

## SUPPLEMENTARY REGULATORY CAPITAL AND PILLAR 3 DISCLOSURE (unaudited)

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## Notes to users

- 1- This Supplementary Regulatory Capital and Pillar 3 Disclosure document is unaudited and should be read in conjunction with the 2022 Annual Report. All amounts are in millions of Canadian dollars, unless otherwise indicated.
- 2- The information provided in this document is subject to the same level of internal review and internal control processes as the information provided by the Bank for its financial reporting.
- 3- Financial information is available through the Report to Shareholders for the second quarter of 2023 and in the document entitled *Supplementary Financial Information*, which are available on the Bank's website at [www.lbcfg.ca](http://www.lbcfg.ca). Additional information is also available on the Office of the Superintendent of Financial Institutions Financial (OSFI) Data for Banks website at <https://www.osfi-bsif.gc.ca/Eng/wt-ow/Pages/fd-df.aspx>.
- 4- The Bank's consolidated regulatory capital requirements are determined by guidelines issued by the OSFI, which are based on the Basel III framework adopted by the Basel Committee on Banking Supervision (BCBS). These guidelines and measures are presented in the following table.

| OSFI guideline or advisory    | Measure   |
|-------------------------------|---|
| Capital Adequacy Requirements | Common Equity Tier 1 (CET1) capital ratio<br>Tier 1 capital ratio<br>Total capital ratio<br>CET1 capital<br>Tier 1 capital<br>Tier 2 capital<br>Total capital<br>Risk-weighted assets |
| Leverage Requirements         | Leverage ratio<br>Total exposures   |

- 5- Per OSFI's *Small and Medium-Sized Deposit-Taking Institutions (SMSBs) Capital and Liquidity Requirements*, the Bank is a Category I SMSB (not approved for the advanced internal ratings-based (AIRB) approach).
- 6- For certain prescribed tables formats where row or column items have zero balances, such items have not been presented.

## Location of Pillar 3 Disclosure

|  | 2022 Annual Report            | Supplementary<br>Regulatory Capital and<br>Pillar 3 Disclosure |
|--|-------------------------------|--|
| <b>Overview of Risk Management and Risk-Weight Assets</b>                              |                               |  |
| OVA - Bank Risk Management Approach  | 48 to 58                      |  |
| <b>Composition of Capital</b>  |                               |  |
| Modified CC1 - Composition of Regulatory Capital                                       |                               | 4  |
| <b>Leverage Ratio</b>  |                               |  |
| LR2 - Leverage Ratio Common Disclosure Template  |                               | 5  |
| <b>Credit Risk</b>   |                               |  |
| CRA - General Information About Credit Risk  | 48 to 53                      |  |
| CR1 - Credit Quality of Assets   |                               | 6  |
| CRC - Qualitative Disclosure Requirements Related to Credit Risk Mitigation Techniques | 50 to 53, 61, 137 to 138      |  |
| CR3 - Credit Risk Mitigation Techniques – Overview                                     |                               | 7  |
| CR5 - Standardised Approach – Exposures by Asset Classes and Risk Weights              |                               | 8  |
| <b>Counterparty Credit Risk</b>  |                               |  |
| CCRA - Qualitative Disclosure Related to CCR   | 53, 75, 76, 108 to 110        |  |
| CCR1 - Analysis of CCR Exposure by Approach  |                               | 11   |
| CCR3 - Standardised Approach of CCR Exposures by Regulatory Portfolio and Risk Weights |                               | 12   |
| <b>Securitization</b>  |                               |  |
| SECA - Qualitative Disclosure Requirements Related to Securitization Exposures         | 43 to 45, 98, 108 to 110, 115 |  |
| <b>Interest Rate Risk in the Banking Book (IRRBB)</b>                                  |                               |  |
| IRRBB Disclosure   | 60 to 61                      |  |

