

POSITION PAPER



ESBG response to EBA consultation on amended disclosure requirements for ESG risks, equity exposures and aggregate exposure to shadow banking entities

ESBG (European Savings and Retail Banking Group)

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CONSULTATION QUESTIONS

Disclosures on ESG

- 1. Do you have any comments on the proposed set of information for Large institutions?**

N/A

- 2. Do you have any comments on the simplified set of information for Other listed institutions and Large subsidiaries?**

N/A

- 3. Do you have any comments on the simplified set of information proposed for SNCI and other non-listed institutions?**

CRR III extended the disclosure requirements on ESG risks to all institutions. In order not to place an excessive burden on smaller institutions, this was limited to the EBA's mandate. Pursuant to Article 449a(3)(1)(2) CRR, the EBA's mandate is limited to the (quantitative) information specified in Article 430(1)(h) CRR. However, SNCI and other non-listed institutions are also required to disclose Table 1A. This disclosure form requires a large amount of qualitative information and therefore goes beyond the requirements of Article 430(1)(h) CRR, as it requires the reporting of exposures – and thus quantitative information. We therefore request that Table 1A be deleted.

Additionally, non-listed SNCIs are generally only required to disclose a few key parameters in accordance with Article 447 of the CRR. This principle should also apply to the disclosure of ESG risks. In our view, the disclosure required in Template 1A is too comprehensive.

We consider the geographical division of Template 1A into five regions to be problematic for smaller institutions that operate mainly on a regional basis. Here, we would argue in favor of deletion, particularly for reasons of confidentiality (see also Q15)

With regard to the initial disclosure date for ESG risks, we also refer to the restriction in Article 449a (3) sentence 2 CRR – disclosure requirements should not go beyond the reporting requirements. We therefore request clarification that the ESG disclosure requirements for new institutions affected will only apply once the corresponding reporting requirements have been implemented. However, as reporting requirements form the basis for disclosure, particularly for SNCI, technical implementation and therefore disclosure by SNCI cannot take place without final reporting requirements. Against the backdrop of a



consultation on the ESG reporting requirements at a later date and a subsequent implementation period of at least 12 months (from the final draft to the start of the reporting period), initial reporting – and thus initial disclosure – by December 31, 2026, does not appear feasible. It is also essential that the draft ITS on ESG reporting requirements is consistent both within itself and with other EU regulations. The consultation paper on the reporting requirements should only be published after the feedback from the disclosure consultation has been evaluated and taken into account. We also refer to the amendment to the EU Taxonomy Regulation already published in the Omnibus Procedure, which significantly reduces the number of institutions required to collect data for the determination of the Green Asset Ratio (GAR) and allows for a two-year suspension (financial years 2025 and 2026). In order to give all other institutions not subject to GAR reporting requirements the opportunity to adapt their internal processes for the necessary data collection for ESG disclosure and to implement a harmonized timetable for ESG reporting as a whole, we advocate postponing the initial disclosure and reporting of ESG requirements to December 31, 2027.

4. Do you have any comments on the proposed approach based on materiality principle to reduce the frequency (from semi-annual to annual) of specific templates (qualitative, template 3, and templates 6-10) for large listed institutions?

ESBG welcomes the proposed approach to reduce the frequency of publication to annual of some tables and templates. However, in our view all ESG information should be subject to this reduction and not only a selected group considering the logic expressed in section 3.4 of the consultation paper based on materiality reasons: ESG information, is stable, difficult to obtain and less likely to change frequently, making annual reporting more appropriate and preventing the unnecessary repetition of information and the excessive burden for credit institution where changes are immaterial.

However, this reduction of the frequency should apply from the date of publication of this consultation and not wait until the ITS being consulted are in force. This flexibility approach would avoid operational burden, provide clarity, and support consistent and proportionate implementation across the sector.

Additionally, we believe it would be desirable that the EBA provides some additional clarity regarding the materiality principle applied on these templates. It is necessary to have clear instructions in order to know when it is possible to consider that the information could be regarded as not material.

