

Nordea



Capital and Risk Management Report

First Quarter 2019

Provided by Nordea Bank Abp on the basis of its consolidated
situation

Table 1 EU OV1: REA flow statements of credit risk exposures under IRB

The table provides an overview of total REA where the credit risk accounts for the largest risk type with approximately 72% of Pillar I REA in Q1 2019. Operational risk and counterparty credit risk (including CVA) account for the second and third largest risk types respectively. REA increased EUR 7.1 bn in the first quarter of 2019. The increase mainly stemmed from the acquisition of Gjensidige (reported under the standardised approach), the implementation of IFRS16 for leasing and lending growth.

EURm	REA		Minimum capital requirement	
	2019 Q1	2018 Q4	2019 Q1	2018 Q4
Credit risk (excluding counterparty credit risk) (CCR)	116,812	110,051	9,345	8,804
Of which standardised approach (SA) ¹	13,406	10,440	1,072	835
Of which foundation IRB (FIRB) approach	15,373	13,033	1,230	1,043
Of which advanced IRB approach	88,034	86,579	7,043	6,926
Of which AIRB	62,063	60,627	4,965	4,850
Of which Retail RIRB	25,971	25,952	2,078	2,076
Of which Equity IRB under the simple risk-weight or the IMA				
Counterparty credit risk	8,667	7,602	693	608
Of which Marked to market ²	829	701	66	56
Of which Original exposure				
Of which standardised approach				
Of which internal model method (IMM)	5,765	5,263	461	421
Of which Financial collateral simple method (for SFTs)				
Of which Financial collateral comprehensive method (for SFTs)	975	707	78	57
Of which exposure amount for contributions to the default fund of a CCP				
Of which CVA	1,099	931	88	74
Settlement risk	1	16	0	1
Securitisation exposures in banking book (after the cap)	1,239	1,648	99	132
Of which IRB supervisory formula approach (SFA)	1,239	1,648	99	132
Market risk	7,253	6,048	580	484
Of which standardised approach (SA)	2,463	1,661	197	133
Of which IMA	4,790	4,388	383	351
Large exposures				
Operational risk	15,698	16,487	1,256	1,319
Of which Standardised Approach	15,698	16,487	1,256	1,319
Amounts below the thresholds for deduction (subject to 250% risk weight)	2,553	2,599	204	208
Additional risk exposure amount related to Finnish RW floor due to Article 458 CRR	673	657	54	53
Additional risk exposure amount related to Swedish RW floor due to Article 4 Article 3 CRR Buffer	10,112	10,626	809	850
Pillar 1 total	163,007	155,886	13,041	12,471

1) Excluding amounts below the thresholds for deduction (subject to 250% risk weight).

2) Excludes exposures to CCPs.

As of the 1st of January 2018, the Basel I floor is discontinued for Nordea Group.

Table 2 EU CR8: REA flow statements of credit risk exposures under IRB

Over the quarter, credit risk REA increased by EUR 3.8bn, driven by implementation of IFRS 16, increased exposure in other non credit obligation assets and unfavourable credit quality effects. Asset size decreased REA driven by institution and retail portfolios partly offset by lending growth in the corporate portfolio. This was somewhat countered by the annual LGD & CCF validations in the corporate and retail portfolio.

EURm	REA amount	Capital requirement
REA 2018 Q4	99,611	7,969
Asset size	-3	-0
Asset quality	917	73
Model updates	-1,399	-112
Methodology and policy	2,229	178
Acquisitions and disposals		
Foreign exchange movements	385	31
Other	1,666	133
REA 2019 Q1	103,407	8,273

EURm	REA amount	Capital requirement
REA 2018 Q3	82,141	6,571
Asset size	1,096	88
Asset quality	-4,148	-332
Model updates	752	60
Methodology and policy	20,580	1,646
Acquisitions and disposals		
Foreign exchange movements	-155	-12
Other	-654	-52
REA 2018 Q4	99,611	7,969

Table 3 EU CCR7: REA flow statements of CCR exposures under the IMM

Main driver for the increase in REA during the quarter was the increased market value on interest rate transactions as a consequence of tightening interest rates in Europe and the Nordics. On the other hand, the decrease in the asset size of the portfolio, mainly driven by FX transactions, was the only driver pushing REA down for the first quarter of 2019.

EURm	REA amounts	Capital requirements
REA 2018 Q4	5,263	421
Asset size	-643	-51
Credit quality of counterparties	59	5
Model updates (IMM only)	0	0
Methodology and policy (IMM only)		0
Aquisition and disposals	0	0
Foreign exchange movements	63	5
Interest rate movements	661	53
Other	362	29
REA 2019 Q1	5,765	461

EURm	REA amounts	Capital requirements
REA 2018 Q3	4,091	327
Asset size	-10	-1
Credit quality of counterparties	1,137	91
Model updates (IMM only)	5	0
Methodology and policy (IMM only)		0
Aquisition and disposals	0	0
Foreign exchange movements	28	2
Interest rate movements	13	1
Other	0	0
REA 2018 Q4	5,263	421

Table 4 EU MR2-B: REA flow statements of market risk exposures under the IMA

By Q1 2019, the IRC REA amounted to EUR 4,790m which corresponded to an increase of EUR 402m from Q4 2018, where of EUR 375m stemmed from methodology changes going into effect Q1 2019. The increase in Value-at-Risk (VaR) REA was primarily driven by methodology changes while the increase in stressed Value-at-Risk (sVaR) was driven by both higher levels of interest rate risk and methodology changes. The decrease in IRC REA from end of Q4 2018 to end of Q1 2019 was driven by reduced exposure towards BBB and BB rated names, both in terms of default and migration risk.

EURm	VaR ¹	SVaR	IRC	CRC	Total REA	Total capital requirement
REA before regulatory adjustments 2018 Q4	724	2,173	1,066	425	4,388	351
Regulatory adjustment						
REA 2018 Q4	724	2,173	1,066	425	4,388	351
Movement in risk levels	-35	388	-379	54	402	32
Model updates/changes						
Methodology and policy	82	293				
Aquisitions and disposals						
Foreign exchange movements						
Other						
REA before regulatory adjustments 2019 Q1	770	2,854	687	478	4,790	383
Regulatory adjustment						
REA 2019 Q1	770	2,854	687	478	4,790	383

1) Of which Equity Event Risk (EER) REA is EUR 8m. EER is an official IMA measure from Q3 2018.

EURm	VaR ²	SVaR	IRC	CRC	Total REA	Total capital requirement
REA before regulatory adjustments 2018 Q3	523	1,480	291	424	2,719	218
Regulatory adjustment						
REA 2018 Q3	523	1,480	291	424	2,719	218
Movement in risk levels	222	630	144	1	998	80
Model updates/changes						
Methodology and policy	-22	62	631		671	54
Aquisitions and disposals						
Foreign exchange movements						
Other						
REA before regulatory adjustments 2018 Q4	724	2,173	1066	425	4,388	351
Regulatory adjustment						
REA 2018 Q4	724	2,173	1066	425	4,388	351

2) Of which Equity Event Risk (EER) REA is EUR 5m. EER is an official IMA measure from Q3 2018.

Table 5 Summary of items included in own funds

Own funds increased by EUR 725m from Q4 2018, mainly driven by a newly issued additional Tier 1 loan of EUR 1,096m during March. This was somewhat offset by the CET1 capital decrease of EUR 309m as well as the amortisation of T2 instruments of EUR 200m. CET1 capital decreased as a result of increased intangible assets deduction mostly related to the Gjensidige acquisition.

