Capital and Risk Management Report 2022

The Capital and Risk Management Report is a translation of the original Finnish version "Capital and Risk Management Report -raportti 2022". If discrepancies occur, the Finnish version is dominant.

Contents

1. Introduction

EU Capital Requirements Regulation (575/2013), Part 8, sets requirements for the disclosure obligation of institutions and the disclosure of information concerning banks' risks, their management and capital adequacy. Additionally, among others, the European Banking Authority (EBA) has specified disclosure requirements with its guidelines.

Oma Savings Bank publishes Pillar III data in accordance with EBA/ITS/2020/04 and Regulation 637/2021, applying Article 433 of the capital adequacy 575/2013 and its supplementary Regulation (EU) 2019/876.

The Oma Savings Bank Group complies with its disclosure obligation by publishing comprehensive information on its capital adequacy and risk management (so-called Pillar III information) annually alongside its Annual Report. On a semi-annual basis, the Group presents relevant information regarding capital adequacy and risk management. The information in Pillar III is unaudited.

Chapter 11 provides a summary table of where the information required by Capital Requirement Regulation, Articles 435 to 455, is disclosed. Data may be left undisclosed to the extent that it is irrelevant and the potential impact on Oma Savings Bank Group's profitability, performance, balance sheet or capital adequacy is low. Where necessary, general information concerning the undisclosed facts will be published.

1.1 Disclosure on the sufficiency of risk management approved by the management body

Risk management systems are based on the risk appetite and different risk strategies approved by the Board. Various risks and their development are regularly reported to the Board. With this disclosure, the Board confirms that the risk management systems used by Oma Savings Bank are adequate in relation to the institution's profile and strategy.

The Board considers that this report provides external stakeholders with a comprehensive overview of Oma Savings Bank's risk management and the risk profile related to its business strategy (CRR 575/2013, 435 (1f)). Based on this, the Board also notes that the risk management methods implemented are adequate for the risk profile and strategy of Oma Savings Bank (CRR, 435 (1e)). In addition, the Board considers that the information presented in this report has been prepared in accordance with the agreed internal control processes.

1.2 Risk statement approved by the management body

Oma Savings Bank practises retail banking and mortgage banking. Key customer groups are retail customers, small and medium-sized companies, agricultural entrepreneurs, and housing companies. Company's key risk types are credit risk, operational risk, market risk and liquidity risk.

Credit risk in financial activities is the company's key risk, which is managed in accordance with the credit risk strategy approved by the Board of Directors by setting targets and risk limits for the loan portfolio's quality and concentrations. Loans secured by immovable property and retail exposures form the majority of the company's credit risk. Company's customer base is almost entirely in Finland, and well diversified within the country.

Operational risk is another key risk. Operational risk is managed both centrally and by business line. Oma Savings Bank's most significant sources of operational risk are cyber risks, datacommunications and system failures. The likelihood of a cyber attack has increased with the Russia's invasion war. The energy crisis has increased the likelihood of blackouts, which can also contribute to telecommunications disruptions. In addition, fraud and scams have been identified as sources of operational risk, as well as knowledge of the customer, which is related to the quality of customer information collected.

Market risk results from fluctuations in the market prices of investment portfolio securities and the interest rate risk in the banking book. The interest rate risk in the banking book is regularly modelled and the market risk of the investment portfolio is managed through a prudent investment strategy. As a general rule, the company does not practice trading on its own account, but bonds are purchased for managing liquidity and derivatives are used for hedging purposes.

The company directs its operations so that its risk tolerance limits are not exceeded. The Group's Common Equity Tier 1 (CET1) has a medium-term target level of 14% and its realisation at the end of the year was 13.3%.

The target level for the share of insolvent loans in the loan portfolio has been set at 2% and it was below at the end of review year, being 1.6%. Liquidity risk is measured in the short and long term by monitoring the structure of the liquidity reserve and long-term liabilities. The Group's target for the LCR ratio is 125% (realised 166.4%), and for the Net Stable Funding Ratio (NSFR) requirement the Group's target is 110% (realised 115.3%).

2. Summary

(1,000 euros)	31 Dec 2022	31 Dec 2021
Own funds		
Common Equity Tier 1 (CET1) capital	339,488	371,923
Total capital (TC)	378,988	375,184
Pillar I minimum capital requirement (8,0 %)	203,722	191,851
Pillar I total capital requirement	305,792	287,917
Risk weighted assets		
Credit and counterparty risk, standardised approach	2,281,829	2,179,689
Credit valuation adjustment (CVA)	31,658	8,513
Market risk (foreign exchange risk)	-	8,668
Operational risk, basic indicator approach	233,043	201,272
Risk weighted assets, total	**2,546,530**	**2,398,141**
Ratios		
Common Equity Tier 1 (CET1) capital ratio, %	13.33%	15.51%
Total capital (TC) ratio, %	14.88%	15.64%
Leverage ratio, %	5.57%	6.73%
Liquidity coverage ratio (LCR), %	166.36%	132.99%

Oma Savings Bank aims to continue strong and profitable growth in the coming years. Market position will be strengthened throughout the business area through profitable business growth. The company plans to carry out a corporate reorganization in the first quarter of 2023, in which Liedon Savings Bank will become part of Oma Savings Bank's business operations. The company is actively seeking growth, but only in business areas where it can be implemented with sufficient profitability and with an acceptable return on risk.

Risk management is included in all company operations, and it includes, amongst other things, careful decisions, systematic follow-up, rigorous measures. One of the primary functions of risk control is to secure sound growth without an increase in risk levels or disruptions in day-to-day operations. The company has defined risk management processes, risk-taking limits and guidelines for staying within defined and set limits.

The business profile is stable as the company focuses on retail banking. Oma Savings Bank's most significant sources of operational risk are the cyber risks, datacommunications and system failures.

The company monitors the progress of application of CRD 5 and CRR2 and BRRD 2 and SRMR 2, as well as changes and effects of Basel III in EU legislation.

Despite the increase in the loan portfolio of private and corporate customers and the decrease in the fair value reserve, the Common Equity Tier 1 capital ratio (CET1) of Oma Savings Bank Group remained adequate and was 13.3 (15.5)% at the end of the period, below the minimum medium-term financial target (14%) set by the company's Board of Directors. Risk-weighted items were most significantly increased by the growth of the loan portfolio and own funds, the profits accumulated during the financial year and the debentures issued in the last half of the year. Total capital ratio was 14.9 (15.6)% and the leverage ratio was 5.6 (6.7)%. At the end of the year, the Group’s total capital ratio 2.9 percentage points over the minimum regulatory requirement.

The Group’s LCR key figure was 166.4% at year-end and Standard & Poor’s credit rating for short-term borrowing was A-2.

For the Net Stable Funding Ratio (NSFR) requirement the key figure was 115.3% at year-end and Standard & Poor's credit rating for long-term borrowing was BBB+.

EU KM1: Key metrics template

(1,000 euros)		a 31 Dec 2022	b 30 Jun 2022	c 31 Dec 2021	d 30 Jun 2021
	Available own funds (amounts)				
1	Common Equity Tier 1 (CET1) capital	339,488	337,667	371,923	352,023
2	Tier 1 capital	339,488	337,667	371,923	352,023
3	Total capital	378,988	338,941	375,184	356,795
	Risk-weighted exposure amounts				
4	Total risk exposure amount	2,546,530	2,558,085	2,398,141	2,142,427
	Capital ratios (as a percentage of risk-weighted exposure amount)				
5	Common Equity Tier 1 ratio (%)	13.3314%	13.2000%	15.5088%	16.4310%
6	Tier 1 ratio (%)	13.3314%	13.2000%	15.5088%	16.4310%
7	Total capital ratio (%)	14.8825%	13.2498%	15.6448%	16.6538%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)				
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.5000%	1.5000%	1.5000%	1.5000%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.8438%	0.8438%	0.8438%	0.8438%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.1250%	1.1250%	1.1250%	1.1250%
EU 7d	Total SREP own funds requirements (%)	9.5000%	9.5000%	9.5000%	9.5000%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)				
8	Capital conservation buffer (%)	2.5000%	2.5000%	2.5000%	2.5000%
9	Institution specific countercyclical capital buffer (%)	0.0082%	0.0052%	0.0058%	0.0061%
11	Combined buffer requirement (%)	2.5082%	2.5052%	2.5058%	2.5061%
EU 11a	Overall capital requirements (%)	12.0082%	12.0052%	12.0058%	12.0061%
12	CET1 available after meeting the total SREP own funds requirements (%)	5.3825%	3.7498%	6.1448%	7.1538%
	Leverage ratio				
13	Total exposure measure	6,093,644	6,054,393	5,527,533	4,919,404
14	Leverage ratio (%)	5.5712%	5.5772%	6.7286%	7.1558%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)				
EU 14c	Total SREP leverage ratio requirements (%)	3.0000%	3.0000%	3.0000%	3.0000%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)				
EU 14e	Overall leverage ratio requirement (%)	3.0000%	3.0000%	3.0000 %	3.0000 %
	Liquidity Coverage Ratio				
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	745,212	684,390	643,073	636,848
EU 16a	Cash outflows - Total weighted value	575,951	540,638	545,638	426,891
EU 16b	Cash inflows - Total weighted value	46,878	45,476	62,090	30,280
16	Total net cash outflows (adjusted value)	529,073	495,162	483,549	396,612
17	Liquidity coverage ratio (%)	141.8525%	138.4976%	132.9904%	160.5700%
	Net Stable Funding Ratio				
18	Total available stable funding	4,708,761	4,440,370	4,349,807	4,067,002
19	Total required stable funding	4,085,395	4,039,277	3,777,507	3,339,650
20	NSFR ratio (%)	115.2584%	109.9298%	115.1500%	121.7800%

The form does not provide lines EU 8a, EU 9a, 10, EU 10a, EU 14a, EU 14b and EU 14d, nor column e, as there is nothing to report.

EU LI3: Outline of the differences in the scopes of consolidation (entity by entity)

a	b	c	d	e	h
		Method of prudential consolidation			
Name of the entity	Method of accounting consolidation	Full consolidation	Proportional consolidation	Equity method	Description of the entity
Oma Savings Bank Plc	Full consolidation	X			Credit institution
Real estate company Lappeenrannan Säästökeskus	Full consolidation	X			Insurance entity
SAV-Rahoitus Plc	Equity method		X		Credit institution
Figure Taloushallinto Oy	Equity method			X	Company providing financial administration and regulatory reporting services
GT Invest Oy	Equity method			X	Real estate management company
City Kauppapaikat Oy	Equity method			X	Company engaged in real estate management and leasing
Housing company Seinäjoen Oma Savings Bank house	Joint operations	X			Ancillary services undertaking
Deleway Projects Oy	Equity method			X	Company engaged in the construction and management of real estate

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The Group structure and administration are described in more detail in the Board of Directors' report.

3. Impacts of the Russian invasion war and corona pandemic on the risk position

Russian invasion war to Ukraine has led to global sanctions on Russia and Belarus. Most significantly, Russia's invasion to Ukraine and the economic uncertainty have affected the financial markets in terms of the activities of Oma Savings Bank, and thereby the functioning of the refinancing market in terms of funding availability and pricing. The invasion war and the sanctions against Russia have strongly accelerated the inflation that started in 2021. High inflation and the energy crisis have increased the pressure on central banks to raise interest rates, which has been reflected in the continued rise in interest rates. As a result of the rise in market interest rates, the value of the company's liquidity portfolio decreased, particularly in the first half of the year, as the portfolio mainly consists of fixed-rate bonds. The company's hedging measures equated the valuation changes in the liquidity portfolio as expected for the remainder of the year. Correspondingly, the increase in interest rates has been reflected in a significantly increased interest income in net interest income. The company has initiated many measures with which it aims to add buffers to the clearly weakening economic cycle. The company completed bond and debenture loan issuances in the fourth quarter of the year to increase its liquidity and capital buffers. In addition, the company is running hedging measures regarding interest rate risk management.

The war has also highlighted the existence of cyber threats in particular: a denial-of-service attack can disrupt or paralyze information systems. Cyber threats and other risks have been identified in cooperation with service providers to ensure that the company is well prepared in the event of a possible disruption. The company has updated its own preparedness measures and operating guidelines especially with respect to the control of sanctions. In addition, the authorities have developed their own precautionary measures.

Neither the Russian invasion war nor the corona pandemic has caused individual peaks in demand for grace periods during 2022. However, during the review period, the grace periods grew steadily.

The quality of the company's loan portfolio has remained at a good level. However, the Russian invasion war, inflation and the rise in interest rates have further increased uncertainty in the financial market and the operating environment, and it has increased the credit risk as customers' potential payment difficulties may increase. In addition to the allowances generated by ECL models and the future-looking variables of the model, additional allowances based on management’s judgement has been made for payment difficulties by individual customers already during the corona pandemic. In the last quarter of the year, the company released additional allowances based on the management's judgement by two million euros. On 31 December 2022, the company has a total of EUR 0.9 million (2.9 million) additional allowances left. The company continues to monitor the situation and assess the situation on a monthly basis.

During the Russian invasion war and the corona pandemic, the company has been monitoring changes in liquidity risk more effectively. In terms of liquidity, the company's situation has been stable throughout and the effects of the Russian invasion war on the company's liquidity have remained moderate. The company's liquidity has remained at a good level with, among other things, the covered bonds issued in May and in November 2022 as well as with the issuance of a senior-term bond in September 2022. The deposit portfolio has increased by 7.5% over the previous 12 months. The sharp rise in interest rates seen in 2022 can be partly seen as a shift in demand deposits, when banks are starting to offer deposit rates again after a long period of negative interest rates. In addition, the prolongation of Russia's invasion war and the inflation caused by the energy crisis weaken the funds available to households.

In terms of credit risk, preventive measures have included the above-mentioned grace periods granted to customers, increased monitoring of watchlist customers and loans in arrears, careful assessment of collateral values and monitoring. Due to the increased risk due to the Russian invasion war and sanctions, the company has performed a loan portfolio analysis. The review has identified only a limited number of customers who may be experiencing loan management difficulties. Additionally, when granting new loans, the applicant’s repayment capacity and the value of collateral are monitored bearing in mind the above-mentioned crises and the economic uncertainty caused by them, as well as the increase in interest rates and costs.

4. Oma Savings Bank Plc's risk management and internal control

Pillar I sets minimum capital requirements for the three largest risk types: credit, market and operational risk. In addition, it sets more precise requirements for these risk classes, for example, the quality and level of capital. The capital requirement includes in addition to the minimum capital requirement (8%) various additional capital buffer requirements.

Pillar II specifies the frame of reference for the internal capital adequacy processes (ICAAP and ILAAP) and supplements Pillar I by processing any other risks to the company such as risks linked to credit risk concentrations, market and interest risk, other risk concentrations, system related risks as well as strategic, legal and reputation related risks. Stress tests are performed during the ICAAP assessment. Pillar II combines risk profile, risk management, risk management systems and capital planning. Pillar II sets qualitative requirements for risk management and internal control. In addition, Pillar II defines the annual supervisory review and evaluation process (SREP) whose purpose it is to ensure sufficient practices, strategies and processes for risk management, including capital and liquidity buffers. SREP also includes a stress test related to risk assessment.

Pillar III supplements the first two pillars by defining the disclosure principles. Its key goal is to improve transparency in relation to own funds, risk positions, risk assessment processes and capital adequacy.

4.1. Roles and responsibilities

Oma Savings Bank follows the three lines of defence principle. The business lines are responsible for risks, and the independent risk management function and the compliance function support business operations. The third line of defence is the company's internal audit.

The company's Board of Directors has set limits for different risk classes and these are reassessed annually. The relevant business lines and independent functions' representatives participate in the assessment process. In the first line of defence, the relevant business line is responsible for ensuring that the operations remain within the boundaries set by the limits. In the second line of defence, the company's risk management monitors this and informs the company's Board of Directors and management team of the limit situation.