Nevertheless, we fully support the materiality principle, particularly in relation to Taxonomy reporting, which should occur on an annual basis.



5. Do you have any comments on the transitional provisions and on the overall content of section 3.5 of the consultation paper?

We support the EBA's proposal to suspend the disclosure requirements related to the Green Asset Ratio (GAR) and the Taxonomy Regulation (templates 6 to 10). In particular, we welcome:

- The suspension of templates 6 to 10 until the reference date of end-2026;
- The suspension of Article 449a/13 CRR Pillar 3 ESG risk disclosures for "large subsidiaries" until the same date.

In light of the expected timeline for the revised ITS, we appreciate the introduction of a transitional provision postponing ESG disclosure obligations under Pillar 3 for institutions within the extended scope until 31 December 2026. This extension will allow banks the necessary time to develop and implement robust data collection and processing systems, ultimately supporting the quality and reliability of future disclosures.

Additionally, it would be desirable that the EBA confirms:

- that the suspension of templates 6-10 applies from the reporting which reference date is June 2025 to the reporting which reference date is June 2026.
- that this suspension does not only apply to these templates but also to the column "c" of Template 1 "Of which environmentally sustainable (CCM)" and to the column "c" of Template 4 "Of which environmentally sustainable (CCM)". The reason is that these columns refer to information included in the Template 7.

6. Do you have any comments on the proposed amendments to Table 1 and Table 3?

In the instructions to the tables, paragraphs 4, 6, and 8 state that "Institutions shall disclose this table on an annual basis, based on materiality assessment". It is unclear whether this should be interpreted as allowing an institution, which as part of its materiality assessment has concluded that it is not exposed to material environmental, social, or governance risks, to omit disclosure in Tables 1, 2, or 3 respectively. To eliminate this uncertainty, we suggest that EBA clarify the meaning of "based on materiality assessment".

Furthermore, currently institutions are required to respond to all potential governance topics listed in Table 3, row (c)(i-vi) and row (d)(i-vi). We propose increasing the flexibility of institutions' responses by rephrasing the questions as:
"(c) Institution's integration in governance arrangements of the governance performance of their counterparties, considering e.g.:" and
"(d) Risk management arrangements of the institution to assess and consider the governance performance of their counterparties,



considering e.g.:".
The related instructions should be updated accordingly.

7. Do you have any further suggestions on Table 1A?

We therefore request that Table 1A be deleted. (**See Q 3**)

8. Do you have any comments on the proposed additions and deletions to the sector breakdown?

We consider that the NACE code 'K' should be included under the exposures to sectors that significantly contribute to climate change.

9. Do you have any views with regards to the update of the templates to NACE 2.1?

Following the latest publication by the EBA, based on a decision agreed by the JBRC (Joint Banking Reporting Committee – ECB and EBA), the new NACE 2.1 classification must be applied to all reports simultaneously, starting from January 1st, 2026.

Therefore, we expect a revision of the timeline for the implementation of this regulatory change.

As the implementation has been brought forward by six months, we also request that the final guidance is published as soon as possible, to allow credit institutions to adapt our templates to the new format and criteria.

For all templates with NACE code references, the following specification is included in the IT solutions: *"When the counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor controlled by the holding company (if different than the holding company itself) which receives the funding, particularly in those cases where the obligor is a non-financial corporate. Similarly, where the direct counterparty of the institution (the obligor) is an SPV, institutions shall disclose the relevant information under the NACE sector associated with the economic activity of the parent company of the SPV. The classification of the joint exposures towards more than one obligor shall be based on the characteristics of the obligor that was the most relevant for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor."* This requirement does not exist in requirements for NACE codes in other reports (e.g., FINREP), which is why comparability or semantic integration between reporting circles cannot be established. The definitions should be harmonized.



10. Do you have any views with regards to NACE code K – Telecommunication, computer programming, consulting, computing infrastructure and other information service activities, and in particular K 63 - Computing infrastructure, data processing, hosting and other information service activities, whether these sectors should be rather allocated in the template under section Exposures towards sectors that highly contribute to climate change?

