



HNB

Prudential Regulation and Bank Supervision Area

**REPORT ON THE APPLICATION OF THE INTERNAL
CAPITAL ADEQUACY ASSESSMENT PROCESS**

March 2011



HRVATSKA NARODNA BANKA

REPORT ON THE APPLICATION OF THE INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS

1 GENERAL INFORMATION AND SUMMARY

1.1 General information

Name and registered office of credit institution	
Reporting period	[1.1.20xx – 31.12.20xx]
Date of report compilation	
Date of report approval by the Management Board	
Contact person/persons	
Function	
Organisational unit	
Phone, fax, e-mail address	
Management Board Member responsible for the contents of this Report	[Name]

Signature of the Management Board Member _____

[A credit institution (hereinafter "CI") should report here key information on the internal capital adequacy assessment process (hereinafter "ICAAP"), including the name of the CI, where ICAAP is applied on an individual basis or the name of the parent CI, where ICAAP is applied on a consolidated basis for a group of CIs in the Republic of Croatia or on a sub-consolidated basis in accordance with Article 3, paragraph 6 of the Decision on the internal capital adequacy assessment process for credit institutions (OG 1/2009, 75/2009, 2/2010 and 28/2011), (hereinafter: "DICAAPCI"). The CI should also indicate the reporting period and the date of report compilation and its approval by the Management and Supervisory Boards. Finally, the name/names of the person/persons appointed as a person/persons responsible for contacts with the Croatian National Bank have to be indicated and a signature of the person (Management Board Member) responsible for the contents of the report provided.

Unless indicated otherwise, all amounts are reported in thousands of kuna.]

1.2 Scope of application	
Level of application	<i>[Indicate whether ICAAP is applied on a consolidated basis on the level of a group of CIs in the RoC, on a sub-consolidated basis in accordance with Article 3, paragraph 6 of the DICAAPCI, or on an individual basis.]</i>
Name and registered office of the members of the group of CIs	<i>[Indicate the names of undertakings included in the ICAAP on a consolidated basis. Where a CI finds that an individual undertaking has not been adequately included in the ICAAP, it should indicate so and state remedial measures and timeframes for their completion.]</i>

1.3 Summary	
Risk profile and capital requirements	
<i>[Indicate the list of all significant risks to which a CI is exposed or might be exposed and the amount of total internal capital requirements and the amount of capital requirements under the Decision on the capital adequacy of credit institutions (hereinafter "DCACI"). Also explain any differences arising from the internal and the prescribed capital requirements.]</i>	
<i>[State the summary of the risk profile analysis.]</i>	
Present and projected future financial condition	
<i>[Briefly describe the present financial condition of the CI, indicating the amount of total assets and key asset items, total income, total expenditure and profit, and describe the business model. Indicate the expected changes in the present business model, the expected future business environment, business plans and the projected financial condition for the following three years.]</i>	
Governance	
<i>[Briefly describe the governance arrangements of the CI and the role of the Management Board in ICAAP. Also indicate other key personnel and organisational units included in the ICAAP and their authorities and responsibilities. Indicate if the CI's risk management system is adequate and free of any deficiencies.]</i>	
Capital plans	
<i>[Give a brief description of capital planning and dividend policies for the next three years. Indicate how the CI plans to manage capital in the future and to what purposes it intends to use it.]</i>	
Self-assessment and planned measures for ICAAP improvement	
<i>[Briefly indicate self-assessment of ICAAP adequacy and, where appropriate, indicate the planned improvements and deadlines for their implementation.]</i>	
Other information	
<i>[Indicate other information and ICAAP results that are not covered by other parts of this Report.]</i>	

2 GOVERNANCE

2.1 The role of the Supervisory Board, the Management Board and senior management
Organisational structure
<i>[Indicate detailed organisational structure of the CI, specifying the committees, functions and organisational units included in the ICAAP. A diagram of the lines of reporting that are related to risk management and ICAAP can be shown in the organigram or separately.]</i>

ICAAP
<i>[Describe ICAAP set-up. Indicate factors that were taken into account in ICAAP definition. Indicate frequency of ICAAP. Give a list of ICAAP-related reports and indicate how often they are compiled and who they are submitted to. Indicate internal bylaws that define ICAAP set-up and ICAAP-related authorities and responsibilities.]</i>
The role of the Management Board and the Supervisory Board
<i>[Describe the role of the Management Board and the Supervisory Board of the CI, in connection with Articles 14 and 15 of the DICAAPCI. Describe the role of the committees set up by the Management Board and the Supervisory Board, which participate in the ICAAP. List decisions adopted by the Management Board and the Supervisory Board based on an analysis of ICAAP reports.]</i>
The role of senior management
<i>[The role of senior management of the CI in the ICAAP, in terms of its scope, methodologies and objectives.]</i>

