ANNEX XL –

Part 1: Instructions for disclosure of ESG risks for Large institutions

1. Institutions shall disclose the information referred to in Article 449a of Regulation (EU) No 575/2013 by following the instructions provided in this Annex. The instructions are to be used to complete the tables and templates which are set out in Implementing Regulation 24/XXXX.
2. References to the international and Union policy frameworks and available benchmarks throughout these instructions include: the Paris Agreement adopted under the United Nations Framework Convention on Climate Change\*1 (the ‘Paris Agreement’), the Communication from the Commission on the European Green Deal\*2, Directive 2013/34/EU of the European Parliament and of the Council\*3,Directive 2014/95/EU of the European Parliament and of the Council\*4, the Communication from the Commission - Guidelines on non-financial reporting: Supplement on reporting climate-related information\*5, the guidance made available by the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations\*6, the United Nations Environment Programme Finance Initiative (UNEP FI)\*7, the Global Reporting Initiative Sustainability Reporting Standards\*8, and the United Nations’ Principles for Responsible Investment (UNPRI)\*9.

**Table 1: Qualitative information on Environmental risk, including climate-related financial risks:** Free format text boxes for disclosure of qualitative information in Annex XXXIX.

1. Institutions shall use the following instructions to complete ‘Table 1: Qualitative information on Environmental risk, including climate-related financial risks’ as set out in Implementing Regulation 24/XXXX to describe the integration of environmental risks, including specific information on climate change risks and on other environmental risks, in their business strategy and processes, governance and risk management. This is for the purposes of Article 449a of Regulation (EU) No 575/2013, read in conjunction with Article 435 of that Regulation.
2. Institutions shall disclose this table on an annual basis, based on materiality assessment.

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| **Legal references and instructions** | |
| **Row number** | **Explanation** |
|  | **Business strategy and processes** |
| (a) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), points (a) and (e), of that Regulation, institutions shall provide an explanation of how their business model, strategy and processes, and their financial planning integrate the risks stemming from environmental factors (i.e. environmental risks) and how those risks may evolve over time given changing technology, policy framework, business environment, stakeholder preferences, and changes in the physical environment itself. Institutions shall also disclose the resilience of their strategy and business model to environmental changes, developments and uncertainties, taking into consideration the identified environmental risks. Institutions shall specify the time horizons in which short-, medium-, or long-term effects of the environmental risks that the institution has identified could reasonably be expected to occur, and explain how the institution defines “short term”, “medium term” and “long term”, and how these definitions are linked to the planning horizons used for strategic decision-making. |
| (b) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (a) and points (c) to (f) of that Regulation, institutions shall set out the objectives, the targets and the limits for the assessment and management of environmental risks. Institutions shall explain the processes they use to set out those objectives, targets and limits.  Institutions are to explain how those objectives, targets and limits are linked to the current international and Union policy framework, and to the available benchmarks. |
| (c) | In accordance with Article 449a of Regulation (EU) No 575/2013, institutions shall provide information on their current and future (planned) investment in environmentally sustainable activities and in activities and sectors aligned to the environmental objectives, including climate change objectives, set out in Article 9 of Regulation (EU) 2020/852.  Where that information depends on the institution’s own approach or is based on the institutions’ internal terms of reference, institutions shall include in their disclosures a description of those approaches and internal terms of reference. |
| (d) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (d), of that Regulation, institutions shall provide information on the measures taken to mitigate the risks associated to environmental factors. Institutions are to consider the counterparty’s capacity to manage environmental risks. |
|  | **Governance** |
| (e) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (b), and Article 435(2), points (a), (b) and (c), of that Regulation, institutions shall provide information on the involvement of their management body in the supervision and management of environmental risks. This information shall also include the governance structure responsible for the oversight of environmental risks, including a breakdown of responsibilities as reflected in the terms of reference, mandates, role descriptions, and other related policies. Institutions are to take into account the potential transmission channels of such environmental risks (including physical, transition and liability risks). |
| (f) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2), points (a), (b) (c) and (d), of that Regulation, institutions shall provide information on the organisation of their risk committees and on the allocation of tasks and responsibilities in the risk management framework to monitor and manage environmental risks, taking into account physical, transition and liability risk transmission channels. Institutions shall explain how and how often the board and its committees are informed about environmental risks, and how the board and its committees consider environmental risks when overseeing the institution’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the board has considered trade-offs associated with those risks. Institutions are to explain how the board ensures that the appropriate skills and competencies are available to oversee strategies designed to respond to environmental risks. Institutions are to explain how the environmental risk management, at management body’s level, is reflected in their business lines and internal control functions |
| (g) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2), point (e), of that Regulation, institutions shall provide information on the ways in which they include environmental risks into their internal reporting framework and structure, as well as information on the frequency of their internal reporting and information exchange on such risks. |
| (h) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2), point (e), of that Regulation, institutions shall provide information on whether environmental risks are included in their remuneration policy, how the board oversees the setting of targets related to environmental risks and monitors progress towards those targets and on the criteria and metrics used to determine the impact of environmental risk considerations on variable remunerations. |
|  | **Risk management** |
| (i) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (f), of that Regulation, institutions shall provide information on the integration of short-, medium- and long-term effects of environmental factors and risks in the risk tolerance framework. Institutions shall decide on the relevant time horizon in accordance with their own risk profile and exposures. |
| (j) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (a), of that Regulation, institutions shall provide information on the methods, definitions and standards used to identify and manage environmental factors and risks, as well as the framework on which those standards, definitions and methods are based.  Institutions shall explain how such methods, definitions and standards relate to the applicable international and Union policy framework and available benchmarks. Institutions shall disclose whether the methods, definitions and standards used to identify and manage environmental factors and risks have changed from the previous reference period. |
| (k) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (a), of that Regulation, institutions shall disclose:   1. the processes and tools by which the institution identifies and monitors its activities and exposures which are sensitive and vulnerable to environmental risks, including any movable and immovable assets associated with such activities and exposures; 2. the processes and tools by which the institution identifies and monitors environmental risks that are financially material or currently non-material with a prospect to become material in the future.   Activities, exposures and assets which are sensitive and vulnerable to environmental risks shall include those related to agriculture, fisheries, forestry, energy sectors in combination with their geographical location, reliance on water or other environmental factors and risks, which may be vulnerable to different factors, including flood, draught, fires, and loss of biodiversity. They shall also include concentration of the counterparty’s operations in endangered zones, and they shall be deemed to cover the entire value chain of the counterparty.  When disclosing the information referred to in this point, institutions shall indicate the materiality (including double materiality) which is to be understood in the sense set out in the definitions contained in the report referred to in Article 98(8) of Directive 2013/36/EU of the European Parliament and of the Council\*10 and shall cover the life-cycle of exposures, including loan origination together with creditworthiness assessment of the counterparty and monitoring.  Institutions shall explain the extent to which such assessment covers the relevant transmission channels, including (i) lower profitability, (ii) lower real estate value, lower household wealth, (iii) lower asset performance, (iv) increase cost of compliance, and (v) increase legal costs.  Institution that identify no environmental risks as material shall explain and substantiate why that is the case and describe the methods they used to reach such conclusion. |
| (l) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (d), of that Regulation, institutions shall provide information on the activities, commitments, and exposures they have put in place to mitigate environmental risks.  Institutions shall disclose the methods they use to identify risk mitigating measures and activities. In addition, they shall provide information on the extent to which those activities, commitments and exposures account for relevant transmission channels, including (i) lower profitability, (ii) lower real estate value, lower household wealth, (iii) lower asset performance, (iv) increase cost of compliance, and (v) increase legal costs. |
| (m) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), points (a) and (f), of that Regulation, institutions shall describe the outcome of the assessment from the risk tool used in accordance with point 14.  Institutions shall provide the estimated impact of environmental risk, including climate change risk, on the institution’s solvency, regulatory capital requirements and liquidity risk profile in the framework of internal capital adequacy assessment process (ICAAP) and internal liquidity adequacy assessment process (ILAAP). |
| (n) | In accordance with Article 449a of Regulation (EU) No 575/2013, institutions shall provide information on the data and information available to them to carry out the risk management of environmental risks, the key data and information currently missing and measures they are taking to address the data gaps and to improve data quality and accuracy. |
| (o) | In accordance with Article 449a of Regulation (EU) No 575/2013 in conjunction with Article 435(1), point (f), of that Regulation, institutions shall provide information on the limits they set on financing projects or counterparties which significantly harm environmental objectives in line with their business strategy.  Those limits shall include limits set by the institutions at the point of origination and monitoring to avoid or mitigate environmental risks, and limits that indicate when a specific exposure would trigger corrective actions, further investigation, internal escalation, or exclusion from portfolio. |
| (p) | Institutions shall describe how they map and link the emergence of environmental risks on their balance sheet through credit risk, liquidity risk, market risk and operational risk.  Institutions are to explain how they assess and manage the impact of transition to a low-carbon and climate-resilient economy on the prudential risk categories including credit risk, liquidity risk, market risk and operational risk. |

**Table 2: Qualitative information on Social risk:** Free format text boxes for disclosure of qualitative information in Annex XXXIX

1. Institutions shall use the following instructions to complete ‘Table 2: Qualitative Information on Social risk’ set out in Implementing Regulation 24/XXXX, in order to describe the integration of social risks in their business strategy and processes, governance and risk management, in accordance with Article 449a of Regulation (EU) No 575/2013 in conjunction with Article 435 of that Regulation.
2. Institutions shall disclose this table on an annual basis, based on materiality assessment.