N/A

11. Do you have any comments on the inclusion of row “Coverage of portfolio with use of proxies (according to PCAF)”?

We welcome the possibility of using proxies in cases where bilateral data is not available.

Row on Portfolio Share Based on Proxy Data

Template 1 already contains a column (column k) requiring institutions to state the share of financed emissions based on company-specific reporting, i.e., based on non-proxy data. In our view, this renders the new row (row 57), which requests the share of financed emissions based on proxy data, redundant since it can be inferred from the already existing column.

12. Do you have any further comments on Template 1?

We propose removing the column corresponding to the “Climate Change Mitigation (CCM)” category from Template 1 in the semi-annual reports, to align it with the annual reporting in Template 7 of the GAR. While this column is conceptually relevant, it imposes a significant operational burden on institutions, especially considering that the information it contains is already reflected in Template 7 and will not be reported separately.

Alternatively, it could be defined that the frequency of this particular column is aligned with the frequency of Taxonomy disclosure (namely, Templates 6-8).

To ensure consistency with the transitional period, we propose that this column should be excluded from reporting until December 2026.

Additionally, the current template shares a similar structure with the one used in the SREP exercise. We request that these reports should be unified or consolidated into a single framework to enhance consistency and reduce the operational burden.



Furthermore, we support recognising computing infrastructure and data processing as sectors with a material impact on the climate. To ensure a forward-looking approach, it is essential to look beyond traditional high-emission industries and also consider energy-intensive and emerging sectors, such as data centres.

Share of Environmentally Sustainable Exposures

In column c, institutions are required to state the share of their exposures that can be classified as environmentally sustainable according to the Taxonomy Regulation. Due to the Omnibus I simplification package, a significant portion of institutions required to report under Template 1 will not be subject to the Taxonomy Regulation. We therefore suggest that the template and accompanying guidance clarify that this column is only to be filled in if the institution is subject to the Taxonomy Regulation. This would align with EBA's approach in Templates 6-10.

Finally, we note that there appears to be inconsistency between Templates 1 and 1A regarding which sectors are considered "fossil fuel sectors". For example, sectors B09.1, G46.81, and G47.3 are specified in Template 1, but not in Template 1A. We recommend that EBA ensures a consistent definition across both templates.

13. Do you have any comments or alternative suggestions for SNCIs and other institutions that are not listed, regarding the sector breakdown?

Lines 2 and 17 are "of" items for line 1. Lines 1 and 17 are highlighted in bold even though they have different levels of granularity. The formatting should be adjusted.

It is not clear whether line 1 is the sum of lines 2, 17, 22, 23, and 24. Sum positions should be marked accordingly in IT solutions.

14. Do you have any additional suggestions how to adjust Template 1A for SNCIs and other institutions that are not listed?

The IT solutions for Template 1A are not sufficiently clear to ensure correct and comparable disclosure. The following definition is provided for the disclosure of physical risks: "*Institutions shall disclose the total gross carrying amount of exposures subject to physical risk.*" It is unclear on what basis physical risks are to be measured. One approach would be to measure them on the basis of real estate collateral and/or the location of the borrower (e.g., if no real estate collateral is available). Further explanations on this and examples similar to the sample disclosures for energy efficiency disclosures for Template 2 (section 6) should also be added to the IT solutions for Template 1A.

The main purpose of specifying certain sectors at NACE levels 2 and 3 is to gather information on institutions' exposure to the fossil fuel sector. However, Template 1A in its current form also requires reporting of physical risks at this granular level. To align requirements for large



institutions, we suggest removing or greying out the physical risk cells for NACE level 2 and 3 sectors — specifically the area between rows 7-11 and 20 and columns b-g.

Since Template 1A targets smaller institutions, which typically operate in limited geographical areas, a granular geographical breakdown combined with sectoral breakdown may result in data that can be traced back to individual companies. Therefore, we propose that Template 1A should not require a breakdown into five geographical areas (columns c-g), and that only the total exposure to physical risk in column b be required. Columns c-g should thus be deleted.