2.2 Risk assumption and risk management strategy
Principles of risk management
<i>[Indicate key risk assumption and risk management principles and provide a list of internal bylaws in which they are specified. Describe in what way and how often are risk management and business strategies harmonised.]</i>
Risk assumption and risk appetite
<i>[Describe risk assumption strategy and indicate who is responsible for its implementation. Indicate risk appetite in quantitative terms as an absolute amount of internal capital and internal capital requirements or in the manner defined by the CI in its internal bylaws. Indicate internal bylaws which regulate which risk assumption strategy.]</i>

2.3 Internal controls system
<i>[Describe the authorities and the responsibilities of control functions in the ICAAP.]</i>

2.4 ICAAP supervision

[Describe ICAAP adequacy assessment by internal audit and other independent supervision. Indicate the list of reports drawn by the internal audit and other independent supervision of ICAAP and give a brief overview of key findings pertaining to the reporting period covered by this Report. Indicate the measures taken with regard to the findings of the internal audit and other independent supervision of ICAAP.]

2.5 Self-assessment of ICAAP

[Indicate how self-assessment of ICAAP is organised and who is responsible for it. Briefly describe the findings of self-assessment of ICAAP; assessment of ICAAP adequacy, detected weaknesses and deficiencies and planned changes and improvements. Include assessment of ICAAP adequacy in terms of planned changes in the risk management strategy.]

3 CAPITAL PLANS

[Indicate the target absolute amount and the structure of the internal capital and own funds to be used by the CI to cover significant risks arising from its business operations. Indicate the period that the target capital relates to. Compare the target amount of the capital with the amount available on 31 December 20XX and explain any differences.]

[Indicate what factors has the CI taken into account in determining its capital planning strategy. Indicate in particular whether the CI has taken into account the desired credit assessment in capital planning. If so, indicate the target credit assessment.]

[Indicate key factors determining capital plans such as strategic objectives of the CI, the time horizon covered by the plan, capital planning procedures and responsibilities for this procedure, the manner in which the CI will meet capital requirements in the future, capital-related restrictions and general contingency plans, etc.

Enclose with this Report a copy of the adopted capital plan.]

[Indicate dividend policy of the CI and subsidiary undertakings included in the ICAAP.]

4 IDENTIFICATION OF SIGNIFICANT RISKS

4.1 Risks to which a CI is or might be exposed
<i>[Describe the manner and the dynamics of risk identification and indicate and explain factors that the CI has taken into account in this procedure.]</i>
<i>[Indicate all risks to which a CI is exposed, and, where appropriate, own definition of each risk. A CI using the prescribed definitions of risk, should indicate so in the table below. Where the definition of risk used differs from the prescribed definition, the CI should explain the differences in scope and explain the effects of the use of this definition on the amount of capital requirements. Also indicate if any of the risks is a constituent part of a group of risks for which capital requirements are calculated on an aggregate basis. The list of risks has to include risks prescribed by Article 7, paragraph 2 or 4 of the DICAAPCI. Complete the table below.]</i>
<i>[Indicate internal bylaws regulating the procedure for the compilation of a list of risks to which the CI is or might be exposed.]</i>

Table 1: List of risks to which a CI is or might be exposed

Risk	Definition of risk	Explanation of the difference in the scope of definition and the effect of the difference on the amount of capital requirements
Credit risk		
Market risk		
Operational risk		
...		

4.2 Risk profile and significance
<i>[Describe the approach to risk significance determination and indicate factors on the basis of which an individual risk significance is determined.]</i>
<i>[Describe the manner of risk factors determination such as ranking, assessment, assessment score, strength of individual factor in the calculation, the relationship between final assessments and total risk significance, i.e. the significance of an individual assessment.]</i>
<i>[Indicate significant risks and those that are not significant. For each significant risk, indicate the assigned risk significance assessment, an explanation of that assessment and the treatment of risks under the ICAAP. Indicate whether it is a qualitative and/or a quantitative treatment of risks under the ICAAP, where quantitative treatment implies that treatment that results in internal capital requirements. For each risk determined as not significant, the CI should provide an explanation based on the assessment of the previously defined risk factors.]</i>
<i>[Indicate internal bylaws governing the determination of risk profile and risk significance.]</i>
<i>[Complete the tables below.]</i>

Table 2: Significant risks

Significant risks	Assessment of risk significance	Explanation of assessment of significance	Treatment under the ICAAP	
			Qualitative (YES/NO)	Quantitative (YES/NO)
...				

