afme/

Consultation Response

EBA Reporting Simplification: Module 6 – COREP OF

July 2026

Summary

AFME and its members generally find the proposed COREP own funds (OF) templates and instructions clear and aligned with CRR3, particularly for standardised credit risk and geographical breakdown reporting.

However, we highlight the need for targeted clarifications, notably on the new row for Article 111(8)(c) notifications, FX-mismatch adjustments, and the treatment of liens in immovable property exposures to ensure consistent implementation.

The response supports simplification measures such as the deletion of template C 11.00, but stresses that greater benefits could be achieved by introducing materiality thresholds for geographical reporting and prioritising clearer instructions rather than adding complexity.

Key cost concerns include the implementation of new reporting elements (e.g. row 0085) requiring significant system and governance changes, as well as proposed additional data in C 10.00.

The dropping of Template C_11 (consisting only of 38 data points on a negligible type of risk like the Settlement/Delivery Risk) and Templates C_05.01 and C_05.02 (which are already not applicable due to the end of transitional provisions/grandfathered instruments and thus it is a matter of obsolescence of the underlying transitional arrangements rather than a true simplification) does not offset the additional information requested, especially on the transitional arrangements applied to the U-TREA through the new Template C_05.03 and the multiple reporting views requested in Templates C_03.00 and C_04.00 on the fully loaded ratios and their components.

Considering the proposed changes should come into effect starting from Q3 2027, the limited timeframe given to implement all the requested changes in the bank procedures and related costs, we do not perceive any simplifications or cost efficiencies in a true sense introduced to the COREP_OF Module.

If the underlying objective of the proposed amendments to the reporting requirements is to monitor the impact of specific Articles due to the mandates coming from the CRR3, we suggest to limit the new reporting requests to these specific Articles, the amendments to Templates C_02/C_03/C_04 to be dropped in their entirety, which add unneeded complexity and views, and rows 0070/80/90/100/110 to be dropped, considering that in the current reporting Templates the difference between transitional and fully loaded S-TREA RWA is already reported and thus the fully loaded S-TREA RWA can be easily be reconstructed with the information already provided.

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Overall, the industry calls for proportionality, harmonised thresholds, and clearer guidance to ensure efficient and consistent reporting.

Consultation Questions

Question 1. Are the instructions and templates clear to the respondents?

From the perspective of the standardised credit risk and geographical breakdown templates, the proposed instructions and templates are broadly clear. In particular, the addition of row 0085 in C 07.00 for Article 111(8)(c) items, the new column 0218 for the FX-mismatch adjustment under Article 123a CRR3, and the enhanced instructions for the geographical templates are understandable and operationally workable.

That said, some targeted clarification would still be helpful, notably on the practical operation of row 0085 as the notification mechanism under Article 111(8)(c), the validation logic for column 0218, and the treatment of liens for the purposes of Article 124(6) and Article 124(1).

In general it would be helpful if the Instructions wouldn't just refer to a CRR Article, but explain what the EBA expect to see in the specific column/row/cell. We particularly welcome the clarification in the CRSA Instructions about the requirement to report the overall IP exposure class along with its sub-exposure classes.

A new row is introduced in template C02.00 labeled "Of which: Transitional adjustments included in the computation of unfloored REA". This row is meant to report separately "transitional adjustments included in the computation of unfloored REA". However, transitional arrangements reduce the unfloored REA and in that sense do not contribute to (i.e., increase) it and should, therefore, not be reported as part of the TOTAL RISK EXPOSURE AMOUNT PRE-FLOOR. Some clarification is required for this row as it would seem more appropriate to report amounts of transitional arrangements impacting (rather than included in) the computation of unfloored REA as a memorandum item.

Several elements of the templates and instructions introduce interpretative uncertainty and inconsistencies across the framework, and new reporting requirements also introduce further burdens on a quarterly basis. Specifically:

An additional observation on Template C_02 - row 0037: from the instructions given in the Annex, it is not clear the perimeter of the adjustments that should be considered "Transitional". The word "all" introduces uncertainty and may lead to misinterpretations. In the instructions, a clear list of CCR3 Articles that should be considered "Transitional" has to be provided, considering Option 1b was chosen as the most suitable one in the context of this CP ("Requesting institutions to report only the information on the transitional arrangements for which there is a mandate for an EBA report or a review clause in the CRR3 and the transitional arrangements that the EBA and supervisors have a particular interest to monitor");