EURm	Q1 2019 ³	Q4 2018 ³
Calculation of own funds		
Equity in the consolidated situation	29,219	31,305
Proposed/actual dividend	-707	-2,788
Common Equity Tier 1 capital before regulatory adjustments	28,512	28,517
Deferred tax assets		
Intangible assets	-4,167	-3,885
IRB provisions shortfall (-)	-96	-76
Deduction for investments in credit institutions (50%)		
Pension assets in excess of related liabilities ¹	-148	-117
Other items, net	-275	-305
Total regulatory adjustments to Common Equity Tier 1 capital	-4,686	-4,383
Common Equity Tier 1 capital (net after deduction)	23,826	24,134
Additional Tier 1 capital before regulatory adjustments	4,002	2,860
Total regulatory adjustments to Additional Tier 1 capital	-12	-10
Additional Tier 1 capital	3,991	2,850
Tier 1 capital (net after deduction)	27,817	26,984
Tier 2 capital before regulatory adjustments	4,801	4,960
IRB provisions excess (+)	185	135
Deduction for investments in credit institutions (50%)		
Deductions for investments in insurance companies	-1,000	-1,000
Pension assets in excess of related liabilities		
Other items, net	-49	-51
Total regulatory adjustments to Tier 2 capital	-865	-916
Tier 2 capital	3,936	4,044
Own funds (net after deduction)²	31,753	31,028

1) Based on conditional FSA approval.

2) Own Funds adjusted for IRB provision, i.e. adjusted own funds equal 31664m by 31 Mar 2019

3) Including profit of the period.

Own funds, excluding profit

EURm	Q1 2019	Q4 2018
Common Equity Tier 1 capital, excluding profit	23,771	24,147
Total own funds, excluding profit	31,698	31,041

Table 6 Capital ratios

The CET1 capital ratio including profit, decreased by 87 bps foremost driven by credit risk REA which increased by EUR 6.8m. The increase mainly stemmed from the acquisition of Gjensidige (reported under the standardised approach), the implementation of IFRS16 for leasing and lending growth.

The leverage ratio decreased by 20 bps compared to Q4 2018, mainly due to decrease in securities financing transactions and other assets.

Capital ratios

%	Q1 2019	Q4 2018
Common Equity Tier 1 capital ratio, including profit	14.6	15.5
Tier 1 capital ratio, including profit	17.1	17.3
Total capital ratio, including profit	19.5	19.9
Common Equity Tier 1 capital ratio, excluding profit	14.6	15.5
Tier 1 capital ratio, excluding profit	17.0	17.3
Total capital ratio, excluding profit	19.4	19.9

Leverage Ratio

%	Q1 2019	Q4 2018
Tier 1 capital, EURm ¹	27,817	26,984
Tier 1 capital, transitional definition, EURm ¹	27,817	26,984
Leverage ratio exposure, EURm	567,746	528,163
Leverage ratio, transitional definition, percentage	4.9	5.1
Leverage ratio, percentage	4.9	5.1

1) Figures include profit of the period.

Table 7 Minimum capital requirements for credit risk, split by exposure class

IRB exposures remained the largest component of REA, comprising EUR 110.6bn (87%) of EUR 126.9bn total (compared to EUR 119.3bn at year-end 2018). The increase mainly stemmed from the acquisition of Gjensidige business operation (reported under the standardised approach), the application of IFRS16 for leasing under IRB and lending growth.

EURm	Original exposure	Exposure	Average risk weight	REA	Capital requirement
IRB exposure classes					
Sovereign	0	0	0%	0	0
Institution	39,070	37,566	16%	6,130	490
Corporate	178,221	145,105	51%	73,978	5,918
- of which advanced	154,236	124,565	50%	62,063	4,965
Retail	187,229	176,118	15%	26,004	2,080
- of which mortgage	146,923	144,194	12%	17,136	1,371
- of which other retail	40,306	31,924	28%	8,867	709
- of which SME	3,245	2,819	38%	1,069	86
Other non-credit obligation assets	5,035	4,838	93%	4,508	361
Total IRB approach	409,555	363,628	30%	110,619	8,850
Standardised exposure classes					
Central government and central banks	78,552	81,358	1%	447	36
Regional governments and local authorities	10,353	6,616	1%	85	7
Institution	4,105	4,100	7%	278	22
Corporate	5,079	3,936	99%	3,896	312
Retail	7,811	6,451	72%	4,634	371
Exposure secured by real estate	7,256	6,766	35%	2,381	190
Other ¹	6,447	6,245	73%	4,594	367
Total standardised approach	119,602	115,470	14%	16,314	1,305
Total	529,156	479,099	26%	126,933	10,155

1) Includes exposure classes Administrative bodies and non-commercial undertakings, Multilateral development banks, International organisations, Past due items, Items belonging to regulatory high-risk categories, Covered bonds, Other items and Equity.

Q4 2018, EURm

EURm	Original exposure	Exposure	Average risk weight	REA	Capital requirement
IRB exposure classes					
Sovereign	0	0	0%	0	0
Institution	42,822	41,309	14%	5,953	476
Corporate	172,479	140,365	51%	71,868	5,749
- of which advanced	149,968	121,183	50%	60,627	4,850
Retail	187,753	177,452	15%	25,979	2,078
- of which mortgage	149,220	145,827	12%	17,118	1,369
- of which other retail	38,533	31,625	28%	8,861	709
- of which SME	3,281	2,835	38%	1,063	85
Other non-credit obligation assets	2,674	2,509	87%	2,187	175
Total IRB approach	405,727	361,636	29%	105,987	8,479
Standardised exposure classes					
Central government and central banks	77,893	80,772	1%	601	48
Regional governments and local authorities	9,763	6,115	1%	86	7
Institution	2,583	2,568	10%	248	20
Corporate	5,271	3,974	98%	3,904	312
Retail	6,175	4,559	71%	3,243	259
Exposure secured by real estate	2,810	2,791	35%	984	79
Other ¹	5,642	5,468	78%	4,269	342
Total standardised approach	110,138	106,248	13%	13,334	1,067
Total	515,865	467,884	26%	119,321	9,546

1) Includes exposure classes Administrative bodies and non-commercial undertakings, Multilateral development banks, International organisations, Past due items, Items belonging to regulatory high-risk categories, Other items and Equity.

Table 8 EU CR6 Total IRB: Credit risk exposures by portfolio and PD scale

For the exposure classes under the IRB approach, the following tables show a comprehensive overview of exposures as well as statistics on the inputs used for their computation, such as EAD, average PD and average LGD. The amounts are broken down by exposure class and obligor grade. The movements during Q1 2019 were mainly explained by increase in the corporate exposure, unfavorable credit quality effects and offset by the LGD and CCF validation in corporate and retail portfolios.

Q1 2019, EURm

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
Total IRB exposures												
0.00 to < 0.15	151,011	36,551	54%	171,080	0.09%	1,343,371	19.1%	2.5	21,190	12%	29	22
0.15 to < 0.25	46,973	13,727	51%	53,860	0.20%	577,003	22.0%	2.5	12,390	23%	24	17
0.25 to < 0.50	47,761	17,506	46%	55,247	0.41%	484,297	25.2%	2.6	24,685	45%	58	51
0.50 to < 0.75	6,101	817	53%	6,325	0.60%	160,362	20.0%	2.5	1,229	19%	8	7
0.75 to < 2.50	33,734	10,704	48%	37,041	1.20%	479,296	25.6%	2.6	20,527	55%	113	118
2.50 to < 10.00	9,695	2,572	40%	9,649	4.27%	226,650	26.6%	2.6	6,131	64%	110	117
10.00 to < 100	4,965	812	44%	4,861	18.39%	84,134	25.7%	2.5	4,676	96%	221	159
100 (Default)	5,797	667	11%	5,598	100.00%	100,751	26.3%	2.7	8,070	144%	1,456	1,669
Total	306,037	83,355	50%	343,662	2.29%	3,455,864	21.7%	2.5	98,899	29%	2,019	2,159

Q4 2018, EURm

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
Total IRB exposures												
0.00 to < 0.15	152,052	36,938	58%	173,407	0.08%	1,311,052	18.8%	2.5	20,625	12%	29	23
0.15 to < 0.25	47,209	13,374	54%	54,208	0.20%	569,418	22.1%	2.5	11,949	22%	24	19
0.25 to < 0.50	47,381	17,996	47%	55,301	0.41%	479,387	25.6%	2.5	24,569	44%	59	53
0.50 to < 0.75	6,160	828	58%	6,465	0.60%	161,587	20.0%	2.5	1,242	19%	8	7
0.75 to < 2.50	32,968	10,487	48%	36,360	1.19%	409,507	25.9%	2.5	19,916	55%	111	126
2.50 to < 10.00	9,337	2,463	44%	9,404	4.26%	214,373	26.5%	2.6	5,748	61%	105	115
10.00 to < 100	5,127	904	46%	5,058	18.2%	80,816	26.9%	2.4	5,122	101%	239	176
100 (Default)	5,873	706	12%	5,675	100.0%	97,605	26.6%	2.7	8,253	145%	1,482	1,648
Total	306,108	83,696	53%	345,878	2.30%	3,323,745	21.7%	2.5	97,425	28%	2,058	2,167

