EN

**ANNEX IX**

**IFRS 9 TEMPLATE REPORTING INSTRUCTIONS**

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## PART I: GENERAL INSTRUCTIONS

1. Information shall be submitted only for those counterparties and portfolios where an actual exposure exists at the reference date in the form of either an Original Exposure or an Exposure after credit risk mitigation, including exposures in stage 3 and counterparties for which the temporary or permanent partial use of the Standardised Approach has been permitted by the respective competent authority in accordance with Article 148 or 150 of Regulation (EU) No 575/2013 (CRR).. Information for counterparties and portfolios for which no exposure exists at the reference date shall not be submitted. Only the following exposures should be reported: those exposures which are subject to the impairment requirements under IFRS 9.5.5.1, excluding purchased or originated credit-impaired financial assets as defined in Appendix A to IFRS 9 as set out in the Annex to Commission Regulation (EC) No 1126/2008 (‘Annex relating to IFRS 9 ’) shall be included.
2. Information not required or not applicable shall not be submitted; the relevant cells shall either be left blank or the indication ‘NULL’ shall be inserted. This shall also apply to weighted average quantities that cannot be calculated. Zero values shall be reported only where the intention is to report a quantity of zero. Neither of the indications ‘blank’ or ‘NULL’ shall be used to report quantities that are zero.
3. Monetary amounts shall be reported in the same way as they are reported for calculating own funds requirements at a specific reference date in accordance with Implementing Regulation (EU) No 680/2014[[1]](#footnote-1).
4. All the templates included in this Annex shall be filled only for the subset of counterparties with the counterparty ID in the following format: ID \*\*\_\*\*\*\*\*\*\*\_CT\_\*\*\*\*. Specialised lending exposures as defined in article 147(8) the CRR shall be excluded.
5. The PDs shall be expressed as a value between 0 and 1, and shall be expressed with a minimum precision equivalent to four decimals.
6. Where the facility expires within the year considered for a specific data point, the parameter estimates and the ECL amount to be reported for this facility shall be related to a default event over a 12 months’ period. By way of derogation from this rule, for the purpose of template 112.00, where the facility expires before the year considered for a specific data point, the facility’s PD shall not be included in the exposure weighted average PD.
7. In relation to guaranteed exposures, the PD parameter to be reported shall be the one of the original obligor, regardless of whether, for regulatory purposes, the CRM technique is applied via a substitution of the risk parameters of the obligor by the risk parameters of the protection provider. However, the effect of the guarantee shall be taken into consideration in the LGD and in the ECL estimate, in line with the approach used for accounting purposes. Under no circumstances should the PD parameters of a protection provider be reported as the risk parameters of the original obligor.