Internal control functions

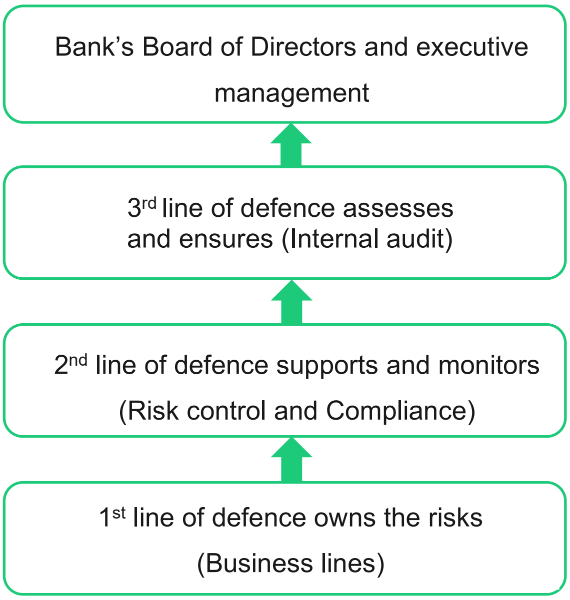
Oma Savings Bank has arranged functions that are business-independent to ensure efficient and comprehensive internal control as follows:

- Independent risk control function
- Ensuring regulatory compliance (Compliance function)
- Internal audit function

The Board of Directors of the company has approved the risk-based job descriptions of the above-mentioned operations and the persons responsible for the operations.

Risk control ensures the identification, assessment and measurement of business risks and provides for the organisation of the management of those risks as part of the day-to-day business. The chief risk officer is responsible for performing the tasks in accordance with the risk control and risk strategies approved by the Board. Risk control specialists assist in carrying out these tasks. Risk control includes an independent credit risk control unit and a validation unit, as well as other risk control.

Three lines of defence principle



The company has a compliance function that ensures that the company's operations comply with the requirements of legislation, regulations and instructions issued by the authorities and the company's internal guidelines. The compliance function seeks to identify situations in which the company's operations may not meet the regulatory requirements and takes care of related measures and risk management. The compliance function supports the company's Board of Directors, executive management and other organizations in identifying, managing and reporting risks related to non-compliance with regulations.

The compliance function promotes compliance through proactive regulatory advice and monitors that the company has appropriate policies in place to ensure reliable compliance throughout its business. The person in charge of the compliance function is the compliance officer, who reports to the company's Board of Directors on the operation of the function, the findings related to the compliance risk position and the recommendations made to the business.

Oma Savings Bank internal audit is an independent and objective assessment and assurance activity that is responsible for auditing the adequacy, functionality and efficiency of the internal control system, risk management and management processes in various departments and functions of the bank.

Internal audit supports the senior management of Oma Savings Bank and the organization in achieving its objectives by providing a systematic approach to the organization's processes and to add value to Oma Savings Bank and improve its operational security.

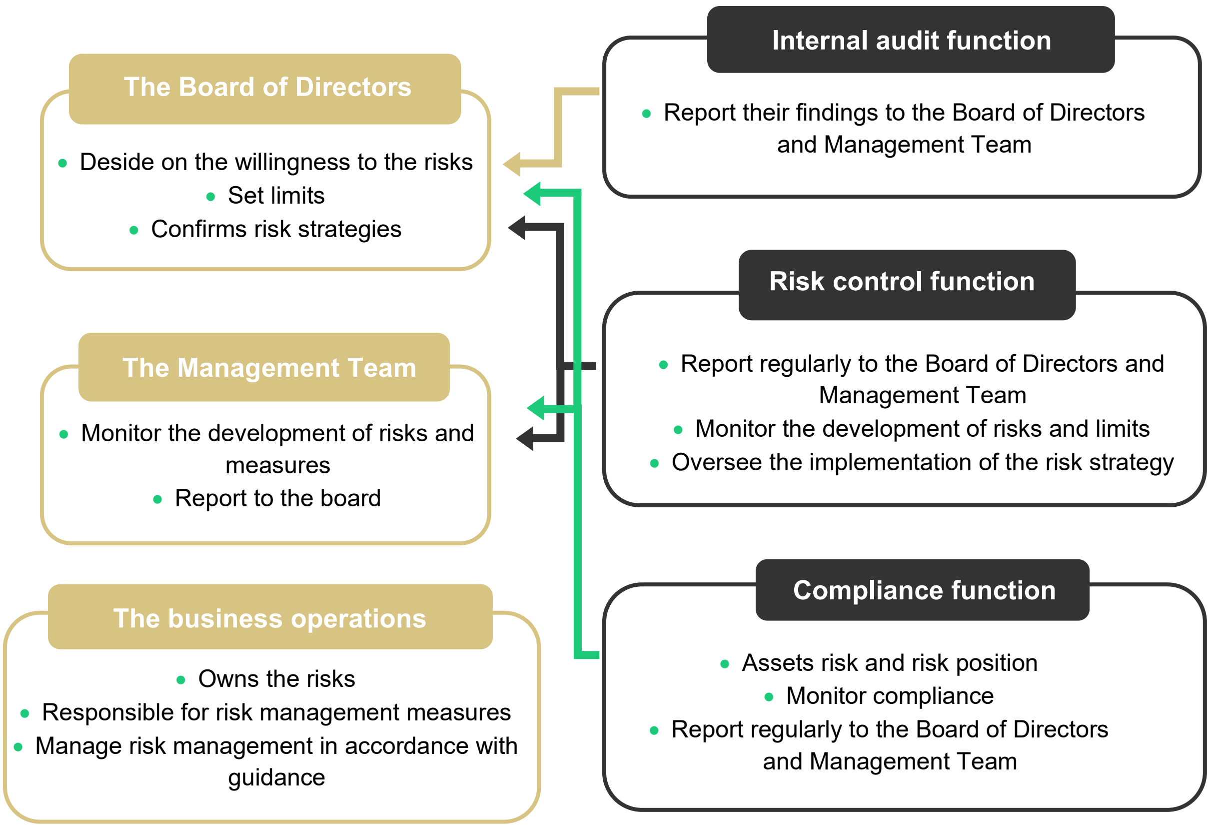
4.2 Risk monitoring and reporting

Risk management in the company is assessed by the Board of Directors, the acting management, as well as the independent risk control function and compliance function. The company's internal risk monitoring and reporting ensures that its Board and management have a sufficiently accurate picture of the company's risk developments and their means to manage them. The organisation of the company's risk monitoring and reporting is shown in the picture below.

The entire personnel of the company, both in the customer interface and in other positions, shall comply with the company's policy and risk management principles and report any identified exceptions to the executive management.

The risk control function shall ensure that the methods for measuring each risk are appropriate and reliable. At least annually, the risk control function provides the company's Board of Directors and executive management with a comprehensive summary of its operations and findings. The function also reports its findings to business management as part of its day-to-day operations. The risk control function is responsible for regular risk reporting to the Management Team and the Board of Directors, which covers the bank's key risk categories. Central to this reporting is the monitoring of limits for different types of risk.

The compliance function evaluates risks, risk position and risk culture and reports its findings and recommendations made to the company's Board of Directors and executive management.



EU OVA: Institution risk management approach

Free format text boxes for disclosure of qualitative information

Legal basis	Row number	Qualitative information - Free format
Point (f) of Article 435(1) CRR	(a)	Disclosure of concise risk statement approved by the management body: The risk statement is presented in section 1.2.
Point (b) of Article 435(1) CRR	(b)	Information on the risk governance structure for each type of risk: Each risk management structure for the type of risk is set out in its own paragraphs.
Point (e) of Article 435(1) CRR	(c)	Declaration approved by the management body on the adequacy of the risk management arrangements: Risk management systems are based on the risk appetite and different risk strategies approved by the Board. Various risks and their development are regularly reported to the Board. With this declaration, the Board of Directors assures that the risk management systems used by Oma Savings Bank are adequate in relation to the institution's profile and strategy.
Point (c) of Article 435(1) CRR	(d)	Disclosure on the scope and nature of risk disclosure and/or measurement systems: The scope and content are described in the notes to the Company's Financial Statements “G1 Accounting principles for the Consolidated Financial Statements”.
Point (c) of Article 435(1) CRR	(e)	Disclose information on the main features of risk disclosure and measurement systems: The main features of the schemes are described in the notes to the Company's Financial Statements “G1 Accounting principles for the Consolidated Financial Statements”.
Point (a) of Article 435(1) CRR	(f)	Strategies and processes to manage risks for each separate category of risk: Each risk category is presented in its own paragraphs.
Points (a) and (d) of Article 435(1) CRR	(g)	Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants: Each risk category is presented in its own paragraphs. The Board of Directors will monitor the effectiveness of hedging and mitigant methods on a regular basis.

5. Own funds and capital adequacy

5.1 Own funds

At the end of the review period, the capital structure of the Oma Savings Bank Group was strong. Total own funds (TC) came to EUR 379.0 (375.2) million, of which Tier 1 capital (T1) accounted for EUR 339.5 (371.9) million. Tier 1 capital consisted fully of Common Equity Tier 1 capital (CET1). Tier 2 capital (T2) EUR 39.5 (3.3) million consisted of debenture loans.

Own funds were most significantly increased by retained earnings for the financial year 2022, which have been included in the Common Equity Tier 1 capital with the permission granted by the Finnish Financial Supervisory Authority (FIN-FSA) as well as the total of EUR 40 million debenture loans issued in September and November. Decrease in fair value reserve EUR 76.0 million significantly reduced own funds. In the fourth quarter, the company launched liquidity portfolio interest rate hedging to reduce changes in the fair value reserve when the interest rate environment changes. In addition, the company has readiness for the issuance of a debenture loan in early 2023.

The amount of dividends proposed to be paid on the basis of the Financial Statements to be confirmed for 2022 has been deducted from the profits in accordance with European Commission Delegated Regulation (EU) No. 241/2014. Funds from personnel issues 2017-2018 have not been included in Common Equity Tier 1 capital, and in addition, the deductions required by the EU capital regulation have been made from the Common Equity Tier 1 capital.

Own funds (1,000 euros)	31 Dec 2022	31 Dec 2021
Group`s equity	**364,961**	**401,294**
Minus		
Non-controlling interest	-	522
Other items	16,268	17,605
Common Equity Tier 1 capital before regulatory adjustments	**348,692**	**383,167**
Share capital	24,000	24,000
Reserve for invested unrestricted equity*	141,104	141,104
Fair value reserve	-76,503	-492
Other reserves	128	128
Retained earnings	259,963	218,426
Regulatory adjustments on Common Equity Tier 1 capital	**-9,204**	**-11,244**
Intangible assets	-8,628	-10,025
Deferred tax assets	-	-570
Value adjustments due to the requirements for prudent valuation and the missing amount of the requirement to cover non-performing liabilities	-576	-649
Common Equity Tier 1 (CET1) capital	**339,488**	**371,923**
Additional Tier 1 capital before regulatory adjustments	-	-
Regulatory adjustments on Additional Tier 1 capital	-	-
Additional Tier 1 (AT1) capital	-	-
Tier 2 capital before regulatory adjustments	**40,000**	**3,261**
Debentures	40,000	3,261
Regulatory adjustments on Tier 2 capital	**-500**	**-**
Tier 2 (T2) capital	**39,500**	**3,261**
Total capital (TC)	**378,988**	**375,184**

* The assets raised in the 2017–2018 personnel offerings, EUR 3.9 million, are not included in Common Equity Tier 1 capital.

EU CC1: Composition of regulatory own funds

31 Dec 2022	(1,000 euros)	(a) Amounts
Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	24,000
	of which: Instrument type 1	24,000
2	Retained earnings	217,903
3	Accumulated other comprehensive income (and other reserves)	64,730
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	42,060
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**348,692**
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	-594
8	Intangible assets (net of related tax liability) (negative amount)	-8,628
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	27
EU-27a	Other regulatory adjustments	-9
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-9,204**
29	**Common Equity Tier 1 (CET1) capital**	**339,488**
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**-**
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**
44	**Additional Tier 1 (AT1) capital**	**-**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**339,488**
Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	40,000
51	**Tier 2 (T2) capital before regulatory adjustments**	**40,000**
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-500**
58	**Tier 2 (T2) capital**	**39,500**
59	**Total capital (TC = T1 + T2)**	**378,988**
60	**Total Risk exposure amount**	**2,546,530**
Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	13.3314%
62	Tier 1 capital	13.3314%
63	Total capital	14.8825%
64	Institution CET1 overall capital requirements	7.8519%
65	of which: capital conservation buffer requirement	2.5000%
66	of which: countercyclical capital buffer requirement	0.0082%
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.8438%
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**5.3825%**
Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible shortpositions)	3,010
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	1,521

The form does not provide lines EU 3a, 4, 5, 9,10, 12-20, EU 20a-20d, 22-25, EU 25a, EU 25b, 26, 27, 30-33, EU 33a, EU 33b, 34, 35, 37-42, 42a, 47, EU 47a, EU 47b, 48-50, 52-54, 54a, 55, 56, EU 56a, EU 56b, 67, EU 67a, 69-71 and 74-85 nor column b as there is nothing to report.

EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

		i. Instruments meeting own funds requirements	ii. Own funds and eligible liabilities instruments	
31 Dec 2022	(EUR mill.)	Share capital	Debentures, remaining maturity of more than 1 year	
1	Issuer	Oma Savings Bank Plc	Oma Savings Bank Plc	Oma Savings Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	FI4000306733	FI4000530837	FI4000541305
2a	Public or private placement	Public	Private	Private
3	Governing law(s) of the instrument	Finnish legislation	Finnish legislation	Finnish legislation
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	Yes	Yes
	Regulatory treatment			
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1 capital (CET1)	Tier 2 capital (T2)	Tier 2 capital (T2)
5	Post-transitional CRR rules	Common Equity Tier 1 capital (CET1)	Tier 2 capital (T2)	Tier 2 capital (T2)
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Individual company and (sector) consolidation group	Individual company and (sector) consolidation group	Individual company and (sector) consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Share	Debenture	Debenture
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	24	2Statutory capital: 20,000 Approved liabilities: 20,000	2Statutory capital: 20,000 Approved liabilities: 20,000
9	Nominal amount of instrument	N/A	20	20
EU-9a	Issue price	N/A	1	1
EU-9b	Redemption price	N/A	1	1
10	Accounting classification	Equity	Debt - amortised cost	Debt - amortised cost
11	Original date of issuance	Continuous	15/09/2022	14/11/2022
12	Perpetual or dated	Without due date	Dated	Dated
13	Original maturity date	No maturity day	15/01/2028	14/07/2028
14	Issuer call subject to prior supervisory approval	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A
	Coupons / dividends			
17	Fixed or floating dividend/coupon	Variable rate	Fixed rate	Fixed rate
18	Coupon rate and any related index	N/A	3.00%	3.25%
19	Existence of a dividend stopper	No	No	No

EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Completely discretionary	Obligatory	Obligatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Completely discretionary	Obligatory	Obligatory
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	Regulatory	Regulatory
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 1	Rank 3	Rank 3
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Debentures	Ineligible unsecured liabilities	Ineligible unsecured liabilities
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	https://www.finanssivalvonta.fi/rekisterit/esiterekisteri	https://www.finanssivalvonta.fi/rekisterit/esiterekisteri

(1) Insert 'N/A' if the question is not applicable.

5.2 Capital requirements

The total capital requirement for banks' own funds consists of the Pillar I minimum capital requirement (8.0%) and various buffer requirements. Buffer requirements are among others the capital conservation buffer set by the Credit Institution Act (2.5%), the discretionary SREP requirement according to Pillar II, the countercyclical buffer requirement, and the systematic risk buffer.

The SREP requirement set by the Finnish Financial Supervisory Authority (FIN-FSA) for Oma Savings Bank Plc, based on the authority's assessment, 1.5%, is valid until further notice, however not later than 30 June 2023. SREP requirement is possible to be partially covered by Tier 1 capital and Tier 2 capital in addition to Common Equity Tier 1. In the third quarter of 2022, the Finnish Financial Supervisory Authority (FIN-FSA) introduced a renewed risk indicator to guide the setting of the variable additional capital requirement. The risk indicator does not point to an overheating of the financial cycle in Finland, and thus the variable additional capital requirement remained at its basic level of 0 percent. The Finnish Financial Supervisory Authority (FIN-FSA) is preparing to decide on setting a systemic risk buffer to strengthen the risk-bearing capacity of the banking sector at the beginning of 2023. After spring 2020, the systemic risk buffer has not been applied to Finnish credit institutions. credit institutions. The Group's total own funds clearly exceeded the total capital requirement: excess own funds came to EUR 73.2 million in the reporting period.

