

ANNEX XL - Instructions for disclosure of ESG risks

1. Institutions shall disclose the information referred to in Article 449a of Regulation (EU) 575/2013¹ (1) ('CRR') by following the instructions provided below in this Annex to complete the tables and templates which are presented in Annex XXXIX to this Implementing Regulation.

Table 1 – Qualitative information on Environmental risk: Free format text boxes for disclosure of qualitative information in Annex XXXIX

2. Institutions shall follow the instructions provided below to complete Table 1 – 'Qualitative information on Environmental risk' as presented in Annex XXXIX to this Implementing Regulation, in order to describe the integration of environmental risks (including specific information on climate change risks and on other environmental risks) in their business strategy and processes, governance and risk management, in application of Article 449a in conjunction with Article 435 CRR.

Legal references and instructions	
Row number	Explanation
	Business strategy and processes
(a)	In accordance with Article 449a in conjunction with Article 435(1), points (a) and (e) CRR an explanation of how institution business environment, business model, strategy and processes, and financial planning integrate risks stemming from environmental factors (i.e. environmental risks) and how these evolve over time given changing technology, policy framework, business environment, stakeholder (e.g. consumers and investors) preferences, and changes in the physical environment itself.
(b)	<p>In accordance with Article 449a in conjunction with Article 435(1) points (a), (c), (d), (e) and (f) CRR, the objectives, targets and limits (e.g. in terms of green asset ratio – GAR and BTAR –, GHG emissions, etc) that institutions set for the assessment and management of environmental risks, and institutions processes for the setting of these objectives, targets and limits.</p> <p>An explanation of the linkages of these objectives, targets and limits to the current international and European policy framework and benchmarks available, for example, Paris Climate Accords; European Green Deal; Non-financial Reporting Directive (NFRD); European Commission's Guidelines on non-financial reporting - Supplement on reporting climate-related information; Task Force on Climate-related Financial Disclosures (TCFD) Recommendations; United Nations Environment Programme Finance Initiative (UNEP FI); the Global Reporting Initiative Sustainability Reporting Standards, the United Nations' Principles for Responsible Investment (UNPRI).</p>

¹ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ([OJ L 176, 27.6.2013, p. 1](#)).

(c)	<p>In accordance with Article 449a, the evolution of the institution's current and future (planned) investment in environmentally sustainable economic activities and EU Taxonomy-aligned sectors/activities in accordance with the environmental objectives (including climate change objectives, e.g. in terms of GAR and BTAR) set out in Article 9 of Regulation (EU) 2020/852².</p> <p>Institutions current and future (planned) investment activities towards environmental objectives may depend on their own approach and definitions. Institutions shall include these approaches in their disclosures.</p>
(d)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (d) CRR, the measures that institutions take to mitigate risks associated with environmental factors, including understanding the counterparty's capacity to manage environmental risks and entering into a dialogue with counterparties to mitigate such environmental risks.</p>
	Governance
(e)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (b), and Article 435(2), points (a), (b), (c) CRR, the involvement of institutions management body in the supervision and management of environmental risks, and the rationale for institutions approach taking into account various transmission channels such as physical, transition and liability risks.</p>
(f)	<p>In accordance with Article 449a in conjunction with Article 435(2), point (d) CRR, the ways in which institutions' management body integrates short-term, medium-term and long-term effects of environmental risks in organisational structure for the purposes of risk management and the ways in which this integration of environmental risks is reflected in business lines and internal control functions.</p>
(g)	<p>In accordance with Article 449a in conjunction with Article 435(2), points (a), (b), (c) CRR, institutions' organisation of risk committees and the allocation of tasks and responsibilities in the risk management framework to monitor and manage environmental risks, taking into account physical, transition and liability transmission channels.</p>
(h)	<p>In accordance with Article 449a in conjunction with Article 435(2), points (e) CRR, the ways via which institutions include environmental risks into internal reporting framework and structure, and the frequency of internal reporting and information exchange on environmental risks.</p>
(i)	<p>In accordance with Article 449a in conjunction with Article 435(2), points (e) CRR, information on whether environmental risks are included in remuneration policy, and the criteria and metrics used to determine the impact on variable remuneration of environmental risk considerations.</p>
	Risk management

² Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

(j)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (f) CRR, integration of short-, medium- and long-term effects of environmental factors and risks in the risk tolerance framework. Institutions shall decide the relevant time horizon according to their own risk profile and exposures.</p>
(k)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (a) CRR, the methodologies, definitions and standards institutions are using for the identification and management of environmental factors and risks, and the framework on which these standards, definitions and methodologies are based.</p> <p>An explanation of the linkages of methodologies, definitions and standards to the current international and European policy framework and benchmarks available, for example, Non-financial Reporting Directive (NFRD); Task Force on Climate-related Financial Disclosures (TCFD) Recommendations; European Commission’s Guidelines on non-financial reporting – Supplement on reporting climate-related information; United Nations Environment Programme Finance Initiative (UNEP FI); the Global Reporting Initiative (GRI) Sustainability Reporting Standards, the United Nations’ Principles for Responsible Investment (UNPRI), Sustainability Accounting Standards Board standards and Carbon Disclosure Projects.</p>
(l)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (a) CRR:</p> <ul style="list-style-type: none"> - the processes by which institutions identify and monitor its activities and exposures which are sensitive and vulnerable to environmental risks (e.g. via their counterparties, investment or asset management activities) including any movable and immovable assets associated with these activities and exposures. - The processes by which institutions identify and monitor environmental risks that are financially material or currently non-material with a prospect to become material in the future. <p>Activities, exposures and assets which are sensitive and vulnerable to environmental risks shall include those related, for example, to agriculture, fisheries, forestry, energy sectors in combination with their geographical location, reliance on water or other environmental factors and risks, which may be vulnerable to factors such as flood, draught, fires, loss of biodiversity. They shall also include concentration of the counterparty’s operations in endangered zones, and they shall be deemed to cover the entire value chain of the counterparty.</p> <p>When disclosing the above, institutions shall indicate materiality (including double materiality) as defined in the report in accordance with Article 98(8) of CRD and it shall cover the life cycle of exposures including for example, loan origination together with creditworthiness assessment of the counterparty and monitoring.</p> <p>Institutions shall explain the extent to which such assessment covers relevant transmission channels including, for example, (i) lower profitability, (ii) lower real estate value, lower household wealth, (iii) lower asset performance, (iv) increase cost of compliance, and (v) increase legal costs.</p>

	<p>If institutions identify no environmental risks as material, they shall provide justification and present the underlying methodology used to arrive to this conclusion.</p>
(m)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (d) CRR, the activities, commitments, and exposures institutions have in place in order to mitigate environmental risks.</p> <p>The methodology institutions use to identify risk mitigating measures and activities, and to what extent these activities, commitments and exposures account for relevant transmission channels, for example, (i) lower profitability, (ii) lower real estate value, lower household wealth, (iii) lower asset performance, (iv) increase cost of compliance, and (v) increase legal costs.</p>
(n)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (a) and (f) CRR, the implementation tools that institutions use for identification and management of environmental risks such as stress test, sensitivity analysis or other forward-looking indicators, applied at exposure-level, portfolio-level, counterparty-level or sectoral-level, depending on the materiality of the risk.</p> <p>This shall include indications of all assumptions and methodologies for any of the implementation tools used. Institution shall also indicate the time horizon used for the assessment of the environmental risk on the accounting and prudential metrics, e.g. short-term, medium-term or long-term time horizon.</p>
(o)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (a) and (f) CRR, the description of the outcome of the assessment from the risk tool used in accordance with point 14.</p> <p>The estimated impact of environmental risk, e.g., climate change risk, on institutions' solvency, regulatory capital requirements and liquidity risk profile in the framework of ICAAP and ILAAP.</p> <p>For example, disclosure of the assessment of a portfolio with regard to different climate change scenarios and of the outcome of the scenario analyses with a linkage between the transition risk and its effect on financial and prudential metrics, such as the impact on accounting provisions or Tier 1 capital ratio.</p>
(p)	<p>In accordance with Article 449a, the data and information available to institutions in order to carry out the risk management of environmental risks, the key data and information currently missing and measures the institution is taking in order to close data gaps and to improve data quality and accuracy.</p>
(q)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (f) CRR, the limits institutions set on financing projects or counterparties, which significantly harm environmental objectives (e.g., as per Article 9 of Regulation (EU) 2020/852) in line with institution's business strategy.</p> <p>These limits shall include limits set by institutions at the point of origination and monitoring in order to avoid or mitigate environmental risks and limits that indicate when a specific exposure would trigger corrective actions, further investigation, internal escalation, and/or exclusion from portfolio.</p>

(r)	<p>The ways that institutions map and link the manifestation of environmental risks on its balance sheet through credit risk, liquidity risk, market risk and operational risk.</p> <p>The ways in which institutions assess and manage the impact of transition to a low-carbon and climate-resilient economy to the prudential risk categories including credit risk, liquidity risk, market risk and operational risk.</p>
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Table 2 – Qualitative information on Social risk: Free format text boxes for disclosure
of qualitative information in Annex XXXVII

3. Institutions shall follow the instructions provided below to complete Table 2 – ‘Qualitative Information on Social risk’ presented in Annex XXXIX to this Implementing Regulation, in order to describe the integration of social risks in their business strategy and processes, governance and risk management, in application of Article 449a in conjunction with Article 435 of CRR.

