Technical note on

SREP Supervisory methodology 2024

ECB´s updated version

General overview

Executive summary

On December, 17 2024, the ECB updated the SREP methodology, introducing a more stable framework, prioritizing emerging risks, and adopting a modular structure for assessments, allowing tailored evaluations of key areas like governance, capital, and liquidity. It also leverages advanced analytics and supervisory tools to enhance efficiency and ensure consistency across institutions

Context

- The **SREP Supervisory Methodology** is **aligned with the EBA Guidelines** on SREP and is periodically updated to reflect new regulations and evolving supervisory practices. It draws on leading practices within the SSM and methods recommended by international bodies, ensuring continuous improvement and consistency across supervised institutions.

Scope

- The SREP is applied in a proportionate manner to significant institutions under the direct supervision of the ECB, taking into account the nature, scale, and complexity of their activities, as well as their position within a group.

Next Steps

- The ECB will take a staggered approach to implementing the changes to the SREP across the **2025 cycle**, which concludes in **October**, and the **2026 cycle**, which ends in **September**.
- This phased implementation reflects the gradual revisions planned over the next two years.

SREP methodology[1]

FRAMEWORK

- Backward and forward-looking perspectives
- Holistic approach
- Accountability
- Constrained judgement
- (NEW) Risk tolerance framework (RTF)
- (NEW) Multi-year assessment (MYA)

ELEMENTS

- Business model assessment
- (!) Internal governance and risk management
- Risk to capital:
  - (!) Assessment of risk to capital (credit risk, market risk, IRRBB/CSRBB and operational & ICT risk)
  - (!) Capital adequacy assessment
  - Risk of excessive leverage
- Risk to liquidity:
  - Assessment of risk to liquidity (Short-term liquidity risk and Funding sustainability risk)
  - Internal assessment of its liquidity needs
  - Internal estimates of liquidity under stressed conditions
  - Liquidity adequacy assessment

Updated SREP elements

- IGRM
- Market risk
- Operat. & ICT risk
- Credit risk
- IRRBB/ CSRBB
- Capital adeq.

(1) This technical note provides a summary of both new and updated components.
(NEW) New components introduced by the SREP (!) Updated components introduced by the SREP

Access to ECB's SREP publication

2 SREP Methodology

General overview

The SREP methodology has undergone updates to its framework and elements. The revised SREP framework now incorporates a Risk Tolerance Framework along with a Multi-Year Assessment. Regarding the SREP elements, the updates affect IGRM and Risk to capital, leading to a more nuanced and risk-oriented approach

SREP framework

- **Backward and forward-looking perspectives.** The SREP integrates historical data with predictive insights to evaluate both short-term viability (over the next 12 months) and long-term sustainability. It considers factors such as capital planning and stress testing to forecast potential future risks.
- **Holistic approach.** The SREP examines all associated risks and their interdependencies, leveraging the four elements collectively to create a comprehensive risk profile and adjusting capital requirements according to specific risk drivers.
- **Accountability.** The outcomes of the SREP lead to decisions regarding capital, liquidity, or other measures, improving the financial stability and institutions' resilience to shocks. (JSTs) adopt a rigorous yet equitable approach to ensure ongoing viability.
- **Constrained judgement.** The SREP seeks to strike a balance between consistency and flexibility, applying anchor scores as a homogeneous starting point for the supervisory assessment, while adjusting them according to each institution's specific risk profile. All adjustments are documented to ensure accountability.
- NEW **RTF.** This framework strengthens EU banking supervision by focusing on strategic priorities and key vulnerabilities, enabling supervisors to customize their actions to the specific circumstances of each bank. It merges overarching guidance on prioritized risks with tailored assessments for individual institutions, ensuring that idiosyncratic issues are adequately addressed.
- NEW **MYA.** This mechanism allows for increased flexibility for JSTs while ensuring thorough annual reviews across all risk areas. It incorporates a fundamental assessment conducted each year for consistent oversight, alongside a series of modules evaluated over a multi-year cycle for in-depth assessments of specific risks. This strategy empowers supervisors to prioritize areas of focus annually, allocating resources toward emerging risks or significant changes, with the duration of the cycle and reporting frequency adjusted according to the complexity of the bank. The MYA aims to enhance the supervisory framework while ensuring effective, risk-based supervision.