- Template C_03 - rows 0390/0400/0410: Always taking into consideration Option 1b was chosen in the context of this CP, the instructions provided are unclear, considering that Part Ten, Title I of Regulation (EU) No 575/2013 as cited by the Annex contains all transitional provisions and not only those that EBA should monitor in the context of the mandate given by the CRR3. Notwithstanding the previous general statement, the reporting of fully loaded ratio, in addition to all the ratios already reported, would lead to more supervisory burdens for the reporting institutions, considering the multiple views that has to be provided (transitional, transitional without Art. 465, fully loaded) in the context of this reporting;

- Template C_04 - row 0895: In the instructions, a clear list of CCR3 Articles that should be considered "Transitional" has to be provided, considering Option 1b was chosen as the most suitable one in the context of this CP;

- Template C_05.03 - rows 0070/0080/0090/0100/0110: as stated above, these rows are redundant with information already provided in other Templates. In fact, the S-TREA transitional and the DIFFERENCE between S-TREA transitional and S-TREA fully loaded is already provided in Templates C_10/C_13.01/C_34.02, thus making these rows not strictly necessary.

- Template C_05.03 - row 0010: This row adds new layer of complexity, leading to the aggregated view of all the transitional adjustments, whilst the rows below only the separate impact of each of the transitional adjustments. Given all the above considerations, this row should be dropped.

Will these changes to Pillar 1 framework be followed by changes to Pillar 3 requirements?

Question 2. Do the respondents identify any discrepancies between these templates and instructions and the calculation of the requirements set out in the underlying regulation?

We have not identified material discrepancies between the proposed templates and instructions and the underlying regulatory framework. The proposed design of C 07.00 remains aligned with the CRR3 standardised approach, and the new FX-mismatch column is consistent with the logic of reporting RWEA before and after the Article 123a adjustment. The geographical breakdown instructions also appear operationally coherent.

That said, we note one **technical consistency point** in **C 07.00**. The tracked-change template appears to remove the wording **“of which”** from column **0140**. If this is intended only as a presentational clarification, this would be understandable, since column **0130** reports the **financial collateral adjusted value (Cvam)**, while column **0140** reports the **joint impact of volatility and maturity adjustments (Cvam - C)**. However, if this change is intended to alter the derivation of column **0150**, further amendments to the instructions would be necessary. Under the current instructions, column **0130** already represents the full adjusted collateral value, and column **0140** represents an adjustment effect already embedded in that amount. A separate inclusion of column **0140** in the calculation of column **0150** would therefore risk double counting unless the definitions of columns **0130**, **0140** and/or **0150** are revised accordingly. Clarification would therefore be welcome as to whether the removal of “of which” is purely editorial or whether a substantive change in the calculation logic is intended.

The main remaining issues are therefore better described as **interpretative or technical alignment points** rather than structural discrepancies. In particular, further clarification on the treatment of **liens** would help ensure consistent determination of the exposure amount that benefits from the treatment under **Article 124(1)**, especially given the detailed immovable-property sub-exposure structure now reflected in the SA instructions.

Considering Article 495d may be applied to UCC weighted using Internal Models for U-TREA RWA, a new column should be introduced in Templates C_08.01 and C_08.02 where to report CCF% using "Transitional arrangements for UCCs", in line with column 0195 of Template C_07. This new column will be left empty until 1/1/2030, when the first percentage of 25% should be applied to CCF% 10%.

2.2.1. Simplification

Question 3. Do you agree with the deletion of template C 11.00 on settlement/delivery risk?

We support the deletion of template C 11.00 on settlement/delivery risk, as proposed in Module 6, Section 1.1, paragraph 3. The EBA's approach of requiring institutions to report only the risk-weighted exposure amount in template C 02.00 is a proportionate simplification. However, we note that the practical benefit for large institutions is limited, as this template was already largely automated. We encourage the EBA to focus simplification efforts on areas that deliver more meaningful cost reductions for large institutions.

It would be helpful for the instructions to make the redirection more explicit, so that institutions can clearly identify which C 02.00 cells replace the information currently reported in C 11.00.

Question 4. Do you have any views on the possibility of adding an additional materiality threshold to the geographical breakdown requested in templates C 09.01 and C 09.02, similar to the additional threshold added in FINREP for geographical breakdown? Please explain.

We strongly support the introduction of materiality thresholds for the geographical breakdown in templates C 09.01 and C 09.02, as raised in Module 6, Section 1.1, paragraph 4 and Question 4. The EBA has already applied such thresholds in the new template C 09.05 for stress test purposes, as well as in FINREP and ESG modules. We see no justification for maintaining a different, more burdensome approach for the core COREP geographical credit risk templates. We would suggest, however, that banks' use of materiality thresholds could remain voluntary in the event there are challenges around data aggregation.

