Basel Committee on Banking Supervision

DIS

Disclosure requirements

DIS25

Composition of capital and TLAC

Version effective as of 15 Dec 2019

First version in the format of the consolidated framework.

BANK FOR INTERNATIONAL SETTLEMENTS

Introduction

25.1 The disclosure requirements set out in this chapter are:

(1) Table CCA – Main features of regulatory capital instruments and of other total loss-absorbing capacity (TLAC) - eligible instruments

(2) Template CC1 – Composition of regulatory capital

(3) Template CC2 – Reconciliation of regulatory capital to balance sheet

(4) Template TLAC1 – TLAC composition for global systemically important banks (G-SIBs) (at resolution group level)

(5) Template TLAC2 – Material subgroup entity – creditor ranking at legal entity level

(6) Template TLAC3 – Resolution entity – creditor ranking at legal entity level

25.2 The following table and templates must be completed by all banks:

(1) Table CCA details the main features of a bank's regulatory capital instruments and other TLAC-eligible instruments, where applicable. This table should be posted on a bank's website, with the web link referenced in the bank's Pillar 3 report to facilitate users' access to the required disclosure. Table CCA represents the minimum level of disclosure that banks are required to report in respect of each regulatory capital instrument and, where applicable, other TLAC-eligible instruments issued.[1]

(2) Template CC1 details the composition of a bank's regulatory capital.

(3) Template CC2 provides users of Pillar 3 data with a reconciliation between the scope of a bank's accounting consolidation, as per published financial statements, and the scope of its regulatory consolidation.

Footnotes

1 *In this context, "other TLAC-eligible instruments" are instruments other than regulatory capital instruments issued by G-SIBs that meet the TLAC eligibility criteria.*

FAQ

FAQ1 *For the disclosure requirements under DIS25, in the event a bank restates its prior year accounting balance sheet, does the bank restate the archived prior year reconciliation templates?*

The requirement to keep an archive of a minimum period also applies to the reconciliation template. As such, any prospective/retrospective restatement of the balance sheet would require similar amendments to be reflected in the reconciliation templates within the archive with a clear indication that such a revision has been made.

25.3 The following additional templates must be completed by banks which have been designated as G-SIBs:

(1) Template TLAC1 provides details of the TLAC positions of G-SIB resolution groups. This disclosure requirement applies to all G-SIBs at the resolution group level. For single point of entry G-SIBs, there is only one resolution group. This means that they only need to complete Template TLAC1 once to report their TLAC positions.

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

25.4 Templates TLAC1, TLAC2 and TLAC3 become effective from the TLAC conformance date.

25.5 Through the following three-step approach, all banks are required to show the link between the balance sheet in their published financial statements and the numbers disclosed in Template CC1:

(1) Step 1: Disclose the reported balance sheet under the regulatory scope of consolidation in Template CC2. If the scopes of regulatory consolidation and accounting consolidation are identical for a particular banking group, banks should state in Template CC2 that there is no difference and move on to Step 2. Where the accounting and regulatory scopes of consolidation differ, banks are required to disclose the list of those legal entities that are included within the accounting scope of consolidation, but excluded from the regulatory scope of consolidation or, alternatively, any legal entities included in the regulatory consolidation that are not included in the accounting scope of consolidation. This will enable users of Pillar 3 data to consider any risks posed by unconsolidated subsidiaries. If some entities are included in both the regulatory and accounting scopes of consolidation, but the method of consolidation differs between these two scopes, banks are required to list the relevant legal entities separately and explain the differences in the consolidation methods. For each legal entity that is required to be disclosed in this requirement, a bank must also disclose the total assets and equity on the entity's balance sheet and a description of the entity's principal activities.

(2) Step 2: Expand the lines of the balance sheet under the regulatory scope of consolidation in Template CC2 to display all of the components that are used in Template CC1. It should be noted that banks will only need to expand elements of the balance sheet to the extent necessary to determine the components that are used in Template CC1 (eg if all of the paid-in capital of the bank meets the requirements to be included in Common Equity Tier 1 (CET1) capital, the bank would not need to expand this line). The level of disclosure should be proportionate to the complexity of the bank's balance sheet and its capital structure.

(3) Step 3: Map each of the components that are disclosed in Template CC2 in Step 2 to the composition of capital disclosure set out in Template CC1.

Table CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments

Purpose: Provide a description of the main features of a bank's regulatory capital instruments and other TLAC-eligible instruments, as applicable, that are recognised as part of its capital base / TLAC resources.

Scope of application: The template is mandatory for all banks. In addition to completing the template for all regulatory capital instruments, G-SIB resolution entities should complete the template (including lines 3a and 34a) for all other TLAC-eligible instruments that are recognised as external TLAC resources by the resolution entities, starting from the TLAC conformance date. Internal TLAC instruments and other senior debt instruments are not covered in this template.

Content: Quantitative and qualitative information as required.

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

Format: Flexible.

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

		a
		Quantitative / qualitative information
1	Issuer	
2	Unique identifier (eg Committee on Uniform Security Identification Procedures (CUSIP), International Securities Identification Number (ISIN) or Bloomberg identifier for private placement)	
3	Governing law(s) of the instrument	
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	
4	Transitional Basel III rules	
5	Post-transitional Basel III rules	
6	Eligible at solo/group/group and solo	
7	Instrument type (types to be specified by each jurisdiction)	

8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	
9	Par value of instrument	
10	Accounting classification	
11	Original date of issuance	
12	Perpetual or dated	
13	Original maturity date	
14	Issuer call subject to prior supervisory approval	
15	Optional call date, contingent call dates and redemption amount	
16	Subsequent call dates, if applicable	
	Coupons / dividends	
17	Fixed or floating dividend/coupon	
18	Coupon rate and any related index	
19	Existence of a dividend stopper	
20	Fully discretionary, partially discretionary or mandatory	
21	Existence of step-up or other incentive to redeem	
22	Non-cumulative or cumulative	
23	Convertible or non-convertible	
24	If convertible, conversion trigger(s)	
25	If convertible, fully or partially	
26	If convertible, conversion rate	
27	If convertible, mandatory or optional conversion	
28	If convertible, specify instrument type convertible into	
29	If convertible, specify issuer of instrument it converts into	

30	Writedown feature	
31	If writedown, writedown trigger(s)	
32	If writedown, full or partial	
33	If writedown, permanent or temporary	
34	If temporary write-down, description of writeup mechanism	
34a	Type of subordination	
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	
36	Non-compliant transitioned features	
37	If yes, specify non-compliant features	

Instructions

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

Banks are required to report each instrument, including common shares, in a separate column of the template, such that the completed Table CCA would provide a "main features report" that summarises all of the regulatory capital and TLAC-eligible instruments of the banking group. G-SIBs disclosing these instruments should group them under three sections (horizontally along the table) to indicate whether they are for meeting (i) only capital (but not TLAC) requirements; (ii) both capital and TLAC requirements; or (iii) only TLAC (but not capital) requirements.

