

**Pilar III**

**According to Basel III and**

**The Capital Requirements Regulation**

**2022**

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## 1 INTRODUCTION

This document describes the risk and capital management of Maritime & Merchant Bank ASA ("the Bank").

The document thus covers the requirements set out in the capital regulation on the disclosure of financial information (Pillar III) under the Basel III regulations and the Regulations for Capital Requirements part IX.

All numbers and calculations shown in the document are based on numbers per. 31.12.2022.

The Bank also conducts a minimum annual analysis of the capital requirement in relation to risk levels and the Bank's capital situation (the Bank's ICAAP and Pillar II ratings). This document is updated according to the reviews made there.

The Bank uses the standard method for calculating capital requirements for credit risk. This implies that official and standardized risk weights are used to calculate the capital requirement.

For the calculation of capital requirements for operational risk, the basic method is used, which implies that the capital requirement is calculated in relation to income for the last 3 years (Maritime & Merchant Bank uses revenues for 2020, 2021 and 2022). The Bank does not have a trading portfolio and therefore does not allocate capital requirements for market risk in relation to this.

The purpose of having systems, routines and documentation in relation to the Bank's risk profile and capital management is to create certainty that the Bank has adequate capital to cover the risk associated with its business. This helps to ensure that the Bank has a continuous process for assessing overall capital requirements in relation to the Bank's risk profile at any given time. It must be stressed that this is a process that includes all of the Bank's business and that it is the Board of Directors that sets the conditions for this work. The purpose is also to help ensure that this can help the Bank refine and improve its risk management. This is done via the ongoing processes that take place in the Bank in connection with this and also through periodic audits.

The systems, routines and documentation associated with risk assessment and control cover the entire Bank. No areas are omitted. The guidelines and routines for managing and controlling risk in the Bank cover the following risks:

- Credit, concentration and counterparty risk
- Liquidity risk
- Market risk
- Interest rate risk
- Operational risk (including IT, AML, GDPR and New Products)
- Strategic risk
- ESG risk

## 2 CAPITAL REQUIREMENTS

The Bank's Risk Policy provides a general description of the types of risk the Bank faces and how the Bank should act in relation to these. This is described in the Bank's Risk Policy.

The Bank must at all times maintain control over the risks it faces. In cases where the risk is greater than what is acceptable in relation to our policy, measures must immediately be taken to reduce the risk.

Different risks within the various areas will have different probabilities of occurring and different consequences for the Bank. The emphasis must be to focusing on the risks with the greatest consequences.

Banking entails systematic risk taking versus risk pricing. This means that the risk must not be so high that it threatens the existence of the Bank, while at the same time it must not be so low that it threatens the Bank's earnings. The Bank accepts a moderate risk for its total business.

### 2.1 COMMON EQUITY TIER 1 (CET 1)

Below is an overview of the Bank's capital and minimum capital requirement regarding Pilar I calculated using the standard method regarding credit risk method and the basic method regarding operational risk. The Bank's capital base consists only of Common Equity Tier 1 (CET 1) capital.

Amounts in 1 000 USD	Calculation Basis	Risk Weight	Balance
Share capital	9 709		9 709
Other reserves	112 949		112 949
- Dividend	- 4 000		- 4 000
- Deferred tax assets and intangible assets	- 49		- 49
- This year's result	-		-
- Adjustments to CET1 due to prudential filters	- 147		- 147
<b>Common Equity Tier 1 (CET 1)</b>	<b>118 462</b>		<b>118 462</b>
<b>Credit Risks</b>			
+ Bank of Norway	-	0%	6 554
+ Local and regional authorities	-	0%	13 661
+ Institutions	12 278	20%	61 391
+ Companies	295 641	83%	354 496
+ Covered bonds	11 753	10%	117 529
+ Shares	192	100%	192
+ Other assets	2 091	100%	2 091
<b>Total Credit risks</b>	<b>321 955</b>		<b>555 914</b>
+ Operational risk	30 777		
+ Counterparty risk derivatives (CVA-risk)	3 268		
<b>Total calculation basis</b>	<b>356 000</b>		
<b>Capital Adequacy</b>			
<b>Common Equity Tier 1 %</b>	<b>33.3%</b>		
<b>Total capital %</b>	<b>33.3%</b>		

## 2.2 LEVERAGE RATIO

Maritime & Merchant Bank's capital target for the leverage ratio is 10.00%.

The requirement from The Financial Supervisory Authority of Norway is 5% leverage ratio (3% + 2%).

The leverage ratio for Maritime & Merchant Bank was 19.75 % on 31.12.2022.

## 2.3 BUFFER REQUIREMENTS

Maritime & Merchant Bank's **Countercyclical buffer** is calculated like this:

Exposure to customers by geographical location (1)	USD	Country-specific buffer	Capital requirements	
			USD	%
Norway	123 455 900	2.00 %	2 469 118	2.00 %
Germany	64 727 143	0.00 %	-	0.00 %
United Kingdom	1 823 526	1.00 %	18 235	1.00 %
Singapore	5 340 117	0.00 %	-	0.00 %
Hong Kong	9 061 307	1.00 %	90 613	1.00 %
Other countries	91 233 400	2.00 %	1 824 668	2.00 %
Other Assets and shares	2 282 377	2.00 %	45 648	2.00 %
<b>Total</b>	<b>297 923 771</b>		<b>4 448 282</b>	<b>1.49 %</b>

(1) Exposure = Lending to customers + Committed loans - Cash collateral

### 3 RISK ANALYSIS

The Bank's risk is managed in accordance with the Bank's various policies and routines. Expertise will be a means of management and control in all areas.

As far as the management of credit risk is concerned, this is performed in accordance with the regulations for capital adequacy as they are described in Circular 03/2022. The overarching guidelines for managing credit and counterparty risk are described in detail in this document. This specifies that the Bank uses the standard method. Further descriptions are provided in the underlying policies and routines for this area.

Credit risk is the risk of the Bank incurring losses in connection with granting credit due to the customer being unable to fulfil their obligations. This is one of the risks that can have the greatest consequences and is thus one of the risks the Bank must focus on and monitor most.

The key prerequisites for reducing this type of risk are good credit assessments, as well as good routines, systems and tools for granting credit and monitoring loan commitments.

A special Credit Policy has been prepared that describes this in more detail.

The Bank's Credit Policy states that debt servicing capacity is the most important criteria when considering granting credit. Thereafter, the collateral is assessed. The policy also requires that all credit customers have adequate insurance cover.

The Bank must maintain control over its credit risk at all times through the use of good systems and routines for granting credit and monitoring commitments. The Bank wants to maintain a moderate risk profile when it comes to credit risk.

#### 3.1 STATUS

The bank had a profit before tax of USD 4 237 835 in Q4 2022 (USD 1 883 520 in Q4 2021). The net interest margin was 4.2% in Q4 2022 (3.3% in Q4 2021). The profit before tax for the year 2022 is USD 13 627 283 (USD 7 950 395 in 2021). Return on Equity before tax in 2022 is 11.6% (6.5% in 2021). The bank has no distressed loan and 2022 was a new year with zero credit losses. The cost/income ratio came in at 29.3% in Q4 (54% in Q4 2021). The Board propose a dividend of USD 0.489 per share (USD 4 000 000).

