

Chapter 5

Commission Implementing Regulation (EU) 2016/200

**ANNEX II INSTRUCTIONS FOR THE
COMPLETION OF THE TEMPLATES IN
ANNEX I**

PART 1: GENERAL INSTRUCTIONS

01/01/2021

1.

Conventions and reference data

01/01/2021

1.1.

Conventions

(1) The following general notation is followed in the instructions: {Template;Row}.

(2) The following notation is followed where the instructions cross refer to cell(s) in Annex XI of Commission Implementing Regulation (EU) No 680/2014: {Annex XI SupRep;Template;Row;Column}.

(3) For the purpose of the disclosure of the leverage ratio, "of which" shall refer to an item that is a subset of a higher level exposure category.

(4) Just as is the case for the entire titles of these rows, institutions shall disclose the values in rows {LRCom;2}, {LRCom;7}, {LRCom;8}, {LRCom;10}, {LRCom;13}, {LRCom;EU-15a}, {LRCom;18}, {LRCom;EU-19a}, and {LRCom;EU-19b} between brackets as the values disclosed in these rows reduce the leverage ratio exposure. Institutions shall ensure that these values contribute negatively to the sums to be disclosed in {LRCom;3}, {LRCom;11}, {LRCom;16}, {LRCom;19}, and {LRCom;21}.

01/01/2021

1.2.

Reference data

<p>01/01/2021</p>	<p>(5) In the cell "Reference date" institutions shall insert the date which all information that they disclose in templates LRSum, LRCom and LRSpl refer to. This date shall be the last calendar day of the third month of the respective quarter.</p> <p>(6) In the cell "Entity name" institutions shall insert the name of the entity to which the data provided in templates LRSum, LRCom, LRSpl, and LRQua refer.</p> <p>(7) In the cell "Level of application" institutions shall indicate the level of application that forms the basis for the data provided in the templates. When completing this cell institutions shall select one of the following:</p> <ul style="list-style-type: none"> • Consolidated • Individual • Subconsolidated <p>1.3.</p> <p>Reference data</p> <p>(8) For the purposes of this annex and related templates the following abbreviations are used:</p> <ul style="list-style-type: none"> • CRR, which is an abbreviation of Capital Requirements Regulation and shall mean Regulation (EU) No 575/2013. • SFT, which is an abbreviation of Securities Financing Transaction and shall mean "repurchase transactions, securities or commodities lending or borrowing transactions, long settlement transactions and margin lending transactions" of Regulation (EU) No 575/2013.
<p>01/01/2021</p>	<p>PART 2: TEMPLATE-SPECIFIC INSTRUCTIONS</p> <p>2.</p> <p>Template LRSum: Summary reconciliation of accounting assets and leverage ratio exposures</p> <p>(9) Institutions shall apply the instructions provided in this section in order to complete template LRSum of Annex I.</p>

	Legal references and instructions
Row	
{1}	Total assets as per published financial statements