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

Row number	Explanation	Format / list of options (where relevant)
1	Identifies issuer legal entity.	Free text
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement).	Free text
3	Specifies the governing law(s) of the instrument.	Free text

3a	Other TLAC-eligible instruments governed by foreign law (ie a law other than that of the home jurisdiction of a resolution entity) include a clause in the contractual provisions whereby investors expressly submit to, and provide consent to the application of, the use of resolution tools in relation to the instrument by the home authority notwithstanding any provision of foreign law to the contrary, unless there is equivalent binding statutory provision for cross-border recognition of resolution actions. Select "NA" where the governing law of the instrument is the same as that of the country of incorporation of the resolution entity.	Disclosure: [Contractual] [Statutory] [NA]
4	Specifies the regulatory capital treatment during the Basel III transitional phase (ie the component of capital from which the instrument is being phased out).	Disclosure: [Common Equity Tier 1] [Additional Tier 1] [Tier 2]
5	Specifies regulatory capital treatment under Basel III rules not taking into account transitional treatment.	Disclosure: [Common Equity Tier 1] [Additional Tier 1] [Tier 2] [Ineligible]
6	Specifies the level(s) within the group at which the instrument is included in capital.	Disclosure: [Solo] [Group] [Solo and Group]
7	Specifies instrument type, varying by jurisdiction. Helps provide more granular understanding of features, particularly during transition.	Disclosure: Options to be provided to banks by each jurisdiction
8	Specifies amount recognised in regulatory capital.	Free text
9	Par value of instrument.	Free text
10	Specifies accounting classification. Helps to assess loss-absorbency.	Disclosure: [Shareholders' equity] [Liability - amortised cost] [Liability - fair value option] [Non-controlling interest in consolidated subsidiary]
11	Specifies date of issuance.	Free text
12	Specifies whether dated or perpetual.	Disclosure: [Perpetual] [Dated]
13	For dated instrument, specifies original maturity date (day, month and year). For perpetual instrument, enter "no maturity".	Free text
14	Specifies whether there is an issuer call option.	Disclosure: [Yes] [No]

15	For instrument with issuer call option, specifies: (i) the first date of call if the instrument has a call option on a specific date (day, month and year); (ii) the instrument has a tax and /or regulatory event call; and (iii) the redemption price.	Free text
16	Specifies the existence and frequency of subsequent call dates, if applicable.	Free text
17	Specifies whether the coupon/dividend is fixed over the life of the instrument, floating over the life of the instrument, currently fixed but will move to a floating rate in the future, or currently floating but will move to a fixed rate in the future.	Disclosure: [Fixed], [Floating] [Fixed to floating], [Floating to fixed]
18	Specifies the coupon rate of the instrument and any related index that the coupon/dividend rate references.	Free text
19	Specifies whether the non-payment of a coupon or dividend on the instrument prohibits the payment of dividends on common shares (ie whether there is a dividend-stopper).	Disclosure: [Yes] [No]
20	Specifies whether the issuer has full, partial or no discretion over whether a coupon/dividend is paid. If the bank has full discretion to cancel coupon/dividend payments under all circumstances, it must select "fully discretionary" (including when there is a dividend-stopper that does not have the effect of preventing the bank from cancelling payments on the instrument). If there are conditions that must be met before payment can be cancelled (eg capital below a certain threshold), the bank must select "partially discretionary". If the bank is unable to cancel the payment outside of insolvency, the bank must select "mandatory".	Disclosure: [Fully discretionary] [Partially discretionary] [Mandatory]
21	Specifies whether there is a step-up or other incentive to redeem.	Disclosure: [Yes] [No]
22	Specifies whether dividends/coupons are cumulative or non-cumulative.	Disclosure: [Non-cumulative] [Cumulative]
23	Specifies whether the instrument is convertible.	Disclosure: [Convertible] [Non-convertible]
24	Specifies the conditions under which the instrument will convert, including point of non-viability. Where one or more authorities have the ability to trigger conversion, the authorities should be listed. For each of the authorities it should be stated whether the legal basis for the authority to trigger conversion is provided by the terms of the	Free text

	contract of the instrument (a contractual approach) or statutory means (a statutory approach).	
25	For conversion trigger separately, specifies whether the instrument will: (i) always convert fully; (ii) may convert fully or partially; or (iii) will always convert partially.	Free text referencing one of the options above
26	Specifies the rate of conversion into the more loss-absorbent instrument.	Free text
27	For convertible instruments, specifies whether conversion is mandatory or optional.	Disclosure: [Mandatory] [Optional] [NA]
28	For convertible instruments, specifies the instrument type it is convertible into.	Disclosure: [Common Equity Tier 1] [Additional Tier 1] [Tier 2] [Other]
29	If convertible, specifies the issuer of the instrument into which it converts.	Free text
30	Specifies whether there is a writedown feature.	Disclosure: [Yes] [No]
31	Specifies the trigger at which writedown occurs, including point of non-viability. Where one or more authorities have the ability to trigger writedown, the authorities should be listed. For each of the authorities it should be stated whether the legal basis for the authority to trigger conversion is provided by the terms of the contract of the instrument (a contractual approach) or statutory means (a statutory approach).	Free text
32	For each writedown trigger separately, specifies whether the instrument will: (i) always be written down fully; (ii) may be written down partially; or (iii) will always be written down partially.	Free text referencing one of the options above
33	For writedown instruments, specifies whether writedown is permanent or temporary.	Disclosure: [Permanent] [Temporary] [NA]
34	For instruments that have a temporary writedown, description of writeup mechanism.	Free text
34a	Type of subordination.	Disclosure: [Structural] [Statutory] [Contractual] [Exemption from subordination]
35	Specifies instrument to which it is most immediately subordinate. Where applicable, banks should specify the	Free text

	column numbers of the instruments in the completed main features template to which the instrument is most immediately subordinate. In the case of structural subordination, "NA" should be entered.	
36	Specifies whether there are non-compliant features.	Disclosure: [Yes] [No]
37	If there are non-compliant features, specifies which ones.	Free text

