ITS on reporting – Annex III and IV FINREP templates and instructions)

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ANNEX III

TEMPLATES FOR REPORTING FINANCIAL INFORMATION ACCORDING TO IFRS

1. This Annex contains the reporting templates and instructions in the form of references for the financial information templates (hereinafter "FINREP"). References also include cross-references to Annex IV which includes additional instructions.

2. "Reporting institutions" are credit institutions reporting financial information on a consolidated basis in accordance with Article 8.

3. The data points identified in the templates shall be drawn up in accordance with the recognition and valuation rules of of the "International Accounting Standards" as defined in paragraph 6(a).

4. Reporting institutions shall only submit those parts of the templates related to:

   (a) Assets, liabilities, equity, income and expenses that are recognised by the institution.

   (b) Off-balance sheet activities in which the institution is involved.

   (c) Transactions performed by the institution.

   (d) Valuation rules, including methods for the estimation of allowances for credit risk, applied by the institution.

5. Reporting institutions shall follow the references included in the reporting templates in this Annex and the additional instructions set out in Annex IV.

6. For the purposes of this Annex, the following notation shall apply:

   (a) "IAS regulation" refers to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

   (b) "IAS" or "IFRS" refers to the "International Accounting Standards", as defined in Article 2 of the "IAS regulation" that has been adopted by the Commission in accordance with the aforementioned "IAS regulation".

(c) “ECB BSI Regulation” or “ECB/2008/32” refers to Regulation of the European Central Bank of 19 December 2008 concerning the balance sheet of monetary financial institutions sector (recast).

(d) “NACE Regulation” refers to REGULATION (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains.

(e) “ITS” refers to the cited Part of Annex IV of this Regulation.

7. For the purposes of this Annex a data point shadowed in grey shall mean that this data point is not requested or that it is not possible to report it.

ANNEX IV

INSTRUCTION FOR REPORTING FINANCIAL INFORMATION

1. This Annex contains additional instructions for the financial information tables (hereinafter "FINREP") included in Annex III of this Regulation. This Annex complements the instructions in format of references included in the tables in Annex III.

2. Definitions and notations in paragraphs 6 and 7 of Annex III shall also apply for the purposes of this Annex.

PART 1

General instructions

1. This part set out general instructions for the tables in Annex III.

1. ACCOUNTING PORTFOLIOS

1.1. Assets

2. "Accounting portfolios" shall mean financial instruments aggregated by valuation rules. These aggregations do not include investments in subsidiaries, joint ventures and associates, balances receivable on demand classified as "Cash and cash balances at central banks" as well as those financial instruments classified as "held for sale" presented in the items "Non-current assets and disposal groups classified as held for sale" and "Liabilities included in disposal groups classified as held for sale".

3. The following accounting portfolios based on IFRS shall be used for financial assets:

(a) "Financial assets held for trading",

(b) "Financial assets designated at fair value through profit or loss",

(c) "Available-for-sale financial assets",

(d) "Loans and Receivables",

(e) "Held-to-maturity investments", and

(f) "Derivatives – Hedge accounting".

1.2. Liabilities

4. The following accounting portfolios based on IFRS shall be used for financial liabilities:

(a) "Financial liabilities held for trading",

(b) “Financial liabilities designated at fair value through profit or loss”, and

(c) “Financial liabilities measured at amortised cost”.

2. FINANCIAL INSTRUMENTS

2.1. Financial assets

5. The carrying amount shall mean the amount to be reported in the asset side of the balance sheet. The carrying amount of financial assets shall include accrued interest.

6. “Debt securities” are debt instruments held by the reporting institution issued as securities that are not loans in accordance with the ECB BSI Regulation.

7. “Loans and advances” are debt instruments held by the reporting institutions that are not securities; this item includes “loans” in accordance with the ECB BSI Regulation as well as advances that cannot be classified as “loans” according to this Regulation. “Advances that are not loans” are further characterized in paragraph 37(g) of Part 3.

2.2. Financial liabilities

8. The carrying amount shall mean the amount to be reported in the liability side of the balance sheet. For reporting carrying amount of financial liabilities accrued interest shall be included.

9. “Deposits” is defined in the same way as in the ECB BSI Regulation. Consequently, regulated savings deposits shall be classified in accordance with the ECB BSI Regulation and distributed according to the counterparty breakdown provided in table 5. In particular, non-transferable sight savings deposits, which although legally redeemable at demand are subject to significant penalties and restrictions and have features that are very close to overnight deposits, are classified as deposits redeemable at notice.

10. “Other financial liabilities” include all financial liabilities under the scope of IAS 39 other than derivatives, short positions, deposits and debt securities issued.

11. “Other financial liabilities” may include financial guarantees and loan commitments when they are measured either at fair value through profit or loss [IAS 39.47(a), (d)(ii)] or at the amount initially recognised less cumulative amortization [IAS 39.47(c)(ii)]. Provisions arising from these contracts [IAS 39.47(c)(i), (d)(i)] are reported as provisions for “Commitments and guarantees given”. Loan commitments are reported as “Other financial liabilities” only when they are within the scope of IAS 39; that is, when either they are designated as financial liabilities at fair value through profit or

loss [IAS 39.4(a)] or they are commitments to provide a loan at a below-market interest rate [IAS 39.4(b)].

12. "Other financial liabilities" may also include dividends to be paid, amounts payable in respect of suspense and transit items, and amounts payable in respect of future settlements of transactions in securities or foreign exchange transactions (payables for transactions recognised before the payment date).

3. COUNTERPARTY BREAKDOWN

13. Where a breakdown by counterparty is required the following economic sectors shall be used:

(a) Central banks;

(b) General governments: central governments, state or regional governments, and local governments, including administrative bodies and non-commercial undertakings, but excluding public companies and private companies held by these administrations that have a commercial activity (which shall be reported under "non-financial corporations"); social security funds; and international organisations, such as the European Community, the International Monetary Fund and the Bank for International Settlements;

(c) Credit institutions: banks and multilateral banks;

(d) Other financial corporations: all financial corporations and quasi-corporations other than credit institutions such as investment firms, investment funds, insurance companies, pension funds, collective investment undertakings, and clearing houses as well as remaining financial intermediaries and financial auxiliaries;

(e) Non-financial corporations: corporations and quasi-corporations not engaged in financial intermediation but principally in the production of market goods and non-financial services according to the ECB BSI Regulation;

(f) Households: individuals or groups of individuals as consumers, and producers of goods and non financial services exclusively for their own final consumption, and as producers of market goods and non financial and financial services provided that their activities are not those of quasi-corporations. Non-profit institutions which serve households and which are principally engaged in the production of non-market goods and services intended for particular groups of households are included.

14. The economic sector allocation is based exclusively on the nature of the direct counterparty.

PART 2

Balance sheet and income statement

4. ASSETS (TABLE 1.1)

1. “Cash on hand” includes holdings of national and foreign banknotes and coins in circulation that are commonly used to make payments.

2. “Cash balances at central banks” include balances receivable on demand at central banks.

3. “Other demand deposits” include balances receivable on demand with credit institutions.

4. “Investments in subsidiaries, joint ventures and associates” include the investments in associates, joint ventures and subsidiaries which are not fully or proportionally consolidated. The carrying amount of investments accounted for using the equity method includes related goodwill.

5. Reporting institutions shall account for their subsidiaries and joint ventures using the same methods than for the application of prudential requirements following Section 2 “Methods for prudential consolidation”, Chapter 2, Part 1, Title II of the CRR.

