Capital and Risk Management Report 2021

The Capital and Risk Management Report 2021 is a translation of the original Finnish version "Capital and Risk Management Report -raportti 2021". If discrepancies occur, the Finnish version is dominant.

Contents

1. Introduction

EU Capital Requirements Regulation (575/2013), Part 8, sets requirements for the disclosure obligation of institutions and the disclosure of information concerning banks' risks, their management and capital adequacy. Additionally, for example, the European Banking Authority (EBA) has provided more detailed guidance on the disclosure obligations.

Oma Savings Bank publishes Pillar III data in accordance with EBA/ITS/2020/04 and Regulation 637/2021, applying Article 433 of the capital adequacy 575/2013 and its supplementary Regulation (EU) 2019/876. In accordance with the CRR, EBA has announced new Pillar III reporting obligations that have been in effect for the first time in 2021 Q2 reporting. The aim of the new reporting obligations has been to increase the transparency, continuity and comparability of information published by financial institutions, complementing the CRR2 framework and aligning reporting requirements with international standards. As a result, the Pillar III templates reported by Oma Savings Bank have also changed compared to the previous year.

Changes to the reportable Pillar III templates affect their content and scope. Some of the templates and data to be reported remain the same, some of the old templates have been replaced by new ones, but in particular the number of templates to be reported annually has increased.

The Oma Savings Bank Group complies with its disclosure obligation annually by publishing comprehensive information on its capital adequacy and risk management (so-called Pillar III information) alongside its Annual Report. In its Half-Year Report, the Group presents the key figures for capital adequacy and risk management. The information in Pillar III is unaudited.

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

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

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

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

1.2 Risk statement approved by the management body

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

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

Operational risk is another key risk. Operational risk is managed both centrally and by business line. Oma Savings Bank's most significant sources of operational risk are the ongoing pandemic, growing regulatory reporting requirements and information security risks.

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

The company directs its operations so that its risk tolerance limits are not exceeded. The target level of the Group's Common Equity Tier 1 (CET1) is at least 14% and its realisation at the end of the year was 15.5%.

The target level for the share of insolvent loans in the loan portfolio has been set at 2% and it was below at the end of review year, being 1.4%. Liquidity risk is measured in the short and long term by monitoring the structure of the liquidity reserve and long-term liabilities. The Group's target for the LCR ratio is 125% (realised 133.0%), and for the Net Stable Funding Ratio (NSFR) requirement the Group's target is 120% (realised 115.2%).

2. Summary

(1,000 euros)	31 Dec 2021	31 Dec 2020
Own funds		
Common Equity Tier 1 (CET1) capital	371,923	324,009
Total capital (TC)	375,184	330,268
Pillar I minimum capital requirement (8,0 %)	191,851	162,993
Pillar I total capital requirement	287,917	244,551
Risk weighted assets		
Credit and counterparty risk, standardised approach	2,179,689	1,854,561
Credit valuation adjustment (CVA)	8,513	2,329
Market risk (foreign exchange risk)	8,668	7,986
Operational risk, basic indicator approach	201,272	172,536
Risk weighted assets, total	**2,398,141**	**2,037,412**
Ratios		
Common Equity Tier 1 (CET1) capital ratio, %	15.51%	15.90%
Total capital (TC) ratio, %	15.64%	16.21%
Leverage ratio, %	6.73%	7.25%
Liquidity coverage ratio (LCR), %	132.99%	184.93%

Oma Savings Bank aims to continue strong and profitable growth in the coming years. Oma Savings Bank market position will be strengthened throughout the business area through profitable business growth. At the end of 2021, the company implemented a corporate reorganisation in which the business operations of Eurajoen Savings Bank's business became part of Oma Savings Bank's business operations. The company is actively seeking growth, but only in business areas where it can be implemented with sufficient profitability and with an acceptable return on risk. Risk management is included in all company operations, and it includes, amongst other things, careful decisions, systematic follow-up, rigorous measures. One of the primary functions of risk control is to secure sound growth without an increase in risk levels or disruptions in day-to-day operations. The company has defined risk management processes, risk-taking limits and guidelines for staying within defined and set limits.

The business profile is stable as the company focuses on retail banking. Oma Savings Bank's most significant sources of operational risk are the ongoing pandemic, growing regulatory reporting requirements and information security risks. During the second quarter, the company terminated the core banking project. The termination of the project will not affect customers' banking services and the company will continue to develop digital services.

The company monitors the progress of application of CRD 5 and CRR2 and BRRD 2 and SRMR 2, as well as changes and effects of Basel III in EU legislation. In addition, the company is monitoring the changes that follow from the COVID-19 pandemic.

Despite the strong growth in the loan portfolio of private and corporate customers, the Common Equity Tier 1 capital ratio (CET1) of Oma Savings Bank Group remained strong and was 15.5 (15.9)% at the end of the period well above the minimum financial target of 14% set by the company's Board of Directors. Risk-weighted items were increased most significantly by the strong growth in the loan portfolio and own funds were increased by retained earnings during the financial year. Total capital ratio was 15.6 (16.2)% and the leverage ratio was 6.7 (7.3)%. At the end of the year, the Group's total capital ratio 3.6 percentage points over the minimum regulatory requirement.

The Group's LCR key figure was 133.0% at year-end and Standard & Poor's credit rating for short-term borrowing was A-2.

For the Net Stable Funding Ratio (NSFR) requirement the key figure was 115.2% at year-end and Standard & Poor's credit rating for long-term borrowing was BBB+.

The application of the EU Capital Requirement Regulation Update (CRR2) began 28 June 2021. Under the new regulation, liabilities related to SMEs will receive a greater reduction in capital requirements. The CRR2 Regulation also changed the solvency requirements for fund investments and derivatives. The application of the general rule became the minimum Leverage Ratio (LR) and the Net Stable Funding Ratio (NSFR) into binding requirements.

A new definition of insolvency was introduced on 1 January 2021. The introduction of the new definition increased the amount of Tier 3 loans during the first quarter but has since leveled off. The impact was mainly on private loans.

EU KM1: Key metrics template

(1,000 euros)		a 31 Dec 2021	c 30 Jun 2021	e 31 Dec 2020
	Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	371,923	352,023	324,009
2	Tier 1 capital	371,923	352,023	324,009
3	Total capital	375,184	356,795	330,268
	Risk-weighted exposure amounts			
4	Total risk exposure amount	2,398,141	2,142,427	2,037,412
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	15.5088%	16.4310%	15.9030%
6	Tier 1 ratio (%)	15.5088%	16.4310%	15.9030%
7	Total capital ratio (%)	15.6448%	16.6538%	16.2102%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)			
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.5000%	1.5000%	1.5000%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.8438%	0.8438%	1.5000%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.1250%	1.1250%	1.5000%
EU 7d	Total SREP own funds requirements (%)	9.5000%	9.5000%	9.5000%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.5000%	2.5000%	2.5000%
9	Institution specific countercyclical capital buffer (%)	0.0058%	0.0061%	0.0030%
11	Combined buffer requirement (%)	2.5058%	2.5061%	2.5030%
EU 11a	Overall capital requirements (%)	12.0058%	12.0061%	12.0030%
12	CET1 available after meeting the total SREP own funds requirements (%)	6.1448%	7.1558%	6.4030%
	Leverage ratio			
13	Total exposure measure	5,527,533	4,919,404	4,466,075
14	Leverage ratio (%)	6.7286%	7.1558%	7.2549%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)			
EU 14c	Total SREP leverage ratio requirements (%)	3.0000%	3.0000%	0.0000%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
EU 14e	Overall leverage ratio requirement (%)	3.0000%	3.0000%	0.0000%
	Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	643,073	636,848	596,340
EU 16a	Cash outflows - Total weighted value	545,638	426,891	347,802
EU 16b	Cash inflows - Total weighted value	62,090	30,280	25,334
16	Total net cash outflows (adjusted value)	483,549	396,612	322,468
17	Liquidity coverage ratio (%)	132.9904 %	160.5721%	184.9300%
	Net Stable Funding Ratio			
18	Total available stable funding	4,349,807	4,067,002	
19	Total required stable funding	3,777,507	3,339,650	
20	NSFR ratio (%)	115.1500%	121.7800%	

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

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

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

The form does not provide columns d, f and g as there is nothing to report.

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

3. Impacts of the corona pandemic on the risk position

The company has closely monitored the development of the coronavirus situation and made the necessary changes to its operating models. During late summer and the early autumn, due to the progress of vaccine coverage, the corona restrictions were lifted, but the restrictions had to be tightened again towards the end of the year due to new virus variants. The guidelines and recommendations of the government and other authorities have been applied to customer service and to the personnel’s work. The precautionary measures undertaken are intended to secure the personnel’s and customer’s well-being and guarantee safe banking. In customer service, remote banking opportunities and guidance for customers were increased. Customers have been encouraged to do their banking using remote channels, if possible.

The corona pandemic has not affected the growth of grace periods during 2021, and there have been no short-term peaks in demand for them. Nearly all of the pandemic-related grace periods granted in 2020 have already expired as customers continue to service loans under normal shortening plans. At the end of the reporting period, the total grace periods of the loans from the entire loan stock amounted to EUR 259.5 million. All grace periods in force at the end of the reporting period, regardless of the reason or start date, have been included in the capital.

The company's loan portfolio has grown strongly during the accounting period and, despite the corona pandemic, the quality of its loan portfolio has remained at a good level. However, the pandemic is in a re-acceleration phase that could weaken the quality of the loan portfolio in the future.

During 2020, the company made two additional loss allowances based on management’s judgement, totaling EUR 4.4 million. which predicted growth in credit risk in specific sectors. In the first quarter of 2021, the company further increased its additional loss allowances based on management’s judgement by EUR 1.5 million. euros. At the end of the first quarter, provisions related to the interest rate pandemic totaled EUR 5.9 million. euros.

The company is releasing its loss allowances on corona in stages, as the lifting of temporary restrictions has begun by region and gradually, but the restrictions have had to be tightened again towards the end of the year, so the impact on the financial situation will be seen later. During the third quarter, additional loss allowances were released in stages of EUR 2.0 million. euros. In connection with the corona pandemic, loss allowances are still available for EUR 3.9 million. Uncertainty caused by the pandemic is not considered to have led to the realisation of the risks.

The company has closely monitored the status and development of credit risk in accordance with credit risk management methods during the corona pandemic. Customers, especially the problematic accounts, have been monitored intensively during the pandemic.

