EBA BS 2025 605 rev. 1
Board of Supervisors
11 September 2025
Location: teleconference

Board of Supervisors

Minutes of the conference call on 11 September 2025

Agenda item 1: Welcome and approval of the agenda

1. The Chairperson welcomed the Members of the Board of Supervisors (BoS). He reminded them of the conflict-of-interest policy requirements and asked them whether any of them considered themselves as being in a conflict. No Member declared a conflict of interest.

2. The Chairperson welcomed Ms Tina Žumer Šujica as a new Voting Member representing Slovenia.

3. The Chairperson asked the BoS whether there were any comments on the draft agenda. There were no comments on the agenda.

4. Finally, the Chairperson noted the BoS that the Minutes of the BoS meeting on 25 June 2025 were approved by the BoS in written procedure.

Conclusion

5. The BoS approved the agenda of the meeting by consensus.

Agenda item 2: Update from the EBA Chairperson and the Executive Director

6. The Chairperson updated the Members on four items.

7. Firstly, the Chairperson reminded the Members of the requirement in the AI Act, according to which the Member States had to appoint one or multiple market surveillance authorities (MSAs), by 2 August 2025. In case of multiple MSAs, they had to designate a Single Point of Contact. Based on surveys run by EBA staff at experts' level, in a majority of Member States, the prudential/conduct supervisor was likely to be designated as MSA over high-risk AI provided/deployed by regulated financial institutions. On the other hand, only in a few

Member States the prudential/conduct supervisors were likely to be designated as MSA for prohibited AI practices and/or non-high-risk AI systems even when used by financial institutions. Given that diverse situations could potentially add challenges to the current effort to streamline and improve efficiency of the supervisory framework on EU banks, the Chairperson highlighted that the EBA would like to encourage and support – to the extent possible - the designation of competent authorities (CAs) as MSAs for financial institutions under the AI Act, to ensure a more efficient supervision of AI systems deployed by financial institutions.

8. Secondly, the Chairperson reflected on the ESRB General Board meeting held on 24 June 2025 and said that following the High-level Group report on the ESRB review published last year, ESRB GB members highlighted the need to focus on further developing a framework for holistic systemic risk assessments and a system-wide approach for macroprudential policy as well as improving communication on financial stability. He also mentioned that the next ESRB General Board meeting was scheduled on 25 September 2025 and that it would probably include a discussion of the draft report on crypto-assets. The EBA has been supporting the ESRB's work and has conveyed views on some of the proposals, including the need to preserve a case-by-case significance assessment of ARTs and EMTs and to recognise the supervisory convergence work regarding the risk mitigation measures for multi-issuance models. Finally, the Chairperson noted that the ESRB was also considering issuing a recommendation or warning on potential threats posed by stable currencies.

9. Thirdly, the Chairperson informed the Members that in July 2025, the EBA, together with the other two ESAs, received a questionnaire from the European Commission (EC) on the preparedness in Financial Services. This was based on the joint communication published by the EC and the European External Action Service on an EU Preparedness Strategy to prevent and react to emerging threats and crisis. This joint communication required the EC to assess, by end 2025, the level of preparedness in financial services, notably the capacity to ensure the continuity of critical functions, payments and the funding of the economy under all circumstances. In this context, the questionnaire received aimed to evaluate the level of preparedness of the financial sectors and identify potential gaps. The EBA has provided a response during the summer to the EC covering areas such as EBA emergency powers, DORA, MICA, stress test or NBFI interconnections, as well as the measures in place for banks and central banks to deal with emergency situations based on the survey the EBA conducted among the CAs as presented during the June BoS meeting.

10. Finally, the Chairperson referred to the Advisory Committee on Proportionality (ACP) and reminded the Members that the ACP provided recommendations on the EBA Work programme. It was composed of two Co-Chairpersons, a senior representative from the ECB responsible for matters relating to tasks conferred on it by Regulation (EU) No 1024/2013, two senior representatives from other CAs and a senior member of EBA staff. Following the departure of Primoz Dolenc and Simonas Krepsta, there was a vacant position of the ACP Co-Chairperson and one senior CA representative. The EBA was

planning to launch a call for expression of interest after the BoS conference call in order for the ACP to re-start its work later in autumn.

