHC) and portions of privately insured mortgages. CMHC guarantees under the PD substitution are reclassified to sovereign.

(3) Amounts for AIRB exposures are reported gross of allowances and amounts for Standardized exposures are reported net of allowances.

FLOW STATEMENT FOR REGULATORY CAPITAL ⁽¹⁾



	Basel III All-in								
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
(\$MM)									
Common Equity Tier 1 (CET1) capital									
Opening amount	39,989	37,690	35,911	37,645	36,965	36,077	34,750	34,389	33,742
Net income attributable to equity holders of the Bank	1,948	1,939	1,897	1,523	1,758	1,783	1,795	1,757	1,679
Dividends paid to equity holders of the Bank	(934)	(924)	(904)	(899)	(871)	(870)	(851)	(853)	(832)
Shares issued	138	185	114	22	42	22	33	16	26
Shared repurchased/redeemed	(138)	-	-	(15)	(65)	(311)	(170)	(29)	(445)
Removal of own credit spread (net of tax)	40	5	(8)	143	(142)	(26)	(59)	37	(110)
Movements in other comprehensive income, excluding cash flow hedges ⁽²⁾	(534)	894	627	(2,835)	842	(330)	1,376	(1,180)	1,586
Currency translation differences	(1,151)	802	991	(2,826)	1,455	(276)	1,400	(1,450)	2,259
Available-for-sale investments	(49)	(49)	33	13	(177)	(306)	(87)	(33)	(43)
Employee Benefits ⁽¹⁾	667	133	(386)	(25)	(443)	246	80	303	(643)
Other	(1)	8	(11)	3	7	6	(17)	-	13
Goodwill and other intangible assets (deduction, net of related tax liability)	106	(123)	(166)	(121)	(161)	(27)	(462)	157	(208)
Other, including regulatory adjustments and transitional arrangements	(75)	323	219	448	(723)	647	(335)	456	(1,049)
Deferred tax assets that rely on future probability	17	3	11	41	-	45	18	13	5
Other, IFRS Impact ⁽²⁾	-	-	-	-	-	-	-	-	-
Threshold deductions ⁽¹⁾	32	373	203	308	(655)	552	(288)	421	(1,044)
Other	(124)	(53)	5	99	(68)	50	(65)	22	(10)
Closing Amount	40,540	39,989	37,690	35,911	37,645	36,965	36,077	34,750	34,389
Other Additional Tier 1 capital									
Opening amount	5,077	4,574	4,848	4,338	4,401	4,397	4,327	4,328	4,331
New Additional Tier 1 eligible capital issues	-	500	-	500	350	-	-	-	-
Redeemed capital	(345)	-	(345)	(345)	-	-	-	-	-
Other, capital including regulatory adjustments and transitional arrangements	(25)	3	71	355	(413)	4	70	(1)	(3)
Closing Amount	4,707	5,077	4,574	4,848	4,338	4,401	4,397	4,327	4,328
Total Tier 1 capital	45,247	45,066	42,264	40,759	41,983	41,366	40,474	39,077	38,717
Tier 2 capital									
Opening amount	8,264	8,207	8,080	8,430	6,864	6,837	6,786	5,637	5,519
New Tier 2 eligible capital issues	-	-	-	-	2,537	-	-	1,250	-
Redeemed capital	-	-	(16)	(19)	(1,000)	-	-	-	-
Amortization adjustments	-	-	-	-	-	-	-	-	-
Other, including regulatory adjustments and transitional adjustments	(111)	57	143	(331)	29	27	51	(101)	118
Closing Amount	8,153	8,264	8,207	8,080	8,430	6,864	6,837	6,786	5,637
Total regulatory capital	53,400	53,330	50,471	48,839	50,413	48,230	47,311	45,863	44,354

(1) Prior period amounts have been restated to conform with current period presentation.

(2) Impact on November 1, 2013, from the adoption of new accounting standards, IFRS 10 (Consolidated Financial Statements) and IAS 19R (Employee Benefits) is included in Other.

RISK-WEIGHTED ASSETS AND CAPITAL RATIOS



(\$B)	Basel III - All-in IFRS								
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
RISK-WEIGHTED ASSETS:⁽¹⁾									
On-Balance Sheet Assets									
Cash Resources	3.5	3.7	3.9	4.1	3.7	3.3	3.3	3.0	3.2
Securities	9.4	9.6	10.7	10.3	11.2	9.5	10.3	11.4	12.4
Residential Mortgages	25.7	25.0	23.2	22.5	25.9	25.0	24.9	22.2	21.9
Loans									
- Personal Loans	50.5	52.0	49.5	49.0	48.7	46.2	45.2	43.4	43.9
- Non-Personal Loans	114.6	118.8	118.6	120.4	125.1	117.4	111.7	104.8	106.9
All Other	29.2	28.8	27.6	27.0	29.0	28.9	28.7	26.6	27.2
	232.9	237.9	233.5	233.2	243.6	230.3	224.1	211.4	215.5
Off-Balance Sheet Assets									
Indirect Credit Instruments	53.1	54.1	51.0	48.5	49.2	49.2	46.8	43.2	43.4
Derivative Instruments	13.4	12.1	12.9	13.2	20.0	17.9	18.2	16.8	19.7
	66.5	66.2	63.9	61.7	69.2	67.1	65.0	60.0	63.1
Total Credit Risk before AIRB scaling factor	299.4	304.1	297.4	294.9	312.8	297.4	289.1	271.4	278.6
AIRB Scaling factor ⁽²⁾	10.4	10.7	10.5	10.6	11.1	10.6	10.2	9.6	9.8
Total Credit Risk after AIRB scaling factor	309.8	314.8	307.9	305.5	323.9	308.0	299.3	281.0	288.4
Market Risk - Risk Assets Equivalent	10.6	10.6	11.7	13.9	14.1	14.4	13.5	13.5	13.1
Operational Risk - Risk Assets Equivalent	39.2	38.6	38.1	37.5	36.5	35.6	35.2	34.2	33.7
CET1 Risk-weighted Assets⁽³⁾	359.6	364.0	357.7	356.9	374.5	358.0	348.0	328.7	335.2
Tier 1 Risk-weighted Assets⁽³⁾	359.9	364.5	358.2	357.4	375.4	358.8	348.8	329.4	336.1
Total Risk-weighted Assets⁽³⁾	360.2	364.9	358.6	357.8	376.1	359.5	349.5	330.1	336.9
REGULATORY CAPITAL RATIOS (%):									
Common Equity Tier 1	11.3	11.0	10.5	10.1	10.1	10.3	10.4	10.6	10.3
Tier 1	12.6	12.4	11.8	11.4	11.2	11.5	11.6	11.9	11.5
Total	14.8	14.6	14.1	13.6	13.4	13.4	13.5	13.9	13.2

(1) For purposes of this presentation only, Risk-weighted Assets (RWA) are shown by balance sheet categories. Details by Basel III exposure type are shown on pages 11-12 entitled, "Exposure at Default and Risk-Weighted Assets for Credit Risk Portfolios".

(2) The Basel Framework requires an additional 6% scaling factor to AIRB credit risk portfolios (excluding exposures with a risk-weight of 1250%).

(3) As per OSFI guideline, effective Q1 2014, Credit Valuation Adjustment RWA on derivatives was phased-in. Starting Q1, 2017 the CVA risk-weighted assets have been calculated using the scalars of 0.72, 0.77 and 0.81, to compute the CET1 capital ratio, Tier 1 capital ratio and Total capital ratio, respectively.

MOVEMENT OF RISK-WEIGHTED ASSETS BY RISK TYPE (ALL-IN BASIS)


Credit Risk Risk-weighted Assets (RWA) (\$MM)	Q1 2017		Q4 2016	
	Credit Risk ⁽¹⁾	Of which Counterparty Credit Risk	Credit Risk ⁽¹⁾	Of which Counterparty Credit Risk
CET1 Credit risk-weighted assets as at beginning of Quarter	314,822	16,432	307,920	16,232
Book size ⁽²⁾	(243)	1,991	68	(402)
Book quality ⁽³⁾	1,510	(120)	2,932	202
Model updates ⁽⁴⁾	(589)	-	-	-
Methodology and policy ⁽⁵⁾	1,062	521	-	-
Acquisitions and disposals	-	-	-	-
Foreign exchange movements	(6,843)	(445)	4,984	400
Other	-	-	(1,082)	-
CET1 Credit risk-weighted assets as at end of Quarter	309,719	18,379	314,822	16,432
Tier 1 CVA scalar	331	331	456	456
Tier 1 Credit risk-weighted assets as at end of Quarter	310,050	18,710	315,278	16,888
Total CVA scalar	266	266	390	390
Total Credit risk-weighted assets as at end of Quarter	310,316	18,976	315,668	17,278

(1) In accordance with OSFI's requirements, in 2017 scalars for CVA risk-weighted assets (RWA) of 0.72, 0.77 and 0.81 were used to compute the CET1 capital ratio, Tier 1 capital ratio and Total capital ratio, respectively.

(2) Book size is defined as organic changes in book size and composition (including new business and maturing loans).

(3) Book quality is defined as quality of book changes, including those caused by experience such as underlying customer behaviour or demographics, and changes through model calibrations/realignments.

(4) Model updates are defined as model implementation, change in model scope or any change to address model enhancement.

(5) Methodology and policy is defined as methodology changes to the calculations driven by regulatory policy changes, such as new regulation (e.g. Basel III).

Market Risk RWA (\$MM)	Q1 2017	Q4 2016
Market risk-weighted assets as at beginning of Quarter	10,571	11,696
Movement in risk levels ⁽¹⁾	72	(1,112)
Model updates ⁽²⁾	-	(13)
Methodology and policy ⁽³⁾	-	-
Acquisitions and disposals	-	-
Other	-	-
Market risk-weighted assets as at end of Quarter	10,643	10,571

(1) Movement in risk levels are defined as changes in risk due to position changes and market movements. Foreign exchange movements are embedded within Movement in risk levels.

(2) Model updates are defined as updates to the model to reflect recent experience and change in model scope.

(3) Methodology and policy is defined as methodology changes to the calculations driven by regulatory policy changes (e.g. Basel III).

