20 July 2023

One-off Fit-for-55 climate risk scenario analysis

Template Guidance

Contents

1.   Introduction and general remarks

1.1   Objective of this guidance

1. The purpose of this document is to provide both the definitions and technical guidance to the participating banks for populating the set of templates for the One-off Fit-for-55 climate risk scenario analysis exercise.

2. Each of the Template guidance chapters has a subchapter on the scope of application, on the definitions and on reporting requirements.

3. The first section of this document covers general topics such as template types, data input and formats and supervisory reporting standards applied. The remainder of this document is structured following the order of the templates according to the file 'One-off Fit-for-55 climate risk scenario analysis exercise Templates'.

4. Each template is covered in a separate section containing a summary of the purpose and data of the template, followed by a description of its structure, i.e., what information is contained in rows and columns. If any specific definitions or requirements are applicable to this template this is then covered in the following paragraph. Finally, links of the template with other templates are outlined.
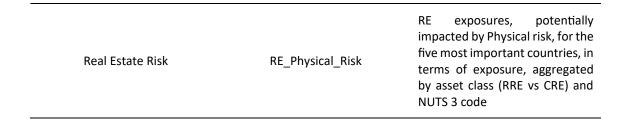
1.2   Overview of the templates

5. The One-off Fit-for-55 climate risk scenario analysis exercise templates are grouped in the following template type:

- Instructions: Template which gives general information on how to populate the templates and also indicates the version number of the file.

- Input: Template into which banks are requested to enter basic information such as the bank's name, material countries.

- Calculation Support and Validation data (CSV): Templates that are to be populated by the participating banks and in some areas contain the calculations.

6. Table 1 below includes an overview of all the templates. Banks will have to populate the Input table and all CSV templates.

Table 1: Overview of the CSV Templates

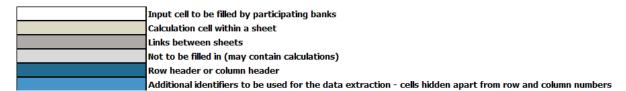| Section or topic	Template name	Description
N/A	Instructions	Summary of templates and colour codes applied

N/A	Input	Input of bank name and relevant countries for credit, real estate risk, and interest income and fees and commissions income figures
Credit risk	CR_Top_Counterpart	Individual counterparty data for the top 15 counterparties of the main climate-relevant sectors. Exposure to some large-selected companies are also requested
Credit risk	CR_Aggregated_Data	Aggregated data for the five most important countries, in terms of exposure, and the main climate-relevant sectors. Cumulative data, aggregated at sectoral level, should also be reported for "Other EU" and Other Non-EU" countries.
Interest and fees and commissions income	II_FCI	Interest and Fees and Commission income figure for the five most important countries, in terms of income, and main climate-relevant sectors. Cumulative data, aggregated at sectoral level, should also be reported for "Other" countries.
Market risk	CR_Top_Counterpart	Individual counterparty data for the top 15 counterparties of the main climate-relevant sectors aggregated by asset class (i.e., corporate bonds vs equity). Exposure to some large-selected companies are also requested.
Market risk	MR_Aggregated_Data	Aggregated data for the main climate-relevant sectors and asset class (i.e., corporate bonds vs equity)
Real Estate risk	RE_Transition_Risk	RE exposures, potentially impacted by Transition risk, for the five most important countries, in terms of exposure, aggregated by asset class (RRE vs CRE) and EPC label

Real Estate Risk	RE_Physical_Risk	RE exposures, potentially impacted by Physical risk, for the five most important countries, in terms of exposure, aggregated by asset class (RRE vs CRE) and NUTS 3 code

1.3   Data input and formats

7. No changes should be made to the sheets or the structure of the file, i.e., the only edits should be the input of data. In particular, the password-protection of the sheets should be left intact, and no columns or rows should be inserted, (re)moved or replaced. Sheets whose password-protection has been decrypted and after some modifications encrypted again cannot be processed by the EBA and will therefore be rejected.

8. The templates have a common colour code to flag different categories of cells, using the logic described in the figure below. Cells in light blue are used for processing the data provided by the banks but have no direct relevance for banks.

Figure 1: Colour-scheme of different cells in the templates

9. All the required fields should be compiled using Q4 2022 as the reference date.

10. If a field requires text input, in almost all cases, a drop-down menu has been implemented in the respective template.

