



Capital and Risk
Management
Report 2020

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Capital and Risk Management Report 2020 is a translation of the original Finnish version "Capital and Risk Management Report -raportti 2020". If discrepancies occur, the Finnish version is dominant.

1. Introduction

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

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

Chapter 10 presents a summary table of where the information required by Capital Requirements Regulation, Articles 435-455, is disclosed. Information can be omitted to the extent that it is not regarded as material and its potential impact on Oma Savings Bank Group's profitability, ability to make profits, balance sheet or capital adequacy is low. If required, general information on the omitted information is disclosed.

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

Risk management systems are based on the risk appetite approved by the Board of Directors and the strategies for different risks. Regular reports are made to the Board of Directors on different risks and their development. With this disclosure, the Board of Directors confirms that the risk management systems in place at Oma Savings Bank are sufficient in terms of the institution's profile and strategy.

1.2 Risk statement approved by the management body

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

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

Operational risk is another key risk. Operational risk is managed both centrally and by business line. The company has identified the ongoing pandemic and the renewal project of the core banking platform as the most significant sources of operational risk. The effects of the pandemic in the future are partly unclear. The costs of the renewal project of the core banking platform project could increase and other development projects could be delayed.

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

During the second quarter, the company updated its financial goals as part of its strategy process in line with the listing on the stock exchange. The new target level of the Group's Common Equity Tier 1 (CET1) is at least 14% as of 1 October 2020. Liquidity risk is measured in the short and long term by monitoring the structure of the liquidity reserve and long-term liabilities. The Group's target for the LCR ratio is 125%, and for the Net Stable Funding Ratio (NSFR) requirement the Group's target is 120%.

2. Summary

(1,000 euros) 31 Dec 2020 31 Dec 2019

Own funds

Common Equity Tier 1 (CET1) capital	324,009	299,369
Total capital (TC)	330,268	308,635
Pillar I minimum capital requirement (8.0%)	162,993	142,692
Pillar I total capital requirement	244,551	205,260

Risk weighted assets

Credit and counterparty risk, standardised approach	1,854,561	1,620,817
Credit valuation adjustment (CVA)	2,329	8,913
Market risk (foreign exchange risk)	7,986	6,598
Operational risk, basic indicator approach	172,536	147,320
Risk weighted assets, total	2,037,412	1,783,648

Ratios

Common Equity Tier 1 (CET1), %	15.90%	16.78%
Total capital (TC), %	16.21%	17.30%
Leverage ratio, %	7.25%	8.60%
Liquidity coverage ratio (LCR), %	184.93%	140.12%

Oma Savings Bank aims to continue strong and profitable growth in the coming years. Oma Savings Bank market position will be strengthened throughout the business area through profitable business growth. The company is actively seeking growth, but only in business areas where it can be implemented with sufficient profitability and with an acceptable return on risk. Risk management is included in all company operations and it includes, amongst other things, careful decisions, systematic follow-up, rigorous measures. One of the primary functions of risk management is to secure sound growth which is not taking place at the expense of increasing risk levels or disrupting daily operations. The company has defined risk

management processes, risk-taking limits and guidelines for staying within defined and set limits.

The business profile is stable as the company focuses on retail banking. Oma Savings Bank has started the renewal project of the core banking platform, which will achieve cost benefits in the maintenance and development of the system. The company has identified the renewal project as the most significant source of operational risk together with the pandemic, but in the future the renewal will help to improve the efficiency of risk management processes.

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

Despite the strong growth in the loan portfolio of private and corporate customers, the Common Equity Tier 1 capital ratio (CET1) of Oma Savings Bank Group remained strong and was 15.9 (16.8)% at the end of the period. Total capital ratio was 16.2% (17.3%) and the leverage ratio was 7.3% (8.6%). At the end of the year, the Group's total capital ratio was 4.2 percentage points over the minimum regulatory requirement.

The Group's LCR key figure was 184.9% at year-end and Standard & Poor's credit rating for short-term borrowing was A-2.

For the Net Stable Funding Ratio (NSFR) requirement the key figure was 134.6% at year-end and Standard & Poor's credit rating for long-term borrowing was BBB+.

