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**ANNEX II**

**SUPERVISORY BENCHMARKING PORTFOLIOS**

**(The templates identify the benchmarking portfolios and are pre-filled by the EBA)**

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**PART I: DEFINITION OF THE SUPERVISORY BENCHMARKING PORTFOLIOS**

1. C 101 – Definition of the Low Default Portfolios samples (Identification of the counterparts included in the samples)
2. In the current state, the central government sample has 61 names, the credit institution sample has 102 names, and the large corporate sample has 646 names (update on going).

Column	Legal reference	Instructions
010		Counterparty code It is the code assigned by the EBA for each counterpart included in the LDP samples
390		Legal entity identifier (LEI) is a 20-digit, alpha-numeric code that connects to key reference information that enables clear and unique identification of companies participating in global financial markets
400		Credit register code It is the code used by the National Credit register of the place of residence of the counterparts used as identifier
410		Commercial register code It is the code assigned by the public commercial register of the country where the counterpart is registered
420		ISIN code It is the “International Securities Identification Number” used to identify uniquely securities issued by the counterparts
430		Bloomberg ticker It is a string of characters or numbers to identify a company or entity uniquely in Bloomberg
440		Name It is the name of the counterpart included in the LDP samples
450		Residence of the counterparty (Country/Macro region) It is the ISO Code of the counterparty country of residence or the macro region where is the residence of the counterparty (EU for European Union and Non-EU for other countries not part of the European Union)
460		Portfolio name It is the name assigned by the EBA to the group (sample) of LDP counterparties (a) Sovereign sample; (b) Institutions sample; (c) Large corporate sample
500		Sector of the counterparty One sector shall be allocated to every counterparty on the basis of FINREP economic sector classes: (a) General Governments; (b) Credit institutions; (c) Other financial corporations; (d) Non-financial corporations;

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3. C 102 – Definition of Low Default Portfolios (LDP)
4. In the current state, the template proposes 53 clusters for the large corporate sample, 53 clusters for the large corporate portfolio, 32 clusters for the central governments portfolio, 32 clusters for the credit institutions portfolio and 32 clusters for the other financial institutions portfolios.

Col-umn	Legal reference	Instructions
011		Portfolio ID Each portfolio shall be given a unique ID by EBA.
460		Each portfolio shall be given a unique name by EBA. It is the name assigned by the EBA to the portfolios including the group (sample) of Large corporate counterparties (see C101, column 460 (c)): 1. Sovereign 2. Institutions 3. Large corporate 4. Large corporate sample
450		Residence of the counterparty (Country/Macro-Region). It is the macro region where is the residence of the counterparty: (a) EU (European Union) (b) Non-EU (Other countries not part of the European Union) (c) Not applicable
020	Paragraph 78 of Annex 2 of ITS reporting	Exposure class One of the following is allocated to every portfolio: (a) Central banks and central governments (b) Institutions (c) Corporate – Other (d) Not applicable
080		The default status is one of the following: (a) Defaulted. Those are the exposures assigned to the last rating grade/s with a PD of 100 % (b) Non-defaulted. Those are the exposures assigned to rating grades with a PD lower than 100%
060	C010 of table 8.1 Annex 1 of ITS reporting	Rating It is the rank of the internal rating grade of each institution (from lowest risk to highest risk excluding defaults with PD corresponding to 100%. It varies from Rating 1 to Rating N
280		The type of facility is one of the following: (a) Drawn credit facility. This refers to on-balance sheet items that have been drawn (b) Undrawn committed revolving credit facility. This refers to revolving lending commitments that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness (c) Undrawn committed term credit facility. This refers to term lending commitments that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness (d) Note issuance facility (NIF) and revolving underwriting facility (RUF) (e) Undrawn committed other credit facility. This refers to lending commitments, other than revolving and term, that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to the deterioration in a borrower's creditworthiness (f) Undrawn uncommitted credit facility. This refers to uncommitted lending facilities (advised and unadvised) that are undrawn which may be cancelled unconditionally at any time without notice, or that do effectively provide for automatic cancellation due to deterioration in borrower's creditworthiness. (g) Undrawn purchase commitments for revolving purchased receivables and other low-risk off-balance sheet items that can be unconditionally cancelled or that effectively provide for automatic cancellation at any time by the institution