11. Monetary amounts should be reported in million euros (rounded to two decimal places) if not specifically indicated otherwise. When originally accounted in a currency different from euro the same exchange rates should be applied as for the COREP/ FINREP reporting.

12. Percentage data should be reported in the format 'X.XX%', i.e., not in decimals.

13. If it is not possible for the participating bank to retrieve the value to be entered into a field, the field should be left blank.

1.4   Supervisory reporting standards

14. All templates used in the One-off Fit-for-55 climate risk scenario analysis exercise refer to the specific version of supervisory reporting requirements in place as of 31 December 2022. This means, for all templates, the use of FINREP and COREP standards as for EBA reporting framework 3.2 (applicable for reports until 31 December 2022). In the case of resubmission of FINREP and

COREP reports, templates should be filled in with the most updated data. When needed, banks should prove that a re-submission of FINREP/COREP is in process and explain the differences in the explanatory note.

2. Template specific guidance

2.1 General information

2.1.1 Input template

15. This template contains general information on the bank participating in the One-off exercise. In this template, banks are required to select their bank's name and the most material countries for the reporting of credit risk data, Interest income and fees and commissions income figures and real estate risk data.

16. The fields LEI and country of the selected bank will be populated automatically.

17. The other tables in the template include the lists of countries associated with the different templates, the list of methodologies for the estimation of the absolute emissions, a list of the climate-relevant NACE sectors at level 1, 2, 3 and 4 and their description, and a list of the NUTS 3 code for each country and their description.

2.2 Credit Risk

2.2.1 CR_Top_Counterp

18. In this template, participating banks are required to report **companies'**, **credit risk**, **climate-related** and **financial information** of the **top 15 counterparties**, in terms of exposure, **for** each group of climate-relevant **NACE 2 sectors**. Banks should map (the exposures to) the obligor to one single NACE 2 sector based on its principal activity (i.e., the activity that generates the highest share of the obligor's revenue). The scope of this template is **corporate exposures**, both SME and non-SME, **to non-financial obligors**, treated under both the standardised (**STA**) and the internal ratings-based (**IRB**) approaches. Total corporate exposures (i.e., corporate exposures to non-financial obligors) should be defined according to point (c) of Article 147(2) and point (g) of Article 112 of the Capital Requirements Regulation (CRR). Please, notice that financial holdings are excluded by the scope of the template. The countries covered by the template are both **EU** and **non-EU countries**.

19. If a sector contributes less than 0.05% to the bank's total assets reported in FINREP (F01.1), banks are not expected to report the information for this sector. In addition, within each sector a materiality threshold of 1% of total corporate credit exposures by sector applies. This means that in case the exposure to the individual obligor is less than 1% of the sector, the exposure can be left out of the required reporting.

20. The first 39 rows of the templates (from row 1 to row 39) are aimed at collecting information on selected companies in the Euro Stoxx 50 index. Among the companies included in the Euro Stoxx 50 index, only the **39 Non-Financial Companies** have been selected. These rows are the ones flagged with "Yes" in the column **Euro Stoxx**. Moreover, only for these rows, the **Company name**, **Company country**, **NACE 4 Sectors** of the company and **LEI code** columns have already been filled. Participating banks are required to fill in the data from column 8 to column 32 only if they have an exposure to that specific company. In the other cases, the information from column 8 to column 32 should be left blank. It is important to highlight that exposures to the selected Euro Stoxx 50 companies should be included only in these specific rows. The other rows, identified by the value "No" in the column **Euro Stoxx**, must be filled only with information on companies that are not already included in the rows dedicated to the companies selected from the Euro Stoxx 50 index. If, for example, Danone SA, which is among the 39 companies selected from the Euro Stoxx 50 index, is also among the top 15 counterparties for the NACE 2 sector C10-C12, then the exposure to Danone SA should be only reported in the row flagged with "Yes" in the column **Euro Stoxx**. Moreover, when it comes to the report of the top 15 counterparties for the NACE 2 sector C10-C12, the bank should only report the other top 14 counterparties.

21. The rows of the template are grouped by **NACE 2 sectors**.

22. **Company name** is the name of the obligor and it must be reported in accordance with the rules for COREP 27 column 020.

23. **Company country** is the residence of the obligor and it must be reported in accordance with the rules for COREP 27 column 040 (ISO alpha 2 code of the domicile of the obligor). Please, select the value from the dropdown list of worldwide countries.