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

Name of the entity	a Method of accounting consolidation	b Method of regulatory consolidation		f Description of the entity
		c Full consolidation	d Deducted	
Oma Savings Bank Plc	Full consolidation	X		Credit institution
SAV-Rahoitus Oyj	Full consolidation	X		Financial institution
Koy Lappeenrannan Säästökeskus	Full consolidation	X		Ancillary services undertaking
Koy Sofian Tupa	Full consolidation		X	Plot management and leasing company

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

3. Impacts of corona pandemic on business and risk position

The company has closely monitored the development of the corona pandemic situation and made necessary changes to its operating models. The guidelines and recommendations of the government and other authorities have been applied to customer service and to the personnel's work. The precautionary measures undertaken are intended to secure the personnel's and customer's well-being and guarantee safe banking. In customer service, remote banking opportunities and guidance for customers were increased. Customers have been encouraged to do their banking using remote channels, if possible.

Due to the corona pandemic, customer requests for grace periods grew significantly in March-April. By mid-June demand for grace periods had returned to pre-pandemic level. The main part of the grace periods granted in the spring has already expired as customers continue to service loans under normal shortening plans. At the end of the financial year, the total amount of the loans on grace periods amounted to EUR 346.5 million. All grace periods in force at the end of the financial year, regardless of the reason or the moment of commencement, are included in the capital.

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

The company recognised a EUR 1.4 million credit loss allowance based on the management's judgement in March, which predicted growth in credit risk in specific sectors. The sectors were selected based on both their significance and the estimated size of the pandemic's impact. The economic outlook is still uncertain, and uncertainty may increase on the financial markets if the corona pandemic takes a turn for the worse in Finland and elsewhere in the world. Due to the still ongoing uncertainty surrounding the corona pandemic, the company increased its loss allowance based on management judgement by EUR 3 million in December and continue to evaluate the situation on a monthly basis. The uncertainty caused by the pandemic is not considered to have led to the realisation of the risks.

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

At the start of the pandemic, the company's liquidity was stable. During the corona pandemic, the company has closely monitored the changes occurring in liquidity risk. At the end of March, the company was unable to renew its financing as planned, as a result of which the LCR (Liquidity Coverage Ratio) fell below the 100% requirement level. However, the company was able to issue the bond as early as the beginning of April as the market stabilised and as a result the company's liquidity rose again to a strong level. The decline in the LCR level was due to the imputed nature of LCR, but the company's cash and cash equivalents did not fall to an alarming level at any point. During March-April, obtaining market-based funding posed its own challenges, but liquidity was constantly available through central bank facilities. Since the summer, the market has recovered closer to pre-pandemic levels, although uncertainty is more pronounced. The market for certificates of deposits has also partially recovered from the initial uncertainty of the corona pandemic but continues to perform weakly due to the current situation. In November, the company issued a new covered bond at a longer maturity than previous issues, as well as for a lower price. Despite the tighter terms, demand for the loan was higher than in any previous issue.

The Group's liquidity ratio (LCR), which describes short-term liquidity, was 184.9% on 31 December 2020. The company's liquidity strengthened with the issuance of spring and autumn bonds and the company's participation in the European Central Bank's TLTRO operation in June. In addition, the company's deposit portfolio grew steadily during 2020, keeping the credit-deposit ratio stable. New lending slowed at the beginning of the second quarter but has gone on from there strong. No bonds are maturing in year 2021.

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

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

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

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

4.1 Roles and responsibilities

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

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

this and informs the company's Board of Directors and management team of the limit situation.

Internal control functions

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

- Risk control function
- Compliance function
- Internal audit function

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

Risk management ensures that risks arising from the company's business are identified, assessed and quantified, and that the risks are monitored as part of day-to-day business management. The Chief Risk Officer is responsible for carrying out tasks in accordance with the risk management and strategy established by the Board of Directors. The Risk Officer assists in the performance of these tasks. Risk management includes an independent credit risk control unit and a validation function.

