

Nordea



Capital and Risk Management Report

Third Quarter 2019

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

Table 1 EU OV1: Overview of REA

The table provides an overview of total REA where credit risk accounted for the largest risk type with approximately 71% of Pillar I REA in Q3 2019. Operational risk and counterparty credit risk (including CVA) accounted for the second and third largest risk types respectively. REA decreased by EUR 3.4bn. The decrease in REA was driven by decreased ownership in Luminor, decreased corporate REA, reduced risk in the liquidity buffer and decreased market risk.

EURm	REA		Minimum capital requirement	
	Q3 2019	Q2 2019	Q3 2019	Q2 2019
Credit risk (excluding counterparty credit risk) (CCR)	110,534	112,992	8,843	9,039
Of which standardised approach (SA) ¹	9,490	9,350	759	748
Of which foundation IRB (FIRB) approach	12,573	14,242	1,006	1,139
Of which advanced IRB approach	88,471	89,400	7,078	7,152
Of which AIRB	62,301	63,163	4,984	5,053
Of which Retail RIRB	26,170	26,237	2,094	2,099
Of which Equity IRB under the simple risk-weight or the IMA				
Counterparty credit risk	9,477	8,887	758	711
Of which Marked to market ²	664	757	53	61
Of which Original exposure				
Of which standardised approach				
Of which internal model method (IMM)	7,023	6,349	562	508
Of which Financial collateral simple method (for SFTs)				
Of which Financial collateral comprehensive method (for SFTs)	946	1,053	76	84
Of which exposure amount for contributions to the default fund of a CCP				
Of which CVA	844	728	68	58
Settlement risk	2		0	0
Securitisation exposures in banking book (after the cap)	1,467	834	117	67
Of which IRB supervisory formula approach (SFA)	1,467	834	117	67
Market risk	4,257	5,165	341	413
Of which standardised approach (SA)	951	1,472	76	118
Of which IMA	3,306	3,693	265	295
Large exposures				
Operational risk	15,698	15,698	1,256	1,256
Of which Standardised Approach	15,698	15,698	1,256	1,256
Amounts below the thresholds for deduction (subject to 250% risk weight)	3,835	5,160	307	413
Additional risk exposure amount related to Finnish RW floor due to Article 4	711	663	57	53
Additional risk exposure amount related to Swedish RW floor due to Article	10,367	10,329	829	826
Pillar 1 total	156,349	159,729	12,508	12,778

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

2) Excludes exposures to CCPs.

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

Over the quarter the credit risk REA decreased by EUR 2.6bn, and was mainly driven by reduced risk in the liquidity buffer as well as decreased lending volumes in the corporate portfolio.

EURm	REA	Capital requirement
REA 2019 Q2	103,641	8,291
Asset size	-1,596	-128
Asset quality	-572	-46
Model updates		
Methodology and policy		
Acquisitions and disposals		
Foreign exchange movements	-44	-4
Other	-384	-31
REA 2019 Q3	101,045	8,084

EURm	REA amount	Capital requirement
REA 2019 Q1	103,407	8,273
Asset size	1,223	98
Asset quality	643	51
Model updates	-233	-19
Methodology and policy		
Acquisitions and disposals		
Foreign exchange movements	-496	-40
Other	-902	-72
REA 2019 Q2	103,641	8,291

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

Lower Nordic and European rates for the quarter were the main drivers for increased IMM exposures since the last reporting period. A stronger USD for the period has also pushed IMM exposures up. On the other hand, despite increased IMM exposures for the quarter the asset size of the IMM portfolio has been reduced with an approximate REA impact of EUR -83m.

EURm	REA amounts	Capital requirements
REA 2019 Q2	6,349	508
Asset size	-83	-7
Credit quality of counterparties	62	5
Model updates (IMM only)	-16	-1
Methodology and policy (IMM only)		0
Acquisitions and disposals	0	0
Foreign exchange movements	299	24
Interest rate movements	405	32
Other	7	1
REA 2019 Q3	7,023	562

EURm	REA amounts	Capital requirements
REA 2019 Q1	5,765	461
Asset size	93	7
Credit quality of counterparties	61	5
Model updates (IMM only)	0	0
Methodology and policy (IMM only)		0
Acquisitions and disposals	0	0
Foreign exchange movements	-87	-7
Interest rate movements	511	41
Other	6	0
REA 2019 Q2	6,349	508

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

As of Q3 2019 IMA REA amounted to EUR 3,306m which corresponds to a decrease of EUR 387m from Q2 2019. Changes in risk levels led to a decrease of EUR 852m but this was partially offset by an increase of EUR 464m stemming from a change in methodology. The decreases in both VaR and sVaR are primarily driven by lower interest rate risk. Reduced default risk arising from corporate bond exposures was the major contributing factor of the lower IRC, while the decrease in CRC was primarily driven by a change of the calculation method.

EURm	VaR ¹	SVaR	IRM	CRM	Total REA	Total capital requirements
REA before regulatory adjustments 2019 Q2	587	2,036	554	516	3,693	295
Regulatory adjustment						
REA 2019 Q2	587	2,036	554	516	3,693	295
Movement in risk levels	-40	-443	-151	-217	-852	-68
Model updates/changes						
Methodology and policy	123	341			464	37
Aquisitions and disposals						
Foreign exchange movements						
Other						
REA before regulatory adjustments 2019 Q3	670	1,934	403	300	3,306	265
Regulatory adjustment						
REA 2019 Q3	670	1,934	403	300	3,306	265

1)Of which Equity Event Risk (EER) REA is EUR 5m.

EURm	VaR ¹	SVaR	IRC	CRC	Total REA	Total capital requirements
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
Movement in risk levels	-117	-585	-133	38	-797	-64
Model updates/changes						
Methodology and policy	-66	-233			-299	-24
Aquisitions and disposals						
Foreign exchange movements						
Other						
REA before regulatory adjustments 2019 Q2	587	2,036	554	516	3,693	295
Regulatory adjustment						
REA 2019 Q2	587	2,036	554	516	3,693	295

1)Of which Equity Event Risk (EER) REA is EUR 4m.

Table 5 Summary of items included in own funds

During Q3 2019, total own funds excluding profit decreased by EUR 216m, mainly attributable to the decrease in Tier 1 capital by EUR 136m and further decline in the Tier 2 capital of EUR 80m. Main items that contributed to the Tier 1 capital decrease was the call on the AT1 instrument in the third quarter of 2019, which was partially offset by reduced deduction from intangible assets caused by the new financial plan. The Tier 2 capital decrease was mainly driven by the regulatory amortisation of T2 contracts. Own Funds including profit showed a total net decrease stemming from the call of a Tier 1 instrument, which was partly offset by movements in Common Equity Tier 1 capital due to changed target for 2019 dividend.