Table 8 EU CR6 FIRB Institutions: Credit risk exposures by PD scale

Q1 2019, EURm												
PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	Value adj. and EL	provision
Institutions - FIRB												
0.00 to < 0.15	28,690	1,152	37%	29,172	0.07%	620	14.6%	2.5	3,102	11%	3	2
0.15 to < 0.25	1,702	193	43%	1,798	0.17%	84	13.7%	2.5	312	17%	0	0
0.25 to < 0.50	723	587	29%	994	0.35%	204	26.4%	2.5	425	43%	1	0
0.50 to < 0.75	146	134	29%	164	0.68%	77	42.8%	2.5	144	88%	0	0
0.75 to < 2.50	54	152	33%	102	1.18%	100	45.0%	2.5	128	126%	1	0
2.50 to < 10.00	112	208	29%	136	4.65%	321	44.9%	2.5	246	180%	3	1
10.00 to < 100	5	22	23%	8	11.66%	48	44.4%	2.5	19	247%	0	0
100 (Default)												
Total	31,431	2,448	34%	32,374	0.11%	1,454	15.3%	2.5	4,376	14%	9	3

Q4 2018, EURm												
PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	Value adj. and EL	provision
Institutions - FIRB												
0.00 to < 0.15	32,725	921	40%	33,149	0.06%	610	13.8%	2.5	3,045	9%	3	1
0.15 to < 0.25	1,747	184	47%	1,844	0.17%	84	13.7%	2.5	259	14%	0	0
0.25 to < 0.50	871	613	15%	964	0.35%	189	22.7%	2.5	364	38%	1	0
0.50 to < 0.75	134	89	14%	146	0.66%	78	42.0%	2.5	125	85%	0	0
0.75 to < 2.50	72	183	32%	128	1.20%	92	45.0%	2.5	159	125%	1	0
2.50 to < 10.00	155	201	33%	170	4.50%	319	44.8%	2.5	300	177%	3	0
10.00 to < 100	8	18	22%	9	11.9%	42	43.1%	2.5	20	240%	0	0
100 (Default)												
Total	35,712	2,209	32%	36,409	0.10%	1,414	14.4%	2.5	4,272	12%	9	2

Table 8 EU CR6: IRB Corporates: Credit risk exposures by PD scale

Q1 2019, EURm

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
<i>Corporate - IRB, Total</i>												
0.00 to < 0.15	34,137	21,278	49%	44,870	0.10%	12,580	29.6%	2.4	10,833	24%	13	18
0.15 to < 0.25	14,026	9,241	47%	18,503	0.22%	4,504	29.5%	2.6	8,608	47%	12	11
0.25 to < 0.50	30,136	14,588	45%	36,381	0.44%	13,949	28.2%	2.6	21,835	60%	45	41
0.50 to < 0.75 ¹												
0.75 to < 2.50	22,676	8,456	46%	25,247	1.13%	13,865	28.0%	2.6	17,205	68%	80	77
2.50 to < 10.00	4,288	1,776	35%	4,022	3.34%	13,546	30.1%	2.6	3,521	88%	44	40
10.00 to < 100	2,803	663	41%	2,701	14.45%	5,658	28.4%	2.5	3,072	114%	111	83
100 (Default)	3,773	527	0%	3,528	100.00%	1,687	29.0%	2.8	3,476	99%	1,298	1,341
Total	111,839	56,528	46%	135,252	3.39%	65,789	28.9%	2.5	68,552	51%	1,603	1,612
<i>Corporate - AIRB, Total</i>												
0.00 to < 0.15	30,946	20,384	51%	41,175	0.09%	11,568	28.3%	2.4	9,638	23%	11	16
0.15 to < 0.25	12,582	8,878	48%	17,043	0.22%	4,122	28.5%	2.6	7,870	46%	11	10
0.25 to < 0.50	28,058	13,658	47%	34,249	0.44%	12,599	27.3%	2.6	20,535	60%	41	39
0.50 to < 0.75 ¹												
0.75 to < 2.50	20,601	7,411	50%	23,030	1.13%	12,359	26.7%	2.6	15,344	67%	70	70
2.50 to < 10.00	3,234	1,336	46%	3,241	3.37%	10,823	27.7%	2.7	2,634	81%	34	32
10.00 to < 100	2,488	522	52%	2,393	14.33%	5,011	26.7%	2.5	2,565	107%	91	74
100 (Default)	3,662	478		3,433	100.00%	1,615	28.6%	2.8	3,476	101%	1,257	1,325
Total	101,570	52,666	49%	124,565	3.51%	58,097	27.7%	2.5	62,063	50%	1,515	1,566
<i>Corporate - AIRB, Corporates (excluding SMEs and specialised lending)</i>												
0.00 to < 0.15	15,985	18,430	51%	23,879	0.11%	2,201	31.2%	2.4	6,524	27%	8	15
0.15 to < 0.25	8,274	8,032	47%	11,623	0.22%	1,338	30.0%	2.5	5,571	48%	8	9
0.25 to < 0.50	18,389	11,609	45%	22,519	0.44%	4,052	28.7%	2.6	14,932	66%	28	35
0.50 to < 0.75 ¹												
0.75 to < 2.50	11,714	5,984	48%	12,617	1.12%	4,041	28.3%	2.8	9,224	73%	40	47
2.50 to < 10.00	1,891	983	44%	1,826	3.38%	5,058	30.1%	2.8	1,884	103%	22	20
10.00 to < 100	1,029	277	52%	953	13.18%	1,555	30.1%	2.4	1,282	135%	38	40
100 (Default)	2,054	349		1,923	100.00%	446	30.1%	3.0	1,947	101%	700	734
Sub-total	59,337	45,663	48%	75,340	3.19%	18,691	29.7%	2.6	41,364	55%	844	900
<i>Corporate - AIRB, SMEs (excluding specialised lending)</i>												
0.00 to < 0.15	14,900	1,890	51%	17,216	0.07%	9,365	24.4%	2.4	3,078	18%	3	1
0.15 to < 0.25	4,307	846	54%	5,419	0.22%	2,784	25.3%	2.6	2,299	42%	3	1
0.25 to < 0.50	9,581	2,015	56%	11,640	0.44%	8,541	24.6%	2.5	5,547	48%	13	5
0.50 to < 0.75 ¹												
0.75 to < 2.50	8,882	1,385	56%	10,385	1.14%	8,314	24.6%	2.4	6,099	59%	29	23
2.50 to < 10.00	1,343	353	51%	1,415	3.37%	5,765	24.4%	2.5	750	53%	12	13
10.00 to < 100	1,459	245	51%	1,441	15.09%	3,456	24.5%	2.5	1,283	89%	54	33
100 (Default)	1,598	124		1,500	100.00%	1,169	26.6%	2.5	1,521	101%	558	591
Sub-total	42,069	6,858	53%	49,016	4.00%	39,394	24.7%	2.5	20,578	42%	671	666
<i>Corporate - AIRB, Specialised lending</i>												
0.00 to < 0.15	61	64	26%	79	0.15%	2	33.9%	4.6	36	46%	0	
0.15 to < 0.25												
0.25 to < 0.50	89	34	56%	91	0.46%	6	36.2%	2.9	55	61%	0	
0.50 to < 0.75 ¹												
0.75 to < 2.50	5	42	57%	28	0.84%	4	35.1%	2.6	20	72%	0	
2.50 to < 10.00												
10.00 to < 100												
100 (Default)	9	5		9	100.00%	1	20.9%	1.3	8	87%	0	
Sub-total	164	145	41%	208	4.89%	13	34.5%	3.4	121	58%	0	

1) For corporate exposure class the bucket 4 is empty, since no regulatory PD in the range 0,5% - 0,75%.

