

The session will start in a few minutes

Please mute your microphone

THE FUTURE OF BANK REGULATORY REPORTING

April 2024

UBPARTNER



UBPartner Overview

- Specialist XBRL Software and Services Provider
- More flexible technology: our XBRL toolkit (XT) is fully customisable
- We fully cover EBA & EIOPA requirements, as well as local market XBRL requirements
 - CRD (COREP, FINREP, etc), SRB, IRRBB, Solvency II, Pension Funds
 - Inline XBRL – UK HMRC, Irish Revenue
 - ESMA ESEF
- Experienced XBRL resources
 - 40+ partners across Europe, MEA
 - 600+ banks, insurance firms and regulators
 - Member of XBRL-Europe, XBRL-FR & Eurofiling

UBPARTNER

XBRL | EUROPE



XBRL™
THE BUSINESS REPORTING STANDARD

UBPARTNER

The leading Banks choose UPartner XBRL technology

- Several Central Banks/regulators are using our Processing Engine :



KNF | KOMISJA
NADZORU
FINANSOWEGO

MFSA MALTA
FINANCIAL
SERVICES
AUTHORITY



20 years FSC | FINANCIAL
SUPERVISION
COMMISSION
Trust, predictable and informed decisions



FINANSTILSYNET



IC
InfoCamere
Innovare è Crescere



Several Banks in EMEA



Leading Partners

- Partners/Integrators/ Managed Services :

NTT DATA

computime
BUSINESS SYSTEMS ENGINEERING

 **Milliman**

 *effisoft*

HMS
Halperin Consulting Group

 **C3S**
INFORMATIQUE

 **sas**



Experis™

 **ACTUELIA**
Conseil - Audit - Formation en Actuariat

 AllCloud

matrix 

UBPARTNER



Future of Bank Reporting

EBA regulatory reporting & ECB statistics



- Broader scope for reporting
 - EBA Reporting Framework (“COREP FINREP”) includes
 - Release 3.3 **ongoing** : Pillar 3 (including ESG)
 - Release 3.4 > **06/24** : IRRBB templates (Jxx.xx)
 - Release 3.5 > **09/24** : DORA (digital resilience) & FICOD (conglomerates)
 - Release 4.0 > **03/25** : CRD6/CRR3 (Basel IV) and MiCAR (crypto-assets)
 - ECB Integrated Reporting Framework (IReF) applicable across the € area (BSI, MIR, Anacredit, SHS, IMF...) in a single dictionary BIRD et model DPM 2.0
 - Expected date for Regulation : **2025**
 - Expected date for Go Live : **2027**
- Bigger scope = More data = Very large files
- Need for an adjusted technology xBRL-CSV (evolution from XBRL)

EBA regulatory reporting & ECB statistics

ECB and EBA step up efforts to make banking industry data reporting more efficient

News 18 March 2024

- ECB and EBA establish Joint Bank Reporting Committee to make data reporting by the banking industry more efficient
- New structure will harmonise and integrate reporting of statistical, supervisory and resolution data with the aim of developing common definitions and standards
- Process will involve all relevant EU bodies, as well as national authorities and banking industry representatives

The European Central Bank (ECB) and the European Banking Authority (EBA) aim to harmonise and integrate data reporting by the banking industry with the goal of improving efficiency and reducing the associated costs. To this end, the two institutions today established the Joint Bank Reporting Committee (JBRC), which is tasked with helping to develop common definitions and standards for the data that banks are required to report for statistical, supervisory and resolution purposes.

“High-quality data is essential to fulfilling our mandate”, said ECB Executive Board member Isabel Schnabel. “I am pleased that we will have a structure in place to simplify and facilitate data reporting by the banking industry in an integrated, efficient and standardised system.”

“A harmonised, proportionate and fit-for-purpose reporting system is a priority for the EBA,” said EBA Chairperson José Manuel Campa. “I am glad that today we are setting up this committee to ensure a smooth and sound governance underpinning an integrated and efficient reporting process to the benefit of all stakeholders.”

“This initiative is an important part of the [European Commission's supervisory data strategy](#), and will streamline and modernise reporting for EU banks. Supervisory authorities and the financial sector need to work together to deliver a reporting system that gives supervisors the data that they need while increasing efficiency and minimising the burden for reporting entities. This contributes also to the Commission's reporting rationalisation exercise,” said Mairead McGuinness, European Commissioner for Financial Stability, Financial Services and the Capital Markets Union.