SREP elements

- **BMA** evaluates an institution's short-term viability and long-term sustainability. It includes identifying key business areas, assigning a profitability score, and assessing risks like strategic positioning and overall resilience.
- ! **IGRM** assesses an institution's governance and risk management practices, including structure, compliance, and risk culture. Recent updates emphasizes a challenge culture, ensuring that boards oversee risk management while maintaining proportional assessments.
- **Risk to capital**:
  - i) Assessment of risk to capital
    - ! Credit risk
    - ! Market risk
    - ! IRRBB/CSRBB
    - ! Operational & ICT risk
  - ! Capital adequacy assessment
  - iii) Risk of excessive leverage
- **Risk to liquidity**:
  - i) Assessment of risk to liquidity
    - Short-term liquidity risk
    - Funding sustainability risk
  - ii) Internal assessment of its liquidity needs
  - iii) Internal estimates of liquidity under stressed conditions
  - iv) Liquidity adequacy assessment

3 Internal governance and risk management assessment

The updated IGRM methodology strengthens governance by integrating emerging risks, reinforcing supervisory expectations on oversight and risk management, and enhancing proportionality to tailor requirements to each institution's size and complexity

The IGRM methodology is continuously updated in order to cover new aspects stemming from the evolving economic and regulatory environment.
This framework evaluates internal governance to ensure transparency, accountability, and resilience. It encompasses three assessment phases and covers nine modules

Internal Governance

- **Internal governance** refers to an institution's internal organization, business management, and risk control.
- The **IGRM assessment covers nine modules**: i) organizational structure; ii) management body; iii) risk management; iv) compliance; v) internal audit; vi) risk framework; vii) remuneration; viii) risk culture; and x) risk reporting.
- It evaluates **overall governance arrangements** rather than specific risk controls and follows a **proportional approach**, considering the institution's scale and complexity.

IGRM Assessment Process

The IGRM assessment **encompasses three phases** and is assessed from a **qualitative risk control perspective**.

Phase 1	Phase 2	Phase 3
Information gathering outlining features related to MB in its supervisory and management functions, sub-committees, RAF, remuneration policies, organisational structure, internal policies related to internal control functions.	**Risk control questions** to verify compliance with supervisory expectations and SSM/SREP priorities for the given SREP cycle.	**Supervisory assessment** including the evaluation of the overall quality, functioning, and regulatory compliance of internal governance through **nine modules** for in-depth assessment.

What is new?

Integration of emerging risks. The IGRM methodology has been updated to address new aspects arising from the evolving economic and regulatory environment.

- **ESG risks**. Institutions are expected to incorporate climate and environmental considerations into their risk management frameworks and governance structures.
- **Diversity-related deficiencies**. Banks must enhance their board and senior management diversity to improve decision-making and risk awareness.
- **AML risks**. Strengthened oversight on AML frameworks to ensure that institutions have robust compliance measures in place.
- **IT infrastructure and cyber resilience**. The ECB is placing greater emphasis on IT risk management, including RDARR, to enhance the accuracy and reliability of internal risk reporting.

Supervisory expectations. There is greater emphasis on challenge culture, requiring board members to demonstrate active engagement and independent oversight of risk management.

Proportionality. In 2023, proportionality was considered in assessing structures and processes. The 2024 approach reinforces a more tailored supervision, ensuring that smaller and less complex institutions are assessed proportionally, while larger entities undergo more rigorous governance evaluations.

Access to IGRM

Assessment of risks to capital - Credit Risk

The updated credit risk methodology strengthens the assessment framework by incorporating a modular structure, reinforcing the role of external factors, and streamlining risk control evaluations. These enhancements ensure a more comprehensive and structured approach to evaluating credit exposure, portfolio composition, risk parameters, and mitigation strategies

Credit risk level methodology

Phase 1

The methodology is modular, providing a portfolio and risk view tailored to the institution's specific credit activities and counterparty types.

Data sources and materiality assessment:

- **Stage 1 (automatic materiality calculation):** based on supervisory reporting and STE. Key indicators include volume-based metrics and risk-based metrics.
- **Stage 2 (final selection by JSTs)**: incorporates additional internal data. Includes qualitative inputs. Considers supervisory insights.

JSTs classify modules as material or immaterial, assesing significant credit risk drivers for each institution.

Phase 2

Combines assessments for both PL and NPL portfolios.

NPL view:

- **Asset quality**: evaluates NPL ratio and inflows.
- **Risk mitigation**: assesses NPL coverage ratios, provisioning, and write-off practices.