## Modified CC1 - Composition of regulatory capital

| In millions of dollars, except percentage amounts (Unaudited) / As at |   | OCTOBER 31, 2023 | JULY 31, 2023 | APRIL 30, 2023 | JANUARY 31, 2023 | OCTOBER 31, 2022 | JULY 31, 2022 | APRIL 30, 2022 | JANUARY 31, 2022 |
|---|---|------------------|---------------|----------------|------------------|------------------|---------------|----------------|------------------|
| Row <sup>(1)</sup>  |   |                  |               |                |                  |                  |               |                |                  |
| <b>Common Equity Tier 1 capital: instruments and reserves</b>         |   |                  |               |                |                  |                  |               |                |                  |
| 1   | Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus | \$ —             | \$ —          | \$ 1,178       | \$ 1,175         | \$ 1,172         | \$ 1,169      | \$ 1,168       | \$ 1,170         |
| 2   | Retained earnings   | —                | —             | 1,374          | 1,349            | 1,322            | 1,291         | 1,259          | 1,222            |
| 3   | Accumulated other comprehensive income (and other reserves)   | —                | —             | 48             | 6                | 19               | (8)           | (9)            | (11)             |
| 6   | Common Equity Tier 1 capital before regulatory adjustments  | —                | —             | 2,600          | 2,530            | 2,514            | 2,452         | 2,418          | 2,381            |
| <b>Common Equity Tier 1 capital: regulatory adjustments</b>           |   |                  |               |                |                  |                  |               |                |                  |
| 28  | Total regulatory adjustments to Common Equity Tier 1 <sup>(2)</sup>   | —                | —             | (383)          | (349)            | (362)            | (331)         | (328)          | (321)            |
| 29  | <b>Common Equity Tier 1 capital (CET1)</b>  | —                | —             | 2,217          | 2,181            | 2,167            | 2,135         | 2,102          | 2,070            |
| <b>Additional Tier 1 capital: instruments</b>                         |   |                  |               |                |                  |                  |               |                |                  |
| 30  | Directly issued qualifying Additional Tier 1 instruments plus related stock surplus                                       | —                | —             | 246            | 245              | 244              | 244           | 244            | 243              |
| 31  | of which: classified as equity under applicable accounting standards  | —                | —             | 246            | 245              | 244              | 244           | 244            | 243              |
| 32  | of which: classified as liabilities under applicable accounting standards   | —                | —             | —              | —                | —                | —             | —              | —                |
| 36  | <b>Additional Tier 1 capital before regulatory adjustments</b>  | —                | —             | 246            | 245              | 244              | 244           | 244            | 243              |
| <b>Additional Tier 1 capital: regulatory adjustments</b>              |   |                  |               |                |                  |                  |               |                |                  |
| 43  | Total regulatory adjustments to Additional Tier 1 capital   | —                | —             | —              | —                | —                | —             | —              | —                |
| 44  | <b>Additional Tier 1 capital (AT1)</b>  | —                | —             | 246            | 245              | 244              | 244           | 244            | 243              |
| 45  | <b>Tier 1 capital (T1 = CET1 + AT1)</b>   | —                | —             | 2,463          | 2,426            | 2,412            | 2,378         | 2,345          | 2,314            |
| <b>Tier 2 capital: instruments and allowances</b>                     |   |                  |               |                |                  |                  |               |                |                  |
| 46  | Directly issued qualifying Tier 2 instruments plus related stock surplus  | —                | —             | 339            | 336              | 337              | 339           | 336            | 345              |
| 50  | Collective allowances   | —                | —             | 158            | 153              | 134              | 126           | 117            | 111              |
| 51  | <b>Tier 2 capital before regulatory adjustments</b>   | —                | —             | 496            | 489              | 470              | 466           | 452            | 456              |
| <b>Tier 2 capital: regulatory adjustments</b>                         |   |                  |               |                |                  |                  |               |                |                  |
| 57  | Total regulatory adjustments to Tier 2 capital  | —                | —             | —              | —                | —                | —             | —              | (4)              |
| 58  | <b>Tier 2 capital (T2)</b>  | —                | —             | 496            | 489              | 470              | 466           | 452            | 452              |
| 59  | <b>Total capital (TC = T1 + T2)</b>   | —                | —             | 2,959          | 2,916            | 2,882            | 2,844         | 2,798          | 2,766            |
| 60  | <b>Total risk-weighted assets</b>   | —                | —             | 23,785         | 23,901           | 23,909           | 23,465        | 22,557         | 21,232           |
| 60a   | <b>Common Equity Tier 1 capital risk-weighted assets</b>  | —                | —             | 23,785         | 23,901           | 23,909           | 23,465        | 22,557         | 21,232           |
| 60b   | <b>Tier 1 capital risk-weighted assets</b>  | —                | —             | 23,785         | 23,901           | 23,909           | 23,465        | 22,557         | 21,232           |
| 60c   | <b>Total capital risk-weighted assets</b>   | —                | —             | 23,785         | 23,901           | 23,909           | 23,465        | 22,557         | 21,232           |
| <b>Capital ratios</b>   |   |                  |               |                |                  |                  |               |                |                  |
| 61  | Common Equity Tier 1 (as a percentage of risk-weighted assets)  | — %              | — %           | 9.3 %          | 9.1 %            | 9.1 %            | 9.1 %         | 9.3 %          | 9.8 %            |
| 62  | Tier 1 (as a percentage of risk-weighted assets)  | — %              | — %           | 10.4 %         | 10.2 %           | 10.1 %           | 10.1 %        | 10.4 %         | 10.9 %           |
| 63  | Total capital (as a percentage of risk-weighted assets)   | — %              | — %           | 12.4 %         | 12.2 %           | 12.1 %           | 12.1 %        | 12.4 %         | 13.0 %           |
| <b>OSFI target<sup>(3)</sup></b>                                      |   |                  |               |                |                  |                  |               |                |                  |
| 69  | Common Equity Tier 1 target ratio   | — %              | — %           | 7.0 %          | 7.0 %            | 7.0 %            | 7.0 %         | 7.0 %          | 7.0 %            |
| 70  | Tier 1 capital target ratio   | — %              | — %           | 8.5 %          | 8.5 %            | 8.5 %            | 8.5 %         | 8.5 %          | 8.5 %            |
| 71  | Total capital target ratio  | — %              | — %           | 10.5 %         | 10.5 %           | 10.5 %           | 10.5 %        | 10.5 %         | 10.5 %           |