Legal references and instructions	
Row number	Explanation
	Business strategy and processes
(a)	<p>In accordance with Article 449a in conjunction with Article 435(1), points (a) and (e) CRR, how institutions’ business environment, business model, strategy and processes, financial planning integrate risks stemming from social factors (i.e. social risks) and how these evolve over time given changing technology, policy framework, business environment and stakeholder (e.g. consumers and investors) preferences.</p>
(b)	<p>In accordance with Article 449a in conjunction with Article 435(1), points (a), (c), (d), (e) and (f) CRR, whether the institution sets objectives, targets and limits the institution sets for the assessment and management of social risks, and how the process is for the setting of these objectives, targets and limits.</p> <p>An explanation of the linkages of these objectives, targets and limits to the current international and European policy framework and benchmarks available, for example, the Ten Principles of UN Global Compact, ILO Conventions and Recommendations; OECD Guidelines for Multinational Enterprises; and UN Guiding Principles on Business and Human Rights.</p> <p>Examples of social aspects can include human rights violation, labour rights, income inequality, lack of human rights, customer safety and protection, privacy, poverty and non-discrimination. Furthermore, climate change and transition to low carbon economy have social impacts such as ending of certain job and skills, and emergence of new jobs and skills, consumers’ changing preferences and preferences of shareholders of companies that prioritise swift integration of climate, environmental and social change, as defined in paragraphs 78 of the EBA report under Article 98(8) CRD.</p>

(c)	In accordance with Article 449a in conjunction with Article 435(1), point (d) CRR, how institutions take measures to mitigate risks associated with social factors, including understanding the counterparty's capacity to manage social risks and entering into a dialogue with them to mitigate social risks.
	Governance
(d)	In accordance with Article 449a in conjunction with Article 435(1), point (b) and Article 435(2), points (a), (b), (c) CRR, how institutions' management body is involved in the supervision and management of social risks, and what is the rationale for this approach taking into account a number of social factors including activities towards the community and society, employee relationships and labour standards, customer protection and product responsibility, human rights.
(e)	<p>In accordance with Article 449a in conjunction with Article 435(2), points (a), (b), (c) CRR, how institutions organise risk committees, allocate tasks and responsibilities in the risk management framework to monitor and manage social risks.</p> <p>Institutions shall provide information on the level of internal capacity is being built, with the amount of resources, and the extent to which information for social risk assessment is reliant on external capacity.</p>
(f)	In accordance with Article 449a in conjunction with Article 435(2), points (e) CRR, how institutions include social risks into internal reporting framework and structure, and what is the frequency of internal reporting and information exchange on social risks.
(g)	In accordance with Article 449a in conjunction with Article 435(2), points (e) CRR information on whether social risks are included in remuneration policy, and the criteria and metrics used to determine the impact on variable remuneration of social risk considerations.
	Risk management
(h)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (a) CRR, what methodologies, definitions and standards institutions use for the identification and management of social factors and risks, and the framework on which these standards, definitions and methodologies are based.</p> <p>An explanation of the linkages of these methodologies, definitions and standards to the current international and European policy framework and benchmarks, for example, the Ten Principles of UN Global Compact; ILO Conventions and Recommendations; OECD Guidelines for Multinational Enterprises; and UN Guiding Principles on Business and Human Rights.</p>
(i)	In accordance with Article 449a in conjunction with Article 435(1), point (a) CRR, the process by which institutions identify and monitor their activities and exposures sensitive and vulnerable to social risks (e.g. via their

	<p>counterparties, investment or asset management activities) including any movable and immovable assets associated with these activities and exposures.</p> <p>The process by which institutions identify and monitor social risks that are financially material or currently non-material with a prospect to be material in the future.</p> <p>Such activities, exposures and assets sensitive and vulnerable to social risks may be related to counterparties breaching labour law, human rights or other social laws or rights that may face legal dispute. More precisely, sectors with enhanced social risk may include those with migrant workers, low wages; poor labour standards; poor working conditions; negatively affecting communities; and enhanced chance of being under public and political scrutiny.</p>
(j)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (a) CRR, the activities, commitments and assets that institutions have in place to mitigate social risks.</p>
(k)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (a) CRR, the implementation tools that institutions use for identification and management of social risks such as scenario analysis, applied at exposure-level, portfolio-level, counterparty-level or sectoral-level and cover covering factors such as migration, demographic trends, change in labour force, technological change.</p> <p>Furthermore, social risks to be identified can include change of consumer behaviour, issues around discrimination and social inclusiveness, scenarios about increasing inequality, social impact of climate change, climate adaptation/mitigation and environmental degradation.</p> <p>Assumptions and methodologies of such scenario analysis shall be indicated. The institution shall indicate the time horizon used for the assessment of the social risk on the accounting and prudential metrics, e.g., short-term, medium-term or long-term time horizon.</p>
(l)	<p>In accordance with Article 449a in conjunction with Article 435(1), point (f) CRR, the limits institutions set on financing projects or counterparties, which significantly harm social objectives in line with institution's business strategy.</p> <p>These limits shall include limits set by institutions at the point of origination and monitoring in order to avoid or mitigate social risks and limits that indicate when a specific exposure would trigger corrective actions, further investigation, internal escalation, and/or exclusion from portfolio.</p>
(m)	<p>In accordance with Article 449a CRR, the ways the institutions map and link the manifestation of social risks on their balance sheet through credit risk, liquidity risk, market risk and operational risk.</p> <p>The ways in which the institution assesses and manages the impact of relevant socially harmful events on the prudential risks categories including credit risk, liquidity risk, market risk and operational risk.</p>

Table 3 – Qualitative information on Governance risk: Free format text boxes for disclosure of qualitative information in Annex XXXVII

4. Institutions shall follow the instructions provided below to complete Table 3 – Qualitative information on Governance risk presented in Annex XXXIX to this Implementing Regulation in order to describe the integration of governance risks in their governance and risk management, in application of Article 449a in conjunction with Article 435 of CRR.

Legal references and instructions	
Row number	Explanation
	Governance
(a)	<p>In accordance with Article 449a in conjunction with Article 435(2) CRR, the ways in which institutions integrate governance performance of the counterparty in their governance arrangements.</p> <p>The considerations on the governance performance of the counterparty shall cover the necessary steps and phases in the decision-making, supervision and management processes of the counterparty at all levels. This shall include committees of the highest governance body and committees responsible for decision-making on economic, environmental, and social topics.</p> <p>An explanation of these economic, environmental and social topics to the indicators presented in available international and European frameworks, for example, OECD Guidelines for Multinational Enterprises; UN Guiding Principles on Business and Human Rights; Charter of Fundamental Rights of the EU; United Nations Convention against Corruption.</p>
(b)	<p>The ways via which the institution takes into account the role of the counterparty's highest governance body in non-financial reporting, e.g., the highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material topics are covered.</p> <p>An explanation of these material topics (including economic, environmental and social areas) to the indicators presented in available international and European frameworks, for example, OECD Guidelines for Multinational Enterprises; UN Guiding Principles on Business and Human Rights; Charter of Fundamental Rights of the EU; United Nations Convention against Corruption.</p>
(c)	<p>In accordance with Article 449a in conjunction with Article 435(2) CRR, the ways via which the institution integrates the governance performance of their counterparties in its governance arrangements.</p> <p>The considerations related to the governance performance of the institution's counterparties shall cover all of the following:</p> <ul style="list-style-type: none"> a) ethical considerations; e.g., integrity of conduct, values and ethics, anti-bribery and anti-corruption measures, accountability and rule of law; b) strategy and risk management; e.g., strategy implementation, operational execution and monitoring, internal controls and risk management policies and procedures;

	<ul style="list-style-type: none"> c) inclusiveness; e.g., gender gap and representation of people from minority groups in the management, income gap; d) transparency; e.g. disclosures on discrimination, tax commitments and payments, disclosure on lobbying activities, and rules and practices; e) Management of conflict of interest, e.g. processes for the highest governance body to ensure that any conflict of interest is avoided, managed and mitigated; and f) Internal communication on critical concerns, e.g. how internal process of the counterparty operates for communicating critical concerns to the highest governance body.
	Risk management
(d)	In accordance with Article 449a in conjunction with Article 435(1) CRR, the ways in which the institution integrates in its risk management arrangements the governance performance of their counterparties considering aspects explained in row 3.

Template 1 - Banking book - Climate change transition risk: Quality of exposures by sector. Fixed format.

5. Institutions shall follow the instructions below to complete template 1 as presented in Annex XXXIX to this Implementing Regulation in order to provide information on those exposures more exposed to the risks that institutions may face from the transition to a low-carbon and climate resilient economy. In application of Article 449a CRR:
 - a. They shall disclose information on their exposures towards non-financial corporates operating in carbon-related sectors, and on the quality of those exposures, including non-performing status, stage 2 classification, and related provisions as well as maturity buckets;
 - b. They shall start disclosing information on scope 1, 2 and 3 emissions of their counterparties, if already available, including qualitative information in the narrative accompanying this template on the methodology and sources used for the calculation of these emissions. Where institutions are not yet estimating their counterparties' emissions associated with their financing activities, including lending and investment activities, they shall disclose information on their plans to implement methodologies to estimate and disclose this information. All institutions shall start disclosing information in columns i to k of the template by 30 June 2024.
6. Institutions shall include in the narrative accompanying the template, explanations on the information disclosed and the changes compared to previous disclosure periods, and any implications that these exposures may have in terms of credit, market, operational, reputational and liquidity risks for the reporting institutions.
7. Institutions shall include in the rows of the template the breakdown of the gross carrying amount of loans and advances, debt securities and equity instruments to non-financial corporations, other than those held for trading, by sector of economic activities using NACE codes based on the principal activity of the counterparty. They will also include subtotals that aggregate the gross carrying amount of exposures towards sectors and subsectors that highly contribute to climate change as specified in Recital 6 of the Commission Delegated Regulation (EU) 2020/1818³; and a subtotal of exposures towards "other sectors" not mention in the above-mentioned Recital 6.
8. The counterparty NACE sector allocation shall be based on the nature of the immediate counterparty. When institutions' counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor under the holding company (if different than the holding company itself) which receives the funding (i.e., the specific subsidiary of the holding company in question) rather than that of the holding company; particularly in those cases where the obligor that is benefiting from the financing is a non-financial corporate. Similarly, when the direct counterparty of the institution (the obligor) is a special purpose vehicle (SPV), institution 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 exposures incurred jointly by more than one obligor shall be done based on the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the

³ Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (*OJ L 406*, 3.12.2020, p. 17).

more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of granularity required in the rows of the template.