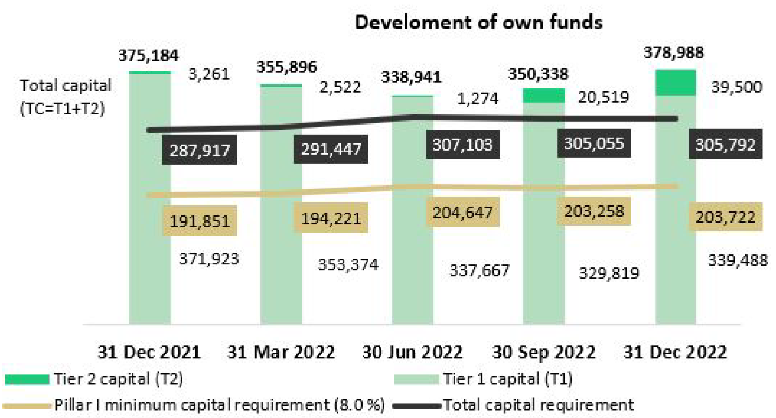
The Financial Stability Authority has issued a decision to Oma Savings Bank Plc on the Minimum Requirement for Own Funds and Eligible Liabilities requirement (MREL) within the meaning of Chapter 8, Section 7 of the Resolution Act (1194/2014) on 6 April 2022. The requirement under the decision consists of an overall risk-based requirement (9.5%) and a requirement based on the total amount of liabilities used to calculate the leverage ratio (3%). MREL requirements must be fully met as of 30 June 2022. On 31 December 2022, Oma Savings Bank Plc meets the set requirement with own funds.

Group`s total capital requirement 31 Dec 2022 (1,000 euros)

		Buffer requirements						
Capital	Pillar I minimum capital requirement*	Pillar II (SREP) capital requirement*	Capital conservation buffer	Countercyclical buffer**	O-SII	Systemic risk buffer	Total capital requirement	
CET1	4.50%	0.84%	2.50%	0.01%	0.00%	0.00%	7.85%	199,952
AT1	1.50%	0.28%					1.78%	45,360
T2	2.00%	0.38%					2.38%	60,480
Total	**8.00%**	**1.50%**	**2.50%**	**0.01%**	**0.00%**	**0.00%**	**12.01%**	**305,792**

* AT1 and T2 capital requirements are possible to fill with CET1 capital

**Taking into account the geographical distribution of the Group's exposures



EU CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

		a	f	g	j	k	l	m
		General credit exposures		Own fund requirements				
31 Dec 2022	(1,000 euros)	Exposure value under the standardised approach	Total exposure value	Relevant credit risk exposures - Credit risk	Total	Risk-weighted exposure amounts	Own fund requirements weights	Countercyclical buffer rate
010	**Breakdown by country:**							
	Denmark	7,467	7,467	60	60	748	**0.0335%**	**2.0000%**
	Estonia	557	557	27	27	333	**0.0149%**	**1.0000%**
	Luxemburg	8,804	8,804	700	700	8,749	**0.3915%**	**0.5000%**
	Norway	30,614	30,614	321	321	4,008	**0.1793%**	**2.0000%**
	Sweden	28,683	28,683	291	291	3,636	**0.1627%**	**1.0000%**
	Slovakia	4,668	4,668	37	37	467	**0.0209%**	**1.0000%**
	Other countries	4,795,170	4,795,170	177,327	177,327	2,216,590	**99.1972%**	**0.0000%**
020	**Total**	**4,875,962**	**4,875,962**	**178,762**	**178,762**	**2,234,531**	**100.0000%**	

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EU CCyB2: Amount of institution-specific countercyclical capital buffer

31 Dec 2022	(1,000 euros)	a
1	Total risk exposure amount	2,546,530
2	Institution specific countercyclical capital buffer rate	0.0082%
3	Institution specific countercyclical capital buffer requirement	209

5.3 Capital adequacy position

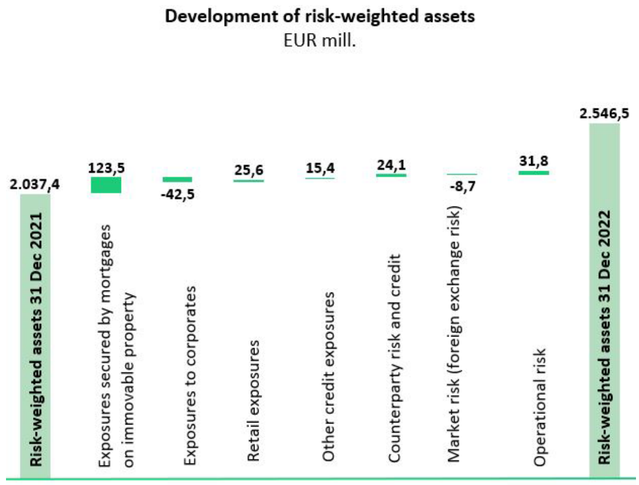
The total capital (TC) ratio of the Oma Savings Bank Group remained strong and was 14.9 (15.6)% at the end of the period. The Common Equity Tier 1 capital (CET1) ratio was 13.3 (15.5)%,being below the minimum level of the medium-term financial goal set by the Company's Board (14%). Risk-weighted assets grew 6.2% to EUR 2,546.5 (2,398.1) million. Risk-weighted assets grew most significantly due to growth in the loan portfolio for private and corporate customers. Selling of fund investments in the third quarter reduced risk-weighted items.

Oma Savings Bank Group applies in the capital requirement calculation for credit risk calculation the standardised approach and for operational risk the basic indicator approach. The basic method is applied when calculating the capital requirement for market risk for the foreign exchange position.

EU OV1: Overview of total risk exposure amounts

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
(1,000 euros)		31 Dec 2022	30 Jun 2022	31 Dec 2022
1	Credit risk (excluding CCR)	2,274,467	2,339,248	181,957
2	Of which the standardised approach	2,274,467	2,339,248	181,957
6	Counterparty credit risk - CCR	39,020	10,327	3,122
EU 8b	Of which credit valuation adjustment - CVA	31,658	4,732	2,533
9	Of which other CCR	7,362	5,595	589
20	Position, foreign exchange and commodities risks (Market risk)	-	7,238	-
21	Of which the standardised approach	-	7,238	-
23	Operational risk	233,043	201,272	18,643
EU 23a	Of which basic indicator approach	233,043	201,272	18,643
29	**Total**	**2,546,530**	**2,558,085**	**203,722**

The form does not provide lines 3, 4, EU 4a, 5, 7, 8, EU 8a, 10-19, EU 19a, 22, EU 22a, EU 23b, EU 23c and 24-28, as there is nothing to report.



Development of capital adequacy ratios

	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022	31 Dec 2022
Common Equity Tier 1 (CET1), %	15.5%	14.56%	13.20%	12.98%	13.33%
Tier 1 capital ratio, %	15.5%	14.56%	13.20%	12.98%	13.33%
Total capital (TC), %	15.64%	14.66%	13.25%	13.79%	14.88%

5.4. Leverage ratio

The Oma Savings Bank Group’s leverage ratio is presented in accordance with the European Commission Delegated Regulation and the figure describes the ratio of the Group’s Tier 1 capital to the total exposures. On 31 December 2022, Oma Savings Bank Group’s leverage ratio was 5.6 (6.7)%.

The total leverage ratio exposures grew by EUR 566,1 million, resulting mostly from an increase in the loan portfolio for private and corporate customers. Profit for the financial year most significantly increased Tier 1 capital. However, exposures increased proportionally more, resulting in a decrease in the leverage ratio.

The company monitors excessive leverage as part of capital adequacy management process. An internal minimum target level has been set for the Group’s leverage ratio as part of risk budgeting included in the overall risk strategy. The CRR2 regulation obligates the maintenance of a leverage ratio of a minimum of 3%.

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

(1,000 euros)		Applicable amount	
		a	b
		31 Dec 2022	31 Dec 2021
1	Total assets as per published financial statements	5,941,766	5,372,633
8	Adjustment for derivative financial instruments	34,876	29,515
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	116,446	135,180
12	Other adjustments	556	-9,795
13	**Total exposure measure**	**6,093,644**	**5,527,533**

The form does not provide lines 2-7, 9, 11, EU 11a ja EU 11b, as there is nothing to report.

EU LR2 - LRCom: Leverage ratio common disclosure

(1,000 euros)		CRR leverage ratio exposures	
		a	b
		31 Dec 2022	31 Dec 2021
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	5,948,561	5,370,065
6	(Asset amounts deducted in determining Tier 1 capital)	-8,174	-9,541
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**5,940,387**	**5,360,524**
Derivative exposures			
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	3,880	3,724
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	32,931	28,106
13	**Total derivatives exposures**	**36,811**	**31,829**
Securities financing transaction (SFT) exposures			
Other off-balance sheet exposures			
20	(Adjustments for conversion to credit equivalent amounts)	116,446	135,180
22	**Off-balance sheet exposures**	**116,446**	**135,180**
Capital and total exposure measure			
23	**Tier 1 capital**	**339,488**	**371,923**
24	**Total exposure measure**	**6,093,644**	**5,527,533**
Leverage ratio			
25	Leverage ratio (%)	5.5712%	6.7286%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	5.5712%	6.7286%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	5.5712%	6.7286%
26	Regulatory minimum leverage ratio requirement (%)	3.0000%	3.0000%
EU-27a	Overall leverage ratio requirement (%)	3.0000%	3.0000%

Disclosure of mean values

30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6,093,644	5,527,533
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6,093,644	5,527,533
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.5712%	6.7286%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.5712%	6.7286%

The form does not provide lines 2-5, 8, 9, EU 9b, 10, EU 10a, EU 10b, 11, 12, 14-16, EU 16a, 17, EU 17a, 18, 19, 21, EU 22a-22k, EU 26a, EU 26b, 27, EU 27b, 28 ja 29, as there is nothing to report.

EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

(1,000 euros)		CRR leverage ratio exposures	
		a	b
		31 Dec 2022	31 Dec 2021
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**5,948,561**	**5,370,065**
EU-3	Banking book exposures, of which:	5,948,561	5,370,065
EU-4	Covered bonds	221,606	265,454
EU-5	Exposures treated as sovereigns	621,140	415,797
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	9,735	-
EU-7	Institutions	173,985	182,670
EU-8	Secured by mortgages of immovable properties	3,231,496	2,885,994
EU-9	Retail exposures	816,426	749,813
EU-10	Corporates	722,843	720,878
EU-11	Exposures in default	59,353	48,515
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	91,976	100,944

The form does not provide line EU 2, as there is nothing to report.

EU LRA: Disclosure of LR qualitative information

Row		a
		Free format
a	Description of the processes used to manage the risk of excessive leverage	The company monitors over-indebtedness as part of its capital adequacy management process. An internal minimum target level has been set for the Group's minimum equity ratio as part of the risk budgeting included in the overall risk strategy.
b	Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	Oma Savings Bank Group's minimum leverage ratio decresed 1.16 percentage points and was 5.57% at the end of the financial year, compared to 6.73% at the end of the previous financial year. The minimum leverage ratio has been calculated in accordance with CRR and Delegated Regulation (EU) 2015/62. The total amount of minimum leverage ratio liabilities increased more than Tier 1 capital, which resulted in a decrease in the minimum leverage ratio. Decrease in fair value reserve EUR 76.0 million significantly reduced own funds. In the beginning of the year, total responsibilities increased in line with the strategy. The growth of the total number of liabilities stopped in the second half of the year due to the decline in the general demand for loans. In addition to the company's strategic decisions, the minimum leverage ratio was affected by the uncertainty of the general economic environment and the change in market prices caused by the rise in interest rates. Strategic decisions only indirectly affected the minimum leverage ratio.

6. Credit risk

Credit risk refers to the possibility that a counterparty fails to meet its obligations in accordance with agreed terms and conditions. Oma Savings Bank's credit risk largely originates in loans granted to private customers, SMEs and agriculture and forestry operators. Credit risk and counterparty risk also result from other receivables, such as bonds in the company's investment portfolio, debt securities and derivative contracts and off-balance sheet commitments, such as undrawn credit facilities and limits and guarantees. The credit risk included in the investments in the company's investment portfolio are handled in the company's market risk strategy. Oma Savings Bank calculates the credit and counterparty risk capital requirement using the standardised approach. Oma Savings Bank has developed new IRB-compliant credit rating models starting in 2021. Credit and counterparty risk accounts for approximately 90% (EUR 2.3 billion) of the company's risk-weighted items.

6.1 Structure of credit risk

Oma Savings Bank's credit risk primarily consists of exposures secured by immovable property, retail exposures and exposures to corporates. The share of exposures secured by immovable property of the total exposures is 48.9%, the share of retail exposures is 17.6% and exposures to corporates 24.6%. Liabilities of private customers and housing companies are mainly covered by housing used as collateral. The share of private and corporate customers in the loan portfolio has risen slightly during 2022. In other customer groups, the shares have decreased. Private customers make up 59.8% of the total loan portfolio. The total loan portfolio has grown by 9.7% during 2022. The loan portfolio is well-diversified geographically and sector-wise, which reduces the company's concentration risk. The company does not have any customer entities whose liabilities exceed the limit set by the Credit Institution Act, namely 10 percent of the company's own funds (high customer risks). The company does not have material exposures outside Finland. The risks associated with the loan portfolio are low in terms of the annual income level and risk-bearing capacity of the company.

Group's loan portfolio and expected credit losses by customer group

Credit balance (1,000 euros)	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2021
Private customer	2,858,099	2,882,137	2,828,794	2,773,003	2,705,643
-Expected credit losses	-9,883	-10,527	-10,203	-13,682	-11,968
Corporate customer	1,093,700	1,096,994	1,074,982	948,883	882,817
-Expected credit losses	-13,817	-12,696	-11,757	-10,155	-14,949
Housing company	461,339	456,705	417,133	406,563	388,306
-Expected credit losses	-254	-209	-209	-162	-102
Agricultural customer	271,112	280,457	279,213	278,458	277,743
-Expected credit losses	-820	-745	-862	-816	-1,379
Other	94,618	99,927	103,604	96,373	100,040
-Expected credit losses	-59	-63	-68	-105	-200
Credit balance total	**4,778,869**	**4,816,220**	**4,703,725**	**4,503,280**	**4,354,549**
Expected credit losses total	**-24,833**	**-24,241**	**-23,099**	**-24,920**	**-28,599**

The most significant part of expected credit losses comes from loans to private and corporate customers. The share of housing companies, agricultural and forestry customers and other customers is limited. The amount of expected credit losses has been mainly affected by the transitions to stage 3, the increase in receivables and the increase in credit risks. The model's future variables were updated towards the end of the year in response to the deterioration of the general economic situation. The amount of expected credit losses has also been affected by the refinements made to the models, the additional allowance based on management's judgement of EUR 0.9 million remaining due to the Russia's invasion war and the corona pandemic, as well as individual changes based on management discretion per loan.

Oma Savings Bank has introduced the definition of non-performing loans according to EBA/GL/2016/07. Non-performing receivables increased compared to the comparison period on 31 December 2021 and accounted for 1.6% of the loan portfolio. Past-due receivables (30–90 days) amounted to EUR 18.5 million (7.5) during the period under review. The increase in non-performing receivables results mostly from the weakening of the situations of relatively large individual customers. Under certain circumstances, when a debtor faces financial difficulties, the customer can be granted concession from the original loan terms in the form of deferred amortisation or loan rearrangement to ensure the customer's ability to pay and avoid potential credit losses. Granting forbearance requires that the customer's financial difficulties are short-term and temporary. The Group has forbearance receivables of a total of EUR 95.4 million (86.6).