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
<i>Corporate - FIRB, Total</i>												
0.00 to < 0.15	3,191	894	8%	3,695	0.10%	2,600	43.0%	2.5	1,195	32%	2	2
0.15 to < 0.25	1,444	363	12%	1,460	0.22%	1,346	41.2%	2.5	739	51%	1	1
0.25 to < 0.50	2,077	930	11%	2,132	0.44%	4,178	41.9%	2.5	1,300	61%	4	2
0.50 to < 0.75 ¹												
0.75 to < 2.50	2,075	1,045	16%	2,216	1.14%	4,931	42.3%	2.5	1,861	84%	11	7
2.50 to < 10.00	1,054	440	5%	781	3.22%	4,725	40.4%	2.5	887	114%	10	8
10.00 to < 100	315	141	4%	307	15.38%	2,107	41.2%	2.5	507	165%	19	10
100 (Default)	112	49	0%	95	100.00%	302	42.9%	2.5	0	0%	41	16
Total	10,269	3,862	11%	10,687	1.96%	20,189	42.1%	2.5	6,489	61%	88	46
<i>Corporate - FIRB, Corporates (excluding SMEs and specialised lending)</i>												
0.00 to < 0.15	2,433	688	8%	2,718	0.09%	1,083	43.3%	2.5	915	34%	1	1
0.15 to < 0.25	824	258	11%	822	0.22%	433	41.6%	2.5	377	46%	1	0
0.25 to < 0.50	1,194	704	13%	1,196	0.43%	1,354	42.5%	2.5	787	66%	2	1
0.50 to < 0.75 ¹												
0.75 to < 2.50	1,084	738	19%	1,214	1.03%	1,389	42.8%	2.5	1,147	94%	5	3
2.50 to < 10.00	852	358	4%	580	3.15%	2,103	39.9%	2.5	709	122%	7	5
10.00 to < 100	70	37	12%	68	14.97%	417	41.4%	2.5	144	211%	4	2
100 (Default)	63	25	0%	49	100.00%	52	43.8%	2.5			21	12
Sub-total	6,520	2,808	12%	6,648	1.50%	6,831	42.6%	2.5	4,078	61%	42	24
<i>Corporate - FIRB, SMEs (excluding specialised lending)</i>												
0.00 to < 0.15	752	206	6%	970	0.12%	1,516	42.0%	2.5	279	29%	0	1
0.15 to < 0.25	620	105	14%	639	0.22%	913	40.7%	2.5	362	57%	1	1
0.25 to < 0.50	883	226	7%	935	0.44%	2,824	41.2%	2.5	513	55%	2	1
0.50 to < 0.75 ¹												
0.75 to < 2.50	991	307	8%	1,002	1.26%	3,542	41.7%	2.5	714	71%	5	5
2.50 to < 10.00	202	82	11%	202	3.40%	2,622	41.7%	2.5	178	88%	3	2
10.00 to < 100	246	104	1%	239	15.50%	1,690	41.1%	2.5	363	152%	15	8
100 (Default)	49	24	0%	46	100.00%	250	41.9%	2.5	0	0%	19	4
Sub-total	3,743	1,054	7%	4,034	2.72%	13,357	41.4%	2.5	2,409	60%	46	21
<i>Corporate - FIRB, Specialised Lending</i>												
0.00 to < 0.15	6			6	0.06%	1	45.0%	2.5	1	23%	0	
0.15 to < 0.25												
0.25 to < 0.50												
0.50 to < 0.75 ¹												
0.75 to < 2.50												
2.50 to < 10.00												
10.00 to < 100												
100 (Default)												
Sub-total	6			6	0.06%	1	45.0%	2.5	1	23%	0	

1) For corporate exposure class the bucket 4 is empty, since no regulatory PD in the range 0,5% - 0,75%.

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
Corporate - IRB, Total												
0.00 to < 0.15	32,494	20,944	50%	43,150	0.09%	12,435	30.1%	2.5	10,450	24%	12	19
0.15 to < 0.25	13,594	8,624	49%	17,789	0.22%	4,499	30.2%	2.5	8,106	46%	12	14
0.25 to < 0.50	29,659	14,978	46%	36,333	0.44%	14,014	28.9%	2.5	21,759	60%	46	44
0.50 to < 0.751												
0.75 to < 2.50	21,954	8,188	45%	24,499	1.12%	14,009	28.6%	2.6	16,548	68%	79	83
2.50 to < 10.00	3,911	1,660	39%	3,756	3.27%	11,876	30.0%	2.7	3,091	82%	38	39
10.00 to < 100	3,026	756	44%	2,953	14.66%	5,855	29.9%	2.4	3,550	120%	130	90
100 (Default)	3,858	556	0%	3,607	100.00%	1,767	29.5%	2.8	3,697	102%	1,324	1,357
Total	108,495	55,706	47%	132,087	3.54%	64,455	29.5%	2.5	67,201	51%	1,641	1,646
Corporate - AIRB, Total												
0.00 to < 0.15	29,272	20,257	52%	39,485	0.09%	11,448	28.9%	2.5	9,294	24%	11	17
0.15 to < 0.25	11,990	8,169	51%	16,145	0.22%	4,122	29.0%	2.5	7,206	45%	10	13
0.25 to < 0.50	27,249	14,122	48%	33,919	0.44%	12,616	28.0%	2.5	20,225	60%	42	42
0.50 to < 0.751												
0.75 to < 2.50	19,967	7,153	50%	22,458	1.12%	12,483	27.3%	2.6	14,860	66%	69	78
2.50 to < 10.00	2,974	1,223	53%	3,032	3.26%	9,352	27.6%	2.7	2,275	75%	28	34
10.00 to < 100	2,702	645	51%	2,640	14.59%	5,168	28.5%	2.4	3,070	116%	111	83
100 (Default)	3,738	507	0%	3,504	100.00%	1,667	29.1%	2.8	3,697	106%	1,280	1,324
Total	97,891	52,077	50%	121,183	3.68%	56,856	28.3%	2.5	60,627	50%	1,551	1,592
Corporate - AIRB, Corporates (excluding SMEs and specialised lending)												
0.00 to < 0.15	14,761	18,327	51%	22,899	0.11%	2,113	31.4%	2.4	6,392	28%	8	16
0.15 to < 0.25	7,729	7,316	50%	10,814	0.22%	1,296	30.2%	2.5	5,030	47%	7	11
0.25 to < 0.50	17,640	11,973	46%	22,197	0.44%	3,868	29.1%	2.5	14,527	65%	28	39
0.50 to < 0.751												
0.75 to < 2.50	10,994	5,352	49%	12,118	1.09%	3,857	28.6%	2.6	8,658	71%	38	56
2.50 to < 10.00	1,644	847	52%	1,664	3.15%	4,096	29.1%	2.9	1,524	92%	16	19
10.00 to < 100	1,336	422	54%	1,271	14.16%	1,574	31.5%	2.3	1,828	144%	58	49
100 (Default)	2,069	350	0%	1,927	100.00%	466	30.3%	3.1	1,889	98%	718	721
Sub-total	56,173	44,588	49%	72,889	3.35%	17,270	30.0%	2.5	39,848	55%	874	912
Corporate - AIRB, SMEs (excluding specialised lending)												
0.00 to < 0.15	14,502	1,875	53%	16,561	0.07%	9,334	25.3%	2.5	2,890	17%	3	1
0.15 to < 0.25	4,241	853	56%	5,312	0.22%	2,824	26.4%	2.6	2,170	41%	3	2
0.25 to < 0.50	9,492	2,141	54%	11,621	0.44%	8,743	25.8%	2.6	5,623	48%	13	3
0.50 to < 0.751												
0.75 to < 2.50	8,909	1,755	55%	10,251	1.15%	8,619	25.7%	2.5	6,120	60%	30	22
2.50 to < 10.00	1,330	376	54%	1,368	3.40%	5,256	25.8%	2.5	751	55%	12	15
10.00 to < 100		223	47%	1,370	14.99%	3,594	25.7%	2.5	1,242	91%	53	33
100 (Default)	1,652	145	0%	1,560	100.00%	1,198	27.7%	2.5	1,792	115%	556	597
Sub-total	41,494	7,368	53%	48,044	4.17%	39,568	25.7%	2.5	20,588	43%	671	674
Corporate - AIRB, Specialised lending												
0.00 to < 0.15	9	55	27%	25	0.15%	1	36.6%	4.9	12	49%	0	
0.15 to < 0.25	20	0	50%	20	0.22%	2	35.9%	2.5	6	31%	0	
0.25 to < 0.50	116	9	20%	101	0.48%	5	35.2%	3.9	75	75%	0	
0.50 to < 0.751												
0.75 to < 2.50	63	45	56%	89	0.92%	7	30.6%	3.3	82	93%	0	1
2.50 to < 10.00												
10.00 to < 100												
100 (Default)	16	12	0%	16	100.00%	3	16.5%	1.3	15	94%	5	5
Sub-total	224	121	35%	250	7.05%	18	32.5%	3.5	191	76%	6	6