EURm	2019 Q3 ²⁾	2019 Q2 ²⁾
Calculation of own funds		
Equity in the consolidated situation	28,199	28,378
Proposed/actual dividend		
Common Equity Tier 1 capital before regulatory adjustments	28,199	28,378
Deferred tax assets		
Intangible assets	-3,366	-4,170
IRB provisions shortfall (-)		-90
Deduction for investments in credit institutions (50%)		
Pension assets in excess of related liabilities ¹	-117	-137
Other items, net	-405	-328
Total regulatory adjustments to Common Equity Tier 1 capital	-3,888	-4,724
Common Equity Tier 1 capital (net after deduction)	24,311	23,653
Additional Tier 1 capital before regulatory adjustments	3,182	3,957
Total regulatory adjustments to Additional Tier 1 capital	-27	-9
Additional Tier 1 capital	3,155	3,948
Tier 1 capital (net after deduction)	27,466	27,602
Tier 2 capital before regulatory adjustments	4,789	4,906
IRB provisions excess (+)	216	180
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	-62	-63
Total regulatory adjustments to Tier 2 capital	-846	-883
Tier 2 capital	3,943	4,023
Own funds (net after deduction)²	31,409	31,625

1) Based on conditional FSA approval

2) Excluding profit of the period

Own funds, including profit

EURm	2019 Q3	2019 Q2
Common Equity Tier 1 capital, including profit	24,107	23,641
Tier 1 capital (net after deduction), including profit	27,261	27,590
Total own funds, including profit	31,205	31,613

Table 6 Capital ratios

The CET1 capital ratio excluding profit increased by 0.7% in Q3 2019 and the total capital ratio excluding profit also improved by 0.3%. REA decrease of EUR 3.4bn during the period. The decrease was driven by decreased ownership in Luminor, decreased corporate REA, reduced risk in the liquidity buffer and decreased market risk. Key element which drove the higher CET1 capital excluding profit consisted of lower deductions from intangibles during the quarter following the new financial plan. Tier 1 and total capital both declined during the quarter, and were mainly driven by the call in of AT1 instrument and the regulatory amortisation of the T2 contracts. The increase in ratios including profit was mainly due to changed target for the 2019 dividend.

The leverage ratio remained stable during the quarter.

Risk based capital ratios

%	Q3 2019	Q2 2019
Common Equity Tier 1 capital ratio, including profit	15.4	14.8
Tier 1 capital ratio, including profit	17.4	17.3
Total capital ratio, including profit	20.0	19.8
Common Equity Tier 1 capital ratio, excluding profit	15.5	14.8
Tier 1 capital ratio, excluding profit	17.6	17.3
Total capital ratio, excluding profit	20.1	19.8

Leverage based capital ratios

	Q3 2019	Q2 2019
Tier 1 capital, EURm ¹	27,466	27,602
Tier 1 capital, transitional definition, EURm ¹	27,466	27,602
Leverage ratio exposure, EURm	544,942	552,727
Leverage ratio, transitional definition, percentage	5.0	5.0
Leverage ratio, percentage	5.0	5.0

1) Figures exclude profit of the period.

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

The table shows a comprehensive overview of regulatory exposures and capital requirements for credit risk split by exposure class. IRB exposures remain the largest component of REA, comprising EUR 109.4bn (89%) of a EUR 123.0bn total (compared to EUR 111.4bn of EUR 126.3 bn Q2 2019). The movements in IRB exposures during the quarter mainly stemmed from reduced risk in liquidity buffer. Lower REA in the SA exposures during the quarter was mainly driven by reduced ownership in Luminor Bank and partially offset by higher deferred tax assets.

Q3 2019, EURm

EURm	Original exposure	Exposure	Average risk weight	REA	Capital requirement
IRB exposure classes					
Sovereign					
Institution	31,319	29,355	19%	5,507	441
Corporate	181,692	147,913	51%	74,949	5,996
- of which advanced	156,304	126,200	49%	62,301	4,984
Retail	189,525	177,687	15%	26,203	2,096
- of which mortgage	148,787	146,381	12%	17,291	1,383
- of which other retail	40,738	31,306	28%	8,912	713
- of which SME	3,205	2,775	39%	1,077	86
Other non-credit obligation assets	3,123	3,002	90%	2,697	216
Total IRB approach	405,659	357,956	31%	109,357	8,749
Standardised exposure classes					
Central government and central banks	69,770	72,638	1%	970	78
Regional governments and local authorities	10,322	6,643	1%	79	6
Institution	3,728	3,730	6%	236	19
Corporate	2,440	1,699	99%	1,680	134
Retail	6,180	5,042	74%	3,724	298
Exposure secured by real estate	4,665	4,182	35%	1,470	118
Equity	1,562	1,562	216%	3,378	270
Other ¹	4,283	3,842	47%	2,109	169
Total standardised approach	102,951	99,338	10%	13,646	1,092
Total	508,611	457,294	26%	123,003	9,840

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, Short-term claims on institutions and corporate and other items.

2019 Q2 EURm	Original exposure	Exposure	Average risk weight	REA	Capital requirement
IRB exposure classes					
Sovereign					
Institution	38,216	36,453	17%	6,364	509
Corporate	181,061	147,285	51%	75,304	6,024
- of which advanced	156,690	126,403	50%	63,163	5,053
Retail	189,607	177,881	15%	26,268	2,101
- of which mortgage	148,263	145,405	12%	17,191	1,375
- of which other retail	41,344	32,477	28%	9,077	726
- of which SME	3,230	2,798	38%	1,070	86
Other non-credit obligation assets	4,006	3,806	91%	3,470	278
Total IRB approach	412,889	365,425	30%	111,405	8,912
Standardised exposure classes					
Central government and central banks	73,760	76,529	1%	477	38
Regional governments and local authorities	10,114	6,562	1%	78	6
Institution	5,176	5,177	6%	328	26
Corporate	2,226	1,602	99%	1,585	127
Retail	6,181	5,058	74%	3,735	299
Exposure secured by real estate	4,628	4,138	35%	1,457	117
Equity	2,312	2,312	227%	5,251	420
Other ¹	4,227	3,781	45%	1,996	160
Total standardised approach	108,623	105,159	9%	14,906	1,192
Total	521,512	470,583	26%	126,312	10,105

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 total EAD and REA decrease mainly stemmed from reduced risk in liquidity buffer. Average PD, maturity and REA density remained stable.

Q3 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	141,904	39,003	55%	163,499	0.09%	1,364,331	19.5%	2.5	20,645	13%	29	19
0.15 to < 0.25	47,716	12,468	52%	54,003	0.20%	586,946	21.8%	2.5	12,139	22%	24	14
0.25 to < 0.50	49,675	20,794	47%	58,524	0.41%	476,498	25.6%	2.5	26,207	45%	63	46
0.50 to < 0.75	6,177	881	51%	6,420	0.60%	156,205	20.4%	2.5	1,301	20%	8	9
0.75 to < 2.50	33,917	10,697	47%	37,347	1.20%	461,227	25.6%	2.5	20,889	56%	114	177
2.50 to < 10.00	8,604	2,415	38%	8,637	4.37%	227,819	25.8%	2.5	4,904	57%	97	129
10.00 to < 100	4,857	789	40%	4,759	18.74%	88,636	25.4%	2.5	4,495	94%	219	190
100 (Default)	5,675	642	12%	5,444	100.00%	103,683	26.4%	2.5	7,768	143%	1,445	1,688
Total	298,526	87,690	51%	338,633	2.27%	3,465,345	22.0%	2.5	98,348	29%	1,998	2,272

Q2 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	148,998	40,246	55%	171,245	0.09%	1,366,766	19.4%	2.6	21,839	13%	30	16
0.15 to < 0.25	47,752	13,147	52%	54,459	0.20%	582,611	21.9%	2.5	12,231	22%	24	13
0.25 to < 0.50	49,005	18,784	46%	57,132	0.41%	474,137	25.3%	2.5	25,625	45%	60	41
0.50 to < 0.75	6,013	812	53%	6,252	0.60%	155,323	19.9%	2.5	1,172	19%	7	8
0.75 to < 2.50	33,926	10,998	47%	37,593	1.20%	462,345	25.8%	2.6	21,200	56%	116	123
2.50 to < 10.00	9,304	2,449	41%	9,386	4.27%	228,904	26.2%	2.6	5,530	59%	104	113
10.00 to < 100	4,752	893	42%	4,701	18.53%	93,747	25.5%	2.5	4,462	95%	214	176
100 (Default)	5,788	660	12%	5,495	100.00%	102,696	26.4%	2.5	8,112	148%	1,316	1,526
Total	305,538	87,989	51%	346,262	2.24%	3,466,529	21.9%	2.6	100,172	29%	1,871	2,015

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

Sovereign exposure is reported under the standardised approach from Q4 2018, hence no data for the period.

