

EBA/ITS/2024/05

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Final Report

Final Draft Implementing Technical Standards

on public disclosures by institutions of the information referred to
in Titles II and III of Part Eight of Regulation (EU) No 575/2013

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1. Executive Summary

1. Pillar 3 disclosure framework plays an important role in promoting market discipline in the financial sector by increasing the consistency and comparability of the publicly disclosed information across EU institutions, but also between EU institutions and non-EU internationally active banks through its alignment with Basel standards. Furthermore, the Pillar 3 disclosure framework contributes to increase the efficiency and reduce costs of disclosures by institutions through the integration of quantitative disclosure data with supervisory reporting. Therefore, it's important to keep this framework updated to consider the disclosure needs of users of information, the development of the supervisory reporting and the regulatory changes.
2. The EBA set out the Pillar 3 disclosure framework following the mandate received in Article 434a of Regulation (EU) No 575/2013 ('the CRR'), to develop draft implementing technical standards (ITS) specifying uniform disclosure formats, and associated instructions in accordance with which the disclosures required under Titles II and III of Part Eight of the CRR shall be made. Those uniform disclosure formats shall convey sufficiently comprehensive and comparable information for users of that information to assess the risk profiles of institutions and their degree of compliance with the requirements laid down in Parts One to Seven. To facilitate the comparability of information, the ITS shall seek to maintain consistency of disclosure formats with international standards on disclosures.

New regulatory requirements and impact on disclosure

3. On 27 June 2023, a political agreement¹ was reached between the Council of the European Union² and the European Parliament³ on the proposal put forward by the European Commission on 27 October 2021 on the banking package. The banking package includes amendments to the Capital Requirements Regulation (CRR 3) and to the Capital Requirements Directive (CRD VI). Following the political agreement and the subsequent technical meetings of the trilogue negotiators, the Regulation (EU) 2024/1623 (CRR 3)⁴ and Directive (EU) 2024/1619 (CRD VI)⁵ were published in the Official Journal on 19 June 2024 and they will enter into force in 20 days from the date of the publication.

¹ [Commission welcomes political agreement on EU banking package.](#)

² The Council of the European Union agreed on 15 February 2023 their position: [Council agrees its position on the implementation of Basel III reforms.](#)

³ The European Parliament confirmed their position in the plenary on 15 February 2023: [Report on the proposal for a regulation of the European Parliament and of the Council amending Regulation \(EU\) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor.](#)

⁴ Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor. OJ L, 2024/1623, 19.6.2024. ([Regulation - EU - 2024/1623 - EN - EUR-Lex \(europa.eu\)](#)).

⁵ Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks. OJ L, 2024/1619, 19.6.2024 ([Directive - EU - 2024/1619 - EN - EUR-Lex \(europa.eu\)](#)).

4. The banking package will implement the latest Basel III reforms, which will underpin a robust regulatory framework, efficient supervision and enhanced risk control by credit institutions. Following the CRDVI/CRR3, the EBA will be asked to work on the layer of the regulatory products that ensures a technical implementation of the prudential framework, including amendments to the disclosure requirements.
5. With the application date of the banking package set to 1 January 2025, the EBA published the “EBA Roadmap on Strengthening the Prudential Framework⁶” on 14 December 2023. This roadmap provides the implementation timeline of the EBA mandates under this package, clarifying how the EBA will develop the mandates implementing the legislation, and how it expects to finalise the most significant components prior to the application date.
6. According to this roadmap, when developing reporting and disclosure requirements, the EBA will follow a two-step process prioritising in step 1 those mandates and changes necessary to implement and monitor Basel III requirements in the EU. In step 2, the EBA will implement other reporting and disclosure requirements that are not directly linked to Basel III implementation.
7. Following this approach, the EBA is publishing this final report on final draft Implementing Technical Standards (ITS) with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council to implement the changes to the current Pillar 3 disclosure framework coming from the implementation of Basel III reforms in the CRR3, in particular the Basel III Pillar 3 framework. Specifically, the changes include new and amended disclosure requirements on output floor, crypto assets, credit valuation adjustment (CVA) risk, credit risk, market risk and operational risk.
8. Following Article 434a(1) as amended by the CRR3, the uniform formats for the disclosure requirements under Titles II and III of Part Eight of the Regulation (EU) No 575/2013 (CRR) will continue to be specified in the ITS but they will be made available, including instructions, in the form of IT solutions on the European Banking Authority website.
9. In view of this new legislative process and to provide institutions with a comprehensive integrated set of uniform disclosure formats while ensuring high quality disclosures, after the public consultation, it was decided to provide new draft ITS on Pillar 3 framework that will cover all disclosures requirements for institutions under the CRR. These ITS will repeal the Commission Implementing Regulation (EU) 2021/637⁷.

⁶ [EBA Roadmap on strengthening the prudential framework](#).

⁷ Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295.

10. The remaining impacts of CRR3 on disclosure requirements that are not necessary for Basel III implementation will be implemented in a second step, in a separate consultation paper, which is expected to be published in the last quarter of 2024.
11. Together with this final report, the EBA is also going to publish the final report on draft ITS on supervisory reporting referred to in Article 430 (7) of Regulation (EU) No 575/2013 concerning output floor, crypto assets, operational risk, credit risk, market risk and leverage ratio and an updated version of mapping tool between the disclosure and reporting requirements specified in both texts. These publications will ensure coordination between reporting and disclosure requirements.

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2. Background and rationale

12. Regulation (EU) No 575/2013 ('CRR')⁸ mandates the EBA, in Article 434a, to develop draft implementing technical standards (ITS) specifying uniform disclosure formats, and associated instructions in accordance with which the disclosures required under Titles II and III of Part Eight of the CRR shall be made. Those uniform disclosure formats shall convey sufficiently comprehensive and comparable information for users of that information to assess the risk profiles of institutions and their degree of compliance with the requirements laid down in Parts One to Seven.
13. Following the mandate received by Article 434a of the CRR⁹, the EBA developed comprehensive draft ITS on institutions' public disclosures, applicable to all institutions subject to the disclosure requirements under Part Eight of the CRR, which were adopted by the Commission Implementing Regulation (EU) 2021/637¹⁰ and applicable from 30 June 2021. These ITS implemented the first set of Basel III Pillar 3 disclosure requirements and replaced those included in a range of different regulatory products and guidelines, with the exception of the guidelines on disclosure requirements of IFRS 9 transitional arrangements¹¹ and the amended guidelines on non-performing (NPE) and forbearance exposures¹², which will continue to apply.
14. Furthermore, the EU Pillar 3 framework is complemented by other two separate regulatory disclosure products: a) the ITS on public disclosures by investment firms, following the mandate included in the Regulation of the European Parliament and of the Council on the prudential requirements of investment firms¹³; and b) the ITS on total loss absorption capacity (TLAC) and minimum requirement for own funds and eligibility liabilities (MREL) disclosure and reporting¹⁴, which include in a single package

⁸ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012.

⁹ Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012.

¹⁰ Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295.

¹¹ Guidelines EBA/GL/2018/01 of the European Banking Authority of 12 January 2018 on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 as regards the transitional period for mitigating the impact of the introduction of IFRS 9 on own funds.

¹² Guidelines EBA/GL/2018/10 of the European Banking Authority of 17 December 2018 on disclosure of non-performing and forborne exposures as amended by Guidelines EBA/GL/2022/13, applicable to listed small and non-complex institutions and other non-listed institutions as defined in Article 4(1) points 145 and 148 CRR.

¹³ Commission Implementing Regulation (EU) 2021/2284 of 10 December 2021 laying down implementing technical standards for the application of Regulation (EU) 2019/2033 of the European Parliament and of the Council with regard to supervisory reporting and disclosures of investment firms.

¹⁴ Commission Implementing Regulation (EU) 2021/763 of 23 April 2021 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council and Directive 2014/59/EU of the European Parliament and of the Council with regard to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities.

the disclosure and reporting requirements on eligible liabilities (TLAC and MREL), following the mandates included in the Articles 430 and 434a of the CRR and Article 45i of Directive (EU) 2019/879 (BRRD2).

15. The ITS need to be updated whenever the underlying legal requirements change. In this regard, this final report includes the draft ITS to implement the changes coming from the full adoption of the Basel Committee on Banking Supervision (BCBS)'s December 2017 Basel III post-crisis regulatory reforms¹⁵ in the CRR.
16. Pursuant to Article 434a (1) as amended by the CRR 3, the templates and related instructions included in this final report will not be part of ITS published in the official journal, as they shall be published on the EBA website as part of the ITS-related IT tools. This change in the process aims at easier operationalisation of the ITS. The templates and instructions will be available in all languages and shall remain directly applicable in all Member States as part of the ITS once the ITS are adopted by the European Commission and published in the Official Journal of the EU.
17. As a consequence of this new legislative process, this final report provides new draft ITS on Pillar 3 disclosures that will cover all disclosures requirements for institutions under the CRR. These ITS will repeal the Commission Implementing Regulation (EU) 2021/637.

New banking regulatory package

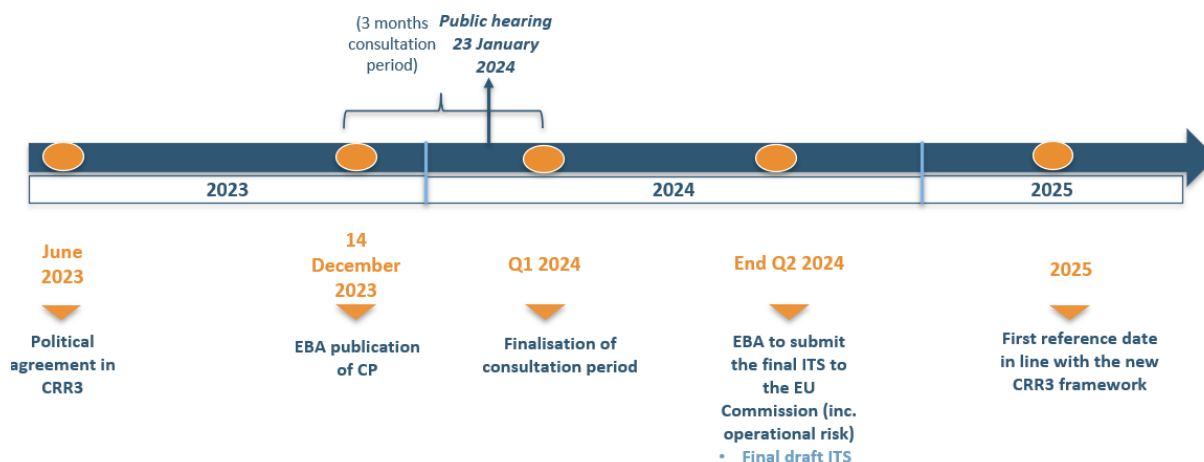
18. The banking package including the Regulation (EU) 2024/1623 (CRR 3)¹⁶ and Directive (EU) 2024/1619 (CRD VI)¹⁷ implement the Basel Committee on Banking Supervision (BCBS)'s December 2017 Basel III post-crisis regulatory reforms, while considering the specific aspects of the EU's banking sector. These new rules will strengthen the EU institutions' risk-based capital framework, contributing as well to Europe's recovery from the COVID-19 pandemic and to the transition to climate neutrality. Moreover, the new banking package envisages a further harmonisation of supervisory powers and enforcement tools and an increase of transparency and proportionality in the Pillar 3 disclosure requirements.
19. More specifically, several changes are made to Part Eight of the CRR to implement the latest Basel III Pillar 3 standards, including new or amended disclosure obligations on credit risk, output floor, credit valuation adjustment (CVA) risk, operational risk and market risk. The CRR3 also introduces new disclosure requirements on shadow banking, on crypto assets and an extension of the disclosure requirements on non-performing exposures and forbearance and ESG risks to all institutions, while respecting the principle of proportionality.

¹⁵ [Basel III: Finalising post-crisis reforms \(bis.org\)](https://www.bis.org/bisorg/press/20171213.htm)

¹⁶ Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor. OJ L, 2024/1623, 19.6.2024. ([Regulation - EU - 2024/1623 - EN - EUR-Lex \(europa.eu\)](#)).

¹⁷ Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks. OJ L, 2024/1619, 19.6.2024 ([Directive - EU - 2024/1619 - EN - EUR-Lex \(europa.eu\)](#)).

20. Finally, it's worth mentioning that the new banking package aims at further enhancing market discipline by centralising disclosures of prudential information in a single access point established by EBA, which will facilitate access to prudential data and comparability across industry and will further reduce the administrative costs related to disclosures for small and non-complex institutions (SNCIs). This project will be the object of a consultation paper that the EBA expects to publish in the second quarter of 2024.
21. Considering that the CRR3 will be applicable from January 2025, the EBA has decided to adopt a two-step sequential approach to amend Pillar 3 disclosures and supervisory reporting, by prioritising those mandates and changes envisaged by the CRR3/CRDVI that are necessary to apply and monitor the Basel III standards in the EU. This approach will allow institutions to disclose the data calculated in accordance with the new prudential framework in the EU from the application date of the CRR3.
22. Therefore, as part of step 1, this final report covers only the changes deriving from the full implementation of Basel III standards which directly impact the disclosure requirements. Specifically, these changes concern the disclosure requirements for credit risk, market risk, output floor, CVA risk, operational risk and crypto assets.
23. The disclosure requirements on crypto assets included in this final report are limited to the transitional prudential treatment of institutions' exposures to crypto-assets referred to in Article 501d(2) of the CRR 3. They were not included in the consultation paper of 14 December 2023 as it was initially planned to have them in step 2. However, taking into account that the transitional prudential treatments set out in Article 501d(2) are applicable from the date of entry into force of the CRR 3, it is deemed necessary to provide at least simple uniform disclosure formats from the same date, while postponing the implementation of the comprehensive disclosure framework on crypto-assets in accordance with Article 451b of the CRR 3 when the related Basel 3 disclosure standard is finalized and the legislative proposal referred to in Article 501d(1) of the CRR 3 is adopted. Therefore, until EBA templates implementing Article 451b of the CRR3 are effective, institutions will need to make their own judgement on what to disclose in addition to the template for the transitional prudential treatments of crypto-assets included in this final report.
24. Other disclosure requirements not directly linked to Basel III implementation, including disclosures on shadow banking, ESG risks and non-performing exposures will be consulted later this year as part of Step 2 and then added to the comprehensive ITS on institutions' public disclosure. In particular, in Step 2, the EBA will specify how the disclosure requirements on ESG risks and non-performing exposures are extended to institutions under CRR 3, while respecting the proportionality principle.
25. This two-step sequential approach is also applied for the ITS on reporting requirements. Hence, coordination between the development of the reporting and the disclosure requirements is ensured in the process, to promote better consistency between the two frameworks.
26. Timeline for Pillar 3 disclosure frameworks to meet CRR3 disclosure mandates in step 1:



2.1 General considerations

27. The comprehensive ITS on institutions' public disclosures is amended by following the same general principles on which the EU Pillar 3 framework is based.
28. Firstly, disclosure formats are kept consistent with BCBS Pillar 3 standards to facilitate the comparability of information with international non-EU-active banks.
29. Secondly, fixed templates are developed to implement quantitative disclosure requirements, while flexible tables are used for the qualitative disclosures with instructions on the type of information to be provided. Indeed, the use of fixed templates and flexible tables promotes comparability and consistency across institutions.
30. Moreover, the disclosure requirements are integrated with the supervisory reporting framework. This implies that the quantitative information disclosed by institutions is also, as much as possible, included in supervisory reporting. This approach facilitates institutions' compliance with both sets of requirements and it ensures the quality and the consistency of the disclosed information, as institutions are required to use the same data to fulfil their reporting and disclosure obligations. In this regard, an updated mapping between disclosure and reporting data for the templates affected by the CRR3 changes will be provided following the publication of this final report.
31. Finally, the disclosure requirements are applied by following the proportionality principle implicit in the CRR. The latter sets out the disclosure frequencies and the application of the disclosure requirements to different institutions, depending on their size, complexity and on whether they are listed or non-listed institutions. In this regard, the CRR3 introduces some amendments to Articles 433b and 433c to extend the disclosure obligation of non-performing and forborne exposures to SNCIs and other non-listed institutions, consistently with the current provisions of the EBA/GL/2018/10¹⁸. Article 449a

¹⁸ Guidelines EBA/GL/2018/10 of the European Banking Authority of 17 December 2018 on disclosure of non-performing and forborne exposures as amended by Guidelines EBA/GL/2022/13, applicable to listed small and non-complex institutions and other non-listed institutions as defined in Article 4(1) points 145 and 148 CRR.

is also amended to extend the requirements related to the disclosure of ESG risks to all institutions, while respecting the proportionality principle.

2.2 Disclosure requirements' amendments - topic by topic

2.2.1 Output floor

32. In order to implement the new disclosure requirements of Articles 438 and 447 of the CRR, the templates EU OV1 and EU KMI are reviewed, and two new templates EU CMS 1 and EU CMS 2 are introduced.
33. Template EU OV 1 provides an overview of the total own funds requirements and the total risk exposure amounts (TREA) forming the denominator of the risk-based capital requirements, for the different risk categories. This template is amended to consider the impact of the output floor in terms of increase of TREA, before and after the application of the transitional cap provided by Article 465 (2) of the CRR3. The amendments are in line with the relevant BCBS Pillar 3 standard. Moreover, the template is adjusted to reflect the new frameworks for the calculation of the own funds requirements for market risk, credit valuation adjustment (CVA) risk, operational risk and crypto-assets.
34. Template EU KM1 on institutions' key metrics provides a summary of the main prudential and regulatory information and ratios covered by the CRR. This template is amended to include disclosure information on the amounts of TREA and risk-based capital ratios calculated by excluding any adjustment coming from the application of the output floor (so called 'pre-floor amounts').
35. Template EU CMS 1 is new and provides the disclosure of the risk-weighted exposure amounts (RWEA) calculated using the full standardised approach as compared to the actual RWEA and the disclosure of the RWEA used in the base of the output floor at risk level, in application of Article 438 (d)(da) of the CRR3. The structure of the template is aligned with the one of the BCBS CMS 1 template but includes an additional column to disclose the RWEA that is used as a base for the computation of the output floor in the EU, including the application of transitional provisions of Article 465 of the CRR 3. This allows to meet the purpose of this template according to the Basel standards, which is two folded:
 - a. To compare full standardized risk-weighted exposure amount (RWEA) against modelled RWEA that institutions have supervisory approval to use, by risk category and for credit risk by exposure class as well.
 - b. To provide the RWEA amount that is the base of the output floor, by risk category and for credit risk by exposure class as well.
36. Template EU CMS 2 is also new and provides the comparison between RWEA computed under the standardised and the internal modelled approaches by focusing on RWEA for credit risk at asset class and sub-asset class levels. The structure of the template reflects the one of the new BCBS CMS 2 template, but the rows are adjusted consistently with the list of exposure classes and sub-exposure classes set out in the CRR3 (Articles 112 and 147) and an additional column is included to disclose the

credit risk RWEA used in the base for the computation of the output floor in the EU, including the application of transitional provisions of Article 465 of the CRR 3.

