

ANNEX II

REPORTING ON OWN FUNDS REQUIREMENTS

- 1. This Annex contains additional instructions for the tables (hereinafter “COREP”) included in Annex I of this Regulation. This Annex complements the instructions in format of references included in the tables in Annex I.
- 2. Table of Contents

PART I: GENERAL INSTRUCTIONS 2

1. STRUCTURE AND CONVENTIONS 2

1.1. STRUCTURE 2

1.2. NUMBERING CONVENTION 2

1.3. SIGN CONVENTION 3

PART II: TEMPLATE RELATED INSTRUCTIONS..... 4

1. GROUP SOLVENCY TEMPLATE 4

1.1. GENERAL REMARKS 4

1.2. INSTRUCTIONS CONCERNING SPECIFIC POSITIONS 5

Formatvorlagendefinition:
Instructions Text

PART I: GENERAL INSTRUCTIONS

1. Structure and conventions

1.1. Structure

3. Overall, the framework consists of five blocks of templates:

1. Capital adequacy, an overview of regulatory capital; total risk exposure amount; and, in the case of consolidated groups, an overview of the fulfilment of the solvency requirements by consolidated and individual entities;

Information related to the application of different approaches for the assessment of Pillar I capital requirements for:

2. Credit risk (including counterparty, dilution and settlement risks);

3. Market risk (i.e. position risk in trading book, foreign exchange risk and commodities risk);

4. Operational risk;

4. For each template legal references are provided. Further detailed information regarding more general aspects of the reporting of each block of templates, instructions concerning specific positions as well as examples and validation rules are included in these Guidelines for implementation of the Common Reporting framework.

5. Institutions report only those templates that are relevant depending on the approach used for determining own funds requirements.

Explanatory text for consultation purposes:

E.g. in case an institutions holds securitisation positions and the institution calculates the risk-weighted exposure amounts under the IRB Approach according to Part 3 Title II chapter 5, section 3, subsection 4 of CRR, then only the templates CR SEC IRB and SEC Details shall be reported, but not CR SEC SA.

1.2. Numbering convention

6. The document will follow the labelling convention set in the following table, when referring to the columns, rows and cells of the templates. These numerical codes are extensively used in the validation rules.

7. The following general notation is followed in the instructions: {Template;Row;Column}.

Explanatory text for consultation purposes:

For example: {CRSA;010;020} refers to the data point row 010, column 020 of CRSA template.

8. In the case of validations inside a template, in which only data points of that template is used, notations will not refer to a template: {Row;Column}.

9. In the case of templates with only one column, only rows will be referred to. {Template;Row}

Explanatory text for consultation purposes:

For example: {CA2;010} refers to the row 010 of CA2.

10. An asterisk sign will be used to express that the validation is done for the rows or columns specified before.

Explanatory text for consultation purposes:

For example: "For columns 010 to 050, {CRSA;010;*}" means row 010 of CRSA, for the columns 010 to 050.

1.3. Sign convention

11. Any amount that increases the own funds or the capital requirements will be reported as a positive figure. On the contrary, any amount that reduces the total own funds or the capital requirements will be reported as a negative figure. Where there is a negative sign (-) preceding the label of an item no positive figure is expected to be reported for that item.

PART II: TEMPLATE RELATED INSTRUCTIONS

1. Group solvency template

1.1. General remarks

12. This template consists of four parts in order to gather different information on entities included in the scope of consolidation of the reporting entity:

a. *ENTITIES WITHIN SCOPE OF CONSOLIDATION.*

13. In this introductory part basic information on the entities is given.

b. *INFORMATION RELATING INDIVIDUAL ENTITIES SUBJECT TO OWN FUNDS REQUIREMENTS*

14. The second part of this template, i.e. detailed group solvency information in columns 070 to 210, is designed to gather information on credit and other regulated financial institutions which are effectively subject to particular solvency requirements on individual basis.

15. This part of the template provides, for each of those entities within the scope of the reporting, the own funds requirements for each risk category and the own funds for solvency purposes.

