

Pillar 3 Disclosure 2020

Appendices

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1 Appendix 1

Reconciliation of statutory to regulatory capital (GBP 000s)

Rows	ID	Item	Audited financial statements	Regulatory submissions (pre-audit)
010	1	OWN FUNDS	246,112	244,910
015	1.1	TIER 1 CAPITAL	246,112	244,910
020	1.1.1	COMMON EQUITY TIER 1 CAPITAL	246,112	244,910
030	1.1.1.1	Capital instruments eligible as CET1 Capital	201,368	201,368
040	1.1.1.1.1	Paid up capital instruments BLME Plc	48,933	48,933
		Paid up capital instruments WAF	11,811	11,811
050	1.1.1.1.2*	Memorandum item: Capital instruments not eligible		
060	1.1.1.1.3	Share premium	140,623	140,623
070	1.1.1.1.4	(-) Own CET1 instruments		
080	1.1.1.1.4.1	(-) Direct holdings of CET1 instruments		
090	1.1.1.1.4.2	(-) Indirect holdings of CET1 instruments		
091	1.1.1.1.4.3	(-) Synthetic holdings of CET1 instruments		
092	1.1.1.1.5	(-) Actual or contingent obligations to purchase own CET1 instruments		
130	1.1.1.2	Retained earnings	41,116	40,164
140	1.1.1.2.1	Previous years retained earnings	40,164	40,164
150	1.1.1.2.2	Profit or loss eligible	952	0
160	1.1.1.2.2.1	Profit or loss attributable to owners of the parent		3,401
170	1.1.1.2.2.2	(-) Part of interim or year-end profit not eligible		(3,401)
180	1.1.1.3	Accumulated other comprehensive income	102	95
200	1.1.1.4	Other reserves	3,527	3,527
210	1.1.1.5	Funds for general banking risk		
220	1.1.1.6	Transitional adjustments due to grandfathered CET1 Capital instruments		
230	1.1.1.7	Minority interest given recognition in CET1 capital		
240	1.1.1.8	Transitional adjustments due to additional minority interests		
250	1.1.1.9	Adjustments to CET1 due to prudential filters		
260	1.1.1.9.1	(-) Increases in equity resulting from securitised assets		
270	1.1.1.9.2	Cash flow hedge reserve		
280	1.1.1.9.3	Cumulative gains and losses due to changes in own credit risk on fair valued liabilities		

285	1.1.1.9.4	Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities		
290	1.1.1.9.5	(-) Value adjustments due to the requirements for prudent valuation		
300	1.1.1.10	(-) Goodwill		
310	1.1.1.10.1	(-) Goodwill accounted for as intangible asset		
320	1.1.1.10.2	(-) Goodwill included in the valuation of significant investments		
330	1.1.1.10.3	Deferred tax liabilities associated to goodwill		
340	1.1.1.11	(-) Other intangible assets		(243)
350	1.1.1.11.1	(-) Other intangible assets gross amount		(243)
360	1.1.1.11.2	Deferred tax liabilities associated to other intangible assets		
370	1.1.1.12	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities		
380	1.1.1.13	(-) IRB shortfall of credit risk adjustments to expected losses		
390	1.1.1.14	(-) Defined benefit pension fund assets		
400	1.1.1.14.1	(-) Defined benefit pension fund assets gross amount		
410	1.1.1.14.2	Deferred tax liabilities associated to defined benefit pension fund assets		
420	1.1.1.14.3	Defined benefit pension fund assets which the institution has an unrestricted ability to use		
430	1.1.1.15	(-) Reciprocal cross holdings in CET1 Capital		
440	1.1.1.16	(-) Excess of deduction from AT1 items over AT1 Capital		
450	1.1.1.17	(-) Qualifying holdings outside the financial sector which can alternatively be subject to a 1.250% risk weight		
460	1.1.1.18	(-) Securitisation positions which can alternatively be subject to a 1.250% risk weight		
470	1.1.1.19	(-) Free deliveries which can alternatively be subject to a 1.250% risk weight		
471	1.1.1.20	(-) Positions in a basket for which an institution cannot determine the risk weight under the IRB approach, and can alternatively be subject to a 1.250% risk weight		
472	1.1.1.21	(-) Equity exposures under an internal models approach which can alternatively be subject to a 1.250% risk weight		
480	1.1.1.22	(-) CET1 instruments of financial sector entities where the institution does not have a significant investment		
490	1.1.1.23	(-) Deductible deferred tax assets that rely on future profitability and arise from temporary differences		
500	1.1.1.24	(-) CET1 instruments of financial sector entities where the institution has a significant investment		