The company's liquidity has remained stable during 2021, and during the corona pandemic the company has been monitoring the changes in liquidity risk more closely. The investment certificate market has largely recovered from the uncertainty of the early stages of the corona pandemic and is operating at almost pre-corona levels. The company's liquidity has continued to strengthen after the company made a loan amount increase to its covered bond due in the summer of 2027. In addition to this, the company issued a new unsecured senior bond in November.

The Group’s liquidity coverage ratio (LCR) was 133.0% on 31 December 2021. In addition to the issuance of the company's bonds in June and November, the company's deposit portfolio has continued to grow steadily during 2021, keeping the credit-deposit ratio stable. Growth in new lending has also continued to be strong. The company matures a bond of EUR 350 million in December 2022.

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

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

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

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

4.1. Roles and responsibilities

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

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

Internal control functions

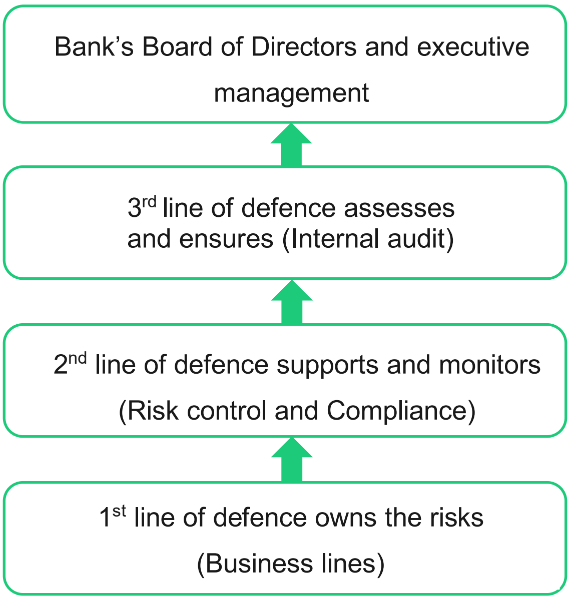
Oma Savings Bank has arranged functions that are business-independent to ensure efficient and comprehensive internal control as follows:

- Risk control function
- Compliance function
- Internal audit function

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

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

Three lines of defence principle



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

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

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

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

4.2 Risk monitoring and reporting

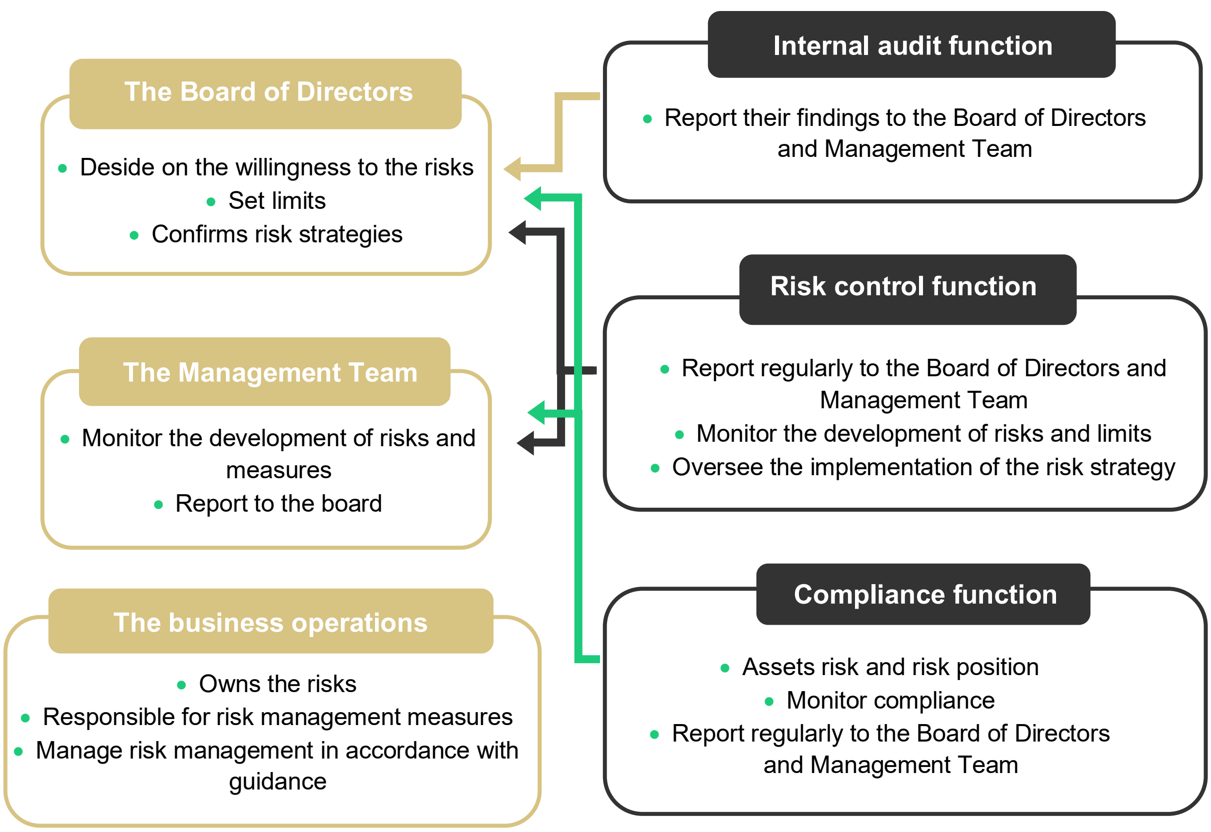
Risk management within the company is evaluated by the Board of Directors, executive management and the risk management assessment function. The company's internal risk monitoring and reporting ensures that its Board and management have a sufficiently accurate picture of the company's risk developments and their means to manage them. The organisation of the company's risk monitoring and reporting is shown in the picture below.

In the day-to-day work of all the company's personnel, both the customer interface and those in other positions, shall comply with the company's policy and risk management principles and report any identified exceptions to the executive management.

Compliance with the targets and limits set for lending is monitored by the operational management and risk control function.

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

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



EU OVA: Institution risk management approach

Free format text boxes for disclosure of qualitative information

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

5. Own funds and capital adequacy

5.1 Own funds

At the end of the review period, the capital structure of the Oma Savings Bank Group was strong. Total own funds (TC) came to EUR 375.2 (330.3) million, of which Tier 1 capital (T1) accounted for EUR 371.9 (324.0) million. Tier 1 capital consisted fully of Common Equity Tier 1 capital (CET1). Tier 2 capital (T2) EUR 3.3 (6.3) million consisted of debenture loans. The increase in own funds was most significantly the result of the profit for the accounting period.

The retained earnings for the 2021 accounting period are included in the Common Equity Tier 1 capital on the basis of permission granted by the Finnish Financial Supervisory Authority (FIN-FSA). The review period share of foreseeable dividends for 2021 has been deducted from the retained earnings based on the company's dividend policy, in accordance with the European Commission Delegated Regulation (EU) No 241/2014. The assets from the personnel offerings in 2017-2018 are not included in Tier 1 capital. Adjustments required by the EU's capital requirements regulation have been applied to the Common Equity Tier 1 capital.

Own funds (1,000 euros)	31 Dec 2021	31 Dec 2020
Group`s equity	**401,294**	**353,493**
Minus		
Non-controlling interest	522	427
Other items	17,605	16,814
Common Equity Tier 1 capital before regulatory adjustments	**383,167**	**336,252**
Share capital	24,000	24,000
Reserve for invested unrestricted equity*	141,104	133,304
Fair value reserve	-492	10,824
Other reserves	128	128
Retained earnings	218,426	167,996
Regulatory adjustments on Common Equity Tier 1 capital	**-11,244**	**-12,243**
Intangible assets	-10,025	-11,180
Deferred tax assets	-570	-522
Value adjustments due to the requirements for prudent valuation	-649	-541
Common Equity Tier 1 (CET1) capital	**371,923**	**324,009**
Additional Tier 1 capital before regulatory adjustments	-	-
Regulatory adjustments on Additional Tier 1 capital	-	-
Additional Tier 1 (AT1) capital	-	-
Tier 2 capital before regulatory adjustments	**3,261**	**6,260**
Debentures	3,261	6,260
Regulatory adjustments on Tier 2 capital	-	-
Tier 2 (T2) capital	**3,261**	**6,260**
Total capital (TC)	**375,184**	**330,268**

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

EU CC1: Composition of regulatory own funds

31 Dec 2021	(1,000 euros)	(a) Amounts
	Common Equity Tier 1 (CET1) capital: instruments and reserves	
1	Capital instruments and the related share premium accounts	24,000
	of which: Instrument type 1	24,000
2	Retained earnings	167,250
3	Accumulated other comprehensive income (and other reserves)	140,741
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	51,177
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**383,167**
	Common Equity Tier 1 (CET1) capital: regulatory adjustments	
7	Additional value adjustments (negative amount)	-649
8	Intangible assets (net of related tax liability) (negative amount)	-10,025
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-570
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-11,244**
29	**Common Equity Tier 1 (CET1) capital**	**371,923**
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	-
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	-
44	**Additional Tier 1 (AT1) capital**	-
45	**Tier 1 capital (T1 = CET1 + AT1)**	**371,923**
	Tier 2 (T2) capital: instruments	
46	Capital instruments and the related share premium accounts	3,261
51	**Tier 2 (T2) capital before regulatory adjustments**	**3,261**
57	**Total regulatory adjustments to Tier 2 (T2) capital**	-
58	**Tier 2 (T2) capital**	**3,261**
59	**Total capital (TC = T1 + T2)**	**375,184**
60	**Total Risk exposure amount**	**2,398,141**
	Capital ratios and requirements including buffers	
61	Common Equity Tier 1 capital	15.5088%
62	Tier 1 capital	15.5088%
63	Total capital	15.6448%
64	Institution CET1 overall capital requirements	7.8496%
65	of which: capital conservation buffer requirement	2.5000%
66	of which: countercyclical capital buffer requirement	0.0058%
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.8438%
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**6.1448%**
	Amounts below the thresholds for deduction (before risk weighting)	
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible shortpositions)	5,594

The form does not provide lines EU 3a, 4, 5, 9-20, EU 20a-20d, 22-25, EU 25a, EU 25b, 26, 27, EU 27a, 30-33, EU 33a, EU 33b, 34, 35, 37-42, 42a, 47, EU 47a, EU 47b, 48-50, 52-54, 54a, 55, 56, EU 56a, EU 56b, 67, EU 67a, 69-71 and 73-85 nor column b as there is nothing to report.