11. The Executive Director updated the Members on four items.

12. Firstly, the Executive Director informed that the EBA was intensively liaising with AMLA, specifically in the context of the Call for Advice under which the EBA was finalising a number of regulatory products. He said that the joint transition EBA/AMLA team has been gathering on a regular basis and that two of the EBA staff members have been already transferred to AMLA as of 1 September, followed by five staff member who would be joining AMLA as of 1 November 2025. Remaining two staff members has been assigned to different tasks within the EBA, and two members have resigned.

13. Secondly, the Executive Director updated on the final revisions of the EBA's budget, including the upcoming revision in October which would not have impact on the Member State's contributions.

14. Thirdly, the Executive Director announced that after the BoS conference call, the EBA was planning to circulate the 2026 Work programme to the BoS for written comments and subsequent approval.

15. Finally, the Executive Director informed about the FSC meeting during which he presented on the 2025 EU-wide stress test and highlighted that there were no major disruptions following the publication of the results of the stress test what also confirmed that the market understood the stress test as a standard risk exercise.

16. The Chairperson thanked Mr Jo Swyngedouw for chairing the AMLSC which last meeting was scheduled later in September and said that pending issues from the respective Call for Advice would be tabled for the October BoS meeting.

17. The Members did not raise any comments.

Agenda item 3: Supervisory Digital Finance Academy 2.0 project

18. The item was not presented due to technical issue during the conference call. The content of the presentation was distributed to BoS members before the conference call.

Agenda Item 4: EBA work on simplification and efficiency

19. The Chairperson reminded the Members of the discussion during the EBA BoS Strategy Day in July 2025 where the EBA Task Force on the Efficiency of the Regulatory and Supervisory Framework (TFE) presented preliminary conclusions of their work. These conclusions have received broad support from the Members and were complemented by written comments that the TFE has taken into account to finalise the report tabled for BoS' approval. In parallel, the TFE has prepared a detailed workplan to explain how the recommendations of

this report would be implemented in the coming months and years. Some of them should materialise immediately while other would require more time to be implemented. Most of the recommendations should be implemented in 2026. With regard to the workplan, it included also information about external communication on the work given there had been broad support from Members to publish the outcome of the TFE report once finalised.

20. The Chairperson of the TFE continued by summarising the work of the TFE and saying that the tabled report included 21 recommendations covering the four areas reviewed by the TFE (the production of Level 2 and Level 3 regulatory products addressed to financial institutions, the reporting burden for these institutions, EBA's contribution to the overall EU prudential regulatory framework, and the EBA's working arrangements). For each recommendation, the TFE identified the time horizon for the its implementation - immediately (by the end of the year), in a short term (2026), or in a long term (beyond 2026); which institutions would be involved in the implementation – either national, or EU institutions; and whether a legislative change of the Level 1 would likely be required for its full implementation

21. The EBA Head of Governance and External Affairs Unit (GEA) and Secretary of the TFE complemented by providing an overview of the changes introduced in the report since the EBA BoS Strategy Day in July 2025 and said that the EBA was proposing to publish the first 10 pages of the report which summarised the proposed recommendations and the way forward (the core of the report) while the annexes of the report would remain BoS working papers. The Head of GEA also reflected on the workplan designated to ensure that the proposed recommendations would translate into actual changes, with time horizon as well as the interplay with existing work and the working sub-structures involved.

22. The Chairperson reminded the Members that the proposed recommendations would help the EBA to shape its Work programme which, for the upcoming year, would be circulated to the BoS after the conference call with an aim to submit it to the EU institutions before the end of September 2025.