Columns	Instructions
a	<p><u>Total gross carrying amount</u></p> <p>The gross carrying amount, as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451⁴, of those exposures towards non-financial corporates, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios in the banking book according to that Regulation, excluding financial assets held for trading or held for sale assets.</p>
b	<p><u>Of which exposures towards companies excluded from EU Paris-aligned Benchmarks</u></p> <p>The gross carrying amount of those exposures towards counterparties that are excluded from the EU Paris-aligned Benchmarks as specified in Article 12.1, points (d) to (g) and Article 12.2 of Commission Delegated Regulation (EU) 2020/1818⁵.</p>
c	<p><u>Of which environmentally sustainable (CCM)</u></p> <p>Exposures that qualify as environmentally sustainable because they are financing activities that contribute or enable the environmental objective of climate change mitigation in accordance with Articles 10 and 16 of the Regulation (EU) 2020/852, as disclosed in template 7 of Annex XXXIX.</p> <p>Institutions shall start disclosing this information as of end 2023, that is the first disclosure reference date, for exposures included in the numerator of the GAR, and as of end June 2024 for those exposures included in the numerator of the BTAR but not in the numerator of the GAR.</p>
d	<p><u>Of which stage 2</u></p> <p>Institutions applying IFRS shall disclose the gross carrying amount of ‘Stage 2’ instruments as defined in IFRS 9.</p> <p>The columns on ‘Of which stage 2’ shall not be disclosed by institutions that apply national generally accepted accounting principles based on Council Directive 86/635/EEC⁶.</p>
e	<p><u>Of which non-performing exposures</u></p> <p>Non-performing exposures as defined in Article 47a(3) CRR.</p>

⁴ Commission Implementing Regulation (EU) 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) No 680/2014 (Text with EEA relevance) *OJ L 97, 19.3.2021, p. 1–1955*

⁵ Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks *(OJ L 406, 3.12.2020, p. 17)*.

⁶ Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions *(OJ L 372, 31.12.1986, p. 1)*.

f	<p><u>Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions</u></p> <p>The amounts defined in paragraphs 11, 69 to 71, 106 and 110 of Part 2 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p>
g	<p><u>Of which stage 2</u></p> <p>Accumulated impairment amount of stage 2 exposures.</p> <p>Institutions applying IFRS shall disclose the gross carrying amount of ‘Stage 2’ instruments as defined in IFRS 9.</p> <p>The columns on ‘Of which stage 2’ shall not be disclosed by institutions that apply national generally accepted accounting principles based on Council Directive 86/635/EEC⁷.</p>
h	<p><u>Of which non-performing exposures</u></p> <p>Non-performing exposures as defined in Article 47a(3) CRR.</p>
i	<p><u>GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)</u></p> <p>Where the information is available, the estimates of the scope 3 GHG emissions of an institution shall be disclosed in CO2 tonnes (TCO2) as part of column i. The disclosure shall cover all sectors and subsectors that highly contribute to climate change as specified in recital 6 of the Commission Delegated Regulation (EU) 2020/1818, included in rows 2 to 52 of the template.</p> <p>The estimation of scope 3 emissions shall rely on information on emissions from institutions’ counterparties and on information on sector-average emissions intensity. Examples of methodologies to compute the carbon emission of companies include, the Global GHG Accounting and Reporting Standard for the Financial Industry, developed by the Partnership for Carbon Accounting Financials⁸ (PCAF, of particular relevance for the TCFD), or the Carbon Disclosure Project⁹.</p> <p>The estimation of scope 3 emissions per sector shall be done in a proportionate way: e.g. by taking the institution’s exposures (loans and advances, debt securities and equity holdings) towards the counterparty compared to the total liabilities (accounting liabilities and shareholders’ equity) of the counterparty.</p> <p>In the narrative accompanying the template institutions shall provide detailed explanations of the data sources used and of the methodology that they have applied for the estimation of their scope 3 GHG emissions. In particular, institutions shall explain whether they are disclosing (i) reported emissions (emissions are collected from the borrower or investee company directly); (ii) physical activity-based emissions (emissions are estimated by the reporting financial institution based on primary physical activity data collected from the borrower or investee), and/or (iii) economic activity-based emissions (emissions</p>

⁷ Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions (OJ L 372, 31.12.1986, p. 1).

⁸ <https://carbonaccountingfinancials.com/standard>

⁹ <https://www.cdp.net/en>

	<p>are estimated by the reporting financial institution based on economic activity data collected from the borrower or investee company).</p> <p>Where institutions are not yet estimating their counterparties' emissions associated with their financing activities, including lending and investment activities, they shall disclose information on their plans to implement methodologies to estimate and disclose this information. All institutions shall disclose information in columns i to k of the template as of 30 June 2024 first disclosure reference date.</p>
j	<p><u>Of which Scope 3 financed emissions</u></p> <p>Institutions shall disclose their counterparties' scope 3 emissions associated with institutions' lending and investment activities. Where institutions are not yet estimating their scope 3 emissions, they shall leave column j blank and, in the narrative, accompanying the template, they shall disclose their plans to implement methodologies to estimate and disclose this information.</p> <p>Scope 3 emissions shall be disclosed on a best effort basis covering the most relevant sectors for example in line with PCAF approach and the phased-in approach for scope 3 emissions included in Article 5 of Commission Delegated Regulation (EU) 2020/2018 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks.</p> <p>Financial institutions shall start disclosing information scope 3 emissions, when available, for the oil, gas, and mining sectors from 2021 onward and additional sectors will be added subsequently. Information on scope 3 emissions of the counterparty for all sectors included in the template shall be disclosed as of 30 June 2024 first disclosure reference date.</p> <p>For sectors where data and methodological challenges exist, banks shall follow the GHG protocol and its 15 stages, both upstream and downstream, as presented in the Commission Guidelines on non-financial reporting: supplement on reporting climate related information.</p> <p>In line with the TCFD guidance on metrics and targets, institutions shall be transparent about the challenges to collect that type of information and also avoid double counting to the extent possible.</p> <p>All institutions shall start disclosing information in columns j of the template as of 30 June 2024 first disclosure reference date.</p>
k	<p>GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting</p> <p>Institutions shall indicate the percentage of the portfolio (gross carrying amount of the exposures) for which they have been able to estimate their counterparties' scope 1, 2 and 3 emissions associated with institutions' lending and investment activities based on information disclosed by their counterparties or reported to the institution on bilateral basis.</p>
l - p	<p><= 5 years; > 5 year <= 10 years; > 10 year <= 20 years; > 20 years; Average weighted maturity</p>

	<p>Institutions shall allocate the exposures to the relevant bucket depending on the remaining maturity of the financial instrument, taking into account the following:</p> <ul style="list-style-type: none"> i) Where the amount is repaid in instalments, the exposure shall be allocated in the maturity bucket corresponding to the last instalment; ii) Where an exposure has no stated maturity for reasons other than the counterparty having the choice of the repayment date, or in the case of equity holdings, the amount of this exposure shall be disclosed in the largest maturity bucket '> 20 years'; iii) For the computation of the average maturity of the exposures, institutions shall weigh the maturity of each exposure by the gross carrying amount of the exposures.
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Template 2: Climate change Transition risk: Loans collateralised by immovable property collateral – Energy efficiency of the collateral. Fixed format.

9. Institutions shall follow the instructions below to disclose the information required in 'Template 2: Banking book - Climate transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral', as presented in Annex XXXIX to this Implementing Regulation.
10. Energy Performance of Buildings Directive 2010/31/EU¹⁰ (EPBD) and the Energy Efficiency Directive 2012/27/EU¹¹ promote policies that aim to achieve a highly energy efficient and decarbonised building stock by 2050. The EPBD introduced the Energy performance certificates (EPC) as instruments for improving the energy performance of buildings. They are defined as a certificate recognised by a Member State or by a legal person designated by it, which indicates the energy performance of a building or building unit, calculated according to a methodology adopted in accordance with the EPBD.
11. This template will show the gross carrying amount, as defined in Part 1 of Annex V of Commission Implementing Regulation (EU) 2021/451, of loans collateralised with commercial and residential immovable property and of repossessed real estate collaterals, including information on the level of energy efficiency of the collaterals measured in terms of kWh/m² energy consumption (columns b to g of the template), in terms of the label of the EPC of the collateral as defined in Article 2(12) of 2010/31/EU for EU countries, or as defined in the relevant regulation for those exposures outside the EU, where a mapping to the EU EPC label exists (columns h to n).
12. In particular, in columns b to g institutions shall disclose the gross carrying amount of exposures by energy efficiency buckets based on the specific energy consumption of the collateral in kWh/m² as indicated in the EPC label of the collateral or estimated by institutions in the absence of the EPC label. They will indicate in rows 5 and 10 of the

¹⁰ Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ L 153, 18.6.2010, p. 13).

¹¹ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

template the extent to which this data is estimated and not based on EPC labels. In columns h to n, institutions shall disclose the gross carrying amount of exposures grouped by the EPC label of the collateral for those collaterals where the EPC is available to the institution.

13. When disclosing the EPC distribution of the collaterals, institutions shall disclose separately, in column o, those exposures for which they do not have the EPC information of the collateral, and in those cases where they do not have the EPC information but they are using internal calculations to estimate the energy efficiency of the collateral, the percentage of the exposures without EPC label of the collateral for which they are providing estimates (the percentage is to be computed based on the gross carrying amount of the exposures). Institutions shall disclose the total gross carrying amounts by level energy consumption and by EPC label with a breakdown by location (EU vs. non-EU area) differentiating between loans collateralised by commercial immovable property, loans collateralised by residential immovable property and collateral obtained by taking possession.
14. In the case of exposures in non-EU countries and where there is no EPC label equivalent, institutions shall leave columns h to n blank, and disclose the information required in columns o and p and, when relevant, columns b to g with estimated data.
15. For those exposures linked to more than one collateral, e.g., two immovable properties, the energy efficiency information of the properties linked to the exposure shall be split and disclosed separately under energy efficiency levels (both for the KWh/m² of the collateral, columns b to g, and for the EPC label, columns h to n) corresponding to energy efficiency of each collateral. More specifically, institutions shall calculate the share of each collateral in the gross carrying amount of exposure on the basis of the value of the collateral and disclose under the energy efficiency bucket linked to each collateral. For example, the institution has a loan with a gross carrying amount of EUR 100,000 collateralised by two properties: property A and property B. Property A has a collateral value of EUR 80,000 and EPC label A, while property B has a collateral value of EUR 70,000 and EPC label D. In this example, institutions should disclose EUR 53,333 (that is $\text{EUR } 100000 * [80000 / (80000 + 70000)]$) under EPC label A and EUR 46,667 (that is $\text{EUR } 100000 * [70000 / (80000 + 70000)]$) under EPC label D, both corresponding to the specific loan in question.

Template 3: Banking book - Climate change transition risk: Alignment metrics.
Flexible format (fixed columns, flexible rows).