24. **NACE 4 Sectors of the company** is the NACE rev2 level 4 code (e.g., 26.11 – Manufacture of electronic components). The NACE Code shall be selected based on the principal activity. Sheet "Input" provides in the table "NACE 4 sector" the description of the level 4 code. To avoid issues, please select the value from the dropdown menu.

25. **Parent name** is the name of the ultimate parent of the obligor and it must be reported in accordance with the rules for COREP 27 column 020.

26. **Parent country** is the residence of the parent of the obligor and it must be to be reported in accordance with the rules for COREP 27 column 040 (ISO alpha 2 code of the domicile of the counterparty). To be selected from the dropdown list of worldwide countries.

27. **LEI code** is the Legal Entity Identifier of the obligor.

28. **RIAD code** is the "Register of Institutions and Affiliates Data" code as issued by the competent national central bank of the counterparty's country of residence. To be reported if available.

29. **Exposure value** is defined, for the IRB approach, as in COREP 09.02 column 105 (net exposure after Credit Risk Mitigation (CRM) substitution effects pre-conversion factors. Amount of the exposure net of value adjustments after taking into account outflows and inflows due to CRM techniques with the substitution effects on the exposure). For the STA approach, it is defined as in COREP

09.01.a column 075. (Article 111 of CRR and Part 3 title II chapter 4 section 4 of CRR. Exposure value after taking into account value adjustments, all credit risk mitigants and credit conversion factors that is to be assigned to risk weights according to Article 113 and part 3 title II chapter 2 section 2 of CRR.) This should be provided for total corporate as defined in point in paragraph 18.

30. **PD starting point** is defined, for the IRB approach, as PD assigned to the obligor coming from the IRB model. In case no IRB model for the PD is available, banks should input either the PD from the IFRS9 model or an external provider PD. The number reported should be in the 0 and 1 interval. For the STA approach, it is defined as PD assigned to the obligor coming from the IRB model, in case this is available, for exposures in the STA model. In case no IRB model PD is available, banks should input either the PD from the IFRS9 model or an external provider PD. The number reported should be in the 0 and 1 interval.

31. **LGD starting point** is defined, for the IRB approach, as the LGD assigned to the obligor from IRB model. In case no IRB model LGD is available, banks should input IFRS9 model or LGD estimate from the impairments. The number reported should be in the 0 and 1 interval. For the STA approach, it is defined as IFRS9 model LGD or LGD estimated from the impairments. The number reported should be in the 0 and 1 interval.

32. **REA** is the risk exposure amount and it must follow the definitions in COREP for the related exposure classes as defined in paragraph 18 (i.e., total corporates).

33. **Remaining maturity** is defined as the remaining time between the assets'/ liabilities' time of original maturity, as defined in the EBA methodology of the 2023 EU-wide stress test, minus the reference date until the final scheduled contractual agreement.

34. **Absolute S1 GHG emissions** is defined as the total amount of direct greenhouse gas emissions that are emitted from sources that are controlled or owned by an organisation over a specific period (e.g., emissions produced by manufacturing processes, burning diesel fuel in trucks, fugitive emissions such as methane emissions from coal mines, or production of electricity by burning coal).

35. **Estimated S1 GHG emissions**: the possible alternatives are "Yes" or "No" and they are to be selected from the dropdown list. "Yes" should be selected if the figure reported for the "Absolute S1 GHG emissions" was obtained leveraging on estimation techniques and hence it can be defined as a proxy. "No" should be selected if the figure reported for the "Absolute S1 GHG emissions" is the observed one, which means that it was obtained without employing any estimations technique.