Template CC1 - Composition of regulatory capital

Purpose: Provide a breakdown of the constituent elements of a bank's capital.
Scope of application: The template is mandatory for all banks at the consolidated level.
Content: Breakdown of regulatory capital according to the scope of regulatory consolidation
Frequency: Semiannual.
Format: Fixed.
Accompanying narrative: Banks are expected to supplement the template with a narrative commentary to explain any significant changes over the reporting period and the key drivers of such change.

		a	b
		Amounts	**Source based on reference numbers /letters of the balance sheet under the regulatory scope of consolidation**
	Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus		h
2	Retained earnings		
3	Accumulated other comprehensive income (and other reserves)		
4	*Directly issued capital subject to phase-out from CET1 capital (only applicable to non-joint stock companies)*		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 capital)		
6	**Common Equity Tier 1 capital before regulatory adjustments**		
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudent valuation adjustments		
8	Goodwill (net of related tax liability)		a minus d
			b minus e

9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)		
10	Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)		
11	Cash flow hedge reserve		
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale (as set out in CAP30.14)		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined benefit pension fund net assets		
16	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)		
17	Reciprocal cross-holdings in common equity		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)		
20	MSR (amount above 10% threshold)		c minus f minus 10% threshold
21	DTA arising from temporary differences (amount above 10% threshold, net of related tax liability)		
22	Amount exceeding the 15% threshold		
23	Of which: significant investments in the common stock of financials		
24	Of which: MSR		
25	Of which: DTA arising from temporary differences		
26	National specific regulatory adjustments		
27	Regulatory adjustments applied to Common Equity Tier 1 capital due to insufficient Additional Tier 1 and Tier 2 capital to cover deductions		

28	**Total regulatory adjustments to Common Equity Tier 1 capital**		
29	**Common Equity Tier 1 capital (CET1)**		
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus		i
31	Of which: classified as equity under applicable accounting standards		
32	Of which: classified as liabilities under applicable accounting standards		
33	*Directly issued capital instruments subject to phase-out from additional Tier 1 capital*		
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 additional Tier 1 capital)		
35	*Of which: instruments issued by subsidiaries subject to phase-out*		
36	Additional Tier 1 capital before regulatory adjustments		
	Additional Tier 1 capital: regulatory adjustments		
37	Investments in own additional Tier 1 instruments		
38	Reciprocal cross-holdings in additional Tier 1 instruments		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation		
41	National specific regulatory adjustments		
42	Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions		
43	**Total regulatory adjustments to additional Tier 1 capital**		
44	**Additional Tier 1 capital (AT1)**		

45	**Tier 1 capital (T1 = CET1 + AT1)**		
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		
47	*Directly issued capital instruments subject to phase-out from Tier 2 capital*		
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		
49	*Of which: instruments issued by subsidiaries subject to phase-out*		
50	Provisions		
51	**Tier 2 capital before regulatory adjustments**		
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)		
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments		
57	**Total regulatory adjustments to Tier 2 capital**		
58	**Tier 2 capital**		
59	**Total regulatory capital (= Tier 1 + Tier2)**		

60	**Total risk-weighted assets**		
	Capital adequacy ratios and buffers		
61	**Common Equity Tier 1 capital (as a percentage of risk-weighted assets)**		
62	**Tier 1 capital (as a percentage of risk-weighted assets)**		
63	**Total capital (as a percentage of risk-weighted assets)**		
64	**Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)**		
65	Of which: capital conservation buffer requirement		
66	Of which: bank-specific countercyclical buffer requirement		
67	Of which: higher loss absorbency requirement		
68	**Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements**		
	National minima (if different from Basel III)		
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)		
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)		
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)		
	Amounts below the thresholds for deduction (before risk-weighting)		
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities		
73	Significant investments in the common stock of financial entities		
74	MSR (net of related tax liability)		
75	DTA arising from temporary differences (net of related tax liability)		
	Applicable caps on the inclusion of provisions in Tier 2 capital		

76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)		
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach		
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach		
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	*Current cap on CET1 instruments subject to phase-out arrangements*		
81	*Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)*		
82	*Current cap on AT1 instruments subject to phase-out arrangements*		
83	*Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)*		
84	*Current cap on Tier 2 instruments subject to phase-out arrangements*		
85	*Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)*		

Instructions

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

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

(iii) Shading:

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

- Light grey rows with no thick border represent the sum cells in the relevant section.

- Light grey rows with a thick border show the main components of regulatory capital and the capital adequacy ratios.

Columns

Source: Banks are required to complete column b to show the source of every major input, which is to be cross-referenced to the corresponding rows in Template CC2.

Rows

Set out in the following table is an explanation of each row of the template above. Regarding the regulatory adjustments, banks are required to report deductions from capital as positive numbers and additions to capital as negative numbers. For example, goodwill (row 8) should be reported as a positive number, as should gains due to the change in the own credit risk of the bank (row 14). However, losses due to the change in the own credit risk of the bank should be reported as a negative number as these are added back in the calculation of CET1 capital.

Row number	Explanation
1	Instruments issued by the parent company of the reporting group that meet all of the CET1 capital entry criteria set out in CAP10.8. This should be equal to the sum of common stock (and related surplus only) and other instruments for non-joint stock companies, both of which must meet the common stock criteria. This should be net of treasury stock and other investments in own shares to the extent that these are already derecognised on the balance sheet under the relevant accounting standards. Other paid-in capital elements must be excluded. All minority interest must be excluded.
2	Retained earnings, prior to all regulatory adjustments. In accordance with CAP10.6 and CAP10.7, this row should include interim profit and loss that has met any audit, verification or review procedures that the supervisory authority has put in place. Dividends are to be removed in accordance with the applicable accounting standards, ie they should be removed from this row when they are removed from the balance sheet of the bank.
3	Accumulated other comprehensive income and other disclosed reserves, prior to all regulatory adjustments.
4	Directly issued capital instruments subject to phase-out from CET1 capital in accordance with the requirements of CAP90.4. This is only applicable to non-joint stock companies. Banks structured as joint stock companies must report zero in this row.
5	Common share capital issued by subsidiaries and held by third parties. Only the amount that is eligible for inclusion in group CET1 capital should be reported here, as determined by the application of CAP10.20 and CAP10.21 (see CAP99.1 to CAP99.7 for an example of the calculation).
6	Sum of rows 1 to 5.
7	Prudent valuation adjustments according to the requirements of CAP50.11 to CAP50.14, taking into account the guidance set out in *Supervisory guidance for assessing banks' financial instrument fair value practices*, April 2009 (in particular Principle 10).

