The Aktia Bank Group Pillar III Report as of Dec 31, 2022

Aktia

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Regulatory framework and general requirements for disclosures risk management objectives and policies

Introduction

This Pillar III Report 2022 discloses information on the capital adequacy of the Aktia Bank Group, as specified in Part 8 of EU Capital Requirements Regulation (575/2013), later amended by CRRII regulation (2019/8769) in compliance with the commission implementing regulations, delegated regulations and guidelines issued by European Banking Authority (EBA) for publishing disclosures. In 2020, EBA published final implementing technical standard on public disclosures based on the mandate included in Article 434a of CRR II to specify uniform disclosure formats and associated instructions. These new disclosure requirements apply from 28 June 2021 onwards and this Report has been prepared in accordance with updated regulation. This report provides the full set of Pillar 3 disclosures of the Aktia Bank Group applicable for this reporting period and does not contain references to the Annual Report as of December 31, 2022. However, additional information can be found in the Annual Review 2022, Corporate Governance Report 2022, Financial Review 2022, Financial Statement 2022 and Remuneration Report 2022.

This Report is presented in euros (EUR) rounded to the nearest millions of euros to one decimal place. Due to rounding, numbers presented throughout this Report may not add up precisely to the totals we provide and percentages may not precisely reflect the absolute figures.

The appropriateness of the Pillar III disclosed information is approved by the Senior management of the Aktia Bank Group. If there is information considered to be proprietary or confidential, the information is not published, but disclosed in more general manner. Also, information or templates identified as not applicable to the Aktia Bank Group has not been included in the Report. For more information, See Section 10

Aktia Life Insurance Ltd is included in the consolidated financial statement according to IFRS but is not under the scope of regulatory consolidation- and thus has not been included in the Pillar III disclosed figures.

Aktia Bank Group classified as an other institution based on Article 4 No. (146) CRR publishes its Pillar 3 Disclosures as required to Article 433 and 433c CRR. In this regard the Group also adheres to the frequency of disclosure requirements as provided within EBA Guideline “Final draft implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III Part Eight of Regulation (EU) No 575/2013”.

Aktia Bank Plc’s Pillar III Report 2022 is published on the Group’s website www.aktia.com.

Aktia Board of Directors’ declaration approved by the management body on the adequacy of the risk management arrangements 31.12.2022

By approving this report, the Board of Directors approves the formal statement of key risks in the chapter Institution risk management approach (EU OVA) point (c) Point according to point (e) of Article 435(1) CRR, and formally declares the adequacy of risk management arrangements given Aktia’s risk profile and in the chapter 7.1.1 Liquidity risk management (EU LIQA) points (h). A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance states that the liquidity risk management systems put in place are adequate with regard to the institution’s profile and strategy and (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. The Board of Directors has approved the Group principles for publication of disclosures according to Part Eight of the CRR, Article 435(1).

The figures in this report are based on economic information that is presented and audited in the 2022 Annual Report. This report is not externally audited; however, control mechanisms, internal control processes and policies provide certainty to stakeholders about its accuracy and relevance. All figures in this report are as of year-end 2022 unless otherwise stated.

Aktia’s risk profile

Aktia’s result is affected by many factors, of which the most important are the general economic situation, fluctuations in share prices, interest rates and exchange rates, as well as the competitive situation. Changes in these factors may affect the demand for banking, insurance, and asset management services. The market value of Aktia's financial and other assets may change, for example, because of investors’ higher return requirements or rising interest rates.

The high inflation rate in the euro area (10.1% in November) has contributed to a rise in interest rates during 2022. Rising interest rates had a positive impact on Life insurance company’s own funds, while the impact on bank’s own funds was negative. During the course of year, the fair value interest rate risk in both companies has been hedged to a large extent. The availability of liquidity on the financial market is important for Aktia’s refinancing activities. In the current interest rate environment, retail deposits have become an increasingly favourable form of funding alongside wholesale funding, making Aktia more active in the acquisition of deposits.

The development of the commission income is dependent on the volume and value development of assets under management, which has increased the risks pertaining to the Group’s income and profitability. As a result of the increase in volatility in the financial markets and negative value developments in 2022, the risk level of commission income has increased, and in addition to this, the amount of assets under management has decreased because of the decrease in value.

Aktia has introduced new internal risk rating models for retail exposures (IRBA models) during the fourth quarter 2022, improving the bank's ability to classify clients on a risk basis. In connection with the development and improvement of models and calculations, the Financial Supervisory Authority has set additional capital requirements for the bank. Implementation of the updated models has no significant impact on the bank's capital adequacy.

The updated IRBA models also affect the ECL model for retail exposures. The model update and the calibration of the level of risk to a higher level due to the current uncertain economic situation increased the expected credit losses, with a negative effect on result in the fourth quarter. Any future impairment of credits in Aktia's credit portfolio could be due to many factors, of which the most important are the general economic situation, the interest rate level, the level of unemployment and the development of house prices.

The current economic situation increases the uncertainty in Aktia's credit portfolio. High inflation has reduced real income, while interest rates have risen at a record rate in the course of the year, leading to higher loan and other expenses for customers. At the moment, there have been no significant deviations in customer behaviour, for example in the demand for instalment-free periods or the number of loans in arrears, but Aktia is actively monitoring the situation. Aktia actively monitors risks in sectors that are most affected by the current situation, such as the energy-intensive industry and transport sectors. Some impairments have been made in the corporate portfolio. There is an increase in the number of defaulted exposures in Aktia's loan portfolio due to individual corporate counterparties and the increasing amount of uncertain repayment on the private customer side.

Aktia's operational risks have been in line with the risk appetite during the fourth quarter. Due to the crisis in Ukraine and Finland's decision to apply for NATO membership, the threat of various cyber-attacks has remained high, and short-term denial of service attacks have been targeted also against Aktia, but these have not directly affected services. Throughout the year, Aktia has actively collaborated with different authorities and other stakeholders in the sector to prevent cybercrime.

Various phishing attacks have been ongoing throughout the year. In particular, scams on online sales platforms and SMS scams have increased significantly in Finland. Aktia's customers have also suffered from these scams. Through its own measures, Aktia is proactive in preventing these scams targeting customers. Aktia has informed its customers about the threat, for example by arranging a webinar on fraud and how customers can protect themselves from it. In addition, Aktia is actively cooperating with various actors, such as authorities, the financial sector and other partners, in the fight against fraud.

Disclosure of risk management objectives and policies (Article 435 CRR)

Institution risk management approach (EU OVA)

(a) Point (f) of Article 435(1) CRR
Disclosure of concise risk statement approved by the management body

Aktia's business model is diversified, with the main risk being credit risk.

Aktia Group
Aktia is a Finnish asset manager, bank and life insurer that has been creating wealth and well-being from one generation to the next for 200 years. We are the best partner for people, companies, and organisations that value inner wisdom and responsible wealth creation. Our vision is to be the leading wealth manager bank, and our mission is to build wealth for our customers and society. We serve our customers in digital channels everywhere and face-to-face in our offices in the Helsinki, Kuopio, Oulu, Turku, Tampere and Vaasa regions. Our award-winning asset management business sells investment funds internationally. We employ approximately 900 people around Finland. Total assets of Aktia are 12.4 billion, and a Common Equity Tier 1 (CET1) capital ratio of 10.8%. Assets under management are EUR 13.5 billion

Risk Appetite
Aktia's capital ratios at the end of 2022 were as follows: Common Equity Tier 1 (CET1) capital ratio of 10.8%, Tier 1 capital ratio of 12.7% and own funds ratio of 14.9%. Aktia assesses its risk capacity on at least an annual basis, defining it as the maximum level of risk the Group is deemed capable of assuming given its capital (own funds), risk management and control capabilities, and regulatory constraints. The risk appetite within Aktia is defined as the aggregate level and types of risk Aktiaa is willing to assume, within its risk capacity and in line with its business model, in order to achieve its strategic objectives. Aktia carries out ongoing monitoring and reporting of its risk exposures against the risk limits to ensure that risk-taking activities remain within the risk appetite.

Key risks in Aktia's operations
Aktia has developed a risk strategy to support strategic priorities while ensuring a strong risk and control culture across the Group. By focusing on its strategic priorities, Aktia provides private individuals, corporate customers and institutions with customer-oriented banking and financing solutions, based on close consultancy, through different channels. The individual needs of each customer are the starting point of everything we do. Risks are spread across industries and customer types. The Group's material risks derive from business activities which include asset management, banking, and insurance.

Aktia is an active lender to households and corporate customers. This activity gives rise to credit risk, which is Aktia's primary financial risk, accounting for approximately 86% of its total risk exposure amount (REA). The credit risk appetite statement is defined in terms of credit risk concentration (limits for specific client groups), long-term credit quality (expected loss), and the Group's non-performing loan ratio, in line with regulatory definitions and limits applicable to specific sub-portfolios and financing structures. Internal ratings-based corporate and retail exposures currently represent 36.5% and 25.8% respectively of Aktia's total REA. The Group's credit portfolio quality has altogether remained stable. Housing markets in Finland have continued to function well and the situation in the corporate portfolio has remained steady throughout 2022 and the COVID-19 pandemic. Loan losses during 2022 amounted to approximately EUR 4.5 million. The REA attributable to credit risk was EUR 2,685 million at the end of the fourth quarter of 2022. During Q4, Aktia received permission from the Financial Supervisory Authority to put into use new internal models for household exposures. The commissioning does not significantly affect the capital calculation. RWA is kept at the same level, while expected losses (EL) rise slightly. During Q4, Aktia has been authorised by the Financial Supervisory Authority to make a significant change to its IRBA calculation, affecting the Bank Group's CET1 ratio by approximately -0.2 percentage points. For other exposures the standardised approach is used.

Operational risk is present across all Aktia's activities. Capital held for operational risk represents 14% of the Group's total REA. The risk appetite statement for operational risk varies within operational risk areas from low to normal.

The primary risk not mitigated with capital and hence not measured in REA terms is liquidity risk, which is a material risk for Aktia. Aktia adheres to a liquidity risk appetite according to which it must have sufficient liquidity to be able to always meet its cash flow obligations, including on an intraday basis, across market cycles and during periods of stress. Liquidity risk limits and triggers are set to ensure that the liquidity risk profile of the Group remains within the liquidity risk appetite. Group has set minimum levels for Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). The year-end figures were for LCR 183%, and NSFR 121%.

Material transactions
Aktia Bank Plc and IT service provider CGI Finland Ltd have signed an agreement on strategic cooperation whereby a joint venture now being established between Aktia and CGI will provide Aktia with a significant part of the maintenance and development services for Aktia's banking business IT systems in the future. The cooperation supports Aktia's strategic objectives to develop its banking business and services and to be the leading wealth manager bank in Finland. With the partnership, some 50 Aktia IT service specialists were transferred to the joint venture before the end of the year. At the same time, a significant part of the capacity and data centre services of Aktia's banking business will be transferred to CGI.
On 30 November, Aktia Bank Plc and Alexander Corporate Finance Oy ("ACF") announced an arrangement, which results in Aktia owning 20% of ACF's shares. The completion of the arrangement took place on 2 February 2022 after receiving the approval from the Finnish Financial Supervisory Authority. With the arrangement, the name of Alexander Corporate Finance was changed to Aktia Alexander Corporate Finance Oy.

As planned, Aktia Bank Plc executed the merger of its wholly owned subsidiary Aktia Wealth Management Ltd with Aktia Bank Plc on 1 January 2022. At the same time, Aktia merged its two subsidiaries, where Aktia Fund Management Company Ltd merged with AV Fund Management Ltd. As from 1 January 2022, the name of the Fund Management Company is Aktia Fund Management Company Ltd. Both mergers are a part of simplifying Aktia's asset management operations, where an essential part is the simplification of the group structure.

Board of Directors' approval of the risk statement
Aktia's Board of Directors has approved this risk statement and acknowledges that the Aktia Group's risk management arrangements are adequate and well adapted to its business model, risk appetite and capital position.

(b) Point (b) of Article 435(1) CRR
Information on the risk governance structure for each type of risk

The Group is managed in the manner of an industrial group, which means that the parts of the Group complement each other, work in synergy and promote competitive advantages as a group. In the subsidiaries, the Boards of Directors and CEOs are responsible for adherence to the strategies, guidelines and policies set at the Group level.

The Board of Directors of Aktia Bank Plc oversees the efficient management of the Aktia Group and follows prudent business principles in accordance with the provisions of applicable laws and the Articles of Association. The Board of Directors approves the Bank's business strategy, strategic objectives, risk strategy, and systems for management and governance, as well as their monitoring and oversight. The Board of Directors also appoints Aktia's CEO.

The Group's strategy governs all risk taking, and the Board of Directors has responsibility for the Group's risk management, and the resources it requires. The Board of Directors annually approves the Group's risk management framework, including strategies, goals, and limits for managing the operations. The risk appetite is approved and translated into key risk indicators (KRIs), guidelines and limits for business units.

The Board of Directors regularly monitors the Group's compliance with the risk policy and its risk positions. The utilisation of limits and KRIs are reported to the Board of Directors at least quarterly.

The Board of Directors approves and monitors the Group's internal capital assessment, including stress tests, to measure the adequacy of capital, considering the Group's risk positions.

The Risk Committee prepares matters of risk-taking and risk management as well as individual credit matters that require the Board of Directors' decision. In addition, the committee considers the central risk-related processes for capital and liquidity, internal capital adequacy assessment process (ICAAP) and the internal liquidity adequacy assessment (ILAAP) and prepares risk-related matters for the Board of Directors to decide on. The committee prepares decisions on the annual plan and on procedures for the Risk Control and Compliance functions to be adopted by the Board, and receives the reports submitted by Risk Control and Compliance. In 2022, the committee held 9 meetings and besides the regular matters it focused on monitoring of certain development projects, including processes related to know-your-customer and prevention of money laundering. The committee has also handled reports on data security risks. In 2022, the committee held 10 meetings.

The CEO is appointed by the Board of Directors. The CEO is responsible for the day-to-day management of the Aktia Group in accordance with instructions issued by the Board of Directors.

The Executive Committee members manage their respective business areas or support functions. Certain matters related to lending and the handling of the Group's asset and liability management, financing, liquidity and market risks, as well as administration, are dealt with by committees consisting of Executive Committee members and others appointed by the CEO. Among other things, the CEO is responsible for organising the risk management processes, including matters relating to internal capital assessment and further delegation of risk mandates.

The CEO appoints a committee for asset and liability management (ALM). The Asset and Liability Committee (ALCO) meets approximately twice a month in meetings dedicated to ALM-, capital- and risk-related matters. The role of these meetings is to handle and prepare issues for decisions by the Board of Directors and make decisions, based on a mandate delegated by the Board of Directors, regarding internal credit, and market risk models and parameters used in scenario analysis. The ALCO comprises 3 members of the Executive Committee. The Chief Risk Officer (CRO) is also a member of the ALCO.

The primary responsibility for internal control lies with the first line of defence: business units responsible for the day-to-day running of business operating processes and their control, as well as risk management measures. Risk management is the key element of internal control. In the second line of defence, the control functions consist of the Group's Risk Control unit, the Compliance function, and the independent Actuarial function in Aktia Life Insurance Ltd, which are independent of the business units. In addition, three of the subsidiaries, Aktia Life Insurance, Aktia Fund Management Company and Aktia Asset Management Company Ltd, have persons or other mechanisms within the group responsible for the control function. These persons report to the Board of Directors of each of the subsidiaries. In addition, these persons have a dual reporting line to the Chief Risk Officer and coordinate their activities in co-operation with the Group's Risk Control and Compliance unit. The Group's Internal Audit function represents the third line of defence, and the function is responsible for the independent audit of the first and second lines of defence.

The Group's Risk Control function reports to the Board of Directors. Risk Control monitors risk management in the business units and is responsible for securing the appropriate calculations, analysis, and monitoring of risks in all areas of the Group's operations, including subsidiaries. Risk Control assesses the Group's overall risk position in relation to the strategy and risk appetite decided by the Board of Directors. Risk Control is responsible for preparing the Group's risk management framework, which is approved annually by the Board of Directors. The Group's internal capital assessment and liquidity planning process is controlled by Risk Control, and it evaluates the impacts of various stress tests and scenarios on the capital adequacy and liquidity position, as well as on the result of the financial conglomerate and Group companies. Risk Control is also responsible for coordinating and updating the Group's recovery plan in accordance with the Bank Recovery and Resolution Directive and national legislation, and for monitoring the indicators in the plan. Administratively, the Group's Risk Control function is subordinate to the CEO.

Regarding the fund and asset management subsidiaries, the independent risk control function is responsible for monitoring and reporting risk limits related to mutual funds and asset management activities. In addition, asset management's middle office function monitors the daily risk limits of all Aktia's asset management customers. Risk limits are reported to the Boards of Directors of the subsidiary, Aktia Fund Management Company Ltd. The Group's Risk Control, in cooperation with the Actuary Function of the Aktia Life Insurance subsidiary, is also responsible for monitoring and reporting risks and limits related to insurance activities to the Board of Directors of Aktia Life Insurance.

The Group's Compliance function reports independently to the Board of Directors in addition to reporting on compliance risks, significant observations, and changes in applicable regulation to the management and the organisation. The role of the Compliance function is to control and evaluate the management of risks related to inadequate compliance. The Compliance function is responsible for ensuring that the rules are adhered to within the Group's activities through its advisory and control tasks, and therefore for supporting the business activities in ensuring that applicable rules are known and duly implemented. The Group's Data Protection Officer (DPO) is also part of the Compliance function. Administratively, the Group's Risk Control function is subordinate to the CEO.

(c) Point (e) of Article 435(1) CRR
Declaration approved by the management body on the adequacy of the risk management arrangements.

By approving this report, the Board of Directors approves the formal statement of key risks in this point (c), and formally declares the adequacy of risk management arrangements given Aktia's risk profile. The Board of

Directors has approved the Group principles for publication of disclosures according to Part Eight of the CRR, Article 435(1).

The figures in this report are based on economic information that is presented and audited in the 2022 Annual Report. This report is not externally audited; however, control mechanisms, internal control processes and policies provide certainty to stakeholders related to its accuracy and relevance. All figures in this report are as of year-end 2022 unless otherwise stated.

The results and capital adequacy of the banking business are affected primarily by business volumes, deposit and lending margins, the balance sheet structure, the general interest rate level, write-downs, and cost-effectiveness. Fluctuating results in banking operations may occur as a result of sudden credit or operational risk outcomes. Business risks in the form of changes in volumes and interest margins change slowly, and they are managed through diversification and adjustment measures.

The results of asset management operations are mainly affected by trends in business volumes, commission levels and cost-effectiveness. Opportunities for improving, customising, and developing new products and processes help reduce business risks. Negative trends in the valuation of assets under management may also affect customers' decisions on whether to invest in funds and other investment products.

Life insurance operations are based on bearing and managing the risk of loss events, as well as the risks involved on both the asset side and in liabilities. Volatility in solvency and the results from life insurance operations can be attributed primarily to market risks in the investment assets and to the interest rate risk in technical provisions. The policyholder bears the market risk of investments that act as cover for unit-linked policies, while the company bears the risk of the part of the investment portfolio that covers technical provisions for interest-linked policies.

Risks in sustainability of operations, and risks in environmental, social and governance issues affect all of Aktia's operations.

Risk definitions and risk profile

Risk	Definition	Risk profile
General	Risk refers to a calculated or unexpected event that has a negative impact on results (loss) or capital adequacy/solvency. The term covers both the probability of an event taking place, as well as the impact of the event taking place.	Aktia focuses primarily on asset management, banking, and life insurance operations. Risks and risk management are thus a substantial part of Aktia's operating environment and business activities. The main areas of risk are credit, interest and liquidity risks in the banking sector and interest and other market risks and insurance risks in the life insurance business. All of the Group's operations are exposed to business and operational risks.
Credit risk	Credit risk is defined as the risk of losses brought about by the debtor failing to fulfil obligations towards Aktia, while counterparty risk is defined as the risk of losses or negative valuation differences due to deterioration of the counterparty's creditworthiness.	Aktia's lending is dominated by private individuals, households, and small-sized companies. Lending to customers is mainly mortgage lending where security is predominantly real estate. Strong loan-to-value ratios and a low risk level contribute to the high credit quality of Aktia's credit portfolio. The bank is exposed to counterparty risk through derivative contracts, which is mitigated by collateral arrangements according to agreements with each counterparty. Counterparties are selected through an evaluation process focusing on their ratings and they are mainly systemically important financial institutions.
Market risk	Market risks arise from price and volatility changes in the financial markets. Market risks for Aktia Bank are divided into interest rate, foreign exchange rate and equity risks. The market risks considered for the life insurance company are interest rate, spread, currency (FX), equity, real estate and concentration risks.	Aktia's market risk is mainly structural interest rate risk in its balance sheet, while exchange rate risk is low as lending and funding is mainly euro-denominated. No trading activities are carried out by the Group. Aktia is also exposed to market risk in its investment activities in the bank and in Aktia Life Insurance. The Bank Group aims for low market risks and low volatility in its earnings.
Funding and liquidity risk	Funding and liquidity risk imply a risk that the Group will not be able to meet its payment obligations, or could only do so at high cost, and is defined as the availability and cost of refinancing, as well as differences in maturity between assets and liabilities. Funding risk also occurs if funding is largely concentrated in individual counterparties, instruments, or markets.	To ensure market-related refinancing, the bank strives to maintain a diverse range of financing sources and an adequate diversification across different markets and investors. Aktia maintains a liquidity buffer for which a target is set annually by the Board of Directors. The liquidity buffer consists almost entirely of securities which are eligible as pledges to the central bank. Aktia's appetite for liquidity risk is low.
Operational risk	Operational risks are considered to include risks of losses arising from unclear or incomplete internal processes or instructions, deficient or unreliable systems, and inadequate or unreliable information, as well as those caused by personnel – including through human error – or external events. Compliance/ legal risks are also considered to be part of operational risks as well as model risks related to calculation models and information security risks. Strategic risks are not part of operational risks.	The Board of Directors confirms the risk appetite for different operational risk categories annually. Aktia identifies risk appetite for operational risks separately for following risk categories: information security, compliance / legal risks and other operational risks. The risk appetite for compliance risks is low. The risk appetite for legal risks is low. The risk appetite for information security is low. For all other operational risk areas, the risk appetite is normal.
Other	Other risks include business risk, strategic risk, and reputational risk. Business risk refers to risk of decreased income and increased costs due to decreasing volumes, price pressures or competition. Strategic risk is closely related to business risk and is defined as risk of losses due to mistaken business decisions or failure to react to the changes in society, regulatory system, or the banking sector, while reputational risk is a decline in confidence towards the group due to negative publicity. Risks in sustainability of operations, and risks in environmental, social and governance issues affect all operations of Aktia.	Business and strategic risk are predominantly risks that, when realised, have an impact on the group's performance and profitability. Reputational risk is similar but can in addition have an impact on the group's liquidity. Business risk is reduced by diversification in operations, as well as strategic risk. Some strategic risks can also be realised as operational risk incidents and they are managed by the same measures as mentioned above. Corporate responsibility is a crucial aspect of Aktia's operations in the short term and the long term. Aktia's strategy identifies corporate responsibility as one of the pillars of its operations. Aktia aims to be a solvent, reliable and environmentally responsible partner for economic well-being and the most attractive workplace in the business.

(d) Point (c) of Article 435(1) CRR
Disclosure on the scope and nature of risk disclosure and/or measurement systems.

The Group focuses primarily on banking, asset management and life insurance operations. The main areas of risk are credit, interest rate and liquidity risks in the Bank Group, interest rate and other market risks and actuarial risks in the life insurance business. All these operations are exposed to business and operational risks.

Business units and the line organisations have the primary responsibility for internal control as they are in charge of the governance of the day-to-day business activities, operational processes, financial reporting and controls in these processes as well as for risk management measures. Risk management is a central part of the internal control process.

- Credit risks are reported to the Group's Board of Directors and its risk committee every quarter. Position- and aggregate-level credit risk reporting is available daily to the business personnel involved in the credit process and the Executive Committee. Every year, Risk Control conducts a comprehensive validation of all credit risk models, and the results are reported to both the Board of Directors and members of the Executive Committee in the ALCO. The internal models comprise models for probability of default (PD) and loss given default (LGD). In addition to the capital adequacy calculation these models are used for monitoring credit risk, internal risk reporting, and for estimating expected credit loss. Internal ratings are used for corporate exposures, while internal credit scoring is used for retail exposures. More detailed descriptions of the models used can be found in the credit risk section in the table EU CRA.
- As a locally operating financial institution, Aktia is exposed to certain concentration risks. Concentration risks are governed by the Group's credit risk policy, which imposes rules and restrictions for the individual counterparty level and portfolio level.
- Aktia Bank's counterparty credit risk arises from holdings of financial instruments as part of daily liquidity management. The instruments mainly comprise bonds that the Bank holds in its liquidity portfolio and largely consist of covered bonds and sovereign bonds, as well as domestic municipal bonds. Risk tolerance for counterparty risk is generally low. Exposures to counterparties, asset classes and countries are approved and limited by the Board, and existing limits are reviewed and decided each year. Limits are set for exposure values and tenors.
- Counterparty risk also arises from derivative operations.
- Counterparty risk in derivative contracts is the risk of a counterparty not fulfilling its contractual obligations to Aktia when a contract has a positive market value. Counterparty exposures are measured and followed-up daily.
- The Aktia Group's risk appetite and the limit system restricts the size of the exposure to market risks. The main market risk for the Group arises from the credit spread risk. Measurement methods, limits and strategy are prepared in the Executive Committee and the Board's Risk Committee and are thereafter established by the Board of Directors. The Group's Asset and Liability Management Committee is responsible for the operational management of internal group investment assets within the given guidelines and limits. The Bank's Treasury unit conducts transactions to manage the structural interest rate risk based on the established strategy and limits. The Group's Risk Control unit, which continuously monitors market risks and their associated limits, is responsible for reporting on these risk factors to the Board and the Executive Committee.
- Aktia has calibrated the new shock coefficients for its Value at Risk -models. The new coefficients reflect the changed interest rate environment and the widening of spreads that occurred at the same time, as well as the decline in the stock market. This had a significant change in the level of shocks, especially regarding interest rate shocks. At the same time, the model has changed so that newer development has more effect on results. We have included in the historical data from older known shocks, specifically the financial crisis of 2008, which is still included by using a data period of 15 years. Additionally, the skewness and tails of the distribution are emphasized more when estimating VaR-model shock coefficients
- Interest rate risk bears upon net interest income risk and present value risk (financial value) when the market rates are changing. Both interest rate risk indicators are measured according to EBA's rules and are monitored monthly.
- Structural net interest income risk (profit risk) arises as a result of an imbalance between reference rates and the re-pricing of assets and liabilities. As well as matching reference rates in lending and borrowing through business management, hedging with interest rate derivatives, and fixed rate investments in the liquidity portfolio are also utilised, with the aim of maintaining net interest income at a stable level.
- The structural net interest income risk is simulated using a dynamic asset and liability risk management model. The model considers the effects on the balance sheet's structure, starting from planned growth and simulated customer behaviour. In addition, various interest rate scenarios for dynamic or parallel changes in interest rates are applied.
- The structural present value risk (change in financial value) is measured as the sensitivity of the calculated present value for all existing interest-bearing items. When calculating the present value risk, avista lending has been modelled according to a behaviour model.
- The foreign exchange (FX) risk is the risk of a negative change in the value of the Bank Group's FX positions caused by fluctuations in exchange rates, especially against the euro.
- In the Bank Group, currency dealings are based on customer requirements, which is why most of this activity involves Nordic currencies and the US dollar. The guiding principle for the management of exchange rate risks is matching. The Treasury unit is responsible for managing the bank's day-to-day currency position, subject to the limits set.
- The funding and liquidity risks are managed at legal company level, and there are no explicit financing commitments between Aktia Bank Plc and Aktia Life Insurance Ltd.
- The liquidity risk is measured on both short- and long-term bases. To ensure funding in situations in which Aktia is in urgent need of cash, and normal funding sources do not suffice, Aktia holds a liquidity reserve, for which the Board of Directors sets the minimum level. The liquidity reserve consists of highly liquid assets that can easily be sold or used as collateral in funding operations.
- Liquidity risks are measured and monitored with the help of the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR). More detailed descriptions of the models used can be found in the liquidity risk section in the table EU LIQA.
- Operational risks are present in all of Aktia's operations. Under the decision of the Board of Directors, the level of operational risks must in general be normal in relation to Aktia's activities and in relation to its competitors. A normal risk level is predicated on compliance with regulations, instructions, and applicable laws. As part of the Group's risk management framework, the Board of Directors has also adopted an instruction for the management and reporting of operational risks, which covers information security and data protection. The risk level of operational risks is measured through key risk indicators (KRIs), which the Board of Directors approves annually. More detailed descriptions of the models used can be found in the operative risk section in the table EU ORA.

(e) Point (c) of Article 435(1) CRR
Disclose information on the main features of risk disclosure and measurement systems.

The Group's Risk Control unit is responsible for ensuring that the models and methods used for measuring risk are comprehensive and reliable.

The central numbers, assumptions and calculation methodologies are validated and checked annually according to the duality principle within the Risk Control and risk management units. The most significant parts of the calculation methodology for all risk areas are also examined internally within the risk control unit.

All credit risk models used for IRB purposes are validated annually, and central model performance metrics are reported quarterly to both the Board of Directors and the Group's management. Validation is performed by the Risk Control unit, and it includes both quantitative and qualitative assessments of model performance and parameters. Most quantitative tests performed during annual validation are performed and analysed quarterly by the Risk Control unit. Key monitoring metrics are reported to the Board of Directors and the Group's management.

(f) Point (a) of Article 435(1) CRR
Strategies and processes to manage risks for each separate category of risk.

Aktia conducts regular stress testing and scenario analysis to analyse their capital position and identify risks. The process is conducted for key portfolios at different levels. Stress tests are conducted to measure the risk in certain positions, or at company and Group-level to capture the enterprise level of risk.

More detailed qualitative information on stress tests, such as the portfolios subject to stress testing, the scenarios adopted and the methodologies used, can be found in the descriptions of each risk area.

- The Group's capital planning is based on a business plan which covers near-future changes in volumes and risk levels. Based on the plans, forecasts of changes in capital adequacy requirements for the Group and the various companies are prepared. In addition to the baseline scenarios, stress tests are performed, which are used to assess how weaker economic environments would affect capital adequacy. The stress scenarios in capital management and internal capital focus on the key risk factors of the Group. More detailed information is described in the table EU OVC. Most of the loan book is secured by residential or commercial real estate. Credit risk is described in the table EU CRA. Various components of market risk are subject to stress testing in market risk management: interest rate risk, credit spread risk and equity risk Interest rate risk: The size and maturity of the liquidity portfolio is restricted, and the risk level is managed with a capital limit based on dynamic interest rate shocks. In the sensitivity analysis, interest rate risk is stressed through absolute change factors calculated from the Euribor–euro swaps curve for each rate maturity. The factors are determined from historical data and recalibrated annually. Credit spread risk: In the sensitivity analysis, credit spread risk is stressed through absolute change factors calculated from a set of collective yield curves from the market. Each security is mapped to the most appropriate curve in the set, using factors such as type of investment and rating. The factors are determined from historical data and recalibrated annually. The (upward) stress represents the 99.5th percentile of the absolute changes of the yield curve level from which the risk-free component has been subtracted. Equity risk: In the sensitivity analysis, equity risk is calculated simply as a percentage decrease in the market value. The factor is chosen by expert judgement, but it is based on historical data.
- Aktia conducts regular stress testing to ensure that liquidity is sufficient even during unfavourable market conditions. In these tests, the Bank constructs unlikely but still possible adverse scenarios that would trigger a range of risk drivers. In the Internal liquidity adequacy assessment process (ILAAP), various stress scenarios are used, e.g., withdrawals of deposits, no access to long-term funding in the capital market, and market stress on High quality liquid assets etc. The stress scenarios in the ILAAP focus on the impact on the regulatory requirements (Liquidity Coverage Ratio, Net Stable Funding Ratio) and the Bank's net liquidity position.

(g) Points (a) and (d) of Article 435(1) CRR
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.

The Group focuses primarily on banking, asset management and life insurance operations. Risks and risk management are thus an important part of Aktia's operating environment and business activities. The main areas of risk are credit, interest rate and liquidity risks in the Bank Group, interest rate and other market risks and actuarial risks in the life insurance business. All these operations are exposed to business and operational risks. The Group is utilizing a variety of risk mitigation techniques to manage financial and non-financial risk exposures. More detailed risk type specific considerations van be found in following chapters:

- 2.6.4 Disclosure on qualitative items (EU LRA)
- 3.1.1 General qualitative information about credit risk (EU CRA)
- 3.4.1 Qualitative disclosure requirements related to CRM techniques (EU CRC)
- 3.5.2 Qualitative disclosure requirements related to standardised model (EU CRD)
- 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
- 3.7.1 Qualitative disclosure related to CCR (EU CCRA)
- 4.1.1 Qualitative disclosure requirements related to market risk (EU MRA)
- 5.1.1 Qualitative information on operational risk (EU ORA)
- 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBBA)
- 7.1.1 Liquidity risk management (EU LIQA)

Disclosure on governance arrangements (EU OVB)

(a) Point (a) of Article 435(2) CRR
The number of directorships held by members of the management body.

According to article 91 (3) and (4) of Directive (EU) 2013/36 (CRD) the disclosure requirement is not applied for Aktia, because Aktia is not classified as a significant institution in terms of its size, internal organisation and the nature, the scope and the complexity of its activities.

(b) Point (b) of Article 435(2) CRR
Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills, and expertise.

Board of Directors

In accordance with the provisions of the Articles of Association, Aktia's Board of Directors encompasses a minimum of five and a maximum of 12 ordinary members. The Annual General meeting decides on the number of Board members, elects Board members and decides on the fees to be paid to the Board members based on the proposal submitted by the shareholders' Nomination Board. The Board members' mandates begin at the end of the Annual General Meeting and ends at the end of the following Annual General Meeting. The Board of Directors elects its Chairman and Deputy Chairman from among its members. No Board members are appointed through a special appointment procedure.

Pursuant to the Articles of Association of Aktia, the Nomination Board comprises representatives of the five largest shareholders according to number of shares held. The chairman of the Board of Directors convenes the Nomination Board and acts as an expert at the meetings.

The right to appoint a member to the Nomination Board lies with the five shareholders whose ownership of shares in Aktia Bank Plc is the largest on 1 June on the calendar year immediately preceding the General Meeting. Should a shareholder not wish to use his/her appointment right, the right transfers to the next largest shareholder who would otherwise not have an appointment right.

Prior to an Annual General Meeting the Nomination Board shall present its proposals for members of the Board of Directors and for remuneration to the Board of Directors of Aktia Bank Plc before the end of January. Concerning Extraordinary General Meetings, proposals shall be presented in a similar manner in good time before the meeting, considering applicable rules and regulations.

The Board of Directors shall be composed in a way that takes the company's business operations, development stage and other circumstances into consideration; diversity and broad range are key in respect of the members' fields of expertise, experience and background in general as well as their regional distribution and language background, and an equal distribution according to sex shall be pursued. The Board of Directors shall be experienced in banking business and risk management related to it. The expertise and experience of the Board of Directors is evaluated collectively. The preparation of nominations to the Board of Directors is based on an overall evaluation of the Board of Director's profile of expertise. The suitability and trustworthiness of members of the Board of Directors is evaluated before they are nominated and later on a regular basis. The objective is, at all times, to ensure the competence and diversity of the Board of Directors required by a sound corporate culture, to preserve shareholder value through effective monitoring of business operations, and to increase shareholder value with insight and strategic thinking.

In order to ensure that members of the Board of Directors have enough time for the position, each Board member's main position, number of boards the person is on, and other positions are monitored before the person is nominated and later on a regular basis.

New board members are introduced in their tasks with an introduction programme comprising Aktia Group's business operations, risk management and other systems for management and governance.

Apart from assignments given by the Board of Directors to its members in individual cases, Board members do not have individual duties related to the governance of the Group. The Board has set up three separate committees to deal with matters concerning risk management, auditing as well as remuneration and Corporate Governance. The rules of procedure adopted by the Board of Directors define, in greater detail, the general duties of the Board and its committees, meeting procedures, meeting minutes, ordinary meeting business, preparation and presentation of matters to be dealt with at Board meetings and procedures for operative management reports to the Board of Directors.

The work of the Board of Directors is evaluated regularly.

List of members of the Board Directors 31 December 2022

Lasse Svens
Chairman of the Board and member of the Board's Remuneration and Corporate Governance Committee and member of the Board's Risk Committee
M.Sc. (Econ.)

Timo Vättö
Vice Chairman of the Board and Chairman of the Board's Remuneration and Corporate Governance Committee
M.Sc. (Econ.)

Johan Hammarén
Member of the Board and member of the Board's Remuneration and Corporate Governance Committee
M.Sc. (Econ.), Master of Laws

Maria Jerhamre Engström
Member of the Board and Chairperson of the Board's Risk Committee
eMBA

Harri Lauslahti
Member of the Board and member of the Board's Risk Committee
M.Sc. (Econ.)

Olli-Petteri Lehtinen
Member of the Board, Chairman of the Board's Audit Committee and member of the Board's Risk Committee
M.Sc. (Econ.)

Johannes Schulman
Member of the Board and member of the Board's Audit Committee
M.Sc. (Econ.)

Sari Pohjonen
Member of the Board and member of the Board's Audit Committee
M.Sc. (Econ.)

Managing Director and Executive Committee

The Managing Director is appointed by the Board of Directors, which also establishes the salary, pension benefits, notice terms and other terms of employment for the Managing Director. The CEO is responsible for the day-to-day management of the Aktia Group. The CEO is to attend to his duties of overseeing the bank's day-to-day management in accordance with the instructions issued by the Board of Directors. The CEO prepares matters for the consideration of the Board of Directors and implements the Board's decisions. The CEO is assisted in the day-to-day management by the Executive Committee.

The task of the Group's Executive Committee is to assist the CEO. The Executive Committee discusses and monitors the outcome of the Group's strategy and its earnings performance as well as outcomes for significant projects and the achievement of defined targets.

The Executive Committee has no formal corporate law status. The Executive Committee consists of the CEO, who acts as chairman, and the executives for segments and functions, as stipulated by the Board. The members of the Executive Committee report to the CEO. In 2022, the Executive Committee generally convened every two weeks.

The other members of the Group's Executive Committee responsible for business areas or with functional areas of responsibility are appointed by the Managing Director based on job descriptions, competence profiles and other terms established by the Board of Directors and having consulted the Chair of the Board of Directors regarding persons in question.

The Executive Committee members are authorised to manage respective business areas and functional areas of responsibility. Certain matters related to lending and the handling of the Group's financing, liquidity and market risks as well as administration of office activities are dealt with by committees appointed by the Executive Committee from within its ranks.

The Executive Committee acts as a consultative body for the Managing Director.

As the Managing Director and other members of the Executive committee have full-time positions, and as side jobs and other positions of trust require the approval of the Board of Directors or the Managing Director, the time management of persons in operative management is sufficient for them to fulfil their tasks.

Leadership

Mikko Ayub
CEO and Executive Committee member
Master of Social Sciences, MBA

Juha Hammarén
Executive Vice President, Deputy CEO and Executive Committee member
LL.M., eMBA

Outi Henriksson
Executive Vice President, CFO (Chief Financial Officer)
Master of Science (Econ.)

Anssi Huhta
Executive Vice President, Banking Business
eMBA

Sari Leppänen
Executive Vice President, CIO (Chief Information Officer) and member of the Executive Committee
Master of Science and Doctor of Philosophy in Computer Science, Systems Architecture and Engineering

Sini Kivekäs
Executive Vice President, Human Resources
Master of Laws

Perttu Purhonen
Executive Vice President, Asset Management
Master of Science (Econ.)

Max Sundström
Chief Transformation Officer
M.Sc.Eng.

(c) Point (c) of Article 435(2) CRR
Information on the diversity policy with regard of the members of the management body.

Aktia's Principles concerning diversity of Board of Directors have been taken into account in the composition of the Board of Directors.

The Shareholders' Nomination Board shall take into consideration these principles when preparing proposals for composition of the Board of Directors to the General Meeting. The preparations of elections of board members at Aktia are made with the objective of an appropriate composition of the Board of Directors, taking the know-how and experience of the members into consideration. The objective is to ensure the competence and diversity of the Board of Directors required by a sound corporate culture, to preserve shareholder value through effective monitoring of business operations, and to increase shareholder value with insight and strategic thinking. Factors taken into consideration in the diversity of the Board of Directors are competence, experience and education, as well as number of board members, gender, age, independence, language and regional representation. The relations between these factors in the composition of the Board of Directors vary at different times, taking the company's business operations, development stage and other circumstances into consideration, and it is one of the cornerstones in the preparations for election of board members.

The board has approved principles of diversity with the aim of ensuring that the board as a whole has the requisite expertise and diversity for a healthy board culture, preservation of ownership through effective monitoring of operations and increased ownership value through insight and strategic thinking. The principles are available on the company's website. In accordance with Aktia's gender principles, gender equality within the board must be sought after. In 2022, 62 percent of the management team were men and 38 percent were women. In addition, 75 percent of the board members were men and 25 percent were women. Although the target was not met, the shareholders' nomination committee is striving to re-establish gender equality on the board.

(d) Point (d) of Article 435(2) CRR
Information whether or not the institution has set up a separate risk committee and the frequency of the meetings.

Aktia's Board of Directors has set up a separate risk committee. The Risk Committee prepares matters of risk-taking and risk management as well as individual credit matters that require the Board of Directors' decision. In addition, the committee considers the central risk-related processes for capital and liquidity, internal capital adequacy assessment process (ICAAP) and the internal liquidity adequacy assessment (ILAAP) and prepares risk-related matters for the Board of Directors to decide on. The committee prepares decisions on the annual plan and on procedures for the Risk Control and Compliance functions to be adopted by the Board, and receives the reports submitted by Risk Control and Compliance. In 2022, the committee held 9 meetings and besides the regular matters it focused on monitoring of certain development projects, including processes related to know-your-customer and prevention of money laundering. The committee has also handled reports on data security risks.

Members of the Risk Committee and meeting attendance in 2022:

Jerhamre Engström Maria, Chairperson 9/9
Lauslahti Harri 9/9
Lehtinen Olli-Petteri 8/9
Svens Lasse, from 6 April 2022 6/6

(e) Point (e) Article 435(2) CRR
Description on the information flow on risk to the management body.

The system of internal control is designed to ensure that the activities of the Aktia Group comply with the applicable regulatory requirements and the operational guidelines adopted by the Board. In Aktia, the methodology called “Three lines of defence” is applied to internal control and risk management. Internal control is thus implemented on all levels of the organisation. Ensuring the appropriate organisation and functioning of the internal control is part of the duties of the Board of Directors of Aktia Bank Plc.

The first line of defence, i.e. business operations as well as its support functions, own all risks in their operations and are through that responsible for the internal control and risk management. In addition to processes for financial reporting, a functioning internal control in Aktia Group is secured by the Risk Control Function, the Compliance Function and in Aktia Life Insurance Ltd by the independent actuarial function as well as in Aktia Fund Management Company by the independent risk management function in the second line of defence as well as by the Internal Audit in the third line of defence. All these functions operate independently of the operative business. Risk Control and Compliance functions and Internal Audit function report directly to the Group’s Board of Directors and the boards of the Group’s regulated subsidiaries. Additionally, the independent actuarial function reports to the Board of Aktia Life Insurance Ltd and the independent risk management function reports to the Board of Aktia Fund Management Company.

The Board determines principles, instructions, risk strategies and risk appetite in the Group, and thus establishes a framework for risk management in the Group. The Board is in charge of ensuring that risk management is carried out in an appropriate, efficient and responsible manner and that Aktia has working methods which guarantee that Aktia Group’s business activities comply with the law.

The main principles for risk management in Aktia Group as well as the processes and internal control are described in detail in the Pillar III Report 2022, which is available on the website www.aktia.com/en/investors/results-and-presentations/year/2022.

Risk Control function

The Aktia Group has a Risk Control function which is independent of the operative business, and which evaluates risk management in the Group and its subsidiaries and reports on risks to management and the Board of Directors. The function monitors that well adapted measuring, analyses and monitoring of risks exist in the Group’s every operating area and carries out an assessment of the Group's overall risk position in relation to the strategies and risk appetite, which is established by the Board of Directors. Risk control in the subsidiaries takes account of the characteristics of each subsidiary and the specific regulations which apply to its operations. The Risk Control function is guided by a set of principles and an annual plan for the function, which are adopted annually by the Board of Directors.

Important parts of current accounting activities in companies within Aktia Group have been outsourced to an external company that provides accountancy services. These accountancy services also include the maintenance of securities, purchasing and fixed asset ledgers and the preparation of accounts in accordance

Compliance function

Aktia Group has a Compliance function that is independent of the operative business. The Group's Compliance function performs advisory, supervisory and reporting tasks for the purpose of ensuring compliance with the applicable customer protection, data protection, market conduct, permissions and supervision as well as anti-money laundering regulations. Compliance supports Aktia’s operational activities and is tasked with supervising that these activities are conducted in compliance with the applicable laws. The Compliance function is governed by a set of principles and an annual plan for the function, which are adopted annually by the Board of Directors.

Internal audit

Aktia Group has an Internal Audit function that is independent of the operative business. The function examines the adequacy and effectiveness of the internal monitoring system and the quality of the tasks performed, and thereby (by addressing observed shortcomings and identifying areas of potential improvement) helps to ensure that necessary changes are implemented. Principles for the activities of the Internal Audit function as well as the Group’s internal audit plan are adopted by the Group’s Board of Directors on an annual basis. On a quarterly basis, Internal Audit reports on its key observations, the review of previously implemented actions and the implementation of the audit plan directly to the Aktia Group’s Board of Directors and its Audit Committee.

The Internal Audit function operates in accordance with the international framework for the professional practice of internal auditing, including the definition of internal audit, the professional ethical code, and guidelines for professional internal auditing. The function also follows other legislation and regulatory requirements for the industry.

Financial reporting

Internal controls in the financial reporting process are based on the following underlying principles: having clear roles, a clear division of responsibility, sufficient understanding of operations in the parts of the organisation concerned and comprehensive and regular reporting procedures in Aktia Group.

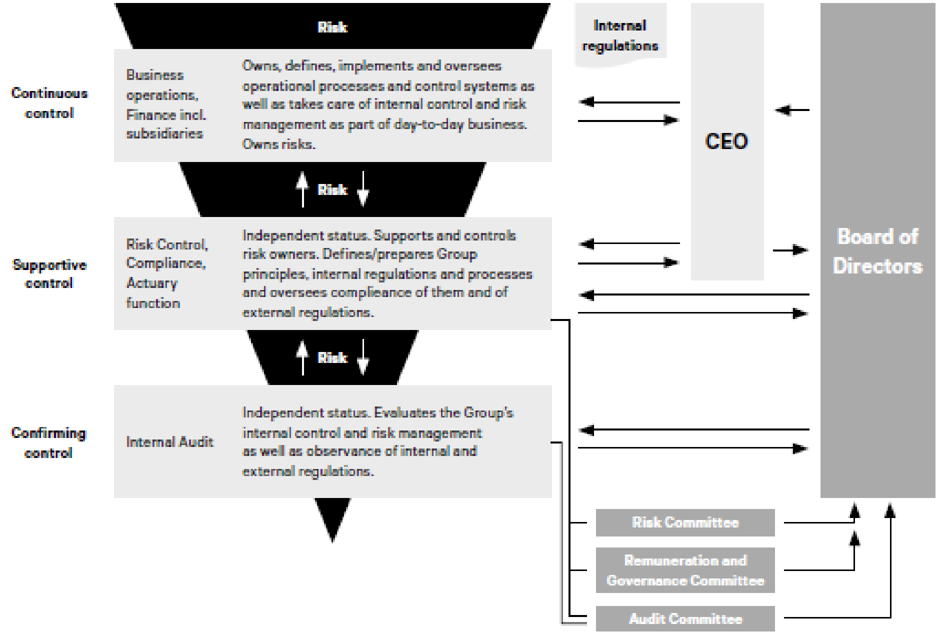
To ensure that the financial reporting is accurate, system-based internal controls, duality and reconciliation have been built into all key processes where information is recorded. Internal control is supported by observations made by the Group’s Internal Audit function which, through risk-based audits, verifies the accuracy of information flows and the sufficiency of the level of control.

The Aktia Group’s operational financial reporting organisation consists of an accounts unit at Group level that is in charge of external as well as internal financial reporting. The unit’s remit includes consolidation, budgeting, internal performance monitoring, updating of accounting principles, and internal financial reporting guidelines and instructions. For each business segment and key individual subsidiaries within these units, segment controllers have been appointed with responsibility for financial monitoring and analysis. The Group’s reports are compiled centrally and are based on a common financial reporting system covering external as well as internal reporting, which helps to ensure that day-to-day financial reporting is handled in a uniform manner.

with Finnish accounting standards. The services are rendered in accordance with agreements entered into between the parties and comply with the guidelines and directives issued by the Financial Supervisory Authority and other authorities. In order to develop and assess cooperation, meetings are arranged regularly with service providers. Aktia Group has an ownership interest in and is represented on the board of Figure Taloushallinto Oy, which is responsible for Aktia Group's outsourced accountancy services.

Within Aktia Group, duties and responsibilities have been organised so that people involved in the financial reporting process only have very restricted rights of use to the different production systems and business applications in the respective business area. Aktia Group's Chief Accounting Officer, who is in charge of internal and external financial management, is not involved in making direct business decisions. Her incentives are mainly independent of factors driving the business. The Chief Accounting Officer reports to the Chief Financial Officer of the Aktia Group, who is a member of the Executive Committee.

Aktia Group internal control and risk management



The Aktia Group's internal reporting and monthly financial reports are based on the same structure and are prepared using the same standards as applied to the official interim financial statements and annual accounts. The monthly reports, supplemented by comparative analysis on previous periods, the budget, planned projects and central key figures for analysing the respective business segment are on a regular basis distributed to Aktia Group's Board of Directors and management, selected key personnel and the auditors

Aktia Group's financial development and performance is addressed each month by the Group's Executive Committee. Similar detailed review takes place on a quarterly basis by the Group's Board of Directors and its Audit Committee in the form of interim reports and an annual report. The annual accounts are audited and the interim reports are reviewed by the Group's external auditors, who report their observations to the Audit Committee. New or revised accounting principles are to be dealt with and approved by the Group's Board of Directors and its Audit Committee

Senior management's attestation

The senior management confirms with the accordance of CRR article 431(3) that the Aktia Bank Group has made the Pillar III disclosures required under Part Eight of Regulation (EU) No 2019/879 (CRR2) and further disclosure guidance provided by the European Banking Authority (EBA) in its "Final draft implementing technical standards on public disclosures by institutions of the information related to in Titles II and III of Part Eight of Regulation (EU) No 575/2013" (EBA ITS) in accordance with the formal policies and internal processes, systems and controls. The key elements of the Aktia Bank Group's formal policies to comply with the disclosure requirements are included in the Pillar III report.

In Helsinki 15 March 2023

Tommi Orpana

Chief Risk Officer at Aktia

1 Key Metrics

1.1 Key metrics (Article 447 (a-g) and Article 438 (b) CRR)

1.1.1 Key metrics (EU KM1)

EUR million		a	c	e
		31 Dec 2022	30 Jun 2022	31 Dec 2021
	Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	339.2	320.8	329.1
2	Tier 1 capital	396.9	380.8	389.1
3	Total capital	466.5	450.3	459.7
	Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	3,130.6	3,089.5	2,940.6
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	10.84 %	10.38 %	11.19 %
6	Tier 1 ratio (%)	12.68 %	12.33 %	13.23 %
7	Total capital ratio (%)	14.90 %	14.58 %	15.63 %
	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 (%)	1.25 %	1.25 %	1.25 %
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.70 %	0.70 %	0.70 %
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	0.94 %	0.94 %	0.94 %
EU 7d	Total SREP own funds requirements (%)	9.25 %	9.25 %	9.25 %
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.50 %	2.50 %	2.50 %
9	Institution specific countercyclical capital buffer (%)	0.03 %	0.01 %	0.01 %
11	Combined buffer requirement (%)	2.53 %	2.51 %	2.51 %
EU 11a	Overall capital requirements (%)	11.78 %	11.76 %	11.76 %
12	CET1 available after meeting the total SREP own funds requirements (%)	5.63 %	5.18 %	5.99 %
	Leverage ratio			
13	Total exposure measure	10,985.2	10,529.35	10,083.31
14	Leverage ratio (%)	3.61 %	3.62 %	3.86 %
	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 (%)	3.00 %	3.00 %	3.00 %
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
EU 14e	Overall leverage ratio requirements (%)	3.00 %	3.00 %	3.00 %

EUR million		a	c	e
		31 Dec 2022	30 Jun 2022	31 Dec 2021
	Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	2,118.6	1,576.1	1,469.1
EU 16a	Cash outflows - Total weighted value	1,249.2	1,202.7	1,153.0
EU 16b	Cash inflows - Total weighted value	93.1	47.7	102.3
16	Total net cash outflows (adjusted value)	1,156.0	1,155.0	1,050.7
17	Liquidity coverage ratio (%)	183.26 %	136.47 %	139.82 %
	Net Stable Funding Ratio			
18	Total available stable funding	7,856.7	7,923.9	7,526.0
19	Total required stable funding	6,483.0	6,581.1	6,356.1
20	NSFR ratio (%)	121.19 %	120.40 %	118.41 %

The rows EU 8a, EU 9a, 10, EU 10a, EU 14a, EU 14b and EU 14d of the KM1 template are not disclosed as these rows do not contain data. Data for previous periods 30 Sep 2022 (column b) and 31 Mar 2022 (column d) are not disclosed when Aktia discloses the information in this template on a semi-annual basis.

During the financial year 2022 Aktia Bank Group's (Aktia Bank Plc and all its subsidiaries except Aktia Life Insurance) total own funds increased by EUR 6.8 million, of which CET1 increased by EUR 10.1 million, AT1 decreased by EUR 2.3 million, and T2 decreased by EUR 1.0 million. The CET1 decrease was mainly driven by the decrease in the fair value reserve caused by the increase in interest rates during the first half of the year. Due to the decrease in the fair value reserve, the Bank's CET1 capital weakened by approx. EUR 40.5 million. Aktia Life Insurance's capital base was positively affected by both rising interest rates and by sales profit from the property fund. As a result of strong solvency, Aktia Life Insurance Ltd paid a dividend of 15 million euros to the parent company in June and 20 million euros in March, which strengthened the Bank's CET1 capital. In addition, Bank's CET1 capital was also strengthened due to an annual net result exceeding the dividend pay-out by EUR 10.3 million. As a result Bank's Common Equity Tier 1 capital ratio (CET1) was 10.84% at December 31, 2022 and was 0.35% lower than at the end of the previous year (11.19%). Compared to Q2 2022 CET1 increased by EUR 18.4 million and total capital by EUR 16.2 million.

Furthermore, in comparison to Q4 2021 risk-weighted assets increased by EUR 190.0 million, driven by growth in corporate lending. The increased totalled to EUR 41.1 million compared to Q2 2022 mainly stemming from Credit risk (EUR +30.6 million), while operational risk increased (EUR +10.5 million) at the same time.

Leverage ratio decreased from 3.9% at the end of the last year and 3.8% at the end of the second quarter of the previous year to 3.6% as a result of increase LR total exposure measure.

LCR increased (by 43.4% from Q4 2021 and 46.8% from Q2 2021) due to an increase of High-Quality Liquid Assets (HQLA).

Finally, in comparison to Q4 2021 NSFR increased from 118% to 121% mainly driven by increase of total available stable funding. Compared to Q2 2021 NSFR increased from 120% to 121% mainly driven by increase of total required stable funding.

1.1.2 Key metrics of own funds and eligible liabilities (EU KM2)

		Minimum requirement for own funds and eligible liabilities (MREL)
		a
		31 Dec 2022
	Own funds and eligible liabilities, ratios and components	
1	Own funds and eligible liabilities	2,065.7
EU-1a	Of which own funds and subordinated liabilities	466.5
2	Total risk exposure amount of the resolution group (TREA)	3,130.6
3	Own funds and eligible liabilities as a percentage of TREA (row1/row2)	65.99 %
EU-3a	Of which own funds and subordinated liabilities	14.90 %
4	Total exposure measure of the resolution group	10,985.2
5	Own funds and eligible liabilities as percentage of the total exposure measure	18.80 %
EU-5a	Of which own funds or subordinated liabilities	4.25 %
	Minimum requirement for own funds and eligible liabilities (MREL)	
EU-7	MREL requirement expressed as percentage of the total risk exposure amount	19.86 %
EU-9	MREL requirement expressed as percentage of the total exposure measure	5.91 %

The form does not provide rows 6a, 6b, 6c, EU-8 and EU-10 nor columns b-f (G-SII Requirement for own funds and eligible liabilities (TLAC)), as the requirements do not apply to Aktia.

The minimum required eligible liabilities for Aktia Bank equals EUR 649.2 million and is based on the leverage exposure measure. For Aktia, the ratio of own funds and eligible liabilities to the total risk exposure amount (TREA) was 332.25 % and to the leverage ratio exposure (LRE) 318.19 %, as compared to the current MREL requirements of 19.86 % of the TREA and 5.91 % of the LRE. The current requirement entered into force on 1 January 2022. Aktia's requirement was covered by own funds and unsecured senior bonds. The MREL requirement does not include a so-called subordination requirement.

2 Own funds and capital buffers

2.1 Own Funds composition, prudential filters and deduction items (Article 437 (a, d-f) CRR)

2.1.1 Composition of regulatory own funds (EU CC1)

EUR million		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	169.7	
	of which: Instrument type 1	169.7	CC2-1
2	Retained earnings	217.8	CC2-2
3	Accumulated other comprehensive income (and other reserves)	99.2	CC2-3
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	45.3	CC2-4
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	532.1	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	-0.9	
8	Intangible assets (net of related tax liability) (negative amount)	-152.0	CC2-5
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	0.1	CC2-6
12	Negative amounts resulting from the calculation of expected loss amounts	-26.7	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-0.3	CC2-7
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-13.0	
27a	Other regulatory adjustments	-0.1	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	-192.8	
29	**Common Equity Tier 1 (CET1) capital**	339.2	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	57.7	CC2-8
31	of which: classified as equity under applicable accounting standards	57.7	CC2-8
36	Additional Tier 1 (AT1) capital before regulatory adjustments	57.7	
	Additional Tier 1 (AT1) capital: regulatory adjustments		
44	**Additional Tier 1 (AT1) capital**	57.7	
45	Tier 1 capital (T1 = CET1 + AT1)	396.9	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	69.5	CC2-9
51	Tier 2 (T2) capital before regulatory adjustments	69.5	
	Tier 2 (T2) capital: regulatory adjustments		
58	Tier 2 (T2) capital	69.5	
59	Total capital (TC = T1 + T2)	466.5	
60	Total risk exposure amount	3,130.6	

The table continues

EUR million		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1	10.84 %	
62	Tier 1	12.68 %	
63	Total capital	14.90 %	
64	Institution CET1 overall capital requirements	7.73 %	
65	of which: capital conservation buffer requirement	2.50 %	
66	of which: countercyclical capital buffer requirement	0.03 %	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.70 %	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	5.63 %	
	Amounts below the thresholds for deduction (before risk weighting)		
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)	33.2	

The form does not provide rows EU-3a, 4-5, 9-10, 13-15, 17-18, 20, EU-20a-20d, 21-25, EU-25a-25b, 26-27, 32-33, EU-33a-33b, 34-35, 37-42, 42a, 43, 47, EU-47a-47b, 48-50, 52-54, 54a, 55-56, EU-56a-56b, 57, 67, EU-67a, 69-72 and 74-85, as there is no reporting.

Table EU CC1 presents a summary of Aktia Bank Group's own funds and capital ratios on 31 December 2022. The total amount of the Bank Group's own funds amounted to EUR 466.5 million increasing by EUR 6.7 million during year 2022. CET1 capital amounted to EUR 339.2 million increasing by EUR 10.2 million.

CET1 capital includes the profit for the period of 1 January – 31 December 2022, as the profit has been subject to a review by the external auditor, and therefore can be included in CET1 capital on the basis of permission granted by the FIN-FSA in accordance with the Capital Requirements Regulation. Regulatory adjustments to CET1 totalled EUR 192.8 million of which the most significant share consists of goodwill and other intangible assets. In addition, the amount of foreseeable dividend for 2022 has been deducted from CET1 capital. On 31 December 2022 there were no regulatory adjustments to AT1 or T2 capital. Capital ratios are calculated by using elements of own funds determined on the basis laid down in the CRR.

At the end of the period, the Common Equity Tier 1 capital ratio of Aktia Bank Group (Aktia Bank Plc and all its subsidiaries except Aktia Life Insurance) was 10.8 (11.2) %. The total capital ratio for Aktia Bank Group was 14.9 (15.6)%..

2.2 Main features of capital instruments (Article 437 (b-c) CRR)

2.2.1 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA)

		only own funds (but not eligible liabilities) requirements	both own funds and eligible liabilities requirements	
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	FI4000058870	FI4000507371	XS2053056615
2a	Public or private placement	Public	Public	Public
3	Governing law(s) of the instrument	Finnish Law	Finnish Law	Finnish Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A
	Regulatory treatment			
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Tier 2
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share capital	Subordinated debt	Subordinated debt
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	170	60	70
9	Nominal amount of instrument	N/A	60 EUR	70 EUR
EU-9a	Issue price	N/A	100	99
EU-9b	Redemption price	N/A	100	100
10	Accounting classification	Shareholders' equity	Shareholders' equity	Liabilityamortised cost
11	Original date of issuance	N/A	26.5.2021	18.9.2019
12	Perpetual or dated	Perpetual	Perpetual	Dated
13	Original maturity date	No Maturity	No Maturity	18.9.2029
14	Issuer call subject to prior supervisory approval	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	26.5.2026, 100 % of Nominal amount. In addition, Tax/Regulatory call	18.9.2024, redemption at 100, plus accrued interest
16	Subsequent call dates, if applicable	N/A	Annually	Annually
	Coupons / dividends			
17	Fixed or floating dividend/coupon	N/A	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	N/A	3.875% per annum until 26 May 2026. Thereafter fixed every five years EUR 5Y Mid-Swap Rate + 4,088%	1.375% per annum until 18 September 2024. Thereafter fixed 5Y EUR Mid-Swap Rate + 1,90%
19	Existence of a dividend stopper	N/A	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Mandatory

Table continues

		only own funds (but not eligible liabilities) requirements	both own funds and eligible liabilities requirements	
21	Existence of step up or other incentive to redeem	N/A	No	No
22	Noncumulative or cumulative	N/A	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	N/A	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	N/A	Yes	N/A
31	If write-down, write-down trigger(s)	N/A	If at any time the CET1 ratio has fallen below 5.125%, in the case of the Issuer or the Issuer Consolidated Situation, as calculated in accordance with the Applicable Banking Regulations and in each case as determined by the Issuer and/or the Competent Authority (or any agent appointed for such purpose by the Competent Authority).	N/A
32	If write-down, full or partial	N/A	Fully or partially	N/A
33	If write-down, permanent or temporary	N/A	Temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A	Discretionary write-up.	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 1	Rank 2	Rank 3
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier2	Preferred to common equity Tier 1	Preferred to AT1
36	Non-compliant transitioned features	No	No	N/A
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	N/A	N/A

2.2.2 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 2

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2547622378	XS2567515346	XS2128044877	XS2308737985	XS2101558133	XS2270300036
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior non-Preferred	Senior non-Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	550 NOK 53 EUR	200 NOK 19 EUR	40 EUR	10 EUR	30 EUR	25 EUR
EU-9a	Issue price	100	100	100	100	100	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	19.10.2022	15.12.2022	2.3.2020	4.3.2021	16.1.2020	9.12.2020
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	19.10.2027	15.12.2027	2.3.2024	4.3.2026	16.1.2023	9.12.2025
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Floating coupon	Floating coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	NIBOR 3M + 300 bps	NIBOR 3M + 285 bps	0,04 %	0,05 %	0,10 %	0,10 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 8	Rank 8	Rank 7	Rank 7	Rank 7	Rank 7
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.3 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 3

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2308312623	XS2287900364	XS2244916628	XS2399231948	XS2399684575	XS2320764298
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	10 EUR	40 EUR	20 EUR	15 EUR	10 EUR	20 EUR
EU-9a	Issue price	100	100	100	100	100	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	2.3.2021	18.1.2021	19.10.2020	15.10.2021	18.10.2021	22.3.2021
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	28.3.2024	18.1.2028	19.10.2026	15.10.2026	18.10.2026	22.3.2028
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	0.00 %	0.14 %	0.17 %	0.25 %	0.25 %	0.25 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.4 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 4

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2322425823	XS2258002190	XS2263647062	XS2188786102	XS2417407652	XS2265990536
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	10 EUR	10 EUR	10 EUR	10 EUR	25 EUR	5 EUR
EU-9a	Issue price	100	100	100	100	100	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	30.3.2021	13.11.2020	24.11.2020	10.6.2020	8.12.2021	2.12.2020
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	30.3.2028	11.1.2028	24.11.2027	12.6.2023	8.12.2026	2.12.2030
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	0.25 %	0.28 %	0.28 %	0.40 %	0.40 %	0.43 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.5 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 5

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS1957346585	XS2408048671	XS2322426805	XS2318720195	XS1957347633	XS2243623662
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	30 EUR	15 EUR	10 EUR	10 EUR	10 EUR	10 EUR
EU-9a	Issue price	100	100	100	100	100	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	27.2.2019	18.11.2021	31.3.2021	17.3.2021	27.2.2019	16.10.2020
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	27.2.2023	18.11.2024	31.3.2031	17.3.2031	15.7.2024	16.10.2035
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	0.50 %	0.04 %	0.50 %	0.55 %	0.63 %	0.64 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.6 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 6

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2296020808	XS2244904533	XS1943615309	XS2223171260	XS2275634942	XS2270389773
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	10 EUR	100 SEK 10 EUR	20 EUR	70 EUR	10 EUR	10 EUR
EU-9a	Issue price	99	100	100	100	100	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	4.2.2021	20.10.2020	30.1.2019	26.8.2020	21.12.2020	11.12.2020
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	4.2.2036	20.10.2025	30.1.2024	26.2.2036	21.12.2040	11.12.2040
14	Issuer call subject to prior supervisory approval	Yes	No	No	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	4.2.2026, redemption at 100, plus accrued interest	N/A	N/A	N/A	21.12.2027, redemption at 100, plus accrued interest	11.12.2027, redemption at 100, plus accrued interest
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	0.69 %	0.70 %	0.76 %	0.80 %	0.85 %	0.97 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.7 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 7

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2102293888	XS2384179458	XS1983384949	XS1984207867	XS2225430706	XS2342997942
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	15 EUR	10 EUR	10 EUR	10 EUR	370 NOK 35 EUR	250 NOK 25 EUR
EU-9a	Issue price	100	100	100	100	100	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	15.1.2020	9.9.2021	17.4.2019	18.4.2019	2.9.2020	20.5.2021
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	15.1.2035	9.9.2041	15.6.2029	19.4.2032	2.9.2030	20.5.2031
14	Issuer call subject to prior supervisory approval	No	Yes	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	9.9.2026, redemption at 100, plus accrued interest	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	0.99 %	1.05 %	1.16 %	1.54 %	1.87 %	2.32 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.8 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 8

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2417413114	N/A	XS2449339980	XS2226259989	XS1997046484	XS2449912208
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	Finnish Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	250 NOK 25 EUR	11 EUR	65 EUR	500 NOK 47 EUR	30 EUR	25 EUR
EU-9a	Issue price	100	100	101.4	100	100	101.8
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	2.12.2021	5.12.2013	25.2.2022	2.9.2020	15.5.2019	28.2.2022
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	2.12.2031	5.12.2023	25.2.2024	2.9.2024	15.5.2024	28.2.2025
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed coupon	Floating coupon	Floating coupon	Floating coupon	Floating coupon	Floating coupon
18	Coupon rate and any related index	2.56 %	EURIBOR 3M + 46.4 bps	EURIBOR 3M + 100 bps	NIBOR 3M + 70 bps	EURIBOR 3M + 50 bps	EURIBOR 3M + 100 bps
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.9 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 9

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2229019521	XS2229019109	XS2460042182	XS2286298398	XS2287877364	N/A
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	Germany Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	500 SEK 48 EUR	1000 SEK 97 EUR	30 EUR	20 EUR	30 EUR	50 EUR
EU-9a	Issue price	100	100	101.2	101	101	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	11.9.2020	10.9.2020	22.3.2022	15.1.2021	18.1.2021	12.4.2013
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	11.9.2023	10.9.2025	22.3.2024	15.1.2024	18.9.2024	12.4.2033
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	12.4.2023, redemption at 100, plus accrued interest
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Floating coupon	Floating coupon	Floating coupon	Floating coupon	Floating coupon	Fixed coupon
18	Coupon rate and any related index	STIBOR 3M + 55 bps	STIBOR 3M + 78 bps	EURIBOR 3M + 100 bps	EURIBOR 3M + 75 bps	EURIBOR 3M + 75 bps	3.53 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.10 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 9

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	XS2460229847	XS2461273950	XS2471064050	XS2470380192
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	Germany Law	Germany Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	20 EUR	33 EUR	200 SEK 19 EUR	250 NOK 26 EUR	50 EUR	50 EUR
EU-9a	Issue price	100	100	100	100	100	101.3
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	16.1.2014	20.9.2013	22.3.2022	23.3.2022	22.4.2022	22.4.2022
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	16.1.2034	20.9.2038	22.3.2027	23.3.2034	22.4.2027	22.4.2024
14	Issuer call subject to prior supervisory approval	Yes	Yes	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	16.1.2024, redemption at 100, plus accrued interest	20.9.2023, redemption at 100, plus accrued interest			22.4.2026, redemption at 100, plus accrued interest	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed coupon	Fixed coupon	Floating coupon	Fixed coupon	Floating coupon	Floating coupon
18	Coupon rate and any related index	3.80 %	4.05 %	STIBOR 3M + 80 bps	3.66 %	EURIBOR 12M + 80 bps	EURIBOR 3M + 100 bps
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.11 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 10

		only eligible liabilities (but not own funds) requirements					
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2491078759	XS2532384968	XS2539487871	XS2540728859	XS2546782447	XS2549302615
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment						
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	100 NOK 10 EUR	400 SEK 37 EUR	10 EUR	60 EUR	50 EUR	10 EUR
EU-9a	Issue price	100	100	100	100.1	100	100
EU-9b	Redemption price	100	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	15.6.2022	15.9.2022	29.9.2022	17.10.2022	22.4.2022	27.10.2022
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	15.6.2027	15.9.2027	22.11.2024	17.4.2023	22.4.2027	27.10.2037
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	27.10.2026, redemption at 100, plus accrued interest
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Floating coupon	Floating coupon	Fixed coupon	Floating coupon	Floating coupon	Fixed coupon
18	Coupon rate and any related index	NIBOR 3M + 110 bps	STIBOR 3M + 145 bps	3.57 %	EURIBOR 3M + 75 bps	EURIBOR 12M + 80 bps	5.06 %
19	Existence of a dividend stopper	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements					
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A	N/A

2.2.12 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA) / 11

		only eligible liabilities (but not own funds) requirements				
1	Issuer	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc	Aktia Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2549854490	XS2549854060	XS2561158598	XS2562651336	XS2564065600
2a	Public or private placement	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A
	Regulatory treatment					
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	N/A	N/A	N/A	N/A	N/A
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred	Senior Preferred
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	N/A	N/A	N/A	N/A	N/A
9	Nominal amount of instrument	50 EUR	50 EUR	20 EUR	10 EUR	30 EUR
EU-9a	Issue price	100	100	100	100.1	100
EU-9b	Redemption price	100	100	100	100	100
10	Accounting classification	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost	Liabilityamortised cost
11	Original date of issuance	27.10.2022	27.10.2022	29.11.2022	5.12.2022	9.12.2022
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	27.4.2027	27.10.2025	28.11.2025	5.12.2042	9.12.2025
14	Issuer call subject to prior supervisory approval	No	No	No	Yes	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	5.12.2030, redemption at 100, plus accrued interest	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends					
17	Fixed or floating dividend/coupon	Floating coupon	Floating coupon	Fixed coupon	Fixed coupon	Fixed coupon
18	Coupon rate and any related index	EURIBOR 3M + 160 bps	EURIBOR 3M + 145 bps	4.11 %	4.62 %	4.06 %
19	Existence of a dividend stopper	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory

Table continues

		only eligible liabilities (but not own funds) requirements				
21	Existence of step up or other incentive to redeem	No	No	No	No	No
22	Noncumulative or cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative	Non cumulative
23	Convertible or non-convertible	Non convertible	Non convertible	Non convertible	Non convertible	Non convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 9	Rank 9	Rank 9	Rank 9	Rank 9
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A	N/A	N/A	N/A
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A

2.3 Overview of capital requirements (Article 438 (a,d,f,g) CRR)

2.3.1 Overview of total risk exposure amounts (EU OV1)

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		31 Dec 2022	31 Dec 2021	31 Dec 2022
1	Credit risk (excluding CCR)	2,673.4	2,487.7	213.9
2	Of which the standardised approach	607.8	528.4	48.6
3	Of which the Foundation IRB (F-IRB) approach	1,018.4	901.9	81.5
EU 4a	Of which: equities under the simple riskweighted approach	30.8	19.8	2.5
5	Of which the Advanced IRB (A-IRB) approach	769.6	802.1	46.7
6	Counterparty credit risk - CCR	25.9	31.8	2.1
7	Of which the standardised approach	11.3	12.2	0.9
EU 8b	Of which credit valuation adjustment - CVA	14.6	19.6	1.2
15	Settlement risk	0	0.2	0
20	Position, foreign exchange and commodities risks (Market risk)	0	0.0	0
21	Of which the standardised approach	0	0.0	0
23	Operational risk	431.4	420.9	34.5
EU 23a	Of which basic indicator approach	431.4	420.9	34.5
29	Total	3,130.6	2,940.6	250.5

The form does not provide rows 4, 8, EU 8a, 16-19, EU 19a, 22 and EU22a , as there is no reporting

The risk exposure amount (REA) totalled EUR 3,130.6 million, or 6% larger than on 31 December 2021. In Q4 2022, the FIN-FSA set IRB specific add-ons to new AIRB-models taken into production, increasing the risk weighted assets for AIRB-model compared to modelling. In addition, a 5 % RWA add-on was set by FIN-FSA to increase the conservatism in IRB-models. The 5% RWA add-on set in 2021 based on the updated definition of default was taken away from AIRB models.

2.3.2 Insurance participations (EU INS1)

		a	b
EUR million 31 Dec 2022		Exposure value	Risk-weighted exposure amount
1	Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	33.8	84.4

The overall book value of Aktia's holdings on subsidiaries (Aktia Life Insurance Company) is EUR 46.2 million. The part of the ownership not exceeding 10% of CET1 (before deduction on financial sector entities where the institution has a significant investment) is EUR 33.8 million. For this amount Aktia Bank applies 250% risk weight according to CRR Article 48. The part exceeding the 10% CET1 limit is directly deducted from CET1.

2.3.3 Financial conglomerates information on own funds and capital adequacy ratio (EU INS2)

		a	b
EUR million		31 Dec 2022	31 Dec 2021
1	Supplementary own fund requirements of the financial conglomerate (amount)	434.3	444.7
2	Capital adequacy ratio of the financial conglomerate (%)	146.46 %	145.02 %

Aktia Group's capital base, calculated according to the Act on the Supervision of Financial and Insurance Conglomerates (FiCo), exceeded the minimum amount specified in the Act by EUR 201.8 million. Banking capital requirement remained unchanged at 7.7%, calculated on risk-weighted assets. The ratio of the Group capital base to the minimum capital requirement was 146% (145%). As a result of the buffer requirements for banking and the solvency requirements for insurance companies, the minimum FiCo solvency of 100% reflects the level within which the conglomerate can operate without regulatory obligations resulting from buffers below the required level.

2.3.4 ICAAP information (EU OVC)

(a) Article 438(a) CRR

Approach to assessing the adequacy of the internal capital

The annual Internal Capital Adequacy Assessment Process (ICAAP) process is part of the Board's strategy work.

On the basis of strategic lines, estimates are made of the development of business volumes (the consolidated balance sheet) and the revenue and expense structure (the consolidated income statement). The forward looking scenario analysis forms the basis for the Group's capital adequacy forecasts and stress scenarios. The Group's internal capital requirements are also set as part of the ICAAP process.

The ICAAP documentation is updated on the basis of the strategy work on an annual basis, and more often if needed. Methodologies and risk models for the internal assessment of capital requirements are also updated. The ICAAP documentation and conclusions are approved by the Board. At the same time as ICAAP, Life Insurance Company's ORSA process is also established. External reporting of the conclusions takes place as part of the Group's Pillar 3 reporting.

The internal assessment of capital requirements for the Group is an important element of capital management. The internal capital requirement reflects the Group's capital adequacy more comprehensively than the regulatory capital requirements (Pillar 1), because it also takes into account risks not included in them. The internal capital requirement encompasses all the Group's material risks.

The Bank Group's internal capital requirement is based on the "Pillar 1 plus Pillar 2" method. Pillar 1 sets the minimum regulatory capital requirements for credit risks and operational risks. In Pillar 2, the capital requirement is supplemented by internal capital requirements for other risks, as well as areas that are covered insufficiently under Pillar 1.

The Pillar 1 requirements for credit risks are based on a combination of the standard approach and Aktia's IRB models. Pillar 2 adds the capital requirement for concentration risk, because Pillar 1 methods are based on the assumption that credit portfolios are perfectly diversified across counterparties, regions and industries. Aktia uses an internal model to measure single name concentrations in corporate and liquidity portfolios, as well as product and geographical concentrations, in the banking book.

Aktia has no trading book, which means there is no Pillar 1 requirement for market risk. The market risk in the banking book is captured by the Pillar 2 requirements. The Pillar 2 models measure the spread, equity, FX and real estate risks in the FVTPL and FVOCI portfolios. Market risk also includes the interest rate risk in the banking book. The model for structural interest risk in the banking book also includes the Bank Group's liquidity portfolio. The aggregation of market risk requirements assumes a correlation structure between various components of market risk.

Business risk in banking is measured with a scenario model that takes into account changes in customer behaviour and pricing, the cost of funding and the competitive situation which affects net interest income. The model also incorporates adverse scenarios in non-interest income and operating costs. The model does not capture the effects of credit and market risks on P&L. The liquidity risk is partly covered in the model as increasing funding costs. The Bank Group's total internal capital requirement is the sum of different Pillar 1 and Pillar 2 requirements, i.e. no inter-risk diversification is assumed. The internal capital requirement for Aktia Life Insurance is part of its Own Risk and Solvency Assessment (ORSA) process. The capital requirements are based on internal risk models that cover business, market, underwriting and operational risks. The model takes into account both intra and inter-risk correlations.

Declining real estate prices combined with increasing default rates therefore have a material impact on loan losses. The development of short-term interest rates affects the level of interest income for the mainly Euribor-linked loan book. However, long-term rates have an impact on the values of the fixed-income portfolios in Aktia Bank and Life Insurance. In the Solvency II regime, the interest rates also affect the present value of the interest-linked technical provisions.

Other market risk factors include credit spreads, equity and commercial real estate prices. Movements in credit spreads have an impact on both the value of the fixed-income portfolios and Aktia's own funding prices. In Aktia Life Insurance, movements in FX rates also have a material impact.

Other key stress factors are related to the development of business volumes on and off the balance sheet, and their pricing. Increasing operating costs also affect the Group's overall profitability. The calculation process starts from the Group's rolling financial forecasts, which include baseline assumptions of business volumes and profitability. The stress scenarios cover a rolling three-year period. The severity of the scenarios can be adjusted to meet different stress-testing requirements. Various P&L items are recalculated in the scenario based on the selected risk factors.

The stressed net interest income (NII) is based on assumptions of the business volumes and margins of both interest-bearing assets and liabilities in the scenario. The selected interest rate scenario affects the repricing of the balance sheet. The interest income estimate is adjusted to incorporate the loss rates of the selected credit risk scenario. The asset and liability management (ALM) model that calculates the NII estimate provides the dynamic balance sheet estimates, which are also used as the basis for credit risk riskweighted exposure amount (REA) estimates.

The loan book's loan loss estimates are based on the International Financial Reporting Standards 9 model-based credit losses (IFRS 9 ECL models). Credit risk scenarios are based on a two-factor model in which one factor drives the point-in-time estimates of PD and cure rates, and the other the collateral values behind the loss, given default (LGD) estimates. The ECL estimates can be supplemented by additional defaults in the corporate portfolio. Risk weight (RW) estimates for internal risk classification (IRB) portfolios are based on the TTC PD and downturn LGD models, and collateral value stressed RWs for the other portfolios under the SA. Combined with the balance sheet estimate, an REA estimate is obtained.

In addition to NII, the market risk factors mainly affect the unrealised profits and losses measured at fair value. The market risk factors are the main drivers of solvency stress in Aktia Life Insurance. The life insurance company has a special ALM tool to measure the dynamic impact of the scenarios on its solvency ratios.

Based on the selected scenario, a stressed balance sheet, P&L and risk metric estimates are calculated. Combined with the scenario assumptions on capital policy (i.e. dividend pay-out and new issues of various capital instruments), capital ratios for Aktia Bank and Life Insurance, and the financial conglomerate are derived. The results are then compared with the target, and the alarm zones are set by the Board of Directors.

The stress scenario methodology is also used to calculate the regulatory stress test exercises on an ad-hoc basis. The stress factors are adjusted in accordance with the given scenarios. The tool can also be used to conduct reverse stress tests. In particular, this method is used to design the stress scenarios that are required to test the recovery and resolution options.

The results of the Bank Group and Aktia Life Insurance are aggregated to a Group requirement. The results are then compared with the capital position of the Group. The Group's own funds are based on the adjusted value of equity and subordinated debt. The equity is adjusted by including the changes in fair value of investments measured at amortised cost in Aktia Life Insurance and deducting the dividend proposal, intangible assets and EL shortfall. Also deducted are other life insurance-related items that are not considered to be eligible capital in the Solvency II regulation.

The Group's own funds include the mark-to-market effect of technical provisions. Capital instruments that are not freely transferable to cover losses within the Group are deducted from the Group's own funds to the extent that they exceed internal capital requirements. Risk limits have been set based on internal capital requirements. The limit establishes the maximum amount of capital that can be utilised for a specific risk type. The limit framework also incorporates the targets for capital adequacy.

2.4 Capital buffers (Article 440 CRR)

2.4.1 Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (EU CCyB1)

		a	b	f	g	j	k	l	m
		General credit exposures			Own fund requirements				
EUR million 31 Dec 2022		Exposure value under the standardised approach	Exposure value under the IRB 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:								
	Finland	1,172.9	7,015.2	8,188.2	173.0	173.0	2,161.9	82.61 %	0.00 %
	Norway	211.5	2.2	213.6	1.7	1.7	21.5	0.82 %	2.00 %
	France	128.5	2.7	131.2	1.1	1.1	13.1	0.50 %	0.00 %
	Sweden	125.2	11.7	136.8	1.1	1.1	14.2	0.54 %	1.00 %
	Slovakia	39.0	0.0	39.0	0.3	0.3	3.9	0.15 %	1.00 %
	Denmark	24.2	1.7	25.9	0.2	0.2	2.5	0.09 %	2.00 %
	Iceland	22.8	0.0	22.8	0.4	0.4	4.6	0.17 %	2.00 %
	Estonia	11.6	1.0	12.6	0.1	0.1	1.4	0.05 %	1.00 %
	Czech Republic	6.3	0.0	6.3	0.1	0.1	1.3	0.05 %	1.50 %
	United Kingdom	1.9	3.5	5.4	0.1	0.1	0.8	0.03 %	0.00 %
	Luxembourg	0.0	0.2	0.2	0.0	0.0	0.0	0.00 %	0.50 %
	Hong Kong	0.0	0.5	0.5	0.0	0.0	0.0	0.00 %	1.00 %
	Lithuania	0.0	0.0	0.0	0.0	0.0	0.0	0.00 %	0.00 %
	Romania	0.0	0.0	0.0	0.0	0.0	0.0	0.00 %	0.50 %
	Bulgaria	0.0	0.0	0.0	0.0	0.0	0.0	0.00 %	1.00 %
	Ireland	0.0	0.1	0.1	0.0	0.0	0.0	0.00 %	0.00 %
	Singapore	0.0	0.0	0.0	0.0	0.0	0.0	0.00 %	0.00 %
	Other countries	496.3	150.6	646.9	31.4	31.4	392.0	14.98 %	0.00 %
020	Total	2,240.2	7,189.3	9,429.5	209.4	209.4	2,617.1	0.03 %	

The template EU CCyB1 does not provide columns c-e and h-i (Trading book exposures and Securitisation exposures in non-trading book), as those exposures are not relevant for the calculation of the Aktia's countercyclical buffer.

2.4.2 Amount of institution-specific countercyclical capital buffer (EU CCyB2)

EUR million 31 Dec 2022		a
1	Total risk exposure amount	3,130.6
	Institution specific countercyclical capital buffer rate	0.03 %
	Institution specific countercyclical capital buffer requirement	0.9

2.5 Disclosure of own funds and eligible liabilities (Article 437a CRR and Article 45i(3)(b) BRRD)

2.5.1 Composition - MREL and, where applicable, the G-SII Requirement for own funds and eligible liabilities (EU TLAC1)

		a
EUR million 31 Dec 2022		Minimum requirement for own funds and eligible liabilities (MREL)
Own funds and eligible liabilities and adjustments		
1	Common Equity Tier 1 capital (CET1)	339.2
2	Additional Tier 1 capital (AT1)	57.7
6	Tier 2 capital (T2)	69.5
11	Own funds for the purpose of Articles 92a CRR and 45 BRRD	466.5
Own funds and eligible liabilities: Non-regulatory capital elements		
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	0.0
EU 12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	0.0
EU 12b	Eligible liabilities instruments that are subordinated to excluded liabilities, issued prior to 27 June 2019 (subordinated grandfathered)	0.0
EU 12c	Tier 2 instruments with a residual maturity of at least one year to the extent they do not qualify as Tier 2 items	0.0
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre cap)	1,548.5
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap)	50.8
14	Amount of non subordinated instruments eligible, where applicable after application of Article 72b (3) CRR	1,599.3
17	Eligible liabilities items before adjustments	1.599,3
EU-17a	Of which subordinated	0.0
Own funds and eligible liabilities: Adjustments to non-regulatory capital elements		
18	Own funds and eligible liabilities items before adjustments	1,599.3
22	Own funds and eligible liabilities after adjustments	2,065.7
EU-22a	Of which own funds and subordinated	466.5
Risk-weighted exposure amount and leverage exposure measure of the resolution group		
23	Total risk exposure amount	3,130.6
24	Total exposure measure	10,985.2
6tio of own funds and eligible liabilities		
25	Own funds and eligible liabilities (as a percentage of total risk exposure amount)	65.99 %
EU-25a	Of which own funds and subordinated	14.52 %
26	Own funds and eligible liabilities (as a percentage of total exposure measure)	18.80 %
EU-26a	Of which own funds and subordinated	4.14 %

The rows 3-5, 7-8, 19-21, 27-31, EU-31a and EU-32 of the EU TLAC1 template are not disclosed as these rows do not contain data. The template does not provide columns b-c (G-SII Requirement for own funds and eligible liabilities (TLAC)), as the requirements do not apply to Aktia.

2.6 Leverage ratio (Article 451 CRR)

2.6.1 LRSum: Summary reconciliation of accounting assets and leverage ratio exposures (EU LR1)

		a
EUR million 31 Dec 2022		**Applicable amount**
1	Total assets as per published financial statements	10,918.8
8	Adjustments for derivative financial instruments	18.5
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	239.6
12	Other adjustments	-191.7
13	**Total exposure measure**	**10,985.2**

The rows 2-7, 9, 11, EU-11a and EU-11b of the EU LR1 template are not disclosed as these rows do not contain data.

Table EU LR1 delivers a reconciliation of accounting assets as per IFRS to the leverage ratio exposure.

Aktia's buffer for the MREL was EUR 1,416.5 million. The MREL requirement for Aktia was based on the leverage ratio exposure.

2.6.2 LRCom: Leverage ratio common disclosure (EU LR2)

EUR million		CRR leverage ratio exposures a 31 Dec 2022	b 30 Dec 2021
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	10,967.0	10,478.6
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-100.7	-82.7
6	(Asset amounts deducted in determining Tier 1 capital)	-192.8	-197.1
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	10,673.5	10,198.7
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	35.6	20.8
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	36.5	26.0
13	Total derivatives exposures	72.1	46.8
Securities financing transaction (SFT) exposures			
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	629.1	713.8
20	(Adjustments for conversion to credit equivalent amounts)	-389.5	-430.0
22	Off-balance sheet exposures	239.6	283.9
Excluded exposures			
Capital and total exposure measure			
23	Tier 1 capital	396.9	380.8
24	Leverage ratio total Total exposure measure	10,985.2	10,529.4
Leverage ratio			
25	Leverage ratio	3.61 %	3.62 %
EU-25	Leverage ratio excluding the impact of the exemption of public sector investments and promotional loans) (%)	3.61 %	3.62 %
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	3.61 %	3.62 %
26	Regulatory minimum leverage ratio requirement (%)	3.00 %	3.00 %
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00 %	0.00 %
EU-26b	of which: to be made up of CET1 capital (percentage points)	0.00 %	0.00 %
27	Leverage ratio buffer requirement (%)	0.00 %	0.00 %
EU-27a	Overall leverage ratio requirement (%)	3.00 %	3.00 %
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)	10,985.2	10,529.4
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)	10,981.2	10,525.4
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)	3.61 %	3.62 %
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)	3.61 %	3.62 %

The rows 2, 4-5, EU-8a, EU-9a-9b, 10, EU-10a-10b, 11-12, 14-16, EU-16a, 17, EU-17a, 18, 21, EU-22a-22k and 28-29 of the EU LR2 template are not disclosed as these rows do not contain data.

At the time of the comparison, Table EU LR2 shows a comparable calculation of LR as of December 31, 2021, which was published in the Aktia Bank Group Pillar III report as of Dec 31 2021.

Table EU LR2 shows the leverage ratio and the breakdown of the exposure by main categories. After CRR II entering into force at the end of the second quarter of the year 2021, a 3% binding minimum requirement for the leverage ratio was introduced. Compared to the year end 2021 the leverage ratio for Aktia Bank Group decreased from 3.62% to 3.61% due to changes in both the numerator and the denominator. The amount of Tier 1 capital increased during the same time by 4% and the total exposure measure increased by 4% due to growth in lending and central bank deposits.

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

EUR million		a
31 Dec 2022		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	10,866.3
EU-3	Banking book exposures, of which:	10,866.3
EU-4	Covered bonds	853.7
EU-5	Exposures treated as sovereigns	1,626.3
EU-7	Institutions	273.4
EU-8	Secured by mortgages of immovable properties	6,787.8
EU-9	Retail exposures	383.3
EU-10	Corporates	512.7
EU-11	Exposures in default	117.0
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	312.3

The rows EU-2 and EU-6 of the EU LR3 template are not disclosed as these rows do not contain data.

Table EU LR 3 shows the breakdown of on-balance sheet exposures by exposure class. 57% of the total exposure amount arises from loans secured by mortgages of immovable properties.

2.6.4 Disclosure of LR qualitative information (EU LRA)

(a) Description of the processes used to manage the risk of excessive leverage

For the Leverage ratio, a management target has been set. This target exceeds the minimum regulatory requirement.

(b) Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers

Leverage ratio decreased during the period by 0.25%. The main part of the reduction was due to LR balance capital, that increased by EUR 902 m. The exposure amount increased by the growth in lending volumes for both retail and corporate sectors. Tier1 capital increased slightly (EUR 7,8 m), thus improving leverage ratio.

3 Credit risk and credit risk mitigations

3.1 General information on credit risk (Article 435 (a,d,f) and Article 442 (a-c,e-g) CRR)

3.1.1 General qualitative information about credit risk (EU CRA)

(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 general description of the concise risk statement approved by the management body is presented in the table EU OVA.

The bank business areas, are banking, asset management and life insurance, with most of the credit risk stemming from the banking area. The renewed 2025 strategy, with increased priority in wealth management, will have a diversifying effect on the bank credit risk profile in the future, with a minor effect on the credit risk profile until today.

Aktia implemented the new definition of default (DoD) in 2021, which affected the default rate (DR) and thereby the probability of default (PD). New advanced internal rating based approach models (AIRB-models) where implemented in 2022, based on the new DoD, whereby the bank is compliant with the updated definition of default for AIRB exposures. The default levels have increased in 2022 compared to 2021, mainly based increased level of unlikeliness-to-pay, and other updates on DoD, such as contamination, which leads to higher levels of default.

The institution's credit risk profile, stemming mostly from the banking area, constitutes the major part of loans to households and private persons with residential or real estate securities. Corporate exposure volumes have increased in the last years, consisting mostly of lending against commercial or residential real estate.

The current credit risk profile of the institution has been built on the basis of the bank's previous strategies and business model, focusing on lending to households with real estate securities. The relative increase in corporate lending has continued during 2022, which is diversifying the credit risk portfolio of the bank. During the coming years, it is expected that increased focus on wealth management will have an effect on credit risks mainly through the collateral used and increased lending for private investments.

(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.
The strategies and processes to manage credit risk are applied according to the three lines of defence, and are based on the group risk management policy.

The group risk management policies, including credit risk management policy, are based on governing laws and regulations, and functions as a base for setting up credit risk limits. Credit risks development is limited by key risk indicators (KRIs), which are analysed and proposed by the credit risk control function, based on the credit portfolio and the strategy of the bank, and decided by the management unit. The KRI's are updated yearly. In addition to KRIs, the credit risk control unit is responsible for overseeing the development of risks on the portfolio level by constant monitoring of risks.

The line organisation assesses the credit risk in each transaction and bears the overall responsibility for credit risks in its own customer base. The Group's Risk Control unit is responsible for ensuring that the models and methods used for measuring credit risk are comprehensive and reliable. The Risk Control unit is also responsible for performing independent risk analysis and reporting.

Credit risks are reported to the Group's Board of Directors and its' risk committee every quarter. Position- and aggregate-level credit risk reporting is available daily to the business personnel involved in the credit process and the Executive Committee. Every year, Risk Control conducts a comprehensive validation of all credit risk models, and the results are reported to both the Board of Directors and members of the Executive Committee in the ALCO. Risk Control also continuously monitors models to ensure they are functioning normally, and these monitoring results are reported quarterly to both the Board of Directors and the management of the Group.

The credit risk control function is a part of the second line of defence, whose tasks are described in more detail in EU OVB. In line with the responsibility of the 2nd line of defence, the Group's credit risk control assesses the Group's overall credit risk position in relation to the strategy and risk appetite, is responsible for preparing the risk management framework and proposing the KRI's for the Group's risk appetite concerning credit risk.

(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.
Credit risk management function in the first line of defence is independent from the units responsible for originating or renewing exposures, with a separate reporting line to senior management. The credit risk control function in the second line of defence is independent from the first line of defence.

The Credit Risk Control function answers to the group CRO and is thereby not affected by the business units it controls. The organisational structure is simple, consisting of one team responsible over credit risk control of the bank, functioning as the credit risk control unit according to governing regulation. Modelling and validation tasks are separated within the unit and, separate between the staff according to the proportionality principle. The head of the unit is a member of the Risk Control Function executive team.

(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.
Internal audit constitutes the 3rd line of defence in the bank and is fully separated from 1st and 2nd line of defence. A separate compliance department is placed within the 1st line of defence. Status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR is described in point (c) above.

3.1.2 Additional disclosure related to the credit quality of assets (EU CRB)

(a) The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default in accordance with Article 178 CRR.
According to the Group's accounting principles, on each reporting date, an assessment of whether a significant increase in the credit risk of a receivable has occurred is performed. The assessment is primarily based on the change in the probability of default since initial recognition, and on whether the borrower has a delinquent loan payment (30 days) or is subject to forbearance measures.

A loan is considered in default if a significant loan payment is delinquent by 90 days or more. A loan is also considered in default if a significant loan payment is delinquent by less than 90 days, and the borrower is subject to bankruptcy or debt restructuring, or the borrower's ability to settle his or her loan obligations to their fullest extent is considered unlikely. The definition of impaired and of past due and default for accounting and regulatory purposes is aligned in the bank.

(b) The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.
Non-material past due according to CRR article 178 are not automatically considered impaired.

(c) Description of methods used for determining general and specific credit risk adjustments.
Credit risk adjustments are made either according to the IFRS 9 ECL model, or manual decisions made by the debt collection department in the bank based on counterparty analysis.

For non-defaulted loans whose credit risk has not increased significantly (ECL Stage 1), the expected credit losses for a 12-month period are calculated. For non-defaulted loans whose credit risk has increased significantly (ECL Stage 2), as well as for defaulted loans (ECL Stage 3), the expected credit losses for the remaining lifetime of the loan are calculated.

Aktia does not have general credit risk adjustments.

(d) The institution's own definition of a restructured exposure used for the implementation of point (d) of Article 178(3) CRR specified by the EBA Guidelines on default in accordance with Article 178 CRR when different from the definition of forborne exposure defined in Annex V to Commission Implementing Regulation (EU) 680/2014.
Aktia's definitions of a restructured exposure used for the implementation of point (d) of Article 178(3) CRR is in line with the definition of forborne exposure defined in Annex V to Commission Implementing Regulation (EU) 680/2014.

3.1.3 Performing and non-performing exposures and related provisions (EU CR1)

		a	b	c	d	f	g	h	i	j	l	n	o
EUR million 31 Dec 2022		Gross carrying amount/nominal amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					Collaterals 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		On performing exposures	On non-performing exposures
			of which: stage 1	of which: stage 2		of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 3		
005	Cash balances at central banks and other demand deposits	1,254.8	1,254.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
010	Loans and advances	7,732.0	7,443.3	288.7	139.7	139.7	-10.2	-3.9	-6.3	-27.3	-27.3	6,834.5	106.6
030	General governments	5.8	5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.8	0.0
040	Credit institutions	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
050	Other financial corporations	402.9	402.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	543.9	0.0
060	Non-financial corporations	2,041.6	1,996.1	45.5	26.5	26.5	-4.1	-2.4	-1.7	-9.4	-9.4	1,734.4	15.3
070	Of which: SMEs	1,016.6	998.2	18.4	17.3	17.3	-1.4	-0.9	-0.5	-8.1	-8.1	1,035.8	8.7
080	Households	5,281.5	5,038.3	243.2	113.2	113.2	-5.9	-1.3	-4.6	-17.9	-17.9	4,850.2	91.3
090	Debt Securities	1,346.2	1,282.0	64.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
110	General governments	330.3	330.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120	Credit institutions	1,015.9	951.7	64.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
150	Off-balance sheet exposures	626.9	624.5	2.4	2.2	2.2	1.2	1.1	0.0	0.1	0.1	0.0	0.0
180	Credit institutions	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
190	Other financial corporations	27.1	27.1	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0
200	Non-financial corporations	365.8	364.7	1.1	1.8	1.8	0.9	0.8	0.0	0.1	0.1	0.0	0.0
210	Households	233.8	232.5	1.3	0.4	0.4	0.2	0.2	0.0	0.0	0.0	0.0	0.0
220	Total	10,959.9	10,604.6	355.3	141.9	141.9	-9.0	-2.8	-6.3	-27.2	-27.2	6,834.5	106.6

Template EU CR1 does not provide rows 020, 100, 130, 140, 160 and 170, nor columns e, k and m, as there is no reporting.

3.1.4 Maturity of exposures (EU CR1-A)

		a	b	c	d	e	f
EUR million 31 Dec 2022		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	1,327.6	301.0	1,355.9	6,104.5	0.0	9,088.9
2	Debt securities	0.0	305.5	749.2	291.5	0.0	1 346.2
1	Loans and advances	1 327.6	606.5	2 105.1	6 396.0	0.0	10 435.1

3.1.5 Quality of non-performing exposures by geography (EU CQ4)

		a	b	c	d	e	f	g
EUR million 31 Dec 2022		Gross carrying/Nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		of which: subject to impairment			
				of which: defaulted				
010	**On balance sheet exposures**	9,217.9	139.7	139.7	9,217.9	-37.5		
020	Finland	8,089.4	138.6	138.6	8,089.4	-37.2		
030	Norway	212.4			212.4			
040	France	181.6			181.6			
050	Sweden	135.1			135.1			
060	Canada	111.6			111.6			
070	Other countries	487.80	1.1	1.1	487.80	-0.3		
080	**Off balance sheet exposures**	629.1	2.1	2.1			1.3	
090	Finland	626.9	2.1	2.1			1.3	
100	HongKong	0.8						
110	Germany	0.4						
120	Sweden	0.1						
130	Italy	0.1						
140	Other countries	0.8						
150	**Total**	**9,847**	**141.8**	**141.8**	**9,217.9**	**-37.5**	**1.3**	

		a	b	c	d	e	f	g
EUR million 31 Dec 2021		**Gross carrying/Nominal amount**				**Accumulated impairment**	**Provisions on off-balance sheet commitments and financial guarantee given**	**Accumulated negative changes in fair value due to credit risk on non-performing exposures**
			of which: non-performing		of which: subject to impairment			
				of which: defaulted				
010	**On balance sheet exposures**	8,830.4	127.3	118.7	8,830.3	-31.6		
020	Finland	7,750.0	127.0	118.4	7,749.9	-31.6		
030	Norway	199.1	0.0	0.0	199.1	0.0		
040	France	171.7	0.0	0.0	171.7	0.0		
050	Sweden	153.5	0.0	0.0	153.5	0.0		
060	Canada	109.8	0.0	0.0	109.8	0.0		
070	Other countries	446.2	0.2	0.2	446.2	0.0		
080	**Off balance sheet exposures**	713.8	0.0	0.0			1.0	
090	Finland	710.1	0.0	0.0			1.0	
100	Hong Kong	1.0	0.0	0.0			0.0	
110	Germany	0.8	0.0	0.0			0.0	
120	Sweden	0.4	0.0	0.0			0.0	
130	Italy	0.2	0.0	0.0			0.0	
140	Other countries	1.3	0.0	0.0			0.0	
150	**Total**	**9,544.2**	**127.3**	**118.7**	**8,830.3**	**-31.6**	**1.0**	

Column g of the EU CQ4 template is not disclosed as this column does not contain data.

Non-performing exposures arises from Finland. The exposures reported in other countries consists mostly of exposures to customers moved/are living abroad with a loan against a collateral in Finland.

3.1.6 Credit quality of loans and advances by industry (EU CQ5)

		a	b	c	d	e
EUR million 31 Dec 2022			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	11.7	1.6	1.6	11.7	-1
020	Mining and quarrying	20.8	0	0	20.8	-0.2
030	Manufacturing	74.4	5	5	74.4	-1.7
040	Electricity, gas, steam and air conditioning supply	77.6	0	0	77.6	-0.1
050	Water supply	4.3	0	0	4.3	0
060	Construction	59.6	4	4	59.6	-2.7
070	Wholesale and retail trade	64.1	1.2	1.2	64.1	-0.7
080	Transport and storage	28.1	0.3	0.3	28.1	-0.3
090	Accommodation and food service activities	14.2	1.2	1.2	14.2	-0.3
100	Information and communication	11.1	0.1	0.1	11.1	-0.1
110	Real estate activities	144.9	0	0	144.9	-0.3
120	Financial and insurance activities	1,411.3	8	8	1,411.3	-2
130	Professional, scientific and technical activities	77.7	2	2	77.7	-2.1
140	Administrative and support service activities	34.5	0.7	0.7	34.5	-0.3
150	Public administration and defence, compulsory social security	0	0	0	0	0
160	Education	2.7	0.1	0.1	2.7	0
170	Human health services and social work activities	12.5	0.6	0.6	12.5	-0.8
180	Arts, entertainment and recreation	15	1.7	1.7	15	-0.9
190	Other services	3.6	0	0	3.6	0
200	**Total**	**2,068.1**	**26.5**	**26.5**	**2,068.1**	**-13.5**

Template EU CQ5 does not provide the row 150 nor the column f, as there is no reporting.

3.2 Credit quality of performing and non-performing exposures by past due days (Article 442 (c-d) CRR)

3.2.1 Credit quality of performing and non-performing exposures by past due days (EU CQ3)

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount / Nominal amount											
		Performing exposures			Non-performing exposures								
EUR million 31 Dec 2022			Not past due or Past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past-due or 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 year <= 5 years	Past due > 5 year <= 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	1,254.8	1,254.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
010	Loans and advances	7,732.0	7,692.1	39.9	139.7	83.8	12.6	10.0	10.2	8.9	3.8	10.4	139.7
020	Central banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
030	General governments	5.8	5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
040	Credit institutions	0,2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
050	Other financial corporations	402.9	402.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
060	Non-financial corporations	2,041.6	2,032.7	8.8	26.5	16.3	1.7	1.8	0.7	1.8	1.2	3.1	26.5
070	Of which SMEs	1,016.6	1,010.5	6.1	17.3	7.1	1.7	1.8	0.7	1.8	1.2	3.1	17.3
080	Households	5,281.5	5,250.5	31.0	113.2	67.5	10.9	8.2	9.5	7.1	2.6	7.3	113.2
090	Debt Securities	1,346.2	1,346.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
110	General governments	330.3	330.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120	Credit institutions	1,015.8	1,015.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
140	Non-financial corporations	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
150	Off-balance sheet exposures	626.9	0.0	0.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1
170	General governments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
180	Credit institutions	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
190	Other financial corporations	27.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
200	Non-financial corporations	365.8	0.0	0.0	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7
210	Households	233.8	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4
220	**Total**	**10,959.9**	**10,293.1**	**39.9**	**141.8**	**83.8**	**12.6**	**10.0**	**10.2**	**8.9**	**3.8**	**10.4**	**141.8**

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount / Nominal amount											
		Performing exposures			Non-performing exposures								
EUR million 31 Dec 2021			Not past due or Past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past-due or 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 year <= 5 years	Past due > 5 year <= 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	780.6	780.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
010	Loans and advances	7,406.1	7,389.3	16.8	127.3	72.8	14.5	8.6	5.2	12.9	3.7	9.6	118.7
020	Central banks	8.6	8.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
030	General governments	2.7	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
040	Credit institutions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
050	Other financial corporations	385.8	385.8	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
060	Non-financial corporations	1,747.5	1,742.4	5.1	23.6	13.2	1.4	0.6	1.0	3.5	0.8	3.3	23.4
070	Of which SMEs	867.0	866.3	0.7	16.2	5.8	1.4	0.6	1.0	3.5	0.8	3.3	15.9
080	Households	5,261.4	5,249.7	11.7	103.6	59.5	13.0	8.0	4.3	9.4	3.0	6.4	95.3
090	Debt Securities	1,297.0	1,297.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
110	General governments	373.0	373.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
120	Credit institutions	924.0	924.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
140	Non-financial corporations	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
150	Off-balance sheet exposures	713.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
170	General governments	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
180	Credit institutions	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
190	Other financial corporations	57.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
200	Non-financial corporations	386.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
210	Households	262.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
220	**Total**	**1,0197.6**	**9,467.0**	**16.8**	**127.3**	**72.8**	**14.5**	**8.6**	**5.2**	**12.9**	**3.7**	**9.6**	**118.7**

The rows 100, 130 and 160 of the EU CQ3 template are not disclosed as these rows do not contain data.

The performing loan portfolio in Aktia is concentrated in low Probability of Default (PD) levels for both retail and corporate portfolio, rated by Aktia IRB models. Adequate collaterals are also important for the bank to minimise the loss given default (LGD). Non-performing exposures have increased mainly due to increase in unlikeliness-to-pay.

3.3 Credit quality of forborne exposures (Article 442 (c) CRR)

3.3.1 Credit quality of forborne exposures (EU CQ1)

		a	b	c	d	e	f	g	h
EUR million 31 Dec 2022		Gross carrying amount/ Nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals 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				
005	Cash balances at central banks and other demand deposits	0	0	0	0	0	0	0	0
010	Loans and advances	192.7	76.0	76.0	76.0	0	-8.9	241.2	61.1
060	Non-financial corporations	35.4	9.9	9.9	9.9	0	-3.6	32.5	5.6
070	Households	157.3	66.1	66.1	66.1	0	-5.3	208.7	55.5
100	**Total**	**192.7**	**76.0**	**76.0**	**76.0**	**0**	**-8.9**	**241.2**	**61.1**

		a	b	c	d	e	f	g	h
EUR million 31 Dec 2021		Gross carrying amount/ Nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals 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				
005	Cash balances at central banks and other demand deposits	0	0	0	0	0	0	0	0
010	Loans and advances	266.3	62.0	62.0	62.0		-9.4	142.2	46.7
060	Non-financial corporations	30.5	10.3	10.3	10.3		-3.8	8.6	4.6
070	Households	235.8	51.7	51.7	51.7		-5.7	133.6	42.1
100	**Total**	**266.3**	**62.0**	**62.0**	**62.0**		**-9.4**	**142.2**	**46.7**

Template EU CQ1 does not provide rows 020-050 and 080-090, nor a column e, as there is no reporting.

A major part of forborne exposures is performing forborne exposures. The collateral situation is seen as adequate. Forborne loans increased during 2020 because of amortisation holidays applied during COVID-19 pandemic and decreased during 2022 as the two-year probation periods have ended. The level of forborne loans levelled on a higher level than in 2020 as many customers are still seen forborne due to probation period rules, as each single customers is analysed before returning to performing non-forborne status.

3.3.2 Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis (Template 3)

		a	b	c	d
EUR million 31 Dec 2022		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	Newly originated loans and advances subject to public guarantee schemes	32.5	8.8	15.6	0.0
2	of which: Households	0.1			0.0
3	of which: Collateralised by residential immovable property	0.1			0.0
4	of which: Non-financial corporations	32.3		15.5	0.0
5	of which: Small and Medium-sized Enterprises	29.1			0.0
6	of which: Collateralised by commercial immovable property	0.6			0.0

3.4 General information on credit risk mitigation (Article 453 (a-f) CRR)

3.4.1 Qualitative disclosure requirements related to CRM techniques (EU CRC)

(a) Article 453 (a) CRR
A description of 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;

The accounting policies of the Aktia Bank Group do not include the netting of balance sheet items or off-balance sheet items.

To limit and reduce counterparty risks, individual collateral arrangements are used, in accordance with credit support annex (ISDA/CSA) conditions. The ISDA/CSA agreement allows the use of close-out netting agreements, in which all positive and negative market values under an agreement can be netted at the counterparty level. The Group has netting and collateral agreements in place with all counterparties that are credit institutions. The collateral used is mainly cash, but government securities can also be used. At year-end, all received and placed collateral was in cash. Aktia has no rating-based triggers in CSA agreements, and a credit rating downgrade would therefore not trigger a requirement for additional collateral.

(b) Article 453 (b) CRR
The core features of policies and processes for eligible collateral evaluation and management

The valuation and administration of collateral is important for managing credit risk. Rules and authorisations concerning the valuation of collateral and the updating of collateral values have been established. In keeping with the principle of prudence, collateral values are calculated by subtracting a haircut from the market value. The extent to which this prudent collateral value is lower indicates the volatility in the collateral's market value, liquidity, and the expected recovery time and fulfilment. Under the SA, real estate collateral, certain guarantees and financial securities are considered in the capital adequacy calculation. Under the IRB approach, credit risk mitigants affect the capital adequacy calculation through the LGD estimate.

For corporate financing purposes, collateral is valued in accordance with separate rules, also considering a valuation buffer specific to the collateral, to allow the determination of a prudent value. Especially when valuing the fixed assets relating to a business, the interaction between the value of the fixed assets and the company's business opportunities is considered.

c) Article 453 (c) CRR
A description of the main types of collateral taken by the institution to mitigate credit risk

Loans to households are mainly granted against real estate collateral, which means that a reduction in market values larger than the haircut and amortisations made results in a collateral shortfall. Commercial or residential real estate collateral is used for a major part of the corporate portfolio.

(d) Article 453 (d) CRR
For guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purposes of reducing capital requirements, excluding those used as part of synthetic securitisation structures.

Finnish government, credit guarantor Finnvera, European Investment Fund and Finnish municipalities are the main types of guarantors within Aktia's loan book. The Finnish government and the largest credit guarantee insurer (Finnvera) both have the same high quality credit rating AAA. Unfunded credit protections is also provided mainly to private households, with a credit rating A-.

Aktia had no outstanding credit default swaps at year-end.

(e) Article 453 (e) CRR
Information about market or credit risk concentrations within the credit mitigation taken

Most of the Bank's collateral stock is made up of residential real estate. Trends in housing prices are therefore important factors in the Bank's risk profile.

The largest single guarantor is Finnish government (housing and student loans). All the other guarantors have significantly smaller amounts guaranteed, and as such do not create risk concentrations.

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

		Unsecured carrying amount	Secured carrying amount		
				Of which secured by collateral	Of which secured by financial guarantees
		a	b	c	d
1	Loans and advances	2,147.8	6,941.1	6,633.8	307.3
2	Debt securities	1,346.2	0	0	0
3	Total	3,494.0	6,941.1	6,633.8	307.3
4	Of which non-performing exposures	5.8	106.5	101.3	5.2

Template EU CR3 does not provide a row EU-5 nor a column e, as there is no reporting.

Collaterals used in the bank consist mainly of residential real estate, commercial real estate, and financial collaterals. Financial guarantees are mostly used as an addition to immovable collateral. A major part of unsecured carrying amount consists of central bank deposits, which has increased from 2021 with 0,5bn.

The types of collaterals and guarantees are more diversified in corporate lending, with different kinds of collaterals or guarantees by the company, company owners or funded credit protection used in addition to commercial real estate.

3.5 Credit risk exposure and credit risk mitigation in the standardised approach (Article 444 CRR and Article 453 (f-g) CRR) and in the internal-rating-based approach (Article 438 (h), 452 (h), (g) (i-iv) and 453 (g, j) CRR)

3.5.1 Scope of the use of IRB and SA approaches (EU CR6-A)

EUR million 31 Dec 2022		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to a roll-out plan (%)	Percentage of total exposure value subject to IRB Approach (%)
		a	b	c	e	e
1	Central governments or central banks	0.0	1,627.8	100.00 %	0.00 %	0.00 %
1,1	Of which Regional governments or local authorities		173.2	100.00 %	0.00 %	0.00 %
1,2	Of which Public sector entities		0.0	100.00 %	0.00 %	0.00 %
2	Institutions	0.0	1,202.2	100.00 %	0.00 %	0.00 %
3	Corporates	1,962.8	2,596.5	32.15 %	0.01 %	67.84 %
3,1	Of which Corporates - Specialised lending, excluding slotting approach		0.0	0.00 %	0.00 %	100.00 %
3,2	Of which Corporates - Specialised lending under slotting approach		0.0	0.00 %	0.00 %	100.00 %
4	Retail	5,220.8	5,439.2	1.14 %	2.58 %	96.28 %
4,1	of which Retail – Secured by real estate SMEs		166.5	5.89 %	0.00 %	94.11 %
4,2	of which Retail – Secured by real estate non-SMEs		4,835.5	0.16 %	0.00 %	99.84 %
4,3	of which Retail – Qualifying revolving		0.0	0.00 %	0.00 %	100.00 %
4,4	of which Retail – Other SMEs		92.1	43.24 %	0.00 %	56.76 %
4,5	of which Retail – Other non-SMEs		345.0	1.35 %	40.67 %	57.99 %
5	Equity	0.0	54.5	0.00 %	0.00 %	100.00 %
6	Other non-credit obligation assets	0.0	257.7	100.00 %	0.00 %	0.00 %
7	**Total**	**7,183.7**	**11,178.0**	**35.65 %**	**1.26 %**	**63.09 %**

Aktia has received permission from the FIN-FSA to use IRB models for Corporate and Retail exposure. Exposure values differ between column a and b because of permanent partial usage and rollout exposures are included in column b.

3.5.2 Qualitative disclosure requirements related to standardised approach (EU CRD)

(a) Article 444 (a) CRR
Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) nominated by the institution, and the reasons for any changes over the disclosure period.

Aktia uses external long-term issue and issuer ratings from Moody's Investors Service to calculate the risk weight according to the SA. The mapping of ratings follows the ECAI mapping published by the EBA. No changes in the use of ECAI ratings have been done during the disclosure period.

(b) Article 444 (b) CRR
The exposure classes for which each ECAI or ECA is used

EBA table EU CR5 shows the risk weights for exposures in the standardised approach. The external ratings are used for sovereign-type exposure classes (exposure classes (a)–(e) according to Article 112 of the CRR), as well as for institution and covered bond exposure classes. The counterparties with external ratings are mainly derivative counterparties or part of the liquidity portfolio.

(c) Article 444 (c) CRR
A description of the process used to transfer the issuer and issue credit ratings onto comparable assets items not included in the trading book;

Aktia uses external long-term issue and issuer ratings from Moody's Investors Service to calculate the risk weight according to the SA. The external ratings are used for sovereign-type exposure classes (exposure classes (a)–(e) according to Article 112 of the CRR), as well as for institutions and covered bond exposure classes. The counterparties with external ratings are mainly derivative counterparties or part of the liquidity portfolio. The mapping of ratings follows the ECAI mapping published by the EBA.

(d) Article 444 (d) CRR
The association of the external rating of each nominated ECAI or ECA (as referred to in row (a)) with the risk weights that correspond with the credit quality steps as set out in Chapter 2 of Title II of Part Three CRR (except where the institution complies with the standard association published by the EBA).

Not applicable for Aktia

3.5.3 Standardised approach – Credit risk exposure and CRM effects (EU CR4)

EUR million 31 Dec 2022		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWEA	RWEA density (%)
		a	b	c	d	e	f
1	Central governments or central banks	1,429.6	0.0	1,475.9	2.4	0.0	0.00 %
2	Regional government or local authorities	171.7	3.1	171.7	1.5	0.3	0.16 %
3	Public sector entities	0.0	0.0	0.0	0.0	0.0	0.00 %
4	Multilateral development banks	0.0	0.0	42.3	7.4	0.0	0.00 %
5	International organisations	25.0	0.0	25.0	0.0	0.0	0.00 %
6	Institutions	273.4	6.0	273.4	3.0	56.2	20.33 %
7	Corporates	68.5	16.1	29.1	4.0	29.1	87.84 %
8	Retail	152.6	230.5	151.9	8.5	109.7	68.39 %
9	Secured by mortgages on immovable property	763.8	33.4	763.8	17.3	238.5	30.53 %
10	Exposures in default	6.0	0.6	6.0	0.1	6.7	109.51 %
11	Exposures associated with particularly high risk	0.0	0.0	0.0	0.0	0.0	0.00 %
12	Covered bonds	853.7	0.0	853.7	0.0	90.3	10.58 %
13	Institutions and corporates with a short-term credit assessment	0.0	0.0	0.0	0.0	0.0	0.00 %
14	Collective investment undertakings	0.0	0.0	0.0	0.0	0.0	0.00 %
15	Equity	0.0	0.0	0.0	0.0	0.0	0.00 %
16	Other items	104.3	0.0	104.3	0.0	77.0	73.84 %
17	**TOTAL**	**3,848.7**	**289.7**	**3,897.1**	**44.3**	**607.8**	**15.42 %**

EUR million 31 Dec 2021		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes		On-balance sheet exposures	Off-balance sheet exposures	On-balance sheet exposures	Off-balance sheet exposures	RWEA	RWEA density (%)
		a	b	c	d	e	f
1	Central governments or central banks	941.9	0.1	1,006.8	0.2	0.0	0.00 %
2	Regional government or local authorities	207.7	19.6	207.7	4.9	0.3	0.13 %
3	Public sector entities	0.0	0.0	0.0	0.0	0.0	0.00 %
4	Multilateral development banks	0.0	0.0	22.6	0.0	0.0	0.00 %
5	International organisations	20.1	0.0	20.1	0.0	0.0	0.00 %
6	Institutions	151.3	6.2	151.3	3.1	30.9	20.00 %
7	Corporates	79.9	18.8	18.3	1.9	16.5	81.32 %
8	Retail	108.7	159.0	107.8	3.0	78.8	71.11 %
9	Secured by mortgages on immovable property	747.6	39.0	747.6	19.6	231.8	30.22 %
10	Exposures in default	4.1	0.6	4.0	0.4	4.7	108.14 %
11	Exposures associated with particularly high risk	0.0	0.0	0.0	0.0	0.0	0.00 %
12	Covered bonds	814.8	0.0	814.8	0.0	86.3	10.59 %
13	Institutions and corporates with a short-term credit assessment	0.0	0.0	0.0	0.0	0.0	0.00 %
14	Collective investment undertakings	0.0	0.0	0.0	0.0	0.0	0.00 %
15	Equity	0.0	0.0	0.0	0.0	0.0	0.00 %
16	Other items	131.5	0.0	131.5	0.0	79.2	60.25 %
17	TOTAL	3,207.7	243.3	3,232.6	33.1	528.4	16.18 %

The exposures in the standardised approach represent 35% of the Bank Group's credit risk exposure.

Central governments or central banks are the largest counterparty class in the standardised approach, with a risk weight of 0%. The exposure class 'Secured by mortgages on immovable property' consists mainly of loans to housing companies (low default portfolio), with diversified risk profile with multiple counterparties within one housing company, and immovable property as collateral with risk weights accordingly. Exposures post CCF and CRM can be higher than exposures before CCF and CRM due to substitution effect.

3.5.4 Standardised approach (EU CR5)

EUR million 31 Dec 2022		Risk weight								Total	Of which unrated
		0 %	10 %	20 %	35 %	50 %	75 %	100 %	150 %		
Exposure classes		a	d	e	f	g	i	j	k	p	q
1	Central governments or central banks	1,478.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,478.3	0.0
00.02	Regional government or local authorities	171.8	0.0	1.4	0.0	0.0	0.0	0.0	0.0	173.2	0.0
3	Public sector entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	Multilateral development banks	49.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	49.6	0.0
5	International organisations	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0
6	Institutions	0.0	0.0	273.4	0.0	3.0	0.0	0.0	0.0	276.4	0.1
7	Corporates	0.0	0.0	0.0	0.0	0.0	0.0	33.2	0.0	33.2	33.2
8	Retail	0.0	0.0	0.0	0.0	0.0	160.4	0.0	0.0	160.4	160.4
9	Secured by mortgages on immovable property	0.0	0.0	0.0	728.4	52.8	0.0	0.0	0.0	781.2	781.2
10	Exposures in default	0.0	0.0	0.0	0.0	0.0	0.0	5.0	1.2	6.2	6.2
11	Exposures associated with particularly high risk	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Covered bonds	0.0	804.2	49.5	0.0	0.0	0.0	0.0	0.0	853.7	103.7
13	Institutions and corporates with a short-term credit assessment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14	Unit or shares in collective investment undertakings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15	Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	Other items	0.9	0.0	33.0	0.0	0.0	0.0	70.4	0.0	104.3	104.3
17	TOTAL	1,725.5	804.2	357.3	728.4	55.8	160.4	108.6	1.2	3,941.4	1,189.0

EUR million 31 Dec 2021		Risk weight								Total	Of which unrated
		0 %	10 %	20 %	35 %	50 %	75 %	100 %	150 %		
Exposure classes		a	d	e	f	g	i	j	k	p	q
1	Central governments or central banks	1,007.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,007.0	0.0
02	Regional government or local authorities	211.2	0.0	1.4	0.0	0.0	0.0	0.0	0.0	212.6	0.0
3	Public sector entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	Multilateral development banks	22.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.6	0.0
5	International organisations	20.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.1	0.0
6	Institutions	0.0	0.0	154.4	0.0	0.0	0.0	0.0	0.0	154.4	0.1
7	Corporates	0.0	0.0	0.0	0.0	0.0	0.0	20.3	0.0	20.3	20.3
8	Retail	0.0	0.0	0.0	0.0	0.0	110.8	0.0	0.0	110.8	110.8
9	Secured by mortgages on immovable property	0.0	0.0	0.0	705.8	61.4	0.0	0.0	0.0	767.2	767.2
10	Exposures in default	0.0	0.0	0.0	0.0	0.0	0.0	3.7	0.7	4.4	4.4
11	Exposures associated with particularly high risk	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	Covered bonds	0.0	767.0	47.8	0.0	0.0	0.0	0.0	0.0	814.8	159.3
13	Institutions and corporates with a short-term credit assessment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14	Unit or shares in collective investment undertakings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15	Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16	Other items	0.9	0.0	64.2	0.0	0.0	0.0	66.4	0.0	131.5	131.5
17	TOTAL	1,261.9	767.0	267.8	705.8	61.4	110.8	90.3	0.7	3,265.7	1,406.2

Template EU CR5 does not provide columns b, c, h, and l-o, as there is no reporting.

3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)

Institutions shall disclose the information referred to of points (a) to (f) of Article 452 of Regulation (EU) 575/20131 ("CRR") by following the instructions provided below in this Annex to complete table EU CRE which is presented in Annex XXI to this Implementing Regulation.

(a) Article 452 (a) CRR

The competent authority's permission of the approach or approved transition

The Financial Supervisory Authority in Finland has granted Aktia Bank Group permission to apply the internal ratings-based (IRB) approach to retail, equity and certain corporate exposures. The Foundation IRB approach is used for corporate exposures. The IRB approach represents 64% of the Bank Group's credit risk exposure. The remaining credit exposures are calculated using the standardised approach (SA). For counterparty credit risk in the OTC derivatives, the mark-to market method is applied to calculate the exposure value. The capital requirement for the credit valuation adjustment risk is calculated using the standardised method. The basic indicator approach was used for operational risks.

(b) CRR 452(c) The control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on:
(i) the relationship between the risk management function and the internal audit function;
(ii) the rating system review;
(iii) procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models;
(iv) the procedure to ensure the accountability of the functions in charge of developing and reviewing the models

The control mechanisms in the bank consist of monitoring and validation of the models. Quarterly monitoring is performed by the credit risk control unit with results reported to the ALCO and the management unit.

Validation is done within the credit risk control unit, with the responsibility of validation separate from modelling. Taking into the consideration Aktia's scale of operations and according to the proportionality principle, Aktia does not have a separated validation function, but has separate staff responsible for validation. Validation is performed yearly, with results reported to ALCO and the management unit.

Internal Audit performs independent reviews on the credit risk control unit on a yearly basis.

(c) Article 452 (d) CRR

The role of the functions involved in the development, approval and subsequent changes of the credit risk models

The Credit Risk Control Unit (CRCU) is responsible for development, changing the models and the approval process of changes/new models with FIN-FSA. CRCU is an independent unit from the functions responsible for the origination of loans, with responsibilities according to CRR article 190.2.

(d) Article 452 (e) CRR

The scope and main content of the reporting related to credit risk models

Internal reporting of credit risk models is done by all lines of defence. Supervisory reporting is done according to regulation or specific requests.

The first line of defence reports the current and historical level of risk in the bank according to the IRB-models, to the sales organisation and senior management.

The second line of the defence risk report includes more detailed data on the PD-, LGD- and EL-levels. Monitoring results are reported quarterly to senior management and the management unit. Validation reports are reported yearly, including a presentation to senior management and the management unit.

The third line of defence reports their findings concerning the credit risk models and the status concerning them.

(e) Article 452 (f) CRR

A description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering:
(i) the definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods;
(ii) where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure;
(iii) where applicable, the definitions, methods and data for estimation and validation of credit conversion factors, including assumptions employed in the derivation of those variables.

Aktia uses IRB -models for retail and corporate exposures. A counterparty PD -model is used for corporate exposures and for retail exposures, two models are used depending on the counterparty (household or small business). The scoring will differ based on the counterparty history available (application or behavioural models) and the product used.

For retail models, the main differences are related to how data is used. Internal data are used for the counterparties with behavioural history, and application data are used for new customers. The PD's in different models have been developed by multivariate regression analysis using application and transaction data. Expert judgement is used in combination with qualitative analysis for low default portfolios.

The main driver of differences between PD and DR in the last years has been the implementation of a new default definition, and thereby moving from an exposure level default to a customer level default. An increased level of unlikeliness-to-pay have increased DR levels in the bank in 2022. No regulatory floors have been implemented, but regulative add-ons are implemented which affects the RWA.

On the corporate side, one rating model combining a quantitative and qualitative approach is used using the same data of the counterparties.

Aktia uses internal LGD-estimates for their retail portfolio, consisting of one model covering the portfolio. The model uses information on e.g. collaterals used and internal expenses, calculated by regression to estimate the correct LGD. The time lapse between default and closure in modelling is 5 years. For low default portfolios, which are outside the retail exposures, FIRB or standardised approach is used.

Validation of LGD and PD is performed by separate staff than the ones responsible over the models. Validation consists of quantitative and qualitative tests, with most of the focus in the last year performance of the model.

3.5.6 IRB approach – Credit risk exposures by exposure class and PD range (EU CR6)

EUR million 31 Dec 2022	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
A-IRB	a	b	c	d	e	f	g	h	i	j	k	l	m
Retail – Secured by immovable property SME													
	0.00 to <0.15	62.1	0.2	100.00 %	62.3	0.05 %	861	8.92 %		0.6	0.97 %	0.0	0,0
	0.00 to <0.10	62.1	0.2	100.00 %	62.3	0.05 %	861	8.92 %		0.6	0.97 %	0.0	0,0
	0.10 to <0.15	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0,0
	0.15 to <0.25	17.1	0.4	100.00 %	17.5	0.21 %	228	9.47 %		0.6	3.23 %	0.0	0,0
	0.25 to <0.50	11.4	0.3	100.00 %	11.7	0.48 %	174	9.54 %		0.7	5.85 %	0.0	0,0
	0.50 to <0.75	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0,0
	0.75 to <2.50	9.4	0.0	0.00 %	9.4	1.60 %	151	9.83 %		1.3	13.48 %	0.0	0,0
	0.75 to <1.75	9.4	0.0	0.00 %	9.4	1.60 %	151	9.83 %		1.3	13.48 %	0.0	0,0
	1.75 to <2.5	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0,0
	2.50 to <10.00	1.7	0.0	0.00 %	1.7	6.21 %	26	10.09 %		0.5	29.94 %	0.0	0,0
	2.5 to <5	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0,0
	5 to <10	1.7	0.0	0.00 %	1.7	6.21 %	26	10.09 %		0.5	29.94 %	0.0	0,0
	10.00 to <100.00	1.8	0.0	0.00 %	1.8	17.18 %	63	9.40 %		0.7	36.72 %	0.0	0,0
	10 to <20	1.4	0.0	0.00 %	1.4	11.15 %	28	9.54 %		0.5	36.28 %	0.0	0,0
	20 to <30	0.1	0.0	0.00 %	0.1	23.38 %	15	9.19 %		0.0	42.82 %	0.0	0,0
	30.00 to <100.00	0.3	0.0	0.00 %	0.3	47.76 %	20	8.72 %		0.1	36.47 %	0.0	0,0
	100.00 (Default)	2.9	0.0	0.00 %	2.9	100.00 %	63	38.85 %		5.8	200.16 %	0.7	-0,4
Subtotal (exposure class)		106.4	0.9	100.00 %	107.3	3.33 %	1,566	9.99 %		10.1	9.38 %	0.7	-0.4

Table continues

EUR million 31 Dec 2022	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
A-IRB	**a**	**b**	**c**	**d**	**e**	**f**	**g**	**h**	**i**	**j**	**k**	**l**	**m**
Retail - Secured by immovable property non-SME													
	0.00 to <0.15	2,973.2	29.0	100.00 %	3,002.2	0.04 %	22,638	11.59 %		38.6	1.29 %	0.1	-0.3
	0.00 to <0.10	2,973.2	29.0	100.00 %	3,002.2	0.04 %	22,638	11.59 %		38.6	1.29 %	0.1	-0.3
	0.10 to <0.15	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	0.15 to <0.25	933.0	4.1	100.00 %	937.1	0.16 %	7,999	12.01 %		40.9	4.36 %	0.2	-0.3
	0.25 to <0.50	298.4	0.5	100.00 %	298.9	0.44 %	2,397	12.94 %		29.4	9.85 %	0.2	-0.2
	0.50 to <0.75	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	0.75 to <2.50	245.6	0.8	100.00 %	246.4	1.05 %	2,006	13.26 %		44.8	18.19 %	0.3	-0.2
	0.75 to <1.75	245.6	0.8	100.00 %	246.4	1.05 %	2,002	13.26 %		44.8	18.19 %	0.3	-0.2
	1.75 to <2.5	0.0	0.0	0.00 %	0.0	0.00 %	4	0.00 %		0.0	0.00 %	0.0	0.0
	2.50 to <10.00	209.3	1.1	100.00 %	210.4	3.60 %	1,761	12.53 %		75.1	35.71 %	0.9	-1.2
	2.5 to <5	139.0	1.1	100.00 %	140.1	2.66 %	1,153	12.70 %		43.7	31.22 %	0.5	-0.3
	5 to <10	70.3	0.1	100.00 %	70.4	5.49 %	608	12.19 %		31.4	44.63 %	0.5	-0.9
	10.00 to <100.00	67.6	0.0	0.00 %	67.6	16.97 %	748	12.82 %		47.4	70.05 %	1.5	-2.9
	10 to <20	46.4	0.0	0.00 %	46.4	11.57 %	390	12.39 %		29.3	63.10 %	0.7	-1.7
	20 to <30	21.2	0.0	0.00 %	21.2	28.74 %	194	13.77 %		18.1	85.27 %	0.8	-1.2
	30.00 to <100.00	0.0	0.0	0.00 %	0.0	99.00 %	164	14.50 %		0.0	1.91 %	0.0	0.0
	100.00 (Default)	95.5	0.0	0.00 %	95.5	100.00 %	893	45.26 %		244.3	255.86 %	23.7	-7.3
Subtotal (exposure class)		4,822.5	35.6	100.00 %	4,858.1	2.49 %	38,442	12.56 %		520.6	10.72 %	26.9	-12.3

Table continues

EUR million 31 Dec 2022	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
A-IRB	**a**	**b**	**c**	**d**	**e**	**f**	**g**	**h**	**i**	**j**	**k**	**l**	**m**
Retail - Other SME													
	0.00 to <0.15	1.8	0.0	0.00 %	1.8	0.05 %	15	15.60 %		0.0	1.80 %	0.0	0.0
	0.00 to <0.10	1.8	0.0	0.00 %	1.8	0.05 %	15	15.60 %		0.0	1.80 %	0.0	0.0
	0.10 to <0.15	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	0.15 to <0.25	2.9	0.1	100.00 %	3.0	0.21 %	36	20.43 %		0.2	7.02 %	0.0	0.0
	0.25 to <0.50	2.0	0.0	0.00 %	2.0	0.48 %	37	27.18 %		0.3	15.44 %	0.0	0.0
	0.50 to <0.75	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	0.75 to <2.50	5.9	0.1	100.00 %	6.1	1.60 %	103	25.31 %		1.5	24.73 %	0.0	0.0
	0.75 to <1.75	5.9	0.1	100.00 %	6.1	1.60 %	103	25.31 %		1.5	24.73 %	0.0	0.0
	1.75 to <2.5	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	2.50 to <10.00	0.3	0.0	0.00 %	0.3	6.23 %	8	25.72 %		0.1	31.42 %	0.0	0.0
	2.5 to <5	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	5 to <10	0.3	0.0	0.00 %	0.3	6.23 %	8	25.72 %		0.1	31.42 %	0.0	0.0
	10.00 to <100.00	1.3	0.0	100.00 %	1.3	17.71 %	44	24.38 %		0.5	39.97 %	0.1	-0.1
	10 to <20	0.8	0.0	0.00 %	0.8	11.95 %	19	24.26 %		0.3	35.38 %	0.0	0.0
	20 to <30	0.4	0.0	100.00 %	0.4	23.36 %	11	23.63 %		0.2	45.17 %	0.0	0.0
	30.00 to <100.00	0.1	0.0	0.00 %	0.1	48.27 %	14	29.05 %		0.1	61.03 %	0.0	0.0
	100.00 (Default)	2.2	0.0	0.00 %	2.2	100.00 %	145	71.87 %		4.8	217.57 %	1.2	-1.6
Subtotal (exposure class)		16.5	0.2	100.00 %	16.7	15.33 %	388	29.66 %		7.4	44.63 %	1.3	-1.7

Table continues

EUR million 31 Dec 2022	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
A-IRB	a	b	c	d	e	f	g	h	i	j	k	l	m
Retail - Other non-SME													
	0.00 to <0.15	76.4	4.6	34.00 %	77.9	0.04 %	3,731	9.27 %		0.9	1.13 %	0.0	0.0
	0.00 to <0.10	76.4	4.6	34.00 %	77.9	0.04 %	3,731	9.27 %		0.9	1.13 %	0.0	0.0
	0.10 to <0.15	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	0.15 to <0.25	41.2	1.0	80.00 %	41.9	0.16 %	2,123	8.94 %		1.4	3.32 %	0.0	0.0
	0.25 to <0.50	50.8	1.8	100.00 %	52.7	0.44 %	2,082	5.96 %		2.2	4.25 %	0.0	0.0
	0.50 to <0.75	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	0.75 to <2.50	29.0	1.1	88.00 %	30.0	1.05 %	2,640	6.91 %		2.3	7.61 %	0.0	0.0
	0.75 to <1.75	29.0	1.1	88.00 %	30.0	1.05 %	2,640	6.91 %		2.3	7.61 %	0.0	0.0
	1.75 to <2.5	0.0	0.0	0.00 %	0.0	0.00 %	0	0.00 %		0.0	0.00 %	0.0	0.0
	2.50 to <10.00	14.9	0.2	100.00 %	15.0	3.71 %	1,213	8.49 %		1.9	12.71 %	0.0	0.0
	2.5 to <5	9.3	0.1	100.00 %	9.4	2.66 %	727	8.67 %		1.2	12.58 %	0.0	0.0
	5 to <10	5.5	0.0	100.00 %	5.6	5.49 %	486	8.19 %		0.7	12.93 %	0.0	0.0
	10.00 to <100.00	4.1	0.0	100.00 %	4.1	19.39 %	3,475	9.95 %		0.8	20.40 %	0.1	-0.1
	10 to <20	2.8	0.0	100.00 %	2.8	11.57 %	246	9.12 %		0.5	17.08 %	0.0	-0.1
	20 to <30	1.2	0.0	100.00 %	1.2	28.74 %	146	11.39 %		0.4	30.52 %	0.0	-0.1
	30.00 to <100.00	0.1	0.0	0.00 %	0.1	99.00 %	3,083	14.50 %		0.0	1.57 %	0.0	0.0
	100.00 (Default)	13.8	0.0	100.00 %	13.8	100.00 %	725	68.03 %		36.1	262.02 %	6.5	-9.0
Subtotal (exposure class)		230.1	8.7	100.00 %	235.4	6.56 %	15,989	11.58 %		45.7	19.39 %	6.7	-9.2
Total (all exposures classes)		**5,175.5**	**45.3**	**1.0**	**5,217.5**		**40,396.0**			**583.7**		**35.6**	**-23.7**

Table continues

EUR million 31 Dec 2022	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
F-IRB	**a**	**b**	**c**	**d**	**e**	**f**	**g**	**h**	**i**	**j**	**k**	**l**	**m**
Corporates - SME													
	0.00 to <0.15	30.2	0.8	69 %	30.8	0.09 %	28	34.34 %	2.5	5.0	16.09 %	0.0	0.0
	0.00 to <0.10	4.2	0.8	69 %	4.7	0.04 %	26	30.74 %	2.5	0.4	7.82 %	0.0	0.0
	0.10 to <0.15	26.0	0.0	0 %	26.0	0.10 %	2	35.00 %	2.5	4.6	17.60 %	0.0	0.0
	0.15 to <0.25	23.4	1.3	74 %	24.4	0.16 %	39	36.41 %	2.5	5.1	20.93 %	0.0	0.0
	0.25 to <0.50	298.3	7.5	75 %	304.0	0.30 %	39	35.72 %	2.5	95.3	31.35 %	0.3	-0.1
	0.50 to <0.75	103.6	27.5	75 %	124.3	0.70 %	41	34.27 %	2.5	52.5	42.21 %	0.3	-0.1
	0.75 to <2.50	196.8	18.0	76 %	210.6	1.50 %	97	37.16 %	2.5	124.8	59.28 %	1.2	-0.3
	0.75 to <1.75	196.8	18.0	76 %	210.6	1.50 %	95	37.16 %	2.5	124.8	59.28 %	1.2	-0.3
	1.75 to <2.5	0.0	0.0	0 %	0.0	0.00 %	2	0.00 %	2.5	0.0	0.00 %	0.0	0.0
	2.50 to <10.00	205.3	43.7	73 %	237.3	3.79 %	220	39.25 %	2.5	181.8	76.60 %	3.5	-1.3
	2.5 to <5	151.3	32.3	74 %	175.2	3.00 %	119	39.59 %	2.5	130.2	74.29 %	2.1	-0.7
	5 to <10	54.0	11.5	70 %	62.1	6.00 %	101	38.29 %	2.5	51.6	83.10 %	1.4	-0.5
	10.00 to <100.00	39.0	6.7	85 %	44.8	17.52 %	72	38.65 %	2.5	54.6	121.66 %	3.0	-1.8
	10 to <20	26.2	4.0	79 %	29.4	12.00 %	45	38.97 %	2.5	33.7	114.71 %	1.4	-0.8
	20 to <30	10.4	2.5	95 %	12.8	24.00 %	12	38.31 %	2.5	17.6	136.86 %	1.2	-0.7
	30.00 to <100.00	2.4	0.2	101 %	2.6	47.99 %	15	36.73 %	2.5	3.2	125.17 %	0.5	-0.2
	100.00 (Default)	24.1	1.7	86 %	25.4	100.00 %	25	39.97 %	2.5	0.0	0.00 %	9.3	-6.2
Subtotal (exposure class)		920.9	107.3	75.00 %	1,001.6	4.27 %	561	36.89 %	2.5	519.0	51.82 %	17.6	-9.8

Table continues

EUR million 31 Dec 2022	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
F-IRB	a	b	c	d	e	f	g	h	i	j	k	l	m
Corporates - Other													
	0.00 to <0.15	17.9	0.2	75.00 %	18.1	0.10 %	6	42.81 %	2.5	5.4	29.66 %	0.0	0.0
	0.00 to <0.10	0.4	0.2	75.00 %	0.5	0.05 %	4	35.00 %	2.5	0.1	15.81 %	0.0	0.0
	0.10 to <0.15	17.6	0.0	0.00 %	17.6	0.10 %	2	43.04 %	2.5	5.3	30.06 %	0.0	0.0
	0.15 to <0.25	22.0	1.2	64.00 %	22.8	0.16 %	43	36.62 %	2.5	7.6	33.50 %	0.0	0.0
	0.25 to <0.50	352.5	34.6	75.00 %	378.4	0.30 %	28	37.51 %	2.5	178.2	47.09 %	0.4	-0.1
	0.50 to <0.75	139.9	46.6	76.00 %	175.4	0.70 %	29	27.06 %	2.5	90.0	51.32 %	0.3	-0.1
	0.75 to <2.50	91.9	76.6	75.00 %	149.3	1.52 %	58	36.38 %	2.5	135.6	90.84 %	0.8	-0.2
	0.75 to <1.75	87.0	76.6	75.00 %	144.4	1.50 %	57	36.09 %	2.5	129.7	89.80 %	0.8	-0.2
	1.75 to <2.5	4.9	0.0	0.00 %	4.9	2.00 %	1	45.00 %	2.5	5.9	121.75 %	0.0	0.0
	2.50 to <10.00	34.3	9.5	71.00 %	41.1	4.06 %	54	37.72 %	2.5	51.4	124.88 %	0.6	-0.3
	2.5 to <5	23.5	3.9	80.00 %	26.7	3.00 %	26	35.63 %	2.5	28.7	107.78 %	0.3	-0.1
	5 to <10	10.8	5.6	65.00 %	14.5	6.00 %	28	41.59 %	2.5	22.6	156.37 %	0.4	-0.2
	10.00 to <100.00	12.4	8.2	52.00 %	16.6	11.89 %	14	38.97 %	2.5	31.2	188.05 %	0.8	-0.5
	10 to <20	12.4	7.9	51.00 %	16.4	11.75 %	11	38.90 %	2.5	30.8	187.23 %	0.7	-0.5
	20 to <30	0.0	0.3	75.00 %	0.2	24.00 %	1	45.00 %	2.5	0.5	260.20 %	0.0	0.0
	30.00 to <100.00	0.0	0.0	0.00 %	0.0	0.00 %	2	0.00 %	2.5	0.0	0.00 %	0.0	0.0
	100.00 (Default)	1.4	0.0	0.00 %	1.4	100.00 %	2	45.00 %	2.5	0.0	0.00 %	0.6	-1.3
Subtotal (exposure class)		672.3	177.0	74.00 %	803.1	1.18 %	234	35.17 %	2.5	499.4	62.18 %	3.6	-2.5
Total (all exposures classes)		**1,593.1**	**284.4**		**1,804.7**					**1,018.4**		**21.2**	**-12.3**

Obligor-level PD is used. The PD-range for AIRB models have changed due to new models taken into production in Q4 2022. CR6 report is presented without possible IRB-supervisory add-ons.

3.5.7 Effect on the RWEAs of credit derivatives used as CRM techniques (EU CR7)

EUR million 31 Dec 2022		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
		a	b
1	Exposures under F-IRB	1,018.4	1,018.4
2	Central governments and central banks	0.0	0.0
3	Institutions	0.0	0.0
4	Corporates	1,018.4	1,018.4
4,1	of which Corporates - SMEs	519.0	519.0
4,2	of which Corporates - Specialised lending	0.0	0.0
5	Exposures under A-IRB	583.7	583.7
6	Central governments and central banks	0.0	0.0
7	Institutions	0.0	0.0
8	Corporates	0.0	0.0
8,1	of which Corporates - SMEs	0.0	0.0
8,2	of which Corporates - Specialised lending	0.0	0.0
9	Retail	583.7	583.7
9,1	of which Retail – SMEs - Secured by immovable property collateral	10.1	10.1
9,2	of which Retail – non-SMEs - Secured by immovable property collateral	520.6	520.6
9,3	of which Retail – Qualifying revolving	0.0	0.0
9,4	of which Retail – SMEs - Other	7.4	7.4
9,5	of which Retail – Non-SMEs- Other	45.7	45.7
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**1,602.1**	**1,602.1**

Credit derivates does not impact the calculation of RWEA for AIRB or FIRB exposures. CR7 table is presented without possible IRB-supervisory add-ons.

3.5.8 IRB approach – Disclosure of the extent of the use of CRM techniques (EU CR7-A)

EUR million			Credit risk Mitigation techniques						Credit risk Mitigation	
31 Dec 2022			Funded credit Protection (FCP)					Unfunded credit		
		Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Guarantees (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
A-IRB		a	b	c	d	g	i	k	m	n
1	Central governments and central banks	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
2	Institutions	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
3	Corporates	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
3,1	Of which Corporates – SMEs	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
3,2	Of which Corporates – Specialised lending	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
3,3	Of which Corporates – Other	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
4	Retail	5,217.5	2.30 %	186.91 %	186.91 %	1.53 %	1.53 %	4.62 %	583.7	583.7
4,1	Of which Retail – Immovable property SMEs	107.3	1.91 %	451.34 %	451.34 %	0.17 %	0.17 %	2.25 %	10.1	10.1
4,2	Of which Retail – Immovable property non-SMEs	4 858.1	0.93 %	190.77 %	190.77 %	1.57 %	0.00 %	1.76 %	520.6	520.6
4,3	Of which Retail – Qualifying revolving	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
4,4	Of which Retail – Other SMEs	16.7	40.32 %	0.00 %	0.00 %	17.98 %	0.00 %	35.96 %	7.4	7.4
4,5	Of which Retail – Other non-SMEs	235.4	28.18 %	0.00 %	0.00 %	0.19 %	0.19 %	62.54 %	45.7	45.7
5	**Total**	**5,217.5**	**2.30 %**	**186.91 %**	**186.91 %**	**1.53 %**	**1.53 %**	**4.62 %**	**583.7**	**583.7**

			Credit risk Mitigation techniques						Credit risk Mitigation	
			Funded credit Protection (FCP)					Unfunded credit		
		Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Guarantees (%)	"RWEA without substitution effects (reduction effects only)"	"RWEA with substitution effects (both reduction and sustitution effects)"
F-IRB		a	b	c	d	g	i	k	m	n
1	Central governments and central banks	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
2	Institutions	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
3	Corporates	1,804.7	4.86 %	69.16 %	69.16 %	0.00 %	0.00 %	4.73 %	1,128.0	1,018.4
3,1	Of which Corporates – SMEs	1,001.6	2.50 %	70.74 %	70.74 %	0.00 %	0.00 %	6.46 %	599.0	519.0
3,2	Of which Corporates – Specialised lending	0.0	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.0	0.0
3,3	Of which Corporates – Other	803.1	7.79 %	67.19 %	67.19 %	0.00 %	0.00 %	2.57 %	529.0	499.4
4	**Total**	**1,804.7**	**4.86 %**	**69.16 %**	**69.16 %**	**0.00 %**	**0.00 %**	**4.73 %**	**1,128.0**	**1,018.4**

Template EU CR7-A does not provide columns e-f, h, j and l, as there is no reporting.

The importance of adequate collaterals is shown as over-collateralisation by immovable property in the A-IRB retail exposure class.

3.5.9 RWEA flow statements of credit risk exposures under the IRB approach (EU CR8)

EUR million 31 Dec 2022		Risk weighted exposure amount
		a
1	Risk weighted exposure amount as at the end of the previous reporting period	1,959.3
2	Asset size (+/-)	162.0
3	Asset quality (+/-)	8.5
4	Model updates (+/-)	-103.4
5	Methodology and policy (+/-)	0.0
6	Acquisitions and disposals (+/-)	0.0
7	Foreign exchange movements (+/-)	0.0
8	Other (+/-)	-2.2
9	**Risk weighted exposure amount as at the end of the reporting period**	**2,024.1**

The bank has updated it's IRB-models in 2022, with a minor effect on the risk weighted exposure amount. CR8 table shows the risk weight effect including IRB specific add-ons.

3.5.10 IRB approach – Back-testing of PD per exposure class (fixed PD scale) (EU CR9)

EUR million 31 Dec 2022		Number of obligors at the end of the previous year					
A-IRB	PD range		of which: number of obligors which defaulted during the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail - Secured by immovable property SME							
a	b	c	d	e	f	g	h
	0.00 to <0.15	51	0	0.00 %	0.05 %	0.11 %	0.00 %
	0.00 to <0.10	19	0	0.00 %	0.05 %	0.08 %	0.00 %
	0.10 to <0.15	32	0	0.00 %	0.00 %	0.12 %	0.00 %
	0.15 to <0.25	58	0	0.00 %	0.21 %	0.20 %	0.00 %
	0.25 to <0.50	164	0	0.00 %	0.48 %	0.40 %	0.00 %
	0.50 to <0.75	292	0	0.00 %	0.00 %	0.63 %	0.06 %
	0.75 to <2.50	1,638	2	0.12 %	1.60 %	1.42 %	0.20 %
	0.75 to <1.75	1,198	1	0.08 %	1.60 %	1.18 %	0.17 %
	1.75 to <2.5	440	1	0.23 %	0.00 %	2.08 %	0.26 %
	2.50 to <10.00	728	8	1.10 %	6.21 %	4.55 %	0.95 %
	2.5 to <5	471	1	0.21 %	0.00 %	3.43 %	0.51 %
	5 to <10	257	7	2.72 %	6.21 %	6.61 %	1.79 %
	10.00 to <100.00	157	13	8.28 %	17.18 %	20.73 %	8.49 %
	10 to <20	100	5	5.00 %	11.15 %	13.89 %	3.67 %
	20 to <30	30	0	0.00 %	23.38 %	24.70 %	7.86 %
	30.00 to <100.00	27	8	29.63 %	47.76 %	41.67 %	19.26 %
	100.00 (Default)	85	85	100.00 %	100.00 %	100.00 %	100.00 %

Table continues

EUR million 31 Dec 2022		Number of obligors at the end of the previous year					
Retail - Secured by immovable property non-SME	PD range		of which: number of obligors which defaulted during the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
a	b	c	d	e	f	g	h
	0.00 to <0.15	36,753	57	0.16 %	0.04 %	0.08 %	0.07 %
	0.00 to <0.10	26,870	35	0.13 %	0.04 %	0.07 %	0.05 %
	0.10 to <0.15	9,883	22	0.22 %	0.00 %	0.12 %	0.16 %
	0.15 to <0.25	10,742	90	0.84 %	0.16 %	0.18 %	0.46 %
	0.25 to <0.50	8,074	91	1.13 %	0.44 %	0.35 %	0.62 %
	0.50 to <0.75	2,806	45	1.60 %	0.00 %	0.56 %	0.72 %
	0.75 to <2.50	6,934	124	1.79 %	1.05 %	1.35 %	1.40 %
	0.75 to <1.75	5,419	86	1.59 %	1.05 %	1.12 %	1.26 %
	1.75 to <2.5	1,515	38	2.51 %	0.00 %	2.16 %	1.83 %
	2.50 to <10.00	2,473	140	5.66 %	3.60 %	4.98 %	3.70 %
	2.5 to <5	1,487	52	3.50 %	2.66 %	3.41 %	2.18 %
	5 to <10	986	88	8.92 %	5.49 %	7.33 %	6.09 %
	10.00 to <100.00	1,211	254	20.97 %	16.97 %	33.59 %	19.93 %
	10 to <20	492	70	14.23 %	11.57 %	14.76 %	9.64 %
	20 to <30	198	27	13.64 %	28.74 %	24.30 %	14.28 %
	30.00 to <100.00	521	157	30.13 %	99.00 %	54.91 %	31.71 %
	100.00 (Default)	1,564	1,564	100.00 %	100.00 %	100.00 %	100.00 %

Table continues

EUR million 31 Dec 2022		Number of obligors at the end of the previous year					
Retail - Other SME	PD range		of which: number of obligors which defaulted during the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
a	b	c	d	e	f	g	h
	0.00 to <0.15	19	0	0.00 %	0.05 %	0.11 %	0.00 %
	0.00 to <0.10	5	0	0.00 %	0.05 %	0.07 %	0.00 %
	0.10 to <0.15	14	0	0.00 %	0.00 %	0.13 %	0.00 %
	0.15 to <0.25	18	0	0.00 %	0.21 %	0.20 %	0.00 %
	0.25 to <0.50	26	0	0.00 %	0.48 %	0.35 %	0.00 %
	0.50 to <0.75	133	0	0.00 %	0.00 %	0.55 %	0.00 %
	0.75 to <2.50	549	4	0.73 %	1.60 %	1.44 %	0.51 %
	0.75 to <1.75	389	2	0.51 %	1.60 %	1.21 %	0.22 %
	1.75 to <2.5	160	2	1.25 %	0.00 %	2.01 %	1.10 %
	2.50 to <10.00	228	13	5.70 %	6.23 %	4.79 %	3.37 %
	2.5 to <5	153	4	2.61 %	0.00 %	3.84 %	2.99 %
	5 to <10	75	9	12.00 %	6.23 %	6.71 %	4.08 %
	10.00 to <100.00	128	12	9.38 %	17.71 %	26.19 %	10.76 %
	10 to <20	39	2	5.13 %	11.95 %	13.21 %	7.73 %
	20 to <30	70	5	7.14 %	23.36 %	23.41 %	6.69 %
	30.00 to <100.00	19	5	26.32 %	48.27 %	63.05 %	36.67 %
	100.00 (Default)	90	90	100.00 %	100.00 %	100.00 %	100.00 %

Table continues

EUR million 31 Dec 2022		Number of obligors at the end of the previous year					
Retail - Other non-SME	PD range		of which: number of obligors which defaulted during the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
a	b	c	d	e	f	g	h
	0.00 to <0.15	1,625	4	0.25 %	0.04 %	0.08 %	0.10 %
	0.00 to <0.10	1,113	0	0.00 %	0.04 %	0.06 %	0.03 %
	0.10 to <0.15	512	4	0.78 %	0.00 %	0.12 %	0.38 %
	0.15 to <0.25	536	3	0.56 %	0.16 %	0.20 %	0.30 %
	0.25 to <0.50	478	2	0.42 %	0.44 %	0.38 %	0.39 %
	0.50 to <0.75	2,793	1	0.04 %	0.00 %	0.62 %	0.08 %
	0.75 to <2.50	9,285	59	0.64 %	1.05 %	1.38 %	0.68 %
	0.75 to <1.75	6,618	26	0.39 %	1.05 %	1.12 %	0.46 %
	1.75 to <2.5	2,667	33	1.24 %	0.00 %	2.01 %	1.17 %
	2.50 to <10.00	1,479	37	2.50 %	3.71 %	4.89 %	2.76 %
	2.5 to <5	813	16	1.97 %	2.66 %	3.48 %	1.70 %
	5 to <10	666	21	3.15 %	5.49 %	6.61 %	4.27 %
	10.00 to <100.00	1,009	99	9.81 %	19.39 %	39.18 %	12.68 %
	10 to <20	473	29	6.13 %	11.57 %	14.13 %	5.44 %
	20 to <30	125	10	8.00 %	28.74 %	25.50 %	8.62 %
	30.00 to <100.00	411	60	14.60 %	99.00 %	72.16 %	25.92 %
	100.00 (Default)	711	711	100.00 %	100.00 %	100.00 %	100.00 %

Table continues

EUR million 31 Dec 2022		Number of obligors at the end of the previous year					
F-IRB	**PD range**		**of which: number of obligors which defaulted during the year**	**Observed average default rate (%)**	**Exposures weighted average PD (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
Corporates - SME							
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
	0.00 to <0.15	1	0	0.00 %	0.09 %	0.10 %	0.00 %
	0.00 to <0.10	0	0	0.00 %	0.04 %	0.00 %	0.00 %
	0.10 to <0.15	1	0	0.00 %	0.10 %	0.10 %	0.00 %
	0.15 to <0.25	43	0	0.00 %	0.16 %	0.15 %	0.00 %
	0.25 to <0.50	37	0	0.00 %	0.30 %	0.30 %	0.00 %
	0.50 to <0.75	42	0	0.00 %	0.70 %	0.70 %	0.82 %
	0.75 to <2.50	190	2	1.05 %	1.50 %	1.61 %	0.38 %
	0.75 to <1.75	149	0	0.00 %	1.50 %	1.50 %	0.00 %
	1.75 to <2.5	41	2	4.88 %	0.00 %	2.00 %	1.90 %
	2.50 to <10.00	942	28	2.97 %	3.79 %	4.36 %	1.21 %
	2.5 to <5	514	1	0.19 %	3.00 %	3.00 %	0.08 %
	5 to <10	428	27	6.31 %	6.00 %	6.00 %	2.64 %
	10.00 to <100.00	254	17	6.69 %	17.52 %	20.08 %	5.57 %
	10 to <20	149	4	2.68 %	12.00 %	12.00 %	2.84 %
	20 to <30	72	11	15.28 %	24.00 %	24.00 %	8.19 %
	30.00 to <100.00	33	2	6.06 %	47.99 %	48.00 %	10.64 %
	100.00 (Default)	28	28	100.00 %	100.00 %	100.00 %	100.00 %

Table continues

EUR million 31 Dec 2022		Number of obligors at the end of the previous year					
Corporates - Other	**PD range**		**of which: number of obligors which defaulted during the year**	**Observed average default rate (%)**	**Exposures weighted average PD (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
a	**b**	**c**	**d**	**e**	**f**	**g**	**h**
	0.00 to <0.15	6	0	0.00 %	0.10 %	0.10 %	0.00 %
	0.00 to <0.10	0	0	0.00 %	0.05 %	0.00 %	0.00 %
	0.10 to <0.15	6	0	0.00 %	0.10 %	0.10 %	0.00 %
	0.15 to <0.25	0	0	0.00 %	0.16 %	0.00 %	0.00 %
	0.25 to <0.50	14	0	0.00 %	0.30 %	0.30 %	0.00 %
	0.50 to <0.75	387	0	0.00 %	0.70 %	0.70 %	0.00 %
	0.75 to <2.50	72	0	0.00 %	1.52 %	1.73 %	0.52 %
	0.75 to <1.75	39	0	0.00 %	1.50 %	1.50 %	0.00 %
	1.75 to <2.5	33	0	0.00 %	2.00 %	2.00 %	1.12 %
	2.50 to <10.00	84	0	0.00 %	4.06 %	3.89 %	0.00 %
	2.5 to <5	59	0	0.00 %	3.00 %	3.00 %	0.00 %
	5 to <10	25	0	0.00 %	6.00 %	6.00 %	0.00 %
	10.00 to <100.00	41	0	0.00 %	11.89 %	12.29 %	0.00 %
	10 to <20	40	0	0.00 %	11.75 %	12.00 %	0.00 %
	20 to <30	1	0	0.00 %	24.00 %	24.00 %	0.00 %
	30.00 to <100.00	0	0	0.00 %	0.00 %	0.00 %	0.00 %
	100.00 (Default)	8	8	100.00 %	100.00 %	100.00 %	100.00 %

The PDs for IRB exposure classes are mostly conservative. Exposure class Retail - secure by immovable property' and 'Retail – other non-SME' have PDs that are above observed average default rate because the effect of the new definition of default and change in calculation of default on the counterparty level instead of exposure level have not been calibrated into the PD models. Aktia has implemented a supervisory risk weight add-on because of the discrepancy. In the FIRB approach, Corporates - SME account for 51% and Corporates - Other for 49% of the total risk weighted exposure amount. In the AIRB approach, Retail - Secured by immovable property SME account for 2%, Retail - Secured by immovable property non-SME for 91%, Retail - Other SME for 1% and Retail - Other non-SME for 7% of the total risk weighted exposure amount. There are in total 4.2 thousand obligors that have exposures with short maturity (under 12 months). Of those obligors 0.1 thousand are included in the FIRB approach and 4.1 thousand are included in the AIRB approach.

3.6 Specialized lending and equity exposures in the banking book (Article 438 (e) CRR)

3.6.1 Template EU CR10 – Specialised lending and equity exposures under the simple riskweighted approach

EUR million 31 Dec 2022	Equity exposures under the simple risk-weighted approach					
Template EU CR10.5	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Categories	a	b	c	d	e	f
Private equity exposures	0.0	0.0	190.00 %	0.0	0.1	0.0
Exchange-traded equity exposures	0.0	0.0	290.00 %	0.0	0.0	0.0
Other equity exposures	5.3	0.0	370.00 %	5.3	19.7	0.1
Total	**5.4**	**0.0**		**5.4**	**19.8**	**0.1**

The Aktia Bank Group does not have specialized lending exposures and does not treat them under the slotting approach. Consequently, Aktia does not disclose templates EU CR10.1 Specialised lending: Project finance, EU CR10.2 Specialised lending: Income-producing real estate and high volatility commercial real estate, EU CR10.3 Specialised lending : Object finance and EU CR10.4 Specialised lending : Commodities finance.

3.7 Counterparty credit risk (CCR) (Article 439, Article 444 e) and Article 452 (g) CRR)

3.7.1 Qualitative disclosure related to CCR (EU CCRA)

(a) Article 439 (a) CRR
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

Aktia uses the SA-CCR method for calculating the counterparty credit risk arising from derivatives contracts.

(b) Article 439 (b) CRR
Description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves

Counterparty risk arises from the derivative operations. Counterparty risk in derivative contracts is the risk of a counterparty not fulfilling its contractual obligations to Aktia when a contract has a positive market value. To limit and reduce counterparty risks in derivative contracts, individual collateral arrangements are used, in accordance with ISDA/CSA (credit support annex) conditions. The ISDA/CSA agreement allows the use of close-out netting agreements, in which all positive and negative market values under an agreement can be netted at the counterparty level. Aktia has netting and collateral agreements in place with all counterparties that are credit institutions. Counterparty exposures are measured and followed-up daily.

(c) Article 439 (c) CRR
Description of policies with respect to Wrong-Way risk as defined in Article 291 of the CRR

Wrong-way risk occurs when the exposure to a counterparty is adversely correlated with the credit quality of that counterparty. There are two types of wrong-way risk. Specific wrong-way risk is caused by the specific characteristics of the counterparty or the transaction: for example, if the counterparty posts its own bonds – or bonds of closely linked entities – as collateral. General wrong-way risk arises where the credit quality of the counterparty may for non-specific reasons be held to be correlated with a macroeconomic factor which also affects the value of derivatives transactions. According to its own analysis, Aktia does not have any exposures containing general or specific wrong-way risk.

(d) Article 431 (3) and (4) CRR
Any other risk management objectives and relevant policies related to CCR

Not any other risk management objectives or related policies.

(e) Article 439 (d) CRR
The amount of collateral the institution would have to provide if its credit rating was downgraded

Aktia has no rating-based triggers in CSA agreements, and a credit rating downgrade would therefore not trigger a requirement for additional collateral.

3.7.2 Analysis of CCR exposure by approach (EU CCR1)

EUR million 31 Dec 2022		a	b	c	d	e	f	g	h
		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
1	SA-CCR (for derivatives)	18.7	11.7		1.4	24.2	42.5	42.5	11.1
6	Total					24.2	42.5	42.5	11.1

EUR million 31 Dec 2021		a	b	c	d	e	f	g	h
		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
1	SA-CCR (for derivatives)	16.0	16.9		1.4	81.8	46.1	46.1	12.2
6	Total					81.8	46.1	46.1	12.2

Aktia uses the standardised approach (SA-CCR) when calculating the counterparty credit risk amounts. Original Exposure Method, Simplified SA-CCR or Internal Model Method (IMM) are not used, thus rows EU1, EU2, 2, 2a-2c and 3-5 are not disclosed in the template EU CCR1.

CCP exposures are not included in this table.

3.7.3 Transactions subject to own funds requirements for CVA risk (EU CCR2)

EUR million 31 Dec 2022		a	b
		Exposure value	RWEA
1	Total transactions subject to the Advanced method	0.0	0.0
2	(i) VaR component (including the 3× multiplier)		0.0
3	(ii) stressed VaR component (including the 3× multiplier)		0.0
4	Transactions subject to the Standardised method	42.5	14.6
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	0.0	0.0
5	Total transactions subject to own funds requirements for CVA risk	42.5	14.6

The CVA risk capital charge is calculated using a standardised approach.

3.7.4 Standardised approach – CCR exposures by regulatory exposure class and risk weights (EU CCR3)

EUR million 31 Dec 2022	Risk weight

	Exposure classes	a	b	c	d	e	f	g	h	i	j	k	l
		0 %	2 %	4 %	10 %	20 %	50 %	70 %	75 %	100 %	150 %	Others	Total exposure value
1	Central governments or central banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	Regional government or local authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	Public sector entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	Multilateral development banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	International organisations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	Institutions	0.0	0.0	0.0	0.0	33.8	8.7	0.0	0.0	0.0	0.0	0.0	42.5
7	Corporates	0.0	10.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.6
8	Retail	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	Institutions and corporates with a short-term credit assessment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	Other items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	**Total exposure value**	**0.0**	**10.6**	**0.0**	**0.0**	**33.8**	**8.7**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**53.0**

EUR million 31 Dec 2021						Risk weight							
	Exposure classes	a	b	c	d	e	f	g	h	i	j	k	l
		0 %	2 %	4 %	10 %	20 %	50 %	70 %	75 %	100 %	150 %	Others	Total exposure value
1	Central governments or central banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	Regional government or local authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	Public sector entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	Multilateral development banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	International organisations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	Institutions	0.0	0.0	0.0	0.0	36.1	10.0	0.0	0.0	0.0	0.0	0.0	46.1
7	Corporates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	Retail	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	Institutions and corporates with a short-term credit assessment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	Other items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	**Total exposure value**	**0.0**	**0.0**	**0.0**	**0.0**	**36.1**	**10.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**46.1**

3.7.5 Composition of collateral for CCR exposures (EU CCR5)

EUR million 31 Dec 2022		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	0.0	1.3	0.0	100.7	0.0	0.0	0.0	0.0
2	Cash – other currencies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	Domestic sovereign debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	Other sovereign debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	Government agency debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	Corporate bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	Equity securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	Other collateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	**Total**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

EUR million 31 Dec 2021		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	0.0	34.3	0.0	11.6	0.0	0.0	0.0	0.0
2	Cash – other currencies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	Domestic sovereign debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4	Other sovereign debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	Government agency debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	Corporate bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	Equity securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	Other collateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	**Total**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

The composition of collateral is referred mainly to OTC derivative transactions, 2021 fully. 4.2 million euro of the posted collateral per 31 Dec 2022 refers to centrally-cleared derivatives.

3.7.6 Exposures to CCPs (EU CCR8)

EUR million 31 Dec 2022		a Exposure value	b RWEA
1	**Exposures to QCCPs (total)**		**0.2**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	10.6	0.2
2	(i) OTC derivatives	10.6	0.2
7	Segregated initial margin	3.3	

Rows 4-6 and 8-20 are not disclosed in the template EU CCR8, because there are not anything to report in these rows.

4 Market risk

4.1 Article 445 CRR - Market Risk Standardized Approach

4.1.1 Qualitative disclosure requirements related to market risk (EU MRA)

(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**

The market risk management operates under the three lines of defence framework. Aktia bank does not have a trading book. The Aktia bank's risk appetite and the limit system restrict the size of the exposure to market risks. Measurement methods, limits and strategy are prepared in the Executive Committee and the Board's Risk Committee and are thereafter established by the Board of Directors.

The market risk and hedging strategy are defined in the internal documents that defines limits, counterparties, regions, products and processes and internal rules. The general principles of Aktia bank's hedging activities are described in the documentation governing the group's risk policy.

Aktia banks structural market risk consists of credit spread risk, interest rate risk, equity risk and foreign currency risk components. The main market risk for the bank arises from the credit spread risk. Aktia limits its credit spread risk by allocation positions to relatively secure and low duration instruments. 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 starting point of the bank's interest rate risk management is matching the interest rate risk. The better the compatibility between assets (loans and liquidity portfolio) and liabilities (deposits and financial liabilities) is achieved in the planning phase of the interest rate linkage, the more effectively the interest rate risk can be managed. In addition, interest rate risk is managed and coordinated with interest rate derivative instruments. The market risks of derivatives transactions are generally very low, as derivatives are used only for hedging purposes and counterparty risk is limited by daily exchange of collateral in accordance with the ISDA/CSA agreement (collateral management).

The bank has effective processes for identifying, managing, and reporting market risks: The bank has working procedures for approving new products, and in addition, product descriptions are made for all products. Derivatives transactions has principles and limits that are approved annually. The interest rate risk is reported monthly, and the market values of the liquidity portfolio are reported daily. Interest hedging is done either on an instrument-by-instrument basis or at the portfolio level.

The Group's Asset and Liability Management Committee is responsible for the operational management of internal group investment assets within the given guidelines and limits. The Bank's ALM unit manages the market risk and the Bank's Treasury unit conducts transactions to manage the market risk based on the established strategy and limits.

Aktia Bank's foreign currency risk, which is managed by the bank's Treasury, is very limited. The foreign currency position is created from the cash flows of the payment, the foreign currency accounts of customers and foreign currency transactions made for customer service purposes within the Treasury. All foreign currency loan positions are fully hedged with currency and interest rate swaps at the time of issuance.

(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.

The Group's Risk Control unit, which continuously monitors market risks and their associated limits, is responsible for reporting on market risk factors to the Board and the Executive Committee.

Aktia's market risk is managed by the bank's ALM unit together with Treasury. Interest rate risk management considers changes in the balance sheet structure and how changes in the interest rate market affect the banking group's interest rate risk position. The bank's ALM unit regularly provides ALCO with an overview of the group's interest rate risk. ALCO makes a decision on hedging measures based on the proposal of the ALM unit and the Treasury and authorizes the Treasury to make the interest rate hedges.

(c) Point (c) of Article 435 (1) CRR
Scope and nature of risk reporting and measurement systems

Risk reporting to the management covers all markets risks (interest rate, credit spread, foreign exchange rate and equity risks) in a pre-defined format at least quarterly. Identification and measuring of the risk take place with suitable IT systems taking into account the measuring methods stated in the Group´s risk policy for market risk management. No trading activities are conducted by the Aktia Group. The Aktia Group's risk appetite and the limit system restricts the size of the exposure to market risks.

Measurement methods, limits and strategy are prepared in the Executive Committee and the Board's Risk Committee and are thereafter established by the Board of Directors. The Group's Asset and Liability Management Committee is responsible for the operational management of internal group investment assets within the given guidelines and limits. The Bank's Treasury unit conducts transactions to manage the structural interest rate risk based on the established strategy and limits. The Group's Risk Control unit, which continuously monitors market risks and their associated limits, is responsible for reporting on these risk factors to the Board and the Executive Committee.

The Group's Risk Control unit monitors credit ratings and the change of the market values of instruments in the liquidity portfolio.

The statistical Value at Risk- models measures the development of structural market risk and the risk control unit investigates the components that influence changes in risks levels at least quarterly. The Aktia Group's risk appetite and the limit system restricts the size of the exposure to market risks.

5 Operational risk

5.1 Disclosure of operational risk management (Article 446 (a) CRR)

5.1.1 Qualitative information on operational risk (EU ORA)

(a) Points (a), (b), (c) and(d) of Article 435(1) CRR

Disclosure of the risk management objectives and policies

Definition of operational risk
Aktia considers operational risks to include risks of losses arising from unclear or incomplete internal processes or instructions, deficient or unreliable systems, and inadequate or unreliable information, as well as operational risks caused by personnel – including through human error – or external events. Compliance and legal risks are also considered to be part of operational risks, as well as model risks related to calculation models and information security risks. Strategic risks are not part of operational risks.

The realisation of an operational risk could result in direct or indirect economic losses for Aktia, but it could also threaten the reputation of the Group.

Management of operational risks
Aktia uses a risk-based approach to managing operational risks. The framework for the management of operational risks in the Group is adopted annually by the Board of Directors. Where applicable, the framework follows the ISO 31000 standard. The CEO adopts other relevant internal rules related to managing operational risks.

The Board of Directors confirms the risk appetite for different operational risk categories annually. Aktia identifies risk appetite for operational risks separately for the following risk categories: information security; compliance risks; and other operational risks including process, personnel, IT & systems, external misuse and legal risks.

The responsibility for managing operational risks lies with the risk owners, i.e. the Executive Committee- level management of the different business areas and their respective organisations. Risk owners are accountable for the continuous development of the quality of processes and their embedded internal controls and identifying and mitigating risks.

The management of each business area is responsible for ensuring that processes and procedures are adapted to Aktia's strategy and the goals established by the Group's executive management, and that the internal instructions are sufficient.

The Operational Risk Control team (part of the Risk Control organisation in the second line of defence) is responsible for providing the operational risk framework, and analysing and reporting the Group's operational risks, as well as providing support for the risk owners in their risk management work.

Aktia has various methods, processes and procedures to manage operational risks:

- regular risk assessments
- reporting of incidents
- contingency and business continuity planning, including disaster recovery planning
- the new product approval process (NPAP)
- adequate internal rules
- regular employee training and education

Information security management and governance

The CEO annually approves a revised version of the information security policy owned by Operational Risk Control. The policy is based on ISO 27001, as well as all relevant regulatory requirements.

The Group has a chief information security officer (CISO) that is in the first line of defence but has a direct reporting line to the Group's CEO enabling the required independence. The CISO is responsible for implementing the IT security framework within Aktia Group. The CISO has a responsibility to implement the information security policy through information security guidelines. The CISO also supports the business in information security related issues as well as has the responsibility to maintain at high level of security awareness in the Group. A training programme for information security awareness exists for all personnel.

A process for information security incident management is in place, governed by the Operational Risk Control team. Information security risk assessment is part of the general risk assessment process.

Information security assessments for systems and IT infrastructure as well as for third parties are conducted regularly by the CISO organisation. The CISO organisation co-operates actively with the Operational Risk Control team to assess and manage the current group-level information security risks and further develop and improve Aktia Group's information security framework.

Risk appetite
The risk appetite for compliance risks is mainly low. Compliance risks are part of normal operations in the financial industry. Aktia strives to mitigate compliance risks as far as possible in accordance with its risk appetite without hindering sound business operations and without having a negative impact on Aktia's vision.

Aktia does not accept breaches of compliance with legislation, government regulations, industry/self-regulation, codes, internal rules, directives, policies based on external binding requirements and the Group's management and employees' customs/standards that affect Aktia as a company operating on the financial market. Aktia does not accept any unethical procedures.

Considering the nature, scope and complexity of the business and its risk appetite when implementing external regulation in its processes and procedures, Aktia can use simpler forms of governance, provided, however, that the simpler forms of governance do not have a negative impact on Aktia's vision. In the case of authority recommendations, Aktia can apply the "comply or explain" principle, provided that it does not have a negative impact on additional capital requirements and that the other ways in which Aktia takes the recommendation into account in its operations is documented. The risk appetite for compliance risks is normal in this respect.

The risk appetite for information security is in general normal. Retaining the services in the critical systems and taking care of information security is still important for Aktia's operations and there is no desire to compromise on their level of risk. If necessary, Aktia's operations initiate corrective measures to restore the risk level within the risk appetite.

The risk appetite for legal risks is low. Aktia must provide its customers with financial services that meet the requirements of the regulation and take into account the customer's interests. Aktia's customer agreements must meet the requirements of the regulation, and they must be handled objectively, taking into account the customer's interests. Within the framework of regulatory requirements, considerations can be made to keep the business flexible in the constantly changing financial sector.

For all other operational risk areas, the risk appetite is normal. In Aktia's view, this means that Aktia's operational processes and controls, as well as the systems, must support the maintenance of critical day-to-day operations and the achievement of Aktia's long-term strategic goals. The critical processes and systems must function efficiently and without interruption.

Concerning IT-related risks other than information security, the risk appetite is normal. It is important for Aktia's operations to maintain the services in the critical systems. There is no desire to compromise on the risk level of these services or security.

Aktia accepts short-term risk taking related to processes if it enables better functionality and efficiency in the long term. However, Aktia must respond quickly to any disruptions in the critical processes or systems and strive quickly to normalise the situation.

With regard to external abuse, Aktia has zero tolerance for any misuse of Aktia's services or products for criminal purposes. Aktia strives to intervene in all activities related to abuse using available methods, e.g. with monitoring, control measures and reporting, . Aktia co-operates with the authorities and other actors in the private sector to counteract the financing of terrorism, fraud, circumvention of sanctions and money laundering.

Aktia must have a leadership that supports operational efficiency and enables Aktia to achieve its strategic goals. Aktia's employees must have the skills required to provide the services offered by Aktia.

Methods, processes and procedures to manage operational risks

a. Risk assessments and risk management

According to the operational risk framework, the critical functions of the Group, including outsourced functions, are to be risk assessed at least annually by the risk owners and their organisation. Risk assessments are performed with the aid of a standard risk management tool and group-wide risk library, which can be complemented by function-specific risks. Identified risks are evaluated for their probability and potential impact, given an individual risk's risk level. The risk owner or the appropriate decision-making bodies in the organisation determine how these risks or risk areas are to be treated, and what mitigating actions should be taken within the risk appetite and risk tolerance of each risk area. The identified risks and implementation of the identified risk-mitigating actions are to be followed-up by the risk owner regularly, and the required actions are to be taken.

The Operational Risk Control facilitates an annual Group-level risk assessment with management. Based on this assessment and the function-level assessments, a Group-level summary for management and the Board of Directors is produced.

b. Incident management

Despite well-functioning internal controls, risk events (incidents) do occur. All functions and branches are required to report both incidents with financial implications and "close calls". The Operational Risk Control team within Risk Control analyses incident information and reports issues to the risk owner for action, including the required root cause analysis and risk mitigation measures. If the incident has a data protection impact, the Group data protection officer (DPO) is always consulted immediately. The DPO defines the necessary actions and supports the incident-solving process. For incidents related to information security, the Group-level CISO -office is responsible for instructing and controlling the incident-solving process.

c. Internal rules

Adequate internal rules for functions, processes and employees are in place as a preventive measure to reduce operational risks in central and high-risk areas. Among other things, the rules cover internal controls, legal risks, employee risks, principles for continuity and contingency planning, measures to prevent money laundering and the financing of terrorism, and the implementation of financial sanctions, as well as information security policies and guidelines. As part of an efficient internal control system, process documents are created for critical processes. Each manager is responsible for compliance with the instructions within their managed area.

d. New products and processes approval (NPAP)

Before launching new products, services, or processes or systems affecting customers, or when introducing material changes to previously existing products, services, or processes or systems affecting customers, a new product approval process is applied to identify the associated risks. The aim of this process is to ensure that the introduction of products, services, or processes or systems has been carefully considered from the compliance and risk management perspective. Ultimately, the decision to introduce a product, service, or process or system rests with the risk owner.

e. Contingency and continuity planning

Each critical function has an annually updated business continuity plan, including disaster recovery plans for related critical systems. A Group-level annually updated contingency plan, including a crisis communication plan and crisis management team (CMT) work order, is also in place. The Group-level CMT has fixed assembly, which can be supplemented if necessary.

The responsibility for continuity planning lies with the risk owner. The Operational Risk Control organisation is responsible for updating the Group-level contingency plan.

f. Insurance

In addition to the preventive work aimed at avoiding or mitigating operational risks, the Group has adequate insurance coverage for damage that can occur as a result of the realisation of such risks.

Measurement of operational risks

The risk level is measured through key risk indicators (KRIs), which the Board of Directors approves annually. These indicators reflect the risk appetite, risk tolerance and risk capacity of each risk category with regard to both capital requirements and qualitative requirements. The summary of the realisation of KRIs is reported quarterly by the Risk Control function to management and the Board of Directors.

(b) Article 446 CRR

Disclosure of the approaches for the assessment of minimum own funds requirements

The capital requirement for operational risks is 15% of average gross revenue for the past three years. The risk-weighted amount for operational risks has been calculated by dividing the capital requirement by 8%. The information at financial year end used for the calculation of own funds requirements is based on audited figures.

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

EUR million 31 Dec 2022		a	b	c	d	e
	Banking activities	Relevant indicator			Own funds requirements	Risk exposure amount
		2020	2021	2022		
1	Banking activities subject to basic indicator approach (BIA)	213.8	240.5	235.8	34.5	431.4
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches					
3	Subject to TSA:					
4	Subject to ASA:					
5	Banking activities subject to advanced measurement approaches AMA					

Aktia is using basic indicator approach (BIA) for the calculation of own funds requirements for operational risk. The calculation is based on audited figures.

6 Interest rate risk in banking book (IRRBB)

6.1 Exposure to interest rate risk in the banking book (Article 448 CRR)

6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBBA)

(a) Article 448.1 (e), first paragraph
A description of how the institution defines IRRBB for purposes of risk control and measurement.

The interest rate risk in the banking book is the current or prospected risk to earnings or capital arising from adverse movements in interest rates. A structural interest rate risk arises from mismatches between interest-fixing periods and the repricing of assets and liabilities. The interest rate risk is measured by the six standardised interest rate shock scenarios set out in EBA's guideline plus some own internally determined interest rate shock scenarios. All negative interest rate shock scenarios are floored according to the EBA guideline.

(b) Article 448.1 (f)
A description of the institution's overall IRRBB management and mitigation strategies.

Measurement methods, limits and strategy are prepared in the Executive Committee and the Board's Risk Committee and are thereafter established by the Board of Directors. The Group's Asset and Liability Management Committee is responsible for the operational management of internal group investment assets within the given guidelines and limits. The Bank's ALM unit drives the interest rate risk in the banking book and the Bank's Treasury unit conducts transactions to manage the structural interest rate risk based on the established strategy and limits. In addition to matching interest-fixing periods in lending and borrowing through business management, derivative instruments and fixed-rate investments in the liquidity portfolio are utilised, with the aim of maintaining net interest income at a stable level.

(c) Article 448.1 (e) (i) and (v); Article 448.2
The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB.

Changes in net interest income (NII) are simulated using a dynamic asset and liability risk management model. The model takes into account the balance sheet's effects on the structure, starting with planned growth and simulated customer behaviour. Change of the NII measures the impact of changing interest rates on net interest income of the banking book with a time horizon of both one year and two years. Stress tests regarding the economic value of equity (EVE) take into account changes in economic value of banking book assets, liabilities and interest-bearing derivative exposures resulting from interest rate movements, independent of accounting classification. The model assumes a run-of balance sheet and includes behavioural modelling for non-maturing deposits and prepayments. The interest rate risk, both the EVE and NII, in the Bank is calculated on a monthly basis.

(d) Article 448.1 (e) (iii) Article 448.2
A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable).

On top of the six supervisory shock scenarios, EVE and NII changes are estimated in additional parallel rate shock scenarios, basis shock scenarios, a frozen rate scenario and a zero-rate scenario.

(e) Article 448.1 (e) (ii) Article 448.2
A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable).

Not applicable for Aktia

(f) Article 448.1 (e) (iv) Article 448.2
A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable).

In addition to matching interest-fixing periods in lending and borrowing through business management, derivative instruments and fixed-rate investments in the liquidity portfolio are utilised in hedging the Bank's IRRBB. The majority of the Bank's fixed rate wholesale funding is swapped to floating rates to balance the floating rate-driven loan portfolio on the asset side. The Bank's Hold-to-Collect portfolio as part of the liquidity reserve provides a natural hedge to fixed rate non-maturing core deposits. The Hold to Collect and Sell -portfolio is hedged with interest rate swaps to avoid a possible adverse impact to the Bank's capital base.

(g) Article 448.1 (c) Article 448.2
A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable).

Key IRRBB modelling assumptions are the repricing of non-maturing deposits and prepayment rates for loans. Assumptions for non-maturing deposits are based on historical analysis of the evolution of product balances. Estimated prepayment rates for loans are reviewed against actual prepayment behaviour.

(h) Article 448.1 (d)
Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures

As a result of major changes in the interest rate environment, the IRRBB measures have changed during the year for various reasons. In the scenarios where the interest rates are shocked downward, the magnitude of the shock has increased due to the scenario floors defined by the EBA. In addition, the contractual interest rate floors for lending are now further away from market rates which largely explain the increased risk for downward shocked scenarios for both measures.

(i) Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)
Not any other relevant comments.

(1) (2) Article 448.1 (g)
Disclosure of the average and longest repricing maturity assigned to non-maturity deposits

The average maturity for non-maturity retail deposits regarding current accounts is approx. 4.6 years and for non-maturity retail deposits regarding savings accounts, approx. 2.9 years. The longest repricing maturity for both is 10 years.

6.1.2 Interest rate risks of non-trading book activities (EU IRRBB1)

EUR million 31 Dec 2022		a	b	c	d
Supervisory shock scenarios		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	34.1	27.7	5.4	5.1
2	Parallel down	11.9	52.8	-8.2	9.7
3	Steepener	1.7	-22.2		
4	Flattener	10.7	62.0		
5	Short rates up	12.6	37.3		
6	Short rates down	-13.8	19.7		

Change of the Net Interest Income (NII) measures the impact of changing interest rates on net interest income (before tax) of the banking book. The reported figures reflect the outcome of a parallel shock of +/-.

7 Funding & liquidity risk

7.1 Disclosure of liquidity requirements (Article 451a CRR)

7.1.1 Liquidity risk management (EU LIQA)

(a) Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding,
Good diversification between different types of funding sources in various markets and forms of funding instruments is a key component of the funding strategy. Aktia's objective is to achieve a well-diversified financing profile and a competitive price for financing to ensure the competitiveness of its core business. The most important sources of funding are deposits from households and small and medium-sized enterprises, as well as covered bonds. The funding is supplemented with other long-term financing (Senior Preferred and Senior Non-Preferred notes and Private Placement loan agreements) as well as with short-term financing from the capital market and the central bank. Limit framework approved by the Board of Directors includes limits for regulatory LCR- and NSFR-metrics, minimum liquidity buffer and funding maturity structure.

(b) Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).
Funding and liquidity risk management is governed by policies and limits established by the Board. The Group's Asset and Liability Management Committee is responsible for managing financing and liquidity risks. The Group's Risk Control unit, which continuously monitors liquidity risks and their associated limits, reports on these to the Board and the Executive Committee. The Treasury unit is responsible for maintaining the Bank's day-to-day liquidity, and constantly monitors how Aktia's wholesale assets and liabilities mature. Developments and pricing in the deposit stock are also followed closely. The treasury unit implements the adopted measures to change the liquidity position.

(c) A description of the degree of centralisation of liquidity management and interaction between the group's units
On an operational level, liquidity management is centralised in treasury. The treasury is responsible for monitoring Aktia Group´s intraday and daily liquidity management.

(d) Scope and nature of liquidity risk reporting and measurement systems.
Risk reporting to the management covers all liquidity risks and is performed in a pre-defined format at least quarterly. Identification and measuring of the risk takes place with suitable IT systems taking into account the measuring methods stated in the Group´s risk policy for liquidity risk management.

(e) Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.
The main policy for liquidity risk management are risk appetite and Liquidity Risk Strategy. Liquidity Risk Strategy outlines organizational structure, responsibilities and main risk mitigation principles. Liquidity risk is monitored and managed daily. Internal systems support liquidity risk measurement, monitoring and reporting. The maintenance of adequate liquidity reserves in both the short and long term as regards payment obligations and regulatory requirements is a keyway of ensuring liquidity adequacy.

(f) An outline of the bank`s contingency funding plans.
The Bank Group has a contingency plan for managing liquidity crises. The contingency plan contains a clear division of responsibility and instructions for how the Bank should improve a possible liquidity deficit. The plan indicates appropriate measures to handle various types of crisis situations. Risk Control monitor ensures that a financing continuity plan exists, is sufficient in scope, includes adequate measures and is regularly updated. The Bank Group's recovery plan also includes indicators tied to the liquidity situation.

(g) An explanation of how stress testing is used.
Aktia conducts regular stress testing to ensure that liquidity is sufficient even during unfavourable market conditions. In these tests, the Bank constructs unlikely, but still possible, adverse scenarios that would trigger a range of risk drivers. In the ILAAP, various stress scenarios are used, e.g. withdrawals of deposits, no access to long-term funding in the capital market, etc., The stress scenarios in ILAAP focus on the impact on the regulatory requirements (Liquidity Coverage Ratio, Net Stable Funding Ratio) and the bank's net liquidity position.

(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.
According to the latest Liquidity Adequacy Statement, the Board of Directors assures that Aktia's liquidity situation is sufficient on the basis of the quality of the liquid assets and the scope of the liquidity portfolio in relation to internal objectives and regulatory requirements (ILAAP).

(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:

- 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

The liquidity risk and targets are measured on both short- and long-term bases. Regulatory LCR and NSFR requirements are met with buffer limits set by the Board of Directors. Internal limits are set clearly above the 100% regulative requirements. For situations where Aktia is in urgent need of cash, and normal funding sources do not suffice, Aktia holds liquidity buffer. The liquidity buffer consists of highly liquid assets that can easily be sold or used as collateral in funding operations and the size of the buffer is sufficient to cover a short-term liquidity crisis as well as a longer-term wholesale market disruption. Board of Directors has set limits for a minimum level of the liquidity buffer as well as for the maturity structure of funding.

7.1.2 Quantitative information of LCR (EU LIQ1)

EUR million		a	b	c	d	e	f	g	h
Scope of consolidation: consolidated		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	Q4 (31. Dec 2022)	Q3 (30 Sep 2022)	Q2 (30. Jun 2022)	Q1 (31. Mar 2022)	Q4 (31. Dec 2022)	Q3 (30 Sep 2022)	Q2 (30. Jun 2022)	Q1 (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), after application of haircuts in line with Article 9 of regulation (EU) 2015/61					1.714.7	1,601.2	1,529.9	1,480.2
CASH - OUTFLOWS									
2	retail deposits and deposits from small business customers, of which:								
3	Stable deposits	4,026.6	3,958.9	3,906.6	3,861.4	301.2	297.8	290.9	285.7
4	Less stable deposits	2,401.6	2,404.7	2,397.6	2,380.7	120.1	120.2	119.9	119.0
5	Unsecured wholesale funding	1,545.9	1,524.6	1,483.3	1,453.2	181.1	177.6	171.0	166.6
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1 ,032.7	983.0	940.1	890.2	725.1	693.3	664.2	627.8
7	Non-operational deposits (all counterparties)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	Unsecured debt	978.0	927.8	882.8	837.0	670.3	638.1	606.9	574.5
9	Secured wholesale funding					0.5	0.7	0.7	0.7
10	Additional requirements	605.1	602.6	608.4	620.2	118.1	118.0	115.1	107.4
11	Outflows related to derivative exposures and other collateral requirements	41.0	34.0	27.4	21.5	41.0	32.5	25.8	20.0
12	Outflows related to loss of funding on debt products	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	Credit and liquidity facilities	564.1	568.6	581.0	598.6	77.0	84.0	87.8	85.9
14	Other contractual funding obligations	16.6	16.0	18.2	17.8	4.0	3.5	5.9	5.9
15	Other contingent funding obligations	319.2	339.8	354.7	386.4	23.7	24.6	25.3	27.2
16	TOTAL CASH OUTFLOWS					1,172.0	1,137.4	1,101.6	1,054.1
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	Inflows from fully performing exposures	64.4	69.0	69.0	73.8	49.4	53.4	53.3	58.2
19	Other cash inflows	42.2	38.6	32.4	30.6	42.2	38.3	32.0	30.0
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0.0	0.0	0.0	0.0
EU-19b	(Excess inflows from a related specialised credit institution)					0.0	0.0	0.0	0.0
20	TOTAL CASH INFLOWS	106.6	107.6	101.3	104.3	91.5	91.7	85.4	88.1
EU-20a	Fully exempt inflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EU-20b	Inflows subject to 90% cap	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EU-20c	Inflows subject to 75% cap	106.6	107.6	101.3	104.3	91.5	91.7	85.4	88.1
TOTAL ADJUSTED VALUE									
21	LIQUIDITY BUFFER					1,7 14.7	1,601.2	1,529.9	1,480.2
22	TOTAL NET CASH OUTFLOWS					1,080.5	1,045.7	1,016.2	966.0

23	LIQUIDITY COVERAGE RATIO	159.90 %	154.02 %	151.45 %	153.96 %

Template EU LIQ1 does not provide rows 6, 12, 17, EU-19a-19b and EU-20a-EU-20b, as there is no reporting.

7.1.3 Qualitative information on LCR (EU LIQB)

(a) Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

Aktia Group´s LCR ratio increased during Q4/2022 from 144% (Q3/2022) to 183%. The increase was driven by a higher liquidity buffer which was mainly contributed from an increase in deposits.

(b) Explanations on the changes in the LCR over time

LCR fluctuates over time, partly depending on the maturity structure of the bank's issued bonds

(c) Explanations on the actual concentration of funding sources

Aktia Bank is a retail bank with diversified funding. The most important sources of funding are deposits from households and small and medium-sized enterprises, as well as covered bonds. Sufficient unsecured long-term wholesale funding also ensures the fulfilment of the regulatory requirements (MREL, NSFR) and rating targets. Short-term wholesale funding is used to primarily react to changes in the liquidity position.

(d) High-level description of the composition of the institution`s liquidity buffer.

The major part of holdings in Aktia´s liquidity reserve are cash at the central bank and covered bonds of very high quality. Residual assets of size in the reserve are government bonds and securities issued by municipalities.

(e) Derivative exposures and potential collateral calls

Derivatives are used only for hedging purposes. For assessing potential additional outflows from derivatives and other collateral requirements, the historical look-back approach (HLBA) is used.

(f) Currency mismatch in the LCR

The Aktia Group business is conducted in euros, so there is no currency difference.

(g) Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile

There are no material items in Aktia´s LCR that are not captured in the disclosure template.

7.1.4 Net Stable Funding Ratio (EU LIQ2)

In accordance with Article 451a(3) CRR

EUR million		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items						
1	Capital items and instruments	387.3	0.0	0.0	69.6	456.9
2	Own funds	387.3	0.0	0.0	69.6	456.9
3	Other capital instruments					
4	Retail deposits		3,954.6	36.9	10.7	3,724.7
5	Stable deposits		2,408.2	23.7	5.5	2,315.8
6	Less stable deposits		1,546.4	13.2	5.3	1,408.9
7	Wholesale funding:		1,860.3	842.8	2,915.7	3,723.8
8	Operational deposits		0.0	0.0	0.0	0.0
9	Other wholesale funding		1,860.3	842.8	2,915.7	3,723.8
10	Interdependent liabilities		0.0	0.0	0.0	0.0
11	Other liabilities:		3.2	127.6	0.0	63.8
12	NSFR derivative liabilities					
13	All other liabilities and capital instruments not included in the above categories		3.2	127.6	0.0	63.8
14	Total available stable funding (ASF)					7,969.2
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					363.7
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		86.6	92.4	2,536.6	2,308.3
16	Deposits held at other financial institutions for operational purposes		0.0	0.0	0.0	0.0
17	Performing loans and securities:		163.9	210.0	4,607.9	3,556.4
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		0.0	0.0	0.0	0.0
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		11.9	5.9	397.3	401.5
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		93.8	131.4	2,184.1	3,060.3
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		44.9	59.6	1,263.7	2,114.1
22	Performing residential mortgages, of which:		58.2	72.7	1,931.9	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		49.2	68.3	1,817.9	-
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		0.0	0.0	94.6	94.6

The table continues

EUR million		a	b	c	d	e
			Unweighted value by residual maturity			
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
25	Interdependent assets		-	-	-	-
26	Other assets:		209.3	52.8	180.6	255.0
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR derivative assets		31.5			31.5
30	NSFR derivative liabilities before deduction of variation margin posted		116.3			5.8
31	All other assets not included in the above categories		61.6	52.8	180.6	217.7
32	Off-balance sheet items		676.8			33.8
33	**Total RSF**					6,517.3
34	**Net Stable Funding Ratio (%)**					122.28 %

Net Stable Funding Ratio (NSFR) became a statutory requirement as of end June 2021. NSFR requires banks to maintain a stable funding profile in relation to their assets and off-balance sheet activities. NSFR is defined as the ratio between the amount of stable funding available and the amount of stable funding required. To meet the NSFR requirement, this ratio must be at least 100%. To mitigate this Aktia ensures that it has sufficient long-term funding to cover the long-term funding needs.

The NSFR was 121.2% at the end of Q4 2022 (121.7% Q4/2021). The decline is mainly due to an increase in lending requiring additional stable funding.

7.2 Disclosure of encumbered and unencumbered assets (Article 443 CRR)

7.2.1 Encumbered and unencumbered assets (EU AE1)

EUR million 31 Dec 2022		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
		010	030	040	050	060	080	090	100
010	Assets of the reporting institution	2,866.1	280.5			8,052.7	1,047.2		
030	Equity instruments	0	0	0	0	5.2	0	0	0
040	Debt securities	250.4	250.4	18.9	248.4	1,095.6	1,095.5	1,058.6	1,010.3
050	of which: covered bonds	117.1	117.1	117.1	101	736.7	736.7	722.8	722.8
060	of which: securitisations	0	0	0	0	0	0	0	0
070	of which: issued by general governments	0.3	0.3	0.3	0.3	329.9	281.7	307.1	258.8
080	of which: issued by financial corporations	250.1	250.1	248.1	248.1	765.5	765.5	751.5	751.5
090	of which: issued by non-financial corporations	0	0	0	0	0.1	0	0	0
120	Other assets	2,615.7	0			6,951.9	0		

7.2.2 Collateral received and own debt securities issued (EU AE2)

EUR million 31 Dec 2022		Fair value of collateral received or own debt securities issued available for encumbrance		Unencumbered Fair value of encumbered collateral received or own debt securities issued	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	Collateral received by the disclosing institution	0.0	0.0	1.3	1.3
230	Other collateral received	0.0	0.0	1.3	1.3
250	TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	2,866.1	280.5		

Template EU AE2 does not provide rows 140-220 and 240-241, as there is no reporting.

7.2.3 Sources of encumbrance (EU AE3)

EUR million 31 Dec 2022		Matching liabilities, contingent liabilities or securities lent	"Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered"
		010	030
010	Carrying amount of selected financial liabilities	2,384.6	2,862.3

7.2.4 Accompanying narrative information (EU AE4)

(a) General narrative information on asset encumbrance

Most of the encumbered assets consist of Aktia Bank's cover pools, which comprise mortgage loans provided as collateral for outstanding covered bonds. Aktia maintains a certain level of over-collateralisation (in addition to the level required by the supervisory authority) in the cover pool to ensure it can withstand a significant price fall in the real estate market. Other sources of asset encumbrance arise from long-term financing operations (TLRO III) from the Central Bank, repo financing and derivatives.

(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.

Aktia Bank limits it's asset encumbrance level by limiting the size of the Covered Bonds issuance related to the size of the banks Total Assets, available eligible collateral and total funding volume. Also, the bank monitors the encumbrance of the liquid assets portfolio making sure that there i's always enough assets and cash to cover the LCR -requirement and other forecasted liquidity requirements. Internal buffers on top of regulative limits ensure the availability of liquid assets in case of unexpected needs.

8 Remuneration

8.1 Disclosure of remuneration policy (Article 450 CRR)

8.1.1 Remuneration policy (EU REMA)

(a) 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: Information relating to the bodies that oversee remuneration. Disclosures shall include:

- **Name, composition and mandate of the main body (management body or remuneration committee as applicable) overseeing the remuneration policy and the number of meetings held by that main body during the financial year.**
- **External consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework.**
- **A description of the scope of the institution's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to subsidiaries and branches located in third countries.**
- **A description of the staff or categories of staff whose professional activities have a material impact on institutions' risk profile.**

Aktia Bank Plc's Board of Directors approves all the incentive schemes applied within the bank. The incentive schemes applied within Aktia Bank Plc are prepared by Aktia Bank Plc's Corporate Governance Committee. Members of the Corporate Governance Committee for the entire duration of the 2022 financial period were:
Svens Lasse,
Hammarén Johan
Vättö Timo, chairman
In the 2022 financial period, the Corporate Governance Committee convened 9 times.

No external consultants were used in designing new incentive schemes. Share based programs are administrated by external service providers.

The Aktia Bank Plc remuneration policy covers the whole company including all its subsidiaries.

For employees in the group who are deemed to have a material impact on the risk profile of Aktia, Aktia Fund management or on the investment funds being managed, special provisions concerning variable remuneration apply. The following belong to this category of persons (identified staff):

1. persons belonging to the bank's management,

2. persons who perform managerial duties within the bank's internal control functions or within a business area essential to the bank.

What is written above about the bank also applies to other companies within the group. In addition to these categories of persons, employees whose professional practice has a significant impact on the bank's risk profile are also deemed to be identified staff.

For employees in the investment-fund business who are deemed to exercise a significant influence on Aktia Fund management's risk profile or regarding the investment fund being managed, special provisions apply concerning variable remuneration. These special provisions are to be applied in place of the group's general provisions, except for employees with the positions stated above on the part of the bank.

This category of persons includes:

1. persons belonging to the trust company's management

2. persons who are involved in tasks requiring risk-taking or who exercise a significant influence on the risk profile of the trust company or the investment funds being managed

3. persons who manage internal control functions

4. persons for whom the total remuneration does not differ materially from the total remuneration for someone referred to in Items 1 and 2.

(b) Information relating to the design and structure of the remuneration system for identified staff. Disclosures shall include:

- **An overview of the key features and objectives of remuneration policy, and information about the decision-making process used for determining the remuneration policy and the role of the relevant stakeholders.**
- **Information on the criteria used for performance measurement and ex ante and ex post risk adjustment.**
- **Whether the management body or the remuneration committee where established reviewed the institution's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration.**
- **Information of how the institution ensures that staff in internal control functions are remunerated independently of the businesses they oversee.**
- **Policies and criteria applied for the award of guaranteed variable remuneration and severance payments.**

Aktia's remuneration principles shall:

- support Aktia's opportunities to attract, recruit, develop and retain committed, skilled and result-oriented employees, and shall support versatile ability, collaboration and leadership
- support recompense for excellent performance and steer towards the development of work based on the group's strategy, goals, values and long-term interests.
- support good and efficient risk management in accordance with the group's risk appetite, so that excessive risk-taking is not rewarded, and counteract conflicts of interest within the group (applicable to customers and funds).
- support equivalent recompense, so that individuals' remuneration is defined in accordance with data, goals and performance, regardless of gender, race, ethnic origin, political opinion, sexual orientation, age or any other independent factor.
- support responsible recompense through ethical approaches, e.g. investing in fairness and transparency.
- Support sustainable behaviour by attaching sustainability and risk management related measurements to scorecards and directing employees to consider the benefits for company, customer, environment, other stakeholders and themselves in their behaviour.

The remuneration policy is determined by the group board based on preparation by the board's Compensation and Corporate Governance Committee (KCG Committee) in accordance with the board's rules of procedure.

The board's risk committee assists the KCG Committee in this preparation. For the subsidiaries, the instructions are determined by the relevant board after the group board has adopted the instructions.

The incentive plans include the malus and clawback clauses. This means that a person´s variable payment may be lowered up to 100% if there are, e.g., any risk outcomes, negligence or other losses realised and caused by the person before the payment. After the payment, it is possible to use the clawback possibility. In case of deferred payments, it is also possible not to pay the future deferred payments if any risks have been realised.

Staff in internal control functions are remunerated independently of the businesses they oversee. The criteria used for control functions evaluation and remuneration are not related to financial targets (e.g. result, sales, etc.). The criteria used have qualitative emphasis. The board of directors always decides the remuneration of the managers responsible for control functions.

A guaranteed variable bonus can only be paid during the first year of employment and only once for a certain individual. Change to another company in Aktia group does not allow the person to have a new guaranteed bonus. If a guaranteed variable bonus is paid it does not need to be deferred.

(c) Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.

The incentive plans are approved by the Board of Directors yearly. Before the final decision the control functions give their statement on how the plans comply with regulation. In addition, the risk effects of the possible future payments are evaluated.

Before the actual payments from various incentive schemes, the control functions also give their statement regarding their effect, e.g., on solvency.

(d) The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.

Aktia Bank Plc’s Annual General Meeting has approved that the variable component of remuneration can reach 200% of the fixed component of remuneration but it cannot exceed it. For identified persons, if variable remuneration exceeds 100% of a person’s fixed remuneration, 60% of the variable component has to be deferred (if less, 40% has to be deferred).

(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:

- **An overview of main performance criteria and metrics for institution, business lines and individuals.**
- **An overview of how amounts of individual variable remuneration are linked to institution-wide and individual performance.**
- **Information on the criteria used to determine the balance between different types of instruments awarded including shares, equivalent ownership interest, options and other instruments.**
- **Information of the measures the institution will implement to adjust variable remuneration in the event that performance metrics are weak, including the institution’s criteria for determining “weak” performance metrics.**

The main performance criteria used to determine variable pay in Aktia are group/business area operating profit which used to generate annual variable pay pools. On function/team/individual level strategic performance criteria and other KPI´s are used to determine variable pay. In addition, various qualitative criteria are used an appropriate balance.

The objective of the various remuneration programs is to support the company’s strategy by motivating the employees to achieve financial and strategic targets set for key employees’ own business areas as well as to align the interests and commitment of the employees and management to work toward good value development and increased shareholder value in the long term.

The incentives are paid using cash and company shares. No other instruments are used. Appropriate deferral periods are applied as regulation requires.

The incentive plans have target levels as well as minimum and maximum levels. If the minimum levels are not reached, incentives will not be paid

(f) Description of the ways in which the institution seeks to adjust remuneration to take account of long term performance. Disclosures shall include:

- **An overview of the institution’s policy on deferral, pay out in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff.**
- **Information of the institution’ criteria for ex post adjustments (malus during deferral and clawback after vesting, if permitted by national law).**
- **Where applicable, shareholding requirements that may be imposed on identified staff.**

Variable remuneration is separately regulated within the financial industry, with the aim of suppressing risk-taking on the part of identified staff, i.e. employees deemed to have a material impact on the group's risk profile. Payment of variable remuneration shall thus comply with the applicable rules on deferral periods, waiting times and partial payment in the form of financial instruments, with the group being entitled and obliged to recover earned variable remuneration in whole or in part on certain grounds.

Aktia applies the principle set out in Finnish act on Credit institutions, that the allocation of variable remuneration to identified staff above EUR 50 000 per year, or more than one third of the total annual remuneration, shall comply with the rules on partial payment in the form of financial instruments, deferred payment, waiting time and risk adjustment. Any payment of variable remuneration to identified staff whose total variable remuneration exceeds the above level of remuneration presupposes that the group's Risk Control Function deems that there is no obstacle to payment, taking into account the group's capital base and its liquidity and financing situation, as well as how the employee has performed their duties, taking into account mandatory regulations, the group's strategy, regulations and good practice.

In accordance with the rules on variable remuneration within the financial industry, at the end of each earnings period, short and long variable remuneration shall be combined for an assessment of the proportion that can be paid immediately or that is to be deferred for payment over a period of four (4) years. A large proportion (60%) of the recompense is deferred if all the identified person's variable remuneration represents a particularly large proportion (>100%) of the employee's total amount of fixed remuneration. However, at any given time Aktia takes into account the applicable rules and official regulations regarding variable remuneration.

Information onf Aktia's criteria for ex-post adjustments has been provided in point 2 above.

(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:
• Information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, including shares, equivalent ownership interests, share-linked instruments, equivalent non-cash-instruments, options and other instruments.

Information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, has been given in points 2 and 3 above. Cash and company shares are the only instruments currently used by Aktia.

(h) 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 for Aktia

(i) Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.

- **For the purposes of this point, institutions that benefit from such a derogation shall indicate whether this is on the basis of point (a) and/or point (b) of Article 94(3) CRD. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.**

Not applicable for Aktia

(j) Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR.

Not applicable for Aktia

8.1.2 Remuneration awarded for the financial year (EU REM1)

EUR million 31 Dec 2022			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	9	7	8	44
2		Total fixed remuneration	0.5	1.9	1.0	5.1
3		Of which: cash-based	0.4	1.9	1.0	5.1
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests	0.1	0.0	0.0	0.0
5		Of which: share-linked instruments or equivalent non-cash instruments	0.0	0.0	0.0	0.0
EU-5x		Of which: other instruments	0.0	0.0	0.0	0.0
6		(Not applicable in the EU)				
7		Of which: other forms	0.0	0.0	0.0	0.1
8		(Not applicable in the EU)				
9	Variable remuneration	Number of identified staff	9	7	8	44
10		Total variable remuneration	0.0	1.3	0.4	2.5
11		Of which: cash-based	0.0	0.7	0.2	1.2
12		Of which: deferred	0.0	0.3	0.1	0.6
EU-13a		Of which: shares or equivalent ownership interests	0.0	0.7	0.2	1.2
EU-14a		Of which: deferred	0.0	0.3	0.1	0.6
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	0.0	0.0	0.0	0.0
EU-14b		Of which: deferred	0.0	0.0	0.0	0.0
EU-14x		Of which: other instruments	0.0	0.0	0.0	0.0
EU-14y		Of which: deferred	0.0	0.0	0.0	0.0
15		Of which: other forms	0.0	0.0	0.0	0.0
16		Of which: deferred	0.0	0.0	0.0	0.0
17	**Total remuneration (2 + 10)**		**0.5**	**3.2**	**1.4**	**7.6**

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

EUR million 31 Dec 2022		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards					
1	Guaranteed variable remuneration awards - Number of identified staff		0	1.0	2.0
2	Guaranteed variable remuneration awards -Total amount		0	0	0
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap		0	0	0
Severance payments awarded in previous periods, that have been paid out during the financial year					
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff		1		
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
Severance payments awarded during the financial year					
6	Severance payments awarded during the financial year - Number of identified staff		0	2	0
7	Severance payments awarded during the financial year - Total amount		0	0.2	0.0
8	Of which paid during the financial year		0	0.2	0.0
9	Of which deferred		0	0.0	0.0
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap		0	0.0	0.0
11	Of which highest payment that has been awarded to a single person		0	0.2	0.0

8.1.4 Deferred remuneration (EU REM3)

EUR million 31 Dec 2022		a	b	c	d	e	f	EU - g	EU - h
Deferred and retained remuneration		Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function	0,0	0,0		0,0	0,0	0,0	0,0	0,0
2	Cash-based	0,0							
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments	0,0	0,0		0,0	0,0	0,0	0,0	0,0
5	Other instruments								
6	Other forms								
7	MB Management function	1.6	0.9	0.7					
8	Cash-based		0.5	0.1					
9	Shares or equivalent ownership interests		0.5	0.6					
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments								
12	Other forms								
13	Other senior management	0.1							
14	Cash-based								
15	Shares or equivalent ownership interests								
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments								
18	Other forms								
19	Other identified staff	2.1	1.1	1.0	0,0	0,0	0,0	0,0	0,0
20	Cash-based		0.5	0.5					
21	Shares or equivalent ownership interests		0.5	0.5					
22	Share-linked instruments or equivalent non-cash instruments								
23	Other instruments								
24	Other forms								
25	Total amount		2.1	1.7					

8.1.5 Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff) (EU REM5)

	EUR million 31 Dec 2022	a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										69
2	Of which: members of the MB	9	7	16							
3	Of which: other senior management				0	0	7	2		0	
4	Of which: other identified staff				0	3	24	9	8	55	
5	Total remuneration of identified staff	0,5	3,2	3,7	0,0	0,5	5,6	1,9	0,3	6,7	
6	Of which: variable remuneration	0,0	1,3	1,3	0,0	0,19	2,1	1,1	0,0	1,5	
7	Of which: fixed remuneration	0,5	1,9	2,4	0,0	0,36	3,5	0,4	0,2	5,3	

9 Other disclosures

9.1 Disclosure of the scope of application (Article 436 and Article 437 (a) CRR)

9.1.1 Reconciliation of regulatory own funds to the balance sheet according to IFRS (EU CC2)

EUR million 31 Dec 2022		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	
		As at period end	As at period end	Reference
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	Financial assets measured at fair value through income statement	1,251.9	5.3	
2	Financial assets measured at fair value through other comprehensive income	997.1	849.0	
3	Financial assets measured at amortised cost	9,680.2	9,640.5	
4	Derivative instruments	54.7	53.7	
5	Investments in associated companies and joint ventures	3.1	3.1	
6	Investments in companies included in Aktia Group	0.0	46.2	
7	Tangible and intangible assets	239.9	193.0	
8	of which Intangible assets and goodwill	166.3	164.6	CC2-5
9	Total other assets	148.3	114.4	
10	Tax receivables	18.3	13.7	
11	**Total assets**	12,393.3	10,918.8	
Liabilities - Breakdown by liability clases according to the balance sheet in the published financial statements				
1	Deposits	6,045.7	6,057.7	
2	Derivative instruments	294.0	269.1	
3	Other financial liabilities	3,861.8	3,827.6	
4	of which Subordinated liabilities	118.5	69.5	CC2-9
5	Technical provisions	1,351.4	0.0	
6	Total other liabilities	83.6	79.2	
7	Provisions	1.3	1.3	
8	Tax liabilities	57.7	51.7	
9	**Total liabilities**	11,695.5	10,286.6	

Table continues

EUR million 31 Dec 2022		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	
		As at period end	As at period end	Reference
Equity				
1	**Restricted equity**	119.8	133.8	
2	Share capital	169.7	169.7	CC2-1
3	Fund at fair value	-49.9	-35.9	CC2-3
4	of which Cash flow hedges	-0.1	-0.1	CC2-6
5	**Unrestricted equity**	518.5	439.0	
6	Retained earnings	371.3	291.9	
7	of which Previous years retained earnings	319.6	215.5	CC2-2
8	of which AT1 interest		2.3	CC2-2
9	of which Actuarial gains and losses	0.5	0.5	CC2-3
10	of which Profit for the financial year	51.6	76.2	CC2-4
11	of which Direct holdings by an institution of own CET1 instruments (negative amount)	-0.3	-0.3	CC2-7
12	Other reserves	147.1	147.0	CCP-3
13	of which Fund for share-based payments	5.7	5.6	
14	of which Unrestricted equity reserve	141.5	141.5	
15	**Total shareholders' equity**	638.3	572.8	
16	Additional Tier 1 capital	59.5	59.5	CC2-8
17	AT1 issue costs	0.0	0.0	
18	**Total equity**	697.8	632.3	
19	**Total liabilities and equity**	12,393.3	10,918.8	

9.1.2 Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories (EU LI1)

EUR million 31 Dec 2022		a	b	c	d	g
				Carrying values of items		
		Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	Subject to the credit risk framework	Subject to the CCR framework	Not subject to own funds requirements or subject to deduction from own funds
Breakdown by asset classes according to the balance sheet in the published financial statements						
1	Cash and balances with central banks	165.8	165.8	165.8	0.0	0.0
2	Financial assets available for sale	997.1	849.0	849.0	0.0	0.0
3	Financial assets held until maturity	529.4	492.6	492.6	0.0	0.0
4	Derivative instruments	54.7	53.7	0.0	53.7	0.0
5	Loans and other receivables	8,984.9	8,982.1	8,982.1	0.0	0.0
6	Investments for unit-linked insurances	1,251.9	5.3	5.3	0.0	0.0
7	Investments in associated companies	3.1	3.1	3.1	0.0	0.0
8	Investments in group companies	0.0	46.2	33.2	0.0	13.0
9	Intangible assets	166.3	164.6	11.2	0.0	153.4
10	Investment properties	44.7	0.0	0.0	0.0	0.0
11	Other tangible assets	28.9	28.4	28.4	0.0	0.0
12	Total other assets	148.3	114.4	114.4	0.0	0.0
13	Tax receivables	18.3	13.7	13.7	0.0	0.0
14	**Total assets**	**12,393.3**	**10,918.8**	**10,698.8**	**53.7**	**166.4**
Breakdown by liability classes according to the balance sheet in the published financial statements						
1	Deposits	6,045.7	6,057.7	0.0	0.0	
2	Derivative instruments	294.0	269.1	0.0	0.0	
3	Other financial liabilities	3,861.8	3,827.6	0.0	0.0	
4	Technical provisions	1,351.4	0.0	0.0	0.0	
5	Total other liabilities	83.6	79.2	0.0	0.0	
6	Provisions	1.3	1.3	0.0	0.0	
7	Tax liabilities	57.7	51.7	0.0	0.0	
8	**Total liabilities**	**11,695.5**	**10,286.6**	**0.0**	**0.0**	**0.0**

EU LI1 does not provide columns e and f, as there is no reporting.

Table LI1 provides a breakdown of the published Financial Statements into the various risk frameworks. Aktia Life Insurance Ltd is included in the consolidated financial statement according to IFRS but is not under the scope of regulatory consolidation. Entities in the different scopes of consolidation are listed in Table EU LI3.

Aktia has implemented the preferential treatment of prudently valued software assets in the Bank's own funds. The amount of EUR 10.5 million, including intangible assets, is not deducted from own funds but is risk-weighted by 100% under the credit risk framework.

The deduction of EUR 12.1 million on row 8 relates to holdings in Aktia Life Insurance Ltd. The amount above the 10% threshold is deducted from CET1 capital, and the remaining part is risk-weighted at 250% under the credit risk framework.

9.1.3 Main sources of differences between regulatory exposure amounts and carrying values in financial statements (EU LI2)

EUR million 31 Dec 2022		a	b	d
			Items subject to	
		Total	Credit risk framework	CCR framework
1	Assets carrying value amount under the scope of prudential consolidation (as per template LI1)	10,752.5	10,698.8	53.7
3	Total net amount under the scope of prudential consolidation	10,752.5	10,698.8	53.7
4	Off-balance-sheet amounts	629.1	629.1	0.0
6	Differences due to different netting rules, other than those already included in row 2	41.8	0.0	41.8
7	Differences due to consideration of provisions	35.0	35.0	0.0
8	Differences due to the use of credit risk mitigation techniques (CRMs)	-27.5	-27.5	0.0
9	Differences due to credit conversion factors	-331.3	-331.3	0.0
11	Other differences	1.1	1.1	0.0
12	Exposure amounts considered for regulatory purposes	11,100.6	11,005.1	95.5

EU LI2 does not provide rows 2, 5 and 10, nor columns c and e, as there is no reporting.

Table EU LI2 provides information regarding the main sources of differences between the accounting carrying values and regulatory exposures. The main differences result from the application of the credit conversion factor on the off-balance-sheet items (row 9), derivatives EAD calculations (row 6), use of financial collateral as a CRM technique (row 8) and provisions in the calculation of EAD under IRB methods (row 7).

Other differences on row 11 include negative account balances which are not deducted from the exposure amount.

The items that are subject to deductions from own funds are not risk weighted and are thus excluded from Table EU LI2.

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

31 Dec 2022

a	b	c	d	e	f	g	h
		Method of prudential consolidation					
Name of the entity	Method of accounting consolidation	Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	Description of the entity
Aktia Bank Plc	Purchase method	X					Credit institution
Aktia Fund Management Company Ltd	Purchase method	X					Investment funds
Aktia Wealth Planning Ltd	Purchase method	X					Tax services and investment insurance
Evervest Ltd	Purchase method	X					Asset management
AV Partner Ltd	Purchase method	X					Holding company
Aktia Housing GP Ltd	Purchase method	X					Investment funds
Aktia Alternatiivi I GP Oy	Purchase method	X					Investment funds
Aktia Private Equity I GP Oy	Purchase method	X					Investment funds
Aktia Private Debt I GP Oy	Purchase method	X					Investment funds
Aktia Kiinteistöt I GP Oy	Purchase method	X					Investment funds
Aktia Infra I GP Oy	Purchase method	X					Investment funds
Aktia Asuntorahasto VIII GP Oy	Purchase method	X					Investment funds
Aktia Bioteollisuus GP Oy	Purchase method	X					Investment funds
Aktia Aurinkotuuli III GP Oy	Purchase method	X					Investment funds
AktiaDuetto Ab	Equity method			X			IT services
Figure Financial Management Ltd	Equity method			X			Financial services
Finlands Företagarskydd Ab	Equity method			X			Insurance agent
Aktia Alexander Corporate Finance Oy	Equity method			X			Financial company
Aktia Life Insurance Ltd	Purchase method					X [1]	Insurance entity
Keskinäinen Kiinteistö Oy Tikkurilantie 141	Purchase method				X		Real estate
Keskinäinen Kiinteistö Oy Areenakatu 4	Purchase method				X		Real estate
Asunto Oy Helsingin Tuulensuoja	Equity method				X		Real estate
Kiinteistö Oy Skanssinkatu	Equity method				X		Real estate
Kiinteistö Oy Lempäälän Rajamäentie	Equity method				X		Real estate
Kiinteistö Oy Helsingin Gigahertsi	Equity method				X		Real estate

1) Holdings partially deducted from own funds.

9.1.5 Explanations of differences between accounting and regulatory exposure amounts (EU LIA)

(a) Article 436(b) CRR
Differences between columns (a) and (b) in template EU LI1

Aktia Life Insurance Ltd is not under the scope of regulatory consolidation, but is included in the consolidated financial statement according to IFRS. Entities in the different scopes of consolidation are listed in table EU LI3.

(b) Article 436(d) CRR
Qualitative information on the main sources of differences between the accounting and regulatory scope of consolidation shown in template EU LI2

Table EU LI2 provides information regarding the main sources of differences between the accounting carrying values and regulatory exposures. The main differences result from the amount of off-balance-sheet items, derivatives, CRM techniques (financial collateral) and provisions in the calculation of EAD under IRB methods.

Other differences on row 11 include negative account balances which are not deducted from the exposure amount.

The items that are subject to deductions from own funds are not risk weighted and are thus excluded from table EU LI2.

9.1.6 Other qualitative information on the scope of application (EU LIB)

(a) Article 436(f) CRR Impediment to the prompt transfer of own funds or to the repayment of liabilities within the group

There are no current or foreseen material, practical or legal impediments to the prompt transfer of the Group's own excess funds, or the repayment of liabilities between Aktia Bank Plc and its subsidiaries. Aktia Bank Plc and all its subsidiaries are incorporated in Finland: there is therefore no need for cross-border transfers within the Group.

(b) Article 436(g) CRR Subsidiaries not included in the consolidation with own funds less than required

Not applicable, each legal entity must fulfil its individual capital requirements and have sufficient liquidity to operate.

(c) Article 436(h) CRR Use of derogation referred to in Article 7 CRR or individual consolidation method laid down in Article 9 CRR
Not applicable, the provisions laid down in Articles 7 and 9 are not in use.

(d) Article 436(g) CRR Aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation

Not applicable, each legal entity must fulfil its individual capital requirements and have sufficient liquidity to operate.

10 Requirements

10.1.1 Compliance with regulatory disclosure requirements

CRR Article		Reference
Article 431	1. Institutions shall publicly disclose the information referred to in Titles II and III in accordance with the provisions laid down in this Title, subject to the exceptions referred to in Article 432.	This report and disclosures at aktia.com address the requirement
	2. Institutions that have been granted permission by the competent authorities under Part Three for the instruments and methodologies referred to in Title III of this Part shall publicly disclose the information laid down therein.	This report and disclosures at aktia.com address the requirement
	3. The management body or senior management shall adopt formal policies to comply with the disclosure requirements laid down in this Part and put in place and maintain internal processes, systems and controls to verify that the institutions' disclosures are appropriate and in compliance with the requirements laid down in this Part. At least one member of the management body or senior management shall attest in writing that the relevant institution has made the disclosures required under this Part in accordance with the formal policies and internal processes, systems and controls. The written attestation and the key elements of the institution's formal policies to comply with the disclosure requirements shall be included in institutions' disclosures.	"Aktia Bank Plc has adopted a formal policy to assure compliance with the disclosure requirements. At least one member of the executive management shall certify in writing that Aktia has disclosed the required information in accordance with formal procedures and internal processes, systems and controls. The written certificate and the key elements of the institution's formal procedures for complying with the disclosure requirements shall be included in the publication of the institution's Pillar III report."
	Information to be disclosed in accordance with this Part shall be subject to the same level of internal verification as that applicable to the management report included in the institution's financial report.	Disclosure principles of capital adequacy information approved by Aktia's management
	Institutions shall also have policies in place to verify that their disclosures convey their risk profile comprehensively to market participants. Where institutions find that the disclosures required under this Part do not convey the risk profile comprehensively to market participants, they shall publicly disclose information in addition to the information required to be disclosed under this Part. Nonetheless, institutions shall only be required to disclose information that is material and not proprietary or confidential as referred to in Article 432.	Disclosure principles of capital adequacy information approved by Aktia's management
	4. All quantitative disclosures shall be accompanied by a qualitative narrative and any other supplementary information that may be necessary in order for the users of that information to understand the quantitative disclosures, noting in particular any significant change in any given disclosure compared to the information contained in the previous disclosures.	Disclosure principles of capital adequacy information approved by Aktia's management
	5. Institutions shall, if requested, explain their rating decisions to SMEs and other corporate applicants for loans, providing an explanation in writing when asked. The administrative costs of that explanation shall be proportionate to the size of the loan.	To be delivered on request.
Article 432		
Non-material, proprietary or confidential information		
	1. With the exception of the disclosures laid down in point (c) of Article 435(2) and in Articles 437 and 450, institutions may omit one or more of the disclosures listed in Titles II and III where the information provided by those disclosures is not regarded as material.	Table 10.2 Immaterial items not disclosed
	2. Institutions may also omit one or more items of information referred to in Titles II and III where those items include information that is regarded as proprietary or confidential in accordance with this paragraph, except for the disclosures laid down in Articles 437 and 450.	Table 10.2 Immaterial items not disclosed
	3. In the exceptional cases referred to in paragraph 2, the institution concerned shall state in its disclosures the fact that specific items of information are not being disclosed and the reason for not disclosing those items and publish more general information about the subject matter of the disclosure requirement, except where that subject matter is, in itself, proprietary or confidential.	Table 10.2 Immaterial items not disclosed
Article 433		
Frequency of disclosure		
	Institutions shall publish the disclosures required under Titles II and III in the manner set out in Articles 433a, 433b and 433c.	Other institutions to which Aktia is classified, shall disclose all the information required under Part 8 on annual basis and the key metrics referred in Article 447 on semi-annual basis
	Annual disclosures shall be published on the same date as the date on which institutions publish their financial statements or as soon as possible thereafter.	The disclosures are made annually in conjunction with the publication of Aktias Annual Report
	Semi-annual and quarterly disclosures shall be published on the same date as the date on which the institutions publish their financial reports for the corresponding period where applicable or as soon as possible thereafter.	The disclosures are made semi-annually in conjunction with the publication of Aktias interim financial report
Article 433a		
Disclosures by large institutions		N/A
Article 433b		
Disclosures by small and non-complex institutions		N/A

CRR Article		Reference
Disclosures by other institutions		Other institutions to which Aktia is classified shall disclose all the information required under Part 8 on annual basis and the key metrics referred in Article 447 on semi-annual basis
	1. Institutions that are not subject to Article 433a or 433b shall disclose the information outlined below with the following frequency:	
	(a) all the information required under this Part on an annual basis;	Information is disclosed on the date of publication of the financial statements.
	(b) the key metrics referred to in Article 447 on a semi-annual basis.	Information disclosed half-yearly is presented in connection with interim reports.
	2. By way of derogation from paragraph 1 of this Article, other institutions that are non-listed institutions shall disclose the following information on an annual basis:	N/A
Article 434		
Means of disclosures		
	1. Institutions shall disclose all the information required under Titles II and III in electronic format and in a single medium or location. The single medium or location shall be a standalone document that provides a readily accessible source of prudential information for users of that information, or a distinctive section included in or appended to the institutions' financial statements or financial reports containing the required disclosures and being easily identifiable to those users.	www.aktia.com
	2. Institutions shall make available on their website or, in the absence of a website, in any other appropriate location an archive of the information required to be disclosed in accordance with this Part. That archive shall be kept accessible for a period of time that shall be no less than the storage period set by national law for information included in the institutions' financial reports.	www.aktia.com
Article 434a		
Uniform disclosure formats		
TITLE II		
TECHNICAL CRITERIA ON TRANSPARENCY AND DISCLOSURE		
Article 435		
Disclosures by other institutions		Other institutions to which Aktia is classified shall disclose all the information required under Part 8 on annual basis and the key metrics referred in Article 447 on semi-annual basis
	1. Institutions that are not subject to Article 433a or 433b shall disclose the information outlined below with the following frequency:	
	(a) all the information required under this Part on an annual basis;	Information is disclosed on the date of publication of the financial statements.
	(b) the key metrics referred to in Article 447 on a semi-annual basis.	Information disclosed half-yearly is presented in connection with interim reports.
	2. By way of derogation from paragraph 1 of this Article, other institutions that are non-listed institutions shall disclose the following information on an annual basis:	N/A
Article 434		
Means of disclosures		
	1. Institutions shall disclose all the information required under Titles II and III in electronic format and in a single medium or location. The single medium or location shall be a standalone document that provides a readily accessible source of prudential information for users of that information or a distinctive section included in or appended to the institutions' financial statements or financial reports containing the required disclosures and being easily identifiable to those users.	www.aktia.com
	2. Institutions shall make available on their website or, in the absence of a website, in any other appropriate location an archive of the information required to be disclosed in accordance with this Part. That archive shall be kept accessible for a period of time that shall be no less than the storage period set by national law for information included in the institutions' financial reports.	www.aktia.com
Article 434a		
Uniform disclosure formats		

CRR Article		Reference
Disclosure of risk management objectives and policies		
	1. Institutions shall disclose their risk management objectives and policies for each separate category of risk, including the risks referred to in this Title. Those disclosures shall include:	
(a)	the strategies and processes to manage those categories of risks;	Institution risk management approach (EU OVA) Table 7.1.1 Liquidity risk management (EU LIQA) Table 3.1.1 General qualitative information about credit risk (EU CRA) Table 5.1.1 Qualitative information on operational risk (EU ORA)
(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;	Institution risk management approach (EU OVA) Table 7.1.1 Liquidity risk management (EU LIQA) Table 5.1.1 Qualitative information on operational risk (EU ORA)
(c)	the scope and nature of risk reporting and measurement systems;	Institution risk management approach (EU OVA) Table 7.1.1 Liquidity risk management (EU LIQA) Table 5.1.1 Qualitative information on operational risk (EU ORA)
(d)	the policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants;	Institution risk management approach (EU OVA) Table 7.1.1 Liquidity risk management (EU LIQA) Table 3.1.1 General qualitative information about credit risk (EU CRA) Table 5.1.1 Qualitative information on operational risk (EU ORA)
(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;	Institution risk management approach (EU OVA) Table 7.1.1 Liquidity risk management (EU LIQA) Table 5.1.1 Qualitative information on operational risk (EU ORA)
(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:	
(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;	Institution risk management approach (EU OVA) Table 7.1.1 Liquidity risk management (EU LIQA) Table 3.1.1 General qualitative information about credit risk (EU CRA) Table 5.1.1 Qualitative information on operational risk (EU ORA)
(ii)	information on intragroup transactions and transactions with related parties that may have a material impact of the risk profile of the consolidated group.	Institution risk management approach (EU OVA) Table 7.1.1 Liquidity risk management (EU LIQA) Table 3.1.1 General qualitative information about credit risk (EU CRA) Table 5.1.1 Qualitative information on operational risk (EU ORA)
	2. Institutions shall disclose the following information regarding governance arrangements:	
(a)	the number of directorships held by members of the management body;	Disclosure on governance arrangements (EU OVB)
(b)	the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise;	Disclosure on governance arrangements (EU OVB)
(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;	Disclosure on governance arrangements (EU OVB)
(d)	whether or not the institution has set up a separate risk committee and the number of times the risk committee has met;	Disclosure on governance arrangements (EU OVB)
(e)	the description of the information flow on risk to the management body.	Disclosure on governance arrangements (EU OVB)
Article 436		
Disclosure of the scope of application		
	Institutions shall disclose the following information regarding the scope of application of this Regulation as follows:	
(a)	the name of the institution to which the requirements of this Regulation apply;	The Aktia Bank Group Pillar III Report as of Dec 31 2022, Introduction.
(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;	Table 9.1.4 Outline of the differences in the scopes of consolidation (entity by entity) (EU LI3) Table 9.1.5 Explanations of differences between accounting and regulatory exposure amounts (EU LIA)

CRR Article		Reference
Disclosure of risk management objectives and policies		
(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;	Table 9.1.2 Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories (EU LI1)
(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;	Table 9.1.3 Main sources of differences between regulatory exposure amounts and carrying values in financial statements (EU LI2)
(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;	N/A
(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;	Table 9.1.6 Other qualitative information on the scope of application (EU LIB)
(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;	N/A
(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.	N/A
Article 437		
Disclosure of own funds		
	1. Institutions shall disclose the following information regarding their own funds:	
(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 2.1.1 Composition of regulatory own funds (EU CC1) Table 9.1.1 Reconciliation of regulatory own funds to balance sheet in the audited financial statements (EU CC2)
(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;	Table 2.2.1 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA)
(c)	the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments;	Table 2.2.1 Main features of regulatory own funds instruments and eligible liabilities instruments (EU CCA)
(d)	a separate disclosure of the nature and amounts of the following:	
(i)	each prudential filter applied pursuant to Articles 32 to 35;	Table 2.1.1 Composition of regulatory own funds (EU CC1)
(ii)	items deducted pursuant to Articles 36, 56 and 66;	Table 2.1.1 Composition of regulatory own funds (EU CC1)
(iii)	items not deducted pursuant to Articles 47, 48, 56, 66 and 79;	Table 2.1.1 Composition of regulatory own funds (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;	N/A
(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.	Table 2.1.1 Composition of regulatory own funds (EU CC1)
Article 437a		
Disclosure of own funds and eligible liabilities		
	1. Institutions that are subject to Article 92a or 92b shall disclose the following information regarding their own funds and eligible liabilities:	
(a)	the composition of their own funds and eligible liabilities, their maturity and their main features;	Table 1.1.2 Key metrics - MREL and, where applicable, G-SII Requirement for own funds and eligible liabilities (EU KM2) Table 2.5.1 Composition - MREL and, where applicable, the G-SII Requirement for own funds and eligible liabilities (EU TLAC1)
(b)	the ranking of eligible liabilities in the creditor hierarchy;	N/A
(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);	Table 2.5.1 Composition - MREL and, where applicable, the G-SII Requirement for own funds and eligible liabilities (EU TLAC1)
(d)	the total amount of excluded liabilities referred to in Article 72a(2).	Table 1.1.2 Key metrics - MREL and, where applicable, G-SII Requirement for own funds and eligible liabilities (EU KM2)

CRR Article		Reference
Article 438		
Disclosure of own funds requirements and risk-weighted exposure amounts		
	Institutions shall disclose the following information regarding their compliance with Article 92 of this Regulation and with the requirements laid down in Article 73 and in point (a) of Article 104(1) of Directive 2013/36/EU:	
(a)	a summary of their approach to assessing the adequacy of their internal capital to support current and future activities;	Table 2.3.4 ICAAP information (EU OVC)
(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;	Table 1.1.1 Key metrics template (EU KM1)
(c)	upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process;	N/A
(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;	Table 2.3.1 Overview of risk weighted exposure amounts (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);	N/A Specialized lending
(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;	Table 2.3.2 Insurance participations (EU INS1)
(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;	Table 2.3.3 Financial conglomerates information on own funds and capital adequacy ratio (EU INS2)
(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.	N/A
Article 439		
Disclosure of exposures to counterparty credit risk		
	Institutions shall disclose the following information regarding their compliance with Article 92 of this Regulation and with the requirements laid down in Article 73 and in point (a) of Article 104(1) of Directive 2013/36/EU:	
(a)	a summary of their approach to assessing the adequacy of their internal capital to support current and future activities;	Table 2.3.4 ICAAP information (EU OVC)
(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;	Table 1.1.1 Key metrics template (EU KM1)
(c)	upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process;	N/A
(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;	Table 2.3.1 Overview of risk weighted exposure amounts (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);	N/A Specialized lending
(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;	Table 2.3.2 Insurance participations (EU INS1)

CRR Article		Reference
(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;	Table 3.7.2 Analysis of CCR exposure by approach (EU CCR1)
(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;	Table 3.7.3 Transactions subject to own funds requirements for CVA risk (EU CCR2)
(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 for Aktia: no exposures to CCPs
(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;	N/A
(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);	N/A
(l)	separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452;	Table 3.7.4 Standardised approach – CCR exposures by regulatory exposure class and risk weights (EU CCR3) Table 3.7.5 IRB approach – CCR exposures by exposure class and PD scale (EU CCR4)"
(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.	Table 3.7.2 Analysis of CCR exposure by approach (EU CCR1)
Article 440		
Disclosure of countercyclical capital buffers		
	1. Institutions shall disclose the following information in relation to their compliance with the requirement for a countercyclical capital buffer as referred to in Chapter 4 of Title VII of Directive 2013/36/EU:	
(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;	Table 2.4.1 Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (EU CCyB1)
(b)	the amount of their institution-specific countercyclical capital buffer.	Table 2.4.2 Amount of institution-specific countercyclical capital buffer (EU CCyB2)
Article 441		
(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;	Table 3.7.2 Analysis of CCR exposure by approach (EU CCR1)
(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;	Table 3.7.3 Transactions subject to own funds requirements for CVA risk (EU CCR2)
(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 for Aktia: no exposures to CCPs
Disclosure of indicators of global systemic importance		N/A G-SII institutions
Article 442		
Disclosure of exposures to credit risk and dilution risk		
	Institutions shall disclose the following information regarding their exposures to credit risk and dilution risk:	
(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;	Table 3.1.2 Additional disclosure related to the credit quality of assets (EU CRB)
(b)	a description of the approaches and methods adopted for determining specific and general credit risk adjustments;	Table 3.1.2 Additional disclosure related to the credit quality of assets (EU CRB)
(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;	Table 3.1.3 Performing and non-performing exposures and related provisions (EU CR1) Table 3.3.1 Credit quality of forborne exposures (EU CQ1) Table 3.1.5 Quality of non-performing exposures by geography (EU CQ4)
(d)	an ageing analysis of accounting past due exposures;	Table 3.2.1 Credit quality of performing and non-performing exposures by past due days (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;	"Table 3.1.5 Quality of non-performing exposures by geography (EU CQ4)

CRR Article		Reference
(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;	Table 3.1.5 Quality of non-performing exposures by geography (EU CQ4) Table 3.1.6 Credit quality of loans and advances by industry (EU CQ5)"
(g)	the breakdown of loans and debt securities by residual maturity.	Table 3.1.4 Maturity of exposures (EU CR1-A)
Article 443		
Disclosure of encumbered and unencumbered assets		
	Institutions shall disclose information concerning their encumbered and unencumbered assets. For those purposes, institutions shall use the carrying amount per exposure class broken down by asset quality and the total amount of the carrying amount that is encumbered and unencumbered. Disclosure of information on encumbered and unencumbered assets shall not reveal emergency liquidity assistance provided by central banks.	Table 7.2.1 Encumbered and unencumbered assets (EU AE1) Table 7.2.2 Collateral received and own debt securities issued (EU AE2) Table 7.2.3 Sources of encumbrance (EU AE3) Table 7.2.4 Accompanying narrative information (EU AE4)"
Article 444		
Disclosure of the use of the Standardised Approach		
	Institutions calculating their risk-weighted exposure amounts in accordance with Chapter 2 of Title II of Part Three shall disclose the following information for each of the exposure classes set out in Article 112:	
(a)	the names of the nominated ECAIs and ECAs and the reasons for any changes in those nominations over the disclosure period;	Table 3.5.2 Qualitative disclosure requirements related to standardised model (EU CRD)
(b)	the exposure classes for which each ECAI or ECA is used;	Table 3.5.2 Qualitative disclosure requirements related to standardised model (EU CRD)
(c)	a description of the process used to transfer the issuer and issue credit ratings onto items not included in the trading book;	Table 3.5.2 Qualitative disclosure requirements related to standardised model (EU CRD)
(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;	Table 3.5.2 Qualitative disclosure requirements related to standardised model (EU CRD)
(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.	"Table 3.5.3 Standardised approach – Credit risk exposure and CRM effects (EU CR4)
Article 445		
Disclosure of exposure to market risk		
	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.	N/A, FX net position less than 2% of own funds.
Article 446		
Disclosure of operational risk management		
	Institutions shall disclose the following information about their operational risk management:	
(a)	the approaches for the assessment of own funds requirements for operation risk that the institution qualifies for;	Table 5.1.1 Qualitative information on operational risk (EU ORA)
(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;	N/A advanced measurement approach
(c)	in the case of partial use, the scope and coverage of the different methodologies used.	N/A advanced measurement approach
Article 447		
Disclosure of key metrics		
	Institutions shall disclose the following key metrics in a tabular format:	
(a)	the composition of their own funds and their own funds requirements as calculated in accordance with Article 92;	Table 1.1.1 Key metrics template (EU KM1)
(b)	the total risk exposure amount as calculated in accordance with Article 92(3);	Table 1.1.1 Key metrics template (EU KM1)
(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;	Table 1.1.1 Key metrics 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;	Table 1.1.1 Key metrics template (EU KM1)
(e)	their leverage ratio and the total exposure measure as calculated in accordance with Article 429;	Table 1.1.1 Key metrics template (EU KM1)

CRR Article		Reference
(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;	Table 1.1.1 Key metrics template (EU KM1)
(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;	Table 1.1.1 Key metrics template (EU KM1)
(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;	Table 1.1.1 Key metrics template (EU KM1)
(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;	Table 1.1.1 Key metrics template (EU KM1)
(ii)	the available stable funding at the end of each quarter of the relevant disclosure period;	Table 1.1.1 Key metrics template (EU KM1)
(iii)	the required stable funding at the end of each quarter of the relevant disclosure period;	Table 1.1.1 Key metrics template (EU KM1)
(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.	Table 1.1.2 Key metrics of own funds and eligible liabilities (EU KM2)
Article 448		
Disclosure of exposures to interest rate risk on positions not held in the trading book		
	1. As from 28 June 2021, institutions shall disclose the following quantitative and qualitative information on the risks arising from potential changes in interest rates that affect both the economic value of equity and the net interest income of their non-trading book activities referred to in Article 84 and Article 98(5) of Directive 2013/36/EU:	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(a)	the changes in the economic value of equity calculated under the six supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;	"Table 6.1.2 Interest rate risks of non-trading book activities (EU IRRB 1)
(b)	the changes in the net interest income calculated under the two supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;	"Table 6.1.2 Interest rate risks of non-trading book activities (EU IRRB 1)
(c)	a description of key modelling and parametric assumptions, other than those referred to in points (b) and (c) of Article 98(5a) of Directive 2013/36/EU used to calculate changes in the economic value of equity and in the net interest income required under points (a) and (b) of this paragraph;	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(d)	an explanation of the significance of the risk measures disclosed under points (a) and (b) of this paragraph and of any significant variations of those risk measures since the previous disclosure reference date;	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(e)	the description of how institutions define, measure, mitigate and control the interest rate risk of their non-trading book activities for the purposes of the competent authorities' review in accordance with Article 84 of Directive 2013/36/EU, including:	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(i)	a description of the specific risk measures that the institutions use to evaluate changes in their economic value of equity and in their net interest income;	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(ii)	a description of the key modelling and parametric assumptions used in the institutions' internal measurement systems that would differ from the common modelling and parametric assumptions referred to in Article 98(5a) of Directive 2013/36/EU for the purpose of calculating changes to the economic value of equity and to the net interest income, including the rationale for those differences;	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(iii)	a description of the interest rate shock scenarios that institutions use to estimate the interest rate risk;	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(iv)	the recognition of the effect of hedges against those interest rate risks, including internal hedges that meet the requirements laid down in Article 106(3);	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(v)	an outline of how often the evaluation of the interest rate risk occurs;	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(f)	the description of the overall risk management and mitigation strategies for those risks;	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)
(g)	average and longest repricing maturity assigned to non-maturity deposits.	Table 6.1.1 Qualitative information on interest rate risks of non-trading book activities (EU IRRBA)

CRR Article		Reference
	2. By way of derogation from paragraph 1 of this Article, the requirements set out in points (c) and (e)(i) to (e)(iv) of paragraph 1 of this Article shall not apply to institutions that use the standardised methodology or the simplified standardised methodology referred to in Article 84(1) of Directive 2013/36/EU.	
Article 449		
Disclosure of exposures to securitisation positions		N/A securitisation positions
Article 449a		
Disclosure of environmental, social and governance risks (ESG risks)		N/A Q4 2022
Article 450		
Disclosure of remuneration policy		
	1. Institutions shall disclose the following information regarding their remuneration policy and practices for those categories of staff whose professional activities have a material impact on the risk profile of the institutions:	
(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;	Table 8.1.1 Remuneration policy (EU REMA)
(b)	information about the link between pay of the staff and their performance;	Table 8.1.1 Remuneration policy (EU REMA)
(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;	Table 8.1.1 Remuneration policy (EU REMA)
(d)	the ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) of Directive 2013/36/EU;	Table 8.1.1 Remuneration policy (EU REMA)
(e)	information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based;	Table 8.1.1 Remuneration policy (EU REMA)
(f)	the main parameters and rationale for any variable component scheme and any other non-cash benefits;	Table 8.1.1 Remuneration policy (EU REMA)
(g)	aggregate quantitative information on remuneration, broken down by business area;	Table 8.1.5 Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff) (EU REM5)
(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:	Table 8.1.2 Remuneration awarded for the financial year (EU REM1)
(i)	the amounts of remuneration for the financial year, split into fixed and variable remuneration, and the number of beneficiaries;	Table 8.1.2 Remuneration awarded for the financial year (EU REM1)
(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;	Table 8.1.2 Remuneration awarded for the financial year (EU REM1)
(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;	Table 8.1.2 Remuneration awarded for the financial year (EU REM1) Table 8.1.4 Deferred remuneration (EU REM3)"
(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;	Table 8.1.2 Remuneration awarded for the financial year (EU REM1) Table 8.1.4 Deferred remuneration (EU REM3)"
(v)	the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards;	Table 8.1.3 Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff) (EU REM2)
(vi)	the severance payments awarded in previous periods, that have been paid out during the financial year;	Table 8.1.3 Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff) (EU REM2)
(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;	Table 8.1.3 Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff) (EU REM2)
(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;	N/A
(j)	upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management;	N/A

CRR Article		Reference
(k)	information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU.	Table 8.1.1 Remuneration policy (EU REMA)
	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.	N/A
	Institutions shall comply with the requirements set out in this Article in a manner that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities and without prejudice to Regulation (EU) 2016/679 of the European Parliament and of the Council (*15).	principle of proportionality Aktia has applied this in reporting these issues.
Article 451		
Disclosure of the leverage ratio		
	1. Institutions that are subject to Part Seven shall disclose the following information regarding their leverage ratio as calculated in accordance with Article 429 and their management of the risk of excessive leverage:	
(a)	the leverage ratio and how the institutions apply Article 499(2);	Table 2.6.2 LRCom: Leverage ratio common disclosure (EU LR2)
(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;	Table 2.6.1 LRSum: Summary reconciliation of accounting assets and leverage ratio exposures (EU LR1) Table 2.6.3 LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (EU LR3)"
(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);	N/A
(d)	a description of the processes used to manage the risk of excessive leverage;	Table 2.6.4 Free format text boxes for disclosure on qualitative items (EU LRA)
(e)	a description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.	Table 2.6.4 Free format text boxes for disclosure on qualitative items (EU LRA)
	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).	N/a public development credit institutions
	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).	N/A large institutions
Article 451a		
Disclosure of liquidity requirements		
	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.	
	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):	Table 7.1.2 Quantitative information of LCR (EU LIQ1) Table 7.1.3 Qualitative information on LCR, which complements template EU LIQ1 (EU LIQB)"
(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 7.1.2 Quantitative information of LCR (EU LIQ1) Table 7.1.3 Qualitative information on LCR, which complements template EU LIQ1 (EU LIQB)"
(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;	Table 7.1.2 Quantitative information of LCR (EU LIQ1) Table 7.1.3 Qualitative information on LCR, which complements template EU LIQ1 (EU LIQB)"
(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.	Table 7.1.2 Quantitative information of LCR (EU LIQ1) Table 7.1.3 Qualitative information on LCR, which complements template EU LIQ1 (EU LIQB)"
	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:	Table 7.1.4 Net Stable Funding Ratio (EU LIQ2)
(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;	Table 7.1.4 Net Stable Funding Ratio (EU LIQ2)

CRR Article		Reference
(b)	an overview of the amount of available stable funding calculated in accordance with Chapter 3 of Title IV of Part Six;	Table 7.1.4 Net Stable Funding Ratio (EU LIQ2)
(c)	an overview of the amount of required stable funding calculated in accordance with Chapter 4 of Title IV of Part Six.	Table 7.1.4 Net Stable Funding Ratio (EU LIQ2)
	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.	Table 7.1.4 Net Stable Funding Ratio (EU LIQ2)
TITLE III		
QUALIFYING REQUIREMENTS FOR THE USE OF PARTICULAR INSTRUMENTS OR METHODOLOGIES		
Article 452		
Disclosure of the use of the IRB Approach to credit risk		
	Institutions calculating the risk-weighted exposure amounts under the IRB Approach to credit risk shall disclose the following information:	
(a)	the competent authority's permission of the approach or approved transition;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(b)	for each exposure class referred to in Article 147, the percentage of the total exposure value of each exposure class subject to the Standardised Approach laid down in Chapter 2 of Title II of Part Three or to the IRB Approach laid down in Chapter 3 of Title II of Part Three, as well as the part of each exposure class subject to a roll-out plan; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, they shall disclose separately the percentage of the total exposure value of each exposure class subject to that permission;	Table 3.5.1 Scope of the use of IRB and SA approaches (EU CR6-A) Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(c)	the control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on:	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(i)	the relationship between the risk management function and the internal audit function;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(ii)	the rating system review;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(iii)	the procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(iv)	the procedure to ensure the accountability of the functions in charge of developing and reviewing the models;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(d)	the role of the functions involved in the development, approval and subsequent changes of the credit risk models;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(e)	the scope and main content of the reporting related to credit risk models;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(f)	a description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering:	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(i)	the definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(ii)	where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(iii)	where applicable, the definitions, methods and data for estimation and validation of conversion factors, including assumptions employed in the derivation of those variables;	Table 3.5.5 Qualitative disclosure requirements related to IRB approach (EU CRE)
(g)	as applicable, the following information in relation to each exposure class referred to in Article 147:	Table 3.5.6 IRB approach – Credit risk exposures by exposure class and PD range (EU CR6) Table 3.5.3 IRB approach – CCR exposures by exposure class and PD scale (EU CCR4)
(i)	their gross on-balance-sheet exposure;	Table 3.5.6 IRB approach – Credit risk exposures by exposure class and PD range (EU CR6)
(ii)	their off-balance-sheet exposure values prior to the relevant conversion factor;	Table 3.5.6 IRB approach – Credit risk exposures by exposure class and PD range (EU CR6)
(iii)	their exposure after applying the relevant conversion factor and credit risk mitigation;	Table 3.5.6 IRB approach – Credit risk exposures by exposure class and PD range (EU CR6)
(iv)	any model, parameter or input relevant for the understanding of the risk weighting and the resulting risk exposure amounts disclosed across a sufficient number of obligor grades (including default) to allow for a meaningful differentiation of credit risk;	Table 3.5.6 IRB approach – Credit risk exposures by exposure class and PD range (EU CR6)
(v)	separately for those exposure classes in relation to which institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, and for exposures for which the institutions do not use such estimates, the values referred to in points (i) to (iv) subject to that permission;	Table 3.5.6 IRB approach – Credit risk exposures by exposure class and PD range (EU CR6)

CRR Article		Reference
(h)	institutions' estimates of PDs against the actual default rate for each exposure class over a longer period, with separate disclosure of the PD range, the external rating equivalent, the weighted average and arithmetic average PD, the number of obligors at the end of the previous year and of the year under review, the number of defaulted obligors, including the new defaulted obligors, and the annual average historical default rate.	Table 3.5.10 IRB approach – Back-testing of PD per exposure class (fixed PD scale) (EU CR9)
Article 453		
Use of credit risk mitigation techniques		
	The institutions applying credit risk mitigation techniques shall disclose the following information:	
(a)	the policies and processes for, and an indication of the extent to which the entity makes use of, on- and off-balance sheet netting;	Table 3.4.1 Qualitative disclosure requirements related to CRM techniques (EU CRC)
(b)	the policies and processes for collateral valuation and management;	Table 3.4.1 Qualitative disclosure requirements related to CRM techniques (EU CRC)
(c)	a description of the main types of collateral taken by the institution;	Table 3.4.1 Qualitative disclosure requirements related to CRM techniques (EU CRC)
(d)	the main types of guarantor and credit derivative counterparty and their creditworthiness;	N/A
(e)	information about market or credit risk concentrations within the credit mitigation taken;	Table 3.4.1 Qualitative disclosure requirements related to CRM techniques (EU CRC)
(f)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, but not providing own estimates of LGDs or conversion factors in respect of the exposure class, separately for each exposure class, the total exposure value (after, where applicable, on- or off-balance sheet netting) that is covered — after the application of volatility adjustments — by eligible financial collateral, and other eligible collateral;	Table 3.4.2 CRM techniques overview: Disclosure of the use of credit risk mitigation techniques (EU CR3)
(g)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, separately for each exposure class, the total exposure (after, where applicable, on- or off-balance sheet netting) that is covered by guarantees or credit derivatives. For the equity exposure class, this requirement applies to each of the approaches provided in Article 155.	Table 3.5.3 Standardised approach – Credit risk exposure and CRM effects (EU CR4)
Article 454		
Use of the Advanced Measurement Approaches to operational risk		N/A
Article 455		
Use of Internal Market Risk Models		N/A Internal Market Risk Models

10.1.2 Immaterial items not disclosed

Table	Article reference	
Template EU LIB - Other qualitative information on the scope of application	Article 436 points (g) and (h)	Not applicable for Aktia. The actual own funds in all the subsidiaries do not fall below the required minimum. Aktia does not have the exemption referred to in Article 7 or the individual consolidation method laid down in Article 9.
Table EU PV1: Prudent valuation adjustments (PVA)	Article 436 point (e)	Not applicable for Aktia
Table EU iLAC - Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs Table EU TLAC2: Creditor ranking - Entity that is not a resolution entity Table EU TLAC3: creditor ranking - resolution entity	Article 437a	Article not applicable to Aktia: G-SII Institutions TLAC Debt Disclosure Requirements
Table EU CR10 – Specialised lending and equity exposures under the simple risk weighted approach	Article 438 point (e)	This article is not applicable for Aktia. No specialized lending has been identified in Aktia
Table EU CCR4-IRB approach – CCR exposures by exposure class and PD scale	Article 439 point (l)	Not applicable for Aktia: No derivatives under IRB method
Table EU CCR7 – RWEA flow statements of CCR exposures under the IMM	Article 438 point (h)	Not applicable for Aktia: No exposures under IMM
Table EU CCR6 – Credit derivatives exposures	Article 439 point (j)	Not applicable for Aktia: No credit derivatives
Table EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries Table EU CQ2: Quality of forbearance Table EU CQ6: Collateral valuation - loans and advances Table EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown	Article 442 point (c) and (f)	EBA/ITS/2020/04 templates EU CR2a, EU CQ2, EU CQ6 and EU CQ8 are applied only to significant credit institutions with a gross NPL ratio of 5% or above. As Aktia is not a significant credit institution and the NPL ratio does not exceed 5%, Aktia has not disclosed these templates.
Table EU CQ7: Collateral obtained by taking possession and execution processes	Article 442 point (c)	Template EU CQ7 might be empty and shall not be disclosed: Aktia has not obtained collaterals by taking possession over them through execution process (prohibited by Finnish law)
Table EU CR2: Changes in the stock of non-performing loans and advances	Article 442 point (f)	
Table EU-SECA - Qualitative disclosure requirements related to securitisation exposures Table EU-SEC1 - Securitisation exposures in the non-trading book Table EU-SEC2 - Securitisation exposures in the trading book Table EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor Table EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor Table EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	Article 449	Not applicable for Aktia: no exposures to securitisation positions
Table EU REM4 - Remuneration of 1 million EUR or more per year	Article 450 points 1. (j) (i)	No identified staff that are high earners as set out in Article 450(i) CRR (Eur 1 million or more)
Table EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)	Article 452 (h)	Not applicable to Aktia as it does not rate / compare with the ECAI rating
Table EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models	Article 445	Not applicable; Internal Market Risk Models not in use
Table EU MR1 - Market risk under the standardised approach	Article 445	Not applicable: No capital requirement because fx net position less than 2% of own funds.
Table EU MR2-A - Market risk under the internal Model Approach (IMA)	Article 455 e)	Not applicable; No trading book
Table EU MR2-B - RWA flow statements of market risk exposures under the IMA	Article 438 (h)	Not applicable; No trading book
Table EU MR3 - IMA values for trading portfolios	Article 455 (d)	Not applicable; No trading book
Table EU MR4 - Comparison of VaR estimates with gains/losses	Article 455 (g)	Not applicable; No trading book
Template 1 - Information on loans and advances subject to legislative and non-legislative moratoria Template 2 - Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria.	EBA/GL/2020/07 Disclosure of exposures subject to measures applied in response to COVID-19 crisis	For the purpose of EBA/GL/2020/07 templates 1 and 2, moratoria refers to general moratoria in accordance with paragraph 10 of EBA Guidelines (EBA/GL/2020/02) on legislative and non-legislative moratoria. The concessions Aktia has made in response to the COVID-19 crisis have been assessed individually for each counterparty, hence the concession does not meet the criteria of moratoria in accordance with EBA/GL/2020/02.

Zero rows or columns are not presented.

10.1.2.1 Information not disclosed due to non-materiality or not applicable to the Aktia Bank Group

Aktia does not publish the tables listed below because Aktia has no reporting obligation to supplement its operations or the reporting obligation does not apply to Aktia.

10.1.2.2 Contact information

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10.1.2.3 BIC/S.W.I.F.T: HELSFIHH