

## CREDIT OPINION

15 July 2020

Update

### RATINGS

#### The Co-operative Bank plc

Domicile	Manchester, United Kingdom
Long Term CRR	B2
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Withdrawn
Type	Senior Unsecured - Fgn Curr
Outlook	Rating(s) WithDrawn
Long Term Deposit	B3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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## The Co-operative Bank plc

Update following rating affirmation

### Summary

The B3 long-term deposit ratings of [The Co-operative Bank plc](#) (The Co-operative Bank) reflect (1) the bank's standalone creditworthiness, expressed in its b3 standalone Baseline Credit Assessment (BCA); (2) its moderate loss-given-failure, which does not result in any uplift; and (3) our assessment of low probability of support from the [Government of United Kingdom](#) (Aa2 negative), which does not lead to any uplift.

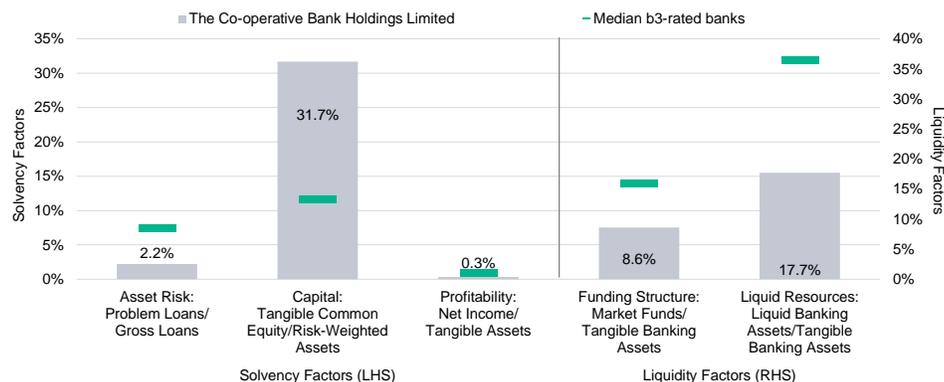
The Caa1 issuer rating of [The Co-operative Bank Finance p.l.c.](#) (The Co-operative Bank Finance), a holding company of The Co-operative Bank, reflects the high loss-given-failure of senior instruments potentially issued by The Co-operative Bank Finance, resulting in a rating one notch below The Co-operative Bank's BCA; low probability of government support does not provide any uplift.

The Co-operative Bank's BCA of b3 is driven by the bank's loss-making profile, which is only partially mitigated by a low stock of problem loans, following a substantial reduction in legacy portfolios, and high capital ratios.

On 10 July 2020, we affirmed all ratings of The Co-operative Bank and The Co-operative Bank Finance, and we changed the outlook to stable from positive.

Exhibit 1

### Rating Scorecard - Key financial ratios



We assign a BCA to The Co-operative Bank based on the consolidated financials of The Co-operative Bank Holdings. The chart above shows the financial ratios of The Co-operative Bank Holdings.

Source: Moody's Investors Service

## Credit strengths

- » Low stock of problem loans
- » High capital ratios
- » Stable retail funding
- » Ample liquidity

## Credit challenges

- » Loss-making profile
- » High susceptibility of capital to stress
- » Limited market access
- » Largely monoline business

## Outlook

The outlook on The Co-operative Bank's long-term deposit rating, and on The Co-operative Bank Finance's long-term issuer rating is stable.

## Factors that could lead to an upgrade of the ratings

The Co-operative Bank's BCA could be upgraded following a return to sustainable internal capital generation through earnings, and the issuance of sufficient debt to meet the bank's MREL requirements.

An upgrade of the BCA would lead to an upgrade of the long-term deposit ratings of The Co-operative Bank and the issuer rating for The Co-operative Bank Finance. Substantial issuance of bail-in-able subordinated or senior debt by The Co-operative Bank or The Co-operative Bank Finance, which would protect depositors from losses in a resolution scenario, could also lead to an upgrade of the long-term deposit ratings. The Co-operative Bank Finance's issuer rating could also be upgraded following a material increase in the stock of subordinated liabilities issued by The Co-operative Bank Finance or by The Co-operative Bank, or a material issuance of senior unsecured debt by The Co-operative Bank Finance.