23. The Members supported the work. Majority of the Members agreed with the proposed publication of the core of the report, including Recommendations 20 and 21 on EBA internal working arrangements but also raised concerns regarding the external communication which would need to distinguish between recommendations and subsequent actions that were solely within the EBA's scope of action and/or those dependent on external factors/were complimentary. While some Members preferred ambitious communication messages focused on short-term priorities, others asked for a cautious approach. One Member questioned potential conflicts of proposed recommendations with proposals initiated by other bodies/groups. Several Members welcomed the tabled workplan. Two Members reflected on the methodology to assess the materiality of L2 and L3 mandates and asked about practical implementation of the methodology and related recommendations. One Member said that the application of the methodology on existing mandates could be more ambitious. In this regard, several Members commended on the

proposal to set up key building blocks for achieving simplification through a clear top-down prioritisation process, supported by concrete work plans and they asked for further drafting clarifications, in particular with regard to commitment to Basel standards, EU-level playing field and use of medium/long-term horizon. One Member was of the view that the EBA should explain why some areas have been excluded from the building blocks, such as market risk. Another Member stressed that L2 guidelines should not be overlapping with requirements set out by other authorities, in particularly the ECB. Few Members welcomed the recommendations on top-down steer from the BoS which should translate into upfront and early indications when L2 and L3 mandates were discussed and asked how, in practice, the steer would be provided. One Member stressed that going forward, the EBA should consider avoiding long cycles of policy development which included numerous publications of discussion/consultation papers. He also reflected on the proposal of 25% reporting reduction and said that in case of data collections, complementing bottom-up approach was necessary to analyse collected data and referred to the stress test exercise which was not covered in the tabled report. The Member asked for further reinforcement of the top-down approach and consideration on the number of working sub-structures. One Member suggested that a certain degree of seniority was ensured at the standing committees' level. Other Member pointed out the issue of home/host responsibilities and said that the banks should maintain resilience not only at the group level but also nationally. Another Member highlighted the importance of the Banking Union and the EBA's contribution to its framework. Few Members mentioned the stress test exercise in more detail and noted that the top-down approach has been embedded in exercise as per discussions at the BoS level in the past. One Member raised concerns regarding inclusion of ad hoc data collections requests and asked for further reflection on the recommendation 6 required as to whether this type of information was needed. Some Members highlighted that in the external communication, the EBA should clearly explain that its worked focused on the objective of simplification and does not encourage deregulation. One Member added that also the proportionality principle should be further addressed. Other Member questioned how the supervisors could work together and ensure sufficient coordination going forward. Finally, the Members asked for a written procedure on the final version of the report to be published after the BoS conference call in order to submit their comments and drafting suggestions.

24. The EC representative proposed to further consider the presentation of the time horizon, in particular with regard to start and end dates and to delete column on L1 changes in the table on the Production of regulatory mandates as it may be misleading.

25. The ECB representative updated on the work of the ECB High-Level Group on Simplification on three areas - banking regulation, reporting, and supervision and stressed that the leading principle was simplification and not deregulation.

26. The SRB representative supported the work but asked for references to resolution authorities. She also pointed out the wording on the top-down approach and suggested referring to the strengthening of this approach rather than introducing it.

27. The ECB Banking supervision representative was of the view that the proposals had to be ambitious. He also asked for consideration on the postponement of the ESG work.

28. The Chairperson concluded by noting the Members' support and thanked the TFE for their work on the finalisation of the report. He acknowledged that the Members agreed with the publication of the core of the report including Recommendations 20 and 21. He clarified that the topic of the stress test was not a part of his initial mandate to the TFE because the EBA has been working on the simplification of the stress test-related process for some years. However, he agreed that the report should include a reference to the EBA's work in this regard. He clarified that the EBA would reflect on the discussion and revise the report which would be subsequently submitted to the BoS in written procedure and then published. As part of the review, the EBA would clarify the timing/horizon of the actions and recommendations as well as which actions were was solely for the EBA to execute and which require for its implementation the support of other institutions while the focus would be primarily on the actions by the EBA.