37. After the public consultation, the information proposed in EU KM1 on the ‘fully loaded output floor capital ratios’ without the application of the transitional provisions of Article 465 of the CRR 3 has been deleted, taking into account the comments received. The EBA proposed in the consultation paper to include the requirement for institutions to disclose their capital ratios without considering the BCBS and EU output floor transitional arrangements. Several respondents to the Consultation raised concerns on the legal basis to request this information. This disclosure was proposed based on the consideration that, according to Part eight of CRR, disclosures should reflect the risk profile of the institutions comprehensively to market participants (Art. 432), and on the precedents where the disclosure of capital ratios have been requested in fully loaded basis (e.g in the case of IFRS 9 transitional arrangements). However, there is not a specific requirement in the CRR3 to disclose fully loaded capital ratios nor this disclosure is included in the relevant Basel Pillar 3 standards. The EBA has assessed the feedback received against the legal basis and dropped this requirement in the final draft ITS.
38. Some of the feedback received also suggested to drop the information required in templates EU CMS1 and EU CMS 2 related to the disclosure by institutions that are using internal models of their RWEA as if the full standardized approaches would apply. This information has been kept in the final draft ITS, as it is required in article 438 (d) and (da) of the CRR 3 and in the corresponding Basel templates. The information included in these templates will allow users to compare modelled RWEA against standardized RWEA, as explained above. These amounts will be the basis for the calculation of the output floor at the end of the CRR3 transitional period.

2.2.2 Credit risk

39. The templates on the use of the standardised approach and the Internal Rating Based (IRB) approach to credit risk are reviewed to reflect the breakdown by exposure class as set out in the amended Articles 112 and 147 of the CRR. Moreover, the structure of the templates is reviewed to reflect the row numbering of the corresponding BCBS templates.
40. More specifically, regarding the templates on the use of the standardised approach (EU CR 4 and EU CR 5), the new exposure class ‘subordinated debt exposures’ is introduced and the exposure class ‘Exposures associated with particularly high risk’ is deleted.
41. Considering the more granular risk weight treatment of credit risk exposures under the standardised approach, a detailed breakdown for exposures secured by mortgages on immovable property and acquisition, development and construction (ADC) is included in templates EU CR 4 and EU CR 5, which allows to distinguish between residential and commercial immovable property, with a further split between income-producing real estate (IPRE) and non- income-producing real estate (non-IPRE). In template EU CR 5, the columns of risk weights are adjusted and disclosure information on the application of the ‘loan splitting approach’ of Articles 125 and 126 of the CRR3 to exposures secured by mortgages on immovable property is added. These changes are consistent with the ones of the corresponding BCBS templates.

42. In the disclosure templates on the use of the IRB approach to credit risk (EU CR 6A; EU CR 7; EU CR7A), the new exposure classes provided by the Article 147 of the CRR are introduced. In particular, the changes concern:
- a. the introduction of ‘Regional governments or local authorities’ and ‘Public sector entities’ as separate exposure classes from Central governments and central banks, both in Foundation IRB (F-IRB) and Advanced IRB (A-IRB) approaches;
 - b. the removal of the possibility to disclose “Institutions” under the A-IRB approach;
 - c. the introduction of the following sub-exposure classes for Corporates: general; specialised lending and purchased receivables for both F-IRB and A-IRB approaches;
 - d. the amendment of the previous Retail sub-exposure classes from “Retail – Secured by real estate” to “Retail - Secured by residential real estate” under the A-IRB approach;
 - e. the deletion of the information on SMEs under the exposure classes of ‘Corporates’ and ‘Retail’ in order to simplify the structure of the templates and avoid any overlapping with the amounts disclosed under the new sub-exposure classes introduced by the CRR 3.
43. Furthermore, the scope of application of the IRB templates, except for the template EU CR 6A, is reviewed by excluding those exposure classes that are subject to specific treatments, such as ‘Collective investment undertakings (CIU)’, ‘securitisation exposures’, ‘other non-credit obligation assets’. The template EU CR 6A includes, instead, the full list of exposure classes (with the only exception of securitisation exposures) since this template aims at disclosing the scope of the use of both IRB and SA approaches, in accordance with Article 452, point b) of the CRR.
44. Finally, template EU CR 10.5 relating to equity exposures has been kept flexible for the time being to take into account the new disclosure requirements of Article 438 (e) of the CRR 3. However, this template will be reviewed in Step 2 to take into account these new provisions.

2.2.3 Market risk

29. In response to the introduction of the new framework for calculating the own funds requirements for market risk based on the BCBS’ Fundamental review of the trading book (FRTB framework) by the CRR 3, the disclosure tables and templates on market risk are significantly amended.
30. In accordance with the FRTB framework, institutions will have to use the following approaches, under specific eligibility criteria, to calculate the own funds requirements for market risk: (i) a simplified standardised approach, which is similar to the current standardised approach, except for the application of multiplication factors provided by Article 325 (2) of the CRR 3; (ii) an alternative standardised approach or (iii) an alternative internal model approach which replaces current internal model approach.

31. Consistently with the new framework, the tables EU MR A and EU MR B are reviewed to meet the qualitative disclosure requirements set out in the Articles 435 (1), 445 (1) and 455 (1) of the CRR 3, considering also the corresponding BCBS tables.
32. The new template EU MR 3 includes a granular breakdown of the own funds requirements under the simplified standardised approach, by financial instrument/approach (columns) and by risk category (rows), in line with the corresponding BCBS template.
33. The new template EU MR 1 includes the disclosure requirements on the alternative standardised approach, in line with the corresponding BCBS template.
34. Finally, institutions using the alternative internal model shall disclose the components of their own funds requirements that are included for their most recent measure and the components for their average of the previous 60 days for expected shortfall measures and stress scenario risk measure or the previous 12 weeks for the default risk charge in the new template EU MR 2. Institutions shall also disclose the number of back-testing overshootings used for the determination of the add-on in accordance with Table 3 of Article 325f (6), point (b) of the CRR3.
35. Until the new FRTB framework for calculating the own funds requirements for market risk entries into force, institutions shall continue to use the current version of disclosure tables and templates on market risk.

2.2.4 Credit valuation adjustment (CVA) risk

35. In application of Article 445a of the CRR3, a new set of disclosure tables and templates is introduced in the Pillar 3 framework, with the related instructions.
36. More specifically, table EU CVAA provides general qualitative disclosure requirements on the risk management objectives and policies for credit valuation adjustment (CVA) risk in application of Article 445a (1), points (a) and (b) of the CRR3.
37. The templates EU CVA1, EU CVA2, EU CVA3 provide the disclosure information on the components used for the computation of own funds requirements for CVA risk under the three approaches (the reduced basic approach, the full basic approach and standardised approach). Moreover, institutions using the standardised approach shall disclose the qualitative information on their risk management framework of Article 445a (2), point (a) of the CRR 3 in table EU CVAB and shall provide a flow statement explaining changes in RWEA for CVA risk in the template EU CVA4.

2.2.5 Operational risk

38. In response to the introduction of the new framework for calculating own funds requirements for operational risk in the CRR 3, the disclosure table and templates on operational risk are significantly reviewed.
39. The CRR 3 replaces all the methods currently allowed with one single approach, the so-called Business Indicator Component (BIC), the calculation of which is based on the Business indicator (BI). The latter

is a financial statement-based proxy for operational risk. Consistently with this new prudential framework, the table EU ORA on qualitative information on operational risk is amended; the current template EU OR1 on operational risk own funds requirements and risk exposure amounts is deleted and the following new templates are introduced: EU OR 1 on operational risk losses; EU OR 2 on Business indicator, components and subcomponents and EU OR 3 on operational risk own funds requirements and risk exposure amounts.

40. In particular, table EU ORA is amended to include the qualitative disclosure information of Article 446(1) of the CRR 3 on the main characteristics and elements of a bank's operational risk management framework.
41. In application of Article 446(2), points a) and b) of the CRR 3, the new template EU OR1 provides information on the number and the amounts of operational risk losses incurred over the past 10 years, based on the accounting date of the incurred losses and considering any recoveries and exclusions.
42. The new template EU OR2 provides information on the calculation of the Business Indicator, components and subcomponents for the last three financial years, in accordance with Article 446(1), points c) and d) of the CRR 3, and information on the value of the Business Indicator Component.
43. Finally, in the new template EU OR 3, institutions shall disclose the information on the minimum own funds requirements (OROF) for operational risk, in application of Article 446(1), point b) , and Article 314(4) of the CRR 3.
44. As regards the work on the ITS on supervisory reporting, the feedback received during the public consultation will be analysed in different phases resulting in a two-step publication of the final draft ITS with direct impact on reporting templates. In a first step, a small package covering the minimum requirements for reporting on own funds requirements will be published, based on a partial review of the feedback received. In a second step, later in the year, the full package covering all the data needed from a supervisory perspective on operational risk will be published. This will allow the alignment of the publication date with other Level 2 products (policy related), following the finalisation of the review of all the feedback received. This approach impacts the disclosures framework in the sense that the templates and mainly the instructions to these templates were revised and amended in a way that no references to supervisory templates that will not be available under step 1 are considered. Also references to FINREP previously included in the disclosure instructions were simplified in order to avoid any pre-empting of policy / reporting directions to be decided under step 2 only. The disclosure framework will be revised, as needed, when step 2 of supervisory reporting work is concluded.

2.2.6 Crypto assets

44. In December 2022, the Basel Committee on Banking Supervision published the final prudential standard on the treatment of institutions' crypto-asset exposures to address potential risks for institutions caused by these exposures that are not sufficiently covered by the existing prudential framework. The standard is applicable from 1 January 2025, although some technical elements are still being further developed. In October 2023, the Committee also published for consultation a draft Pillar 3 disclosure standard until 31 January 2024. The final standard is not finalized yet.

45. Along with the on-going developments at Basel Committee level, CRR 3 introduced a transitional prudential treatment for institutions' exposures to crypto-assets, taking into account the legal framework introduced by Regulation (EU) 2023/1114 (MiCA Regulation) This transitional prudential treatment is applicable until the adoption of the new regulatory framework as referred to in Article 501d(1) of the CRR 3.
46. Considering the application of the transitional prudential treatment to crypto-assets from the date of entry into force of the CRR3, a new disclosure template is introduced in order to have simple standardised prudential information on the calculation of own funds requirements for the types of crypto-assets as referred to in Article 501d(2) of the CRR 3. The new comprehensive disclosure requirements of Article 451b of the CRR 3 will be implemented when the related new comprehensive regulatory framework is adopted.

2.2.7 Other changes

47. CRR3 brings a series of minor updates and clarifications to Leverage ratio. In order to reflect these changes and ensure the mapping with the corresponding reporting templates, the disclosure template EU LR 2 is amended to consider the exclusions from total exposure measure of the following exposures: those related to members of the same institutional protection scheme in accordance with Article 429a (1), point (ca) of the CRR 3; institution's collateralised exposures to its shareholders in accordance with Article 429a (1), point (da) of the CRR 3 and exposures deducted in accordance with point (q) of Article 429a(1) of the CRR 3. References to the CRR articles are updated in the instructions.

3. Final draft implementing technical standards

(1) COMMISSION IMPLEMENTING REGULATION (EU) .../...

of **XXX**

laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) 2021/637, Implementing Regulation (EU) 2021/1018, Implementing Regulation (EU) 2022/631 of 13 April 2022 and Implementing Regulation (EU) 2022/2453

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012¹⁹ and in particular Article 434a, the fifth paragraph, thereof,

Whereas:

- (1) In December 2019, the Basel Committee on Banking Supervision (BCBS) published the consolidated Basel Framework, including the updated Pillar 3 disclosure requirements²⁰. These requirements were introduced in Regulation (EU) 575/2013 mostly via amending Regulation (EU) 2019/876 of the European Parliament and of the Council²¹. The Pillar 3 disclosure framework laid down in Commission Implementing Regulation (EU) No 1423/2013²², Commission Delegated Regulation (EU)

¹⁹OJ L 176, 27.6.2013, p. 1., , ELI: <http://data.europa.eu/eli/reg/2013/575/oj>.

²⁰Basel Committee on Banking Supervision of the Bank for International Settlements, DIS Disclosure requirements, December 2019.

²¹Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 and amending Regulation (EU) No 2024/1623 ([OJ L 176, 27.6.2013, p. 1](#); [Regulation - EU - 2024/1623 - EN - EUR-Lex \(europa.eu\)](#)).

²²Commission Implementing Regulation (EU) No 1423/2013 of 20 December 2013 laying down implementing technical standards with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ L 355, 31.12.2013, p. 60).

2015/1555²³, Commission Implementing Regulation (EU) 2016/200²⁴ and Commission Delegated Regulation (EU) 2017/2295²⁵ was therefore revised and extended to cover the disclosures of other prudential aspects which are required to be disclosed by Regulation (EU) 2019/876. More specifically, a key metrics disclosure template was introduced, to facilitate access by market participants to the institutions' key information on own funds and liquidity.

- (2) The templates and tables used for disclosure should convey sufficiently comprehensive and comparable information, thus enabling users of that information to assess the risk profiles of institutions and their degree of compliance with Regulation (EU) No 575/2013, while also considering the principle of proportionality. As a result, the disclosure templates and tables were developed considering the differences in size and complexity among institutions, which give rise to different levels and types of risks, by including additional thresholds for extended disclosures.
- (3) Regulation (EU) 2019/876 introduced in Regulation (EU) No 575/2013 a new calibrated leverage ratio and G-SIIs leverage ratio buffer. In order to implement that amendment and the necessary adjustments in the exposure calculation, templates and tables were laid down.
- (4) Regulation (EU) 2019/876 introduced in Regulation (EU) No 575/2013 new disclosure requirements for the net stable funding ratio. In order to implement that amendment, a template for those new disclosure requirements was laid down.
- (5) Regulation (EU) 2019/876 replaced in Regulation (EU) No 575/2013 the standardised approaches for counterparty credit risk with a Standardised Approach for Counterparty Credit Risk (SA-CCR), which is more risk sensitive, and with a Simplified SA-CCR for institutions that meet predefined eligibility criteria. In addition, Regulation (EU) 2019/876 revised the Original Exposure Method. In order to implement those amendments, a comprehensive set of disclosure tables and templates was laid down.
- (6) Regulation (EU) 2019/876 introduced into Regulation (EU) No 575/2013 a new disclosure requirement for performing, non-performing and forborne exposures, including the disclosure of information on collaterals and financial guarantees received. In order to implement that amendment and those new disclosure requirements, a comprehensive set of templates and tables was introduced. For reasons of simplicity and consistency, those templates and tables was based on the disclosure templates and tables that have already been developed by the EBA in its guidelines on the disclosure of non-performing and forborne exposures (²⁶).

²³Commission Delegated Regulation (EU) 2015/1555 of 28 May 2015 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for the disclosure of information in relation to the compliance of institutions with the requirement for a countercyclical capital buffer in accordance with Article 440 (OJ L 244, 19.9.2015, p. 1).

²⁴Commission Implementing Regulation (EU) 2016/200 of 15 February 2016 laying down implementing technical standards with regard to disclosure of the leverage ratio for institutions, according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ L 39, 16.2.2016, p. 5).

²⁵Commission Delegated Regulation (EU) 2017/2295 of 4 September 2017 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for disclosure of encumbered and unencumbered assets (OJ L 329, 13.12.2017, p. 6).

²⁶Guidelines EBA/GL/2018/10 of the European Banking Authority of 17 December 2018 on disclosure of non-performing and forborne exposures.

- (7) Regulation (EU) 2017/2401 of the European Parliament and of the Council²⁷ amended Regulation (EU) No 575/2013 to reflect into the capital requirements laid down in that Regulation the specific features of STS securitisations as laid down in Regulation (EU) 2017/2402 of the European Parliament and of the Council²⁸. New disclosure templates and tables with quantitative and qualitative information on securitisation to reflect that amendment were introduced.
- (8) Regulation (EU) 2019/876 amended certain disclosure requirements on remuneration laid down in Regulation (EU) No 575/2013 to ensure that remuneration policies and practices for categories of staff the professional activities of which have a material impact on the institution's risk profile are consistent with effective risk management. A set of disclosure templates and tables implementing those disclosure requirements was laid down.
- (9) In order to provide institutions with the comprehensive integrated set of uniform disclosure formats, templates and tables and to ensure high quality disclosures, it was necessary to introduce a single set of technical standards on disclosures. It was therefore necessary to repeal Implementing Regulation (EU) No 1423/2013, Delegated Regulation (EU) 2015/1555, Implementing Regulation (EU) 2016/200 and Delegated Regulation (EU) 2017/2295 and replaced them with Commission Implementing Regulation (EU) 2021/637⁽²⁹⁾.
- (10) Article 441 of Regulation (EU) No 575/2013 requires global systemically important institutions (G-SIIs) to disclose, on an annual basis, the values of the indicators used for determining their score in accordance with the identification methodology referred to in Article 131 of Directive 2013/36/EU of the European Parliament and of the Council⁽³⁰⁾. Commission Implementing Regulation (EU) No 1030/2014⁽³¹⁾, which was adopted on the basis of Article 441(2) of Regulation (EU) No 575/2013, sets out the uniform formats and dates for the disclosure of the values used to identify

²⁷ Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (OJ L 347, 28.12.2017, p. 1).