## Factors that could lead to a downgrade of the ratings

The Co-operative Bank's BCA could be downgraded following evidence that the bank will not be able to return to a sustainable level of net profitability beyond 2021, or a lower level of junior deposits.

A downgrade of The Co-operative Bank's BCA would lead to a downgrade of all long-term ratings of The Co-operative Bank and The Co-operative Bank Finance.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

## Key indicators

Exhibit 2

### The Co-operative Bank Holdings Limited (Consolidated Financials) [1]

	12-19 <sup>2</sup>	12-18 <sup>2</sup>	12-17 <sup>2</sup>	CAGR/Avg. <sup>3</sup>
Total Assets (GBP Billion)	23.4	23.1	24.5	(2.2) <sup>4</sup>
Total Assets (USD Billion)	31.0	29.4	33.1	(3.2) <sup>4</sup>
Tangible Common Equity (GBP Billion)	1.5	1.6	1.4	5.5 <sup>4</sup>
Tangible Common Equity (USD Billion)	2.0	2.1	1.9	4.4 <sup>4</sup>
Problem Loans / Gross Loans (%)	1.4	2.8	2.4	2.2 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	31.7	32.5	26.9	30.4 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	16.6	29.0	27.4	24.3 <sup>5</sup>
Net Interest Margin (%)	1.4	1.5	1.1	1.3 <sup>5</sup>
PPI / Average RWA (%)	-1.7	-1.9	5.2	0.5 <sup>6</sup>
Net Income / Tangible Assets (%)	0.3	-0.3	1.0	0.3 <sup>5</sup>
Cost / Income Ratio (%)	121.0	126.4	66.0	104.5 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	8.6	8.7	8.5	8.6 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	17.7	18.2	28.4	21.4 <sup>5</sup>
Gross Loans / Due to Customers (%)	93.7	94.1	81.5	89.8 <sup>5</sup>

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Investors Service and company filings

## Profile

The Co-operative Bank plc (The Co-operative Bank) is a UK-based commercial bank that provides banking and related financial products and services to retail and corporate customers only in the UK. Most of its assets are residential mortgages, but the bank also provides loans to small and medium-sized companies, credit cards and consumer loans. Most of The Co-operative Bank's funding comes from its retail clients via current accounts and savings accounts. As of December 2019, The Co-operative Bank had total consolidated assets of £23 billion.

The Co-operative Bank was established in 1872 as the Loan and Deposit Department of the Co-operative Wholesale Society. In January 2009, the bank merged with Britannia Building Society, the second-largest building society in the UK at the time.

In 2013 and in 2017, The Co-operative Bank underwent two liability management exercises, which led to a substantially higher Common Equity Tier 1 capital ratio and the creation of a new holding company, The Co-operative Bank Holdings Limited (The Co-operative Bank Holdings). The bank is privately held, the largest shareholders of the holding now being private equity firms and hedge funds. The main shareholder of the previous holding, The Co-operative Group, no longer has a stake in The Co-operative Bank or in The Co-operative Bank Holdings.

The Co-operative Bank will likely issue debt compliant with its minimum requirements for own funds and eligible liabilities out of an intermediate holding, The Co-operative Bank Finance p.l.c. (The Co-operative Bank Finance), which sits between The Co-operative Bank Holdings and The Co-operative Bank. To date, the intermediate holding only issued a £200 million Tier 2 bond in April 2019.

Exhibit 3

**The group's organisational structure**

Source: Company reports

**Detailed credit considerations**

We assign a BCA to The Co-operative Bank based on the consolidated financials of The Co-operative Bank Holdings. The financial data in the following sections are sourced from The Co-operative Bank Holdings' consolidated financial statements, unless otherwise stated.