Q4 2018, EURm

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
<i>Corporate - FIRB, Total</i>												
0.00 to < 0.15	3,222	687	8%	3,665	0.10%	2,549	43.1%	2.5	1,156	32%	1	1
0.15 to < 0.25	1,604	454	10%	1,644	0.22%	1,349	41.8%	2.5	901	55%	2	0
0.25 to < 0.50	2,410	856	8%	2,414	0.44%	4,254	42.3%	2.5	1,534	64%	4	2
0.50 to < 0.751												
0.75 to < 2.50	1,987	1,034	9%	2,041	1.15%	4,953	42.3%	2.5	1,688	83%	10	5
2.50 to < 10.00	937	437	3%	725	3.29%	4,442	39.9%	2.5	815	113%	9	5
10.00 to < 100	324	111	2%	313	15.22%	2,189	41.2%	2.5	480	154%	20	8
100 (Default)	120	49	1%	103	100.00%	336	42.7%	2.5	0	0%	44	34
Total	10,604	3,629	8%	10,904	1.98%	20,072	42.3%	2.5	6,575	60%	91	55
<i>Corporate - FIRB, Corporates (excluding SMEs and specialised lending)</i>												
0.00 to < 0.15	2,469	557	8%	2,618	0.09%	1,020	43.3%	2.5	873	33%	1	1
0.15 to < 0.25	797	332	7%	806	0.22%	430	42.0%	2.5	373	46%	1	0
0.25 to < 0.50	1,440	648	9%	1,400	0.44%	1,339	42.7%	2.5	936	67%	3	1
0.50 to < 0.751												
0.75 to < 2.50	956	740	10%	995	1.04%	1,321	42.9%	2.5	940	94%	4	2
2.50 to < 10.00	725	350	2%	524	3.23%	1,907	39.2%	2.5	638	122%	7	3
10.00 to < 100	59	34	7%	57	15.28%	417	41.2%	2.5	116	204%	4	2
100 (Default)	64	24	0%	49	100.00%	68	43.9%	2.5			22	23
Sub-total	6,510	2,686	8%	6,450	1.48%	6,502	42.6%	2.5	3,876	60%	41	32
<i>Corporate - FIRB, SMEs (excluding specialised lending)</i>												
0.00 to < 0.15	747	130	6%	1,040	0.11%	1,528	42.5%	2.5	282	27%	0	0
0.15 to < 0.25	807	122	18%	837	0.22%	919	41.6%	2.5	528	63%	1	0
0.25 to < 0.50	970	208	5%	1,014	0.44%	2,915	41.7%	2.5	598	59%	2	1
0.50 to < 0.751												
0.75 to < 2.50	1,020	295	7%	1,036	1.26%	3,631	41.7%	2.5	736	71%	5	3
2.50 to < 10.00	212	87	7%	200	3.43%	2,535	41.8%	2.5	177	88%	3	2
10.00 to < 100	264	77	0%	256	15.21%	1,772	41.2%	2.5	364	142%	16	6
100 (Default)	56	25	2%	54	100.00%	268	41.6%	2.5	0	0%	22	11
Sub-total	4,077	943	7%	4,438	2.71%	13,568	41.8%	2.5	2,686	61%	50	23
<i>Corporate - FIRB, Specialised Lending</i>												
0.00 to < 0.15	6			6	0.06%	1	45.0%	2.5	1	23%	0	
0.15 to < 0.25												
0.25 to < 0.50												
0.50 to < 0.751												
0.75 to < 2.50	11			11	1.29%	1	45.0%	2.5	11	107%	0	
2.50 to < 10.00												
10.00 to < 100												
100 (Default)												
Sub-total	17			17	0.84%	2	45.0%	2.5	13	76%	0	

Table 8 EU CR6: IRB Retail: Credit risk exposures by PD scale

Q1 2019, EURm

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors, '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
<i>Retail - RIRB, total</i>												
0.00 to < 0.15	88,184	14,121	64%	97,038	0.09%	1,330,171	15.7%	2.5	7,255	7%	14	3
0.15 to < 0.25	31,245	4,292	59%	33,559	0.19%	572,415	18.2%	2.5	3,470	10%	11	5
0.25 to < 0.50	16,903	2,331	57%	17,872	0.36%	470,144	19.0%	2.5	2,424	14%	12	10
0.50 to < 0.75	5,955	683	58%	6,162	0.60%	160,285	19.4%	2.5	1,085	18%	7	7
0.75 to < 2.50	11,005	2,097	57%	11,692	1.34%	465,331	20.1%	2.5	3,194	27%	32	40
2.50 to < 10.00	5,295	588	57%	5,491	4.94%	212,783	23.5%	2.5	2,364	43%	64	76
10.00 to < 100	2,158	126	63%	2,153	23.35%	78,428	22.4%	2.5	1,585	74%	110	75
100 (Default)	2,023	140	55%	2,070	100.00%	99,064	21.7%	2.5	4,594	222%	158	329
Total	162,767	24,379	61%	176,036	1.85%	3,388,621	17.3%	2.5	25,971	15%	408	544
<i>Retail - RIRB, Non-SME (excluding exposures secured by immovable property)</i>												
0.00 to < 0.15	5,708	7,729	56%	9,869	0.09%	1,161,369	29.7%	2.5	714	7%	3	1
0.15 to < 0.25	4,085	3,116	59%	5,713	0.19%	536,281	29.5%	2.5	692	12%	3	3
0.25 to < 0.50	3,758	1,676	56%	4,345	0.36%	447,403	29.1%	2.5	793	18%	5	6
0.50 to < 0.75	1,436	441	54%	1,490	0.60%	145,670	29.7%	2.5	371	25%	3	5
0.75 to < 2.50	2,802	1,172	56%	2,999	1.36%	404,075	29.5%	2.5	1,038	35%	12	26
2.50 to < 10.00	3,712	448	50%	3,816	4.86%	183,923	25.6%	2.5	1,523	40%	48	69
10.00 to < 100	1,291	96	55%	1,266	21.45%	72,733	26.5%	2.5	799	63%	72	71
100 (Default)	670	102	54%	706	100.00%	89,330	30.9%	2.5	2,083	295%	121	230
Sub-total	23,462	14,780	56%	30,204	4.13%	3,040,784	28.9%	2.5	8,012	27%	266	410
<i>Retail - RIRB, SME (excluding exposures secured by immovable property)</i>												
0.00 to < 0.15	2	5	64%	5	0.09%	1,864	34.0%	2.5	0	7%	0	0
0.15 to < 0.25	8	9	60%	14	0.19%	1,278	34.4%	2.5	2	11%	0	0
0.25 to < 0.50	40	76	66%	90	0.38%	8,430	31.9%	2.5	16	18%	0	0
0.50 to < 0.75	46	77	80%	106	0.60%	7,322	27.6%	2.5	21	20%	0	0
0.75 to < 2.50	599	438	61%	820	1.53%	47,099	28.3%	2.5	251	31%	4	2
2.50 to < 10.00	351	107	82%	414	4.98%	26,478	27.9%	2.5	155	37%	6	4
10.00 to < 100	79	15	82%	84	22.96%	4,400	26.8%	2.5	45	54%	5	2
100 (Default)	97	34	55%	105	100.00%	7,073	29.8%	2.5	332	316%	15	24
Sub-total	1,221	761	67%	1,637	9.67%	103,944	28.5%	2.5	822	50%	29	33
<i>Retail - RIRB, SME exposures secured by immovable property</i>												
0.00 to < 0.15	4	10	40%	8	0.09%	850	16.8%	2.5	0	3%	0	0
0.15 to < 0.25	363	21	41%	372	0.19%	6,538	17.1%	2.5	20	5%	0	0
0.25 to < 0.50	135	22	52%	146	0.36%	2,422	16.6%	2.5	13	9%	0	0
0.50 to < 0.75	75	16	54%	83	0.60%	1,363	16.4%	2.5	11	13%	0	0
0.75 to < 2.50	402	80	49%	441	1.28%	8,387	17.2%	2.5	96	22%	1	0
2.50 to < 10.00	55	8	56%	59	4.10%	1,146	16.4%	2.5	25	42%	0	
10.00 to < 100	18	1	63%	19	27.68%	317	16.3%	2.5	15	81%	1	
100 (Default)	26	2	64%	27	100.00%	647	17.5%	2.5	57	210%	1	2
Sub-total	1,078	160	49%	1,156	3.65%	21,670	17.0%	2.5	236	20%	3	2
<i>Retail - RIRB, Non-SME exposures secured by immovable property</i>												
0.00 to < 0.15	82,470	6,377	73%	87,156	0.09%	628,933	14.1%	2.5	6,540	8%	11	2
0.15 to < 0.25	26,789	1,146	59%	27,460	0.19%	196,713	15.9%	2.5	2,756	10%	8	2
0.25 to < 0.50	12,970	558	58%	13,291	0.36%	98,803	15.6%	2.5	1,603	12%	7	4
0.50 to < 0.75	4,398	148	57%	4,483	0.60%	33,759	15.8%	2.5	682	15%	4	3
0.75 to < 2.50	7,202	407	56%	7,431	1.31%	55,462	15.6%	2.5	1,809	24%	15	12
2.50 to < 10.00	1,177	26	1	1,201	5.23%	8,157	15.6%	2.5	662	55%	10	2
10.00 to < 100	770	15	1	784	26.37%	6,935	15.4%	2.5	726	93%	32	2
100 (Default)	1,231	2	69%	1,232	100.00%	11,529	15.7%	2.5	2,122	172%	22	72
Sub-total	137,007	8,678	69%	143,038	1.26%	1,040,291	14.7%	2.5	16,900	12%	110	98

