Risk and Capital Management report 2016

Annual disclosure according to Pillar III

Definitions

Company – Catella AB (publ).

Consolidated situation – The Consolidated situation within the Group in which Catella AB (publ) is the parent company.

Group – The group in which Catella AB (publ) is the parent company.

Group Risk Control – The risk control function at Catella AB which has the overall responsibility to coordinate risk management within the Consolidated situation.

ICLAAP – Internal Capital and Liquidity Adequacy Assessment Process

IRRBB – Interest Rate Risk in the Banking Book.

Licensed Companies – The companies within the Group which conduct operations subject to a licensing obligation and which thus are under the supervision of the SFSA or an equivalent foreign regulatory authority.

LCR – Liquidity Coverage Ratio.

LR – Leverage Ratio.

Management Body – The Board of Directors at the Company and/or the Licensed Companies.

SFSA – The Swedish Financial Supervisory Authority.

CATELLA

1. Introduction

This document discloses information related to risk, risk management and capital adequacy for the Consolidated situation in accordance with part eight of the Capital Requirements Regulation (EU) 575/2013. On behalf of its status as reporting institute for the Consolidated situation the disclosure report is published by Catella Bank S.A. Additional information is provided in the Company's annual report and quarterly interim reports.

A separate disclosure document for the bank has been published by Catella Bank.

2. Organization and governance

The Company and those subsidiaries that conduct operations subject to a licensing obligation and which thus are under the supervision of a regulatory authority (Licensed Companies), constitute a financial corporate group, known as a Consolidated situation. In March 2016, the Luxembourg Financial Supervisory Authority (CSSF) gave notice that Catella AB and its financial subsidiaries comprise a Consolidated situation under Luxembourg law, and that the authority intends to supervise the Consolidated situation from 2016 onwards. Reporting and responsible institute is Catella Bank S.A. The table below provides a list of the Licensed Companies included in the Consolidated situation as per 31 December, 2016.

Companies included in the Consolidated situation	Corp. id nr.	Domicile	Ownership share %
Catella AB (publ)	556079-1419	Stockholm	
Catella Bank SA	B 29962	Luxemburg	100
Catella Fondförvaltning AB	556533-6210	Stockholm	100
IPM Informed Portfolio Management AB	556561-6041	Stockholm	51
Catella Real Estate AG	HRB 169051	München	95
Catella Trust GmbH	HRB 193208	München	100
European Equity Tranche Income Ltd	44552	Guernsey	100
Catella Kapital & Pension AB	556886-9019	Stockholm	100
Catella Holding AB	556064-2018	Stockholm	100
Catella Brand AB	556690-0188	Stockholm	100
Catella Property Fund Management AB	556660-8369	Stockholm	100
Catella Capital AB	556243-6989	Stockholm	100
Alletac Shared Services AB	556543-2118	Stockholm	100

For more information on the organizational and legal structure of the Consolidated situation, see Annex 1.

Description of the entities included in the Consolidated situation.

Catella AB

Catella AB is a parent financial holding company in the Group. Group management and other central group functions are integrated in Catella AB.

Catella Bank

Catella Bank provides cards and payment solutions for clients in Europe. Catella Bank operates as a card issuing and card acquiring bank within the framework of proprietary Visa and MasterCard licenses. Card operations are conducted from Luxembourg.

In parallel, Catella Bank is offering lending services to Wealth Management clients and provides tailored wealth management and asset management services. It also offers specialist investments in properties and unlisted companies. Wealth Management operations are conducted from offices in Stockholm, Gothenburg, Malmö and Luxembourg. Catella Bank is a credit institution regulated by CSSF in Luxembourg. The bank has 174 employees.

Additional information with regards to Catella Bank is provided in Catella Bank Risk & Capital Management report.

Catella Fondförvaltning

Catella Fondförvaltning offers actively managed equity, hedge and fixed-income funds. Catella Fondförvaltning currently manages 12 funds with various management styles and risk profiles. Geographical focus and expertise is concentrated in the Nordic countries. The company has 33 employees in Stockholm.

The company is authorized by the SFSA to fund activities under the Mutual Funds Act (LVF), the law of the managers of alternative investment funds (LAIF) and also permission for discretionary portfolio management regarding financial instruments.

IPM Informed Portfolio Management

IPM is a provider of systematic investment services in discretionary management and fund management. IPM currently has assets under management of SEK 68 Bn on assignment from major institutional investors, pension funds, insurance companies and foundations. IPM has 47 employees in Stockholm.

IPM is authorized by the SFSA as an Alternative Investment Fund Manager (AIFM), with ancillary licenses to perform discretionary portfolio management and investment advisory services, within the meaning of the Alternative Investment Fund Managers Directive 2011/61/EU and the related Swedish Alternative Investment Fund Managers Act. Furthermore IPM is also registered with US Securities and Exchange Commission (SEC) as an Investment Adviser Firm and with the US Commodity Futures Trading Commission (CFTC) as a Commodity Pool Operator and Commodity Trading Advisor.

Catella Real Estate

Catella Real Estate provides real estate fund management and real estate investment advice and is based in Munich. The company's purpose is to design, develop and manage fund products that are geared towards the Group's expertise and market position. Catella Real Estate's funds are mainly designed for institutional investors and are characterized in each case by a clear profile and a focus on specific risk classes and regions. The company currently distributes three open ended public real estate fund and eight real estate special funds, in all cases under German investment law. Catella Real Estate has 56 employees in Munich.

Catella Real Estate is regulated by BaFin in Germany.

Catella Trust

Catella Trust provides real estate fund management and real estate investment advice. Catella Trust is based in Munich. While Catella Real Estate is focusing on open-ended funds, Catella Trust´s purpose is to design, develop and manage closed-end fund products. Catella Trust´s funds are designed for institutional and private investors. The company currently manages two closed-end real estate funds. Catella Trust also provides asset and fund management services for another ten closed end funds. Catella Trust has 8 employees in Munich.

Catella Trust is regulated by BaFin in Germany.