**Low stock of problem loans**

We assign an Asset Risk score of ba2, six notches below the a2 Macro-Adjusted score, to reflect our expectation that problem loans will increase as a result of the economic shock deriving from the coronavirus outbreak, and the remaining risks in executing a strategy that aims to lead to a sustainable profitability.

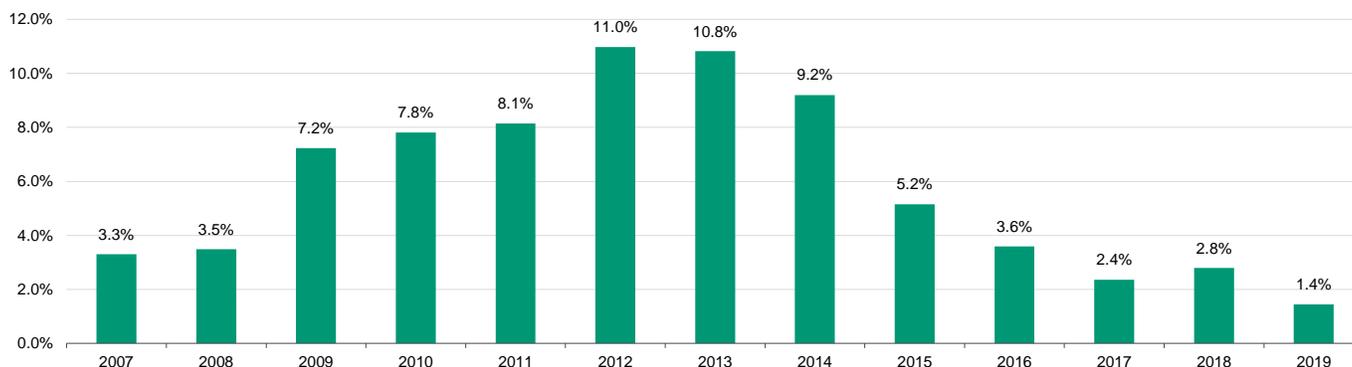
The Co-operative Bank is largely a residential mortgage lender. In March 2020, 93% of the bank's loan book was composed of secured retail mortgages, with the remainder split between unsecured consumer lending (2%), SME lending (1%), and legacy corporate lending (4%). The majority of legacy corporate lending (94%) comprises loans that carry low risk, but they do not generate a sufficient return (e.g. lending to housing associations).

The Co-operative Bank retains c.£170 million of mortgages with higher risk that were included in a portfolio labelled "Optimum" by the bank. This portfolio shrank materially from its £7.9 billion peak in 2013, mainly via securitisations. As of December 2019, The Co-operative Bank retained some notes related to these securitisations, which had a carrying amount (i.e. maximum exposure to loss) of £159 million.

Currently the stock of problem loans of The Co-operative Bank is low, representing 1.4% of gross loans as of December 2019. The problem loan ratio significantly decreased since its 11% peak in 2012 (see Exhibit 4), and also from the 2.8% reported as of December 2018, largely reflecting the disposal of the Optimum portfolio.

Exhibit 4

### Problem loans have significantly reduced Problem loans as a percentage of gross loans



Data until 2017 (included) is from The Co-operative Bank plc, 2018 and 2019 are The Co-operative Bank Holdings Limited.

Source: Moody's Investors Service

### High susceptibility of capital to stress

The Co-operative Bank's Capital score is b2, 13 notches below the Macro-Adjusted score of aa1, to reflect our view that the bank remains vulnerable in a stressed scenario, given its weak organic capital generation and weak leverage.

The Co-operative Bank reported high capital. As of March 2020 the bank's Common Equity Tier 1 (CET1) ratio was 18.3%, while the total capital ratio was 22.6%. We also calculate a very high tangible common equity/risk-weighted assets of 31.7% as of March 2020<sup>1</sup>.

Capital has improved significantly in recent years, following a recapitalisation plan and the disposal of large portion of legacy assets, which is positive. As of March 2020 The Co-operative Bank had a 17% total capital requirement<sup>2</sup>; this implies that bank had a buffer of 5.6 percentage points of risk-weighted assets over minimum requirement, or c.£270 million.