“I welcome this initiative and the Single Resolution Board (SRB) fully supports it. Streamlined and harmonised approaches will also improve the sharing of information between public authorities,” said SRB Chair Dominique Laboureix.

The ECB, the EBA, the European Commission and the SRB will all be part of the JBRC, as will the relevant authorities with the power to issue supervisory, resolution and statistical reporting requirements in European Economic Area Member States. The banking industry will participate through a consultative body, the Reporting Contact Group.

One key tangible deliverable of the JBRC will be a common data dictionary for the reporting of statistical, supervisory and resolution data by banks. In this regard, the JBRC will work on establishing common concepts and definitions used in new and existing reporting.

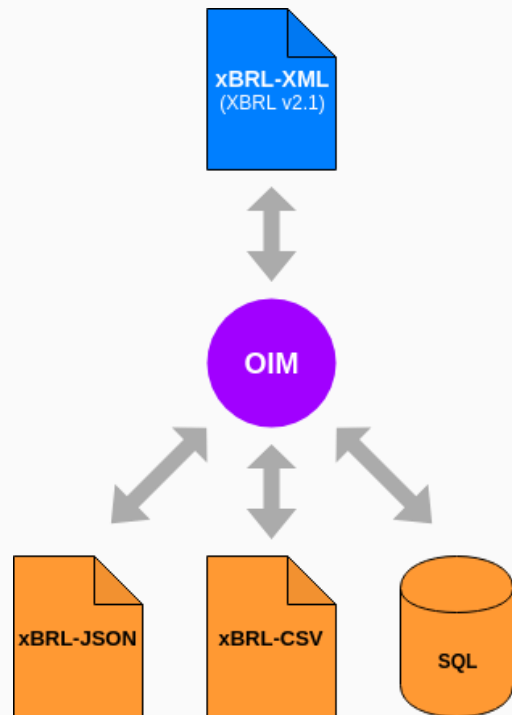
The JBRC is established through a [Memorandum of Understanding](#) that was signed today by the ECB and the EBA. More information can be found on the [ECB's website](#).

- Recent publications show us that change is coming

EBA move to XBRL-CSV format

- Very large files created by XBRL (XML)
 - XBRL-CSV compresses file size to ~10-20% of XBRL-XML
 - Can still use the same XBRL definitions (XBRL Taxonomy)
 - Same quality checks (XBRL Formula)
 - 7,245 in version CRD4 3.1 – relevant rules are run automatically during file validation
- Resolve the EBA DPM Database with XBRL reports
 - Use DPM_ID as reference point for values
 - Most banks do not have a DPM database,
 - Need to look up in XBRL-CSV reference file (JSON)
- UBPartner will address this by converting Excel Templates or other CSV as now!
- XBRL Toolkit (XT) will validate and report as today!

The Open Information Model

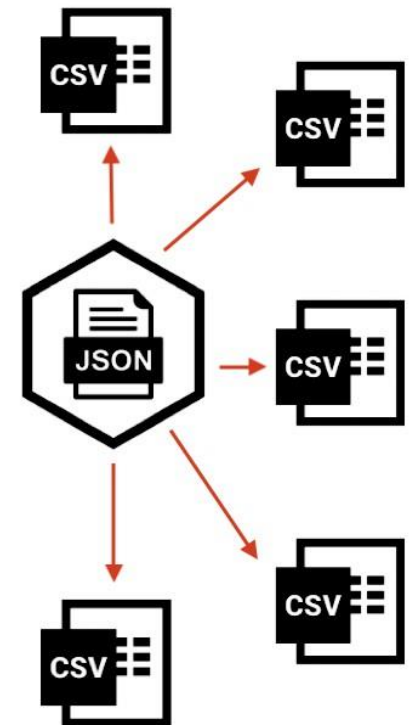


- OIM: A syntax-independent model of an XBRL report
- Enables users to work with XBRL data in the format that makes most sense
 - Highly flexible for different applications.
- Aims to simplify
 - Model, Formulas, Development
 - Reducing costs of development... and maintenance
- Provides a platform to further extend XBRL
 - So, can be serialised into more standardised representations