36. **Methodology for estimation of S1 GHG emissions**: to be selected from the dropdown list choosing among "Physical-activity based proxies", "Economic-activity based proxies" and "Other methods". The definition of the first two options is based on the first edition of the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting and Reporting Standard for the Financial Industry[1], published in November 2020. "Physical-activity based proxies" refer to emissions estimates based on primary physical activity data collected from the borrower or investee company (e.g., megawatt-hours of natural gas consumed or tons of steel produced). The emissions data should be estimated using an appropriate calculation methodology or tool with verified emission

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[1] See The Global GHG Accounting and Reporting Standard for the Financial Industry, PCAF

factors expressed per physical activity (e.g., tCO2e/MWh or tCO2e/t of steel) issued or approved by a credible independent body. "Economic activity-based proxies" refer to emissions estimates based on economic activity data collected from the borrower or investee company (e.g., euro of revenue or euro of asset). The emissions data should be estimated using official statistical data or acknowledged environmentally extended input-output (EEIO) tables providing region- or sector-specific average emission factors expressed per economic activity (e.g., tCO2e/€ of revenue or tCO2e/€ of asset). "Other methods" refer to estimation methods not referenced in PCAF, that employ different metrics and inputs. Further information on the estimation methods and the calculation approaches need to be detailed in the explanatory notes the banks should submit together with the template. Please notice that, if the value chosen for the field "Estimated GHG emissions" (column 14, 17 and 20) is "No", then the cell associated with the field "Methodology for estimation of GHG emissions" (column 15, 18 and 21) turns grey and the participating bank is not required to input any value.

37. **Absolute S2 GHG emissions** is defined as the total amount of indirect greenhouse gas emissions over a specific period associated with the purchase of electricity, steam, heat, or cooling for the organisation's own use.

38. **Estimated S2 GHG emissions**: the possible alternatives are "Yes" or "No" and they are to be selected from the dropdown list. "Yes" should be selected if the figure reported for the "Absolute S2 GHG emissions" was obtained leveraging estimation techniques and hence it can be defined as a proxy. "No" should be selected if the figure reported for the "Absolute S2 GHG emissions" is the observed one, which means that it was obtained without employing any estimations technique.

39. **Methodology for estimation of S2 GHG emissions**: Please, refer to paragraph 36.

40. **Absolute S3 GHG emissions** is defined as the total amount of indirect greenhouse gas emissions over a specific period that are not produced by the company itself and are not the result of activities from assets owned or controlled by them, but by those that it's indirectly responsible for up and down its value chain.

41. **Estimated S3 GHG emissions**: the possible alternatives are "Yes" or "No" and they are to be selected from the dropdown list. "Yes" should be selected if the figure reported for the "Absolute S3 GHG emissions" was obtained leveraging estimation techniques and hence it can be defined as a proxy. "No" should be selected if the figure reported for the "Absolute S3 GHG emissions" is the observed one, which means that it was obtained without employing any estimations technique.

42. **Methodology for estimation of S3 GHG emissions**: Please, refer to paragraph 36.

43. **Energy consumption from oil** is defined as the consumption of crude oil, refined oil and oil products in kWh per year.

44. **Energy consumption from gas** is defined as the consumption of gaseous fuels, including natural gas and liquified natural gas, in kWh per year.

45. **Energy consumption from electricity** is defined as Consumption of electricity in kWh per year.

46. **Energy consumption from renewable sources** is defined as the consumption of renewable energy from own sources in kWh per year. This should correspond to the renewable energy that counterparties produce and source themselves, e.g., electricity obtained and consumed from own solar panels or windmills.

47. **Energy consumption from other sources** is defined as the consumption of other types of energy sources which are not specified in paragraphs from 43 to 46, in kWh per year.

48. **Total energy consumption** reported in kWh per year. Should correspond to the sum of the items defined in paragraphs from 43 to 47.

49. **Net zero reduction target** is defined as the expected reduction in Scope 1 and 2 emissions, expressed in %, over the selected time horizon (2030). If not available on the required time horizon (8-y) participating banks can use a proxy, developed leveraging internal methodology. If a value cannot be obtain even leveraging on proxies, then participating banks should leave the cell blank.

50. **Total assets** are defined as the figure reported by the obligor in the Balance Sheet (in € million).

51. **Total revenues** are defined as the figure reported by the obligor in the Income Statement (in € million).

52. **Total operating expenses** are defined as the figure reported by the obligor in the Income Statement (in € million).

53. **Total debt** is defined as the figure reported by the obligor in the Balance Sheet (in € million).