Operational Risk RWA (\$MM)	Q1 2017	Q4 2016
Operational risk-weighted assets as at beginning of Quarter	38,655	38,041
Acquisitions and disposals	-	-
Higher Revenue	594	614
Operational risk-weighted assets as at end of Quarter	39,249	38,655

RISK-WEIGHTED ASSETS ARISING FROM THE ACTIVITIES OF THE BANK'S BUSINESSES


CET1 Risk-weighted Assets (RWA)	Q1 2017				All Bank
	Canadian Banking	International Banking	Global Banking & Markets	Other	
CET1 RWA (\$B)	\$109.9	\$129.8	\$109.6	\$10.3	\$359.6
Proportion of Bank	31%	36%	30%	3%	100%
Comprised of:					
Credit risk	84%	87%	87%	93%	86%
Market risk	- %	2%	6%	7%	3%
Operational risk	16%	11%	7%	- %	11%

CET1 Risk-weighted Assets (RWA)	Q4 2016				All Bank
	Canadian Banking	International Banking	Global Banking & Markets	Other	
CET1 RWA (\$B)	\$109.0	\$131.9	\$113.4	\$9.7	\$364.0
Proportion of Bank	30%	36%	31%	3%	100%
Comprised of:					
Credit risk	84%	87%	87%	94%	86%
Market risk	- %	2%	6%	6%	3%
Operational risk	16%	11%	7%	- %	11%

EXPOSURE AT DEFAULT AND RISK-WEIGHTED ASSETS FOR CREDIT RISK PORTFOLIOS



(SMM)		Basel III - IFRS														
		Q1 2017						Q4 2016		Q3 2016		Q2 2016		Q1 2016		
		AIRB		Standardized		Total		Total		Total		Total		Total		
Exposure Type	Sub-type	EAD ⁽¹⁾	RWA ⁽²⁾⁽⁴⁾	EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾⁽⁴⁾	EAD ⁽¹⁾	RWA ⁽²⁾⁽⁴⁾	EAD ⁽¹⁾	RWA ⁽²⁾⁽⁴⁾	EAD ⁽¹⁾	RWA ⁽²⁾⁽⁴⁾	EAD ⁽¹⁾	RWA ⁽²⁾	
Non-Retail																
Corporate	Drawn	123,040	66,897	48,393	46,638	171,433	113,535	175,784	117,178	175,250	117,309	173,987	118,625	175,672	122,318	
	Undrawn	69,230	29,338	5,508	5,451	74,738	34,789	73,711	34,499	70,614	32,197	67,024	30,648	71,934	32,458	
	Other ⁽³⁾	35,767	13,199	2,890	2,861	38,657	16,060	39,943	16,356	40,458	16,043	42,964	15,968	45,648	16,314	
	Total	228,037	109,434	56,791	54,950	284,828	164,384	289,438	168,033	286,322	165,549	283,975	165,241	293,254	171,090	
Bank	Drawn	18,421	4,385	2,041	1,285	20,462	5,670	26,022	6,567	26,609	6,662	24,836	6,579	25,881	7,522	
	Undrawn	1,904	299	49	46	1,953	345	1,982	368	1,894	271	1,847	315	1,784	260	
	Other ⁽³⁾	9,003	1,214	115	114	9,118	1,328	13,175	2,567	12,313	1,749	10,497	1,539	12,430	2,069	
	Total	29,328	5,898	2,205	1,445	31,533	7,343	41,179	9,502	40,816	8,682	37,180	8,433	40,095	9,851	
Sovereign	Drawn	89,411	3,729	6,008	911	95,419	4,640	88,760	5,161	108,164	5,266	99,458	5,698	109,153	5,654	
	Undrawn	856	78	42	25	898	103	1,052	119	841	98	872	129	816	46	
	Other ⁽³⁾	1,016	11	2	2	1,018	13	497	12	547	3	371	4	508	8	
	Total	91,283	3,818	6,052	938	97,335	4,756	90,309	5,292	109,552	5,367	100,701	5,831	110,477	5,708	
Total Non-Retail	Drawn	230,872	75,011	56,442	48,834	287,314	123,845	290,566	128,906	310,023	129,237	298,281	130,902	310,706	135,494	
	Undrawn	71,990	29,715	5,599	5,522	77,589	35,237	76,745	34,986	73,349	32,566	69,743	31,092	74,534	32,764	
	Other ⁽³⁾	45,786	14,424	3,007	2,977	48,793	17,401	53,615	18,935	53,318	17,795	53,832	17,511	58,586	18,391	
	Total	348,648	119,150	65,048	57,333	413,696	176,483	420,926	182,827	436,690	179,598	421,856	179,505	443,826	186,649	
Retail																
Residential Mortgages	Drawn	191,295	11,598	30,633	14,141	221,928	25,739	220,917	25,028	217,538	23,207	214,633	22,467	217,345	25,942	
	Undrawn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	191,295	11,598	30,633	14,141	221,928	25,739	220,917	25,028	217,538	23,207	214,633	22,467	217,345	25,942	
Secured Lines Of Credit	Drawn	19,099	3,056	-	-	19,099	3,056	19,233	4,497	19,200	4,412	18,918	4,390	18,550	4,310	
	Undrawn	14,334	793	-	-	14,334	793	14,587	1,359	14,298	1,286	14,045	1,268	13,778	1,225	
	Total	33,433	3,849	-	-	33,433	3,849	33,820	5,856	33,498	5,698	32,963	5,658	32,328	5,535	
Qualifying Revolving Retail Exposures (QRRE)	Drawn	16,753	9,683	-	-	16,753	9,683	16,717	9,463	16,483	9,316	17,474	9,997	17,244	9,953	
	Undrawn	25,916	3,085	-	-	25,916	3,085	21,108	2,656	20,519	2,564	20,100	2,549	19,693	2,481	
	Total	42,669	12,768	-	-	42,669	12,768	37,825	12,119	37,002	11,880	37,574	12,546	36,937	12,434	
Other Retail	Drawn	28,185	13,389	33,140	24,388	61,325	37,777	62,182	38,006	58,627	35,742	56,615	34,574	56,432	34,436	
	Undrawn	1,009	225	-	-	1,009	225	799	203	691	165	674	159	669	158	
	Total	29,194	13,614	33,140	24,388	62,334	38,002	62,981	38,209	59,318	35,907	57,289	34,733	57,101	34,594	
Total Retail	Drawn	255,332	37,726	63,773	38,529	319,105	76,255	319,049	76,994	311,848	72,677	307,640	71,428	309,571	74,641	
	Undrawn	41,259	4,103	-	-	41,259	4,103	36,494	4,218	35,508	4,015	34,819	3,976	34,140	3,864	
	Total	296,591	41,829	63,773	38,529	360,364	80,358	355,543	81,212	347,356	76,692	342,459	75,404	343,711	78,505	
Securitizations		23,589	2,561	-	-	23,589	2,561	25,025	2,613	25,110	2,793	23,763	2,588	23,527	2,719	
Trading Derivatives ⁽⁴⁾		24,842	8,295	-	-	24,842	8,295	23,421	6,599	23,633	6,758	23,144	6,924	31,216	9,042	
Derivatives - credit valuation adjustment ⁽⁴⁾⁽⁵⁾		-	-	-	4,775	-	4,775	-	4,165	-	4,749	-	4,778	-	8,304	
Total Credit Risk (Excluding Equities & Other Assets)		693,670	171,835	128,821	100,637	822,491	272,472	824,915	277,416	832,789	270,590	811,222	269,199	842,280	285,219	
Equities		2,386	2,426	-	-	2,386	2,426	2,042	2,042	2,331	2,331	2,393	2,393	2,703	2,703	
Other Assets		-	-	46,171	24,380	46,171	24,380	49,829	24,659	50,229	24,486	53,444	23,297	59,267	24,882	
Total Credit Risk (Before Scaling Factor)		696,056	174,261	174,992	125,017	871,048	299,278	876,786	304,117	885,349	297,407	867,059	294,889	904,250	312,804	
Add-on for 6% Scaling Factor ⁽⁶⁾			10,441				10,441		10,705		10,513		10,576		11,095	
Total Credit Risk		696,056	184,702	174,992	125,017	871,048	309,719	876,786	314,822	885,349	307,920	867,059	305,465	904,250	323,899	

(1) Exposure at default, before credit risk mitigation for AIRB exposures, after related allowances for credit losses for Standardized exposures.

(2) CET1 Risk-weighted Assets.

(3) Includes lending instruments such as letters of credit and letters of guarantee; banking book derivatives and repo-style exposures, net of related collateral.

(4) As of Q2 2016, the bank implemented the Internal Modelling Method for determination of Counterparty Credit Risk and Credit Valuation Adjustment RWA.

(5) As per OSFI guideline, effective Q1 2014, Credit Valuation Adjustment (CVA) RWA on derivatives was phased-in using scalars. Starting Q1, 2017 the CVA risk-weighted assets have been calculated using the scalars of 0.72, 0.77 and 0.81, to compute the CET1 capital ratio, Tier 1 capital ratio and Total capital ratio, respectively.

(6) The Basel Framework requires an additional 6% scaling factor to AIRB credit risk portfolios (excluding exposures with a risk-weight of 1250%).

EXPOSURE AT DEFAULT AND RISK-WEIGHTED ASSETS FOR CREDIT RISK PORTFOLIOS (CONTINUED)



		Basel III - IFRS															
		Q4 2015		Q3 2015		Q2 2015		Q1 2015		Q4 2014		Q3 2014		Q2 2014		Q1 2014	
(SMM)		EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾	EAD ⁽¹⁾	RWA ⁽²⁾
Exposure Type	Sub-type																
Non-Retail																	
Corporate	Drawn	157,514	112,836	151,360	106,697	146,075	100,609	145,012	101,339	130,621	90,240	128,408	90,365	128,608	90,079	121,562	86,649
	Undrawn	58,915	29,035	56,306	27,606	51,361	24,589	53,974	24,963	47,082	22,314	44,855	21,274	41,619	19,554	42,968	20,444
	Other ⁽³⁾	40,425	15,476	43,981	16,093	37,643	14,254	35,068	12,327	31,678	11,496	31,704	11,246	26,552	10,126	30,930	11,540
	Total	256,854	157,347	251,647	150,396	235,079	139,452	234,054	138,629	209,381	124,050	204,967	122,885	196,779	119,759	195,460	118,633
Bank	Drawn	27,165	8,344	27,400	7,109	25,700	6,679	32,358	8,435	25,883	7,500	26,237	7,882	29,067	9,053	34,833	9,949
	Undrawn	11,386	3,726	11,741	3,793	11,406	3,672	12,222	3,914	10,954	3,356	11,552	3,559	10,620	3,279	11,879	3,507
	Other ⁽³⁾	14,906	3,253	12,351	2,188	10,190	1,830	9,535	1,753	8,195	1,486	7,929	1,394	8,228	1,370	7,904	1,304
	Total	53,457	15,323	51,492	13,090	47,296	12,181	54,115	14,102	45,032	12,342	45,718	12,835	47,915	13,702	54,616	14,760
Sovereign	Drawn	96,263	4,203	102,869	5,471	80,325	5,527	82,035	5,544	76,107	4,858	68,768	4,664	77,072	4,717	71,279	5,145
	Undrawn	2,133	355	1,802	168	1,543	161	1,465	139	1,352	140	1,353	177	1,359	189	1,440	263
	Other ⁽³⁾	1,016	36	694	46	544	15	1,137	63	805	33	775	26	856	31	1,191	28
	Total	99,412	4,594	105,365	5,685	82,412	5,703	84,637	5,746	78,264	5,031	70,896	4,867	79,287	4,937	73,910	5,436
Total Non-retail	Drawn	280,942	125,383	281,629	119,277	252,100	112,815	259,405	115,318	232,611	102,598	223,413	102,911	234,747	103,849	227,674	101,743
	Undrawn	72,434	33,116	69,849	31,567	64,310	28,422	67,661	29,016	59,388	25,810	57,760	25,010	53,598	23,022	56,287	24,214
	Other ⁽³⁾	56,347	18,765	57,026	18,327	48,377	16,099	45,740	14,143	40,678	13,015	40,408	12,666	35,636	11,527	40,025	12,872
	Total	409,723	177,264	408,504	169,171	364,787	157,336	372,806	158,477	332,677	141,423	321,581	140,587	323,981	138,398	323,986	138,829
Retail																	
Residential Mortgages	Drawn	215,590	24,967	214,183	24,854	211,805	22,196	213,185	21,893	211,341	19,766	210,743	19,360	210,451	19,466	210,691	19,085
	Undrawn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	215,590	24,967	214,183	24,854	211,805	22,196	213,185	21,893	211,341	19,766	210,743	19,360	210,451	19,466	210,691	19,085
Secured Lines Of Credit	Drawn	18,804	4,197	18,992	4,207	19,047	4,293	18,952	4,435	19,115	4,487	18,590	4,409	18,459	4,509	18,220	4,552
	Undrawn	12,631	1,133	12,553	1,181	12,354	1,158	12,312	1,243	12,209	1,282	17,724	1,857	13,265	1,394	13,052	1,370
	Total	31,435	5,330	31,545	5,388	31,401	5,451	31,264	5,678	31,324	5,769	36,314	6,266	31,724	5,903	31,272	5,922
Qualifying Revolving	Drawn	16,910	10,031	16,602	9,662	16,426	9,556	16,257	9,564	16,011	9,356	15,953	7,622	15,653	7,153	15,412	7,171
	Undrawn	17,705	2,241	17,123	2,135	16,734	2,058	16,716	2,151	16,196	2,105	18,311	2,360	13,638	1,674	13,400	1,678
	Total	34,615	12,272	33,725	11,797	33,160	11,614	32,973	11,715	32,207	11,461	34,264	9,982	29,291	8,827	28,812	8,849
Other Retail	Drawn	53,313	32,002	51,959	31,308	48,315	29,555	48,656	29,929	47,080	28,848	45,380	27,624	42,989	26,216	41,754	25,405
	Undrawn	712	178	677	164	660	156	667	165	659	161	999	126	736	91	733	91
	Total	54,025	32,180	52,636	31,472	48,975	29,711	49,323	30,094	47,739	29,009	46,379	27,750	43,725	26,307	42,487	25,496
Total Retail	Drawn	304,617	71,197	301,736	70,031	295,593	65,600	297,050	65,821	293,547	62,457	290,666	59,015	287,552	57,344	286,077	56,213
	Undrawn	31,048	3,552	30,353	3,480	29,748	3,372	29,695	3,559	29,064	3,548	37,034	4,343	27,639	3,159	27,185	3,139
	Total	335,665	74,749	332,089	73,511	325,341	68,972	326,745	69,380	322,611	66,005	327,700	63,358	315,191	60,503	313,262	59,352
Securitized		21,000	2,759	20,926	3,705	20,083	3,711	21,166	4,086	19,982	4,621	18,163	4,947	19,406	5,527	19,900	7,273
Trading Derivatives		28,234	8,232	30,013	8,485	28,854	7,971	36,673	10,178	25,249	8,041	22,886	7,559	22,139	7,454	23,638	7,284
Derivatives - credit valuation adjustment ⁽⁴⁾		-	7,183	-	7,282	-	6,732	-	8,154	-	5,632	-	5,039	-	4,793	-	5,003
Total Credit risk (excl. Equities & Other Assets)		794,622	270,187	791,532	262,154	739,065	244,722	757,390	250,275	700,519	225,722	690,330	221,490	680,717	216,675	680,786	217,741
Equities		2,985	2,985	3,427	3,427	3,636	3,636	4,132	4,132	4,269	4,269	4,451	4,451	4,002	4,002	4,019	4,019
Other Assets		50,873	24,265	52,878	23,551	54,146	23,056	59,475	24,208	52,288	23,065	52,377	23,550	52,771	22,224	57,028	22,930
		848,480	297,437	847,837	289,132	796,847	271,414	820,997	278,615	757,076	253,056	747,158	249,491	737,490	242,901	741,833	244,690
Add-on for 6% scaling factor ⁽⁵⁾			10,597		10,183		9,593		9,801		8,831		8,672		8,491		8,506
Total Credit Risk		848,480	308,034	847,837	299,315	796,847	281,007	820,997	288,416	757,076	261,887	747,158	258,163	737,490	251,392	741,833	253,196