8	Goodwill net of related tax liability, as set out in CAP30.7 and CAP30.8.
9	Other intangibles other than MSR (net of related tax liability), as set out in CAP30.7 and CAP30.8.
10	DTA that rely on future profitability excluding those arising from temporary differences (net of related tax liability), as set out in CAP30.9.
11	The element of the cash flow hedge reserve described in CAP30.11 and CAP30.12.
12	Shortfall of provisions to expected losses as described in CAP30.13.
13	Securitisation gain on sale (as set out in CAP30.14).
14	Gains and losses due to changes in own credit risk on fair valued liabilities, as described in CAP30.15.
15	Defined benefit pension fund net assets, the amount to be deducted as set out in CAP30.16 and CAP30.17.
16	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet), as set out in CAP30.18 to CAP30.20.
17	Reciprocal cross-holdings in common equity, as set out in CAP30.21.
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued share capital, net of eligible short positions and amount above 10% threshold. Amount to be deducted from CET1 capital calculated in accordance with CAP30.22 to CAP30.28.
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 and amount above 10% threshold. Amount to be deducted from CET1 capital calculated in accordance with CAP30.29 to CAP30.33.
20	MSR (amount above 10% threshold), amount to be deducted from CET1 capital in accordance with CAP30.32 and CAP30.33.
21	DTA arising from temporary differences (amount above 10% threshold, net of related tax liability), amount to be deducted from CET1 capital in accordance with CAP30.32 and CAP30.33.
22	Total amount by which the three threshold items exceed the 15% threshold, excluding amounts reported in rows 19-21, calculated in accordance with CAP30.32 and CAP30.33.
23	The amount reported in row 22 that relates to significant investments in the common stock of financials.
24	The amount reported in row 22 that relates to MSR.
25	The amount reported in row 22 that relates to DTA arising from temporary differences.

26	Any national specific regulatory adjustments that national authorities require to be applied to CET1 capital in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
27	Regulatory adjustments applied to CET1 capital due to insufficient AT1 capital to cover deductions. If the amount reported in row 43 exceeds the amount reported in row 36, the excess is to be reported here.
28	Total regulatory adjustments to CET1 capital, to be calculated as the sum of rows 7-22 plus rows 26-7.
29	CET1 capital, to be calculated as row 6 minus row 28.
30	Instruments issued by the parent company of the reporting group that meet all of the AT1 capital entry criteria set out in CAP10.11 and any related stock surplus as set out in CAP10.13. All instruments issued by subsidiaries of the consolidated group should be excluded from this row. This row may include AT1 capital issued by an SPV of the parent company only if it meets the requirements set out in CAP10.26.
31	The amount in row 30 classified as equity under applicable accounting standards.
32	The amount in row 30 classified as liabilities under applicable accounting standards.
33	Directly issued capital instruments subject to phase-out from AT1 capital in accordance with the requirements of CAP90.1 to CAP90.3.
34	AT1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties, the amount allowed in group AT1 capital in accordance with CAP10.22 and CAP10.23.
35	The amount reported in row 34 that relates to instruments subject to phase-out from AT1 capital in accordance with the requirements of CAP90.1 to CAP90.3.
36	The sum of rows 30, 33 and 34.
37	Investments in own AT1 instruments, amount to be deducted from AT1 capital in accordance with CAP30.18 to CAP30.20.
38	Reciprocal cross-holdings in AT1 instruments, amount to be deducted from AT1 capital in accordance with CAP30.21
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity, net of eligible short positions and amount above 10% threshold. Amount to be deducted from AT1 capital calculated in accordance with CAP30.22 to CAP30.28.
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions. Amount to be deducted from AT1 capital in accordance with CAP30.29 and CAP30.30.

41	Any national specific regulatory adjustments that national authorities require to be applied to AT1 capital in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
42	Regulatory adjustments applied to AT1 capital due to insufficient Tier 2 capital to cover deductions. If the amount reported in row 57 exceeds the amount reported in row 51, the excess is to be reported here.
43	The sum of rows 37-42.
44	AT1 capital, to be calculated as row 36 minus row 43.
45	Tier 1 capital, to be calculated as row 29 plus row 44.
46	Instruments issued by the parent company of the reporting group that meet all of the Tier 2 capital criteria set out in CAP10.16 and any related stock surplus as set out in CAP10.17. All instruments issued by subsidiaries of the consolidated group should be excluded from this row. This row may include Tier 2 capital issued by an SPV of the parent company only if it meets the requirements set out in CAP10.26.
47	Directly issued capital instruments subject to phase-out from Tier 2 capital in accordance with the requirements of CAP90.1 to CAP90.3.
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2 capital), in accordance with CAP10.24 and CAP10.25.
49	The amount reported in row 48 that relates to instruments subject to phase-out from Tier 2 capital in accordance with the requirements of CAP90.1 to CAP90.3.
50	Provisions included in Tier 2 capital, calculated in accordance with CAP10.18 and CAP10.19.
51	The sum of rows 46-8 and row 50.
52	Investments in own Tier 2 instruments, amount to be deducted from Tier 2 capital in accordance with CAP30.18 to CAP30.20.
53	Reciprocal cross-holdings in Tier 2 capital instruments and other TLAC liabilities, amount to be deducted from Tier 2 capital in accordance with CAP30.21.
54	Investments in the capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity: amount in excess of the 10% threshold that is to be deducted from Tier 2 capital in accordance with CAP30.22 to CAP30.28. For non-G-SIBs, any amount reported in this row will reflect other TLAC liabilities not covered by the 5% threshold and that cannot be absorbed by the 10% threshold. For G-SIBs, the 5% threshold is subject to additional conditions; deductions in excess of the 5% threshold are reported instead in 54a.
	(This row is for G-SIBs only.) Investments in other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where