The tragic outbreak of war in Ukraine has naturally overshadowed all other news in 2022 and has left its mark on the entire world. International shipping is no exception to this. The world community can only hope that this senseless game with human lives and material values must be ended.

The net loan portfolio increase was 18% during the year and ended at USD 370 398 794. The super-cycle within the container segment and a strong dry bulk market resulted in a massive gain for the owners and investors and a huge number of vessels were sold and the loans were repaid. However, there was a high number of new projects launched and the demand for financing was maintained at a stable level and the bank was able to deploy the capital coming in from repayments. The much talked about and historic period that the container market has gone through has during 2022 come to an end and leaves us with a great deal of uncertainties. The fact that values and earnings massively will be revised seems to be beyond discussion; it is probably more a question whether it will be a 'soft landing' or not.

The dry bulk market had overall a strong performance in 2022 but faced an abrupt downturn towards the end of the year. The Chinese economic stimulus package and the effect of same will most likely be the decisive factor for the further development.

The tanker market, driven partly by disruptions caused by the Russian- Ukrainian war, underwent a total change from a +/- opex freight rate level to a market with very attractive figures both for spot and period earnings. The forecasts for 2023 are generally very positive for the tanker market which is to a large extent confirmed by the strong interest for investments in second-hand tonnage. Again, the war situation and expectations for increased ton-miles in combination with a record-low newbuilding order book fuels a fundamental optimism.

By the end of 2022 the bank had the following diversification of the loan portfolio (2021 figures in parentheses)

- Dry bulk 48% (35%)
- Tankers 39% (36 %)
- Containers 9 % (24%)
- LPG 4% (4%)
- Specialized 0% (1%)

IMF forecasted in October 2022 a modest 2.7% global GDP growth for 2023, which represent a reduction from the estimate of 3.2% for 2022, which isolated is no good news for the shipping markets. The main reasons for this rather pessimistic view are uncertainties in USA and China, growing global inflation and in general a series of geopolitical tensions. Clarkson Research estimates though an increase of 2% in world seaborne trade (expressed by the demand for ton-miles) mainly driven by disruptions in the tanker market. The development of the Ukrainian-Russian war with all its ripple effects will continue to be the wild card in all further forecasts for the global economy.

### **3.2 IT**

Given the inherent IT-risks for a bank, this area is subject to continuous monitoring. IT-related risks are closely monitored and included in the Bank's risk reporting to the Board and executive management team. The Internal Audit also carries out independent reviews in this area.

### **3.3 CREDIT RISK**

Credit risk is the major risk to the Bank. Maritime & Merchant Bank ASA may face a loss if the borrower is not able to pay interest or principal as agreed upon, provided the pledged collateral is not sufficient to cover the Bank's exposure.

The Bank monitors market developments in segments where it has exposure and takes a proactive approach towards the risks taken.

The Bank's internal credit strategy has limits for maximum exposure to the various shipping segments, and Acceptable Risk Criteria form guidelines for the lending strategy.

The Bank uses an internally developed scorecard model for assessing the credit risk in the loan portfolio. The scorecard model predicts Probability of Default (PD), Loss Given Default (LGD)

and risk class (from 1 to 10). Default is failure to satisfy the terms of a loan obligation or failure to pay back a loan.

Significant judgements are required when assessing models and assumptions, and resulting estimates are thus uncertain in nature. The model is based on experience and criteria well known in scoring models. The model is validated on a regular basis.

Forward looking factors, like expected freight earnings and ship values, are based on one year forward estimates. Time charter rates for each specific segment and interest rates that are used in the model are those prevailing at the time of scoring.

Input in the scoring model for establishing the PD for one specific exposure can either be the actual earnings based on freight contracts entered into, or shipbrokers earnings estimates for the next 12 months, normally expressed in the time charter rates for the period going 12 months forward.

When a loan is granted, the PD is estimated for the full tenor of the loan, and projected future cash flow is based on long term time charter rates for similar tenor (if available) in combination with consideration of low rate scenarios.

Risk classification is done once per year as a minimum in connection with annual renewal of exposures, or more frequently if there are shifts in input factors which are not regarded as temporary.

**Risk classes and credit score:**

Very low risk	Credit score: 1-2	PD: 0.00 – 0.25%
Low risk	Credit score: 3-4	PD: 0.25 – 1.00%
Medium risk	Credit score: 5-7	PD: 1.00 – 3.00%
High risk	Credit score: 8-9	PD: 3.00 – 8.00%
Loss exposed	Credit score: 10-11	PD: > 8.00%

**Factors in scorecard PD - model:**

**Quantitative factors:**

- Loan to value (LTV) – Value Adjusted Equity
- Interest coverage – Cash flow to support interest payment
- Instalment coverage – Cash flow to support instalments
- Current Ratio
- Free Cash

**Qualitative factors**

- Corporate structure
- Ownership
- Technical management
- Commercial management

**Factors in LGD model:**

- Age of vessel
- Liquidity of vessel type (specialised tonnage)
- Yard/Country
- Net loan exposure above scrap value



- Enforcement cost
- Jurisdiction
- Corporate complexity
- Covenant Structure
- ESG

### **Expected Loss (EL)**

$$EL = PD * LGD * EAD$$

$$EAD = \text{Exposure at Default (Notional + Accrued Interest - Cash Reserves)}$$

#### **3.3.1 Loss allowance**

The EL is performed on an individual basis. After the transition to IFRS 9, provisions have been presented as expected loss over 12 months (Step 1) and expected loss over the life of the instrument (Step 2).

Non-performing commitments (Step 3) are commitments where the customer has not paid due instalments on loans within 90 days of maturity (or as described in Note 6 in the annual report).

If credit risk has increased significantly after initial recognition but there is no objective proof of loss, an allowance of expected loss over the entire lifetime ("Step 2") has to be made. The individual loss provisions under IAS 39 did not change materially upon the transition to IFRS 9 ("Step 3").

In assessing what constitutes a significant increase in credit risk, the Bank, in addition to the standard's presumption of financial assets that have cash flows that have been due for more than 30 days are subject to significantly increased credit risk, assumed qualitative and quantitative indicators. The most important quantitative indicator the Bank assess is whether it has been a significant increase in credit risk determined by comparing the original likelihood of default and Loss Given Default ("PD x LGD") with the Probability of Default and Loss Given Default ("PD x LGD") at the reporting date. However, when assessing significant increase in credit risk for IFRS 9 purposes, Loss Given Default is not included in the assessment. Based on this the Bank has defined that a doubling in the Probability of Default or an absolute change of 1% constitutes a significant increase in credit risk.

Reclassification of commitments from Step 2 to Step 1, is based on an individual assessment. However, there must be some objective evidence that the commitment has recovered.