## PART II: TEMPLATE-RELATED INSTRUCTIONS

### C 111.00 – Details on exposures in Low Default Portfolios by counterparty

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| Column | Label | Legal reference | Instructions |
| 0010 | Counterparty Code |  | The instructions provided in Annex IV for column 0010 of C 101 shall apply. |
| 0020 | Number of facilities |  | The number of facilities of the counterparty. |
| 0030 | GDP Area Code |  | The code of the geographical area of the counterparty associated with the estimations of columns 0100 to 0190 of Annex IX for column 0010 of C 114.00. Where the GDP is estimated for the counterparty on a single country basis, the country code shall have the same format as the one used in column 0080 of template C101 of Annex 1. Where the GDP is estimated for an area with several countries, one of the following codes shall be used:   * ‘WR’: where GDP estimates can be considered as global estimates; * ‘EZ’: where the GDP estimates can be considered as estimates related to the European Union composition at the reference date; * ‘EA’: where the GDP estimates can be considered as estimates related to the Euro Area composition at the reference date. |
| 0040 | Exposure value - IFRS 9 |  | The sum of exposure values to the counterparty over all facilities at the reporting date, as considered for the application of impairment requirements under IFRS 9. This shall include both on- and off-balance sheet exposures in the scope of the impairment requirements of IFRS 9, as well as off-balance sheet exposures after the application of the conversion factors used for accounting purposes.  For both stage 1 and stage 2 facilities, the exposure value for each facility shall be the one associated with default events over the 12 months’ period following the reporting date. |
| 0100 | PD - 12 months IFRS 9 |  | The PD calculated at the counterparty level at the reporting date, representing the probability of a default event within 12 months following the reporting date, as considered in the application of the impairment requirements under IFRS 9. This shall be the PD used to compute the 12 month expected credit loss (ECL amount – 12 months IFRS 9), and associated with the economic scenario 0 in template C112.00.  Where the institution applies different PDs for different exposures to the same counterparty, the weighted average PD at the reporting date shall be reported. The weight used for each facility shall be the exposure value as defined in column 0040 of this template.  Where the PD values associated with the economic scenario 0 of the template C112.00 are not populated, this data point shall not be populated, either. |
| 0110 | PD - IRB without conservative adjustments | CRR article 160 - -Section 4.4.3. of EBA Guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures | The PD estimated under article 160 of the CRR, free from any Margin of Conservatism, regulatory floors, supervisory add-ons and any other conservative measures, and adjustments, except those that are retained for the purpose of IFRS 9 of the counterparty.  Where an institution is not able to isolate the conservative adjustments embedded in its PD estimates, this data point shall either be left blank or the indication ‘NULL’ shall be inserted.  This data point shall be submitted only for those exposures for which an internal model has been approved and is used in the calculation of risk weighted exposure amounts (RWA). For all other cases, this field shall be left blank or the indication ‘NULL’ shall be inserted. |
| 0200 | LGD - IFRS 9 | Paragraph 5 (l) in Part 1 of Annex V to the Regulation (EU) No 680/2014 | The weighted average LGD of the counterparty applied by the institution to the exposures of each counterparty, at the reporting date, as considered in the impairment requirements under IFRS 9 and used to compute the final expected credit loss.  The weight used to compute the LGD weighted average shall be the multiplication of the following two values:  (a) the PD assigned to the facility at the reporting date, representing the probability of a default event within 12 months following the reporting date, as defined in column 0100 of this template;  (b) the exposure value of the facility associated with default events over the 12 months’ period following the reporting date, as defined in column 0040 if this template.  For both stage 1 and stage 2 facilities, the LGD for each facility shall be the one associated with default events over the 12 months’ period following the reporting date. |
| 0400 | ECL amount – 12 months IFRS 9 | Appendix A to IFRS 9 as set out in the Annex to Commission Regulation (EC) No 1126/2008 | The sum of the expected credit losses to the counterparty over all facilities for the exposures, at the reporting date, as considered for the application of impairment requirements under IFRS 9.  For both stage 1 and stage 2 facilities, the ECL amount for each facility shall be the one associated with default events over the 12 months’ period following the reporting date. |
| 0410 | Expected Loss - IRB | Column 280 of template 8.1 of Annex I to Implementing Regulation (EU) No 680/2014 | The expected loss amount calculated using IRB parameters.  This data point shall be submitted only for those exposures for which an internal model has been approved and is used in the calculation of RWA. For all other cases, this field shall be left blank or the indication ‘NULL’ shall be inserted. |

### C 112.00 – Details on exposures in Low Default Portfolios by counterparty by economic scenario

The PD values reported in columns 0100, 0110, 0120, 0130, 0140, 0150, 0160, 0170, 0180, 0190 shall not incorporate any effect of prepayment. Where the PD model cannot provide PD values beyond the maturity of the facility, these fields shall be left blank or the indication ‘NULL’ shall be inserted.