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| **Legal references and instructions** | |
| **Row number** | **Explanation** |
|  | **Business strategy and processes** |
| (a) | In accordance with Article 449a of Regulation (EU) No 575/2013 in conjunction with Article 435(1), points (a) and (e), of that Regulation, institutions shall describe how their business model, strategy, processes and financial planning integrate risks stemming from social factors (i.e. social risks) and how those risk evolve over time given changing technology, policy framework, business environment and stakeholders’ preferences. |
| (b) | In accordance with Article 449a of Regulation (EU) No 575/2013 in conjunction with Article 435(1), point (a) and points (c) to (f), of that Regulation, institutions shall provide a description of their objectives, targets and limits for the assessment and management of social risks, and a description of the processes they use to set out those objectives, targets and limits.  Institutions are to explain the linkages of those objectives, targets and limits to the applicable international and Union policy framework and to available benchmarks.  Social factors include human rights violation, labour rights, income inequality, lack of human rights, customer safety and protection, privacy, poverty and non-discrimination. Furthermore, climate change and transition to low carbon economy have social impacts that include changes to the job market. These include the decrease in the demand for certain jobs and skills, the emergence of new jobs and skills, consumers’ changing preferences, shareholders’ willingness to swiftly integrate climate, environmental and social changes in their companies, as set out in paragraph 78 of the EBA report adopted under Article 98(8) of Directive 2013/36/EU. |
| (c) | In accordance with Article 449a Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (d), of that Regulation, institutions shall describe how they take measures to mitigate risks associated with social factors, including understanding the counterparties’ capacity to manage social risks and entering into a dialogue with them to mitigate social risks. |
|  | **Governance** |
| (d) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (b), and Article 435(2), points (a), (b) and (c), of that Regulation, institutions shall describe how their management body is involved in the supervision and management of social risks. That information shall cover the rationale of the approach taken by the management body and take into account a number of social factors. Those factors include the institution’s engagement towards the community and society, its relationships with employees and compliance with labour standards, customer protection and product responsibility, and human rights. |
| (e) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2), points (a), (b) and (c), of that Regulation, institutions shall describe how they organise their risk committees and how they allocate tasks and responsibilities in the risk management framework to monitor and manage social risks.  Institutions shall provide information on both their internal and external resources devoted to the assessment of social risks. |
| (f) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2), point (e), of that Regulation, institutions shall describe how they include social risks into their internal reporting framework and structure, and set out the frequency of their internal reporting and information exchange on social risks. |
| (g) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2), point (e), of that Regulation, institutions shall provide information on whether social risks are included in their remuneration policy, as well as on the criteria and metrics used to determine the impact of social risk considerations on variable remunerations. |
|  | **Risk management** |
| (h) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (a), of that Regulation, institutions shall provide information on what methods, definitions and standards they use for the identification and management of social factors and risks, as well as the framework on which those standards, definitions and methods are based.  Institutions are to explain how those methods, definitions and standards relate to the current international and Union policy framework and available benchmarks. |
| (i) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (a), of that Regulation, institutions shall provide information on the process by which they identify and monitor their activities and exposures, which are sensitive to social risks, including via their counterparties, investment or asset management activities, and including any movable and immovable assets associated with those activities and exposures.  Institutions shall provide information on the process by which they identify and monitor social risks that are financially material or currently non-material with a prospect to be material in the future.  Such activities, exposures and assets sensitive to social risks may be related to counterparties breaching labour law, human rights or other social laws or rights that may face legal dispute.More precisely, sectors with enhanced social risk may include those with migrant workers, low wages, poor labour standards or poor working conditions negatively affecting communities and having an enhanced chance of being under public and political scrutiny.  Institutions shall consider and, where applicable, assess information related to their counterparties’ (i) alignment with the OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and International Labour Organisation Declaration on Fundamental Principles and Rights at Work, and (ii) negative material impacts on own workers, workers in the value chain, affected communities and consumers/end-users including information on due diligence efforts or processes to avoid and remediate such impacts. |
| (j) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (a), of that Regulation, institutions shall provide information on the activities, commitments and assets that they have in place to mitigate social risks. |
| (k) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (a), of that Regulation, institutions shall provide information on the implementation tools that they use for identification and management of social risks. Such tools include the scenario analysis, applied at exposure-level, portfolio-level, counterparty-level or sectoral-level and cover factors including migration, demographic trends, change in labour force and technological change.  Social risks can also include change of consumer behaviour, issues around discrimination and social inclusiveness, scenario analysis on increasing inequality, social impact of climate change, climate change adaptation/mitigation and environmental degradation.  Institutions shall provide information about the assumptions and methods used to perform such scenario analysis. Institutions shall indicate the time horizon used for the assessment of the social risk on the accounting and prudential metrics, i.e. short-term, medium-term or long-term time horizon. |
| (l) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1), point (f), of that Regulation, institutions shall provide information on the limits they set out in relation to financing projects or counterparties which significantly harm the social objectives of their business strategy.  Such limits shall include those set by institutions at the point of origination and monitoring to avoid or mitigate social risks as well as the limits that indicate when a specific exposure would trigger further investigation, internal escalation, corrective actions or exclusion from the portfolio. |
| (m) | In accordance with Article 449a of Regulation (EU) No 575/2013, institutions shall provide information on the ways in which they map and link the emergence of social risks on their balance sheet through credit risk, liquidity risk, market risk and operational risk.  Institutions are to provide information on the ways in which they assess and manage the impact of relevant socially harmful events on the prudential risks categories including credit risk, liquidity risk, market risk and operational risk. |

**Table 3: Qualitative information on Governance risk:** Free format text boxes for disclosure of qualitative information in Annex XXXIX

1. Institutions shall use the following instructions to complete ‘Table 3: Qualitative information on Governance risk’ set out in Annex XXXIX of Implementing Regulation 2024/XXXX in order to describe the integration of governance risks in their governance and risk management, in accordance with of Article 449a of Regulation (EU) No 575/2013, read in conjunction with Article 435 of that Regulation.
2. Institutions shall disclose this table on an annual basis, based on materiality assessment.

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| **Legal references and instructions** | |
| **Row number** | **Explanation** |
|  | **Governance** |
| (a) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2) of that Regulation, institutions shall provide information on the ways in which they integrate the counterparty’s governance performance in their governance arrangements.  The considerations on the counterparty’s governance performance are to cover the necessary steps of the decision-making, supervision and management processes of the counterparty at all levels, including committees of the highest governance body and committees responsible for decision-making on economic, environmental, and social topics. |
| (b) | Institutions shall explain how they take into account the role of the counterparty’s top governing body in the concerned counterparty non-financial reporting, including the top committee or functional position that formally reviews and approves the organisation’s sustainability report and ensures that all material topics are covered. |
| (c) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(2) of that Regulation, institutions shall provide information on how they integrate their counterparties’ governance performance in their own institutions’ governance arrangements.  The considerations related to the governance performance of the institution’s counterparties are to cover all of the following:   1. ethical considerations, including integrity of conduct, values and ethics, anti-bribery and anti-corruption measures, accountability and rule of law; 2. strategy and risk management, including strategy implementation, operational execution and monitoring, internal controls and risk management policies and procedures; 3. inclusiveness; including, gender gap and representation of people from minority groups in the management, income gap; 4. transparency; including disclosures on discrimination, tax commitments and payments, disclosure on lobbying activities, and rules and practices; 5. management of conflict of interest, including processes for the highest governance body to ensure that any conflict of interest is avoided, managed and mitigated; and 6. internal communication on critical concerns, including how internal process of the counterparty operates for communicating critical concerns to the highest governance body. |
|  | **Risk management** |
| (d) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435(1) of that Regulation, institutions shall provide information on how they integrate in their risk management arrangements the governance performance of their counterparties considering aspects set out in row (c).  Institutions shall consider and, where applicable, assess information related to their counterparties’ (i) alignment with the OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and International Labour Organisation Declaration on Fundamental Principles and Rights at Work, and (ii) negative material impacts on own workers, workers in the value chain, affected communities and consumers/end-users including information on due diligence efforts or processes to avoid and remediate such impacts. |

**Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity**. Fixed format.

1. Institutions shall use the following instructions to complete ‘Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity’ set out in Implementing Regulation 24/XXXX to provide information on the exposures that are more prone to the risks that institutions may face from the transition to a low-carbon and climate resilient economy. For the purposes of Article 449a of Regulation (EU) No 575/2013:

(a) institutions shall disclose information on their exposures towards non-financial corporates operating in carbon-related sectors, and on the quality of those exposures, including non-performing status, stage 2 classification, and related provisions as well as maturity buckets;

(b) institutions shall start disclosing information on scope 1, 2 and 3 emissions of their counterparties, if already available, including qualitative information in the narrative accompanying this template on the methodology and sources used for the calculation of those emissions. The coverage of portfolio with use of proxies (according to the Partnership for Carbon Accounting Financials - PCAF) (in %) should be reported in line with the PCAF methodology[[1]](#footnote-2), i.e., every non-reported emission that is not based on a report from a counterparty, is by definition a proxy. This includes both, physical activity-based emissions and economic activity-based emissions. Where institutions are not yet estimating their counterparties’ emissions associated with their financing activities, including lending and investment activities, they shall disclose information on their plans to implement methodologies to estimate and disclose this information.

1. Institutions shall include in the narrative accompanying the template, explanations on the information disclosed and the changes compared to previous disclosure periods, as well as any implications that those exposures may have in terms of credit, market, operational, reputational and liquidity risks for the institutions.
2. Institutions shall include in the rows of the template the breakdown of the gross carrying amount of loans and advances, debt securities and equity instruments to non-financial corporations, other than those held for trading, by sector of economic activities using the Nomenclature of Economic Activities (NACE) codes, laid down in Regulation (EC) No 1893/2006 of the European Parliament and of the Council\*11, based on the principal activity of the counterparty. They shall also include subtotals that aggregate the gross carrying amount of exposures towards sectors and subsectors that highly contribute to climate change. In particular, reference is made to the sectors listed in Sections A to H and Section M of Annex to COMMISSION DELEGATED REGULATION (EU) 2023/137[[2]](#footnote-3), within those Sections B to D and G defined as fossil fuel sectors by Article 4 (153) of CRR, which include the oil, gas, mining and transportation sectors, as sectors that highly contribute to climate change, as specified in Recital 6 of Commission Delegated Regulation (EU) 2020/1818\*12; and a subtotal of exposures towards “other sectors” not mentioned in that Recital.
3. The counterparty NACE sector allocation shall be based on the nature of the direct counterparty. Where the institutions’ counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor under the holding company (if different from the holding company) which receives the funding (i.e. the specific subsidiary of the holding company in question) rather than that of the holding company, particularly in those cases where the obligor that is benefiting from the financing is a non-financial corporate. Similarly, when the direct counterparty of an institution (the obligor) is a special purpose vehicle (SPV), institutions shall disclose the relevant information under the NACE sector associated with the economic activity of the parent company of the SPV. The classification of the exposures incurred jointly by more than one obligor shall be based on the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of granularity required in the rows of the template.
4. Institutions shall disclose this template on a semi-annual basis.

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| Columns | Instructions |
|  | **On-balance sheet items** |
| a | **Gross carrying amount**  Institutions shall disclose the total gross carrying amount, referred to in Part 1 of of the EBA IT solutions published on EBA’s website related to the reporting on financial information, of those exposures towards non-financial corporates, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios in the banking book in accordance with that Implementing Regulation, excluding financial assets held for trading or held for sale assets. |
| b | **Of which exposures towards companies excluded from EU Paris-aligned Benchmarks**  Institutions shall disclose the gross carrying amount of those exposures towards counterparties that are excluded from the EU Paris-aligned benchmarks as specified in Article 12(1), points (d) to (g) and Article 12(2) of Delegated Regulation (EU) 2020/1818. |
| c | **Of which environmentally sustainable (CCM)**  Institutions shall disclose exposures that qualify as environmentally sustainable because they are financing activities that contribute or enable the environmental objective of climate change mitigation in accordance with Articles 10 and 16 of Regulation (EU) 2020/852. |
| d | **Of which stage 2 exposures**  Institutions applying the International Financial Reporting Standards (IFRS) shall disclose the gross carrying amount of ‘Stage 2’ instruments as referred to in IFRS 9.  The columns on ‘Of which stage 2 exposures’ shall not be disclosed by institutions that apply national generally accepted accounting principles based on Council Directive 86/635/EEC\*13. |
| e | **Of which non-performing exposures**  Institutions shall disclose non-performing exposures as defined in Article 47a(3) of Regulation (EU) No 575/2013. |
| f | **Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**  Institutions shall disclose the amounts set out in Part 2, points 11, 69, 70, 71, 106 and 110, of the EBA IT solutions published on EBA’s website related to the reporting on financial information. |
| g | **Of which stage 2 exposures**  Institutions shall disclose the accumulated impairment amount of stage 2 exposures.  Institutions applying IFRS are to disclose the gross carrying amount of ‘Stage 2’ instruments as set out in IFRS 9.  The columns on ‘Of which stage 2 exposures’ shall not be disclosed by institutions that apply national generally accepted accounting principles based on Directive 86/635/EEC. |
| h | **Of which non-performing exposures**  Institutions shall disclose non-performing exposures as referred to in Article 47a(3) Regulation (EU) No 575/2013. |
|  | **GHG financed emissions** |
| i | **GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)**  Institutions shall disclose the aggregated counterparties’ scope 1, 2 and 3 financed emissions associated with their exposures. Where the information is available, institutions shall disclose the estimates of the scope of their scope 3 GHG emissions in CO2 tonnes (TCO2) as part of column (i). The disclosure covers all sectors and subsectors that highly contribute to climate change, including the oil, gas, mining and transportation sectors, - as specified in recital 6 of Delegated Regulation (EU) 2020/1818 - included in rows 2 to 51 of the template.  Institutions shall estimate scope 3 emissions based on (i) emissions data provided by their counterparties and (ii) sector-average emissions intensity information. The methods to compute the carbon emissions of companies include the Global GHG Accounting and Reporting Standard for the Financial Industry, developed by the Partnership for Carbon Accounting Financials\*14 (PCAF, of particular relevance for the TCFD), or the Carbon Disclosure Project\*15.  Institutions shall estimate the scope 3 emissions per sector in a proportionate manner, including by taking into account their exposures towards the counterparty compared to the total liabilities (accounting liabilities and shareholders’ equity) of the counterparty.  In the accompanying narrative to the template, institutions shall provide detailed explanations of the data sources and methodologies to estimate their GHG financed emissions. In particular, institutions shall explain whether they are disclosing any of the following:  (a) reported emissions (emissions data directly provided by the borrower or investee company);  (b) physical activity-based emissions (emissions estimated by the reporting financial institution based on primary physical activity data collected from the borrower or investee company);  (c) economic activity-based emissions (emissions estimated by the reporting financial institution based on economic activity data collected from the borrower or investee company).  Where institutions are not yet estimating their counterparties’ emissions associated to their exposures, they shall disclose their plans for implementing methods to estimate and disclose financed emissions. |
| i1-j | **Scope 1 financed emissions; Scope 2 financed emissions; Scope 3 financed emissions**  Institutions shall disclose their counterparties’ scope 1, scope 2, and scope 3 emissions associated with their exposures. The coverage of portfolio with use of proxies (according to the PCAF) (in %) should be reported in line with the PCAF methodology.  Where institutions are not yet estimating their scope 3 emissions, they shall leave column (j) blank, while disclosing in the narrative their plans to implement methods for estimating and dusclosing this information.  Institutions shall disclose their scope 3 emissions on a best effort basis, covering the most relevant sectors in line with the PCAF approach and the phased-in approach for scope 3 emissions included in Article 5 of Delegated Regulation (EU) 2020/1818.  Institutions shall estimate the scope 3 emissions per sector in a proportionate manner, including by taking into account their exposures towards the counterparty compared to the total liabilities (accounting liabilities and shareholders’ equity) of the counterparty.  Institutions are expected to disclose scope 3 emissions for all material sectors. For sectors where data and methodological challenges exist, institutions shall follow the Greenhouse Gas Protocol Corporate Standard which covers 15 upstream and downstream stagesof emissions. In line with the TCFD guidance on metrics and targets, institutions shall be transparent about the challenges to collect that type of information and avoid double counting where possible. |
| k | **GHG emissions: gross carrying amount percentage of the portfolio derived from company-specific reporting**  Institutions shall indicate the percentage of the portfolio (gross carrying amount of the exposures – column (i)) for which they have been able to estimate their counterparties’ scope 1, 2 and 3 emissions associated with institutions’ exposures based on information disclosed by their counterparties or reported to the institution directly. |
|  | **Breakdown by residual maturity buckets** |
| l – p | **<= 5 years; > 5 year <= 10 years; > 10 year <= 20 years; > 20 years; Average weighted maturity**  Institutions shall allocate the exposures to the relevant bucket depending on the remaining maturity of the financial instrument, taking into account the following:  (a) where the amount is repaid in instalments, the exposure shall be allocated in the maturity bucket corresponding to the last instalment;  (b) where an exposure has no stated maturity for reasons other than the counterparty having the choice of the repayment date, or in the case of equity holdings, the amount of this exposure shall be disclosed in the largest maturity bucket ‘> 20 years’;  (c) for the computation of the average maturity of the exposures, institutions shall weigh the maturity of each exposure by the gross carrying amount of the exposures. The average maturity shall be disclosed in years. |