Catella Kapital & Pension

Catella Kapital & Pension conducts insurance mediation. The company is authorized by the SFSA to carry out insurance brokerage of insurance in all classes of life insurance and accident insurance and health insurance. Catella Kapital & Pension has two employees in Stockholm.

European Equity Tranche Income (EETI)

The company's principal activity is to hold a portfolio of securitized European loans with primary exposure in housing. The investment objective is to hold the portfolio until maturity making opportune disposals. EETI is based in Guernsey and has no employees.

Other companies

Other companies within the Consolidated situation, Catella Holding AB, Catella Brand AB, Catella Property Fund Management AB, and Catella Capital AB are holding companies whose business is to own and manage shares in subsidiaries. Alletac Shared Services AB is a dormant company. Catella Capital AB and Alletac Shared Services AB were liquidated in January 2017.

2.1. Corporate governance

Responsibility for the management and control of operations in the entities within the Consolidated situation is divided between the shareholders at the Annual General Meeting, the Management Body, the Chief Executive Officer and the auditor elected by the Annual General Meeting. This responsibility is based on the Companies Act, the Articles of Association, Nasdaq Stockholm listing agreement and internal rules of procedure and instructions. These provisions are applied and followed up with the aid of company-wide reporting procedures and standards. Further information regarding corporate governance is provided in the Company's annual report 2016.

2.2. Accounting principles & treatment

Consolidated accounts for the Consolidated situation have been prepared in accordance with the Group's accounting policies and the Annual Accounts for Credit Institutions and Securities Companies Act. All units included in the Consolidated situation are fully consolidated.

3. Risk management objectives and policies

3.1. Strategies and Processes

This section describes the overall strategies and processes which governs the risk management within the Consolidated situation.

The primary objective of risk management within the Consolidated situation is to ensure that material risks are identified, reported, managed and monitored in relation to each Licensed Company and the Consolidated situation as a whole. The overall framework for risk management within the Consolidated situation is established through the minimum requirements presented in the Guidelines for Group Risk Control. Within the framework established in the minimum requirements, each Licensed Company has the mandate to adopt stricter requirements for risk management.

In order to identify and manage all material risks, within the Consolidated situation as well as the Licensed Companies, self-assessments are continuously being carried out. Such self-assessments are among other things performed as forward looking workshops as well as through the analysis of business critical processes. Each Licensed Company as well as the Company also performs a self-assessment within the scope of the annual ICLAAP process.

All risks identified within the scope of self-assessments are further analyzed in order to determine whether or not the risk exceeds the risk limits established in accordance with the Consolidated situation's overall risk appetite.

If a specific risk is considered to exceed or contribute to the breach of a risk limit the risk will be managed according to any of the methods described below:

- Transferring the risk to another party
- Avoiding the risk
- Reducing the negative effect of the risk
- Accepting some or all of the consequences of a particular risk and report this to the Board of Directors

3.2. Structure and organization of the risk management function

The Management Body at the Company has the strategic responsibility to supervise the Consolidated situation's risk exposure and to determine the overall principles for managing material risks. The

Management Body also determines the overall risk appetite for the Consolidated situation and actively participates in the development of internal rules for risk management. The risk appetite and internal rules are reviewed by the Management Body on an annual basis.

Each licensed company within the Consolidated situation has an established function for risk control which is independent from the daily business operations. It’s the responsibility of the risk control function to monitor and manage all risks which materialize within the scope of the Licensed Company’s business operations. The risk control function reports to the Management Body and CEO of the Licensed Company, as well as to the Group Risk Control function within the Company. The risk control function is set up in proportion to the scope and complexity of the business carried out within each Licensed Company.

The Group Risk Control is responsible for coordinating the risk management efforts carried out within the Consolidated situation and to monitor the risk exposure of the Consolidated situation as a whole. In order to monitor the risk exposure of the Consolidated situation the Group Risk Control receives continuous reports from the risk control functions within the Licensed Companies. The Group Risk Control function compiles the data gathered through such reports and presents an overview of the Consolidated situation’s risk exposure to the Management Body at the Company on a quarterly basis.

3.3. The scope and nature of risk reporting and measurement systems

The risk control function of each Licensed Company is responsible for reporting the risk exposure to the CEO and Management Body as well as to the Group Risk Control. The Group Risk Control then has the responsibility to compile and report the risk exposure of the whole Consolidated situation to the Management Body at the Company.

All identified risks are measured and compared to the risk limits and risk appetite established within each Licensed Company. The risk appetite and risk limits of the Licensed Companies are developed within the scope of the overall group risk appetite which has been established by the Management Body at the Company.

3.4. Policies for hedging and mitigating risk

The business carried out within the Consolidated situation is exposed to financial as well as operational risk. Financial risks within the Consolidated situation include among others credit -, market-, and liquidity risks. The methods used to mitigate the above mentioned risks are summarized below.

Credit Risk
Credit risk is the risk of financial loss from an obligor's failure to meet the terms of any contract with the Consolidated situation or otherwise fail to perform as agreed. The credit risk within the Consolidated situation relates mainly to retail, corporate and institutional exposures.

Credit risk within the Consolidated situation is monitored both by the business area itself, the CFO as well as by Group Risk Control. Frequently, a detailed assessment is made of the Consolidated situation’s exposures and reported to the Management Body. The CFO of the Company manages counterparty risk.

Market Risk
Market risk is the risk of loss or reducing future income due to fluctuations in interest rates, exchange rates and share prices, including price risk relating to the sale of assets or closure of positions.

Market price risk
All trading in financial instruments in the Consolidated situation is client based and not conducted for proprietary trading or speculative purposes, which is why the market price risk is regarded as limited. Catella Bank is indirectly exposed to market price risk on the value of security submitted for client loans and other commitments.

Interest rate risk
Interest rate risk is the risk that the Group’s net profit could be impacted by changes in general interest rate levels. The Company has mainly raised loan financing in SEK at variable interest for its own operational financing. Interest rate risk is a particular focus within Catella Bank. However, the Bank’s interest rate risk exposure is limited because there are usually matching fixed income investments subject to similar terms as interest commitments, alternatively with an interest margin favoring Catella Bank. Catella Bank continuously analyses and monitors its exposure to interest rate risk.