	<p>Institutions shall disclose the total assets as published in their financial statements under the applicable accounting framework as defined in Article 4(1)(77) of Regulation (EU) No 575/2013.</p>
{2}	<p>Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation</p> <p>Institutions shall disclose the difference in value between the leverage ratio exposure as disclosed in {LRSum;8} and total accounting assets as disclosed in {LRSum;1} that results from differences between the accounting scope of consolidation and the regulatory scope of consolidation.</p> <p>If this adjustment leads to an increase in exposure, institutions shall disclose this as a positive amount. If this adjustment leads to a decrease in exposure, institutions shall disclose this as a negative amount.</p>
{3}	<p>(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with Article 429(13) of Regulation (EU) No 575/2013)</p> <p>Institutions shall disclose the amount of derecognised fiduciary items in accordance with Article 429(13) of Regulation (EU) No 575/2013.</p> <p>As this adjustment reduces the total leverage ratio total exposure measure, institutions shall place the value disclosed in this row between brackets (which signifies a negative amount).</p>
{4}	<p>Adjustment for derivative financial instruments</p> <p>For credit derivatives and contracts listed in Annex II of Regulation (EU) No 575/2013, institutions shall disclose the difference in value between the accounting value of the derivatives recognised as assets and the leverage ratio exposure value as determined by application of Article 429(4)(b), Article 429(9) in conjunction with Article 429a, 429(11) (a) and (b) and 429(12) and of Regulation (EU) No 575/2013.</p> <p>If this adjustment leads to an increase in exposure, institutions shall disclose this as a positive amount. If this adjustment leads to a decrease in exposure, institutions shall place this amount between brackets (which signifies a negative amount).</p>
{5}	<p>Adjustment for securities financing transactions (SFTs)</p> <p>For SFTs institutions shall disclose the difference in value between the accounting value of the SFTs recognised as assets and the leverage ratio exposure value as determined by application of Article 429(4)(a) and (c) in conjunction with Article 429b, Articles 429(5) (c) and (d), 429 (8), and 429 (11)(c)-(f) of Regulation (EU) No 575/2013.</p> <p>If this adjustment leads to an increase in the exposure, institutions shall disclose this as a positive amount. If this adjustment leads to a decrease in exposure, institutions shall place this amount between brackets (which signifies a negative amount).</p>
{6}	<p>Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)</p> <p>Institutions shall disclose the difference in value between the leverage ratio exposure as disclosed in {LRSum;8} and total accounting assets as disclosed in {LRSum;1} that results from the inclusion of off-balance sheet items in the leverage ratio total exposure measure.</p> <p>As this adjustment increases the leverage ratio total exposure measure, it shall be disclosed as a positive amount.</p>
{EU-6a}	<p>(Adjustment for exempted intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)</p> <p>Articles 429(7), 113(6) of Regulation (EU) No 575/2013</p> <p>Institutions shall disclose the on balance sheet portion of exposures excluded from the leverage ratio total exposure measure in accordance with 429(7) of Regulation (EU) No 575/2013 provided that all the conditions set out in points (a) to (e) of Article 113(6) of</p>

	<p>Regulation (EU) No 575/2013 are met and where the competent authorities have given their approval. As this adjustment reduces the leverage ratio total exposure measure, institutions shall place the value disclosed in this row between brackets (which signifies a negative amount).</p>
{EU-6b}	<p>(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013) Article 429(14) of Regulation (EU) No 575/2013 Institutions shall disclose the on balance sheet portion of exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013 subject to the therein stated conditions being met and where the competent authorities have given their approval. As this adjustment reduces the leverage ratio total exposure measure, institutions shall place the values disclosed in this row between brackets (which signifies a negative amount).</p>
{7}	<p>Other adjustments Institutions shall include any remaining difference in value between the leverage ratio exposure as disclosed in {LRSum;8} and total accounting assets as disclosed in {LRSum;1} that is not included in {LRSum;2}, {LRSum;3}, {LRSum;4}, {LRSum;5}, {LRSum;6}, {LRSum;EU-6a}, or {LRSum;EU-6b}. This may include, for example, the asset amounts that are deducted from Tier 1 capital and that are therefore subtracted from the leverage ratio total exposure measure as per {LRCom;2} If these adjustments lead to an increase in the exposure, institutions shall report this as a positive amount. If these adjustments lead to a decrease in exposure, the institutions shall place this amount between brackets (which signifies a negative amount).</p>
{8}	<p>Leverage ratio total exposure measure Institutions shall disclose the amount disclosed in {LRCom;21}.</p>

01/01/2021

3.

Template LRCom: Leverage ratio common disclosure

(10) Institutions shall apply the instructions provided in this section in order to complete template LRCom of Annex I.

Row	Legal references and instructions
{1}	<p>On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral) Article 429 of Regulation (EU) No 575/2013 Institutions shall disclose all assets other than contracts listed in Annex II of Regulation (EU) No 575/2013, credit derivatives, SFTs and fiduciary assets in accordance with Article 429(13) of Regulation (EU) No 575/2013. Institutions shall base the valuation of these assets on the principles set out in Article 429(5) of Regulation (EU) No 575/2013. Institutions shall include in this cell cash received or any security that is provided to a counterparty via SFTs and that is retained on the balance sheet (i.e. the accounting criteria for derecognition under the applicable accounting framework are not met).</p>
{2}	<p>(Asset amounts deducted in determining Tier 1 capital) Article 429(4)(a) and Article 499(2) of Regulation (EU) No 575/2013</p>