16. Institutions shall follow the instructions below to disclose the information required in ‘Template 3: Banking book - Climate change transition risk: Alignment metrics’, as presented in Annex XXXIX to this Implementing Regulation.
17. Institutions shall disclose in this template information on their alignment efforts with the Paris Agreement objectives for a selected number of sectors. The disclosures on the alignment shall capture the extent to which financial flows are consistent with a pathway towards low greenhouse gas emissions and climate-resilient development as defined in the Paris Agreement. The economic scenario that describes that decarbonisation pathway is the International Energy Agency Net Zero Emissions by 2050 Scenario (NZE2050)¹². Institutions shall take into account this scenario. The IEA projections are

¹² [Net Zero Emissions by 2050 Scenario \(NZE\) – World Energy Model – Analysis - IEA](#)
[Net Zero by 2050 – Analysis - IEA](#)

provided at global level, with some specific metrics at European level, and therefore the distance to the IEA scenario benchmark shall be measured at global level, and at European level in those cases where metrics are provided at this level.

18. Those institutions that are already estimating information on their Paris Agreement sectoral alignment shall disclose the information in this template and shall explain in the narrative accompanying the template the methodology and sources of data used. Those institutions that are not yet estimating their sectoral alignment shall disclose information on their plans to implement methodologies to estimate and disclose this information. All institutions shall start disclosing the information included in this template as of 30 June 2024 first disclosure reference date.

19. Institutions shall disclose in this template:

- a. Columns a and b: these columns include the sectors (IEA sectors in column a) under which rows 1-8 lists the mandatory minimum set of sectors, and subsectors (NACE sectors in column b according to the minimum 'list of NACE sectors to be considered' as indicated in the template).
- b. When institution's counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor under the holding company (if different than the holding company itself) which receives the funding (i.e., the specific subsidiary of the holding company in question) rather than that of the holding company; particularly in those cases where the obligor that is benefiting from the financing is a non-financial corporate. Similarly, when the direct counterparty of the institution (the obligor) is a SPV, institution shall disclose the relevant information under the NACE sector associated with the economic activity of the parent company of the SPV.
- c. The classification of the exposures incurred jointly by more than one obligor shall be done based on the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. Institutions shall disclose information by NACE codes with the level of granularity of the sectors required in column b.
- d. Column c: the gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451 of those exposures towards non-financial corporates in each of the sectors specified in columns a and b, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios in the banking book according to that Regulation, excluding financial assets held for trading or held for sale assets.
- e. Column d and e: alignment metric(s) applied by the institution and closest year of reference for the alignment metric(s) for each sector. Institutions shall use the alignment metric(s) that can be measured against the IEANZE2050 scenario. When choosing these metrics, institutions shall ensure that the metrics allow to disclose comprehensively institutions' financed production capacities and also encompass all relevant carbon-intensive financed activities. Some examples of metrics are listed in the template. Institutions shall disclose several metrics for each sector that are relevant to their financing activity that cover emission intensity metrics, technology mix-based metrics and production-based metrics. Institutions shall rely on an assessment of the underlying assets and activities linked to financial instruments.

For loans of which the use of proceeds is known, the whole value of that loan shall be included for the relevant sector and alignment metric. For loans of which the use of proceeds is unknown, the gross carrying amount of the exposure shall be allocated to the relevant sector and alignment metric based on the counterparties' activity distribution, e.g. by counterparties' turnover by activity.

Institutions shall add a row in the template for each relevant combination of sector disclosed in column b and alignment metric included in column d.

- f. Column f: the Point in Time distance of the column d metric(s) to the 2030 data points of the IEA Net Zero by 2050 benchmark scenario expressed in percentage points¹³. This distance shall represent the current degree of alignment with the scenario indicator for 2030 and be expressed as the difference between the indicator in column (d) and the IEA scenario projection for 2030, divided by the scenario benchmark indicator and converted into percentage terms.

Institutions will find the relevant information and the applicable scenario indicators for 2030 per sector on the IEA website. In particular institutions shall refer to the "Net Zero by 2050 - A Roadmap for the Global Energy Sector" that the IEA publish on an annual basis¹⁴. The specific data points and indicators can be downloaded from the excel table included in this link:

- i. [Net Zero by 2050 Scenario - Data product - IEA](#).

The exposures' underlying activities shall be considered aligned if the level of the indicator is below that of the benchmark for decreasing benchmarks (carbon intensive activities) or above for increasing benchmarks (low carbon activities);

Distance

$$= \frac{\text{Metric at reference year} - (\text{IEA scenario metric in 2030})}{(\text{IEA scenario metric in 2030})} * 100$$

- g. Column g: institutions' target for 3 years after the year of reference indicated in column e and the alignment metric indicated in column d. This shall indicate the portfolio alignment path and target that institutions plan to achieve in order to remain on track with the IEA scenario in the long term.

Template 4 - Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms. Fixed format

20. Institutions shall follow the instructions below to disclose the information required in 'Template 4: Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms, as presented in Annex XXXIX to this Implementing Regulation.
21. Institutions shall disclose in this template aggregate information on exposures towards the most carbon intensive counterparties in the world. They shall include aggregated

¹³ <https://www.iea.org/reports/world-energy-model/sustainable-development-scenario>

¹⁴ 2021 report can be found under this [link](#).

and anonymised information on the gross carrying amount of exposures towards up to 20 counterparties of the institution that are among the top 20 most carbon-intensive corporates worldwide. Information shall be based on publicly available reputable and accurate information. Examples of data sources to identify the top carbon-emitting companies include Carbon Majors Database and Reports of the Carbon Disclosure Project and Climate Accountability Institute as well as Thomson Reuters.

22. In the narrative accompanying the template institutions shall explain the data sources used to identify the companies included in the template. Where institutions are omitting partially or totally, they shall indicate so in their Pillar 3 reports, and explain the reasons for that omission, including if they do not have any exposures towards the top 20 world.

	Column	Instructions
a	Gross carrying amount (aggregate)	<p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451 (including loans and advances, debt securities and equity instruments), classified under the accounting portfolios in the banking book according to that Regulation, excluding financial assets held for trading and held for sale assets.</p> <p>Institutions shall include the aggregate exposures towards up to 20 counterparties of the institution that are among the top 20 most carbon-intensive corporates worldwide.</p>
b	Gross carrying amount towards the company compared to total gross carrying amount (aggregate)	<p>The percentage resulting from the aggregate gross carrying amount indicated in column a divided by the total gross carrying amount of the institutions' exposures in the banking book (amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451, including loans and advances, debt securities and equity instruments in the banking book, classified under the accounting portfolios in the banking book according to that Regulation, excluding financial assets held for trading and held for sale assets).</p>
c	Of which environmentally sustainable (CCM)	<p>The aggregate gross carrying amount of environmentally sustainable exposures (contributing to the objective of climate change mitigation). This shall be based on the purpose of the activity funded, for special purpose lending, or on the counterparty's information on the level of alignment of its economic activities with Regulation (EU) 2020/852, for the objective of climate change mitigation (% of turnover contributing substantially to climate change mitigation).</p> <p>Institutions shall start disclosing this information as of end 2023, that is the first disclosure reference date.</p>
d	Average maturity	<p>The average maturity of the exposures considered in the computation weighted by the gross carrying amount of the exposure.</p>

e	Number of top 20 polluting firms included	The institution shall indicate the number of top polluting companies included in the calculation of the aggregate gross carrying amount.
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Template 5 - Banking book - Climate change physical risk: Exposures subject to physical risk. Fixed format.

23. Institutions shall apply the instructions below to disclose the information required in ‘Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk’, as presented in Annex XXXIX to this Implementing Regulation.
24. Institutions shall include in this template information on exposures in the banking book (including loans and advances, debt securities and equity instruments not held-for-trading and not held-for-sale), towards non-financial corporates, on loans collateralized with immovable property and on repossessed real estate collaterals, exposed to chronic and acute climate-related hazards, with a breakdown by sector of economic activity (NACE classification) and by geography of location of the activity of the counterparty or of the collateral, for those sectors and geographical areas subject to climate change acute and chronic events.
25. For the identification of geographies prone to specific climate-related hazards, institutions shall use dedicated portals and databases. Examples of data sources to identify geographical areas subject to climate change related hazards include¹⁵: GFDRR - ThinkHazard! (covering heatwaves, water scarcity and stress, floods, wildfires, hurricanes, landslide); PREP – PREPdata (coastal flood, extreme heat, landslide, water scarcity and stress, wildfire); WRI - Aqueduct Water Risk Atlas (flood, coastal flood, water scarcity and stress) Swiss Re - CatNet® (flood, tropical cyclone (hurricane & typhoon), wildfire); World Bank - Climate Change Knowledge Portal (extreme heat, extreme precipitation, drought); PCA - Global Drought Risk platform (drought); NOAA - Historical hurricane tracks (tropical cyclone (hurricane & typhoon)). In order to obtain knowledge about characteristics of locations sensitive to climate change events, institutions may also use the data offered by EU bodies and by national government authorities (e.g. meteorological, environmental, statistical agencies or geoscience organisations).
26. When institution’s counterparty is a holding company, institutions shall consider the NACE sector of the specific obligor under the holding company (if different than the holding company itself) which receives the funding (i.e., the specific subsidiary of the holding company in question) rather than that of the holding company; particularly in those cases where the obligor that is benefiting from the financing is a non-financial corporate. Similarly, when the direct counterparty of the institution (the obligor) is a SPV, institution 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 exposures incurred jointly by more than one obligor shall be done based on the characteristics of the obligor that was the more relevant, or determinant,

¹⁵ For more examples, please refer to the UNEP FI and Acclimatise report: “Chartering New Climate. State-of-the-art tools and data for banks to assess credit risks and opportunities from physical climate change impacts”, September 2020, <https://www.unepfi.org/publications/banking-publications/charting-a-new-climate/>

The report provides detailed information with regard to time periods covered, use of future scenarios, spatial resolution and coverage, format of outputs to be received from particular datasets as well as licensing and cost (please note that most portals and databases offer free-to-use access). Moreover, the report elaborates on different techniques of physical risk assessment and measurement, like e.g. heat mapping, correlation analysis, dedicated tools and analytics.

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. Institutions shall disclose information by NACE codes with the level of granularity required in the rows of the template.

27. Institutions shall disclose the information in this template on a best effort basis and shall explain in the narrative accompanying the template the sources of information and methodologies that they have used to identify exposures subject to climate change physical risk.