Exchange rate risk
The Group is active internationally and is subject to exchange rate risks (FX risk) that arise from various currency exposures. Exchange rate risk is comprised of *transaction* risk that arises through business transactions and recognized assets and liabilities, as well as *translation* risk that arises through net investments in foreign operations.

Subsidiaries’ operations are predominantly conducted in the country in which they are located, and accordingly, transactions are executed in the same currency as the subsidiary’s reporting currency. Accordingly, transaction exposure is limited.
Catella Bank conducts card operations, in which holders of debit and credit cards execute transactions in different currencies that are settled in the Bank’s clearing system. This settlement is daily in foreign currencies. To reduce currency risk in currencies other than Catella Bank’s functional currency (EUR) the accumulated positions are sold daily.
The majority of the revenues of the subsidiary IPM are denominated in foreign currency, mainly USD and EUR, while the majority of expenses are in SEK. Currency risk arises when invoices in foreign currency are raised against clients. Because their maturity is short, the risk of substantial fluctuations in exchange rates is low. IPM utilizes currency forward contracts to limit its currency exposure.
Other companies within the Consolidated situation had on the reporting date no substantial liabilities or assets in foreign currencies that resulted in net exposure in a currency other than the companies’ functional currencies.

The accounts of the Company and the Consolidated situation are denominated in SEK while Catella Bank, Catella Real Estate, Catella Trust and EETI have their net assets denominated in EUR. This means that, from the Consolidated situation's perspective, Catella has equity in foreign currencies that is exposed to exchange rate fluctuations. This exposure leads to a translation risk and thereby to a situation in which unfavourable exchange rate fluctuations could negatively impact the Consolidated situation's foreign net assets upon translation to SEK. Catella does not hedge such foreign net investment in subsidiaries.

Market risk within the Consolidated situation is monitored both by the business area itself as well by the Group Risk Control. FX-risk inherent in the balance sheet is monitored and managed by the CFO of the Company. Among other things, various stress tests are used in order to determine what capital buffer is needed to cover this risk. Group Risk Control reports the exposure towards FX-risk to the Management Body on a regular basis.

Additional information with regards to Catella Bank is provided in Catella Bank Risk & Capital Management report.

Operational Risk

Operational risk is the risk of financial loss resulting from inadequate or failed internal processes, people and systems or from external events. It is inherent in every business organization and covers a wide spectrum of issues.

The operational risks are mitigated through good internal governance. The enforcement of good internal governance is an on-going process that includes:

- Reporting/Evaluation of incidents
- Self-assessment
- Monitoring of Key Risk Indicators (KRI)
- Continuous training of employees regarding the content of the internal policies and guidelines and the internal information and reporting systems.

3.5. Declaration on the adequacy of risk management arrangements

In accordance with Article 435 (e) of CRR, the Management Body of the Company declares that the systems put in place for risk management within the Consolidated situation are satisfactory with regards to the profile and strategy of the Consolidated situation.

3.6. Risk Statement

The risk appetite of the Consolidated situation shall generally be low to medium, with limited risk. When the Consolidated situation provides financial products and services, risk shall be estimated and compared to expected revenue to the extent it is economically justifiable. The risks taken shall be limited, and no speculative elements shall occur in the daily operations. The Consolidated situation shall ensure to maintain the amount of internal capital that the Management Body considers adequate to cover all the risks which the Consolidated situation is exposed to.

The optimal capital level is dependent upon balancing the following:

- To operate above minimum regulatory capital levels, taking into consideration the Consolidated situation's risk profile and the regulatory requirements; and
- To generate an attractive return on equity, and keeping the equity in the business at an efficient level.

To meet the regulatory requirements, the Consolidated situation's capitalization shall be risk-based, founded on an assessment of all risks inherent in the operations and forward looking, aligned with strategic and business planning.

The Consolidated situation has established a risk appetite framework, approved by the Management Body and reviewed on an annual basis. The table below provides the thresholds which have been determined for the Consolidated situation as part of the risk appetite framework. The Consolidated situation as well as each individual entity is required to maintain a capital ratio of one percent above the local regulatory requirements as well as a LCR which exceeds regulatory requirements by 10%.

Indicator	Threshold (% of the total risk exposure amount)
Capital ratio requirement (Pillar I, Pillar II, internal buffer and capital conservation buffer) (% of the total risk exposure amount)	> 14.2 %
Largest exposure to non-institution (exposure to one client or a group of connected clients)	< 20 %
Largest exposure to institution (exposure to one client or a group of connected clients)	< 90 %
Liquidity Coverage Ratio	> 70 %
Internal Liquidity Ratio	> 80 %
Interest rate risk sensitivity	< 10 % of capital base
Leverage ratio (external requirement from 1 January 2019)	> 3 %

4. Governance Arrangements

This section describes the governance arrangements currently existing within the Consolidated situation. The Management Body of the Company has the ultimate responsibility for the Consolidated situation's governance arrangements and all information, regarding the Management Body provided in this section, therefore relates to the Company.

4.1. Experience, knowledge and directorships held by members of the management body

The table below provides a summary of information regarding each member of the Management Body in the Company. More detailed information is provided in the Company's annual report.

Member of the board	Directorships	Experience	Education
Johan Claesson	Claesson & Anderzén AB Nighthawk Energy PLC Alufab Ltd K3Business Technology Group PLC Leeds Group PLC	Owner and chairman of the board in Claesson & Anderzén AB	Degree of Master of Science in Business and Economics
Johan Damne	Several directorships within the Claesson Anderzén Group	CEO Claesson & Anderzén AB	Degree of Master of Science in Business and Economics
Joachim Gahm	Arise AB Kungsleden AB SGC AB	Deputy CEO at E.Öhman J:or Fondkommission AB CEO at E.Öhman J:or Investment AB	Degree of Master of Science in Business and Economics
Anna Ramel	SPP Spar AB Erik Penser Bankaktiebolag Kjellander & Ramel AB	Compliance consultant within the financial sector. Legal Counsel at ABG Sundal Collier AB and Alfred Berg Fondkommission AB.	LL.M.
Jan Roxendal	Exportkreditnämnden Magnolia Bostad AB AP2 Fund	CEO at Gambro AB CEO and Group president at Intrum Justitia Group Deputy CEO ABB Group Group president ABB Financial Services.	Degree in Bank Management

4.2. Policy of diversity for selection of members to the management body

Catella AB applies the Swedish code for corporate governance which among other things define rules regarding the size and composition of the company's Management Body. The Consolidated situation also strives to ensure that the Management Body of each Licensed Company has a well-diversified constitution in terms of both knowledge and experience.