6. Assets that do not meet the definition of financial instruments under IAS 32 and that due to their nature could not be classified in specific balance sheet items shall be reported in “Other assets”. Other assets may include gold, silver and other inventories; gold, silver and other commodities held with trading intent shall be reported under this item.

7. “Non-current assets and disposal groups classified as held for sale” has the same meaning as under IFRS 5.

5. LIABILITIES (TABLE 1.2)

8. Provisions for “Pensions and other post employment benefit obligations” include the amount of net defined benefit liabilities. Provisions for “Other long-term employee benefits” include the amount of the deficits in the long-term employment benefit plans listed in IAS 19.153. The accrued expense from short term employee benefits [IAS 19.11(a)], defined contribution plans [IAS 19.51(a)] and termination benefits [IAS 19.169(a)] shall be included in “Other liabilities”.

9. “Share capital repayable on demand” includes the capital instruments issued by the institution that do not meet the criteria to be classified in equity. Reporting institutions shall include in this item the

cooperative shares that do not meet the IFRIC 2 criteria to be classified in equity.

10. Liabilities that due to their nature could not be classified in specific balance sheet items shall be reported in “Other liabilities”.

11. “Liabilities included in disposal groups classified as held for sale“ has the same meaning as under IFRS 5.

6. EQUITY (TABLE 1.3)

12. “Unpaid capital which has been called up” includes the carrying amount of capital issued by the institution that has been called-up to the subscribers but not paid at the reference date.

13. Reporting institutions shall report “Other equity” broken down by:

(a) “Other capital instruments” include ownership instruments [IFRS 3.Appendix A] issued by the reporting institution other than capital;

(b) “Equity component of compound financial instruments” includes the equity component of compound financial instruments (non-derivative financial instruments) issued by the institution, when segregated in accordance with IAS 32.28-29 (including those described in IFRS 7.17);

(c) “Other” includes equity instruments under the scope of IAS 32 including instruments described in IAS 32.22, AG27(a) other than “Capital”, “Other capital instruments” and “Equity component of compound financial instruments” as well as all equity instruments outside the scope of IAS 32 including, among others, equity-settled share-based payment transactions [IFRS 2.10].

14. “Other reserves” are split between “Reserves or accumulated losses of investments in subsidiaries, joint ventures and associates” and “Other”. “Reserves or accumulated losses of investments in subsidiaries, joint ventures and associates” include the accumulated amount of income and expenses generated by the aforementioned investments through profit or loss in past years. “Other” includes reserves different from those separately disclosed in other items and may include legal reserve and statutory reserve.

15. “Treasury shares” cover all financial instruments that have the characteristics of own equity instruments within the meaning of IAS 32.33 which have been reacquired by the institution.

16. “Revaluation reserves” includes the amount of reserves resulting from first-time adoption to IAS/ IFRS that have not been released to other type of reserves.

7. STATEMENT OF PROFIT OR LOSS (TABLE 2)

17. In table 2, interest income and interest expense from financial instruments held for trading, and from financial instruments designated at fair value through profit or loss, shall be reported either separately from other gains and losses under items “interest income” and “interest expense” (so-called “clean price”) or as part of gains or losses from these categories of instruments (“dirty price”).

18. Reporting institutions shall report the following items broken-down by accounting portfolios:

    (a) “Interest income”;

    (b) “Interest expense”;

    (c) “Dividend income”;

    (d) “Realised gains (losses) on financial assets and liabilities not measured at fair value through profit or loss, net”. Realised gains refer to the gain (loss) related to the derecognition (including sale of a debt security or re-acquisition of a debt security issued) of a financial instrument or a group (portfolio) of financial instruments not measured at fair value through profit or loss;

    (e) “Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss”.

19. “Interest income. Derivatives – Hedge accounting, interest rate risk” and “Interest expenses. Derivatives – Hedge accounting, interest rate risk” include the amounts related to those derivatives classified in the category “hedge accounting” which cover interest rate risk. They shall be reported as interest income and expenses on a gross basis, to present correct interest income and expenses from the hedged items to which they are linked.

20. The amounts related to those derivatives classified in the category “held for trading” which are hedging instruments from an economic but not accounting point of view may be reported as interest income and expenses, to present correct interest income and expenses from the financial instruments that are hedged. These amounts shall be included in table 2 as a part of the items “Interest income. Financial assets held for trading” and “Interest expenses. Financial liabilities held for trading”.

21. “Interest income - other assets” includes amounts of interest income not included in the other items. This item may include interest income related to cash and cash balances at central banks and non-current assets and disposal groups classified as held for sale as well as net interest income from net defined benefit assets [IAS 19.123].

22. “Interest expenses - other liabilities” includes amounts of interest expenses not included in the other items. This item may include

interest expenses related to liabilities included in disposal groups classified as held for sale, expenses derived from increases in the carrying amount of a provision reflecting the passage of time or net interest expenses from net defined benefit liabilities [IAS 19.123].

23. "Profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" includes profit or loss generated by non-current assets classified as held for sale not qualifying as discontinued operations.

24. Dividend income from financial assets held for trading and from financial assets designated at fair value through profit or loss shall be reported in table 2 either as “dividend income” separately from other gains and losses from these categories or as part of gains or losses from these categories of instruments.

25. Impairment on “Financial assets at cost [unquoted equity and related derivatives]” includes impairment losses arising from the application of the impairment rules in IAS 39.66.

26. For “Gains or (-) losses from hedge accounting, net” reporting institutions shall report fair value changes on hedging instruments and hedged items, including the result of ineffectiveness from cash flow hedges and from hedges of net investment in foreign operations.

PART 3

8. BREAKDOWN OF FINANCIAL ASSETS (TABLE 3)

1. Financial assets classified as trading, designated at fair value trough profit or loss, available-for-sale, included in the category of loans and receivables, and held to maturity shall be broken down by instrument and – when required – by counterparty.

2. Equity instruments classified held for trading, fair value through profit or loss and available-for-sale shall be reported by a specific breakdown (“of which”) to identify instruments measured at cost and specific economic sectors only.

3. For available-for-sale financial assets reporting institutions shall report the fair value of impaired assets and of unimpaired assets respectively, and the cumulative amount of impairment losses recognised in profit or loss as at the reporting date. The sum of fair value of unimpaired assets and fair value of impaired assets shall be the carrying amount of these assets.

4. For financial assets classified as loans and receivables or as held-to-maturity, the amount of unimpaired assets and the gross carrying amount of the impaired assets shall be reported. The allowances shall be broken down to ”specific allowances for individually assessed

financial assets", "specific allowances for collectively assessed financial assets" and "collective allowances for incurred but not reported losses".

5. "Specific allowances for individually assessed financial assets" shall include cumulative amount of impairment related to financial assets which have been assessed individually.

6. "Specific allowances for collectively assessed financial assets" shall include the cumulative amount of collective impairment calculated on insignificant loans which are impaired on individual basis and for which the institution decides to use a statistical approach (portfolio basis). This approach does not preclude performing individual impairment evaluation of loans that are individually insignificant and thus to report them as specific allowances for individually assessed financial assets.

7. "Collective allowances for incurred but not reported losses" shall include the cumulative amount of collective impairment determined on financial assets which are not impaired on individual basis. For "allowances for incurred but not reported losses", IAS 39.59(f), AG87 and AG90 may be followed.