**Template 2: Banking book –Climate change transition risk: Loans collateralised by immovable property – Energy performance of the collateral. (**Fixed format).

1. Institutions shall use the following instructions to disclose the information required in ‘Template 2: Banking book –Climate change transition risk: Loans collateralised by immovable property - Energy performance of the collateral’, as set out in Annex XXXIX of Implementing Regulation 2024/XXXX.
2. Directive 2010/31/EU of the European Parliament and of the Council\*16 and Directive 2012/27/EU of the European Parliament and of the Council\*17 promote policies that aim to achieve a highly energy efficient and decarbonised building stock by 2050. Directive 2010/31/EU introduced the Energy performance certificates (EPC) as instruments for improving the energy performance of buildings. Those certificates are referred to as a certificate recognised by a Member State or by a legal person designated by it, which indicates the energy performance of a building or building unit, calculated in accordance with that Directive.
3. Institutions shall include in the narrative accompanying the template the following explanations:
4. The jurisdictional coverage of the information and whether there are legal requirements to measure the energy performance of buildings in each of the jurisdictions in which the institution operates.
5. Available information regarding the sources used. In particular, institutions must disclose whether internal information, information provided by vendors and modelled information was used. For the modelled information, institutions must provide a description of the variables, sources and assumptions used.
6. Any significant change over the reporting period and the key drivers of such changes.
7. Institutions shall disclose this template on a semi-annual basis.
8. Institutions shall disclose in this template:

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| Columns | Instructions |
| a | **Total gross carrying amount**  Institutions shall disclose the total gross carying amount, as referred to in Part 1 of the EBA IT solutions published on EBA’s website related to the reporting on financial information, of loans collateralised by commercial and residential immovable property and of repossessed real estate collaterals.  The gross carrying amounts reported as “loans collateralised by immovable property” in this template shall match the gross carrying amount of the loans collateralised by immovable property reported in FINREP. Therefore, this template shall include all immovable property regardless of whether the immovable property has been given an EPC label or not. |
| b-g | **Level of energy performance (EP score in kWh/m² of collateral)**  Information on the level of energy performance of the collaterals measured in terms of kWh/m2 energy consumption.  In particular, in columns (b) to (g), institutions shall disclose the gross carrying amount of exposures grouped by energy performance buckets based on the specific energy consumption of the collateral in kWh/m2, as indicatedin the EPC label of the collateral or estimated by institutions in the absence of the energy performance certificate. |
| g1 | **Of which level of energy performance (EP score in kWh/m² of collateral) estimated**  Where institutions are using estimates (internally calculated or externally provided) for the energy consumption of the collateral, institutions shall disclose the gross carrying amount of the exposures without information on the level of energy consumption of the collateral for which they use estimates. |
| g2 | **Without EP score in kWh/m² of collateral (neither measured nor estimated)**  When disclosing the energy consumption of the collaterals, institutions shall disclose separately, those exposures for which they do not have the data on the energy consumption of the collateral and also no estimates. |
| h-n | **Level of energy efficiency (EPC label of collateral)**  Institutions shall disclose the gross carrying amount of exposures collateralised by real estate grouped by their EPCs.  The label of the EPC of the collateral as referred to in Article 2, point (12), of Directive 2010/31/EU for Member States, or as defined in any relevant local regulation for those exposures outside the Union, where a mapping to the Union EPC label exists.  In the case of exposures to entities located in third countries where there is no EPC label equivalent, institutions shall leave columns (h) to (n) blank. However, institutions shall disclose the information required in column (o) and, when relevant, columns (b) to (g) with estimated data. |
| o | **Without EPC label of collateral**  When disclosing the EPC of the collaterals, institutions shall disclose separately, in column (o), those exposures collateralised by real estate for which they do not have the EPC. |

1. For those exposures linked to more than one collateral, such as two immovable properties, the energy efficiency information of the properties linked to the exposure shall be split and disclosed separately under energy efficiency levels (both for the KWh/m2 of the collateral, columns (b) to (g), and for the EPC label, columns (h) to (n) corresponding to energy efficiency of each collateral). More specifically, institutions shall calculate the share of each collateral in the gross carrying amount of exposure based on the value of the collateral and disclose under the energy efficiency bucket linked to each collateral. For example, the institution has a loan with a gross carrying amount of EUR 100 000 collateralised by two properties: property A and property B. Property A has a collateral value of EUR 80 000 and EPC label A, while property B has a collateral value of EUR 70 000 and EPC label D. In this example, institutions should disclose EUR 53 333 (that is EUR 100 000 \* [80 000 / (80 000 + 70 000)] under EPC label A and EUR 46 667 (that is EUR 100 000 \* [70 000 / (80 000 + 70 000)] under EPC label D, both corresponding to the specific loan in question.
2. Institutions shall disclose in the rows:
3. The total gross carrying amounts by energy consumption level and by EPC label, with a breakdown by location Total EU area (row 1) and Total non-EU area (row 6), differentiating between loans collateralised by commercial immovable property, loans collateralised by residential immovable property and collateral obtained by taking possession (rows 2-4 and rows 7-9 respectivetly for EU area and for non-EU area). In rows 4 and 9 the carrying amount shall be disclosed of the collateral obtained by taking possession, not the value at initial recognition.
4. In addition, a breakdown for information on cover pool of covered bonds is requested in rows for the Total EU area and Total non-EU area (rows 1.1 and 6.1 respectively).
5. Institutions shall indicate in rows 5 and 10 of the template the extent to which those data are estimated. This information is also provided by location Total EU and Total non-EU respectively. Row 5 is also a subset of rows 2+3+4 and row 10 is also a subset of 7+8+9, as it shall include the portion of the gross carrying amount of loans where the collaterals’ EP score is estimated and included in the EPC.

**Template 3: Banking book – Indicators of potential climate change transition risk: emission intensity per physical output and by sector**. Flexible format (fixed columns, flexible rows).

1. Institutions shall use the following instructions to disclose the information required in ‘Template 3: Banking book - Indicators of potential climate change transition risk: emission intensity per physical output and by sector’, as set out in Annex XXXIX of Implementing Regulation 2024/XXXX.
2. Institutions shall disclose in this template information on their alignment efforts with the objectives of the Paris Agreement for a selected number of sectors. The disclosures on the alignment shall capture the extent to which financial flows are consistent with a pathway towards low greenhouse gas emissions and climate-resilient development as referred to in the Paris Agreement. The economic scenario that describes that decarbonisation pathway is the latest available International Energy Agency (IEA) Net Zero Emissions by 2050 Scenario (NZE2050)\*18. Institutions shall take into account that scenario. Given that the IEA provides scenarios at global level and some specific metrics at European level, institutions are to measure the distance from the IEA scenario benchmarks at global level and, where the specific European level metrics are available, at European level. In instances where specific data points for sectors and geographies are not provided within the NZE2050 scenario, institutions may reference alternative credible, scientifically grounded net zero scenarios.
3. Institutions that are already estimating information on their sectoral alignment to the Paris Agreement shall disclose the information in this template.
4. Institutions shall disclose information on their exposures towards non-financial corporates and retail SME exposures. For loans for which the use of proceeds is unknown, the gross carrying amount of the exposures shall be allocated to the relevant sector and alignment metric based on the counterparties’ activity distribution, for example by counterparties’ turnover by activity.
5. Institutions are expected to disclose GHG intensity metrics for sectors within the 18 sub-industries identified by TCFD where material. Additionally, institutions are expected to disclose any other material sector for the bank not covered within the 18 TCFD sectors.
6. Institutions can disclose several metrics for each sector that are relevant to their financing activity. Institutions shall add a row in the template for each relevant combination of sector and GHG intensity metric included in column (d).
7. Institutions are expected to supplement the template with a narrative commentary to explain:
8. Sectors: provide qualitative information on the materiality assessment of the sector exposures.
9. For each intensity metric:
   * 1. Methodology: the methodology used to attribute absolute emissions and/or emissions intensity to banks’ financing. This shall include specific and clear reference to exposure amounts used. The description shall cover the scopes (Scope 1, Scope 2 and Scope 3 of the portfolio) covered by the GHG intensity metrics. Banks’ chosen metrics shall include their clients’ Scope 1, Scope 2 and Scope 3 emissions, where material and data allows.
10. Geographies and subsectors: description of geographies covered by the GHG intensity metrics in columns (c), (e) and (g) and description of the sub-sectors covered by the GHG intensity metrics, following the NACE classification. Institutions shall
    * 1. ensure that the metrics allow to comprehensively disclose the institutions’ financed production capacities and encompass all relevant carbon-intensive financed activities.
      2. Any significant change over the reporting period and the key drivers of such changes.
11. Institutions shall disclose this template on an annual basis, based on materiality assessment.