2.2.2   CR_Aggregated_Data

54. In this template, participating banks are required to report **credit risk** and **climate-related information** for the **top 5 countries**, in terms of exposure, and to split their corporate exposures between **22 climate-relevant NACE 2 sectors**. The countries covered by the template are both **EU** countries and **5 selected non-EU countries** (i.e., Canada, China, Great Britain, Japan and United States). Banks should map (the exposures to) the obligors to one single sector based on its principal activity (i.e., the activity that generates the highest share of the obligor's revenue). Moreover, participating banks are also asked to report **cumulative data**, split between **22 climate-relevant NACE 2 sectors**, for "**Other EU**" and "**Other Non-EU**" **countries**. The scope of this template is **corporate exposures**, both SME and non-SME, **to non-financial obligors**, treated under both the standardised (**STA**) and the internal ratings-based (**IRB**) approaches. Total corporate exposures (i.e., corporate exposures to non-financial obligors) should be defined according to point (c) of Article 147(2) and point (g) of Article 112 of the CRR.

55. Please notice that if a bank's exposures to an industry (i.e., NACE 2 or NACE 3 sector) constitute **less than 0.05% of the bank's total assets** reported in FINREP (F01.1), the bank is not required to report the information related to this sector.

56. The rows of the template are grouped by **Country** and **NACE 2 sectors**.

57. **Exposure value** is the sum of the exposure value, as defined in paragraph 29, of each obligor included in the country-NACE 2 sector cluster.

58. **Of which Non-Performing** refers to the sum of the exposure value that have been classified as "defaulted exposures", according to CRR article 178.

59. **PD starting point** is the weighted average, based on the exposure value, of the PD of each obligor included in the country-NACE 2 sector cluster. The PDs used for the computation should be based on the definitions provided in paragraph 30.

60. **LGD starting point** is the weighted average, based on the exposure value, of the LGD of each obligor included in the country-NACE 2 sector cluster. The LGDs used for the computation should be based on the definitions provided in paragraph 31.

61. **REA** is the sum of the risk exposure amount of the different obligors included in the country-NACE 2 sector cluster. The REAs used for the computation should be based on the definitions provided in paragraph 32.

62. **Average remaining maturity** is the weighted average, based on the exposure value, of the remaining maturity of the different obligors included in the country-NACE 2 sector cluster. The remaining maturities used for the computation should be based on the definitions provided in paragraph 33.

63. **Weighted Average S1 GHG emissions intensity (weighted by exposure)** is defined as the weighted average, computed based on the exposure value, of ratio between the absolute scope 1 emission generated by the obligor and the obligor's net revenues. The scope 1 emissions used in the computation of the emission intensity should be consistent with the definition in paragraph 34.

64. **Weighted Average S2 GHG emissions intensity (weighted by exposure)** is defined as the weighted average, computed based on the exposure value, of ratio between the absolute scope 2 emission generated by the obligor and the obligor's net revenues. The scope 2 emissions used in the computation of the emission intensity should be consistent with the definition in paragraph 37.

65. **Weighted Average S3 GHG emissions intensity (weighted by exposure)** is defined as the weighted average, computed based on the exposure value, of ratio between the absolute scope 3 emission generated by the obligor and the obligor's net revenues. The scope 3 emissions used in the computation of the emission intensity should be consistent with the definition in paragraph 40.

66. **Off-balance sheet exposures** shall comprise all the items included in the definition provided by Article 166(8) CRR, as well as those listed in Annex I CRR.

2.3 II_FCI

67. In this template, participating banks are asked to report the **interest income**, the **fees** and **commission income** and the **exposure value** for the **top 5 countries**, in terms of income, and to split their corporate exposures between **22 climate-relevant NACE 2 sectors**. Banks should map (the exposures to) the obligors to one single sector based on its principal activity (i.e., the activity

that generates the highest share of the obligor's revenue). Moreover, participating banks are also asked to report **cumulative data**, split between **22 climate-relevant NACE 2 sectors**, for "**Other**" **countries**. The scope of this template is **corporate exposures**, both SME and non-SME, **to non-financial obligors**, treated under both the standardised (**STA**) and the internal ratings-based (**IRB**) approaches. The countries covered by the template are both **EU countries** and **5 selected non-EU countries** (i.e., Canada, China, Great Britain, Japan and United States).

68. Please notice that if a bank's exposures to an industry (i.e., NACE 2 sector) constitute **less than 0.05% of the bank's total assets** reported in FINREP (F01.1), the bank is not required to report the information related to this sector.

69. The rows of the template are grouped by **Country** and **NACE 2 sectors**.

70. **Interest Income** is the sum of the interest income generated by the exposures included in the country-NACE 2 sector cluster. The figures used in the computation should be selected in accordance with the definition in FINREP 2 row 0010 column 0010.