Q4 2018, EURm

PD scale	Original exposure	Off-balance exposure	Average CCF	EAD	Average PD	Number of obligors. '000	Average LGD	Average maturity	REA	REA density	EL	Value adj. and provision
Retail - RIRB, total												
0.00 to < 0.15	86,833	15,073	69%	97,108	0.09%	1,298,007	15.6%	2.5	7,130	7%	13	3
0.15 to < 0.25	31,868	4,566	64%	34,575	0.19%	564,835	18.4%	2.5	3,584	10%	12	5
0.25 to < 0.50	16,852	2,405	62%	18,003	0.36%	465,184	19.2%	2.5	2,446	14%	12	9
0.50 to < 0.75	6,026	738	63%	6,319	0.60%	161,509	19.5%	2.5	1,118	18%	7	7
0.75 to < 2.50	10,943	2,117	61%	11,733	1.33%	395,406	20.3%	2.5	3,209	27%	32	43
2.50 to < 10.00	5,271	601	60%	5,478	4.94%	202,178	23.6%	2.5	2,357	43%	64	75
10.00 to < 100	2,093	130	64%	2,097	23.31%	74,919	22.6%	2.5	1,552	74%	108	86
100 (Default)	2,015	150	56%	2,068	100.00%	95,838	21.6%	2.5	4,556	220%	158	291
Total	161,901	25,781	66%	177,381	1.82%	3,257,876	17.4%	2.5	25,952	15%	408	518

Retail - RIRB, Non-SME (excluding exposures secured by immovable property)

0.00 to < 0.15	5,398	6,325	63%	9,234	0.09%	1,105,317	29.9%	2.5	677	7%	3	1
0.15 to < 0.25	4,014	3,174	65%	5,870	0.19%	523,309	29.7%	2.5	720	12%	3	3
0.25 to < 0.50	3,673	1,681	62%	4,381	0.36%	441,245	29.7%	2.5	813	19%	5	5
0.50 to < 0.75	1,449	482	61%	1,569	0.60%	148,022	29.8%	2.5	393	25%	3	4
0.75 to < 2.50	2,796	1,130	63%	3,048	1.35%	336,951	29.7%	2.5	1,059	35%	12	25
2.50 to < 10.00	3,726	446	52%	3,831	4.89%	174,332	25.5%	2.5	1,526	40%	48	67
10.00 to < 100	1,274	98	57%	1,256	21.27%	69,797	26.6%	2.5	792	63%	72	71
100 (Default)	659	109	56%	698	100.00%	86,200	30.8%	2.5	2,041	292%	121	195
Sub-total	22,988	13,445	63%	29,887	4.14%	2,885,173	29.1%	2.5	8,020	27%	266	372

Retail - RIRB, SME (excluding exposures secured by immovable property)

0.00 to < 0.15	1	6	72%	5	0.10%	1,746	33.2%	2.5	0	7%	0	0
0.15 to < 0.25	9	10	59%	14	0.19%	1,399	33.9%	2.5	2	11%	0	0
0.25 to < 0.50	40	75	66%	88	0.38%	8,067	30.7%	2.5	15	18%	0	0
0.50 to < 0.75	44	80	79%	105	0.60%	7,285	27.6%	2.5	21	20%	0	0
0.75 to < 2.50	617	464	61%	851	1.51%	43,650	28.3%	2.5	258	30%	4	2
2.50 to < 10.00	355	115	79%	424	4.99%	25,599	28.1%	2.5	159	38%	6	5
10.00 to < 100	74	15	82%	81	23.47%	3,993	26.2%	2.5	43	54%	5	3
100 (Default)	90	34	57%	100	100.00%	6,909	29.5%	2.5	314	315%	15	24
Sub-total	1,230	798	66%	1,667	9.23%	98,648	28.3%	2.5	813	49%	29	34

Retail - RIRB, SME exposures secured by immovable property

0.00 to < 0.15	4	10	40%	8	0.09%	859	17.4%	2.5	0	3%	0	0
0.15 to < 0.25	373	22	41%	382	0.19%	6,770	17.6%	2.5	21	5%	0	0
0.25 to < 0.50	116	20	51%	127	0.36%	2,149	17.2%	2.5	11	9%	0	0
0.50 to < 0.75	75	15	53%	84	0.60%	1,313	16.8%	2.5	11	13%	0	0
0.75 to < 2.50	399	85	49%	441	1.29%	8,439	17.6%	2.5	98	22%	1	1
2.50 to < 10.00	55	8	53%	59	3.92%	1,132	17.3%	2.5	25	43%	0	0
10.00 to < 100		1	55%	13	26.06%	244	17.0%	2.5	11	82%	1	0
100 (Default)	27	3	56%	29	100.00%	666	18.0%	2.5	62	217%	1	2
Sub-total	1,062	165	49%	1,142	3.66%	21,572	17.5%	2.5	240	21%	3	4