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| Columns | Instructions |
| a | **Sector**  Institutions shall disclose sectors / sub-sectors according to the IEA sectors. |
| b | **NACE sectors**  Institutions shall disclose the reference of the NACE sector/ sub-sector that maps with the IEA sector reported in column a.  When filling in this column, institutions shall use the Nomenclature of Economic Activities (NACE) codes, laid down in Regulation (EC) No 1893/2006 of the European Parliament and of the Council as amended by COMMISSION DELEGATED REGULATION (EU) 2023/137.  Where the institution’s counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor controlled by the holding company (if different from the holding company) which receives the funding rather than that of the holding company, particularly in those cases where the obligor is a non-financial corporate. Similarly, where the direct counterparty of the institution (the obligor) is a special purpose vehicle (‘SPV’), institutions shall disclose the relevant information under the NACE sector associated with the economic activity of the parent company of the SPV.  The classification of the exposures incurred jointly by more than one obligor shall be based on the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. |
| c | **Gross carrying amount**  Institutions shall disclose the gross carrying amount, referred to in Part 1 of of the EBA IT solutions published on EBA’s website related to the reporting on financial information of those exposures towards non-financial corporates, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios in the banking book in accordance with that Implementing Regulation, excluding financial assets held for trading or held for sale assets. For loans whose use of proceeds is known, the amount shall be included for the relevant sector and intensity metric. For loans whose use of proceeds is unknown, the gross carrying amount of the exposure shall be allocated to the relevant sectors and intensity metrics based on the counterparties’ activity distribution, including by counterparties’ turnover by activity. |
| d | **GHG intensity metric per physical output**  Institutions shall disclose the selected unit of reference for the GHG intensity metric per physical output, which is the description of the unit(s) of reference chosen for columns (f), (g) and (h), expressed in tons of CO2e per physical output relevant for the chosen sector (see examples of metrics below\*). The denominators for intensity metrics should be physical metrics (eg CO2 e/kWh, CO2 e/per passenger-km, CO2 e/tonnes of product). To allocate multiple counterparties’ climate indicators at portfolio level, institutions shall apply a portfolio weight approach, which is an average of the counterparties’ own intensity metrics weighted by their loan size. |
|  | **Baseline year** |
| e | **Baseline year**  Institutions shall disclose the baseline year of the GHG intensity metric.  The baseline year is the specific year selected as the reference point from which the bank's financed emissions intensity metric is measured and tracked over time. This year is chosen based on the availability, accuracy, and reliability of historical emissions data and serves as the starting point for assessing progress toward the bank's emissions reduction goals. |
| f | **Value of intensity metric**  Institutions shall disclose the metric(s) value(s) at the baseline year for the GHG intensity metric per physical output. This is the weighted intensity metric per physical output for each counterparty by the gross carrying value of the relevant sector. |
|  | **Reporting year** |
| g | **Value of intensity metric**  Institutions shall disclose the metric(s) value(s) at the year of reference for the GHG intensity metric per physical output. This is the weighted intensity metric per physical output for each counterparty by the gross carrying value of the relevant sector. |
|  | **Targets** |
| h | **2030 Target for the value of the intensity metric, according to IEA NZE2050**  Where available, institutions shall disclose the value of the target applied by the bank to be achieved before year 2030, expressed in tCO2-e per physical output relevant for the chosen sector. This target value should be based on a scientifically grounded benchmark. Institutions can find the relevant information and the applicable scenario indicators for 2030 per sector on the IEA website. In particular, institutions shall refer to the “Net Zero by 2050 - A Roadmap for the Global Energy Sector” that the IEA publishes on an annual basis\*19. The specific data points and indicators can be downloaded from the excel table included in the Net Zero by 2050 Scenario designed by the International Energy Agency. |
| i | **PiT Distance to 2030 target according to IEA NZE2050**  Where available the PiT distance shall be disclosed and expressed in percentage points for each alignment metric.  The point in time distance of the column (g) – *‘Value of the intensity metric in the reporting year’* to the 2030 data points of the Net Zero Emissions by 2050 Scenario (NZE2050).  That distance shall represent the current degree of alignment with the scenario indicator for 2030 and shall be expressed as the difference between the indicator in column (g) and the IEA scenario projection for 2030, divided by the scenario benchmark indicator and converted into percentage terms.  The exposures’ underlying activities shall be considered aligned where the level of the indicator is below that of the benchmark for decreasing benchmarks (carbon intensive activities) or above for increasing benchmarks (low carbon activities); |
| j | **Additional target for the value of the intensity metric - (if applicable)**  Value of the target, if any, applied by the bank to be achieved before its target year, expressed in tCO2-e per physical output relevant for the chosen sector. |
| k | **Year for the additional target - (if applicable)**  Reference year (eg 2040, 2050 or other) being the year in which the bank has set a target to achieve the mtCO2-e per physical output relevant for the chosen sector target/target disclosed in column (j). |
| l | **PiT Distance to that additional target - (if applicable)**  Where available, the PiT distance shall be disclosed and expressed in percentage points for each intensity metric.  The point in time distance of the column (g) – *‘Value of the intensity metric in the reporting year’* to the additional target year.  This distance shall be expressed as the difference between the indicator in column (g) and the target in column (j), divided by the same target in column (j). |

**\*Illustrative example of sectors and related metrics**

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| Oil and gas | Tons of CO2e per gigajoule |
| Passenger air transportation | Tons of CO2e per passenger distance |
| Maritime transportation | Tons of CO2e per passenger distance |
| Chemicals | Tons of CO2e per ton of output |

**Template 4: Banking book – Climate change transition risk: Exposures to top 20 carbon-intensive firms**. (Fixed format)

1. Institutions shall use the following instructions to disclose the information required in ‘Template 4: Banking book – Climate change transition risk: Exposures to top 20 carbon-intensive firms’, as set out in Annex XXXIX of Implementing Regulation 2024/XXXX.
2. Institutions shall disclose in this template aggregate information on exposures towards the most carbon-intensive counterparties in the world. They shall include aggregated and anonymised information on the gross carrying amount of exposures towards up to 20 counterparties that are among the top 20 most carbon-intensive corporates worldwide.
3. If more than one institution in the group have exposures towards the same company in the top 20 emitters group, the disclosure shall include the total amount of all the exposures at group level.
4. Institutions shall disclose this information at the highest level of consolidation based on the CRR requirements, institutions shall disclose exposures to the 20 most carbon-intensive firms within their perimeter of prudential consolidation., including not only exposures of the parent company but also of the institutions within that perimeter of consolidation.
5. Institutions shall disclose in the narrative accompanying the disclosure the source of the data they use. Information shall be based on publicly available reputable and accurate information. Examples of data sources to identify the top carbon-intensive companies include the Carbon Majors Database and Reports of the Carbon Disclosure Project and Climate Accountability Institute as well as Thomson Reuters. Information disclosed by the institutions shall enable to clearly identify the precise source used. If several lists of a same data provider coexist, institutions shall specify the precise list used. This could entail to specify the reference period of the list/report or the particular list considered in case multiple lists are available for the same reference period.
6. Where institutions are not able to identify exposures towards the top 20 carbon-intensive firms in the world, they shall explain why they have not indicated such exposures, including in the case in which they do not have any exposures towards the top 20 carbon-intensive firms in the world.
7. Institutions shall disclose this template on a semi-annual basis.

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| Columns |  | Instructions | |
| a |  | **Gross carrying amount of exposures (aggregate)**  Gross carrying amount has the meaning referred to in Part 1 of of the EBA IT solutions published on EBA’s website related to the reporting on financial information. It includes loans and advances, debt securities and equity instruments, classified under the accounting portfolios in the banking book according to that Implementing Regulation, excluding financial assets held for trading and held for sale assets.  Institutions shall include the aggregate exposures towards up to 20 counterparties of the institution that are among the top 20 most carbon-intensive corporates worldwide. | |
| b |  | **Gross carrying amount of exposures towards the counterparties compared to gross carrying amount of total exposures (aggregate)**  Institutions shall disclose the percentage resulting from the aggregate gross carrying amount indicated in column (a), divided by the total gross carrying amount of the institutions’ exposures in the banking book, as referred to in Part 1 of the EBA IT solutions published on EBA’s website related to the reporting on financial information, including loans and advances, debt securities and equity instruments in the banking book, classified under the accounting portfolios in the banking book in accordance with that Implementing Regulation, excluding financial assets held for trading and held for sale assets. | |
| c |  | **Of which environmentally sustainable (CCM)**  Institutions shall disclose the aggregate gross carrying amount of environmentally sustainable exposures contributing to the objective of climate change mitigation. That amount shall be based on the purpose of the activity funded, for special purpose lending, or on the counterparty’s information on the level of alignment of its economic activities with Regulation (EU) 2020/852, for the objective of climate change mitigation (% of turnover contributing substantially to climate change mitigation). | |
| d |  | **Average weighted maturity**  Institutions shall disclose the average maturity of the exposures considered in the computation weighted by the gross carrying amount of the exposure. The average maturity shall be disclosed in years. | |
| e | | **Number of top 20 polluting firms included**  Institutions shall indicate the number of top polluting companies included in the calculation of the aggregate gross carrying amount. |  |

**Template 5: Banking book –Climate change physical risk: Exposures subject to physical risk** . (Fixed format).

1. Institutions shall use the following instructions to disclose the information required in ‘Template 5: Banking book Climate change physical risk: Exposures subject to physical risk’, as set out in Annex XXXIX of Implementing Regulation 2024/XXXX.
2. Institutions shall include in this template information on exposures in the banking book, including loans and advances, debt securities and equity instruments not held-for-trading and not held-for-sale, towards non-financial corporates, on loans collateralized with immovable property and on collateral obtained by taking possession, exposed to climate physical risk events, with a breakdown by sector of economic activity (NACE classification) and by geography of location of the activity of the counterparty or of the collateral, for those sectors and geographical areas (NUTS classification) subject to climate change.
3. For the identification of geographies prone to specific climate-related physical risk events, institutions shall use dedicated portals and databases. To obtain information on the characteristics of locations sensitive to climate-change events, institutions may use the data offered by Union bodies and by national government authorities including meteorological, environmental, statistical agencies or geoscience organisations. Examples of public data sources to identify geographical areas subject to climate change related include\*20:
   1. The DRMKC Risk Data Hub[[3]](#footnote-4) (The Risk Data Hub (RDH) of the Disaster Risk Management Knowledge Centre (DRMKC) (currently: windstorms, coastal & river flooding, wildfire, landslides, subsidence, earthquakes, tsunamis.
   2. [IPCC Interactive Atlas](https://interactive-atlas.ipcc.ch/regional-information) (mainly temperture and precepitation-related metrics)
   3. Copernicus (wide range of physical hazards based on multiple climate models, such as. windstorms, fire weather index)
   4. GFDRR - ThinkHazard! (covering heatwaves, water scarcity and stress, floods, wildfires, hurricanes, landslide);
   5. NOAA - Historical hurricane tracks (tropical cyclone (hurricane &typhoon)
4. When the counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor controlled by the holding company (if different than the holding company itself) which receives the funding, particularly in those cases where the obligor is a non-financial corporate. Similarly, where the direct counterparty of the institution (the obligor) is an SPV, institutions shall disclose the relevant information under the NACE sector associated with the economic activity of the parent company of the SPV. The classification of the joint exposures towards more than one obligor shall be based on the characteristics of the obligor that was the most relevant for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor.
5. Institutions shall explain in the narrative accompanying the template the sources of information and methods that they have used to identify exposures subject to climate-change physical risk. Institutions are expected to provide details of the methodology, such as assumptions and scenarios used to determine which exposures are subject to the impact of material physical risk, the time horizon considered, the types of hazards included (in particular which precise hazards are analysed in the columns h to k)[[4]](#footnote-5), the granularity of the assessment, the resilience measures or insurance considerations, any materiality thresholds applied and any scoring systems used, significant changes in methodology and reported values over the disclosure period and the key drivers of such changes. Institutions shall explain which data sources they used to assess physical risk, and how the ten NUTS3 regions were selected and how were exposures assigned to these regions and outlined sectors, including how possible data gaps in terms of assets location or sector affiliation were resolved.
6. When disclosing information regarding scenario analysis, institutions shall also include:
7. Which reference scenarios were used and why these were deemed appropiate for the analysis;
8. narratives, time horizons, and endpoints used;
9. the key forces and drivers taken into consideration in scenario analysis and why these are relevant to the institution, for example, policy assumptions, macroeconomic trends, energy usage and mix, and technology assumptions; and
10. key inputs and constraints of the scenario analysis, including their level of detail (e.g., whether the analysis of physical climate-related risks is based on geospatial coordinates specific to the institution’s locations or national- or regional-level broad data)
11. Institutions shall disclose this template on a semi-annual basis.
12. Institutions shall disclose in this template:
13. In the z-axis, the geographical information covering the geographical areas that are exposed to adverse impact from climate-change physical risk events. For geographical coverage of the exposures, institutions shall use the level of divisions indicated in Nomenclature of Territorial Units for Statistics (or NUTS), as appropriate. Institutions shall use NUTS codes level 3 in conformity with the Commission Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards. Institutions shall disclose their top 10 NUTS level 3 geographical regions in terms of gross carrying amount of exposures. Additionally, institutions shall disclose by the z-axis the template covering i) Total EU exposures, and ii) Total exposures. The 12 z-axis values are defined by the 10 NUTS level 3 geographical regions, and by these 2 additional total exposures coverage.
14. In the rows, the relevant sectors of the counterparty will be disclosed following the NACE code classification. The following sectors shall be disclosed separately by the institutinos in rows 1 - 11:
    1. A - Agriculture, forestry and fishing;
    2. B - Mining and quarrying;
    3. C – Manufacturing;
    4. D - Electricity, gas, steam and air conditioning supply;
    5. E - Water supply; sewerage, waste management and remediation activities;
    6. F – Construction;
    7. G - Wholesale and retail trade;
    8. H - Transportation and storage;
    9. I - Accommodation and Food Service Activities;
    10. K – Telecommunication, computer programming, consulting, computing infrastructure and other information service activities; and
    11. M - Real estate activities.

