EN

ANNEX II

‘ANNEX II

**INSTRUCTIONS FOR REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS**

**PART II: TEMPLATE RELATED INSTRUCTIONS**

(…)

Credit Risk Templates

3.1. General remarks

39. There are different sets of templates for the Standardised approach and the IRB approach for credit risk. Additionally, separate templates for the geographical breakdown of positions subject to credit risk shall be reported if the relevant threshold set out in Article 5(5) of this Implementing Regulation is exceeded. For institution which apply the IRB approach, a separate template C 10.00 shall be reported for the purpose of the output floor.

3.1.1. Reporting of CRM techniques with substitution effect

40. Exposures to obligors (immediate counterparties) and protection providers which are assigned to the same exposure class shall be reported as an inflow as well as an outflow to the same exposure class.

41. The exposure type shall not change because of unfunded credit protection.

42. If an exposure is secured by an unfunded credit protection, the secured part shall be assigned as an outflow in the exposure class of the obligor and as an inflow in the exposure class of the protection provider . However, the exposure type shall not change due to the change of the exposure class.

43. The substitution effect in the COREP reporting framework shall reflect the risk weighting treatment effectively applicable to the covered part of the exposure.

3.1.2. Reporting of Counterparty Credit Risk

44. Exposures stemming from Counterparty Credit Risk positions shall be reported in templates CR SA or CR IRB independent from whether they are Banking Book items or Trading Book items.

3.2. C 07.00 - Credit and counterparty credit risks and free deliveries: Standardised approach to Capital Requirements (CR SA)

3.2.1. General remarks

45. The CR SA templates provide the necessary information on the calculation of own funds requirements for credit risk in accordance with the Standardised approach. In particular, they provide detailed information on:

a) the distribution of the exposure values according to the different, exposure types, risk weights and exposure classes ;

b) the amount and type of credit risk mitigation techniques used for mitigating the risks.

3.2.2. Scope of the CR SA template

46. In accordance with Article 112 of Regulation (EU) No 575/2013 each SA exposure shall be assigned to one of the 16 SA exposure classes to calculate the own funds requirements.

47. The information in CR SA is required for the total exposure classes and indivi­dually for each of the exposure classes under the Standardised approach. The total figures as well as the information of each exposure class are reported in a separate dimension.

48. However the following positions are not within the scope of CR SA:

(a) Exposures assigned to exposure class ‘items representing securitisation positions’ as referred to in Article 112, point (m), of Regulation (EU) No 575/2013, which shall be reported in the CR SEC templates.

(b) Exposures deducted from own funds.

49. The scope of the CR SA template shall cover the following own funds requirements:

(a) Credit risk in accordance with Chapter 2 (Standardised approach) of Part Three, Title II of Regulation (EU) No 575/2013 in the banking book, among which Counterparty credit risk in accordance with Part Three, Title II, Chapters 4 and 6 of that Regulation in the banking book;

(b) Counterparty credit risk in accordance with Part Three, Title II, Chapters 4 and 6 of Regulation (EU) No 575/2013 in the trading book;

(c) Settlement risk arising from free deliveries in accordance with Article 379 of Regulation (EU) No 575/2013 in respect of all the business activities.

50. The template shall include all exposures for which the own funds requirements are calculated in accordance with Part Three, Title II, Chapter 2 of Regulation (EU) No 575/2013 in conjunction with Part Three, Title II, Chapters 4 and 6 of Regulation (EU) No 575/2013. Institutions that apply Article 94(1) of Regulation (EU) No 575/2013 also need to report their trading book positions referred to in Article 92(4), point (b), of that Regulation in this template when they apply Part Three, Title II, Chapter 2 of that Regulation to calculate the own funds requirements thereof (Part Three, Title II, Chapters 2 and 6 and Part Three, Title V of that Regulation). Therefore the template shall not only provide detailed information on the type of the exposure (e.g. on balance sheet/ off balance sheet items), but also information on the allocation of risk weights within the respective exposure class.

51. In addition, CR SA includes memorandum items in rows 0290 to 0330 to collect further information about exposures secured by mortgages on immovable property and ADC exposures and exposures in default.

52. Those memorandum items shall only be reported for the following exposure classes:

(a) Central governments or central banks (Article 112, point (a), of Regulation (EU) No 575/2013 of Regulation (EU) No 575/2013);

(b) Regional governments or local authorities (Article 112, point (b), of Regulation (EU) No 575/2013);

(c) Public sector entities (Article 112, point (c), of Regulation (EU) No 575/2013);

(d) Institutions (Article 112, point (f), of Regulation (EU) No 575/2013);

(e) Corporates (Article 112, point (g), of Regulation (EU) No 575/2013);

(f) Retail (Article 112, point (h), of Regulation (EU) No 575/2013).

53. The reporting of the memorandum items shall affect neither the calculation of the risk weighted exposure amounts of the exposure classes referred to in Article 112, points (a) to (c) and (f) to (h), of Regulation (EU) No 575/2013 nor of the exposure classes referred to in Article 112, points (i) and (j), of that Regulation reported in template CR SA.

54. The memorandum rows provide additional information about the obligor structure of the exposure classes 'in default' or 'secured by immovable property and ADC exposures'. Exposures shall be reported in these rows where the obligors would have been reported in the exposure classes ‘Central governments or central banks’, ‘Regional governments or local authorities’, ‘Public sector entities’, ‘Institutions’, ‘Corporates’ and ‘Retail’ of CR SA, if those exposures were not assigned to the exposure classes 'in default' or 'secured by immovable property and ADC exposures'. The figures reported, however, are the same as used to calculate the risk weighted exposure amounts in the exposure classes ‘in default’ or 'secured by immovable property and ADC exposures'.

55. E.g. if an exposure, the risk exposure amounts of which are calculated in accordance with Article 127 of Regulation (EU) No 575/2013 and the value adjustments are less than 20 %, then that information shall be reported in CR SA, row 0320 in the total and in the exposure class ‘in default’. If this exposure, before it defaulted, was an exposure to an institution, then that information shall also be reported in row 0320 of exposure class 'institutions'.

3.2.3. Assignment of exposures to exposure classes under the Standardised approach

56. In order to ensure a consistent categorisation of exposures into the different exposure classes referred to in Article 112 of Regulation (EU) No 575/2013 the following sequential approach shall be applied:

(a) In a first step, the Original exposure pre-conversion factors shall be classified into the corresponding (original) exposure class referred to in Article 112 of Regulation (EU) No 575/2013, without prejudice to the specific treatment (risk weight) that each specific exposure shall receive within the assigned exposure class.

(b) In a second step the exposures may be redistributed to other exposure classes due to the application of credit risk mitigation (CRM) techniques with substitution effects on the exposure (e.g. guarantees, credit derivatives, financial collateral simple method) via inflows and outflows.

57. The following criteria shall apply for the classification of the Original exposure pre-conversion factors into the different exposure classes (first step) without prejudice to the subsequent redistribution caused by the use of CRM techniques with substitution effects on the exposure or to the treatment (risk weight) that each specific exposure shall receive within the assigned exposure class.

58. For the purpose of classifying the original exposure pre-conversion factor in the first step, the CRM techniques associated to the exposure shall not be considered (note that they shall be considered explicitly in the second phase) unless a protection effect is intrinsically part of the definition of an exposure class as it is the case in the exposure class referred to in Article 112, point (i), of Regulation (EU) No 575/2013 (exposures secured by mortgages on immovable property and ADC exposures).

59. Article 112 of Regulation (EU) No 575/2013 does not provide criteria for disjoining the exposure classes. This might imply that one exposure could potentially be classified in different exposure classes if no prioritisation in the assessment criteria for the classification is provided. The most obvious case arises between exposures to institutions and corporate with a short-term credit assessment (Article 112, point (n), of Regulation (EU) No 575/2013) and exposures to institutions (Article 112, point (f), of Regulation (EU) No 575/2013)/ exposures to corporates (Article 112, point (g), of Regulation (EU) No 575/2013). In that case, it is clear that there is an implicit prioritisation in that Regulation since it shall be assessed first if a certain exposure is fit for being assigned to Short-term exposures to institutions and corporates and only afterwards assessed if it fits for being assigned to exposures to institutions or exposures to corporates. Otherwise it is obvious that the exposure class referred to in Article 112, point (n), of Regulation (EU) No 575/2013 shall never be assigned an exposure. The example provided is one of the most obvious examples but is not the only one. It is worth noting that the criteria used for establishing the exposure classes under the Standardised approach are different (institutional categorisation, term of the exposure, past due status, etc.) which is the underlying reason for non-disjoint groupings.

60. For a homogeneous and comparable reporting it is necessary to specify prioritisation assessment criteria for the assignment of the Original exposure pre-conversion factor by exposure classes, without prejudice to the specific treatment (risk weight) that each specific exposure shall receive within the assigned exposure class. The prioritisation criteria presented below, using a decision tree scheme, are based on the assessment of the conditions explicitly laid down in Regulation (EU) No 575/2013 for an exposure to fit in a certain exposure class and, if that is the case, on any decision on the part of the reporting institutions or the supervisor on the applicability of certain exposure classes. Therefore, the outcome of the exposure assignment process for reporting purposes shall be in line with Regulation (EU) No 575/2013 provisions. That does not prohibit institutions from applying other internal assignment procedures that may also be consistent with all relevant Regulation (EU) No 575/2013 provisions and its interpretations issued by the appropriate fora.

61. An exposure class shall be given priority to others in the assessment ranking in the decision tree (i.e. it shall be first assessed if an exposure can be assigned to an exposure class, without prejudice to the outcome of that assessment) if otherwise no exposures would potentially be assigned to it. That will be the case where in the absence of prioritisation criteria one exposure class is a subset of others. Therefore, the criteria graphically depicted in the following decision tree would work on a sequential process.

62. With this background the assessment ranking in the decision tree mentioned below shall follow the following order:

1. Securitisation positions;

2. Exposures in the form of units or shares in collective investment undertakings (‘CIUs’)

3. Equity exposures

4. Exposures in default;

5. Subordinated debt exposures

6. Exposures in the form of covered bonds (disjoint exposure classes);

7. Exposures secured by mortgages on immovable property and ADC exposures;

8. Other items;

9. Exposures to institutions and corporates with a short-term credit assessment;

10. All other exposure classes (disjoint exposure classes) which include Exposures to central governments or central banks; Exposures to regional governments or local authorities; Exposures to public sector entities; Exposures to multilateral development banks; Exposures to international organisations; Exposures to institutions; Exposures to corporate and Retail exposures.

63. In the case of exposures in the form of units or shares in collective investment undertakings and where the look through approach or the mandate-based approach (Article 132a, points (1) and (2), of Regulation (EU) No 575/2013) is used, the underlying individual (in the case of the look through approach) and individual group of (in the case of the mandate-based approach) exposures shall be considered and classified into their corresponding risk weight line according to their treatment considering that the decision tree (without number 2) is relevant for assigning the corresponding risk weight. However, all the individual exposures shall be classified within the exposure class of Exposures in the form of units or shares in collective investment undertakings (‘CIUs’).

64. “nth” to default credit derivatives, as specified in Article 134(6) of Regulation (EU) No 575/2013 that are rated shall be directly classified as securitisation positions. If they are not rated, they shall be considered in the “Other items” exposure class. In that latter case, the nominal amount of the contract shall be reported as the Original exposure pre-conversion factors in the line for “Other risk weights” (the risk weight used shall be that specified by the sum indicated under Article 134(6) of Regulation (EU) No 575/2013.

65. In a second step, as a consequence of credit risk mitigation techniques with substitution effects, exposures shall be reallocated to the exposure class of the protection provider.

DECISION TREE ON HOW TO ASSIGN THE ORIGINAL EXPOSURE PRE-CONVERSION FACTORS TO THE EXPOSURE CLASSES OF THE STANDARDISED APPROACH IN ACCORDANCE WITH REGULATION (EU) NO 575/2013

|  |  |  |
| --- | --- | --- |
| Original exposure pre-conversion factors |  |  |
| Does it fit for being assigned to the exposure class of Article 112, point (m), of Regulation (EU) No 575/2013? | YES | Securitisation positions |
| NO |  |  |
| Does it fit for being assigned to the exposure classes of Article 112, point (o), of Regulation (EU) No 575/2013? | YES | Exposures in the form of units or shares in collective investment undertakings (CIU) |
| NO |  |  |
| Does it fit for being assigned to the exposure class of Article 112, point (p), of Regulation (EU) No 575/2013? | YES | Equity exposures (see also Article 133 of Regulation (EU) No 575/2013) |
| NO |  |  |
| Does it fit for being assigned to the exposure class of Article 112, point (j), of Regulation (EU) No 575/2013? | YES | Exposures in default |
| NO |  |  |
| Does it fit for being assigned to the exposure class of Article 112, point (k), of Regulation (EU) No 575/2013? | YES | Subordinated debt exposures |
| NO |  |  |
| Does it fit for being assigned to the exposure classes of Article 112, points (l), of Regulation (EU) No 575/2013? | YES | Exposures in the form of covered bonds (see also Article 129 of Regulation (EU) No 575/2013) |
| NO |  |  |
| Does it fit for being assigned to the exposure class of Article 112, point (i), of Regulation (EU) No 575/2013? | YES | Exposures secured by mortgages on immovable property and ADC exposures (see also Article 124 and Article 126a of Regulation (EU) No 575/2013) |
| NO |  |  |
| Does it fit for being assigned to the exposure class of Article 112, point (q), of Regulation (EU) No 575/2013? | YES | Other items |
| NO |  |  |
| Does it fit for being assigned to the exposure class of Article 112, point (n), of Regulation (EU) No 575/2013? | YES | Exposures to institutions and corporates with a short-term credit assessment |
| NO |  |  |
| The exposure classes below are disjoint among themselves. Therefore the assignment to one of them is straightforward.  Exposures to central governments or central banks  Exposures to regional governments or local authorities  Exposures to public sector entities  Exposures to multilateral development banks  Exposures to international organisations  Exposures to institutions  Exposures to corporates (for reporting purposes this exposure class has been broken down into two sub-exposure classes (Corporates - Other and Corporates - Specialised lending as defined in Article 122a of of Regulation (EU) No 575/2013).  Retail exposures | | |

3.2.4. Clarifications on the scope of some specific exposure classes referred to in Article 112 of Regulation (EU) No 575/2013

3.2.4.1. Exposure Class “Institutions”

66. Intra-group exposures referred to in Article 113, paragraphs 6 and 7 of Regulation (EU) No 575/2013 shall be reported as follows:

67. Exposures which fulfil the requirements of Article 113(7) of Regulation (EU) No 575/2013 shall be reported in the respective exposure classes where they would be reported if they were not intra-group exposures.

68. According to Article 113, paragraphs 6 and 7 of Regulation (EU) No 575/2013 an institution may, subject to the prior approval of the competent authorities, decide not to apply the requirements of paragraph 1 of that Article to the exposures of that institution to a counterparty which is its parent undertaking, its subsidiary, a subsidiary of its parent undertaking or an undertaking linked by a relationship within the meaning of Article 12(1) of Directive 83/349/EEC. That means that intra-group counterparties are not necessarily institutions but also undertakings which are assigned to other exposure classes, e.g. ancillary services undertakings or undertakings within the meaning of Article 12(1) of Council Directive 83/349/EEC[[1]](#footnote-1). Therefore intra-group exposures shall be reported in the corresponding exposure class.

3.2.4.2. Exposure Class “Covered Bonds”

69. SA exposures shall be assigned to the exposure class “covered bonds” as follows:

70. Bonds referred to in Article 52(4) of Directive 2009/65/EC of the European Parliament and of the Council[[2]](#footnote-2) shall fulfil the requirements of Article 129, paragraphs 1 and 2 of Regulation (EU) No 575/2013 to be classified in the exposure class “Covered Bonds”. The fulfilment of those requirements has to be checked in each case. Nevertheless, bonds referred to in Article 52(4) of Directive 2009/65/EC and issued before 31 December 2007 shall also be assigned to the exposure class “Covered Bonds” pursuant to Article 129(6) of Regulation (EU) No 575/2013.

3.2.4.3. Exposure class “Collective Investment Undertakings”

71. Where the possibility referred to in Article 132a (2) of Regulation (EU) No 575/2013 is used, exposures in the form of units or shares in CIUs shall be reported as on balance sheet items in accordance with the first sentence in Article 111(1) of Regulation (EU) No 575/2013.

3.2.4.4 Exposure class “Secured by mortgages on immovable property and ADC exposures”

71a. For the purposes of reporting, the exposure class referred to in Article 112 (i) of Regulation (EU) No 575/2013 is broken down in sub-exposure classes:

a.Secured by mortgages on residential immovable property - non-IPRE (secured):

* Non-IPRE exposures treated in accordance with Article 125(1), except last subparagraph, of Regulation (EU) No 575/2013;

b.Secured by mortgages on residential immovable property - non-IPRE (unsecured):

* Article 125(1), last subparagraph, of Regulation (EU) No 575/2013.

c. Secured by mortgages on residential immovable property – Other - non-IPRE

* Exposures that do not meet the conditions in Article 124(3) or any part of a non -ADC exposure that exceeds the nominal amount of the lien of the property, referred to in Article 124(1), point (a) of Regulation (EU) No 575/2013

d.Secured by mortgages on residential immovable property – IPRE:

* Article 125(2) of Regulation (EU) No 575/2013
* IPRE exposures meeting any of the conditions laid down in Article 124(2), point (a)(ii), points (1) to (4) of Regulation (EU) No 575/2013;
* IPRE exposures where the derogation set out in Article 125(2) of Regulation (EU) No 575/2013, subparagraph 2 is applied.

e. Secured by mortgages on residential immovable property – Other - IPRE

* Exposures that do not meet the conditions in Article 124(3) or any part of a non -ADC exposure that exceeds the nominal amount of the lien of the property, referred to in Article 124(1), point (b) of Regulation (EU) No 575/2013

f..Secured by mortgages on commercial immovable property - non-IPRE (secured)

* Non-IPRE exposures treated in accordance with Article 126(1), except last subparagraph, of Regulation (EU) No 575/2013;

g.Secured by mortgages on commercial immovable property - non-IPRE (unsecured):

* Article 126(1), last subparagraph, of Regulation (EU) No 575/2013.

h.Secured by mortgages on commercial immovable property – Other – non-IPRE:

* Exposures that do not meet the conditions in Article 124(3) or any part of a non -ADC exposure that exceeds the nominal amount of the lien of the property, referred to in Article 124(1), point (a) of Regulation (EU) No 575/2013

i.Secured by mortgages on commercial immovable property – IPRE:

* Article 126(2) of Regulation (EU) No 575/2013
* IPRE exposures where the derogation set out in Article 126(2) of Regulation (EU) No 575/2013, subparagraph 2 is applied.

j. Secured by mortgages on commercial immovable property - Other – IPRE:

* Exposures that do not meet the conditions in Article 124(3) or any part of a non -ADC exposure that exceeds the nominal amount of the lien of the property, referred to in Article 124(1), point (b) of Regulation (EU) No 575/2013.

k. Land, acquisition, development and construction exposures (ADC): Article 126a of Regulation (EU) No 575/2013

3.2.4.5 Exposure class “Corporates”

71b. For reporting purposes this exposure class has been broken down into two sub-exposure classes (Corporates - Other and Corporates - Specialised lending as defined in Article 122a of Regulation (EU) No 575/2013).3.2.4.6 Exposure class “Equity”

71c. For reporting purposes this exposure class shall include exposures as defined in Article 133 of Regulation (EU) No 575/2013). Equity exposures subject to Article 495(1), point (a), Article 495(2) and Article 495a(3) of Regulation (EU) No 575/2013 shall also be reported in this exposure class. Row 0280 ‘Other risk weights” shall be used to report those exposures not subject to the risk weights listed in the template.

3.2.5. Instructions concerning specific positions

|  |  |
| --- | --- |
| Columns | |
| 0010 | ORIGINAL EXPOSURE PRE-CONVERSION FACTORS  Exposure value calculated in accordance with Article 111 of Regulation (EU) No 575/2013 without taking into account value adjustments and provisions, deductions, conversion factors and the effect of credit risk mitigation techniques with the following qualifications stemming from Article 111(2) of Regulation (EU) No 575/2013:  For Derivative instruments, repurchase transactions, securities or commodities lending or borrowing transactions, long settlement transactions and margin lending transactions subject to counterparty credit risk (Part Three, Title II, Chapter 4 or Chapter 6 of Regulation (EU) No 575/2013) the original exposure shall correspond to the Exposure Value for Counterparty Credit Risk (see instructions to column 0210).  Exposure values for leases shall be subject to Article 134(7) of Regulation (EU) No 575/2013. In particular, the residual value shall be included at its accounting value (i.e. the discounted estimated residual value at the end of the lease term).  In the case of on-balance sheet netting as laid down in Article 219 of Regulation (EU) No 575/2013, the exposure values shall be reported taking into account the amount of the received cash collateral. |
| 0030 | (-) Value adjustments and provisions associated with the original exposure  Article 24 and 111 of Regulation (EU) No 575/2013  Value adjustments and provisions for credit losses (credit risk adjustments in accordance with Article 110) made in accordance with the accounting framework to which the reporting entity is subject, as well as prudential value adjustments (additional value adjustments in accordance with Article 34 and 105, amounts deducted in accordance with Article 36(1), point (m) and other own funds reductions related to the asset item). |
| 0040 | Exposure net of value adjustments and provisions  Sum of columns 0010 and 0030 |
| 0050 - 0100 | CREDIT RISK MITIGATION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE  Credit risk mitigation techniques as defined in Article 4(1), point (57), of Regulation (EU) No 575/2013 that reduce the credit risk of an exposure or exposures via the substitution of exposures as described below in “Substitution of the exposure due to CRM”.  Collateral that has an effect on the exposure value (e.g. if used for credit risk mitigation techniques with substitution effects on the exposure) shall be capped at the exposure value.  Items to be reported here:  - collateral, incorporated in accordance with the Financial Collateral Simple Method;  - eligible unfunded credit protection.  Please also see instructions of point 3.1.1. |
| 0050 - 0060 | Unfunded credit protection: adjusted values (GA)  Article 235 of Regulation (EU) No 575/2013  Article 239(3) of Regulation (EU) No 575/2013 contains the formula for the calculation of the adjusted value GA of an unfunded credit protection. |
| 0050 | Guarantees  Article 203 of Regulation (EU) No 575/2013  Unfunded Credit Protection as defined in Article 4(1), point (59), of Regulation (EU) No 575/2013 which does not include Credit Derivatives. |
| 0060 | Credit derivatives  Article 204 of Regulation (EU) No 575/2013 |
| 0070 – 0080 | Funded credit protection  These columns refer to funded credit protection as defined in Article 4(1), point (58), of Regulation (EU) No 575/2013 and subject to the rules laid down in Articles 196, 197 and 200 of that Regulation. The amounts shall not include master netting agreements (already included in Original Exposure pre-conversion factors).  Investments in credit linked notes as referred to in Article 218 of Regulation (EU) No 575/2013 and on-balance sheet netting positions resulting from eligible on-balance sheet netting agreements as referred to in Article 195 and 219 of Regulation (EU) No 575/2013 shall be treated as cash collateral. |
| 0070 | Financial collateral: simple method  Article 222, paragraphs 1 and 2 of Regulation (EU) No 575/2013. |
| 0080 | Other funded credit protection  Article 232 of Regulation (EU) No 575/2013. |
| 0090 - 0100 | SUBSTITUTION OF THE EXPOSURE DUE TO CRM  Article 222(3), Article 235, paragraphs 1 and 2 and Article 235a of Regulation (EU) No 575/2013  Outflows shall correspond to the covered part GA of the Exposure net of value adjustments and provisions that is deducted from the obligor's exposure class and subsequently assigned to the protection provider's exposure class. That amount shall be considered as an inflow into the protection provider's exposure class.  Inflows and outflows within the same exposure classes shall also be reported.  Exposures stemming from possible in- and outflows from and to other templates shall be taken into account. |
| 0110 | NET EXPOSURE AFTER CRM SUBSTITUTION EFFECTS PRE-CONVERSION FACTORS  Amount of the exposure net of value adjustments after taking into account outflows and inflows due to CREDIT RISK MITIGATION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE |
| 0120-0140 | CREDIT RISK MITIGATION TECHNIQUES AFFECTING THE EXPOSURE AMOUNT. FUNDED CREDIT PROTECTION, FINANCIAL COLLATERAL COMPREHENSIVE METHOD  Articles 223 to 228 of Regulation (EU) No 575/2013. They also include credit linked notes (Article 218 of Regulation (EU) No 575/2013)  Credit linked notes as referred to in Article 218 of Regulation (EU) No 575/2013 and on-balance sheet netting positions resulting from eligible on-balance sheet netting agreements as referred to in Article 219 of that Regulation shall be treated as cash collateral.  The effect of the collateralization of the Financial Collateral Comprehensive Method applied to an exposure, which is secured by eligible financial collateral, shall be calculated in accordance with Articles 223 to 228 of Regulation (EU) No 575/2013. |
| 0120 | Volatility adjustment to the exposure  Article 223, paragraphs 2 and 3 of Regulation (EU) No 575/2013.  The amount to be reported is the impact of the volatility adjustment to the exposure (Eva-E) = E\*He |
| 0130 | (-) Financial collateral adjusted value (Cvam)  Article 239(2) of Regulation (EU) No 575/2013.  For trading book operations, financial collateral and commodities eligible for trading book exposures in accordance with Article 299(2), points (c) to (f), of Regulation (EU) No 575/2013 shall be included.  The amount to be reported corresponds to Cvam= C\*(1-Hc-Hfx)\*(t-t\*)/(T-t\*). For a definition of C, Hc, Hfx, t, T and t\* see Part Three, Title II, Chapter 4, Sections 4 and 5 of Regulation (EU) No 575/2013. |
| 0140 | (-) Of which: Volatility and maturity adjustments  Article 223(1) of Regulation (EU) No 575/2013 and Article 239(2) of that Regulation.  The amount to be reported is the joint impact of volatility and maturity adjustments (Cvam-C) = C\*[(1-Hc-Hfx)\*(t-t\*)/(T-t\*)-1], where the impact of volatility adjustment is (Cva-C) = C\*[(1-Hc-Hfx)-1] and the impact of maturity adjustments is (Cvam-Cva)= C\*(1-Hc-Hfx)\*[(t-t\*)/(T-t\*)-1] |
| 0150 | Fully adjusted exposure value (E\*)  Article 220(4), Article 223(2) to (5) and Article 228(1) of Regulation (EU) No 575/2013. |
| 0160 - 0195 | Breakdown of the fully adjusted exposure value of off-balance sheet items by conversion factors  Article 111, Article 495d (transitional arrangements for UCCs) and Article 4(1), point (56), of Regulation (EU) No 575/2013. See also Articles 222(3) and 228(1) of Regulation (EU) No 575/2013.  The figures reported shall be the fully adjusted exposure values before application of the conversion factor. |
| 0200 | Exposure value  Article 111 of Regulation (EU) No 575/2013 and Part Three, Title II, Chapter 4, Section 4 of that Regulation.  Exposure value after taking into account value adjustments, all credit risk mitigants and credit conversion factors that is to be assigned to risk weights in accordance with Article 113 and Part Three, Title II, Chapter 2, Section 2 of Regulation (EU) No 575/2013.  Exposure values for leases are subject to Article 134(7) of Regulation (EU) No 575/2013. In particular, the residual value shall be included at its discounted residual value after taking into account value adjustments, all credit risk mitigants and credit conversion factors.  Exposure values for CCR business shall be the same as reported in column 0210. |
| 0210 | Of which: Arising from Counterparty Credit Risk  Exposure value for CCR business calculated in accordance with the methods laid down in Part Three, Title II, Chapter 4 and Chapter 6 of Regulation (EU) No 575/2013, which is the relevant amount for the calculation of risk weighted exposure amounts, i.e. having applied CRM techniques as applicable in accordance with Part Three, Title II, Chapter 4 and Chapter 6 of Regulation (EU) No 575/2013 and considering the deduction of the incurred CVA loss as referred to in Article 273(6) of that Regulation.  The exposure value for transactions where specific wrong way risk has been identified must be determined in accordance with Article 291 of Regulation (EU) No 575/2013.  For cases in which more than one CCR approach is used for a single counterparty, the incurred CVA loss, which is deducted at counterparty level, shall be assigned to the exposure value of the different netting sets in rows 0090 - 0130 reflecting the proportion of the exposure value post-CRM of the respective netting sets to the total exposure value post-CRM of the counterparty. For this purpose, the exposure value post-CRM as per the instructions to column 0160 of template C 34.02 shall be used. |
| 0211 | Of which: Arising from Counterparty Credit Risk excluding exposures cleared through a CCP  Exposures reported in column 0210 excluding those arising from contracts and transactions listed in Article 301(1) of Regulation (EU) No 575/2013 as long as they are outstanding with a central counterparty (CCP), including CCP-related transactions defined in point (2) of Article 300 of that Regulation. |
| 0215 | Risk weighted exposure amount pre supporting factors and pre-FX mismatch  Article 113, paragraphs 1 to 5 of Regulation (EU) No 575/2013, without taking into account the SME and infrastructure supporting factors laid down in Article 501 and Article 501a of that Regulation  The risk weighted exposure amount of the residual value of leasing assets shall be subject to sentence 5 of Article 134(7) and shall be calculated according to the formula “1/t \* 100 % \* residual value”. In particular, residual value is undiscounted estimated residual value at the end of the lease term which is reassessed periodically to ensure continued appropriateness. |
| 0216 | (-) Adjustment to the risk-weighted exposure amount due to SME supporting factor  Deduction of the difference of the risk-weighted exposure amounts for non-defaulted exposures to an SME (RWEA), which are calculated in accordance with Part Three, Title II, Chapter 2 of Regulation (EU) No 575/2013, as applicable and RWEA\* in accordance with Article 501, point (1) of that Regulation |
| 0217 | (-) Adjustment to the risk-weighted exposure amount due to the infrastructure supporting factor  Deduction of the difference of the risk weighted exposure amounts calculated in accordance with Part Three, Title II of Regulation (EU) No 575/2013 and the adjusted RWEA for credit risk for exposures to entities that operate or finance physical structures or facilities, systems and networks that provide or support essential public services in accordance with Article 501a of that Regulation. |
| 0220 | Risk weighted exposure amount after supporting factors and after FX-mismatch  Article 113, paragraphs 1 to 5 of Regulation (EU) No 575/2013, taking into account the SME and infrastructure supporting factors laid down in Article 501 and Article 501a of that Regulation  The risk weighted exposure amount of the residual value of leasing assets is subject to sentence 5 of Article 134(7) and shall be calculated according to the formula “1/t \* 100 % \* residual value”. In particular, residual value is undiscounted estimated residual value at the end of the lease term which is reassessed periodically to ensure continued appropriateness.  In the case of a currency mismatch, the impact shall be reflected in the RWEA reported in this column. |
| 0230 | Of which: with a credit assessment by a nominated ECAI  Article 112, points (a) to (d), (f), (g), (l), (n), (o) and (q), of Regulation (EU) No 575/2013 |
| 0241 | MEMORANDUM ITEM: RWEA RELATED TO THE IMPACT OF APPLICATION OF TRANSITIONAL PROVISIONS ON CCF FOR UNCONDITIONALLY CANCELLABLE COMMITMENTS  Article 495d of Regulation (EU) No 575/2013. The difference between the RWEA calculated without applying the transitional provisions and the RWEA calculated applying the transitional provisions shall be reported. |

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| Rows | Instructions |
| 0010 | Total exposures |
| 0011 | of which: Exposures to central banks  Article 112(a) of Regulation (EU) No 575/2013. |
| 0015 | of which: Defaulted exposures in exposure class CIUs and “equity exposures”  Article 127 of Regulation (EU) No 575/2013  This row shall only be reported in exposure classes Exposures in the form of units or shares in collective investment undertakings (‘CIUs’) and ‘Equity exposures’.  An exposure that is listed in Article 112(o) of Regulation (EU) No 575/2013 shall be assigned to the exposure class ‘CIUs’, an exposure that is listed in Article 133 of Regulation (EU) No 575/2013 shall be assigned to the exposure class “Equity exposures”. Consequently, there shall be no other allocation, even in case of an exposure in default as referred to in Article 127 of Regulation (EU) No 575/2013. |
| 0020 | of which: SME  Article 5 (8) of Regulation (EU) No 575/2013. All exposures to SME shall be reported here. |
| 0030 | of which: Exposures subject to the SME supporting factor  Only exposures which meet the requirements of Article 501 of Regulation (EU) No 575/2013 shall be reported here. |
| 0035 | of which: Exposures subject to the infrastructure supporting factor  Only exposures which meet the requirements of Article 501a of Regulation (EU) No 575/2013 shall be reported here. |
| 0050 | of which: Exposures under the permanent partial use of the Standardised approach  Exposures to which the Standardised approach has been applied in accordance with Article 150(1) of Regulation (EU) No 575/2013 |
| 0060 | of which: Exposures under the Standardised Approach with prior supervisory permission to carry out a sequential IRB implementation  Article 148(1) of Regulation (EU) No 575/2013 |
| 0061 | of which: IPRE exposures meeting any of the conditions laid down in Article 124(2), point (a)(ii), points (1) to (4) of Regulation (EU) No 575/2013  Only reported in sub-exposure class ‘Secured by mortgages on residential immovable property – IPRE’. |
| 0062 | of which: IPRE exposures where the derogation set out in Article 125(2) of Regulation (EU) No 575/2013, subparagraph 2 is applied  Only reported in sub-exposure class ‘Secured by mortgages on residential immovable property – IPRE’. |
| 0063 | of which: IPRE exposures where the derogation set out in Article 126(2) of Regulation (EU) No 575/2013, subparagraph 2 is applied  Only reported in sub-exposure class ‘Secured by mortgages on commercial immovable property – IPRE’. |
| 0064 | of which: Equity exposures under the IRB approach  Only reported in sub-exposure class ‘Equity exposures’. Exposures subject to Article 495(1), point (a), and Article 495(2) of Regulation (EU) No 575/2013. |
| 0070-0130 | BREAKDOWN OF TOTAL EXPOSURES BY EXPOSURE TYPES  Reporting institution´s “banking book” positions shall be broken-down, following the criteria provided below, into on-balance sheet exposures subject to credit risk, off-balance sheet exposures subject to credit risk and exposures subject to counterparty credit risk.  Exposures to counterparty credit risk arising from the trading book business of the institution as referred to in Article 92(4), point (f) and Article 299(2) of Regulation (EU) No 575/2013 shall be assigned to the exposures subject to counterparty credit risk. Institutions that apply Article 94(1) of Regulation (EU) No 575/2013 also break down their “trading book” positions referred to in Article 92(4), point (b), of that Regulation following the criteria provided below, into on-balance sheet exposures subject to credit risk, off-balance sheet exposures subject to credit risk and exposures subject to counterparty credit risk. |
| 0070 | On balance sheet exposures subject to credit risk  Assets referred to in Article 24 of Regulation (EU) No 575/2013 not included in any other category.  Exposures that are subject to counterparty credit risk shall be reported in rows 0090-0130-, and therefore shall not be reported in this row.  Free deliveries as referred to in Article 379(1) of Regulation (EU) No 575/2013 (if not deducted) do not constitute an on-balance sheet item, but nevertheless shall be reported in this row. |
| 0080 | Off balance sheet exposures subject to credit risk  Off-balance sheet positions comprise the items listed in Annex I of Regulation (EU) No 575/2013.  Exposures that are subject to counterparty credit risk shall be reported in rows 0090 – 0130 and therefore shall not be reported in this row. |
| 0090-0130 | Exposures / Transactions subject to counterparty credit risk  Transactions subject to counterparty credit risk, i.e. derivative instruments, repurchase transactions, securities or commodities lending or borrowing transactions, long settlement transactions and margin lending transactions. |
| 0090 | Securities Financing Transactions netting sets  Netting sets containing only SFTs, as defined in Article 4(1), point (139), of Regulation (EU) No 575/2013.  SFTs that are included in a contractual cross product netting set and therefore reported in row 0130 shall not be reported in this row. |
| 0100 | Of which: centrally cleared through a QCCP  Contracts and transactions listed in Article 301(1) of Regulation (EU) No 575/2013 as long as they are outstanding with a qualifying central counterparty (QCCP) as defined in Article 4(1), point (88), of that Regulation, including QCCP-related transactions, for which the risk weighted exposure amounts are calculated in accordance with Part Three, Title II, Chapter 6, Section 9 of that Regulation. QCCP-related transaction has the same meaning as CCP-related transaction in Article 300(2) of Regulation (EU) No 575/2013, when the CCP is a QCCP. |
| 0110 | Derivatives and Long Settlement Transactions netting sets  Netting sets containing only derivatives listed in Annex II of Regulation (EU) No 575/2013 and long settlement transactions as defined in Article 272(2) of that Regulation.  Derivatives and Long Settlement Transactions that are included in a contractual Cross Product Netting set and therefore reported in row 0130, shall not be reported in this row. |
| 0120 | Of which: centrally cleared through a QCCP  See instructions to row 0100. |
| 0130 | From Contractual Cross Product netting sets  Netting sets containing transactions of different product categories (Article 272(11) of Regulation (EU) No 575/2013), i.e. derivatives and SFTs, for which a contractual cross product netting agreement as defined in Article 272(25) of Regulation (EU) No 575/2013 exists. |
| 0140-0280 | BREAKDOWN OF EXPOSURES BY RISK WEIGHTS |
| 0140 | 0 % |
| 0150 | 2 %  Article 306(1) of Regulation (EU) No 575/2013 |
| 0160 | 4 %  Article 305(3) of Regulation (EU) No 575/2013 |
| 0170 | 10 % |
| 0180 | 20 % |
| 0185 | 30 % |
| 0190 | 35 % |
| 0195 | 40% |
| 0196 | 45% |
| 0200 | 50 % |
| 0205 | 60% |
| 0210 | 70 %  Article 232(3), point (c), of Regulation (EU) No 575/2013. |
| 0220 | 75 % |
| 0225 | 80% |
| 0226 | 90% |
| 0230 | 100 % |
| 0231 | 105% |
| 0232 | 110% |
| 0235 | 130% |
| 0240 | 150 % |
| 0250 | 250 %  Articles 133(2) and 48(4) of Regulation (EU) No 575/2013 |
| 0260 | 370 %  Article 471 of Regulation (EU) No 575/2013 |
| 0265 | 400% |
| 0270 | 1 250 %  Article 89(3) and Article 379 of Regulation (EU) No 575/2013 |
| 0280 | Other risk weights  This row is not available for exposure classes Government, Corporates, Institutions and Retail.  For reporting those exposures not subject to the risk weights listed in the template.  Article 113, paragraphs 1 to 5 of Regulation (EU) No 575/2013.  Unrated nth-to-default credit derivatives under the Standardised approach (Article 134(6) of Regulation (EU) No 575/2013) shall be reported in this row under the exposure class "Other items". |
| 0281-0284 | BREAKDOWN OF TOTAL EXPOSURES BY APPROACH (CIUs)  These rows shall only be reported for the exposure class Collective investments undertakings (CIUs), in line with Articles 132, 132a, 132b and 132c of Regulation (EU) No 575/2013. |
| 0281 | Look-through approach  Article 132a(1) of Regulation (EU) No 575/2013. |
| 0282 | Mandate-based approach  Article 132a(2) of Regulation (EU) No 575/2013. |
| 0283 | Fall-back approach  Article 132(2) of Regulation (EU) No 575/2013. |
| 0290-0330 | Memorandum Items  For rows 0290 to 0330, see also the explanation of the purpose of the memorandum items in the general section of the CR SA. |
| 0290 | Exposures secured by mortgages on commercial immovable property  Article 112, point (i), of Regulation (EU) No 575/2013. See also explanations in section 3.2.4.4 of CR SA.  This is a memorandum item only. Independent from the calculation of risk exposure amounts of exposures secured by commercial immovable property as referred to in Articles 124 and 126 of Regulation (EU) No 575/2013 the exposures shall be broken down and reported in this row if the exposures are secured by commercial immovable property. |
| 0300 | Exposures in default subject to a risk weight of 100 %  Article 112, point (j), of Regulation (EU) No 575/2013  Exposures included in the exposure class “exposures in default” which shall be included in this exposure class if they were not in default. |
| 0310 | Exposures secured by mortgages on residential property  Article 112, point (i), of Regulation (EU) No 575/2013. See also explanations in section 3.2.4.4 of CR SA.  This is a memorandum item only. Independent from the calculation of risk exposure amounts of exposures secured by mortgages on residential property in accordance with Article 124 and 125 of Regulation (EU) No 575/2013 the exposures shall be broken down and reported in this row if the exposures are secured by residential property. |
| 0320 | Exposures in default subject to a risk weight of 150 %  Article 112, point (j) of Regulation (EU) No 575/2013  Exposures included in the exposure class “exposures in default” which shall be included in this exposure class if they were not in default. |
| 0330 | Acquisition, development and construction (ADC)  Article 112, point (i), of Regulation (EU) No 575/2013. See also explanations in section 3.2.4.4 of CR SA.  This is a memorandum item only. Independent from the calculation of risk exposure amounts of ADC exposures in accordance with Article 126a of Regulation (EU) No 575/2013 the exposures shall be broken down and reported in this row if the exposures are ADC exposures. |

1. Seventh Council Directive 83/349/EEC of 13 June 1983 based on the Article 54 (3) (g) of the Treaty on consolidated accounts (OJ L 193, 18.7.1983, p. 1). [↑](#footnote-ref-1)
2. Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32). [↑](#footnote-ref-2)