Despite the high buffer, we believe that the bank's capital position remains weak. The Co-operative Bank is structurally unprofitable, and we therefore expect capital ratios to decline. Furthermore, The Co-operative Bank indicates that it is not in compliance with the undisclosed Prudential Regulation Authority buffer, which sits above its minimum regulatory requirements and whose purpose is to provide additional loss absorbency in a stress. We therefore believe that The Co-operative Bank's capital is highly vulnerable to a stressed scenario.

The Co-operative Bank reported a weak 3.8% leverage ratio as of March 2020, calculated using the guidelines from the European Banking Authority (EBA). Using the guidelines from the Bank of England's Prudential Regulation Authority (PRA), which exclude the reserves with the central bank from the denominator, The Co-operative Bank's leverage ratio as of March 2020 would still be weak at 4.1%.

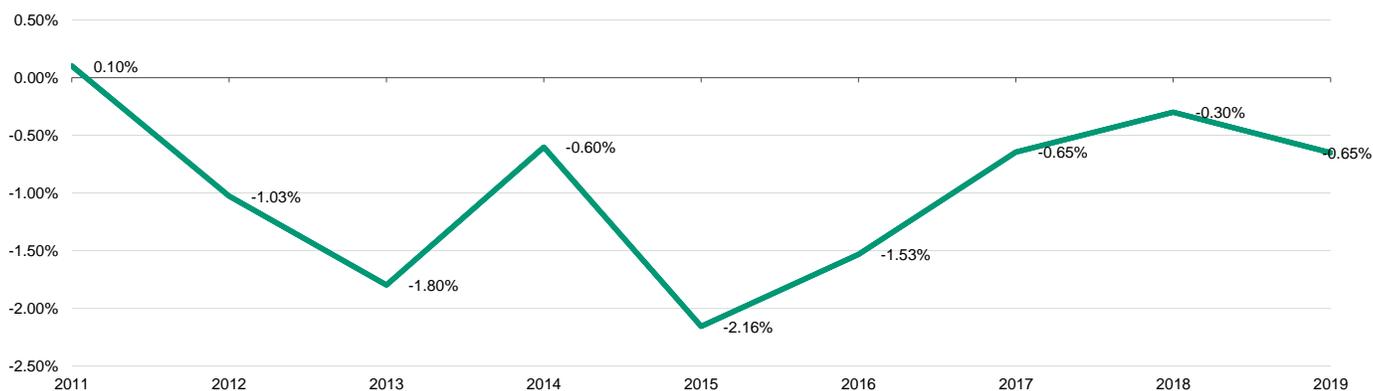
### Loss-making profile

We assign a Profitability score of caa3 to The Co-operative Bank, two notches below the Macro-Adjusted score of caa1, to reflect our forecasts and the bank's persistent losses.

Exhibit 5

#### The Co-operative Bank has reported a net loss for the last eight years

Net income/tangible assets as reported by The Co-operative Bank



Data until 2018 is from The Co-operative Bank plc, 2018 and 2019 are The Co-operative Bank Holdings Limited.