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

31 Dec 2021	(EUR mill.)	i. Instruments meeting own funds requirements Share capital	ii. Own funds and eligible liabilities instruments Debentures, remaining maturity of more than 1 year
1	Issuer	Oma Savings Bank Plc	Oma Savings Bank Plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	FI4000306733	FI4000282983
2a	Public or private placement	Public	Private
3	Governing law(s) of the instrument	Finnish legislation	Finnish legislation
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	Yes
	Regulatory treatment		
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1 capital (CET1)	Tier 2 capital (T2)
5	Post-transitional CRR rules	Common Equity Tier 1 capital (CET1)	Tier 2 capital (T2)
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Individual company and (sector) consolidation group	Individual company and (sector) consolidation group
7	Instrument type (types to be specified by each jurisdiction)	Share	Debenture
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	24	Regulatory capital: 3,261 Accepted liabilities: 15,000
9	Nominal amount of instrument	N/A	15
EU-9a	Issue price	N/A	1
EU-9b	Redemption price	N/A	1
10	Accounting classification	Equity	Debt - amortised cost
11	Original date of issuance	Continuous	11/1/2017
12	Perpetual or dated	Without due date	Dated
13	Original maturity date	No maturity day	2/1/2023
14	Issuer call subject to prior supervisory approval	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Variable rate	Fixed rate
18	Coupon rate and any related index	N/A	1,25%
19	Existence of a dividend stopper	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Completely discretionary	Obligatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Completely discretionary	Obligatory
21	Existence of step up or other incentive to redeem	No	No

22	Noncumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	Regulatory
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 1	Rank 3
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Debentures	Ineligible unsecured liabilities
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

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

5.2 Capital requirements

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

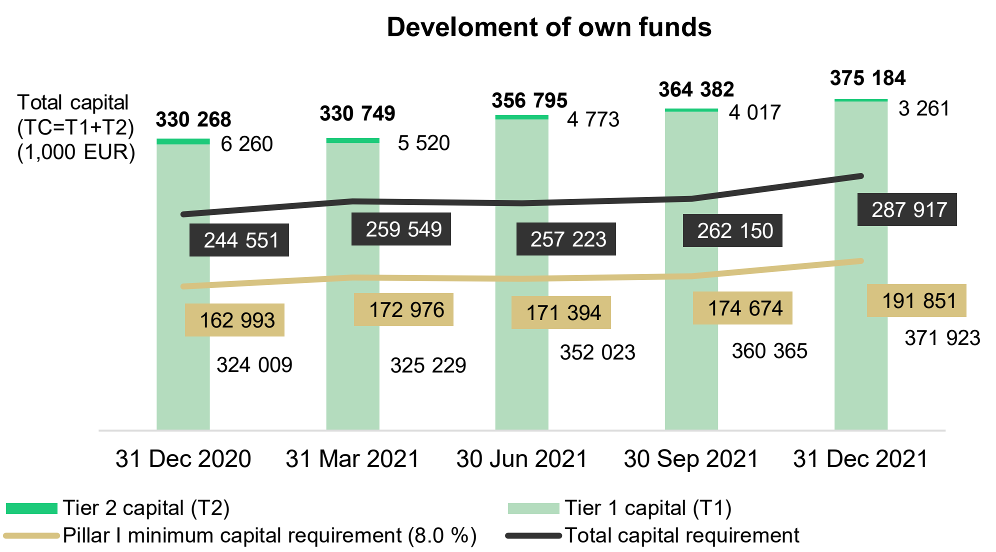
The Finnish Financial Supervisory Authority (FIN-FSA) placed the first SREP requirement, 1.5%, on Oma Savings Bank Plc based on the authority's assessment that took effect on 30 June 2020 and is valid until further notice, however not later than 30 June 2023. The amendment to the Credit Institutions Act, which entered into force in the second quarter, will enable the SREP claim to be covered in part by Tier 1 capital and Tier 2 capital in addition to Common Equity Tier 1 capital. FIN-FSA decides on the countercyclical buffer requirement quarterly and a countercyclical buffer requirement has thus far not been imposed on Finnish credit institutions. As the corona pandemic significantly weakens global economic cyclical outlook and operating conditions of the financial sector, FIN-FSA decided on 6 April 2020 on the removal of the systemic risk buffer requirement for all credit institutions. The decision took effect immediately. The Group's total own funds clearly exceeded the total capital requirement: excess own funds came to EUR 87.3 million in the reporting period.

Group`s total capital requirement 31 Dec 2021 (1,000 euros)

		Buffer requirements						
Capital	Pillar I minimum capital requirement*	Pillar II (SREP) capital requirement*	Capital conservation buffer	Countercyclical buffer**	O-SII	Systemic risk buffer	Total capital requirement	
CET1	4.50%	0.84%	2.50%	0.01%	0.00%	0.00%	7.85%	188,154
AT1	1.50%	0.29%					1.79%	42,807
T2	2.00%	0.38%					2.38%	56,956
Total	**8.00%**	**1.50%**	**2.50%**	**0.01%**	**0.00%**	**0.00%**	**12.01%**	**287,917**

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

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



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

		a	f	g	j	k	l	m
		General credit exposures		Own fund requirements				
31 Dec 2021	(1,000 euros)	Exposure value under the standardised approach	Total exposure value	Relevant credit risk exposures - Credit risk	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
010	**Breakdown by country:**							
	Luxemburg	**13,207**	**13,207**	**1,055**	**1,055**	**13,190**	**0.6181%**	**0.5000%**
	Norway	**36,998**	**36,998**	**429**	**429**	**5,357**	**0.2510%**	**1.0000%**
	Slovakia	**5,140**	**5,140**	**41**	**41**	**514**	**0.0241%**	**1.0000%**
	Other countries	**4,523,342**	**4,523,342**	**169,200**	**169,200**	**2,115,002**	**99.1068%**	**0.0000%**
020	**Total**	**4,578,685**	**4,578,685**	**170,725**	**170,725**	**2,134,063**	**100.0000%**	

The form does not provide columns b-e and h-i as there is nothing to report.

EU CCyB2: Amount of institution-specific countercyclical capital buffer

31 Dec 2021	(1,000 euros)	a
1	Total risk exposure amount	2,398,141
2	Institution specific countercyclical capital buffer rate	0.0058%
3	Institution specific countercyclical capital buffer requirement	140

5.3 Capital adequacy position

The total capital (TC) ratio of the Oma Savings Bank Group remained strong and was 15.6 (16.2)% at the end of the period. The Common Equity Tier 1 capital (CET1) ratio was 15.5 (15.9)%, exceeding the minimum level for the financial goals approved by the Board of Directors, (14%). Risk-weighted assets grew 17.7% to EUR 2,398.1 (2,037.4) million. Risk-weighted assets grew most significantly due to the strong growth in the loan portfolio for private customers. The corporate loan portfolio also grew strongly during the review period, but the impact on risk-weighted items was smaller due to the update of the EU Capital Requirement Regulation (CRR2).

The CRR2 regulation came into force on 28 June 2021 and allows for a greater reduction in capital requirements for SME exposures. The regulation changed the capital requirements for fund investments and derivatives, which contributed to an increase in the Group's risk-weighted items.

In its capital adequacy calculations, Oma Savings Bank Group applies the standardised approach for credit risks and the basic indicator approach for operational risk. The basic indicator approach is applied when calculating the capital requirement for market risk for the foreign exchange position.

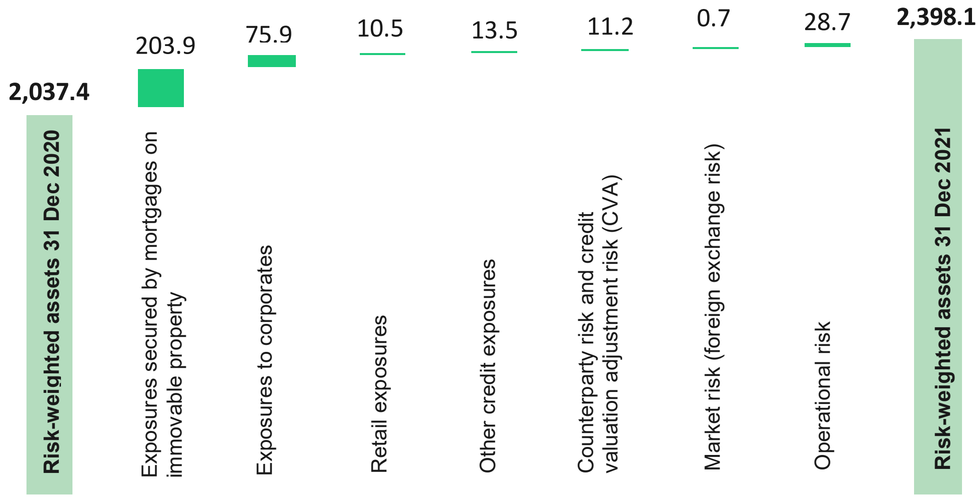
EU OV1: Overview of total risk exposure amounts

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
(1,000 euros)		31 Dec 2021	30 Jun 2021	31 Dec 2021
1	Credit risk (excluding CCR)	2,173,323	1,940,292	173,866
2	Of which the standardised approach	2,173,323	1,940,292	173,866
6	Counterparty credit risk - CCR	14,879	20,762	1,190
EU 8b	Of which credit valuation adjustment - CVA	8,513	11,790	681
9	Of which other CCR	6,366	8,973	509
20	Position, foreign exchange and commodities risks (Market risk)	8,668	8,835	693
21	Of which the standardised approach	8,668	8,835	693
23	Operational risk	201,272	172,536	16,102
EU 23a	Of which basic indicator approach	201,272	172,536	16,102
29	**Total**	**2,398,141**	**2,142,427**	**191,851**

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

Development of risk-weightened assets

EUR mill.