Matured and non-performing receivables

(1,000 euros)	31 Dec 2022	% of credit portfolio	31 Dec 2021	% of credit portfolio
Matured receivables, 30-90 days	18,509	0.4%	7,538	0.2%
Non-matured or matured less than 90 days, non-repayment likely	47,497	1.0%	65,975	1.5%
Non-performing receivables, 90-180 days	5,635	0.1%	7,739	0.2%
Non-performing receivables, 181 days - 1 year	6,186	0.1%	6,034	0.1%
Non-performing receivables, > 1 year	28,252	0.6%	16,027	0.4%
Matured and non-performing receivables total	**106,080**	**2.2%**	**103,312**	**2.4%**
Performing receivables and matured receivables with forbearances	62,011	1.3%	59,264	1.4%
Defaulted receivables with forbearances	33,376	0.7%	27,335	0.6%
Forbearances total	**95,387**	**2.0%**	**86,599**	**2.0%**

Figures include interest due on items.

6.2 Credit risk management

6.2.1 Credit risk management systems

The key principles and goals of credit risk management and the credit risk management procedures are set forth in the credit risk strategy, which is approved by the company's Board of Directors. Effective credit risk management requires that there are methods for identifying, quantifying, limiting, monitoring and controlling credit risks.

The development of credit risks is monitored regularly using different methods. Credit risk monitoring takes into account, for example, the quality, structure, credit shortfall development and watchlist customers.

Watchlist customers refer to customers whose credit rating is weak or deteriorated, and who for this reason are placed under enhanced monitoring.
In terms of credit risk, limitations have been placed on different customer groups, industries and maturities, as well as the amount of bank guarantees. In addition, limits have been placed on different credit ratings as well as on different rag categories and on forbearance contributions. Reporting of credit risk position to the Board is regular. Reporting includes, among other things, the amount of non-performing receivables, collateral risk, the development of the loan portfolio by customer entity, industry and credit quality category. Developments in the quantity and quality of the loan portfolio are reported to the Board on a monthly basis. Developments in the quantity and quality of the largest industries are reported on a quarterly basis. In addition, the 15 largest customer entities are reported to the Board once a year.

The structure of the loan portfolio is monitored per customer group and based on the sector allocation of corporate customers. Risk concentrations are created, for example, if a loan portfolio contains a large amount of loans for a single counterparty or for groups consisting of individual counterparties, specific sectors or geographical areas. Also the maturities of loans and the sufficient diversification of products/instruments is monitored regularly. In addition to private customers, the four largest industries are real estate, agriculture and forestry, wholesale and retail, and finance and insurance. The development of these industries is regularly monitored and reported to the company's management and Board of Directors.

The monitoring takes into account, among other things, the development of the loan portfolio, changes in credit ratings, the development of the collateral deficit and delays in loan repayments. The situation of concentration risks is also regularly monitored through broader industry-specific monitoring. In addition, e.g. developments in expected credit losses and defaulting customers will also be monitored. The industry breakdown of corporate customers is specified in the table 'The industry breakdown of the credit portfolio' (excluding private customers).

Distribution of corporate loans (excluding private customers)

Industry	31 Dec 2022	31 Dec 2021
Real estate	44.4%	43.3%
Agriculture, forestry, fishing industry	13.6%	15.9%
Trade	8.2%	7.1%
Finance and insurance	6.0%	6.6%
Construction	5.7%	5.9%
Accommodation and food service activities	3.9%	3.7%
Industry	3.9%	4.1%
Professional, scientific and technical activities	3.9%	3.7%
Transportation and storage	2.8%	2.6%
Art, entertainment and recreation	2.1%	1.9%
Other lines of business, total	5.4%	5.3%
Total	**100%**	**100%**

The company monitors past-due exposures, non-performing loans and the development of credit rating distribution and the credit ratings of individual customers. Key account managers continuously monitor payment behaviour, customers' actions and changes in credit ratings to keep track of the amounts of customer-specific liabilities and forms of collateral. Watchlist receivables and payment delays are continuously monitored.

6.2.2 Credit granting process

Credits are granted based on and in accordance with the credit granting policy approved by the company's Board of Directors, following the credit risk strategy approved by the company's Board of Directors and good lending practices. Credit granting authority requires completion of a credit authorisation test. Customer due diligence is a key part of the credit granting process. Credit decisions are based on the customer's creditworthiness and financial standing as well as the fulfilment of other criteria, such as the collateral requirement. A credit analysis is carried out when making a credit decision, which must provide a sufficient picture of the customer applying for the loan and of the asset to be financed. Creditworthiness is also ensured by testing the ability to pay rising interest rates. The decision levels are determined based on exposures to the customer entities, collateral risk and credit rating. The main rule is the principle of a minimum of two decision makers. Major credit decisions are made by the company's Board of Directors or credit groups, whose meetings are also attended by a risk control representative who is not a quorum member.

The company's loan portfolio contains only a small amount of wrong-way risk. As a rule, customers with a poor credit rating are not financed. The exception to this may be situations where, for example, financing is critical to maintaining the value of collateral.

Customers are classified into groups according to their ability to pay. In the grouping, the company uses its own internal assessment, the changes of which are regularly updated in the customer's data.

Credit ratings for private customers

Credit ratings (1,000 euros)	31 Dec 2022	%	31 Dec 2021	%
AAA	343,766	12.0%	263,105	9.7%
AA	1,127,696	39.5%	812,212	30.0%
A	801,822	28.1%	632,881	23.4%
B	367,027	12.8%	424,340	15.7%
C	116,123	4.1%	368,559	13.6%
D	69,493	2.4%	145,985	5.4%
Not rated	1,067	0.0%	32,174	1.2%
Defaulted	31,106	1.1%	26,386	1.0%
Total	**2,858,099**	**100%**	**2,705,643**	**100%**

Credit ratings of companies and housing companies

Credit ratings (1,000 euros)	31 Dec 2022	%	31 Dec 2021	%
AAA	720,465	46.3%	629,223	49.5%
AA	353,818	22.8%	324,328	25.5%
A+	236,596	15.2%	171,359	13.5%
A	137,138	8.8%	75,809	6.0%
B	59,353	3.8%	35,654	2.8%
C	8,101	0.5%	6,033	0.5%
Defaulted	39,568	2.5%	28,717	2.3%
Total	**1,555,040**	**100%**	**1,271,123**	**100%**

For private customers, the combined share of the best credit ratings AAA and A was 51.5% and increased compared to the previous year (39.7%). For corporates and housing companies, the AAA share of the best credit ratings was 46.3% and decreased slightly compared to the previous year (49.5%). The data for the comparison period have been prepared in accordance with the classification models in use at the end of 2021.

6.2.3. Collateral management

Credit decisions are primarily based on the debtor's debt servicing capability, but credit risk collateral is also relevant as the collateral secures the repayment of the debt. Assessment of collateral and the use of covenants is instructed by the company in the credit risk management quidelines. For the types of collateral, there are valuation percentages established by the Board according to the categories of collateral, and collateral is measured conservatively at fair value. The collateral shall be assessed independently in the context of the credit decision utilizing statistical models.The development of the value of collateral is regularly monitored as part of credit controls. Housing collateral price developments are monitored quarterly and commercial property prices annually. The collateral assessment is carried out by an entity that is independent of the credit decision and, for the most part, persons with an appropriate degree.

The company's collateral deficit (after securing collateral) has increased slightly over the course of 2022. The maximum lending ratio (Loan-to-Value) measures the ratio of the amount of the outstanding loan to the collateral of the loan. The LTV distribution of the mortgage credit bank is shown in the table below.

Mortgage bank's LTV distribution

LTV	31 Dec 2022	30 Jun 2022	31 Dec 2021
0-50%	23.4%	23.2%	23.3%
50-60%	15.1%	14.1%	14.3%
60-70%	19.9%	20.0%	19.1%
70-80%	16.1%	15.1%	15.3%
80-90%	13.0%	13.6%	13.5%
90-100%	12.5%	13.9%	14.6%
>100%	0.0%	0.0%	0.0%
Total	**100%**	**100%**	**100%**

The table shows the LTV ratio of the loans used as collateral for bonds covered at the reporting date, based on mortgage bank regulations. In the categories of the table, the total loan amount is shown in that LTV category to which the highest LTV value belongs. For example, a EUR 55,000 loan with a collateral of a EUR 100,000 property, is counted entirely in the LTV category 50-60%.

6.2.4 Credit risk adjustments

The majority of the Group's specific credit risk adjustments are calculated using the ECL expected credit loss calculation model in accordance with IFRS 9 Financial Instruments (ECL, expected credit loss). The ECL model estimates the final credit loss resulting for the company after the collateral used for the loan has been realised. In addition, credit risk adjustments that cannot be allocated to an individual asset are recognised as an asset group.

During 2022, with the updates to ECL models, the credit portfolio will be divided into calculation portfolios based on the Probability of default (PD) parameter calculated for the customer. With the change, the Group's credit portfolio has been divided into the following calculation portfolios:

- Private customers
- SME customers
- Other agricultural entrepreneurs
- Other housing companies
- Other customers

The portfolios of private and SME customers make up the two clearly largest calculation portfolios. Private customers' portfolio includes liabilities for which the PD value has been modeled using the private customer classification method included in the IRB license application. The portfolio of SME customers includes all corporate liabilities for which the PD value is modeled using the SME classification method. If the PD value cannot be calculated for the liability using the two methods mentioned above, the portfolio of the liability is determined according to the customer's sector and industry code.

For other agricultural entrepreneurs, the PD value is determined according to the average insolvency frequency calculated from the history of the agricultural entrepreneurs' counterparties. For other housing associations, the calculation principle is similar. The remaining counterparties go into the "Other" portfolio and are assigned values calculated from the average PD values of the SME counterparties in stages 1 and 2.

The calculation of the expected credit loss for each portfolio is based on the Exposure at Default (EAD), Probability of Default (PD) and the Loss Given Default (LGD). The company uses the recorded customers' repayment behaviour data, customer-specific ratings and loan-specific collateral values as the basis for determining the parameters. In determining the values of the PD parameters, macroeconomic forecasts concerning the future development of the national economy are used.

The Exposure at Default (EAD) is the amount of exposure at the reporting date. Calculation of the EAD takes into account the payments to the loan as stated in the payment plan. However, certain financial instruments include both a loan principal and an undrawn portion of a loan commitment. The undrawn portion of a loan is taken into account in the exposures for the total limit granted. With credit card receivables, EAD calculation applies the so-called CCF coefficient (credit conversion factor) when taking into account undrawn limits. In the case of limit receivables, the so-called CCF (Credit Conversion Factor) factor is also used in the EAD calculation to take into account the unused limit. The share of losses caused by insolvency describes the share of credit losses in the loan capital at the time of insolvency.

For debt security investments, the Group determines the allowance for credit loss using the formula EAD*PD*LGD. Instrument-specific material from the market database is used as the source for calculating PDs. In addition, a low credit risk exception for debt security investments with a credit rating of at least investment grade at the reporting date is used. In these cases, the allowance for credit loss will be measured at an amount equal to the 12-month expected credit losses.

6.3 Counterparty risk

Counterparty risk results in connection with the investment of liquid assets and asset management, from large individual customer entities and sector concentrations. Derivatives are used very moderately and only for hedging purposes. Derivatives do not have daily collateral settlements.

EU CR1: Performing and non-performing exposures and related provisions

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
31 Dec 2022	(1,000 euros)		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		On performing exposures	On non-performing exposures
005	Cash balances at central banks and other demand deposits	478,632	478,632													
010	Loans and advances	4,736,938	4,286,879	450,059	87,571	12,876	73,780	-6,144	-1,300	-4,844	-18,689	-131	-18,558	-556	4,524,783	62,687
020	*Central banks*	31,526	31,526													
030	*Public sector entities*	2,559	2,559					-2	-2						582	
040	*Credit institutions*	2,006	2,006													
050	*Other financial corporations*	64,433	63,736	697	29		23	-15	-13	-1	-3		-2		35,070	18
060	*Non-financial corporations*	1,548,935	1,368,640	180,295	43,996	2,961	40,906	-1,930	-380	-1,550	-12,080	-33	-12,047	-240	1,483,272	28,909
070	*Of which SMEs*	1,470,420	1,297,436	172,984	43,996	2,961	40,906	-1,845	-356	-1,489	-12,080	-33	-12,047	-240	1,407,618	28,909
080	*Households*	3,087,480	2,818,413	269,067	43,546	9,915	32,850	-4,198	-905	-3,293	-6,607	-98	-6,509	-317	3,005,859	33,760
090	Debt securities	550,895	538,399	5,266				-438	-415	-23					260,211	
110	*Public sector entities*	172,089	168,217	3,872				-192	-178	-14					19,433	
120	*Credit institutions*	317,805	317,805					-129	-129						221,606	
130	*Other financial corporations*	8,817	1,865					-1	-1						1,764	
140	*Non-financial corporations*	52,184	50,511	1,394				-116	-107	-9					17,408	

150	Off-balance-sheet exposures	324,708	316,683	8,025	1,250	11	404	297	141	156					101,410	188
170	*Public sector entities*	1,200	1,200					4	4							
190	*Other financial corporations*	6,939	6,939		50			1	1						2,122	
200	*Non-financial corporations*	128,876	123,146	5,730	786		101	96	43	53					54,140	35
210	*Households*	187,693	185,398	2,295	414	11	303	196	94	103					45,148	153
220	**Total**	**6,091,174**	**5,620,593**	**463,349**	**88,821**	**12,887**	**74,184**	**-6,879**	**-1,856**	**-5,023**	**-18,689**	**-131**	**-18,558**	**-556**	**4,886,404**	**62,875**

Lines 100 Central Banks, 160 Central Banks and 180 Credit Institutions are not presented in the form, as there is nothing to report.

EU CR1-A: Maturity of exposures

31 Dec 2022	(1,000 euros)	a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	54,226	277,269	623,435	3,805,253	39,492	4,799,676
2	Debt securities	-	25,281	255,495	263,812	5,870	550,458
3	***Total***	**54,226**	**302,550**	**878,930**	**4,069,065**	**45,362**	**5,350,134**

EU CR2: Changes in the stock of non-performing loans and advances

31 Dec 2022	(1,000 euros)	a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	95,774
020	Inflows to non-performing portfolios	41,852
030	Outflows from non-performing portfolios	-42,563
040	Outflows due to write-offs	-4,012
050	Outflow due to other situations	-46,575
060	**Final stock of non-performing loans and advances**	**87,571**

EU CR3: CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

		Unsecured carrying amount	Secured carrying amount		
				Of which secured by collateral	Of which secured by financial guarantees
31 Dec 2022	(1,000 euros)	a	b	c	d
1	Loans and advances	690,838	4,587,470	4,343,368	244,101
2	Debt securities	290,247	260,211	223,750	36,461
3	**Total**	**981,085**	**4,847,681**	**4,567,118**	**280,562**
4	*Of which non-performing exposures*	6,195	62,687	60,405	2,282
EU-5	*Of which defaulted*	3,537	52,355	50,354	2,001

Credit losses have been deducted from column a. The form does not provide column e (of which are protected by credit derivatives) as there is nothing to report.