8. The sum of unimpaired assets and impaired assets net of all the allowances shall be equal to the carrying amount.

9. INFORMATION ON IMPAIRMENT, PAST DUE AND DEFAULTED ASSETS (TABLE 4)

9.1. Financial assets subject to impairment that are past due of impaired (table 4.1)

9. Financial assets that are past due as of the reporting date but not impaired at that date shall be reported according to IFRS 7.37 for the categories available for sale, loans and receivables, and held-to-maturity.

10. Assets qualify as past due when a counterparty has failed to make a payment when contractually due. The amounts of such assets shall be reported and broken down according to the number of days past due. The past due analysis shall not include any impaired assets. The net carrying amount of impaired financial assets shall be reported separately from the past due assets [IFRS 7.37].

11. The column "Accumulated write-offs" includes the amount of principal and past due interest of any impaired debt securities and loans and advances that the reporting institution is no longer recognising because they are considered uncollectible, independently of the portfolio in which they were included. These amounts shall be reported until the total extinguishment of all the institution's rights (by expiry of the statute-of–limitations period, forgiveness or other

causes) or until recovery. Write-offs include both reductions of the carrying amount of impaired financial assets recognised directly in profit or loss [IFRS 7.B5.(d).(i)] and reductions in the amounts of the allowance accounts charged against the impaired financial assets [IFRS 7.B5.(d).(ii)].

9.2. Financial assets non-subject to impairment that are past due (table 4.2)

12. A specific analysis is required regarding debt instruments measured at fair value through profit and loss. Debt securities and loans and advances that are past due but not defaulted according to article 174 of the CRR shall be reported through an analysis of the age of the past due. ”Carrying amount of the defaulted assets shall be reported according to article 174 of the CRR. ”Amount of cumulative change in the fair values attributable to changes in the credit risk” shall be reported according to IFRS 7.9(c).

10. BREAKDOWN OF FINANCIAL LIABILITIES (TABLE 5)

13. “Debt securities issued” are debt instruments issued as securities by the reporting institution that are not deposits in accordance with the ECB BSI Regulation. This item includes the following type of products:

    (a) “Certificates of deposits”,

    (b) “Asset backed securities” according to article 4(37) of the CRR definition,

    (c) “Covered Bonds” according to article 124(1) of the CRR definition,

    (d) “Hybrid contract” according to IAS 39.10 definition,

    (e) “Other debt securities issued”: this item includes debt securities not recorded in the previous lines and distinguishes convertible and non convertible instruments according to IAS 32AG31.

14. “Subordinated liabilities” issued are treated in the same way as other financial liabilities incurred. Subordinated liabilities issued in the form of securities are classified as “debt securities issued”, whereas subordinated liabilities in the form of deposits are classified as “deposits”.

15. Table 5.2 includes the carrying amount of “deposits” and “debt securities issued” that meet the definition of subordinated debt classified by accounting portfolios. “Subordinated debt” instruments provide a subsidiary claim on the issuing institution that can only be exercised after all claims with a higher status have been satisfied [ECB BSI Regulation].

11. LOAN COMMITMENTS, FINANCIAL GUARANTEES AND OTHER COMMITMENTS (TABLE 6)

16. Off-balance sheet exposures reported in table 6.1 include assets and/or liabilities that are deferred or contingent and do not appear on the balance sheet until or unless they become actual assets or liabilities. Off-balance sheet exposures shall be broken-down in loan commitments given, financial guarantees given, and other commitments given.

17. Information on loan commitments, financial guarantees, and other commitments given and received include both revocable and irrevocable commitments.

18. "Loan commitments" are firm commitments to provide credit under pre-specified terms and conditions [IAS 39.BC15], except those that are derivatives because they can be settled net in cash or by delivering or issuing another financial instrument. See also IAS 39.2(h) and IAS 39.4(a) and (c).

19. "Financial guarantees" are the contracts that meet the IAS 39.9 and IFRS 4.A definition of financial guarantee contracts.

20. "Other commitments" are the items in Annex I of the CRR that are not included in the previous categories.

21. "Loan commitments given –of which: defaulted", "financial guarantees given –of which defaulted" and "other commitments given –of which defaulted" include the notional amount of those loan commitments, financial guarantees and other commitments whose counterparty has incurred in default according to Article 174 of the CRR.

22. For off-balance sheet exposures, the "nominal amount" is the amount that best represents the reporting institution's maximum exposure to credit risk without taking account of any collateral held or other credit enhancements [IFRS 7.36.(a)]. In particular, for financial guarantees given, the nominal amount is the maximum amount the entity could have to pay if the guarantee is called on [IFRS 7.B10.(c)]. For loan commitments, the nominal amount is the total amount that the institution has committed to lend [IFRS 7.B10(d)]. Nominal amounts are exposure values before applying conversion factors and credit risk mitigation techniques.

23. For loan commitments received and other commitments received the nominal amount is the total amount committed by the other party in the transaction. For financial guarantees received the "maximum collateral/guarantee that can be considered" as described in paragraph 1 of part 5shall be reported.

12. DERIVATIVES (TABLES 7 AND 8)

24. The carrying amount and the notional amount of the derivatives held for trading and the derivatives held for hedge accounting shall be reported broken down by type of underlying risk and type of market (over-the-counter versus organised markets). Credit derivatives shall be broken down by type of product.

25. Reporting institutions shall report the derivatives held for hedge accounting broken down by type of hedge.

12.1. Classification of derivatives

26. All derivatives shall be classified into the following risk categories:

    (a) Interest rate: Interest rate derivatives are contracts related to an interest-bearing financial instrument whose cash flows are determined by referencing interest rates or another interest rate contract such as an option on a futures contract to purchase a Treasury bill.

    (b) This category is restricted to those deals where all the legs are exposed to only one currency's interest rate. Thus it excludes contracts involving the exchange of one or more foreign currencies such as cross-currency swaps and currency options, and other contracts whose predominant risk characteristic is foreign exchange risk, which are to be reported as foreign exchange contracts.

    (c) Interest rate contracts include forward rate agreements, single-currency interest rate swaps, interest rate futures, interest rate options (including caps, floors, collars and corridors), interest rate swaptions and interest rate warrants.

    (d) Equity: Equity derivatives are contracts that have a return, or a portion of their return, linked to the price of a particular equity or to an index of equity prices.

    (e) Foreign exchange: These derivatives include contracts involving the exchange of currencies in the forward market and the exposure to gold. They therefore cover outright forwards, foreign exchange swaps, currency swaps (including cross-currency interest rate swaps), currency futures, currency options, currency swaptions and currency warrant.

    (f) Foreign exchange derivatives include all deals involving exposure to more than one currency, whether in interest rates or exchange rates.

    (g) Gold contracts include all deals involving exposure to that commodity.

(h) Credit: Credit derivatives are contracts that do not meet the definition of financial guarantees and in which the payout is linked primarily to some measure of the creditworthiness of a particular reference credit. The contracts specify an exchange of payments in which at least one of the two legs is determined by the performance of the reference credit. Payouts can be triggered by a number of events, including a default, a rating downgrade or a stipulated change in the credit spread of the reference asset.

(i) Commodity: These derivatives are contracts that have a return, or a portion of their return, linked to the price of, or to a price index of, a commodity such as a precious metal (other than gold), petroleum, lumber or agricultural products.

(j) Other: These derivatives are any other derivative contracts, which do not involve an exposure to foreign exchange, interest rate, equity, commodity or credit risk such as climatic derivatives or insurance derivatives.

