



Brussels, 16.8.2022  
C(2022) 5647 final

ANNEX

**ANNEX**

**to the**

**COMMISSION DELEGATED REGULATION (EU) .../...**

**supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards specifying exotic underlyings and the instruments bearing residual risks for the purposes of the calculation of own funds requirements for residual risks**

## ANNEX

### List of instruments bearing residual risks referred to in Article 2

The instruments referred to in Article 2 shall be any of the following:

1. options where the pay-offs depend on the path followed by the price of the underlying asset and not just its final price on the exercise date;
2. options that start at a predefined date in the future and whose strike price is not yet determined at the time at which the option is in the trading book of the institution;
3. options whose underlying is another option;
4. options with discontinuous pay-offs;
5. options allowing the holder to modify the strike price or other terms of the contract before the maturity of the options;
6. options that can be exercised on a finite set of predetermined dates;
7. options whose underlying is denominated in one currency but whose pay-offs are settled in a different currency, with a predetermined exchange rate between the two currencies;
8. multi-underlying options, excluding those referred to in Article 3, points (c) and (d);
9. options subject to behavioural risk, only where all of the following conditions are met:
  - (a) the option lies with a retail client;
  - (b) a significant amount of these options are held in the trading book;
  - (c) the behavioural risk of these options is assessed by the institution to be material.