We propose a concrete materiality threshold consistent with the approach used elsewhere in this consultation: institutions should report country-level breakdowns only where non-domestic exposures exceed 10% of total exposures, and individual countries should only be reported where they represent more than 1% of total exposures. Furthermore, we advocate that the EBA should consider and consult with industry on the options surrounding the extension of this threshold to the CCYB-related template C 09.04.

As an alternative or complementary approach, we suggest a materiality threshold aligned with Large Exposures reporting principles — for example, reporting at country level only where exposures exceed 10% of Tier 1 capital.

The introduction of an additional layer of proportionality for templates C09.01 and C09.02, whereby foreign exposures under 1% of the total original exposures are aggregated into the geographical z-axis 'Other countries,' represents a significant change in the established production chains.

It would be essential to implement a dynamic test to categorize, on a quarterly frequency, the countries where the original exposure is equal to or greater than 1% within existing and operational processes. Additionally, this dynamic test includes a cross-check with the C 04.00 model, line 0860, which complicates the process.

The benefit of excluding a few countries from quarterly reporting to allocate them to the z-axis 'Other countries' does not present a substantial factor for reducing reporting burdens and may increase the system processing delay.

Therefore, it would be more prudent to maintain consistent aggregation criteria for the 'Other Countries' category, mirroring those applied to C09.01 and C09.02, specifically, consider: 'Exposures to supranational organizations shall be assigned to the geographical area "Other Countries."' rather than introducing a new materiality threshold for foreign exposures under 1%.

Question 5. Do you have any other suggestions on simplification regarding the templates covered by this CP?

We have three main suggestions.

First, for Article 111(8)(c) items, the EBA should confirm that row 0085 in C 07.00 is the standard reporting and notification channel within COREP, with supplementary qualitative explanation is required only in exceptional cases. This would be consistent with the final RTS approach of implementing the notification process through the COREP framework while keeping the burden proportionate.

Second, if an additional materiality threshold is introduced for the geographical templates, the threshold logic should be aligned across C 09.01, C 09.02 and C 09.05, including a consistent treatment of "Other countries". This would improve comparability and reduce operational complexity.

Third, where the key challenge is interpretation rather than data availability, simplification would be better achieved through clearer instructions, worked examples and validation rules rather than through additional rows or columns. This is particularly relevant for the FX-mismatch adjustment in C 07.00 and the treatment of liens / ETV in immovable-property exposures.

Producing this template requires dedicated calculations to isolate the impact of each individual transitional arrangement, effectively implying a full re-run of the capital calculation chain for each arrangement. This entails duplicating all solvency treatments within existing engines, analyzing and storing results, and ensuring full validation of each output.

These additional runs would need to be performed within an already highly constrained capital production process, where calculation timelines are tightly optimized and largely non-flexible. As such, introducing multiple full recalculations (one per transitional arrangement) would be operationally unfeasible within production close timelines.

Furthermore, initial assessments indicate that the cost associated with developing, running and maintaining such calculations (within the quarterly closing capital calendar process) would be extremely high, notably due to system upgrades, increased processing and storage capacity, and additional expert resources required for validation and monitoring.

The requirements therefore create significant pressure on both systems and expert resources, as each calculation (by nature time-consuming and non-compressible) must be executed, analyzed and validated individually. This represents a disproportionate burden compared to the expected supervisory benefit.

In this context, the introduction of Template C 05.03 is not justified. The monitoring of transitional arrangements could instead be achieved through targeted ad hoc data collections outside regular reporting cycles (for example, in May and November), allowing for greater flexibility and proportionality.

Moreover, three memorandum items are added to template C 03.00 to report capital ratios on a fully loaded basis. While already including the reporting of capital ratios excluding transitional provisions for the output floor only.

These new memorandum items require specific additional calculations, similar in nature to those described for Template C 05.03, implying an additional ad hoc run of the capital calculation chain to derive alternative capital ratio views.

We suggest keeping only one of the “fully loaded” capital ratios (full fully loaded or output floor fully loaded) in addition to the actual solvency capital ratios in order to limit the burden and associated costs.

Template CR IRB 7: For this specific template, the exposure class breakdown introduced by the EBA in the Excel table does not fully correspond to the exposure classes and sub-classes defined in the CRR and EBA do not refer to CRR within its instructions for these exposure classes, exposure sub-classes and also memo items. EBA instruction for CR IRB 7 only states: “Institutions shall include the information in this template by exposure classes, in accordance with the breakdown of exposure classes included in the rows of the template”.

One exposure sub-class in particular appears inconsistent with CRR : “Of which Retail – Secured by Residential Real Estate SMEs” and should most likely be removed from the table.