(1) Row numbering, as per OSFI's Capital Disclosure Requirements guideline revised May 2018, is provided for consistency and comparability in the disclosure of elements of capital among banks and across jurisdictions. Certain rows have been removed because there are no values in such rows.

(2) Mainly comprised of deductions for software and other intangible assets, goodwill and pension plan assets.

(3) The countercyclical buffer as at all date was nil, as all private sector credit exposures were either in Canada or the United States.

### Narrative commentary

In the second quarter of 2023, OSFI's revised capital, leverage, liquidity and disclosure rules that incorporate the final Basel III banking reforms with additional adjustments to make them suitable for federally regulated deposit-taking institutions (DTIs) took effect. The revised rules also include the Small and Medium-Sized Deposit-Taking Institutions (SMSBs) Capital and Liquidity Requirements Guideline, as well as separate Pillar 3 Disclosure Requirements for Domestic Systemically Important Banks (D-SIBs) and SMSBs. The new regulatory requirements had no material impact on the Bank's Common Equity Tier 1 capital or Common Equity Tier 1 capital ratio as at April 30, 2023. Refer to the "Regulatory capital developments" section on page 13 of the Bank's MD&A for the second quarter of 2023 for more information.

The Common Equity Tier 1 capital ratio stood at 9.3% as at April 30, 2023, an increase of 20 basis points compared with October 31, 2022 and in excess of the minimum regulatory requirement and the Bank's target management levels. The Bank dynamically manages its level of capital which led to an increased CET1 capital ratio since the beginning of the year due to internal capital generation. The Bank met OSFI's capital and leverage requirements throughout the quarter.