4.3. Risk committee

The Consolidated situation has not set up a separate risk committee. Matters relating to risk management are discussed at ordinary meetings of the Management Body together with the Group Risk Control.

4.4. Information flow on risk to the management body

The Management Body of the Company receives, at least quarterly, reports from the Group Risk Control regarding the risk exposure of the Consolidated situation as a whole. Reports are based on among other things risk limits, Key Risk Indicators as well as thresholds relating to regulatory capital and liquidity requirements.

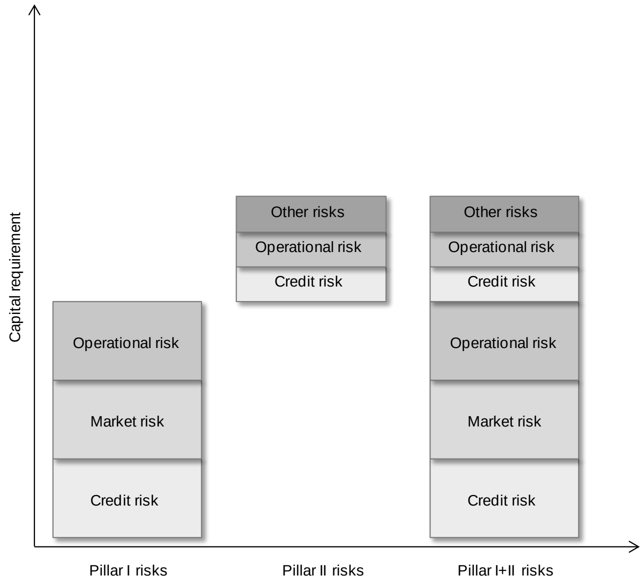
5. Own Funds

Information regarding own funds of the Consolidated situation is disclosed according to the format described in the delegated regulation (EU) 1423/2013. Information regarding own fund is included in annex 2 and 3 of this report.

6. Capital Requirements

6.1. Assessment of internal capital

In order to assess its capacity to support all the risks it is exposed to when conducting its business, the Consolidated situation has set up an ICLAAP methodology in accordance with article 73 of Directive 2013/36/EU. The ICLAAP approach used is Pillar I [plus]. In this approach, "the internal capital requirements for Pillar I risks are considered to be equal to the prudential own funds requirements. The risks which are not covered or not fully captured by the minimum prudential own funds requirements are subject to a separate assessment". When resulting exposure is considered material and capital is seen as an adequate risk mitigant, capital needs are added to the risks of the first pillar in order to define the overall internal capital requirement. The figure below illustrates the Pillar I [plus] approach.



Through the ICLAAP process, the Consolidated situation's management has conducted a risk identification process with the support of a group of selected members representing different areas of knowledge of the Consolidated situation's business. With regard to their function, those members provide the appropriate level of oversight to the project given their day-to-day responsibilities and remit for the ICLAAP project.

Within the ICLAAP process individual risks should be quantified where possible. This means that a method for the quantification should be presented as well as the result of applying this model to the risk at hand. The sophistication of the models used will vary with the size and complexity of the risks involved.

The models used by the Consolidated situation range from simple impact/probability models to more advanced numerical methods, depending on the risks being considered. The reasons behind each specific choice of model as well as possible alternatives (where appropriate) are discussed for each risk individually.

The type of capital used to cover the Pillar II capital requirements is solely core equity tier one (CET1) capital.

6.2. Key parameters and assumptions

When conducting the ICLAAP, the following parameters and assumptions have been used:

Risk Appetite: The Consolidated situation shall comply with the limits of the risk appetite framework. In particular, the Consolidated situation shall maintain a risk profile with resilience to both short term and long term external stresses in order to report, in normal conditions, a total CET1 capital ratio above 14,2 % of the total risk exposure amount.

Correlation: As explained in previous sections, the Consolidated situation uses a ‘building block’ approach that adds up the capital needs arising from the assessments of single risks in its business. By implicitly assuming a full positive correlation between risks, the Consolidated situation has opted for a conservative approach that does not take into account diversification across risk types. This approach is very conservative and overestimates the actual risk exposure. At the same time it provides the Consolidated situation with a buffer to absorb model errors or other small deficiencies in its ICLAAP.

6.3. Risk-weighted exposure amounts

Own funds requirements

Specification of risk-weighted exposure amounts and own funds requirement Pillar I.

MSEK	31 December 2016		31 December 2015	
	Risk exposure amount	Own funds requirements	Risk exposure amount	Own funds requirements
Credit risk according to standardized method				
- Exposures to institutions	451	36	460	37
- Exposures to corporates	852	68	785	63
- Exposures to retail	123	10	241	19
-Exposures secured by mortgages on real property	286	23	60	5
- Exposures in default	277	22	253	20
-Items associated with particularly high risk	134	11		
- Exposures in the form of covered bonds	3	0	2	0
- Exposures to collective investments undertakings (CIU)	16	1	58	5
- Equity exposures	129	10	38	3
- Other items	175	14	10	1
	2 446	196	1 906	152
Market risk				
- Interest risks	0	0	0	0
- Exchange rate risks	795	64	614	49
	795	64	614	49
Operational risk according to basic method	1 199	96	966	77
Total	4 440	355	**3 486**	**279**

7. Asset Encumbrance

Information regarding the asset encumbrance of the Consolidated situation is disclosed according to the format described in the EBA Guidelines (EBA/GL/2014/03). Information regarding asset encumbrance is included in annex 4 of this report.