²⁸ Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC, and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (OJ L 347, 28.12.2017, p. 35).

²⁹ Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295 (OJ L 136, 21.4.2021, p. 1, ELI: http://data.europa.eu/eli/reg_impl/2021/637/2023-01-08).

³⁰ 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 amending Directive (EU) 2024/1619 and repealing Directives 2006/48/EC and 2006/49/EC ([OJ L 176, 27.6.2013, p. 338](#)).

³¹ Commission Implementing Regulation (EU) No 1030/2014 of 29 September 2014 laying down implementing technical standards with regard to the uniform formats and date for the disclosure of the values used to identify global systemically important institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council ([OJ L 284, 30.9.2014, p. 14](#)).

G-SIIs. Article 441(2) of Regulation (EU) No 575/2013 was repealed by Regulation (EU) 2019/876 of the European Parliament and of the Council ⁽³²⁾.

- (11) Article 131 of Directive 2013/36/EU lays down the criteria for the identification of G-SIIs. Commission Delegated Regulation (EU) No 1222/2014 ⁽³³⁾ specifies the methodology for that identification and defines subcategories of G-SIIs. Delegated Regulation (EU) No 1222/2014 was amended by Commission Delegated Regulation (EU) 2021/539 ⁽³⁴⁾ to take into account the revised international standards on the identification of G-SIIs as adopted by the Basel Committee on Banking Supervision (BCBS) in July 2018 ⁽³⁵⁾. Those revised international standards, and in particular the requirement to use a uniform format for the information on the values of the indicators used for determining the score of G-SIIs referred to in Article 441 of Regulation (EU) No 575/2013, were reflected in Commission Implementing Regulation (EU) 2021/637 by Commission Implementing Regulation (EU) 2021/1018 of 22 June 2021 ⁽³⁶⁾.
- (12) The BCBS published the consolidated Basel Framework in December 2019, including the updated Pillar 3 disclosure requirements ⁽³⁷⁾, which were mostly introduced in Regulation (EU) No 575/2013 by Regulation (EU) 2019/876. In order to implement those amendments, a consistent and complete Pillar 3 disclosure framework was established through Implementing Regulation (EU) 2021/637. Therefore, when G-SIIs disclose the information on the values of the indicators used for determining their score they should use a Pillar 3 report consistent with this Regulation.
- (13) The Basel Committee on Banking Supervision (BCBS) revised Pillar 3 framework includes the disclosure requirements on interest rate risk in the banking book (IRRBB) ⁽³⁸⁾. In line with the development of the international standards agreed by the BCBS, IRRBB disclosure requirements, applicable from June 2021, were introduced

³² Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012 (OJ L 150, 7.6.2019, p. 1).

³³ Commission Delegated Regulation (EU) No 1222/2014 of 8 October 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards for the specification of the methodology for the identification of global systemically important institutions and for the definition of subcategories of global systemically important institutions (OJ L 330, 15.11.2014, p. 27).

³⁴ Commission Delegated Regulation (EU) 2021/539 of 11 February 2021 amending Delegated Regulation (EU) No 1222/2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards for the specification of the methodology for the identification of global systemically important institutions and for the definition of subcategories of global systemically important institutions (OJ L 108, 29.3.2021, p. 10).

³⁵ The Basel Framework – SCO40: Global systemically important banks.

³⁶ Commission Implementing Regulation (EU) 2021/1018 of 22 June 2021 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of indicators of global systemic importance, and repealing Implementing Regulation (EU) No 1030/2014 (Text with EEA relevance) (OJ L 224, 24.6.2021, p. 6–8)

³⁷ Basel Committee on Banking Supervision of the Bank for International Settlements, DIS Disclosure requirements, December 2019

³⁸ ‘Disclosure requirements: DIS70: Interest rate risk in the banking book’. Version effective as of 15 December 2019. https://www.bis.org/basel_framework/chapter/DIS/70.htm.

in Article 448 of Regulation (EU) No 575/2013 by Regulation (EU) 2019/876 of the European Parliament and of the Council ⁽³⁹⁾.

- (14) In order to ensure that institutions disclose comprehensive and comparable information on IRRBB, a table containing qualitative information on interest rate risks of non-trading book activities and a template containing quantitative information on interest rate risks of non-trading book activities were included in Commission Implementing Regulation (EU) 2021/637 by Commission Implementing Regulation (EU) 2022/631 of 13 April 2022 ⁽⁴⁰⁾.
- (15) Regulation (EU) No 575/2013 was amended by Regulation (EU) 2019/876, inter alia to introduce a new Article 449a. That Article requires large institutions that have issued securities that are admitted to trading on a regulated market of any Member State to disclose, as from 28 June 2022, information on environmental, social and governance (ESG) risks, including physical risks and transition risks. In order to reflect that amendment to Regulation (EU) No 575/2013, additional uniform disclosure formats and associated instructions for the disclosures of ESG risks were added in Commission Implementing Regulation (EU) 2021/637 by Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 ⁽⁴¹⁾.
- (16) When laying down uniform disclosure formats, the complete materiality of the information to be disclosed were taken into account. That means that disclosures by institutions cover, on the one hand, the financial impact of ESG factors on the institutions' economic and financial activities (outside-in perspective), and, on the other hand, the ESG factors that may be triggered by the institutions' own activities, which in turn become financially material when they affect institutions' stakeholders (inside-out perspective). As a result, the tables and templates used for those disclosures convey sufficiently comprehensive and comparable information on ESG risks, thus enabling users of that information to assess the risk profile of institutions.
- (17) It was ensured coherence and consistency with other Union legislation in the area of ESG risks. Rules on the disclosure of ESG risks take therefore into account the criteria, classifications and definitions laid down in that Union legislation. In particular, those rules take into account the criteria for the identification and classification of environmentally sustainable economic activities, as laid down in Regulation (EU) 2020/852 of the European Parliament and of the Council ⁽⁴²⁾ and in Commission

³⁹ Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012, (OJ L 150, 7.6.2019, p. 1).

⁴⁰ Commission Implementing Regulation (EU) 2022/631 of 13 April 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of exposures to interest rate risk on positions not held in the trading book (Text with EEA relevance) (OJ L 117, 19.4.2022, p. 3–10).

⁴¹ Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (Text with EEA relevance) (OJ L 324, 19.12.2022, p. 1–54).

⁴² Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

Delegated Regulation (EU) 2020/1818⁽⁴³⁾. With regard to the disclosure of information on the energy performance of the real estate portfolio of institutions, the information provided by the energy performance certificate as defined in Directive 2010/31/EU of the European Parliament and of the Council⁽⁴⁴⁾, were taken into account.

- (18) Articles 19a and 29a of Directive 2013/34/EU of the European Parliament and of the Council⁽⁴⁵⁾ require certain large undertakings that are public-interest entities, or public-interest entities which are parent undertakings of a large group, respectively, to include in their management report or in their consolidated management report information about the impact of their activity on environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters. That obligation does not apply, however, to other undertakings. As a result, undertakings that are not subject to Articles 19a and 29a of Directive 2013/34/EU are not required to disclose such information and may be not able to provide such information to institutions. Those undertakings that are counterparties to institutions can thus only be expected to provide that information and data on a voluntary basis. Nevertheless, it is appropriate to provide those undertakings with guidance on the calculation of the percentage of the exposures to activities that are environmentally sustainable economic activities as referred to in Article 3 of Regulation (EU) 2020/852, so that that information and those data can be presented in a standardised and comparable format. Where that information and those data are not provided voluntarily, institutions should be able to calculate the percentage of taxonomy-aligned exposures by using estimates or proxies.
- (19) Regulation (EU) No 575/2013 as amended by Regulation (EU) 2024/1623 of the European Parliament and of the Council⁽⁴⁶⁾ implements the final set of international standards of the Basel Committee on Banking Supervision (BCBS), so-called Basel III standards. These developments call for a revision of the disclosure requirements of these items set out in the Commission Implementing Regulation (EU) No 2021/637⁽⁴⁷⁾ to reflect the new requirements.
- (20) More specifically, Regulation (EU) No 575/2013 as amended by Regulation (EU) 2024/1623 has introduced a lower limit to the risk-based capital requirements calculated using internal models ('output floor'), that is equal to a percentage of the capital

⁴³ 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).

⁴⁴ 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).

⁴⁵ 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).

Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor. OJ L, 2024/1623, 19.6.2024. ([Regulation - EU - 2024/1623 - EN - EUR-Lex \(europa.eu\)](#)).

⁴⁷ Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295

requirements that would apply if standardised approaches were used, considering a transitional period as well. The disclosure templates on the overview of total risk exposures and key metrics set out in Implementing Regulation (EU) No 2021/637 should be amended to incorporate the impacts of the output floor on the total risk exposure amounts (TREA) and on the risk-based capital ratios. Furthermore, two new disclosure templates should be introduced to provide a comparison between the risk-based capital ratios computed under the standardised and the internally modelled approaches at risk level and at exposure classes for credit risk.

- (21) In relation to the use of the Standardised approach ('SA') for credit risk, Regulation (EU) No 575/2013 as amended by Regulation (EU) 2024/1623 envisages a more granular risk weight treatment of different exposures, such as: exposures to institutions, exposures to corporates, specialised lending exposures, retail exposures, exposures secured by real estate, subordinated debt exposures, equity exposures and defaulted exposures. In response to these developments, the disclosure templates on standardised approach set out in Implementing Regulation (EU) No 2021/637 should be reviewed to reflect the new requirements. The structure of these templates should also be adjusted to align the row numbering to the one used in the corresponding BCBS disclosure templates.
- (22) In relation to the use of the Internal Ratings Approach ('IRB') for credit risk exposures, Regulation (EU) No 575/2013 as amended by Regulation (EU) 2024/1623 limits the exposures classes for which the advanced IRB (A-IRB) approach can be applied to calculate own funds requirements for credit risk, implementing the Basel III standards. Specifically, for exposures to institutions, only the foundation IRB (F-IRB) approach is applicable and for equity exposures, only the use of the standardised approach is allowed, except for a transitional period. Moreover, new exposure classes for 'Regional governments or local authorities' and 'Public sector entities' are created to ensure a consistent treatment of these exposures and to avoid unintended variability in the related own funds requirements. The disclosure templates on the use of IRB approach set out in Implementing Regulation (EU) No 2021/637 should be therefore amended to reflect the new exposure classes and sub-exposure classes as set out in Article 147 of the Regulation (EU) 575/2013 as amended by Regulation (EU) 2024/1623. Moreover, the structure of the template effect on the RWEAs of credit derivatives used as CRM techniques should be reviewed to align the row numbering to the one used in the corresponding BCBS disclosure template. Finally, during the transitional period for equity exposures, institutions applying article 495a(3) of the Regulation (EU) 575/2013 will continue to disclose the information on exposures to equity under the simple risk weighted approach.
- (23) The new framework for calculating the own funds requirements for market risk based on the BCBS's Fundamental review of the trading book (FRTB) is introduced in the Regulation (EU) No 575/2013 to address the deficiencies identified in the current market risk capital requirements framework for trading book positions. In accordance with the new framework, institutions will apply a simplified standardised, an alternative standardised or an alternative internal model approach to calculate the own funds requirements for market risk. In response to these developments, a comprehensive set of disclosures tables and templates should be incorporated in Implementing Regulation (EU) N0 2021/637 to be aligned with the FRTB framework, and the current disclosure requirements of that Regulation should be significantly amended.

This new set of disclosures tables and templates will be effective when the regulatory framework for market risk based on the Basel's FRTB standards enters into application in the EU. In the meantime, the disclosure requirements as currently applicable continue to be effective. At the first date of application of the new disclosure framework, institutions using alternative internal model approach will provide the disclosure of the quantitative information together with the qualitative information, in order to have a comprehensive understanding of the use of this new approach.

- (24) Institutions subject to own funds requirements for credit valuation adjustments ('CVA') will apply the standardised, basic or simplified approach or a combination of those approaches. CVA risk will capture both the credit spread risk of an institution's counterparty and the market risk of the portfolio of transactions traded by the institution with that counterparty. Implementing Regulation (EU) No 2021/637 should be amended to introduce new disclosure templates and tables with quantitative and qualitative information on CVA risk in line with the new framework.
- (25) Regulation (EU) 2024/1623 introduced in Regulation (EU) No 575/2013 a new single non-model-based approach for the calculation of the own funds requirements for operational risk, in order to address the lack of risk-sensitivity and of comparability of the existing approaches. Following a discretion included in the Basel III standards, the EU's minimum own funds requirements are solely based on the calculation of the Business Indicator Component (BIC), whilst the loss history is considered for disclosure purposes only. To reflect these developments, the qualitative information on operational risk sets out in Implementing Regulation (EU) No 2021/637 should be amended and new templates should be introduced to provide information on annual operational losses incurred over the past 10 years, the calculation of business indicator, components and sub-components and the related own funds requirements and risk exposure amounts.
- (26) In accordance with Article 501d of Regulation (EU) No 575/2013, before the new legislative framework for the prudential treatment of crypto-asset exposures is adopted, institutions need to calculate their own funds requirements for crypto-asset exposures in accordance with Article 501d(2) of Regulation (EU) No 575/2013. Therefore, this Regulation sets out a template on the disclosure of crypto-asset exposures that are subject to transitional prudential treatments.
- (27) In order to provide institutions with a comprehensive integrated set of uniform disclosure formats and to ensure high quality disclosures, while also reflecting the new approach under Article 434a, first paragraph of Regulation (EU) No 575/2013 according to which EBA is to develop IT solutions, including instructions, for disclosures required under Titles II and III of Regulation (EU) No 575/2013, it is necessary to repeal Commission Implementing Regulation (EU) 2021/637, Implementing Regulation (EU) 2021/1018, Implementing Regulation (EU) 2022/631 of 13 April 2022 and Implementing Regulation (EU) 2022/2453, and replace them with this Regulation.
- (28) In order to ensure timely and quality disclosures by institutions, they should be given sufficient time to adapt their internal systems in relation to the amendments introduced by Regulation (EU) 2024/1623.
- (29) This Regulation is based on the draft implementing technical standards submitted by the European Banking Authority (EBA) to the Commission.

- (30) The EBA has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council⁴⁸,

HAS ADOPTED THIS REGULATION:

Article 1

Disclosure of key metrics and overview of risk-weighted exposure amounts

Institutions shall disclose the information referred to in Article 447, points (a) to (g), and Article 438, points (a) to (g) of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of overview of risk management, key prudential metrics and RWA-2024-Version 1’ [made available on the EBA website].

Article 2

Disclosure of risk management objectives and policies

Institutions shall disclose the information referred to in Article 435 of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of risk management objectives and policies-2024-Version 1’ [made available on the EBA website].

Article 3

Disclosure of the scope of application

Institutions shall disclose the information referred to in Article 436, points (b) to (h) of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of the scope of application-2024-Version 1’ [made available on the EBA website].

Article 4

Disclosure of own funds

Institutions shall disclose the information the information referred to in Article 437, points (a) to (f), of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of own funds-2024-Version 1’ [made available on the EBA website].

⁴⁸Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).

Article 5

Disclosure of countercyclical capital buffers

Institutions shall disclose the information referred to in Article 440, points (a) and (b) of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of countercyclical capital buffers-2024-Version 1’ [made available on the EBA website].

Article 6

Disclosure of the leverage ratio

Institutions shall disclose the information referred to in Article 451(1), points (a), to (e) and in Article 451, paragraphs 2 and 3, of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of leverage ratio-2024-Version 1’ [made available on the EBA website].

Article 6a

Disclosure of indicators of global systemic importance

1. G-SIIs shall disclose the information on the values of the indicators used for determining their score referred to in Article 441 of Regulation (EU) No 575/2013 by using the uniform disclosure format referred to in Article 434a of Regulation (EU) No 575/2013 which shall be used for the collection of the indicator values by relevant authorities as set out in Article 3(2) of Commission Delegated Regulation (EU) No 1222/2014, with the exception of any ancillary data and memorandum items collected in accordance with that Article.
2. G-SIIs shall disclose the information referred to in paragraph 1 in their year-end Pillar 3 report. G-SIIs shall redisclose the information referred to in paragraph 1 in their first Pillar 3 report following the final submission of the values of the indicators to the relevant authorities, where the submitted figures are different from the figures disclosed in the year-end Pillar 3 report.

Article 7

Disclosure of liquidity requirements

Institutions shall disclose the information referred to in Article 435(1) and in Article 451a(2), (3) and (4) of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of liquidity requirements-2024-Version 1’ [made available on the EBA website].

Article 8

Disclosure of exposures to credit risk, dilution risk and credit quality

1. Institutions shall disclose the information referred to in Article 435(1), points (a), (b), (d) and (f), and in Article 442 of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of credit risk quality-2024-Version 1’ [made available on the EBA website].
2. Large institutions that have a ratio between the gross carrying amount of loans and advances that fall under Article 47a(3) of Regulation (EU) No 575/2013 and the total gross

carrying amount of loans and advances that fall under Article 47a(1) of Regulation (EU) No 575/2013 equal to or higher than 5% shall, in addition to the information referred to in paragraph 1, disclose additional information to comply with Article 442, points (c) and (f), of Regulation (EU) No 575/2013. They shall disclose that information on an annual basis.