## LR2 - Leverage ratio common disclosure

| In millions of dollars, except percentage amounts (Unaudited) / As at |  | OCTOBER 31, 2023 | JULY 31, 2023 | APRIL 30, 2023 | JANUARY 31, 2023 | OCTOBER 31, 2022 | JULY 31, 2022 | APRIL 30, 2022 | JANUARY 31, 2022 |
|---|--|------------------|---------------|----------------|------------------|------------------|---------------|----------------|------------------|
| Row <sup>(1)</sup>  |  |                  |               |                |                  |                  |               |                |                  |
| <b>On-balance sheet exposures</b>                                     |  |                  |               |                |                  |                  |               |                |                  |
| 1   | On-balance sheet items (excluding derivatives, securities financing transactions (SFTs) and grandfathered securitization exposures but including collateral) | \$ —             | \$ —          | \$ 46,063      | \$ 46,096        | \$ 46,610        | \$ 45,766     | \$ 44,676      | \$ 42,670        |
| 4   | (Asset amounts deducted in determining Tier 1 capital <sup>(2)</sup> )   | —                | —             | (383)          | (383)            | (385)            | (363)         | (356)          | (356)            |
| 5   | <b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 4)</b>   | —                | —             | <b>45,680</b>  | <b>45,714</b>    | <b>46,225</b>    | <b>45,404</b> | <b>44,321</b>  | <b>42,313</b>    |
| <b>Derivative exposures</b>   |  |                  |               |                |                  |                  |               |                |                  |
| 6   | Replacement cost associated with all derivative transactions   | —                | —             | 142            | 132              | 112              | 124           | 124            | 145              |
| 7   | Add-on amounts for potential future exposure (PFE) associated with all derivative transactions   | —                | —             | 187            | 173              | 169              | 147           | 147            | 141              |
| 11  | <b>Total derivative exposures (sum of lines 6 to 10)</b>   | —                | —             | <b>329</b>     | <b>305</b>       | <b>281</b>       | <b>271</b>    | <b>271</b>     | <b>285</b>       |
| <b>Securities financing transaction exposures</b>                     |  |                  |               |                |                  |                  |               |                |                  |
| 12  | Gross SFT assets recognized for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions                       | —                | —             | 9,624          | 6,233            | 6,000            | 5,933         | 5,367          | 5,759            |
| 13  | (Netted amounts of cash payables and cash receivables of gross SFT assets)   | —                | —             | (6,197)        | (3,278)          | (2,761)          | (2,573)       | (2,856)        | (2,978)          |
| 14  | Counterparty credit risk (CCR) exposure for SFTs   | —                | —             | 28             | 11               | 30               | 10            | 20             | 23               |
| 16  | <b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>  | —                | —             | <b>3,455</b>   | <b>2,966</b>     | <b>3,268</b>     | <b>3,370</b>  | <b>2,531</b>   | <b>2,804</b>     |
| <b>Other off-balance sheet exposures</b>                              |  |                  |               |                |                  |                  |               |                |                  |
| 17  | Off-balance sheet exposure at gross notional amount  | —                | —             | 9,592          | 10,265           | 10,330           | 10,722        | 10,942         | 10,573           |
| 18  | (Adjustments for conversion to credit equivalent amounts)  | —                | —             | (7,099)        | (7,756)          | (7,933)          | (8,220)       | (8,462)        | (8,259)          |
| 19  | <b>Off-balance sheet items (sum of lines 17 and 18)</b>  | —                | —             | <b>2,494</b>   | <b>2,509</b>     | <b>2,397</b>     | <b>2,502</b>  | <b>2,481</b>   | <b>2,314</b>     |
| <b>Capital and total exposures</b>                                    |  |                  |               |                |                  |                  |               |                |                  |
| 20  | Tier 1 capital   | —                | —             | 2,463          | 2,426            | 2,412            | 2,378         | 2,345          | 2,314            |
| 21  | <b>Total exposures (sum of lines 5, 11, 16 and 19)</b>   | —                | —             | <b>51,957</b>  | <b>51,495</b>    | <b>52,171</b>    | <b>51,547</b> | <b>49,603</b>  | <b>47,717</b>    |
| <b>Leverage ratio</b>   |  |                  |               |                |                  |                  |               |                |                  |
| 22  | Basel III leverage ratio   | — %              | — %           | 4.7 %          | 4.7 %            | 4.6 %            | 4.6 %         | 4.7 %          | 4.8 %            |

(1) Disclosed in accordance with OSFI's Leverage Ratio Disclosure Requirements guideline. Certain rows have been removed because there are no values in such rows.