8. Leverage Ratio

Information regarding the leverage ratio of the Consolidated situation is disclosed according to the format described in the EBA ITS (EBA/ITS/2014/04). The company has a leverage ratio of 14%, compared to the suggested limit of 3% proposed by the EBA. No further processes are being used to manage the risk of excessive leverage. Information regarding the leverage ratio is included in annex 5 of this report.

9. Use of ECAIs

The Consolidated situation uses Standard & Poor's (S&P) as the nominated External Credit Assessment Institution (ECAI) for associating the external rating of the asset with the credit quality steps in CRR for all exposure classes.

If the asset does not have an external rating, the external rating of the issuer is used.

10.Exposures in equities not included in the trading book

Exposures in equities not included in the trading book consist of shares in subsidiaries active in advisory services to the property sector and certain other operations. These subsidiaries are part of the Group but they are not part of the Consolidated situation. The subsidiaries are held for strategic and profit-related reasons. Exposures in equities also include Catella Bank's holding of class C preference shares in Visa Inc. which were received in connection with Visa Inc.'s acquisition of Visa Europe in June 2016 and a minor holding of listed shares.

From the perspective of the Consolidated situation shares in subsidiaries have been measured at cost or fair value at the balance sheet date, whichever is lower, and decline in value is considered to be permanent.

Acquisition of an interest in a partnership is recognized what was paid for the shares, either in the form of purchase price or as an insert in the company. The carrying value of the shares change annually with the holder's share of the partnership's net income and with the withdrawals and contributions made during the year. Each year an assessment is made whether the carrying amount exceeds its recoverable amount. If this is the case, the shares' value are written down.

As per 31 December, 2016 the carrying value of shares in subsidiaries amounted to 75 mSEK (38). Fair value is estimated to be a significantly higher amount. Furthermore, results from participations in subsidiaries amounted to 18 mSEK (-33) which has been recognized in the income statement of the Consolidated situation in 2016.

No sales or liquidation of subsidiaries have been made in 2016. One subsidiary active in advisory services to the consumer sector has been closed down in 2016. Furthermore in September 2016 Catella acquired 51% of the shares in Catella Asset Management AS. The acquisition provided Catella with a platform for carrying out Property Investment Management on the Norwegian market and management of mezzanine funds in Luxembourg.

11.Exposure to interest rate risk on positions not included in the trading book

Interest rate risk relates to a firm's sensitivity to changes in the levels of interest rates and the structure of the yield curve. Interest rate risk is a structural risk that naturally derives from the taking of deposits and granting loans. According to the consolidated situation during 2016 the CSSF:s method for assessing IRRBB capital requirements has been applied. Interest rate risk has been identified in two entities included in the Consolidated situation, mainly connected to Catella Bank but also for EETI. Additional information with regards to Catella Bank is provided in Catella Bank Risk & Capital Management report.

Interest rate risk for the Consolidated situation mainly encompasses the risks related to the timing mismatch in the maturity of asset and liability short and long-term positions. The Consolidated situation has identified the following positions not included in the trading book to be subject to interest risk:

Assets
Cash and cash balances with credit institutions and central banks
Debt instruments
Loans and advances

Liabilities
Deposits from credit institutions
Deposits other than from credit institutions
Debt certificates (including bonds)

The CSSF:s method for assessing IRRBB capital requirement measures the effect that differences in re-pricing dates and maturities between the firm's assets and liabilities have on the firm's economic value in different interest rate scenarios. The method for assessing IRRBB is based on three kinds of yield curve stress scenarios. These include firstly parallel shifts of the curve, the magnitude of which is determined using historical market data. A number of slope changes are produced using this as a point of departure. Finally, an upward parallel shift of the firm's credit spread is used to measure the firm's sensitivity to changes in the firm's own credit spread.

The measurement of interest rate risk is carried out on a quarterly basis.

12.Credit risk mitigation techniques

In the Consolidated situation, credit risk mitigation techniques are only used for exposures generated by the balance sheet and off-balance sheet items of Catella Bank. Information with regards to Catella Bank is provided in Catella Bank Risk & Capital Management report.

13.Remuneration policy

During 2016 supervision of the Consolidated situation was transferred from the SFSA in Sweden to the CSSF in Luxembourg The Company had already established a policy which set the minimum requirements regarding remunerations within the Consolidated situation. The main features of this policy are presented below.

There is currently no remuneration committee within the Management Body of the Company. However, the Management Body has appointed one of its members as responsible for evaluating the remuneration policy's effect on the overall risk management within the Consolidated situation.

All employees within the Consolidated situation shall receive a fixed remuneration. The remuneration shall be market competitive to ensure that the Consolidated situation can attract and retain competent employees. The remuneration shall be decided upon the employee's qualification, position, experience, responsibility and the job complexity.
The Consolidated situation also offers variable remuneration to its employees. The variable remuneration shall be decided upon qualitative and quantitative criteria's for each employee.

For receiving variable remuneration the employee shall actively have been participating in reaching common goals set up by the Licensed Company in which he/she operates. If an employee does not actively participate in reaching common goals the variable remuneration can always be set to zero. The variable remuneration can also be set to zero if an employee breaches external or internal regulations.

When deciding on remuneration to employees the Consolidated situation ensures that there is an appropriate balance between the fixed and variable component. The size of the fixed remuneration shall always constitute such part of each employee's remuneration that the variable remuneration can be set to zero.

The Consolidated situation does not offer guaranteed variable remuneration other than variable remuneration in relation to a new employment and if there are special reasons for the offering of such remuneration. Guaranteed remuneration shall always be limited to the first year of the employment.

40% of the variable remuneration to specially regulated staff, whose variable remuneration during one year exceeds 100 000 SEK, shall be deferred during three to five years and be paid out in equal shares during the following years (pro rata). The first pro rata payment is made the year after the remuneration was awarded.

The decision about the length of the period shall be made in consideration of the risks in the Licensed Company, responsibility of the employee, the size of the variable remuneration and the expected market.

60% of the variable remuneration to the specially regulated staff, who are a member of the senior management shall be deferred and paid out in equal shares during a minimum period of three years (pro rata). The same shall apply when the variable remuneration to persons with an ability to significantly influence the risk profile of the company, is particularly high.