	<p>Institutions shall disclose the amount of regulatory value adjustments made to Tier 1 amounts in accordance with the choice made pursuant to Article 499(2) of Regulation (EU) No 575/2013, as disclosed in {LRCom;EU-23}.</p> <p>More specifically, institutions shall disclose the value of the sum of all the adjustments that target the value of an asset and which are required by:</p> <ul style="list-style-type: none"> • Articles 32 to 35 of Regulation (EU) No 575/2013, or • Articles 36 to 47 of Regulation (EU) No 575/2013, or • Articles 56 to 60 of Regulation (EU) No 575/2013, <p>as applicable.</p> <p>Where the choice to disclose Tier 1 capital is made in accordance with Article 499(1) (a) of Regulation (EU) No 575/2013, institutions shall take into account the exemptions, alternatives and waivers to such deductions laid down in Articles 48, 49 and 79 of Regulation (EU) No 575/2013, without taking into account the derogation laid down in Chapters 1 and 2 of Title I of Part Ten of Regulation (EU) No 575/2013. In contrast, where the choice to disclose Tier 1 capital is made in accordance with Article 499(1) (b) of Regulation (EU) No 575/2013, institutions shall take into account exemptions, alternatives and waivers to such deductions laid down in Articles 48, 49 and 79 of REGULATION (EU) No 575/2013, in addition to taking into account the derogations laid down in Chapter 1 and 2 of Title I of Part Ten of Regulation (EU) No 575/2013</p> <p>To avoid double counting, institutions shall not report adjustments already applied pursuant to Article 111 of Regulation (EU) No 575/2013 when calculating the exposure value in rows 1, 4 and, 12 nor shall they report any adjustment that does not deduct the value of a specific asset.</p> <p>Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;3}).</p>
{3}	<p>Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)</p> <p>The sum of {LRCom;1} and {LRCom;2}. Institutions shall take into account that {LRCom;2} contributes negatively to this sum.</p>
{4}	<p>Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)</p> <p>Articles 274, 295, 296, 297, 298, 429a and 429a(3) of Regulation (EU) No 575/2013</p> <p>Institutions shall disclose the current replacement cost as specified in Article 274(1) of contracts listed in Annex II of Regulation (EU) No 575/2013 and credit derivatives including those that are off-balance sheet. These replacement costs shall be net of eligible cash variation margin in accordance with Article 429a(3) of Regulation (EU) No 575/2013 whereas any cash variation margin received on an exempted CCP leg in accordance with Article 429(11) of Regulation (EU) No 575/2013 shall not be included. As determined by Article 429a(1) of Regulation (EU) No 575/2013, institutions may take into account the effects of contracts for novation and other netting agreements in accordance with Article 295 of Regulation (EU) No 575/2013. Cross-product netting shall not apply. However, institutions may net within the product category referred to in point (25)(c) of Article 272 of Regulation (EU) No 575/2013 and credit derivatives when they are subject to a contractual cross-product netting agreement referred to in Article 295(c) of Regulation (EU) No 575/2013.</p> <p>Institutions shall include all credit derivatives, not solely those in the trading book. Institutions shall not include in this cell contracts measured by application of the Original Exposure Method in accordance with Articles 429a(8) and 275 of Regulation (EU) No 575/2013.</p>
{5}	<p>Add-on amount for PFE associated with all derivatives transactions (mark-to-market method)</p> <p>Articles 274, 295, 296, 297, 298, 299 (2) and 429a of Regulation (EU) No 575/2013</p>