(2) Mainly comprised of deductions for software and other intangible assets, goodwill, pension plan assets and cash flow hedges reserve.

## CR1 - Credit quality of assets

| AS AT APRIL 30, 2023               |                          |                         |                            |   |   |                        |
|------------------------------------|--------------------------|-------------------------|----------------------------|---|---|------------------------|
|                                    | a                        | b                       | c                          | d   | e   | g                      |
|                                    | Gross carrying values of |                         | Allowances/<br>impairments | Of which expected credit losses (ECL) accounting provisions for credit losses on standardised approach (SA) exposures |   | Net values<br>( a+b-c) |
|                                    | Defaulted exposures      | Non-defaulted exposures |                            | Allocated in regulatory category of Specific  | Allocated in regulatory category of General |                        |
| In millions of dollars (Unaudited) |                          |                         |                            |   |   |                        |
| 1 Loans                            | \$ 223                   | \$ 38,320               | \$ (55)                    | \$ (55)   | \$ —  | \$ 38,488              |
| 2 Debt securities                  | —                        | 5,957                   | (148)                      | —   | (148)                                       | 5,809                  |
| 3 Off-balance sheet exposures      | —                        | 9,592                   | (9)                        | —   | (9)   | 9,584                  |
| 4 Total                            | \$ 223                   | \$ 53,869               | \$ (212)                   | \$ (55)   | \$ (158)                                    | \$ 53,880              |

## CR3 - Credit risk mitigation techniques – overview

| AS AT APRIL 30, 2023               |                                      |                         |                                 |  |
|------------------------------------|--------------------------------------|-------------------------|---------------------------------|--|
|                                    | a                                    | b                       | c                               | d                                      |
|                                    | Exposures unsecured: carrying amount | Exposures to be secured | Exposures secured by collateral | Exposures secured financial guarantees |
| In millions of dollars (Unaudited) |                                      |                         |                                 |  |
| 1 Loans                            | \$ 25,192                            | \$ 13,296               | \$ 1,191                        | \$ 12,106                              |
| 2 Debt securities                  | 5,184                                | 772                     | —                               | 772                                    |
| 3 Total                            | 30,376                               | 14,069                  | 1,191                           | 12,878                                 |
| 4 Of which defaulted               | \$ 154                               | \$ 14                   | \$ —                            | \$ 14                                  |