Q3 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
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)												
Total												

Q2 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
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)												
Total												

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

During the third quarter of 2019, the institution portfolio FIRB EAD decreased mainly due to reduced risk in the liquidity buffer.

Q3 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
Institutions - FIRB												
0.00 to < 0.15	20,523	2,071	45%	21,538	0.07%	1,362	17.3%	2.5	2,584	12%	3	0
0.15 to < 0.25	1,793	165	51%	1,883	0.17%	185	15.2%	2.5	284	15%	0	0
0.25 to < 0.50	235	517	29%	487	0.37%	423	34.6%	2.5	233	48%	1	0
0.50 to < 0.75	232	171	29%	261	0.66%	222	44.0%	2.5	209	80%	1	0
0.75 to < 2.50	65	271	34%	93	1.31%	220	45.0%	2.5	73	79%	1	0
2.50 to < 10.00	164	185	26%	178	4.49%	539	44.5%	2.5	260	146%	4	0
10.00 to < 100	6	15	23%	8	16.59%	136	45.0%	2.5	7	97%	1	0
100 (Default)	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
Total	23,018	3,395	41%	24,448	0.13%	3,087	18.1%	2.5	3,651	15%	9	1

Q2 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
Institutions - FIRB												
0.00 to < 0.15	26,470	2,336	55%	27,821	0.07%	1,325	16.7%	3.0	3,408	12%	3	1
0.15 to < 0.25	2,116	186	45%	2,212	0.17%	215	14.3%	2.5	305	14%	1	0
0.25 to < 0.50	858	501	30%	1,114	0.34%	434	23.4%	2.5	405	36%	1	1
0.50 to < 0.75	113	106	31%	126	0.68%	201	42.9%	2.5	88	70%	0	0
0.75 to < 2.50	97	164	34%	144	1.20%	296	45.0%	2.5	100	70%	1	0
2.50 to < 10.00	180	240	26%	203	4.22%	573	37.5%	2.5	228	112%	3	0
10.00 to < 100	5	19	23%	7	11.6%	133	45.0%	2.5	4	60%	0	0
100 (Default)	0	0	0%	0	0.0%	0	0.0%	0.0	0	0%	0	0
Total	29,839	3,552	48%	31,628	0.12%	3,177	17.1%	2.9	4,539	14%	10	3

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

The decrease in corporate portfolio IRB REA mainly stemmed from increased provision amounts for defaulted exposures, along with decrease in the defaulted volumes during the quarter. Additionally, decline in unrated exposures further decreased corporate portfolio REA during the quarter, nevertheless the impact was partly offset by unfavourable rating migration.

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
Corporate - IRB, Total												
0.00 to < 0.15	34,284	21,839	49%	45,167	0.10%	12,478	29.2%	2.4	10,981	24%	13	13
0.15 to < 0.25	13,388	7,623	48%	17,105	0.22%	4,395	29.8%	2.6	8,154	48%	11	8
0.25 to < 0.50	32,442	17,773	46%	40,021	0.44%	13,195	28.5%	2.5	23,500	59%	50	37
0.50 to < 0.75	0	0	0%	0	0.0%	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	22,610	8,094	45%	25,255	1.13%	13,740	28.2%	2.6	17,560	70%	81	128
2.50 to < 10.00	3,153	1,606	32%	2,996	3.38%	13,932	28.6%	2.6	2,289	76%	30	51
10.00 to < 100	2,713	642	36%	2,622	15.23%	5,293	27.8%	2.5	2,899	111%	111	110
100 (Default)	3,687	503	0%	3,411	100.00%	1,686	29.2%	2.5	3,144	92%	1,323	1,402
Total	112,277	58,080	46%	136,577	3.26%	64,719	28.8%	2.5	68,527	50%	1,619	1,749

Corporate - AIRB, Total

0.00 to < 0.15	31,489	20,929	50%	41,738	0.10%	11,496	28.1%	2.4	9,862	24%	12	12
0.15 to < 0.25	11,621	7,248	51%	15,318	0.22%	3,991	28.4%	2.7	7,187	47%	10	7
0.25 to < 0.50	30,223	16,739	48%	37,826	0.44%	11,892	27.7%	2.5	22,154	59%	46	36
0.50 to < 0.75	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	20,662	7,172	49%	23,228	1.13%	12,168	27.0%	2.6	15,857	68%	71	121
2.50 to < 10.00	2,225	1,095	48%	2,457	3.42%	10,990	26.0%	2.7	1,704	69%	23	44
10.00 to < 100	2,403	477	49%	2,318	15.24%	4,693	26.0%	2.5	2,393	103%	92	101
100 (Default)	3,575	445	0%	3,315	100.00%	1,595	28.8%	2.5	3,144	95%	1,282	1,373
Total	102,198	54,106	49%	126,200	3.37%	56,825	27.7%	2.5	62,301	49%	1,535	1,695

Corporate - AIRB, Corporates (excluding SMEs and specialised lending)

0.00 to < 0.15	16,473	18,469	50%	24,552	0.11%	2,291	31.3%	2.4	7,040	29%	9	11
0.15 to < 0.25	7,673	6,470	49%	10,467	0.22%	1,461	29.9%	2.6	5,082	49%	7	7
0.25 to < 0.50	20,455	14,811	47%	26,053	0.44%	4,232	29.0%	2.5	16,433	63%	33	30
0.50 to < 0.75	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	11,346	5,412	47%	12,702	1.12%	4,241	28.8%	2.6	9,690	76%	42	84
2.50 to < 10.00	897	719	47%	1,062	3.38%	5,374	28.4%	2.9	936	88%	11	25
10.00 to < 100	869	253	49%	791	14.76%	1,494	29.0%	2.5	1,020	129%	34	44
100 (Default)	2,175	309	0%	2,028	100.00%	476	30.5%	2.6	1,773	87%	814	866
Sub-total	59,887	46,443	48%	77,657	3.20%	19,569	29.8%	2.5	41,974	54%	949	1,066

Corporate - AIRB, SMEs (excluding specialised lending)

0.00 to < 0.15	14,946	2,398	51%	17,100	0.07%	9,202	23.5%	2.5	2,785	16%	3	1
0.15 to < 0.25	3,948	778	57%	4,851	0.22%	2,530	25.2%	2.7	2,105	43%	3	1
0.25 to < 0.50	9,682	1,905	53%	11,688	0.44%	7,655	24.6%	2.5	5,674	49%	13	6
0.50 to < 0.75	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	9,317	1,760	54%	10,526	1.14%	7,926	24.7%	2.5	6,167	59%	30	36
2.50 to < 10.00	1,328	376	50%	1,395	3.45%	5,616	24.2%	2.5	768	55%	12	20
10.00 to < 100	1,534	224	49%	1,527	15.49%	3,199	24.5%	2.5	1,373	90%	58	58
100 (Default)	1,390	133	0%	1,277	100.00%	1,119	26.1%	2.5	1,361	107%	467	506
Sub-total	42,145	7,575	52%	48,363	3.63%	37,247	24.3%	2.5	20,233	42%	585	628