3. For the purpose of paragraph 2, loans and advances classified as held for sale, cash balances at central banks and other demand deposits shall be excluded both from the denominator and the numerator of the ratio.

4. Institutions shall commence disclosure in accordance with paragraph 2 where they have reached or exceeded the 5% threshold referred to in that paragraph in two consecutive quarters during the four quarters prior to the reference date of the disclosure. For the reference date of the first disclosure, institutions shall disclose the information concerned by using the templates referred to in that paragraph where they exceed the 5 % threshold on that disclosure reference date.

5. Institutions shall no longer be obliged to disclose in accordance with paragraph 2 where they have fallen below the 5 % threshold on three consecutive quarters during the four quarters prior to the disclosure reference date.

Article 9

Disclosure of the use of credit risk mitigation techniques

Institutions shall disclose the information referred to in Article 453, points (a) to (f), of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of the use of credit risk mitigation techniques-2024-Version 1’ [made available on the EBA website].

Article 10

Disclosure of the use of the standardised approach

Institutions calculating risk-weighted exposure amounts under the Standardised Approach shall disclose the following information on the use of the standardised approach:

- (a) the information referred to in Article 444, points (a) to (e), and the information referred to in Article 453, points (g), (h) and (i) of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of credit risk SA-2024-Version 1’ [made available on the EBA website].
- (b) the information on the exposure values deducted from own funds referred to in Article 444, point (e), of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of own funds-2024-Version 1’ [made available on the EBA website].

Article 11

Disclosure of the use of the IRB approach to credit risk

Institutions calculating risk-weighted exposure amounts under the IRB Approach shall disclose the information referred to in Article 452, points (a) to (h), and in Article 453, points (g) and (j), and in Article 438, point (h) of Regulation (EU) No 575/2013 as specified in the

IT solution named ‘Disclosure of credit risk IRB-2024-Version 1’ [made available on the EBA website].

Article 12

Disclosure of specialised lending and equity exposures

Institutions shall disclose the information referred to in Article 438, point (e), of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of specialised lending and equity exposures-2024-Version 1’ [made available on the EBA website].

Article 13

Disclosure of exposures to counterparty credit risk

Institutions shall disclose the information referred to in Article 439 of Regulation (EU) No 575/2013 and in Article 438, point (h) of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of counterparty credit risk-2024-Version 1’ [made available on the EBA website].

Article 14

Disclosure of exposures to securitisation positions

Institutions shall disclose the information referred to in Article 449 of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of exposures to securitisation positions-2024-Version 1’ [made available on the EBA website].

Article 15

Disclosure of the use of the standardised approach and of the alternative internal models for market risk

1. Institutions shall disclose the information referred to in Article 445(1) and (2) of and in Article 435(1), points (a) to (d), in Article 438 and in Article 455(1), points (a) to (f) and (2) and (3) of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of market risk-2024-Version 1’ [made available on the EBA website].
2. Until the date of application of the use of the alternative approaches set out in Part Three, Title IV, Chapters 1a and 1b of Regulation (EU) No 575/2013 for the purposes of actually calculating the own funds requirements referred to in Article 92(4), points (b)(i) and (c), and Article 92(5), points (b) and (c), of that Regulation, institutions shall make the disclosures in accordance with Article 15 of Commission Implementing Regulation (EU) 2021/637, as amended by Commission Implementing Regulation (EU) 2022/2453⁴⁹.
3. At the first date of application of the use of the alternative approaches referred to in paragraph 1, institutions using the alternative internal model approach for market risk shall disclose the qualitative information referred to in Article 455(1), points (a) to (f) of Regulation (EU) No 575/2013 together with the quantitative information referred to in Article

⁴⁹ Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1, ELI: http://data.europa.eu/eli/reg_impl/2022/2453/oj).

455(2) of Regulation (EU) No 575/2013.

Article 15a

Disclosure of credit valuation adjustment risk

Institutions shall disclose the following information referred to in Article 439, point (h) and in Article 445a and in Article 438, points (d) and (h) of Regulation (EU) No 575/2013 (a) as specified in the IT solution named ‘Disclosure of credit valuation adjustment-2024-Version 1’ [made available on the EBA website].

Article 16

Disclosure of operational risk

Institutions shall disclose the information referred to in Article 435, Article 438, point (d), and Articles 446 of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of operational risk-2024-Version 1’ [made available on the EBA website];.

Article 16a

Disclosure of exposures to interest rate risk on positions not held in the trading book

1. Institutions shall disclose the information referred to in Article 448(1), points (a) to (g), of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of interest rate risks of non-trading book activities-2024-Version 1’ [made available on the EBA website].
2. Where institutions disclose an information in accordance with paragraph 1 for the first time, the disclosure of that information relating to the previous reference date shall not be required.

Article 17

Disclosure of remuneration policy

Institutions shall disclose the information referred to in Article 450 of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of remuneration policy-2024-Version 1’ [made available on the EBA website].

Article 18

Disclosure of encumbered and unencumbered assets

Institutions shall disclose the information referred to in Article 443 of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of encumbered and unencumbered assets-2024-Version 1’ [made available on the EBA website].

Article 18a

Disclosure of environmental, social and governance risks (ESG risks)

1. Institutions shall disclose the information referred to in Article 449a of Regulation (EU) No 575/2013 as specified in the IT solution named ‘Disclosure of prudential disclosures on ESG risks-2024-Version 1’ [made available on the EBA website]. The information covers the following:

- (a) qualitative information on environmental, social and governance risks;
- (b) quantitative information on climate change transition risk;
- (c) quantitative information on climate change physical risks;
- (d) quantitative information on mitigating actions associated with economic activities that qualify as environmentally sustainable under Articles 3 of Regulation (EU) 2020/852 of the European Parliament and of the Council ⁽⁵⁰⁾ towards those counterparties that are subject to Articles 19a or 29a of Directive 2013/34/EU of the European Parliament and of the Council ⁽⁵¹⁾, towards households, and towards local governments as referred to in Part 1, point 42(b), of Annex V to Commission Implementing Regulation (EU) 2021/451 ⁽⁵²⁾;
- (e) quantitative information on other mitigating actions and exposures to climate-change-related risks that do not qualify as environmentally sustainable economic activities under Article 3 of Regulation (EU) 2020/852 but support counterparties in the transition or adaptation process for the objectives of climate change mitigation and climate change adaptation.

2. Institutions may choose to disclose quantitative information on mitigating actions and exposures on climate- change-related risks associated with economic activities that qualify as environmentally sustainable under Article 3 of Regulation (EU) 2020/852, towards counterparties that are non-financial corporations as referred to in Part 1, point 42(e) of instructions to ‘Reporting on Financial information according to IFRS and GAAP-2024-version 1’ [made available on the EBA website], that are not subject to the disclosure obligations laid down in Articles 19a or 29a of Directive 2013/34/EU and that are not subject to the disclosure obligations laid down in Commission Implementing Regulation (EU) 2021/2178 ⁽⁵³⁾.

⁵⁰ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

⁵¹ 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).

⁵² Commission Implementing Regulation (EU) 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) No 680/2014 (OJ L 97, 19.3.2021, p. 1).

⁵³ 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).

For the calculation of the percentage of the exposures to activities that comply with the requirements laid down in Article 3 of Regulation (EU) 2020/852 (taxonomy-aligned exposures) towards those counterparties, institutions:

- (a) may, where available, use the information received from their counterparties on a voluntary and bilateral basis through the loan origination, and regular credit review and monitoring processes;
- (b) where the counterparty is not able or willing to provide the data concerned on a bilateral basis, may use internal estimates and proxies and explain in the narrative accompanying the template to what extent those internal estimates and proxies have been used, and which internal estimates and proxies have been applied;
- (c) where they are unable to collect on a bilateral basis the information concerned, or cannot use internal estimates and proxies, or cannot collect that information or use those estimates and proxies in a way that is not overly burdensome for them or their counterparties, may explain that inability in the narrative accompanying the template.

For the purposes of point (a), institutions shall inform their counterparties that the provision of such information is voluntary.

Article 19

Transitional provisions for the disclosure of crypto assets

Institutions shall disclose the information for the calculation of the own funds requirements of exposures to crypto-assets in accordance with Article 501d(2) of Regulation (EU) No 575/2013 as specified in the IT solution named 'Disclosure of exposures to crypto assets-2024-Version 1 [made available on the EBA website].

Article 20

General provisions

1. The numbering of rows or columns in the uniform disclosure formats referred to in IT solutions shall not be altered where an institution omits one or more disclosures in accordance with Article 432 of Regulation (EU) No 575/2013.
2. Institutions shall make a clear note in the narrative accompanying the template or table concerned indicating which rows or columns are not populated and stating the reason of the omission of the disclosure.
3. The information required by Article 431 of Regulation (EU) No 575/2013 shall be clear and comprehensive, enabling users of that information to understand the quantitative disclosures, and shall be placed next to the templates to which that information relates.
4. Numeric values shall be presented as follows:
 - (a) quantitative monetary data shall be disclosed using a minimum precision equivalent to millions of units;

- (a) quantitative data disclosed as ‘Percentage’ shall be expressed as per unit with a minimum precision equivalent to four decimals.
- 5. Institutions shall, in addition to the information disclosed in accordance with this Regulation, also provide the following information:
 - (a) disclosure reference date and reference period;
 - (b) reporting currency;
 - (c) name and, where relevant, legal entity identifier (LEI) of the disclosing institution;
 - (d) where relevant, the accounting standard used;
 - (e) where relevant, the scope of consolidation.

Article 21

Repeal

Implementing Regulation (EU) 2021/637, Implementing Regulation (EU) 2021/1018, Implementing Regulation (EU) 2022/631 of 13 April 2022 and Implementing Regulation (EU) 2022/2453 are repealed.

Article 22

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2025.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission

The President

Ursula von der Leyen

4. Accompanying documents

4.1 “Mapping tool” – Mapping of disclosure quantitative data with supervisory reporting

53. The “mapping tool” is a comprehensive set of excel files that provides the mapping of most of the quantitative disclosure templates with the relevant reporting data points. Mapping is not possible for the disclosure tables with qualitative information.
54. The “mapping tool” is not part of the draft ITS but it is provided as an accompanying document to support institutions when populating the quantitative disclosure template⁵⁴. The mapping tool has been reviewed to consider the quantitative disclosure templates affected by the changes of this draft ITS.

4.2 Draft cost-benefit analysis / impact assessment

55. As per Article 15 of Regulation (EU) No 1093/2010 (EBA Regulation), any draft implementing technical standards (ITS) developed by the EBA shall be accompanied by an Impact Assessment (IA), which analyses ‘the potential related costs and benefits’.
56. This analysis presents the IA of the main policy options included in this final report on the draft Implementing Technical Standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 (“the Draft ITS”). The analysis provides an overview of the identified problem, the proposed options to address this problem as well as the potential impact of these options. The IA is high level and qualitative in nature.

A. Problem identification and background

57. Article 434a of the Regulation (EU) No 575/2013 (‘the CRR’) mandates the EBA to ‘*develop draft implementing technical standards specifying uniform disclosure formats, and associated instructions in accordance with which the disclosures required under Titles II and III shall be made. Those uniform disclosure formats shall convey sufficiently comprehensive and comparable information for users of that information to assess the risk profiles of institutions and their degree of compliance with the requirements laid down in Parts One to Seven. To facilitate the comparability of information, the implementing technical standards shall seek to maintain consistency of disclosure formats with international standards on disclosures.*’. Under this mandate the EBA

⁵⁴ With the introduction of the new requirements under CRR3, the EBA shall prepare, keep up-to-date and publish on its website a mapping tool of the templates and tables for disclosures with those on supervisory reporting (Article 434 (1)). In other words, this means that the mapping tool will not be provided anymore as an EBA’s on own initiative as it will be a requirement under level 1 text.

developed the comprehensive ITS on institutions' public disclosures⁵⁵ to create the disclosure templates and their instructions but also, over time, to adapt these templates and instructions to the related changes of the regulations. These ITS, adopted by the Commission, are now published by the Commission under the Commission Implementing Regulation (EU) 2021/637. Thus, this Regulation is important for institutions and competent authorities as it gathers the latest public disclosures' templates and instructions; therefore, this Regulation needs to be updated when the underlying related legal texts are modified.

58. The CRR 3 implements Basel III reforms, which will underpin a robust regulatory framework, efficient supervision, and enhanced risk control by credit institutions. Some new or modified requirements from the CRR 3, compared to the CRR 2 have an impact on disclosure elements and will thus make the current disclosure templates and instructions out to date.
59. Consequently, the Pillar 3 disclosures framework needs to be amended to adapt disclosure templates and instructions to CRR 3 related requirements.
60. Following the new legislative process of Article 434a(1) as amended by the CRR3, instead of amending Commission Implementing Regulation (EU) 2021/637, new ITS on Pillar 3 disclosures covering all disclosures requirements for institutions under the CRR will be adopted. These new ITS will repeal the Commission Implementing Regulation (EU) 2021/637.

B. Policy objectives

61. The final draft Implementing Technical Standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 include the amendments to the current disclosure templates and instructions due to the CRR 3 related new requirements.

C. Options considered, assessment of the options and preferred options

62. Section C. presents the main policy options discussed and the decisions made by the EBA during the development of the Draft ITS. Advantages and disadvantages, as well as potential costs and benefits from the qualitative perspective of the policy options and the preferred options resulting from this analysis, are provided.

Credit risk templates

63. Templates EU CR4 and EU CR5 disclose information on the use of the standardized approach for credit risk, whilst template EU CR7 disclose information on the use of the internal rating-based (IRB) approach for credit risk. Information is broken-down by exposure class and these templates have been reviewed in order to consider the CRR 3 amendments to the articles 112 and 147 of the CRR.

⁵⁵ Commission Implementing Regulation (EU) 2021/637 on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013.

Regarding the structure of these templates, these templates were originally included in the Commission Implementing Regulation (EU) 2021/637 as they were in the EBA/GL/2016/11, regardless of the numbering of rows in the Basel templates. Indeed, at that time, the EBA decided to postpone the review of the structure of these templates when the revision of the credit risk framework was finalized. Now, with the CRR 3, the EBA considered the following two options for these templates.

64. **Option 1a:** Keep the current structure of templates EU CR4, EU CR5 and EU CR7, regardless of the numbering of rows in the Basel templates.
65. **Option 1b:** Follow a continuous numbering for the rows in templates EU CR4, EU CR5 and EU CR 7, whilst at the same time respecting the numbering of the Basel templates.
66. Both options would ensure regulatory compliance with the CRR 3. In addition to that, aligning the rows of disclosure templates with the BCBS' ones would ensure consistency and comparability between the information disclosed by institutions located in EU and the same information disclosed by institutions located outside EU. Further, this approach would allow to align the structure of these templates to the one of the other disclosure templates. The dual adherence (CRR 3 and BCBS) will also make the methodology both practical and efficient, which is key for the Transparency disclosures. On the cost side, the alignment with the BCBS templates is not deemed to trigger significant costs for institutions.
67. Based on the above, **the Option 1b has been chosen as the preferred option** and the new EU disclosure templates follow a continuous, easy to use numbering but at the same time respect the Basel numbering, thereby enabling flawless comparison at the global level.

IRB Credit risk templates – SMEs exposures

68. Templates EU CR 6A, EU CR 7 and EU CR 7A disclose information on the use of the IRB approach for credit risk. Information is broken-down by exposure class and these templates have been reviewed in order to consider the CRR 3 amendments to the article 147 of the CRR. Regarding the existing information on SMEs exposures in those templates, the EBA considered two options.
69. **Option 2a:** Keep, the existing details on SMEs exposures in the disclosure templates EU CR 6A, EU CR 7 and EU CR 7A.
70. **Option 2b:** Delete the existing details on SMEs exposures in the disclosure templates EU CR 6A, EU CR 7 and EU CR 7A.
71. Keeping the existing details on SMEs exposures would, by definition, maintain consistency with the existing disclosure information and would increase the possibility of comparing data over time and across institutions. On the other hand, the CRR 3 has introduced some new sub-exposure classes under the Retail and Corporate classes in the Article 147 of the CRR. These new sub-exposures classes are now reflected in the disclosure templates and thus keeping the existing details on SMEs exposures would create overlapping with the rows including those new sub-exposure classes. This

might make the structure of these templates more complex, and it might provide misleading information to external stakeholders. However, these details on SMEs are kept in the corresponding reporting templates since this information is still relevant for Competent Authorities in their supervisory activities.

72. Based on the above, **the Option 2b has been chosen as the preferred option** and the existing details on SMEs exposures in the disclosure templates ER CR 6A, EU CR 7 and EU CR 7A will be deleted.

Market Risk – Scope for qualitative disclosure requirements

73. In template EU MR A on general qualitative disclosures for market risk, institutions shall disclose, among others, a description of its strategies and processes to manage market risk in accordance with the existence Article 435(1) of the CRR. For institutions using the Alternative Internal Models (A-IMA), the new Article 455 (1) of the CRR3 specifies that institutions shall provide, among others, qualitative disclosures on the objectives in undertaking trading activities, the policies referred to in Article 104 (1) for determining which position is to be included in the trading book, any reclassification from trading book to banking book and a description of internal risk transfer activities. This detail information is included in the Basel table MRA since it represents a specification of the description of the strategies and processes to manage market risk. Therefore, the EBA considered two options.
74. **Option 3a: Request only the institutions using the A-IMA to disclose information on trading activities, trading book and internal risk transfer activities.**
75. **Option 3b: Request all the institutions to disclose information on trading activities, trading book and internal risk transfer activities.**
76. Requesting only the institutions using the A-IMA to disclose information on trading activities, trading book and internal risk transfer activities would decrease the disclosure costs for institutions not using this approach. On the other hand, it would not be aligned with the corresponding BCBS table MRA which requires this information for all institutions. Therefore, this misalignment would decrease the comparability and consistency of the disclosed information between institutions located in the EU and institutions located in a non-EU jurisdiction, taking also into account that a large number of institutions are expected to migrate from internal model to standardised approach under the FRTB framework. Further, this information is relevant for all institutions and should be generally included into a description of the institution's strategies and processes to manage market risk as provided by Article 435(1) of the CRR).
77. Based on the above, **the Option 3b has been chosen as the preferred option** and disclosing information on trading activities, trading book and internal risk transfer activities will be requested to all the institutions.