15. Do you have any further comments on Template 1A?

Finally, the references to international and EU policy frameworks and available benchmarks in Section 3(2) of the IT solutions are unclear to us. The documents are mentioned, but requirements or references to the documents are not presented in the text. In addition, international non-binding frameworks such as TCFD or GRI are mentioned, but the newer – and binding – regulations in the EU, such as CSRD or ESRS, are not mentioned.

16. Should Template 2 in addition include separate information on EPC labels estimated and about the share of EPC labels that can be estimated?

We propose removing the EPC labels block entirely until the effective transposition of Directive (EU) 2024/1275 into national legislation, which aims to harmonize the criteria for assigning energy performance certificates across Member States. Until such harmonization is effectively implemented, the inclusion of this block does not provide added value due to the disparity of criteria among European countries, which undermines data comparability and consistent interpretation.

Furthermore, we stress the need for clear and detailed instructions to ensure a coherent and effective implementation of this standardization once the directive becomes applicable.

Additionally, it would be clearer if the instructions and columns related to the breakdown of the level of energy performance (EP score in kWh/m² of collateral) are exactly the same as the ones related to the level of energy performance (EPC label of collateral).

It would be desirable to include separate information between real data/estimated data and no data in whatever way is considered appropriate, for example, in separate columns or, for example, using row 5.

17. Should rows 2, 3 and 4 and 7, 8 and 9 for the EP score continue to include estimates or should it only include actual information on energy consumption, akin to the same rows for EPC labels?



We believe that including only current consumption data in rows 2, 3, 4, 7, 8, and 9, and reserving estimated data for rows 5 and 10, improves the readability of the template. Consequently, column G1 should be removed.

We believe it is important not to have different instructions for each part of the template (EP score/ EPC Labels).

18. Do you have any comments on the inclusion of information on covered bonds?

We believe that the requested information does not provide significant added value. We understand that credit institutions are being requested to identify which portion of their mortgage portfolio is collateralized through mortgage covered bonds.

However, this information is not useful for reporting purposes, and collecting it would impose an additional operational burden without a clear benefit.

Moreover, this requirement introduces unnecessary complexity into the template, deviating from the objective of simplifying the structure and calculation of the report. We therefore suggest removing these rows.

Covered bond issuers already report various ESG-related data such as kWh/m² and energy labels of collateral via ECBC's Harmonised Transparency Template (HTT) on a quarterly basis. To reduce duplicate reporting, we suggest removing rows 1.1 and 6.1, which concern the share of exposures included in cover pools of covered bonds.

19. Do you have any comments on the breakdown included in columns b to g on the levels of energy performance?

We find the current classification acceptable. However, it would be clearer if the instructions and columns related to the breakdown of the level of energy performance (EP score in kWh/m² of collateral) are exactly the same as the ones related to the level of energy performance (EPC label of collateral).

It would be desirable to include separate information between real data/ estimated data and no data in whatever way is considered appropriate, for example, in separate columns or, for example, using the row 5.

20. Do you have any further comments on Template 2?

We propose not publishing the columns related to EPC labels until the effective transposition of Directive (EU) 2024/1275 into national legislation, which proposes a harmonised framework for the assignment



of energy performance certificates across Member States. Until such harmonisation is effectively implemented, EPC labels do not provide added value, as they are not comparable across countries, which hinders a consistent and reliable interpretation of the data.

Moreover, the current template shares a similar structure with the first table of Template 2 used in the SREP exercise. We therefore recommend aligning the criteria applied in both reports to ensure consistency across reporting frameworks.

In addition, it will be essential to provide clear and detailed instructions to guide the implementation of this standardisation once the Directive becomes applicable.

Taking into account the new instructions and the new template and in relation to columns h-o, it is not clear the column/s in which institutions should include the exposures linked to ESTIMATED EPC labels (in h-n or in o).

It would be desirable for the final instructions to be consistent with template 2 of the SRP climate Risk, especially with regard row 5 and the new columns g1, g2 and o.

The explanations on the disclosure of the gross carrying amount for real estate collateral in Template 2 (Section 6) in the IT solutions are very helpful. However, it is not clear to us why the distribution of gross carrying amounts deviates from the requirements for FINREP reporting. This prevents comparability with the F13.00 forms and semantic integration of ESG and FINREP. The distribution of gross carrying amounts should not differ between reports.