Under IRB approach, Article 147 #5 (a) (iii) of the CRR explicitly excludes SME exposures from the exposure class “Retail exposures secured by residential property”, limiting it to natural persons only (new since CRR 3).

In addition, in CR IRB 7, the rows “Of which Retail – SME other” and “Of which Retail – Secured by Residential Real Estate SMEs” are presented at the same hierarchical level, reinforcing the ambiguity.

This additional level of breakdown requires institutions to manage a specific granularity that generates unnecessary operational burden and associated costs.

We believe that the reporting framework should ensure consistency by linking each breakdown by exposure class or sub-class in the COREP templates to a clearly defined CRR concept. Where additional breakdowns (e.g. memorandum items) are deemed necessary, these should be included in the annex together with a clear rationale and precise definitions to avoid divergent interpretations.

From a simplification perspective, we therefore suggest aligning the exposure breakdown in template C08.07 with the IRB or SA exposure classes as defined in Articles 112 and 147 of the CR.

While we understand the regulatory drivers behind the new row for Article 111(8)(c) notifications and the new column for FX-mismatch adjustments under Article 123a CRR3 (Module 6, Section 1.2.3, paragraphs 17–19), we urge the EBA to limit further additions to the C 07.00 template. Each incremental data point in this template has a multiplicative effect across exposure classes and geographical breakdowns, creating disproportionate implementation costs relative to the supervisory information gained.

Question 6. Cost of compliance with the reporting requirements: Is or are there any element(s) of this proposal for new and amended reporting requirements that you expect to trigger a particularly high, or in your view disproportionate, effort or cost of compliance? If yes, please:

▪ specify which element(s) of the proposal trigger(s) that particularly high cost of compliance,

▪ explain the nature/source of the cost (i.e. explain what makes it costly to comply with this particular element of the proposal) and specify whether the cost arises as part of the implementation, or as part of the on-going compliance with the reporting requirements,

▪ **offer suggestions on alternative ways to achieve the same/a similar result with lower cost of compliance for you.**

The production of template C 05.03 is particularly costly in terms of compliance. Indeed, the inclusion of this template as part of supervisory reporting is highly burdensome on systems and other resources as dedicated calculations are required. The same goes for the production of capital ratios: (i) without application of transitional provisions for the output floor only and (ii) without any transitional provisions at all, in template C 03.00.

Regarding templates C 09.01 and C 09.02, as outlined in question 4, it would be essential to implement a dynamic test to introduce an additional layer of proportionality. This is a change in the established production chains without substantial benefit in reducing reporting burdens. (Costs: Medium - Benefits: Very low)

Regarding the production of templates C 05.03 and C 03.00, the costs are part of the on-going compliance with the reporting requirements. The different adjustments in parameters required for all the dedicated calculations can be automated as part of the implementation, however, the constraints on the resources due to the multiplication of calculations and their analyses cannot be alleviated.

Template C 05.03 can be deleted and replaced and the monitoring of the impact of transitional arrangements can be performed, for instance, through ad hoc data collections outside of the reporting cycles (for example in May and November).

From a standardised credit risk perspective, an element we would identify as potentially triggering a particularly high or disproportionate implementation effort is the introduction of Article 111(8)(c) / row 0085 in C 07.00. The effort arises mainly from the need to review product inventories, identify off-balance-sheet items not explicitly listed in Annex I, determine the appropriate analogous bucket under the RTS, and embed that logic into governance, product mapping and reporting systems. Where internal governance requires product-level review and formal sign-off, this can be a significant implementation exercise.

A lower-cost way to achieve the same supervisory objective would be to confirm that row 0085 is the standard notification mechanism, with supplementary explanation required only where genuinely necessary. By contrast, we would not currently identify the new FX-mismatch column 0218 or the possible introduction of an additional country-level materiality threshold as elements that are likely, in themselves, to give rise to particularly high or disproportionate cost.

Reporting the RWAs under internal models in template C 10.00 for exposures classified under the standardised approach would require ad hoc technological developments, as this information is not currently available. Performing table joins to obtain the information accurately would also be complex, given that the breakdowns of contracts under the different approaches may differ significantly, particularly where mortgage collateral is involved. It would also be costly from both an economic and operational standpoint, due to the high volume of contracts concerned.

We believe that requesting this information would entail significant costs. In addition, the comparison between RWAs under internal models and under the standardised approach already exists in template C 02.00, using the internal-model classification. We therefore believe that it should be assessed whether requesting this additional column in template C 10.00 is justified.