27. When a derivative is influenced by more than one type of underlying risk, the instrument shall be allocated to the most sensitive type of risk. For multi-exposure derivatives, in cases of uncertainty, the deals shall be allocated according to the following order of precedence:

(a) Commodities: All derivatives transactions involving a commodity or commodity index exposure, whether or not they involve a joint exposure in commodities and any other risk category which may include foreign exchange, interest rate or equity, shall be reported in this category.

(b) Equities: With the exception of contracts with a joint exposure to commodities and equities, which are to be reported as commodities, all derivatives transactions with a link to the performance of equities or equity indices shall be reported in the equity category. Equity deals with exposure to foreign exchange or interest rates should be included in this category.

(c) Foreign exchange: This category includes all derivatives transactions (with the exception of those already reported in the commodity or equity categories) with exposure to more than one currency, be it pertaining either to interest-bearing financial instruments or exchange rates.

12.2. Amounts reported

28. The “carrying amount” for all derivatives (hedging or trading) is the fair value. Derivatives with a positive fair value (above zero) are “financial assets” and derivatives with a negative fair value (below zero) are “financial liabilities” [IAS 39.AG66 and IFRS 9 B5.2.1]. In tables 7 and 8, the “carrying amount” shall be reported separately for

derivatives with a positive fair value ("financial assets") and for those with a negative fair value ("financial liabilities"). At the date of initial recognition, a derivative is classified as "financial asset" or "financial liability" according to its initial fair value. After initial recognition, as the fair value of a derivative increases or decreases, the terms of the exchange may become either favourable to the reporting institution (and the derivative is classified as "financial asset") or unfavourable (and the derivative is classified as "financial liability") [IAS 32.AG16].

29. The "Notional amount" is the gross nominal of all deals concluded and not yet settled at the reference date. In particular, the following shall be taken account to determine the notional amount:

    (a) For contracts with variable nominal or notional principal amounts, the basis for reporting is the nominal or notional principal amounts at the reference date.

    (b) The notional amount value to be reported for a derivative contract with a multiplier component is the contract effective notional amount or par value.

    (c) Swaps: The notional amount of a swap is the underlying principal amount upon which the exchange of interest, foreign exchange or other income or expense is based.

    (d) Equity and commodity-linked contracts: The notional amount to be reported for an equity or commodity contract is the quantity of the commodity or equity product contracted for purchase or sale multiplied by the contract price of a unit.

    (e) The notional amount to be reported for commodity contracts with multiple exchanges of principal is the contractual amount multiplied by the number of remaining exchanges of principal in the contract.

    (f) Credit derivatives: The contract amount to be reported for credit derivatives is the nominal value of the relevant reference credit.

    (g) Digital options have a predefined payoff which can be either a monetary amount or a number of contracts of an underlying. The notional amount for digital options is defined as either the predefined monetary amount or the fair value of the underlying at the reference date.

30. The column "notional amount" of derivatives includes, for each line item, the sum of the notional amounts of all contracts in which the reporting institution is counterparty, independently of whether the derivatives are considered assets or liabilities on the face of the balance sheet. All notional amounts shall be reported regardless

whether the fair value of derivatives is positive, negative or equal to zero. Netting among the notional amounts is not allowed.

31. The “notional amount” shall be reported by “total” and by “of which: sold” for the line items: “OTC options”, “Organised market options”, “Commodity” and “Other”. The item “of which sold” includes the notional amounts (strike price) of the contracts in which the counterparties (option holders) of the reporting institution (option writer) have the right to exercise the option and for the items related to credit risk derivatives, the notional amounts of the contracts in which the reporting institution (protection seller) has sold (gives) protection to their counterparties (protection buyers).

32. Derivatives held for trading which qualify as “economic hedges” shall be reported separately for each type of risk. The item “of which economic hedges” includes those derivatives that are accounted as held for trading but they are not part of the trading book as defined in Article 4(62) of the CRR. This item does not include derivatives for proprietary trading.

33. The carrying amount and the total notional amount of derivatives held for trading, and also of derivatives held for hedge accounting, which are traded in the OTC market, shall be reported by counterparty using the following categories:

    (a) credit institutions,

    (b) other financial corporations, and

    (c) rest (all other counterparties).

34. All OTC derivatives, including those related to credit, commodity and other risks shall be broken down by these counterparties. Counterparty breakdown for credit risk derivatives refers to the sector where the counterparty of the institution in the contract (buyer or seller of protection) is allocated.

35. Derivatives included in hybrid instruments [IAS 39.11, IAS 39.AG27, AG29 and IFRIC 9] which have been separated from the host contract shall be reported in tables 7 and 8 according to the nature of the derivative. The amount of the host contract is not included in these tables. However, if the hybrid instrument is measured at fair value through profit or loss, the contract as a whole shall be included in the category of held for trading or financial instruments designated at fair value through profit or loss (and, thus, the embedded derivatives are not reported in tables 7 and 8).

36. Derivatives that are not classified as effective hedging instruments in accordance with IAS 39 should be included in the “held for trading” category. This applies also to derivatives that are “held for hedging

purposes” or linked to unquoted equity instruments whose fair value cannot be measured reliably.

13. BREAKDOWN OF LOANS AND ADVANCES (TABLE 9)

37. The “carrying amount” of loans and advances shall be reported by type of product net of allowances due to impairment. Loans and advances independently of the “accounting portfolio” in which they are included shall be allocated to the following products:

(a) “On demand (call) and short notice (current account)” include balances receivable on demand, at short notice, and similar balances which may include loans that are overnight deposits for the borrower), regardless of their legal form. It also includes “overdrafts” that are debit balances on current account balances.

(b) "Credit card debt" includes credit granted either via delayed debit cards or via credit cards [ECB BSI Regulation].

(c) “Trade receivables” include loans to other debtors granted on the basis of bills or other documents that give the right to receive the proceeds of transactions for the sale of goods or provision of services. This item includes all factoring transactions (both with and without recourse).

(d) “Finance leases” include the carrying amount of finance lease receivables as defined in IAS 17.

(e) “Reverse repurchase loans” include finance granted in exchange for securities bought under repurchase agreements or borrowed under securities lending agreements.

(f) “Other term loans” include debit balances with contractually fixed maturities or terms that are not included in other items. This category also includes interbank deposits, whether transferable or not, other fixed-term financial support, “subordinated loans” (loans that meet the definition of “subordinated debt” in paragraph 17 of part 3) and “project finance” [loans that meet the definition in the following letter (l)].

(g) “Advances that are not loans” include advances that cannot be classified as “loans” according to the ECB BSI Regulation. This item includes, among others, gross amounts receivable in respect of suspense items (such as funds that are awaiting investment, transfer, or settlement) and transit items (such as cheques and other forms of payment that have been sent for collection).

(h) “Mortgage loans (Real estate collateralized loans)” include loans formally backed by real estate collateral independently of their loan/collateral ratio (commonly referred as “loan-to-value”).

(i) “Other collateralized loans” include loans formally backed by collateral, independently of their loan/collateral ratio (commonly referred as “loan-to-value”), other than “real estate collateralised loans”, “finance leases” and “reverse repurchase loans”. This collateral may include pledges of securities, cash, or other collateral.

(j) “Credit for consumption” includes loans granted mainly for the personal consumption of goods and services [ECB BSI Regulation].

(k) "Lending for house purchase" includes credit extended to households for the purpose of investing in houses for own use and rental, including building and refurbishments [ECB BSI Regulation].

(l) “Project finance loans” include loans that are recovered solely from the income of the projects financed by them.

14. BREAKDOWN OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY NACE CODES (TABLE 10)

38. Loans and advances are classified by sector of economic activities [NACE Codes] on the basis of the principal activity of the counterparty.