(1) Exposure at default, before credit risk mitigation for AIRB exposures, after related allowances for credit losses for Standardized exposures.

(2) CET1 Risk-weighted Assets.

(3) Includes lending instruments such as letters of credit and letters of guarantee; banking book derivatives and repo-style exposures, net of related collateral.

(4) As per OSFI guideline, effective Q1 2014, Credit Valuation Adjustment (CVA) RWA on derivatives was phased-in using scalars. Starting Q1, 2017 the CVA risk-weighted assets have been calculated using the scalars of 0.72, 0.77 and 0.81, to compute the CET1 capital ratio, Tier 1 capital ratio and Total capital ratio, respectively.

(5) The Basel Framework requires an additional 6% scaling factor to AIRB credit risk portfolios (excluding exposure with risk weight of 1250%).

CREDIT RISK EXPOSURES BY GEOGRAPHY ⁽¹⁾⁽²⁾

Exposure at Default

(\$MM)	Basel III - IFRS									
	Q1 2017					Q4 2016				
	Non-Retail			Retail	Total	Non-Retail			Retail	Total
	Drawn	Undrawn	Other ⁽³⁾			Drawn	Undrawn	Other ⁽³⁾		
Canada	91,166	34,718	36,397	310,023	472,304	89,894	32,953	42,208	303,868	468,923
USA	77,323	25,857	38,015	-	141,195	79,932	27,951	35,925	-	143,808
Mexico	14,179	1,082	1,429	7,871	24,561	15,331	1,183	1,725	8,634	26,873
Peru	15,395	1,467	3,150	7,356	27,368	16,693	1,413	2,984	7,238	28,328
Chile	10,915	748	1,899	10,805	24,367	10,384	782	1,374	10,970	23,510
Colombia	4,782	125	179	5,511	10,597	4,891	186	518	5,348	10,943
Other International										
Europe	23,433	7,465	10,546	-	41,444	23,164	5,936	12,425	-	41,525
Caribbean	18,921	1,554	1,400	18,134	40,009	19,048	1,704	1,564	18,852	41,168
Latin America (other)	7,054	607	670	664	8,995	7,258	522	495	633	8,908
All Other	24,146	3,966	3,539	-	31,651	23,971	4,115	2,843	-	30,929
Total	287,314	77,589	97,224	360,364	822,491	290,566	76,745	102,061	355,543	824,915

	Basel III - IFRS				
	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Canada	462,242	448,512	449,077	435,953	434,335
USA	161,506	155,502	172,472	153,285	154,180
Mexico	24,431	24,467	25,255	23,808	22,870
Peru	26,338	26,101	28,798	27,007	26,617
Chile	22,995	21,271	22,180	19,777	19,282
Colombia	10,318	10,837	10,044	9,899	10,436
Other International					
Europe	44,132	43,796	44,444	40,048	38,017
Caribbean	40,010	38,794	42,343	39,831	39,939
Latin America (other)	9,151	9,598	10,245	8,962	9,060
All Other	31,666	32,344	37,422	36,052	36,796
Total	832,789	811,222	842,280	794,622	791,532

(1) Before credit risk mitigation, excluding AFS equity securities and other assets.

(2) Geographic segmentation is based upon the location of the ultimate risk of the credit exposure.

(3) Includes off-balance sheet lending instruments such as letters of credit and letters of guarantee, OTC derivatives, securitization and repo-style transactions net of related collateral.

AIRB CREDIT RISK EXPOSURES BY MATURITY ⁽¹⁾⁽²⁾



NON-RETAIL AND RETAIL PORTFOLIO EXPOSURE AT DEFAULT

(\$MM)	Basel III - IFRS							
	Q1 2017				Q4 2016			
	Drawn	Undrawn	Other ⁽³⁾	Total	Drawn	Undrawn	Other ⁽³⁾	Total
Non-Retail								
Less than 1 year	116,719	21,521	59,345	197,585	109,752	22,766	62,851	195,369
1 to 5 years	105,154	49,233	27,649	182,036	112,975	46,971	28,805	188,751
Over 5 Years	8,999	1,236	7,223	17,458	10,351	1,239	7,290	18,880
Total Non-Retail	230,872	71,990	94,217	397,079	233,078	70,976	98,946	403,000
Retail								
Less than 1 year	25,663	15,343		41,006	28,829	15,386		44,215
1 to 5 years	173,686	-		173,686	167,999	-		167,999
Over 5 Years	18,908	-		18,908	20,243	-		20,243
Revolving Credits ⁽⁴⁾	37,075	25,916		62,991	37,177	21,108		58,285
Total Retail	255,332	41,259		296,591	254,248	36,494		290,742
Total	486,204	113,249	94,217	693,670	487,326	107,470	98,946	693,742

	Basel III - IFRS			
	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Non-Retail				
Less than 1 year	221,088	210,853	223,167	213,600
1 to 5 years	179,413	175,155	188,042	163,961
Over 5 Years	20,236	19,395	19,199	17,937
Total Non-Retail	420,737	405,403	430,408	395,498
Retail				
Less than 1 year	44,934	44,915	46,929	45,368
1 to 5 years	163,994	162,707	162,064	160,660
Over 5 Years	21,247	19,639	18,896	20,682
Revolving Credits ⁽⁴⁾	57,408	57,609	56,604	54,555
Total Retail	287,583	284,870	284,493	281,265
Total	708,320	690,273	714,901	676,763

(1) Before credit risk mitigation, excluding AFS equity securities and other assets.

(2) Remaining term to maturity of the credit exposure.

(3) Off-balance sheet lending instruments such as letters of credit and letters of guarantee, securitization, derivatives and repo-style transactions net of related collateral.

(4) Credit cards and lines of credit with unspecified maturity.

STANDARDIZED CREDIT RISK EXPOSURES BY RISK-WEIGHT



EXPOSURE AT DEFAULT⁽¹⁾

(\$MM)	Basel III - IFRS													
	Q1 2017							Q4 2016						
	Non-Retail			Retail				Non-Retail				Retail		
	Corporate	Bank	Sovereign	Total	Res Mtgs	Other Retail	Total	Corporate	Bank	Sovereign	Total	Res Mtgs	Other Retail	Total
0%	1,866	-	5,026	6,892	1,428	1,351	2,779	1,914	-	5,887	7,801	1,122	1,385	2,507
20%	303	868	88	1,259	1,737	-	1,737	157	742	1,427	2,326	1,823	-	1,823
35%	-	-	-	-	17,715	-	17,715	-	-	-	-	17,025	-	17,025
50%	116	131	35	282	-	331	331	111	197	154	462	-	345	345
75%	-	-	-	-	8,636	30,621	39,257	-	-	-	-	9,674	31,374	41,048
100%	53,858	1,206	903	55,967	1,117	-	1,117	52,739	1,339	944	55,022	1,221	-	1,221
150%+	648	-	-	648	-	837	837	761	-	-	761	-	832	832
Total	56,791	2,205	6,052	65,048	30,633	33,140	63,773	55,682	2,278	8,412	66,372	30,865	33,936	64,801

Risk-weight	Basel III - IFRS													
	Q3 2016		Q2 2016		Q1 2016		Q4 2015		Q3 2015		Q2 2015		Q1 2015	
	Non-Retail	Retail	Non-Retail	Retail	Non-Retail	Retail	Non-Retail	Retail	Non-Retail	Retail	Non-Retail	Retail	Non-Retail	Retail
0%	7,117	2,078	6,375	1,886	6,921	1,895	6,115	1,689	6,123	1,248	5,630	1,080	6,481	1,141
20%	2,037	1,821	2,306	1,985	3,362	2,223	1,695	2,146	1,649	1,779	1,573	1,624	3,087	1,771
35%	-	16,295	-	15,819	-	16,733	-	16,004	-	16,198	-	17,697	-	18,375
50%	634	419	835	203	916	186	478	215	382	222	381	204	806	213
75%	-	36,866	-	35,648	-	36,021	-	32,321	-	31,942	-	26,166	-	26,944
100%	54,192	1,295	53,109	1,288	56,139	1,421	54,632	1,313	53,122	1,336	50,857	1,025	50,225	1,130
150%+	716	998	735	760	823	739	539	712	636	690	684	638	494	639
Total	64,696	59,772	63,360	57,589	68,161	59,218	63,459	54,400	61,912	53,415	59,125	48,434	61,093	50,213

(1) Net of specific allowances for credit losses, after credit risk mitigation.