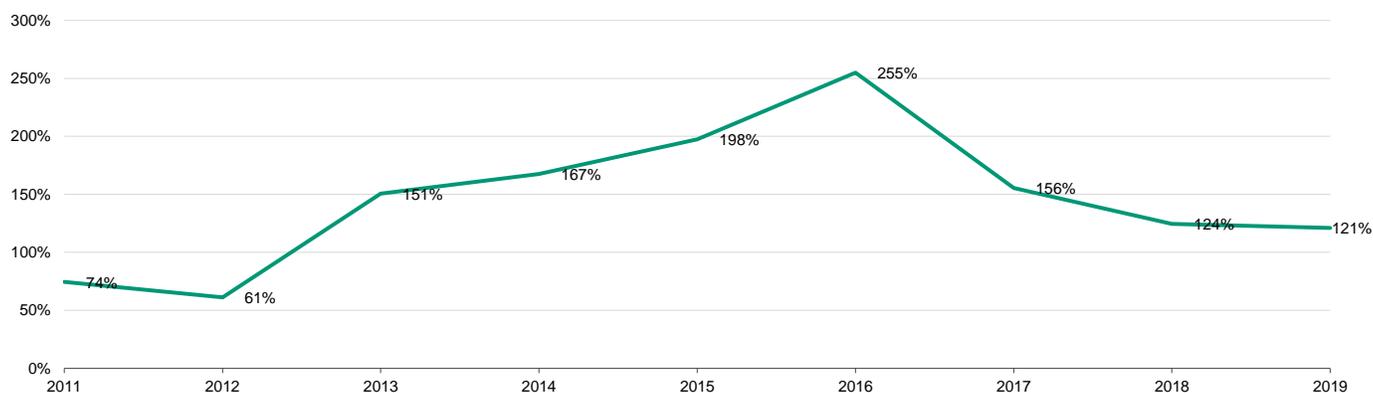
Source: Moody's Investors Service

We expect The Co-operative Bank to continue to be loss-making in 2020, with a negative pre-provision profit, albeit reduced from the past. Achieving a sustainable level of profitability from 2021 will still be challenging, given (1) dependence on rapid volume growth in a weakening economy, (2) the need to grow net interest income amid declining margins in the UK residential mortgage business (more than 90% of The Co-operative Bank's loan book); and (3) high cost base (see Exhibit 6) and an increase in the cost of funding due to the recent Tier 2 issuance, as well as future issuances to meet the bank's minimum requirements for own funds and eligible liabilities (MREL).

Exhibit 6

#### High cost base impedes profitability

Cost-to-income ratio



Data until 2018 is from The Co-operative Bank plc, 2018 and 2019 are The Co-operative Bank Holdings Limited.

Source: Moody's Investors Service

### Market access is limited by high funding costs but liquidity is ample

We assign a Funding Structure score of b1 to The Co-operative Bank, six notches below the Macro-Adjusted score of a1, to reflect the bank's challenged access to the unsecured debt market at average market prices.

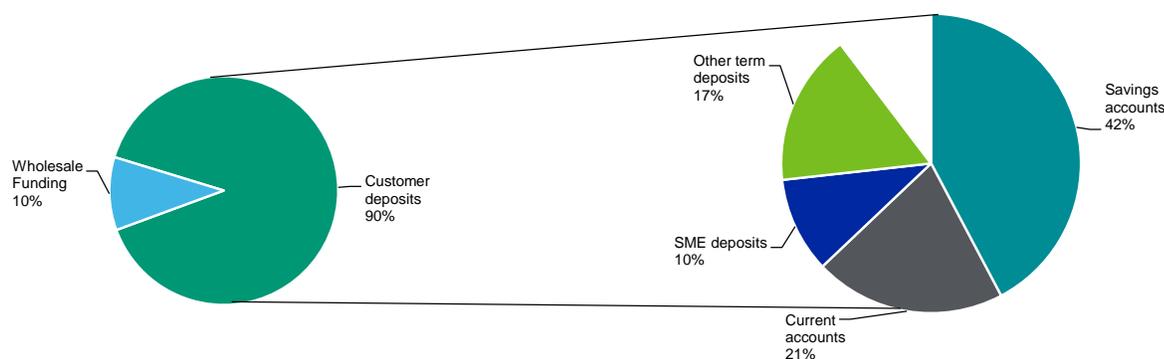
The reliance of The Co-operative Bank on wholesale funding is low (see Exhibit 7), representing 8.6% of tangible banking assets as of December 2019.

The Co-operative Bank is mostly funded through deposits (£19 billion as of March 2020). The majority of these deposits are customer savings accounts (£9 billion) and current accounts (£4.4 billion), which have been historically sticky during the liability management exercises in 2013 and 2017. The remainder of deposits are from small- and medium-enterprises (£2.2 billion) and other term deposits (£3.5 billion).