Credit Value Adjustment ('CVA') – RWEA flow statements for Standardized Approach

78. The BCBS template CVA4 provides for the disclosure of the amount of RWEA under the Standardised approach for CVA risk at the current and previous disclosure period. In EU Pillar 3 disclosure framework, this information can be derived from template OV1. Therefore, regarding how to disclose this information, the EBA considered two options.
- 79. Option 4a: Not to develop an ad-hoc template to disclose the current and previous periods' RWEA for credit valuation adjustment risk under the Standardized Approach.**
- 80. Option 4b: Create an ad-hoc separate template (template EU CVA4) to disclose the current and previous periods' RWEA for credit valuation adjustment risk under the Standardized Approach.**
81. Given the fact that the costs associated with the disclosure of this information in an ad-hoc separate template would be very low for institutions as the information is already available, the benefits in terms of increasing comparability and consistency with the BCBS Pillar 3 disclosure framework are deemed to exceed these costs.
82. Based on the above, **the Option 4b has been chosen as the preferred option** and a new ad-hoc template (EU CVA4) for the disclosure of the current and previous periods' RWEA for credit valuation adjustment risk under the Standardized Approach has been developed.

CVA – information on components of CVA risk for institutions using reduced basic approach

83. Article 445a (3) CRR 3 provides for disclosure requirements on the components used for the computation of own funds requirements under the Basic approach for CVA risk. The Basic Approach has a full version and a reduced one where hedging is not recognised. Institutions using the full version shall however calculate the reduced version as well. Therefore, regarding the disclosure of the components computed under the reduced Basic Approach, the EBA considered two options.
- 84. Option 5a: Request institutions to disclose information on components of CVA risk under reduced and full basic approach in a single new template.**
- 85. Option 5b: Request institutions to disclose information on components of CVA risk under reduced and full basic approach in two new separate templates (template EU CVA1 and EU CV2).**
86. In BCBS Pillar 3 disclosure framework, two separate templates are provided to disclose the components used for the computation of own funds requirements under the full and reduced Basic approach for CVA risk. Therefore, given the fact that the costs associated with the provision of this information into two different templates instead of a single template are negligible, the benefits of the alignment to Basel and making explicit the approach adopted by each institution (full or reduced Basic Approach) are deemed to exceed these costs.
87. Based on the above, **the Option 5b has been chosen as the preferred option** and the information on components of CVA risk under the reduced and full Basic Approach will be disclosed into two separate templates (EU CVA1 and EU CVA2).

Operational risk- Business indicator and subcomponents

88. One new template (EU OR2 -Business indicator, components and subcomponents) has been included to disclose the business indicator (BI) and its components & subcomponents, which give details on the business indicator component (BIC) and on the “Operational Risk Own Funds Requirements” calculation. This template is very much aligned with the structure of the corresponding Basel template OR2. However, the EBA evaluated the need of adding a column in the EU OR2 (versus the Basel template OR2) for disclosing the average value of the last three-year end data for each subcomponents.
89. **Option 8a: Request to provide information about average values of subcomponents in a column “d - Average value” in template EU OR2.**
90. **Option 8b: do not request to provide information about average values of subcomponents and follow the structure considered in the Basel template.**
91. Requesting the average values of subcomponents in a separate column would give stakeholders the possibility to have a comprehensive picture of the values used for the computation of the business indicator and facilitate the reading and interpretation of template EU OR2. Being this approach followed, the average value for the last three years of each subcomponent would be disclosed in column d, which is not the case under the Basel template, where the average amounts of the subcomponents are not disclosed. Also the computed values for the three components (interest, lease and dividend component; services component; and financial component) considered in the calculation of the business indicator would be disclosed in this column d, instead of being reported in the column of the reporting year “T” as under the Basel template. This would ensure more transparency and a better understanding of the input values considered. The costs associated with the addition of this column would not be significant for institutions as the data should anyway be computed and thus these costs would be exceeded by the aforementioned benefits.
92. Based on the above, **the Option 8a has been chosen as the preferred option** and the disclosure template EU OR2 will request the average values of each subcomponent and of each one of the three components to be disclosed in the column **“d - Average value”**.

Operational risk-Financial component of Business Indicator

93. Similarly to the Basel Framework, the financial component that integrates the calculation of the Business Indicator is composed by (i) the net profit or loss applicable to trading book and (ii) the net profit or loss applicable to banking book. To determine which items compose the trading and the banking book, two approaches are allowed: (1) the prudential one, following the prudential classification of the different items as banking or trading book (the so-called “Prudential Boundary Approach”); (2) the accounting one, based on the accounting categories of financial instruments that would represent a “proxy” of the trading and banking book on the basis of the accounting values (reported under the supervisory reporting framework already in place). Under the operational risk reporting framework, the amounts under both approaches are required to be reported. In this regard, the EBA considered two options for the Disclosure templates.

94. **Option 9a: require the amounts of net profit or loss to be disclosed under both approaches that can be used to determine the value of the financial component (prudential and accounting approaches).**
95. **Option 9b: Require the templates' data to be limited to the disclosure of the value of the financial component that was effectively considered in the calculation of the Business Indicator.**
96. For disclosure purposes, the information that is relevant is the value of the financial component considered in the calculation of the Business Indicator and the approach considered when determining this value. The disclosure of the approach followed by the institutions would be required under both options. While under the reporting framework, having information on the application of the two approaches might be more relevant having in mind the supervisory monitoring activities, this is not the case in disclosures. As such, the costs that would arise from the provision in the disclosure templates of the two approaches' values would exceed the benefits.
97. Based on the above, **the Option 9b has been chosen as the preferred option** and the templates' data requested will be limited to the disclosure of the value of the financial component that was effectively considered in the calculation of the Business Indicator and of the disclosure of the type of approach applied.

D. Conclusion

98. The draft Implementing Technical Standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 will adapt the current disclosure templates and instructions to the CRR3 related new requirements. For the institutions, the Draft ITS requirements are expected to trigger costs given that more information will be requested in existing templates and also some additional templates will be requested. However, the majority of these requirements are linked to the CRR3 changes and thus the costs are not all to be associated with the Draft ITS but with the underlying related changes brought by the CRR3. Moreover, these requirements are necessary to allow stakeholders to assess institutions' risk profiles and compliance with CRR3 requirements and this benefit exceeds the costs for institutions. Overall, the impact assessment on the Draft ITS suggests that the expected benefits are higher than the incurred expected costs.

4.3 Views of the Banking Stakeholder Group (BSG)

99. The BSG welcomes the opportunity to give inputs on the consultation of the proposed amendments to the Pillar 3 disclosure framework related to Amending Regulation (EU) 2024/1623 to Regulation (EU) No 575/2013 (CRR3).
100. The response of the BSG mainly focuses on the implications of the EBA proposal to include impacts of the output floor on the risk-based capital ratios without applying the transitional provisions of Article 465 of the CRR 3 (so called 'fully loaded output floor capital ratio') in template EU KM1.
101. Some members of the BSG do not support this proposal. In particular, they believe that the disclosure of the fully loaded output floor capital ratio is not in line with the legal provisions of Article 465 of the CRR 3. In addition, it does not properly consider the intention of the EU co-legislators to implement the Basel III reform, while taking into account the specificities of the EU economy reflected in the transitional provisions of the CRR 3. The latter refer, in particular, to mortgages with low risk; exposures to corporates which do not have an external rating; market risk and securitization.
102. Furthermore, they argue that the EBA proposal may even decrease transparency and comparability on the capital position of European banks since the solvability impact of a potential capital shortfall would be based on highly hypothetical assumptions covering a long time-horizon. In the meantime, the corporates' balance sheet structures will change during the phase-in period (2025 to 2032), giving a misleading picture to the market.
103. They also observed that the transitional arrangements are not only long dated, but also associated with various reports to be produced by the EBA that can inform a new legislative proposal by the European Commission. These EBA reports will allow to redefine the calibrations, with the aim of not only fully converging with the Basel 3 regulatory framework, but also considering the developments in the EU financial system (for example, the extent to which a larger proportion of EU corporates will be externally rated), as well as considering the implementation of Basel III in other key jurisdictions. On these grounds, BSG members observe that disclosures should accurately reflect the legislation in force at the present time, which includes transitional provisions.
104. Furthermore, BSG recommends to clearly distinguish the purpose of Pillar 3 disclosure framework (i.e. public disclosure of information relevant for investor decision making, based on their analysis of banks' balance-sheets on a comparable basis) from the one of the Supervisory reporting framework (i.e. monitoring of capital management of the bank). In this regard, the BSG is of the view that the information on the risk-based capital ratios without applying the transitional provisions should only be collected by supervisors, and as part of the Quantitative Impact Studies, to inform further analysis on the impact of potential future regulatory changes, such as the exit from transitional arrangements.

105. The BSG finally recommends keeping the disclosure of more granular risk-based information which will allow investors to assess the risk profile of institutions, comparing the outcomes of internal models and standardized approaches by portfolios.

4.4 Feedback on the public consultation and on the opinion of the BSG

106. The EBA publicly consulted on the draft proposal contained in this final report.
107. The consultation period lasted for 3 months and ended on 14 March 2024. 12 responses were received, of which 9 were published on the EBA website.
108. This final report presents a summary of the key points and other comments arising from the consultation, the analysis and discussion triggered by these comments and the actions taken to address them if deemed necessary.
109. In many cases several industry bodies made similar comments or the same body repeated its comments in the response to different questions. In such cases, the comments and EBA analysis are included in the section of this final report where EBA considers them most appropriate.
110. Changes to the draft ITS have been incorporated as a result of the responses received during the public consultation.

Summary of key issues and the EBA's response

111. Respondents showed a general support to the EBA's proposal of amendments to the Pillar 3 disclosure framework related to Amending Regulation (EU) 2024/1623 to Regulation (EU) No 575/2013 (CRR3).
112. Some respondents raised issues on the short timeline for the implementation of these amendments. However, the timeline is set out by the Level 1 text. It can be also noticed that the disclosure obligations as at the first reference date of 31 March 2025 will be limited and they will only affect large institutions in accordance with Article 433a of the Regulation (EU) No 575/2013 (CRR). Most of the new disclosure requirements will be applicable from June 2025.
113. Regarding the new legislative process, it was asked for clarifications on the inclusion of the templates and related instructions into the Implementing Technical Standards (ITS). Following Article 434a(1) of the CRR 3, the uniform formats for the disclosure requirements under Titles II and III of Part Eight of the Regulation (EU) No 575/2013 (CRR) will continue to be part of the ITS, but they will be made available in the form of IT solutions on the European Banking Authority website. The EBA will continue to follow the usual governance process which implies a 3 months' consultation period and the first application of the templates and related instructions after their translation into all the EU languages.
114. The feedback received also refers to the disclosure of the output floor in templates EU OV1 and EU KM1. In template EU OV1, it was noted that the breakdown by risk and by approach should be applicable only to U-TREA, while TREA including the output floor adjustment should be calculated at global level, including all the risk components. This has been now clarified in the instructions.

115. In template EU KM1, respondents asked for deleting the disclosure of the ‘fully loaded risk-based capital ratio’ without the use of the use of the EU transitional provisions. They argued that such disclosure goes beyond the requirements of Article 438 of the CRR 3. Furthermore, they argued that the transitional provisions could be extended by the legislator after an assessment period and in accordance with Article 465(3)-(7) of the CRR 3 some of them could become permanent. According to them, the information on the risk-based capital ratios without applying the transitional provisions would be hypothetical and not relevant for investors and analysts.
116. While noting that some of the abovementioned arguments lack of legal foundations (e.g the CRR3 does not refer at all to the possibility that some of the transitional arrangements included in Article 465 could become permanent), the EBA has assessed the feedback received against the legal requirements included in the level 1 text. This disclosure was proposed based on the consideration that, according to Part eight of CRR, disclosures should reflect the risk profile of the institutions comprehensively to market participants (Art. 432), and on the precedents where the disclosure of capital ratios have been requested in fully loaded basis (e.g in the case of IFRS 9 transitional arrangements). However, the CRR3 does not include the specific requirement to disclose the capital ratios on output floor fully loaded basis nor this is included in the relevant BCBS Pillar 3 standards. On this basis, this disclosure requirement is dropped in the final draft ITS.
117. Some respondents also asked to delete some of the information included in templates EU CMS1 and in template EU CMS2, in particular the information on the RWEA under the full standardised approach that would be used should institutions not be allowed to use internal models (column d in both templates). This information is kept in the final draft ITS, as it is explicitly required by the article 438 point (da) of the CRR3. This column is also included in the corresponding Basel templates, and consistency with the Basel templates should be maintained according to the CRR. The aim of this disclosure is to make a comparison between internally modelled RWEA and full standardised RWEA; this information will also be the basis for the calculation of the output floor at the end of the transitional period. In addition, the EBA has included the information on the RWEA that is used as base to calculate the output floor in each moment of the transitional period in EU (column EU d) in accordance with the disclosure requirements of article 438 point (d) of the CRR 3.
118. Some respondents complained about the level of granularity of the breakdown by asset class for credit risk in template EU CMS2 and the level of granularity of the breakdown of the ‘exposures secured by mortgages on immovable properties’ in templates EU CR4 and EU CR 5.
119. The breakdown by asset class in template EU CMS2 aims at providing transparency on the reallocation of the IRB exposures to recalculate the RWEA under the Standardised Approach (SA). Indeed, the instructions to the template specify that where an IRB exposure would have been allocated to a different exposure class according to the Standardised Approach (SA), the exposure shall be excluded from its IRB class and categorised in one of the SA- class identified in the rows of the template. Therefore, the granularity of the breakdown by asset class is linked to the complexity of the underlying recalculation of the RWEA.

120. Regarding the breakdown of the ‘exposures secured by mortgages on immovable properties’ in templates EU CR4 and EU CR 5, the sub-category ‘exposures secured by mortgages on immovable properties -Other’ has been deleted and reallocated between ‘exposures secured by mortgage on residential immovable properties’ and ‘exposures secured by mortgage on commercial immovable properties’, in line with the corresponding Basel Pillar 3 templates.
121. Regarding the market risk disclosures, some respondents asked to clarify which disclosure requirements are applicable until the FRTB framework entries into force. They also asked to reshape the template EU MR 2 to better differentiate the information related to daily values and the ones related to own funds requirements and to require the first disclosure of the qualitative information on Alternative Internal models for market risk (A-IMR) at the same time of the quantitative information.
122. As a result of this feedback, the EBA has provided some transitional provisions in the body of the ITS to clarify that until the FRTB framework entries into force, the current version of market risk disclosure templates is applicable. In template EU MR 2, the EBA has added two subtitles: ‘risk components’ and ‘own funds requirements’ to facilitate the reading of the rows, while keeping the row numbering of the corresponding Basel template MR2. In addition, it was required to disclose the qualitative information on the application of the alternative internal model for market risk together with the quantitative information at the first application date.
123. Regarding the CVA risk disclosures, some respondents observed that the template EU CCR 2 should be deleted as it is superseded by the new regulatory framework on CVA risk. They also asked for minor adjustments to the templates.
124. In this regard, the EBA has deleted the template EU CCR 2 and replaced the information on ‘risk weighted exposure amounts’ with the information on own funds requirements in templates EU CVA1, EU CVA2 and EU CVA3. The amendments are consistent with the disclosure requirements of Article 445a(2)(b) and (3) of the CRR 3 and with the future version of the corresponding Basel Disclosure Standard (DIS 51) that will be effective as of 1 January 2027.
125. On the operational risk disclosures, one of the main points raised by respondents is related to the application of Article 314(4) which allows to use on a temporary basis the Alternative Standardised Approach (ASA), as established under the CRR before the entry into force of CRR3, to compute the own funds requirements for retail banking and commercial banking business lines. When this approach is applied, amounts related to these two business lines should not be disclosed under template EU OR 2 as the methodology to determine the respective amount of own funds requirements is completely distinct from the one introduced by CRR3 (computation of the Business Indicator Component). In this sense, templates EU OR 2 and EU OR 3 have been amended to accurately reflect the different nature of the methodologies followed when computing the own funds requirements. Another concern expressed by respondents relates to template EU OR 1 and whether it could be deleted or postponed given that it will not be implemented yet for reporting purposes and taking into account the number of related RTS that will need to be developed by the EBA at a later stage. This template was kept on the basis that it is applicable from the entry into

application of the CRR 3 and it is consistent with the corresponding Basel Pillar 3 template. In addition, the information of this template, under the Pillar 3 ITS, are required on a best effort basis until the RTS are in place. Finally, other aspects were mentioned in the responses received and addressed to the possible extent.

126. Respondents also provided some technical comments on the mapping tool that were addressed by reviewing the formulas in the templates and amending them where necessary.