510	1.1.1.25	(-) Amount exceeding the 17.65% threshold		
520	1.1.1.26	Other transitional adjustments to CET1 Capital		
524	1.1.1.27	(-) Additional deductions of CET1 Capital due to Article 3 CRR		
529	1.1.1.28	CET1 capital elements or deductions - other		
530	1.1.2	ADDITIONAL TIER 1 CAPITAL		
540	1.1.2.1	Capital instruments eligible as AT1 Capital		
550	1.1.2.1.1	Paid up capital instruments		
560	1.1.2.1.2*	Memorandum item: Capital instruments not eligible		
570	1.1.2.1.3	Share premium		
580	1.1.2.1.4	(-) Own AT1 instruments		
590	1.1.2.1.4.1	(-) Direct holdings of AT1 instruments		
620	1.1.2.1.4.2	(-) Indirect holdings of AT1 instruments		
621	1.1.2.1.4.3	(-) Synthetic holdings of AT1 instruments		
622	1.1.2.1.5	(-) Actual or contingent obligations to purchase own AT1 instruments		
660	1.1.2.2	Transitional adjustments due to grandfathered AT1 Capital instruments		
670	1.1.2.3	Instruments issued by subsidiaries that are given recognition in AT1 Capital		
680	1.1.2.4	Transitional adjustments due to additional recognition in AT1 Capital of instruments issued by subsidiaries		
690	1.1.2.5	(-) Reciprocal cross holdings in AT1 Capital		
700	1.1.2.6	(-) AT1 instruments of financial sector entities where the institution does not have a significant investment		
710	1.1.2.7	(-) AT1 instruments of financial sector entities where the institution has a significant investment		
720	1.1.2.8	(-) Excess of deduction from T2 items over T2 Capital		
730	1.1.2.9	Other transitional adjustments to AT1 Capital		
740	1.1.2.10	Excess of deduction from AT1 items over AT1 Capital (deducted in CET1)		
744	1.1.2.11	(-) Additional deductions of AT1 Capital due to Article 3 CRR		
748	1.1.2.12	AT1 capital elements or deductions - other		
750	1.2	TIER 2 CAPITAL		
760	1.2.1	Capital instruments and subordinated loans eligible as T2 Capital		
770	1.2.1.1	Paid up capital instruments and subordinated loans		
780	1.2.1.1*	Memorandum item: Capital instruments and subordinated loans not eligible		

790	1.2.1.3	Share premium		
800	1.2.1.4	(-) Own T2 instruments		
810	1.2.1.4.1	(-) Direct holdings of T2 instruments		
840	1.2.1.4.2	(-) Indirect holdings of T2 instruments		
841	1.2.1.4.3	(-) Synthetic holdings of T2 instruments		
842	1.2.1.5	(-) Actual or contingent obligations to purchase own T2 instruments		
880	1.2.2	Transitional adjustments due to grandfathered T2 Capital instruments and subordinated loans		
890	1.2.3	Instruments issued by subsidiaries that are given recognition in T2 Capital		
900	1.2.4	Transitional adjustments due to additional recognition in T2 Capital of instruments issued by subsidiaries		
910	1.2.5	IRB Excess of provisions over expected losses eligible		
920	1.2.6	SA General credit risk adjustments		
930	1.2.7	(-) Reciprocal cross holdings in T2 Capital		
940	1.2.8	(-) T2 instruments of financial sector entities where the institution does not have a significant investment		
950	1.2.9	(-) T2 instruments of financial sector entities where the institution has a significant investment		
960	1.2.10	Other transitional adjustments to T2 Capital		
970	1.2.11	Excess of deduction from T2 items over T2 Capital (deducted in AT1)		
974	1.2.12	(-) Additional deductions of T2 Capital due to Article 3 CRR		
978	1.2.13	T2 capital elements or deductions - other		