xBRL-CSV

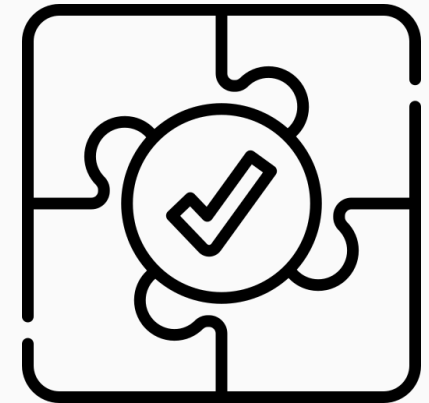
- CSV efficient representation of data
 - Expected File Size reduction of over 80% vs xBRL-XML
 - Reduces communications and storage resources
- CSV is also a standard output for many source systems.
- However, xBRL-CSV is not standard CSV....
 - Document-level definitions required to understand CSV files
 - Declared in associated JSON file (metadata)
 - Multiple possible layouts defined by Taxonomy author
- EBA: Extremely compact format for data transfer

```
datapoint,value,unit  
dp1234,42000,iso4217:EUR  
dp1235,99000,iso4217:GBP  
dp1236,r:FR
```



xBRL-CSV isn't just an output format

- **BCBS 239 for large banks**
Principles for effective risk data aggregation and risk reporting
A single integrated datawarehouse for reported data
- **Decisions ECB/2014/29+ECB/2017/23 for all SSM banks**
New extra data quality checks (EGDQ)
A need for consistent data in finance, prudential ratios, ESG
- IReF, DPM2.0 and xBRL-CSV concepts and formulae must be considered in the central data source
 - When considering CRD6/CRR3 changes
 - When considering ESG new requirements