Institutions shall disclose in row *12 – Other sectors* those exposures sensitive to impact from climate change physical events not coverd with the sectoral breakdown by rows 1 – 11.

Institutions shall disclose in rows 13 – 15 loans collateralised by commercial immovable property, loans collateralised by residential immovable property and collateral obtained by taking possession respectively.

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| a | **Gross carrying amount**  Institutions shall disclose the gross carrying amount as defined in Part 1 of the EBA IT solutions published on EBA’s website related to the reporting on financial information of those exposures towards non-financial corporates (including loans and advances, debt securities and equity instruments), classified under the accounting portfolios in the banking book in accordance with that Implementing Regulation, excluding financial assets held for trading and held for sale assets. The amounts to be disclosed shall be identical to the final sum of the amount disclosed in column a of Template 1 and not be restricted to the part of the institution’s gross carrying amount exposed to physical risks.  For loans collateralised by immovable property (commercial/residential) institutions shall disclose the gross carrying amount not limited to non-financial institutions, matching the gross carrying amount of the loans collateralized by immovable property reported in FINREP. |
| b – p | **of which exposures sensitive to impact from climate change physical events**  Institutions shall disclose the gross carrying amount of exposures prone to impact from climate change physical events. The gross carrying amount of exposures prone to impact from climate change physical events may be equal to the full exposure amount disclosed in column (a) of this template or may be a part of that exposure amount. |
| b - f | **Breakdown by residual maturity bucket**  Institutions shall allocate the exposures to the relevant bucket depending on the residual maturity of the financial instrument, taking into account the following:   1. where the amount is to be repaid in instalments, the exposure shall be allocated in the maturity bucket corresponding to the last instalment; 2. where an exposure has no stated maturity for reasons other than the counterparty having the choice of the repayment date, the amount of this exposure shall be disclosed in column ‘> 20 years’; 3. to compute the average maturity of the exposure, institutions shall weigh the maturity of each exposure by the gross carrying amount of the exposures. The average maturity shall be disclosed in years. |
| g | **Total exposures subject to physical risk**  Institutions shall disclose the total gross carrying amount of exposures subject to physical risk. |
| h | **of which exposures sensitive to temperature-related hazards**  Institutions shall disclose the exposures sensitive to temperature-related hazards, as classified by COMMISSION DELEGATED REGULATION (EU) 2023/2486[[5]](#footnote-6). |
| i | **of which exposures sensitive to wind-related hazards**  Institutions shall disclose the exposures sensitive to wind-related hazards, as classified by COMMISSION DELEGATED REGULATION (EU) 2023/2486. |
| j | **of which exposures sensitive to water-related hazards**  Institutions shall disclose the exposures sensitive to water-related hazards, as classified by COMMISSION DELEGATED REGULATION (EU) 2023/2486. |
| k | **of which exposures sensitive to solid mass-related hazards**  Institutions shall disclose the exposures sensitive to solid mass-related hazards, as classified by COMMISSION DELEGATED REGULATION (EU) 2023/2486. |
| l | **Of which stage 2 exposures**  Institutions applying IFRS shall disclose the gross carrying amount of ‘Stage 2’ instruments as defined in IFRS 9.  The columns on ‘Of which stage 2 exposures’ shall not be disclosed by institutions that apply national generally accepted accounting principles based on Directive 86/635/EEC. |
| m | **Of which non-performing exposures**  Institutions shall disclose the gross carrying amount of non-performing exposures as referred to in Article 47a(3) Regulation (EU) No 575/2013, which are prone to impact from climate change events. |
| n, o, p | **Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**  Institutions shall disclose the amounts referred to in Part 2, points 11, 69, 70, 71, 106 and 110, of the EBA IT solutions published on EBA’s website related to the reporting on financial information. |
| o | **of which Stage 2 exposures**  Column (o) shall contain the accumulated impairment amount of stage 2 exposures.  Institutions applying IFRS shall disclose the gross carrying amount of ‘Stage 2’ instruments as defined in IFRS 9.  The columns on ‘Of which stage 2 exposures’ shall not be disclosed by institutions that apply national generally accepted accounting principles based on Directive 86/635/EEC. |
| p | **of which non-performing exposures**  Institutions shall disclose the amount of the accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions attributable to non-performing exposures, as referred to in Article 47a(3) Regulation (EU) No 575/2013. |

**Template 6: Summary of GAR KPIs. (**Fixed format).

1. Institutions shall provide in template 6 an overview of the KPIs calculated on the basis of the green asset ratio (GAR) as referred to in Commission Delegated Regulation (EU) 2021/2178\*21
2. Delegated Regulation (EU) 2021/2178 requires entities to estimate and disclose the GAR twice, once based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for those exposures the purpose of which is not to finance specific identified activities (general purpose lending), and again based on the capital expenditure (CapEx) taxonomy alignment of the counterparty for the same general purpose lending exposures.
3. In this template institutions shall only disclose the GAR once, based on the turnover alignment of the counterparty for the general purpose lending part only.
4. For the stock, GAR (climate change mitigation), GAR (climate change adaptation), GAR (water and marine resources), GAR (circular economy), GAR (pollution), GAR (biodiversity and ecosystems) and GAR (climate change mitigation, climate change adaptation, water and marine resources, circular economy, pollution and biodiversity and ecosystems) shall correspond to the KPI included in columns (c), (h), (l), (p), (t), (x) and (ac) respectively of Template 1 “Assets for the calculation of the GAR” of the Commission Delegated Regulation (EU) 2021/2178, accordingly.
5. Similarly, for the flows, GAR (climate change mitigation), GAR (climate change adaptation), GAR (water and marine resources), GAR (circular economy), GAR (pollution), GAR (biodiversity and ecosystems) and GAR (climate change mitigation, climate change adaptation, water and marine resources, circular economy, pollution and biodiversity and ecosystems) shall correspond to the KPI included in columns (b), (g), (k), (o), (s), (w) and (ab) respectively of Template 4 “GAR KPI flow” of the Commission Delegated Regulation (EU) 2021/2178, accordingly.
6. The coverage over total assets corresponds to the percentage of assets covered by the KPI (denominator of the GAR) over the bank´s total assets as reported in tempalte 7.
7. Institutions shall disclose this template on an annual basis, based on materiality assessment.

**Template 7: 1. Assets for the calculation of GAR**

1. Institutions shall disclose the information required in ‘1. Assets for the calculation of GAR’, as set out in Annex VI of the Commission Delegated Regulation (EU) 2021/2178 and following the instructions contained in Annex VI of that Regulation.
2. When disclosing information on GAR, institutions shall disclose the figures based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for those exposures the purpose of which is not to finance specific identified activities (general purpose lending).

Institutions shall disclose this template on an annual basis, based on

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1. materiality assessment.

**Template 8: 4.** **GAR KPI flow**

1. Institutions shall disclose the information required in *‘4. GAR KPI flow’*, as set out in Annex VI of the Commission Delegated Regulation (EU) 2021/2178 and following the instructions contained in Annex VI of that Regulation.
2. When disclosing information on GAR, institutions shall disclose the figures based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for those exposures the purpose of which is not to finance specific identified activities (general purpose lending).



1. When computing the flow KPIs, institutions shall only consider the gross carrying amount of newly incurred exposures (i.e. new loans and advances, debt securities, equity instruments), that is only new exposures that have been incurred during the year prior to the disclosure reference date, without deducting the amounts of loan repayments or disposals of debt securities/equity instruments that have occurred during the year prior to the disclosure reference date. Institutions shall therefore not compute the numerator and the denominator of the flow KPI as exposures on the disclosure reference date (T) minus exposures on the disclosure reference date (T-1).[[6]](#footnote-7)
2. Institutions shall disclose this template on an annual basis, based on materiality assessment.

**Template 9: Mitigating actions: BTAR**

1. Institutions shall include in this template the following information. For those counterparties that are non-financial corporates and do not have disclosure obligations, institutions shall disclose, on a reasonable effort basis and based on information already available and collected on a voluntary and bilateral basis from their counterparties or calculated using estimates, extended information on the taxonomy alignment as referred to in Regulation (EU) 2020/852 with regard to the environmental objectives of climate change mitigation, climate change adaptation, water and marine resources, circular economy, pollution and biodiversity and ecosystems, as referred to in Article 9, points (a) to (f), of Regulation (EU) 2020/852, of those exposures towards European non-financial corporations that are not subject to the disclosure obligations laid down in Directive 2013/34/EU and non-European non-financial corporations not subject to the disclosure obligations laid down in Directive 2013/34/EU. That information shall be disclosed only once, based on counterparties’ turnover alignment for the general-purpose lending loans, as in the case of the GAR.
2. Columns Of which use of proceeds shall be disclosed in accordance with Implementing Regulation (EU) 2021/2178, where the use of proceeds is known, including specialised lending as referred to in Article 147(8) of Regulation (EU) 575/2013, to the non-financial undertaking to the extent and proportion that they finance a Taxonomy-aligned economic activity. The assessment of whether that requirement has been met shall be based on information provided by the counterparty on the project or activities to which the proceeds will be applied.
3. Columns Of which transitional, Of which adaptational and Of which enabling shall be disclosed in accordance with articles 10, 11, and 16 of Regulation (EU) 2020/852 respectively.
4. Institutions shall disclose this template on an annual basis, based on materiality assessment.

**Template 9.1: Mitigating actions: Assets for the calculation of BTAR**

1. Institutions shall disclose in this template the gross carrying amount of the assets relevant for the calculation of the BTAR.
2. Institutions shall disclose this template on an annual basis, based on materiality assessment.