71. **Fees and commissions income** is the sum of the fees and commissions income generated by the exposures included in the country-NACE 2 sector cluster. The figures used in the computation should be selected in accordance with the definition in FINREP 2 row 0200 column 0010.

72. **Exposures (income generated)** is defined as the total volume to non-financial corporations which generates the interest income and fees and commissions income for each country-NACE 2 sector cluster included in the data template. These volumes are, inter alia, the underlying loans and advances that generate the interest and fees and commissions income. The volumes must be reported on a gross carrying amount basis for instruments at amortized cost and on a notional amount basis for instruments at fair value. Participating banks should also include off-balance sheet exposures when compiling this field. Please, refer also to paragraph 29, but considering only the exposures that generated the incomes reported in the items defined in paragraphs 70 and 71.

2.4 Market Risk

2.4.1 MR_Top_Counterp

73. In this template, participating banks are required to report **companies'**, **market risk**, **climate-related** and **financial information** of the **top 15 issuers**, in terms of exposure, for each group of climate-relevant **NACE 2 sectors** and **asset class** (i.e., bonds or equities). Banks should map (the exposures to) the issuer to one single sector based on its principal activity (i.e., the activity that generates the highest share of the issuer's revenue). The scope of this template is all corporate bonds and stocks in the trading book (FVPL). The scope of the market risk template covers all **equity** and **corporate bond positions under full or partial fair value measurement which are held with a trading intent** (i.e., positions at FVPL). Some information on first order sensitivities to interest rates, credit spread and equity should be also reported.

74. If a sector contributes **less than 0.05% to the bank's total assets** reported in FINREP (F01.1), banks are not expected to report the information for this sector. In addition, within each sector a materiality threshold of 1% of total bond / equity exposures by sector applies. This means that in

case the exposure to the individual issuer is less than 1% of the sector, the exposure can be left out of the required reporting.

75. As for the CR_Top_Counterp, **the first 78 rows of the templates** (from row 1 to row 78) are aimed at **collecting information** on **selected companies** in the **Euro Stoxx 50 index**. When filling the template, participating banks should apply the same logic described in paragraph 20 keeping in mind that the rows from 1 to 39 are for corporate bonds, while the row from 40 to 78 are for equities.

76. The rows of the template are grouped by **NACE 2 sectors** and **asset class**.

77. **Issuer name** is the name of the issuer of the debt security or of the company, when considering equity. The name should be reported in accordance with the definition provided in paragraph 22.

78. **Issuer country** is the country of the issuer of the debt security or of the company, when considering equity. The country should be reported in accordance with the definition provided in paragraph 23.

79. **NACE 4 sector of the issuer**: please, refer to paragraph 24.

80. **LEI Code**: please, refer to description in paragraph 27.

81. **RIAD code**: please, refer to paragraph 28.

82. **Notional amount (only for bonds)** must be reported as produced by the internal systems of the banks to meet their regulatory and accounting obligations. Participating banks are required to report net positions, computed as the difference between long positions (positive sign) and short positions (negative sign) of the equity/bonds and the associated hedging instruments.

83. **Fair value** must be reported as produced by the internal systems of the banks to meet their regulatory and accounting obligations. Participating banks are required to report net positions, computed as the difference between long positions (positive sign) and short positions (negative sign) of the equity/bonds and the associated hedging instruments.

84. **Duration** is defined as the Macaulay duration. Note that the field should be compiled only in case of debt securities.

85. **Remaining maturity**: please, refer to paragraph 33. Note that the field should be compiled only in case of debt securities.

86. **Absolute S1 GHG emissions**: please, refer to paragraph 34.

87. **Estimated S1 GHG emissions**: please, refer to paragraph 35.

88. **Methodology for estimation of S1 GHG emissions**: please, refer to paragraph 36.

89. **Absolute S2 GHG emissions**: please, refer to paragraph 37.

90. **Estimated S2 GHG emissions**: please, refer to paragraph 38.

91. **Methodology for estimation of S2 GHG emissions**: please, refer to paragraph 39.

92. **Absolute S3 GHG emissions**: please, refer to paragraph 40.

93. **Estimated S3 GHG emissions**: please, refer to paragraph 41.

94. **Methodology for estimation of S3 GHG emissions**: please, refer to paragraph 42.