Summary of responses to the consultation and the EBA's analysis

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
General comments			
Timeline	Four respondents expressed concerns on the short timeline to implement so many changes and new approaches, entailing costly and burdensome efforts for banks to be ready for the date as of 31 March 2025. Two of them insisted on the need to have a set of simple and clear templates to disclose and one of them asked for a postponement of the first implementation date for at least 6 months. Indeed, it reminded the EBA to follow the principle that institutions should have at least 12 months to implement significant new requirements from the date of submission of the final updated ITS to the EU Commission and the publication of the relevant DPM. The first reference dates for reporting and disclosure should be aligned.	The first application date of the disclosure templates is consistent with the entry into force of the CRR 3 (Amending Regulation (EU) 2024/1623 to Regulation (EU) No 575/2013). The disclosure requirements at the first reference date of 31 March 2025 are however limited and they only affect large institutions in accordance with Article 433a of the Regulation (EU) No 575/2013 (CRR). Most of the new disclosure requirements will be applicable from June 2025. Therefore, there is enough time for the implementation. Alignment with the timeline of supervisory reporting is also ensured.	No amendment
Decorrelation between the deadline for the submission of comments to the EBA consultations relating to operational risk.	One respondent pointed out that there are misalignments between the periods of consultations and finalisation of the draft ITS on supervisory reporting and Pillar 3 disclosures for operational risk, on one hand, and of the draft ITS on Business Indicator (BI) calculation elements, on the other hand. The responses to the consultation on BI calculation elements would potentially have an impact on the information to be collected for supervisory reporting and Pillar 3 disclosure	<p>The Pillar 3 disclosures and supervisory reporting ITS will be published by the end of June 2024. Their publication cannot be postponed considering that the new prudential requirements of the CRR 3 are applicable from January 2025.</p> <p>In general, it can be noted that the policy aspects have an impact on the calculation of the figures, but they should not change the type of information to be disclosed. For Pillar 3 disclosures, the formats should also be consistent with the BCBS standards. Regarding the template EU OR 1 on operational risk</p>	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	purposes, and therefore, on the implementation of all the requirements relating to operational risk.	losses, the ITS provide that institutions shall disclose the information on the best effort basis and institutions can explain the approach followed in the accompanying narrative. This takes into account that some policy aspects are not defined yet.	
Legislative process	Three respondents asked whether the templates and the related instructions would be part of the future adoption process by the EU Commission, in accordance with Article 434a(1) of the CRR 3. Specifically, they expressed some concerns if the templates and related instructions were no longer part of the Implementing Technical Standards (ITS) but only of the IT solutions, as their content should be legitimated by the EU legislator. In their view, this should also apply to the mapping tool.	<p>In accordance with Article 434a(1) of the CRR 3, the uniform formats for the disclosure requirements under Titles II and III of Part Eight of the Regulation (EU) No 575/2013 (CRR) will continue to be part of the ITS, but they will be made available in the form of IT solutions on the European Banking Authority website. This means that the templates and the related instructions will be available in Excel and Word formats in all EU languages on the EBA website as they are now for the use of the stakeholders. Furthermore, the EBA will continue to follow the usual governance process which implies a 3 months' consultation period and the first application of the templates and related instructions after their translation into the all the EU languages.</p> <p>Regarding the role of the "mapping tool", until now, the EBA has provided, on its own initiative, the mapping of the quantitative disclosure templates with the relevant reporting data points to support institutions when populating the quantitative disclosure template.</p> <p>However, the role of the mapping tool will change with the entry into application of the Pillar 3 data hub next year. Indeed, Article 434 of the CRR 3 has now given the EBA the mandate to prepare, publish and keep-</p>	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
		up-to date the mapping tool. Therefore, the latter has become a requirement under level 1 text.	
Frequency of disclosures	Some respondents asked for clarifying the frequencies expected for all Pillar 3 disclosures in order to avoid different and possible wrong interpretations of the related CRR 3 requirements among institutions. Regarding, in particular, the operational risk templates, it was asked to clarify if the first disclosure reference date should be 31.12.2025.	The frequency of disclosures is set out in Level 1 text. Institutions shall follow the requirements included in the Articles 433, 433a, 433b, 433c of the CRR 3. In particular, the information on operational risk shall be produced on annual basis in accordance with Article 433a and 433c of the CRR 3.	No amendment
Templates not included in the consultation	<p>Three respondents asked if the other templates and related instructions not included in this Consultation had been checked for compliance with the new rules and they would be deleted or amended in the final version of the ITS. The same question was raised for the templates not included in the review of the mapping tool.</p> <p>Among the templates not included in this Consultation, they asked to delete the template EU CCR2 since it covers disclosure requirements for CVA risk that are overcome by the new CVA risk regulatory framework. Further, in template EU CCYB2, it was asked to rename the first row 'Total risk exposure amount' into 'unfloored total risk exposure amount, U-TREA'.</p>	<p>The EBA agrees with respondents that template EU CCR2 shall be deleted as it is replaced by the new templates on CVA risks.</p> <p>Regarding the template EU CCYB2, Article 130 of the Directive 2013/36/EU (CRD) has not been modified by the Directive (EU) 2024/1619 ('CRD VI') and it requires institutions to compute an institution-specific countercyclical capital buffer by considering the total risk exposure amount calculated in accordance with Article 92(3) of Regulation (EU) No 575/2013 (CRR). This means that the total risk exposure amount with the application of the output floor in accordance with Article 92(3) of the CRR 3 shall be considered. No amendment in the template EU CCYB2 is required.</p> <p>The other templates and related instructions not included in the Consultation Paper are still effective.</p>	Template EU CCR2 deleted

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Rows 'not applicable'	Four respondents questioned the relevancy of rows named 'not applicable' in different templates (e.g. EU OV1; EU CMS2; EU CR 4; EU CR 5; EU CR7) in terms of readability and usability for the public.	In accordance with the mandate received in Article 434a of the CRR, the EBA develops disclosure formats that are consistent with the ones of BCBS Pillar 3 standards, to facilitate the comparability of information with international non-EU-active banks. For this reason, the Pillar 3 disclosure templates follow the Basel's continuous row numbering which implies that some rows are not applicable in the EU.	
List of eligible ECAI for the purpose of the output floor	It was asked to provide clarifications on the list of ECAIs that can be used for the calculation of the output floor in the ITS.	The final draft ITS has been developed following the mandate included in Article 434a of the CRR. According to this mandate, the EBA shall develop draft ITS specifying uniform disclosure formats, and associated instructions in accordance with which the disclosures required under Titles II and III of Part Eight of the CRR shall be done. The provision of a list of eligible ECAIs is not part of this mandate and therefore is not covered by the ITS.	No amendment
Mapping tool	One respondent suggested the establishment of an EBA communication channel or tool for a quick exchange on errors in the mapping tool as the single Rulebook Q&A process can take up to six months.	This suggestion is not related to the draft ITS under consultation but the EBA will consider it within the project of the Pillar 3 data hub.	No amendment
Track changes versions	Five respondents asked the EBA to provide the track changes versions of templates and instructions between the draft ITS submitted to consultation and the final draft ITS, in addition to the already provision of track changes versions of templates	<p>The EBA will continue publishing the track changes version of the amended templates and instructions in comparison with the current applicable ITS.</p> <p>The changes between the draft ITS submitted to consultation and the final draft ITS are illustrated in this feedback table.</p>	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	and instructions between the current applicable ITS and the amended ITSs.		
Responses to questions in Consultation Paper EBA/CP/2023/38			
Question 1. Are the amended/new templates EU OV1, EU KM1, EU CMS1, EU CMS2 and the related instructions clear to the respondents? If no, please motivate your response.			
Template EU OV1: application of the output floor at consolidated level	<p>Five respondents asked for clarifying in the instructions that the output floor is a global calculation, depending on all risk components used in the relevant banking entity. Therefore, in template EU OV1, the breakdown by risk and by approach should be applicable only to U-TREA, while TREA should be disclosed at global level, including all risks components.</p> <p>Furthermore, the application of the output floor should be at consolidated level. In case of exemptions from the application of the output floor, the entities exempted are not relevant at the highest level of consolidation where the output floor is computed. The mapping tool should be amended accordingly, with the correct formula.</p>	<p>In Annex II, the instructions of column a) of the template EU OV1 have been amended to refer to Article 92(4) of the CRR3 for rows 1 to 28 and to Article 92(3) of the CRR 3 for row 29 related to the Total. For the latter, it was also specified that the row 'Total' is the sum of the following rows: 1, 6, 10, 15, 16, 20, EU22a, 23, 24, EU 24a, 28, consistent with the Basel template OV1.</p> <p>Differently from the Basel framework, the output floor is applicable at both individual and consolidated level in the EU. However, the instructions have been amended to clarify that the rows 26, 27 and 28 are not applicable at individual level in case of use of the exemption of Article 92(3), point (b) of the CRR3.</p> <p>For the review of the mapping tool, please see question 21.</p>	<p>In Annex II the instructions of column a) of the template EU OV1 have been amended to refer to Article 92(4) of the CRR3 for rows 1 to 28 and to Article 92(3) of the CRR 3 for row 29 related to the Total. For the latter, it was specified that the row 'Total' is the sum of the following rows: 1, 6, 10, 15, 16, 20, EU22a, 23, 24, EU 24a, , 28.</p> <p>The instructions to rows 26, 27 and 28 have been also amended to clarify that these rows are</p>

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
			not applicable in case use of the exemption as of Article 92(3), point (b) of the CRR3
Template EU OV1: Securitisation exposures	Three respondents asked for clarifying the relationship between row 16 'Securitisation exposures in the non-trading book (after the cap)' which refers only to non-trading book exposures and the breakdown in rows 17 to EU 19a which is based on trading book exposures.	In Annex II, the instructions to rows 16, 17, 18, 19, EU 19a of template EU OV1 clarifies that all the items refer to the non-trading book.	No amendment
Template EU KM1	Four respondents asked for clearly segregating the impact of the output floor which is calculated globally. It was noticed that the multiplication of the ratios: i) 'normal'; ii) 'fully loaded' without phase-in period and iii) 'full fully loaded' without the application of the transitional measures would generate confusion to the market.	The information on the 'fully loaded output floor capital ratios' has been dropped. Please refer to question 4 below.	Please refer to question 4 below.
Templates EU CMS1, EU CMS2	Four respondents didn't agree with the breakdown by exposure class for credit risk in the template EU CMS2. They observed that the breakdown is far more granular than the standardised exposure classes as defined in Article 112 of the CRR3, including also categories under Article 147 of the CRR 3 (IRB approaches). This would create confusion and complexity for users. For this reason, they suggested providing a simple breakdown by asset classes according to the standardized	<p>Templates EU CMS1 and EU CMS2 shall be reported only by institutions using internal models. The purpose is to disclose the RWEA calculated according to the full standardised approach as compared to actual RWEA at risk level (Template EU CMS1) and at asset class level for credit risk (Template EU CMS2).</p> <p>With specific regard to template EU CMS2, only institutions using internal models for credit risk shall disclose it.</p>	Please refer to the column of the 'EBA analysis'

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>approach, in line with the corresponding BCBS template.</p> <p>They also noticed that the formulas used for the new column EUd in the mapping tool of both templates EU CMS1 and EU CMS2 should be updated. They indeed referred to the reporting template C07 while the standardized approach did not apply to this template.</p> <p>Another respondent requested for further instructions regarding the treatment of NPE qualifying 100% securitization according to Article 269a of the CRR. Specifically, in template EU CMS1, it should be clarified if the total of these operations should be disclosed in column c) or it should be divided within column a and b, based on the original methodology.</p>	<p>In the corresponding Basel template, columns are fixed but the portfolio breakdown in the rows is flexible to reflect the exposure categories required under the local implementation of IRB approaches.</p> <p>Consequently, in template EU CMS2, the columns are in line with the ones of the corresponding Basel template, while the portfolio breakdown in the rows reflects the exposure classes of IRB and SA required under CRR 3. More specifically, the instructions specify that where an IRB exposure would have been allocated in a different exposure class according to the Standardised Approach (SA), the exposure shall be excluded from its original IRB class and categorised in one of the SA- class identified in the rows of the template. This approach is consistent with the example provided in the corresponding Basel template CMS2 and it ensures more transparency regarding the underlying recalculation of the amounts under the standardised approach.</p> <p>The mapping tool of the templates EU CMS1 and EU CMS2 has been reviewed to consider the comments received. Please refer to question 21.</p> <p>In template EU CMS1, the total of NPE qualifying 100% securitization according to Article 269a of the CRR should be divided between column a) and b) according to the original methodology used and the sum is showed in column c).</p>	
Question 2. Do the respondents identify any discrepancies between these templates and related instructions and the calculation of the requirements set out in the underlying regulation?			

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Mapping	Two respondents stated that no major discrepancies have been identified; while three other respondents stated that the only discrepancies observed are related to the mapping tool and its lack of updates. Please refer to the other questions and question 21.	The mapping tool has been updated taking into account the comments received by the respondents. Please refer to question 21.	Please refer to question 21
Question 3. Do the respondents agree that the amended draft ITS fits the purpose of the underlying regulation?			
Fully loaded output floor and breakdown by credit risk exposures classes	<p>Four respondents considered that the amended draft ITS do not fit the purpose of the underlying regulation due to the request of disclosing a fully loaded solvency ratio and due to the granularity required for credit risk exposure classes. In particular, the CRR 3 requires calculating the output floor at global level, including all the risks components and taking into account all relevant provisional transitory arrangements. Instead, the draft ITS require in some templates (for example, EU KM1) to disclose a fully loaded solvency ratios/own funds requirements.</p> <p>Regarding the template EU CMS2, the breakdown by credit risk exposures combining classes according to the SA with the ones according to the IRB approach creates confusion and lack of clarity.</p>	<p>Please refer to question 1 and 4. In particular, in template EU OV1, the instructions have been amended by including the legal reference to article 92(4) of the CRR 3 and by specifying how to calculate the 'Total'.</p> <p>In template EU KM1, the rows related to the 'fully loaded output floor capital ratios' have been dropped.</p> <p>In template EU CMS2, the current breakdown by credit risk exposures has been kept since it is consistent with the example provided in the corresponding Basel template CMS2 and it ensures more transparency regarding the underlying recalculation of the amounts under the standardised approach.</p>	Please refer to the column of the 'EBA analysis'
Question 4. In particular, regarding the disclosure of the output floor, do respondents agree with the inclusion of rows EU 5c, EU 6c, EU 7c in template EU KM 1 and the column EU d in templates EU CMS1 and EU CMS2? Please provide the rationale behind your answer.			

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Fully loaded output floor	<p>Almost all respondents expressed concerns regarding the disclosure of the 'fully loaded' risk-based capital ratio and the risk exposure amounts without the use of the use of the EU transitional provisions in template EU KM1.</p> <p>They argued that such a requirement has no legal basis. Indeed, Article 438 of the CRR 3 does not request to disclose the impact of output floor without the use of EU transitional provisions. However, some of them agreed on disclosing the impact of the impact of output floor at the end of phase-in period (72,5%) and without application of the Basel cap (125%).</p> <p>They observed that the transitional provisions of Article 465 of the CRR 3 seek to reflect certain specificities of the European banking system and to preserve the competitiveness of EU banks. They refer specifically to the favourable transitional treatments for residential real estate, unrated corporates, securitization, specialised lending exposures, unconditionally cancellable commitments and the calibration of the alpha factor in the SA-CCR.</p> <p>These transitional provisions could be extended by the legislator after an assessment period and in accordance with Article 465(3)-(7) of the CRR 3 some of them could become permanent. This means that to date there is no certainty on the final regulatory framework after the end of the transition</p>	<p>In this regard, the EBA acknowledges that the disclosure of the impact of the 'fully loaded output floor' (without the application of the transitional provisions as set out in Article 465 of the CRR3) is not explicitly required by the article 438 of the CRR 3, although it considers that this information would be valuable for external stakeholders in order to have a complete picture of the impact of the output floor on the risk exposure amounts and the risk-based capital ratios and therefore a comprehensive view of the risk profile of the institution. Consequently, in template EU KM1, the rows on 'fully loaded output floor capital ratios' have been deleted. However, please refer below for the EBA analysis related to the information included in templates EU CMS1 and EU CMS 2.</p>	<p>In template EU KM1, the rows on 'fully loaded capital ratios' have been dropped.</p>

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>periods and it may be questionable to disclose a view that finally will never materialize.</p> <p>One respondent noticed that this situation cannot be compared to the previous publication of the IFRS 9 quick fix requirements because the latter did not include any possible extension/revision; the transition period was shorter; the application of the transitional arrangements was optional for the banks and the article 473bis(8) explicitly mentioned the publication of the CET1 capital without the application of the transitional provisions.</p> <p>In addition, the respondents claimed that the information on the risk-based capital ratios without applying the transitional provisions would be hypothetical and not relevant for investors and analysts. It could be also misleading and confusing to the market because the balance sheet structures will change during the phase-in period to 2032. For example, corporates of high quality have incentives to obtain an external rating before the end of the phase-in period. Therefore, a ‘fully loaded capital’ ratio could highlight a capital shortfall that may never materialize because the banks’ balance sheets and risk profile will be largely different in 2032 than in 2025. The ‘fully loaded’ ratios and TREA would not reflect a forward-looking perspective of institutions’ solvency based on target treatment.</p> <p>They were also worried that in the event of publication of two ratios, with and without EU</p>		

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>transitional provisions, market stakeholders and in particular non-experts would align themselves on the weaker ratio and the expected benefits from the application of the transitional measures would be lost. This would be particularly detrimental to EU banks, in comparison with US that will further delay the implementation date of the Basel reform.</p> <p>Nonetheless, some respondents supported and recommended that this information is collected for supervisory reporting purposes, specifically as part of the Quantitative Impact Studies in order to test the impact of potential future regulatory changes, such as the exit from transitional arrangements.</p>		
S-TREA	<p>Four respondents agreed on adding the column EUd in templates EU CMS1 and EU CMS2 as it responds to the disclosure requirements of Article 438(e) of the CRR 3. However, they recommended to delete the column d) requiring disclosing S-TREA in full standardized approach since it's a metric not required by the regulation for disclosure.</p>	<p>In template EU CMS1 (and also in template EU CMS2), the information on the RWEA under the full standardised approach that would be used should institutions not be allowed to use internal models (column d) is kept. Indeed, this information is explicitly required by the article 438 point (da) of the CRR 3 and it also required in the corresponding Basel templates. The purpose of this disclosure is to make a comparison between internally modelled RWEA and full standardised RWEA. This amount will be the base for the computation of the output floor at the end of the output floor transitional period.</p> <p>In addition, the EBA has included the information on the RWEA that is used as base to calculate the output</p>	<p>In templates EU CMS1 and EU CMS 2, the column EUd has been renamed in 'RWEA used in the base of the output floor' to better differentiate it from column d.</p>

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
		floor in EU (column EU d) as required by article 438 point (d) of the CRR 3.	
Question 5. Are the amended templates EU CR 4, EU CR 5 and the related instructions clear to the respondents? If no, please motivate your response.			
Exposures secured by mortgage on immovable property	<p>Four respondents claimed that the granularity of the exposure class 'secured by mortgage on immovable property' is not in line with the article 112 of the CRR 3 and it would add burdens in the production process of the banks, also considering the short timeline for its implementation. It was, therefore, recommended to stick to the Basel requirements.</p> <p>It was also asked to check the format and to uniformize commas and dots for numbers (namely 9.3 instead of 9,3 for instance).</p>	<p>The EBA has reviewed the breakdown of 'exposures secured by mortgage on immovable property' to align it to the breakdown included in the corresponding Basel templates CR 4 and CR 5.</p> <p>In particular, the previous sub-category of 'Exposures secured by mortgages on immovable property - Other' has been now reallocated and split between the 'exposures secured by mortgage residential immovable property' and the 'exposures secured by mortgage commercial immovable property', in line with the corresponding Basel templates.</p> <p>The format of the templates and the instructions have been reviewed before the final publication of the draft ITS.</p>	<p>In templates EU CR 4 and EU CR 5, the previous sub-category of 'Secured by mortgages on immovable property - Other' has been reallocated and split between 'exposures secured by mortgage residential immovable property' and 'exposures secured by mortgage commercial immovable property'. The related instructions have been amended accordingly.</p>
Question 6. Do the respondents identify any discrepancies between these templates and instructions and the calculation of the requirements set out in the underlying regulation?			