Retail - RIRB, Non-SME exposures secured by immovable property

0.00 to < 0.15	81,431	8,733	74%	87,861	0.09%	630,382	14.1%	2.5	6,453	7%	11	2
0.15 to < 0.25	27,473	1,359	61%	28,309	0.19%	200,904	16.1%	2.5	2,842	10%	8	2
0.25 to < 0.50	13,023	629	61%	13,408	0.36%	100,456	15.7%	2.5	1,607	12%	7	3
0.50 to < 0.75	4,458	161	64%	4,561	0.60%	34,447	15.8%	2.5	693	15%	4	2
0.75 to < 2.50	7,131	438	60%	7,394	1.30%	56,069	15.6%	2.5	1,793	24%	15	14
2.50 to < 10.00	1,135	31	94%	1,164	5.15%	8,009	15.9%	2.5	646	55%	10	3
10.00 to < 100	732	17	94%	747	26.68%	6,999	15.6%	2.5	706	94%	31	13
100 (Default)	1,239	4	65%	1,241	100.00%	11,652	15.9%	2.5	2,139	172%	22	69
Sub-total	136,621	11,373	71%	144,685	1.24%	1,048,918	14.8%	2.5	16,878	12%	109	108

Table 9 EU CCR4 Counterparty credit risk exposures by portfolio and PD scale

Q1 2019, EURm

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
Total IRB							
0.00 to < 0.15	9,630	0.08%	1,895	44.6%	2.0	2,829	29%
0.15 to < 0.25	1,096	0.21%	771	44.9%	2.2	636	58%
0.25 to < 0.50	2,561	0.43%	1,722	43.9%	2.2	1,975	77%
0.50 to < 0.75	65	0.66%	65	44.3%	2.5	64	100%
0.75 to < 2.50	1,514	1.16%	2,010	44.9%	2.0	1,392	92%
2.50 to < 10.00	139	3.29%	478	44.7%	2.1	165	118%
10.00 to < 100	58	12.47%	374	44.9%	2.5	94	162%
100 (Default)	65	100.00%	157	44.7%	2.5	58	89%
Total	15,128	0.77%	7,472	44.5%	2.0	7,213	48%

Sovereigns - FIRB (approach 03)

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15							
0.15 to < 0.25							
0.25 to < 0.50							
0.50 to < 0.75							
0.75 to < 2.50							
2.50 to < 10.00							
10.00 to < 100							
100 (Default)							
Sub-total							

Institutions - FIRB (approach 03)

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	4,442	0.07%	152	44.1%	1.8	1,255	28%
0.15 to < 0.25	268	0.17%	42	45.0%	1.8	129	48%
0.25 to < 0.50	329	0.38%	56	37.5%	2.0	210	64%
0.50 to < 0.75	60	0.66%	17	45.0%	2.5	63	106%
0.75 to < 2.50	88	1.03%	11	45.0%	0.9	86	99%
2.50 to < 10.00	5	5.65%	2	45.0%	2.5	9	181%
10.00 to < 100							
100 (Default)							
Sub-total	5,192	0.13%	280	43.8%	1.8	1,754	34%

Corporate - FIRB (approach 03) - Total

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	5,180	0.08%	1,652	45.0%	2.1	1,573	30%
0.15 to < 0.25	819	0.22%	600	45.0%	2.3	506	62%
0.25 to < 0.50	2,205	0.44%	1,583	45.0%	2.3	1,758	80%
0.50 to < 0.75							
0.75 to < 2.50	1,402	1.16%	1,474	45.0%	2.1	1,294	92%
2.50 to < 10.00	128	3.14%	305	45.0%	2.1	152	119%
10.00 to < 100	57	12.29%	335	45.0%	2.5	93	163%
100 (Default)	63	100.00%	126	45.0%	2.5	50	78%
Sub-total	9,853	1.08%	6,075	45.0%	2.2	5,426	55%

Corporate - FIRB (approach 03), Non-SME, Excluding Specialised Lending

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	4,376	0.08%	849	45.0%	2.0	1,314	30%
0.15 to < 0.25	668	0.22%	247	45.0%	2.3	396	59%
0.25 to < 0.50	1,815	0.44%	611	45.0%	2.2	1,453	80%
0.50 to < 0.75							
0.75 to < 2.50	1,001	1.20%	487	45.0%	1.9	944	94%
2.50 to < 10.00	93	2.98%	86	45.0%	1.9	118	127%
10.00 to < 100	21	11.64%	41	45.0%	2.5	40	188%
100 (Default)	28	100.00%	16	45.0%	2.5	35	126%
Sub-total	8,002	0.72%	2,337	45.0%	2.1	4,299	54%

Corporate - FIRB (approach 03), SME, Excluding Specialised Lending

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	804	0.07%	803	45.0%	2.5	260	32%
0.15 to < 0.25	151	0.22%	353	45.0%	2.5	110	73%
0.25 to < 0.50	390	0.44%	972	45.0%	2.5	305	78%
0.50 to < 0.75							
0.75 to < 2.50	401	1.08%	987	45.0%	2.5	350	87%
2.50 to < 10.00	35	3.54%	219	45.0%	2.5	35	99%
10.00 to < 100	36	12.68%	294	45.0%	2.5	53	149%
100 (Default)	36	100.00%	110	45.0%	2.5	14	40%
Sub-total	1,852	2.61%	3,738	45.0%	2.5	1,127	61%

Retail - RIRB (approach 06)

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	8	0.09%	91	34.4%	2.5	1	8%
0.15 to < 0.25	9	0.18%	129	35.5%	2.5	1	13%
0.25 to < 0.50	26	0.38%	83	34.5%	2.5	6	22%
0.50 to < 0.75	5	0.60%	48	35.1%	2.5	1	28%
0.75 to < 2.50	25	1.68%	525	36.7%	2.0	11	45%
2.50 to < 10.00	6	4.52%	171	37.4%	2.5	3	51%
10.00 to < 100	1	23.81%	39	36.0%	2.5	1	79%
100 (Default)	2	100.00%	31	34.4%	2.5	9	430%
Sub-total	83	3.75%	1,117	35.5%	2.3	33	40%

Q4 2018, EURm

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
Total IRB							
0.00 to < 0.15	8,364	0.08%	1,875	44.4%	2.0	2,469	30%
0.15 to < 0.25	1,002	0.21%	782	44.8%	2.3	590	59%
0.25 to < 0.50	2,308	0.43%	1,715	44.0%	2.2	1,759	76%
0.50 to < 0.75	90	0.66%	70	44.1%	2.5	89	99%
0.75 to < 2.50	1,208	1.16%	2,058	44.9%	2.3	1,140	94%
2.50 to < 10.00	162	3.40%	514	44.6%	2.0	198	122%
10.00 to < 100	45	12.56%	344	44.9%	2.5	77	169%
100 (Default)	70	100.00%	159	44.7%	2.5	54	78%
Total IRB	13,249	0.86%	7,517	44.40%	2.1	6,375	48%

Sovereigns FIRB

0.00 to < 0.15
 0.15 to < 0.25
 0.25 to < 0.50
 0.50 to < 0.75
 0.75 to < 2.50
 2.50 to < 10.00
 10.00 to < 100
 100 (Default)

Sovereigns FIRB

Institutions FIRB

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	4,087	0.08%	155	43.8%	1.9	1,143	28%
0.15 to < 0.25	238	0.17%	41	45.0%	2.1	112	47%
0.25 to < 0.50	464	0.39%	53	40.4%	1.8	298	64%
0.50 to < 0.75	82	0.66%	18	45.0%	2.5	86	106%
0.75 to < 2.50	20	1.05%	8	45.0%	2.5	25	125%
2.50 to < 10.00	10	3.78%	3	45.0%	2.5	16	159%
10.00 to < 100							
100 (Default)							
Institutions FIRB	4,900	0.13%	278	43.53%	1.9	1,681	34%

Retail RIRB

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	9	0.09%	94	35.0%	2.5	1	8%
0.15 to < 0.25	15	0.20%	134	35.1%	2.5	2	15%
0.25 to < 0.50	11	0.33%	92	35.2%	2.5	2	20%
0.50 to < 0.75	8	0.60%	52	35.0%	2.5	2	29%
0.75 to < 2.50		1.59%	543	36.4%	2.5	8	42%
2.50 to < 10.00	7	4.72%	182	36.1%	2.5	3	50%
10.00 to < 100	1	23.12%	33	35.4%	2.5	0	80%
100 (Default)	2	100.00%	26	34.9%	2.5	8	437%
Retail RIRB	71	3.82%	1,156	35.53%	2.5	27	38%