Conclusion

29. The BoS approved the TFE final report and the publication of its core part by consensus.

30. The BoS supported the tabled workplan for the implementation of the TFE recommendations by consensus.

Agenda item 5: Discussion on holistic approach of the EU capital framework

31. The EBA Director of Prudential Regulation and Supervisory Policy Department (PRSP) continued by reflecting on the final report of the TFE and the holistic perspective which built on how the EU's regulatory framework for credit institutions has evolved to address financial crises. The complex framework included wide range of regulations, created numerous obligations for institutions, including quantitative and qualitative requirements, information requests, and involved multiple authorities. Despite its effectiveness in maintaining financial stability, the framework's complexity meant that no single authority had a comprehensive view. To address this, the TFE identified in its report, numerous practical steps, such as streamlining capital and buffer requirements (recommendation 9) and enhanced application of proportionality rules for small and non-complex institutions (SNCIs) (recommendation 10). From a long-term perspective, the TFE recommended expanding the SNCI category (recommendation 10), reassessing home-host responsibilities (recommendation 11), and promoting harmonization in key risk management concepts (recommendation 12). Additionally, relying more on directly applicable rules and revisiting the roles and details of Level 1, 2, and 3 texts

(recommendation 16) and facilitating information sharing across sectors and authorities could help reduce the regulatory burden (recommendation 13). Short-term improvements included piloting supervisory colleges for specific institutions (recommendation 14) and supporting their work with a common IT platform for information sharing and coordination. (recommendation 15). With regard to the tabled issues note, the Director of PRSP clarified that while streamlining of the stacking order framework has increasingly drawn attention and the EBA could follow up on its previous technical work, it was only one of the topics that had short-term priority. She explained that the note built on the TFE principles towards simplification setting out the guiding principles against which to assess the existing framework and the potential routes for its simplification, in particular preserving resilience of the EU financial system, adherence to international standards; appropriate proportionality and enhancing the efficiency and depth of the single market. The Director of PRSP then recalled the issues identified in the work leading up to EBA's July 2024 report on stacking order – multitude of stacks, accumulation of different layers within the stacks, or triggers on MDA restrictions and highlighted the key issues identified in the non-papers circulated by some Members which could be structured and presented using the concept of vertical and horizontal complexity. Vertical complexity referred to the high granularity and interactions within a stack (e.g. the accumulation of buffer requirements for a bank's CET1 ratio such as the CCB, G-SII/O-SII, CCyB, SyRB all stacking on top of each other), while horizontal complexity referred to the multitude of stacks (e.g. the CET1 stack/column of requirements stands next to that of the T1, TC, LR, MREL requirements, etc), the resources that could be used to meet them, as well as interactions between these stacks. The Director of PRSP concluded by summarizing preliminary assessment of the main options for simplification against the principles and of the aspects that need more evidence.

32. The Members supported the work. The majority of the Members agreed that the framework was, to some extent, highly complex. They welcomed the guiding principles. On the topic of micro and macro buffers, some Members were of the view that merging the buffers could be useful if ensured that all risks were covered. Others preferred mergers only to a limited extent. One Member highlighted the usability of buffers as a key issue. Other Members stressed the overall resilience of the framework and how it could be maintained. In this regard, one Member commented on the sources of various risks and several Members stressed that stacking of more buffers should be avoided. Some Members reflected on the interaction with the stress test exercise and highlighted the related resources issue. One Member said that the stress test should not be used as a starting point from a macroprudential perspective. Views were mixed on whether there was most scope for simplification in vertical or horizontal complexity. One Member emphasized the need to capture more low-hanging fruit and that simplification could lean on greater coordination to avoid cosmetic mergers. A number of Members asked for a comprehensive impact assessment which may need to be reflected also in the guiding principles. One Member said that concrete supervisory experience should be assessed. The same Member also commented on proportionality where he underlined the need to be consistent across

approaches so that simplification in prudential rules for SNCI should also be coupled with consistent approach in reporting and crisis management. Another Member raised concern whether it was too early for a complex impact assessment before there was an agreement on the narrative that would be assessed. Some Members stressed the importance of keeping Basel requirements, in particular in relation to guiding principles and AT1. On resolution aspects, several Members asked for standardization of resolution provisions. With regard to follow-up work, several Members were of the view that the BoS should provide a clear steer to the working sub-structures on the priorities in the quantification work and that this topic should be, on an ongoing basis, discussed at the BoS and respective standing committee level.

