ANNEX IX

IFRS 9 TEMPLATE REPORTING INSTRUCTIONS

PART I: GENERAL INSTRUCTIONS

1. Information shall be submitted only for those counterparties and portfolios where an actual exposure exists at the reference date in the form of either an Original Exposure or an Exposure after CRM, including exposures in stage 3 and counterparties for which the temporary or permanent partial use of the Standardised Approach has been permitted by the respective competent authority. Counterparties and portfolios for which no exposure exists at the reference date shall not be submitted. Only exposures which are subject to the impairment requirements under IFRS 9.5.5.1, but excluding purchased or originated credit-impaired financial assets as defined in Appendix A of COMMISSION REGULATION (EU) 2016/2067 of 22 November 2016 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Standard 9 (“IFRS 9”) shall be included.

2. Information not required or not applicable shall not be submitted; those cells shall either be left blank or the indication ‘NULL’ shall be inserted. This shall also apply to exposure amount-weighted quantities that cannot be calculated. Zero values shall be reported only where the intention is to report a quantity of zero. Neither of the indications ‘blank’ or ‘NULL’ shall be used to report quantities that are zero.

3. Monetary amounts shall be reported in the same way as they are reported for calculating own funds requirements at a specific reference date in accordance with Implementing Regulation (EU) No 680/2014[1].

4. All the templates included in this Annex shall be filled only for the subset of counterparties with the counterparty ID in the following format: ID **_*******_CT_****. Specialised lending exposures as defined in article 147(8) of Regulation (EU) No 575/2013 (CRR) shall be excluded.

5. The PDs and LGDs shall be expressed as a value between 0 and 1, and shall be expressed with a minimum precision equivalent to four decimals. Where the facility expires within the year considered for a specific data point, the annual PD of this facility shall still be used to determine the exposure weighted average PD However, where the facility expires before the year considered for a specific data point, it shall not be used to determine the exposure weighted average PD.

[1] Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (OJ L 191, 28.6.2014, p. 1).

PART II: TEMPLATE-RELATED INSTRUCTIONS

C 111.01 – Details on exposures in Low Default Portfolios by counterparty

Column	Label	Legal reference	Instructions
010	Counterparty Code		The instructions provided in Annex IV for column 010 of C 101 shall apply.
020	Number of facilities		The number of facilities of the counterparty.
100	PD - 12 months IFRS 9		The PD calculated at the counterparty level at the reporting date, representing the probability of a default event within 12 months following the reporting date, as considered in the application of the impairment requirements under IFRS 9 This shall be the PD used to compute the 12 months expected credit loss (ECL amount – 12 months IFRS 9), and associated with the economic scenario 0 in template C111.02. Where the PD values associated with the economic scenario 0 of the template C111.02 are not populated, this data point shall not be populated, either. Where the institution applies different PDs for different exposures to the same counterparty, the exposure value weighted average PD at the reporting date shall be reported.
110	PD - IRB without conservative adjustments	CRR article 160(1) and article 163(1)- - Section 4.4.3. of EBA Guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures	The PD IRB free from any Margin of Conservatism, regulatory floors, supervisory add-ons and any other conservative measures, and adjustments, except those that are retained for the purpose of IFRS 9. This data point shall be submitted only for those exposures for which an internal model has been approved and is used in the calculation of risk weighted exposure amounts (RWA). For all other cases, this field shall be left blank or NULL.
200	LGD - IFRS 9	Paragraph 5 (l) in Part 1 of Annex V to the Regulation (EU) No 680/2014	The weighted average LGD of the obligor applied by the institution to the exposures to each counterparty, at the reporting date, as considered in the impairment requirements under IFRS 9 and used to compute the final expected credit loss. The weight used to compute the LGD weighted average shall be the multiplication of the following two values:

			(i) the PD assigned to the facility at the reporting date, representing the probability of a default event within 12 months following the reporting date; (ii) the exposure value of the facility associated with default events over the 12 months period following the reporting date. For both stage 1 and stage 2 facilities, the LGD for each facility shall be the one associated with default events over the 12 months' period following the reporting date.
300	Exposure value - IFRS 9		The sum of exposure values to the counterparty over all facilities at the reporting date, as considered for the application of impairment requirements under IFRS 9. This shall include both, on- and off-balance sheet exposures in the scope of the impairment requirements of IFRS 9, as well as off-balance sheet exposures after the application of the conversion factors used for accounting purposes. For both stage 1 and stage 2 facilities, the exposure value for each facility shall be the one associated with default events over the 12 months' period following the reporting date.
400	ECL amount – 12 months IFRS 9	IFRS 9 – Appendix A	The sum of the expected credit losses to the counterparty over all facilities for the exposures, at the reporting date, as considered for the application of impairment requirements under IFRS 9. For both stage 1 and stage 2 facilities, the ECL amount for each facility shall be the one associated with default events over the 12 months period following the reporting date.
410	Expected Loss - IRB	Column 280 of template8.1 of Annex I to Implementing Regulation (EU) No 680/2014	The expected loss amount calculated using IRB parameter. This data point shall be submitted only for those exposures for which an internal model has been approved and is used in the calculation of risk weighted exposure amounts (RWA). For all other cases, this field shall be left blank or NULL.

C 111.02 – Details on exposures in Low Default Portfolios by counterparty by economic scenario

The PD values reported in columns 100, 110, 120, 130, 140, 150, 160, 170, 180, 190 shall not incorporate any effect of prepayment. Where the PD model cannot provide PD values beyond the maturity of the facility, these fields shall be left blank or NULL.

Where the IFRS 9 model related to the obligor uses five economic scenarios, the PD values associated with each of the scenario shall be reported for the columns 100 to 190. The PD values associated with the economic scenario 0 shall be the weighted average of the PDs reported for the economic scenario 1 to 5, using the weights reported in the column 200 in the template 111.04 of this Annex.

Where the IFRS 9 model related to the obligor uses a lower number of economic scenarios than five, the data points related to the missing economic scenarios shall not be filled.

Where more than one scenario is used, the PD values associated with the economic scenario 0 shall be the weighted average of the PDs reported for the economic scenario 1 to 5, using the weights reported in the data point 200 in the template 111.04 of this Annex and 0 for the unused scenario.

Where a single scenario is used with an add-on at the PD level incorporating the non-linearity effect, the cumulative PD including this add on shall be reported in scenario 0 and the cumulative PD without this add on shall be reported in scenario 1.

Where a single scenario is used, without any add on at the PD level to consider the non-linearity effect, but with an add on at the ECL level, the PD values shall be reported under economic scenario 1 only.

Where a single scenario is used, without any add on neither at the PD level nor at the ECL level to consider the non-linearity effect, including cases where the non-linearity effects are assessed as non material, the PD values shall be reported under both economic scenarios 0 and 1.

Where the IFRS 9 model related to the obligor uses a higher number of economic scenarios than five (e.g. when performing Monte Carlo simulation), institutions shall report the economic scenario 0 and they shall also map the economic scenarios into the 5 predefined buckets. Where no mapping of an institution’s internal scenarios and the five prescribed scenarios, only scenario 0 shall be reported.

Column	Label	Legal reference	Instructions
010	Counterparty Code		The counterparty code assigned in column 010 of template C101 of Annex I to the counterparty included in the low default portfolio (‘LDP’) samples portfolios shall be reported. Columns 010 and 020 shall be a composite row identifier and together shall be unique for each row in the table.
020	Economic scenario ID		The economic scenario used by the institutions to calculate the IFRS 9 PD. The scenario ID shall be expressed as a value between 0 and 5. With the exception of specific cases described below, all the 6 economic scenarios shall be populated. The economic scenario 1 shall be the baseline scenario. The economic scenarios 2 to 5 shall be ranked according to their severity, from the most favorable (number 2) to the most severe (number 5).
100	PD - 0 - 12 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 12 months after the reporting date, under the economic scenario considered.

110	PD - 0 - 24 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 24 months after the reporting date, under the economic scenario considered.
120	PD - 0 - 36 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 36 months after the reporting date, under the economic scenario considered.
130	PD - 0 - 48 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 48 months after the reporting date, under the economic scenario considered.
140	PD - 0 - 60 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 60 months after the reporting date, under the economic scenario considered.
150	PD - 0 - 72 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 72 months after the reporting date, under the economic scenario considered.
160	PD - 0 - 84 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 84 months after the reporting date, under the economic scenario considered.
170	PD - 0 - 96 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 96 months after the reporting date, under the economic scenario considered.
180	PD - 0 - 108 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 108 months after the reporting date, under the economic scenario considered.
190	PD - 0 - 120 months		The cumulative PD assigned to the counterparty representing the probability of a default event within the 120 months after the reporting date, under the economic scenario considered.