54a	the bank does not own more than 10% of the issued common share capital of the entity, previously designated for the 5% threshold but no longer meeting the conditions under paragraph 80a of the TLAC holdings standard, measured on a gross long basis. The amount to be deducted will be the amount of other TLAC liabilities designated to the 5% threshold but not sold within 30 business days, no longer held in the trading book or now exceeding the 5% threshold (eg in the instance of decreasing CET1 capital). Note that, for G-SIBs, amounts designated to this threshold may not subsequently be moved to the 10% threshold. This row does not apply to non-G-SIBs, to whom these conditions on the use of the 5% threshold do not apply.
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions), amount to be deducted from Tier 2 capital in accordance with CAP30.29 and CAP30.30.
56	Any national specific regulatory adjustments that national authorities require to be applied to Tier 2 capital in addition to the Basel III minimum set of adjustments. Guidance should be sought from national supervisors.
57	The sum of rows 52-6.
58	Tier 2 capital, to be calculated as row 51 minus row 57.
59	Total capital, to be calculated as row 45 plus row 58.
60	Total risk-weighted assets of the reporting group.
61	CET1 capital adequacy ratio (as a percentage of risk-weighted assets), to be calculated as row 29 divided by row 60 (expressed as a percentage).
62	Tier 1 capital adequacy ratio (as a percentage of risk-weighted assets), to be calculated as row 45 divided by row 60 (expressed as a percentage).
63	Total capital adequacy ratio (as a percentage of risk-weighted assets), to be calculated as row 59 divided by row 60 (expressed as a percentage).
64	Bank-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets). If an MPE G-SIB resolution entity is not subject to a buffer requirement at that scope of consolidation, then it should enter zero.
65	The amount in row 64 (expressed as a percentage of risk-weighted assets) that relates to the capital conservation buffer, ie banks will report 2.5% here.
66	The amount in row 64 (expressed as a percentage of risk-weighted assets) that relates to the bank-specific countercyclical buffer requirement.
67	The amount in row 64 (expressed as a percentage of risk-weighted assets) that relates to the bank's higher loss absorbency requirement, if applicable.
	CET1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements. To be calculated as the CET1 capital adequacy ratio of the bank (row 61) less the ratio of RWA of any common equity used to meet the bank's

68	minimum CET1, Tier 1 and Total capital requirements. For example, suppose a bank has 100 RWA, 10 CET1 capital, 1.5 additional Tier 1 capital and no Tier 2 capital. Since it does not have any Tier 2 capital, it will have to earmark its CET1 capital to meet the 8% minimum capital requirement. The net CET1 capital left to meet other requirements (which could include Pillar 2, buffers or TLAC requirements) will be 10 - 4.5 - 2 = 3.5.
69	National minimum CET1 capital adequacy ratio (if different from Basel III minimum). Guidance should be sought from national supervisors.
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum). Guidance should be sought from national supervisors.
71	National minimum Total capital adequacy ratio (if different from Basel III minimum). Guidance should be sought from national supervisors.
72	Investments in the capital instruments and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation where the bank does not own more than 10% of the issued common share capital of the entity (in accordance with CAP30.22 to CAP30.28.
73	Significant investments in the common stock of financial entities, the total amount of such holdings that are not reported in row 19 and row 23.
74	MSR, the total amount of such holdings that are not reported in row 20 and row 24.
75	DTA arising from temporary differences, the total amount of such holdings that are not reported in row 21 and row 25.
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach, calculated in accordance with CAP10.18, prior to the application of the cap.
77	Cap on inclusion of provisions in Tier 2 capital under the standardised approach, calculated in accordance with CAP10.18.
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to the internal ratings-based approach, calculated in accordance with CAP10.19, prior to the application of the cap.
79	Cap on inclusion of provisions in Tier 2 capital under the internal ratings-based approach, calculated in accordance with CAP10.19.
80	Current cap on CET1 instruments subject to phase-out arrangements; see CAP90.4.
81	Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities); see CAP90.4.
82	Current cap on AT1 instruments subject to phase-out arrangements; see CAP90.1 to CAP90.3.
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities); see CAP90.1 to CAP90.3.

84	Current cap on Tier 2 capital instruments subject to phase-out arrangements; see CAP90.1 to CAP90.3.
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities); see CAP90.1 to CAP90.3.

In general, to ensure that Template CC1 remains comparable across jurisdictions, there should be no adjustments to the version banks use to disclose their regulatory capital position. However, the following exceptions apply to take account of language differences and to reduce the reporting of unnecessary information:

· The template and explanatory table above can be translated by national authorities into the relevant national language(s) that implement the Basel standards. The translated version of the template will retain all of the rows included in the template.

· For the explanatory table, the national version of the template can reference the national rules that implement the relevant sections of Basel III.

· Banks are not permitted to add, delete or change the definitions of any rows from the template implemented in their jurisdiction. This is irrespective of the concession allowed in DIS10.23.

· The national version of the template must retain the same row numbering used in the first column of the template, such that users of Pillar 3 data can easily map the national version to the template. However, the template includes certain rows that reference specific national regulatory adjustments (rows 26, 41 and 56). The relevant national authority should insert rows after each of these to provide rows for banks to disclose each of the relevant national specific adjustments (with the totals reported in rows 26, 41 and 56). The insertion of any rows must leave the numbering of the remaining rows unchanged, eg rows detailing national specific regulatory adjustments to CET1 could be labelled row 26a, row 26b etc, to ensure that the subsequent row numbers are not affected.

· In cases where the national implementation of Basel III applies a more conservative definition of an element listed in the template, national authorities may choose between two approaches:

- Approach 1: in the national version of the template, maintain the same definitions of all rows as set out in the template, and require banks to report the impact of the more conservative national definition in the designated rows for national specific adjustments (ie rows 26, 41 and 56).

- Approach 2: in the national version of the template, use the definitions of elements as implemented in that jurisdiction, clearly labelling them as being different from the Basel III minimum definition, and require banks to separately disclose the impact of each of these different definitions in the notes to the template.

The aim of both approaches is to provide all the information necessary to enable users of Pillar 3 data to calculate the capital of banks on a common basis.

Template CC2 - Reconciliation of regulatory capital to balance sheet

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

	a	b	c
	Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
	As at period-end	**As at period-end**	
Assets			
Cash and balances at central banks			
Items in the course of collection from other banks			
Trading portfolio assets			
Financial assets designated at fair value			
Derivative financial instruments			
Loans and advances to banks			
Loans and advances to customers			
Reverse repurchase agreements and other similar secured lending			
Available for sale financial investments			
Current and deferred tax assets			
Prepayments, accrued income and other assets			

Investments in associates and joint ventures			
Goodwill and intangible assets			
Of which: goodwill			a
Of which: other intangibles (excluding MSR)			b
Of which: MSR			c
Property, plant and equipment			
Total assets			
Liabilities			
Deposits from banks			
Items in the course of collection due to other banks			
Customer accounts			
Repurchase agreements and other similar secured borrowing			
Trading portfolio liabilities			
Financial liabilities designated at fair value			
Derivative financial instruments			
Debt securities in issue			
Accruals, deferred income and other liabilities			
Current and deferred tax liabilities			
Of which: deferred tax liabilities (DTL) related to goodwill			d
Of which: DTL related to intangible assets (excluding MSR)			e
Of which: DTL related to MSR			f
Subordinated liabilities			
Provisions			
Retirement benefit liabilities			
Total liabilities			
Shareholders' equity			

Paid-in share capital			
Of which: amount eligible for CET1 capital			h
Of which: amount eligible for AT1 capital			i
Retained earnings			
Accumulated other comprehensive income			
Total shareholders' equity			

Columns

Banks are required to take their balance sheet in their published financial statements (numbers reported in column a above) and report the numbers when the regulatory scope of consolidation is applied (numbers reported in column b above)..