PL view:

- **Asset quality**: considers early arrears and Stage 2 exposures, signaling early signs of credit deterioration.
- **Risk mitigation**: examines Stage 2 coverage ratios.
- **Concentration risk**: analyzes sectoral and single-name concentration.

Phase 3

Incorporates institution-specific portfolio and risk dimensions.

- **Portfolio view modules**: i) households; ii) non-financial corporations; iii) credit and financial institutions; iv) central and general governments; v) leveraged finance; and vi) cross-cutting dimensions.
- **Risk view modules**: i) concentration risk; ii) securitisation risk; iii) risk from FA and NPLs held for sale; iv) country risk; and v) CCR

Credit risk control methodology

Phase 1 & 3

The goal of **Phase 1** is to gather information on credit risk control structures, including governance and control frameworks, to support **Phase 3**, were JSTs conduct a comprehensive evaluation on the efficiency of credit risk controls.

Common modules:

- **Governance and organisational frameworks**: reviewing decision-making, management involvement, and organisational structures.
- **Risk strategy and appetite**: assessing alignment and documentation of credit risk strategies.
- **Internal capital allocation**: evaluating capital allocation methodologies for comprehensiveness and risk sensitivity.

Credit risk-specific modules:

- **Loan origination**: reviewing lending authority, creditworthiness, ESG factors, and collateral valuation.
- **Loan monitoring**: focusing on credit quality detection, NPE recognition, and collateral monitoring..
- **Arrears and NPL management**: assessing arrears handling, NPL policies, and collateral management.
- **Transversal topics**: covering leveraged finance, securitisation, and CCR risk management.

! *What is new?*

Risk control methodology. The risk control methodology has been streamlined, with Phase's 2 formal compliance check now integrated into Phase 3, ensuring a more comprehensive supervisory evaluation alongside the in-depth risk assessment.

Inclusion of external factors. Credit risk continues to consider external factors (economic conditions, climate, environmental aspects, and geopolitical developments) while reinforcing their importance in risk assessment.

Modular assessment structure. Previously the assessment was more linear, with each phase focusing on specific tasks, it followed a sequential process to evaluate credit risk and its controls.The control assessment now employs a modular structure, focusing on areas such as governance and organizational framework, risk strategy and appetite, and specific modules (origination, monitoring, and arrears & NPL management).

Access to Credit risk

Assessment of risks to capital - Market risk

The updated market risk methodology strengthens risk assessment through a modular structure, enhances risk control evaluations, and aligns CSRBB with IRRBB under EBA guidelines, ensuring a more comprehensive and proportional supervisory approach

Market risk level methodology

Phase 1

Conducting a materiality assessment of market risk, identify vulnerabilities, evaluate the market risk framework, and gather data for Phase 3. The methodology involves **three main modules**:

- **Regulatory market risks**: assessing vulnerabilities from trading book exposures, foreign exchange, and commodity positions as defined by CRR.
- **Non-regulatory market risks**: evaluating banking book losses due to adverse market movements, covering fair value equity instruments and structural FX risk.
- **Pricing-related risks**: analyzing risks in fair value positions, including valuation risk, CVAs, and xVAs.

Materiality is assessed through:

- **Automatic calculations**: based on supervisory data, using backward-looking, point-in-time, and forward-looking indicators.
- **JST review,** which incorporates additional internal data, market risk strategies, supervisory findings, and other qualitative information.

Phase 2 & 3

Phase 2 generates an automatic, risk-based anchoring score for an institution's market risk level. It uses KRIs based on **three time perspective** to cover all aspects of market risk: i) **backward-looking**; ii) **point-in-time**; and iii) **forward-looking**.

The score is derived by comparing institutional values athree-timened thresholds aligned with the SSM risk appetite.

- This quantitative framework ensures harmonized and consistent assessment across institutions.
- Phase 2 score provides a preliminary risk assessment.

Phase 3 uses **five perspectives** to conduct comprehensive market risk analysis: i) **strategy**; ii) **nature and composition**; iii) **profitability**; iv) **market view**; and v) **prudential view**.

Market risk control methodology

Phase 1 & 3

Phase 1 gathers information about the risk control structures for market risk so **Phase 3** can evaluate the soundness and efficiency of an institution's market risk control framework from different perspectives and in the light of the scale and complexity of the institution

Common modules:

- **Governance and organisational frameworks**: evaluates the adequacy of governance,and decision-making for market risk management.
- **Risk strategy and appetite**: assesses clarity, documentation, and implementation of market risk strategies and frameworks.
- **Internal capital allocation**: reviews capital allocation frameworks for market risk, focusing on comprehensiveness, conservativeness, and risk sensitivity.