Table 3: Risks which are not significant

Risks which are not significant	Explanation why the risk is not significant
...	

5 MANAGEMENT OF SIGNIFICANT RISKS (INDIVIDUALLY FOR EACH RISK)

The CI should complete this part of the Report separately for each significant risk, i.e. one for each determined significant risk referred to in item 4.2 of this Report.

5.1 – 5.x Risk management [credit risk, market risk, operational risk, interest rate risk in the non-trading book, liquidity risk...]

[Describe the organisational structure of risk management.]

[Describe how risk appetite is determined.]

[Describe the methodology for risk measurement and evaluation and the procedures for risk containment, including the establishment of limits.]

[Indicate the measures and the procedures applied in case of departure from the adopted policies and procedures and in contingency situations.]

[Indicate key databases that the CI has set up for the purposes of risk management and briefly describe how they operate.]

[Indicate regular and occasional reports on risks compiled for the Management Board, the Supervisory Board and other committees and the name of the organisational unit/name of the person that has compiled a particular report.]

[Describe how stress testing is done (scope, frequency, procedures and activities taken by the CI in case of adverse stress testing results).]

[Indicate internal bylaws for risk assumption and management.]

[Briefly describe the results of self-assessment of risk management adequacy, governance (e.g. organisational structure, delegation of tasks, etc.), risk measurement/evaluation methodology and the procedures related thereto and the internal control system.]

6 MEASUREMENT OR ASSESSMENT OF SIGNIFICANT RISKS AND DETERMINATION OF THE RELEVANT INTERNAL CAPITAL REQUIREMENTS AMOUNTS

6.1 Methodology for the assessment of internal capital requirements for credit risk
6.1.1 The CI that uses the standardised approach or the internal ratings based approach referred to in the DCACI
<i>This method can be selected only by that CI whose calculation of internal capital requirements does not depart from the calculation prescribed in the DCACI, neither in terms of the scope or the prescribed capital adequacy ratio. A CI using the standardised approach for the purposes of regulatory capital requirements may, provided it presents evidence that all the prescribed conditions have been met, use the internal ratings based approach for the purposes of internal capital requirements .</i>
<i>[Indicate the approach used by the CI, and explain the reasons for the selection of that approach.]</i>
<i>[Where appropriate, the CI should explain the assessment of the possible credit risk underestimation as a result of the use of the standardised approach.]</i>
6.1.2 The CI has additionally enhanced the approaches under the DCACI or uses other approaches
<i>[Explain in detail modifications made to the approaches and state arguments based on facts. The level of detail has to be proportionate to departure from the prescribed methodology.]</i>
<i>[Where the modified approach, in addition to basic credit risk, covers also specific credit risks, such as for instance the residual risk, the sovereignty risk, etc., the CI should specify such risks and give an argued explanation of how capital requirements for each of the specified risks have been assessed. If possible, the CI should indicate the relevant amount of internal capital requirements that has been included in the amount of the internal capital requirements for credit risk for each of the risks specified.]</i>
<i>[Indicate internal bylaws which prescribe in detail the methodology for the assessment of internal capital requirements for credit risk.]</i>
6.1.3 Where the amount of internal capital requirements for credit risk includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements for credit risk based on stress testing.

6.2 Methodology for the assessment of internal capital requirements for market risk
6.2.1 The CI that uses the approaches referred to in the DCACI
<i>This method can be selected only by that CI whose calculation of internal capital requirements does not depart from the calculation prescribed in the DCACI, neither in terms of the scope or the prescribed capital adequacy ratio. A CI not using the internal model for the purposes of regulatory capital requirements may, provided it presents evidence that all the prescribed conditions for the purposes of internal capital requirements have been met, use the internal model in the manner prescribed in the DCACI.</i>
<i>[Indicate the approach used by the CI, and explain the reasons for the selection of that approach.]</i>
<i>[Where appropriate, the CI should explain the assessment of the possible market risk underestimation as a result of the use of the prescribed approach, i.e. indicate all exposures to market risk not covered by the prescribed approach and explain in detail their effect on the assessed internal capital requirements for market risk.]</i>
6.2.2 The CI has additionally enhanced the approaches under the DCACI
<i>[Provide an argued explanation for the modifications to the approach. Where the modified approach, in addition to position, currency and commodity risks and exceeding large exposure limits also covers additional market risks, such as for instance interest rate risk in the non-trading book, position risk of equity instruments in the non-trading book, the CI should specify such risks and give an argued explanation how capital requirements for each of the specified risks has been assessed, and if possible, indicate the relevant amount of internal capital requirements.]</i>