16. In the case of proportional consolidation of participations, the figures related to own funds requirements and own funds will reflect the respective proportional amounts.

c. *INFORMATION RELATING THE CONTRIBUTION OF ENTITIES TO SOLVENCY OF THE GROUP*

17. The objective of the third part of this template i.e. information on the contributions of all entities within CRR scope of consolidation (including those that are not subject to particular solvency requirements on an individual basis) to group solvency in columns 220 to 310, is to identify which entities within the group generate the risks and raise own funds from the market, based on data that are readily available or can easily be reprocessed, without having to reconstruct the capital ratio on a solo or sub-consolidated basis. At the entity level, both risk and own fund figures are contributions to the group figures and not elements of a solvency ratio on a solo basis and as such must not be compared to each other.

18. This part also includes the amounts of minority interests, qualifying AT1, and qualifying T2 eligible in the consolidated own funds.

19. As this third part of the template refers to “contributions”, the figures to be reported herein will defer, when applicable, from the figures reported in the columns referring to detailed group solvency information.

20. The principle is to delete the crossed-exposures within the same groups in a homogeneous way both in terms of risks or own funds, in order to cover the amounts reported in the group’s consolidated CA template by adding the amounts reported for each entity in “Group Solvency” template.

21. The institutions shall define the most appropriate breakdown method between the entities to take into account the possible diversification effects for market risk and operational risk.

22. All consolidating entities report the GS template. It is possible for one consolidated group to be included within another consolidated group. Supervisors need information at every consolidated level. This means some consolidated entities will themselves have their details included in a higher consoli-

dated group's GS templates. This is not double counting because supervisors need information on the solvency position of each consolidated group.

23. An institution shall report the contribution part of this template when contributions to risks at entity level exceed 1 % of capital requirements of the group or when contributions to regulatory capital exceed 1% of the total own funds of the group. [This threshold does not apply in the case of subsidiaries or subgroups that provide own funds \(in the form of minority interests or qualifying AT1 or T2 instruments included in own funds\) to the group.](#) Supervisors will be able to override the “materiality” threshold in specific cases on the basis of a qualitative assessment; a very small percentage of large bank could be, in absolute terms, a relevant exposure.

d. CAPITAL BUFFERS

24. In this part information on capital buffers is provided.

1.2. Instructions concerning specific positions

Columns	Instructions
010-060	<p><u>ENTITIES WITHIN SCOPE OF CONSOLIDATION</u></p> <p>This template is designed to gather information on all entities on an entity-by-entity-basis within the scope of consolidation according to Chapter 2 of Title II of Part I of CRR.</p> <p>The figures of the parent institutions shall also be included in the group solvency template.</p> <p>The institutions waived according to Article 6 of CRR shall only report the columns 010 to 060 and 140 to 230 (i.e the contributions part only).</p> <p>This part is not applicable to the total row.</p>
010	<p><u>NAME</u></p> <p>Name of the entity within the scope of consolidation.</p>
020	<p><u>CODE</u></p> <p>Code assigned to the entity within the scope of consolidation.</p> <p>The actual composition of the code depends on the national reporting system unless a uniform codification is available on EU level.</p>
030	<p><u>ENTITY SUBJECT TO OWN FUNDS REQUIREMENTS: YES / NO</u></p> <p>"YES" is reported in case the entity is subject to own funds requirements according to CRD or provisions at least equivalent to Basel provisions.</p> <p>"NO" is reported otherwise.</p> <p>➔ Minority interests:</p> <p>76(1) point (a) (ii) and 77(1) point (a) (ii)</p> <p>To the effects of minority interests and AT1 and T2 instruments issued by subsidiaries, the subsidiaries whose instruments can be eligible shall be institutions or undertakings subject by virtue of applicable national law to the requirements of CRR.</p>

