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Our ref DL/SH

By email to:
UKEndorsementBoard@endorsement-board.uk

21 October 2026

Dear Mr Lee

Response to UKEB's Invitation to Comment on its Draft Comment Letter

KPMG in the UK (we) welcome the opportunity to respond to the UK Endorsement Board's (UKEB) invitation to comment on the International Accounting Standards Board's (IASB) Exposure Draft (ED) Risk Mitigation Accounting–Proposed amendments to IFRS 9 and IFRS 7.

We appreciate the IASB's efforts to better align risk mitigation accounting with actual risk management activities undertaken by banks and other financial institutions.

KPMG International Financial Reporting Group (IFRG) will respond to the IASB consultation on behalf of the network of KPMG member firms in due course.

In advance of that response, KPMG in the UK notes that many industry participants have raised substantive concerns about the proposals, including on scope and the risk mitigation adjustment excess test. These concerns are broadly consistent with the themes in your draft response. Accordingly, at this stage, we have no significant comments on the key observations in UKEB's draft comment letter.

Yours sincerely

KPMG LLP

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