Corporate - AIRB, Specialised lending

0.00 to < 0.15	70	62	25%	86	0.15%	3	34.1%	4.1	37	43%	0	0
0.15 to < 0.25	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.25 to < 0.50	86	23	57%	85	0.45%	5	36.2%	2.4	47	56%	0	0
0.50 to < 0.75	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	0	0	0%	0	1.29%	1	36.6%	5.0	0	124%	0	0
2.50 to < 10.00	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
10.00 to < 100	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
100 (Default)	10	3	0%	10	100.00%	1	23.2%	1.0	10	102%	1	1

Sub-total	166	87	33%	180	5.67%	10	34.5%	3.2	94	52%	1	1
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Corporate - FIRB, Total

0.00 to < 0.15	2,795	910	5%	3,429	0.10%	2,568	42.7%	2.5	1,118	33%	2	1
0.15 to < 0.25	1,766	375	7%	1,787	0.22%	1,351	41.9%	2.5	968	54%	2	1
0.25 to < 0.50	2,220	1,034	9%	2,195	0.44%	3,953	42.4%	2.5	1,345	61%	4	2
0.50 to < 0.751	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	1,947	922	12%	2,027	1.16%	4,905	42.0%	2.5	1,703	84%	10	7
2.50 to < 10.00	929	511	3%	539	3.22%	4,932	40.6%	2.5	585	108%	7	6
10.00 to < 100	310	165	3%	304	15.14%	2,014	41.3%	2.5	506	166%	19	8
100 (Default)	112	58	0%	96	100.00%	332	43.0%	2.5	0	0%	41	29
Total	10,079	3,974	8%	10,377	1.92%	20,055	42.2%	2.5	6,225	60%	84	54

Corporate - FIRB, Corporates (excluding SMEs and specialised lending)

0.00 to < 0.15	2,153	683	6%	2,491	0.10%	1,088	43.0%	2.5	839	34%	1	1
0.15 to < 0.25	1,134	257	8%	1,106	0.22%	490	42.8%	2.5	576	52%	1	0
0.25 to < 0.50	1,342	779	11%	1,288	0.44%	1,447	42.8%	2.5	857	67%	2	1
0.50 to < 0.751	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	968	592	14%	1,032	1.11%	1,488	42.2%	2.5	992	96%	5	2
2.50 to < 10.00	722	421	3%	339	3.10%	2,134	40.2%	2.5	415	122%	4	4
10.00 to < 100	90	57	6%	90	15.21%	433	42.2%	2.5	192	215%	6	2
100 (Default)	56	30	0%	41	100.00%	89	43.6%	2.5	0	0%	18	17
Total	6,465	2,820	9%	6,387	1.36%	7,169	42.6%	2.5	3,872	61%	37	25

Corporate - FIRB, SMEs (excluding specialised lending)

0.00 to < 0.15	642	227	2%	938	0.12%	1,480	42.0%	2.5	279	30%	0	1
0.15 to < 0.25	632	118	5%	681	0.22%	861	40.6%	2.5	391	57%	1	1
0.25 to < 0.50	878	255	5%	907	0.44%	2,506	41.8%	2.5	489	54%	2	1
0.50 to < 0.751	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	980	331	9%	995	1.22%	3,417	41.7%	2.5	711	71%	5	5
2.50 to < 10.00	207	90	2%	200	3.41%	2,798	41.3%	2.5	169	85%	3	3
10.00 to < 100	219	107	1%	215	15.11%	1,581	40.9%	2.5	314	146%	13	7
100 (Default)	56	27	1%	55	100.00%	243	42.6%	2.5	0	0%	23	12
Sub-total	3,614	1,154	5%	3,991	2.82%	12,886	41.5%	2.5	2,353	59%	47	29

Corporate - FIRB, Specialised Lending

0.00 to < 0.15	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.15 to < 0.25	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.25 to < 0.50	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.50 to < 0.751	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
2.50 to < 10.00	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
10.00 to < 100	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
100 (Default)	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
Sub-total	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	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 - IRB, Total</i>												
0.00 to < 0.15	34,239	22,531	49%	45,301	0.10%	12,551	29.3%	2.5	11,141	25%	13	11
0.15 to < 0.25	13,903	8,357	48%	18,035	0.22%	4,379	29.6%	2.6	8,363	46%	12	8
0.25 to < 0.50	31,357	15,880	45%	38,230	0.44%	13,185	28.2%	2.5	22,798	60%	47	31
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	22,802	8,526	45%	25,642	1.13%	13,879	28.4%	2.6	17,892	70%	83	80
2.50 to < 10.00	3,791	1,595	36%	3,653	3.29%	15,772	29.4%	2.7	2,930	80%	36	40
10.00 to < 100	2,603	746	38%	2,551	14.50%	5,403	28.1%	2.5	2,856	112%	104	95
100 (Default)	3,759	518	0%	3,420	100.00%	1,685	29.1%	2.6	3,416	100%	1,197	1,237
Total	112,454	58,152	46%	136,831	3.25%	66,854	28.8%	2.5	69,396	51%	1,492	1,503

Corporate - AIRB, Total

0.00 to < 0.15	31,153	21,648	51%	41,718	0.10%	11,529	28.2%	2.4	9,974	24%	12	9
0.15 to < 0.25	12,390	7,924	50%	16,435	0.22%	3,994	28.4%	2.6	7,546	46%	10	7
0.25 to < 0.50	29,296	14,966	47%	36,143	0.44%	11,957	27.4%	2.6	21,525	60%	43	29
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	20,788	7,606	49%	23,542	1.13%	12,291	27.1%	2.6	16,131	69%	73	72
2.50 to < 10.00	2,760	1,141	51%	2,963	3.31%	12,883	26.8%	2.8	2,164	73%	27	33
10.00 to < 100	2,320	584	50%	2,274	14.35%	4,804	26.5%	2.6	2,407	106%	86	86
100 (Default)	3,650	463	0%	3,327	100.00%	1,623	28.7%	2.6	3,416	103%	1,158	1,205
Total	102,358	54,332	49%	126,403	3.36%	59,081	27.7%	2.5	63,163	50%	1,409	1,442

Corporate - AIRB, Corporates (excluding SMEs and specialised lending)

0.00 to < 0.15	16,461	19,583	51%	25,155	0.11%	2,328	31.5%	2.4	7,175	29%	9	9
0.15 to < 0.25	8,240	7,116	49%	11,315	0.22%	1,448	30.0%	2.6	5,288	47%	7	7
0.25 to < 0.50	19,871	13,006	46%	24,595	0.44%	4,186	28.6%	2.6	15,816	64%	31	24
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	11,318	5,984	47%	12,449	1.12%	4,209	29.0%	2.7	9,592	77%	41	51
2.50 to < 10.00	1,361	766	51%	1,490	3.21%	6,925	29.1%	3.0	1,349	90%	15	20
10.00 to < 100	855	312	51%	836	13.38%	1,569	29.7%	2.6	1,118	134%	33	41
100 (Default)	2,180	331	0%	1,971	100.00%	484	30.6%	2.6	1,922	98%	695	713
Sub-total	60,284	47,098	48%	77,811	3.12%	21,149	29.9%	2.5	42,260	54%	831	865

Corporate - AIRB, SMEs (excluding specialised lending)