	<p>Institutions shall disclose the add-on for the potential future exposure of contracts listed in Annex II of Regulation (EU) No 575/2013 and of credit derivatives including those that are off-balance sheet calculated in accordance with the Mark-to-market Method (Article 274 of Regulation (EU) No 575/2013 for contracts listed in Annex II of Regulation (EU) No 575/2013 and Article 299(2) of Regulation (EU) No 575/2013 for credit derivatives) and applying netting rules in accordance with Article 429a(1) of Regulation (EU) No 575/2013. In determining the exposure value of those contracts, institutions may take into account the effects of contracts for novation and other netting agreements in accordance with Article 295 of Regulation (EU) No 575/2013. Cross-product netting shall not apply. However, institutions may net within the product category referred to in point (25)(c) of Article 272 of Regulation (EU) No 575/2013 and credit derivatives when they are subject to a contractual cross-product netting agreement referred to in Article 295(c) of Regulation (EU) No 575/2013.</p> <p>In accordance with Article 429a(1), subparagraph 2 of Regulation (EU) No 575/2013, when determining the potential future credit exposure of credit derivatives, institutions shall apply the principles laid down in Article 299(2)(a) of Regulation (EU) No 575/2013 to all their credit derivatives, not just those assigned to the trading book.</p> <p>Institutions shall not include in this cell contracts measured by application of the Original Exposure Method in accordance with Articles 429a(8) and 275 of Regulation (EU) No 575/2013.</p>
{EU-5a}	<p>Exposure determined under Original Exposure Method Articles 429a(8) and 275 of Regulation (EU) No 575/2013</p> <p>Institutions shall disclose the exposure measure of contracts listed in points 1 and 2 of Annex II of Regulation (EU) No 575/2013 calculated in accordance with the Original Exposure Method set out in Article 275 of Regulation (EU) No 575/2013.</p> <p>Institutions that apply the Original Exposure Method shall not reduce the exposure measure by the amount of variation margin received in cash in accordance with Article 429a(8) of Regulation (EU) No 575/2013.</p> <p>Institutions that do not use the Original Exposure Method shall not report this cell.</p> <p>Institutions shall not include in this cell contracts measured by application of the Mark-to-market method in accordance with Articles 429a(1) and 274 of Regulation (EU) No 575/2013.</p>
{6}	<p>Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework Article 429a(2) of Regulation (EU) No 575/2013</p> <p>Institutions shall disclose the amount of any derivatives collateral provided where the provision of that collateral reduces the amount of assets under the applicable accounting framework, as set out in Article 429a(2) of Regulation (EU) No 575/2013.</p> <p>Institutions shall not include in this cell initial margin for client-cleared derivative transactions with a qualifying CCP (QCCP) or eligible cash variation margin, as defined in Article 429a(3) of Regulation (EU) No 575/2013.</p>
{7}	<p>(Deductions of receivables assets for cash variation margin provided in derivatives transactions) Article 429a(3) of Regulation (EU) No 575/2013</p> <p>Institutions shall disclose the receivables for variation margin paid in cash to the counterparty in derivatives transactions if the institution is required, under the applicable accounting framework, to recognise these receivables as an asset, provided that the conditions in points (a) to (e) of Article 429a(3) of Regulation (EU) No 575/2013 are met. The amount disclosed shall also be included in {LRCom;1}.</p> <p>Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;11}).</p>
{8}	<p>(Exempted CCP leg of client-cleared trade exposures) Article 429(11) of Regulation (EU) No 575/2013</p>

	<p>Institutions shall disclose the exempted trade exposures to a QCCP from client-cleared derivatives transactions, provided that those items meet the conditions laid down in Article 306(1)(c) of Regulation (EU) No 575/2013.</p> <p>The part of the above-mentioned amount which is associated with the replacement cost shall be disclosed gross of cash variation margin.</p> <p>The amount disclosed shall also be included, correspondingly, in: {LRCom;1}, {LRCom;4}, {LRCom;5}, and {LRCom;EU-5a}.</p> <p>Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;11}).</p>
{9}	<p>Adjusted effective notional amount of written credit derivatives Article 429a(5) to (7) of Regulation (EU) No 575/2013 Institutions shall disclose the capped notional value of written credit derivatives (i.e. where the institution is providing credit protection to a counterparty) as set out in Article 429a(5) to (7) of Regulation (EU) No 575/2013.</p>
{10}	<p>(Adjusted effective notional offsets and add-on deductions for written credit derivatives) Article 429a(5) to (7) of Regulation (EU) No 575/2013 Institutions shall disclose the capped notional value of purchased credit derivatives (i.e. where the institution is buying credit protection from a counterparty) on the same reference names as those credit derivatives written by the institution, where the remaining maturity of the purchased protection is equal to or greater than the remaining maturity of the sold protection. Hence, the value shall not be greater than the value entered in {LRCom;9} for each reference name. Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;11}).</p>
{11}	<p>Total derivatives exposures (sum of lines 4 to 10) Sum of {LRCom;4}, {LRCom;5}, {LRCom;EU-5a}, {LRCom;6}, {LRCom;7}, {LRCom;8}, {LRCom;9} and {LRCom;10}. Institutions shall take into account that {LRCom;7}, {LRCom;8}, and {LRCom;10} contribute negatively to this sum.</p>
{12}	<p>Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions Articles 4(1)(77), 206 and 429b(5) of Regulation (EU) No 575/2013 Institutions shall disclose the accounting balance sheet value under the applicable accounting framework of SFTs that are both covered and not covered by a master netting agreement eligible under Article 206 of Regulation (EC) No 575/2013 where the contracts are recognised as assets on the balance sheet assuming no prudential or accounting netting or risk mitigation effects (i.e. the accounting balance sheet value adjusted for the effects of accounting netting or risk mitigation). Furthermore, where sale accounting is achieved for a SFT under the applicable accounting framework, institutions shall reverse all sales-related accounting entries in accordance with Article 429b(5) of Regulation (EU) No 575/2013. Institutions shall not include in this cell cash received or any security that is provided to a counterparty via the aforementioned transactions and is retained on the balance sheet (i.e. the accounting criteria for derecognition are not met).</p>
{13}	<p>(Netted amounts of cash payables and cash receivables of gross SFT assets) Articles 4(1)(77), 206, 429(5)(d), 429(8) and 429b(5) of Regulation (EU) No 575/2013 Institutions shall disclose the cash payables amount of gross SFT assets that have been netted in accordance with Article 429(8) of Regulation (EU) No 575/2013 Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;16}).</p>