[Indicate internal bylaws which prescribe in detail the methodology for the assessment of internal capital requirements for market risk.]

6.2.3 Where the amount of internal capital requirements for market risk includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements for market risk based on stress testing.

6.3 Methodology for the assessment of internal capital requirements for operational risk

6.3.1 The CI that uses the approaches referred to in the DCACI

This method can be selected only by that CI whose calculation of internal capital requirements does not depart from the calculation prescribed in the DCACI, neither in terms of the scope or the prescribed capital adequacy ratio. A CI using the basic indicator approach for the purposes of regulatory capital requirements may, provided it presents evidence that all the prescribed conditions have been met, use the standardised or the advanced measurement approach for the purposes of internal capital requirements.

A CI that uses the standardised approach for the purposes of regulatory capital requirements, may, provided it presents evidence that all the prescribed conditions have been met, use the advanced measurement approach for the purposes of internal capital requirements.

[Indicate the approach used by the CI, and explain the reasons for the selection of that approach.]

[Where appropriate, the CI should explain the assessment of the possible operational risk underestimation as a result of the use of the prescribed approach and provide a detailed analysis of the exposures not covered by this approach.]

[Where the calculation includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used and the effect of that calculation on the amount of internal capital requirements.]

6.3.2 The CI has additionally enhanced the approaches under the DCACI

[Provide an argued explanation for the modification to the approach (the assumptions and the manner of calculation). Where the modified approach also covers additional exposures to operational risk, the CI should specify such risks and give an argued explanation how capital requirements for these exposures have been assessed, and indicate the relevant amount of internal capital requirements.]

[Indicate internal bylaws which prescribe in detail the methodology for the assessment of internal capital requirements for operational risk.]

6.3.3 Where the amount of internal capital requirements for operational risk includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements for operational risk based on stress testing.

6.4 Methodology for the assessment of internal capital requirements for currency induced credit risk

6.4.1 The CI that uses the modified approaches prescribed under the DCACI

This method can be selected by that CI which, in calculating the internal capital requirements for credit risk, does not depart from the calculation prescribed in the DCACI, but which, for the purposes of calculating internal capital requirements for currency induced credit risk, modifies the prescribed approaches through, for instance, increased risk weights under the standardised approach.

[Indicate the approach applied by the CI and the reason for the selection of that particular approach, and where appropriate, specify the increased risk weights.]

[The CI should explain the assessment of the possible currency induced credit risk underestimation as a result of the use of this approach.]

6.4.2 The CI that uses other approaches

[Explain in detail the approach used and state arguments based on facts. A credit institution using the comprehensive credit risk assessment methodology described in detail in item 6.1 for the assessment of currency induced credit risk may, where it is evident that this methodology also addresses currency induced

credit risk, make a reference to that item.

[Indicate internal bylaws which prescribe in detail the methodology for the assessment of internal capital requirements for currency induced credit risk.]

6.4.3 Where the amount of internal capital requirements for currency induced credit risk includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements for currency induced credit risk based on stress testing.

6.5 Methodology for the assessment of internal capital requirements for concentration risk

The CI should analyse concentration risk, taking into account as a minimum the following factors:

- *each individual, direct or indirect, exposure to a single person, or a group of connected persons, and*
- *a group of exposures to the same economic sector.*

The CI may also analyse other factors contributing to the concentration risk, such as for instance, a group of exposures to the same geographic region, business activities or commodity, and the application of credit risk mitigation techniques, which may lead to losses that could jeopardise the continued operation of the CI.

[In this part of the Report, the CI should report the bases for the analysis and measurement of the concentration risk.]

[Describe key assumptions and the manner of measuring the concentration risk. A credit institution using the comprehensive credit risk assessment methodology described in detail in item 6.1 for the assessment of concentration risk, may, where it is evident that this methodology also addresses concentration risk, make a reference to that item.]