Development of capital adequacy ratios

	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sep 2021	31 Dec 2021
Common Equity Tier 1 (CET1), %	15.90%	15.04%	16.43%	16.50%	15.51%
Tier 1 capital ratio, %	15.90%	15.04%	16.43%	16.50%	15.51%
Total capital (TC), %	16.21%	15.30%	16.65%	16.69%	15.64%

5.4. Leverage ratio

The Oma Savings Bank Group's leverage ratio is presented in accordance with the European Commission Delegated Regulation and the figure describes the ratio of the Group's Tier 1 capital to the total exposures. The Oma Savings Bank Group's leverage ratio on 31 September 2021 was strong at 6.7 (7.3)%.

The total leverage ratio exposures grew by EUR 1,061.5 million, resulting mostly from an increase in the loan portfolio for private and corporate customers. Profit for the period and the increase in the fair value reserve contributed to a significant increase in Tier 1 capital. However, exposures increased proportionally more, resulting in a decrease in the leverage ratio.

The company monitors excessive leverage as part of capital adequacy management process. An internal minimum target level has been set for the Group's leverage ratio as part of risk budgeting included in the overall risk strategy. The CRR2 regulation obligates the maintenance of a leverage ratio of a minimum of 3%. The binding application of the requirement began on 28 June 2021.

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

(1,000 euros)		Applicable amount	
		a	b
		31 Dec 2021	31 Dec 2020
1	Total assets as per published financial statements	5,372,633	4,381,999
8	Adjustment for derivative financial instruments	29,515	-853
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	135,180	92,326
12	Other adjustments	-9,795	-14,089
13	**Total exposure measure**	**5,527,533**	**4,459,383**

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

EU LR2 - LRCom: Leverage ratio common disclosure

(1,000 euros)		CRR leverage ratio exposures	
		a	b
		31 Dec 2021	31 Dec 2020
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	5,370,065	4,377,859
6	(Asset amounts deducted in determining Tier 1 capital)	-9,541	-10,802
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**5,360,524**	**4,367,057**
Derivative exposures			
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	3,724	-
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	28,106	-
13	**Total derivatives exposures**	**31,829**	**-**
Securities financing transaction (SFT) exposures			
Other off-balance sheet exposures			
20	(Adjustments for conversion to credit equivalent amounts)	135,180	92,326
22	**Off-balance sheet exposures**	**135,180**	**92,326**
Capital and total exposure measure			
23	**Tier 1 capital**	**371,923**	**324,009**
24	**Total exposure measure**	**5,527,533**	**4,459,383**
Leverage ratio			
25	Leverage ratio (%)	6.7286%	7.2658%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.7286%	7.2658%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	6.7286%	7.2658%
26	Regulatory minimum leverage ratio requirement (%)	3.0000%	0.0000%
EU-27a	Overall leverage ratio requirement (%)	3.0000%	0.0000%

Disclosure of mean values

30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5,527,533	4,466,075
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)	5,527,533	4,466,075
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)	6.7286%	7.2549%
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)	6.7286%	7.2549%

As of 28 June 2021, the application of CRR2 increased leverage ratio derivatives exposures.

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

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

(1,000 euros)		CRR leverage ratio exposures	
		a	b
		31 Dec 2021	31 Dec 2020
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**5,370,065**	**4,377,859**
EU-3	Banking book exposures, of which:	5,370,065	4,377,859
EU-4	Covered bonds	265,454	183,721
EU-5	Exposures treated as sovereigns	415,797	621,605
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	-	8,180
EU-7	Institutions	182,670	142,039
EU-8	Secured by mortgages of immovable properties	2,885,994	2,252,201
EU-9	Retail exposures	749,813	505,153
EU-10	Corporates	720,878	522,447
EU-11	Exposures in default	48,515	40,281
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	100,944	102,233

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

EU LRA: Disclosure of LR qualitative information

Row		a Free format
a	Description of the processes used to manage the risk of excessive leverage	The company monitors over-indebtedness as part of its capital adequacy management process. An internal minimum target level has been set for the Group's minimum equity ratio as part of the risk budgeting included in the overall risk strategy.
b	Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	Oma Savings Bank Group's minimum leverage ratio was 6.73% at the end of the financial year, compared to 7.25% at the end of the previous financial year. The minimum leverage ratio has been calculated in accordance with CRR and Delegated Regulation (EU) 2015/62. The total amount of minimum leverage ratio liabilities increased more than Tier 1 capital, which resulted in a decrease in the minimum leverage ratio.

6. Credit risk

Credit risk refers to the possibility that a counterparty fails to meet its obligations in accordance with agreed terms and conditions. Oma Savings Bank's credit risk largely originates in loans granted to private customers, SMEs and agriculture and forestry operators. Credit risk and counterparty risk also result from other receivables, such as bonds in the company's investment portfolio, debt securities and derivative contracts and off-balance sheet commitments, such as undrawn credit facilities and limits, guarantees and letters of credit. The credit risk included in the investments in the company's investment portfolio are handled in the company's market risk strategy. Oma Savings Bank calculates the credit and counterparty risk capital requirement using the standardised approach. Oma Savings Bank has developed new IRB-compliant credit rating models during 2021 and those models were introduced in late 2021. Credit and counterparty risk accounts for approximately 91% (EUR 2.2 billion) of the company's risk-weighted items.

6.1 Structure of credit risk

Oma Savings Bank's credit risk primarily consists of exposures secured by immovable property, retail exposures and exposures to corporates. The share of exposures secured by immovable property of the total exposures is 45.5%, the share of retail exposures is 17.2% and exposures to corporates 27.7%. Liabilities of private customers and housing corporations are mainly covered by housing used as collateral. The share of private and corporate customers in the loan portfolio has risen slightly during 2021. Private customers make up 62.1% of the total loan portfolio. The total loan portfolio has grown by 25.8% during 2021. Part of the growth is a result of merging the Eurajoen Savings Bank's business with Oma Savings Bank. The loan portfolio is well-diversified geographically and sector-wise, which reduces the company's concentration risk. The company does not have any customer entities whose liabilities exceed the limit set by the Credit Institution Act, namely 10 percent of the company's own funds (high customer risks). The company does not have material exposures outside Finland. The risks associated with the loan portfolio are low in terms of the annual income level and risk-bearing capacity of the company.

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

Credit balance (1,000 euros)	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020
Private customers	2,705,643	2,411,976	2,319,926	2,208,424	2,126,864
-Expected credit losses	-11,968	-11,802	-12,799	-14,579	-13,046
Business customers	882,817	768,684	752,401	688,822	687,367
-Expected credit losses	-14,949	-14,594	-12,247	-11,752	-11,367
Housing association	388,306	360,090	345,689	345,491	321,913
-Expected credit losses	-102	-16	-14	-15	-116
Agricultural customers	277,743	280,760	279,475	269,026	268,141
-Expected credit losses	-1,379	-1,211	-1,542	-859	-854
Other	100,040	114,393	114,853	104,386	55,888
-Expected credit losses	-200	-143	-132	-402	-475
Credit balance total	**4,354,549**	**3,935,903**	**3,812,344**	**3,616,150**	**3,460,173**
Expected credit losses total	**-28,599**	**-27,766**	**-26,734**	**-27,607**	**-25,858**

The most significant part of expected credit losses comes from loans to private and corporate customers. The share of housing communities, agricultural and forestry customers and other customers is limited. The amount of expected credit losses has been mainly affected by the transitions to stage 3, the increase in receivables and the increase in credit risks. Expected credit losses were further increased by refinements to the calculation models, a total loss allowance of EUR 3.9 million due to corona pandemic based on management's judgement as well as individual loan-specific changes based on management judgement.

Oma Savings Bank has introduced the definition of non-performing loans according to EBA/GL/2016/07. Non-performing receivables increased compared to the comparison period on 31 December 2020 and accounted for 1.4% of the loan portfolio. Past-due receivables (30–90 days) amounted to EUR 7.5 million (10.6) during the period under review. The increase in non-performing receivables results mostly from the weakening of the situations of relatively large individual customers and the introduction of a new definition of insolvency from the beginning of 2021. Under certain circumstances, when a debtor faces financial difficulties, the customer can be granted concession from the original loan terms in the form of deferred amortisation or loan rearrangement to ensure the customer's ability to pay and avoid potential credit losses. Granting forbearance requires that the customer's financial difficulties are short-term and temporary. The Group has forbearance receivables of a total of EUR 86.6 million (85.1).

Matured and non-performing receivables

(1,000 euros)	31 Dec 2021	% of credit portfolio	31 Dec 2020	% of credit portfolio
Matured receivables, 30-90 days	7,538	0.2%	10,631	0.2%
Non-matured or matured less than 90 days, non-repayment likely	65,975	1.5%	21,536	0.5%
Non-performing receivables, 90-180 days	7,739	0.2%	5,228	0.1%
Non-performing receivables, 181 days - 1 year	6,034	0.1%	21,389	0.5%
Non-performing receivables, > 1 year	16,027	0.4%	17,620	0.4%
Matured and non-performing receivables total	**103,312**	**2.4%**	**76,403**	**1.8%**
Performing receivables and matured receivables with forbearances	59,264	1.4%	72,700	1.7%
Defaulted receivables with forbearances	27,335	0.6%	12,436	0.3%
Forbearances total	**86,599**	**2.0%**	**85,135**	**2.0%**

Figures include interest due on items.

6.2 Credit risk management

6.2.1 Credit risk management systems

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

The development of credit risks is monitored regularly using different methods. Credit risk monitoring takes into account, for example, the quality, structure, credit shortfall development and non-performing loans of the loan portfolios.Non-performing loans are considered ECL stage 3 loans and stage 2 loans in which the collateral risk is significant. In terms of credit risk, limitations have been placed on different customer groups, industries and maturities, as well as the amount of bank guarantees. In addition, limits have been placed on different credit ratings as well as on different rag categories and on forbearance contributions. Reporting of credit risk position to the Board is regular. Reporting includes, among other things, the amount of non-performing receivables, collateral risk, the development of the loan portfolio by customer entity, industry and credit quality category. Developments in the quantity and quality of the loan portfolio are reported to the Board on a monthly basis. Developments in the quantity and quality of the largest industries are reported on a quarterly basis. In addition, the 15 largest customer entities are reported to the Board once a year.

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

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

Distribution of corporate loans (excluding private customers)

Industry	31 Dec 2021	31 Dec 2020
Real estate	43.3%	41.8%
Agriculture, forestry, fishing industry	15.9%	19.0%
Trade	7.1%	7.3%
Finance and insurance	6.6%	4.2%
Construction	5.9%	6.0%
Accommodation and food service activities	4.1%	4.2%
Industry	3.7%	4.2%
Professional, scientific and technical activities	3.7%	3.6%
Transportation and storage	2.6%	2.4%
Art, entertainment and recreation	1.9%	1.7%
Other lines of business, total	5.3%	5.6%
Total	**100%**	**100%**

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

6.2.2 Credit granting process

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

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

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

Credit ratings for private customers

Credit ratings (1,000 euros)	31 Dec 2021	%	31 Dec 2020	%
AAA	263,105	9.7%	190,331	8.9%
AA	812,212	30.0%	575,207	27.0%
A	632,881	23.4%	493,466	23.2%
B	424,340	15.7%	335,964	15.8%
C	368,559	13.6%	334,206	15.7%
D	145,985	5.4%	122,690	5.8%
Not rated	32,174	1.2%	32,123	1.5%
Defaulted	26,386	1.0%	42,876	2.0%
Private customers	**2,705,643**	**100%**	**2,126,864**	**100%**

Credit ratings of companies and housing companies

Credit ratings (1,000 euros)	31 Dec 2021	%	31 Dec 2020	%
AAA	629,223	49.5%	386,823	38.3%
AA	324,328	25.5%	323,585	32.1%
A+	171,359	13.5%	173,902	17.2%
A	75,809	6.0%	47,206	4.7%
B	35,654	2.8%	39,028	3.9%
C	6,033	0.5%	9,810	1.0%
Defaulted	28,717	2.3%	28,926	2.9%
Companies and housing corporations	**1,271,123**	**100%**	**1,009,280**	**100%**

For private customers, the combined share of the best credit ratings AAA and A was 39.7% and increased compared to the previous year (36.0%). For corporates and housing limited liability companies, the AAA share of the best credit ratings was 49.5% and increased compared to the previous year (38.3%). The data for the comparison period have been prepared in accordance with the classification models in use at the end of 2021.

6.2.3. Collateral management

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

The collateral risk measured by the company's collateral deficit is low. Although the company's absolute collateral deficit has increased slightly during 2021, its collateral deficit relative to capital (after securing collateral) has remained same over the same period. The maximum loan-to-value ratio measures the ratio of the amount of the remaining loan to the collateral of the loan. The LTV distribution of the mortgage bank is shown in the table below.

Mortgage bank's LTV distribution

LTV	31 Dec 2021	30 Jun 2021	31 Dec 2020
0-50%	23.3%	24.1%	23.2%
50-60%	14.3%	13.5%	13.7%
60-70%	19.1%	19.1%	20.1%
70-80%	15.3%	16.0%	15.1%
80-90%	13.5%	12.8%	13.3%
90-100%	14.6%	14.5%	14.6%
>100%	0.0%	0.0%	0.0%
Total	**100%**	**100%**	**100%**

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

6.2.4 Credit risk adjustments

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

The calculation of the expected credit losses is based on portfolio-specific calculation rules. The Group's credit portfolio is divided into the following accounting portfolios based on product-specific risk characteristics:

- Loans to housing corporations
- Private customers' home mortgages and consumer credits
- Accounts with overdraft facilities
- Credit cards
- Loans to farmers
- Student loans
- Corporate loans

Private customers' home mortgages and consumer credits and corporate customers' loans form the Group's two most significant portfolios. With regard to these two portfolios, the calculation of the expected credit losses is based on the Exposure at Default (EAD), Probability of Default (PD) and the Loss Given Default (LGD). The company uses the recorded customers' repayment behaviour data, customer-specific ratings and loan-specific collateral values as the basis for determining the parameters. In determining the values of the PD parameters, macroeconomic forecasts concerning the future development of the national economy are used.

When calculating home mortgages and consumer credits, the PD parameter used is based on vintage analysis, in which loans are monitored based on their maturity. In terms of corporate loans, the PD parameter is based on a transition matrix describing changes in the customer-specific ratings. The credit rating is a grade assigned by an external party. In less significant portfolios, the PD parameter applied by the company is a simple loss-rate model.

The Exposure at Default (EAD) is the amount of exposure at the reporting date. Calculation of the EAD takes into account the payments to the loan as stated in the payment plan. However, certain financial instruments include both a loan principal and an undrawn portion of a loan commitment. The undrawn portion of a loan is taken into account in the exposures for the total limit granted. With credit card receivables, EAD calculation applies the so-called CCF coefficient (credit conversion factor) when taking into account undrawn limits.

Loss Given Default (LGD) describes the credit losses' share of the loan capital after loan-specific collateral has been factored in, when the receivable is classified in Stage 3.

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

6.3 Counterparty risk

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

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

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
31 Dec 2021 (1,000 euros)			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		On performing exposures	On non-performing exposures
005	Cash balances at central banks and other demand deposits	248,165	248,165													
010	Loans and advances	4,297,296	3,937,743	359,553	95,774	14,780	80,371	-8,450	-2,563	-5,887	-20,149	-66	-20,083	-1,351	4,121,043	68,528
020	*Central banks*	30,134	30,134													
030	*Public sector entities*	3,556	3,556					-12	-12						629	
040	*Credit institutions*	1,768	1,768													
050	*Other financial corporations*	48,872	48,848	24	6		6	-128	-128		-6		-6		45,494	
060	*Non-financial corporations*	1,294,509	1,214,445	80,064	35,044	4,459	30,528	-4,446	-1,458	-2,988	-10,281	-53	-10,228	-590	1,252,693	23,946
070	*Of which SMEs*	1,255,576	1,179,925	75,651	35,044	4,459	30,528	-4,430	-1,441	-2,988	-10,281	-53	-10,228	-590	1,213,949	23,946
080	*Households*	2,918,456	2,638,991	279,465	60,724	10,321	49,838	-3,863	-965	-2,899	-9,862	-13	-9,848	-761	2,822,228	44,582
090	Debt securities	638,837	617,962	2,958				-1,158	-1,138	-19					313,242	
110	*Public sector entities*	181,984	181,984					-896	-896						18,734	
120	*Credit institutions*	361,990	361,990					-136	-136						265,454	
130	*Other financial corporations*	25,274	7,824					-2	-2						2,095	
140	*Non-financial corporations*	69,589	66,164	2,958				-124	-105	-19					26,960	
150	Off-balance-sheet exposures	407,615	397,404	10,211	1,240	41	448	740	588	152	185		185		230,036	263
170	*Public sector entities*	734	734					21	21							

190	*Other financial corporations*	14,610	14,610					1	1						5,434	
200	*Non-financial corporations*	214,816	208,807	6,009	816		205	525	386	139	45		45		147,724	130
210	*Households*	177,455	173,253	4,202	424	41	243	192	179	13	141		141		76,878	133
220	**Total**	**5,591,913**	**5,201,275**	**372,722**	**97,014**	**14,822**	**80,820**	**-8,867**	**-3,112**	**-5,754**	**-19,964**	**-66**	**-19,897**	**-1,351**	**4,664,322**	**68,791**

The introduction of a new definition of insolvency has increased the amount of Stage 3 loans.

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

EU CR1-A: Maturity of exposures

		a	b	c	d	e	f
		Net exposure value					
31 Dec 2021 (1,000 euros)		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	43,932	176,509	562,922	3,541,908	39,201	4,364,471
2	Debt securities	-	7,091	221,512	392,335	16,742	637,679
3	***Total***	**43,932**	**183,599**	**784,433**	**3,934,243**	**55,943**	**5,002,151**

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

		a
31 Dec 2021 (1,000 euros)		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	65,772
020	Inflows to non-performing portfolios	49,057
030	Outflows from non-performing portfolios	-19,055
040	Outflows due to write-offs	-5,328
050	Outflow due to other situations	-13,727
060	**Final stock of non-performing loans and advances**	95,774

Impact of the new definition of insolvency:

010: Has not yet affected the amount of non-performing receivables.
020: Added some inflows.
030: Reduced outflows somewhat.
040: Did not affect final credit losses.
050: Did not affect final credit losses.
060: Increased the final balance of non-performing loans and advances somewhat.

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

31 Dec 2021 (1,000 euros)		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	423,065	4,189,571	4,022,600	166,971
2	Debt securities	324,437	313,242	269,256	43,986
3	**Total**	**747,502**	**4,502,814**	**4,291,857**	**210,957**
4	*Of which non-performing exposures*	7,097	68,528	67,338	1,190
EU-5	*Of which defaulted*	5,734	43,650	42,861	788

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

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

31 Dec 2021 (1,000 euros)	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	404,251	-	577,046	3,603	-	
2	Regional government or local authorities	3,543	711	6,955	355	15	0.2032%
3	Public sector entities	-	-	7,936	-	1,587	20.0000%
4	Multilateral development banks	-	-	70,345	2,207	-	
5	International organisations	8,003	4	8,003	2	-	
6	Institutions	182,670	-	186,560	1,732	37,658	20.0000%
7	Corporates	720,878	168,169	665,470	56,948	601,347	83.2408%
8	Retail	749,813	164,637	505,398	30,808	373,595	69.6737%
9	Secured by mortgages on immovable property	2,885,994	73,540	2,885,994	30,079	987,905	33.8779%
10	Exposures in default	48,515	868	46,584	548	50,666	107.4994%
11	Exposures associated with particularly high risk	-	-	-	-	-	
12	Covered bonds	265,454	-	265,454	-	26,545	10.0000%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	
14	Collective investment undertakings	17,814	-	17,814	-	26,038	146.1668%
15	Equity	32,355	-	32,355	-	32,355	100.0000%
16	Other items	41,233	-	41,233	-	35,611	86.3642%
17	**TOTAL**	**5,360,524**	**407,929**	**5,317,146**	**126,281**	**2,173,323**	**39.9256%**

EU CR5: Standardised approach

31 Dec 2021 (1,000 euros)	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	580,649	-	-	-	-	-	-	-	-	-	-	-	-	-	-	580,649	580,649
2	Regional government or local authorities	7,236	-	-	-	74	-	-	-	-	-	-	-	-	-	-	7,310	7,310
3	Public sector entities	-	-	-	-	7,936	-	-	-	-	-	-	-	-	-	-	7,936	7,936
4	Multilateral development banks	72,551	-	-	-	-	-	-	-	-	-	-	-	-	-	-	72,551	72,551
5	International organisations	8,006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,006	8,006
6	Institutions	-	-	-	-	188,291	-	-	-	-	-	-	-	-	-	-	188,291	188,291
7	Corporates	-	-	-	-	-	-	47,244	-	-	675,174	-	-	-	-	-	722,418	675,174
8	Retail exposures	-	-	-	-	-	-	-	-	536,206	-	-	-	-	-	-	536,206	536,206
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	2,756,540	159,533	-	-	-	-	-	-	-	-	2,916,073	2,916,073
10	Exposures in default	-	-	-	-	-	-	-	-	-	40,063	7,069	-	-	-	-	47,132	47,132
12	Covered bonds	-	-	-	265,454	-	-	-	-	-	-	-	-	-	-	-	265,454	265,454
14	Units or shares in collective investment undertakings	1,717	-	-	-	1,001	-	-	-	-	14,055	112	-	-	929	-	17,814	17,814
15	Equity exposures	-	-	-	-	-	-	-	-	-	32,355	-	-	-	-	-	32,355	32,355
16	Other items	5,616	-	-	-	8	-	-	-	-	35,609	-	-	-	-	-	41,233	41,233
17	**TOTAL**	**675,774**	**-**	**-**	**265,454**	**197,310**	**2,756,540**	**206,777**	**-**	**536,206**	**797,257**	**7,181**	**-**	**-**	**929**	**-**	**5,443,428**	**5,396,184**

EU CCR1: Analysis of CCR exposure by approach

Fixed format

		a	b	c	d	e	f	g	h
31 Dec 2021	(1,000 euros)	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-2	EU - Simplified SA-CCR (for derivatives)	2,660	20,075		1.4	31,829	31,829	31,829	6,366
1	SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	**Total**					**31,829**	**31,829**	**31,829**	**6,366**

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

	Fixed format	a	b
31 Dec 2021	(1,000 euros)	Exposure value	RWEA
1	Total transactions subject to the Advanced method		
2	(i) VaR component (including the 3× multiplier)		
3	(ii) stressed VaR component (including the 3× multiplier)		
4	Transactions subject to the Standardised method	31,829	8,513
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**31,829**	**8,513**

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

31 Dec 2021 (1,000 euros)	Exposure classes	Risk weight	
		e	l
		20%	Total exposure value
6	Institutions	31,829	31,829
11	**Total exposure value**	**31,829**	**31,829**

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

EU CQ1: Credit quality of forborne exposures

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
31 Dec 2021 (1,000 euros)		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
010	**Loans and advances**	**59,264**	**27,335**	**9,747**	**14,411**	**-250**	**-3,985**	**80,564**	**22,837**
060	*Non-financial corporations*	10,294	8,220	3,403	3,761	-65	-1,692	16,290	6,359
070	*Households*	48,970	19,115	6,344	10,650	-185	-2,292	64,274	16,478
090	**Loan commitments given**	**60**	**59**	**18**	**18**	**1**	**18**	**74**	**36**
100	**Total**	**59,323**	**27,394**	**9,764**	**14,429**	**-249**	**-3,967**	**80,638**	**22,874**

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

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

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount / nominal amount											
		Performing exposures			Non-performing exposures								
	31 Dec 2021 (1,000 euros)		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 30 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	248,165	248,165	-	-	-	-	-	-	-	-	-	-
010	**Loans and advances**	**4,297,296**	**4,289,758**	**7,538**	**95,774**	**65,975**	**7,739**	**6,034**	**6,189**	**9,256**	**433**	**149**	**68,267**
020	*Central banks*	30,134	30,134	-	-	-	-	-	-	-	-	-	-
030	*Public sector entities*	3,556	3,556	-	-	-	-	-	-	-	-	-	-
040	*Credit institutions*	1,768	1,768	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	48,872	48,872	-	6	6	-	-	-	-	-	-	6
060	*Non-financial corporations*	1,294,509	1,293,152	1,358	35,044	25,333	1,891	1,571	3,440	2,584	173	51	28,766
070	*Of which SMEs*	1,255,576	1,254,218	1,358	35,044	25,333	1,891	1,571	3,440	2,584	173	51	28,766
080	*Households*	2,918,456	2,912,275	6,180	60,724	40,635	5,848	4,463	2,749	6,672	259	98	39,494
090	**Debt securities**	**638,837**	**638,837**	-	-	-	-	-	-	-	-	-	-
110	*Public sector entities*	181,984	181,984	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	361,990	361,990	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	25,274	25,274	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	69,589	69,589	-	-	-	-	-	-	-	-	-	-
150	**Off-balance-sheet exposures**	**407,615**			**1,240**								**1,167**
170	*Public sector entities*	734			-								-
190	*Other financial corporations*	14,610			-								-

200	*Non-financial corporations*	214,816			816								809
210	*Households*	177,455			424								358
220	**Total**	**5,591,913**	**5,176,760**	**7,538**	**97,014**	**65,975**	**7,739**	**6,034**	**6,189**	**9,256**	**433**	**149**	**69,433**

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

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

		a	b	c	d	e	f
		Gross carrying amount					
			Of which non-performing				
31 Dec 2021 (1,000 euros)				Of which defaulted	Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	Agriculture, forestry and fishing	41,381	523	380	41,381	-41	-
020	Mining and quarrying	3,031	-	-	3,031	-1	-
030	Manufacturing	57,869	3,438	3,239	57,869	-1,133	-
040	Electricity, gas, steam and air conditioning supply	502	54	54	502	-47	-
050	Water supply	2,356	-	-	2,356	-3	-
060	Construction	85,132	1,729	1,287	85,132	-1,313	-
070	Wholesale and retail trade	113,993	2,642	1,347	113,993	-1,685	-
080	Transport and storage	38,789	1,300	759	38,789	-635	-
090	Accommodation and food service activities	65,899	1,307	704	65,899	-867	-
100	Information and communication	11,408	124	124	11,408	-114	-
110	Financial and insurance actvities	36,957	278	278	36,957	-228	-
120	Real estate activities	738,234	22,333	19,461	738,234	-7,184	-
130	Professional, scientific and technical activities	61,341	315	155	61,341	-350	-
140	Administrative and support service activities	20,765	378	378	20,765	-355	-
150	Public administration and defense, compulsory social security	1	-	-	1	-	-
160	Education	2,264	56	47	2,264	-133	-
170	Human health services and social work activities	13,648	103	103	13,648	-192	-
180	Arts, entertainment and recreation	29,909	444	444	29,909	-414	-
190	Other services	6,074	19	4	6,074	-33	-
200	**Total**	**1,329,553**	**35,044**	**28,766**	**1,329,553**	**-14,728**	**-**

EU CQ7: Collateral obtained by taking possession and execution processes

Template is not provided as there is nothing to report.

EU CRA: General qualitative information about credit risk

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

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

6.5 Encumbered and unencumbered assets

EU AE1: Encumbered and unencumbered assets

31 Dec 2021	(1,000 euros)	Carrying amount of encumbered assets	of which notionally eligible EHQLA and HQLA	Fair value of encumbered assets	of which notionally eligible EHQLA and HQLA	Carrying amount of unencumbered assets	of which EHQLA and HQLA	Fair value of unencumbered assets	of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
10	**Assets of the disclosing institution**	**1,736,862**	**68,974**			**3,635,771**	**686,412**		
30	Equity instruments	-	-	-	-	9,327	6,999	9,414	6,999
40	Debt securities	167,878	68,974	167,878	68,974	469,801	435,376	469,801	435,376
50	*of which: covered bonds*	49,019	49,019	49,019	49,019	216,436	216,436	216,436	216,436
60	*of which: securitisations*	-	-	-	-	-	-	-	-
70	*of which: issued by public sector entities*	-	-	-	-	181,089	181,089	181,089	181,089
80	*of which: issued by financial corporations*	144,919	49,019	144,919	49,019	242,208	224,358	242,208	224,358
90	*of which: issued by non-financial corporations*	22,959	19,955	22,959	19,955	46,505	29,930	46,505	29,930
120	Other assets	1,568,984	-			3,156,643	244,036		

EU AE2: Collateral received and own debt securities issued

		Fair value of encumbered collateral received or own debt securities issued	of which notionally eligible EHQLA and HQLA
31 Dec 2021	(1,000 euros)	010	030
140	Loans on demand	4,192,260	
250	**Total collateral received and own debt securities issued**	**1,736,862**	**68,974**

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

EU AE3: Sources of encumbrance

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
31 Dec 2021	(1,000 euros)	010	030
10	**Carrying amount of selected financial liabilities**	**1,453,452**	**1,736,862**

EU AE4: Accompanying narrative information

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

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

7. Market risk

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

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

7.1 Interest rate risk

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

For 2021, the effects of the corona pandemic on interest rate risk have remained moderate. Due to the structure of the company's balance sheet, the company's net interest income increases as interest rates rise and at the same time the effects of falling interest rates are limited. The company constantly monitors interest rate sensitivities and, if necessary, the bank is ready to open new hedging positions.

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

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

Net interest income (NII) (EUR mill.)	31 Dec 2021	31 Dec 2020
+100bps	11.7	9.3
-100bps	-4.5	-4.22

Economic value (EV) (EUR mill.)	31 Dec 2021	31 Dec 2020
+100bps	5.8	15.1
-100bps	3.8	-3.6

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

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

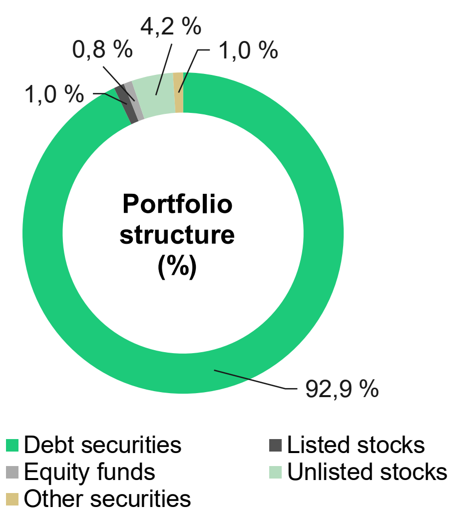
Interest rate sensitivity analysis can help to predict the impact of a change in interest rates on the current value of expected future net interest income. Calculations are based on the repayment of loans based on known amortisation plans and the different growth and interest rate forecasts for different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

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

7.2 Spread risk

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

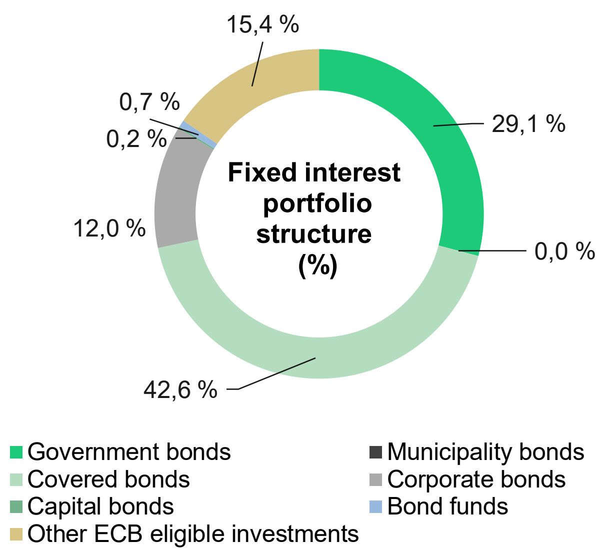
The company eased the risk weight of its investment portfolio in early 2020, as a result of which the effects of the uncertainty and uncertainty caused by the interest rate pandemic on the company's investment portfolio were limited last year. During 2021, the size of the investment portfolio has grown steadily and the risks associated with it are well diversified. The effects of the uncertainty and unawareness caused by corona pandemic on the company's investment portfolio were limited. In addition, the company's investments are mainly in well-rated government bonds and covered bonds, whose reactions to negative news are, for example, more moderate than in the corporate bond market.