Market risk-specific modules:

- **Risk identification, measurement, monitoring, and reporting**: identifying and measuring market risk, pricing processes, valuation, internal models, stress testing, and climate risk impacts.
- **Internal controls**: evaluating the adequacy for limiting and controlling market risk, with the effectiveness of internal validation and audit functions.

! What is new?

Risk control methodology. The risk control assessment for market risk no longer includes a Phase 2 during which the formal compliance check would have been performed. Now, during Phase 3, supervisors perform a comprehensive evaluation that includes the formal compliance aspects alongside the in-depth risk assessment.

Modular assessment structure. Previously the assessment was more linear, with each phase focusing on specific tasks, it followed a sequential process to evaluate market risk and its controls.The risk control assessment now employs a modular structure, focusing on areas such as governance and organizational framework, risk strategy and appetite, and specific modules like risk identification, measurement, monitoring,reportingand internal control.

CSRBB assessment. In 2023, CSRBB was assessed as part of market risk. As of 2024, it is assessed alongside IRRBB, aligning with the EBA guidelines on the management of IRRBB/CSRBB, applicable since December 31, 2023, for provisions related to CSRBB.

Access to Market risk

Risk to capital

Assessment of risks to capital – IRRBB & CSRBB

The updated 2024 SREP methodology provides a more detailed and tailored framework for assessing IRRBB and CSRBB, focusing on key risks like interest rate shifts and credit spread movements to ensure effective risk management

IRRBB/CSRBB risk level methodology

Phase 1 & 2

The methodology is **split into two modules**: **IRRBB and CSRBB**, **analyzed** from both **an economic value** and an **earnings perspective**.

IRRBB submodules:

- **Optionality**: evaluating risks from behavioral options.
- **Interest rate derivatives**: assessing derivative usage and hedging effectiveness.
- **NMDs**: examining model risks linked to behavioral assumptions for NMDs.

The **assessment relies** on **supervisory reporting, ICAAP, and internal or supervisory insights**, with materiality initially determined using key risk indicators. JSTs refine these decisions by incorporating additional qualitative and supervisory data.

Phase 2 generates an automatic **anchoring score for IRRBB risk**.

- The score uses **IRRBB metrics** like the **EVE** and **NII.**
- While **quantitative**, the score provides a **preliminary assessment without capturing bank-specific features or idiosyncrasies**

Phase 3

Involves a **qualitative**, institution-specific assessment by JSTs to finalize the IRRBB and CSRBB risk level score

Key aspects include **evaluating processes and metrics** for quality and reliability, addressing **potential biases** in institutions' self-assessments. The JSTs **focus on material submodules** identified in Phase 1 and consider **IRRBB's core components**:

- **Gap risk** arising from timing mismatches in asset and liability maturities or yield curve changes.
- **Basis risk** linked to mismatched interest rate hedging.
- **Option risk** stemming from customer or institutional options affecting cash flows.

IRRBB/CSRBB risk control methodology

Phase 1 & 3

Phase 1 gather information on IRRBB and CSRBB risk control structures so Phase 3 carry out an assessment **includes all modules**, as **no materiality check is performed**.

Common modules:

- Governance and organisational framework: reviewing governance, resources, and management involvement.
- Risk strategy and appetite: evaluating clarity, documentation, and alignment of risk strategies and appetites.
- Internal Capital Allocation: assessing capital frameworks for completeness, conservativeness, and risk sensitivity.

Risk-specific modules:

- Risk Identification and measurement: focus on risk frameworks, internal models, stress testing, and reporting.
- Internal controls: examination of controls, validation, audits, and alignment with risk strategies.

! *What is new?*

Risk control methodology. The risk control assessment for IRRBB/CSRBB no longer includes a Phase 2 during which the formal compliance check would have been performed. Now, during Phase 3, supervisors perform a comprehensive evaluation that includes the formal compliance aspects alongside the in-depth risk assessment.

CSRBB assessment. CSRBB is no longer assessed as part of market risk but is instead assessed alongside IRRBB in line with the EBA guidelines on the management of IRRBB/CSRBB, applicable since December 31, 2023, for provisions related to CSRBB.

CSRBB methodology. CSRBB lacks harmonized data for automated scoring in Phase 2, the methodology provides clearer guidelines for qualitative assessments in Phase 3, ensuring banks address pricing and spread-related risks effectively.