The Bank follows qualitative and quantitative indicators on a regular basis and in any situation where there is a suspicion that there have been conditions of negative importance for the commitment/customer.

### **Macro scenarios**

Expected Loss from the Bank's risk score model will be adjusted with a macro scenario factor (MF). The Bank estimates three macro-economic scenarios consisting of factors that will or can have an impact on shipping markets and value appraisal of vessels financed in our portfolio in the respective markets. Each scenario gets assigned a probability and a factor. The factor represent change in Expected Loss or Loss Allowance. The forecast, probability assignment and factor estimation are based on own judgment and experience.

The following factors are included in the macro evaluation process:

- Demand for seaborne shipping (World growth (GDP))
- Supply: Orderbook (shipbuilding), scrapping and idle capacity (utilization)
- Cyclical (we assume shipping is cyclical and mean reverting)
- Geopolitical and other factors

The probability weighted macro factor (MF) will be multiplied with the Expected Loss and give Loss Allowance (or Macro Scenario adjusted Expected Loss). The factor (MF) is calculated to be 1,9463.

Exposure in the scenario model is the same as at year-end (31.12.2022).

### **Loss Allowance and Impairments**

Loss allowance	<b>31.12.2022</b>
Step1	1 345 649
Step2	568 370
Step3	0
Sum	1 914 019
Allowance/Loan Ratio	0,51 %
Impairments (Credit Loss)	

### **Forbearance**

Based on the soft freight markets for the tanker vessels, a small number of clients were granted relief on their contractual debt obligations towards the bank as of year-end 2021, and in Q1-22. All waivers were done in combination with the ultimate owners of the borrowers providing new equity into the borrowing entities to strengthen their financial position.

As per year end 2022 no clients have been granted relief on their obligations.

<b>31.12.2022</b>					
<b>Stage</b>	<b>Number of loans</b>	<b>Exposure 2022</b>	<b>Amortization relief</b>	<b>Interest relief</b>	<b>Owner contribution</b>
1	0	0	0	0	0
2	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Loans with reliefs given before 2022 are either repaid or individually assessed to be moderate or low risk.*

**Loans where no loss provision has been recognized due to collateral:**

31.12.2022: 0

**Remaining exposure from credit impaired loans and loss exposed loans:**

31.12.2022	Gross Loans	First-Priority pledge in vessel	Cash Pledge	Other Collateral
Remaining exposure from credit impaired loans	0	0	0	0
Loss exposed loans	0	0	0	0

**Loss allowance sensitivity**

The macro scenarios impact on Probabilities of Default (PDs) result in the following sensitivity in Expected Loss Allowance calculation.

<u>Scenario</u>	<u>Expected Loss allowance</u>
Vessel value up 30%	788 000
Unchanged	812 000
Vessel value down 30%	2 012 000

**Loss allowance per credit score**

<u>Risk Class</u>	<u>2022</u>
Very low risk	-
Low risk	373 118
Moderate risk	1 540 901
High risk	
Loss exposed	
<b>Sum</b>	<b>1 914 019</b>

**31.12.2022**

	Step 1	Step 2	Step 3	
	Classification by first time recognition	Significantly increase in credit risk since first time recognition	Significantly increase in credit risk since first recognition and objective proof of loss	
	Expected loss next 12 months	Expected loss over the life of instrument	Expected loss over the life of instrument	Sum
Loss allowance as of 31.12.2021	618 860	826 436	-	1 445 296
<i>Lending to customers 31.12.2021</i>	299 883 739	15 635 268	-	315 519 007
				-
<b>Changes</b>				-
Transfer to Step 1	74 186	74 186	-	-
Transfer to Step 2	-	-	-	-
Transfer to Step 3	-	-	-	-
Reclassification	- 93 235	-	-	- 93 235
Amortization	- 443 178	-	-	- 443 178
New commitments	717 554			717 554
Effect of Scenario Adjustment	471 462	183 880		287 582
<b>Allowance as of 31.12.2022</b>	<b>1 345 649</b>	<b>568 370</b>	<b>-</b>	<b>1 914 019</b>
<i>Lending to customers 31.12.2022</i>	317 388 832	54 923 981	-	372 312 813
<i>Loans not disbursed</i>	0			
Allowance: Loans not disbursed	-			-
<b>Net Change in Loss allowance</b>	<b>726 789</b>	<b>-258 066</b>	<b>0</b>	<b>468 723</b>

(1) Amortisations and changes in individual assessments

Step 2 Expected loss is due to assumed migration in the macro scenario analysis. No commitments are currently identified in step 2.

**Credit risk: Total****End of year 2022**

Amounts in USD	Very low risk	Low risk	Moderate risk	High risk	Loss exposed	Sum
Deposit with Central Bank	6 554 349					6 554 349
Deposits with credit institution	63 206 540					63 206 540
Certificates and bonds	131 190 110					131 190 110
Shares and other securities			191 844			191 844
Loans to customers		131 761 277	240 551 536	0	0	372 312 813
<b>Total</b>	<b>200 950 999</b>	<b>131 761 277</b>	<b>240 743 380</b>	<b>0</b>	<b>0</b>	<b>573 455 657</b>
Committed loans, not disbursed			13 800 000			

**Lending to customers by segment**

Sector	2022	
	USD	Share %
Bulk	179 082 463	48 %
Container	34 997 404	9 %
Tank	144 085 059	39 %
Gas	14 147 887	4 %
Specialized	-	0 %
Offshore	-	0 %
<b>Sum</b>	<b>372 312 813</b>	<b>100 %</b>

**Lending to customers by geographical location**

	31.12.2022	
	USD	Share
Norway	155 472 862	42 %
Europe (ex. Norway)	93 331 865	25 %
Asia	18 136 279	5 %
Oceania	43 239 435	12 %
North America	24 260 336	7 %
Central America	23 999 867	6 %
Liberia	13 872 170	4 %
<b>Total</b>	<b>372 312 813</b>	<b>100 %</b>

## **Collateral held and other credit enhancements**

### **Lending to customers**

The general creditworthiness of a corporate customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security. The Bank takes collateral in the form of a first priority charge over vessels, pledged cash deposits, assignment of earnings and insurances as well as other liens and guarantees.

The credit worthiness of the corporate customer is based on a combination of the customer's value adjusted equity and the customer's cash flow and cash balance. Due to the fact that shipping in general is regarded as a cyclical industry, all loan agreements have provisions related to maximum loan to value, and valuations are assessed on a semi-annual basis, or more often when needed, to establish compliance with the loan agreements.

Valuations of collateral are updated if and when a loan is put on watch list, and the loan is monitored closely.

The following table stratify credit exposures to shipping customers by ranges of loan-to-value (LTV) ratio. LTV is calculated as the ratio of the gross amount of the loan – or the amount committed for loan commitments – to the value of the collateral. For each loan, the value of disclosed collateral is capped at the nominal amount of the loan that it is held against.

The valuation of the collateral excludes any adjustments for obtaining and selling the collateral. The value of the collateral for shipping loans is based on the collateral value of the last appraisal (semi-annual), the Bank's estimation or observable transactions in the market. For credit-impaired loans the value of collateral is based on the most recent appraisals.