C 111.03 – Details on exposures in Low Default Portfolios by counterparty by facility

Column	Label	Legal reference	Instructions
010	Counterparty Code		The instructions provided in Annex IX for column 010 of C 111.02 shall apply.
020	Facility ID		The facility IDassigned by the institution to the facility of the counterparty shall be used in a consistent way across time . In case the institution has more than 5 facilities toward a given counterparty, it shall report only the five facilities with the highest exposure amount.
100	Exposure value – IFRS 9		The exposure value to the facility of the counterparty at the reporting date, as considered for the application of impairment requirements under IFRS 9. For avoidance of doubt, both, on- and off-balance sheet exposures in the scope of the impairment requirements of IFRS 9 shall be considered. For both stage 1 and stage 2 facilities, the exposure value for each facility shall be the one associated with default events over the 12 months period following the reporting date.
200	Stage	Paragraph 5 (l) in Part 1 of Annex V to the Regulation (EU) No 680/2014	The stage assigned to the facility to each counterparty at the reporting date shall be reported as follows: • ‘1’ if the facility is in stage 1; • ‘2’ if the facility is in stage 2; • ‘3’ if the facility is in stage 3.
300	Annualised originated PD	IFRS 9 – Appendix A IFRS 9.5.5.9 IFRS 9.B5.5.11 IFRS 9.B5.5.13 IFRS 9.B5.5.43	The annualised lifetime PD representing the probability of default assigned to the facility, evaluated at the origination date, used for the assessment of the significant increase in credit risk. The annualised lifetime PD shall be calculated in accordance with the following formula : $$Annualised\ lifetime\ PD = 1 - \sqrt[M]{(1 - lifetime\ PD)}$$ where • M is the expected number of years of maturity at the origination of the exposure; • $lifetime\ PD$ is the lifetime PD representing the probability of default assigned to the facility, evaluated at the origination date, used for the assessment of the significant increase in credit risk

			If the 12-months PD is used as a proxy for the assessment of the significant increase in credit risk, the 12-months PD actually used for this assessment shall be reported as per Appendix A of IFRS9. .
400	Annualised PD at reporting date	IFRS 9.5.5.9 IFRS 9.B5.5.13 IFRS 9.B5.5.14	The annualised lifetime PD representing the probability of default assigned to the facility, evaluated at the reporting date, used for the assessment of the significant increase in credit risk. The annualised lifetime PD shall be calculated in accordance with the following formula : $$Annualised\ lifetime\ PD = 1 - \sqrt[M]{(1 - lifetime\ PD)}$$ where: • M is the residual number of years of the maturity at the reporting date of the exposure; • $lifetime\ PD$ is the lifetime PD representing the probability of default assigned to the facility, evaluated at the reporting date, used for the assessment of the significant increase in credit risk. The 12-month PD, evaluated at the reporting date, shall be reported in case it is used as a proxy.
500	Quantitative Stage 2 trigger (in annualised PD)	IFRS 9.5.5.9	The annualised lifetime PD level which constitutes a significant increase in credit risk and triggers a transfer to stage 2 for the considered facility of the counterparty. The annualised lifetime PD shall be calculated in accordance with the following formula : $$Annualised\ lifetime\ PD = 1 - \sqrt[M]{(1 - lifetime\ PD)}$$ where: • M is the number of years of the maturity of the exposure; • $lifetime\ PD$ is the lifetime PD level which constitutes a significant increase in credit risk and triggers a transfer to stage 2 for the considered facility of the counterparty. Where a combined approach is used for the assessment, this shall be either the relative threshold or the absolute threshold, depending on which of those thresholds first triggers a transfer to stage 2 for the considered facility. Where a ratings-based approach is pursued, the annualised lifetime PDs corresponding to the number of notch downgrades required for a stage transfer shall be reported. The 12-month PD, evaluated at the reporting date, shall be reported in case it is used as a proxy.
550	Low Credit Risk exemption	IFRS 9.5.5.10	The annualised lifetime PD level, below which the financial instrument is considered to have a low risk of default. The annualisied lifetime PD shall be calculated in accordance with the following formula :