2 Appendix 2

Capital Instruments - main features and terms

1	Issuer	Bank of London and The Middle East Plc	Walbrook Asset Finance Ltd
2	Unique identifier (ISIN)	N/A not listed	N/A not listed
3	Governing law of the instrument	English	
Regulatory treatment			
4	Transitional CRR rules	CET 1	
5	Post-transitional CRR rules	CET 1	
6	Eligible at:	Solo + Core UK Group	Core UK Group
7	Instrument type	Share capital	
8	Amount recognised in regulatory capital (£m)	48.9	11.8
9	Nominal amount of instrument (£m)	48.9	11.8
9a	Issue price		
9b	Redemption price	n/a	
10	Accounting classification	Shareholders' Equity	
11	Original date of issuance	02 Oct 2013	Various 2019 + 2020
12	Perpetual or dated	Perpetual	
13	Original maturity date	No maturity	
14	Issuer call subject to prior supervisory approval	No	
15	Optional call date, contingent call dates and redemption amount	n/a	
16	Subsequent call dates	n/a	
Coupons/dividends			
17	Fixed or floating dividend/coupon	Floating	
18	Coupon rate and any related index	Nil	
19	Existence of a dividend stopper	No	
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	
20b	Fully discretionary, partially discretionary or mandatory (in terms of amt)	Partially discretionary	
21	Existence of step up or other incentive to redeem	No	
22	Noncumulative or cumulative	Noncumulative	
23	Convertible or non-convertible	Nonconvertible	
24	If convertible, conversion trigger(s)	n/a	
25	If convertible, fully or partially	n/a	
26	If convertible, conversion rate	n/a	
27	If convertible, mandatory or optional conversion	n/a	
28	If convertible, specify instrument type convertible into	n/a	
29	If convertible, specify issuer of instrument it converts into	n/a	
30	Write-down features	No	
31	If write-down, write-down trigger(s)	n/a	
32	If write-down, full or partial	n/a	
33	If write-down, permanent or temporary	n/a	
34	If temporary write-down, description of write-up mechanism	n/a	
35	Position in subordination hierarchy in liquidation	None	
36	Non-compliant transitional features	No	
37	If yes, specify non-compliant features	n/a	

3 Appendix 3

Transitional own funds disclosure template

The table below above follows the template set out in the relevant EU Delegated Act, except certain rows have been omitted that are not relevant

Common Equity Tier 1 capital: instruments and reserves		GBP 000s
1	Capital instruments and the related share premium accounts	201,368
2	Retained earnings	40,164
3	Accumulated other comprehensive income (and any other reserves)	3,622
3a	Funds for general banking risk	
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	
	Public sector capital injections grandfathered until 1 January 2018	
5	Minority interests (amount allowed in consolidated CET1)	
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	245,154
7	Additional value adjustments (negative amount)	
8	Intangible assets (net of related tax liability) (negative amount)	(243)
9	Empty set in the EU	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary difference (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	
11	Fair value reserves related to gains or losses on cash flow hedges	
12	Negative amounts resulting from the calculation of expected loss amounts	
13	Any increase in equity that results from securitised assets (negative amount)	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	
15	Defined-benefit pension fund assets (negative amount)	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	
18	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	
19	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	
20b	of which: qualifying holdings outside the financial sector (negative amount)	

20c	of which: securitisation positions (negative amount)	
20d	of which: free deliveries (negative amount)	
21	Deferred tax assets arising from temporary difference (amount above 10 % threshold , net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	
22	Amount exceeding the 15% threshold (negative amount)	
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	
25	of which: deferred tax assets arising from temporary difference	
25a	Losses for the current financial year (negative amount)	
25b	Foreseeable tax charges relating to CET1 items (negative amount)	
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment	
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	
27	Qualifying AT1 deductions that exceeds the AT1 capital of the institution (negative amount)	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(243)
29	Common Equity Tier 1 (CET1) capital	244,911
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	
44	Additional Tier 1 (AT1) capital	
45	Tier 1 capital (T1 = CET1 + AT1)	244,911
51	Tier 2 (T2) capital before regulatory adjustment	
57	Total regulatory adjustments to Tier 2 (T2) capital	
58	Tier 2 (T2) capital	
59	Total capital (TC = T1 + T2)	244,911
60	Total risk-weighted assets	1,472,268
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	16.63%
62	Tier 1 (as a percentage of total risk exposure amount)	16.63%
63	Total capital (as a percentage of total risk exposure amount)	16.63%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements plus a systemic risk buffer, plus systemically important institution buffer expressed as a percentage of total risk exposure amount)	7.00%
65	of which: capital conservation buffer requirement	2.50%
66	of which: countercyclical buffer requirement	0.00%
67	of which: systemic risk buffer requirement	
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	9.63%