0.00 to < 0.15	14,621	2,003	52%	16,476	0.07%	9,198	23.1%	2.5	2,760	17%	3	1
0.15 to < 0.25	4,150	808	55%	5,120	0.22%	2,546	25.1%	2.7	2,258	44%	3	0
0.25 to < 0.50	9,349	1,924	55%	11,468	0.44%	7,766	24.8%	2.5	5,660	49%	12	4
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	9,464	1,613	54%	11,081	1.14%	8,078	25.0%	2.5	6,528	59%	32	21
2.50 to < 10.00	1,399	375	51%	1,472	3.41%	5,958	24.5%	2.5	816	55%	12	13
10.00 to < 100	1,466	272	49%	1,438	14.91%	3,235	24.7%	2.5	1,289	90%	53	46
100 (Default)	1,462	128	0%	1,348	100.00%	1,139	26.1%	2.5	1,485	110%	463	492
Sub-total	41,910	7,123	53%	48,403	3.75%	37,920	24.3%	2.5	20,796	43%	578	576

Corporate - AIRB, Specialised lending

0.00 to < 0.15	71	61	26%	88	0.15%	3	34.1%	4.2	38	43%	0	0
0.15 to < 0.25	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.25 to < 0.50	77	36	57%	81	0.44%	5	36.2%	2.9	49	61%	0	0
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	7	9	57%	12	0.84%	4	32.8%	5.0	11	91%	0	0
2.50 to < 10.00	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
10.00 to < 100	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
100 (Default)	8	5	0%	8	100.00%	1	22.2%	1.1	8	95%	0	0
Sub-total	163	111	37%	189	4.75%	13	34.4%	3.6	106	56%	0	0

PD scale	exposure	exposure	CCF	EAD	Average PD	obligors. '000	LGD	maturity	REA	density	EL	and
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Corporate - FIRB, Total

0.00 to < 0.15	3,085	883	6%	3,582	0.10%	2,608	42.8%	2.5	1,167	33%	2	2
0.15 to < 0.25	1,514	433	7%	1,599	0.22%	1,325	41.5%	2.5	817	51%	1	1
0.25 to < 0.50	2,061	914	11%	2,087	0.44%	3,903	42.6%	2.5	1,274	61%	4	2
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	2,014	919	13%	2,100	1.15%	4,960	42.1%	2.5	1,761	84%	10	8
2.50 to < 10.00	1,031	454	3%	690	3.23%	5,009	40.2%	2.5	766	111%	9	7
10.00 to < 100	283	162	3%	276	15.71%	2,020	41.1%	2.5	449	162%	18	9
100 (Default)	109	55	0%	92	100.00%	301	42.6%	2.5	0	0%	39	32
Total	10,096	3,821	8%	10,428	1.90%	20,126	42.2%	2.5	6,233	60%	83	61

Corporate - FIRB, Corporates (excluding SMEs and specialised lending)

0.00 to < 0.15	2,427	668	6%	2,755	0.10%	1,106	43.1%	2.5	933	34%	1	1
0.15 to < 0.25	858	312	6%	854	0.22%	468	42.0%	2.5	395	46%	1	0
0.25 to < 0.50	1,153	678	12%	1,135	0.44%	1,317	43.1%	2.5	760	67%	2	1
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	1,013	613	17%	1,099	1.07%	1,460	42.5%	2.5	1,046	95%	5	2
2.50 to < 10.00	807	375	3%	472	3.15%	2,151	39.7%	2.5	575	122%	6	4
10.00 to < 100	52	61	6%	51	16.04%	406	42.3%	2.5	112	218%	3	2
100 (Default)	58	27	0%	44	100.00%	52	43.1%	2.5	0	0%	19	16
Sub-total	6,369	2,734	10%	6,410	1.37%	6,960	42.6%	2.5	3,821	60%	37	27

Corporate - FIRB, SMEs (excluding specialised lending)

0.00 to < 0.15	658	215	4%	828	0.11%	1,502	41.5%	2.5	234	28%	0	1
0.15 to < 0.25	656	121	8%	745	0.22%	857	40.9%	2.5	421	57%	1	0
0.25 to < 0.50	908	237	6%	952	0.44%	2,586	41.9%	2.5	514	54%	2	1
0.50 to < 0.75 ¹	0	0	0%	0	0	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	1,001	306	6%	1,001	1.25%	3,500	41.8%	2.5	715	71%	5	5
2.50 to < 10.00	224	79	5%	218	3.39%	2,858	41.3%	2.5	190	87%	3	3
10.00 to < 100	231	100	1%	225	15.63%	1,614	40.9%	2.5	338	150%	14	7
100 (Default)	51	28	0%	49	100.00%	249	42.2%	2.5	0	0%	20	16
Sub-total	3,727	1,087	5%	4,017	2.75%	13,166	41.5%	2.5	2,412	60%	46	34

Corporate - FIRB, Specialised Lending

0.00 to < 0.15	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.15 to < 0.25	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.25 to < 0.50	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.50 to < 0.75 ¹	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
0.75 to < 2.50	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
2.50 to < 10.00	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
10.00 to < 100	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
100 (Default)	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0
Sub-total	0	0	0%	0	0.00%	0	0.0%	0.0	0	0%	0	0

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

The retail portfolio has remained relatively stable during the third quarter of 2019.