33. The ESRB representative informed that the ESRB has not discussed the topic in detail, but that it would be interested in engaging in discussions on the presented policy options.

34. The SRB representative acknowledged the importance of the discussion on the topic and its further deepening and delivering on simplification.

35. The ECB Banking supervision representative was of the view that final recommendations for improvements to the framework should be of a high level rather than focusing on details.

36. The EC representative stressed that while the regulators and supervisors addressed increasing risks with more requirements (see the recent introduction of the output floor), buffers and resolution-related requirements, they did not consider whether, to balance the increase in the requirements, any reductions should be introduced. He pointed out the lack of coordination between various supervisors, noting the potential overlap between micro and macro requirements and buffers, and said that the discussion was needed on these aspects. Given the complexity of the discussions involved, the time horizon could not be short-term.

37. The ECB representative also asked for improved coordination between micro and macro authorities and more proportionality initiatives.

38. The Chairperson concluded by noting the comments by the Members and agreed that there was a consensus between the Members on the guiding principles with a need of adjusting the one on resilience to the 'overall' resilience of the framework. He said that the EBA was ready to organise regular ad hoc BoS conference calls, apart from the necessary interaction with respective working sub-structures as the work would progress. The relevant task force was tasked to develop the work further, with a focus on quantitative analysis highlighting overall capital build-up in the system and the concerns regarding the underlying coordination. In the short-term, the EBA needed to determine more closely how to assess the alternative policy options, quantify them, and reflect on the best format to further contribute to this discussion. At the same time, the EBA needed to be ready to continue work in the long-term. The Chairperson asked the Members to ensure prudent external communication on the topic.

Conclusion

39. The BoS agreed, by consensus, to mandate the respective working sub-substructure on stacking orders to continue the work, provide a quantitative assessment and the overview of buffers' evolution with a focus on capital requirements, and to present the update on its work during the next BoS meeting and/or ad hoc conference calls.

Agenda item 6: Supervisory convergence report

40. The Chairperson introduced the item by saying that one of the recommendations from the discussion on efficiency would likely to lead to a rebalancing of resources from regulatory work to supervisory convergence, and the reshaping of the EBA's work programme priorities to include a focus on supervisory convergence. It was therefore timely to find a way to provide a fuller overview of the EBA's activities on this topic. So far, the EBA has been publishing on an annual basis separate report on distinct aspects of supervisory convergence. A supervisory convergence report on the degree of convergence of the supervisory review processes in Chapter 2 of the Capital Requirements Directive (CRD), fulfilling a specific requirement in CRD. That report has focused on prudential supervisory convergence through supervisory colleges and, in recent years, on the implementation of the EBA's European Supervisory Examination Programme (ESEP) and the EBA's training programme. The EBA has also published assessments of convergence in the implementation of the resolution framework through the European Resolution Examination Programme (EREP). The Chairperson clarified that the tabled report additionally covered activities in other areas and provided information on more horizontal activities including breach of Union law assessments, mediation, Q&As and peer reviews.

41. The EBA Head of Legal and Compliance Unit (LC) continued by noting that a key way that the EBA contributed to simple, consistent, transparent and fair regulation was through its focus on supervisory convergence, reflecting its objective in Article 1(5) of its founding regulation to enhance supervisory convergence across the internal market as part of delivering an effective financial system. That objective was supported by specific convergence tasks given to the EBA, including promoting convergence in relation to new and existing financial activities, supervisory processes in AML/CFT supervision, the supervisory review and evaluation process under the CRD, common supervisory culture and practices, technological innovation, as well as assessing the degree of convergence in supervisory practices and enforcement. While until now, the EBA has focused, in its annual report, on the degree of convergence of the supervisory review processes in Chapter 2 of the CRD, the tabled report extended the focus to the European Resolution Examination Programme (EREP), preparations for the regulation of issuers of asset reference tokens and e-money tokens, AML/CFT implementation reviews, and the EBA's horizontal convergence tools such as peer reviews, Q&As and breach of Union law investigations. He added that the EBA already had an extensive range of supervisory convergence activities built into its daily work and used them to ensure that EU-wide risks feed into supervisory planning and