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| 1 | **TOTAL GAR ASSETS**  As disclosed in template ‘*1. Assets for the calculation of GAR’*, set out in Annex VI of the Commission Delegated Regulation (EU) 2021/2178 and following the instructions contained in Annex VI of that Regulation. |
| 2 | **EU Non-financial corporations (not subject to NFRD disclosure obligations)**  Institutions shall disclose exposures to non-financial corporation as defined in Part 1, point 42(e), of the EBA IT solutions published on EBA’s website related to the reporting on financial information, which are located in the Union and which are not subject to disclosure obligations under Directive 2013/34/EU.  Where the counterparty is not subject to disclosures under Article 8 of Regulation (EU) 2020/852, for the calculation of the percentage of taxonomy-aligned exposures as referred to in Regulation (EU) 2020/852, institutions may, on a reasonable effort basis, collect information from their counterparties on a voluntary and bilateral basis through the loan origination, and regular credit review and monitoring process. Only where the counterparty is not able or willing to provide the relevant data, credit institutions shall make use of internal estimates and proxies and explain in the narrative accompanying the template the extend of use of those estimates and the kind of estimates applied. Where institutions are unable to collect on a voluntary and bilateral basis or estimate relevant information, or are unable to do it in a reasonable way that is not overly burdensome for them or their counterparties, they shall explain that fact in the narrative accompanying the template, explaining the reasons and counterparties affected.  For disclosures involving corporates not subject to disclosure obligations under Directive 2013/34/EU, including small and medium enterprises (SMEs), when assessing general purpose lending/financing with unknown use of proceeds, institutions shall follow a simplified approach and focus their assessment on the main economic activity of the corporate, that is, on their main source of turnover, in order to determine the overall alignment of the exposures with Regulation (EU) 2020/852. In the case of specialised lending, the assessment shall be based on the extent to which the specific project funded qualifies as contributing substantially to climate change mitigation or adaptation (project specific information). |
| 4 | **Of which: loans collateralised by commercial immovable property**  The exposures referred to in Part 2, point 173, letter (a), and point 239ix, of the EBA IT solutions published on EBA’s website related to the reporting on financial information.  The taxonomy-alignment as referred to in Regulation (EU) 2020/852 of those exposures shall only be assessed following a simplified approach, for the objective of climate change mitigation in accordance with the technical screening criteria for buildings, namely renovation and acquisition and ownership in accordance with points 7.2., 7.3., 7.4., 7.5, 7.6., and 7.7. respectively, of Annex I to Delegated Regulation (EU) 2021/2139, based on the energy efficiency of the underlying collateral. |
| 5 | **Of which: building renovation loans**  Loans that are granted to SMEs and other non-financial corporations not subject to disclosure obligations under Directive 2014/95/EU with the purpose of renovating a building.  The taxonomy alignment as referred to in Regulation (EU) 2020/852 of these exposures shall only be assessed following a simplified approach, for the objective of climate change mitigation in accordance with the technical screening criteria for buildings, namely renovation and acquisition and ownership in accordance with points 7.2., 7.3., 7.4., 7.5, 7.6., and 7.7. respectively, of Annex I to Delegated Regulation (EU) 2021/2139, based on the energy efficiency of the underlying collateral. |
| 8 | **Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)**  Exposures to non-financial corporation as referred to in Part 1, point 42, letter (e), of the EBA IT solutions published on EBA’s website related to the reporting on financial information., which are located outside the Union and not subject to disclosure obligations under Directive 2014/95/EU.  Where institutions are providing that information in their disclosures under Article 8 of Regulation (EU) 2020/852 in accordance with Article 7(7) of Delegated Regulation (EU) 2021/2178, they shall disclose here the same information. Otherwise, institutions shall collect information from their counterparties on a bilateral basis through the loan origination, and regular credit review and monitoring process, or use the following proxies for the disclosure of information on non-EU exposures on a best-effort-basis:  (a) their own models and the classification of exposures according to them; in this case institutions shall explain the main features of the models applied;  (b) where available, counterparties’ public disclosures based on international standards (including TCFD); institutions shall in that case explain the type of information available and the standards applied;  (c) other publicly available data.  Institutions are to explain in the narrative accompanying this template the sources used for the disclosure of this information. Where institutions are unable to collect on a bilateral basis or estimate relevant information or are unable to do it in a reasonable way that is not overly burdensome for them or their counterparties, they shall explain that fact in the narrative accompanying the template, explaining the reasons and counterparties affected.  For this type of counterparties, when assessing general purpose lending/financing with unknown use of proceeds, institutions shall follow a simplified approach and focus their assessment on the main economic activity of the corporate, that is, on their main source of turnover, in order to determine the overall alignment of the exposures with Regulation (EU) 2020/852. In the case of specialised lending, the assessment shall be based on the extent and proportion to which the specific project funded qualify as contributing substantially to climate change mitigation or adaptation (project specific information), and for the real estate portfolio the assessment shall be conducted for the objective of climate change mitigation based on the energy efficiency of the underlying collateral and their alignment with criteria specified for the relevant activities in Regulation (EU) 2020/852. |
| Row 12 | **TOTAL BTAR ASSETS**  Sum of rows 1, 2 and 8 |
| Rows 13 to 19 | See definitions of rows 44 to 53 of template ‘*1. Assets for the calculation of GAR’*, set out in Annex VI of the Commission Delegated Regulation (EU) 2021/2178 and follow the instructions contained in Annex VI of that Regulation. |

**Template 9.2: BTAR %**

1. Institutions shall disclose in this template the percentage of BTAR assets as disclosed in template 1 compared to the total assets in the denominator of the BTAR as disclosed in row 17 of template 9.1.
2. Institutions shall disclose this template on an annual basis, based on materiality assessment.

**Template 9.3: Summary table - BTAR %**

1. This template contains a summary of the BTAR KPIs, breakdown by climate change environmental objectives, and total, and with the breakdown for stock and flow.
2. Institutions shall disclose this template on an annual basis, based on materiality assessment.

**Template 10 – Mitigating actions outside the EU taxonomy: Assets contributing to sustainability and transition finance**

1. This template covers institutions’ environmental risk mitigating actions other than taxonomy-aligned exposures as referred to in Regulation (EU) 2020/852. The scope of this template is institutions’ investments (assets side) that support their counterparties in contributing to the six environmental objectives as defined in the Taxonomy Regulation but are not categorised and disclosed under templates 6 (i.e. in GAR) and 9 (i.e. under BTAR), including assets that are linked to transition finance.
2. This template shall cover assets that are clasisfied by the institution as green beyond the taxonomy and those related to transition finance in accordance with the institutions’ own definitions and criteria to identify these assets. The identification of these assets may be based on industry standards such as Loan Market Associations’ Green Loan Principles for green assets, Sustainability-Linked Loan Principles for transition finance, International Capital Market Association Green Bond Principles, standards for mortgage loans under Energy Efficiency Mortgage Initiative as well as the Europan Commission recommendation (EU) 2023/1425 on facilitating finance for the transition to a sustainable economy.
3. Institutions shall include in the narrative accompanying this template detailed explanations on the nature and type of mitigating actions reflected in this template, including information on the type of risks that they aim to mitigate, environmental objectives that they support and information on the related counterparties and the duration of the actions. Institutions shall also disclose the standards and criteria used to define green/sustainable assets beyond the taxonomy and transition finance. In addition, institutions shall explain why those exposures are not fully aligned with the criteria laid down in Regulation (EU) 2020/852, and are not sustainable in accordance with Regulation (EU) 2020/852 but still mitigate environmental risk, as well as any other relevant information that may clarify the risk management framework of the institution.
4. Institutions shall disclose in the rows of the template, (i) green and sustainable assets on their banking book, e.g. green loans and investment in green bonds, and (ii) transition finance, e.g. investment in equity, investment in sustainability-linked bonds, sustainability-linked loans, broken down by counterparty as referred to in Part 1, point 42, of the EBA IT solutions published on EBA’s website related to the reporting on financial information.
5. Institutions shall disclose this template on an annual basis, based on materiality assessment.
6. Institutions shall disclose in this template:

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| Columns | Instructions |
| a | **Gross carrying amount**  Institutions shall disclose the gross carrying amount as referred to in Part 1, point 34, of the EBA IT solutions published on EBA’s website related to the reporting on financial information. |
| b-g | **Environmental objectives**  Institutions shall disclose the gross carrying amount breakdown by its contribution to the six environmental objectives as defined in Article 9 of Regulation (EU) 2020/852.  If an instrument contributes to more than one environmental objective, institutions shall identify the most relevent environmental objective and allocate, accordingly, the gross carrying amount associated with this instrument to that objective. In such cases institutions shall avoid double counting. |
| b | **Climate change mitigation**  Institutions shall disclose the gross carrying amount of the financial assets contributing to climate change mitigation referred to in Article 10 of Regulation (EU) 2020/852. |
| c | **Climate change adaptation**  Institutions shall disclose the gross carrying amount of the financial assets contributing to climate change adaptation referred to in Article 11 of Regulation (EU) 2020/852. |
| d | **Sustainable use and protection of water and marine resources**  Institutions shall disclose the gross carrying amount of the financial assets contributing to the protection of water and marine resources as referred to in Article 12 of Regulation (EU) 2020/852. |
| e | **Circular economy**  Institutions shall disclose the gross carrying amount of the financial assets contributing to the transition to a circular economy as referred to in Article 13 of Regulation (EU) 2020/852. |
| f | **Pollution prevention and control**  Institutions shall disclose the gross carrying amount of the financial assets contributing to the transition to pollution prevention and control as referred to in Article 14 of Regulation (EU) 2020/852. |
| g | **Protection and restoration of biodiversity and ecosystems**  Institutions shall disclose the gross carrying amount of the financial assets contributing to the transition to the protection and restoration of biodiversity and ecosystems as referred to in Article 15 of Regulation (EU) 2020/852. |
| h | **Qualitative information on the nature of the mitigating actions**  Institutions shall describe the nature of the mitigating actions contributing to the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852, and on the reasons why the exposures are not regarded as taxonomy-aligned for the purpose of the GAR. Institutions shall also disclose the standards and criteria used to define green/sustainable assets and transition finance. |

Part 2: Instructions for disclosure of ESG risks for Other listed institutions and Large subsidiaries

1. Institutions shall disclose the information referred to in Article 449a of Regulation (EU) No 575/2013 by following the instructions provided in this Annex. The instructions are to be used to complete the tables and templates which are set out in Implementing Regulation 24/XXXX.
2. References to the international and Union policy frameworks and available benchmarks throughout these instructions include: the Paris Agreement adopted under the United Nations Framework Convention on Climate Change\*1 (the ‘Paris Agreement’), the Communication from the Commission on the European Green Deal\*2, Directive 2013/34/EU of the European Parliament and of the Council\*3,Directive 2014/95/EU of the European Parliament and of the Council\*4, the Communication from the Commission - Guidelines on non-financial reporting: Supplement on reporting climate-related information\*5, the guidance made available by the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations\*6, the United Nations Environment Programme Finance Initiative (UNEP FI)\*7, the Global Reporting Initiative Sustainability Reporting Standards\*8, and the United Nations’ Principles for Responsible Investment (UNPRI)\*9.

**Table 1: Qualitative information on Environmental risk, including climate-related financial risks:** Free format text boxes for disclosure of qualitative information in Annex XXXIX.

1. Institutions shall disclose ‘Table 1: Qualitative information on Environmental risk, including climate-related financial risks’, as defined in Part 1 of this Annex for large institutions.

**Table 2: Qualitative information on Social risk:** Free format text boxes for disclosure of qualitative information in Annex XXXIX

1. Institutions shall disclose ‘Table 2: Qualitative Information on Social risk’, as defined in Part 1 of this Annex for large institutions.

**Table 3: Qualitative information on Governance risk:** Free format text boxes for disclosure of qualitative information in Annex XXXIX

1. Institutions shall disclose ‘Table 3: Qualitative information on Governance risk’, as defined in Part 1 of this Annex for large institutions.

**Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity**. Fixed format.

1. Institutions shall disclose ‘Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity’, as defined in Part 1 of this Annex for large institutions.
2. Other listed institutions and Large subsidiaries shall disclose this template on an annual basis.

**Template 2: Banking book –Climate change transition risk: Loans collateralised by immovable property – Energy performance of the collateral. (**Fixed format).

1. Institutions shall disclose ‘Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy performance of the collateral’, as defined in Part 1 of this Annex for large institutions.
2. Other listed institutions and Large subsidiaries shall disclose this template on an annual basis.