21. Do you have any comments on Template 3?

It would be advisable to provide greater clarity on which sectors should be included in the disclosure and how this should be done. Currently, the definition of sectors is not sufficiently well-defined. Our understanding is that only those sectors for which the institution has set decarbonization targets, along with the pathways used to define them, should be reported. However, it would be very helpful to have clear and consistent instructions to guide all institutions in the application of these criteria.

22. Do you have any comments with the proposals on Template 4 and the instructions?

We propose to remove the template, as its content does not provide sufficient value relative to the effort required.

If its removal is not considered, we believe it is essential to provide a common list of the top 20 counterparties for all institutions, along with clear instructions on how to obtain the required information.



Furthermore, if a sectoral breakdown is required, the regulator shall define and provide the corresponding sector classification. This would ensure consistency and comparability across institutions when reporting the top 20 counterparties.

23. Do you have any views on whether this template could be improved with some more granular information in the rows, by requesting e.g. split by sector of counterparty or other?

We do not consider it necessary to expand this template by adding further granularity.

24. Do you have any further comments on Template 4?

We request that the criteria should be clarified and that clear instructions should be provided regarding the composition of each cell, specifically the denominator of column “b”. In our view, it should correspond to the total exposure reported in Template 1.

25. Do you have any comments on the proposal using NUTS level 3 breakdown for Large institutions and NUTS level 2 for Other listed institutions and Large subsidiaries? Would NUTS level 2 breakdown be sufficient for Large institutions as well?

We do not consider the breakdown by NUTS level to add value to the report, especially if the goal is to ensure comparability across institutions. The territorial distribution by NUTS is not homogeneous between countries, which limits its usefulness for comparative analysis. Therefore, we propose not to disaggregate by NUTS 3, but to use NUTS level 2 for all institutions, regardless of size.

As this is a consolidated report, integrating NUTS 3-level information from both the parent company and its subsidiaries introduces additional complexity, which could result in a burden of over 100 templates.

Moreover, reporting the template under the new regulatory framework involves multiplying the figures by a factor of 12 instead of 1, which significantly increases the complexity of handling and interpreting the information.

It would be desirable to confirm if the new instructions of point 8a imply that the template 5 of all large institutions should be informed 12 times without exception: 10 times for top 10 NUTS level 3 geographical regions, 1 for Total UE Exposures and 1 for Total Exposures.



If so, it is not clear whether “Total UE Exposures” or “Total Exposures” should or should not include the exposures assigned to the top 10 Nuts 3.

Finally, it would be desirable to set minimum thresholds beyond which it would be mandatory to include it in the breakdown of the TOP10. Thus, we avoid disclosing separately geographical areas whose exposures are not relevant.

26. Do you have any comments on the instructions for the accompanying narrative and on whether they are comprehensive and clear?

We note there is a lack of unified and consistent guidance on how to calculate physical risks, which undermines comparability across institutions.

27. Do you have any further comments on Template 5 and on its simplified version Template 5A?

The modification of this template does not represent a simplification; rather, it introduces additional complexity by requiring data that is currently difficult for banks to obtain. Given the limited availability of reliable and consistent sources, we wonder whether there are plans to establish a common and accessible repository that would allow institutions to access this data in a coherent manner, thereby ensuring comparability and reducing the operational burden.

This change also implies a shift in the methodology used so far, which would require reengineering existing processes and capturing new information.

Moreover, some listed non-SIFI institutions have a relatively limited geographical business area. With a granular geographic and sectoral breakdown, they risk having to disclose information that could be linked to individual companies. We therefore propose clarifying that such institutions may omit the breakdown into five geographical areas (z-axis) and instead only complete the template with Total exposures.

28. Do you have any comments on the proposal to fully align templates on the GAR, that is, templates 7 and 8, with those under the Taxonomy delegated act by replacing the templates with a direct cross reference to the delegated act?