040	<p><u>SCOPE OF DATA: SOLO FULLY CONSOLIDATED (SF), SOLO PARTIALLY CONSOLIDATED (SP) OR SUBCONSOLIDATED (SC)</u></p> <p>“SF” SHALL BE REPORTED FOR INDIVIDUAL SUBSIDIARIES FULLY CONSOLIDATED</p> <p>“SP” SHALL BE REPORTED FOR INDIVIDUAL SUBSIDIARIES PARTIALLY CONSOLIDATED</p> <p>“SC” SHALL BE REPORTED FOR SUBGROUPS.</p>
050	<p><u>COUNTRY CODE</u></p> <p>Institutions shall report the two-letter country code according to ISO 3166-2.</p>
060	<p><u>SHARE OF HOLDING (%)</u></p> <p>Total percentages of holding held by the reporting entity. This percentage is referred to the actual share of capital relevant for consolidation.</p>
070	<p><u>TOTAL RISK EXPOSURE AMOUNT</u></p> <p>The sum of the columns 0780 to 1010 is reported here.</p>
070-240240	<p><u>INFORMATION RELATING INDIVIDUAL ENTITIES SUBJECT TO OWN FUNDS REQUIREMENT</u></p> <p>The section of detailed information (i.e. columns 070 to 210) shall gather information only on those entities which, being within the scope of consolidation (Chapter 2 of Title II of Part I of CRR), are effectively subject to solvency requirements (i.e. they are obligated to calculate own funds requirements).</p> <p>The institutions waived according to Article 6 of CRR shall only report the columns 010 to 060 and 220 to 310 (i.e. the contributions part only).</p> <p>In the case of proportional consolidation of participations the figures related to own funds requirements and own funds will reflect the respective proportional amounts.</p> <p>Information should be included about all individual institutions of a consolidated group that are subject to own requirements, regardless where they are located.</p> <p>The information reported in this part should be according to the local solvency rules where the institution is operating (therefore for this template it is not necessary to do a double calculation on an individual basis according to the parent institution’s rules). Therefore, this part is a factual template that summarises the calculations that the individual institutions of a group have to carry out, bearing in mind that some of those institutions may be subject to different solvency rules.</p> <p><u>Reporting of fixed overheads of investment firms:</u></p> <p>Investment firms shall include own requirements related to fixed overheads in their calculation of capital ratio if the following conditions laid down in the Regulation are fulfilled: either to avoid applying operational risk rules laid down in Part 3 Title III of CRR (see Articles 90, 91 and 93 of CRR).</p> <p>As a result, part of the total risk exposure amount related to fixed overheads are closely connected with operational risk own funds requirements and therefore the relevant amount of the total risk exposure amount related to fixed overheads, which is included in the denominator of capital ratio, has to be reported in column 090 of part 2 of this template.</p> <p>➔ More details with regard to the required data of column 090:</p>

	<p>In application of Article 90 (2) and 93 of CRR total own funds requirements are calculated according to the following formula in the CA template: $\text{Max} [2.1+12.5*(2.2+2.3+2.6+2.7), (12.5*2.5)]$. If the first part of this formula is the maximum, columns 070, 080, and 100 of part 2 of this template contain all relevant data and column 090 of part 2 of this template remains empty and vice versa.</p> <p>According to Articles 91 (2) and 93 of CRR own funds requirements are calculated as the sum of rows $2.1+12.5*(2.2+2.3+2.5+2.6+2.7)$ of the CA template. In this case, own funds requirements related to fixed overheads reported in row 2.5 of the CA template replace operational risk own funds requirements and therefore have to be reported in column 090 of part 2 of this template.</p>
070 080	<p><u>CREDIT; COUNTERPARTY CREDIT; DILUTION RISKS, FREE DELIVERIES AND SETTLEMENT/DELIVERY RISK</u></p> <p>The amount to be reported in this column corresponds to the sum of risk weighted exposure amounts that are equal or equivalent to the ones that must be reported in row 040 "<u>RISK WEIGHTED EXPOSURE AMOUNTS</u>" FOR CREDIT, COUNTERPARTY CREDIT AND DILUTION RISKS AND FREE DELIVERIES" and the amounts of own funds requirements that are equal or equivalent to the ones that must be reported in row 500490 "SETTLEMENT/DELIVERY RISK" of the sub-template CA2.</p>
080 090	<p><u>TOTAL OWN FUNDS REQUIREMENTS FOR POSITION, FX AND COMMODITY RISKS</u></p> <p>The amount to be reported in this column corresponds to the amount of own funds requirements that are equal or equivalent to the ones that must be reported in row 530-520 "TOTAL OWN FUNDS REQUIREMENTS FOR POSITION, FOREIGN EXCHANGE AND COMMODITY RISKS" of the sub-template CA2.</p>
090	<p><u>OPERATIONAL RISK</u></p> <p>The amount to be reported in this column corresponds to the amount of own funds requirements that are equal or equivalent to the ones that must be reported in row 630-620 "TOTAL OWN FUNDS REQUIREMENTS FOR OPERATIONAL RISKS (OpR)" of the sub-template CA2.</p>
100	<p><u>OTHER OWN FUNDS REQUIREMENTS</u></p> <p>The amount to be reported in this column corresponds to the amount of own funds requirements not especially listed above, that are equal or equivalent to the ones that must be reported in row 680 "OTHER OWN FUNDS REQUIREMENTS". It is the sum of the amounts of rows 630, 640, 680 and 690 of the sub-template CA2.</p>
110	<p><u>TOTAL RISK EXPOSURE AMOUNT</u></p> <p>The sum of the columns 070 to 100 is reported here.</p>
120-210 240	<p><u>DETAILED INFORMATION ON GROUP SOLVENCY OWN FUNDS</u></p> <p>The information reported in the following columns should be according to the local solvency rules where the entity is operating.</p>
120	<p><u>TOTAL OWN FUNDS FOR SOLVENCY PURPOSES</u></p> <p>The amount to be reported in this column corresponds to the amount of own funds that are equal or equivalent to the ones that must be reported in row 0010 "TOTAL OWN FUNDS FOR SOLVENCY PURPOSES" of the template CA.</p>