to strengthen the supervisory system and resolution preparedness on a continual basis. The report's focus would be expected to shift over time to reflect growing supervisory work outside the prudential and resolution areas and would develop to reflect different supervisory priorities in any particular year. The Head of LC concluded by noting that the report would be edited before its publication.

42. The Members supported the tabled report.

43. The Chairperson concluded by noting the Members' support and said that the EBA would finalise editing the report, send it for fatal flaw review to the BoS and subsequently publish it on the EBA website.

Conclusion

44. The BoS supported the publication of the Supervisory converge report 2024 by consensus and following a fatal flaw review in written procedure.

Agenda item 7: Draft Consultation paper on updated EBA-ESMA Joint Guidelines on suitability assessments and draft Consultation paper on RTS on information and documentation

45. The Chairperson introduced the item by explaining that two consultation papers have been tabled by the EBA for approval and subsequent publication for 3-month consultation period. The consultation paper (CP) on updated EBA-ESMA Joint guidelines (GLs) on suitability assessments have been revised mainly to incorporate new requirements introduced by CRD VI. The discussions around the simplification of the prudential framework with the aim of making it more efficient also included the governance framework set in these Joint guidelines. In the context of these discussions at the TFE, the provisions on independent non-executive members of the management board were identified as a point for future attention. The second consultation paper related to the draft RTS on information and documentation for suitability assessments in large entities. In line with the new CRD mandate, the RTS aimed to ensure that the necessary information and documentation were provided to the CAs for the assessment of the suitability of members of the management body and key function holders of those entities.

46. The EBA Head of Supervisory review, Recovery and Resolution Unit (SRRR) continued by explaining that the Joint EBA and ESMA guidelines have been revised to address the changes brought by CRD VI, while maintaining the guidelines in other areas stable. He summarised the main changes and said that the scope of the application of these joint Guidelines has been clarified to include the assessment by Class 2 investment firms as well as third-country branches (TCB) of key function holders (KFH), as applicable, depending on their size and complexity. Additionally, a new explanatory annex developed specifically for the draft CP covered the application of the Joint GLs to different types of financial entities and TCB with an aim to provide clarity on the scope of application of the

different requirements set out in the Level 1 text. Criteria to assess whether there were reasonable grounds to suspect that money laundering or terrorist financing has been conducted or if there was an increased risk of it in the context of the entity have also been added in line with the new CRDVI requirements. If those criteria were met, this triggered an assessment of knowledge, skills and experience, and the ability to commit sufficient time in light of the increased risks. The Head of SRRR also mentioned that the specifications for the assessment of the persons directing the business in TCB have been updated. While the criteria were the same, the requirement of independence of mind did not apply to TCB, unless they were treated in the same way as subsidiaries, which depended on a decision of the CA. Finally, the Head of SRRR reflected on the work of the TFE and said that the consultation could be the opportunity to gather feedback also on the provisions on independent non-executive members of the management board in order to inform the EBA assessment of a possible less prescriptive approach to the number of non-executive independent members of the management body and the respective assessment criteria, while still facilitating independent opinions and critical challenge. To that end, the draft CP included a specific question about the requirements around independent non-executive directors and the costs created by them. The Head of SRRR further noted that the joint GLs included updated criteria on the assessment of the knowledge, skills and experience of a member of the management body and key function holders, namely in the area of ESG risks, counterparty credit risks and ICT (DORA) requirements. Additional criteria regarding Crypto activities have been added that applied when the credit institution acted as an issuer of ARTs. With regard to the second consultation paper, the Head of SRRR explained that the draft RTS ensured that the suitability questionnaire, the curriculum vitae and the documentation of the large entities' internal suitability assessment included a minimum set of information that allowed the CAs to perform the required suitability assessments. Similarly, the requirements for information and documentation should be consistent for both smaller entities and large ones to ensure a level playing field. Considering the risks smaller entities were exposed to in this area, the EBA deemed prudent to maintain uniform requirements across entities of varying sizes, where such assessments were performed for smaller entities by the CAs as it was the case in the current Joint GL. This would ensure a consistent and harmonised approach to have more efficient processes for CAs and ensure supervisory convergence. In this context, a cross reference to these RTS have been made in the Joint Guidelines.