Core risk components. Previously, a detailed breakdown of specific risk drivers such as gap, basis and option risk was not emphasised. This update introduces more granular tools to address vulnerabilities, improving supervisory oversight compared to previous, less detailed approaches.

Access to IRRBB/CSRBB risk

Risk to capital

Assessment of risks to capital – Operational and ICT risk

The operational risk level assessment is conducted in three phases by JSTs, while the ICT risk level assessment covers only Phases 1 and 3. These updates aim to provide a clearer, more organized, and focused way of assessing operational and ICT risks, helping supervisors better identify and address weaknesses in banks' systems and processes

The assessment of both risk categories is based on (i) a quantitative assessment that considers the inherent risk (risk level), and (ii) a qualitative assessment that considers the management and control framework (risk control)

Phase 1

- **Risk level** assessment for Phase 1: data gathering and materiality assessment. It utilizes **quantitative and qualitative data** sources. Key inputs include: i) **quantitative indicators** from supervisory reporting; ii) **additional supervisory**; and iii) **internal management data** from banks (ICAAP and internal audit reports).
- **Risk control** assessments for Phase 1: information gathering. Similar data sources are used for both risks (**SSM documentation**, **external sources**, and **institution-generated documents**).

Phase 2

- Phase 2, **only applicable to operational risk level**, generates an automatic **anchoring score** using a consistent methodology across all SIs.
- It **captures dimensions** like historical operational risk losses to provide a comprehensive preliminary assessment.
- **Idiosyncratic elements** of a bank's risk profile are **addressed in Phase 3**.

Phase 3

Phase 3 involves a detailed evaluation of operational and ICT risks through specific modules selected by JSTs based on their expert judgment and MYA. JSTs should make full use of the assessment outcomes for the following modules to **score the overall**:

- **Operational risk level** : conduct risk, internal fraud risk, process management, external fraud, reputational risk, employment safety, third-party risk, and business disruption.
- **Operational risk control** : governance, strategy, internal controls, risk management, capital allocation framework, third-party risk control, and business continuity.
- **ICT risk level** : ICT security, availability, continuity, change risk, data integrity, and third-party risk.
- **ICT risk control** : ICT governance, operations, software development, information security, and business continuity.
- **Third-party risk level**: assesses reliance on third-party providers for critical functions, ability to replace them, and exposure to single or multiple providers.
- **Third-party risk control**: focuses on governance frameworks and processes to manage and monitor third-party risks effectively.
- **Business continuity risk control**: evaluates institutions' accountability, prioritization of critical processes, and development, testing, and maintenance of business continuity and disaster recovery plans.

! What is new?

Assessment of ICT risk. ICT risk was evaluated as a subset of operational risk, without a dedicated focus. The ICT risk is now assessed separately, acknowledging its unique challenges and importance. This allows for a more targeted evaluation of ICT-specific vulnerabilities.

Modular assessment structure. Previously the assessment was more linear, with each phase focusing on specific tasks.The risk control assessment now employs a modular structure, enabling supervisors to focus on specific components of operational and ICT risk level and risk control, as well as third-party risks and business continuity.

Operational resilience. The updated methodology incorporates operational resilience, assessing banks' abilities to maintain critical operations during disruptions, thereby ensuring a comprehensive evaluation of preparedness against unforeseen events.

Capital adequacy assessment

The new methodology integrates ICAAP and stress testing into a single, comprehensive Capital adequacy assessment, ensuring a more efficient, proportional, and forward-looking evaluation of institutions' capital strength and resilience

Capital adequacy assessment

The information coming from the assessment of the four risks above is combined with considerations around the overall availability of capital in the bank and the adequacy of the bank's own processes.

The assessment quantitatively evaluates a bank's ability to meet regulatory capital requirements and sustain its business model under normal and stressed conditions, considering both normative and economic perspectives in the short and medium term.

The assessment leverages on other SREP assessments, including the assessment of risks to capital, the assessment of the ICAAP and the assessment under stressed conditions. For the forward-looking part of the assessment, banks' capital plans are challenged and adjusted where necessary.

ICAAP evaluation. JST assesses the ICAAP to determine whether an institution's capital management framework is robust, well-integrated, and proportionate to its size, complexity, and risk profile. This assessment is conducted from both qualitative and quantitative perspectives, focusing on:

1. Risk identification & measurement: evaluating how the institution identifies, measures, and aggregates risks within its ICAAP framework.
2. Governance & integration: assessing how ICAAP is embedded into daily management processes, including the role of the management body, internal controls, validation, and audit as part of governance.
3. Forward-looking capital planning: reviewing how institutions incorporate a long-term perspective in their capital planning to ensure sustainability under various scenarios, including stressed conditions.