We fully support this suggestion, as it will alleviate the burden of double reporting and address the issue of template discrepancies between the taxonomy and Pillar 3. We thus agree with the removal of Templates 7 and 8, and with referring to the templates from the Delegated Act for reporting Template 6.



Additionally, we request a confirmation that any change introduced in the Taxonomy Regulation will be automatically applied to the T7-T8 without the need for the EBA to make an express statement.

However, double disclosure of the same templates in the sustainability report and in the disclosure report is generally unnecessary and increases the workload involved in the preparation process. We therefore believe it would be appropriate to refrain from publishing the tables in the CRR disclosure report altogether.

29. Do you have any comments on the proposal related the BTAR and to keep it voluntary?

Our proposal is to remove the template corresponding to the BTAR (Template 9), as we believe it does not provide essential information for the reporting objectives.

If its removal is not considered, we suggest that its completion remains voluntary, allowing institutions to decide whether to report it based on the availability, materiality, and relevance of the data.

Specifically, taking into consideration that the new instructions include the verb “shall” instead the verb “may”, we ask for confirmation that the BTAR information and the T9 continue to be disclosed in a voluntary basis.

30. Do you have any comments regarding the adjustments to template 10?

Our proposal is to remove this template, as its practical usefulness is not clearly defined.

If it is retained, we believe it is essential to provide more detailed instructions on how it should be completed. For example: Is it possible to include all information that companies report voluntarily, or projects for which compliance with the DNSH principle cannot be demonstrated? Can we report all sustainable mobility initiatives? Is it acceptable to use estimates provided by external providers regarding companies' alignment?

A clear and common guidance document would be extremely helpful to ensure consistency and comparability in reporting across institutions.

31. Do you have any further comments on the Consultation Paper Pillar 3 disclosures requirements on ESG risk?



We consider that the EBA should clarify when the final guidance is expected to be published, as having this information is key to properly planning internal processes.

In addition, we consider it essential that the instructions accompanying the guidance include the highest possible level of detail, in order to ensure a consistent interpretation across institutions and to support correct implementation.

As mentioned in our response regarding NACE 2.1, we request that this guidance should be published as soon as possible, since, according to the JBRC decision, the templates should be adapted by June 2026 (at least Template 1).

Furthermore, the consultation document indicates that the EBA has compared the qualitative reporting requirements of Pillar 3 with the European Sustainability Reporting Standards (ESRS). The EBA states that a significant level of alignment has been achieved between the Pillar 3 framework and the ESRS. Additionally, the document highlights that the ESRS requirements can be met by integrating information from Pillar 3 reporting into sustainability reports.

However, we seek clarification on which specific aspects this alignment applies to and how extensively full cross-referencing can be achieved. To minimise double reporting, we prefer complete harmonisation and as much cross-referencing as possible.

The requirements for Pillar 3 ESG are complemented by a comprehensive manual explaining the rationale for each data point, down to the row and column levels. We would greatly appreciate the ongoing availability of such documentation, ideally including embedded formulas within the templates.

In light of the Omnibus I simplification package, most institutions will have very limited, if any, exposure to companies reporting sustainability information under CSRD and ESRS. It is therefore crucial that this is reflected in the Pillar 3 reporting requirements. Otherwise, the ESG disclosure requirements under Pillar 3 may result in new ESG data demands on institutions' clients – which would be counterproductive to the goals of Omnibus I.

We support EBA's proposed proportionality approach, which distinguishes not only by size and complexity but also by whether the institution is listed. We encourage EBA to apply similar proportionality considerations in its other ESG areas, including risk management and scenario analysis.

We also note that the numbering of consultation questions in section 5.3 does not match the numbering in the consultation paper itself.



Finally, we find it generally unhelpful that the ESG-related tables and templates use generic names such as “Table 1” or “Template 1”, when all other Pillar 3 tables and templates use a different naming convention. Other qualitative tables under Pillar 3 are typically named “Table EU [Topic Abbreviation][Sequential Letter]”, and quantitative templates are named “Template EU [Topic Abbreviation][Sequential Number]”. We suggest applying the same naming approach to the ESG-related templates, so that the first qualitative table is named “Table EU ESGA” and the first quantitative template “Template EU ESG1”, and so on.