### **LTV ratio and pledge in vessel**

<b>2022</b>		
<b>LTV Bracket</b>	<b>Loan Amount</b>	<b>Pledge in vessel</b>
< 40%	126 407 258	126 407 258
40-50%	117 787 405	117 787 405
50-55%	95 162 651	95 162 651
55-60%	26 427 018	26 427 018
>60%	6 528 482	6 528 482
<b>Sum</b>	<b>372 312 813</b>	

### **Bonds and certificates: Risk Weight**

<b>2022</b>		
<b>Risk Weight</b>	<b>Fair Value</b>	<b>Amortised Cost</b>
0 %	13 660 675	
10 %	117 529 435	
20 %	0	
100 %	0	
<b>Total</b>	<b>131 190 110</b>	

**Bonds and certificates: Rating**

Rating	2022 Fair Value
AAA	125 949 320
AA+	5 240 790
AA	0
A	0
<b>Total</b>	<b>131 190 110</b>

**Bonds and certificates: Sector**

Sector	2022 Fair Value
Supranational	2 129 494
Local authority	11 531 180
Credit Institutions	117 529 435
Bank	-
<b>Total</b>	<b>131 190 110</b>

**3.3.2 Calculation basis for companies**

Net Lending to customers	USD	Deposits pledged accounts	Committed loans	Calculation basis
Companies	307 283 000	- 22 675 000	11 034 000	295 641 000

**3.3.3 Credit management and control**

The following management and control have been established for the area to manage and reduce the risk:

- The Bank's Credit Policy
- The Bank's scoring model
- Routines and instructions for the area
- The Bank's credit monitoring systems

**3.3.4 Concentration risk stress test**

Scenario calculations have been prepared to estimate the effect of the capital calculation in for a serious economic setback and downturn. As far as the credit aspect is concerned, stress tests are carried out for loss percentage.

These calculations show that reduced results due to increased losses will affect the Bank's capacity to grow in relation to building up the Bank's equity. The Bank's funding costs are also expected to increase as a result of such high losses.

### **3.4 ESG**

The Bank focuses on responsible lending to our shipping customers, to be a secure bank for our deposit customers, safeguarding customer privacy and preventing financial crime while caring for our employees.

Ship financing and the life cycle of a vessel includes a variety of ESG risks starting at construction, through trade during its life at ports and on oceans and in the end recycling at the end of the lifetime. In addition to this there are aspects in running a shipping company when it comes to for example social welfare for the crew, complying with health and safety regulation, anti-corruption and money laundering regulations. As a financial institution we have the ability to provide guidance and support by sharing our knowledge.

The Bank is working to further integrate ESG assessments into the risk and credit discussions and will continue to follow the developments within the ESG area closely. IMO has adopted new CO2 emission regulations applicable to existing ships when it comes to energy efficiency which will lead to an index addressing the technical efficiency, carbon intensity and energy efficient management plan. This index will be effective from January 2023.

EU approved in July 2021 an extensive package of proposals intended to reduce the EU's total Green House Gas (GHG) emissions by 55% by 2030 in conjunction with EU's overall goal for full decarbonization by 2050. The package contains comprehensive regulations of both operational and fiscal character for the maritime industry which will gradually be imposed from 2023.

### **3.5 INTEREST RATE RISK**

Maritime & Merchant Bank ASA has defined guidelines that set limits for the maximum interest rate risk. All exposure on the balance sheet and outside the balance sheet will be assessed, and any exposure exceeding the interest rate risk limits shall be mitigated by using hedging instruments. Routines have been established for on-going monitoring and reporting of the interest rate risk to the Board of Directors.

#### **Reference rates**

The Bank has assets, liabilities and derivatives linked to current money markets reference rates (LIBOR, NIBOR and EURIBOR). USD Libor will be replaced with new reference rate in June 2023 (SOFR). NIBOR and EURIBOR reference rates might be replaced with other reference rates going forward. Changes in reference rates could have an impact on interest income, interest expenses, fair value of derivatives and financial assets/liabilities.



**The table below shows notional amounts per interest rate period (time bucket)**

<i>Notional in USD mio</i>	<b>Up to 3 months</b>	<b>3 to 6 months</b>	<b>6 to 12 months</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>
Deposits with central bank	7				
Deposits with banks	63				
Certificates and bonds	131				
Loans to customers	372				
Derivatives	218				
<b>Sum Assets</b>	<b>791</b>				
Loans from credit institutions	0				
Deposits	426				
Derivatives	218				
<b>Sum liabilities</b>	<b>644</b>				
<b>Net</b>	<b>147</b>				

**Table EU IRRBBA**

a)	<p><b>Interest Rate Risk</b></p> <p>Aggregated interest rate risk is calculated as change in net present value for all assets or instrument (with maturity longer than 3 months) exposed to interest rates when changing all relevant rates by one percent point (parallel shift in rate curves). The shareholder's return is Interest Rate Risk from the banking book with maturity less than 3 months plus margin from ordinary banking activities.</p>
b)	<p><b>Policy for managing interest rate risk</b></p> <p>Market risk is not a core business area for the Bank. The Bank shall not in an active way seek to take positions. Market risk should arise from funding, lending and liquidity management activities. Market risk above a certain threshold has to be reduced to low/moderate with application of appropriate hedging instruments.</p>
c)	<p><b>Limits and monitoring</b></p> <p>The risk is measured as change in Net Present Value (NPV) with 1%-point change in interest rates. The Bank has established risk limits for single currencies as well as an aggregate risk.</p> <p>Interest rate risk is measured and reported weekly</p>
f)	<p><b>Hedging and accounting</b></p> <p>Market risk above a certain threshold (limits) has to be reduced to low/moderate with application of appropriate hedging instruments.</p> <p>Hedging instruments are recognized as fair market value</p>
i)	<p>Scenario Parameters for Table EU IRRBBI</p> <ol style="list-style-type: none"> <li>1) Parallel up: 1% point</li> <li>2) Parallel down: 1% point down</li> <li>3) Steeper curve: 3 months unchanged, 1 year rate 0.5% point up 5 year 1% point up</li> <li>4) Flatter curve: 3 months unchanged, 1 year rate 0.5% point down 5 year 1% point down</li> <li>5) Short rates up: 1% point</li> </ol>

	6) Short rates down: 1% point
1) 2)	Interest rate notification for deposits without fixed duration Average limit for interest rate notification: 8 weeks Maximum limit for interest rate notification: 8 weeks

**Table: EU IRRBB1**

Scenarios		a	b	c	d
		Change in value of equity		Change in net interest income	
		This period (USD)	Last period (USD)	This period (USD)	Last period (USD)
1	Parallel up	778 692	767 397	1 023 196	1 038 256
2	Parallel down	-778 692	-767 397	-1 023 196	-1 038 256
3	Steeper curve	0	0		
4	Flatter curve	0	0		
5	Short rates up	778 692	767 397		
6	Short rates down	-778 692	-767 397		

### 3.6 CURRENCY RISK

All exposure on the balance sheet, outside the balance sheet and estimated income and expense items will be identified. Market exposure will be limited and within limits and authorisations granted by the Board. Routines have been established for on-going monitoring and reporting of the currency risk to the Board of Directors.