EU CR4: Standardised approach – Credit risk exposure and CRM effects

31 Dec 2022 (1,000 euros)	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	600,079	-	784,305	3,482	-	-
2	Regional government or local authorities	4,380	577	9,072	288	10	0.1082%
3	Public sector entities	9,735	-	17,186	-	3,437	20.0000
4	Multilateral development banks	5,215	-	139,858	26	-	0.0000%
5	International organisations	11,466	-	11,466	-	-	0.0000%
6	Institutions	173,985	-	181,885	559	36,489	20.0000%
7	Corporates	722,843	72,761	646,040	34,917	558,815	82.0632%
8	Retail	816,426	201,643	538,174	35,842	399,186	69.5426%
9	Secured by mortgages on immovable property	3,231,496	49,663	3,231,496	27,406	1,111,398	34.1034%
10	Exposures in default	59,353	1,017	56,103	576	63,557	112.1351%
11	Exposures associated with particularly high risk	-	-	-	-	-	0.0000%
12	Covered bonds	221,606	-	221,606	-	22,161	10.0000%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.0000%
14	Collective investment undertakings	5,870	-	5,870	-	5,241	89.2888%
15	Equity	30,085	-	30,085	-	32,367	107.5854%
16	Other items	47,847	-	47,847	-	41,806	87.3747%
17	**Total**	**5,940,387**	**325,661**	**5,920,993**	**103,097**	**2,274,467**	**37.7562%**

EU CR5: Standardised approach

31 Dec 2022 (1,000 euros)	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	787,788	-	-	-	-	-	-	-	-	-	-	-	-	-	-	787,788	787,788
2	Regional government or local authorities	9,310	-	-	-	51	-	-	-	-	-	-	-	-	-	-	9,360	9,360
3	Public sector entities	-	-	-	-	17,186	-	-	-	-	-	-	-	-	-	-	17,186	17,186
4	Multilateral development banks	139,884	-	-	-	-	-	-	-	-	-	-	-	-	-	-	139,884	139,884
5	International organisations	11,466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,466	11,466
6	Institutions	-	-	-	-	182,444	-	-	-	-	-	-	-	-	-	-	182,444	182,444
7	Corporates	-	-	-	-	-	-	52,590	-	-	628,368	-	-	-	-	-	680,957	628,368
8	Retail exposures	-	-	-	-	-	-	-	-	574,016	-	-	-	-	-	-	574,016	574,016
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	2,992,303	266,600	-	-	-	-	-	-	-	-	3,258,902	3,258,902
10	Exposures in default	-	-	-	-	-	-	-	-	-	42,923	13,756	-	-	-	-	56,679	56,679
12	Covered bonds	-	-	-	221,606	-	-	-	-	-	-	-	-	-	-	-	221,606	221,606
14	Units or shares in collective investment undertakings	629	-	-	-	-	-	-	-	-	5,241	-	-	-	-	-	5,870	5,870
15	Equity exposures	-	-	-	-	-	-	-	-	-	28,564	-	1,521	-	-	-	30,085	30,085
16	Other items	6,028	-	-	-	16	-	-	-	-	41,803	-	-	-	-	-	47,847	47,847
17	**TOTAL**	**955,104**	**-**	**-**	**221,606**	**199,696**	**2,992,303**	**319,189**	**-**	**574,016**	**746,898**	**13,756**	**1,521**	**-**	**-**	**-**	**6,024,090**	**5,971,500**

EU CCR1: Analysis of CCR exposure by approach

Fixed format

		a	b	c	d	e	f	g	h
31 Dec 2022	(1,000 euros)	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-2	EU - Simplified SA-CCR (for derivatives)	2,772	23,522		1.4	36,811	36,811	36,811	7,362
1	SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	**Total**					**36,811**	**36,811**	**36,811**	**7,362**

EU CCR2: Transactions subject to own funds requirements for CVA risk

	Fixed format	a	b
31 Dec 2022	(1,000 euros)	Exposure value	RWEA
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	36,811	31,658
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**36,811**	**31,658**

EU CCR3: Standardised approach – CCR exposures by regulatory exposure class and risk weights

31 Dec 2022 (1,000 euros)	Exposure classes	Risk weight	
		e	l
		20%	Total exposure value
6	Institutions	36,811	36,811
11	**Total exposure value**	**36,811**	**36,811**

The form does not provide lines 1, 2, 3, 4, 5, 7, 8, 9 and 10, nor columns a, b, c, d, f, g, h, i, j, k, as there is nothing to report.

EU CQ1: Credit quality of forborne exposures

31 Dec 2022 (1,000 euros)		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
010	**Loans and advances**	**62,011**	**33,376**	**20,496**	**20,496**	**-443**	**-2,127**	**88,801**	**29,771**
060	*Non-financial corporations*	8,037	15,825	12,865	12,865	-39	-494	21,732	14,823
070	*Households*	53,974	17,551	7,631	7,632	-403	-1,633	67,069	14,948
090	**Loan commitments given**	**59**	**34**	**23**	**23**	**-**	**-**	**55**	**19**
100	**Total**	**62,070**	**33,410**	**20,519**	**20,520**	**-443**	**-2,127**	**88,856**	**29,790**

The form does not provide lines 005, 020, 030, 040, 050 and 080, as there is nothing to report.

EU CQ3: Credit quality of performing and non-performing exposures by past due days

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount / nominal amount											
		Performing exposures			Non-performing exposures								
31 Dec 2022 (1,000 euros)			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 30 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	478,632	478,632	-	-	-	-	-	-	-	-	-	-
010	**Loans and advances**	**4,736,938**	**4,718,429**	**18,509**	**87,571**	**47,497**	**5,635**	**6,186**	**21,977**	**5,943**	**134**	**199**	**74,355**
020	*Central banks*	31,526	31,526	-	-	-	-	-	-	-	-	-	-
030	*Public sector entities*	2,559	2,559	-	-	-	-	-	-	-	-	-	-
040	*Credit institutions*	2,006	2,006	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	64,433	64,433	-	29	7	-	-	23	-	-	-	23
060	*Non-financial corporations*	1,548,935	1,544,327	4,608	43,996	21,406	1,986	2,230	16,371	1,844	32	127	40,711
070	*Of which SMEs*	1,470,420	1,465,812	4,608	43,996	21,406	1,986	2,230	16,371	1,844	32	127	40,711
080	*Households*	3,087,480	3,073,579	13,901	43,546	26,085	3,649	3,956	5,583	4,099	102	72	33,621
090	**Debt securities**	**550,895**	**550,895**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
110	*Public sector entities*	172,089	172,089	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	317,805	317,805	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	8,817	8,817	-	-	-	-	-	-	-	-	-	-

140	*Non-financial corporations*	52,184	52,184	-	-	-	-	-	-	-	-	-	-
150	**Off-balance-sheet exposures**	**324,708**			**1,250**								**1,234**
170	*Public sector entities*	1,200			-								-
190	*Other financial corporations*	6,939			50								50
200	*Non-financial corporations*	128,876			786								786
210	*Households*	187,693			414								398
220	**Total**	**6,091,174**	**5,747,957**	**18,509**	**88,821**	**47,497**	**5,635**	**6,186**	**21,977**	**5,943**	**134**	**199**	**75,589**

The form does not provide lines 100, 160, 180, as there is nothing to report.

EU CQ5: Credit quality of loans and advances to non-financial corporations by industry

31 Dec 2022 (1,000 euros)		a	b	c	d	e
		Gross carrying amount				Accumulated impairment
			Of which non-performing		Of which loans and advances subject to impairment	
				Of which defaulted		
010	Agriculture, forestry and fishing	46,004	564	382	46,004	-70
020	Mining and quarrying	3,765	-	-	3,765	-7
030	Manufacturing	70,773	4,390	4,199	70,773	-1,044
040	Electricity, gas, steam and air conditioning supply	387	-	-	387	-
050	Water supply	5,166	-	-	5,166	-3
060	Construction	97,697	1,547	859	97,697	-545
070	Wholesale and retail trade	154,555	1,921	1,823	154,555	-610
080	Transport and storage	51,720	1,162	689	51,720	-321
090	Accommodation and food service activities	71,142	950	681	71,142	-462
100	Information and communication	12,791	22	22	12,791	-9
110	Financial and insurance actvities	55,981	484	484	55,981	-65
120	Real estate activities	864,739	20,386	19,258	864,739	-10,120
130	Professional, scientific and technical activities	75,132	678	678	75,132	-133
140	Administrative and support service activities	21,270	253	253	21,270	-91
160	Education	3,182	65	65	3,182	-187
170	Human health services and social work activities	13,727	95	95	13,727	-67
180	Arts, entertainment and recreation	37,858	11,419	11,160	37,858	-263
190	Other services	7,042	62	62	7,042	-14
200	**Total**	**1,592,931**	**43,996**	**40,711**	**1,592,931**	**-14,010**

The form does not provide line 150, nor column f, as there is nothing to report.

EU CQ7: Collateral obtained by taking possession and execution processes

Template is not provided as there is nothing to report.

EU CRA: General qualitative information about credit risk

Institutions shall describe their risk management objectives and policies for credit risk by providing the following information:

Qualitative disclosures	
(a)	In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution’s credit risk profile: The company is engaged in retail banking and mortgage banking. Mortgage receivables and retail exposures to private customers account for the majority of the company's credit risk.
(b)	When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits: Credit risk is hedged through the use of collateral and insurance, as well as careful lending practices. Collateral values are monitored regularly. The loan portfolio is well diversified geographically and by industry, which reduces the company's concentration risk. Credit risk models define weak credit grades that require specific risk management measures. For more information, see section 6.2.
(c)	When informing on the structure and organisation of the risk management function in accordance with point (b) of Article 435(1) CRR, the structure and organisation of the credit risk management and control function: The company adheres to the principle of three lines of defense. The credit risk control unit and the validation unit are independent of each other. For more information, see Chapter 4 and the Annual Report.
(d)	When informing on the authority, status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR, the relationships between credit risk management, risk control, compliance and internal audit functions: The company adheres to the principle of three lines of defense. Credit risk management is part of the risk control function. In addition, the company has independent compliance functions and internal audit. For more information, see Chapter 4.1 and the Annual Report.

EU AE1: Encumbered and unencumbered assets

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
31 Dec 2022	(1,000 euros)	010	030	040	050	060	080	090	100
10	**Assets of the disclosing institution**	**2,137,424**	**76,035**	-	-	**3,729,515**	**774,319**	-	-
30	Equity instruments	-	-	-	-	6,824	4,528	6,911	4,528
40	Debt securities	167,516	76,035	167,516	76,035	413,767	387,823	413,767	387,823
50	*of which: covered bonds*	53,836	53,836	53,836	53,836	177,312	177,312	177,312	177,312
60	*of which: securitisations*	-	-	-	-	-	-	-	-
70	*of which: issued by public sector entities*	-	-	-	-	176,580	176,580	176,580	176,580
80	*of which: issued by financial corporations*	147,474	58,561	147,474	58,561	203,288	188,596	203,288	188,596
90	*of which: issued by non-financial corporations*	20,219	17,474	20,219	17,474	31,837	21,445	31,837	21,445
120	Other assets	1,968,399	-	-	-	3,306,216	397,777	-	-

EU AE2: Collateral received and own debt securities issued

31 Dec 2022	(1,000 euros)	Fair value of encumbered collateral received or own debt securities issued	of which notionally eligible EHQLA and HQLA
		010	030
140	Loans on demand	4,585,580	-
250	**Total collateral received and own debt securities issued**	**2,137,424**	**76,035**

The form does not provide lines 130 and 150-241, nor columns 040 and 060, as there is nothing to report.

EU AE3: Sources of encumbrance

31 Dec 2022	(1,000 euros)	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
10	**Carrying amount of selected financial liabilities**	**1,707,703**	**2,137,424**

EU AE4: Accompanying narrative information

Free format text boxes for disclosure of qualitative information, in accordance with Article 443 CRR

Row number	Qualitative information - Free format
(a)	General narrative information on asset encumbrance: The company's main asset classes for the investment portfolio consist of LCR-eligible bonds, which largely consist of government bonds and covered bonds. Other assets largely consist of mortgage loans to private customers and loans to SMEs.
(b)	Narrative information on the impact of the business model on assets encumbrance and the importance of encumbrance to the institution's business model, which provides users with the context of the disclosures required in Template EU AE1 and EU AE2. The company's long-term neutral investment model is permanent, ie a strategic allocation, in which case the most important asset classes in securities investment are cash (money market instruments) and LCR-eligible bonds. With regard to other assets, the company monitors that, among other things, large customer exposures, risk concentrations and the structure of the loan portfolio are in line with the credit risk strategy.

7. Market risk

Oma Savings Bank does not have market risk pursuant to Pillar I, but market risk results from fluctuations in the market prices of investment portfolio securities and the interest rate risk in the banking book. The key asset classes in securities investments is cash (money market instruments) and LCR-qualified bonds, but in addition to these, investments can also be made in other asset classes. The long-term neutral investment model is permanent by nature, i.e., a strategic allocation.

Market risk is managed through the strategy approved by the Board of Directors and through conservative risk appetite. Market risk concentration and asset class-specific risk is managed using margin and counterparty limits. Limits are actively monitored and reported.

7.1 Interest rate risk

The interest rate risk to the company is measured and modelled using net interest income and current value calculation.

With the Russia's invasion war that started in 2022 and the resulting high inflation and rising interest rates, the company's sensitivity to interest rates has increased. Due to the structure of the company's balance sheet, net interest income increases as interest rates rise. In a negative interest rate environment, the interest rate floor on the loan portfolio limited the effect of a drop in interest rates in terms of interest rate sensitivities, but an increase in the interest rate level reduces the protection provided by the interest rate floor and thereby affects the interest rate sensitivities of negative shocks in particular. As a countermeasure, the company has implemented balance sheet protections, with which the effect of interest rate sensitivity can be better managed. The company constantly monitors interest rate sensitivities and, if necessary, in terms of interest rate risk management, the company has the option of adding hedging measures to limit the effects.

The interest rate risk in the banking book forms the majority of the company's interest rate risk. The interest rate risk results from differences in the interest rate levels and maturities of assets and liabilities. In addition, the market rates impact the market prices of the investment portfolio's securities. The amount of interest rate risk is reported regularly to the Board of Directors, which has set an upper limit for the interest rate risk.

Company interest rate risk sensitivity to 1 % change in interest rate

Net interest income (NII) (EUR mill.)	31 Dec 2022	31 Dec 2021
+100bps	12.4	11.7
-100bps	-12.3	-4.42

Economic value (EV) (EUR mill.)	31 Dec 2022	31 Dec 2021
+100bps	19.7	5.8
-100bps	-18.5	3.8

Current value calculations monitor changes in the net present value of interest rate sensitive instruments when the interest rate level changes, during their remaining maturity. Profit-based analysis measures the future expected changes in profitability resulting from interest rate movements in different scenarios.

Interest rate risk is monitored, for example, by measuring changes in the net present value of interest rate sensitive instruments at different interest rate levels. The company uses a balance sheet analysis to measure interest rate risk, which measures the impact of changes in forward rates of one (1) and two (2) percentage points on the forecast of future interest income from 1 to 48 months. Interest rate risk is also measured using several other scenarios, for instance, sudden shocks and linear rate ramps.

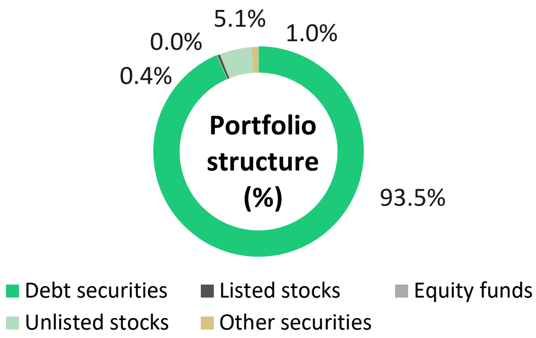
Interest rate sensitivity analysis can help to predict the impact of a change in interest rates on the current value of expected future net interest income. Calculations are based on the repayment of loans based on known amortisation plans and the different growth and interest rate forecasts for different balance sheet items. The company also evaluates several other scenarios, in which, for instance, an exceptional amount of loans is paid early or an exceptional amount of undated deposits are with-drawn. The calculations also account the impact of particularly exceptional i rate changes on the development of net interes income.

For reducing the interest rate risk, the compan derivatives and includes loan terms that preve reduction of the interest rate especially in loan agreements made with corporate customers. Changes in exchange rates do not cause significant variation in the net interest income, because the amount of foreign exchange risk is low.

7.2 Spread risk

The company is subject to spread risk due to the fluctuations in the market prices of the investment portfolio's bonds. The spread risk is related to the credit ratings of the instruments' issuers and the markets' general sentiment towards credit risk-linked instruments.

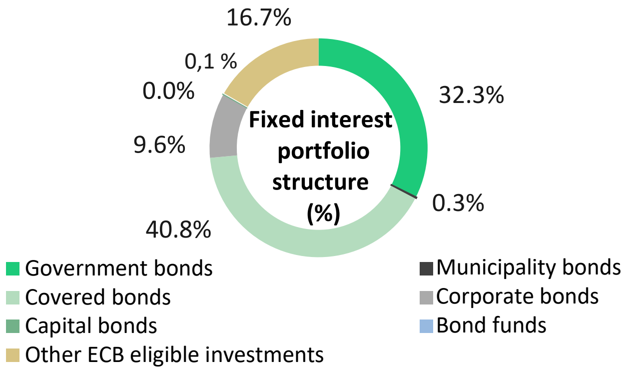
The strong rise in market interest rates that occurred in 2022 will be seen as a fall in value across the entire bond market. The effects are also transmitted to the company's investment portfolio, which mainly consists of fixed-rate bonds. As a counterweight, the company implemented hedging measures during the rest of the year, which balanced the effect of the rise in market interest rates. During 2022, the size of the investment portfolio has not been increased, and in connection with the liquidity testing, the company has reduced less well-rated holdings and replaced these with well-rated government bonds. In addition, the company's investments are mainly in government bonds with good ratings and covered bonds, whose reactions to negative news are, for example, more moderate than the corporate bond market. Taking into account the market changes that took place during the year, the development of the entire investment portfolio has remained relatively flat.