NON-RETAIL AIRB PORTFOLIO - CREDIT QUALITY

(SMM)	Category external ratings ⁽¹⁾	Internal grades	PD bands ⁽²⁾	Basel III - IFRS												
				Q1 2017				Q4 2016								
				Drawn Exposure at Default ⁽³⁾	Undrawn Exposure at Default ⁽³⁾	Other Exposure at Default ⁽³⁾	Total Exposure at Default ⁽³⁾	RWA	Weighted Average PD ⁽⁴⁾⁽⁷⁾	Weighted Average LGD ⁽⁵⁾⁽⁷⁾	Weighted Average RW ⁽⁶⁾⁽⁷⁾	Total Exposure at Default ⁽³⁾	RWA	Weighted Average PD ⁽⁴⁾⁽⁷⁾	Weighted Average LGD ⁽⁵⁾⁽⁷⁾	Weighted Average RW ⁽⁶⁾⁽⁷⁾
\$	\$	\$	\$	\$	%	%	%	\$	\$	%	%	%				
Investment Grade																
Corporate																
		99	0.00% - 0.05%	65,852	51,774	31,729	149,355	43,755	0.13	41	29	155,529	45,376	0.13	42	29
	AAA to AA+	98	0.00% - 0.05%	400	535	457	1,392	136	0.03	44	10	1,204	106	0.03	44	9
	AA to A-	95	0.05% - 0.13%	136	755	111	1,002	108	0.05	34	11	878	55	0.05	21	6
	AA to A-	90	0.06% - 0.15%	6,792	5,752	5,358	17,902	3,308	0.06	39	18	18,476	3,144	0.06	40	17
	BBB+ to BBB	87	0.10% - 0.24%	12,371	13,522	6,659	32,552	5,841	0.07	37	18	37,701	6,533	0.07	38	17
	BBB+ to BBB	85	0.14% - 0.34%	14,988	9,732	7,307	32,027	7,979	0.10	40	25	30,576	8,443	0.11	41	28
	BBB-	83	0.20% - 0.47%	14,520	12,241	6,311	33,072	12,072	0.16	44	37	32,371	11,581	0.16	43	36
				16,645	9,237	5,526	31,408	14,311	0.25	45	46	34,323	15,514	0.25	45	45
Bank																
		99	0.00% - 0.05%	16,557	1,789	18,814	37,160	7,363	0.11	37	20	45,701	8,557	0.10	34	19
	AAA to AA+	98	0.00% - 0.05%	55	3	447	505	26	0.03	31	5	7,490	25	0.00	30	0
	AA to A-	95	0.05% - 0.13%	1,825	500	253	2,578	341	0.05	30	13	3,448	421	0.05	30	12
	AA to A-	90	0.06% - 0.15%	5,294	347	5,672	11,313	2,134	0.06	45	19	8,826	2,361	0.06	40	27
	BBB+ to BBB	87	0.10% - 0.24%	4,344	783	6,545	11,672	1,773	0.09	34	15	12,330	1,739	0.09	34	14
	BBB+ to BBB	85	0.14% - 0.34%	2,344	120	2,275	4,739	1,120	0.15	35	24	5,369	1,180	0.15	34	22
	BBB-	83	0.20% - 0.47%	1,858	24	1,366	3,248	1,073	0.27	35	33	5,359	1,909	0.20	32	36
				837	12	2,256	3,105	896	0.25	32	29	2,879	922	0.27	33	32
Sovereign																
		99	0.00% - 0.05%	83,315	818	5,173	89,306	2,877	0.04	16	3	81,126	2,890	0.05	16	4
	AAA to AA+	98	0.00% - 0.05%	56,828	190	2,869	59,887	-	-	15	-	49,145	-	-	15	-
	AA to A-	95	0.05% - 0.13%	3,339	39	814	4,192	272	0.05	14	6	3,962	271	0.05	15	7
	AA to A-	90	0.06% - 0.15%	14,227	413	1,119	15,759	1,087	0.07	16	7	17,729	953	0.06	15	5
	BBB+ to BBB	87	0.10% - 0.24%	591	73	179	843	60	0.08	17	7	992	68	0.09	18	7
	BBB+ to BBB	85	0.14% - 0.34%	4,946	1	167	5,114	396	0.24	15	8	6,142	631	0.24	16	10
	BBB-	83	0.20% - 0.47%	2,810	96	25	2,931	849	0.34	28	29	2,432	699	0.34	27	29
				574	6	-	580	213	0.47	33	37	724	268	0.47	33	37
	Sub-Total			165,724	54,381	55,716	275,821	53,995	0.10	32	20	282,356	56,823	0.10	33	20
Non-Investment Grade																
Corporate																
	BB+	80	0.31% - 0.52%	54,615	15,893	13,551	84,059	55,568	0.66	45	66	81,627	55,389	0.66	45	68
	BB	77	0.48% - 0.58%	21,697	8,550	3,779	34,026	19,433	0.36	46	57	34,426	19,823	0.36	46	58
	BB-	75	0.58% - 0.74%	15,950	3,331	1,558	20,839	13,637	0.51	46	65	21,334	13,967	0.51	45	65
	B+	73	0.74% - 1.42%	9,917	2,060	6,644	18,621	12,647	0.74	45	68	15,480	11,646	0.74	46	75
	B to B-	70	1.42% - 2.72%	4,839	1,472	1,302	7,613	6,754	1.42	42	89	6,747	5,995	1.42	42	89
				2,212	480	268	2,960	3,097	2.72	41	105	3,640	3,958	2.72	43	109
Bank																
	BB+	80	0.31% - 0.52%	1,852	112	477	2,441	1,308	0.60	38	54	3,010	1,596	0.60	38	53
	BB	77	0.48% - 0.58%	774	8	191	973	498	0.49	41	51	1,230	625	0.48	41	51
	BB-	75	0.58% - 0.74%	917	65	234	1,216	613	0.58	37	50	1,482	743	0.58	36	50
	B+	73	0.74% - 1.42%	102	36	49	187	139	0.74	39	74	221	163	0.74	40	74
	B to B-	70	1.42% - 2.72%	11	-	2	13	8	1.42	30	63	10	8	1.42	40	79
				48	3	1	52	50	2.72	38	98	67	57	2.72	33	85
Sovereign																
	BB+	80	0.31% - 0.52%	4,120	31	23	4,174	1,048	1.82	20	25	3,379	1,047	1.35	27	31
	BB	77	0.48% - 0.58%	592	-	-	592	91	0.52	17	15	479	54	0.52	17	11
	BB-	75	0.58% - 0.74%	928	-	23	951	160	0.58	13	17	1,125	245	0.58	15	22
	B+	73	0.74% - 1.42%	198	26	-	224	23	0.74	33	10	240	21	0.74	33	9
	B to B-	70	1.42% - 2.72%	-	-	-	-	-	-	-	550	60	1.42	25	11	
				2,402	5	-	2,407	774	2.72	23	32	985	667	2.72	45	68
	Sub-Total			60,587	16,036	14,051	90,674	57,924	0.71	44	64	88,016	58,032	0.69	44	66

(1) The cross references of the Bank's internal borrower grades (IG) with equivalent rating categories utilized by external rating agencies are outlined on page 205 of the Bank's 2016 Annual Report.

(2) PD ranges overlap across IG codes as the Bank utilizes two risk rating systems for its AIRB portfolios and each risk rating system has its own separate IG to PD mapping.

(3) Amounts are before credit risk mitigation (excludes government guaranteed residential mortgages), and includes all non-retail exposures except securitization, equity and other assets.

(4) PD - Probability of Default, see glossary for details.

(5) LGD - Loss Given Default including certain conservative factors as per Basel accord, see glossary for details.

(6) RW - risk weight.

(7) Exposure at default (EAD) used as basis for estimated weightings, see glossary for details.

RISK ASSESSMENT OF CREDIT RISK EXPOSURES - NON-RETAIL AIRB PORTFOLIO (CONTINUED)

NON-RETAIL AIRB PORTFOLIO - CREDIT QUALITY

(\$MM)			Basel III - IFRS												
			Q1 2017					Q4 2016							
Category external ratings ⁽¹⁾	Internal grades	PD bands ⁽²⁾	Drawn	Undrawn	Other	Total	RWA	Weighted	Weighted	Weighted	Total	RWA	Weighted	Weighted	Weighted
			Exposure at Default ⁽³⁾	Exposure at Default ⁽³⁾	Exposure at Default ⁽³⁾	Exposure at Default ⁽³⁾		Average PD ⁽⁴⁾⁽⁷⁾	Average LGD ⁽⁵⁾⁽⁷⁾	Average RW ⁽⁶⁾⁽⁷⁾			Exposure at Default ⁽³⁾	Average PD ⁽⁴⁾⁽⁷⁾	Average LGD ⁽⁵⁾⁽⁷⁾
			\$	\$	\$	\$	\$	%	%	%	\$	\$	%	%	%
Watch List (CCC+ to CC)															
Corporate	65 - 30	2.72% - 59.98%	2,890	1,202	674	4,766	9,233	22.07	40	194	4,904	9,323	22.64	39	190
Bank	65 - 30	2.72% - 59.98%	13	3	1	17	37	24.68	41	205	20	41	25.05	42	214
Sovereign	65 - 30	2.72% - 59.98%	167	-	-	167	123	15.83	38	73	159	240	9.99	39	151
Sub-Total			3,070	1,205	675	4,950	9,393	21.87	40	190	5,083	9,604	22.25	39	189
Default⁽⁸⁾															
Corporate	27-21	100%	1,485	362	186	2,033	6,115	100.00	42	301	2,501	8,059	100.00	42	322
Bank	27-21	100%	2	-	-	2	-	100.00	39	0	8	26	100.00	35	329
Sovereign	27-21	100%	4	6	-	10	18	100.00	16	179	11	21	100.00	17	188
Sub-Total			1,491	368	186	2,045	6,133	100.00	42	300	2,520	8,106	100.00	42	322
Total			230,872	71,990	70,628	373,490	127,445	1.08	35	34	377,975	132,565	1.20	36	35

(1) The cross references of the Bank's internal borrower grades (IG) with equivalent rating categories utilized by external rating agencies are outlined on page 205 of the Bank's 2016 Annual Report.

(2) PD ranges overlap across IG codes as the Bank utilizes two risk rating systems for its AIRB portfolios and each risk rating system has its own separate IG to PD mapping.

(3) Amounts are before credit risk mitigation (excludes government guaranteed residential mortgages), and includes all non-retail exposures except securitization, equity and other assets.

(4) PD - Probability of Default, see glossary for details.

(5) LGD - Loss Given Default including certain conservative factors as per Basel accord, see glossary for details.

(6) RW - risk weight.

(7) Exposure at default (EAD) used as basis for estimated weightings, see glossary for details.

(8) EAD for defaulted exposures before related specific provisions and write-offs.

NON-RETAIL AIRB PORTFOLIO - CREDIT COMMITMENTS

(\$MM)	Basel III - IFRS			
	Q1 2017		Q4 2016	
	Notional Undrawn	Weighted Average EAD	Notional Undrawn	Weighted Average EAD
Exposure Type ⁽¹⁾				
	\$	%	\$	%
Corporate	130,292	52	128,814	51
Bank	3,160	55	3,177	56
Sovereign	1,363	57	1,743	57
Total	134,815	52	133,734	52

(1) Excludes unconditionally cancellable commitments.

