

What are the EBA ESG Pillar 3 Disclosures?

Starting in 2023, The European Banking Authority’s Pillar 3 disclosure standards on ESG risks require banks’ issued securities traded on an EU regulated market to report information in four main categories:

- Exposure to carbon-related assets and assets subject to climate change-related risks including transition and physical risks
- Support for counterparties through the low-carbon transition and in climate adaptation
- Key performance indicators on sustainable finance activity based on the EU Taxonomy Regulation
- And integration of ESG considerations into governance, business, strategy and risk management

This is reported through 10 quantitative templates which require disclosure of information relating to climate-related risks, actions to mitigate those risks, exposure to green assets, and information on sustainable risk management.

The templates have varying due dates; as of the end of December 2022, the first disclosure relating to five of the templates will be required to be released with the bank's 2023 financial statement, or as soon as possible thereafter with a data reference.

Find out how you can harness MSCI ESG and Climate data to address the EBA ESG Pillar 3 disclosures on ESG risks at [MSCI.com](https://www.msci.com).

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