Columns	Instructions
a	<p><u>Geographical area subject to climate change acute and chronic events</u></p> <p>Institutions shall cover geographical area exposed to negative impact from climate change physical events. This shall mean a country, geographical or administrative region where activities of the counterparty or the collateral are located, and that are exposed to chronic or acute climate change events. Institutions shall indicate, as appropriate, the type of geographical area for their disclosure, e.g., a country, a specific region in a country or a region covering more than one country. For geographical coverage of the exposures institutions shall use the level of divisions indicated in Nomenclature of Territorial Units for Statistics (or NUTS), as appropriate.</p>
b	<p><u>Gross carrying amount</u></p> <p>The gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451 of those exposures towards non-financial corporates (including loans and advances, debt securities and equity instruments), classified under the accounting portfolios in the banking book according to that Regulation, excluding financial assets held for trading and held for sale assets.</p>
c - o	<p><u>of which exposures sensitive to impact from climate change physical events</u></p> <p>The gross carrying amount of exposures prone to impact from climate change physical events as defined in Article 18a of this Regulation. The gross carrying amount of exposures prone to impact from climate change physical events may be equal to the full exposure amount disclosed in column b of this template or may be a part of that exposure amount.</p>
c - g	<p><u>Breakdown by maturity bucket</u></p> <p>Institutions shall allocate the exposures to the relevant bucket depending on the remaining maturity of the financial instrument, taking into account the following:</p> <ol style="list-style-type: none"> where the amount is repaid in instalments, the exposure shall be allocated in the maturity bucket corresponding to the last instalment; where an exposure has no stated maturity for reasons other than the counterparty having the choice of the repayment date, the amount of this exposure shall be disclosed in column '> 20 years'

	c. For the computation of the average maturity of the exposures, institutions shall weigh the maturity of each exposure by the gross carrying amount of the exposures.
h	<p><u>of which exposures sensitive to impact from chronic climate change events</u></p> <p>The gross carrying amount of exposures sensitive to impact from chronic climate change events only, including hazards relating to gradual changes in weather and climate and having a possible impact on economic output and productivity.</p>
i	<p><u>of which exposures sensitive to impact from acute climate change events</u></p> <p>The gross carrying amount of exposures sensitive to impact from acute climate change events only, including hazards that may cause sudden damage to properties, disruption of supply chains, depreciation of assets as well as result in operational downtime and lost manufacturing for fixed assets.</p>
j	<p><u>of which exposures sensitive to impact both from chronic and acute climate change events</u></p> <p>The gross carrying amount subject to impact from both chronic and acute climate change events, as per columns h and i.</p>
k	<p><u>Of which stage 2</u></p> <p>For institutions applying IFRS, the gross carrying amount of ‘Stage 2’ instruments as defined in IFRS 9.</p> <p>These columns on ‘Of which stage 2’ shall not be disclosed by institutions that apply national generally accepted accounting principles based on Council Directive 86/635/EEC.</p>
l	<p><u>Of which non-performing exposures</u></p> <p>The gross carrying amount of non-performing exposures as defined in Article 47a(3) CRR, which are prone to impact from climate change events.</p>
m, n, o	<p><u>Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions</u></p> <p>The amounts defined in paragraphs 11, 69 to 71, 106 and 110 of Part 2 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p>
o	<p><u>of which Stage 2 exposures</u></p> <p>Column m shall include the accumulated impairment amount of stage 2 exposures.</p> <p>Institutions applying IFRS shall disclose the gross carrying amount of ‘Stage 2’ instruments as defined in IFRS 9.</p>

	The columns on 'Of which stage 2' shall not be disclosed by institutions that apply national generally accepted accounting principles based on Council Directive 86/635/EEC ¹⁶ .
N	<p><u>of which non-performing exposures</u></p> <p>The amount of the accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions attributable to non-performing exposures, as defined in Art. 47a(3) CRR.</p>

¹⁶ Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions (OJ L 372, 31.12.1986, p. 1).

Template 6 – Summary of KPIs on the Taxonomy-aligned exposures. Fixed format.

28. Institutions shall provide in template 6 an overview of the KPIs calculated on the basis of templates 7 and 8 of Annex XXXIX, including the green asset ratio (GAR) as defined in the Commission Delegated Regulation (EU) .../...
29. While the Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852 requires institutions to estimate and disclose the GAR twice, once based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for those exposures whose purpose is not to finance specific identified activities (general purpose lending), and again based on the CAPEX taxonomy alignment of the counterparty for the same general purpose lending exposures, institutions shall only disclose the GAR once in their Pillar 3 reports, based only on the turnover alignment of the counterparty for the general purpose lending part.
30. For the stock, GAR stock (climate change mitigation), GAR (climate change adaptation), GAR (climate change mitigation and climate change adaptation) shall correspond to the KPI included in columns b, g and l respectively of Template 8, accordingly. Similarly, for the flow, GAR (climate change mitigation), GAR (climate change adaptation), GAR (climate change mitigation and climate change adaptation) shall correspond to the KPI included in row 1, columns r, w and ab of the same Template 8.
31. Information on the coverage shall be included in Template 8, row 1, column p for GAR stock, and af for GAR flow.
32. This template shall start to apply as of end 2023 first disclosure reference date for the information on the GAR Commission Delegated Regulation (EU) .../...,.

Template 7 - Mitigating actions: Assets for the calculation of GAR. Fixed format

33. Institutions shall follow the instructions below to disclose the information required in 'Template 7 - Mitigating actions: Assets for the calculation of GAR', as presented in Annex XXXIX to this Implementing Regulation.
34. This template shall start to apply as of end 2023 first disclosure reference date.
35. Institutions shall disclose in this template information on gross carrying amount of institutions' loans and advances, debt securities and equity instruments on their banking book, with a breakdown of the information by type of counterparty, including financial corporations, non-financial corporations, households, local governments as well as real estate lending towards households, and the taxonomy eligibility and taxonomy alignment of the exposures with regards to the environmental objectives of climate change mitigation and climate change adaptation as defined in Article 9, points (a) and (b) of Regulation (EU) 2020/852.
36. In particular, institutions shall include in this template information necessary for the calculation of the GAR in accordance with the Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852¹⁷. While the Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852 requires institutions to

¹⁷ Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852 by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation

estimate and disclose the GAR twice, once based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for those exposures whose purpose is not to finance specific identified activities (general purpose lending), and again based on the CAPEX taxonomy alignment of the counterparty for the same general purpose lending exposures, institutions shall only disclose the GAR once in their Pillar 3 reports, based only on the turnover alignment of the counterparty for the general purpose lending part.

37. Based on this information, institutions shall calculate and disclose their GAR as defined the Commission Delegated Regulation (EU) .../... The information included relates to climate change mitigation and climate change adaptation as per Article 9, points (a) and (b) of Regulation (EU) 2020/852.

38. This template shall start to apply as of end 2023 first disclosure reference date for the information on the GAR Commission Delegated Regulation (EU) .../...

Columns	Instructions
a	<p><u>Gross carrying amount</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p>
b	<p><u>Of which: towards taxonomy relevant sectors</u></p> <p>G Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>Institutions shall disclose the gross carrying amount of eligible exposures towards sectors (4 level NACE codes) relevant for the corresponding environmental objective according to the Taxonomy, as specified in the technical annex to the Commission Delegated Regulation¹⁸ on technical screening criteria for determining the conditions under which an economic activity qualifies as environmentally sustainable.</p> <p>Institutions shall disclose exposures towards relevant sectors under the objective of climate change mitigation in accordance with Article 9, point (a) and Article 10 of Regulation (EU) 2020/852.</p>
c	<p><u>Of which: environmentally sustainable</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>Institutions shall disclose the gross carrying amount of eligible exposures that are environmentally sustainable, as specified in the technical annex to the Commission Delegated Regulation on technical screening criteria for determining the conditions under which an economic activity qualifies as environmentally sustainable.</p> <p>Institutions shall disclose environmentally sustainable exposures under the objective of climate change mitigation in accordance with Article 9, point (a) and Article 10 of Regulation (EU) 2020/852.</p>

¹⁸ Commission Delegated Regulation (EU) XXX supplementing Regulation (EU) 2020/852: https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts_en

	<p>When the use of proceeds is known, (specialised lending, e.g. project finance loans, as defined in ANNEX V to Implementing Regulation (EU) 2021/451), institutions shall disclose the extent to which the exposure is environmentally sustainable based on the extent and proportion to which the project funded contributes substantially to climate change mitigation, in accordance with Article 10, or is an enabling activity in accordance with Article 16, and meets the criteria specified in Article 3 of the same regulation. When the use of proceeds is unknown, institutions shall disclose the extent to which the exposure is environmentally sustainable by using the information from the counterparty, in accordance with Article 8 of Regulation (EU) 2020/852¹⁹, on the proportion of the turnover derived from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 of Regulation (EU) 2020/852.</p> <p>Each exposure shall only be considered once and shall be allocated to only one environmental objective. Where the exposures are relevant for more than one environmental objective, the allocation shall be made to the most relevant objective.</p>
d	<p><u>Of which: specialised lending</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>Specialised lending as defined in paragraph 89 of Part 2 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>This shall include special lending exposures, which are environmentally sustainable, under the objective of climate change mitigation in accordance with Article 9, point (a) and Article 10 of Regulation (EU) 2020/852.</p> <p>When the use of proceeds is known, in the case of specialised lending, institutions shall disclose the extent to which the exposure is environmentally sustainable based on the extent and proportion to which the specific project funded qualify as contributing substantially to climate change mitigation (project specific information), in accordance with Article 10 of Regulation (EU) 2020/852, or as enabling activity in accordance with Article 16, and meets the criteria specified in Article 3 of the same regulation. Institutions shall provide transparency on the kind of economic activities that are being funded through specialised lending. Where the same specialised lending exposure is relevant to two environmental objectives, institutions shall allocate it to the most relevant one.</p>
e	<p><u>Of which: transitional</u></p> <p>Article 10 of Regulation (EU) 2020/852.</p>
f	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p>
g	<p><u>Of which: towards taxonomy relevant sectors</u></p>

¹⁹ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13–43)