RETAIL AIRB PORTFOLIO EXPOSURES - CREDIT QUALITY ⁽¹⁾

Category of PD Grades	PD Range	Basel III - IFRS								
		Q1 2017								
		EAD ⁽²⁾	Notional of undrawn commitments	Exposure weighted-average EAD ⁽³⁾	Exposure weighted-average PD	Exposure weighted-average LGD ⁽⁷⁾	Exposure weighted-average RW	RWA	EL	EL adjusted average risk weight ⁽⁴⁾
\$	\$	%	%	%	%	\$	\$	%		
Residential Real Estate Secured⁽⁵⁾										
Insured Drawn and Undrawn⁽⁶⁾										
Exceptionally Low	0.01% to 0.04%	101,030	-	100.00	0.00	23	-	1	-	-
Very Low	0.05% to 0.19%	1,861	3	99.91	0.05	21	3	56	-	3
Low	0.20% to 0.99%	2,927	-	105.43	0.35	20	12	359	2	13
Medium Low	1.00% to 2.99%	-	-	102.01	2.02	23	46	-	-	52
Medium	3.00% to 9.99%	-	-	-	-	-	-	-	-	-
High	10.00% to 19.99%	1	-	102.85	13.70	21	107	1	-	143
Extremely High	20.00% to 99.99%	-	-	-	-	-	-	-	-	-
Default	100%	21	-	100.00	100.00	67	-	-	14	835
Sub-total		105,840	3	100.14	0.03	23	0	417	16	1
Uninsured Undrawn										
Exceptionally Low	0.00% to 0.04%	-	-	-	-	-	-	-	-	-
Very Low	0.05% to 0.19%	13,778	35,306	19.51	0.08	22	4	587	2	4
Low	0.20% to 0.99%	413	948	21.76	0.62	27	25	101	1	27
Medium Low	1.00% to 2.99%	110	211	25.97	2.02	34	66	73	1	75
Medium	3.00% to 9.99%	20	42	23.70	4.96	24	80	16	-	95
High	10.00% to 19.99%	10	16	29.96	13.70	24	123	12	-	164
Extremely High	20.00% to 99.99%	3	1	129.75	39.26	27	146	4	-	282
Default	100%	-	-	100.00	-	-	-	-	-	-
Sub-total		14,334	36,524	19.66	0.13	22	6	793	4	6
Uninsured Drawn										
Exceptionally Low	0.00% to 0.04%	4,117	-	100.00	0.05	27	4	148	1	4
Very Low	0.05% to 0.19%	43,462	-	100.00	0.07	20	4	1,671	7	4
Low	0.20% to 0.99%	50,098	-	100.00	0.53	21	17	8,443	58	18
Medium Low	1.00% to 2.99%	5,072	-	100.00	2.49	23	50	2,529	28	57
Medium	3.00% to 9.99%	799	-	100.00	6.27	22	78	624	11	95
High	10.00% to 19.99%	416	-	100.00	13.75	21	109	452	12	145
Extremely High	20.00% to 99.99%	334	-	100.00	34.99	20	111	370	24	199
Default	100%	256	-	100.00	100.00	61	-	-	155	758
Sub-total		104,554	-	100.00	0.87	21	14	14,237	296	17
Qualifying Revolving Retail Exposures (QRRE)										
Exceptionally Low	0.00% to 0.04%	11,336	16,040	34.26	0.05	77	2	275	4	3
Very Low	0.05% to 0.19%	8,125	10,732	36.54	0.17	68	7	530	10	8
Low	0.20% to 0.99%	11,033	8,105	52.55	0.49	79	16	1,792	41	21
Medium Low	1.00% to 2.99%	5,790	1,219	80.93	1.40	87	44	2,520	71	59
Medium	3.00% to 9.99%	5,347	933	84.94	5.63	86	110	5,889	261	171
High	10.00% to 19.99%	-	-	-	-	-	-	-	-	-
Extremely High	20.00% to 99.99%	825	18	100.93	36.96	82	214	1,762	248	590
Default	100%	213	-	100.00	100.00	89	-	-	190	1,111
Sub-total		42,669	37,047	53.73	2.28	79	30	12,768	825	54
Other Retail										
Exceptionally Low	0.00% to 0.04%	568	771	35.11	0.05	74	10	58	-	11
Very Low	0.05% to 0.19%	6,585	2	99.95	0.10	50	13	828	3	13
Low	0.20% to 0.99%	13,844	516	96.29	0.51	56	39	5,434	40	43
Medium Low	1.00% to 2.99%	4,510	14	99.65	1.74	65	80	3,611	51	94
Medium	3.00% to 9.99%	2,454	1	99.98	5.38	63	94	2,318	83	137
High	10.00% to 19.99%	536	-	100.00	19.74	57	127	680	61	268
Extremely High	20.00% to 99.99%	457	-	100.00	41.92	57	150	685	110	453
Default	100%	240	-	100.00	100.00	92	-	-	220	1,145
Sub-total		29,194	1,304	96.91	2.83	57	47	13,614	568	71
Total Retail										
Exceptionally Low	0.01% to 0.04%	117,051	16,811	93.32	0.01	29	0	482	5	0
Very Low	0.05% to 0.19%	73,811	46,043	77.98	0.09	28	5	3,672	22	5
Low	0.20% to 0.99%	78,315	9,569	92.45	0.51	36	21	16,129	142	23
Medium Low	1.00% to 2.99%	15,482	1,444	92.24	1.86	59	56	8,733	151	69
Medium	3.00% to 9.99%	8,620	976	90.47	5.61	74	103	8,847	355	154
High	10.00% to 19.99%	963	16	99.29	17.09	41	119	1,145	73	214
Extremely High	20.00% to 99.99%	1,619	19	100.52	37.96	62	174	2,821	382	470
Default	100%	730	-	100.00	100.00	79	-	-	579	990
Total		296,591	74,878	89.21	0.93	34	14	41,829	1,709	21

(1) Represents retail exposures under the AIRB Approach which are domiciled in Canada.

(2) Amounts are before allowance for credit losses and before credit risk mitigation.

(3) EAD rate represents combined drawn and undrawn exposure for a facility.

(4) EL adjusted average risk weight is calculated as (RWA + 12.5 X EL) / EAD.

(5) Includes Canadian residential mortgages and home equity lines of credit.

(6) The Bank uses the PD Substitution approach to reflect default insurance.

(7) Effective November 1, 2016, new exposures secured by residential real estate located in Canada are subject to a downturn LGD (DLGD) floor equivalent to the sum of the segment's long-run default-weighted average LGD and an add-on. The Bank implemented DLGD floor in Q1, 2017.

RETAIL AIRB PORTFOLIO EXPOSURES - CREDIT QUALITY ⁽¹⁾

(\$MM)		Basel III - IFRS									
		Q4 2016									
		Category of PD Grades	PD Range	EAD ⁽²⁾	Notional of undrawn commitments	Exposure weighted-average EAD ⁽³⁾	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average RW	RWA	EL
		\$	\$	%	%	%	%	\$	\$	%	
Residential Real Estate Secured⁽⁵⁾											
Insured Drawn and Undrawn⁽⁶⁾											
Exceptionally Low	0.01% to 0.04%	104,428	-	100.00	0.00	25	-	48	-	-	
Very Low	0.05% to 0.19%	2,546	2	99.94	0.19	25	10	251	1	10	
Low	0.20% to 0.99%	607	-	132.53	0.60	12	17	103	1	18	
Medium Low	1.00% to 2.99%	2	-	107.61	1.19	33	46	1	-	51	
Medium	3.00% to 9.99%	-	-	103.64	4.29	24	72	-	-	85	
High	10.00% to 19.99%	-	-	105.19	10.83	22	105	-	-	136	
Extremely High	20.00% to 99.99%	-	-	-	-	-	-	-	-	-	
Default	100%	21	-	100.00	100.00	65	-	-	14	813	
Sub-total		107,604	2	100.14	0.03	25	0	403	16	1	
Uninsured Undrawn											
Exceptionally Low	0.00% to 0.04%	-	-	-	-	-	-	-	-	-	
Very Low	0.05% to 0.19%	10,991	28,111	19.55	0.07	23	4	465	2	4	
Low	0.20% to 0.99%	2,637	6,046	21.81	0.26	26	13	338	2	14	
Medium Low	1.00% to 2.99%	713	1,000	35.68	1.19	28	39	278	2	43	
Medium	3.00% to 9.99%	177	228	38.84	4.29	35	106	187	3	125	
High	10.00% to 19.99%	39	48	40.28	10.83	26	120	47	1	155	
Extremely High	20.00% to 99.99%	30	24	62.14	32.85	26	147	44	3	254	
Default	100%	-	-	100.00	-	-	-	-	-	-	
Sub-total		14,587	35,457	21.12	0.31	24	9	1,359	13	10	
Uninsured Drawn											
Exceptionally Low	0.00% to 0.04%	33,988	-	100.00	0.04	20	2	697	2	2	
Very Low	0.05% to 0.19%	31,502	-	100.00	0.17	22	8	2,416	12	8	
Low	0.20% to 0.99%	24,660	-	100.00	0.60	24	20	4,886	34	22	
Medium Low	1.00% to 2.99%	8,679	-	100.00	1.74	25	44	3,779	37	49	
Medium	3.00% to 9.99%	1,496	-	100.00	5.04	25	82	1,226	19	97	
High	10.00% to 19.99%	571	-	100.00	11.94	23	111	636	16	146	
Extremely High	20.00% to 99.99%	534	-	100.00	33.67	23	128	682	41	223	
Default	100%	251	-	100.00	100.00	59	-	-	148	736	
Sub-total		101,681	-	100.00	0.92	22	14	14,322	309	18	
Qualifying Revolving Retail Exposures (QRRE)											
Exceptionally Low	0.00% to 0.04%	8,036	15,767	24.67	0.04	74	2	179	3	3	
Very Low	0.05% to 0.19%	7,854	10,515	35.99	0.16	69	6	490	9	8	
Low	0.20% to 0.99%	10,130	8,154	47.97	0.50	76	16	1,623	37	21	
Medium Low	1.00% to 2.99%	7,161	1,907	74.98	1.74	84	48	3,461	105	67	
Medium	3.00% to 9.99%	2,280	225	91.33	5.37	86	108	2,471	104	166	
High	10.00% to 19.99%	1,365	58	96.80	10.22	86	162	2,208	120	271	
Extremely High	20.00% to 99.99%	803	19	101.44	38.64	80	210	1,687	246	593	
Default	100%	196	-	100.00	100.00	84	-	-	166	1,055	
Sub-total		37,825	36,645	51.43	2.54	77	32	12,119	790	58	
Other Retail											
Exceptionally Low	0.00% to 0.04%	417	770	25.71	0.04	71	9	40	-	10	
Very Low	0.05% to 0.19%	6,616	2	99.96	0.10	49	12	796	3	13	
Low	0.20% to 0.99%	14,228	475	96.62	0.52	55	39	5,535	41	43	
Medium Low	1.00% to 2.99%	4,296	13	99.60	1.89	63	80	3,441	51	95	
Medium	3.00% to 9.99%	2,311	1	99.98	5.59	62	93	2,143	79	136	
High	10.00% to 19.99%	22	-	98.29	14.43	82	158	35	3	305	
Extremely High	20.00% to 99.99%	946	-	100.00	33.03	55	134	1,268	174	364	
Default	100%	209	-	100.00	100.00	82	-	-	172	1,030	
Sub-total		29,045	1,261	97.20	2.81	56	46	13,258	523	68	
Total Retail											
Exceptionally Low	0.01% to 0.04%	146,869	16,537	95.67	0.01	27	1	964	5	1	
Very Low	0.05% to 0.19%	59,509	38,630	76.69	0.15	31	7	4,418	27	8	
Low	0.20% to 0.99%	52,262	14,675	85.43	0.54	42	24	12,485	115	27	
Medium Low	1.00% to 2.99%	20,851	2,920	89.13	1.75	53	53	10,960	195	64	
Medium	3.00% to 9.99%	6,264	454	95.11	5.34	61	96	6,027	205	137	
High	10.00% to 19.99%	1,997	106	96.63	10.77	67	147	2,926	140	233	
Extremely High	20.00% to 99.99%	2,313	43	100.00	35.12	56	159	3,681	464	410	
Default	100%	677	-	100.00	100.00	74	-	-	500	922	
Total		290,742	73,365	89.49	0.96	34	14	41,461	1,651	21	

(1) Represents retail exposures under the AIRB Approach which are domiciled in Canada.