130	<p><u>OF WHICH: QUALIFYING OWN FUNDS</u></p> <p>Article 77 of CRR</p> <p>This column will only be reported for subsidiaries fully consolidated, on solo basis, which are institutions.</p> <p>Qualifying holdings are, for the subsidiaries specified above, the instruments (plus related retained earnings and share premium accounts) owned by persons other than the undertakings included in the CRR consolidation.</p> <p>The amount to be reported shall include the effects of any transitional provision, i.e. it has to be the eligible amount in the date of reporting.</p>
140	<p><u>OF WHICH: OWN FUNDS INSTRUMENTS, RELATED RETAINED EARNINGS AND SHARE PREMIUM ACCOUNTS</u></p> <p>Article 82 (b) of CRR</p>
140 150	<p><u>TOTAL TIER 1 CAPITAL</u></p> <p>Article 23 of CRR</p>
150 160	<p><u>OF WHICH: QUALIFYING TIER 1 CAPITAL</u></p> <p>Article 77 of CRR</p> <p>This column will only be reported for subsidiaries fully consolidated, on solo basis, which are institutions.</p> <p>Qualifying holdings are, for the subsidiaries specified above, the instruments (plus related retained earnings and share premium accounts) owned by persons other than the undertakings included in the CRR consolidation.</p> <p>The amount to be reported shall include the effects of any transitional provision, i.e. it has to be the eligible amount in the date of reporting.</p>
170	<p><u>OF WHICH: T1 INSTRUMENTS, RELATED RETAINED EARNINGS AND SHARE PREMIUM ACCOUNTS</u></p> <p>Article 80 point (b) of CRR</p>
160 180	<p><u>COMMON EQUITY TIER 1 CAPITAL</u></p> <p>Article 47 of CRR</p>
170 190	<p><u>OF WHICH: MINORITY INTERESTS</u></p> <p>Article 76 of CRR</p>