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		<p>without prior notice</p> <p>(h) Issued short term letter of credit arising from the movement of goods and other medium-risk off-balance sheet items</p> <p>(i) Issued warranties and indemnities, guarantees, irrevocable stand-by letter of credit and documentary credit. Those are warranties and indemnities (including tender, performance, customs and tax bonds), guarantees and irrevocable standby letters of credit not having the character of credit substitutes.</p> <p>(j) Other facilities. Those include unissued guarantees, stand by letter of credit and warranties, etc..</p> <p>(k) Not applicable</p>
490	c150 - c210 of table 8.1 of Annex 1 of ITS reporting	<p>The collateralisation status shall be identified after any substitution effect and is one of the following:</p> <p>(a) Secured exposures</p> <p>(b) Unsecured exposures</p> <p>(c) Unsecured and guaranteed exposures</p> <p>(d) Not applicable.</p> <p>Secured exposures are exposures supported by the existence of funded credit risk mitigation instruments (See C 08.01 - Credit and counterparty credit risks and free deliveries: IRB Approach to Own funds Requirements (CR IRB 1) columns 180-210 for the definition of funded credit risk mitigation instruments) irrespective to the degree of collateralisation.</p> <p>Unsecured exposures are exposures not supported by the existence of funded credit risk mitigation instruments</p> <p>Unsecured and guaranteed exposures are exposures not supported by the existence of funded credit risk mitigation instruments for which non-funded CRM instruments are not used for substitution effect purposes (See C 08.01 - Credit and counterparty credit risks and free deliveries: IRB Approach to Own funds Requirements (CR IRB 1) columns 150-160 for the definition funded CRM instruments not use for substitution effect purposes).</p>
130	c150 - c210 of table 8.1 of Annex 1 of ITS reporting	<p>The type of collateral shall be one of the following:</p> <p>(a) Eligible financial collateral</p> <p>(b) Other eligible collateral: Receivables</p> <p>(c) Other eligible collateral: Residential real estate</p> <p>(d) Other eligible collateral: Commercial real estate</p> <p>(e) Other eligible collateral: Physical collateral</p> <p>(f) Other funded credit protection</p> <p>(g) Credit derivatives</p> <p>(h) Guarantees</p> <p>(j) Not applicable</p>
040		<p>NACE code</p> <p>This column correspond to the NACE codes (Statistical Classification of Economic Activities of the EU) used for “Non-financial corporations” with one level detail (e.g. “F – Construction”) and for “Other financial corporations” with a two level detail (e.g. “K65 - Insurance, reinsurance and pension funding, except compulsory social security”).</p>
500		<p>Sector of the counterparty</p> <p>One sector shall be allocated to every counterparty on the basis of FINREP economic sector classes: Each counterparty is assigned to the following economic sector classes:</p> <p>(a) General Governments;</p> <p>(c) Credit institutions;</p> <p>(d) Other financial corporations;</p> <p>(e) Non-financial corporations;</p> <p>(g) Not applicable.</p>
510		<p>Size of the counterparty</p> <p>The size of counterparty is expressed as annual turnover and according to the following:</p> <p>(a) &gt;EUR 200 mln.</p> <p>(b) Not applicable</p>

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		The annual sales (or assets) is computed according to the Art. 4 of the Annex of the Commission Recommendation 2003/361/EC of 6 May 2003
270	r020 and r030 of table 8.1 of Annex 1 of ITS reporting	The type of exposure shall be one of the following: (a) On-balance sheet items subject to credit risk (b) Off-balance sheet items subject to credit risk (c) Not applicable
520	c110 of table 8.1 Annex 1 of ITS reporting	Size of exposure value (EAD) (a) <= EUR 0.5 mln (b) >EUR 0.5 mln <= EUR 1 mln. (c) >EUR 1 mln <= EUR 1.5 mln (d) >EUR 1.5 mln <= EUR 5 mln. (e) >EUR 5 mln <= EUR 10 mln. (f) >EUR 10 mln <= EUR 50 mln. (g) >EUR 50 mln. (h) Not applicable

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5. C 103 – Definition of High Default Portfolios (HDP)
6. In the current state, the template proposes 10 clusters for residential mortgages, 8 clusters for the SME corporate portfolio, 8 clusters for the corporate portfolio, 8 clusters for the SME retail portfolios in 24 EU countries.