95. **Energy consumption from oil**: please, refer to paragraph 43.

96. **Energy consumption from gas**: please, refer to paragraph 44.

97. **Energy consumption from electricity**: please, refer to paragraph 45.

98. **Energy consumption from renewable sources**: please, refer to paragraph 46.

99. **Energy consumption from other sources**: please, refer to paragraph 47.

100. **Total energy consumption**: please, refer to paragraph 48.

101. **Net zero reduction target**: please, refer to paragraph 49.

102. **Total assets**: please, refer to paragraph 50.

103. **Total revenues**: please, refer to paragraph 51.

104. **Total operating expenses**: please, refer to paragraph 52.

105. **Total debt**: please, refer to paragraph 53.

106. **First order sensitivity of the hedging instrument to interest rate (only for bonds)** is defined as the change in the price of the hedging instrument (per 1 million EUR of exposure), in response to a parallel shift of one basis point in the relevant risk-free curve.

107. **First order sensitivity of the hedging instrument to credit spread (only for bonds)** is defined as the change in the price of the hedging instrument (per 1 million EUR of exposure), in response to a change of one basis point in the relevant credit curve (CDS) of the issuer.

108. **First order sensitivity of the hedging instrument to equity** is defined as the change in the fair value of the hedging instrument (per 1 million EUR of exposure), in response to a 1% change of the risk factors.

2.4.2   MR_Aggregated_Data

109. In this template, participating banks are required to report **market risk** and **climate-related information aggregated** by the **climate-relevant NACE 2 sectors** and **asset class** (i.e., bonds or equities). Banks should map (the exposures to) the issuer to one single sector based on its principal activity (i.e., the activity that generates the highest share of the issuer's revenue). The scope of this

template is all corporate bonds and stocks in the trading book (FVPL). The scope of the market risk template covers all **equity** and **corporate bond positions under full or partial fair value measurement which are held with a trading intent** (i.e., positions at FVPL). Some information on first order sensitivities to interest rates, credit spread, and equity should be also reported.

110. Please notice that if a bank's exposures to an industry (i.e., NACE 2 or NACE 3 sector) constitute **less than 0.05% of the bank's total assets** reported in FINREP (F01.1), the bank is not required to report the information related to this sector.

111. The rows of the template are grouped by **NACE 2 sectors** and **asset class**.

112. **Fair value** is defined as the sum of the fair value of all the exposures included in the NACE 2 sectors-Type of instrument cluster. The fair value used in the computation should be consistent with the definition in paragraph 83.

113. **Average duration** is the weighted average, based on the notional amount, of the duration of the debt securities included in the NACE 2 sectors cluster. The duration used in the computation should be consistent with the definition in paragraph 84.

114. **Average remaining maturity** is the weighted average, based on the fair value, of the remaining maturity of the debt securities included in the NACE 2 sectors cluster.

115. **Notional amount (only for bonds)** is defined as the sum of the notional amount of all the debt securities included in the NACE 2 sectors-Type of instrument cluster. The notional amount used in the computation should be consistent with the definition in paragraph 82.

116. **Weighted Average S1 GHG emissions intensity** is defined as the weighted average, computed based on the notional amount for corporate bonds and on the fair value for equity, of the ratio between the absolute scope 1 emission generated by the obligor and the obligor's net revenues. The scope 1 emissions used in the computation of the emission intensity should be consistent with the definition in paragraph 34.

117. **Weighted Average S2 GHG emissions intensity** is defined as the weighted average, computed based on the notional amount for corporate bonds and on the fair value for equity, of the ratio between the absolute scope 2 emission generated by the obligor and the obligor's net revenues. The scope 2 emissions used in the computation of the emission intensity should be consistent with the definition in paragraph 37.

118. **Weighted Average S3 GHG emissions intensity** is defined as the weighted average, computed based on the notional amount for corporate bonds and on the fair value for equity, of the ratio between the absolute scope 3 emission generated by the obligor and the obligor's net revenues. The scope 3 emissions used in the computation of the emission intensity should be consistent with the definition in paragraph 40.

119. **Average first order sensitivity of the hedging instrument to interest rate (only for bonds)** is defined as the weighted average, based on the notional amount, of the first order sensitivity of the hedging instruments, included in the NACE 2 sectors-Type of instrument cluster, to interest rate.

