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EBA SIMPLIFICATION

FINREP, IFRS 18 and ESG alongside COREP

This document covers the parts of the package alongside COREP. It starts with IFRS 18, because a bank already decides on that in the fourth quarter of 2026. FINREP and ESG follow.

THE DATES

10 May and 10 July 2026	The consultation closed on 10 July. The IFRS 18 part of FINREP closed separately, on 10 May.
31 December 2026	Intended reference date for the revised Pillar 3 disclosure on ESG risks, equity exposures and shadow banking. The date only applies once the European Commission has adopted the ITS. For SNCIs the intended date is 31 December 2027.
1 January 2027	IFRS 18 applies in the financial statements for reporting years starting on or after this date.
30 September 2027	The revised reporting framework is expected to apply, with a new taxonomy and new validation rules.

IFRS 18

A decision for the fourth quarter of 2026

IFRS 18 structures the profit and loss account into operating, investing and financing. In FINREP, F 02.00 is restructured. It gains an operating result and a subtotal for operating and investing. Net intermediate income replaces total operating income. F 16.01 to F 16.07 (with F 16.04.1), F 20.03, F 45.02 and F 45.03 gain columns for the three categories.

The European Union endorsed IFRS 18 on 16 February 2026. The revised ITS only applies nine months after IFRS 18. For that interim period the EBA published an Opinion on 8 July 2026 (EBA/Op/2026/07). In it, the EBA asks competent authorities to allow banks to use the new templates voluntarily. The templates are in phase 1 of technical package 4.4, under interim labels listed in the Opinion. The first reference date is 31 March 2027. Once phase 2 applies, this interim arrangement ceases and the templates become mandatory.

In my reading, a bank that does not take the voluntary route reports under two structures for three quarters. The financial statements then follow the new structure and FINREP the old one. The reconciliation between them has to hold every quarter. Most of that work is in the mapping.

Check with the bank's own supervisor whether it allows the voluntary route. That is DNB or the ECB, depending on the category of the bank. Under the Opinion, a bank that takes the route gives notice before the end of 2026.

FINREP

Dropped and new templates

- More than twenty templates are dropped. They are F 06.01 (NACE) with F 20.07.01, F 11.03 and F 11.03.1 (hedging), F 13.02.1, F 21.00, four from the F 23 series, F 24.02 and F 24.03 (NPL flows), F 25.03, F 30.02, F 31.02, F 40.02, F 41.02, F 43.00, F 44.01 and F 44.02 (pensions), F 45.01 and F 47.00. F 23.02 to F 26.00 only apply above an NPL ratio of 5%.
- New templates F 27.01 to F 27.03 cover other financial corporations, quarterly and above a threshold of 5% of financial assets. F 37.00 covers real estate collateral on NPLs and F 38 crypto-assets, both semi-annual. F 48.00 covers real estate collateral on NPLs by valuation type and valuer, annually. F 49.01, F 49.02 and F 50.00 hold the stress test starting points. F 27, F 37, F 38 and F 48 do not apply to SNCIs.
- A number of templates get a lower frequency. F 13.03.1 and F 17 move from quarterly to semi-annual and F 15 from quarterly to annual. F 30.01 and F 31.01 move from semi-annual to annual. The operating lease data move to F 42, from quarterly to annual. F 41.01 (fair value hierarchy) moves the other way, from annual to quarterly.
- The ITS divides FINREP into a core and a supplement. The core is part 1 without F 15 and F 17, plus F 20 and F 22. The supplement is parts 2 to 4, with the collateral and crypto templates. The supplement only applies to institutions that are not SNCIs.

The new templates ask for data on exposures to other financial corporations and on crypto-assets. For collateral they also ask for the valuation method. Check early which source system provides those data.

ESG**The disclosure and the supervisory reporting**

ESG has two parts, each with its own date. The EBA published the final draft ITS on the Pillar 3 disclosure on 22 June 2026 (EBA/ITS/2026/02). Until that ITS enters into force, the EBA asks supervisors in EBA/Op/2025/11 not to prioritise enforcement of part of the disclosures. The supervisory reporting below is not settled yet.

The ESG collection moves from an ad hoc decision (EBA/DC/498, July 2023) into the ITS itself. That makes it regular reporting, with the same control and sign-off as COREP and FINREP.

Full	Large institutions. D 01.00 from EUR 30 billion and D 01.02 below that. Also D 02.00, D 03.00, D 04.00, D 05.00, D 10.00 and D 11.00.
Simplified	Other listed institutions and large subsidiaries. D 01.02, D 02.00, D 04.00, D 05.01, D 10.00 and D 11.00, annually.
Essential	SNCIs, including listed ones, and other non-listed institutions. Only D 01.01, annually.
Dropped	The Taxonomy templates, with the Banking Taxonomy Alignment Ratio. The template on the top twenty carbon-intensive counterparties is dropped as well. D 04.00 takes over those data.
D 04.00 (new)	Environmental concentration by obligor, for supervisory use only. Its predecessor was in Pillar 3. The threshold covers non-financial corporations in designated carbon-intensive sectors (NACE) with a total exposure above EUR 10 million.
D 11.00 (new)	Environmental risks beyond climate, such as biodiversity, pollution and resources. Impact and dependency are reported separately. Annually for large institutions, other listed institutions and large subsidiaries. Not for SNCIs.
Frequency	Large institutions report D 02.00, D 04.00, D 05.00 and D 01.00 or D 01.02 semi-annually. D 03.00, D 10.00, D 11.00 and the simplified set are annual.
Thresholds	A country breakdown is only needed when non-domestic exposures exceed 10% of the total. It then covers only countries above 1%. This applies to D 01.00, D 05.00 and D 11.00.

WHAT IS NOT SETTLED YET

The final ITS	The EBA delivers it to the Commission at the end of 2026. No date has been set yet for adoption. Check the numbers and thresholds against that text again once it is adopted.
The threshold in D 04.00	The EBA asked in the consultation whether EUR 10 million is the right line. The outcome follows with the final ITS.
The start date	In its response of 10 July 2026, the Deutsche Kreditwirtschaft asked for postponement to at least September 2028. The consultation version keeps 30 September 2027.