**Template 5A: Banking book –Climate change physical risk: Exposures subject to physical risk** . (Fixed format).

1. Institutions shall use the following instructions to disclose the information required in ‘Template 5A: Banking book Climate change physical risk: Exposures subject to physical risk’, as set out in Annex XXXIX of Implementing Regulation 2024/XXXX.
2. Institutions shall include in this template information on exposures in the banking book, including loans and advances, debt securities and equity instruments not held-for-trading and not held-for-sale, towards non-financial corporates, on loans collateralized with immovable property and on collateral obtained by taking possession, exposed to climate physical risk events, with a breakdown by sector of economic activity (NACE classification) and by geography of location of the activity of the counterparty or of the collateral, for those sectors and geographical areas (NUTS classification) subject to climate change .
3. For the identification of geographies prone to specific climate-related physical risk events, institutions shall use dedicated portals and databases. To obtain information on the characteristics of locations sensitive to climate-change events, institutions may use the data offered by Union bodies and by national government authorities including meteorological, environmental, statistical agencies or geoscience organisations. Examples of public data sources to identify geographical areas subject to climate change related include\*20:
   1. The DRMKC Risk Data Hub[[7]](#footnote-8) (The Risk Data Hub (RDH) of the Disaster Risk Management Knowledge Centre (DRMKC) (currently: windstorms, coastal & river flooding, wildfire, landslides, subsidence, earthquakes, tsunamis.
   2. [IPCC Interactive Atlas](https://interactive-atlas.ipcc.ch/regional-information) (mainly temperture and precepitation-related metrics)
   3. Copernicus (wide range of physical hazards based on multiple climate models, such as. windstorms, fire weather index)
   4. WRI - Aqueduct Water Risk Atlas (flood, coastal flood, water scarcity and stress)
   5. GFDRR - ThinkHazard! (covering heatwaves, water scarcity and stress, floods, wildfires, hurricanes, landslide);
   6. PREP – PREPdata (coastal flood, extreme heat, landslide, water scarcity and stress, wildfire);
   7. World Bank - Climate Change Knowledge Portal (extreme heat, extreme precipitation, drought);
   8. PCA - Global Drought Risk platform (drought);
   9. NOAA - Historical hurricane tracks (tropical cyclone (hurricane &typhoon)
4. When the counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor controlled by the holding company (if different than the holding company itself) which receives the funding, particularly in those cases where the obligor is a non-financial corporate. Similarly, where the direct counterparty of the institution (the obligor) is an SPV, institutions shall disclose the relevant information under the NACE sector associated with the economic activity of the parent company of the SPV. The classification of the joint exposures towards more than one obligor shall be based on the characteristics of the obligor that was the most relevant for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor.
5. Institutions shall explain in the narrative accompanying the template the sources of information and methods that they have used to identify exposures subject to climate-change physical risk and any significant change over the reporting period and the key drivers of such changes. Institutions are expected to provide details of the methodology, assumptions and scenarios used to determine which exposures are subject to the impact of material physical risk, in particular the exposures covered by the analysis, the time horizon considered, the types of hazards included, the granularity of the assessment, the resilience measures or insurance considerations, any materiality thresholds applied and any scoring systems used. Institutions shall explain which data sources they used to assess physical risk, considerations undertaken when assessing which exposures are exposed to physical risk, and how the five NUTS2 regions were selected and how were exposures assigned to these regions and outlined sectors, including how possible data gaps in terms of assets location or risk exposure were resolved.
6. Institutions shall also include information about how climate-related scenario analysis has been used in the assessment of physical and transition risks. The description shall include:
7. which scenarios were used, their sources and alignment with state-of-the-art science;
8. narratives, time horizons, and endpoints used with a discussion of why it believes the range of scenarios used covers its plausible risks and uncertainties;
9. the key forces and drivers taken into consideration in each scenario and why these are relevant to the institution, for example, policy assumptions, macroeconomic trends, energy usage and mix, and technology assumptions; and
10. key inputs and constraints of the scenarios, including their level of detail (e.g., whether the analysis of physical climate-related risks is based on geospatial coordinates specific to the institution’s locations or national- or regional-level broad data)
11. Institutions shall disclose this template on an annual basis.
12. Institutions shall disclose in this template:
13. In the z-axis, the geographical information covering the geographical areas that are exposed to adverse impact from climate-change physical risk events. For geographical coverage of the exposures, institutions shall use the level of divisions indicated in Nomenclature of Territorial Units for Statistics (or NUTS), as appropriate. Institutions shall use NUTS codes level 2. Institutions shall disclose their top 5 NUTS level 2 geographical regions in terms of gross carrying amount of exposures. Additionally, institutions shall disclose by the z-axis the template covering i) Total EU exposures, and ii) Total exposures. The 7 z-axis values are defined by the 5 NUTS level 2 geographical regions, and by these 2 additional total exposures coverage.
14. In the rows, the relevant sectors of the counterparty will be disclosed following the NACE code classification. The following sectors shall be disclosed separately by the institutinos in rows 1 - 11:
    1. A - Agriculture, forestry and fishing;
    2. B - Mining and quarrying;
    3. C – Manufacturing;
    4. D - Electricity, gas, steam and air conditioning supply;
    5. E - Water supply; sewerage, waste management and remediation activities;
    6. F – Construction;
    7. G - Wholesale and retail trade;
    8. H - Transportation and storage;
    9. I - Accommodation and Food Service Activities;
    10. K – Telecommunication, computer programming, consulting, computing infrastructure and other information service activities; and
    11. M - Real estate activities.

Institutions shall disclose in row *12 – Other sectors* those exposures sensitive to impact from climate change physical risk events not coverd with the sectoral breakdown by rows 1 – 11.

Institutions shall disclose in rows 13 – 15 loans collateralised by commercial immovable property, loans collateralised by residential immovable property and collateral obtained by taking possession respectively.

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| Columns | Instructions |
| a | **Gross carrying amount**  Institutions shall disclose the gross carrying amount as defined in Part 1 of the EBA IT solutions published on EBA’s website related to the reporting on financial information of those exposures towards non-financial corporates (including loans and advances, debt securities and equity instruments), classified under the accounting portfolios in the banking book in accordance with that Implementing Regulation, excluding financial assets held for trading and held for sale assets. The amounts to be disclosed shall be identical to the final sum of the amount disclosed in column a of Template 1 and not be restricted to the part of the institution’s gross carrying amount exposed to physical risks.  For loans collateralised by immovable property (commercial/residential) institutions shall disclose the gross carrying amount not limited to non-financial institutions, matching the gross carrying amount of the loans collateralized by immovable property reported in FINREP. |
| b – g | **of which exposures sensitive to impact from climate change physical events**  Institutions shall disclose the gross carrying amount of exposures prone to impact from climate change physical events. The gross carrying amount of exposures prone to impact from climate change physical events may be equal to the full exposure amount disclosed in column (a) of this template or may be a part of that exposure amount. |
| b | **Total exposures subject to physical risk**  Institutions shall disclose the total gross carrying amount of exposures subject to physical risk. |
| c - d | **Breakdown by residual maturity bucket**  Institutions shall allocate the exposures to the relevant bucket depending on the residual maturity of the financial instrument, taking into account the following:   1. where the amount is to be repaid in instalments, the exposure shall be allocated in the maturity bucket corresponding to the last instalment; 2. where an exposure has no stated maturity for reasons other than the counterparty having the choice of the repayment date, the amount of this exposure shall be disclosed in column ‘> 5 years’; |
| e | **Of which non-performing exposures**  Institutions shall disclose the gross carrying amount of non-performing exposures as referred to in Article 47a(3) Regulation (EU) No 575/2013, which are prone to impact from climate change events. |
| f, g | **Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**  Institutions shall disclose the amounts referred to in Part 2, points 11, 69, 70, 71, 106 and 110, of the EBA IT solutions published on EBA’s website related to the reporting on financial information. |
| g | **Of which non-performing exposures**  Institutions shall disclose the amount of the accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions attributable to non-performing exposures, as referred to in Article 47a(3) Regulation (EU) No 575/2013. |

Part 3: Instructions for disclosure of ESG risks for Small and non-complex institutions and other non-listed institutions

1. Institutions shall disclose the information referred to in Article 449a of Regulation (EU) No 575/2013 by following the instructions provided in this Annex. The instructions are to be used to complete the tables and templates which are set out in Implementing Regulation 24/XXXX.
2. References to the international and Union policy frameworks and available benchmarks throughout these instructions include: the Paris Agreement adopted under the United Nations Framework Convention on Climate Change\*1 (the ‘Paris Agreement’), the Communication from the Commission on the European Green Deal\*2, Directive 2013/34/EU of the European Parliament and of the Council\*3, Directive 2014/95/EU of the European Parliament and of the Council\*4, the Communication from the Commission - Guidelines on non-financial reporting: Supplement on reporting climate-related information\*5, the guidance made available by the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations\*6, the United Nations Environment Programme Finance Initiative (UNEP FI)\*7, the Global Reporting Initiative Sustainability Reporting Standards\*8, and the United Nations’ Principles for Responsible Investment (UNPRI)\*9.

**Table 1A: Qualitative information on ESG risks:** Free format text boxes for disclosure of qualitative information in Annex XXXIX.

1. Institutions shall use the following instructions to complete ‘Table 1: Qualitative information on ESG risks, ’ as set out in Implementing Regulation 24/XXXX to describe the integration of environmental, social and governance risks, including specific information on climate change risks and on other environmental risks, in their business strategy and processes, governance and risk management. This is for the purposes of Article 449a of Regulation (EU) No 575/2013, read in conjunction with Article 435 of that Regulation.
2. Institutions shall disclose this table on an annual basis.

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| **Legal references and instructions** | |
| **Row number** | **Explanation** |
| (a) | **Business strategy and processes** |
| (i), (ii) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435 of that Regulation, institutions shall provide information how the identified environmental and social risks are integrated in their business strategy and processes. |
| (b) | **Governance** |
| (i), (ii), (iii) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435 of that Regulation, institutions shall provide information how the identified environmental, social and governance risks are integrated in their governance. |
| (c) | **Risk management** |
| (i), (ii), (iii) | In accordance with Article 449a of Regulation (EU) No 575/2013, in conjunction with Article 435 of that Regulation, institutions shall provide information how the identified environmental, social and governance risks are integrated in their risk management. |

**Template 1A: Simplified ESG information for SNCI and Other non-listed institutions covering both transition and physical risk.** Fixed format.