The company's investment portfolio mainly consists of low-risk interest rate investments, as High Yield bonds make up a very small part of the portfolio and the other bonds are Investment Grade bonds for EU countries. In addition to this, the company complies with counterparty risks approved by the board of directors, which are reported together with the composition of the investment portfolio to the company's management on a regular basis. On 31 December 2022, the market value of the investment portfolio was EUR 578.82 million.

The company manages the market risk of the investment portfolio by concentrating the structure of the investment portfolio on issuers and instruments with an Investment Grade credit rating and high liquidity in the market. In addition, the company complies with counterparty risks approved by the Board of Directors, which are reported to the company's management on a regular basis.

The company's spread risk is calculated regularly using an internal calculation model and the amount of spread risk is reported regularly to the Board of Directors. The calculation model is based on the Value at Risk model, which calculates the maximum loss at a 95-per-cent confidence level on a 12-month horizon. In addition, the allocations used in the model are monitored regularly to avoid tail risk. Separate monitoring limits and a maximum amount are set for VaR risk.



EU MRA: Qualitative disclosure requirements related to market risk

		Flexible format disclosure
a	Points (a) and (d) of Article 435 (1) CRR A description of the institution's strategies and processes to manage market risk, including: - An explanation of management’s strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the institution’s market risks - A description of their policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges	Market risk is managed in accordance with the strategy approved by the Board and the conservative risk appetite. Market risk concentrations and risk by asset class are managed through range and counterparty limits. Limits are actively monitored and reported. The interest rate risk faced by the company is measured and modeled using interest rate risk and present value calculations.
b	Point (b) of Article 435 (1) CRR A description of the structure and organisation of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the institution discussed in row (a) above, and that describes the relationships and the communication mechanisms between the different parties involved in market risk management.	Market risk is managed in accordance with the strategy approved by the Board and the conservative risk appetite. For more information, see Chapter 4.2 and 7.
c	Point (c) of Article 435 (1) CRR Scope and nature of risk reporting and measurement systems	The set limits are actively monitored and reported on a monthly or quarterly basis, depending on the limit. For more information, see Chapter 4.2 and 7.

Template EU MR1 - Market risk under the standardised approach

Template is not provided as there is nothing to report.

8. Operational risk

Operational risk means a consequence or risk of loss resulting from inadequate or deficient internal processes, systems, people or external factors. Also reputational risk, legal risks, compliance risk, information security risks and risks related to money laundering and the funding of terrorism are included in operational risk. Outsourced functions also generate operational risk. Realised operational risks can lead to financial losses or a loss of reputation for the company.

Operational risk forms a significant risk area for the company. It is typical for operational risk that any losses resulting from the risk are not always easy to measure. Reasons for this may include the delay in the realisation of the risk or the fact that the risks do not materialise as economically measurable losses.

Oma Savings Bank's most significant sources of operational risk are the cyber risks, datacommunication and system failures. In addition, sources of operational risk have been identified as frauds and scams, as well as knowing the customer, which is related to the quality of the collected customer information.

Oma Savings Bank calculates the operational risk in accordance with Pilar I using the basic indicator approach for the capital adequacy. This amount in 2022 was EUR 233.0 million, of which the own funds requirement was EUR 18.6 million. The increase is due to a significant increase in net interest income and fee and commission income.

Operational risk

(1,000 euros)	2022	2021	2020
Gross income	144,889	122,229	105,751
The revenue indicator	21,733	18,334	15,863
Requirement for own funds of operational risk			18,643
Risk-weighted amount of operational risk			**233,043**

Operational risk management is part of a bank's risk management aimed at reducing the likelihood of unforeseen losses or threatening the bank's reputation. Operational risk management ensures that the company's values and strategy are implemented throughout the business. Operational risk management covers all material risks related to the business.

Operational risk management is applied in all of the company’s business units by identifying, measuring, monitoring and assessing the operational risks linked to the units. The business units also assess the likelihood of the risks and their impacts if the risks materialise. The company-wide process allows the management to assess the extent of any losses stemming from operational risk if the risk were to materialise. The risk assessment process is updated at least once a year and always when the business’s operational environment changes.

As part of operational risk management, the company aims to reduce the likelihood of operational risk through its internal code of conduct and by training personnel. The control points defined for the processes are also a key component of preventing operational risk. The company reduces the impact of operational risk also by maintaining insurance for real estate and the fixed assets it owns. Each employee is responsible for managing operational risk in their own job role. Realised operational risks are reported to the management of the business unit.

New products, services, and outsourced service providers are approved separately through a separate company approval process prior to deployment. The approval process ensures that the risks associated with new products and services are properly identified and assessed. The same approval process also applies when developing existing products.

The monitoring, control and reporting of operational risks are handled by the company's risk control. At least annually, the company's management receives the business units' risk assessments and a report on the realised risks, on the basis of which a separate risk matrix is compiled and reported to the Board. The created process allows the Board to form an overall picture of the operational risks to the business and their potential effects on the company.

The risk identification process enables the Board to decide on risk management measures and priorities regarding operational risk. The new risk management system, which has been in use for a year, has improved operational risk management, monitoring and reporting.

EU ORA: Qualitative information on operational risk

Free format text boxes for disclosure of qualitative information

Legal basis	Row number	Qualitative information - Free format
Points (a), (b), (c) and(d) of Article 435(1) CRR	(a)	Disclosure of the risk management objectives and policies: Operational risk management is part of a bank's risk management aimed at reducing the likelihood of unforeseen losses or threatening the bank's reputation. Operational risk management is applied in all business units by identifying, measuring, monitoring and assessing the operational risks associated with the units. Risk management is a process involving the entire senior management of an organization, acting management, as well as all employees. The management team shall take care of the practical implementation of operational risk management principles in accordance with its respective responsibilities in all operations and entities within the Group. The company follows the “three defence lines” model, where the first line of defence consists of customer service and expert units operating in business. They are responsible for day-to-day risk management. The second line of defence consists of compliance and risk control functions that support and ensure the first line of defence. The second line of defence reports to the acting management and the Board of Directors regularly on operational and other risks. The third line of defense is formed by an internal audit. The company prepares a risk map covering all operations, and evaluates and updates the mapping at least annually. Risks are assessed by their likelihood and impact as they may occur. A responsible person shall be designated for the risks assessed as significant, whose role is to monitor and to try to limit the likelihood and potential impact of that risk. With respect to the main identified operational risks, methods for controlling risks and managing them through various means are established. Branches and other entities are responsible for managing operational risk within their units, and are responsible for making transaction reports in accordance with the process guideline. The risk control function processes inbox notifications, and requests additional information if necessary. The risk control function provides reporting to the management team and the Board of Directors according to the guidelines. The company acquires insurance coverage for financial impacts arising from operational risk. In addition, the company protects itself from operational risks through induction, training, operating instructions and comprehensive internal controls.
Article 446 CRR	(b)	Disclosure of the approaches for the assessment of minimum own funds requirements: Oma Savings Bank calculates the solvency requirement for operational risk under Pillar I using the basic method.
Article 446 CRR	(c)	Description of the AMA methodology approach used (if applicable): Not applicable.
Article 454 CRRR	(d)	Disclose the use of insurance for risk mitigation in the Advanced Measurement Approach (if applicable): Not applicable.

EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

		a	b	c	d	e
		Relevant indicator			Own funds requirements	Risk exposure amount
Banking activities (1,000 euros)		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	105,751	122,229	144,889	18,643	233,043

The form does not provide lines 2-5, as there is nothing to report.

9. Liquidity risk

Liquidity risk can be defined as the difference in the balance between incoming and outgoing cash flows. The risk may materialise if the company cannot meet its maturing payment obligations or an acceptable balance is not achieved within the limits of tolerable costs. The company's greatest liquidity risks arise from the maturity difference in borrowing and lending.

Liquidity coverage ratio (LCR)

	31 Dec 2022		31 Dec 2021	
million euros	Market value	Buffer value	Market value	Buffer value
Level 1a	**607.2**	**607.2**	**411.4**	**411.4**
Assets from regional governments or local authorities	6.0	6.0	5.6	5.6
Funds from central administrations	427.5	427.5	222.6	222.6
Central bank reserves available for withdraw	173.7	173.7	183.2	183.2
Level 1b	**167.9**	**156.1**	**214.4**	**199.4**
Covered bonds level 1	167.9	156.1	214.4	199.4
Level 2A	**21.0**	**17.9**	**33.3**	**28.3**
Covered bonds level 1	-	-	2.0	1.7
Corporates level 1	21.0	17.9	31.3	26.6
Level 2B	**1.7**	**0.9**	**7.9**	**3.9**
Listed stocks	1.4	0.7	3.5	1.7
Corporates level 2	-	-	1.8	0.9
Corporates level 3	0.3	0.1	2.6	1.3
Total	**797.82**	**782.07**	**667.03**	**643.07**
Liquidity out flow		**533.27**		**545.64**
Liquidity in flow		**63.18**		**62.09**
LCR %		**166.4%**		**133.0%**

Liquidity risk is measured in the short and long term by monitoring the structure of the liquidity reserve and long-term liabilities. The Group's liquidity coverage ratio (LCR) remained at a good level, being to 166.4% (31.12.2021 133.0%) at the end of 2022, when the minimum LCR is 100%. Liquidity remained at a strong level with, among other things, the covered bonds issued in May and in November 2022. In addition to this, the company issued a new unsecured senior-term bond in September. Standard & Poor's confirmed a credit rating of BBB+ for Oma Savings Bank's long-term borrowing in June 2022, as well as a rating of A-2 for short-term borrowing. The outlook for a long-term credit rating has been confirmed as stable.

Another significant key figure in terms of liquidity management is the Net Stable Funding Ratio (NSFR), which was 115.3% (31/12/2021 115.2%) at the moment of review. The calculation of the NSFR number has moderately increased with new issues. In addition, the company's financial plan for the coming years will support NSFR development in the future as well. The requirement for net stable funding ratio, at least 100%, became a binding requirement on 28 June 2021.

Net Stable Funding Ratio (NSFR)

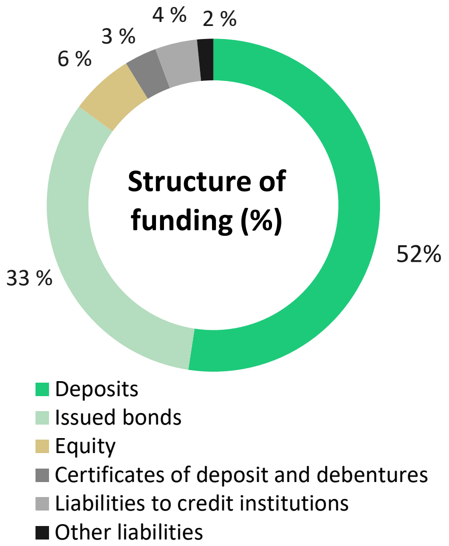
(EUR mill.)	31 Dec 2022	31 Dec 2021
Available stable funding	4,709	4,350
Required stable funding	4,104	3,778
Net Stable Funding Ratio (NSFR)	115.3%	115.2%

Conservative risk appetite is used to manage the company's liquidity risk. The management of Oma Savings Bank's liquidity risk is based on the company's ability to procure sufficient cash that is competitive in price in both the short and long term. A key component of liquidity risk management is the planning of the liquidity position in both the short and long term. Additionally, by planning the liquidity reserve, the bank can prepare for weakening economic trends on the markets and for any changes to legislation. The goal of the company's liquidity reserve is to cover one month's outflows.

LCR & NSFR development

	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022
LCR (%)	166%	153%	151%	123%
NSFR (%)	115%	111%	110%	116%

Liquidity risk management is supported by active risk management, monitoring of the balance sheet and cash flows and internal calculation models. The company's liquidity and balance of the balance sheet are monitored daily by the company's Treasury unit. The main objective of the Treasury unit is to ensure that the liquidity position always remains above the regulated and internally set threshold values. The unit monitors and measures the amount of incoming and outgoing cash flows and assesses the possible occurrence of liquidity shortfalls over the course of the day. The continuous monitoring of the liquidity situation is important so that the company can manage outgoing cash flows.



Liquidity risk is also managed through the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) key figures. LCR measures the sufficiency of liquid assets in stress conditions over 30 days. NSFR measures the amount of available stable funding in relation to required stable funding. The Board of Directors has set limits for these key figures, and they are monitored to ensure they remain within the limits. In addition to regulatory requirements, the company's own additional buffers have been set for the ratios. The Board of Directors has also set a limit for the ratio between lending and borrowing.

The company's liquidity risk is also managed by monitoring and forecasting changes in market factors and market development. If forecasts show that market liquidity is falling, the company can set tighter internal limits for liquidity risk management. Liquidity risk management also includes liquidity reserve management. This ensures that the bank has sufficient amounts of liquid securities available to cover the collateral requirements of different business activities.

The concentration of liquidity risk is linked to the customer segments and liquidity portfolio. Liquidity concentration risks linked to the customer segments are managed by using segment-specific cash flow factors. The size and quality of the liquidity portfolio is also continuously assessed. Any changes in cash flow factors are taken into consideration and the liquidity portfolio is balanced accordingly. The company manages liquidity risks by diversifying borrowing to several different sources, by which the company reduces the concentration risk resulting from individual sources of cash.

In addition, the company has a recovery plan in case of a weakening in the liquidity position. The plan allows the bank to understand the possible measures to take when a crisis strikes.

The Treasury unit is responsible for the company's liquidity reporting. Liquidity key figures are reported to the management regularly. The management reports to the Board of Directors. Risk management monitors that the company's liquidity risks remain within the set limits and that all risks have been identified. Additionally, the internal calculation models for liquidity risk are assessed at least once a year by risk management.

EU LIQ1: Quantitative information of LCR

Scope of consolidation: (solo/consolidated)

	31 Dec 2022 (1,000 euros)	a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					745,212	713,201	684,390	611,453
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	2,113,033	2,074,596	1,997,769	1,911,720	131,025	128,904	123,920	118,502
3	*Stable deposits*	1,717,195	1,682,813	1,623,528	1,556,857	85,860	84,141	81,176	77,843
4	*Less stable deposits*	395,838	391,783	374,242	354,864	45,165	44,763	42,744	40,659
5	Unsecured wholesale funding	776,131	789,521	760,233	686,604	386,051	399,770	387,412	346,604
7	*Non-operational deposits (all counterparties)*	744,431	760,126	731,913	664,749	354,352	370,375	359,092	324,749
8	*Unsecured debt*	31,699	29,394	28,320	21,855	31,699	29,394	28,320	21,855
10	Additional requirements	393,303	386,665	373,466	359,863	57,173	28,852	26,891	25,761
11	*Outflows related to derivative exposures and other collateral requirements*	879	184	-	-	879	184	-	-
12	*Outflows related to loss of funding on debt products*	29,710	97	97	97	29,710	97	97	97

13	*Credit and liquidity facilities*	362,715	386,383	373,369	359,765	26,585	28,570	26,794	25,664
14	*Other contractual funding obligations*	1,631	2,069	2,913	3,212	215	667	1,655	1,481
15	*Other contingent funding obligations*	33,720	32,375	30,576	29,087	1,487	1,129	759	406
16	**TOTAL CASH OUTFLOWS**					**575,951**	**559,321**	**540,638**	**492,755**
CASH - INFLOWS									
18	Inflows from fully performing exposures	72,891	63,581	61,582	58,529	34,395	29,288	27,976	26,060
19	Other cash inflows	34,470	33,705	39,417	42,645	12,483	13,551	17,500	21,288
20	**TOTAL CASH INFLOWS**	**107,361**	**97,286**	**100,998**	**101,174**	**46,878**	**42,839**	**45,476**	**47,348**
EU-20c	*Inflows subject to 75% cap*	107,361	97,286	100,998	101,174	46,878	42,839	45,476	47,348
						TOTAL ADJUSTED VALUE			
EU-21	**LIQUIDITY BUFFER**					**745,212**	**713,201**	**684,390**	**611,453**
22	**TOTAL NET CASH OUTFLOWS**					**529,073**	**516,482**	**495,162**	**445,407**
23	**LIQUIDITY COVERAGE RATIO**					**141.8525 %**	**138.1510 %**	**138.4976 %**	**137.5745 %**

The form does not provide lines 6, 9, 17, EU 19a and EU 19b as there is nothing to report.

EU LIQA: Liquidity risk management

in accordance with Article 451a(4) CRR

Row number	Qualitative information - Free format	
(a)	Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding,	In its operations, the company anticipates the development of liquidity and takes measures to ensure that the bank's liquidity meets the targets set in the strategy. The company has effective and reliable strategies and systems in place to identify, measure, manage and monitor liquidity risk, intraday risk and risk profile at appropriate intervals to maintain adequate liquidity and liquidity buffers.
(b)	Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).	The company's Board of Directors has approved the general principles and practices for liquidity and market risk management. The Board regularly evaluates the strategy and updates it as necessary in accordance with the requirements of the business plan, financial condition and financial position. The Board of Directors ensures that the President and CEO, other executive management and the personnel responsible for liquidity and market risk management and control have the necessary expertise and adequate and appropriate systems in place to measure and monitor risks.
(c)	A description of the degree of centralisation of liquidity management and interaction between the group's units	The responsibilities of the risk management and control personnel shall be defined in such a way as to ensure a sufficient segregation of duties to prevent conflicts of interest. The roles are further defined in the company's liquidity and market risk strategy.
(d)	Scope and nature of liquidity risk reporting and measurement systems.	The indicators used to monitor the company's liquidity and market risk, risk limits and other limit values, as well as reporting related to the indicator, are performed regularly for the bank's management. The company's management is responsible for their scope.
(e)	Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.	The company has a separate liquidity continuity plan for a situation that threatens its liquidity position. The liquidity continuity plan describes the practical measures that the company will take if the bank's liquidity position is threatened.
(f)	An outline of the bank`s contingency funding plans.	Most of the company's financing is obtained through customer deposits, but in other respects the bank manages its financing with traditional money market instruments, such as senior loans, covered bonds, central bank financing and investment certificates.
(g)	An explanation of how stress testing is used.	The company has assessed scenarios that could cause the bank to have a sudden and severe deterioration in its liquidity position. For each scenario, the course of events, the effects on the bank's liquidity position and the means used to secure liquidity are described.
(h)	A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.	The company's Board of Directors has approved the general principles and practices for liquidity and market risk management described in the liquidity and market risk strategy. The Board regularly evaluates the strategy and updates it as necessary in accordance with the requirements of the business plan, financial condition and financial position.

(i)	A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body. These ratios may include:	In its operations, the company strives to anticipate and plan measures so that the company's balance sheet structure develops in accordance with the objectives of the confirmed strategy. The company incurs a structural financial risk due to the fact that the maturity of the funding is shorter than the maturity of the loan portfolio. Among other things, the company follows the following principles for obtaining financing to manage it. The company maintains a broad funding base, the funding is divided into maturities of sufficient length, most of the refinancing is obtained as deposits from households, companies and entities, other financial institutions and money market participants, and a significant portion of funding is also obtained through bond issues. In addition to monitoring LCR and NSFR, the company also actively monitors other indicators of financial risk, such as the borrowing ratio and the development and impact of covered bonds.
	· Concentration limits on collateral pools and sources of funding (both products and counterparties)	
	· Customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank	
	· Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity	
	· Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps	

Template EU LIQ2: Net Stable Funding Ratio

In accordance with Article 451a(3) CRR

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
(in currency amount 1,000 euros)		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	**Capital items and instruments**	**339,488**	**-**	**-**	**39,500**	**378,988**
2	*Own funds*	339,488	-	-	39,500	378,988
3	*Other capital instruments*		-	-	-	-
4	**Retail deposits**		**2,150,000**	**65,205**	**80,689**	**2,163,968**
5	*Stable deposits*		1,746,679	45,204	25,971	1,728,260
6	*Less stable deposits*		403,321	20,002	54,718	435,708
7	**Wholesale funding:**		**1,344,231**	**61,705**	**1,787,755**	**2,165,805**
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		1,344,231	61,705	1,787,755	2,165,805
10	Interdependent liabilities		-	-	-	-
11	**Other liabilities:**	**-**	**68,001**	**-**	**-**	**-**
12	*NSFR derivative liabilities*	840				
13	*All other liabilities and capital instruments not included in the above categories*		68,001	-	-	-
14	**Total available stable funding (ASF)**					**4,708,761**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**82,507**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**13,498**	**9,698**	**2,074,605**	**1,783,131**
16	**Deposits held at other financial institutions for operational purposes**		**25,000**	**-**	**-**	**12,500**
17	**Performing loans and securities:**		**175,302**	**45,280**	**2,565,322**	**2,013,599**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		81,761	458	33,358	41,763
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		46,493	26,658	1,432,844	1,861,486

21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		1,934	1,939	334,964	893,398
22	*Performing residential mortgages, of which:*		45,524	17,680	988,192	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		45,524	17,680	987,897	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		1,524	483	110,928	110,351
25	Interdependent assets		-	-	-	-
26	**Other assets:**	-	**51,111**	**592**	**160,266**	**177,013**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	-	-
29	*NSFR derivative assets*		-	-	-	-
30	*NSFR derivative liabilities before deduction of variation margin posted*		3,612	-	-	181
31	*All other assets not included in the above categories*		47,499	592	160,266	176,832
32	**Off-balance sheet items**		**80,817**	**17,044**	**223,817**	**16,645**
33	**Total RSF**					**4,085,395**
34	**Net Stable Funding Ratio (%)**					**115.2584 %**

10. Salaries and rewards

Oma Savings Bank Plc's remuneration policy follows the remuneration policy approved by the company's Board of Directors. The remuneration policy contains general guidelines and a framework for the remuneration of the company's Board of Directors and the CEO. The remuneration policy is published on the company's website. Oma Savings Bank complies with the requirements on reward schemes laid down in Section 8 of the Act on Credit Institutions. The company's Board of Directors has approved the general principles concerning the reward schemes and supervises and assesses their functioning and compliance with them regularly.

Oma Savings Bank's reward scheme is aligned with the company's business strategy, goals and targets, and the company's long-term benefit. Remuneration is consistent with the company's good and effective risk management and risk-bearing capacity. The goal of the reward scheme is to assist the bank in achieving its strategic and operative targets by keeping the personnel motivated and committed. Remuneration also impacts work satisfaction, work well-being and commitment. The reward scheme is also in line with the company's good and efficient risk management and risk-bearing capacity and promotes these.

Reward schemes
One of the forms of rewards at Oma Savings Bank is the personnel fund. The personnel fund means a fund owned and managed by the company's personnel, the purpose of which is to manage earnings and profit bonuses paid into it by the company and other assets in accordance with the Act on Personnel Funds. The purpose of the personnel fund is to reward the whole personnel for achieving goals, improve the company's productivity and competitiveness and promote co-operation between the employer and the personnel and financial participation of the personnel. The company's Board of Directors decides annually on the amount of the profit-sharing bonus to be distributed to the personnel fund and the objectives behind the distribution. All employees that have been working at Oma Savings Bank for six months, excluding the CEO and the members of the management team, become members of the personnel fund. The personnel fund rules determine how the bonus gets distributed to the personnel fund members. The operation of the personnel fund is regulated by the Act on Personnel Funds.

In February 2020, the Oma Savings Bank Plc's Board of Directors decided on a share-based incentive scheme for its key personnel. The share-based incentive scheme consisted of a single two-year-long earning period 1 January 2020 – 31 December 2021. In February 2022, the company's Board of Directors confirmed the fulfilment of the 2020–2021 share-based incentive scheme's earning criteria and the payment of 331,790 shares, including the amount to be paid in cash. The share rewards will be paid in four installments within three years.

In February 2022, the company's Board of Directors decided on a new share-based incentive scheme for the Group's key persons. The incentive scheme has one two-year earning period 1 January 2022 - 31 December 2023. The scheme's target group includes a maximum of 30 key persons.

The aim of the schemes is to combine the interests of owners and key persons in order to increase the value of the company in the long term, and to commit the key persons to implement the company's strategy, objectives and long-term interest and to provide them with competitive earnings of the company's shares and a remuneration scheme based on accrual.

Remuneration Report
Annually, the company publishes the Remuneration Report as material for the Annual General Meeting. The Remuneration Report describes the remuneration paid and past due to the company's Board of Directors and the CEO for the previous financial year. Salaries and rewards for the financial year are presented in Note G21 (personnel expenses).

EU REMA: Remuneration policy

Institutions shall describe the main elements of their remuneration policies and how they implement these policies. In particular, the following elements, where relevant, shall be described:

Qualitative disclosures	
(a)	Information relating to the bodies that oversee remuneration. Disclosures shall include: • The company's remuneration policy is monitored by the Board's Remuneration Committee and the Board of Directors. The information has been published in the company's remuneration report from 2021. • Not requested. • The company's remuneration policy applies to all personnel. The area of operation is Finland. • Effective management is a group of personnel that significantly affects the company's risk profile.
(b)	Information relating to the design and structure of the remuneration system for identified staff. Disclosures shall include: • The key features of the company's remuneration policy and the decision model are published on the company's website www.omasp.fi/investors • The key criteria and risk adjustments of the company's remuneration policy have been published on the company's website www.omasp.fi/investors • The company's Board of Directors has discussed the description of the remuneration policy and its implementation, and there have been no comments. • The remuneration criteria for persons working in internal control functions are defined in such a way that they are not dependent on the business areas under their control. • Guaranteed variable remuneration and severance pay do not apply.
(c)	The Board of Directors may decide not to pay the fee in part or in full or to defer payment of the fee if the payment endangers the Group's solvency or if the payment would otherwise result in an unfavorable or unreasonable outcome for the key risks identified in risk management. The Board of Directors may decide not to pay the fee in part or in full if the payment is not in line with the company's objectives for environmental, social and governance (ESG) risks or if the risk management of these risks is significantly compromised or adversely affects the company's situation.
(d)	Variable remuneration may not exceed 100% of the fixed annual salary at the time the remuneration is granted.
(e)	Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration. Disclosures shall include: • The information is published in the company's remuneration policy, www.omasp.fi/investors • The information is published in the company's remuneration policy, www.omasp.fi/investors • Is not applied. • No remuneration will be paid if the minimum levels of performance indicators are exceeded.
(f)	Description of the ways in which the institution seeks to adjust remuneration to take account of longterm performance. Disclosures shall include: • The share-based incentive scheme is subject to deferral periods and shareholding requirements in accordance with the general terms and conditions of the plan. • Ex-post adjustments will be applied to the share-based incentive scheme in accordance with the terms of the share-based incentive scheme. • According to the terms of the share-based incentive scheme, the company's CEO and a member of the Group Management Team must own at least 50 percent of the net shares paid to him/her until the CEO's total shareholding equals his gross annual salary. This number of shares must be owned for as long as the CEO's employment or membership of the Group Management Team continues.
(g)	The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR. Disclosures shall include: • Described on the company's website www.omasp.fi/investors
(h)	Reported with a remuneration report as part of the Annual General Meeting material.
(i)	Is not applied. • Is not applied.
(j)	Is not applied.

EU REM1: Remuneration awarded for the financial year

31 Dec 2022 (1,000 euros)			a MB Supervisory function	b MB Management function	c Other senior management	d Other identified staff
1	Fixed remuneration	Number of identified staff	7	7	7	25
2		Total fixed remuneration	327,250	327,250	2,115,421	1,612,188
3		Of which: cash-based	327,250	327,250	2,115,421	1,612,188
9	Variable remuneration	Number of identified staff	7	7	7	25
10		Total variable remuneration	-	-	5,211,751	787,211
EU-13a		Of which: shares or equivalent ownership interests	-	-	5,211,751	787,211
EU-14a		Of which: deferred	-	-	2,798,407	314,892
17	Total remuneration (2 + 10)		327,250	327,250	7,327,172	2,399,399

The form does not show lines 4, EU-4a, 5, EU-5x, 6-8, 11-12, EU-13b, EU-14b, EU-14x, EU-14y, 15, 16 because they have nothing to report.

EU REM2: Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

Not applicable. There is nothing to report for the financial year 2022.

EU REM3: Deferred remuneration

Not applicable. There is nothing to report for the financial year 2022.

EU REM4: Remuneration of 1 million EUR or more per year

	EUR	a Identified staff that are high earners as set out in Article 450(i) CRR
2	1 500 000 to below 2 000 000	1

The form does not provide lines 1 and 3-11, as there is nothing to report.

Template EU REM5 - Information on remuneration of staff whose professional activities have a material impact

	31 Dec 22 (1,000 euros)	a MB Supervisory function	b MB Management function	c Total MB	e Retail banking	h Independent internal control functions
1	Total number of identified staff					
2	Of which: members of the MB	7	7	7		
3	Of which: other senior management				6	1
4	Of which: other identified staff				16	2
5	Total remuneration of identified staff	341,750	341,750	341,750	6,406,098	207,175
6	Of which: variable remuneration	-	-	-	2,885,634	-
7	Of which: fixed remuneration	341,750	341,750	341,750	3,520,434	207,175

The form does not show columns d, f, g, i, j, because they have nothing to report.

11. Summary tables

435 Risk management objectives and policies

1			Reference
a)		the strategies and processes to manage those categories of risks	Report of Board of Directors
b)		the structure and organisation of the relevant risk management function including information on the basis of its authority, its powers and accountability in accordance with the institution's incorporation and governing documents	Report of Board of Directors
c)		the scope and nature of risk reporting and measurement systems	Financial statements, Note G1
d)		the policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants	Report of Board of Directors
e)		a declaration approved by the management body on the adequacy of the risk management arrangements of the relevant institution providing assurance that the risk management systems put in place are adequate with regard to the institution's profile and strategy	CAR, chapter 1.1
f)		a concise risk statement approved by the management body succinctly describing the relevant institution's overall risk profile associated with the business strategy; that statement shall include	CAR, chapter 1.2
	i)	key ratios and figures providing external stakeholders a comprehensive view of the institution's management of risk, including how the risk profile of the institution interacts with the risk tolerance set by the management body	CAR, chapter 1.2
	ii)	information on intragroup transactions and transactions with related parties that may have a material impact of the risk profile of the consolidated group	The company does not belong to the group, so there are no intra-group transactions. No transactions have been carried out with related parties that would have a material effect on the company's risk profile.
2			
a)		the number of directorships held by members of the management body	https://sijoittaminen.omasp.fi/en/board-and-its-committees
b)		the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise	Oma Savings Bank Plc's Remuneration statement
c)		the policy on diversity with regard to selection of members of the management body, its objectives and any relevant targets set out in that policy, and the extent to which those objectives and targets have been achieved	Oma Savings Bank Plc's Remuneration statement
d)		whether or not the institution has set up a separate risk committee and the number of times the risk committee has met	No separate risk committee has been established. All the duties of the Board and its committees are described on the company's website: https://sijoittaminen.omasp.fi/en/board-and-its-committees
e)		the description of the information flow on risk to the management body	Report of Board of Directors

436 Scope of application

		Reference
a)	the name of the institution to which this Regulation applies	Template EU LI3
b)	a reconciliation between the consolidated financial statements prepared in accordance with the applicable accounting framework and the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One; that reconciliation shall outline the differences between the accounting and regulatory scopes of consolidation and the legal entities included within the regulatory scope of consolidation where it differs from the accounting scope of consolidation; the outline of the legal entities included within the regulatory scope of consolidation shall describe the method of regulatory consolidation where it is different from the accounting consolidation method, whether those entities are fully or proportionally consolidated and whether the holdings in those legal entities are deducted from own funds	Not applicable.
c)	a breakdown of assets and liabilities of the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One, broken down by type of risks as referred to under this Part	Not applicable.
d)	a reconciliation identifying the main sources of differences between the carrying value amounts in the financial statements under the regulatory scope of consolidation as defined in Sections 2 and 3 of Title II of Part One, and the exposure amount used for regulatory purposes; that reconciliation shall be supplemented by qualitative information on those main sources of differences	Not applicable.
e)	for exposures from the trading book and the non-trading book that are adjusted in accordance with Article 34 and Article 105, a breakdown of the amounts of the constituent elements of an institution's prudent valuation adjustment, by type of risks, and the total of constituent elements separately for the trading book and non-trading book positions	Not applicable.
f)	any current or expected material practical or legal impediment to the prompt transfer of own funds or to the repayment of liabilities between the parent undertaking and its subsidiaries	Not applicable.
g)	the aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation, and the name or names of those subsidiaries	Not applicable.
h)	where applicable, the circumstances under which use is made of the derogation referred to in Article 7 or the individual consolidation method laid down in Article 9	Not applicable.

437 Own funds

			Reference
a)		a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and the filters and deductions applied to own funds of the institution pursuant to Articles 32 to 36, 56, 66 and 79 with the balance sheet in the audited financial statements of the institution	Table Own funds
b)		a description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution	Template EU CC1
c)		the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments	Template EU CC1
d)		a separate disclosure of the nature and amounts of the following	
	i)	each prudential filter applied pursuant to Articles 32 to 35	Template EU CC1
	ii)	items deducted pursuant to Articles 36, 56 and 66	Template EU CC1
	iii)	items not deducted pursuant to Articles 47, 48, 56, 66 and 79	Template EU CC1
e)		a description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply	Not applicable.
f)		a comprehensive explanation of the basis on which capital ratios are calculated where those capital ratios are calculated by using elements of own funds determined on a basis other than the basis laid down in this Regulation	Not applicable. Oma Savings Bank does not use other elements of own fund calculation than described in CRR 575/2013.

437 a Own funds and eligible liabilities

		Reference
a)	the composition of their own funds and eligible liabilities, their maturity and their main features	Not applicable.
b)	the ranking of eligible liabilities in the creditor hierarchy	Template EU CCA
c)	the total amount of each issuance of eligible liabilities instruments referred to in Article 72b and the amount of those issuances that is included in eligible liabilities items within the limits specified in Article 72b(3) and (4)	Template EU CCA
d)	the total amount of excluded liabilities referred to in Article 72a(2)	Not applicable.

438 Own funds requirements and risk-weighted exposure amounts

		Reference
a)	a summary of their approach to assessing the adequacy of their internal capital to support current and future activities	CAR, chapter 4
b)	the amount of the additional own funds requirements based on the supervisory review process as referred to in point (a) of Article 104(1) of Directive 2013/36/EU and its composition in terms of Common Equity Tier 1, additional Tier 1 and Tier 2 instruments	CAR, chapter 4 and 5
c)	upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process	CAR, chapter 4
d)	the total risk-weighted exposure amount and the corresponding total own funds requirement determined in accordance with Article 92, to be broken down by the different risk categories set out in Part Three and, where applicable, an explanation of the effect on the calculation of own funds and risk-weighted exposure amounts that results from applying capital floors and not deducting items from own funds	Template EU OV1
e)	the on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending referred to in Table 1 of Article 153(5) and the on- and off-balance- sheet exposures and risk-weighted exposure amounts for the categories of equity exposures set out in Article 155(2)	Template EU OV1
f)	the exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds in accordance with Article 49 when calculating their capital requirements on an individual, sub-consolidated and consolidated basis	Not applicable.
g)	the supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate calculated in accordance with Article 6 of Directive 2002/87/EC and Annex I to that Directive where method 1 or 2 set out in that Annex is applied	Not applicable.
h)	the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations	Not applicable. Oma Savings Bank does not use IRB approach.

439 Exposure to counterparty credit risk

		Reference
a)	a description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties	Not applicable.
b)	a description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves	CAR, chapter 6
c)	a description of policies with respect to General Wrong-Way risk and Specific Wrong-Way risk as defined in Article 291	CAR, chapter 6
d)	the amount of collateral the institution would have to provide if its credit rating was downgraded	Not applicable.
e)	the amount of segregated and unsegregated collateral received and posted per type of collateral, further broken down between collateral used for derivatives and securities financing transactions	Not applicable.
f)	for derivative transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Sections 3 to 6 of Chapter 6 of Title II of Part Three, whichever method is applicable, and the associated risk exposure amounts broken down by applicable method	Not applicable.
g)	for securities financing transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Chapters 4 and 6 of Title II of Part Three, whichever method is used, and the associated risk exposure amounts broken down by applicable method	Not applicable.
h)	the exposure values after credit risk mitigation effects and the associated risk exposures for credit valuation adjustment capital charge, separately for each method as set out in Title VI of Part Three	Not applicable.
i)	the exposure value to central counterparties and the associated risk exposures within the scope of Section 9 of Chapter 6 of Title II of Part Three, separately for qualifying and non-qualifying central counterparties, and broken down by types of exposures	Not applicable.
j)	the notional amounts and fair value of credit derivative transactions; credit derivative transactions shall be broken down by product type; within each product type, credit derivative transactions shall be broken down further by credit protection bought and credit protection sold	Not applicable.
k)	the estimate of alpha where the institution has received the permission of the competent authorities to use its own estimate of alpha in accordance with Article 284(9)	Not applicable.
l)	separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452	Not applicable.
m)	for institutions using the methods set out in Sections 4 to 5 of Chapter 6 of Title II Part Three, the size of their on- and off-balance-sheet derivative business as calculated in accordance with Article 273a(1) or (2), as applicable	Not applicable.

440 Capital buffers

		Reference
a)	the geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposures used as a basis for the calculation of their countercyclical capital buffer	Template EU CCyB1 and EU CCyB2
b)	the amount of their institution-specific countercyclical capital buffer	Template EU CCyB1 and EU CCyB2

441 Indicators of global systemic importance

Not applicable. Oma Savings Bank is not identified as global systemically important bank.

442 Exposure to credit risk and dilution risk

		Reference
a)	the scope and definitions that they use for accounting purposes of 'past due' and 'impaired' and the differences, if any, between the definitions of 'past due' and 'default' for accounting and regulatory purposes	CAR, chapter 6
b)	a description of the approaches and methods adopted for determining specific and general credit risk adjustments	CAR, chapter 6
c)	information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures, including their related accumulated impairment, provisions and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received	Template EU CR1
d)	an ageing analysis of accounting past due exposures	Template EU CQ3
e)	the gross carrying amounts of both defaulted and non-defaulted exposures, the accumulated specific and general credit risk adjustments, the accumulated write-offs taken against those exposures and the net carrying amounts and their distribution by geographical area and industry type and for loans, debt securities and off- balance-sheet exposures	Template EU CQ5. No significant exposures outside Finland.
f)	any changes in the gross amount of defaulted on- and off-balance-sheet exposures, including, as a minimum, information on the opening and closing balances of those exposures, the gross amount of any of those exposures reverted to non-defaulted status or subject to a write-off	Template EU CR2
g)	the breakdown of loans and debt securities by residual maturity	Template EU CR1-A

443 Encumbered and unencumbered assets

Template EU AE1

444 Use of the standardized approach

		Reference
a)	the names of the nominated ECAIs and ECAs and the reasons for any changes in those nominations over the disclosure period	Not applicable.
b)	the exposure classes for which each ECAI or ECA is used	Not applicable.
c)	a description of the process used to transfer the issuer and issue credit ratings onto items not included in the trading book	Not applicable.
d)	the association of the external rating of each nominated ECAI or ECA with the risk weights that correspond to the credit quality steps as set out in Chapter 2 of Title II of Part Three, taking into account that it is not necessary to disclose that information where the institutions comply with the standard association published by EBA	Not applicable.
e)	the exposure values and the exposure values after credit risk mitigation associated with each credit quality step as set out in Chapter 2 of Title II of Part Three, by exposure class, as well as the exposure values deducted from own funds	Template EU CR4

445 Exposure to market risk

	Reference
Institutions calculating their own funds requirements in accordance with points (b) and (c) of Article 92(3) shall disclose those requirements separately for each risk referred to in those points. In addition, own funds requirements for the specific interest rate risk of securitisation positions shall be disclosed separately.	Not applicable. Oma Savings Bank does not have a trading book.

446 Operational risk management

		Reference
a)	the approaches for the assessment of own funds requirements for operation risk that the institution qualifies for	CAR, chapter 8
b)	where the institution makes use of it, a description of the methodology set out in Article 312(2), which shall include a discussion of the relevant internal and external factors being considered in the institution's advanced measurement approach	Not applicable.
c)	in the case of partial use, the scope and coverage of the different methodologies used	Not applicable.

447 Disclosure of key metrics

			Reference
a)		the composition of their own funds and their own funds requirements as calculated in accordance with Article 92	Template EU CC1
b)		the total risk exposure amount as calculated in accordance with Article 92(3)	Template EU OV1
c)		where applicable, the amount and composition of additional own funds which the institutions are required to hold in accordance with point (a) of Article 104(1) of Directive 2013/36/EU	Template EU KM1
d)		their combined buffer requirement which the institutions are required to hold in accordance with Chapter 4 of Title VII of Directive 2013/36/EU	Template EU KM1
e)		their leverage ratio and the total exposure measure as calculated in accordance with Article 429	CAR, chapter 5.4
f)		the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1):	
	i)	the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Template EU LIQ1
	ii)	the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the- month observations over the preceding 12 months for each quarter of the relevant disclosure period	Template EU LIQ1
	iii)	the averages of their liquidity outflows, inflows and net liquidity outflows as calculated pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Template EU LIQ1
g)		the following information in relation to their net stable funding requirement as calculated in accordance with Title IV of Part Six	
	i)	the net stable funding ratio at the end of each quarter of the relevant disclosure period	CAR, chapter 9
	ii)	the available stable funding at the end of each quarter of the relevant disclosure period	CAR, chapter 9
	iii)	the required stable funding at the end of each quarter of the relevant disclosure period	CAR, chapter 9
h)		their own funds and eligible liabilities ratios and their components, numerator and denominator, as calculated in accordance with Articles 92a and 92b and broken down at the level of each resolution group, where applicable	Template EU CCA

448 Exposure to interest rate risk on positions not held in the trading book

Not applicable. As a small and non-complex institution Oma Savings Bank does not have reporting requirement.

449 Exposure to securisation positions

Not applicable. Oma Savings Bank does not have securisation positions.

449a Environmental, social and governance risks (ESG risks)

Not applicable.

450 Remuneration policy

1			Reference
a)		information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year, including, where applicable, information about the composition and the mandate of a remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
b)		information about the link between pay of the staff and their performance	Not to be published.
c)		the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
d)		the ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) of Directive 2013/36/EU	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
e)		information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based	Not applicable.
f)		the main parameters and rationale for any variable component scheme and any other non-cash benefits	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
g)		aggregate quantitative information on remuneration, broken down by business area	The bank has one business unit. More information in websites: https://sijoittaminen.omasp.fi/en/remuneration
h)		aggregate quantitative information on remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile of the institutions, indicating the following	
	i)	the amounts of remuneration awarded for the financial year, split into fixed remuneration including a description of the fixed components, and variable remuneration, and the number of beneficiaries	Remuneration statement and notes in financial statement, published only concerning Board of Directors and Management Team
	ii)	the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and the deferred part	The rewards paid for the financial year 2022 in respect of the share based incentive scheme (broken down by variable parts amounts and amounts paid and deferred interest) are presented in Notes G21, G31 and G32 to the financial statements.
	iii)	the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years	Regarding the share based incentive system, it is presented in Note G32 to the financial statements.
	iv)	the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments	Regarding the share based incentive system, the deferred bonuses are presented in Note G32 to the financial statements. There are no reduced fees.
	v)	the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards	Not applicable. No paid start-up and severancy pay during the financial year.
	vi)	the severance payments awarded in previous periods, that have been paid out during the financial year	Not applicable. No paid start-up and severancy pay during the financial year.
	vii)	the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and highest payment that has been awarded to a single person;	Not applicable. No paid start-up and severancy pay during the financial year.

i)	the number of individuals that have been remunerated EUR 1 million or more per financial year, with the remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and with the remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million	Template EU REM4
j)	upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management	Not applicable.
k)	information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU	Not applicable.
2	For large institutions, the quantitative information on the remuneration of institutions' collective management body referred to in this Article shall also be made available to the public, differentiating between executive and non-executive members	The remuneration report presents the salaries and fees of the company's Board of Directors, the CEO and the Deputy CEO. The remuneration report is published on the company's website. The salaries and fees of the rest of the Management Team are published on the company's website as a lump sum.

451 Leverage ratio

		Reference
a)	the leverage ratio and how the institutions apply Article 499(2)	CAR, chapter 5.4
b)	a breakdown of the total exposure measure referred to in Article 429(4), as well as a reconciliation of the total exposure measure with the relevant information disclosed in published financial statements	CAR, chapter 5.4
c)	where applicable, the amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7)	CAR, chapter 5.4
d)	a description of the processes used to manage the risk of excessive leverage	CAR, chapter 5.4
e)	a description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	CAR, chapter 5.4
2	Public development credit institutions as defined in Article 429a(2) shall disclose the leverage ratio without the adjustment to the total exposure measure determined in accordance with point (d) of the first subparagraph of Article 429a(1)	Not applicable.
3	In addition to points (a) and (b) of paragraph 1 of this Article, large institutions shall disclose the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages calculated in accordance with the implementing act referred to in Article 430(7)	Not applicable.

451a Liquidity requirements

		Reference
1	Institutions that are subject to Part Six shall disclose information on their liquidity coverage ratio, net stable funding ratio and liquidity risk management in accordance with this Article	CAR, chapter 9
2	Institutions shall disclose the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1)	
a)	the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Table EU LIQ1
b)	the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer	CAR, chapter 9
c)	the averages of their liquidity outflows, inflows and net liquidity outflows as calculated in accordance with the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition	CAR, chapter 9
3	Institutions shall disclose the following information in relation to their net stable funding ratio as calculated in accordance with Title IV of Part Six	
a)	quarter-end figures of their net stable funding ratio calculated in accordance with Chapter 2 of Title IV of Part Six for each quarter of the relevant disclosure period	CAR, chapter 9
b)	an overview of the amount of available stable funding calculated in accordance with Chapter 3 of Title IV of Part Six	CAR, chapter 9
c)	an overview of the amount of required stable funding calculated in accordance with Chapter 4 of Title IV of Part Six	CAR, chapter 9
4	Institutions shall disclose the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor their liquidity risk in accordance with Article 86 of Directive 2013/36/EU	CAR, chapter 9

452 Use of the IRB approach to credit risk

Not applicable. Oma Savings Bank does not use IRB approach.

453 Use of credit risk mitigation techniques

		Reference
a)	the core features of the policies and processes for on- and off-balance-sheet netting and an indication of the extent to which institutions make use of balance sheet netting	Not applicable.
b)	the core features of the policies and processes for eligible collateral evaluation and management	CAR, chapter 6
c)	a description of the main types of collateral taken by the institution to mitigate credit risk	CAR, chapter 6
d)	for guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purpose of reducing capital requirements, excluding those used as part of synthetic securitisation structures	CAR, chapter 6
e)	information about market or credit risk concentrations within the credit risk mitigation taken	Not applicable.
f)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, the total exposure value not covered by any eligible credit protection and the total exposure value covered by eligible credit protection after applying volatility adjustments; the disclosure set out in this point shall be made separately for loans and debt securities and including a breakdown of defaulted exposures	Template EU CR3
g)	the corresponding conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect	Template EU CR4
h)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the on- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation	Template EU CR4
i)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the risk- weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure; the disclosure set out in this point shall be made separately for each exposure class	Template EU CR4
j)	for institutions calculating risk-weighted exposure amounts under the IRB Approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk- weighted exposure amounts, they shall make the disclosure set out in this point separately for the exposure classes subject to that permission	Not applicable.

454 Use of the advanced measurement approaches to operational risk

Not applicable. Oma Savings Bank uses basic indicator approach for calculation of operational risk.

455 Use of internal market risk models

Not applicable. Oma Savings Bank uses standardised approach for calculation of market risk.

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Oma Savings Bank Plc

tel +358 20 764 0600