[Indicate internal bylaws which prescribe in detail the methodology for the assessment of internal capital requirements for concentration risk.]

[Where the amount of internal capital requirements for concentration risk includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements for concentration risk based on stress testing.]

6.6 Methodology for the assessment of internal capital requirements for interest rate risk in the non-trading book

6.6.1 The CI that uses the simplified calculation of the estimate of change in the economic value of the non-trading book prescribed by the Decision on the management of interest rate risk in the non-trading book

[The CI may, in calculating internal capital requirements for interest rate risk in the non-trading book, use the simplified calculation of the estimate of change in the economic value of the non-trading book prescribed by the Decision on the management of interest rate risk in the non-trading book (OG 2/2010). The internal capital requirements for interest rate risk in the non-trading book in that case equals the total net weighted position of the non-trading book (i.e. the change in the economic value). The CI should indicate that it has selected the simplified approach and should assess the possible underestimation of interest rate risk in the non-trading book as a result of the use of the prescribed approach.]

6.6.2 The CI that uses some other approach to calculate internal capital requirements for interest rate risk in the non-trading book

[The CI should explain in detail the approach to the calculation of internal capital requirements for interest rate risk in the non-trading book and give an argued explanation for the selected approach as regards the risk profile and the system of risk management of the CI. A credit institution using the comprehensive market risks assessment methodology described in detail in item 6.2 for the assessment of interest rate risk in the non-trading book may, where it is evident that this methodology also addresses interest rate risk in the non-trading book, make a reference to that item.]

[Indicate internal bylaws which prescribe in detail the methodology for the assessment of internal capital

requirements for interest rate risk in the non-trading book.]

6.6.3 Where the amount of internal capital requirements for interest rate risk in the non-trading book includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements for interest rate risk in the non-trading book based on stress testing.

6.7 Methodology for the assessment of internal capital requirements for other risks

6.7.1 The CI that uses the simplified approach to calculate internal capital requirements for other risks

A smaller CI may, instead of assessing exposure to other significant risks (not stated under items 6.1 - 6.6 of this Report), allocate for them internal capital requirements in the amount of minimum 5% of the total regulatory capital requirements. The percentage selected by the CI has to be argued and in line with the prescribed internal policy.

[The CI should indicate the selected percentage and give an argued explanation for its selection.]

6.7.2 The CI that uses other methods to calculate internal capital requirements for other risks

[Describe key assumptions and the manner of measuring each of the significant other risks.]

[Indicate internal bylaws which prescribe in detail the methodology for the assessment of internal capital requirements for each of the significant other risks.]

6.7.3 Where the amount of internal capital requirements for each of the other significant risks includes an assessment based on stress testing, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements for that risk based on stress testing.

6.8 Methodology for the assessment of external factors and stress testing

[Indicate the external factors analysed by the CI under the ICAAP and the manner of their inclusion in the ICAAP.]

[Indicate internal bylaws which prescribe in detail the manner of assessment and selection of key external factors and the manner of their inclusion in the ICAAP.]

[Where the CI uses the results of stress testing in the assessment of the total internal capital requirements, the CI should describe in detail the assumptions and the manner of calculation used, and indicate the amount of additional internal capital requirements based on stress testing. The CI should indicate the internal bylaws prescribing the stress testing procedure.]

6.9 Prescribed capital requirements and internal capital requirements

[Complete the table below.]

Table 4: Prescribed capital requirements and internal capital requirements

Type of risk	Prescribed capital requirements	Internal capital requirements
Credit risk		
Market risk		
Operational risk		
Currency induced credit risk	not applicable	
Concentration risk	not applicable	
Interest rate risk in the non-trading book	not applicable	
.....		

Other risks	not applicable	
Assessment of external factors and stress testing	not applicable	

7 DETERMINATION OF THE TOTAL INTERNAL CAPITAL

7.1 Methodology for the assessment of total internal capital requirements

*[The CI that determines total internal capital requirements by summing up internal capital requirements for all the significant risks, has to complete the Internal capital adequacy assessment form.
The CI that uses a more complex approach should, in addition to completing the Internal capital adequacy assessment form, explain in detail the selected approach and the reasons for the selection of that approach, indicate the amount of total internal capital requirements before and after the effects of diversification and indicate internal bylaws which prescribe in detail the methodology for the assessment of the total internal capital requirements.]*

Where the credit institution includes in the total amount of internal capital requirements, additional capital requirements for the risks that cannot be expressed in numerical terms, the CI should describe how they are calculated and indicate the amount of additional capital requirements and explain what it relates to.