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

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

Rows

Similar to Template LI1, the rows in the above template should follow the balance sheet presentation used by the bank in its financial statements, on which basis the bank is required to expand the balance sheet to identify all the items that are disclosed in Template CC1. Set out above (ie items a to i) are some examples of items that may need to be expanded for a particular banking group. Disclosure should be proportionate to the complexity of the bank's balance sheet. Each item must be given a reference number/letter in column c that is used as cross-reference to column b of Template CC1.

Linkages across templates

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

(ii) Each expanded item is to be cross-referenced to the corresponding items in Template CC1.

Template TLAC1: TLAC composition for G-SIBs (at resolution group level)

Purpose: Provide details of the composition of a G-SIB's TLAC.

Scope of application: This template is mandatory for all G-SIBs. It should be completed at the level of each resolution group within a G-SIB.

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

Frequency: Semiannual.

Format: Fixed.

Accompanying narrative: G-SIBs are expected to supplement the template with a narrative commentary to explain any significant changes over the reporting period and the key drivers of any such change(s). Qualitative narrative on the G-SIB resolution strategy, including the approach (SPE or multiple point of entry (MPE)) and structure to which the resolution measures are applied, may be included to help understand the templates.

		a
		Amounts
	Regulatory capital elements of TLAC and adjustments	
1	Common Equity Tier 1 (CET1) capital	
2	Additional Tier 1 (AT1) capital before TLAC adjustments	
3	AT1 capital ineligible as TLAC as issued out of subsidiaries to third parties	
4	Other adjustments	
5	AT1 instruments eligible under the TLAC framework	
6	Tier 2 capital before TLAC adjustments	
7	Amortised portion of Tier 2 instruments where remaining maturity > 1 year	
8	Tier2 capital ineligible as TLAC as issued out of subsidiaries to third parties	
9	Other adjustments	
10	Tier2 instruments eligible under the TLAC framework	
11	TLAC arising from regulatory capital	
	Non-regulatory capital elements of TLAC	
12	External TLAC instruments issued directly by the bank and subordinated to excluded liabilities	
13	External TLAC instruments issued directly by the bank which are not subordinated to excluded liabilities but meet all other TLAC Term Sheet requirements	

14	Of which: amount eligible as TLAC after application of the caps	
15	External TLAC instruments issued by funding vehicles prior to 1 January 2022	
16	Eligible ex ante commitments to recapitalise a G-SIB in resolution	
17	TLAC arising from non-regulatory capital instruments before adjustments	
	Non-regulatory capital elements of TLAC: adjustments	
18	TLAC before deductions	
19	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to single point of entry G-SIBs)	
20	Deduction of investments in own other TLAC liabilities	
21	Other adjustments to TLAC	
22	TLAC after deductions	
	Risk-weighted assets (RWA) and leverage exposure measure for TLAC purposes	
23	Total RWA adjusted as permitted under the TLAC regime	
24	Leverage exposure measure	
	TLAC ratios and buffers	
25	TLAC (as a percentage of RWA adjusted as permitted under the TLAC regime)	
26	TLAC (as a percentage of leverage exposure)	
27	CET1 (as a percentage of RWA) available after meeting the resolution group's minimum capital and TLAC requirements	
28	Bank-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss-absorbency requirement, expressed as a percentage of RWA)	
29	Of which: capital conservation buffer requirement	
30	Of which: bank-specific countercyclical buffer requirement	
31	Of which: higher loss-absorbency requirement	

Instructions

For SPE G-SIBs, where the resolution group is the same as the regulatory scope of consolidation for Basel III regulatory capital, those rows that refer to regulatory capital before adjustments coincide with information provided under Template CC1. For MPE G-SIBs, information is provided for each resolution group. Aggregation of capital and total RWA for capital purposes across resolution groups will not necessarily equal or directly correspond to values reported for regulatory capital and RWA under Template CC1.

The TLAC position related to the regulatory capital of the resolution group shall include only capital instruments issued by entities belonging to the resolution group. Similarly, the TLAC position is based on the RWA (adjusted as permitted under Section 3 of the TLAC Term Sheet) and leverage ratio exposure measures calculated at the level of the resolution group. Regarding the shading:

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

- The light grey rows with no thick border represent the sum cells in the relevant section.

- The light grey rows with a thick border show the main components of TLAC.

The following table explains each row of the above template. Regarding the regulatory adjustments, banks are required to report deductions from capital or TLAC as positive numbers and additions to capital or TLAC as negative numbers. For example, the amortised portion of Tier 2 where remaining maturity is greater than one year (row 7) should be reported as a negative number (as it adds back in the calculation of Tier 2 instruments eligible as TLAC), while Tier 2 capital ineligible as TLAC (row 8) should be reported as a positive number.

Row number	**Explanation**
1	CET1 capital of the resolution group, calculated in line with the Basel III and TLAC frameworks. National authorities may require this row to be reported net of an MPE G-SIB resolution entity's CET1 capital investments in other resolution groups (see Note).
2	AT 1 capital. This row will provide information on the AT1 capital of the resolution group, calculated in line with the CAP standard and the TLAC framework.
3	AT1 instruments issued out of subsidiaries to third parties that are ineligible as TLAC. According to Section 8c of the TLAC Term Sheet, such instruments could be recognised to meet minimum TLAC until 31 December 2021. An amount (equal to that reported in row 34 in Template CC1) should thus be reported only starting from 1 January 2022.
4	Other elements of AT1 capital that are ineligible as TLAC (excluding those already incorporated in row 3). For example, national authorities may include in this row deductions related to an MPE G-SIB resolution entity's AT1 capital investments in other resolution groups (see also Note).
5	AT1 instruments eligible under the TLAC framework, to be calculated as row 2 minus rows 3 and 4.
6	Tier 2 capital of the resolution group, calculated in line with the Basel III and TLAC frameworks.
7	Amortised portion of Tier 2 instruments where remaining maturity is greater than one year. This row recognises that as long as the remaining maturity of a Tier 2 instrument is above the one-year residual maturity requirement of the TLAC Term Sheet, the full amount may be included in TLAC, even if the instrument is partially derecognised in regulatory capital via the requirement to amortise the instrument in the five years before