Where the ECL amount is calculated as a probability weighted ECL of each economic scenario via the calculation as an intermediate step, the following considerations apply:

Where the IFRS 9 model related to the obligor uses five economic scenarios, the PD values associated with each of the scenario shall be reported for the columns 100 to 190. The PD values associated with the economic scenario 0 shall be the weighted average of the PDs reported for the economic scenario 1 to 5, using the weights reported in the column 200 in the template 114.00 of this Annex.

Where the IFRS 9 model related to the obligor uses a lower number of economic scenarios than five, the data points related to the missing economic scenarios shall be left blank.

Where more than one, but less than 5 economic scenarios are used, the PD values associated with the economic scenario 0 shall be the weighted average of the PDs reported for the economic scenario 1 to 5, using the weights reported in the data point 200 in the template C114.00 of this Annex and 0 for the unused scenarios.

Where the IFRS 9 model related to the obligor uses a higher number of economic scenarios than five, including when performing Monte Carlo simulation, institutions shall report the economic scenario 0 and they shall also map the economic scenarios into the 5 predefined buckets. Where there is no mapping of an institution’s internal scenarios and the five prescribed scenarios, only scenario 0 shall be reported.

Where only a single scenario is used, without any adjustment, neither at the PD level nor at the ECL level that takes into account the non-linearity effects, the PD values for this economic scenario shall be reported under both economic scenarios 0 and 1.

Where the estimation is based on a baseline scenario that is forward-looking , and an adjustment is applied to consider the non-linearity effect, the institution shall report in the template the cumulative PD value of the baseline scenario in scenario 1, and the PD used for the purpose of the Significant Increase in Credit Risk (SICR) assessment in scenario 0.

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| Column | Label | Legal reference | Instructions |
| 0010 | Counterparty Code |  | The counterparty code assigned in column 0010 of template C101 of Annex I to the counterparty included in the low default portfolio (‘LDP’) samples portfolios shall be reported. Columns 0010 and 0020 shall be a composite row identifier and together shall be unique for each row in the table. |
| 0020 | Economic scenario ID |  | The economic scenario used by the institution to calculate the IFRS 9 PD. The scenario ID shall be expressed as a value between 0 and 5. With the exception of specific cases described before, all the 6 economic scenarios shall be populated.  The economic scenario 1 shall be the baseline scenario. The economic scenarios 2 to 5 shall be ranked according to their severity, from the most favourable (number 2) to the most severe (number 5). |
| 0100 | PD - 0 - 12 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 12 months after the reporting date, under the economic scenario considered. |
| 0110 | PD - 0 - 24 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 24 months after the reporting date, under the economic scenario considered. |
| 0120 | PD - 0 - 36 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 36 months after the reporting date, under the economic scenario considered. |
| 0130 | PD - 0 - 48 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 48 months after the reporting date, under the economic scenario considered. |
| 0140 | PD - 0 - 60 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 60 months after the reporting date, under the economic scenario considered. |
| 0150 | PD - 0 - 72 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 72 months after the reporting date, under the economic scenario considered. |
| 0160 | PD - 0 - 84 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 84 months after the reporting date, under the economic scenario considered. |
| 0170 | PD - 0 - 96 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 96 months after the reporting date, under the economic scenario considered. |
| 0180 | PD - 0 - 108 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 108 months after the reporting date, under the economic scenario considered. |
| 0190 | PD - 0 - 120 months |  | The cumulative PD assigned to the counterparty representing the probability of a default event within the 120 months after the reporting date, under the economic scenario considered. |