Column	Legal reference	Instructions
011		Portfolio ID Each portfolio will be given by the EBA a unique ID
460		Portfolio name It is the name assigned by the EBA to the portfolios 1.1 CORP Non-Defaulted 1.1.1 CORP Construction Secured 1.1.2 CORP Construction Unsecured 1.1.3 CORP Other (non-construction) Secured 1.1.4 CORP Other (non-construction) Unsecured 1.1.5 CORP Secured Non-Defaulted 1.1.6 SMEC Unsecured Non-Defaulted 1.2 CORP Defaulted  2.1 SMEC Non-Defaulted 2.1.1 SMEC Construction Secured 2.1.2 SMEC Construction Unsecured 2.1.3 SMEC Other (non-construction) secured 2.1.4 SMEC Other (non-construction) unsecured 2.1.5 SMEC Secured Non-Defaulted 2.1.6 SMEC Unsecured Non-Defaulted 2.2 SMEC Default  3.1 SMER Non-Defaulted 3.1.1 SMER Construction Secured 3.1.2 SMER Construction Unsecured 3.1.3 SMER Other (non-construction) secured 3.1.4 SMER Other (non-construction) unsecured 3.1.5 SMER Secured Non-Defaulted 3.1.6 SMER Unsecured Non-Defaulted 3.2 SMER Default  4.1 MORTGAGES Non-Defaulted 4.1.1 MORTGAGES ILTV <=25% 4.1.2 MORTGAGES ILTV >25%,<=50% 4.1.3 MORTGAGES ILTV >50%,<=75% 4.1.4 MORTGAGES ILTV >75%,<=100% 4.1.5 MORTGAGES ILTV >100%,<=125% 4.1.6 MORTGAGES ILTV >125% 4.1.7 MORTGAGES Funded CRM 4.1.8 MORTGAGES Unfunded CRM 4.2 MORTGAGES Defaulted
450		Residence of the counterparty (Country/Macro-region) It is the macro region where is the residence of the counterparty: - EU (European Union) - Non-EU (Other countries not part of the European Union)
020	Paragraph 78 of Annex 2 of ITS reporting	Exposure class One or several of the following is allocated to every portfolio: (a) Corporate – SME (b) Corporate – Specialised lending (c) Corporate – Other (d) Retail – Secured by real estate SME (e) Retail – Secured by real estate non-SME

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		<p>(f) Retail – Qualifying revolving</p> <p>(g) Retail – Other SME</p> <p>(h) Retail – Other non – SME</p> <p>(i) Not applicable</p>
080		<p>Default status</p> <p>The default status is one of the following:</p> <p>(a) Defaulted. Those are the exposures assigned to the last rating grade/s with a PD of 100 %</p> <p>(b) Non-defaulted. Those are the exposures assigned to rating grades with a PD lower than 100%</p>
060	C010 of table 8.1 Annex 1 of ITS reporting	<p>Rating</p> <p>It is the rank of the internal rating grade of each institution (from lowest risk to highest risk excluding defaults with PD corresponding to 100%. It varies from Rating 1 to Rating 30</p>
280		<p>Type of facility</p> <p>The type of facility is one of the following:</p> <p>(a) Drawn credit facility. This refers to on-balance sheet items that have been drawn</p> <p>(b) Undrawn committed revolving credit facility. This refers to revolving lending commitments that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to deterioration in a borrower’s creditworthiness</p> <p>(c) Undrawn committed term credit facility. This refers to term lending commitments that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to deterioration in a borrower’s creditworthiness</p> <p>(d) Note issuance facility (NIF) and revolving underwriting facility (RUF)</p> <p>(e) Undrawn committed other credit facility. This refers to lending commitments, other than revolving and term, that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to the deterioration in a borrower’s creditworthiness</p> <p>(f) Undrawn uncommitted credit lines. This refers to uncommitted lending facilities (advised and unadvised) that are undrawn which may be cancelled unconditionally at any time without notice, or that do effectively provide for automatic cancellation due to deterioration in borrower’s creditworthiness.</p> <p>(g) Undrawn purchase commitments for revolving purchased that are able to be unconditionally cancelled or that effectively provide for automatic cancellation at any time by the institution without prior notice</p> <p>(h) Issued short term letter of credit arising from the movement of goods</p> <p>(i) Issued warranties and indemnities, guarantees, irrevocable stand-by letter of credit and documentary credit. Those are warranties and indemnities (including tender, performance, customs and tax bonds), guarantees and irrevocable standby letters of credit not having the character of credit substitutes.</p> <p>(j) Other facilities. Those include unissued guarantees, stand by letter of credit and warranties.</p> <p>(k) Not applicable</p>
490	c150 - c210 of table 8.1 of Annex 1 of ITS reporting	<p>Collateralisation status</p> <p>The collateralisation status shall be identified after any substitution effect and is one of the following:</p> <p>(a) Secured exposures</p> <p>(b) Unsecured exposures</p> <p>(c) Unsecured and guaranteed exposures</p> <p>(d) Not applicable.</p> <p>Secured exposures are exposures supported by the existence of funded credit risk mitigation instruments (See C 08.01 - Credit and counterparty credit risks and free deliveries: IRB Approach to Own funds Requirements (CR IRB 1) columns 180-210 for the definition of funded credit risk mitigation instruments) irrespective to the degree of collateralisation.</p> <p>Unsecured exposures are exposures not supported by the existence of funded</p>