The remainder of The Co-operative Bank's funding is largely composed by a £1 billion of Term Funding Scheme (TFS) from the Bank of England. The Co-operative Bank has also £0.6 billion covered bonds maturing in November 2021, £0.2 billion RMBS, and £0.2 billion repos. In April 2019, The Co-operative Bank Finance issued a £200 million 10-year Tier 2 bond at a high 9.5% interest rate.

Exhibit 7

#### The Co-operative Bank is mostly funded through deposits Funding split as of March 2020



Wholesale funding includes TFS, covered bonds and securitisations, repos, and the Tier 2 instrument issued by The Co-operative Bank Finance.

Source: Moody's Investors Service

The Co-operative Bank estimates to have a final MREL requirement from January 2022 of 29.1% plus 2.5% of regulatory buffers (2.5% Capital Conservation Buffer, 0% Countercyclical Capital Buffer, 0% Systemic Risk Buffer). Based on the bank's 22.6% total capital ratio as of March 2020, current risk-weighted assets and planned growth, we estimate that The Co-operative Bank would need to issue MREL-compliant debt between £0.5 and £1 billion in the next 18 months. If the bank's estimates are confirmed, we believe that reaching this level of issuance will be challenging for The Co-operative Bank, which would likely need to offer an interest rate significantly above other UK retail banks.

The Co-operative Bank has ample liquidity against its limited market funding. The stock of liquid assets was high at 17.7% of the bank's tangible banking assets as of December 2019, which is equivalent to a Macro-Adjusted score of baa2. The assigned score is in line with the Macro-Adjusted score.

In March 2020 the balances with the Bank of England, gilts, and liquid government and bank bonds were £2.9 billion. In addition to that, The Co-operative Bank has £0.6 billion retained RMBS senior notes with a Aaa(sf) rating from the Silk Road Finance Number Six PLC securitisation issued in December 2019, and £2.8 billion of assets pre-positioned with the Bank of England.

According to the bank's estimate, the allowance for the new TFS with incentives for SMEs (TFSME) is £1.75 billion, in excess of the bank's current £1 billion TFS exposure.

The Co-operative Bank reported a 159% liquidity coverage ratio as of March 2020.

### Largely monoline business

The Co-operative Bank's Financial Profile score is ba3.

We apply a negative qualitative adjustment to reflect the lack of business diversification. Even though The Co-operative Bank provides a series of products to its retail clients, more than 90% of the bank's loan book is composed of residential mortgages. The remainder of the bank's loan book is composed of loans to small and medium enterprises, and a small unsecured loan book.

### ESG Considerations

In line with our general view for the banking sector, The Co-operative Bank has a low exposure to Environmental risks and moderate exposure to Social risks. In fact the bank historically emphasised its social credentials and ethical values arising from its roots in the cooperative movement. See our [Environmental risks heatmap](#) and [Social risks heatmap](#) for further information.

Our assessment of moderate Social risk for The Co-operative Bank also takes into account the bank's exposure to the coronavirus-induced economic shock.

Governance is highly relevant for The Co-operative Bank, as it is to all banks. Corporate governance weaknesses can lead to a deterioration in a company's credit quality, while governance strengths can benefit its credit profile. We believe that The Co-operative Bank lacks, at present, a sustainable business model. These governance considerations lead to a two-notch negative adjustment for Corporate Behaviour.

### Support and structural considerations

#### Loss Given Failure (LGF) analysis

The Co-operative Bank is subject to the UK implementation of the European Union Bank Recovery and Resolution Directive, which we consider to be an operational resolution regime.

Our advanced LGF analysis assumes residual tangible common equity of 3% and losses post-failure of 8% of tangible banking assets, a 25% run-off in junior wholesale deposits and a 5% run-off in preferred deposits. These are in line with our standard assumptions. Particular to The Co-operative Bank and other retail-funded banks in the UK, we assume the proportion of deposits considered junior at 10%, relative to our standard assumption of 26%, because of the largely retail-oriented depositor base of the bank.

Our LGF analysis indicates that The Co-operative Bank's deposits are likely to face moderate loss-given-failure, driven by the residual equity that we expect in a resolution scenario, the recent Tier 2 bond, and the volume of deposits themselves. As a result, deposits receive no notching uplift relative to the bank's BCA.

For the holding company's issuer rating, our LGF analysis shows high loss-given-failure, as at present it has no senior unsecured debt outstanding and little protection from subordinated debt and the residual equity that we expect in a resolution scenario. This results in ratings that are one notch below The Co-operative Bank's BCA.

We expect The Co-operative Bank to issue MREL-eligible debt, which will reduce the loss-given-failure for the bank's bondholders and depositors. Nevertheless, the issuance plan is still uncertain and we do not incorporate future issuance in the advanced LGF analysis.

#### Government support considerations

We believe that there is a low likelihood of government support for The Co-operative Bank's wholesale deposits in the event of its failure, resulting in no uplift. This probability reflects the bank's low market share in the UK market and its non-systemic nature compared with the country's largest banks.

#### Counterparty Risk (CR) Assessment

CR Assessments are opinions of how counterparty obligations are likely to be treated if a bank fails and are distinct from debt and deposit ratings in that they (1) consider only the risk of default rather than both the likelihood of default and the expected financial loss suffered in the event of default, and (2) apply to counterparty obligations and contractual commitments rather than debt or deposit instruments. The CR Assessment is an opinion of the counterparty risk related to a bank's covered bonds, contractual performance obligations (servicing), derivatives (for example, swaps), letters of credit, guarantees and liquidity facilities.

**The Co-operative Bank's CR Assessments are positioned at B1(cr)/Not Prime(cr)**

The long-term CR Assessment is two notches above the bank's standalone BCA of caa1. The uplift results from the small buffer against default provided to the operating obligations by the residual equity that we expect in resolution, by the recent Tier 2 bond, and by deposits, because the main difference from our Advanced LGF approach that is used to determine instrument ratings is that the CR Assessment captures the probability of default on certain senior obligations, rather than the expected loss. Therefore, we focus purely on subordination and do not take the volume of the instrument class into consideration.

The long-term CR Assessment does not include any further uplift, resulting from our expectation of low probability of government support.

**Counterparty Risk Ratings (CRRs)**

Our CRRs are opinions on the ability of entities to honour the uncollateralised portion of non-debt counterparty financial liabilities (CRR liabilities) and also reflect the expected financial losses in the event that such liabilities are not honoured. CRR liabilities typically relate to transactions with unrelated parties. Examples of CRR liabilities include the uncollateralised portion of payables arising from derivative transactions and the uncollateralised portion of liabilities under sale and repurchase agreements. CRRs are not applicable to funding commitments or other obligations associated with covered bonds, letters of credit, guarantees, servicer and trustee obligations, and other similar obligations that arise from a bank performing its essential operating functions.

**The Co-operative Bank's CRRs are positioned at B2/Not Prime**

The long-term CRRs are one notch above the bank's standalone BCA of caa1. The uplift derives from the buffer against default provided to the operating obligations by the residual equity that we expect in resolution, by the recent Tier 2 bond, and by deposits. The long-term CRRs do not include any further uplift resulting from our expectation of low probability of government support.

**About Moody's Bank Scorecard**

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from what suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