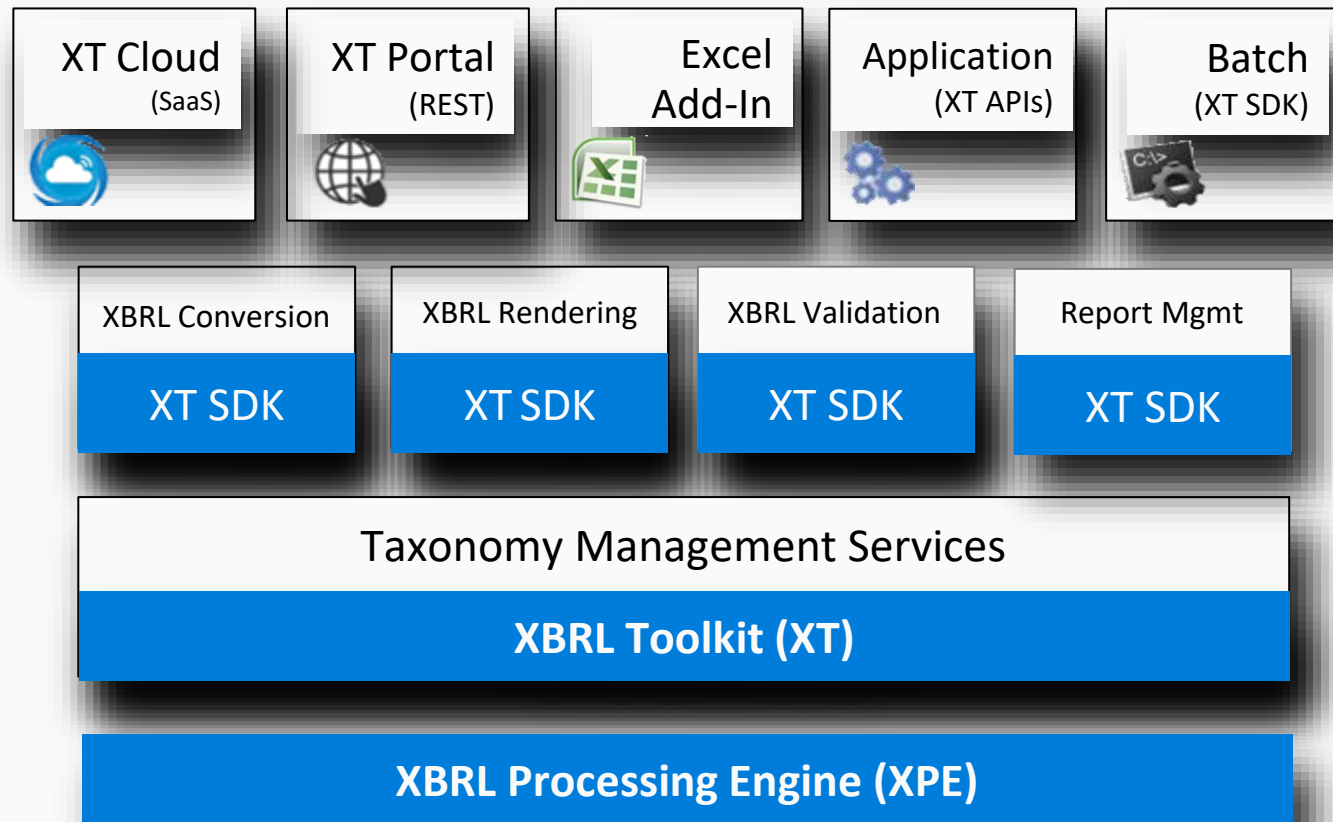




XBRL

XBRL Toolkit (XT) and XBRL-CSV

UBPartner Product Stack



- Flexible deployment
 - Desktop or Server
 - Excel Add-In
 - On-premises Portal (REST API)
 - Cloud Service (SaaS)
- Standards based tools - Java APIs
- Common Taxonomy profiles:
 - All resources required by tools
 - provided via 'Taxonomy package'
 - Quick updates to system
- Common XBRL processing platform:
 - Validation services
 - Transformation services

UBPartner Bank Taxonomy Packages

- Taxonomy Packages make it easy to update the reports supported

- Provides the resources for each Taxonomy

- Templates (Excel) and mapping files
 - Plus, deactivated formula list, valid submission dates, etc

- Bank Reporting

- EBA CRD – all modules supported since 2011

- SRB – Resolution (LDT) and SRF

- National Specific templates:

- France, UK, Ireland, Belgium, Spain
 - Others based upon business case

- Multiple sheets enable flexible workflow

- Fully tested - internally and externally

- XT fully supports EBA additional Filing Rules

The image displays three overlapping Excel spreadsheets from the UBPartner Bank Taxonomy Packages. The top spreadsheet is titled 'Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity' and contains a table with columns for 'Code', 'Description', and 'Value'. It lists various insurance categories such as 'Medical expense insurance and proportional reinsurance' and 'Life insurance and proportional reinsurance'. The middle spreadsheet is titled 'Derivatives Transactions' and features a table with columns for 'Line identification', 'Derivative ID Code', 'Fund number', 'Instrument underlying the derivative', 'Portfolio', 'Derivatives held in index-linked and unit-linked contracts', 'Use of derivative', 'Notional amount of the derivative', 'Buyer / Seller', and 'Premium paid to date'. The bottom spreadsheet is titled 'Balance sheet' and shows a detailed breakdown of assets and liabilities, including categories like 'Cash', 'Debt securities', 'Equities - unit-linked', and 'Other investments'. It includes a 'Solvency II value' column and a 'Total' row at the bottom.

XT Outputs – Summary Report Drill-down

- Process Summary
 - Table Summary
 - Drill-down
- Technical Validation Report
- Calculation Report
- Excel rendering – highlighting errors
- Inline XBRL Only – iXBRL Viewer file
- Logs

UBPARTNER IOM Conversion Tool v4.2.0- SNAPSHOT
Wed 20 Mar 2024, 15:36:39 CET

File Name: DUMM\E112456789012_FR_COREP0100_COREPALM_2023-06-30_20240320_153640_034.zip
 Entity: DUMM\E112456789012_CON
 Period: 2023-06-30
 Remittance Currency: EUR
 Treatment Result: **Failed**

Package: **Failed**

Report: **Failed**

Validation Result

| Validation | Result |
|------------------------------|-------------------|
| XBRL 2.1 & Dimension 1.0 | ✓ |
| Remittance Rules / CEN / ESF | ✓ |
| Duplicate Facts | ✓ |
| Assertions | Warning 4 Error 4 |

Reported Tables

| Table ID | Excel File | Label | Converted Facts | Converted Sheets | Duplicate Facts | Assertions |
|----------|------------|--|-----------------|------------------|-----------------|------------|
| C_00.01 | ✓ | C 00.01 Nature of Report (COREP) | 3 | 1 | ✓ | ✓ |
| C_66.01 | ✓ | C 66.01 a Maturity ladder: Total, Overnight and higher maturity | 8485 | 3 | ✓ | ✓ |
| C_67.00 | ✓ | C 67.00a Concentration of funding by counterparty: Total | 213 | 2 | ✓ | ✓ |
| C_68.00 | ✓ | C 68.00a Concentration of funding by product type: Total | 145 | 2 | ✓ | ✓ |
| C_69.00 | ✓ | C 69.00a Prices for various lengths of funding: Total | 289 | 2 | ✓ | ✓ |
| C_70.00 | ✓ | C 70.00a Roll-over of funding: Total | 793 | 2 | ✓ | ✓ |
| C_71.00 | ✓ | C 71.00a Concentration of counterbalancing capacity by counterparty: Total | 189 | 2 | ✓ | ✓ |

Validation

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Calculation Trace Report

Extended Link [http://www.ubmatro.com/ee/ea/CalculationsForDeductionsFromOriginalAndAdditionalOwnFunds]

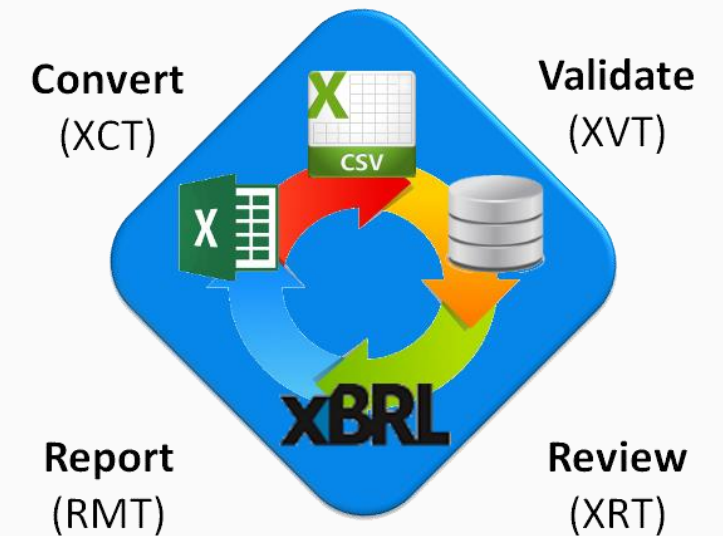
Concept: **EUR**

| Concept | Weight | Decimals | Precision | Reported | Calculated | Source | Message |
|--|--------|----------|-----------|----------|------------|----------|---------|
| (-) Deductions From Original And Additional Own Funds | 2 | | [5] | -165 | -165 | Instance | OK |
| (-) Holdings In Other Credit And Financial Institutions Amounting To More Than 10% Of Their Capital | 1.0 | 2 | [4] | -15 | -15 | Instance | |
| (-) Excess On Limit For Holdings, Subordinated Claims And Other Items In Credit And Financial Institutions In Which Holdings Are Up To 10% Of Their Capital | 1.0 | 2 | [4] | -25 | -25 | Instance | |
| (-) Excess On Limit For Holdings, Subordinated Claims And Other Items In Credit And Financial Institutions In Which Holdings Are Up To 10% Of Their Capital | 1.0 | 2 | [4] | -30 | -30 | Instance | |
| (-) Participations Held In Insurance Undertakings, Reinsurance Undertakings And Insurance Holding Companies | 1.0 | 2 | [4] | -25 | -25 | Instance | |
| (-) Other Instruments Held In Respect Of Insurance Undertakings, Reinsurance Undertakings And Insurance Holding Companies In Which A Participation Is Maintained | 1.0 | 2 | [4] | -10 | -10 | Instance | |

Excel rendering showing calculation trace and error highlights.

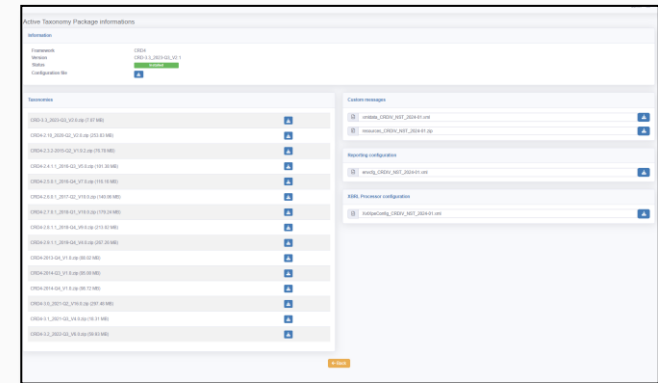
UBP XT Release Schedule for XBRL-CSV

- 2023: XBRL Processing Engine (XPE) fully certified for XBRL-CSV and XBRL-JSON
- XT 4.1
 - XVT for validation released to partners/regulators for testing
- XT 4.2 – includes XBRL-CSV beta
 - XCT for conversion of Excel Templates – Q1 2024
 - Updated configs, taxonomy packages, dynamic templates
 - Testing and specific frameworks e.g., CRD4
- XT 5.0
 - Full release of XBRL-CSV reporting - XCT, XRT, XVT
 - CSV conversion to XBRL-CSV
 - Expected May 2024



XT 5.0 Taxonomy Packages

- XBRL Taxonomy Packages implemented independently
- Change layout of UBPartner Taxonomy Packages
 - Excel templates and mappings (XBRL-XML and XBRL-CSV)
 - New configuration file format to encompass:
 - Parameter pointers
 - Resources file
 - Message file
 - Filing Rules (more granular)
- Simpler and less download bandwidth
 - XBRL Taxonomies do not change
 - UBP Taxonomy Packages are smaller and are updated on a more regular basis.



XT 5.0 – Dynamic Mapping and New Process Summary

- Updated Mapping Tools and Templates
 - Datapoints in Excel have been given names
 - Enables dynamic mapping
 - Tables can be grouped as user wants

The screenshot displays an Excel spreadsheet with the following structure:

- Section 1 (Rows 3-14):** Titled "C 08.02 [CR IRB 2] Credit and counterparty credit risks and free deliveries: IRB Approach to capital requirements - Breakdown of exposures assigned to obligor grades or pools by obligor grades". It includes a sub-header "Total without own estimates of LGD and/or conversion factors". The table columns are: Obligor Grade, Internal rating scale - PD assigned to the obligor grade or pool, Original exposure conversion factors, Original exposure conversion factors (Of which: large financial sector entities and unregulated financial entities), Unfunded credit protection (Guarantees, Credit derivatives), Other funded credit protection, Substitution of the exposure due to CRM (Total outflows, Total inflows), Exposure after CRM substitution effects pre conversion factors, Exposure after CRM substitution effects pre conversion factors (Of which: off balance sheet items), and Exposure value.
- Section 2 (Rows 15-25):** Titled "C 08.02 [CR IRB 2] Credit and counterparty credit risks and free deliveries: IRB Approach to capital requirements - Breakdown of exposures assigned to obligor grades or pools by obligor grades". It includes a sub-header "Total without own estimates of LGD and/or conversion factors". The table structure is identical to Section 1.

Output updates

- New layout for Process Summary
 - More interactive – drilldown
 - Validation Report
 - Calculation Report (optional)
 - Inline XBRL Viewer (optional)
 - Logs
 - More details – tables
 - Fact counts
 - Sheet counts
 - Error indicators
 - Rendered tables with errors
- Other outputs the same

UBPARTNER IOM Conversion Tool v4.2.0-
SNAPSHOT Wed 20 Mar 2024, 15:36:39 CET

| | |
|---------------------|---|
| File Name | DUMMYLEI123456789012_FR_COREP030100_COREPALM_2023-06-30_20240320_153640_034.zip |
| Entity | DUMMYLEI123456789012.CON |
| Period | 2023-06-30 |
| Remittance Currency | EUR |
| Treatment Result | FWARN |

Package

Report

| Validation | Result |
|-------------------------------|-------------------------------------|
| XBRL 2.1 & Dimension 1.0 | <input checked="" type="checkbox"/> |
| Remittance Rules / CEN / ESEF | <input checked="" type="checkbox"/> |
| Duplicate Facts | <input checked="" type="checkbox"/> |
| Assertions | Warning 4 Fatal 6 |

Reported Tables

| Table ID | Excel file | Label | Converted Facts | Converted Sheets | Duplicate Facts | Assertions |
|----------|------------|---|-----------------|------------------|-------------------------------------|-------------------------------------|
| C_00.01 | | C 00.01 Nature of Report (COREP) | 3 | 1 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
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| C_69.00 | | C 69.00.a Prices for various lengths of funding. Total | 289 | 2 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| C_70.00 | | C 70.00.a Roll-over of funding. Total | 7937 | 2 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| C_71.00 | | C 71.00.a Concentration of counterbalancing capacity by counterparty. Total | 189 | 2 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

XT Portal / XT Cloud Demonstration

- XBRL-CSV Conversion
- XBRL-CSV Validation

Summary

- UBPartner XT: ready for XBRL-CSV Reporting – when you are ready!
- Simple input of data:
 - Excel templates
 - CSV
- Range of reports to help identify errors
- Can be implemented On-Premises or on the Cloud (SaaS)
- Cost effective subscription pricing
- Top-rated technical support



Questions?



The session will start in a few minutes

Please mute your microphone

UBPartner Contact Information

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