### C 113.00 – Details on exposures in Low Default Portfolios by counterparty by facility

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| Column | Label | Legal reference | Instructions |
| 0010 | Counterparty Code |  | The instructions provided in Annex IX for column 0010 of C 112.00 shall apply. |
| 0020 | Facility ID |  | The facility ID assigned by the institution to the facility of the counterparty shall be used in a consistent way across time.  Where the institution has more than five facilities toward a given counterparty, it shall report only the five facilities with the highest exposure amount. |
| 0100 | Exposure value – IFRS 9 |  | The exposure value to the facility of the counterparty at the reporting date, as considered for the application of impairment requirements under IFRS 9. This shall include both, on- and off-balance sheet exposures in the scope of the impairment requirements of IFRS 9.  For both stage 1 and stage 2 facilities, the exposure value for each facility shall be the one associated with default events over the 12 months’ period following the reporting date. |
| 0200 | Impairment Status | Paragraph 5 (l) in Part 1 of Annex V to the Regulation (EU) No 680/2014 | The stage assigned to the facility to each counterparty at the reporting date shall be reported as follows:   * instruments without significant increase in credit risk: stage 1; * instruments with significant increase in credit risk stage 2; * credit impaired instruments: stage 3. |
| 0300 | Annualised originated PD | IFRS 9.5.5.9  IFRS 9.B5.5.11  IFRS 9.B5.5.13  IFRS 9.B5.5.43 | The annualised lifetime PD representing the probability of default assigned to the facility, evaluated at the origination date, used for the assessment of the significant increase in credit risk, calculated in accordance with the following formula :  where   * M is the residual number of years of the maturity of the facility at the reporting date ; * is the lifetime PD representing the probability of default assigned to the facility, for the residual number of years at the reporting date, evaluated at the origination date, used for the assessment of the significant increase in credit risk   Where the 12-month PD is used as a proxy for the assessment of the significant increase in credit risk, the 12-month PD evaluated at the origination date shall be reported . |
| 0400 | Annualised PD at reporting date | IFRS 9.5.5.9  IFRS 9.B5.5.13  IFRS 9.B5.5.14 | The annualised lifetime PD representing the probability of default assigned to the facility, evaluated at the reporting date, used for the assessment of the significant increase in credit risk, calculated in accordance with the following formula :  where:   * M is the residual number of years of the maturity of the facility at the reporting date; * is the lifetime PD representing the probability of default assigned to the facility, for the residual number of years at the reporting date, evaluated at the reporting date, used for the assessment of the significant increase in credit risk.   Where the 12-month PD is used as a proxy for the assessment of the significant increase in credit risk, the 12-month PD evaluated at the reporting date shall be reported. |
| 0500 | Quantitative Stage 2 trigger (in annualised PD) | IFRS 9.5.5.9 | The annualised lifetime PD level which constitutes a significant increase in credit risk and triggers a transfer to stage 2 for the considered facility of the counterparty, calculated in accordance with the following formula :  where:   * M is the residual number of years of the maturity of the facility at the reporting date; * is the lifetime PD level which constitutes a significant increase in credit risk and triggers a transfer to stage 2 for the considered facility of the counterparty, for the residual number of years of the maturity of the exposure at the reporting date.   Where both a relative and an absolute threshold are used for the assessment of a significant increase in credit risk, the threshold that first triggers a transfer to stage 2 for the considered facility shall be reported.  Where a ratings-based approach is used for the assessment of a significant increase in credit risk, the annualised lifetime PDs corresponding to the number of notch downgrades required for a stage transfer shall be reported.  Where the 12-month PD is used as a proxy for the assessment of the significant increase in credit risk, the 12-month PD trigger level which constitutes a significant increase in credit risk date shall be reported . |
| 0550 | Low Credit Risk exemption threshold (if applicable) | IFRS 9.5.5.10  IFRS 9.B5.5.22 – B5.5.24 | The annualised lifetime PD level, below which the financial instrument is considered to have a low risk of default, calculated in accordance with the following formula :  where:   * M is the residual number of years of the maturity of the exposure at the reporting date; * is the lifetime PD level below which the financial instrument is considered to have a low risk of default at the reporting date.   Where the facility is not subject to the Low Credit Risk exemption, this data point shall be left blank or with the indication ‘NULL’ shall be inserted.  Where the 12-month PD is used as a proxy for the low credit risk assessment, the 12-month PD below which the financial instrument is considered to have a low risk of default shall be reported. |
| 0600 | Qualitative Stage 2 Trigger set | IFRS 9.B5.5.17  IFRS 9.B5.5.19 – B5.5.21 | Where the facility is in stage 1 or in stage 3 3, this field shall be left bank or the indication ‘NULL’ shall be inserted.  Where the facility is in stage 2, the type of qualitative indicator that triggered first the stage transfer shall be reported as one of the following:   * ‘no qualitative indicator’ (but the facility is in stage 2 due to a quantitative trigger); * ‘30 days past due’; * ‘watch list’; * ‘forbearance’; * ‘other qualitative trigger or identification of first trigger not possible’. |