	threshold (if applicable)	IFRS 9.B5.5.22 – B5.5.24	$$Annualised\ lifetime\ PD = 1 - \sqrt[M]{(1 - lifetime\ PD)}$$ where: • M is the number of years of the maturity of the exposure; • $lifetime\ PD$ is the lifetime PD level below which the financial instrument is considered to have a low risk of default. Where the facility is not subject to the Low Credit Risk exemption, this data point shall be left “blank” or filled with ‘NULL’. The 12-month PD, evaluated at the reporting date, shall be reported where it is used as a proxy.
600	Qualitative Stage 2 Trigger set	IFRS 9.B5.5.17 IFRS 9.B5.5.19 – B5.5.21	Where the facility is in stage 2, the indicators that triggered the stage transfer shall be reported as follows: • ‘1’ if no qualitative indicator was triggered; • ‘2’ if the ‘30 days past due’ indicator was triggered; • ‘3’ if the ‘watch list’ indicator was triggered; • ‘4’ if the ‘forbearance’ indicator was triggered; • ‘5’ if another indicator was triggered; • ‘23’ if indicators 2 and 3 were triggered; • ‘24’ if indicators 2 and 4 were triggered; • ‘25’ if indicators 2 and 5 were triggered; • ‘34’ if indicators 3 and 4 were triggered; • ‘35’ if indicators 3 and 5 were triggered; • ‘45’ if indicators 4 and 5 were triggered; • ‘234’ if indicators 2, 3 and 4 were triggered; • ‘235’ if indicators 2, 3 and 5 were triggered; • 245’ if indicators 2, 4 and 5 were triggered; • ‘345’ if indicators 3, 4 and 5 were triggered; • 2345’ if indicators 2, 3, 4 and 5 were triggered.

			Where the facility is in stage 1 and 3, this field shall be left bank or NULL.

C 111.04 – Details on macroeconomic scenarios per country

No data shall be reported for the economic scenario 0.

The estimated yearly GDP growth of the countries reported in columns 100, 101, 102, 103, 104, 105, 106, 107, 108 109 shall be expressed in decimals with a minimum precision equivalent to four decimals. Where the annual GDP growth is estimated for aggregated geographical zones different from the ones referred to column 010, this estimation shall be reported for each of the countries belonging to the relevant geographical zone.

Column	Label	Legal reference	Instructions
010	Country Code		The code of the home country of the counterparties reported in template C 101.00 of Annex I of this Regulation for which the macro-economic factor apply shall be reported. The country code shall be in the same format as the one provided in Annex I for column 080 of C 101.00 (ISO code, char, two digits). Columns 010 and 020 are a composite row identifier and together shall be unique for each row in the table.
020	Economic scenario ID	IFRS 9.5.5.17(a) IFRS 9.5.5.18 IFRS 9.B5.5.41 IFRS 9.B5.5.42	The instructions provided in Annex IX for column 020 of C 101.02 shall apply, with the exception that no data shall be reported for the economic scenario 0.
100	GDP growth - 0 - 12 months		The estimated yearly GDP growth within the next 12 months after the reporting date of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
110	GDP growth - 12 - 24 months		The estimated yearly GDP growth within the next 12 months starting 12 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
120	GDP growth - 24 - 36 months		The estimated yearly GDP growth within the next 12 months starting 24 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
130	GDP growth - 36 - 48 months		The estimated yearly GDP growth within the next 12 months starting 36 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
140	GDP growth - 48 - 60 months		The estimated yearly GDP growth within the next 12 months starting 48 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.

150	GDP growth - 60 - 72 months		The estimated yearly GDP growth within the next 12 months starting 60 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
160	GDP growth - 72 - 84 months		The estimated yearly GDP growth within the next 12 months starting 72 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
170	GDP growth - 84 - 96 months		The estimated yearly GDP growth within the next 12 months starting 84 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
180	GDP growth - 96 - 108 months		The estimated yearly GDP growth within the next 12 months starting 96 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
190	GDP growth - 108 - 120 months		The estimated yearly GDP growth within the next 12 months starting 108 months after the reporting period of the country reported in column 010 under the economic scenario reported in column 020 shall be reported.
200	Weight	IFRS 9.5.5.17(a) IFRS 9.5.5.18 IFRS 9.B5.5.41 IFRS 9.B5.5.42	The weight assigned to the scenario shall be reported. The weight shall be expressed as a value between 0 and 1.