15. IMPAIRMENTS (TABLE 11)

15.1. Impairment on financial and non-financial assets (Table 11.1)

39. “Additions” shall be reported when, for the accounting portfolio or main category of assets, the estimation of the impairment for the period results in recognition of expenses. “Reversals” shall be reported when, for the accounting portfolio or main category of assets, the estimation of the impairment for the period result in the recognition of income.

15.2. Movements in allowances for credit losses and impairment of equity instruments (Table 11.2)

40. “Increases due to amounts set aside for estimated loan losses during the period” shall be reported when, for the main category of assets or the counterparty, the estimation of the impairment for the period result in the recognition of net expenses; that is, for the given category or counterparty, the increases in the impairment for the period exceed the decreases. “Decreases due to amounts reversed for estimated loan losses during the period” shall be reported when, for the main category of assets or counterparty, the estimation of the impairment for the period result in the recognition of net income; that is, for the given category or counterparty, the decreases in the impairment for the period exceed the increases.

41. As in paragraph 12 of Part 2, “write-offs” may be done either by recognising directly in the statement of profit or loss the reduction in the amount of the financial asset (without using an allowance account) or by reducing the amount of the allowance accounts related to a financial asset. “Decreases due to amounts taken against allowances” means decreases in the accumulated amount of allowances due to “write-offs” made during the period because the

related debt instruments are considered uncollectible. “Value adjustments recorded directly to statement of profit or loss” are “write-offs” made during the period directly against the amount of the related financial asset.

16. TRANSFER OF FINANCIAL ASSETS AND OTHER PLEDGES OF COLLATERAL (TABLE 12)

42. Table 12 includes information on transferred financial assets of which part or all do not qualify for derecognition [IAS 39.15-37], and financial assets entirely derecognised for which the institution retains servicing rights. The amount of transferred financial assets derecognised for capital purposes shall be included.

43. The associated liabilities shall be reported according to the portfolio in which the related transferred financial assets were included in the assets side and not according to the portfolio in which they were included in the liability side.

44. The column “Amounts derecognised for capital purposes” includes the amounts of the financial assets recognised for accounting purposes but derecognised for prudential purposes because the reporting institution is treating them as securitisation positions for capital purposes in accordance with Article 104 of the CRR.

45. “Repurchase agreements” (“repos”) are transactions in which the reporting institution receives cash in exchange for financial assets sold at a given price under a commitment to repurchase the same (or identical) assets at a fixed price on a specified future data. Amounts received by the reporting institution in exchange for financial assets transferred to a third party (“temporary acquirer”) shall be classified under “repurchase agreements” where there is a commitment to reverse the operation and not merely an option to do so. Repurchase agreements also include repo-type operations which may include:

    (a) Amounts received in exchange for securities temporarily transferred to a third party in the form of securities lending against cash collateral.
    (b) Amounts received in exchange for securities temporarily transferred to a third party in the form of sale/buy-back agreement.

46. “Repurchase agreements” (“repos”) and “reverse repurchase loans” (“reverse repos”) involve cash received or loaned out by the reporting institution.

47. In a securitisation transaction, when the transferred financial assets are derecognized, reporting institutions shall declare the gains (losses) generated by the item within the income statement corresponding to the IAS 39 category in which the financial assets were included prior to their derecognition.

17. FAIR VALUE HIERARCHY: FINANCIAL INSTRUMENTS AT FAIR VALUE (TABLE 13)

48. Reporting institutions shall report the value of financial instruments measured at fair value according to the hierarchy provided by in IFRS 13.72.

18. GEOGRAPHICAL BREAKDOWN (TABLE 14)

49. The geographical breakdown shall be reported by location of the activities, distinguishing between "domestic" and "non-domestic activities". The "location" means the jurisdiction of incorporation (or residence) of the legal entity (or branch) which has recognized the corresponding asset/liability.

19. INTERESTS IN UNCONSOLIDATED STRUCTURED ENTITIES (TABLE 15)

50. "Liquidity support drawn" means the sum of the carrying amount of the loan and advances granted to unconsolidated structured entities and the carrying amount of debt securities held that have been issued by unconsolidated structured entities.

20. RELATED PARTY DISCLOSURES (TABLE 16)

51. Reporting institutions shall report amounts and/or transactions related to the balance sheet (table 1) and the off-balance sheet items (table 6) where the counterparty is a related party as defined by IAS 24. Intra-group transactions and intra-group outstanding balances shall be eliminated.

52. For "Loan commitments, financial guarantees and other commitments received", the sum of the "nominal" of loan commitments received, the "maximum collateral/guarantee that can be considered" of financial guarantees received and the "nominal" of the other commitments received shall be reported.

21. BREAKDOWN OF SELECTED ITEMS IN INCOME STATEMENT (TABLE 17)

53. For selected items of the income statement further breakdowns of gains (or income) and losses (or expenses) shall be reported.

21.1. Interest income and expenses by instrument and counterparty (table 17.1)

54. The interests shall be broken down both by interest income on financial and other assets and interest expenses on financial and other liabilities. Interest income on financial assets includes interest income on derivatives held for trading, debt securities, loans and advances. Interest expenses on financial liabilities includes interest expenses on derivatives held for trading, deposits, debt securities issued and other financial liabilities. All instruments in the various portfolios are taken into account except those included in the items

"Derivatives - Hedge accounting" not used to hedge interest rate risk.

55. Interest on derivatives held for trading includes the amounts related to those derivatives held for trading which qualify as "economic hedges" that are included as interest income or expenses to correct the income and expense of the financial instruments that are hedged items from an economic but not accounting point of view.

21.2. Realized gains or losses on financial assets and liabilities not measured at fair value through profit or loss by instrument (table 17.2)

56. Realised gains and losses on financial assets and financial liabilities not measured at fair value through profit or loss by instrument shall be broken down by type of financial instrument classified within the "Loans and receivables", "Held-to-maturity", "Available for sale" and "at amortised cost" categories. For each item, the net realised gain or loss stemming from the derecognised transaction shall be reported. The net amount represents the difference between realised gains and realised losses.

21.3. Gains or losses on financial assets and liabilities held for trading by instrument (table 17.3)

57. Gains and losses on financial assets and liabilities held for trading shall be broken down by type of instrument; each item of the breakdown is the net realised and unrealised amount (gains minus losses) of the financial instrument.

21.4. Gains or losses on financial assets and liabilities held for trading by type of risk (table 17.4)

58. In addition gains and losses on financial assets and financial liabilities held for trading shall be broken down also by type of risk; each item of the breakdown is the net realised and unrealised amount (gains minus losses) of the underlying risk (interest rate, equity, foreign exchange, credit, commodity and other) associated to the exposure, including related derivatives. Gains and losses from exchange differences shall be included in the item in which gains and losses arising from the converted instrument are included. Gains and losses on assets and liabilities other than derivatives shall be included as follows:

(a) Interest rate instruments: including trading of loans and advances, deposits and debt securities (held or issued);

(b) Equity instruments: including trading of shares, quotas of UCITS and other equity instruments;

(c) Foreign exchange trading: including exclusively trading on foreign exchanges and gold;

(d) Credit risk instruments: including trading of credit link notes;

(e) Commodities: including trading of precious metals (other than gold) and other commodities;

(f) Other: including trading of financial instruments which cannot be classified in other breakdowns.