	<p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>Institutions shall disclose the gross carrying amount of eligible exposures towards sectors (4 level NACE codes) relevant for the corresponding environmental objective according to the Taxonomy, as specified in the technical annex to the Commission Delegated Regulation on technical screening criteria for determining the conditions under which an economic activity qualifies as environmentally sustainable.</p> <p>Institutions shall disclose exposures towards relevant sectors under the objective of climate change adaptation in accordance with Article 9, point (b) and Article 11 of Regulation (EU) 2020/852.</p>
h	<p><u>Of which: environmentally sustainable</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>Institutions shall disclose the gross carrying amount of eligible exposures that are environmentally sustainable, as specified in the technical annex to the Commission Delegated Regulation on technical screening criteria for determining the conditions under which an economic activity qualifies as environmentally sustainable.</p> <p>Institutions shall disclose environmentally sustainable exposures under the objective of climate change adaptation in accordance with Article 9, point (b) and Article 11 of Regulation (EU) 2020/852.</p> <p>When the use of proceeds is known, in the case of specialised lending, institutions shall disclose the extent to which the exposure is environmentally sustainable based on the extent and proportion to which the project funded qualify as contributing substantially to climate change adaptation, in accordance with Article 11, or as enabling activity in accordance with Article 16, and meets the criteria specified in Article 3 of that Regulation.</p> <p>Where the use of proceeds is unknown institutions shall disclose the extent to which the exposure is environmentally sustainable by using the information from the counterparty, in accordance with Article 8 of Regulation (EU) 2020/852, on the proportion of the turnover derived from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 of that Regulation.</p> <p>Each exposure shall only be considered once and shall be allocated to only one environmental objective. Where the exposures are relevant for more than one environmental objective, exposures shall be allocated to the most relevant objective.</p>
i	<p><u>Of which: specialised lending</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>Specialised lending as defined in paragraph 89 of Part 2 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p>

	<p>Institutions shall disclose special lending exposures, which are environmentally sustainable, under the objective of climate change adaptation in accordance with Article 9, point (b) and Article 11 of Regulation (EU) 2020/852.</p> <p>Institutions shall disclose the extent to which the exposure is environmentally sustainable by using the information from the counterparty.</p> <p>When the use of proceeds is known, in the case of specialised lending, institutions shall disclose the extent to which the exposure is environmentally sustainable based on the extent and proportion to which the specific project funded qualify as contributing substantially to climate change adaptation (project specific information), in accordance with Article 11, or as enabling activity in accordance with Article 16, and meet the criteria specified in Article 3 of that Regulation. Institutions shall provide transparency on the kind of economic activities that are being funded through specialised lending. Where the same specialised lending exposure can be relevant for two environmental objectives, the exposure shall be allocated to the most relevant one.</p>
j	<p><u>Of which: adaptation</u></p> <p>Article 11 of Regulation (EU) 2020/852. These activities shall cover those that are not enabling activities.</p>
k	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p>
l	<p><u>Of which: towards taxonomy relevant sectors</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>They shall be the sum of column (b) and column (g) of this template.</p>
m	<p><u>Of which: environmentally sustainable</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>They shall be the sum of column (c) and column (h) of this template.</p>
n	<p><u>Of which: specialised lending</u></p> <p>Gross carrying amount as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451.</p> <p>Specialised lending as defined in paragraph 89 of Part 2 of Annex V to Implementing Regulation (EU) 2021/451.</p> <p>They shall be the sum of column (d) and column (i) of this template.</p>
o	<p><u>Of which: transitional/adaptation</u></p> <p>Article 10 and Article 11 of Regulation (EU) 2020/852.</p> <p>They shall be the sum of column (e) and column (j) of this template.</p>
p	<p><u>Of which: enabling</u></p>

	Article 16 of Regulation (EU) 2020/852. They shall be the sum of column (f) and column (k) of this template.
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Rows	Instructions
	<p><u>GAR - Covered assets in both numerator and denominator</u></p> <p>Eligible exposures shall be those that are related to the counterparties and asset classes covered in the scope of the disclosure requirements in accordance with Article 8 of Regulation (EU) 2020/852.</p>
1	<p><u>Loans and advances, debt securities and equity instruments not HfT eligible for GAR</u></p> <p>Loans and advances, debt securities and equity instruments classified under the accounting portfolios in the banking book, not held for trading and not held for sale as defined in Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
2	<p><u>Financial corporations</u></p> <p>Exposures defined in point (c) and point (d) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
3	<p><u>Credit institutions</u></p> <p>Exposures defined in point (c) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
4, 9, 13, 17, 21, 34, 40	<p><u>Loans and advances</u></p> <p>Loans and advances defined in paragraph 32 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
5, 10, 14, 18, 22, 37, 41	<p><u>Debt securities</u></p> <p>Debt securities as defined in paragraph 31 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
6, 11, 15, 19, 23, 38, 42	<p><u>Equity instruments</u></p> <p>Equity instruments as defined in Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
7	<p><u>Other financial corporations</u></p> <p>Exposures to other financial corporations as defined in point (d) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
8	<p><u>Of which: investment firms</u></p> <p>Exposures to investment firms as defined in Article 4(2) of CRR.</p>

12	<p><u>Of which: management companies</u></p> <p>Exposures to management companies as defined in Article 2(1), point (b) of Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS)²⁰</p>
16	<p><u>Of which: insurance undertakings</u></p> <p>Exposures to insurance undertakings as defined in Article 4(5) of CRR</p>
20	<p><u>Non-financial corporations subject to NFRD disclosure obligations</u></p> <p>Exposures to non-financial corporation as defined in point (e) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451, which are subject to disclosure obligations under Directive 2014/95/EU ('NFRD').</p>
28	<p><u>Of which: commercial real estate loans</u></p> <p>Exposures referred to in point (a) of paragraph 173 and paragraph 239ix of Part 2 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
24	<p><u>Households</u></p> <p>Loans and advances as defined in point (f) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p> <p>Credit institutions shall collect information from their counterparties bilaterally through the loan origination process, and the regular credit review and monitoring process.</p>
25	<p><u>Of which: loans collateralised by residential immovable property</u></p> <p>Loans collateralised by residential immovable property as defined in point (a) of paragraph 173 of Part 2 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p> <p>The taxonomy alignment of these exposures shall only be assessed following a simplified approach for the objective of climate change mitigation in accordance with the technical screening criteria for buildings, namely renovation and acquisition and ownership in accordance with points 7.2., 7.3., 7.4., 7.5, 7.6., and 7.7. respectively, of Annex I to Climate Delegated Act, based on the energy efficiency of the underlying collateral.</p>
26	<p><u>Of which: building renovation loans</u></p> <p>Loans that are granted to households with the purpose of renovating their house.</p> <p>The taxonomy alignment of these exposures shall only be assessed following a simplified approach for the objective of climate change mitigation in accordance with the technical screening criteria for buildings, namely renovation and acquisition and ownership in accordance with points 7.2., 7.3., 7.4., 7.5, 7.6., and</p>

²⁰ Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32–96)

	7.7. respectively, of Annex I to Climate Delegated Act, based on the energy efficiency 1a of the underlying collateral.
27	<p><u>Of which motor vehicle loans</u></p> <p>Motor vehicle loans as defined in point (b)(ii) of paragraph 173 of Part 2 of Annex V to Commission Implementing Regulation (EU) No 2021/451 and other loans granted for the acquisition of a motor vehicle assessed following a simplified approach for the objective of climate change mitigation in accordance with the technical screening criteria for financing, renting, leasing of vehicles in accordance with Section 6.5 of Annex I to Climate Delegated Act, based on the energy efficiency of the underlying vehicle.</p>
28	<p><u>Local governments financing</u></p> <p>The addition of rows 29 and 30.</p>
29	<p><u>Housing financing</u></p> <p>Loans granted by institutions to local government with the aim of funding the acquisition of their place of residence of households in the municipality.</p>
30	<p><u>Other local government financing</u></p> <p>Loans granted by institutions to local government with the aim of funding any assets other than the acquisition of their place of residence of households in the municipality.</p>
31	<p><u>Collateral obtained by taking possession: residential and commercial immovable properties</u></p> <p>Collateral obtained by taking possession as defined in paragraph 341 of Part 2 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p>
32	<p><u>Total GAR assets</u></p> <p>This row shall be equal to row 1 of this template.</p>
	<u>Assets excluded from the numerator for GAR calculation (covered in the denominator)</u>
33	<p><u>EU Non-financial corporations (not subject to NFRD disclosure obligations)</u></p> <p>Exposures to non-financial corporation as defined in point (e) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451, which are located in the EU and not subject to disclosure obligations under Directive 2014/95/EU ('NFRD').</p>
37	<p><u>Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)</u></p> <p>Exposures to non-financial corporation as defined in point (e) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No</p>

	2021/451, which are located outside the EU and not subject to disclosure obligations under Directive 2014/95/EU ('NFRD').
	<u>Assets excluded from the numerator for GAR (covered in the denominator)</u>
41	<u>Derivatives</u> Derivatives not held for trading as defined in section ten of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451.
42	<u>On demand interbank loans</u> 'Other demand deposits' as defined in paragraph 3 of Part 2 of Annex V to Commission Implementing Regulation (EU) No 2021/451.
43	<u>Cash and cash-related assets</u> 'Cash on hand' as defined in paragraph 1 of Part 2 of Annex V to Commission Implementing Regulation (EU) No 2021/451.
44	<u>Other assets (e.g. Goodwill, commodities etc.)</u> Other assets in the balance-sheet of the institution not included in the previous rows of this template or in rows 49 to 51 of this template.
45	<u>Total assets in the denominator (GAR)</u> This row shall be the sum of rows 32, 43 and 44 to 47 of this template.
	<u>Other assets excluded from both the numerator and denominator for GAR calculation</u>
46	<u>Sovereigns</u> General governments as defined in paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451, excluding exposures included in rows 29 and 30 of this template.
47	<u>Central bank exposures</u> Exposures towards central banks.
48	<u>Trading book</u> Financial assets held for trading or trading financial assets as defined in the applicable accounting principles.
49	<u>Total assets excluded from numerator and denominator</u> This row shall be the sum of rows 49 to 51 of this template.
50	<u>Total assets</u> This row shall be the sum of rows 48 and 52 of this template.

Template 8 – GAR (%)

39. Institutions shall follow the instructions below to disclose the information required in ‘Template 8 - GAR (%)’, as presented in Annex XXXIX to this Implementing Regulation.
40. Based on the information included in template 7, Institutions shall disclose in this template the GAR as defined in Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852.
41. The purpose of this template is to show to what extent credit institutions’ activities qualify as environmentally sustainable in accordance with Articles 3 and 9 of Regulation (EU) 2020/852 so that stakeholders can understand the actions put in place by the institutions to mitigate climate change transition and physical risks.
42. While the Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852 requires institutions to estimate and disclose the GAR twice, once based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for those exposures whose purpose is not to finance specific identified activities (general purpose lending), and again based on the CAPEX taxonomy alignment of the counterparty for the same general purpose lending exposures, institutions shall only disclose the GAR once in their Pillar 3 reports, based only on the turnover alignment of the counterparty for the general purpose lending part.
43. This template shall start to apply as of end 2023 first disclosure reference date for the information on the GAR as defined in the Commission Delegated Regulation (EU) .../....