Further suggestions include:

"1. Add a separate simpler template for Output Floor and remove column 020 from C02.00

2. Add a separate template for exposures secured by immovable property, and remove the breakdown requirement from C02.00, C07.00 and C09.01"

Template C_02: The opening of rows 305/306/415/416/411/412/413/414 is unnecessary in relation to the stated objective in this CP of "necessary to understand the computation of the output floor" due to the fact that these rows represent "Memo Items" not contributing to the total U-TREA/S-TREA, adding new unnecessary reporting burdens. Thus, these rows should be dropped in their entirety.

COREP OF - Transitional arrangement scope in C 02.00 / C 03.00 / C 04.00 / C 05.03

We acknowledge the EBA's proportionate approach in designing template C 05.03, limiting the memorandum items to transitional arrangements where there is an EBA monitoring mandate or a CRR3 review clause (Module 6, Section 1.2.1, paragraphs 6–15, Option 1b). We support the decision to grey out cells where information is already reported in existing templates (C 10.00, C 07.00, C 13.01, C 14.01) to avoid double reporting.

However, we would continue to note that the cumulative effect of C 05.03, together with the new memorandum items in C 03.00 (fully loaded capital ratios) and C 04.00 (fully loaded floor adjustment), represents a material increase in data points. In these templates, fully loaded ratios are required, while other parts of the framework refer only to transitional metrics. This inconsistency forces institutions to maintain parallel calculation frameworks and complex reconciliation processes, significantly increasing operational burden. These costs are primarily ongoing, as they affect recurring reporting cycles. The request to calculate fully loaded capital ratios - an information that is not disclosed to the public nor reported - may trigger not only additional calculations but also additional internal and external audit processes due to the sensitive nature of the data reported.

Another relevant cost driver is the requirement, in some areas, to re-map IRB exposures into Standardised portfolios for output floor purposes (C 10.00). This introduces a representation that is not natively produced by internal risk systems and therefore requires additional data transformations, mapping rules, and system changes, with direct impacts on data architecture. These are mainly implementation costs, but they also translate into ongoing complexity in data maintenance and validation.

We request the EBA to provide clarity on the specific supervisory queries and ad-hoc information requests that these enhanced data points are intended to eliminate, so that institutions can track the realisation of the claimed burden reduction over time.

In particular, a key cost driver is the requirement to report the impact of transitional provisions in a highly disaggregated manner, including cases where the effect of each individual provision must be calculated separately on U-TREA and S-TREA. This approach departs from the way transitional measures are typically embedded in regulatory calculations—where their impact is considered in aggregate—and therefore requires the development of additional calculation layers and specific methodologies. As a result, institutions may need to implement dedicated IT logic and reconciliation processes. The cost arises both at implementation stage, due to system developments, and on an ongoing basis, due to maintenance and controls.

Please also refer to **Consultation Q7 or Q8 'Impact of certain transitional arrangements'**

Further background and requests for clarification:

- In Module 6 (COREP OF), we understand the EBA aims to monitor the impact of transitional arrangements under the CRR3 package, reflected through updates to templates C 02.00, C 03.00, C 04.00 and the introduction of C 05.03.
- We would appreciate clarification on the scope of transitional arrangements captured across these templates, as the instructions do not clearly indicate which specific CRR provisions should be considered consistently.
- In particular, clarification is sought on the newly introduced rows linked to transitional arrangements:

Change	Template	Row	Content	Instruction
new	C02.00	R0037	Of which : Transitional adjustments included in the computation of unfloored REA	REA attributable to all transitional adjustments included in Regulation (EU) No 575/2013 for the computation of TOTAL RISK EXPOSURE AMOUNT PRE-FLOOR (unfloored TREA), as defined in Article 92(4) of Regulation (EU) No 575/2013.
new	C03.00	R0390 - R0410	Capital ratios without application of any transitional provisions: Fully loaded CET1/ T1/ Total Capital ratio	Fully loaded CET1/ T1/Total capital ratio Article 92(2), point (a) without application of any transitional provision under Part Ten, Title I of Regulation (EU) No 575/2013
new	C04.00	R0895	FULLY-LOADED FLOOR ADJUSTMENT	For institutions subject to the output floor as per Article 92(3) of Regulation (EU) No 575/2013, the floor adjustment without application of any transitional arrangement set out in Regulation (EU) No 575/2013.
new	C05.03	R0010	Total exposures subject to transitional arrangements	The total amount of the exposures subject to transitional arrangements shall be reported in this row. The amount reported may not be equal to the sum of the rows below, which include only the separate impact of selected components of the total of the exposures

				subject to transitional arrangements.

Questions for clarification:

1. Scope and consistency of transitional arrangements

- For the new rows across C 02.00, C 03.00, C 04.00 and C 05.03 (as listed above), could the EBA confirm whether they are intended to refer to the same set of CRR3 new transitional arrangements (impacting RWA calculation)?
- If so, could the EBA provide a mapping to the relevant CRR3 articles?