Funding in NOK is swapped to USD using cross currency basis swaps, with duration around 3 years. Using cross currency swaps match funding in NOK with lending in USD. Assets and liabilities are currency matched. The Bank has income in USD and most of the operating cost in NOK. Current strategy is to hedge between 0 and 12 months forward. The following table shows assets and liabilities in other currencies than USD. Calculated tax will be affected by changes in USDNOK exchange rate.

<b>Assets (2022)</b>	<b>NOK</b>	<b>EUR</b>
Deposit with Central Bank	64 595 407	
Deposit with Banks	376 904 226	758 920
Bonds	1 292 924 451	
Not settled FX spot	39 504 000	
Loans	-	6 209 597
Derivatives	2 150 086 000	
Other Assets	4 251 127	
<b>Total Assets</b>	<b>3 928 265 211</b>	<b>6 968 517</b>
<b>Liabilities</b>	<b>NOK</b>	<b>EUR</b>
Loans from credit institutions	-	
Deposits	3 892 393 788	814 193
Derivatives		6 200 000
Tax	63 454 526	
Other Liabilities	6 830 834	
<b>Total Liabilities</b>	<b>3 962 679 148</b>	<b>7 014 193</b>
<b>Net Currency</b>	<b>-34 413 937</b>	<b>-45 676</b>

### 3.7 CVA RISK

CVA (Credit Value Adjustment) risk is defined as the risk of losses arising from changing CVA values in response to changes in counterparty credit spreads and market risk factors that drive prices of derivative transactions and SFTs (securities financing transactions). Banks that undertake derivative or securities financing transactions (SFTs) are subject to the risk of incurring mark-to-market losses because of the deterioration in the creditworthiness of their counterparties (banks). This potential source of loss due to changes in counterparty credit spreads and other market risk factors is known as CVA risk. It is complementary to the risk of a counterparty defaulting, which is known as counterparty credit risk (CCR).

Amounts in 1000	Nominal Value USD	Nominal Value EUR	Nominal Value NOK	Positive market values USD	Negative Market values USD
<b>Interest Rate Derivatives</b>					
Interest rate swap	0	0	0	0	0
<b>Currency Derivatives</b>					
Cross currency basis swap					
Buy/Sell USD against NOK	225 000		2 085 885	914	14 963
Buy/Sell EUR against NOK		6 200	64 201	0	90
<b>Total Currency Derivatives</b>	<b>225 000</b>	<b>6 200</b>	<b>2 150 086</b>	<b>914</b>	<b>15 053</b>

*The Counterparty risk derivatives (CVA-risk) is USD 3 268 000 (cf. point 2.1)*

### 3.8 LIQUIDITY RISK

Maritime & Merchant Bank ASA aims to maintain a low liquidity risk, which means high liquidity buffers and good deposit coverage.

The Bank's liquidity level is assessed by calculating the Liquidity Coverage Ratio (LCR) and the Net Stable Financing Ratio (NSFR). These ratios describe the short liquidity level and the level of stable funding.

The Bank calculates liquidity surplus, which appears as available funding less future liabilities within the defined time interval and required liquidity buffers.

Maritime & Merchant Bank ASA has adopted guidelines for management of the Bank's liquidity position to ensure that the Bank maintains a solid liquidity.

**End of 2022**

	<b>Up to 1 month</b>	<b>1 to 3 months</b>	<b>3 to 12 months</b>	<b>Over 1 year</b>	<b>Over 5 years</b>	<b>Total</b>
Cash and claims on central banks	6 554 349					6 554 349
Loans and receivables from credit inst	63 206 540					63 206 540
Loans to and receivables from customers	2 966 250	9 490 000	23 963 850	335 892 713	0	372 312 813
Commercial papers and bonds		0	57 609 079	73 581 031	0	131 190 110
Shares, funds and other securities					191 844	191 844
Other assets	1 139 334					1 139 334
<b>Assets</b>	<b>73 866 473</b>	<b>9 490 000</b>	<b>81 572 929</b>	<b>409 473 744</b>	<b>191 844</b>	<b>574 594 991</b>
Deposits from credit institutions		0				0
Deposits from and liabilities to customers	406 710 687	998 151	3 645 411	14 229 589		425 583 838
Debt from issuance of bonds						
Subordinated loan capital						
<b>Liabilities</b>	<b>406 710 687</b>	<b>998 151</b>	<b>3 645 411</b>	<b>14 229 589</b>	<b>0</b>	<b>425 583 838</b>
Financial derivatives (net settlement)	0	0	-10 063 400	-4 076 033		-14 139 433
<b>Total</b>	<b>-332 844 214</b>	<b>8 491 849</b>	<b>67 864 118</b>	<b>391 168 122</b>	<b>191 844</b>	<b>134 871 719</b>

**3.9 OPERATIONAL RISK**

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed processes or systems, from human error, fraud, or external events including legal risk, compliance risk and reputational risk. This type of risk also encompasses administrative risk, i.e. that the day-to-day operations of the Bank do not function properly.

The Bank Measures operational risk through incident reporting on main operational areas. The management team handle incidents in the management meetings. This incident reporting is summarized and communicated to the Risk Committee.

The Bank reduces operational risk through prudent management and supervision by establishing efficient control procedures, a well-established set of routines, a compliance function, as well as insurance cover against attempts at defrauding the Bank.

## **4 RISK MANAGEMENT IN MARITIME & MERCHANT BANK**

### The Bank's organisation

The Bank is staffed by experienced personnel who, besides possessing expertise in all of the relevant banking areas (risk, compliance, credit work, routines, guidelines for credit liquidity, operations, IT and security) also possess in-depth knowledge about the maritime industry and its cyclical nature.

### **4.1 CORPORATE GOVERNANCE**

Corporate governance encompasses the values, goals and overarching principles that provide a basis for managing and supervising the Bank in order to protect the interests of our owners, depositors and other stakeholders. The Bank's corporate governance is intended to ensure prudent asset management and greater assurance that our publicly declared goals and strategies are attained and realised.

Our corporate governance mainly involves:

- The establishment of general short-term and long-term goals.
- A continuous strategy process aimed at achieving the Bank's short-term and long-term goals.
- Continuous and integrated management of the risks associated with the Bank's goal attainment.
- Regular reporting on the Bank's established goals.
- Following up approved corrective measures.

Section 13-5 of the Norwegian Financial Institutions Act defines the principle of proportionality, which clarifies that management and control arrangements, as well as guidelines and routines, must be proportionate to the risk associated with, and scope of, an institution's business. Furthermore, chapter X of the Regulation on capital requirements and national adjustment of CRR/CRD IV (CRR/CRD IV Regulation) says that undertakings must adjust their risk management and internal control according to the nature, scope and complexity of the undertaking's business. The principle of proportionality has been incorporated into Acts and Regulations in order to clarify that what is good and adequate risk management and internal control can vary. The principle allows for less comprehensive requirements for the process of risk management and internal control in small banks than in large banks.