Columns	Instructions
a	<p><u>Proportion of assets funding taxonomy relevant sectors</u></p> <p>The proportion of the stock of assets funding taxonomy-relevant activities (i.e., eligible assets) in total stock of covered assets. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible assets funding taxonomy relevant sectors for the objective of climate change mitigation as defined in the instructions corresponding to column ‘b’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
b	<p><u>Of which: environmentally sustainable</u></p> <p>The proportion of the stock of assets funding environmentally sustainable activities (i.e., aligned assets) in the stock of eligible assets. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible assets funding environmentally sustainable activities for the objective of climate</p>

	<p>change mitigation as defined in the instructions corresponding to column ‘c’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered exposures as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
c	<p><u>Of which: specialised lending</u></p> <p>The proportion of the stock of assets categorised as specialised lending funding environmentally sustainable activities for the objective of climate change mitigation in the stock of assets funding environmentally sustainable activities. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of assets as defined in the instructions corresponding to column ‘d’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
d	<p><u>Of which: transitional</u></p> <p>Article 10 of Regulation (EU) 2020/852.</p> <p>The proportion of the stock of assets related to transitional activities for the objective of climate change mitigation in the stock of assets funding environmentally sustainable activities. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of assets as defined in the instructions corresponding to column ‘e’ of Template 8.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
e	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p> <p>The proportion of the stock of assets related to enabling activities for the objective of climate change mitigation in the stock of assets funding environmentally sustainable activities. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of assets as defined in the instructions corresponding to column ‘f’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
f	<p><u>Proportion of assets funding taxonomy relevant sectors</u></p> <p>The proportion of the stock of assets funding taxonomy-relevant activities (i.e., eligible assets) in total stock of covered assets. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible assets funding taxonomy relevant sectors for the objective of climate change adaptation as defined in the instructions corresponding to column ‘g’ of Template 7.</p>

	<p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
g	<p><u>Of which: environmentally sustainable</u></p> <p>The proportion of the stock of assets funding environmentally sustainable activities (i.e., aligned assets) in the stock of eligible assets. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible assets funding environmentally sustainable activities for the objective of climate change adaptation as defined in the instructions corresponding to column ‘h’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered exposures as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
h	<p><u>Of which: specialised lending</u></p> <p>The proportion of the stock of assets categorised as specialised lending funding environmentally sustainable activities for the objective of climate change adaptation in the stock of assets funding environmentally sustainable activities. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of assets as defined in the instructions corresponding to column ‘i’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
i	<p><u>Of which: adaptation</u></p> <p>Article 11 of Regulation (EU) 2020/852.</p> <p>The proportion of the stock of assets related to adaptation activities for the objective of climate change adaptation in the stock of assets funding environmentally sustainable activities. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of assets as defined in the instructions corresponding to column ‘j’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
j	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p> <p>The proportion of the stock of assets related to enabling activities for the objective of climate change adaptation in the stock of assets funding environmentally sustainable activities. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of assets as defined in the instructions corresponding to column ‘k’ of Template 7.</p>

	The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column 'a' of Template 7.
k	<p><u>Proportion of assets funding taxonomy relevant sectors</u></p> <p>The proportion of the stock of assets funding taxonomy-relevant activities (i.e., eligible assets) for the objectives of climate change mitigation and climate change adaptation, compared to the total stock of covered assets. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible assets funding taxonomy relevant sectors as defined in the instructions corresponding to column 'l' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column 'a' of Template 7.</p>
l	<p><u>Of which: environmentally sustainable</u></p> <p>The proportion of the stock of assets funding environmentally sustainable activities for the objectives of climate change mitigation and adaptation in the stock of eligible assets. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible assets funding environmentally sustainable activities as defined in the instructions corresponding to column 'm' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered exposures as defined in the instructions corresponding to column 'a' of Template 7.</p>
m	<p><u>Of which: specialised lending</u></p> <p>The proportion of the stock of assets categorised as specialised lending funding environmentally sustainable activities for the objectives of climate change mitigation and adaptation in the stock of assets funding environmentally sustainable activities. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of assets as defined in the instructions corresponding to column 'n' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered assets as defined in the instructions corresponding to column 'a' of Template 7.</p>
n	<p><u>Of which: transitional/adaptation</u></p> <p>Article 10 and Article 11 of Regulation (EU) 2020/852.</p> <p>The percentage shall correspond to column (d) and column (i).</p>
o	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p> <p>The percentage shall correspond to column (e) and column (j).</p>
p	<u>Proportion of total assets covered</u>

	<p>The proportion of total assets covered by the GAR. The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of the stock of covered assets as defined in the instructions corresponding to 1 of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of total assets on institutions' balance sheet as defined in instructions corresponding to row 53 of Template 7.</p>
q	<p><u>Proportion of new assets funding taxonomy relevant sectors</u></p> <p>The proportion of new assets (i.e., assets originated within the current disclosure period) funding taxonomy-relevant activities (i.e., eligible assets) for the objective of climate change mitigation in total new eligible assets (i.e. eligible assets originated within the current disclosure period). New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets funding taxonomy relevant sectors as defined in the instructions corresponding to column 'b' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
r	<p><u>Of which: environmentally sustainable</u></p> <p>Institutions shall disclose the proportion of new assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities for the objective of climate change mitigation in total new eligible assets (i.e. eligible assets originated within the current disclosure period). New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'c' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
s	<p><u>Of which: specialised lending</u></p> <p>The proportion of new assets (i.e. assets originated within the current disclosure period) categorised as specialised lending funding environmentally sustainable activities for the objective of climate change mitigation in total new eligible assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities. New eligible assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'd' of Template 8.</p>

	<p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
t	<p><u>Of which: transitional</u></p> <p>Article 10 of Regulation (EU) 2020/852.</p> <p>The proportion of the new assets (i.e. assets originated within the current disclosure period) related to transitional activities for the objective of climate change mitigation in total new eligible assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities. New eligible assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column ‘e’ of Template 8.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered new assets from those assets, as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
u	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p> <p>The proportion of the new assets (i.e. assets originated within the current disclosure period) related to enabling activities for the objective of climate change mitigation in total new eligible assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities. New eligible assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column ‘f’ of Template 8.</p> <p>The denominator of the KPI shall be the gross carrying amount of covered new assets from those assets, as defined in the instructions corresponding to column ‘a’ of Template 7.</p>
v	<p><u>Proportion of new assets funding taxonomy relevant sectors</u></p> <p>The proportion of new assets (i.e. assets originated within the current disclosure period) funding activities covered by the EU Taxonomy for the objective of climate change adaptation in total new eligible assets (i.e. eligible assets originated within the current disclosure period). New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets funding taxonomy relevant sectors as defined in the instructions corresponding to column ‘g’ of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column ‘a’ of Template 7.</p>

w	<p><u>Of which: environmentally sustainable</u></p> <p>The proportion of new assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities for the objective of climate change adaptation in total new eligible assets (i.e. eligible assets originated within the current disclosure period). New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'h' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
x	<p><u>Of which: specialised lending</u></p> <p>The proportion of new assets (i.e. assets originated within the current disclosure period) categorised as specialised lending funding environmentally sustainable activities for the objective of climate change adaptation in total new eligible assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities. New eligible assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'i' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
y	<p><u>Of which: adaptation</u></p> <p>Article 11 of Regulation (EU) 2020/852.</p> <p>The proportion of the new assets (i.e. assets originated within the current disclosure period) related to transitional activities for the objective of climate change adaptation in total new eligible assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities. New eligible assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'j' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
z	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p>

	<p>The proportion of the new assets (i.e. assets originated within the current disclosure period) related to enabling activities for the objective of climate change adaptation in total new eligible assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities. New eligible assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'k' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
aa	<p><u>Proportion of assets funding taxonomy relevant sectors</u></p> <p>The proportion of new assets (i.e. assets originated within the current disclosure period) funding activities covered by the EU Taxonomy for the objectives of climate change mitigation and climate change adaptation in total new eligible assets (i.e. eligible assets originated within the current disclosure period). New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets funding taxonomy relevant sectors as defined in the instructions corresponding to column 'l' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
ab	<p><u>Of which: environmentally sustainable</u></p> <p>The proportion of new assets (i.e. assets originated within the current disclosure period) funding environmentally sustainable activities for the objective of climate change mitigation and climate change adaptation in total new eligible assets (i.e. eligible assets originated within the current disclosure period). New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'm' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
ac	<p><u>Of which: specialised lending</u></p> <p>The proportion of new assets (i.e. assets originated within the current disclosure period) categorised as specialised lending funding environmentally sustainable activities for the objectives of climate change mitigation and climate change adaptation in total new assets (i.e. assets originated within the current disclosure</p>

	<p>period) funding environmentally sustainable activities. New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the gross carrying amount of eligible new assets as defined in the instructions corresponding to column 'n' of Template 7.</p> <p>The denominator of the KPI shall be the gross carrying amount of new covered assets from those assets, as defined in the instructions corresponding to column 'a' of Template 7.</p>
ad	<p><u>Of which: transitional/adaptation</u></p> <p>Article 10 and Article 11 of Regulation (EU) 2020/852.</p> <p>The percentage shall correspond to column (t) and column (y).</p>
ae	<p><u>Of which: enabling</u></p> <p>Article 16 of Regulation (EU) 2020/852.</p> <p>The percentage shall correspond to column (u) and column (z).</p>
af	<p><u>Proportion of new total assets covered</u></p> <p>The proportion of new total assets covered by the GAR. New assets shall be calculated net of repayments and other reductions.</p> <p>The item shall be expressed as a percentage.</p> <p>The numerator of the KPI shall be the difference in the gross carrying amount of covered assets, as defined in the instructions corresponding to row 1 of Template 7, between current disclosure period (t) and previous disclosure period (t-1).</p> <p>The denominator of the KPI shall be the difference in the gross carrying amount of new total assets, as defined in the instructions corresponding to row 53 of Template 7, between current disclosure period (t) and previous disclosure period (t-1).</p>
Rows	Instructions
1	<u>GAR</u> as defined as defined in Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852.
2	<p><u>Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation</u></p> <p>GAR % for exposures in row 1 of Template 7.</p>
3	<p><u>Financial corporations</u></p> <p>GAR % for exposures in row 2 of Template 7.</p>
4	<p><u>Credit institutions</u></p> <p>GAR % for exposures in row 3 of Template 7.</p>
5	<u>Other financial corporations</u>