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
No major discrepancies were identified by respondents.		N/A	
Question 7. Do the respondents agree that the amended draft ITS fits the purpose of the underlying regulation?			
Respondents asked for considering their suggestions in the answers to the previous questions		N/A	
Question 8. In particular, for templates EU CR 4 and EU CR 5, do the respondents agree with the reconciliation of the row numbering with the Basel one in the corresponding templates? Please provide the rationale behind your answer.			
Granularity of Secured by mortgage immovable property	Four respondents believed that the granularity of the 'exposures secured by mortgage immovable property' went beyond the requirements of the Basel Pillar 3 Disclosure Framework.	The breakdown of the 'exposures secured by mortgage immovable property' has been amended to be more in line with the Basel's one. Please see question 5.	Please refer to question 5.
Question 9. Are the amended templates EU CR 6, EU CR 6-A, EU CR 7, EU CR 7-A and the related instructions clear to the respondents? If no, please motivate your response.			
Respondents agreed or stated that they have no comments at this stage		N/A	
Question 10. Do the respondents identify any discrepancies between these templates and instructions and the calculation of the requirements set out in the underlying regulation?			
No issues were identified by respondents		N/A	

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Question 11. Do the respondents agree that the amended draft ITS fits the purpose of the underlying regulation?			
Relationship with reporting requirements	<p>One respondent observed that disclosure requirements should not exceed reporting requirements. Therefore, if the reporting requirements are removed or reduced, this should be reflected in the disclosure requirements and in the mapping tool no unrelated fields should be included.</p> <p>Other respondents asked for considering their suggestions in the answer to the previous questions</p>	<p>In accordance with the mandate that the EBA has received in Article 434a of the CRR, the disclosure requirements follow the legal requirements of the Part Eight of the CRR and the formats of the Basel Pillar 3 standards.</p> <p>Furthermore, the EBA has adopted the general strategy of integration of the disclosure requirements with the supervisory reporting requirements, to facilitate institutions' compliance with both sets of requirements and to ensure the quality and the consistency of the disclosed information.</p> <p>However, there are still some cases where the mapping is not available due to different breakdowns followed in disclosure and in reporting. Further alignment will be ensured, where possible, over the time.</p>	No amendment
Question 12. Regarding the template EU CR 7, do the respondents agree with reconciliation of the row numbering with the Basel one in the corresponding templates? Please provide the rationale behind your answer.			
Breakdown by exposure class	<p>Two respondents agree with the reconciliation of the row numbering with Basel as it appears logical.</p> <p>Other two respondents observed that the template EU CR7 should refer to Article 147 in terms of breakdown by exposure class.</p>	<p>The row numbering of template EU CR 7 has been reconciled with the Basel one in the corresponding template.</p> <p>Furthermore, as specified in the instructions of the template in Annex XXII, the breakdown of pre-credit derivatives risk weighted exposure amount and actual risk weighted exposure by exposure class follows the exposure classes and sub-exposure</p>	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
		classes listed in Article 147(2) of Regulation (EU) No 575/2013 and separately for exposures under F-IRB approach and exposures under A-IRB approach.	
Question 13. Do the respondents agree with the deletion of the rows on SMEs in templates EU CR 6-A, EU CR 7 and EU CR 7-A?			
SMEs rows	Five respondents didn't object the deletion of the rows on SMEs. Two of them agreed on it provided that the deletion allows for further alignment with Basel.	<p>In the corresponding Basel templates for credit risk, columns are fixed but the portfolio breakdown in the rows is flexible to reflect the exposure categories required under the local implementation of IRB approaches.</p> <p>Consequently, in the disclosure templates EU CR6-A, EU CR 7 and EU CR7-A, the breakdown by exposure classes and sub-exposure classes listed in Article 147(2) of Regulation (EU) No 575/2013 is applied. This breakdown does not include the exposures to SMEs. As explained in the Impact Assessment to the Consultation, keeping the existing details on SMEs exposures would create overlapping with the rows including the new sub-exposure classes. This might make the structure of these templates more complex, and it might provide misleading information to external stakeholders. However, these details on SMEs are kept in the corresponding reporting templates since this information is still relevant for Competent Authorities' supervisory activities.</p>	No amendment
Question 14. Are the amended/new templates EU MRA, EU MRB, EU MR1, EU MR2, EU MR3 and the related instructions clear to the respondents? If no, please motivate your response.			

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Template EU MR 2	Five respondents asked for reshaping the template EU MR 2 in order to better differentiate the information related to rows 1 to 10 (daily values) and the ones related to rows 11 to 16 (own funds requirements).	<p>In accordance with the mandate received in Article 434a of the CRR, the EBA develops disclosure formats that are consistent with BCBS Pillar 3 standards, to facilitate the comparability of information with international non-EU-active banks. For this reason, in template EU MR 2, the structure of rows and columns of the corresponding Basel template MR2 has been followed.</p> <p>To facilitate the reading of the rows, the EBA has now added two subtitles: 'risk components' for rows 1 to 10 and 'own funds requirements' for rows 11 to 16, without altering the row numbering.</p>	<p>In template EU MR2, the following subtitles have been added:</p> <ul style="list-style-type: none"> - 'risk components' for rows 1 to 10 - 'own funds requirements' for rows 11 to 16.
Table EU MRB	Five respondents observed that qualitative disclosures are generally provided by institutions at the last quarter of each year. However, it was asked to give the possibility of disclosing the qualitative information of table EU-MRB together with the first remittance of quantitative disclosures related to the A-IMA.	Transitional provisions have been included in the body of the ITS to require institutions to disclose the qualitative information of table EU-MRB together with the quantitative information of template EU MR2 at the first date of application of the latter.	Transitional provisions have been added in the body of the ITS to require institutions to disclose the qualitative information of table EU-MRB together with the quantitative information of template EU MR2 at the first application date of the latter.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Question 15. Do the respondents identify any discrepancies between these templates and instructions and the calculation of the requirements set out in the underlying regulation?			
Implementation of the FRTB framework	Five respondents asked to specify in the instructions that in case of postponement of the FRTB, the current version of market risk disclosures should be used.	Until the FRTB framework entries into force, the current version of market risk disclosure templates is applicable. Transitional provisions have been added in the body of the ITS to clarify this point.	Transitional provisions have been included in the body of the ITS to allow the use of the current version of market risk disclosures until the FRTB framework entries into force.
Question 16. Do the respondents agree that the amended draft ITS fits the purpose of the underlying regulation?			
No issues were identified by respondents		N/A	
Question 17. Regarding the template EU MRB, do the respondents agree with the reconciliation of the row numbering with the Basel one in the corresponding template? Please provide the rationale behind your answer.			
No issues were identified by respondents		N/A	
Question 18. Are the new templates EU CVAA, EU CVA 1, EU CVAB, EU CVA2, EU CVA 3, EU CVA 4 and the related instructions clear to the respondents? If no, please motivate your response.			
Template EU CVA2	Four respondents asked for changing the name of row 3 'Total' as the latter is not the sum of the amounts disclosed under row 1 and row 2.	In templates EU CVA1, EU CVA2 and EU CVA3, the column on 'risk weighted exposure amounts' has been replaced by the column on 'own funds	In templates EU CVA1, EU CVA2 and EU CVA3, the

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
		<p>requirements. This is consistent with the disclosure requirements of Article 445a(2), point (b) and Article 445a(3) of the CRR 3, as well as with the future version of the corresponding Basel Disclosure Standard (DIS 51) that will be effective as of 1 January 2027. Anyway, the information on 'risk weighted exposure amounts' can be easily derived from the 'own funds requirements' by multiplying the latter for 12,5%.</p> <p>The early application of the future Basel disclosure standard DIS51 will also avoid institutions' costs to change their disclosure requirements in two years.</p> <p>The mapping tool has been amended accordingly.</p>	column on 'risk weighted exposure amounts' has been replaced by the column on 'own funds requirements'.
Question 19. Do the respondents identify any discrepancies between these templates and instructions and the calculation of the requirements set out in the underlying regulation?			
Template EU CCR2 and title of the template EU CV4	<p>Five respondents raised the following issues:</p> <ul style="list-style-type: none"> template EU CCR 2 that is out of the scope of this Consultation should be deleted since it is mapped with the reporting template C 25 that is completely modified. the title of the template EU CV4 seem to indicate that the template is related to the standardized approach but the mapping indicates that the data come from the total of all approaches. 	<p>Template EU CCR 2 has been deleted.</p> <p>The mapping of the template EU CV4 has been amended to consider only the standardised approach.</p>	<p>Deletion of template EU CCR2</p> <p>The mapping of the template EU CV4 has been amended to consider only the standardised approach</p>
Question 20. Do the respondents agree that the amended draft ITS fits the purpose of the underlying regulation?			

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
No issues were identified by respondents, except for the template EU CCR2		N/A	Please refer to question 19.
Question 21. Do the respondents consider that the “mapping tool” appropriately reflects the mapping of the quantitative disclosure templates with supervisory reporting templates?			
Template EU OV1	<p>Some respondents asked for amending the mapping tool to consider that the calculation of the output floor shall occur at global level, including all the risks.</p> <p>They also noticed some inconsistencies in the formulas used in rows 1, 3, 4, 6, 16 and 19a related to different issues like the inclusion of counterparty credit risk, the lack of distinction between A-IRB/F-IRB approaches and the deductions for securitisation exposures in the non-trading book.</p> <p>They also asked for clarification regarding the distinction between ‘All offsetting groups’ and ‘Single offsetting group’ in template EU OV1 as well as in templates EU CMS1, EU MR1 and EU MR2.</p> <p>In template EU OV1 and in general in all templates included in the mapping tool, it was asked to always map the sum-rows as the sum of sub rows, rather than referring to other reporting templates.</p>	<p>The instructions for template EU OV1 in Annex II have been amended to clarify that the calculation of the output floor shall occur at global level. Please refer to question 1.</p> <p>The formulas in row 1, row 20 and row 22a have been adjusted to assign the components (C02.00 row 720, row 755, row 770) of “other risk exposure amounts” (C02.00 row 690) correctly to the appropriate risk exposure categories of EU OV1.</p> <p>For the component “exposures to crypto-assets” (C02.00 row 780) a new row EU24a has been introduced.</p> <p>Other inconsistencies in the formulas used in rows 1,3,4,6,16 and 19a have been amended, where possible.</p> <p>The addition of ‘All offsetting groups’ and ‘Single offsetting group’ (e.g. position EU OV1 (21, a) means that either ‘All offsetting groups’ or ‘Single offsetting group’ must be shown. This also applies to the templates EU CMS1, EU MR1 and EU MR2.</p>	Please refer to the column of ‘EBA analysis’

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
		The sum-rows are generally map as sum of sub-rows where the instructions specify this.	
Template EU CMS1	<p>Some respondents detected some inconsistencies in the formulas used in columns d) and EUd) where the latter refer to the reporting templates C07.00 and C10.00.</p> <p>In addition, some inconsistencies were identified in rows 1 and 2 due to the need to adjust the credit risk RWEAs for counterparty credit risk.</p>	<p>Missing data points and the inconsistencies detected during the consultation have been adjusted.</p> <p>For columns d) and EUd), some data points are the same since no internal models are used, like for CVA risk and operational risk.</p>	Please refer to the column of 'EBA analysis'
Template EU CMS2	<p>Some respondents noticed that the formulas used for columns d) and EUd) seem the same even if the instructions are different.</p> <p>It was also noticed that the exposure classes in rows do not match the exposure classes in other templates. For example, the CR-SA exposure class "Institutions" in template EU CMS2 is linked to C07-S0007, but in template EU CR4 to C07-S0008</p> <p>In addition, several inconsistencies were identified in the formulas used in rows 3, 4, 5, 5.1, 5.2a, 5.2b, 6.2, 6a, 6.1b, 9 due to incorrect or missing references to the reporting templates C 10.00 and C07.00, or due to discrepancies between the formulas and the related disclosure instructions (in particular, for row 9 'Total' and columns d) and EUd) of the template EU CMS2).</p> <p>It was also asked if it is correct to consider cells with 'no mapping available' in column a) as 'not applicable' since the production of additional detail</p>	<p>Missing data points and the inconsistencies detected during the consultation have been adjusted.</p> <p>For columns d) and EUd), some data points are the same since the transitional provisions for the purpose of the calculation of the output floor apply only to specific exposure classes, in particular to 'corporates' and 'Retail-secured by mortgages on immovable property'. The dimensions of the exposure classes have been reviewed.</p> <p>For the time being, the mapping is not available for columns a) and column c) since some IRB exposures could be excluded from their original IRB class and reallocated in one of the rows related to the exposure classes of Standardised Approach. Although the mapping is not available, the data shall be disclosed. For the general strategy of integration of the</p>	Please refer to the column of 'EBA analysis'

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	not required in the reporting template C08.00 would entail significant effort and create a misalignment between reporting and disclosure.	disclosure requirements with supervisory reporting please refer to question 11 above.	
Template EU CR 6	<p>Some respondents asked for showing all the exposure classes in the EBA Mapping Tool and not only the exposure classes S0001 (total AIRB) and S0002 (total FIRB).</p> <p>It was also noticed that some cells do not contain neither a mapping nor a 'no mapping available' and there are some errors in the reference to columns j/e instead of columns i/d.</p>	<p>The mapping of template EU CR 6 has been updated to consider the new dimensions defined with the development of the data-point model (DPM), XBRL taxonomy and validation rules of reporting templates, after the public consultation.</p> <p>The errors in the reference to columns j/e instead of i/d have been amended.</p> <p>Although for some data points the mapping is not available, the data shall be disclosed. For the general strategy of integration of the disclosure requirements with supervisory reporting please refer to question 11 above.</p>	Please refer to the column of 'EBA analysis'
Template EU CR 6-A	Some respondents noticed that there is no mapping for column d) and there are some inconsistencies between the cells greyed out in this template and the ones greyed out in the corresponding reporting template C08.07.	The column d) has been added to the mapping and the cells greyed out have been reviewed.	Please refer to the column of 'EBA analysis'
Template EU CR 7-A	Some respondents considered that for F-IRB, "column k-Part of exposures covered by Guarantees (%)" and "column l-Part of exposures covered by Credit Derivatives (%)" the disclosure percentage should not be negative, differently from the mapped figures in template C 08.01.	The sign of the formulas in the cells has been changed to consider that the disclosure percentage should not be negative.	Please refer to the column of 'EBA analysis'