Corporate FIRB, Total

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	4,269	0.08%	1,626	45.0%	2.2	1,325	31%
0.15 to < 0.25	748	0.22%	607	45.0%	2.3	476	64%
0.25 to < 0.50	1,833	0.44%	1,570	45.0%	2.3	1,459	80%
0.50 to < 0.75							
0.75 to < 2.50	1,169	1.15%	1,507	45.0%	2.3	1,107	95%
2.50 to < 10.00	146	3.32%	329	45.0%	1.9	179	122%
10.00 to < 100	45	12.42%	311	45.0%	2.5	76	170%
100 (Default)	68	100.00%	133	45.0%	2.5	46	68%
Corporate FIRB, Total	8,278	1.26%	6,083	45.00%	2.2	4,667	56%

Corporate FIRB, Corporate exposures excluding SMEs and specialised lending

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	3,548	0.08%	794	45.0%	2.1	1,091	31%
0.15 to < 0.25	598	0.22%	249	45.0%	2.3	369	62%
0.25 to < 0.50	1,481	0.44%	589	45.0%	2.2	1,188	80%
0.50 to < 0.75							
0.75 to < 2.50	799	1.19%	475	45.0%	2.1	780	98%
2.50 to < 10.00	122	3.27%	94	45.0%	1.8	155	127%
10.00 to < 100	16	11.86%	35	45.0%	2.5	33	208%
100 (Default)	32	100.00%	21	45.0%	2.5	33	104%
Sub-total	6,595	0.88%	2,257	45.00%	2.2	3,651	55%

Corporate FIRB, SME exposures excluding specialised lending

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15	721	0.07%	832	45.0%	2.5	234	32%
0.15 to < 0.25	151	0.22%	358	45.0%	2.5	107	71%
0.25 to < 0.50	353	0.44%	981	45.0%	2.5	270	77%
0.50 to < 0.75							
0.75 to < 2.50	370	1.07%	1,032	45.0%	2.5	327	88%
2.50 to < 10.00	24	3.56%	235	45.0%	2.5	23	100%
10.00 to < 100	29	12.73%	276	45.0%	2.5	43	149%
100 (Default)	36	100.00%	112	45.0%	2.5	13	35%
Sub-total	1,683	2.78%	3,826	45.00%	2.5	1,017	60%

Corporate FIRB, Specialised lending exposures

PD scale	EAD post CRM and post-CCF	Average PD	Number of obligors	Average LGD	Average maturity	REA	REA density
0.00 to < 0.15							
0.15 to < 0.25							
0.25 to < 0.50							
0.50 to < 0.75							
0.75 to < 2.50							
2.50 to < 10.00							
10.00 to < 100							
100 (Default)							
Sub-total							

Table 10 LIQ 1, LCR Disclosures

Nordea Group's short liquidity risk exposure measured by Liquidity Coverage Ratio (LCR) according to EBA Delegated act remained on good and stable levels. Quarterly average increase by 22 percentage points is mainly due to decreased outflows from non-operational deposits and unsecured debt.

EURm	Total unweighted value (average)		Total weighted value (average)	
	Q1 2019	Q4 2018	Q1 2019	Q4 2018
Number of data points used in the calculation of averages	12	12	12	12
High-quality liquid assets				
Total high-quality liquid assets (HQLA)			97,318	114,046
Cash-outflows				
Retail deposits & deposits from small business customers	86,541	87,089	5,746	5,932
- Of which stable deposits	68,503	68,912	3,425	3,446
- Of which less stable deposits	18,035	18,177	2,319	2,486
Unsecured wholesale funding	104,059	120,755	46,535	60,725
- Of which Operational deposits (all counterparties) and deposits in networks of cooperative banks	44,385	44,693	10,123	10,211
- Of which Non-operational deposits (all counterparties)	48,425	62,871	25,163	37,324
- Of which unsecured debt	11,248	13,190	11,248	13,190
Secured wholesale funding			3,113	2,090
Additional requirements	49,341	51,197	11,174	12,715
Outflows related to derivative exposures and other collateral requirements	8,060	10,506	7,513	9,021
- Of which credit and liquidity facilities	41,281	40,691	3,662	3,693
- Of which other contractual funding obligations	2,436	3,152	2,027	2,761
- Of which other contingent funding obligations	52,545	58,017	2,831	3,207
Total cash outflows			71,426	87,430
Cash inflows				
Secured lending (e.g. reverse repos)	34,426	32,746	3,254	1,923
Inflows from fully performing exposures	11,890	11,207	5,785	5,666
Other cash inflows	12,671	13,466	9,131	9,693
Total cash inflows	58,987	57,418	18,171	17,282
Inflows subject to 75% cap	58,987	57,418	18,171	17,282
Liquidity buffer			97,318	114,046
Total net cash outflows			53,256	70,148
Liquidity coverage ratio (%)			185%	163%

Table 11 Encumbered and unencumbered assets

The main source of encumbrance for Nordea is covered bond issuance programs where the required overcollateralization levels are defined according to the relevant statutory regimes. Other contributors to encumbrance are derivatives and repos where the activity is concentrated to Finland. Historically, the evolution of asset encumbrance for Nordea has been stable over time which illustrates the fact that the asset encumbrance for Nordea is a reflection of a structural phenomenon of the Scandinavian financial markets and savings behavior. Major part of the unencumbered assets are loans and the rest are equity instruments, debt securities and other assets.

	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
Assets of the reporting institution	163,458	44,686			369,506	92,882		
Equity instruments	3,125	0			1,416	0		
Debt securities	20,353	17,769	20,353	17,769	53,549	43,689	53,069	43,689
of which: covered bonds	7,587	7,281	7,587	7,281	33,890	30,096	33,890	30,096
of which: asset-backed securities	0	0	0	0	0	0	0	0
of which: issued by general governments	11,319	10,165	11,319	10,165	9,041	8,464	9,041	8,464
of which: issued by financial corporations	9,130	7,386	9,130	7,386	39,437	33,953	39,437	33,953
of which: issued by non-financial corporations	763	376	763	376	1,309	317	1,309	317
Other assets	140,444	27,764			313,380	47,820		

Collateral received

	Encumbered		Unencumbered	
	Fair value of encumbered collateral received or own debt securities issued	of which notionally eligible EHQLA and HQLA	Fair value of unencumbered collateral received or own debt securities issued	of which notionally eligible EHQLA and HQLA
Collateral received by the reporting institution	17,101	15,038	44,332	39,756
Loans on demand	0	0	0	0
Equity instruments	0	0	662	0
Debt securities	17,101	15,038	18,965	14,893
of which: covered bonds	5,717	4,647	7,072	5,789
of which: asset-backed securities	0	0	0	0
of which: issued by general governments	10,493	9,850	8,906	8,311
of which: issued by financial corporations	5,992	4,665	8,981	6,061
of which: issued by non-financial corporations	160	2	1,332	533
Loans and advances other than loans on demand	0	0	21,926	21,926
collateral received	0	0	3,612	3,612
Own debt securities issued other than own covered bonds or asset-backed securities	0	0	0	0
Own covered bonds and asset-backed securities issued and not yet pledged			2,254	2,254
Total assets, collateral received and own debt securities issued	181,278	58,251		

Sources of encumbrance

	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
Carrying amount of selected financial liabilities	163,999	178,785
of which: covered bonds issued	108,822	112,621

Nordea Bank Abp with Finnish corporate registration number 2858394-9 provides these public disclosures according to Part Eight of Regulation (EU) No 575/2013, commonly referred to as the Capital Requirements Regulation (CRR), on the basis of its consolidated situation (hereinafter referred to as simply "Nordea"). Nordea Bank Abp and its subsidiaries have adopted a formal policy to assure compliance with the disclosure requirements and has established policies for assessing the appropriateness of these disclosures, including the verification and frequency. Nordea is part of the Sampo conglomerate in accordance to the Act on the Supervision of Financial and Insurance Conglomerates (2004/699), based on Directive 2002/87/EC.