	maturity. Only the amount not recognised in regulatory capital but meeting all TLAC eligibility criteria should be reported in this row.
8	Tier 2 instruments issued out of subsidiaries to third parties that are ineligible as TLAC. According to Section 8c of the TLAC Term Sheet, such instruments could be recognised to meet minimum TLAC until 31 December 2021. An amount (equal to that reported in row 48 of Template CC1) should thus be reported only starting from 1 January 2022.
9	Other elements of Tier 2 capital that are ineligible as TLAC (excluding those that are already incorporated in row 8). For example, some jurisdictions recognise an element of Tier 2 capital in the final year before maturity, but such amounts are ineligible as TLAC. Regulatory capital instruments issued by funding vehicles are another example. Also, national authorities may include in this row deductions related to an MPE G-SIB resolution entity's investments in the Tier 2 instruments or other TLAC liabilities of other resolution groups (see Note).
10	Tier 2 instruments eligible under the TLAC framework, to be calculated as: row 6 + row 7 - row 8 - row 9.
11	TLAC arising from regulatory capital, to be calculated as: row 1 + row 5 + row 10.
12	External TLAC instruments issued directly by the resolution entity and subordinated to excluded liabilities. The amount reported in this row must meet the subordination requirements set out in points (a) to (c) of Section 11 of the TLAC Term Sheet, or be exempt from the requirement by meeting the conditions set out in points (i) to (iv) of the same section.
13	External TLAC instruments issued directly by the resolution entity that are not subordinated to Excluded Liabilities but meet the other TLAC Term Sheet requirements. The amount reported in this row should be those subject to recognition as a result of the application of the penultimate and antepenultimate paragraphs of Section 11 of the TLAC Term Sheet. The full amounts should be reported in this row, ie without applying the 2.5% and 3.5% caps set out the penultimate paragraph.
14	The amount reported in row 13 above after the application of the 2.5% and 3.5% caps set out in the penultimate paragraph of Section 11 of the TLAC Term Sheet.
15	External TLAC instrument issued by a funding vehicle prior to 1 January 2022. Amounts issued after 1 January 2022 are not eligible as TLAC and should not be reported here.
16	Eligible ex ante commitments to recapitalise a G-SIB in resolution, subject to the conditions set out in the second paragraph of Section 7 of the TLAC Term Sheet.
17	Non-regulatory capital elements of TLAC before adjustments. To be calculated as: row 12 + row 14 + row 15 + row 16.
18	TLAC before adjustments. To be calculated as: row 11 + row 17.
19	Deductions of exposures between MPE G-SIB resolution groups that correspond to items eligible for TLAC (not applicable for SPE G-SIBs). All amounts reported in this row should correspond to deductions applied after the appropriate adjustments agreed by the crisis management group (CMG) (following the penultimate paragraph of Section 3 of the TLAC Term Sheet, the CMG shall discuss and, where appropriate and consistent with the

	resolution strategy, agree on the allocation of the deduction). National authorities may include in this row an MPE G-SIB resolution entity's investments in other resolution groups (see Note).
20	Deductions of investments in own other TLAC liabilities; amount to be deducted from TLAC resources in accordance with CAP30.18 to CAP30.20.
21	Other adjustments to TLAC.
22	TLAC of the resolution group (as the case may be) after deductions. To be calculated as: row 18 - row 19 - row 20 - row 21.
23	Total RWA of the resolution group under the TLAC regime. For SPE G-SIBs, this information is based on the consolidated figure, so the amount reported in this row will coincide with that in row 60 of Template CC1.
24	Leverage exposure measure of the resolution group (denominator of leverage ratio).
25	TLAC ratio (as a percentage of RWA for TLAC purposes), to be calculated as row 22 divided by row 23.
26	TLAC ratio (as a percentage of leverage exposure measure), to be calculated as row 22 divided by row 24.
27	CET1 capital (as a percentage of RWA) available after meeting the resolution group's minimum capital requirements and TLAC requirement. To be calculated as the CET1 capital adequacy ratio, less any common equity (as a percentage of RWA) used to meet CET1, Tier 1, and Total minimum capital and TLAC requirements. For example, suppose a resolution group (that is subject to regulatory capital requirements) has 100 RWA, 10 CET1 capital, 1.5 AT1 capital, no Tier 2 capital and 9 non-regulatory capital TLAC-eligible instruments. The resolution group will have to earmark its CET1 capital to meet the 8% minimum capital requirement and 18% minimum TLAC requirement. The net CET1 capital left to meet other requirements (which could include Pillar 2 or buffers) will be 10 - 4.5 - 2 - 1 = 2.5.
28	Bank-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of RWA). Calculated as the sum of: (i) the G-SIB's capital conservation buffer; (ii) the G-SIB's specific countercyclical buffer requirement calculated in accordance with RBC30; and (iii) the higher loss-absorbency requirement as set out in RBC40. Not applicable to individual resolution groups of an MPE G-SIB, unless the relevant authority imposes buffer requirements at the level of consolidation and requires such disclosure.
29	The amount in row 28 (expressed as a percentage of RWA) that relates to the capital conservation buffer), ie G-SIBs will report 2.5% here. Not applicable to individual resolution groups of an MPE G-SIB, unless otherwise required by the relevant authority.
	The amount in row 28 (expressed as a percentage of RWA) that relates to the G-SIB's specific countercyclical buffer requirement.

30	Not applicable to individual resolution groups of an MPE G-SIB, unless otherwise required by the relevant authority.
31	The amount in row 28 (expressed as a percentage of RWA) that relates to the higher loss-absorbency requirement. Not applicable to individual resolution groups of an MPE G-SIB, unless otherwise required by the relevant authority.

Note: In the case of a resolution group of an MPE G-SIB, unless otherwise specified, the relevant national authority supervising the group can choose to require the group to calculate and report row 11 either: (i) **net** of its investments in the regulatory capital or other TLAC liabilities of other resolution groups (ie by deducting such investments in rows 1, 4 and 9 as applicable); or (ii) **gross**, in which case the investments will need to be deducted from TLAC resources in row 19 along with any investments in non-regulatory-capital elements of TLAC.