It shall be possible to minimize or cancel variable remuneration to all employees if it is detected that the basis for calculation of results was wrong or the financial status of the Licensed Company has been deteriorated in a severe way. It shall also be possible to cancel or minimize variable remuneration, including deferred remuneration, if it is considered reasonable due to the financial situation of the Licensed Company and motivated by the result of the company, the relevant business unit and the result of the relevant employee.

The financial status of each Licensed Company shall always be considered when making decisions about the offering of variable remuneration. Furthermore, variable remuneration shall not be paid out if it could mean that the long term interests of the Licensed Company would be affected in a negative way.

13.1. Quantitative information

The tables below provide quantitative information regarding remunerations for the Consolidated situation. As the Consolidated situation is not organized into separate business areas the information required by CRR article 450 1. (g) is presented in relation to each relevant Licensed Company. All figures are presented in kSEK.

Aggregate quantitative information on remuneration broken down by Licensed Company.[1]

	Total remuneration	
Company	**2016**	**2015**
Catella AB	10 817	12 338
Catella Bank S.A.	42 395	23 031
Catella Fondförvaltning AB	37 035	55 381
Informed Portfolio Management AB	57 117	43 935
Catella Real Estate AG	23 202	16 982
Catella Trust GmbH	2 879	-
	173 446	**151 666**

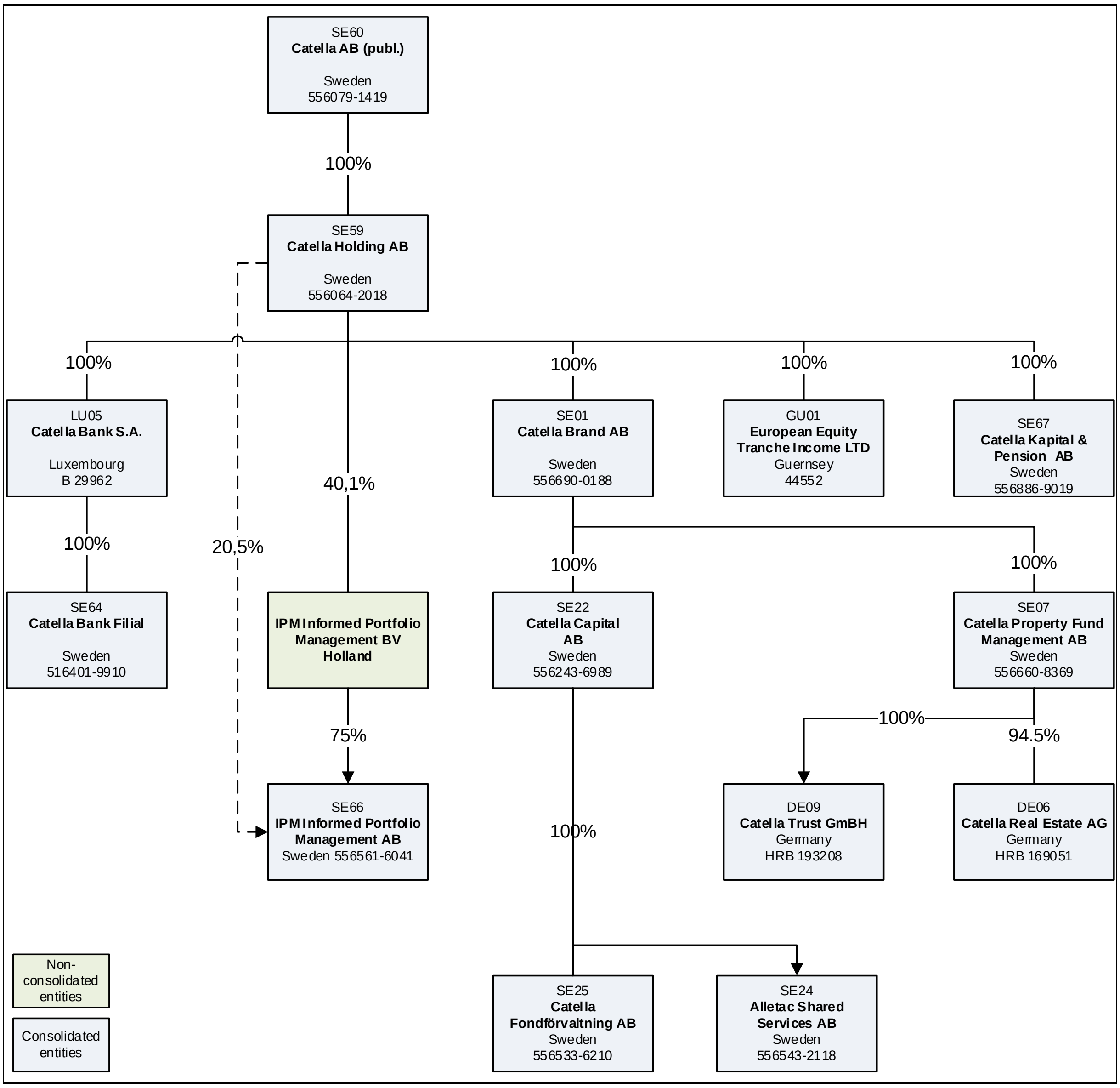
[1] Information is disclosed in relation to senior management and Employees whose work duties have a material impact on the undertaking's risk profile

Aggregate quantitative information presented according to CRR article 450 1 (h) i – vi.[2]

	2016		2015	
	Senior management	**Other employees whose work duties have a material impact on undertaking's risk profile**	**Senior management**	**Other employees whose work duties have a material impact on undertaking's risk profile**
Fixed remuneration	55,109	54,709	41,614	39,811
Variable remuneration	32,521	31,108	25,490	44,750
Number of beneficiaries	28	50	28	40
Variable remuneration in the form of cash	32,521	31,108	25,490	44,750
Outstanding deferred remuneration in vested portions	24,146	56,638	16,735	32,676
Deferred remuneration awarded during the year	12,540	16,306	11,784	26,097
Deferred remuneration paid out during the year	2,362	10,340	4,534	16,729
Severance payments made during the year	0	0	900	1,085
Number of beneficiaries	0	0	1	1

[2] Rows not containing any information have been excluded from the presentation.