2. Follow up (if different scopes apply across templates), would appreciate clarification on the following points:

a) Scope of transitional adjustments in C 03.00 / C 04.00

- For C 03.00 and C 04.00, the instructions refer to metrics “without transitional provisions”:
- Could the EBA confirm whether this requires exclusion of - only output floor transitional arrangements (e.g. Article 465) or all CRR transitional provisions (including capital-related adjustments under Part Ten)?

b) Scope of exposures captured in C 05.03

- Based on the instructions, C 05.03 appears to derive exposures from credit risk and related templates (e.g. C7, C8.1, C10.01, C13/14).
- Could the EBA confirm whether C 05.03 is limited to Credit Risk / CCR / Securitisation exposures, or whether it is intended to capture a broader set of exposures subject to transitional arrangements?

3) ‘Under the new C 05.03 template instructions, we note that for Exposure Values (Columns 0010 and 0020), securitisation exposures are included (with a reference to the C 13.01 SEC templates). However, for the RWA-related columns (Columns 0030 and 0040), there is no reference to the SEC templates. Could you please clarify whether securitisation RWAs should also be included in the RWA-related columns (Columns 0030 to 0060)?’

Question 7. Is the design for the reporting on the impact of certain transitional provisions clear enough? If you identify any issues, please specify the related instructions.

We have not identified any issue with template C 05.03, at least as regards the IRB credit risk section, which comprises all columns and rows 0060, 0070, 0080 and 0090.

In C 03.00, the requirement to report fully loaded ratios excluding any transitional provisions on U-TREA is conceptually clear in isolation. However, this clarity becomes less robust when considered in the broader context, because the same reporting framework simultaneously requires, in other templates, the explicit identification or even the disaggregated impact of transitional measures. This creates a structural inconsistency between a “pure” fully loaded view and other reporting views where transitional effects are still relevant. As a result, respondents may face uncertainty regarding how the fully loaded figures in C 03.00 should be reconciled with other templates capturing transitional impacts.

In C 05.03, the situation is more complex, as the template requires the explicit reporting of the effect of transitional provisions, potentially even isolating the contribution of individual measures. While this objective is understandable from a supervisory perspective, it is not fully aligned with how transitional provisions are typically applied in the regulatory framework, where their effect is considered in combination rather than individually. This implies that institutions must reconstruct artificial "what-if" calculations to isolate each effect, which are not naturally produced by their systems.

Overall, the coexistence of these approaches — fully loaded metrics in C 03.00 and granular, disaggregated transitional impacts in C 05.03 — creates ambiguity in the prudential basis, challenges in reconciliation, and increased operational complexity.

Question 8. Is the design for the reporting of the fully loaded capital ratios in template C 03.00 and of the fully loaded adjustment for the output floor in template C 04.00 clear enough? If you have any suggestions, please explain.

While the design for the reporting of the fully loaded capital ratios in template C 03.00 and of the fully loaded adjustment for the output floor in template C 04.00 are clear enough, their implementation is very complex, and their on-going production is very costly.

Instructions of rows 0910 and 0920 should be made clearer. Both rows require the reporting of credit risk and credit counterparty risk excluding securitisations, but the instructions do not explicitly indicate whether the figures should be determined on a fully loaded basis or whether a transitional approach should be applied. Due to the multiple views this new DPM is introducing, instructions should be amended accordingly by stating that these rows should be fed using a transitional approach, also due to their connection to the OV1 Pillar 3 Table, as stated in this CP.

2.2.3. Other changes to reporting templates and instructions

a. Credit risk standardized Approach (C 7.00)

Question 9. Is the design for the reporting of the new row for notifications under Article 111(8)(c) CRR3 clear enough? If you identify any issues, please explain.

We consider the proposed design to be broadly clear and operationally workable.

The RTS "(EBA/RTS/2025/06) issued under Article 111(8) of CRR clarifies how the institutions must classify off-balance-sheet items that are not explicitly listed in Annex 1 of CRR but exhibit risks comparable to those items. Annex 1 already includes generic placeholders (eg, points 1(f), 2(c), 3(b), 4(b), 5(d)) indicating that such "similar-risk" items may exist and must be communicated to the EBA. Article 3 of the RTS specifies that this notification must be made through COREP, and operationally this requirement is implemented via template C 07.00, row 0085, where institutions report the off-balance-sheet items they have allocated to an Annex 1 bucket based on the RTS criteria.