The ICAAP assessment plays a critical role in informing internal governance and risk management and is a key factor in supervisors' determination of additional capital requirements under Pillar 2.

Stress test integration. The JST assesses a bank's capital resilience under stress using internal projections, supervisory stress tests (top-down/bottom-up stress tests), and regulatory calculations.

- Institutions use stress tests and sensitivity analyses to assess capital needs and identify early backstop actions. While ICAAP risk taxonomy remains stable, additional risks may arise under stress conditions.

What is new?

- The **new capital adequacy assessment** now **combines ICAAP and stress testing into a single, holistic evaluation** rather than treating them as separate challenge blocks.
- It still evaluates capital management, governance, and stress resilience, but in a **more streamlined and proportional way**.

2023	2024
Assessment of risks to capital	Assessment of risks to capital
Challenging an institution's ICAAP	Capital adequacy assessment
Challenging an institution's internal estimates of capital under stressed conditions	Capital adequacy assessment
Risk of excessive leverage	Risk of excessive leverage
Capital adequacy assessment	Capital adequacy assessment

Access to Capital Adequacy Assessment

5 Why Management Solutions?
Key aspects and differential value

MS has extensive experience with supervisory practices, ensuring institutions are well-prepared for supervisory assessments and fully aligned with regulatory requirements

MS differential values in risk and capital management

1. **Experience with supervisory bodies.** MS is a "highly rated external service provider" in internal capital models by different European and American Supervisors. In particular, it has 7 framework service agreements with the ECB related to internal models and is the highest rated provider in the capital area.
2. **Regulatory modelling.** MS has extensive experience in modelling: (i) credit risk (IRB, IFRS 9 & CECL, stress testing, others), (ii) market risk, CCR and IRRBB (VaR, pensions, xVA); (iii) ALM and liquidity; (iv) residual value; and (v) economic capital, among others.
3. **Independent validation**. MS collaborates with different institutions as an independent supervisor of internal models, verifying compliance with regulatory requirements (e.g. CRR, EBA, ECB Guidance on internal models...) to obtain approval from regulators (e.g. ECB, DNB, Bundesbank...).
4. **Experience in the design and implementation of capital calculation engines.** MS has extensive experience in supporting institutions in the design and implementation of capital calculation and reporting solutions (including our proprietary MIR and SIRO tools), as well as in the execution of capital impact analysis exercises, optimisation...
5. **Specialised team.** MS has a team of experts in the field of risk and capital management (modelling, regulation, impacts, information systems, reporting...), combining quantitative and technical expertise with strong regulatory knowledge.

A Annex
Abbreviations

AML	Anti-Money Laundering
BMA	Business Model Analysis
BoE	Bank of England
CCR	Counterparty credit risk
COREP	Common Reporting
CSRD	Corporate Sustainability Reporting Directive
CSRBB	Credit Spread Risk in the Banking Book
CVA	Credit Valuation Adjustment
EBA	European Banking Authority
ECB	European Central Bank
ESG	Environmental, Social, and Governance
EVE	Economic Value of Equity
FA	Foreclosed Assets
FINREP	Financial Reporting
FX	Foreign Exchange
GRI	Greenhouse Gas Protocol
ICAAP	Internal Capital Adequacy Assessment Process
ICT	Information and Communication Technology

IGRM	Internal Governance and Risk Management
IRRBB	Interest Rate Risk in the Banking Book
JST	Joint Supervisory Team
ILAAP	Internal Liquidity Adequacy Assessment Process
MYA	Multi Year Assessment
NII	Net Interest Income
NMD	Non-maturity Deposits
NPL	Non-Performing Loan
RAF	Risk Appetite Framework
RFT	Risk Tolerance Framework
SREP	Supervisory Review and Evaluation Process
SSM	Single Supervisory Mechanism
xVA	Other Valuation Adjustments

Management Solutions
Making things happen

International
One Firm

Multiscope
Team

Best practice
know-how

Proven
Experience

Maximum
Commitment

Marta Hierro
Partner at Management Solutions
marta.hierro@msspain.com

June Echebarria
Manager at Management Solutions
june.echebarria@msspain.com

For more information please visit

www.managementsolutions.com

Or follow us at: