

Methodology - Capital adequacy (until 31 December 2013 r.)

The data on capital adequacy ratio is based on the COREP reporting framework, sent to the National Bank of Poland by banks according to the NBP Board on Direction Resolution 53/2011 (Annex no 10) of 22 September 2011. The data is published for the period from March 2010 to December 2013.

The *capital adequacy* sheet contains data about the own funds, capital requirements and capital adequacy ratio. The category *capital requirements* includes capital requirements for credit risk and operational risk broken down by approaches applied by the banks.

Presented capital adequacy ratios are calculated with the applicable law. The TIER 1 ratio was calculated for the original own funds.

The *own funds* sheet presents data on the main items of original and additional own funds:

- eligible capital,
- reserves with audited income from current year, current period net loss, prior period losses, loss pending confirmation, funds for general banking risk
- subordinated loans
- deductions from original and additional own funds.

Own funds requirements according to article 127 of the Banking Law.