21.5. Gains or losses on financial assets and liabilities designated at fair value to profit or loss (table 17.5)

59. Gains and losses on financial assets and liabilities designated at fair value through profit or loss shall be broken down by type of instrument. For each item of the breakdown the net realised and unrealised shall be reported. In addition the amount of change in fair value due to changes in the credit risk (own credit risk of the borrower or issuer) shall be reported.

21.6. Gains or losses from hedge accounting (table 17.6)

60. Gains and losses from hedge accounting shall be broken down by type of hedge accounting: fair value hedge, cash flow hedge and hedge of net investments in foreign operations. Gains and losses related to fair value hedge shall be broken down between the hedging instrument and the hedged item.

22. FEE AND COMMISSION INCOME AND EXPENSES BY ACTIVITY (TABLE 18)

61. The fee and commission income and expenses generated by the on-balance sheet activities and off-balance sheet activities shall be reported by type of activities.

62. Table 18 includes fee and commission income and expenses other than:

(a) amounts considered for the calculation of the effective interest of financial instruments [IFRS 7.20.(c)] and

(b) amounts arising from financial instruments that are measured at fair value through profit or loss [IFRS 7.20.(c).(i)].

63. Transaction costs directly attributable to the acquisition or issue of financial instruments not measured at fair value through profit or loss shall not be included; they form part of the initial acquisition/issue value of these instruments and are amortised to profit or loss over their residual life using the effective interest rate [see IAS 39.43].

64. Transaction costs directly attributable to the acquisition or issue of financial instruments measured at fair value through profit or loss shall be included in table 2 as a part of the items “Gains (losses) on financial assets and liabilities held for trading, net” and “Gains (losses) on financial assets and liabilities designated at fair value

through profit or loss, net” with the corresponding breakdown in table 17. They are not part of the initial acquisition/issue value of these instruments and are immediately recognized in profit or loss.

65. Reporting institutions shall report fee and commission income and expenses according to the following criteria:

(a) “Securities. Issued” includes fees and commissions received for the involvement in the origination or issuance of securities not originated or issued by the institution.

(b) “Securities. Transfer orders” includes fees and commissions generated by the reception, transmission and execution on behalf of customers of orders to buy or sell securities.

(c) “Securities. Other” includes fees and commissions generated by the reporting institution providing other services related with securities not originated or issued by the institution.

(d) “Clearing and settlement” includes fee and commission income (expenses) generated by (charged to) the reporting institution when participating in counterparty, clearing and settlement facilities.

(e) “Asset management”, “Custody”, “Central administrative services for collective investment undertakings”, “Fiduciary transactions”, “Payment services” include fee and commission income (expenses) generated by (charged to) the reporting institution when providing these services as defined in paragraph 7 of Part 5.

(f) “Structured finance” includes fees and commissions received for the involvement in the origination or issuance of financial instruments other than securities not originated or issued by the institution.

(g) “Servicing fees from securitisation activities” includes, on the income side, the fee and commission income generated by the reporting institution providing loan servicing services and on the expense side, the fee and commission expense charged to the reporting institution by loan service providers.

(h) “Loan commitments given” and “Guarantees given” include the amount of the amortization of these “other financial liabilities”, as defined in paragraph 10 of Part I, recognized as income during the period in accordance with IAS 39.47 (c)-(d).

(i) “Loan commitments received” and “Guarantees received” the fee and commission expense charged to the reporting institution by the counterparty that have given the loan commitment or the financial guarantee.

(j) “Other” includes the rest of fee and commission income (expenses) generated by (charged to) the reporting institution such as those derived from “other commitments” in table 6, from foreign exchange services (such as exchange of foreign banknotes or coins) or from providing (receiving) other fee-based advice and services.

PART 4

1. STATEMENT OF COMPREHENSIVE INCOME (TABLE 19)

    1. Reporting institutions shall report statement of comprehensive income in table 19. “Income tax relating to items that will not be reclassified” and “Income tax relating to items that may be reclassified to profit or (-) loss” [IAS 1.91 (b), IG6] shall be reported as a separate line item.

2. STATEMENT OF CHANGES IN EQUITY (TABLE 20)

    2. The statement of changes in equity [IAS 1.106] discloses the reconciliation between the carrying amount at the beginning of the period (opening balance) and the end of the period (closing balance) for each component of equity.

PART 5

1. COLLATERAL AND GUARANTEES GIVEN (TABLE 21)

1.1. Loans and advances (Table 21.1)

1. The pledges and guarantees backing the loans and advances shall be reported by type of pledges: mortgage loans and other collateralised loans, and by financial guarantees. The loans and advances shall be broken down by counterparties.

2. In Table 21.1 the “maximum collateral/guarantee that can be considered” shall be reported. The sum of the amounts of a financial guarantee and/or collateral shown in the related columns of table 21.1 shall not exceed the carrying amount of the related loan.

3. For reporting loans and advances according to the type of pledge the following definitions shall be used:

(a) “Mortgage loans (Real estate collateralised loans)”, “Residential” includes pledges of residential property and “Commercial” pledges of commercial property; in both cases as defined in the CRR.

(b) “Other collateralised loans”, “Cash [Debt instruments issued]” includes pledges of deposits with or debt securities issued by the reporting institution, and “Rest” includes pledges of securities or other assets.

(c) “Financial Guarantees” include contracts that require the issuer to make specified payments to reimburse the holder of a loss it incurs, because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument [IAS 39.9, AG4 and IFRS 4.A].

4. For loans and advances that have simultaneously more than one type of collateral or guarantee, the amount of the “maximum collateral/guarantee that can be considered” shall be allocated according to its quality starting from the one with the best quality.

1.2. Subordinated financial assets (table 21.2)

5. This table includes the carrying amount of “loans and advances” and “debt securities” that meet the definition of “subordinated debt” in paragraph 17 of Part 3.

1.3. Collateral held when permitted to sell or repledge (table 21.3)

6. This table includes the fair value of the collateral when the reporting institution is permitted to sell or repledge in absence of default by the owner of the collateral. Furthermore, it includes the fair value of the collateral that has been sold or repledged to third parties.The information on repos and reverse repos shall be reported as specified in Part 3 in paragraphs x to y.

1.4. Collateral obtained by taking possession during the period (held at the reporting date) (table 21.4)

7. This table includes the carrying amount of the collateral that has been obtained between the beginning and the end of the reference period and that remain recognised in the balance sheet at the reference date.

1.5. Collateral obtained by taking possession [tangible assets] accumulated (table 21.5)

8. “Foreclosure [tangible assets]” is the cumulative amount of tangible assets obtained by taking possession of collateral that remains recognised in the balance sheet at the reference date excluding those classified as “Property, plant and equipment”.

2. FINANCIAL ASSETS PLEGDED AS COLLATERAL (TABLE 22)

2.1. Financial assets pleged of collateral for liabilities and contingent liabilities (table 22.1)

9. Reporting institutions shall report the carrying amount of financial assets pledged as collateral not the carrying amount of the related liabilities or contingent liabilities.

2.2. Financial assets pledged as collateral for which the transferee has the right to sell or repledge in the absence of a default by the reporting institution (table 22.2)

10. The carrying amount of financial assets pledged as collateral for which the transferee has the right to sell or repledge in the absence of a default by the reporting institution shall be reported broken down by accounting portfolios.

3. FAIR VALUE (TABLE 23)

3.1. Fair value hierarchy: financial instruments at amortised cost (table 23.1)

11. Information on the fair value of financial instruments measured at amortised cost, using the hierarchy in IFRS 7.27A shall be reported in this table.