The company's investment portfolio consists mainly of low-risk fixed income investments as High Yield bonds form less than two per cent of the portfolio and the other bonds are Investment Grade obligations to EU states. The company's Board of Directors is provided with regular reports on the content of the investment portfolio and its largest counterparties. On 31 December 2021, the market value of the investment portfolio was EUR 669.74 million.

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

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



EU MRA: Qualitative disclosure requirements related to market risk

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

8. Operational risk

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

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

Oma Savings Bank's most significant sources of operational risk are the ongoing pandemic, growing regulatory reporting requirements and information security risks. Cyber risks are monitored as part of risk management. During the second quarter, the company terminated the core banking project. The termination of the project will not affect customers' banking services and the company will continue to develop digital services. Other key operational risk sources include disturbances in the functioning of IT systems, damage and errors caused by the launching of new products and services and the personnel's actions, damage to property and non-compliance with regulations.

Oma Savings Bank calculates the operational risk in accordance with Pilar I using the basic indicator approach for the capital adequacy. This amount in 2021 was EUR 201.3 million, of which the own funds requirement was EUR 16.1 million. The increase is due to a significant increase in net interest income and commission income.

Operational risk

(1,000 euros)	2021	2020	2019
Gross income	122,229	105,751	94,055
The revenue indicator	18,334	15,863	14,108
Requirement for own funds of operational risk			16,102
Risk-weighted amount of operational risk			201,272

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

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

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

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

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

The risk identification process enables the Board to decide on risk management measures and priorities regarding operational risk. The company has also implemented a new risk management system to improve the management and monitoring of operational risks.

EU ORA: Qualitative information on operational risk

Free format text boxes for disclosure of qualitative information

Legal basis	Row number	Qualitative information - Free format
Points (a), (b), (c) and(d) of Article 435(1) CRR	(a)	Disclosure of the risk management objectives and policies: Operational risk management is part of a bank's risk management aimed at reducing the likelihood of unforeseen losses or threatening the bank's reputation. Operational risk management is applied in all business units by identifying, measuring, monitoring and assessing the operational risks associated with the units.
Article 446 CRR	(b)	Disclosure of the approaches for the assessment of minimum own funds requirements: Oma Savings Bank calculates the solvency requirement for operational risk under Pillar I using the basic method.
Article 446 CRR	(c)	Description of the AMA methodology approach used (if applicable): Not applicable.
Article 454 CRRR	(d)	Disclose the use of insurance for risk mitigation in the Advanced Measurement Approach (if applicable): Not applicable.

9. Liquidity risk

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

Liquidity risk is measured in the short and long term by monitoring the structure of the liquidity reserve and long-term liabilities. The Group's liquidity coverage ratio (LCR) remained good, coming to 133.0% (30.6.2020 184.9%) at the end of the period, when the minimum LCR is 100%. Liquidity remained strong when the company added a loan to a covered bond maturing in the summer of 2027. In addition, the company issued a new unsecured senior bond in November. Standard & Poor's confirmed a credit rating of BBB+ for Oma Savings Bank's long-term borrowing in June 2021, as well as a rating of A-2 for short-term borrowing. In January 2021, Standard & Poor's changed the outlook for Oma Savings Bank's long-term credit rating from negative to stable with the update of the BICRA (Banking Industry Country Risk Assessment) rating.

Liquidity coverage ratio (LCR)

	31 Dec 2021		31 Dec 2020	
million euros	Market value	Buffer value	Market value	Buffer value
Level 1a	**411.4**	**411.4**	**459.0**	**459.0**
Assets from regional governments or local authorities	5.6	5.6	5.5	5.5
Funds from central administrations	222.6	222.6	279.3	279.3
Central bank reserves available for withdraw	183.2	183.2	174.1	174.1
Level 1b	**214.4**	**199.4**	**121.6**	**113.1**
High-quality covered bonds level 1	214.4	199.4	121.6	113.1
Level 2A	**33.3**	**28.3**	**26.3**	**22.4**
High-quality covered bonds (third country) level 1	2.0	1.7	-	-
Corporate bonds level 1	31.3	26.6	26.3	22.4
Level 2B	**7.9**	**3.9**	**3.8**	**1.9**
Listed stocks	3.5	1.7	1.9	1.0
Corporate bonds level 2	1.8	0.9	1.3	0.7
Corporate bonds level 3	2.6	1.3	0.5	0.3
Total	**667.03**	**643.07**	**610.69**	**596.34**
Liquidity out flow		**545.64**		**347.80**
Liquidity in flow		**62.09**		**25.33**
LCR %		**133.0%**		**184.9%**

Another significant key figure in terms of liquidity management is the Net Stable Funding Ratio (NSFR), which was 115.2% (30.6.2020 125.5%) at the moment of review. As of 30 September 2020, the requirements of the CRR2 regulation have been taken into account in the calculation of the NSFR indicator and, as of 31 March 2021, the accounting principles have been corrected. The comparison periods have been changed retrospectively. The requirement for net stable funding ratio, at least 100%, became a binding requirement on 28 June 2021.

Net Stable Funding Ratio (NSFR)

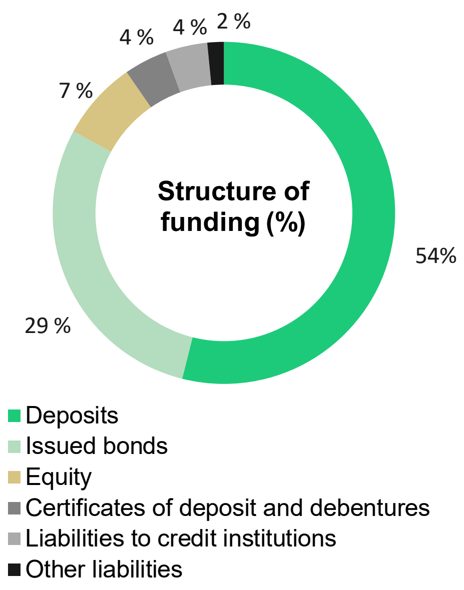
(EUR mill.)	31 Dec 2021	31 Dec 2020
Available stable funding	4,350	3,718
Required stable funding	3,778	2,964
Net Stable Funding Ratio (NSFR)	115.2%	125.5%

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

LCR & NSFR development

	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021
LCR (%)	133%	139%	161%	139%
NSFR (%)	115%	119%	122%	120%

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



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

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

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

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

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

EU LIQ1: Quantitative information of LCR

Scope of consolidation: (solo/consolidated)

		a	b	c	d	e	f	g	h
31 Dec 2021 (1,000 euros)		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021
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)					643,073	584,555	636,848	483,413
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	2,074,394	1,858,383	1,814,548	1,724,560	129,455	115,156	112,899	105,317
3	*Stable deposits*	1,675,665	1,513,785	1,477,332	1,427,522	83,783	75,689	73,867	71,376
4	*Less stable deposits*	398,729	344,598	337,216	297,038	45,672	39,467	39,033	33,941
5	Unsecured wholesale funding	721,807	671,830	627,035	547,168	378,644	349,419	294,215	259,182
7	*Non-operational deposits (all counterparties)*	701,338	655,719	614,535	530,446	358,175	333,307	281,715	242,460
8	*Unsecured debt*	20,469	16,111	12,500	16,722	20,469	16,111	12,500	16,722
10	Additional requirements	409,780	306,463	336,795	349,316	37,165	18,166	19,449	25,127
12	*Outflows related to loss of funding on debt products*	-	-	-	688	-	-	-	688
13	*Credit and liquidity facilities*	409780	306463	336795	348629	37165	18166	19449	24440
14	*Other contractual funding obligations*	1658	12287	1465	6479	61	12029	39	2567

15	*Other contingent funding obligations*	30735	28184	28312	27007	313	288	289	276
16	**TOTAL CASH OUTFLOWS**					**545,638**	**495,058**	**426,891**	**392,468**
CASH - INFLOWS									
18	Inflows from fully performing exposures	54,307	50,255	52,852	58,244	23,807	20,963	22,811	26,983
19	Other cash inflows	62,630	71,866	28,289	43,558	38,283	54,451	7,469	18,764
20	**TOTAL CASH INFLOWS**	**116,937**	**122,122**	**81,141**	**101,802**	**62,090**	**75,414**	**30,280**	**45,747**
EU-20a	*Fully exempt inflows*	-	-	26,561	-	-	-	-	-
EU-20b	*Inflows subject to 90% cap*	-	-	81,141	-	-	-	-	-
EU-20c	*Inflows subject to 75% cap*	116,937	122,122	81,141	101,802	62,090	75,414	30,280	45,747
						TOTAL ADJUSTED VALUE			
EU-21	**LIQUIDITY BUFFER**					643,073	584,555	636,848	483,413
22	**TOTAL NET CASH OUTFLOWS**					483,549	419,644	396,612	346,722
23	**LIQUIDITY COVERAGE RATIO**					133%	139%	161%	139%

The form does not provide lines 6, 9, 11, 17, EU 19a and EU 19b as there is nothing to report.