{14}	<p>Counterparty credit risk exposure for SFT assets Article 429b(1) of Regulation (EU) No 575/2013 Institutions shall disclose the add-on for counterparty credit risk of SFTs including those that are off-balance sheet determined in accordance with Article 429b(2) or (3) of Regulation (EU) No 575/2013, as applicable. Institutions shall include in this cell transactions in accordance with Article 429b(6)(c) of Regulation (EU) No 575/2013. Institutions shall not include in this cell agent SFTs where the institution provides an indemnity or guarantee to a customer or counterparty limited to any difference between the value of the security or cash the customer has lent and the value of collateral the borrower has provided in accordance with Article 429b(6)(a) of Regulation (EU) No 575/2013. Institutions shall instead include those items in {LRCom;15}.</p>
{EU-14a}	<p>Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429b(4) and 222 of Regulation (EU) No 575/2013 Articles 429b(4) and 222 of Regulation (EU) No 575/2013 Institutions shall disclose the add-on for SFTs including those that are off-balance sheet calculated in accordance with Article 222 of Regulation (EU) No 575/2013, subject to a 20 % floor for the applicable risk weight. Institutions shall include in this cell transactions in accordance with Article 429b(6)(c) of Regulation (EU) No 575/2013. Institutions shall not include in this cell transactions for which the add-on part of the leverage ratio exposure value is determined in accordance with the method defined in Article 429b(1) of Regulation (EU) No 575/2013.</p>
{15}	<p>Agent transaction exposures Article 429b, (2), (3) and (6)(a) of Regulation (EU) No 575/2013 Institutions shall disclose the exposure value for agent SFTs where the institution provides an indemnity or guarantee to a customer or counterparty limited to any difference between the value of the security or cash the customer has lent and the value of collateral the borrower has provided in accordance with Article 429b(6)(a) of Regulation (EU) No 575/2013, consists only of the add-on determined in accordance with Article 429b(2) or (3) of Regulation (EU) No 575/2013, as applicable. Institutions shall not include in this cell transactions in accordance with Article 429b(6)(c) of Regulation (EU) No 575/2013.</p>
{EU-15a}	<p>(Exempted CCP leg of client-cleared SFT exposure) Articles 429(11) and 306(1)(c) of Regulation (EU) No 575/2013 Institutions shall disclose the exempted CCP leg of client-cleared trade exposures of SFTs, provided that those items meet the conditions laid down in Article 306(1)(c) of Regulation (EU) No 575/2013. Where the exempted leg to the CCP is a security it shall not be included in this cell unless it is a repledged security that under the applicable accounting framework (i.e. in accordance with the first sentence of Article 111(1) of Regulation (EU) No 575/2013) is included at full value. Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;16}).</p>
{16}	<p>Total SFT exposures (sum of lines 12 to 15a) Institutions shall disclose the sum of {LRCom; 12}, {LRCom;EU-12a}, {LRCom;13}, {LRCom;14}, {LRCom;15} and {LRCom;EU-15a}. Institutions shall take into account that {LRCom;13} and {LRCom;EU-15a} contribute negatively to this sum.</p>
{17}	<p>Off-balance sheet exposures at gross notional amount Article 429(10) of Regulation (EU) No 575/2013</p>