Q3 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	
Retail - RIRB, total												
0.00 to < 0.15	87,097	15,093	65%	96,793	0.09%	1,350,491	15.5%	2.5	7,080	7%	13	6
0.15 to < 0.25	32,536	4,681	58%	35,015	0.19%	582,366	18.3%	2.5	3,700	11%	12	6
0.25 to < 0.50	16,998	2,504	55%	18,015	0.36%	462,880	19.1%	2.5	2,474	14%	12	8
0.50 to < 0.75	5,945	709	57%	6,159	0.60%	155,983	19.4%	2.5	1,092	18%	7	9
0.75 to < 2.50	11,242	2,332	56%	11,999	1.33%	447,267	19.9%	2.5	3,255	27%	32	48
2.50 to < 10.00	5,287	624	54%	5,464	4.90%	213,348	23.6%	2.5	2,355	43%	63	78
10.00 to < 100	2,139	133	62%	2,129	23.07%	83,207	22.3%	2.5	1,588	75%	107	80
100 (Default)	1,988	140	55%	2,034	100.00%	101,997	21.9%	2.5	4,624	227%	122	287
Total	163,231	26,215	62%	177,607	1.80%	3,397,539	17.3%	2.5	26,170	15%	370	521
<i>Retail - RIRB, Non-SME (excluding exposures secured by immovable property)</i>												
0.00 to < 0.15	5,137	8,166	54%	9,364	0.09%	1,183,964	30.0%	2.5	687	7%	3	5
0.15 to < 0.25	3,979	3,494	56%	5,727	0.19%	547,392	29.8%	2.5	702	12%	3	4
0.25 to < 0.50	3,746	1,855	53%	4,369	0.36%	441,124	29.2%	2.5	799	18%	5	6
0.50 to < 0.75	1,367	482	52%	1,429	0.60%	142,646	30.0%	2.5	360	25%	3	8
0.75 to < 2.50	2,769	1,387	53%	3,004	1.35%	389,404	29.5%	2.5	1,042	35%	12	37
2.50 to < 10.00	3,694	490	46%	3,787	4.85%	185,746	25.7%	2.5	1,516	40%	47	70
10.00 to < 100	1,247	103	54%	1,217	21.05%	77,677	26.6%	2.5	765	63%	69	70
100 (Default)	675	100	54%	709	100.00%	92,121	31.0%	2.5	2,166	306%	95	236
Sub-total	22,614	16,077	54%	29,606	4.17%	3,060,074	29.1%	2.5	8,037	27%	236	436
<i>Retail - RIRB, SME (excluding exposures secured by immovable property)</i>												
0.00 to < 0.15	1	6	67%	5	0.10%	1,882	33.7%	2.5	0	7%	0	0
0.15 to < 0.25	9	10	58%	14	0.19%	1,254	34.2%	2.5	2	11%	0	0
0.25 to < 0.50	40	71	65%	85	0.38%	7,964	32.1%	2.5	16	18%	0	0
0.50 to < 0.75	42	77	81%	103	0.60%	7,102	27.5%	2.5	20	20%	0	0
0.75 to < 2.50	612	431	60%	823	1.53%	43,773	28.5%	2.5	254	31%	4	3
2.50 to < 10.00	346	98	81%	399	5.06%	25,452	28.1%	2.5	150	37%	6	5
10.00 to < 100	74	13	86%	79	24.25%	4,214	26.7%	2.5	43	54%	5	3
100 (Default)	103	35	56%	112	100.00%	7,304	29.8%	2.5	357	319%	14	24
Sub-total	1,226	741	66%	1,620	10.17%	98,945	28.6%	2.5	842	52%	29	35
<i>Retail - RIRB, SME exposures secured by immovable property</i>												
0.00 to < 0.15	5	12	41%	10	0.09%	901	16.7%	2.5	0	3%	0	0
0.15 to < 0.25	366	24	41%	375	0.19%	6,557	17.1%	2.5	20	5%	0	0
0.25 to < 0.50	118	21	50%	129	0.36%	2,124	16.6%	2.5	11	9%	0	0
0.50 to < 0.75	77	15	52%	85	0.60%	1,325	16.3%	2.5	11	13%	0	0
0.75 to < 2.50	394	80	49%	433	1.28%	8,187	17.2%	2.5	94	22%	1	0
2.50 to < 10.00	53	7	54%	57	4.13%	1,116	16.5%	2.5	24	42%	0	0
10.00 to < 100	16	1	58%	17	29.67%	321	16.5%	2.5	14	81%	1	0
100 (Default)	23	2	63%	24	100.00%	626	17.5%	2.5	51	209%	0	1
Sub-total	1,053	161	48%	1,130	3.45%	21,157	17.0%	2.5	225	20%	3	2
<i>Retail - RIRB, Non-SME exposures secured by immovable property</i>												
0.00 to < 0.15	81,953	6,909	79%	87,414	0.09%	628,584	14.0%	2.5	6,393	7%	11	1
0.15 to < 0.25	28,182	1,153	62%	28,899	0.19%	200,965	16.0%	2.5	2,976	10%	9	2
0.25 to < 0.50	13,094	558	61%	13,432	0.35%	97,803	15.8%	2.5	1,649	12%	8	2
0.50 to < 0.75	4,459	134	62%	4,542	0.60%	33,299	16.0%	2.5	701	15%	4	1
0.75 to < 2.50	7,467	434	63%	7,740	1.31%	55,760	15.4%	2.5	1,865	24%	16	7
2.50 to < 10.00	1,194	30	1	1,221	5.05%	8,189	15.8%	2.5	666	55%	10	2
10.00 to < 100	802	15	1	816	25.83%	7,354	15.6%	2.5	767	94%	33	8
100 (Default)	1,187	2	70%	1,189	100.00%	11,240	15.8%	2.5	2,050	172%	13	25
Sub-total	138,338	9,236	75%	145,251	1.22%	1,043,194	14.7%	2.5	17,067	12%	102	49

Q2 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	
Retail - RIRB, total												
0.00 to < 0.15	88,288	15,379	65%	98,123	0.09%	1,352,890	15.6%	2.5	7,290	7%	14	3
0.15 to < 0.25	31,732	4,604	58%	34,212	0.19%	578,017	18.3%	2.5	3,564	10%	12	5
0.25 to < 0.50	16,790	2,403	56%	17,787	0.36%	460,517	19.1%	2.5	2,422	14%	12	9
0.50 to < 0.75	5,900	707	57%	6,127	0.60%	155,122	19.4%	2.5	1,084	18%	7	7
0.75 to < 2.50	11,028	2,308	56%	11,807	1.34%	448,170	20.0%	2.5	3,208	27%	32	43
2.50 to < 10.00	5,334	614	56%	5,529	4.91%	212,559	23.6%	2.5	2,372	43%	64	72
10.00 to < 100	2,144	128	63%	2,142	23.35%	88,211	22.4%	2.5	1,601	75%	110	81
100 (Default)	2,029	141	55%	2,075	100.00%	101,011	21.8%	2.5	4,696	226%	118	289
Total	163,245	26,284	62%	177,803	1.83%	3,396,497	17.3%	2.5	26,237	15%	369	510

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

0.00 to < 0.15	5,838	7,983	55%	10,071	0.09%	1,184,432	29.7%	2.5	731	7%	3	1
0.15 to < 0.25	4,208	3,326	58%	5,922	0.19%	542,903	29.7%	2.5	722	12%	3	3
0.25 to < 0.50	3,836	1,723	54%	4,426	0.36%	438,428	29.0%	2.5	804	18%	5	6
0.50 to < 0.75	1,396	452	53%	1,462	0.60%	141,406	29.8%	2.5	366	25%	3	5
0.75 to < 2.50	2,790	1,325	54%	3,034	1.38%	386,973	29.5%	2.5	1,054	35%	12	25
2.50 to < 10.00	3,783	471	49%	3,888	4.86%	184,391	25.6%	2.5	1,553	40%	49	66
10.00 to < 100	1,254	97	54%	1,231	21.31%	82,661	26.8%	2.5	782	63%	71	67
100 (Default)	700	103	54%	734	100.00%	91,290	30.8%	2.5	2,203	300%	97	210
Sub-total	23,807	15,479	55%	30,768	4.13%	3,052,484	29.0%	2.5	8,215	27%	242	381

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

0.00 to < 0.15	2	6	64%	5	0.09%	1,900	34.0%	2.5	0	7%	0	0
0.15 to < 0.25	9	10	61%	15	0.19%	1,320	34.1%	2.5	2	11%	0	0
0.25 to < 0.50	35	71	66%	81	0.38%	8,288	31.9%	2.5	15	18%	0	0
0.50 to < 0.75	40	76	80%	99	0.60%	7,219	27.6%	2.5	20	20%	0	0
0.75 to < 2.50	608	439	61%	827	1.52%	46,975	28.3%	2.5	253	31%	4	2
2.50 to < 10.00	353	107	81%	414	4.95%	25,926	28.0%	2.5	154	37%	6	4
10.00 to < 100	76	14	89%	82	23.89%	4,287	26.7%	2.5	45	55%	5	3
100 (Default)	98	34	55%	107	100.00%	7,195	29.7%	2.5	343	320%	13	23
Sub-total	1,222	758	67%	1,631	9.85%	103,110	28.5%	2.5	832	51%	28	32

Retail - RIRB, SME exposures secured by immovable property

0.00 to < 0.15	5	10	40%	9	0.09%	849	16.7%	2.5	0	3%	0	0
0.15 to < 0.25	372	23	41%	382	0.19%	6,659	17.1%	2.5	20	5%	0	0
0.25 to < 0.50	120	19	51%	130	0.36%	2,158	16.5%	2.5	11	9%	0	0
0.50 to < 0.75	76	17	53%	85	0.60%	1,347	16.4%	2.5	11	13%	0	0
0.75 to < 2.50	397	79	49%	436	1.27%	8,321	17.2%	2.5	95	22%	1	1
2.50 to < 10.00	53	8	53%	57	4.04%	1,115	16.5%	2.5	24	41%	0	0
10.00 to < 100	18	1	54%	18	26.74%	331	16.3%	2.5	15	80%	1	0
100 (Default)	23	2	65%	24	100.00%	619	17.5%	2.5	51	210%	0	2
Sub-total	1,063	160	49%	1,141	3.41%	21,399	17.0%	2.5	227	20%	3	3