1. For the purposes of Article 449a of Regulation (EU) No 575/2013, institutions shall use the following instructions when complete ‘Template 1A: Simplified ESG information for SNCI and Other non-listed institutions covering both transition and physical risk’ set out in Implementing Regulation 24/XXXX to provide information on the exposures that are more prone to the risks that institutions may face from the transition to a low-carbon and climate resilient economy, with a breakdown of geographical regions depending on the exposures` sensitiveness to the impact from climate change physical events.
2. Institutions shall include in the narrative accompanying the template, explanations on the information disclosed and the changes compared to previous disclosure periods, as well as any implications that those exposures may have in terms of credit, market, operational, reputational and liquidity risks for the institutions.
3. Institutions shall include in the rows of the template the breakdown of the gross carrying amount of loans and advances, debt securities and equity instruments to non-financial corporations, other than those held for trading, by sector of economic activities using the Nomenclature of Economic Activities (NACE) codes, laid down in Regulation (EC) No 1893/2006 of the European Parliament and of the Council\*11, based on the principal activity of the counterparty. They shall include the gross carrying amount of exposures towards sectors that highly contribute to climate change. In particular, reference is made to the sectors listed in Sections A to H and Section M of Annex to COMMISSION DELEGATED REGULATION (EU) 2023/137[[8]](#footnote-9), within those Sections B to D and G defined as fossil fuel sectors by Article 4 (153) of CRR, which include the oil, gas, mining and transportation sectors, as sectors that highly contribute to climate change, as specified in Recital 6 of Commission Delegated Regulation (EU) 2020/1818\*12; and a subtotal of exposures towards “other sectors” not mentioned in that Recital.
4. For the identification of geographies prone to specific climate-related physical risk events, institutions shall use dedicated portals and databases. To obtain information on the characteristics of locations sensitive to climate-change events, institutions may use the data offered by Union bodies and by national government authorities including meteorological, environmental, statistical agencies or geoscience organisations. Examples of public data sources to identify geographical areas subject to climate change related include\*20:
   1. The DRMKC Risk Data Hub[[9]](#footnote-10) (The Risk Data Hub (RDH) of the Disaster Risk Management Knowledge Centre (DRMKC) (currently: windstorms, coastal & river flooding, wildfire, landslides, subsidence, earthquakes, tsunamis.
   2. [IPCC Interactive Atlas](https://interactive-atlas.ipcc.ch/regional-information) (mainly temperture and precepitation-related metrics)
   3. Copernicus (wide range of physical hazards based on multiple climate models, such as. windstorms, fire weather index)
   4. WRI - Aqueduct Water Risk Atlas (flood, coastal flood, water scarcity and stress)
   5. GFDRR - ThinkHazard! (covering heatwaves, water scarcity and stress, floods, wildfires, hurricanes, landslide);
   6. PREP – PREPdata (coastal flood, extreme heat, landslide, water scarcity and stress, wildfire);
   7. World Bank - Climate Change Knowledge Portal (extreme heat, extreme precipitation, drought);
   8. PCA - Global Drought Risk platform (drought);
   9. NOAA - Historical hurricane tracks (tropical cyclone (hurricane &typhoon)
5. When the counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor controlled by the holding company (if different than the holding company itself) which receives the funding, particularly in those cases where the obligor is a non-financial corporate. Similarly, where the direct counterparty of the institution (the obligor) is an SPV, institutions shall disclose the relevant information under the NACE sector associated with the economic activity of the parent company of the SPV. The classification of the joint exposures towards more than one obligor shall be based on the characteristics of the obligor that was the most relevant for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor.
6. Institutions shall explain in the narrative accompanying the template the sources of information and methods that they have used to identify exposures subject to climate-change physical risk and any significant change over the reporting period and the key drivers of such changes. Institutions are expected to provide details of the methodology, assumptions and scenarios used to determine which exposures are subject to the impact of material physical risk, in particular the exposures covered by the analysis, the time horizon considered, the types of hazards included, the granularity of the assessment, the resilience measures or insurance considerations, any materiality thresholds applied and any scoring systems used. Institutions shall explain which data sources they used to assess physical risk, considerations undertaken when assessing which exposures are exposed to physical risk, and how the four NUTS 2 regions were selected and how were exposures assigned to these regions and outlined sectors, including how possible data gaps in terms of assets location or risk exposure were resolved.
7. Institutions shall also include information about how climate-related scenario analysis has been used in the assessment of physical and transition risks. The description shall include:
8. which scenarios were used, their sources and alignment with state-of-the-art science;
9. narratives, time horizons, and endpoints used with a discussion of why it believes the range of scenarios used covers its plausible risks and uncertainties;
10. the key forces and drivers taken into consideration in each scenario and why these are relevant to the institution, for example, policy assumptions, macroeconomic trends, energy usage and mix, and technology assumptions; and
11. key inputs and constraints of the scenarios, including their level of detail (e.g., whether the analysis of physical climate-related risks is based on geospatial coordinates specific to the institution’s locations or national- or regional-level broad data)
12. Institutions shall disclose this template on an annual basis.
13. Institutions shall disclose in this template:
14. In the rows, *exposures towards sectors that are climate change relevant*; *exposures towards sectors that highly contribute to climate change*; and *exposures towards sectors other than those that highly contribute to climate change* shall be disclosed with a sectoral breakdown. The relevant sectors of the counterparty will be disclosed following the NACE code classification. The following sectors shall be disclosed separately by the institutinos in rows 3 – 16, and in rows 18 – 20, respectively:
    1. A - Agriculture, forestry and fishing;
    2. B - Mining and quarrying;
    3. C – Manufacturing;
    4. D - Electricity, gas, steam and air conditioning supply;
       1. D35.1 - Electric power generation, transmission and distribution
       2. D35.11 - Production of electricity from non-renewable sources
       3. D.35.2 - Manufacture of gas, and distribution of gaseous fuels through mains
       4. D35.3 - Steam and air conditioning supply
       5. D 35.4 Activities of brokers and agents for electric power and natural gas
    5. E - Water supply; sewerage, waste management and remediation activities;
    6. F – Construction;
    7. G - Wholesale and retail trade;
    8. H - Transportation and storage;
    9. M - Real estate activities;
    10. I - Accommodation and Food Service Activities;
    11. K – Telecommunication, computer programming, consulting, computing infrastructure and other information service activities; and
        1. K 63 - Computing infrastructure, data processing, hosting and other information service activities.

Institutions shall disclose in row *21 – Exposures to other sectors (NACE codes (J, L, N - V)* those exposures coverd by the sectors associated with NACE codes J, L and N - V.

Institutions shall disclose in rows 22 – 24 loans collateralised by commercial immovable property, loans collateralised by residential immovable property and collateral obtained by taking possession respectively.

|  |  |
| --- | --- |
| Columns | Instructions |
|  | **On-balance sheet items** |
| a | **Gross carrying amount**  Institutions shall disclose the total gross carrying amount, referred to in Part 1 of of the EBA IT solutions published on EBA’s website related to the reporting on financial information, of those exposures towards non-financial corporates, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios in the banking book in accordance with that Implementing Regulation, excluding financial assets held for trading or held for sale assets.  For loans collateralised by immovable property (commercial/residential) institutions shall disclose the gross carrying amount not limited to non-financial institutions, matching the gross carrying amount of the loans collateralized by immovable property reported in FINREP. |
| b - g | **of which exposures sensitive to impact from climate change physical events**  Institutions shall disclose the gross carrying amount of exposures prone to impact from climate change physical events. The gross carrying amount of exposures prone to impact from climate change physical events may be equal to the full exposure amount disclosed in column (a) of this template or may be a part of that exposure amount. |
| b | **Total exposures subject to physical risk**  Institutions shall disclose the total gross carrying amount of exposures subject to physical risk. |
| c - f | **Geography 1, 2, 3, and 4**  Institutions shall disclose the top 4 geographical regions in terms of gross carrying amount of exposures subject to physical risk. For geographical coverage of the exposures, institutions shall use the level of divisions indicated in Nomenclature of Territorial Units for Statistics (or NUTS), as appropriate. Institutions shall use NUTS codes level 2. |
| g | **Other**  Institutions shall disclose in this column those exposures subject to physical risk that are not covered by the geographical region breakdown disclosed in columns c – f. |
| h - i | **Breakdown by residual maturity bucket**  Institutions shall allocate the exposures to the relevant bucket depending on the residual maturity of the financial instrument, taking into account the following:   1. where the amount is to be repaid in instalments, the exposure shall be allocated in the maturity bucket corresponding to the last instalment; 2. where an exposure has no stated maturity for reasons other than the counterparty having the choice of the repayment date, the amount of this exposure shall be disclosed in column ‘> 5 year’; |

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⃰1 OJ L 282, 19.10.2016, p. 4.

\*2 COM/2019/640 final.

\*3 Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19).

\*4 Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups (OJ L 330, 15.11.2014, p. 1).

\*5 C/2019/4490 (OJ C 209, 20.6.2019, p. 1).

\*6 Recommendations of the Task Force on Climate-related Financial Disclosures, [https://www.fsb-tcfd.org/recommendations](https://www.fsb-tcfd.org/recommendations/).

\*7 United Nations Environment Programme Finance Initiative (UNEP FI), <https://www.unepfi.org>.;

\*8 Global Reporting Initiative Sustainability Reporting Standards, <https://www.globalreporting.org/standards>.

\*9 United Nations’ Principles for Responsible Investment (UNPRI), <https://www.unpri.org>.

\*10 Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).

\*11 Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).

\*12 Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

\*13 Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions (OJ L 372, 31.12.1986, p. 1).

\*14 <https://carbonaccountingfinancials.com/standard>.

\*15 https://www.cdp.net/en.

\*16 Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ L 153, 18.6.2010, p. 13).

\*17 Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

\*18 Net Zero Emissions by 2050 Scenario (NZE) –IEA (2021), World Energy Model, IEA, Paris <https://www.iea.org/reports/world-energy-model>

\*19 2021 report can be found under this [link](https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector_CORR.pdf).

\*20 For more examples, please refer to the UNEP FI and Acclimatise report: ‘’Chartering New Climate. State-of-the-art tools and data for banks to assess credit risks and opportunities from physical climate change impacts”, September 2020, <https://www.unepfi.org/publications/banking-publications/charting-a-new-climate/> The report provides detailed information with regard to time periods covered, use of future scenarios, spatial resolution and coverage, format of outputs to be received from particular datasets as well as licensing and cost (please note that most portals and databases offer free-to-use access). Moreover, the report elaborates on different techniques of physical risk assessment and measurement, like e.g. heat mapping, correlation analysis, dedicated tools and analytics.

\*21 Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation (OJ L 443, 10.12.2021, p. 9).

\*22 Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (OJ L 442, 9.12.2021, p. 1).’

1. https://carbonaccountingfinancials.com/files/downloads/PCAF-Global-GHG-Standard.pdf [↑](#footnote-ref-2)
2. Commission Delegated Regulation (EU) 2023/137 of 10 October 2022 amending Regulation (EC) No 1893/2006 of the European Parliament and of the Council establishing the statistical classification of economic activities NACE Revision 2 (OJ L 19, 20.1.2023, p. 5). [↑](#footnote-ref-3)
3. DRMKC is a platform designed to centralise and standardise risk, damage and loss data at a pan-European level. Developed with the goal of supporting risk assessment and risk analysis processes, the RDH facilitates the collection, sharing, and analysis of data that is crucial for understanding and mitigating risks. This repository offers a variety of datasets, tools, and resources that can be utilized by policymakers, researchers, and practitioners in the field of disaster risk reduction. Data available at the Eeuropean and partly on global scale. [↑](#footnote-ref-4)
4. For example, for exposures sensitive to water-related hazards, whether the institution analysed e.g. drought, water stress, flood etc. following the classification by COMMISSION DELEGATED REGULATION (EU) 2023/2486 . [↑](#footnote-ref-5)
5. [COMMISSION DELEGATED REGULATION (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302486) [↑](#footnote-ref-6)
6. Please refer also to the [Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article ;8 of the EU taxonomy Regulation on the reporting of taxonomy-eligible and Taxonomy-aligned economic activities and assets](https://ec.europa.eu/finance/docs/law/231221-draft-commission-notice-eu-taxonomy-reporting-financials_en.pdf) [↑](#footnote-ref-7)
7. DRMKC is a platform designed to centralise and standardise risk, damage and loss data at a pan-European level. Developed with the goal of supporting risk assessment and risk analysis processes, the RDH facilitates the collection, sharing, and analysis of data that is crucial for understanding and mitigating risks. This repository offers a variety of datasets, tools, and resources that can be utilized by policymakers, researchers, and practitioners in the field of disaster risk reduction. Data available at the Eeuropean and partly on global scale. [↑](#footnote-ref-8)
8. Commission Delegated Regulation (EU) 2023/137 of 10 October 2022 amending Regulation (EC) No 1893/2006 of the European Parliament and of the Council establishing the statistical classification of economic activities NACE Revision 2 (OJ L 19, 20.1.2023, p. 5). [↑](#footnote-ref-9)
9. DRMKC is a platform designed to centralise and standardise risk, damage and loss data at a pan-European level. Developed with the goal of supporting risk assessment and risk analysis processes, the RDH facilitates the collection, sharing, and analysis of data that is crucial for understanding and mitigating risks. This repository offers a variety of datasets, tools, and resources that can be utilized by policymakers, researchers, and practitioners in the field of disaster risk reduction. Data available at the Eeuropean and partly on global scale. [↑](#footnote-ref-10)