In general, to ensure that the templates remain comparable across jurisdictions, there should be no adjustments to the version that G-SIB resolution entities use to disclose their TLAC position. However, the following exceptions apply to take account of language differences and to reduce the reporting of unnecessary information:

- The template and explanatory table can be translated by the relevant national authorities into the relevant national language(s) that implement the standards in the TLAC Term Sheet. The translated version of the template will retain all of the rows included in the template above.
- Regarding the explanatory table, the national version can reference the national rules that implement the relevant sections of the TLAC Term Sheet.
- G-SIB resolution groups are not permitted to add, delete or change the definitions of any rows from the common reporting template implemented in their jurisdiction. This is irrespective of the concession allowed in DIS10.23 that banks may delete the specific row /column from the template if such row/column is not considered to be relevant to the G-SIBs' activities or the required information would not be meaningful to the users, and will prevent a divergence of templates that could undermine the objectives of consistency and comparability.
- The national version of the template must retain the same row numbering used in the first column of the template above, such that users of Pillar 3 data can easily map the national templates to the common version above. The insertion of any rows must leave the numbering of the remaining rows unchanged, eg rows detailing national specific regulatory adjustments to AT1 capital could be labelled row 3a, row 3b etc, to ensure that the subsequent row numbers are not affected.
- In cases where the national implementation of the Term Sheet applies a more conservative definition of an element listed in the template above, national authorities may choose between one of two approaches:

  - Approach 1: In the national version of the template, maintain the same definitions of all rows as set out in the template above, and require G-SIBs to report the impact of the more conservative national definition in designated rows for specific national adjustments.

- Approach 2: In the national version of the template, use the definitions of elements as implemented in that jurisdiction, clearly label them as being different from the TLAC definition, and require G-SIBs to separately disclose the impact of each of these different definitions in the notes to the template.

The aim of both approaches is to provide all the information necessary to enable users of Pillar 3 data to calculate the TLAC of G-SIBs on a common basis.

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

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

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

Content: Nominal values.

Frequency: Semiannual.

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

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

		Creditor ranking							Sum of 1 to *n*
		1 (most junior)	1 (most junior)	2	2	-	*n* (most senior)	*n* (most senior)	
1	Is the resolution entity the creditor/investor? (yes or no)					-			
2	Description of creditor ranking (free text)								
3	Total capital and liabilities net of credit risk mitigation					-			
4	Subset of row 3 that are excluded liabilities					-			
5	Total capital and liabilities less excluded liabilities (row 3 minus row 4)					-			
6	Subset of row 5 that are eligible as TLAC					-			
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years					-			

8	Subset of row 6 with 2 years ≤ residual maturity < 5 years					-			
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years					-			
10	Subset of row 6 with residual maturity ≥ 10 years, but excluded perpetual securities					-			
11	Subset of row 6 that is perpetual securities								

Explanations

- Different jurisdictions have different statutory creditor hierarchies. The number of creditor rankings (*n*) in the creditor hierarchy will depend on the set of liabilities of the entity. There is at least one column for each creditor ranking. In cases where the resolution entity is a creditor of part of the total amount in the creditor ranking, two columns should be completed (both with the same ordinal ranking): one covering amounts owned by the resolution entity and the other covering amounts not owned by the resolution entity.
- Columns should be added until the most senior-ranking internal TLAC-eligible instruments, and all pari passu liabilities, have been reported. The table therefore contains all funding that is pari passu or junior to internal TLAC-eligible instruments, including equity and other capital instruments. Note that there may be some instruments that are eligible as internal TLAC despite ranking pari passu to excluded liabilities, as described in Section 11 of the FSB TLAC Term Sheet.
- G-SIBs should provide a description of each creditor class ranking. This description can be in free form text. Typically the description should include a specification of at least one type of instrument that is within that creditor class ranking (eg common shares, Tier 2 instruments). This allows for the disclosure of the creditor hierarchy even if there is a range of different statutory creditor hierarchies in different jurisdictions, tranching that may exist within some jurisdictions' statutory hierarchies or which banks have established contractually with respect to the ranking of claims.
- Instruments are not eligible as TLAC if they are subject to setoff or netting rights, under Sections 9 (paragraph (c)) and 19 of the FSB TLAC Term Sheet. However, where there are internal TLAC instruments that rank pari passu with excluded liabilities, these excluded liabilities should be reported in rows 3 and 4, net of credit risk mitigation, as they could be bailed in alongside TLAC. Collateralised loans should be excluded, except for any debt in excess of the value of the collateral. Instruments subject to public guarantee should be included as they can be bailed in (with investors compensated in accordance with the guarantee). Liabilities subject to setoff or netting rights should be included net of the firm's claims on the creditor.
- Excluded liabilities in row 4 include all of the following: (i) insured deposits; (ii) sight deposits and short-term deposits (deposits with original maturity of less than one year); (iii) liabilities which are preferred to senior unsecured creditors under the relevant insolvency law; (iv) liabilities arising from derivatives or debt instruments with derivative-linked features, such as structured notes; (v) liabilities arising other than through a contract, such as tax liabilities; and (vi) any other liabilities that, under the laws governing the issuing entity, cannot be effectively written down or converted into equity by the relevant resolution authority.

Row 6 includes the subset of the amounts reported in row 5 that are internal TLAC-eligible according to Section 19 the FSB TLAC Term Sheet (eg those that have a residual maturity of at least one year, are unsecured and if redeemable are not redeemable without supervisory approval).

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

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

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

Content: Nominal values.

Frequency: Semiannual.

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

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

		Creditor ranking				Sum of 1 to *n*
		1 (most junior)	2	-	*n* (most senior)	
1	Description of creditor ranking (free text)					
2	Total capital and liabilities net of credit risk mitigation			-		
3	Subset of row 2 that are excluded liabilities			-		
4	Total capital and liabilities less excluded liabilities (row 2 minus row 3)			-		
5	Subset of row 4 that are *potentially* eligible as TLAC			-		
6	Subset of row 5 with 1 year ≤ residual maturity < 2 years			-		
7	Subset of row 5 with 2 years ≤ residual maturity < 5 years			-		
8	Subset of row 5 with 5 years ≤ residual maturity < 10 years			-		
9	Subset of row 5 with residual maturity ≥ 10 years, but excluding perpetual securities			-		
10	Subset of row 5 that is perpetual securities			-		

Definitions and instructions

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

Row 5 represents the subset of the amounts reported in row 4 that are TLAC-eligible according to the FSB TLAC Term Sheet (eg those that have a residual maturity of at least one year, are unsecured and if redeemable are not redeemable without supervisory approval). For the purposes of reporting this amount, the 2.5% cap (3.5% from 2022) on the exemption from the subordination requirement under the penultimate paragraph of Section 11 of the TLAC Term Sheet should be disapplied. That is, amounts that are ineligible solely as a result of the 2.5% cap (3.5%) should be included in full in row 5 together with amounts that are receiving recognition as TLAC. See also the second paragraph in Section 7 of the FSB TLAC Term Sheet.