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
Template EU MR3	It was asked if it's correct to apply the scaling factor of 1.3 to row 0325 of C18.00 as indicated in the EBA Mapping Tool.	The scaling factor of 1.3 to row 0325 of C18.00 has been removed since it's not applicable at EU level.	In template EU MR3, the scaling factor of 1.3 to row 0325 of C18.00 has been removed.
Template EU CV4	It was observed that the title of the template EU CV4 seem to indicate that the template is related to the standardised approach but the mapping indicates that all data from the total of all approaches is reported.	The mapping has been updated to consider that template EU CVA4 refers to the standardised approach.	Please refer to the column of 'EBA analysis'
Template EU SEC2	It was asked if the mapping tool of template EU SEC2 would be updated considering that the columns 460 and 470 of the corresponding reporting template C14.01 had been deleted.	The existing mapping rules in the template have been updated to 'no mapping available'. Similarly, following the renumbering of column 0450 to 0500 in the reporting template C 14.01, also templates EU SEC1 and EU SEC4 were amended as necessary.	Please refer to the column of 'EBA analysis'
Responses to questions in Consultation Paper EBA/CP/2024/06			
Question 1. Are the amended/new templates EU ORA, EU OR1, EU OR2 and EU OR3 and the related instructions clear to the respondents? If no, please motivate your response.			
General comments	Four respondents considered that the templates and the related instructions are clear in general.	Please refer to question 2 below. Regarding the scope of application of the new operational risk disclosure templates, the information	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>However, two of them stated that some adjustments are needed, as indicated below in Question 2. One respondent stated that templates EU OR 2 and EU OR 3 are clear as long as the linked COREP templates are clear.</p> <p>Another respondent asked for clarification regarding the application level (consolidated versus individual) of the new operational risk disclosure templates and whether these templates shall be submitted simultaneously with the solvency templates (C16) or at a later date.</p>	<p>shall be disclosed at consolidated level on the basis of Article 13 of the CRR.</p> <p>The frequency of disclosures is set out in the CRR (Articles 433 to 433c), being required on an annual basis.</p>	
Table EU OR A	One respondent asked for adding some examples of the required disclosures in template EU OR A.	The instructions of table EU OR A are sufficiently clear and consistent with the one of the corresponding Basel table OR A. In relation to point c) it has been specified that the description of the scope and nature measurement system includes, for example, the systems and data used to measure operational risk in order to estimate the operational risk capital charge, in line with the Basel requirements.	In the instructions to table EU OR A, point c), the following is added: [...] (ie the systems and data used to measure operational risk in order to estimate the operational risk capital charge).
Template EU OR 1	Some respondents asked for clarifications. Specifically, it was asked to clarify if institutions shall disclose only the losses referred to its scope at the reporting date for the past 10 years, excluding the losses related to disposed/closed entities/activities that would be burdensome to collect.	As specified in the instructions to template EU OR 1, paragraph 3, institutions shall provide information on the annual operational risk losses incurred over the past 10 years, based on the accounting date of the incurred losses. The operational risk losses are therefore grouped annually based on their accounting date and they comprise all losses stemming from all the entities that are part of the	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>Other respondents asked for cleared and more detailed instructions on the application of thresholds of annual net loss in a given financial year, including in relation to how to disclose multiple years' events, how to approach events that are partially outside of the ten-year window, and if events reported needed to be grouped as required for templates C.17 of the COREP</p> <p>It also asked to clarify if all institutions, even those with BI < EUR 750 million, are expected to disclose this template since institutions whose BI is < EUR 750 million seem to be excluded by Article 316 of the CRR 3.</p> <p>Regarding, the instructions for row 1: "The row shall disclose the total loss amount net of recoveries resulting from loss events above the loss event threshold of €20,000 for each of the last 10 reporting periods, (...)", it was asked to clarify if the total net loss amount within 10 year period shall exceed the threshold or the partial net loss amount for each of the 10 years. Additionally, instructions should set when timing losses should be included in the dataset (e.g. quantitative threshold, client related etc.). In this regard, for the purpose of Art 316 (1) of the CRR, the net loss shall be calculated according to Art 318 of the CRR. According to Art 318 (2e) of the CRR, material "negative economic impacts booked in a financial year, and which are due to operational risk events impacting cash flows or financial statements of previous financial years</p>	<p>scope of consolidation including losses from merged/acquired business. As now clarified in the instructions, losses caused by a common operational risk event, or by multiple events linked to the same operational risk event, that are recognised in the different accounting years shall be summed up for the last 10 years for the purpose of determining whether the threshold for disclosure is exceeded or not.</p> <p>In addition, in paragraph 4, it has been specified that loss amount and associated recoveries shall be reported in the year in which they were recorded in financial statements.</p> <p>In accordance with Articles 316(1) and 446 of the CRR 3, institutions with a business indicator equal to or exceeding EUR 750 million shall disclose the template EU OR 1.</p> <p>Regarding the instructions to row 1, the total loss amount net of recoveries which is above the loss event threshold in each of the last 10 reporting periods shall be disclosed.</p>	<p>In paragraph 4 of the instructions it has been added the following sentence: These amounts shall be reported in the year in which they were recorded in financial statements.</p>

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	(timing losses)” shall be included in the loss data set.		
	Further, it was asked if the disclosure of data for previous periods could be not required for the first time of disclosure, like it has been done for the historical data of template EU KM1 while implementing mandates of CRR2.	As specified in paragraph 3 of the instructions, the information of the template EU OR1 shall be provided to the extent it is available and on a best effort basis, until Articles 316(3), 317(9), 320(3) and 312 (2) of Regulation (EU) 575/2013 are applicable.	
Template EU OR 2	It was asked if average value shall be calculated in column d and if the average value is weighted.	In template EU OR 2, column d), the simple average value is disclosed.	No amendment
Question 2. Do the respondents identify any discrepancies between these templates and related instructions and the calculation of the requirements set out in the underlying regulation?			
Template EU OR 1 <i>Application date</i>	<p>Some respondents have suggested to postpone the disclosures on operational risk losses or to delete this template, based on the following main reasons:</p> <ul style="list-style-type: none"> The RTS to be developed by the EBA (under Article 320(3), on the exclusion of losses, and under Article 321(2), on the inclusion of losses from merged or acquired entities or activities) will be ready only at a later stage. These RTS are required to be submitted to the European Commission by <i>[30 months after the entry into force of the CRR3]</i>. 	<p>As per paragraph 3 of the instructions to this template, the required information shall be provided to the extent it is available and on a best effort basis until Articles 316(3) and 317(9) are applicable. Under these Articles, the EBA is required to submit the corresponding draft regulatory technical standards (RTS) to the European Commission by <i>[18 months after the entry into force of the CRR3]</i>.</p> <p>The template on historical losses (OR 1) is included in the current Basel Pillar 3 Framework. In addition, the information to be disclosed under this template is specifically required under the Level 1 text and applicable from 1 January 2025. Article 446(2) of CRR3 requires the disclosure of the operational risk</p>	Paragraph 3 of instructions to template EU OR 1 was amended to refer as well to the RTS to be developed under Articles 320(3) and 321(2) of CRR3.

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<ul style="list-style-type: none"> The corresponding reporting template is not currently included in the respective framework meaning that there is no full alignment between the two frameworks and no mapping tool will be developed. In the view of one respondent, this issue is particularly relevant in the context of the Pillar 3 Data Hub implementation. <p>In overall terms, the main concern relates to the lack of consistency in the methodology and criteria followed by Institutions potentially leading to non-comparable data (which is considered to be sensitive).</p>	<p>losses for the last ten years and the disclosure of the number of exceptional operational risk events and the amounts of the corresponding aggregated net operational risk losses that were excluded from the calculation of the annual operational risk loss.</p> <p>Although the various RTS to be developed by the EBA are not available yet, it should be noted that the information under this template is required to be provided on a best effort basis. Given that the last set of RTS are required to be submitted to the European Commission by <i>[30 months after the entry into force of the CRR3]</i>, a significant time lag would be observed between the Basel implementation and the EU implementation of this template if its application is postponed as suggested by the respondents. On this basis, the template is kept and as already proposed under the public consultation, information should be provided on the best effort basis.</p> <p>As regards the period for the consideration of a best effort basis approach, as also pointed out by the respondents, it should also refer to the RTS on the exclusion of losses and on the inclusion of losses from merged or acquired entities or activities (under Articles 320 and 321 of the CRR3), especially taking into account that the legal deadline to submit these RTS to the European Commission is different. The respective instruction has been revised.</p>	
Template EU OR 1 <i>Threshold(s) to be considered</i>	Some respondents have shared the view that the threshold of EUR 20 000 should not be considered	Article 446(2) of CRR3 refers to the disclosure of information on annual operational risk losses calculated in accordance with Article 316(1). The	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	in this template. In the opinion of these respondents, a better alignment should be achieved with CRR3 under which the consideration of this threshold is not required.	<p>latter refers to both the loss data thresholds of EUR 20 000 and of EUR 100 000 set out in Article 319(1) or (2).</p> <p>The corresponding template under Basel framework considers the two thresholds as well.</p> <p>On this basis, it is considered that the two thresholds are applicable under CRR3 and, as such, the proposed template is not going beyond the requirements under CRR3. For this reason, no amendments were introduced in the proposed template.</p>	
<p>Template EU OR 1</p> <p><i>Level of information to be provided in the accompanying narrative (alignment with Basel instructions)</i></p>	Some respondents have noticed that, under the Basel instructions as regards the accompanying narrative on the loss exclusions, there is a reference to the rationale being disclosed on an aggregate manner (“Banks are expected to supplement the template with narrative commentary explaining the rationale in aggregate...”). In the view of these respondents, this specification shall also be added in paragraph 5 of the instructions to this template, that shall refer to the justifications “in aggregate” for the exceptional operational risk events that were excluded from the calculation of the annual operational risk losses.	The justifications for the exceptional operational risk events excluded from the calculation of the annual operational risk losses being provided on an aggregate basis are considered to meet adequately the objectives of the Pillar 3 requirements. For this reason, the respective instruction was revised accordingly, in line with Basel and with the suggestions made by the respondents.	Paragraph 5 of instructions to template EU OR 1 was amended in order to refer to “justifications in aggregate”.
<p>Template EU OR 2</p> <p>Audited financial statements</p>	<p>Considerations linked to the reference date used for reporting quarterly BI calculation on EU OR2</p> <p>The same comments as those made on the Corep</p>	In accordance with Articles 433a and 433c of the CRR, the information on operational risk is required on an annual basis. In addition, Article 433 of the CRR states that annual disclosures shall be published on the same date as the date on which institutions publish	No amendment

Comments	Summary of responses received	EBA analysis	Amendments to the proposals
	<p>equivalent C 16.02 apply. Respondents raise difficulties and inconsistencies with the CRR in the proposed framework for the reporting of the full set of information on the Business Indicator as of 31/12/N at the Q4 remittance date. The draft RTS and ITS require to calculate and to report information based on audited financial figures. However, it will be not feasible to use the 31/12/N data, as these audited financial figures are not available when producing and publishing the Q4 Corep. Based on these considerations, respondents strongly ask to report data as of 31/12/N-1 for all remittances of the year (i.e., from Q1 to Q4). This would allow institutions and supervisors to have consistent audited figures over the same calendar year.</p>	<p>their financial statements or as soon as possible thereafter. Therefore, audited financial figures should be available for disclosure purposes.</p>	
<p>Template EU OR 2</p> <p><i>Application of Alternative Standardised Approach under Article 314(2b)</i></p>	<p>Respondents have identified an issue related to the possibility to apply the Alternative Standardised Approach (ASA) under Article 314(2b) <i>[current Article 314(4)]</i> of CRR3, on a temporary basis. This approach can continue to be applied for the calculation of the own funds requirements for retail and commercial business lines, as under the current CRR2 framework and after having informed the consolidating supervisor, until 31 December 2017 or until the consolidating supervisor grants a permission in accordance with Article 314(2a) <i>[current Article 314(3)]</i>, whichever is the earliest. In the view of these respondents, the draft ITS fails to recognise the purpose of Article 314(2b) <i>[current</i></p>	<p>The amount of own funds requirements resulting from the application of the Alternative Standardised Approach (ASA) under Article 314(2b) <i>[current Article 314(4)]</i> of CRR3 shall not be part the ILDC component and shall not be disclosed under template EU OR 2. The own funds requirements for retail and commercial business lines, when applying Article 314(2b) <i>[current Article 314(4)]</i> of CRR3, shall be calculated separately and shall be added to the own funds requirements resulting from the calculation of the Business Indicator Component (BIC). The amount of own funds requirements for retail and commercial business lines shall be disclosed in template EU OR 3.</p>	<p>The following amendments were considered:</p> <p><i>Template EU OR 2:</i></p> <ul style="list-style-type: none"> - Label of row EU 1 was amended to delete the reference to Article 314(2b) <p><i>Instructions template EU OR 2:</i></p>

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	<p><u>Article 314(4)]</u> by considering ASA as part of the ILDC instead of own funds requirements. It is also mentioned by these respondents that institutions shall continue to apply ASA to calculate own requirements for the same business lines (retail and commercial), while the Standardised Measurement Approach (SMA) introduced by CRR3 would be considered for the rest of the group (Business Indicator Component - BIC - under template EU OR 2).</p> <p>It is further explained that due to the fact that template EU OR 2 considers ASA calculation as part of the ILDC component instead of own funds requirements various problems are generated as (i) ASA concept does not fit with the concept of ILDC; (ii) it implies double counting of the calculation of requirements related to the Service and Financial Component (if these components are also calculated for retail and commercial business lines amounts, when applying ASA clause directly at the level of own funds calculation these two business lines would be counted twice); and (iii) it fails to comply with the objective of gradual transition (i.e., ASA is to be applied as under the previous legal text).</p> <p>These respondents suggest removing ASA calculation from the BIC computation (template EU OR 2) and add a row in template EU OR 3 so that the total own funds requirements correspond to the sum</p>	<p>Template EU OR 2 and respective instructions were amended accordingly.</p>	<ul style="list-style-type: none"> - Paragraph 13: reference to Article 314(2b) deleted; - Paragraph 14: the following specification was included "with the exception of the exclusion of the retail and commercial business lines considered under Article 314(2b) <u>[current Article 314(4)]</u>"; - Row 1: reference to Article 314(2b) deleted; - Row EU 1: reference to Article 314(2b) deleted; - Rows 2 and 3: the following clarification was added "Where an institution is subject to the derogation referred to in Article 314(2b) <u>[current Article 314(4)]</u> of

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	of BIC and ASA (Article 314(2b) <i>[current Article 314(4)]</i>).		Regulation (EU) No 575/2013, the institution shall not include any figures from retail banking and commercial banking business lines.”
Template EU OR 2 <i>Row EU 2e</i>	Some respondents suggested to remove row EU 2e on the basis that it is not understandable and it not required under Basel Framework neither under Article 446 of CRR3.	This row was deleted to keep the alignment with the Basel framework and also taking into consideration that the disclosure of this information may be not relevant for external stakeholders.	Row EU 2e was deleted from the template and respective instructions.
Template EU OR 3 <i>Application of Alternative Standardised Approach under Article 314(2b)</i>	<p><i>Please see detailed description of the same topic above, for template EU OR 2 .</i></p> <p>Respondents suggest to remove ASA calculation from the BIC computation (template EU OR 2) and add a row in template EU OR 3 so that the total own funds requirements correspond to the sum of BIC and ASA (Article 314(2b)).</p>	<p>The amount of own funds requirements resulting from the application of the Alternative Standardised Approach (ASA) under Article 314(2b) <i>[current Article 314(4)]</i> of CRR3 shall not be part the ILDC component and shall not be disclosed under template EU OR 2. The own funds requirements for retail and commercial business lines, when applying Article 314(2b) <i>[current Article 314(4)]</i> of CRR3, shall be calculated separately and shall be added to the own funds requirements resulting from the calculation of the Business Indicator Component (BIC). The amount of own funds requirements for retail and commercial business lines shall be disclosed in template EU OR 3.</p> <p>Template EU OR 3 and respective instructions were amended accordingly.</p>	<p>The following amendments were considered:</p> <p><i>Template EU OR 3:</i></p> <ul style="list-style-type: none"> - Insert a row after BIC for the ASA Own Funds Requirements (Article 314(2b) <i>[current Article 314(4)]</i>); <p><i>Instructions template EU OR 3:</i></p> <ul style="list-style-type: none"> - Instruction to the new row EU 1: "This row shall include the

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			<p>own funds requirements for the business lines considered under Article 314(2b) <i>[current Article 314(4)]</i>, where applicable, until 31 December 2027 or until the consolidating supervisor grants a permission in accordance with Article 314(2a) <i>[current Article 314(3)]</i>, whichever is the earliest";</p> <p>- The following was added to the instruction of row 3: " (...) which coincide with the sum of the BIC and the own funds requirements for the business lines considered by Article 314(2b) <i>[current Article 314(4)]</i>, where applicable".]</p>

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Template EU OR 3 <i>Internal Loss Multiplier (ILM)</i>	A few respondents have suggested to delete row 2 of this template, that sets ILM equal to 1. In the view of these respondents, this reference is not part of the operational risk framework under CRR3 and, therefore, should not be treated as a requirement under Article 446 which only requires institutions to disclose the BIC and the Business Indicator (BI).	The row on the Internal Loss Multiplier is kept, following the row numeration of the corresponding Basel template, but with the indication of “not applicable”.	Row 2 of template EU OR 3 was kept but with the indication “not applicable”. Instructions were amended as needed.
Template EU OR 2 Approach for income solely from “fees from payment services”	One respondent mentioned that SMA model is providing a generic approach for banks, but for entities whose income comes solely from “fees from payment services” the services component can be misleading as it does not take any risk mitigation into consideration since the ILM was removed. In the view of this respondent, a more appropriate solution as regards the computation of the services component would be to take into account the fee expenses and include that amount as a net of the commission income.	The structure of the template and respective instructions follow the Basel framework. For this reason, no changes were considered.	No amendment
Question 3. Do the respondents agree that the amended draft ITS fits the purpose of the underlying regulation?			
Request for simplification of disclosure in template EU OR 2	One respondent explicitly agrees that the amended draft ITS fits the purpose of the underlying regulation, while others do not have any comment. One respondent asked to limit the disclosure in template EU OR2 to lines 4, 5, 6a, 6b and EU6c. In the view of this respondent, this would sufficiently	The disclosure obligations are set out in Article 446 of the CRR 3 which in paragraph 1, point c) requires the disclosure of the business indicator components and their subcomponents for each of the three years relevant for the calculation of the business indicator. The format of the template is also consistent with the	No amendment

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	cover the information needs of market participants, would correspond to a simplification and would also be clearer for the external stakeholders.	corresponding Basel template in accordance with the provisions of Article 434a.	
Question 4. Do the respondents consider that the “mapping tool” appropriately reflects the mapping of the quantitative disclosure templates with supervisory reporting templates?			
Mapping of template EU OR 1	<p>One respondent explicitly agrees that the “mapping tool” appropriately reflects the mapping of the quantitative disclosure templates with supervisory reporting templates, while others do not have any comment.</p> <p>One respondent observed that there is no mapping for template EU OR 1 and it recommended to align the template EU OR 1 with COREP (deletion or postponement) and other two respondents observed that the mapping would need to be amended to reflect changes proposed in these responses.</p>	<p>The mapping of template EU OR 1 will be made available later, when reporting templates are implemented. The mapping of the templates EU OR 2 and EU OR 3 has been adjusted to reflect the changes after the consultation.</p>	No amendment