3.2. Use of fair value option (table 23.2)

12. Information on the use of fair value option for financial assets and liabilities designated at fair value through profit or loss shall be reported in this table.

3.3. Hybrid instruments not designated at fair value through profit or loss (table 23.3)

13. Information on hybrid financial instruments except on contracts measured at fair value through profit or loss under the fair value option, referred in table 23.2, shall be reported in this table. The column "held for trading" includes the amount of hybrid financial instruments classified as a whole in the "held for trading" portfolio. It includes non-separated hybrid instruments; separated embedded derivatives are reported in tables 7 and 8. The other columns include the amount of host contracts that have been separated from the derivatives according to IAS 39 provisions; that is, implying that the institution has not chosen to measure the whole hybrid financial instruments at fair value through profit or loss.

4. OFF-BALANCE SHEET ACTIVITIES: ASSET MANAGEMENT, CUSTODY AND OTHER SERVICE FUNCTIONS (TABLE 24)

14. Business related to asset management, custody functions, and other service functions shall be reported using the following definitions :

(a) "Asset management" refers to assets belonging directly to the customers, for which the institution is providing management. "Asset management" shall be reported by type of customer: collective investments, pension funds, customer portfolios managed on a discretionary basis, and other investment vehicles.

(b) "Custody assets" refers to the services of safekeeping and administration of financial instruments for the account of clients provided by the reporting institution and services related to custodianship such as cash and collateral management. "Custody assets" shall be reported by type of customers for which the institution is holding the assets distinguishing between collective investments undertakings and others. The item "of which: entrusted to other entities" refers to the amount of assets included in custody assets for which the institution has given the effective custody to other entities.

(c) "Central administrative services for collective investment" refers to the administrative services provided by the institution to collective investment undertakings. It includes, among others, the services of transfer agent; of compiling accounting documents; of preparing the prospectus, financial reports and all other documents intended for investors; of carrying out the correspondence by distributing financial reports and all other documents intended for investors; of carrying out issues and redemptions and keeping the register of investors; as well as of calculating the net asset value.

(d) "Fiduciary transactions" refers to the activities where the institution acts in its own name but for the account and at the risk of its customers. Frequently, in fiduciary transactions, the institution provides services, such as custody asset management services to a structured entity or managing portfolios on a discretionary basis. All fiduciary transactions shall be reported exclusively in this item without regarding whether the institution provides additionally other services.

(e) "Payment services" refers to the collection on behalf of customers of payments generated by debt instruments that are neither recognised on the balance sheet of the institution nor originated by it.

(f) "Customer resources distributed but not managed" refers to products issued by entities outside the group that the institution has distributed to its current customers. This item shall be reported by type of product.

(g) "Assets involved in the services provided by the institution" includes the amount of assets in relation to which the institution is acting, using the fair value. Other measurement bases including nominal value may be used if the fair value is not available. In those cases where the institution provides services to entities such as collective investments, pension funds, the assets concerned may be shown at the value at which these entities report the assets in their own balance sheet. Reported amounts shall include accrued interest, if appropriate.

5. TANGIBLE AND INTANGIBLE ASSETS (TABLE 25)

5.1. Tangible and intangible assets: carrying amount (table 25.1)

15. "Property, plant and equipment", "Investment property" and "Other intangible assets" shall be reported by criteria used in their measurement.

16. "Other intangible assets" include all other intangible assets than goodwill.

5.2. Tangible and intangible assets: assets subject to operating lease (table 25.2)

17. Items that have been leased by the institution (lessor) to third parties in agreements that qualified as operating leases, shall be reported in table 25.2.

6. PROVISIONS (TABLE 26)

18. The table includes reconciliation between the carrying amount of the item “Provisions” of table 1.2 at the beginning and end of the period by the nature of the movements.

7. DEFINED BENEFIT PLANS (TABLE 27)

19. Tables 27.1 and 27.2 include accumulated information of all defined benefit plans of the institution. When there is more than one defined benefit plan, aggregated amount of all plans shall be reported.

7.1. Components of net defined benefit plan assets and liabilities (table 27.1)

20. “Components of net defined benefit plan assets and liabilities” shows the reconciliation of the accumulated present value of all net defined benefit liabilities (assets) as well as reimbursement rights [IAS 19.140 (a), (b)].

21. “Net defined benefit assets” includes, in the event of a surplus, the surplus amounts that shall be recognized in the balance sheet as they are not affected by the limits set up in IAS 19.63. The amount of this item and the amount recognized in the memo item “Fair value of any right to reimbursement recognized as asset” are included in the item “Other assets” of table 1.1.

7.2. Movements in defined benefit obligation (table 27.2)

22. “Movements in defined benefit obligations” shows the reconciliation of opening and closing balances of the accumulated present value of all defined benefit obligations of the institution. The effects of the different elements listed in IAS 19.141during the period are presented separately.

23. The amount of “Closing balance [present value]” in table 27.2 shall be equal to “Present value defined benefit obligations” in table 27.1.

7.3. Memo items [related to staff expenses] (table 27.3)

24. For reporting of memorandum items related to staff expenses following definitions shall be used:

(a) “Pension and similar expenses“ includes the amount recognized in the period as staff expenses for any post – employment benefit obligations (both defined contributions plans and defined benefits plans) and contributions to social security funds in accordance with IAS 19.

(b) “Share based payments” include the amount recognized in the period as staff expenses for share based payments in accordance with IFRS 2.

8. SPECIFIC INCOME STATEMENT ITEMS (TABLE 29)

8.1. Gains or losses on financial assets and liabilities designated at fair value through profit or loss by accounting portfolio (table 29.1)

25. Gains or losses on financial instruments designated at fair value through profit or loss shall be broken down by accounting portfolio separating those generated by financial assets from those other generated by financial liabilities

8.2. Gains or losses on derecognition of non-financial assets other than held-for-sale (table 29.2)

26. Gains and losses on derecognition of non financial assets other than held for sale shall be broken down by type of asset; each line item shall include the gain or the loss on the asset (such as property, software, hardware, gold, investment) that has been derecognised.

8.3. Other operating income and expenses (table 29.3)

27. Other operating income and expenses shall be broken down according to the following items: fair value adjustments on tangible assets measured using the fair value model; rental income and direct operating expenses from investment property; income and expenses on operating leases and other operating income and expenses.

28. "Other operating income and expenses-operating leases" includes, for the column “income” the returns obtained and for the column “expenses” the costs incurred by the institution as lessor in their operating leasing activities. The costs for the institution as lessee shall be included in the item “General and administrative expenses”.

9. RELATED PARTIES (TABLE 30)

29. “Gains on derecognition of non-financial assets” and “Losses on derecognition of non-financial assets” in table 30.1 include all the gains and losses on derecognition of assets outside the scope of IAS 39, generated by transactions with related parties. These items include the gains and losses on derecognition of non-financial assets, which have been generated by transactions with related parties and that are part of the following line items of table 2 “Statement of profit or loss”:

(a) “Gains (losses) on derecognition of investments in entities and non-financial assets other than held for sale”,

(b) “Profit or loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations”, and

(c) “Profit or loss after tax from discontinued operations”.

10. SCOPE OF GROUP (TABLE 31)

30. The institution shall report detailed information on subsidiaries, joint ventures, and associates included in the consolidated financial information as of the reporting date (“scope of the group”).