At least, we advocate postponing the initial disclosure and reporting of ESG requirements to December 31, 2027 (see Q3).

Applicability of ESG disclosure relief for mid-sized banks under the CRR

Furthermore, we welcome the relief proposed in the new Consultation Paper on amended disclosure requirements for ESG risks. However, it appears that, after the transitional period, much of this relief may not apply to mid-sized banks with assets below 30 billion euros if they are subject to an O-SII requirement, as such a designation would result in their classification as large institutions under the CRR.

To ensure the practical applicability of the relief proposed by the EBA, we recommend that medium-sized banks should not be classified as large institutions solely due to the imposition of an O-SII buffer. Specifically, we propose that the definition of a “large institution” under the CRR should be based exclusively on the asset threshold of 30 billion euros. Under such an approach, the EBA’s proposed relief regarding Pillar 3 ESG disclosures would appropriately apply to mid-sized banks with total assets below 30 billion euros.

Alternatively, with regard to the reporting obligations set out in Article 433 of the CRR, we suggest that institutions with assets below 30 billion euros should be subject to the same Pillar 3 ESG disclosure requirements as those not classified as large institutions, even if they are deemed large institutions due to other criteria, such as the attribution of an O-SII buffer.

Disclosure of the aggregate exposure to shadow banking entities

32. Are the new template EU SB 1 and the related instructions clear to the respondents? If no, please motivate your response.

The new templates for reporting aggregate exposure to shadow banking entities are not yet available. We assume that these will be identical to the templates for disclosure.

33. Do the respondents agree that the new template EU SB 1 and the related instructions fit the purpose and meet the requirements set out in the underlying regulation?

It should be clarified that, for consistency reasons, the EBA Q&A 2013_492 should be taken into account for the reporting and disclosure of aggregate exposure to shadow banking entities.



Assumption: If there were only 10 risk exposures to shadow banks, all of which are already reported on a consolidated basis (including one case in accordance with the aforementioned EBA Q&A), then for consistency reasons their sum would have to be identical to the new aggregate risk exposure value to be reported or disclosed.

Disclosure of equity exposures

34. Are the amended template EU CR 10.5 and the related instructions clear to the respondents? If no, please motivate your response.

N/A

35. Do the respondents agree that the amended template EU CR 10.5 and the related instructions fit the purpose and meet the requirements set out in the underlying regulation?

Disclosures on non-performing and forborne exposures: We request clarification that, pursuant to Article 433a(2) CRR, large non-listed institutions are only required to disclose the EU CQ1 template on an annual basis, contrary to the statement on page 33, Table 3 of the consultation paper.

Mapping tool

36. Do the respondents consider that the “mapping tool” appropriately reflects the mapping of the quantitative disclosure templates with supervisory reporting templates?

The data in the EU SB1 disclosure template should be derived from template C37.00. This reporting template has not yet been consulted or implemented. It must be ensured that disclosure requirements are harmonized with reporting requirements. Otherwise, it is unclear on what basis disclosure should be made. It is essential to avoid implementation costs arising from separate derivations for disclosure during a transition phase, which will no longer be needed afterwards (sunk costs)

In the TC version of the mapping tool, some templates (e.g., EU CMS1) are marked in yellow, although no changes are visible in the templates. It is unclear whether and, if so, which changes need to be taken into account.



About ESBG (European Savings and Retail Banking Group)

ESBG represents the locally focused European banking sector, helping 32 savings and retail banks in 27 European countries strengthen their unique approach that focuses on providing service to local communities and boosting SMEs. Advocating for a proportionate approach to banking rules, ESBG unites at EU level some 859 banks, which together employ 619,000 people driven to innovate at 37,000 branches. ESBG members have total assets of € 6,35 trillion, provide € 372 billion in loans to customers, and serve 163 million Europeans seeking retail banking services. ESBG members commit to further unleash the promise of sustainable and responsible 21st century banking. Learn more at www.wsbi-esbg.org.



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