To more accurately reflect this information, revising the definition would be appropriate:

<u>0085</u>	<u>Of which: other off-balance-sheet items carrying similar risks as those explicitly listed in Annex I to CRR</u>

	Annex 1 of Regulation (EU) No 575/2013, points 1(f),2(c),3(b),4(b), 5(d). Off-balance-sheet items that are not explicitly listed in Annex 1 of CRR but exhibit risks comparable to those items, in accordance with Regulatory Technical Standards (EBA/RTS/2025/06) on the allocation of off-balance sheet items and UCC considerations under Article 111(8) of Regulation (EU) No 575/2013).

We would welcome explicit confirmation that row 0085 is intended to be the standard notification mechanism under Article 111(8)(c), with supplementary qualitative explanation required only in exceptional cases, for example where a product is genuinely new or unusual. This would support a proportionate and harmonised implementation across institutions.

Question 10. Is the design for the reporting of the new column for the FX-mismatch under Article 123a CRR3 clear enough? If you identify any issues, please explain.

We consider the proposed design to be clear in principle and useful in practice. The addition of column 0218 in C 07.00 improves transparency by isolating the impact of the Article 123a CRR3 FX-mismatch adjustment from the base SA RWEA and from the SME and infrastructure supporting factors. The reporting chain between 0215, 0216, 0217, 0218, and 0220 is conceptually sound.

The presentation of column 0218 as "(+) Adjustment to the risk-weighted exposure amount due to the FX mismatch" makes clear that this is a positive adjustment amount that is added to RWEA. In this respect, the design of the column appears sufficiently clear.

We would nevertheless welcome some further clarification in the instructions. In particular, the EBA should state the intended validation formula explicitly, subject to rounding, namely: 0220 = 0215 - 0216 - 0217 + 0218. It would also be helpful to provide one or two worked examples showing how the adjustment should be calculated and reported for exposures in the retail and residential immovable property classes.

Question 11. Is it warranted to provide more clarification on the treatment of liens in instructions for the purpose of the calculation of the ETV ratio referred to in Article 124(6) of Regulation (EU) No 575/2013, and in accordance, the determination of the exposure amount to which treatment referred to in Article 124(1) of Regulation (EU) No 575/2013 is applied? If yes, please provide further details.

Yes, we believe that additional clarification is warranted. The consultation paper itself raises this issue, and the updated SA instructions break down the exposure class "secured by mortgages on immovable property and ADC exposures" into detailed residential/commercial, IPRE/non-IPRE, secured/unsecured/other sub-exposure classes. Several of those sub-classes explicitly refer to the part of the exposure that "exceeds the nominal amount of the lien of the property" under Article 124(1). As a result, the treatment of liens has a direct effect on both the ETV calculation under Article 124(6) and the determination of the exposure amount to which the treatment under Article 124(1) applies.

We would therefore welcome more explicit guidance in the instructions on how to determine the exposure amount benefiting from the Article 124(1) treatment where only part of the exposure is covered by the relevant lien amount. Simple numerical examples showing how exposures should be allocated between the secured, unsecured, and other immovable-property sub-exposure classes in C 07.00 would materially improve consistency across institutions.

b. Own Funds (C 01.00)

Question 12. Is the design for the new rows for the reporting of prior permissions to reduce own funds clear enough? If you identify any issues, please explain.

We suggest aligning the design of prior-permission reporting in C 01 with the approach already used for MREL/TLAC reporting (templates M 03 and M 04), where only the unused amount of the prior permission is reported. Under the current C 01 design, the same deduction may effectively be recognised twice: first through the holding of an own funds instrument after repurchase, and again through the prior-permission row, as the instructions (unlike those for MREL/TLAC reporting) do not specify that only the unused amount should be reported.

Question 13. Is the design for the new rows for the reporting of not eligible profits but intended to be recognised as retained earnings, i.e. the amount of profits which are neither retained earnings according to Art. 4 (1) nr. 123 CRR nor profits according to Art. 26 (2) CRR clear enough? Are the current instructions regarding the reporting of the concepts 'retained earnings', 'previous year's retained earnings' clear enough? Have you experienced difficulties with regard to the mapping of the various reporting periods? If you identify any issues, please specify the related instructions.

The question above and the consultation document indicate that the new rows are intended for reporting profits expected to be recognised as retained earnings. However, the reporting instructions appear to require institutions to report all previous-year profits before a formal decision confirming the final profit or loss, even where the institution does not intend to retain any of those profits after that decision because they would be paid out as dividends. It would therefore be helpful for the instructions to clarify whether the intention to retain profits should be taken into account.