#### **4.1.1 Management principles**

The Bank has the following hierarchy of governance documents:

- Governing Policies form the top level of the internal control system. These are adopted by the Board. Describes the relationship between the various governing bodies in the Bank and verify the Bank's control environment, culture, values, ethical basis and different governance processes.
- Function Policies specify the frameworks and principles that are to be observed in the various functions and processes. These apply to the entire bank and indicate what to do and what to approve where.
- Work processes and procedures. Describes more in detail how the principles stated in different policies are to be performed. These are process-oriented and provide a documentation of the processes through different activities and roles. These are important tools for implementing policies and help ensure compliance and follow-up of these.

- Key controls are the most significant control activities in terms of reducing risk to a level consistent with the Bank's risk tolerance in the various areas. The key controls are identified and are part of the various procedures and procedures. In addition, there will be a set of key controls at the bank level (management level).

#### **4.1.2 Risk limits - risk appetite**

The Bank's risk limits and goals are set out by the Board in various documents:

- Limits for the commercial targets in relation to returns, growth, financial strength, capital, etc.
- Limits and goals for liquidity with specified limits (targets) for various management parameters in the areas of LCR, NSFR and liquidity buffers.
- Limits and targets for credit with the distribution of loans to different industries (maximum exposure within different industries), quality of credit customers (PD – number of customers within the various risk classes, risk-weighted return, expected losses).

#### **4.1.3 Governing policies**

Documents that apply to the entire business and all underlying governing documents.

Documents that describe the core values, culture and management system of the business. The key documents are: Core Values, Code of Conduct, and Management, Governance and Control Policy. The documents are approved by the Board. The documents describe the Bank's culture and the relationship between the Bank's departments, Board and Executive Management team.

The Bank has prepared the following management policies, which must be approved by the Board:

- Code of Conduct (Ethical Guidelines)
- Risk Policy
- ESG Guidelines
- GDPR Policy
- Risk Limits Policy
- Operational Risk Policy
- Market Risk Policy
- Information Security Policy
- Remuneration Policy
- Policy and Procedures on Anti-Money Laundering (“AML”) and Combatting the Financing of Terrorism (“CFT”)
- Recovery Plan

#### **4.1.4 Function policies**

The Bank has prepared the following function policies:

- Credit
- ICT Disaster plan
- ICT Risk and Vulnerability Analysis
- Liquidity, including ILAAP (contingency cf. Recovery Plan)

These documents must also be approved by the Board.

#### **4.1.5 Work processes and procedures**

Process descriptions describe and document operation and responsibility in detail based on corporate structure, allocation of tasks and responsibilities, choice of products and services, and instructions and procedures.

These processes will be used together with the procedures as guidelines for the performance of the tasks. In the same way as for procedures, process descriptions will be subject to periodic internal control and revision.

#### **4.1.6 Key controls**

The need for key controls is identified via risk assessments for processes and on a sub-process level. High risks require measures or key controls whose implementation in practice must be documented and monitored. Key controls must be documented in control matrices and include risk, control activity, executor, frequency and documentation requirements upon implementation.

## ATTACHMENTS

## Standard form for disclosure of Common Equity capital

(in Norwegian and - NOK Thousand)

Ren kjernekapital: Instrumenter og opptjent kapital		(A) Beløp på datoen for offentliggjøring	(B) Referanser til artikler i forordningen (CRR)	(C) Beløp omfattet av overgangsregler
1	Kapitalinstrumenter og tilhørende overkursfond	1 169 415	26 (1), 27, 28 og 29	
	herav: instrumenttype 1			
	herav: instrumenttype 2			
	herav: instrumenttype 3			
2	Opptjent egenkapital i form av tidligere års tilbakeholdte resultater		26 (1) (c)	
3	Akkumulerte andre inntekter og kostnader og andre fond o.l.		26 (1) (d) og (e)	
3a	Avsetning for generell bankrisiko		26 (1) (f)	
4	Rene kjernekapitalinstrumenter omfattet av overgangsbestemmelser			
	Statlige innskudd av ren kjernekapital omfattet av overgangsbestemmelser			
5	Minoritetsinteresser		84	
5a	Revidert delårsoverskudd fratrukket påregnelig skatt mv. og utbytte		26 (2)	
6	<b>Ren kjernekapital før regulatoriske justeringer</b>	1 169 415	<b>Sum rad 1 t.o.m. 5a</b>	
<b>Ren kjernekapital: Regulatoriske justeringer</b>				
7	Verdijusteringer som følge av kravene om forsvarlig verdsettelse (negativt beløp)	- 1 452	34 og 105	
8	Immaterielle eiendeler redusert med utsatt skatt (negativt beløp)	- 481	36 (1) (b) og 37	
9	Tomt felt i EØS			
10	Utsatt skattefordel som ikke skyldes midlertidige forskjeller redusert med utsatt skatt som kan motregnes (negativt beløp)		36 (1) (c) og 38	
11	Verdiendringer på sikringsinstrumenter ved kontantstrømsikring		33 (1) (a)	
12	Positive verdier av justert forventet tap etter kapitalkravsforskriften § 15-7 (tas inn som negativt beløp)		36 (1) (d), 40 og 159	
13	Økning i egenkapitalen knyttet til fremtidig inntekt grunnet verdipapiriserte eiendeler (negativt beløp)		32 (1)	
14	Gevinster eller tap på gjeld målt til virkelig verdi som skyldes endringer i egen kredittverdighet		33 (1) (b) og (c)	
15	Overfinansiering av pensjonsforpliktelser (negativt beløp)		36 (1) (e) og 41	
16	Direkte, indirekte og syntetiske beholdninger av egne rene kjernekapitalinstrumenter (negativt beløp)		36 (1) (f) og 42	
17	Beholdning av ren kjernekapital i annet selskap i finansiell sektor som har en gjensidig investering av ansvarlig kapital (negativt beløp)		36 (1) (g) og 44	
18	Direkte, indirekte og syntetiske beholdninger av ren kjernekapital i andre selskaper i finansiell sektor der		36 (1) (h), 43, 45, 46, 49 (2),	