EU LIQA: Liquidity risk management

in accordance with Article 451a(4) CRR

Row number	Qualitative information - Free format	
(a)	Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding,	In its operations, the company anticipates the development of liquidity and takes measures to ensure that the bank's liquidity meets the targets set in the strategy. The company has effective and reliable strategies and systems in place to identify, measure, manage and monitor liquidity risk, intraday risk and risk profile at appropriate intervals to maintain adequate liquidity and liquidity buffers.
(b)	Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).	The company's Board of Directors has approved the general principles and practices for liquidity and market risk management. The Board regularly evaluates the strategy and updates it as necessary in accordance with the requirements of the business plan, financial condition and financial position. The Board of Directors ensures that the President and CEO, other executive management and the personnel responsible for liquidity and market risk management and control have the necessary expertise and adequate and appropriate systems in place to measure and monitor risks.
(c)	A description of the degree of centralisation of liquidity management and interaction between the group's units	The responsibilities of the risk management and control personnel shall be defined in such a way as to ensure a sufficient segregation of duties to prevent conflicts of interest. The roles are further defined in the company's liquidity and market risk strategy.
(d)	Scope and nature of liquidity risk reporting and measurement systems.	The indicators used to monitor the company's liquidity and market risk, risk limits and other limit values, as well as reporting related to the indicator, are performed regularly for the bank's management. The company's management is responsible for their scope.
(e)	Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.	The company has a separate liquidity continuity plan for a situation that threatens its liquidity position. The liquidity continuity plan describes the practical measures that the company will take if the bank's liquidity position is threatened.
(f)	An outline of the bank`s contingency funding plans.	Most of the company's financing is obtained through customer deposits, but in other respects the bank manages its financing with traditional money market instruments, such as senior loans, covered bonds, central bank financing and investment certificates.
(g)	An explanation of how stress testing is used.	The company has assessed scenarios that could cause the bank to have a sudden and severe deterioration in its liquidity position. For each scenario, the course of events, the effects on the bank's liquidity position and the means used to secure liquidity are described.
(h)	A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.	The company's Board of Directors has approved the general principles and practices for liquidity and market risk management described in the liquidity and market risk strategy. The Board regularly evaluates the strategy and updates it as necessary in accordance with the requirements of the business plan, financial condition and financial position.
(i)	A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body. These ratios may include:	In its operations, the company strives to anticipate and plan measures so that the company's balance sheet structure develops in accordance with the objectives of the confirmed strategy. The company incurs a structural financial risk due to the fact that the maturity of the funding is shorter than the maturity of the loan portfolio. Among other things, the company follows the following principles for obtaining financing to manage it. The company maintains a broad funding base, the funding is divided into maturities of sufficient length, most of the refinancing is obtained as deposits from households, companies and entities, other financial institutions and money market participants, and a significant portion of funding is also obtained through bond issues. In addition to monitoring LCR and NSFR, the company also actively monitors other indicators of financial risk, such as the borrowing ratio and the development and impact of covered bonds.

· Concentration limits on collateral pools and sources of funding (both products and counterparties)
· Customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank
· Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity
· Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps

10. Salaries and rewards

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

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

Reward schemes

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

In February 2020, the Oma Savings Bank Plc’s Board of Directors decided on an incentive scheme for its key personnel. The purpose of the scheme is to harmonise the owners’ and key personnel’s goals in order to raise the company’s long-term value and to commit the key personnel to implementing the company’s strategy, goals and long-term interests and to offer them a competitive remuneration system based on the earning and accrual of shares.

The share remuneration scheme 2020–2021 consists of a single two-year-long earning period 1 January 2020 – 31 December 2021. The target audience of the scheme includes up to 15 key people, including the company's CEO and members of the group's management team. The remuneration paid from the scheme corresponds to the value of no more than 420,000 Oma Savings Bank Plc shares, including the portion paid in cash.

Remuneration Report

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

EU REMA: Remuneration policy

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

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

EU REM1: Remuneration awarded for the financial year

31 Dec 2021			a MB Supervisory function	b MB Management function	c Other senior management
1	Fixed remuneration	Number of identified staff	7	7	7
2		Total fixed remuneration	312,000	312,000	1,488,000
3		Of which: cash-based	312,000	312,000	1,488,000
9	Variable remuneration	Number of identified staff	7	7	7
17	Total remuneration (2 + 10)		312,000	312,000	1,488,000

Lomakkeessa ei esitetä rivejä 4, EU-4a, 5, EU-5x, 6-8, 10-12, EU-13a, EU-14a, EU-13b, EU-14b, EU-14x, EU-14y, 15, 16 eikä saraketta d, koska raportoitavaa niissä ei ole.

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

Not applicable. There is nothing to report for the financial year 2021.

EU REM3: Deferred remuneration

Not applicable. There is nothing to report for the financial year 2021.

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

Not applicable. There is nothing to report for the financial year 2021.

11. Summary tables

435 Risk management objectives and policies

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

436 Scope of application

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

437 Own funds

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

437 a Own funds and eligible liabilities

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

438 Own funds requirements and risk-weighted exposure amounts

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

439 Exposure to counterparty credit risk

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

440 Capital buffers

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

441 Indicators of global systemic importance

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

442 Exposure to credit risk and dilution risk

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

443 Encumbered and unencumbered assets

Template EU AE1

444 Use of the standardized approach

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

445 Exposure to market risk

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

446 Operational risk management

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

447 Disclosure of key metrics

		Reference
a)	the composition of their own funds and their own funds requirements as calculated in accordance with Article 92	Template EU CC1
b)	the total risk exposure amount as calculated in accordance with Article 92(3)	Not applicable.
c)	where applicable, the amount and composition of additional own funds which the institutions are required to hold in accordance with point (a) of Article 104(1) of Directive 2013/36/EU	Template EU KM1
d)	their combined buffer requirement which the institutions are required to hold in accordance with Chapter 4 of Title VII of Directive 2013/36/EU	Template EU KM1
e)	their leverage ratio and the total exposure measure as calculated in accordance with Article 429	CAR, chapter 5.4
f)	the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1):	
i)	the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Template EU LIQ1
ii)	the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the- month observations over the preceding 12 months for each quarter of the relevant disclosure period	Template EU LIQ1
iii)	the averages of their liquidity outflows, inflows and net liquidity outflows as calculated pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Template EU LIQ1
g)	the following information in relation to their net stable funding requirement as calculated in accordance with Title IV of Part Six	
i)	the net stable funding ratio at the end of each quarter of the relevant disclosure period	CAR, chapter 9
ii)	the available stable funding at the end of each quarter of the relevant disclosure period	CAR, chapter 9
iii)	the required stable funding at the end of each quarter of the relevant disclosure period	CAR, chapter 9
h)	their own funds and eligible liabilities ratios and their components, numerator and denominator, as calculated in accordance with Articles 92a and 92b and broken down at the level of each resolution group, where applicable	Template EU CCA

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

Not applicable. Oma Savings Bank does not have a trading book.

449 Exposure to securisation positions

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

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

Not applicable.

450 Remuneration policy

1			Reference
a)		information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year, including, where applicable, information about the composition and the mandate of a remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
b)		information about the link between pay of the staff and their performance	Not to be published.
c)		the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
d)		the ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) of Directive 2013/36/EU	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
e)		information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based	Not applicable.
f)		the main parameters and rationale for any variable component scheme and any other non-cash benefits	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/en/remuneration
g)		aggregate quantitative information on remuneration, broken down by business area	The bank has one business unit. More information in websites: https://sijoittaminen.omasp.fi/en/remuneration
h)		aggregate quantitative information on remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile of the institutions, indicating the following	
	i)	the amounts of remuneration awarded for the financial year, split into fixed remuneration including a description of the fixed components, and variable remuneration, and the number of beneficiaries	Remuneration statement and notes in financial statement, published only concerning Board of Directors and Management Team
	ii)	the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and the deferred part	All rewards in the financial year 2020 in cash. The company has an ongoing share-based incentive scheme for key personnel, the earning period of which is 2020-2021. Information in this respect is presented in Notes G21 and G32 to the financial statements.
	iii)	the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years	Not applicable. Fees have not been dereffed.
	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	Not applicable. Fees have not been dereffed or reduced.
	v)	the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards	Not applicable. No paid start-up and severancy pay during the financial year.

	vi)	the severance payments awarded in previous periods, that have been paid out during the financial year	Not applicable. No paid start-up and severancy pay during the financial year.
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	Not applicable.
j)		upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management	Not applicable.
2		For large institutions, the quantitative information on the remuneration of institutions' collective management body referred to in this Article shall also be made available to the public, differentiating between executive and non-executive members	The remuneration report presents the salaries and fees of the company's Board of Directors, the CEO and the Deputy CEO. The remuneration report is published on the company's website. The salaries and fees of the rest of the Management Team are published on the company's website as a lump sum.

451 Leverage ratio

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

451a Liquidity requirements

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

452 Use of the IRB approach to credit risk

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

453 Use of credit risk mitigation techniques

		Reference
a)	the core features of the policies and processes for on- and off-balance-sheet netting and an indication of the extent to which institutions make use of balance sheet netting	Not applicable.
b)	the core features of the policies and processes for eligible collateral evaluation and management	CAR, chapter 6
c)	a description of the main types of collateral taken by the institution to mitigate credit risk	CAR, chapter 6
d)	for guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purpose of reducing capital requirements, excluding those used as part of synthetic securitisation structures	CAR, chapter 6
e)	information about market or credit risk concentrations within the credit risk mitigation taken	Not applicable.
f)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, the total exposure value not covered by any eligible credit protection and the total exposure value covered by eligible credit protection after applying volatility adjustments; the disclosure set out in this point shall be made separately for loans and debt securities and including a breakdown of defaulted exposures	Template EU CR3
g)	the corresponding conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect	Template EU CR4
h)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the on- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation	Template EU CR4
i)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the risk- weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure; the disclosure set out in this point shall be made separately for each exposure class	Template EU CR4
j)	for institutions calculating risk-weighted exposure amounts under the IRB Approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk- weighted exposure amounts, they shall make the disclosure set out in this point separately for the exposure classes subject to that permission	Template EU CCR1

454 Use of the advanced measurement approaches to operational risk

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

455 Use of internal market risk models

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

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