## CR5 - Standardised approach – exposures by asset classes and risk weights

|                                    |   | AS AT APRIL 30, 2023 |        |         |         |         |         |       |        |        |         |        |         |         |      |          |        |         |       |          |                               |
|------------------------------------|---|----------------------|--------|---------|---------|---------|---------|-------|--------|--------|---------|--------|---------|---------|------|----------|--------|---------|-------|----------|-------------------------------|
|                                    |   | a                    | b      | c       | d       | e       | f       | g     | h      | i      | j       | k      | l       | n       | o    | p        | r      | t       | u     | w        | x                             |
|                                    |   | 0%                   | 15%    | 20%     | 25%     | 30%     | 35%     | 40%   | 45%    | 50%    | 60%     | 70%    | 75%     | 85%     | 90%  | 100%     | 110%   | 150%    | 250%  | Other    | Total credit exposures amount |
| In millions of dollars (Unaudited) |   |                      |        |         |         |         |         |       |        |        |         |        |         |         |      |          |        |         |       |          |                               |
| 1                                  | Sovereigns and their central banks  | \$7,664              | \$ —   | \$ —    | \$ —    | \$ —    | \$ —    | \$ —  | \$ —   | \$ —   | \$ —    | \$ —   | \$ —    | \$ —    | \$ — | \$ 1     | \$ —   | \$ —    | \$ —  | \$ —     | \$ 7,665                      |
| 2                                  | Public sector entities (PSEs)   | —                    | —      | 463     | —       | —       | —       | —     | —      | —      | —       | —      | —       | —       | —    | —        | —      | —       | —     | 9,954    | 10,417                        |
| 4                                  | Banks   | —                    | —      | 112     | —       | 49      | —       | —     | —      | 3      | —       | —      | —       | —       | —    | 50       | —      | —       | —     | 641      | 854                           |
|                                    | Of which: securities firms and other financial institutions treated as banks      | —                    | —      | —       | —       | 11      | —       | —     | —      | 2      | —       | —      | —       | —       | —    | 2        | —      | —       | —     | 641      | 655                           |
| 6                                  | Corporates  | —                    | —      | 4       | —       | —       | —       | —     | —      | 16     | —       | —      | 135     | 3,730   | —    | 2,099    | —      | 10      | —     | —        | 5,994                         |
|                                    | Of which: securities firms and other financial institutions treated as corporates | —                    | —      | —       | —       | —       | —       | —     | —      | —      | —       | —      | 24      | —       | —    | 379      | —      | —       | —     | —        | 403                           |
| 7                                  | Subordinated debt, equity and other capital                                       | —                    | —      | —       | —       | —       | —       | —     | —      | —      | —       | —      | —       | —       | —    | —        | —      | —       | 40    | 6        | 46                            |
| 8                                  | Retail  | —                    | 232    | —       | —       | —       | —       | —     | —      | —      | —       | —      | 3,593   | —       | —    | —        | —      | —       | —     | —        | 3,825                         |
| 9                                  | Real estate   | —                    | —      | 1,856   | 1,203   | 1,750   | 1,946   | 32    | 211    | 342    | 1,485   | 145    | 227     | 1,033   | 69   | 5,028    | 112    | 1,577   | —     | 58       | 17,075                        |
|                                    | Of which: general residential real estate (RRE)                                   | —                    | —      | 1,856   | 1,203   | 1,580   | 1,796   | 32    | —      | 17     | —       | 9      | —       | —       | —    | —        | —      | —       | —     | 58       | 6,552                         |
|                                    | Of which: income-producing residential real estate (IPRRE)                        | —                    | —      | —       | —       | 170     | 150     | —     | 211    | 325    | 7       | —      | 2       | —       | —    | —        | —      | —       | —     | —        | 866                           |
|                                    | Of which: general commercial real estate (CRE)                                    | —                    | —      | —       | —       | —       | —       | —     | —      | —      | 1,478   | —      | 225     | 1,033   | —    | 1,552    | —      | —       | —     | —        | 4,288                         |
|                                    | Of which: income-producing commercial real estate (IPCRE)                         | —                    | —      | —       | —       | —       | —       | —     | —      | —      | —       | 136    | —       | —       | 69   | —        | 112    | 49      | —     | —        | 365                           |
|                                    | Of which: land acquisition, development and construction                          | —                    | —      | —       | —       | —       | —       | —     | —      | —      | —       | —      | —       | —       | —    | 3,475    | —      | 1,528   | —     | —        | 5,003                         |
| 12                                 | Defaulted exposures   | —                    | —      | —       | —       | —       | —       | —     | —      | —      | —       | —      | —       | —       | —    | 52       | —      | 102     | —     | —        | 154                           |
| 13                                 | Other assets  | 963                  | —      | 45      | —       | —       | —       | —     | —      | —      | —       | —      | —       | —       | —    | 476      | —      | —       | —     | 93       | 1,577                         |
| 14                                 | Total   | \$8,627              | \$ 232 | \$2,481 | \$1,203 | \$1,799 | \$1,946 | \$ 32 | \$ 211 | \$ 361 | \$1,485 | \$ 145 | \$3,955 | \$4,763 | 69   | \$ 7,706 | \$ 112 | \$1,689 | \$ 40 | \$10,751 | \$ 47,606                     |