47. Few Members raised concerns on the need for the presented new requirements within the RTS given that they were not necessary for supervisory purpose and reflected on the previous discussed items related to the simplification initiatives. Some Members suggested delaying the publication of the consultation papers for further review and some said that as part of the consultation, the stakeholders should also be asked to identify issues for further improvements and quantify costs resulting from proposed requirements. While a number of Members agreed with the inclusion of the proposed additional question regarding independent non-executive directors, few Members asked for more neutral wording and added that for some specific institutions the provisions may cause challenges

in hiring procedures. One Member mentioned that some provisions around independent non-executive directors would go beyond explicit CRD requirements. Another Member mentioned national experience with smaller banks and usefulness of existing requirements in this regard. The same Member, with reference to the enhanced dialogue, underlined that the period of the enhanced dialogue must not fall within the period of the formal suitability assessment procedure as enhanced dialogue constituted a preliminary assessment, distinct from the formal assessment. Overall, the requirement to have independent directors was supported as a strong element of robust governance arrangements.

48. The ECB Banking supervision representative highlighted the importance of harmonisation and at the same time, simplification. He suggested that in the presented question on independent-non-executive directors, the EBA should also ask stakeholders to provide evidence and practical cases.

49. The Chairperson concluded by noting the comments by the Members, in particular related to the simplification and timing of the publication. He asked the Members to send their written comments and that the EBA should reflect with the working sub-structure on how best to reflect those comments to finalise the CPs.

Agenda item 8: Risks and vulnerabilities in the EU

50. The Director of the EBA Economic and Risk Analysis Department (ERA) updated the BoS on the latest developments in the EU related to risks and vulnerabilities. He began by noting that the EU/EEA bank shares have shown resilience, recovering losses from the US tariff announcements. However, geopolitical and macro-related risks have remained a concern. Furthermore, investors have been more reactive to negative news related to Net Interest Income (NII) and taxes, with notable impacts on share prices of some banks, mainly in the Nordic area. Similarly, political risks, particularly in France, have affected bank shares and funding spreads. With regards to capital and profitability, the Director of ERA informed that the Common Equity Tier 1 (CET1) ratio has remained stable at 16.3%, with no significant changes in High-Quality Liquid Assets (HQLA) composition. Return on Equity (RoE) was also holding up well at 10.7%, despite a slight decline in Net Interest Margin (NIM) to 1.58%. On asset quality, the Director of ERA summarised that it has stayed steady over the course of Q1 and that Non-Performing Loans (NPLs) have slightly decreased to EUR 371bn, with the NPL ratio stable at 1.8%. Stage 2 loans have risen due to various factors, including household loans and consumer credit. This increase has not, however, significantly impacted the cost of risk. The Director of ERA continued by referring to Non-Bank Financial Intermediaries (NBFI) and said that the nexus between EU/EEA banks and Significant Risk Transfer (SRT) originators appeared weak, with large exposures mainly held by banks in Italy, France, and Spain. He concluded by referring to Climate Transition Risk and noted that the exposures to sectors contributing to climate change remained high, with real estate being a significant contributor. There was a modest decline in exposures vulnerable to physical climate risk, but regional disparities and fragmented assessment methodologies persisted.

51. One Member commented on the evolution of stage 2 ratios from a national perspective.

52. The Chairperson concluded by acknowledging the EBA's continuous market monitoring and informed that during the next BoS meeting in October, the BoS Member representing Ireland was planning to present on the evolution of NBFIs and its interconnectedness with the banking sector.