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		<p>credit risk mitigation instruments</p> <p>Unsecured and guaranteed exposures are exposures not supported by the existence of funded credit risk mitigation instruments for which non-funded CRM instruments are not used for substitution effect purposes (See C 08.01 - Credit and counterparty credit risks and free deliveries: IRB Approach to Own funds Requirements (CR IRB 1) columns 150-160 for the definition funded CRM instruments not use for substitution effect purposes).</p>
130	c150 - c210 of table 8.1 of Annex 1 of ITS reporting	<p>Collateral type</p> <p>The type of collateral shall be one of the following:</p> <p>(a) Eligible financial collateral (b) Other eligible collateral: Receivables (c) Other eligible collateral: Real estate (d) Other eligible collateral: Physical collateral (e) Other funded credit protection (f) Credit derivatives (g) Guarantees (h) Not applicable</p>
040		<p>NACE code</p> <p>This column correspond to the NACE codes (Statistical Classification of Economic Activities of the EU) used for “Non-financial corporations” with one level detail (e.g. “F – Construction”) and for “Other financial corporations” with a two level detail (e.g. “K65 - Insurance, reinsurance and pension funding, except compulsory social security”).</p>
500		<p>Sector of the counterparty</p> <p>One sector shall be allocated to every counterparty on the basis of FINREP economic sector classes:</p> <p>(a) Other financial corporations; (b) Non-financial corporations; (c) Households; (d) Not applicable.</p>
510		<p>Size of the counterparty</p> <p>The size of counterparty is expressed as annual turnover and according to the following:</p> <p>&lt;=EUR 50 mln; &gt;EUR 50 mln. and &lt;=EUR 200 mln.</p> <p>The annual turnover is computed according to the Art. 4 of the Annex of the Commission Recommendation 2003/361/EC of 6 May 2003</p>
270	r020 and r030 of table 8.1 of Annex 1 of ITS reporting	<p>Type of exposure</p> <p>(a) On-balance sheet items subject to credit risk (b) Off-balance sheet items subject to credit risk (c) Not applicable</p>
520	c110 of table 8.1 Annex 1 of ITS reporting	<p>Size of exposure value (EAD)</p> <p>(a) &lt;= EUR 0.5 mln (b) &gt;EUR 0.5 mln &lt;= EUR 1 mln. (c) &gt;EUR 1 mln &lt;= EUR 1.5 mln (d) &gt;EUR 1.5 mln &lt;= EUR 5 mln. (e) &gt;EUR 5 mln &lt;= EUR 10 mln. (g) &gt;EUR 10 mln &lt;= EUR 50 mln. (h) &gt;EUR 50 mln. (i) Not applicable</p>
530		<p>Indexed Loan to value range</p> <p>Indexed loan-to-value is the current loan amount to the current market value. As previously mentioned, since banks may use specific calculations or variations of this definition, they are requested to document their own definition to the CAs</p> <p>The indexed loan to value buckets are the following:</p> <p>&lt;=25% &gt;25% &lt;=50% &gt;50% &lt;=75%</p>



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		>75% <=100% >100% <= 125% >125% Not applicable
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7. C 104 – Definition of LDP hypothetical transactions
8. In the current state, the template proposes 529 identified transaction by combining of up to 30 rating grades, 10 collateral types, 20 country of location for real estate collateral and 12 transaction types (on and off balance sheet).