	GAR % for exposures in row 7 of Template 7.
6	<u>Of which: investment firms</u> GAR % for exposures in row 8 of Template 7.
7	<u>Of which: management companies</u> GAR % for exposures in row 12 of Template 7.
8	<u>Of which: insurance undertakings</u> GAR % for exposures in row 16 of Template 7.
9	<u>NFCs subject to NFRD disclosure obligations</u> GAR % for exposures in row 20 of Template 7.
10	<u>Households</u> GAR % for exposures in row 24 of Template 7.
11	<u>Of which loans collateralised by residential immovable property</u> GAR % for exposures in row 25 of Template 7.
12	<u>Of which building renovation loans</u> GAR % for exposures in row 26 of Template 7.
13	<u>Of which motor vehicle loans</u> GAR % for exposures in row 27 of Template 7.
14	<u>Local government financing</u> GAR % for exposures in row 28 of Template 7.
15	<u>Housing financing</u> GAR % for exposures in row 29 of Template 7.
16	<u>Other local government financing</u> GAR % for exposures in row 30 of Template 7.
17	<u>Collateral obtained by taking possession: residential and commercial immovable properties</u> GAR % for exposures in row 31 of Template 7.

Template 9 - Mitigating actions: BTAR

44. In addition, institutions shall include in this template, for those counterparties that are non-financial corporates and do not have disclosure obligations, on a best effort basis and based on information collected on a bilateral basis from their counterparties or calculated using estimates, extended information on the taxonomy eligibility and

taxonomy alignment with regards to the environmental objectives of climate change mitigation and climate change adaptation, as defined in Article 9, points (a) and (b) of Regulation (EU) 2020/852, of those exposures towards EU Non-financial corporations not subject to NFRD disclosure obligations and Non-EU Non-financial corporations not subject to NFRD disclosure obligations. This information shall be disclosed only once, based on counterparties turnover alignment for the general-purpose lending loans, as in the case of the GAR.

45. This template shall apply as of end June 2024 first disclosure reference date.

Template 9.1 - Mitigating actions: Assets for the calculation of BTAR

46. Institutions shall disclose in this template the gross carrying amount of the assets relevant for the calculation of the BTAR.

1	<p>TOTAL GAR ASSETS</p> <p><u>As disclosed in row 32 of template 7.</u></p>
2	<p><u>EU Non-financial corporations (not subject to NFRD disclosure obligations)</u></p> <p>Exposures to non-financial corporation as defined in point (e) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451, which are located in the EU and not subject to disclosure obligations under Directive 2014/95/EU ('NFRD').</p> <p>Where the counterparty is not subject to disclosures under Article 8 of Regulation (EU) 2020/852, for the calculation of the percentage of taxonomy-aligned exposures, institutions shall, on a best effort basis, collect information from their counterparties on a bilateral basis through the loan origination, and regular credit review and monitoring process. Only if the counterparty is not able to provide the relevant data, credit institutions shall make use of internal estimates and proxies and explain in the narrative accompanying the template the extent of use of these estimates and the kind of estimates applied. Where institutions are unable to collect on a bilateral basis or estimate relevant information, or are unable to do it in a reasonable way that is not overburdensome for them or their counterparties, they shall explain it in the narrative accompanying the template, explaining the reasons and counterparties affected.</p> <p>For disclosures involving corporates not subject to NFRD disclosure obligations, including SMEs, when assessing general purpose lending/financing with unknown use of proceeds, institutions shall follow a simplified approach and focus their assessment on the main economic activity of the corporate, that is, on their main source of turnover, in order to determine the overall alignment of the exposures with the Taxonomy Regulation. In the case of specialised lending the assessment shall be based on the extent and proportion to which the specific project funded qualify as contributing substantially to climate change mitigation or adaptation (project specific information).</p>
4	<p><u>Of which: loans collateralised by commercial immovable property</u></p>

	<p>Exposures referred to in point (a) of paragraph 173 and paragraph 239ix of Part 2 of Annex V to Commission Implementing Regulation (EU) No 2021/451.</p> <p>The taxonomy alignment of these exposures shall only be assessed following a simplified approach, for the objective of climate change mitigation in accordance with the technical screening criteria for buildings, namely renovation and acquisition and ownership in accordance with points 7.2., 7.3., 7.4., 7.5, 7.6., and 7.7. respectively, of Annex I to Climate Delegated Act, based on the energy efficiency of the underlying collateral.</p>
5	<p><u>Of which: building renovation loans</u></p> <p>Loans that are granted to SMEs and other non-financial corporations not subject to NFRD disclosure obligations with the purpose of renovating their house.</p> <p>The taxonomy alignment of these exposures shall only be assessed following a simplified approach, for the objective of climate change mitigation in accordance with the technical screening criteria for buildings, namely renovation and acquisition and ownership in accordance with points 7.2., 7.3., 7.4., 7.5, 7.6., and 7.7. respectively, of Annex I to Climate Delegated Act, based on the energy efficiency of the underlying collateral.</p>
8	<p><u>Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)</u></p> <p>Exposures to non-financial corporation as defined in point (e) of paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) No 2021/451, which are located outside the EU and not subject to disclosure obligations under Directive 2014/95/EU ('NFRD').</p> <p>Where institutions are providing this information in their disclosures under Article 8 of Regulation (EU) 2020/852 in accordance with Article 7(7) of Commission Delegated Regulation (EU) .../... supplementing Regulation (EU) 2020/852, they shall disclose here the same information. Otherwise, institutions shall collect information from their counterparties on a bilateral basis through the loan origination, and regular credit review and monitoring process, or use the following proxies for the disclosure of information on non-EU exposures on a best-effort-basis:</p> <ol style="list-style-type: none"> their own models and the classification of exposures according to them. In this case institutions shall explain the main features of the models applied; where available, counterparties' public disclosures based on international standards (e.g. TCFD); institutions shall in this case explain the type of information available and the standards applied; Other publicly available data. <p>Institutions shall explain in the narrative accompanying to this template the sources used for the disclosure of this information. Where institutions are unable to collect on a bilateral basis or estimate relevant information or are unable to do</p>

	<p>it in a reasonable way that is not overburdensome for them or their counterparties, they shall explain it in the narrative accompanying the template, explaining the reasons and counterparties affected.</p> <p>For this type of counterparties, when assessing general purpose lending/financing with unknown use of proceeds, institutions shall follow a simplified approach and focus their assessment on the main economic activity of the corporate, that is, on their main source of turnover, in order to determine the overall alignment of the exposures with the Taxonomy Regulation. In the case of specialised lending the assessment shall be based on the extent and proportion to which the specific project funded qualify as contributing substantially to climate change mitigation or adaptation (project specific information), and for the real estate portfolio the assessment shall be conducted for the objective of climate change mitigation based on the energy efficiency of the underlying collateral and their alignment with criteria specified for the relevant activities in the Taxonomy Regulation.</p>
Row 12	<p>TOTAL BTAR ASSETS</p> <p>Sum of rows 1, 2 and 8</p>
Rows 13 to 19	See definitions in template 7 (rows 41 to 50)

Template 9.2 - BTAR %

47. Institutions shall disclose in this template the % of BTAR assets as disclosed in template 1 compared to the total assets in the denominator of the BTAR as disclosed in row 17 of template 9.1.

Template 9.2 - BTAR %

48. This template includes a summary of the BTAR KPI, breakdown by climate change environmental objective, and total, and with the breakdown for stock and flow.

Template 10 – Other climate change mitigating actions that are not covered in the EU Taxonomy

49. This template covers other climate change mitigating actions and includes exposures of the institutions that are not taxonomy aligned according to templates 7 and 8 but that still support counterparties in the transition and adaptation process for the objectives of climate change mitigation and climate change adaptation. These mitigating actions and activities shall include bonds and loans issued under standards other than the EU standards, like e.g. green bonds; sustainable bonds that are linked to aspects on climate change; sustainability-linked bonds that are linked to aspects on climate change; green loans; sustainability loans that are linked to aspects on climate change; sustainability-linked loans that are linked to aspects on climate change.

50. Institutions shall include in the narrative accompanying this template detailed explanations on the nature and type of mitigating actions reflected in this template,

including information on the type of risks that they aim to mitigate, climate change objectives that they support, on the related counterparties and on the timing of the actions. They shall also explain why these exposures are not fully aligned with the EU Taxonomy criteria, and are not sustainable according to the taxonomy regulation but still contribute towards mitigating climate change risk transition or physical risk, as well as any other relevant information that may help understand the risk management framework of the institution.

Columns	Instructions
a	<p><u>Type of financial instrument</u></p> <p>The type of financial instrument in accordance with Annex V to Commission Implementing Regulation (EU) (EU) No 2021/451.</p> <p>Institutions shall use their internal definitions and common definitions available at the EU level, such in current industry practices.</p>
b	<p><u>Type of counterparty</u></p> <p>The type of counterparty in accordance with paragraph 42 of Part 1 of Annex V to Commission Implementing Regulation (EU) (EU) No 2021/451.</p>
c	<p><u>Gross carrying amount (million EUR)</u></p> <p>The gross carrying amount as defined in paragraph 34 of Part 1 of Annex V to Commission Implementing Regulation (EU) (EU) No 2021/451.</p>
d	<p><u>Type of risk mitigated (Climate change transition risk)</u></p> <p>Indication of the type of risk that is being mitigated with that action: climate change transition risk.</p>
e	<p><u>Type of risk mitigated (Climate change physical risk)</u></p> <p>Indication of the type of risk that is being mitigated with that action: climate change physical risk.</p>
f	<p><u>Qualitative information on the nature of the mitigating actions</u></p> <p>Open text on the nature of the mitigating actions by contributing to climate change mitigation in accordance with Article 10 of Regulation (EU) 2020/852 and to climate change adaptation in accordance with Article 11 of that Regulation, and on the reasons why the exposures do not compute as taxonomy aligned for the purpose of the green asset ratio.</p>