|   | 0 %       | 20 %     | 35 %     | 50 %   | 75 %     | 100 %     | 150 % | 250 %  | TOTAL     |
|---|-----------|----------|----------|--------|----------|-----------|-------|--------|-----------|
| <b>Exposure Class (after risk mitigation)</b>   |           |          |          |        |          |           |       |        |           |
| Corporate                                       | \$ 55     | \$ 5     | \$ —     | \$ 30  | \$ —     | \$ 13,538 | \$ 27 | \$ —   | \$ 13,656 |
| Sovereign                                       | 9,650     | 406      | —        | —      | —        | —         | —     | —      | 10,056    |
| Bank  | —         | 423      | —        | —      | —        | 23        | —     | —      | 446       |
| Retail residential mortgage loans               | 11,441    | 324      | 7,475    | 282    | 47       | 58        | —     | —      | 19,627    |
| Other retail                                    | 182       | —        | —        | —      | 1,099    | —         | 5     | —      | 1,286     |
| Small business entities treated as other retail | 8         | —        | —        | —      | 2,225    | —         | —     | —      | 2,233     |
| Equity  | —         | —        | —        | —      | —        | 266       | —     | —      | 266       |
| Securitization                                  | —         | 5        | —        | —      | —        | —         | —     | —      | 5         |
| Other assets                                    | 1,269     | 109      | —        | —      | —        | 467       | —     | 105    | 1,950     |
|   | 22,605    | 1,271    | 7,475    | 313    | 3,371    | 14,353    | 32    | 105    | 49,525    |
| Derivatives <sup>(1)</sup>                      | —         | 193      | —        | —      | —        | 127       | —     | —      | 320       |
| Credit commitments                              | 23        | 19       | —        | —      | 13       | 1,731     | —     | —      | 1,785     |
| Operational risk                                | —         | —        | —        | —      | —        | —         | —     | —      | —         |
|   | \$ 22,628 | \$ 1,482 | \$ 7,475 | \$ 313 | \$ 3,384 | \$ 16,211 | \$ 32 | \$ 105 | \$ 51,630 |

(1) Collateral held on derivatives totaled \$14.8 million as at October 31, 2022 and included cash and government securities.

## CR5 - Exposure amounts and credit conversion factors (CCFs) applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

|                                    |                        | AS AT APRIL 30, 2023      |                                      |                      |   |
|------------------------------------|------------------------|---------------------------|--------------------------------------|----------------------|---|
|                                    |                        | a                         | b                                    | c                    | d   |
|                                    |                        | On-balance sheet exposure | Off-balance sheet exposure (pre-CCF) | Weighted average CCF | Exposure (post-CCF and post-Credit Risk Mitigation (CRM)) |
| In millions of dollars (Unaudited) |                        |                           |                                      |                      |   |
| 1                                  | Less than 40%          | \$ 25,795                 | \$ 2,911                             | \$ 15                | \$ 26,242   |
| 2                                  | 40–70%                 | 2,884                     | 394                                  | 12                   | 2,932   |
| 3                                  | 75%                    | 3,692                     | 1,150                                | 23                   | 3,955   |
| 4                                  | 85%                    | 4,672                     | 280                                  | 33                   | 4,763   |
| 5                                  | 90–100%                | 6,469                     | 3,716                                | 35                   | 7,774   |
| 6                                  | 105–130%               | 110                       | 17                                   | 10                   | 112   |
| 7                                  | 150%                   | 1,358                     | 1,124                                | 30                   | 1,695   |
| 8                                  | 250%                   | 133                       | —                                    | n.a.                 | 133   |
| 11                                 | <b>Total exposures</b> | <b>\$ 45,112</b>          | <b>\$ 9,592</b>                      | <b>\$ 26</b>         | <b>\$ 47,606</b>  |

