

Changes to legislation: Commission Implementing Regulation (EU) No 680/2014 is up to date with all changes known to be in force on or before 17 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) EUR 2014 No. 680 may be subject to amendment by EU Exit Instruments made by both the Prudential Regulation Authority and the Financial Conduct Authority under powers set out in The Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (S.I. 2018/1115), regs. 2, 3, Sch. Pt. 4. These amendments are not currently available on legislation.gov.uk. Details of relevant amending instruments can be found on their website/s. (See end of Document for details) View outstanding changes

F1 ANNEX II

REPORTING ON OWN FUNDS AND OWN FUNDS REQUIREMENTS

Textual Amendments

- F1** Substituted by [Commission Implementing Regulation \(EU\) 2020/429 of 14 February 2020 amending Implementing Regulation \(EU\) No 680/2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation \(EU\) No 575/2013 of the European Parliament and of the Council \(Text with EEA relevance\).](#)

PART II: TEMPLATE RELATED INSTRUCTIONS

4. OPERATIONAL RISK TEMPLATES
 - 4.1. C 16.00 – OPERATIONAL RISK (OPR)
 - 4.1.2. Instructions concerning specific positions

Columns

010-030

RELEVANT INDICATOR

Institutions using the relevant indicator to calculate the own funds requirement for operational risk (BIA, TSA and ASA) shall report the relevant indicator for the respective years in columns 010 to 030. Moreover, in case of a combined use of different approaches as referred in Article 314 CRR, institutions shall also report, for information purposes, relevant the indicator for the activities subject to AMA. The same shall apply for all other AMA banks.

Hereafter, the term 'relevant indicator' refers to 'the sum of the elements' at the end of the financial year as referred to in point 1 in Table 1 of Article 316 CRR.

Where the institution has less than 3 years of data on 'relevant indicator' available, the available historical data (audited figures) shall be assigned by priority to the corresponding columns in the template.

Where, for instance, historical data for only one year is available, those data shall be reported in column 030. Where it seems reasonable, the forward looking estimates shall be included in column 020 (estimate of next year) and column 010 (estimate of year +2).

Furthermore, where there are no historical data on 'relevant indicator' available, the

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	institution may use forward-looking business estimates.
040-060	<p>LOANS AND ADVANCES (IN THE CASE OF ASA APPLICATION) These columns shall be used to report the amounts of the loans and advances, as referred to in point (b) of Article 319(1) CRR, for business lines 'commercial banking' and 'retail banking'. Those amounts shall be used to calculate the alternative relevant indicator that leads to the own funds requirements corresponding to the activities subject to the alternative standard approach (point (a) of Article 319(1) CRR). For the 'commercial banking' business line, securities held in the non-trading book shall also be included.</p>
070	<p>OWN FUND REQUIREMENT The own fund requirement shall be calculated in accordance with the approaches used and in accordance with Articles 312 to 324 CRR. The resulting amount shall be reported in column 070.</p>
071	<p>TOTAL OPERATIONAL RISK EXPOSURE AMOUNT Article 92(4) CRR Own funds requirements in column 070 multiplied by 12,5.</p>
080	<p>OF WHICH: DUE TO AN ALLOCATION MECHANISM Where a permission to use the AMA at consolidated level (Article 18(1) CRR) has been granted in accordance with Article 312(2) CRR, operational risk capital shall be allocated between the different entities of the group on the basis of the methodology applied by the institutions to consider diversification effects in the risk measurement system used by a EU parent credit institution and its subsidiaries or jointly by the subsidiaries of an EU parent financial holding company or an EU parent mixed financial holding company. The result of that allocation shall be reported in this column.</p>
090-120	AMA MEMORANDUM ITEMS TO BE REPORTED IF APPLICABLE
090	OWN FUNDS REQUIREMENT BEFORE ALLEVIATION DUE TO EXPECTED LOSS, DIVERSIFICATION

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	<p>AND RISK MITIGATION TECHNIQUES</p> <p>The own funds requirement reported in column 090 is the one of column 070 but calculated before taking into account the alleviation effects due to expected loss, diversification and risk mitigation techniques (see below).</p>
100	<p>(-) ALLEVIATION OF OWN FUNDS REQUIREMENTS DUE TO THE EXPECTED LOSS CAPTURED IN BUSINESS PRACTICES</p> <p>In column 100, the alleviation of own funds requirements due to expected loss captured in internal business practices (as referred to in point (a) of Article 322(2) CRR) shall reported.</p>
110	<p>(-) ALLEVIATION OF OWN FUNDS REQUIREMENTS DUE TO DIVERSIFICATION</p> <p>The diversification effect in column 110 shall be the difference between the sum of own funds requirements calculated separately for each operational risk class (i.e. a 'perfect dependence' situation) and the diversified own funds requirement calculated by taking into account correlations and dependencies (i.e. assuming less than 'perfect dependence' between the risk classes). The 'perfect dependence' situation occurs in the 'default case', that is where the institution does not use explicit correlations structure between the risk classes, hence the AMA capital is calculated as the sum of the individual operational risk measures of the chosen risk classes. In that case, the correlation between the risk classes is assumed to be 100 % and the value in the column has to be set to zero. Conversely, where the institution calculates an explicit correlations structure between risk classes, it has to include in this column the difference between the AMA capital as stemming from the 'default case' and the AMA capital obtained after applying the correlations structure between the risk classes. The value reflects the 'diversification capacity' of the AMA model, that is the ability of the model to capture the not simultaneous occurrence of severe operational risk loss events. In column 110, the amount by which the assumed correlation structure decreases the AMA capital relative</p>

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	to the assumption of 100% correlation has to be reported.
120	<p>(-) ALLEVIATION OF OWN FUNDS REQUIREMENT DUE TO RISK MITIGATION TECHNIQUES (INSURANCE AND OTHER RISK TRANSFER MECHANISMS)</p> <p>In column 120 the impact of insurance and other risk transfer mechanisms as referred to in Article 323 CRR shall be reported.]</p>

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Changes and effects yet to be applied to :

- Regulation revoked by [2023 c. 29 Sch. 1 Pt. 13](#)
- Regulation revoked by [S.I. 2021/1078](#), reg. 13(2)(aa) (as inserted) by [S.I. 2021/1376 reg. 32\(7\)\(a\)\(i\)](#) (This amendment not applied to [legislation.gov.uk](#). The affected provision Pt. 2 (PRA) was modified by a non-legislative instrument (Technical Standards (Capital Requirements) (EU Exit) (No.3) Instrument 2019) and is not present in the text of the retained EU legislation. Details of the non-legislative modifications can be found on the Bank of England's website on the page entitled 'The Bank of England's amendments to financial services legislation under the European Union (Withdrawal) Act 2018')

Changes and effects yet to be applied to the whole legislation item and associated provisions

- Art. 1(a)-(c) omitted by [S.I. 2021/1078 reg. 13\(4\)\(a\)](#) (amending provision omitted by [S.I. 2021/1376](#))
- Art. 1(e)-(g) omitted by [S.I. 2021/1078 reg. 13\(4\)\(a\)](#) (amending provision omitted by [S.I. 2021/1376](#))