(2) Amounts are before allowance for credit losses and before credit risk mitigation.

(3) EAD rate represents combined drawn and undrawn exposure for a facility.

(4) EL adjusted average risk weight is calculated as (RWA + 12.5 X EL) / EAD.

(5) Includes Canadian residential mortgages and home equity lines of credit.

(6) The Bank uses the PD Substitution approach to reflect default insurance.

Exposure Type	Basel III - IFRS									
	Q1 2017		Q4 2016		Q3 2016		Q2 2016		Q1 2016	
	Actual Loss Rate	Expected Loss Rate	Actual Loss Rate	Expected Loss Rate	Actual Loss Rate	Expected Loss Rate	Actual Loss Rate	Expected Loss Rate	Actual Loss Rate	Expected Loss Rate
	%	%	%	%	%	%	%	%	%	%
Non-Retail⁽¹⁾										
Corporate	0.22	0.67	0.25	0.80	0.24	0.80	0.20	0.95	0.10	0.95
Sovereign	-	0.04	-	0.02	-	0.02	-	0.03	-	0.03
Bank	-	0.11	-	0.09	-	0.09	-	0.12	-	0.12
Retail⁽²⁾										
Real Estate Secured	0.01	0.13	0.01	0.12	0.01	0.12	0.01	0.15	0.01	0.15
QRRE	2.36	4.29	2.21	4.37	2.55	4.37	2.46	4.49	2.56	4.49
Other Retail	0.59	1.86	0.60	1.72	0.59	1.72	0.65	1.78	0.65	1.78

(1) Non-retail actual loss rates represent the credit losses net of recoveries for the current and prior three quarters divided by the 5-point average of outstanding loan balances for the same four-quarter period beginning 12 months ago. Expected loss rates represent the expected losses that were predicted at the beginning of the four-quarter period divided by outstanding loan balances at the beginning of the four-quarter period.

(2) Retail actual loss rates represent write-offs net of recoveries for the current and prior three quarters divided by the 5-point average of outstanding loan balances for the same four-quarter period beginning 12 months ago. Expected loss rates represent the expected losses that were predicted at the beginning of the four-quarter period divided by outstanding loan balances at the beginning of the four-quarter period.

ESTIMATED AND ACTUAL LOSS PARAMETERS - NON-RETAIL AND RETAIL AIRB PORTFOLIOS


	Q1 2017 ⁽¹⁾						Q4 2016 ⁽¹⁾					
	Average estimated PD %	Actual default rate %	Average estimated LGD %	Actual LGD %	Average estimated CCF ⁽²⁾ %	Actual CCF ⁽²⁾ %	Average estimated PD %	Actual default rate %	Average estimated LGD %	Actual LGD %	Average estimated CCF ⁽²⁾ %	Actual CCF ⁽²⁾ %
Non-Retail	0.87	0.64	41.29	25.34	49.92	17.79	0.85	0.69	41.26	24.63	49.94	16.08

⁽¹⁾ Reporting is on a one quarter lag basis. For reporting as of Q1/17, estimated parameters are based on portfolio averages at Q4/15 whereas actual parameters are based on averages of realized parameters during the subsequent four quarters (Q1/16 – Q4/16).

⁽²⁾ EAD back-testing is performed through Credit Conversion Factor (CCF) back-testing, as EAD is computed using the sum of the drawn exposure and the committed undrawn exposure multiplied by the estimated CCF.

(\$MM)	Four-quarter period ending Q1 2017 ⁽¹⁾						Four-quarter period ending Q4 2016 ⁽¹⁾					
	Average estimated PD ⁽²⁾⁽⁷⁾ %	Actual default rate ⁽²⁾⁽⁵⁾ %	Average estimated LGD ⁽³⁾⁽⁷⁾ %	Actual LGD ⁽³⁾⁽⁶⁾ %	Estimated EAD ⁽⁴⁾⁽⁷⁾ \$	Actual EAD ⁽⁴⁾⁽⁵⁾ \$	Average estimated PD ⁽²⁾⁽⁷⁾ %	Actual default rate ⁽²⁾⁽⁵⁾ %	Average estimated LGD ⁽³⁾⁽⁷⁾ %	Actual LGD ⁽³⁾⁽⁶⁾ %	Estimated EAD ⁽⁴⁾⁽⁷⁾ \$	Actual EAD ⁽⁴⁾⁽⁵⁾ \$
Residential real estate secured												
Residential mortgages												
Insured mortgages ⁽⁸⁾	1.03	0.73	-	-	-	-	1.11 ⁽⁹⁾	0.70 ⁽⁹⁾	-	-	-	-
Uninsured mortgages	0.61	0.42	19.37	11.52	-	-	0.61 ⁽⁹⁾	0.39 ⁽⁹⁾	19.37	11.54	-	-
Secured lines of credit	0.79	0.27	29.36	18.72	93	82	0.77	0.25	29.53	20.47	89	79
Qualifying revolving retail exposures	2.08	1.86	77.54	64.07	705	615	2.02	1.78	77.74	65.66	656	573
Other retail	2.01	1.34	58.55	46.64	6	6	1.95	1.32	58.88	49.85	6	5

⁽¹⁾ Estimates and Actual Values are recalculated to align with new models implemented during the period.

⁽²⁾ Account weighted aggregation.

⁽³⁾ Default weighted aggregation.

⁽⁴⁾ EAD is estimated for revolving products only.

⁽⁵⁾ Actual based on accounts not at default as at four quarters prior to reporting date.

⁽⁶⁾ Actual LGD calculated based on 24 month recovery period after default and therefore excludes any recoveries received after the 24 month period.

⁽⁷⁾ Estimates are based on the four quarters prior to the reporting date.

⁽⁸⁾ Actual and Estimated LGD for insured mortgages are not shown. Actual LGD includes the insurance benefit, whereas estimated LGD may not.

⁽⁹⁾ Q4 2016 estimated PD and actual default rates have been restated.

EXPOSURE AT DEFAULT ⁽¹⁾

(\$MM)	Basel III - IFRS														
	Q1 2017			Q4 2016			Q3 2016			Q2 2016			Q1 2016		
	Financial Collateral	Guarantees / Credit Derivatives		Financial Collateral	Guarantees / Credit Derivatives		Financial Collateral	Guarantees / Credit Derivatives		Financial Collateral	Guarantees / Credit Derivatives		Financial Collateral	Guarantees / Credit Derivatives	
Exposure type	Standardized Approach	Standardized Approach	AIRB Approach	Standardized Approach	Standardized Approach	AIRB Approach	Standardized Approach	Standardized Approach	AIRB Approach	Standardized Approach	Standardized Approach	AIRB Approach	Standardized Approach	Standardized Approach	AIRB Approach
Non-Retail															
Corporate	472	1,559	18,722	527	1,509	17,919	643	1,362	15,298	577	1,259	14,790	632	1,249	14,655
Bank	-	-	9,428	-	-	9,727	-	-	9,563	-	-	8,496	-	-	3,776
Sovereign	-	86	7,272	-	95	7,701	-	92	6,904	-	89	7,660	-	106	5,923
Total Non-Retail	472	1,645	35,422	527	1,604	35,347	643	1,454	31,765	577	1,348	30,946	632	1,355	24,354
Retail															
Residential Mortgages ⁽²⁾	-	3,165	101,005	-	2,945	102,514	-	2,396	105,718	-	2,450	109,234	-	2,651	84,850
Secured Lines of Credit															
Qualifying Revolving Retail Exposures (QRRE)															
Other Retail	613	1,071	-	637	1,105	-	717	1,206	-	692	933	-	668	986	-
Total Retail	613	4,236	101,005	637	4,050	102,514	717	3,602	105,718	692	3,383	109,234	668	3,637	84,850
Total	1,085	5,881	136,427	1,164	5,654	137,861	1,360	5,056	137,483	1,269	4,731	140,180	1,300	4,992	109,204

(1) Includes drawn, undrawn and other off-balance sheet exposures (e.g., letters of credit and letters of guarantee) covered by eligible collateral and guarantees.

(2) Primarily includes insured drawn Canadian residential mortgages (e.g. CMHC insured mortgages).

DERIVATIVES - COUNTERPARTY CREDIT RISK ⁽¹⁾


(\$MM)	Basel III - IFRS															
	Q1 2017				Q4 2016				Q3 2016				Q2 2016			
Contract Types	Notional Amount	Credit Risk Amount	Credit Risk Equivalent Amount	Risk-weighted Amount ⁽³⁾	Notional Amount	Credit Risk Amount	Credit Risk Equivalent Amount	Risk-weighted Amount ⁽³⁾	Notional Amount	Credit Risk Amount	Credit Risk Equivalent Amount	Risk-weighted Amount ⁽³⁾	Notional Amount	Credit Risk Amount	Credit Risk Equivalent Amount	Risk-weighted Amount ⁽³⁾
Interest Rate Contracts:																
Futures and Forward Rate Agreements	332,808	35	204	25	422,104	9	100	17	517,818	7	93	19	707,435	148	35	12
Swaps	2,230,451	755	5,938	1,774	2,294,534	2,703	7,331	2,125	2,404,362	3,539	7,933	2,321	2,442,636	2,549	6,083	1,913
Options Purchased	47,480	5	103	51	50,830	6	107	52	58,697	-	106	59	67,398	-	128	62
Options Written	39,102	-	95	21	40,147	-	1	-	50,236	-	-	-	59,001	-	-	-
Total	2,649,841	795	6,340	1,871	2,807,615	2,718	7,539	2,194	3,031,113	3,546	8,132	2,399	3,276,470	2,697	6,246	1,987
Foreign Exchange Contracts:																
Futures and Forwards	444,052	2,642	5,051	1,303	485,153	2,057	5,458	1,342	484,425	2,177	6,917	1,564	477,938	3,185	8,494	1,949
Swaps	360,893	3,735	6,693	1,821	354,604	2,532	5,976	1,594	341,829	2,448	4,967	1,359	334,784	2,228	4,370	1,434
Options Purchased	21,701	446	507	233	16,616	322	532	129	20,451	18	560	134	9,244	229	407	129
Options Written	21,607	-	44	20	16,245	-	127	19	20,173	-	114	16	8,850	-	23	3
Total	848,253	6,823	12,295	3,377	872,618	4,911	12,093	3,084	866,878	4,643	12,558	3,073	830,816	5,642	13,294	3,515
Other Derivatives Contracts:																
Equity	105,035	12	5,043	1,670	87,908	871	5,308	1,677	77,185	792	4,539	1,556	63,384	889	4,258	1,618
Credit	43,928	11	1,975	496	49,058	32	2,032	340	46,779	6	2,080	388	49,220	30	2,232	505
Other	111,153	23	7,163	1,259	78,753	1,109	6,493	645	76,838	1,292	5,790	739	80,213	1,608	6,313	809
Total	260,116	46	14,181	3,425	215,719	2,012	13,833	2,662	200,802	2,090	12,409	2,683	192,817	2,527	12,803	2,932
Credit Valuation Adjustment⁽²⁾⁽³⁾				4,769				4,165				4,749				4,778
Total Derivatives after Netting and Collateral	3,758,210	7,664	32,816	13,442	3,895,952	9,641	33,465	12,105	4,098,793	10,279	33,099	12,904	4,300,103	10,866	32,343	13,212