Agenda item 9: AOB

53. The Members did not raise any other business concerns.

54. The Chairperson announced his intention to resign effective as of 31 January 2026 due to personal, family related issues, thanked the Members for their support, contributions during his tenure and active involvement in the EBA's work, and indicated that it will ask the EBA staff to start the process for the selection of a new Chairperson.

Participants of the Board of Supervisors' conference call on 11 September 2025[1]

Chairperson: Jose Manuel Campa

Country	Voting Member/High-Level Alternate	National/Central Bank
1. Austria	Helmut Ettl	Markus Schwaiger
2. Belgium	Jo Swyngedouw/Kurt Van Raemdonck	
3. Bulgaria	Stoyan Manolov	
4. Croatia	Sanja Petrinic Turkovic	
5. Cyprus	Mariza Platritou	
6. Czech Republic	Zuzana Silberova	
7. Denmark	Louise Mogensen/Thomas W Andersen	Morten Rasmussen
8. Estonia	Andres Kurgpold	Timo Kosenko
9. Finland	Marko Myller	Helina Laakkonen
10. France	Nathalie Aufauvre/Francois Haas	
11. Germany	Nikolas Speer/Adam Ketessidis	Alexander Schultz
12. Greece	Heather Gibson/Anna Tsounia	
13. Hungary	Norbert Izer	
14. Ireland	Micheal O'Keeffe	
15. Italy	Guiseppe Siani	
16. Latvia	Kristine Cernaja-Mezmale/Ludmila Vojevoda	
17. Lithuania	Julita Varanauskiene/Renata Bagdoniene	
18. Luxembourg	Nele Mayer	Christian Friedrich
19. Malta	Christopher Buttigieg	Oliver Bonello
20. Netherlands	Steven Maijoor	
21. Poland	Artur Ratasiewicz	Olga Szczepańska
22. Portugal	Rui Pinto/Jose Rosas	
23. Romania	Catalin Davidescu	
24. Slovakia	Linda Simkovicova	
25. Slovenia	Meta Ahtik	
26. Spain	Daniel Perez Cid/Agustin Perez Gasco	
27. Sweden	Henrik Braconier	David Forsman

EFTA Countries	Member	
1. Iceland	Gisli Ottarsson	
2. Liechtenstein	Elena Seiser	
3. Norway	Per Mathis Kongsrud/Anders Hole	Sindre Weme

Observer	Representative
1. SRB	Karen Braun-Munzinger

[1] Julia Kreuzhuber (FMA); Morgan Allen, Chloe McCann, Naoise Metadjer, Kitty Moloney (Central Bank of Ireland); Marek Sokol (CNB); Marco Giornetti (Bank of Italy); Nina Rajtar-Pótrola (KNF); Liga Kleinberga (Litvijas Banka); Ivan-Carl Saliba (MFSA); Pawel Gasiorowski (NBP); Vanessa Sternbeck Fryxell, Megan Owens (Finansinspektionen); Minou du Bois (DNB)

Other Non-voting Members	**Representative**
1. ECB Banking Supervision/ECB	Thijs Van Woerden/Cornelia Holthausen
2. ESRB	Tuomas Peltonen
3. European Commission	Almoro Rubin de Cervin
4. EIOPA	Kai Kosik
5. ESMA	Roxana De Calvalho/Louise Waller
6. EFTA Surveillance Authority	Marta Runarsdottir

EBA

Executive Director	Francois-Louis Michaud
Directors	Isabelle Vaillant Meri Rimmanen Kamil Liberadzki Marilin Pikaro
Heads of Unit	Philippe Allard Angel Monzon Jonathan Overett-Somnier Francesco Mauro Roberta De Filippis
Experts	Tea Eger Bernd Rummel Gerbert van der Kamp

For the Board of Supervisors Done

at Paris on 6 November 2025

[signed]

José Manuel Campa

EBA Chairperson