Column	Legal reference	Instructions
012		Transaction ID Each transaction will be given by the EBA a unique ID
540		Transaction name It is the name assigned by the EBA to each transaction
280		Type of facility It is one of the following type of facility: (a) Drawn credit facility. This refers to on-balance sheet items that have been drawn (b) Undrawn committed revolving credit facility. This refers to revolving lending commitments that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness (c) Undrawn committed term credit facility. This refers to term lending commitments that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness (d) Note issuance facility (NIF) and revolving underwriting facility (RUF) (e) Undrawn committed other credit facility. This refers to lending commitments, other than revolving and term, that are undrawn which may not be cancelled unconditionally at any time without notice or that do not effectively provide for automatic cancellation due to the deterioration in a borrower's creditworthiness (f) Undrawn uncommitted credit lines. This refers to uncommitted lending facilities (advised and unadvised) that are undrawn which may be cancelled unconditionally at any time without notice, or that do effectively provide for automatic cancellation due to deterioration in borrower's creditworthiness. (g) Undrawn purchase commitments for revolving purchased that are able to be unconditionally cancelled or that effectively provide for automatic cancellation at any time by the institution without prior notice (h) Issued short term letter of credit arising from the movement of goods (i) Issued warranties and indemnities, guarantees, irrevocable stand-by letter of credit and documentary credit. Those are warranties and indemnities (including tender, performance, customs and tax bonds), guarantees and irrevocable standby letters of credit not having the character of credit substitutes. (j) Other facilities. Those include unissued guarantees, stand by letter of credit and warranties. a)
550		Facility It is a synthetic description of the hypothetical transaction
270	r020 and r030 of table 8.1 of Annex 1 of ITS reporting	Type of exposure The type of exposure shall be one of the following: (a) On-balance sheet items subject to credit risk (b) Off-balance sheet items subject to credit risk (c) Not applicable
060	C010 of table 8.1 Annex 1 of ITS reporting	Rating It is the rank of the internal rating grade of each institution (from lowest risk to highest risk excluding defaults with PD corresponding to 100%. It varies from Rating 1 to Rating 30
490	c150 - c210 of table 8.1 of Annex 1 of ITS reporting	Collateralisation status The collateralisation status shall be identified after any substitution effect and is one of the following: (a) Secured exposures (b) Unsecured exposures

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		<p>(c) Unsecured and guaranteed exposures (d) Not applicable.</p> <p>Secured exposures are exposures supported by the existence of funded credit risk mitigation instruments (See C 08.01 - Credit and counterparty credit risks and free deliveries: IRB Approach to Own funds Requirements (CR IRB 1) columns 180-210 for the definition of funded credit risk mitigation instruments) irrespective to the degree of collateralisation.</p> <p>Unsecured exposures are exposures not supported by the existence of funded credit risk mitigation instruments</p> <p>Unsecured and guaranteed exposures are exposures not supported by the existence of funded credit risk mitigation instruments for which non-funded CRM instruments are not used for substitution effect purposes (See C 08.01 - Credit and counterparty credit risks and free deliveries: IRB Approach to Own funds Requirements (CR IRB 1) columns 150-160 for the definition funded CRM instruments not use for substitution effect purposes).</p>
130	c150 - c210 of table 8.1 of Annex 1 of ITS reporting	<p>Collateral type It is one of the following type of collateral</p> <ul style="list-style-type: none"> <li>a) Eligible financial collateral</li> <li>b) Other eligible collateral: Receivables</li> <li>c) Other eligible collateral: Real estate</li> <li>d) Other eligible collateral: Physical collateral</li> <li>e) Other funded credit protection</li> <li>f) Credit derivatives</li> <li>g) Guarantees</li> <li>h) Senior without any privilege (e.g. negative pledge)</li> <li>i) Senior with any privilege (e.g. negative pledge)</li> <li>j) Subordinated/Junior exposures</li> <li>k) Not applicable</li> </ul>
560		<p>Collateral It is a description of the collateral of the hypothetical transactions.</p>
140	c150 - c210 of table 8.1 of Annex 1 of ITS reporting	<p>Collateral value It is the market value of the collateral</p>
460		<p>Portfolio name It is the name assigned by the EBA to the group of customers with the hypothetical transactions</p> <ol style="list-style-type: none"> <li>1. Sovereign</li> <li>2. Institutions</li> <li>3. Large corporate</li> <li>4. Not applicable</li> </ol>
510		<p>Size of the counterparty The size of counterparty is expressed as annual turnover and according to the following:</p> <ul style="list-style-type: none"> <li>(a) &gt;EUR 200 mln.</li> <li>(b) Not applicable</li> </ul> <p>The annual turnover is computed according to the Art. 4 of the Annex of the Commission Recommendation 2003/361/EC of 6 May 2003</p>