## Rating methodology and scorecard factors

Exhibit 8

### The Co-operative Bank Holdings Limited

MACRO FACTORS									
WEIGHTED MACRO PROFILE		STRONG +		100%					
FACTOR	HISTORIC RATIO	INITIAL SCORE	EXPECTED TREND	ASSIGNED SCORE	KEY DRIVER #1	KEY DRIVER #2			
Solvency									
Asset Risk									
Problem Loans / Gross Loans	2.2%	a2	↓↓	ba2	Expected trend	Operational risk			
Capital									
Tangible Common Equity / Risk Weighted Assets (Basel III - fully loaded)	31.7%	aa1	↔	b2	Stress Capital resilience				
Profitability									
Net Income / Tangible Assets	0.3%	ba2	↓↓	caa3	Earnings quality				
Combined Solvency Score		a2		b2					
Liquidity									
Funding Structure									
Market Funds / Tangible Banking Assets	8.6%	a1	↔	ba1	Lack of market access				
Liquid Resources									
Liquid Banking Assets / Tangible Banking Assets	17.7%	baa2	↔	baa2	Stock of liquid assets				
Combined Liquidity Score		a3		baa3					
Financial Profile				ba3					
Qualitative Adjustments				Adjustment					
Business Diversification				-1					
Opacity and Complexity				0					
Corporate Behavior				-2					
Total Qualitative Adjustments				-3					
Sovereign or Affiliate constraint				Aa2					
BCA Scorecard-indicated Outcome - Range				b2 - caa1					
Assigned BCA				b3					
Affiliate Support notching				0					
Adjusted BCA				b3					
BALANCE SHEET		IN-SCOPE (GBP MILLION)		% IN-SCOPE		AT-FAILURE (GBP MILLION)		% AT-FAILURE	
Other liabilities		3,463		14.8%		4,792		20.5%	
Deposits		18,997		81.3%		17,667		75.6%	
Preferred deposits		17,097		73.2%		16,242		69.5%	
Junior deposits		1,900		8.1%		1,425		6.1%	
Dated subordinated holding company debt		200		0.9%		200		0.9%	
Equity		701		3.0%		701		3.0%	
Total Tangible Banking Assets		23,360		100.0%		23,360		100.0%	

DEBT CLASS	DE JURE WATERFALL		DE FACTO WATERFALL		NOTCHING		LGF NOTCHING VS. ADJUSTED BCA	ASSIGNED LGF NOTCHING	ADDITIONAL NOTCHING	PRELIMINARY RATING ASSESSMENT
	INSTRUMENT VOLUME SUBORDINATION	SUB-ORDINATION	INSTRUMENT VOLUME SUBORDINATION	SUB-ORDINATION	DE JURE	DE FACTO				
Counterparty Risk Rating	10.0%	10.0%	10.0%	10.0%	1	1	1	1	0	b2
Counterparty Risk Assessment	10.0%	10.0%	10.0%	10.0%	2	2	2	2	0	b1 (cr)
Deposits	10.0%	3.9%	10.0%	3.9%	0	0	0	0	0	b3

INSTRUMENT CLASS	LOSS GIVEN FAILURE NOTCHING	ADDITIONAL NOTCHING	PRELIMINARY RATING ASSESSMENT	GOVERNMENT SUPPORT NOTCHING	LOCAL CURRENCY RATING	FOREIGN CURRENCY RATING
	Counterparty Risk Rating	1	0	b2	0	B2
Counterparty Risk Assessment	2	0	b1 (cr)	0	B1(cr)	
Deposits	0	0	b3	0	B3	B3

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Investors Service

## Ratings

Exhibit 9

Category	Moody's Rating
<b>THE CO-OPERATIVE BANK PLC</b>	
Outlook	Stable
Counterparty Risk Rating	B2/NP
Bank Deposits	B3/NP
Baseline Credit Assessment	b3
Adjusted Baseline Credit Assessment	b3
Counterparty Risk Assessment	B1(cr)/NP(cr)
<b>PARENT: THE CO-OPERATIVE BANK FINANCE P.L.C.</b>	
Outlook	Stable
Issuer Rating	Caa1
ST Issuer Rating	NP

Source: Moody's Investors Service

## Endnotes

- 1 Our tangible common equity ratio is materially higher than the bank's reported CET1 ratio. This is because our tangible common equity includes the £443 million reserves recognised following the separation of The Co-operative Bank's pension scheme from the one of The Co-operative Group.
- 2 We calculate the total capital requirement as the sum of 8% Pillar 1, 6.54% Pillar 2A, 2.5% Capital Conservation Buffer, 0% Countercyclical Capital Buffer, and 0% Systemic Risk Buffer.

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