### C 114.00 – Details on macroeconomic scenarios per country

The estimated yearly GDP growth of the countries reported in columns 0100, 0110, 0120, 0130, 0140, 0150, 0160, 0170, 0180 0190 shall be expressed in decimals with a minimum precision equivalent to four decimals. Where the annual GDP growth is estimated for aggregated geographical zones different from the ones referred to in column 0010, this estimation shall be reported for each of the countries belonging to the relevant geographical zone.

In the case the institutions are not using a discrete number of macro-economic scenarios (for instance, because they are using Monte Carlo simulation for the PD), the template C114.00 should not be populated.

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| Column | Label | Legal reference | Instructions |
| 0010 | GDP Area Code |  | The list of areas identified in column 0030 of template C111.00 of this annex,  Columns 0010 and 0020 are a composite row identifier and together shall be unique for each row in the table. |
| 0020 | Economic scenario ID | IFRS 9.5.5.17(a)  IFRS 9.5.5.18  IFRS 9.B5.5.41  IFRS 9.B5.5.42 | The instructions provided in Annex IX for column 0020 of C112.00 shall apply for scenario 1 to 5. However, in case the IFRS 9 model related to the GDP area code uses an average macro-economic scenario, with no individual macro-economic scenario available, the scenario 1 to 5 should not be populated. Instead, the average macro-economic scenario should be reported under the economic scenario 0, and no data should be reported for the economic scenarios 1 to 5 |
| 0100 | GDP growth - 0 - 12 months |  | The estimated yearly GDP growth within the next 12 months after the reporting date of the country reported in column 010 under the economic scenario reported in column 0020 shall be reported. |
| 0110 | GDP growth - 12 - 24 months |  | The estimated yearly GDP growth within the next 12 months starting 12 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0120 | GDP growth - 24 - 36 months |  | The estimated yearly GDP growth within the next 12 months starting 24 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0130 | GDP growth - 36 - 48 months |  | The estimated yearly GDP growth within the next 12 months starting 36 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0140 | GDP growth - 48 - 60 months |  | The estimated yearly GDP growth within the next 12 months starting 48 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0150 | GDP growth - 60 - 72 months |  | The estimated yearly GDP growth within the next 12 months starting 60 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0160 | GDP growth - 72 - 84 months |  | The estimated yearly GDP growth within the next 12 months starting 72 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0170 | GDP growth - 84 - 96 months |  | The estimated yearly GDP growth within the next 12 months starting 84 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0180 | GDP growth - 96 - 108 months |  | The estimated yearly GDP growth within the next 12 months starting 96 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0190 | GDP growth - 108 - 120 months |  | The estimated yearly GDP growth within the next 12 months starting 108 months after the reporting period of the country reported in column 0010 under the economic scenario reported in column 0020 shall be reported. |
| 0200 | Weight of the economic scenario | IFRS 9.5.5.17(a)  IFRS 9.5.5.18  IFRS 9.B5.5.41  IFRS 9.B5.5.42 | The weight assigned to the economic scenario shall be reported. The weight shall be expressed as a value between 0 and 1. |

1. Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ L 191, 28.6.2014, p. 1). [↑](#footnote-ref-1)