10.1. Scope of the group: “entity-by-entity” (table 31.1)

31. The following information shall be reported “entity-by-entity” in table 31.1:

(a) “Entity code” includes the identification code of the investee;

(b) “Entity name” includes the name of the investee;

(c) “Entry date” means the date in which the investee entered within the “scope of the group”;

(d) “Share capital” means the total amount of capital issued by the investee as at the reference date;

(e) “Equity of Investee”, “Total assets of the Investee” and “Profit or (loss) of the Investee” include the amounts of these items in the last financial statements of the investee;

(f) “Jurisdiction of incorporation” means the country of residence of the investee;

(g) “Activity” means the principal activity of the investee, NACE codes shall be used;

(h) “Accumulated equity interest (%)” is the percentage of ownership instruments held by the reporting institution as of the reference date;

(i) “Voting rights (%)” means the percentages of voting rights associated to the ownership instruments held by the reporting institution as of the reference date.

(j) “Group structure [relationship]” shall indicate the relationship between the parent and the investee (subsidiary, joint venture or associate).

(k) “Accounting treatment (IFRS Group)” shall indicate the accounting treatment with the IFRS scope of consolidation (full integration, proportional integration or equity method);

(l) “Accounting treatment (CRR Group)” shall indicate the accounting treatment with the CRR scope of consolidation (full integration, proportional integration or equity method);

(m) “Carrying amount” means amounts reported on the balance sheet of the reporting institution for investees that are neither fully nor proportionally consolidated;

(n) “Acquisition cost” means the amount paid by the investors;

(o) “Goodwill link to the investee” means the amount of goodwill reported on the consolidated balance sheet of the reporting institution for the investee in the items “goodwill” or “investments in entities accounted for using the equity method”;

(p) “Fair value of the investments for which there are published price quotations” shall be provided only if the instruments are quoted.

10.2. Scope of the group: “instrument-by-instrument” (table 31.2)

32. The following information shall be reported "instrument-by-instrument":

(a) "Security code" (e.g. ISIN code means the code that identifies the securities;

(b) "Holding company code" is the identification code of the entity within the group that holds the investment;

(c) Holding company" is the name of the entity within the group that holds the investment;

(d) "Entity code", "Accumulated equity interest (%)", "Carrying amount" and "Acquisition cost" are defined in the paragraph 26 above. The amounts shall correspond to the security.

PART 6

Mapping of exposure classes and economic sectors

1. The following tables map exposure classes used to calculate capital requirements according to the CRR to economic sector classes used in FINREP tables.

Table 1 Standardised Approach

SA exposure classes (CRR article 107)	***FINREP economic sector classes***	***Comments***
(a) Central governments and central banks	(1) Central banks (2) General governments	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty
(b) Regional governments and local authorities	(2) General governments	
(c) Public sector entities	(2) General governments	
(d) Multilateral development banks	(3) Credit institutions	
(e) International organisations	(2) General governments	
(f) Institutions (i.e. credit institutions and investment firms)	(3) Credit institutions (4) Other financial corporations	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty
(g) Corporates	(4) Other financial corporations (5) Non financial corporations. (6) Households	
(h) Retail	(4) Other financial corporations (5) Non financial corporations (6) Households	
(i) Secured by mortgages on immovable property	(2) General governments (3) Credit institutions (4) Other financial corporations (5) Non-financial corporations (6) Households	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty.

SA exposure classes (CRR article 107)	*FINREP economic sector classes*	*Comments*
(j) In default	(1) Central banks (2) General governments (3) Credit institutions (4) Other financial corporations (5) Non-financial corporations (6) Households	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty.
(k) Covered bonds	(2) General governments (3) Credit institutions (4) Other financial corporations (5) Non-financial corporations	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty.
(l) Securitisation positions	(2) General governments (3) Credit institutions (4) Other financial corporations (5) Non-financial corporations	These exposures should be assigned to FINREP economic sector allocation classes according to the underlying risk of the securitisation.
(m) Short-term claims on institutions and corporates	(3) Credit institutions (4) Other financial corporations (5) Non-financial corporations	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty.
(n) Collective investment undertakings	Equity	Investments in CIU must be classified as equity instruments in FINREP, regardless of whether the CRR allows look-through.
(o) Equity	Equity	
(p) Other items	Other items	In FINREP, other items may be included under different asset categories.

Table 2 Internal Ratings Based Approach

IRBA exposure classes (CRR article 142)	***FINREP economic sector classes***	***Comments***
(a) Central governments and central banks	(1) Central banks (2) General governments (3) Credit institutions	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty
(b) Institutions (i.e. credit institution and investment firms as well as some general governments and multilateral banks)	(2) General governments (3) Credit institutions (4) Other financial corporations	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty
(c) Corporates	(4) Other financial corporations (5) Non-financial corporations (6) Households	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty
(d) Retail	(4) Other financial corporations (5) Non financial corporations (6) Households	These exposures should be assigned to FINREP economic sector allocation classes according to the nature of the counterparty
(e) Equity	Equity	In FINREP, equities are separated as products under different categories of financial assets
(f) Securitisation positions	(2) General governments (3) Credit institutions (4) Other financial corporations (5) Non-financial corporations (6) Households	These exposures should be assigned to FINREP economic sector allocation classes according to the underlying risk of the securitisation positions.
(g) Other non credit obligations	Other items	In FINREP, other items may be included under different asset categories.

PART 7

Sign convention

1. VALIDATION RULES

    1. The templates in Annex III include implicit validation rules which are defined in the templates themselves through the use of conventions.

    2. The use of brackets in the label of an item in a template means that this item is to be subtracted to obtain a total. As explained below, it does not mean that it shall be reported as negative.

    3. Items that shall be necessary reported in negative are identified in the compiling templates by including “(-)” at the beginning of their label such as in “(-) Treasury shares”.

2. SIGN CONVENTION

4. In the “Data Point Model” (hereinafter DPM) for financial information reporting templates described in Annex III, every data point (cell) has a “base item” to which the “credit/debit” attribute is allocated. This allocation ensures that all entities report data points follow the “sign convention” and allows to know the “credit/debit” attribute that corresponds to each data point.

5. Schematically, this convention works as in Table 3.

Table 3 Credit/debit convention, positive and negative signs

Element	Credit /Debit	Balance /Movement	Figure reported
Assets	Debit	Balance on assets	Positive ("Normal", no sign needed)
		Increase on assets	Positive ("Normal", no sign needed)
		Negative balance on assets	Negative (Minus "-" sign needed)
		Decrease on assets	Negative (Minus "-" sign needed)
Expenses		Balance on expenses	Positive ("Normal", no sign needed)
		Increase on expenses	Positive ("Normal", no sign needed)
		Negative balance (including reversals) on expenses	Negative (Minus "-" sign needed)
		Decrease on expenses	Negative (Minus "-" sign needed)
Liabilities	Credit	Balance on liabilities	Positive ("Normal", no sign needed)
		Increase on liabilities	Positive ("Normal", no sign needed)
		Negative balance on liabilities	Negative (Minus "-" sign needed)
		Decrease on liabilities	Negative (Minus "-" sign needed)
Equity		Balance on equity	Positive ("Normal", no sign needed)
		Increase on equity	Positive ("Normal", no sign needed)
		Negative balance on equity	Negative (Minus "-" sign needed)
		Decrease on equity	Negative (Minus "-" sign needed)
Income		Balance on income	Positive ("Normal", no sign needed)
		Increase on income	Positive ("Normal", no sign needed)

Element	Credit /Debit	Balance /Movement	Figure reported
		Negative balance (including reversals) on income	Negative (Minus "-" sign needed)
		Decrease on income	Negative (Minus "-" sign needed)