<b>Ren kjernekapital: Instrumenter og opptjent kapital</b>		(A) Beløp på datoen for offentliggjøring	(B) Referanser til artikler i forordningen (CRR)	(C) Beløp omfattet av overgangsregler
	institusjonen ikke har en vesentlig investering. Beløp som overstiger grensen på 10 %, regnet etter fradrag som er tillatt for korte posisjoner (negativt beløp)		79, 469 (1) (a), 472 (10) og 478 (1)	
19	Direkte, indirekte og syntetiske beholdninger av ren kjernekapital i andre selskaper i finansiell sektor der institusjonen har vesentlige investeringer som samlet overstiger grensen på 10 %. Beløp regnet etter fradrag som er tillatt for korte posisjoner (negativt beløp)		36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) til (3) og 79	
20	Tomt felt i EØS			
20a	Poster som alternativt kan få 1250 % risikovekt (negativt beløp),		36 (1) (k)	
20b	herav: kvalifiserte eiendeler i selskap utenfor finansiell sektor (negativt beløp)		36 (1) (k) (i) og 89 til 91	
20c	herav: verdipapiriseringsposisjoner (negativt beløp)		36 (1) (k) (ii), 243 (1) (b), 244 (1) (b) og 258	
20d	herav: motpartsrisiko for transaksjoner som ikke er avsluttet (negativt beløp)		36 (1) (k) (iii) og 379 (3)	
21	Utsatt skattefordel som skyldes midlertidige forskjeller og som overstiger unntaksgrensen på 10 %, redusert med utsatt skatt som kan motregnes (negativt beløp)		36 (1) (c), 38 og 48 (1) (a)	
22	Beløp som overstiger unntaksgrensen på 17,65 % (negativt beløp)		48 (1)	
23	herav: direkte, indirekte og syntetiske beholdninger av ren kjernekapital i andre selskaper i finansiell sektor der institusjonen har en vesentlig investering (negativt beløp)		36 (1) (i) og 48 (1) (b)	
24	Tomt felt i EØS			
25	herav: utsatt skattefordel som skyldes midlertidige forskjeller (negativt beløp)		36 (1) (c), 38 og 48 (1) (a)	
25a	Akkumulert underskudd i inneværende regnskapsår (negativt beløp)		36 (1) (a)	
25b	Påregnelig skatt relatert til rene kjernekapitalposter (negativt beløp)		36 (1) (l)	
26	Justeringer i ren kjernekapital som følge av overgangsbestemmelser		Sum 26a og 26b	
26a	Overgangsbestemmelser for regulatoriske filtre relaterte til urealiserte gevinster og tap			
	herav: filter for urealisert tap 1			
	herav: filter for urealisert tap 2			
	herav: filter for urealisert gevinst 1 (negativt beløp)		468	
	herav: filter for urealisert gevinst 2 (negativt beløp)		468	
26b	Beløp som skal trekkes fra eller legges til ren kjernekapital som følge av overgangsbestemmelser for andre filtre og fradrag			
	herav: ...			

<b>Ren kjernekapital: Instrumenter og opptjent kapital</b>		(A) Beløp på datoen for offentliggjøring	(B) Referanser til artikler i forordningen (CRR)	(C) Beløp omfattet av overgangsregler
27	Overskytende fradrag i annen godkjent kjernekapital (negativt beløp)		36 (1) (j)	
28	<b>Sum regulatoriske justeringer i ren kjernekapital</b>	1 933	<b>Sum rad 7 t.o.m. 20a, 21, 22, 25a, 25b, 26 og 27</b>	
29	<b>Ren kjernekapital</b>	1 167 481	<b>Rad 6 pluss rad 28 hvis beløpet i rad 28 er negativt, ellers minus</b>	
<b>Annen godkjent kjernekapital: Instrumenter</b>				
30	Kapitalinstrumenter og tilhørende overkursfond		51 og 52	
31	herav: klassifisert som egenkapital etter gjeldende regnskapsstandard			
32	herav: klassifisert som gjeld etter gjeldende regnskapsstandard			
33	Fondsobligasjonskapital omfattet av overgangsbestemmelser		486 (3) og (5)	
	Statlige innskudd av fondsobligasjonskapital omfattet av overgangsbestemmelser			
34	Fondsobligasjonskapital utstedt av datterselskaper til tredjeparter som kan medregnes i annen godkjent kjernekapital		85 og 86	
35	herav: instrumenter omfattet av overgangsbestemmelser			
36	<b>Annen godkjent kjernekapital før regulatoriske justeringer</b>		<b>Sum rad 30, 33 og 34</b>	
<b>Annen godkjent kjernekapital: Regulatoriske justeringer</b>				
37	Direkte, indirekte og syntetiske beholdninger av egen fondsobligasjonskapital (negativt beløp)		52 (1) (b), 56 (a) og 57	
38	Beholdning av annen godkjent kjernekapital i annet selskap i finansiell sektor som har en gjensidig investering av ansvarlig kapital (negativt beløp)		56 (b) og 58	
39	Direkte, indirekte og syntetiske beholdninger av fondsobligasjonskapital i andre selskaper i finansiell sektor der institusjonen ikke har en vesentlig investering. Beløp som overstiger grensen på 10 %, regnet etter fradrag som er tillatt for korte posisjoner (negativt beløp)		56 (c), 59, 60 og 79	
40	Direkte, indirekte og syntetiske beholdninger av fondsobligasjonskapital i andre selskaper i finansiell sektor der institusjonen har en vesentlig investering. Beløp regnet etter fradrag som er tillatt for korte posisjoner (negativt beløp)		56 (d), 59 og 79	
41	Justeringer i annen godkjent kjernekapital som følge av overgangsbestemmelser		Sum rad 41a, 41b og 41c	
41a	Frdrag som skal gjøres i annen godkjent kjernekapital, i stedet for ren kjernekapital, som følge av overgangsbestemmelser (negativt beløp)		469 (1) (b) og 472 (10) (a)	
	herav: spesifiser de enkelte postene linje for linje			

<b>Ren kjernekapital: Instrumenter og opptjent kapital</b>		(A) Beløp på datoen for offentliggjøring	(B) Referanser til artikler i forordningen (CRR)	(C) Beløp omfattet av overgangsregler
41b	Fradrag som skal gjøres i annen godkjent kjernekapital, i stedet for tilleggskapital, som følge av overgangsbestemmelser (negativt beløp)			
	herav: spesifiser de enkelte postene linje for linje			
41c	Beløp som skal trekkes fra eller legges til annen godkjent kjernekapital som følge av overgangsbestemmelser for andre filtre og fradrag			
	herav: filter for urealisert tap			
	herav: filter for urealisert gevinst (negativt beløp)			
	herav: ...			
42	Overskytende fradrag i tilleggskapital (negativt beløp)		56 (e)	
43	<b>Sum regulatoriske justeringer i annen godkjent kjernekapital</b>		<b>Sum rad 37 t.o.m. 41 og rad 42</b>	
44	<b>Annen godkjent kjernekapital</b>		<b>Rad 36 pluss rad 43. Gir fradrag fordi beløpet i rad 43 er negativt</b>	
45	<b>Kjernekapital</b>	1 167 481	<b>Sum rad 29 og rad 44</b>	
<b>Tilleggskapital: instrumenter og avsetninger</b>				
46	Kapitalinstrumenter og tilhørende overkursfond		62 og 63	
47	Tilleggskapital omfattet av overgangsbestemmelser		486 (4) og (5)	
	Statlige innskudd av tilleggskapital omfattet av overgangsbestemmelser			
48	Ansvarlig lånekapital utstedt av datterselskaper til tredjeparter som kan medregnes i tilleggskapitalen		87 og 88	
49	herav: instrumenter omfattet av overgangsbestemmelser			
50	Tallverdien av negative verdier av justert forventet tap		62 (c) og (d)	
51	<b>Tilleggskapital før regulatoriske justeringer</b>		<b>Sum rad 46 t.o.m. 48 og rad 50</b>	
<b>Tilleggskapital: Regulatoriske justeringer</b>				
52	Direkte, indirekte og syntetiske beholdninger av egen ansvarlig lånekapital (negativt beløp)		63 (b) (i), 66 (a) og 67	
53	Beholdning av tilleggskapital i annet selskap i finansiell sektor som har en gjensidig investering av ansvarlig kapital (negativt beløp)		66 (b) og 68	
54	Direkte, indirekte og syntetiske beholdninger av ansvarlig lånekapital i andre selskaper i finansiell sektor der institusjonen ikke har en vesentlig investering. Beløp som overstiger grensen på 10 %, regnet etter fradrag som er tillatt for korte posisjoner (negativt beløp)		66 (c), 69, 70 og 79	
54a	herav: nye beholdninger som ikke omfattes av overgangsbestemmelser			