	<p>This column will only be reported for subsidiaries fully consolidated, on solo basis, which are institutions.</p> <p>To the effects of CRR and this template, minority interests are, for the subsidiaries specified above, the CET1 instruments (plus related retained earnings and share premium accounts) owned by persons other than the undertakings included in the CRR consolidation.</p> <p>The amount to be reported shall include the effects of any transitional provision, i.e. it has to be the eligible amount in the date of reporting.</p>
200	<p><u>OF WHICH: CET1 INSTRUMENTS, RELATED RETAINED EARNINGS AND SHARE PREMIUM ACCOUNTS</u></p> <p>Article 79 point (b) of CRR</p>
210 180	<p><u>ADDITIONAL TIER 1 CAPITAL</u></p> <p>Article 47 of CRR</p>
190 220	<p><u>OF WHICH: QUALIFYING ADDITIONAL TIER 1 CAPITAL</u></p> <p>Articles 77 and 78 of CRR</p> <p>This column will only be reported for subsidiaries fully consolidated, on solo basis, which are institutions.</p> <p>To the effects of CRR and this template, minority interests are, for the subsidiaries specified above, the AT1 instruments (plus related retained earnings and share premium accounts) owned by persons other than the undertakings included in the CRR consolidation.</p> <p>The amount to be reported shall include the effects of any transitional provision, i.e. it has to be the eligible amount in the date of reporting.</p>
200 230	<p><u>TIER 2 CAPITAL</u></p> <p><u>Article 68 of CRR</u></p>
210 240	<p><u>OF WHICH: QUALIFYING TIER 2 CAPITAL</u></p> <p>Articles 77 and 78 of CRR</p> <p>This column will only be reported for subsidiaries fully consolidated, on solo basis, which are institutions.</p> <p>To the effects of CRR and this template, minority interests are, for the subsidiaries specified above, the T2 instruments (plus related retained earnings and share premium accounts) owned by persons other than the undertakings included in the CRR consolidation.</p> <p>The amount to be reported shall include the effects of any transitional provision, i.e. it has to be the eligible amount in the date of reporting.</p>
250	<p><u>TOTAL RISK EXPOSURE AMOUNT</u></p>

	<u>The sum of the columns 2260 to 2590 is reported here.</u>
220-310	<p><u>INFORMATION RELATING THE CONTRIBUTION OF ENTITIES TO SOLVENCY OF THE GROUP</u></p> <p>The institutions waived according to Article 6 of CRR shall only report the columns 010 to 060 and 220 250 to 310 400 (i.e the contributions part only).</p>
220 250- 260 290	<p><u>CONTRIBUTION TO RISKS</u></p> <p>The information reported in the following columns should be according to the solvency rules applicable to the reporting institution.</p>
220	<p><u>CREDIT; COUNTERPARTY CREDIT; DILUTION RISKS, FREE DELIVERIES AND SETTLEMENT/DELIVERY RISK</u></p> <p>The amount to be reported shall be the risk weighted exposure amounts for credit risk and own funds requirements of settlement/delivery risk as per CRR, excluding any amount related to transactions with other entities included in the Group consolidated solvency ratio computation.</p>
230	<p><u>POSITION, FX AND COMMODITY RISKS</u></p> <p>Own funds requirements for market risks are to be computed at each entity level following CRR. Entities shall report the contribution to the total own funds requirements for position, FX and commodity risk of the group. The sum of amounts reported here and the own funds requirements of the parent entity corresponds to the amount reported in row 5230 "TOTAL OWN FUNDS REQUIREMENTS FOR POSITION, FOREIGN EXCHANGE AND COMMODITY RISKS" of the consolidated report.</p>
240	<p><u>OPERATIONAL RISK</u></p> <p>In case of AMA, the reported own funds requirements for operational risk include the effect of diversification.</p> <p>Fixed overheads shall be included in this column</p>
250	<u>OTHER OWN FUNDS REQUIREMENTS</u>
260	<p><u>TOTAL RISK EXPOSURE AMOUNT</u></p> <p>The sum of the columns 220 to 250 is reported here.</p>
270 300- 350 400	<p><u>CONTRIBUTION TO OWN FUNDS</u></p> <p>As this part of the template (i.e. columns 270-350 400) do not intend to impose on group to perform a full computation of the total capital ratio at the level of each entity.</p> <p>Own funds brought to the entity by the rest of entities included within the scope of the reporting entity are not to be taken into account, only the net contribution to the group own funds are, that is mainly the own funds raised from third parties and accumulated reserves.</p> <p>The information reported in the following columns should be according to the solvency rules applicable to the reporting institution.</p>
270 300- 310 350	<p><u>QUALIFYING OWN FUNDS INCLUDED IN CONSOLIDATED OWN FUNDS</u></p> <p>The amount to be reported as "QUALIFYING OWN FUNDS INCLUDED IN CONSOLIDATED OWN FUNDS" is the amount as derived from Title II of Part 2 of CRR, excluding any fund brought in by other group entities.</p>
270 300	<p><u>QUALIFYING OWN FUNDS INCLUDED IN CONSOLIDATED OWN FUNDS</u></p> <p>Article 82 of CRR</p>