	Basel III - IFRS									
	Q1 2016		Q4 2015		Q3 2015		Q2 2015			
Contract Types	Notional Amount	Risk-weighted Amount	Notional Amount	Risk-weighted Amount	Notional Amount	Risk-weighted Amount	Notional Amount	Risk-weighted Amount	Notional Amount	Risk-weighted Amount
Interest Rate Contracts:										
Futures and Forward Rate Agreements	936,412	52	997,269	45	1,467,044	81	1,358,674	47		
Swaps	2,850,581	2,083	2,815,412	1,871	3,195,869	1,606	3,241,105	1,888		
Options Purchased	69,257	150	61,404	138	37,430	124	44,066	123		
Options Written	62,841	-	61,655	-	38,674	-	49,744	-		
Total	3,919,091	2,285	3,935,740	2,054	4,739,017	1,811	4,693,589	2,058		
Foreign Exchange Contracts:										
Futures and Forwards	543,686	2,055	458,256	1,865	457,246	2,204	428,283	1,858		
Swaps	364,107	2,545	338,328	2,214	322,576	1,947	290,527	1,630		
Options Purchased	5,766	126	5,633	98	5,353	93	4,765	59		
Options Written	4,920	-	4,884	-	4,664	-	4,041	-		
Total	918,479	4,726	807,101	4,177	789,839	4,244	727,616	3,547		
Other Derivatives Contracts:										
Equity	64,934	2,201	62,549	2,049	70,993	2,202	66,003	2,154		
Credit	60,447	611	63,933	608	62,297	806	59,618	544		
Other	86,902	1,930	149,806	1,945	132,744	1,827	126,729	1,733		
Total	212,283	4,742	276,288	4,602	266,034	4,835	252,350	4,431		
Total Derivatives	5,049,853	11,753	5,019,129	10,833	5,794,890	10,890	5,673,555	10,036		
Credit Valuation Adjustment⁽²⁾		8,305		7,183		7,282		6,732		
Risk-weighted Amount		20,058		18,016		18,172		16,768		

(1) The impact of Master Netting Agreements and Collateral has been incorporated within the various contracts. As a result, risk-weighted amounts are reported net of impact of collateral and master netting arrangements.

(2) As per OSFI guideline, Credit Valuation Adjustment RWA on derivatives was phased-in 2014. Starting Q1, 2017 the CVA risk-weighted assets have been calculated using the scalars of 0.72, 0.77 and 0.81, to compute the CET1 capital ratio, Tier 1 capital ratio and Total capital ratio, respectively.

(3) As of Q2 2016, the bank implemented the Internal Modelling Method for determination of Counterparty Credit Risk and Credit Valuation Adjustment RWA.

RISK-WEIGHTED ASSETS FOR SECURITIZATION EXPOSURES - BANKING BOOK⁽¹⁾



(\$MM)			Basel III - IFRS															
			Q1 2017				Q4 2016				Q3 2016				Q2 2016			
			Exposure at Default ⁽²⁾			Risk-Weighted Assets	Exposure at Default ⁽²⁾			Risk-Weighted Assets	Exposure at Default ⁽²⁾			Risk-Weighted Assets	Exposure at Default ⁽²⁾			Risk-Weighted Assets
On- Balance Sheet	Off- Balance Sheet	Total	On- Balance Sheet	Off- Balance Sheet	Total		On- Balance Sheet	Off- Balance Sheet	Total		On- Balance Sheet	Off- Balance Sheet	Total					
<u>Securitization</u>																		
Investment Grade	AAA to A	7 - 25	9,999	13,363	23,362	2,074	10,176	14,602	24,778	2,081	10,183	14,600	24,783	2,090	9,268	14,271	23,539	1,980
	A- to BBB- ⁽³⁾	35 - 100	142	4	146	117	136	12	148	119	169	10	179	151	69	9	78	75
Non-Investment Grade	BB+ to BB-	150 - 650	-	-	-	-	-	-	-	-	3	-	3	8	3	-	3	8
	Below BB-	1250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			10,141	13,367	23,508	2,191	10,312	14,614	24,926	2,200	10,355	14,610	24,965	2,249	9,340	14,280	23,620	2,063
<u>Resecuritization</u>																		
Investment Grade	AAA to A	20 - 65	-	-	-	-	-	-	-	-	-	38	38	25	-	38	38	25
	A- to BBB-	100 - 350	61	-	61	122	79	-	79	158	69	-	69	151	67	-	67	147
Non-Investment Grade	BB+ to BB-	500 - 850	-	-	-	-	-	-	-	-	18	-	18	119	18	-	18	115
	Below BB-	1250	20	-	20	248	20	-	20	255	20	-	20	249	19	-	19	238
			81	-	81	370	99	-	99	413	107	38	145	544	104	38	142	525
Total			10,222	13,367	23,589	2,561	10,411	14,614	25,025	2,613	10,462	14,648	25,110	2,793	9,444	14,318	23,762	2,588

(\$MM)			Basel III - IFRS															
			Q1 2017				Q4 2016				Q3 2016				Q2 2016			
			Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)	Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)	Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)	Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)
On- Balance Sheet	Off- Balance Sheet	Total	On- Balance Sheet	Off- Balance Sheet	Total		On- Balance Sheet	Off- Balance Sheet	Total		On- Balance Sheet	Off- Balance Sheet	Total					
Residential Mortgages			468	1,275	1,743	-	510	1,275	1,785	-	461	1,275	1,736	-	415	1,275	1,690	-
Commercial Mortgages			-	-	-	-	-	-	-	-	3	-	3	-	3	-	3	-
Credit cards/Consumer receivables			614	2,213	2,827	-	623	2,304	2,927	-	765	2,491	3,256	-	757	2,835	3,592	-
Auto loans/Leases			4,180	6,440	10,620	-	4,295	6,889	11,184	-	4,242	6,824	11,066	-	3,472	5,931	9,403	-
Diversified asset-backed securities			54	61	115	20	136	34	170	20	169	14	183	20	165	59	224	19
Business Loans			-	12	12	-	-	22	22	-	-	32	32	-	-	46	46	-
Trade receivables			4,176	3,342	7,518	-	3,963	4,070	8,033	-	4,093	3,850	7,943	-	3,633	4,101	7,734	-
Other			730	24	754	-	884	20	904	-	729	162	891	-	999	71	1,070	-
Total			10,222	13,367	23,589	20	10,411	14,614	25,025	20	10,462	14,648	25,110	20	9,444	14,318	23,762	19

(1) Capital charges related to trading book securitization exposures are based upon the Bank's internal market risk models including its comprehensive risk measure.

(2) Includes banking book on-balance sheet investments in asset backed securities (ABS), collateralized loan obligations (CLOs), collateralized debt obligations (CDOs), and off-balance sheet liquidity lines and credit enhancements to Bank sponsored and non-bank sponsored ABCP conduits.

(3) Included in on-balance sheet exposures effective Q3 2016 are investment grade subordinated notes retained by the Bank, issued by Trillium Credit Card Trust II, and backed by bank originated credit card receivables. OSFI's Securitization Framework is applied.

RISK-WEIGHTED ASSETS FOR SECURITIZATION EXPOSURES - BANKING BOOK ⁽¹⁾ (CONTINUED)


(SMM)			Basel III - IFRS															
			Q1 2016				Q4 2015				Q3 2015				Q2 2015			
Risk Category	External Rating (S&P)	Risk-Weight %	Exposure at Default ⁽²⁾			Risk-Weighted Assets	Exposure at Default ⁽²⁾			Risk-Weighted Assets	Exposure at Default ⁽²⁾			Risk-Weighted Assets	Exposure at Default ⁽²⁾			Risk-Weighted Assets
			On-Balance Sheet	Off-Balance Sheet	Total		On-Balance Sheet	Off-Balance Sheet	Total		On-Balance Sheet	Off-Balance Sheet	Total		On-Balance Sheet	Off-Balance Sheet	Total	
<u>Securitization</u>																		
Investment Grade	AAA to A	7 - 25	10,231	12,965	23,196	1,961	8,581	12,110	20,691	1,807	8,658	11,842	20,500	1,798	8,077	11,564	19,641	1,711
	A- to BBB-	35 - 100	160	15	175	170	118	13	131	124	149	5	154	143	94	8	102	91
Non-Investment Grade	BB+ to BB-	150 - 650	3	-	3	8	3	-	3	8	3	-	3	8	57	1	58	146
	Below BB-	1250	-	-	-	-	28	-	28	350	101	-	101	1,266	90	-	90	1,121
			10,394	12,980	23,374	2,139	8,730	12,123	20,853	2,289	8,911	11,847	20,758	3,215	8,318	11,573	19,891	3,069
<u>Resecuritization</u>																		
Investment Grade	AAA to A	20 - 65	-	38	38	25	-	38	38	25	-	56	56	36	-	56	56	36
	A- to BBB-	100 - 350	74	-	74	160	89	-	89	196	92	-	92	205	81	-	81	138
Non-Investment Grade	BB+ to BB-	500 - 850	20	-	20	128	-	-	-	-	-	-	-	-	55	-	55	469
	Below BB-	1250	21	-	21	267	20	-	20	249	20	-	20	249	-	-	-	-
			115	38	153	580	109	38	147	470	112	56	168	490	136	56	192	643
Total			10,509	13,018	23,527	2,719	8,839	12,161	21,000	2,759	9,023	11,903	20,926	3,705	8,454	11,629	20,083	3,712

(SMM)		Basel III - IFRS															
		Q1 2016				Q4 2015				Q3 2015				Q2 2015			
Underlying Asset		Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)	Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)	Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)	Exposure at Default ⁽²⁾			Exposures at Default (RW=1250%)
		On-Balance Sheet	Off-Balance Sheet	Total		On-Balance Sheet	Off-Balance Sheet	Total		On-Balance Sheet	Off-Balance Sheet	Total		On-Balance Sheet	Off-Balance Sheet	Total	
Residential Mortgages		487	1,275	1,762	-	187	1,275	1,462	-	266	1,275	1,541	66	139	1,275	1,414	16
Commercial Mortgages		3	-	3	-	9	-	9	-	3	-	3	-	11	-	11	-
Credit cards/Consumer receivables		992	2,631	3,623	-	576	2,658	3,234	-	798	2,436	3,234	-	346	2,639	2,985	-
Auto loans/Leases		4,395	3,967	8,362	-	3,914	2,940	6,854	28	4,271	2,782	7,053	49	3,861	2,785	6,646	74
Diversified asset-backed securities		267	71	338	21	211	43	254	20	202	22	224	20	232	65	297	-
Business Loans		-	62	62	-	-	80	80	-	18	100	118	-	82	122	204	-
Trade receivables		3,604	4,934	8,538	-	3,083	5,116	8,199	-	2,614	5,229	7,843	-	2,980	4,698	7,678	-
Other		761	78	839	-	859	49	908	-	851	59	910	-	803	45	848	-
Total		10,509	13,018	23,527	21	8,839	12,161	21,000	48	9,023	11,903	20,926	135	8,454	11,629	20,083	90

(1) Capital charges related to trading book securitization exposures are based upon the Bank's internal market risk models including its comprehensive risk measure. Prior periods have been restated to conform with current presentation.

(2) Includes banking book on-balance sheet investments in asset backed securities (ABS), collateralized loan obligations (CLOs), collateralized debt obligations (CDOs), and off-balance sheet liquidity lines and credit enhancements to bank sponsored and non-bank sponsored ABCP conduits.