	<p>Institutions shall disclose the nominal value of all off-balance sheet items as defined in Article 429(10) of Regulation (EU) No 575/2013, before any adjustment for conversion factors.</p>
{18}	<p>(Adjustments for conversion to credit equivalent amounts) Article 429(10) of Regulation (EU) No 575/2013 Institutions shall include the difference in value between the nominal value of off-balance sheet items as disclosed on {LRCom;17} and the leverage ratio exposure value of off-balance sheet items as included in {LRCom;19}. Since it reduces the leverage ratio total exposure measure the value disclosed in this cell shall contribute negatively to the sum to be disclosed in {LRCom;19}.</p>
{19}	<p>Other off-balance sheet exposures (sum of lines 17 and 18) Articles 429(10), 111(1) and 166(9) of Regulation (EU) No 575/2013 Institutions shall disclose the leverage ratio exposure values for off-balance sheet items determined in accordance with Article 429(10) of Regulation (EU) No 575/2013 taking into account the relevant conversion factors. Institutions shall take into account that {LRCom;18} contributes negatively to this sum.</p>
{EU-19a}	<p>(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet)) Articles 429(7) and 113(6) of Regulation (EU) No 575/2013 Institutions shall disclose the exposures that have not been consolidated on the applicable level of consolidation, that can benefit from the treatment laid down in Article 113(6) of Regulation (EU) No 575/2013, provided that all the conditions set out in points (a) to (e) of Article 113(6) of Regulation (EU) No 575/2013 are met and where the competent authorities have given their approval. The amount disclosed must also be included in the applicable cells above as if no exemption applied. Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;21}).</p>
{EU-19b}	<p>(Exposures exempted in accordance with Article 429(14) of Regulation (EU) No 575/2013 (on and off balance sheet)) Article 429(14) of Regulation (EU) No 575/2013 Institutions shall disclose the exposures exempted in accordance with 429(14) of Regulation (EU) No 575/2013 subject to the therein stated conditions being met and where the competent authorities have given their approval. The amount disclosed must also be included in the applicable cells above as if no exemption applied. Since it reduces the leverage ratio total exposure measure institutions shall place the value in this cell between brackets (which signifies that it shall contribute negatively to the sum to be disclosed in {LRCom;21}).</p>
{20}	<p>Tier 1 capital Articles 429(3) and 499(1) and (2) of Regulation (EU) No 575/2013 Institutions shall disclose the amount of Tier 1 capital calculated in accordance with the choice that the institution has made pursuant to Article 499(2) of Regulation (EU) No 575/2013, as disclosed by {LRCom;EU-23}. More specifically, where the institution has chosen to disclose Tier 1 capital in accordance with Article 499(1)(a) of Regulation (EU) No 575/2013, it shall disclose the amount of Tier 1 capital as calculated in accordance with Article 25 of Regulation (EU) No 575/2013, without taking into account the derogations laid down in Chapters 1 and 2 of Title I of Part Ten of Regulation (EU) No 575/2013. In contrast, where the institution has chosen to disclose Tier 1 capital in accordance with Article 499(1)(b) of Regulation (EU) No 575/2013, it shall disclose the amount of Tier 1 capital as calculated in accordance with Article 25 of Regulation (EU) No 575/2013,</p>

	after taking into account the derogations laid down in Chapters 1 and 2 of Title I of Part Ten of Regulation (EU) No 575/2013.
{21}	Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b) Institutions shall disclose the sum of {LRCom;3}, {LRCom;11}, {LRCom;16}, {LRCom;19}, {LRCom;EU-19a} and {LRCom;EU-19b}. Institutions shall take into account that {LRCom;EU-19a} and {LRCom;EU-19b} contribute negatively to this sum.
{22}	Leverage ratio Institutions shall disclose {LRCom;20} divided by {LRCom;21} expressed as a percentage.
{EU-23}	Choice on transitional arrangements for the definition of the capital measure Article 499(2) of Regulation (EU) No 575/2013 Institutions shall specify their choice of transitional arrangements for capital for the purpose of disclosure requirements by disclosing one of the following two labels: <ul style="list-style-type: none"> • "Fully phased in" if the institution chooses to disclose the leverage ratio in accordance with Article 499(1)(a) of Regulation (EU) No 575/2013 • "Transitional" if the institution chooses to disclose the leverage ratio in accordance with Article 499(1)(b) of Regulation (EU) No 575/2013
{EU-24}	Amount of derecognised fiduciary items in accordance with Article 429(13) of Regulation (EU) No 575/2013 Institutions shall disclose the amount of derecognised fiduciary items in accordance with Article 429(13) Regulation (EU) No 575/2013.