Annex I – Organizational and legal structure of the Consolidated situation



Annex 2 – Own Funds

Common Equity Tier 1 capital: instruments and reserves		2016-12-31 (kSEK)	2015-12-31 (kSEK)
1	Capital instruments and the related share premium accounts	399,205	398,965
	of which: instrument type 1	399,205	398,965
	of which: instrument type 2		
	of which: instrument type 3		
2	Retained earnings	798,747	685,700
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	-111,948	-144,247
3a	Funds for general banking risk		
4	Amount of qualifying items reffered to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	38,018	38,018
	Public sector capital injections grandfathered until 1 January 2018		
5	Minority interests (amount allowed in consolidated CET1)	11,425	53,423
5a	Independently reviewed interim profits net of any foreseeable charge of dividend	-	-
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**1,135,447**	**1,031,859**
7	Additional value adjustments (negative amount)	-26,939	-31,874
8	Intangible assets (net of related tax liability) (negative amount)	-316,673	-278,999
9	Empty set in the EU		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-66,502	-76,060
11	Fair value reserves related to gains or losses on cash flow hedges		
12	Negative amounts resulting from the calculation of expected loss amounts		
13	Any increase in equity that results from securitised assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		
15	Defined-benefit pension fund assets (negative amount)		
16	Direct or indirect holdings by an institution of own CET1 instruments (negative amount)		
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate		

	artificially the own funds of the institution (negative amount)		
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institutions does not have a significant investment in those entities (amount above 10% treshold and not of eligible short positions) (negative amounts)		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institutions has a significant investment in those entities (amount above 10% treshold and not of eligible short positions) (negative amounts)		
20	Empty set in the EU		
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		
20b	of which: qualifying holdings outside the financial sector (negative amount)		
20c	of which: securitisation positions (negative amount)		
20d	of which: free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% treshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		
22	Amount exceeding the 15% treshold (negative amount)		
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		
24	Empty set in the EU		
25	of which: deffered tax assets arising from temporary differences		
25a	Losses for the current financial year (negative amount)		
25b	Foreseeable tax charges relating to CET1 items (negative amount)		
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment		
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468		
	of which: … filter for unrealised loss 1		
	of which: … filter for unrealised loss 2		
	of which: … filter for unrealised gain 1		
	of which: … filter for unrealised gain 2		
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR		
	of which: …		

27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-410,114**	**-386,933**
29	**Common Equity Tier 1 (CET1) capital**	**725,333**	**644,926**
30	Capital instruments and the related share premium accounts		
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items reffered to in Article 484 (4) and the related share premium accounts subject to phase out from AT1		
	Public sector capital injections grandfathered until 1 January 2018		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35	of which: instruments issued by subsidiaries subject to phase out		
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**		
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)		
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% treshold and net of eligible short positions) (negative amount)		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
41	Regulatory adjustments applied to additional tier 1 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		

	Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc		
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		
	Of which items to be detailed line by line, e.g. Reciprocal cross holdings in Tier 2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc		
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre CRR		
	Of which: … possible filter for unrealised losses		
	Of which: … possible filter for unrealised gains		
	Of which: …		
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**		
44	**Additional Tier 1 (AT1) capital**		
45	**Tier 1 capital (T1=CET1 + AT1)**	**725,333**	**644,926**
46	Capital instruments and the related share premium accounts		
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2		
	Public sector capital injections grandfathered until 1 January 2018		
48	Qualifying own funds instruments included in consilidated T2 capital (including miority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	**Tier 2 (T2) capital before regulatory adjustments**		
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% treshold and net of eligible short positions) (negative amount)		

54a	Of which new holdings not subject to transitional arrangements		
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements		
55	Direct and indirect holdings by the institution of the T2 instruments an subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		
	Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc		
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		
	Of which items to be detailed line by line, e.g. reciprocal cross holdings in at1 instruments, direct holdings of non significant in the capital of other financial sector entities, etc		
56c	Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre CRR		
	Of which: … possible filter for unrealised losses		
	Of which: … possible filter for unrealised gains		
	Of which: …		
57	**Total regulatory adjustments to Tier 2 (T2) capital**		
58	**Tier 2 (T2) capital**		
59	**Total capital (TC=T1 + T2)**	**725,333**	**644,926**
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	4,439,570	3,485,578
	Of which: … items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc)		
	Of which: … items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant		

	investments in the capital of other financial sector entities, etc.)		
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Indirect holdings of own t2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc)		
60	**Total risk weighted assets**	**4,439,570**	**3,485,578**
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	16.3	18.5
62	Tier 1 (as a percentage of total risk exposure amount)	16.3	18.5
63	Total capital (as a percentage of total risk exposure amount)	16.3	18.5
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus systemically important institution buffer (G-SII or O-SII), expressed as a percentage of risk exposure amount)	2.9	2.7
65	of which: capital conservation buffer requirement	2.5	2.5
66	of which: countercyclical buffer requirement	0.4	0.2
67	of which: systemic risk buffer requirement		
67a	of which: Global Systemically Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer		
68	Common Equity Tier 1 availblable to meet buffers (as a percentage of risk exposure amount)	8.3	10.5
69	[not relevant in EU regulation]		
70	[not relevant in EU regulation]		
71	[not relevant in EU regulation]		
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% treshold and net of eligible short positions)		
73	Direct and indirect holdings by the instution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% treshold and net of eligible short positions)		
74	Empty set in the EU		
75	Deferred tax assets arising from temporary differences (amount below 10% treshold, net of related tax liability where the conditions in Article 38 (3) are met)		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach		

78	Credit risk adjustments included in T2 in respect of exposures subject to internal Ratings-based approach (prior to the application of the cap)		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach		
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Annex 3 – Capital Instruments main features