	For every subsidiary, the amount to be reported shall be equal to $\text{MIN}[\{*;0130\} - (\{*;120\} - \text{Min}((8\% + \{*;340400\}) \times \{*;140070\}; (8\% + \{*;340400\}) \times \{*;260250\}))) \times (\{*;130\} / \{*;120\}); \{*;130\}]$
310280	<p><u>QUALIFYING TIER 1 INSTRUMENTS INCLUDED IN CONSOLIDATED TIER 1 CAPITAL</u></p> <p>Article 80 of CRR</p> <p>For every subsidiary, the amount to be reported shall be equal to $\text{MIN}[\{*;01500160\} - (\{*;140150\} - \text{Min}((6\% + \{*;340400\}) \times \{*;140070\}; (6\% + \{*;340400\}) \times \{*;260250\}))) \times (\{*;150160\} / \{*;140150\}); \{*;150160\}]$</p>
320290	<p><u>MINORITY INTERESTS INCLUDED IN CONSOLIDATED COMMON EQUITY TIER 1 CAPITAL</u></p> <p>Article 79 of CRR</p> <p>The amount to be reported is the amount of minority interests of a subsidiary that is included in consolidated CET1 according to the CRR.</p> <p>For every subsidiary, the amount to be reported shall be equal to:</p> <p>$\text{MIN}[\{*;01700190\} - (\{*;1860\} - \text{Min}((4.5\% + \{*;3400\}) \times \{*;140070\}; (4.5\% + \{*;3400\}) \times \{*;2650\}))) \times (\{*;1970\} / \{*;1860\}); \{*;1970\}]$</p>
33000	<p><u>QUALIFYING TIER 1 INSTRUMENTS INCLUDED IN CONSOLIDATED ADDITIONAL TIER 1 CAPITAL</u></p> <p>Article 81 of CRR</p> <p>The amount to be reported is the amount of minority interests of a subsidiary that is included in consolidated AT1 according to the CRR.</p> <p>For every subsidiary, the amount to be reported shall be equal to: $\{*;280310\} - \{*;290320\}$</p>
34040	<p><u>QUALIFYING OWN FUNDS INSTRUMENTS INCLUDED IN CONSOLIDATED TIER 2 CAPITAL</u></p> <p>Article 83 of CRR</p> <p>The amount to be reported is the amount of minority interests of a subsidiary that is included in consolidated T2 according to the CRR.</p> <p>For every subsidiary, the amount to be reported shall be equal to: $\{*;270300\} - \{*;280310\}$</p>
350	<u>MEMORANDUM ITEM: GOODWILL (-) / (+) NEGATIVE GOODWILL</u>
320360-350400	<p><u>CONSOLIDATED OWN FUNDS</u></p> <p>The amount to be reported as “CONSOLIDATED OWN FUNDS” is the amount as derived from the balance sheet, excluding any fund brought in by other group entities.</p>

360 320	<u>CONSOLIDATED OWN FUNDS</u>
330 370	<u>OF WHICH: COMMON EQUITY TIER 1</u>
380	<u>OF WHICH: ADDITIONAL TIER 1</u>
340 390	<u>OF WHICH: CONTRIBUTIONS TO CONSOLIDATED RESULT</u> The contribution of each entity to the consolidated result (profit or loss (-)) is reported. This includes the results attributable to minority interests.
350 400	<u>OF WHICH: (-) GOODWILL / (+) NEGATIVE GOODWILL</u> The goodwill or negative goodwill of the reporting entity on the subsidiary is reported here.
410	<u>COMBINED BUFFER</u> Article 122 point (2) of CRD
360 420	<u>CAPITAL CONSERVATION BUFFER</u> Article 122 point (1) of CRD Percentage of capital conservation buffer which the subsidiary is required to maintain, according to its local national authorities.
370 430	<u>SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER</u> Article 122 point (3) of CRD Percentage of specific countercyclical capital buffer which the reporting institutions is required to maintain, according to its local national authorities.
380	<u>COMBINED BUFFER</u> Article 122 point (2) of CRD

Rows	Instructions
010	The template has a fixed row, which is the total of all the subsidiaries (not including subgroups). This row does not require information in the first part of the template.
1 to NNNN	Below the fixed row, there will be a row for each entity. These rows will be numerated correlatively.