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

0.00 to < 0.15	82,444	7,380	76%	88,038	0.09%	632,585	14.0%	2.5	6,559	7%	11	2
0.15 to < 0.25	27,142	1,245	60%	27,894	0.19%	197,251	15.9%	2.5	2,820	10%	8	2
0.25 to < 0.50	12,799	590	60%	13,151	0.36%	96,879	15.6%	2.5	1,592	12%	7	4
0.50 to < 0.75	4,388	161	57%	4,480	0.60%	33,128	15.9%	2.5	687	15%	4	3
0.75 to < 2.50	7,233	465	60%	7,510	1.31%	55,311	15.4%	2.5	1,806	24%	15	15
2.50 to < 10.00	1,144	28	1	1,170	5.13%	8,058	15.7%	2.5	641	55%	10	2
10.00 to < 100	796	16	1	811	26.33%	7,278	15.5%	2.5	760	94%	33	11
100 (Default)	1,208	2	69%	1,209	100.00%	11,277	15.7%	2.5	2,099	174%	8	55
Sub-total	137,153	9,887	72%	144,264	1.24%	1,041,767	14.7%	2.5	16,964	12%	97	93

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

The tables show EAD for counterparty credit risk (CCR) according to the IRB approach broken down by exposure class and obligor grade, providing a comprehensive overview of original and regulatory exposures as well as statistics on the inputs used for their computation, such as EAD, average PD and average LGD. During the quarter, the total CCR IRB level EAD increased by EUR 1.0bn mainly driven by derivative exposures. Total REA of CCR IRB portfolio increased by EUR 0.5 bn which was mainly driven by derivative positions, partly off-set by SFT volumes.

Q3 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	9,957	0.08%	1,852	45.0%	1.9	3,187	32%
0.15 to < 0.25	1,386	0.21%	741	45.0%	2.2	773	56%
0.25 to < 0.50	2,982	0.43%	1,682	44.9%	2.3	2,399	80%
0.50 to < 0.75	167	0.66%	76	44.9%	2.5	168	101%
0.75 to < 2.50	1,613	1.19%	1,905	44.8%	2.2	1,521	94%
2.50 to < 10.00	69	3.80%	451	44.2%	2.4	72	105%
10.00 to < 100	73	12.20%	332	44.9%	2.5	122	168%
100 (Default)	75	100.00%	152	44.7%	2.5	69	93%
Total IRB	16,322	0.80%	7,191	45.0%	2.1	8,312	51%

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	4,220	0.08%	204	45.0%	1.7	1,423	34%
0.15 to < 0.25	193	0.17%	55	45.0%	2.2	73	38%
0.25 to < 0.50	313	0.36%	72	45.0%	1.9	183	58%
0.50 to < 0.75	165	0.66%	31	45.0%	2.5	168	101%
0.75 to < 2.50	13	1.08%	8	45.0%	2.5	9	65%
2.50 to < 10.00	2	8.46%	2	45.0%	2.5	1	50%
10.00 to < 100							
100 (Default)							
Institutions FIRB	4,906	0.13%	372	45.0%	1.8	1,856	38%

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	12	0.09%	89	34.4%	2.5	1	8%
0.15 to < 0.25	6	0.18%	106	35.4%	2.5	1	13%
0.25 to < 0.50	20	0.37%	90	34.5%	2.5	4	22%
0.50 to < 0.75	1	0.60%	45	36.1%	2.5	0	28%
0.75 to < 2.50	31	1.53%	463	36.3%	2.4	13	43%
2.50 to < 10.00	7	4.64%	180	37.4%	2.5	3	51%
10.00 to < 100	1	26.19%	30	35.4%	2.5	1	82%
100 (Default)	2	100.00%	29	34.3%	2.5	9	429%
Retail RIRB	79	4.13%	1,032	35.5%	2.5	33	42%

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	5,725	0.08%	1,559	45.0%	2.1	1,763	31%
0.15 to < 0.25	1,187	0.22%	580	45.0%	2.2	699	59%
0.25 to < 0.50	2,649	0.44%	1,520	45.0%	2.4	2,212	83%
0.50 to < 0.75							
0.75 to < 2.50	1,570	1.19%	1,434	45.0%	2.2	1,500	96%
2.50 to < 10.00	60	3.54%	269	45.0%	2.4	68	113%
10.00 to < 100	72	12.01%	302	45.0%	2.5	122	169%
100 (Default)	73	100.00%	123	45.0%	2.5	60	83%
Corporate FIRB, Total	11,336	1.07%	5,787	45.0%	2.2	6,423	57%

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	4,835	0.08%	817	45.0%	2.0	1,463	30%
0.15 to < 0.25	990	0.22%	253	45.0%	2.2	575	58%
0.25 to < 0.50	2,160	0.44%	644	45.0%	2.4	1,813	84%
0.50 to < 0.75			0				
0.75 to < 2.50	1,115	1.20%	498	45.0%	2.1	1,106	99%
2.50 to < 10.00	24	3.44%	75	45.0%	2.1	32	131%
10.00 to < 100	30	11.12%	40	45.0%	2.5	57	189%
100 (Default)	32	100.00%	12	45.0%	2.5	43	134%
Sub-total	9,186	0.71%	2,339	45.0%	2.1	5,090	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	891	0.08%	742	45.0%	2.5	299	34%
0.15 to < 0.25	197	0.22%	327	45.0%	2.3	124	63%
0.25 to < 0.50	489	0.44%	876	45.0%	2.4	398	81%
0.50 to < 0.75							
0.75 to < 2.50	454	1.14%	936	45.0%	2.4	393	87%
2.50 to < 10.00	36	3.61%	194	45.0%	2.5	36	101%
10.00 to < 100	42	12.66%	262	45.0%	2.5	64	155%
100 (Default)	41	100.00%	111	45.0%	2.5	17	42%
Sub-total	2,149	2.61%	3,448	45.0%	2.4	1,333	62%

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							

2019 Q2

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	9,545	0.08%	1,943	45.0%	2.0	3,009	32%
0.15 to < 0.25	1,126	0.21%	731	44.9%	2.1	635	56%
0.25 to < 0.50	2,699	0.43%	1,735	44.8%	2.3	2,171	80%
0.50 to < 0.75	56	0.66%	79	43.9%	2.5	49	88%
0.75 to < 2.50	1,677	1.20%	1,955	44.9%	2.0	1,596	95%
2.50 to < 10.00	122	3.34%	478	44.6%	2.4	140	115%
10.00 to < 100	62	12.23%	349	44.9%	2.5	103	167%
100 (Default)	70	100.00%	149	44.7%	2.5	60	86%
Total	15,357	0.80%	7,419	44.9%	2.0	7,764	51%

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	4,094	0.07%	220	44.9%	1.8	1,349	33%
0.15 to < 0.25	228	0.17%	58	45.0%	1.9	95	42%
0.25 to < 0.50	357	0.38%	72	44.5%	2.0	240	67%
0.50 to < 0.75	50	0.66%	24	45.0%	2.5	47	94%
0.75 to < 2.50	92	1.04%	16	45.0%	0.8	89	97%
2.50 to < 10.00	4	5.39%	3	45.0%	2.5	4	91%
10.00 to < 100							
100 (Default)							
Sub-total	4,825	0.13%	393	44.9%	1.8	1,825	38%