The notional amount used in the computation and the first order sensitivity of the hedging instrument to interest rate should be consistent with the definition in paragraphs 82 and 106, respectively.

120. **Average first order sensitivity of the hedging instrument to credit spread (only for bonds)** is defined as the weighted average, based on the notional amount, of the first order sensitivity of the hedging instruments, included in the NACE 2 sectors-Type of instrument cluster, to credit spread. The notional amount used in the computation and the first order sensitivity of the hedging instrument to credit spread should be consistent with the definition in paragraphs 82 and 107, respectively.

121. **Average first order sensitivity of the hedging instrument to equity** is defined as the weighted average, based on the notional amount, of the first order sensitivity of the hedging instruments, included in the NACE 2 sectors-Type of instrument cluster, to equity. The notional amount used in the computation and the first order sensitivity of the hedging instrument to equity should be consistent with the definition in paragraphs 82 and 108, respectively.

2.5 Real Estate Risk

2.5.1 RE_Transition_Risk

122. In this template, participating banks are required to report **real estate risk** and **climate-related information** for the **top 5 countries**, in terms of exposure, and to split their exposures between **asset class** (i.e., RRE and CRE) and **EPC bucket**. The scope of the template is **corporate and retail exposures secured by real estate**, defined according to point (c) of Article 147(2) and point (g) of Article 112 of the CRR, for corporate exposures, and according to point (d) of Article 147(2) and point (h) of Article 112 of the CRR, for retail exposures. If a country-asset class- EPC bucket cluster contributes less than 0.05% to the bank's total assets reported in FINREP (F01.1), banks are not expected to report the information for this cluster. The countries covered by the template are **EU countries**.

123. Please notice that, if a country-asset class-EPC bucket cluster contributes **less than 0.05% to the bank's total assets** reported in FINREP (F01.1), banks are not expected to report the information for this cluster. The countries covered by the template are EU countries.

124. The rows of the template are grouped by **Country**, **Asset class** and **EPC bucket**.

125. **Share of proxies out of total EPC data (%)** is defined as the % of the EPC label included in the country-asset class-EPC bucket cluster that was computed leveraging an estimation technique and that can be hence defined as proxy. Further information on the estimation methods employed to proxy EPC data need to be detailed in the explanatory note the banks should submit together with the template.

126. **Aggregated market value of properties** is defined as the sum of the market value of the properties included in the country-asset class-EPC bucket cluster.

127. **Exposure value** is defined as the sum of the exposure value of the exposures included in the country-asset class-EPC bucket cluster. The exposure values used in the computation should be consistent with the definition in COREP for corporate and retail exposures secured by real estate. Further information on the approach employed to allocate exposures to each EPC bucket need to be detailed in the explanatory note the banks should submit together with the template.

128. **LGD starting point**: please refer to paragraph 60.

129. **New defaulted exposures over total exposures (%)** is defined as the percentage of non-performing exposures, as defined in paragraph 36, out of the overall exposure value included in the country-asset class-EPC bucket cluster.

130. **Interest rate applied** is the weighted average, computed based on the exposure value, of the interest rate applied to the exposures included in the country-asset class-EPC bucket cluster.

2.5.2 RE_Physical_Risk

131. In this template, participating banks are required to report **real estate risk** and **climate-related information** for the **top 5 countries**, in terms of exposure, and to split their exposures between **asset class** (i.e., RRE and CRE) and **NUTS 3 code**. The scope of the template is **corporate and retail exposures secured by real estate**, defined according to point (c) of Article 147(2) and point (g) of Article 112 of the CRR, for corporate exposures, and according to point (d) of Article 147(2) and point (h) of Article 112 of the CRR, for retail exposures.

132. Please notice that, if a country-asset class-NUTS 3 code cluster contributes **less than 0.05% to the bank's total assets** reported in FINREP (F01.1), banks are not expected to report the information for this cluster. The countries covered by the template are EU countries.

133. The rows of the template are grouped by **Country**, **Asset class** and **NUTS 3 code**.

134. **Aggregated market value of properties**: please refer to paragraph 126.

135. **Exposure value**: please refer to paragraph 127.

136. **LGD starting point**: please refer to paragraph 60.

137. **New defaulted exposures over total exposures (%)**: please refer to paragraph 129.

138. **Interest rate applied**: please refer to paragraph 130.