TOTAL MARKET RISK-WEIGHTED ASSETS


(\$MM)	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
All Bank VaR	1,498	1,306	1,439	1,792	2,070
All Bank stressed VaR	3,660	2,616	3,542	3,676	3,647
Incremental risk charge	4,361	5,086	5,301	6,714	5,128
Comprehensive risk measure ⁽¹⁾	708	963	838	1,017	2,540
Standardized approach	416	600	576	686	687
Market risk-weighted assets as at end of Quarter	10,643	10,571	11,696	13,885	14,072

(1) The Q1 2017 related capital charge for total comprehensive risk measure including securitization exposures is \$57MM (Q4 2016: \$77MM) broken down as follows: Market Simulation \$16MM (Q4 2016: \$25MM), Default & Migration Risk \$41MM (Q4 2016: \$52MM).

SUMMARY COMPARISON OF ACCOUNTING BASIS vs LEVERAGE RATIO EXPOSURE MEASURE - TRANSITIONAL BASIS


(\$MM)	Item	Q1 2017	Q4 2016
1	Total consolidated assets as per published financial statements	886,992	896,266
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(442)	(1,137)
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-
4	Adjustments for derivative financial instruments	8,084	1,162
5	Adjustment for securities financing transactions (i.e., repo assets and similar secured lending)	2,477	6,912
6	Adjustment for off balance-sheet items (i.e., credit equivalent amounts of off-balance sheet exposures)	121,437	120,751
7	Other adjustments	(11,749)	(10,608)
8	Leverage Ratio Exposure (transitional basis)	1,006,799	1,013,346

LEVERAGE RATIO FRAMEWORK



(\$MM)	Item ⁽¹⁾	Q1 2017	Q4 2016
	On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	754,260	761,343
2	(Asset amounts deducted in determining Basel III transitional Tier 1 capital)	(11,749)	(10,608)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	742,511	750,735
	Derivative exposures		
4	Replacement cost associated with all derivative transactions (i.e. net of eligible cash variation margin)	7,327	11,323
5	Add-on amounts for PFE associated with all derivative transactions	33,781	30,915
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 derivative transactions)	(2,037)	(3,352)
8	(Exempted CCP-leg of client cleared trade exposures)	-	-
9	Adjusted effective notional amount of written credit derivatives	12,398	13,760
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(8,422)	(9,826)
11	Total derivative exposures (sum of lines 4 to 10)	43,047	42,820
	Securities financing transaction exposures		
12	Gross SFT assets recognized for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	103,682	98,909
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(6,355)	(6,780)
14	Counterparty credit risk (CCR) exposure for SFT assets	2,477	6,912
15	Agent transaction exposures	-	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	99,804	99,041
	Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	375,841	381,306
18	(Adjustments for conversion to credit equivalent amounts)	(254,404)	(260,556)
19	Off-balance sheet items (sum of lines 17 and 18)	121,437	120,750
	Capital and Total Exposures - Transitional Basis		
20	Tier 1 capital	46,415	47,668
21	Total Exposures (sum of lines 3, 11, 16 and 19)	1,006,799	1,013,346
	Leverage Ratios - Transitional Basis		
22	Basel III leverage ratio	4.6%	4.7%
	All-in basis (Required by OSFI)		
23	Tier 1 capital – All-in basis	45,247	45,066
24	(Regulatory adjustments)	(12,791)	(12,966)
25	Total Exposures (sum of lines 21 and 24, less the amount reported in line 2) – All-in basis	1,005,757	1,010,987
26	Leverage ratio – All-in basis	4.5%	4.5%

(1) On-balance sheet items excludes securities purchased under resale agreements and securities borrowed (\$97,327), derivative financial instruments (\$34,963), assets outside the regulatory scope of consolidation (\$442).

LEVERAGE RATIO FRAMEWORK - DESCRIPTION OF LINE ITEMS



Row Number	Explanation
1	On-balance sheet assets (excluding derivatives, Securities Financing Transactions (SFTs) and grandfathered securitization exposures but including collateral) according to paragraphs 14 and 17 to 20 of the Leverage Requirements Guideline.
2	Deductions from Basel III Tier 1 capital determined by paragraphs 4, 15 and 16 of the Leverage Requirements Guideline and excluded from the leverage ratio exposure measure, reported as negative amounts. ⁽¹⁾
3	Sum of lines 1 and 2.
4	Replacement cost (RC) associated with all derivative transactions, (including exposure resulting from transactions described in paragraph 42 of the Leverage Requirements Guideline), net of cash variation margin received and with, where applicable, bilateral netting according to paragraphs 22 to 35 and 40 of the Leverage Requirements Guideline.
5	Add-on amount for all derivatives exposure according to paragraphs 22 to 35 of the Leverage Requirements Guideline.
6	Grossed-up amount for collateral provided according to paragraph 38 of the Leverage Requirements Guideline.
7	Deductions of receivables assets from cash variation margin provided in derivative transactions according to paragraph 40 of the Leverage Requirements Guideline, reported as negative amounts.
8	Exempted trade exposures associated with the CCP-leg of derivative transactions resulting from client cleared transactions according to paragraph 41 of the Leverage Requirements Guideline, reported as negative amounts.
9	Adjusted effective notional amount (i.e. the effective notional amount reduced by any negative change in fair value) for written credit derivatives according to paragraphs 45 to 47 of the Leverage Requirements Guideline.
10	Adjusted effective notional offsets of written credit derivatives according to paragraphs 45 to 47 of the Leverage Requirements Guideline and deducted add-on amounts relating to written credit derivatives according to paragraph 48 of the Leverage Requirements Guideline, reported as negative amounts.
11	Sum of lines 4 to 10.
12	Gross SFT assets recognized for accounting purposes with no recognition of any netting other than novation with QCCPs as set out in footnote 30 of the Leverage Requirements Guideline, removing certain securities received as determined by paragraph 50 (i) of the Leverage Requirements Guideline and adjusting for any sales accounting transactions as determined by paragraph 53 of the Leverage Requirements Guideline.
13	Cash payables and cash receivables of Gross SFT assets netted according to paragraph 50 (i) of the Leverage Requirements Guideline, reported as negative amounts.
14	Measure of counterparty credit risk for SFTs as determined by paragraph 50 (ii) of the Leverage Requirements Guideline.
15	Agent transaction exposure amount determined according to paragraphs 54 to 56 of the Leverage Requirements Guideline.
16	Sum of lines 12 to 15.
17	Total off-balance sheet exposure amounts on a gross notional basis, before any adjustment for credit conversion factors according to paragraphs 57 to 65 of the Leverage Requirements Guideline.
18	Reduction in gross amount of off-balance sheet exposures due to the application of credit conversion factors in paragraphs 57 to 65 of the Leverage Requirements Guideline.
19	Sum of lines 17 and 18.
20	Tier 1 capital as determined by paragraph 10 of the Leverage Requirements Guideline. ⁽¹⁾
21	Sum of lines 3, 11, 16 and 19.
22	Basel III leverage ratio according to paragraph 5 of the Leverage Requirements Guideline. ⁽¹⁾ (Line 20/21)
23	Tier 1 capital measured on an all-in basis as specified in Chapter 2 of OSFI's Capital Adequacy Requirements Guideline.
24	Regulatory adjustments to Tier 1 capital measured on an all-in basis as specified in Chapter 2 of OSFI's Capital Adequacy Requirements Guideline, reported as negative amounts.
25	Sum of lines 21 and 24, less the amount reported in line 2.
26	Leverage ratio measured on all-in basis; the ratio of the Tier 1 capital amount reported in line 23 to the Total Exposure amount reported in line 25.

(1) Measured on transitional basis.

GLOSSARY



Credit Risk Parameters	
Exposure at Default (EAD)	Generally represents the expected gross exposures at default and includes outstanding amounts for on-balance sheet exposures and loan equivalent amounts for off-balance sheet exposures.
Probability of Default (PD)	Measures the likelihood that a borrower will default within a 1-year time horizon, expressed as a percentage.
Loss Given Default (LGD)	Measures the severity of loss on a facility in the event of a borrower's default, expressed as a percentage of exposure at default.
Exposure Types	
Non-retail	
Corporate	Debt obligation of a corporation, partnership, or proprietorship.
Bank	Debt obligation of a bank or bank equivalent (including certain public sector entities (PSEs) treated as Bank equivalent exposures).
Sovereign	Debt obligation of a sovereign, central bank, certain Multi Development Banks (MDBs) and certain PSEs treated as Sovereign.
Securitization	On-balance sheet investments in asset backed securities (ABS), mortgage backed securities (MBS), collateralized loan obligations (CLOs) and collateralized debt obligations (CDOs). Off-balance sheet liquidity lines including credit enhancements to Bank's sponsored ABCP conduits and liquidity lines to non-bank sponsored ABCP conduits.
Retail	
Real Estate Secured	
Residential Mortgages	Loans to individuals against residential property (four units or less).
Secured Lines Of Credit	Revolving personal lines of credit secured by first charge on residential real estate.
Qualifying Revolving Retail Exposures (QRRE)	Credit cards and unsecured line of credit for individuals.
Other Retail	All other personal loans.
Exposure Sub-types	
Drawn	Outstanding amounts for loans, leases, acceptances, deposits with banks and available-for-sale debt securities.
Undrawn	Unutilized portion of an authorized credit line.
Repo-Style Transactions	Reverse repurchase agreements (reverse repos) and repurchase agreements (repos), securities lending and borrowing.
Over-the Counter (OTC) Derivatives	Over-the-counter derivatives contracts.
Exchange-traded derivatives (ETD)	Derivative contracts (e.g. futures contracts and options) that are transacted on an organized futures exchange. These include Futures contracts (both Long and Short positions), Purchased Options and Written Options.
Other Off- Balance Sheet	Direct credit substitutes such as standby letters of credits and guarantees, trade letters of credits, and performance letters of credits and guarantees.
Qualifying central counterparty (QCCP)	A qualifying central counterparty (QCCP) is licensed as a central counterparty and is also considered as "qualifying" when it is compliant with CPSS-IOSCO standards and is able to assist clearing member banks in properly capitalizing for CCP exposures by either undertaking the calculations and/or making available sufficient information to its clearing members, or others, to enable the completion of capital calculations.
Non-qualifying central counterparties (NQCCP)	Defined as those central counterparties which are not compliant with CPSS-IOSCO standards as outlined under qualifying CCP's. The exposures to NQCCP will follow standardized treatment under the Basel accord.
Other	
Asset Value Correlation Multiplier (AVC)	Basel III has increased the risk-weights on exposures to certain Financial Institutions (FIs) relative to the non-financial corporate sector by introducing an Asset Value Correlation multiplier (AVC). The correlation factor in the risk-weight formula is multiplied by this AVC factor of 1.25 for all exposures to regulated FIs whose total assets are greater than or equal to US \$100 billion and all exposures to unregulated FIs.
Specific Wrong-Way Risk (WWR)	Specific Wrong-Way Risk arises when the exposure to a particular counterparty is positively correlated with the probability of default of the counterparty due to the nature of the transactions with the counterparty.
Credit Valuation Adjustment (CVA)	Credit Valuation Adjustment (CVA) is the difference between the risk free value of a portfolio and the true value of that portfolio, accounting for the possible default of a counterparty. CVA adjustment aims to identify the impact of Counterparty Risk.
Advanced Measurement Approaches (AMA)	Under the AMA, the regulatory capital requirement for Operational Risk will equal the risk measure generated by the bank's internal operational risk measurement system using the quantitative and qualitative criteria. AMA utilizes risk drivers for capital movements (such as internal loss experience, business environment and internal control factors, external loss experience, and scenarios).