<b>Ren kjernekapital: Instrumenter og opptjent kapital</b>		(A) Beløp på datoen for offentliggjøring	(B) Referanser til artikler i forordningen (CRR)	(C) Beløp omfattet av overgangsregler
54b	herav: beholdninger fra før 1. januar 2013 omfattet av overgangsbestemmelser			
55	Direkte, indirekte og syntetiske beholdninger av ansvarlig lånekapital i andre selskaper i finansiell sektor der institusjonen har en vesentlig investering. Beløp regnet etter fradrag som er tillatt for korte posisjoner (negativt beløp)		66 (d), 69 og 79	
56	Justeringer i tilleggskapital som følge av overgangsbestemmelser (negativt beløp)		Sum rad 56a, 56b og 56c	
56a	Frdrag som skal gjøres i tilleggskapital, i stedet for ren kjernekapital, som følge av overgangsbestemmelser (negativt beløp)		469 (1) (b) og 472 (10) (a)	
	herav: spesifiser de enkelte postene linje for linje			
56b	Frdrag som skal gjøres i tilleggskapital, i stedet for annen godkjent kjernekapital, som følge av overgangsbestemmelser (negativt beløp)			
	herav: spesifiser de enkelte postene linje for linje			
56c	Beløp som skal trekkes fra eller legges til tilleggskapitalen som følge av overgangsbestemmelser for filtre og andre fradrag		468	
	herav: filter for urealisert tap			
	herav: filter for urealisert gevinst		468	
	herav:...			
57	<b>Sum regulatoriske justeringer i tilleggskapital</b>		<b>Sum rad 52 t.o.m. 54, rad 55 og 56</b>	
58	<b>Tilleggskapital</b>		<b>Rad 51 pluss rad 57 hvis beløpet i rad 57 er negativt, ellers minus</b>	
59	<b>Ansvarlig kapital</b>	1 167 481	<b>Sum rad 45 og rad 58</b>	
59a	Økning i beregningsgrunnlaget som følge av overgangsbestemmelser		472 (10) (b)	
	herav: beløp som ikke er trukket fra ren kjernekapital		469 (1) (b)	
	herav: beløp som ikke er trukket fra annen godkjent kjernekapital			
	herav: beløp som ikke er trukket fra tilleggskapital			
60	<b>Beregningsgrunnlag</b>	3 508 501		
<b>Kapitaldekning og buffere</b>				
61	<b>Ren kjernekapitaldekning – se tabell</b>	33,3 %	92 (2) (a)	
62	<b>Kjernekapitaldekning</b>	33,3 %	92 (2) (b)	
63	<b>Kapitaldekning</b>	33,3 %	92 (2) (c)	
64	<b>Kombinert bufferkrav som prosent av beregningsgrunnlaget (4,5 % + 1,5 % + 2,5 % + 3 %)</b>	11,5 %	CRD 128, 129, 130, 131 og 133	

<b>Ren kjernekapital: Instrumenter og opptjent kapital</b>		(A) Beløp på datoen for offentliggjøring	(B) Referanser til artikler i forordningen (CRR)	(C) Beløp omfattet av overgangsregler
65	<b>herav: bevaringsbuffer</b>	2,5 %		
66	<b>herav: motsyklisk buffer (bankens individuelle)</b>	1,5 %		
67	<b>herav: systemrisikobuffer</b>	3,0 %		
67a	<b>herav: buffer for andre systemviktige institusjoner (O-SII-buffer)</b>		CRD 131	
68	<b>Ren kjernekapital tilgjengelig for oppfyllelse av bufferkrav (33,3 % - 4,5 %)</b>	28,8 %	CRD 128	
69	<b>Ikke relevant etter EØS-regler</b>			
70	<b>Ikke relevant etter EØS-regler</b>			
71	<b>Ikke relevant etter EØS-regler</b>			
<b>Kapitaldekning og buffere</b>				
72	Beholdninger av ansvarlig kapital i andre selskaper i finansiell sektor der institusjonen har en ikke vesentlig investering, som samlet er under grensen på 10 %. Beløp regnet etter fradrag som er tillatt for korte posisjoner.		36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 66 (c), 69 og 70	
73	Beholdninger av ren kjernekapital i andre selskaper i finansiell sektor der institusjonen har en vesentlig investering, som samlet er under grensen på 10 %. Beløp regnet etter fradrag som er tillatt for korte posisjoner.		36 (1) (i), 45 og 48	
74	Tomt felt i EØS			
75	Utsatt skattefordel som skyldes midlertidige forskjeller redusert med utsatt skatt som kan motregnes, som er under grensen på 10 %.		36 (1) (c), 38 og 48	
<b>Grenser for medregning av avsetninger i tilleggskapitalen</b>				
76	Generelle kredittrisikoreserver		62	
77	Grense for medregning av generelle kredittrisikoreserver i tilleggskapitalen		62	
78	Tallverdien av negative verdier av justert forventet tap		62	
79	Grense for medregning i tilleggskapitalen av overskytende regnskapsmessige nedskrivninger		62	
<b>Kapitalinstrumenter omfattet av overgangsbestemmelser</b>				
80	Grense for medregning av rene kjernekapitalinstrumenter omfattet av overgangsbestemmelser		484 (3) og 486 (2) og (5)	
81	Overskytende ren kjernekapital omfattet av overgangsbestemmelser		484 (3) og 486 (2) og (5)	
82	Grense for medregning av fondsobligasjonskapital omfattet av overgangsbestemmelser		484 (4) og 486 (3) og (5)	
83	Overskytende fondsobligasjonskapital omfattet av overgangsbestemmelser		484 (4) og 486 (3) og (5)	
84	Grense for medregning av ansvarlig lånekapital omfattet av overgangsbestemmelser		484 (5) og 486 (4) og (5)	
85	Overskytende ansvarlig lånekapital omfattet av overgangsbestemmelser		484 (5) og 486 (4) og (5)	