01/01/2021

4.

Template LRSpl: Split-up of on-balance sheet exposures (excluding derivatives and SFTs)

(11) Institutions shall apply the instructions provided in this section in order to complete template LRSpl of Annex I.

	Legal references and instructions
Row	
{EU-1}	Total on-balance sheet exposures (excluding derivatives and SFTs), of which: Institutions shall disclose the sum of {LRSpl;EU-2} and {LRSpl;EU-3}.
{EU-2}	Trading book exposures Institutions shall disclose the exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;070;010}, which is the total exposure value of assets belonging to the trading book excluding derivatives and SFTs.
{EU-3}	Banking book exposures, of which:

	Institutions shall disclose the sum of {LRSpl;EU-4}, {LRSpl;EU-5}, {LRSpl;EU-6}, {LRSpl;EU-7}, {LRSpl;EU-8}, {LRSpl;EU-9}, {LRSpl;EU-10}, {LRSpl;EU-11} and {LRSpl;EU-12}.
{EU-4}	Covered Bonds Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;080;010} and {LR4;080;020}, which is the total exposure value of assets that are in the form of covered bonds.
{EU-5}	Exposures treated as sovereigns Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;090;010} and {LR4;090;020}, which is the total exposure value towards entities that are treated as sovereigns under Regulation (EU) No 575/2013.
{EU-6}	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;140;010} and {LR4;140;020}, which is the total exposure value towards regional governments and local authorities, multilateral development banks, international organisations and public sector entities that are not treated as sovereigns under Regulation (EU) No 575/2013.
{EU-7}	Institutions Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;180;010} and {LR4;180;020} which is the exposure value of exposures towards institutions.
{EU-8}	Secured by mortgages of immovable properties Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;190;010} and {LR4;190;020} which is the exposure value of assets that are exposures secured by mortgages on immovable properties.
{EU-9}	Retail exposures Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;210;010} and {LR4;210;020} which is the total exposure value of assets that are retail exposure.
{EU-10}	Corporate Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;230;010} and {LR4;230;020} which is the total exposure value of assets that are corporate exposure (i.e. financial and non-financial).
{EU-11}	Exposures in default Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;280;010} and {LR4;280;020} which is the total exposure value of assets that are in default.
{EU-12}	Other exposures (e.g. equity, securitisations, and other non-credit obligations as sets) Institutions shall disclose the sum of exposures as defined in Annex XI of Commission Implementing Regulation (EU) No 680/2014 {LR4;290;010} and {LR4;290;020} which is the total exposure value of other non-trading book exposures (e.g. equity, securitisations and non-credit obligation assets) under Regulation (EU) No 575/2013. Institutions shall include assets that are deducted in determining Tier 1 capital and there

fore are disclosed in {LRCom;2} unless these assets are included in {LRSpl;EU-2} to {LRSpl;EU-12}.

01/01/2021

5.

Template LRQua: Free format text boxes for disclosure on qualitative items

(12) Institutions shall complete template LRQua of Annex I by applying the following.

	Legal references and instructions
Row	
{1}	<p>Description of the processes used to manage the risk of excessive leverage Article 451(1)(d) of Regulation (EU) No 575/2013 "Description of the processes used to manage the risk of excessive leverage" shall include any relevant information on: procedures and resources used to assess the risk of excessive leverage; quantitative tools, if any, used to assess the risk of excessive leverage including details on potential internal targets and whether other indicators than the leverage ratio of Regulation (EU) No 575/2013 are being used; ways of how maturity mismatches and asset encumbrance are taken into account in managing the risk of excessive leverage; processes for reacting to leverage ratio changes, including processes and timelines for potential increase of Tier 1 capital to manage the risk of excessive leverage; or processes and timelines for adjusting the leverage ratio denominator (total exposure measure) to manage the risk of excessive leverage.</p>
{2}	<p>Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers Article 451(1)(e) of Regulation (EU) No 575/2013 "Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers" shall include any material information on: quantification of the change in the leverage ratio since the previous disclosure reference date the main drivers of the leverage ratio since the previous disclosure reference date with explanatory comments on: the nature of the change and whether it was a change in the numerator of the ratio, in the denominator of the ratio or in both; whether it resulted from an internal strategic decision and, where so, whether that strategic decision was aimed directly at the leverage ratio or whether it impacted the leverage ratio only indirectly; the most significant external factors related to the economic and financial environments that had an impact on the leverage ratio.</p>