7.2 Definition of the available internal capital

[Complete the table below.]
[Indicate and explain the differences between the constituent parts of the available internal capital and own funds.]
[Indicate internal bylaws which prescribe in detail the methodology for determining the available internal capital.]

Table 5: Own funds and available internal capital

Item	Own funds	Available internal capital
(a) Items included in original own funds		
Paid-up capital from the issue of shares of the credit institution, excluding cumulative preferential shares		
Reserves and retained earnings		
Reserves for general banking risks		
Total items included in original own funds		
Other items	not applicable	
(b) Items reducing original own funds		
Losses brought forward		
Losses for the current year		
Own shares		
Intangible assets		
Outstanding amount of credits which the credit institution granted for the purchase of its shares, excluding cumulative preferential shares		
Other items		
Total items reducing original own funds		
(c) Total original own funds (a – b)		
(d) Total additional own funds		
(e) Total own funds before reductions for deduction items (c + d)		
(f) Total items deducted from own funds		
(g) TOTAL CAPITAL (e – f)		
(h) Total ancillary own funds (for market risk coverage)		
(i) Other items	not applicable	
(j) TOTAL CAPITAL		

7.3 Comparison between the regulatory capital requirements and total internal capital requirements
[Indicate and explain the differences between the regulatory capital requirements and total internal capital requirements.]

8 OTHER INFORMATION

8.1 Outsourcing

[Where the CI has outsourced a part of the procedure, it should indicate what it has outsourced and how it has done it, indicate the service provider and its compliance with the provisions of the Decision on outsourcing (OG 1/2009, 75/2009 and 2/2010).]

8.2 Inclusion in the consolidated ICAAP

[Where a credit institution's parent undertaking/credit institution has its registered office outside the Republic of Croatia, the CI should briefly describe the methods and the manner of harmonisation of the procedure for the assessment of internal capital adequacy of the CI with the procedure in place in the parent credit institution.]

8.3 Other

[Indicate other information and the results of the internal capital adequacy assessment process not covered elsewhere in this Report.]

INTERNAL CAPITAL ADEQUACY ASSESSMENT FORM

Name of CI	
-------------------	--

Reporting date	
-----------------------	--

I PLANNED CAPITAL (for the reporting date)	
A) Planned own funds	
B) Planned internal capital	

II OWN FUNDS AND ASSESSMENT OF THE AVAILABLE INTERNAL CAPITAL	
Own funds	
Original own funds	
Additional own funds	
Ancillary own funds (for market risk coverage)	
Deduction items	
Items included in the assessment of the available internal capital (+ or -); sum total	
-	
-	
-	
-	
Total available internal capital	

III MINIMUM CAPITAL REQUIREMENTS AND THE ASSESSMENT OF INTERNAL CAPITAL REQUIREMENTS				
	FIRST PILLAR		SECOND PILLAR (ICAAP)	
	Methodology of capital requirements calculation	Minimum capital requirements	Methodology of internal capital requirements assessment	Internal capital requirements
A) Part I: Risks for which minimum capital requirements are calculated				
Credit risk				
Market risk				
Operational risk				
B) Part 2: Risks not fully covered by minimum capital requirements				
Currency induced credit risk				
Residual risk				
Securitisation risk				
C) Part 3: Risks for which no minimum capital requirements are calculated				
Interest rate risk in the non-trading book				
Concentration risk				
Liquidity risk				
Other risks				
a) Strategic risk				
b) Reputation risk				
c)				
d)				
...				
D) Part 4: Effect of external factors (economic and business environment) including the results of stress testing				

	PILLAR 1			PILLAR 2 (ICAAP)	
	Methodology of capital requirements calculation	Minimum capital requirements		Methodology of internal capital requirements assessment	Internal capital requirements
E) Total capital requirements/assessment of internal capital requirements					
F) Effects of diversification (-)					
a) Within risk					
b) Between risks					
E) Total assessment of internal capital requirements and diversification effects					

IV CAPITAL PLANNING			
	Current year + 1	Current year + 2	Current year + 3
Planned capital adequacy ratio			
Planned own funds			
Planned available internal capital			
Planned internal capital requirements			