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	10	0.09%	94	34.4%	2.5	1	8%
0.15 to < 0.25	8	0.17%	114	35.4%	2.5	1	13%
0.25 to < 0.50	25	0.39%	79	34.4%	2.5	6	22%
0.50 to < 0.75	6	0.60%	55	34.9%	2.5	2	28%
0.75 to < 2.50	21	1.55%	503	37.4%	2.4	9	43%
2.50 to < 10.00	6	4.65%	168	37.4%	2.4	3	50%
10.00 to < 100	1	24.08%	36	35.1%	2.5	1	82%
100 (Default)	2	100.00%	25	34.7%	2.5	9	434%
Sub-total	78	3.87%	1,074	35.6%	2.5	31	39%

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	5,442	0.08%	1,629	45.0%	2.1	1,659	30%
0.15 to < 0.25	890	0.22%	559	45.0%	2.2	539	61%
0.25 to < 0.50	2,317	0.44%	1,584	45.0%	2.3	1,925	83%
0.50 to < 0.75							

0.75 to < 2.50	1,565	1.21%	1,436	45.0%	2.1	1,498	96%
2.50 to < 10.00	111	3.18%	307	45.0%	2.4	133	119%
10.00 to < 100	61	12.09%	313	45.0%	2.5	103	168%
100 (Default)	68	100.00%	124	45.0%	2.5	51	76%
Sub-total	10,454	1.09%	5,952	45.0%	2.2	5,908	57%

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	4,492	0.08%	853	45.0%	2.0	1,377	31%
0.15 to < 0.25	750	0.22%	244	45.0%	2.1	436	58%
0.25 to < 0.50	1,865	0.44%	650	45.0%	2.3	1,559	84%
0.50 to < 0.75			0				
0.75 to < 2.50	1,208	1.24%	489	45.0%	2.0	1,181	98%
2.50 to < 10.00	70	2.96%	87	45.0%	2.3	91	130%
10.00 to < 100	25	11.31%	43	45.0%	2.5	49	191%
100 (Default)	30	100.00%	12	45.0%	2.5	37	122%
Sub-total	8,440	0.75%	2,378	45.0%	2.1	4,729	56%

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	950	0.07%	776	45.0%	2.4	282	30%
0.15 to < 0.25	140	0.22%	315	45.0%	2.5	103	73%
0.25 to < 0.50	452	0.44%	934	45.0%	2.5	367	81%
0.50 to < 0.75							
0.75 to < 2.50	357	1.10%	947	45.0%	2.5	317	89%
2.50 to < 10.00	42	3.56%	220	45.0%	2.5	42	101%
10.00 to < 100	36	12.65%	270	45.0%	2.5	54	152%
100 (Default)	37	100.00%	112	45.0%	2.5	14	38%
Sub-total	2,014	2.49%	3,574	45.0%	2.4	1,179	59%

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

EURm	Total unweighted value (average)				Total weighted value (average)			
	Q3 19	Q2 19	Q1 19	Q4 18	Q3 19	Q2 19	Q1 19	Q4 18
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)					98,673	98,524	97,318	101,208
Cash-outflows								
2 Retail deposits & deposits from small business customers	88,527	87,459	86,541	86,033	5,846	5,790	5,746	5,733
3 - Of which stable deposits	70,098	69,259	68,503	68,071	3,505	3,463	3,425	3,404
4 - Of which less stable deposits	18,419	18,193	18,035	17,962	2,331	2,320	2,319	2,330
5 Unsecured wholesale funding	95,581	99,402	104,059	104,295	43,393	44,228	46,535	46,981
- Of which Operational deposits (all counterparties) and deposits in networks of cooperative banks	37,703	42,792	44,385	43,804	8,798	9,801	10,123	9,985
6 - Of which Non-operational deposits (all counterparties)	46,752	45,512	48,425	50,031	23,469	23,330	25,163	26,536
7 - Of which unsecured debt	11,126	11,098	11,248	10,460	11,126	11,098	11,248	10,460
9 Secured wholesale funding					4,132	3,615	3,113	2,676
10 Additional requirements	51,510	49,674	49,341	50,383	10,986	10,751	11,174	11,492
- Of which outflows related to derivative exposures and other collateral requirements	7,280	7,407	8,060	8,488	6,778	6,927	7,513	7,879
11 - Of which Outflows related to loss Of funding on debt products	5	3	-	-	5	3	-	-
13 - Of which credit and liquidity facilities	44,226	42,264	41,281	41,895	4,203	3,821	3,662	3,612
14 Other contractual funding obligations	2,149	2,312	2,436	3,136	1,710	1,888	2,027	2,740
15 Other contingent funding obligations	51,987	52,201	52,545	52,666	3,044	2,891	2,831	2,831
16 Total cash outflows					69,112	69,164	71,426	72,452
Cash inflows								
17 Secured lending (e.g. reverse repos)	36,767	36,280	34,426	33,068	3,712	3,326	3,254	2,908
18 Inflows from fully performing exposures	11,781	11,874	11,890	12,094	6,008	5,918	5,785	5,915
19 Other cash inflows	10,285	11,417	12,671	13,785	7,229	8,090	9,131	10,161
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19a (Excess inflows from a related specialised credit institution)					-	-	-	-
EU-19b								
20 Total cash inflows	58,833	59,571	58,987	58,947	16,949	17,334	18,171	18,984
EU-20a Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b Inflows Subject to 90% Cap	-	-	-	-	-	-	-	-
EU-20c Inflows subject to 75% cap	58,833	59,571	58,987	58,947	16,949	17,334	18,171	18,984
21 Liquidity buffer					98,673	98,524	97,318	95,976
22 Total net cash outflows					52,158	51,826	53,256	53,469
23 Liquidity coverage ratio (%)					190%	192%	185%	182%

Table 11 Encumbered and unencumbered assets

	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
Assets of the reporting institution	174,272	49,899			366,195	87,090		
Equity instruments	2,829	0			1,960	0		
Debt securities	22,914	19,455	22,914	19,455	44,755	38,473	43,283	38,473
of which: covered bonds	9,762	9,028	9,762	9,028	22,970	25,140	22,970	25,140
of which: asset-backed securities	0	0	0	0	0	0	0	0
of which: issued by general governments	12,437	10,540	12,437	10,540	8,282	8,081	8,282	8,081
of which: issued by financial corporations	11,139	9,152	11,139	9,152	32,768	29,442	32,768	29,442
of which: issued by non-financial corporations	576	184	576	184	1,258	224	1,258	224
Other assets	147,155	29,411			318,636	46,110		

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 encumbered collateral received or own debt securities issued	of which notionally eligible EHQLA and HQLA
Collateral received by the reporting institution	13,139	10,117	58,925	51,956
Loans on demand	0	0	0	0
Equity instruments	0	0	861	0
Debt securities	13,139	10,117	30,996	25,068
of which: covered bonds	4,363	3,468	10,189	8,737
of which: asset-backed securities	0	0	0	0
of which: issued by general governments	8,419	6,906	17,711	15,450
of which: issued by financial corporations	4,582	3,467	12,156	8,758
of which: issued by non-financial corporations	148	1	1,018	269
Loans and advances other than loans on demand	0	0	23,184	23,184
Other collateral received	0	0	3,704	3,704
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			2,647	2,647
Total assets, collateral received and own debt securities issued	187,411	60,016		

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	191,345	184,034
of which: covered bonds issued	112,940	115,897

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.