It is also unclear how the new row 142, "(-) Part of previous year's profit not eligible", relates to the existing row 170, "(-) Part of interim or year-end profit not eligible", as both rows appear to require the reporting of previous-year profit that is not eligible for CET1 (both rows refer to previous-year profit that does not meet the conditions of CRR Article 26(2)). It would be helpful to clarify whether institutions are expected to report non-eligible year-end profit in both rows and, if not, what the difference is between these two rows in relation to the reporting of non-eligible year-end profits.

2.2.4. Additional column in template C 10.00 IRB exposures subject to output floor

Question 14. Do you have any comments on the changes proposed to implement a new column in template C 10.00 IRB exposures subject to output floor? Do you think that following this addition, it would be possible to simplify any of the information in template C 8.1 on IRB approach? If so, please explain.

We believe that introducing this column would not contribute to the objective of simplifying reporting. Rather than assessing how the proposal affects template C 08.01, we consider that, given the starting point, the best way to simplify reporting would be not to request this additional column. The main critical aspect lies in the representation of IRB RWA according to Standardised portfolios for the purposes of the output floor. This requirement introduces a layer of complexity that is not directly embedded in typical IRB reporting processes and requires institutions to perform additional mappings between IRB models and Standardised exposure classes. This has a direct impact on data architecture and systems and entails both implementation effort and ongoing maintenance.

The lack of sufficiently detailed guidance on how this mapping should be performed further reduces clarity. In particular, it is not entirely specified how to ensure consistency between IRB parameters and Standardised classifications, especially in more complex portfolios. As a result, institutions may need to develop internal methodologies and assumptions, increasing the risk of heterogeneous practices and reducing comparability across respondents.
Overall, while the objective of aligning IRB exposures with output floor requirements is understood, the current design is not fully operationally self-explanatory. Providing more prescriptive guidance on mapping rules, reconciliation with existing IRB and Standardised calculations, and practical implementation examples would significantly improve clarity, reduce interpretation burden, and limit the impact on systems and processes. The disclosure of table CMS2 has already been in place since March 2025. Banks had to collect information in order to properly feed this table, mainly from the existing Templates C_07 and C_08. Considering the disclosure has been in place for more than one year and Banks have already found solutions to feed said table without additional efforts, introducing new information to be reported adds a layer of complexity that is against the proposed objective of simplification of the current consultation.
In addition to the points raised above, we highlight that on the 22nd June 2026 EBA published its final draft Implementing Technical Standards (ITS) amending the Pillar 3 disclosure framework. Among the changes, table CMS2 has been amended, closing those cells in column “a” that may have been deemed necessary the introduction of the new column in Template C_10. Thus, in light of the primary objective of this consultation, which is the “simplification” of the COREP reporting, the new column of Template C_10 should be dropped in its entirety.

		a	b	c	d	EU d
		Risk weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks					
EU 1a	Regional governments or local authorities					
EU 1b	Public sector entities					
EU 1c	Categorised as Multilateral Development Banks in SA					
EU 1d	Categorised as International organisations in SA					
2	Institutions					
3	Equity					
4	Not applicable					
5	Corporates					
5.1	Of which: F-IRB is applied					
5.2	Of which: A-IRB is applied					
EU 5a	Of which: Corporates - General					
EU 5b	Of which: Corporates - Specialised lending					
EU 5c	Of which: Corporates - Purchased receivables					
6	Retail					
6.1	Of which: Retail - Qualifying revolving					
EU 6.1a	Of which: Retail - Purchased receivables					
EU 6.1b	Of which: Retail - Other					
6.2	Of which: Retail - Secured by residential real estate					
7	Not applicable					
EU 7a	Categorised as secured by immovable properties and ADC exposures in SA					
EU 7b	Collective investment undertakings (CIU)					
EU 7c	Categorised as exposures in default in SA					
EU 7d	Categorised as subordinated debt exposures in SA					
EU 7e	Categorised as covered bonds in SA					
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA					
8	Other non-credit obligation assets					
9	Total					

As a final note, if the introduction of this new column is deemed essential, it should be clearly specified in the instructions that only exposures under Credit Risk should be reported and Credit Counterparty Risk (CCR) exposures should be excluded, considering Template C_10 includes both but CMS2 Table perimeter only includes Credit Risk exposures.

Template C 02.00 already includes two columns that make it possible to compare the capital requirements for exposures under internal models with what their capital requirements would be under the standardised approach. We do not see the rationale for requesting the capital requirements under internal models for the same exposures, but using the exposure classification under the standardised approach instead of the IRB classification, which is the classification applicable to the exposures within the scope of template C 10.00.

Given the significant cost involved in reporting this column and the fact that, in our view, the information requested appears to be redundant — unless it is requested for a different purpose — we consider that the best way to support the overall simplification objective would be to remove this column, without affecting template C 08.01.