Capital Instruments main features template[1)]					
1	Issuer	Catella AB (publ)	Catella AB (publ)	Catella AB (publ)	Catella AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement	CAT B, SE0000188518	CAT B, SE0000188518	CAT B, SE0000188518	CAT A, SE0000188500
3	Governing law(s) of the instrument	Swedish Law	Swedish Law	Swedish Law	Swedish Law
	Regulatory treatment				
4	Transitional CRR rules	Tier I	Tier I	Tier I	Tier I
5	Post-transitional CRR rules	Tier I	Tier I	Tier I	Tier I
6	Eligible at solo/(sub-)consolidated/ solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share capital	Share capital	Share capital	Share capital
8	Amount recognised in regulatory capital (currency in million, as of most recent reporing date)	MSEK 1,3	MSEK 0,3	MSEK 158,3	MSEK 5,1
9	Nominal amount of instrument	MSEK 0,2	MSEK 0,06	MSEK 158,3	MSEK 5,1
9a	Issue price	MSEK 1,3	MSEK 0,3	MSEK 158,3	MSEK 5,1
9b	Redemption price	N/A	N/A	N/A	N/A
10	Accounting classification	Equity	Equity	Equity	Equity
11	Original date of issuance	4/26/2016	7/10/2015	7/13/1961	7/13/1961
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	N/A	N/A	N/A	N/A
14	Issuer call subject to prior supervisory approval	No	No	No	No
15	Optional call date, contigent call dates and redemption amount	N/A	N/A	N/A	N/A

16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A
	Coupons/ dividends				
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	N/A	N/A	N/A	N/A
19	Existence of a dividend stopper	No	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	N/A	N/A	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A

33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Catella bond issue	Catella bond issue	Catella bond issue	Catella bond issue
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A

CATELLA

Annex 4 – Asset Encumbrance

Template A- Assets

		Carrying amount of encumbered assets	**Fair value of encumbered assets**	**Carrying amount of unencumbered assets**	**Fair value of unencumbered assets**
		010	040	060	090
010	**Assets of the reporting institution**	234,303		4,969,708	
020	Loans on demand	51,259	51,259	2,446,432	2,446,432
030	Equity instruments			158,873	158,873
040	Debt securities		0	299,942	299,942
050	*of which: covered bonds*				0
060	*of which: asset-backed securities*				0
070	*of which: issued by general governments*				0
080	*of which: issued by financial institutions*			28,277	28,277
090	*of which: issued by non-financial institutions*			271,665	271,665
100	Loans and advances other than loans on demand	132,291		1,200,150	1,200,150
110	*of which: mortgage loans*			655,785	655,785
120	Other assets	50,752		864,310	

Template B –Collateral received

		Fair value of encumbered collateral received or own debt securities issued	**Fair value of collateral received or own debt securities issued available for encumbrance**
		010	040
130	**Collateral received by the reporting institution**		
150	Equity instruments		
160	Debt securities		
230	Other collateral received		
240	**Own debt securities issued other than own covered bonds or ABSs**		

Template C-Encumbered Assets/Collateral received and associated liabilities

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
		010	030
010	Carrying amount of selected financial liabilities		

Annex 5 – Leverage Ratio

	Reference date	31 /12/2016
	Entity name	Catella AB
	Level of application	Consolidated
Table LRSum: Summary reconsiliation of accounting assets and leverage ratio exposures		
		Applicable Amounts in K SEK
1	Total assets as per published financial statements	5 650 812
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	-446 801
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable framework but excluded from the leverage ratio exposure measure according to Article 429(11) of Regulation (EU) NO. 575/2013	-410 114
4	Adjustments for derivative financial instruments	9 308
5	Adjustments for securities financing transactions	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	328 135
7	Other adjustments	-101 900
8	**Leverage ratio exposure**	**5 029 441**

Table LRCom: Leverage ratio common disclosure		
		CRR leverage ratio exposures
	On-balance sheet exposure (excluding derivatives and SFTs)	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	5 091 420
2	Asset amounts deducted in determining Tier 1 capital	-410 114
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**4 681 306**
	Drivative exposures	
4	Replacement cost associated with derivatives transactions	10 691
5	Add-on amounts for PFE associated with derivatives transactions	9 308
EU-5a	Exposure determined under Original Exposure Method	
6	empty set in the EU	
7	empty set in the EU	
Ann8	empty set in the EU	
9	empty set in the EU	
10	empty set in the EU	
11	**Total derivative exposures (sum of lines 4 to 5a)**	**19 999**
	Securities financing transaction exposures	
12	empty set in the EU	
EU-12a	SFT exposure according to Article 220 of Regulation (EU) NO. 575/2013	
EU-12b	SFT exposure according to Article 222 of Regulation (EU) NO. 575/2013	
13	empty set in the EU	
14	empty set in the EU	
15	empty set in the EU	
16	**Total securities financing transaction exposures**	**0**
	Off-balance sheet exposures	
17	Off-balance sheet exposures at gross notional amount	2 401 469
18	Adjustments for conversion to credit equivalent amounts	-2 073 334
19	**Total off-balance sheet exposures (sum of lines 17 to 18)**	**328 135**
	Capital and Total Exposures	
20	**Tier 1 capital**	**725 333**
EU-21a	Exposures of financial sector entities according to Article 429(4) 2nd subparagraph of Regulation (EU) NO. 575/2013	
21	**Total Exposures (sum of lines 3, 11, 16, 19 and 21a)**	**5 029 441**
	Leverage Ratios	
22	**End of quarter leverage ratio**	**0,14**
EU-22a	**Leverage ratio (avg of the monthly leverage ratios over the quarter)**	
	Choice on transitional arrangements and amount of derecognised fiduciary items	
23	Choice on transitional arrangements for the definition of the capital measure	
24	Amount of derecognised fiduciary items in accordance	

Table LRSpl: Split-up of on balance sheet exposures (excluding derivatives and SFTs)		
		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives and SFTs), of which:	**4 681 306**
EU-2	Trading book exposures	
EU-3	Banking book exposures, of which:	
EU-4	Covered bonds	28 277
EU-5	Exposures treated as sovereigns	449 239
EU-6	Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns	
EU-7	Institutions	2 049 130
EU-8	Secured by mortgages of immovable properties	594 230
EU-9	Retail exposures	125 698
EU-10	Corporate	824 932
EU-11	Exposures in default	260 058
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	349 742