## CCR1 - Analysis of CCR exposures by approach

AS AT APRIL 30, 2023

|  | a                   | b                               | c                   | d   | e  | f             |
|--|---------------------|---------------------------------|---------------------|---|--|---------------|
|  | Replacement<br>cost | Potential<br>future<br>exposure | EEPE <sup>(1)</sup> | Alpha used<br>for<br>computing<br>regulatory<br>EAD | EAD <sup>(2)</sup> post-<br>CRM <sup>(3)</sup> | RWA           |
| In millions of dollars (Unaudited)                                 |                     |                                 |                     |   |  |               |
| 1 SA-CCR <sup>(4)</sup> (for derivatives)                          | \$ 88               | \$ 134                          | \$ —                | \$ —  | \$ 315   | \$ 120        |
| 2 Internal Model Method (for derivatives and SFTs <sup>(5)</sup> ) | —                   | —                               | —                   | —   | —  | —             |
| 3 Simple Approach for credit risk mitigation (for SFTs)            | —                   | —                               | —                   | —   | —  | —             |
| 4 Comprehensive Approach for credit risk mitigation (for SFTs)     | —                   | —                               | —                   | —   | 1,570  | 137           |
| 5 Value-at-risk (VaR) for SFTs                                     | —                   | —                               | —                   | —   | —  | —             |
| <b>6 Total</b>   | <b>\$ —</b>         | <b>\$ —</b>                     | <b>\$ —</b>         | <b>\$ —</b>   | <b>\$ —</b>                                    | <b>\$ 257</b> |

(1) Effective Expected Positive Exposure (EEPE) is the weighted average over time of the effective expected exposure over the first year, or, if all the contracts in the netting set mature before one year, over the time period of the longest-maturity contract in the netting set where the weights are the proportion that an individual expected exposure represents of the entire time interval

(2) 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.

(3) Credit-risk-mitigation (CRM) refers to the attempt by lenders, through the application of various safeguards or processes, to minimize the risk of losing all of their original investment due to borrowers defaulting on their interest and principal payments.

(4) Standardized Approach for Counterparty Credit Risk (SA-CCR)

(5) Securities Financing Transactions (SFTs)

## CCR3 - Standardised approach – CCR exposures by regulatory portfolio and risk weights

APRIL 30, 2023

|  | a              | b           | c            | d             | e           | f           | g            | h             | i           | j           | k                     |
|--|----------------|-------------|--------------|---------------|-------------|-------------|--------------|---------------|-------------|-------------|-----------------------|
|  | 0%             | 10%         | 20%          | 30%           | 50%         | 75%         | 85%          | 100%          | 150%        | Others      | Total credit exposure |
| In millions of dollars (Unaudited)                                     |                |             |              |               |             |             |              |               |             |             |                       |
| <b>Regulatory portfolio</b>  |                |             |              |               |             |             |              |               |             |             |                       |
| Sovereigns   | \$1,373        | \$ —        | \$ —         | \$ —          | \$ —        | \$ —        | \$ —         | \$ —          | \$ —        | \$ —        | \$ 1,373              |
| Public sector entities (PSEs)  | 43             | —           | 17           | —             | —           | —           | —            | —             | —           | —           | 60                    |
| Multilateral development banks   | —              | —           | —            | —             | —           | —           | —            | —             | —           | —           | —                     |
| Banks  | —              | —           | 75           | 187           | —           | —           | —            | 77            | —           | —           | 339                   |
| Securities firms and other financial institutions treated as Banks     | —              | —           | —            | —             | —           | —           | —            | —             | —           | —           | —                     |
| Corporates   | —              | —           | —            | —             | —           | —           | 53           | —             | —           | —           | 53                    |
| Securities firms and other financial institutions treated as Corporate | —              | —           | —            | —             | —           | —           | —            | 60            | —           | —           | 60                    |
| <b>Total</b>   | <b>\$1,416</b> | <b>\$ —</b> | <b>\$ 91</b> | <b>\$ 187</b> | <b>\$ —</b> | <b>\$ —</b> | <b>\$ 53</b> | <b>\$ 138</b> | <b>\$ —</b> | <b>\$ —</b> | <b>\$ 1,885</b>       |