Three lines of defence principle

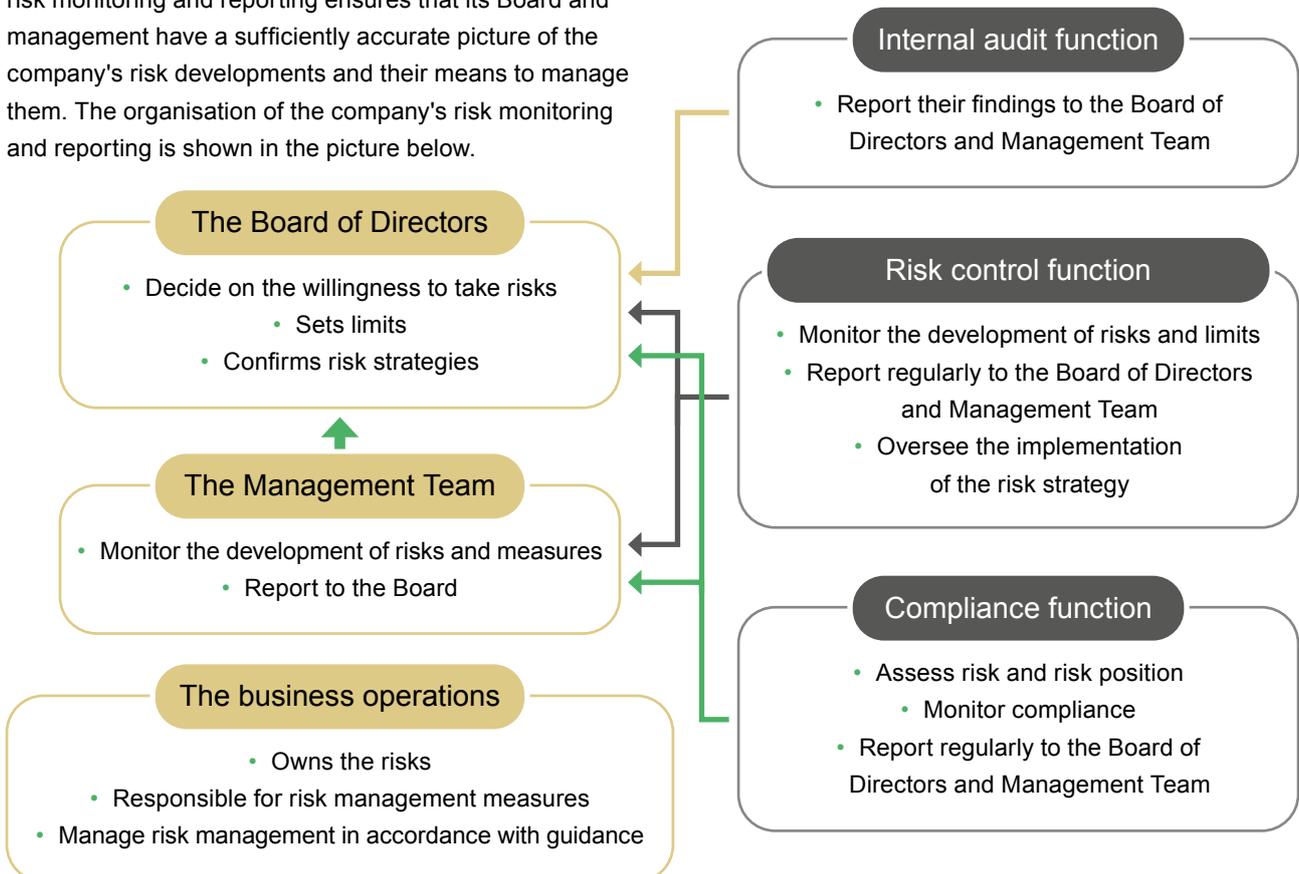


The Compliance function is charged with ensuring that legislation, official regulations and guidelines and the company's Code of Conduct are complied with and that risks related to non-compliance with regulations are managed. The function is responsible for ensuring compliance with regulations by supporting the Board of Directors and executive management and the rest of the organisation in identifying, managing and reporting risks related to inadequate compliance with regulations. The Compliance function promotes compliance with regulations through pre-emptive legal advice and ensures that the company applies appropriate procedures to ensure reliable compliance with regulations in all business operations. The Compliance Officer is in charge of the Compliance function, reporting to the company's Board of Directors on the function's operations, observations linked to the compliance risk position and recommendations given to the business operations.

Internal Audit is an independent assessment function that assesses compliance with regulations and the adequacy, effectiveness and efficiency of internal control.

4.2 Risk monitoring and reporting

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



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

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

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

5. Own funds and capital adequacy

5.1 Own funds

At the end of the review period, the capital structure of the Oma Savings Bank Group was strong. Total own funds (TC) came to EUR 330.3 (308.6) million, of which Tier 1 capital (T1) accounted for EUR 324.0 (299.4) million. Tier 1 capital consisted in its entirety of Common Equity Tier 1 capital (CET1). Tier 2 capital (T2) was EUR 6.3 (9.3) million. Tier 2 capital contained Oma Savings Bank's debenture loans. The increase in own funds was most significantly the result of the profit for the accounting period.

The retained earnings for the 2020 accounting period are included in the common equity Tier 1 capital based on permission granted by the Finnish Financial Supervisory Authority. The amount of dividends proposed to be paid on the basis of the financial statements to be approved for 2020 in accordance with European Commission Delegated Regulation (EU) No 241/2014 and the dividends still unpaid on 31 December 2020 for 2019 have been deducted from retained earnings. The assets from the personnel offerings in 2017–2018 are not included in Tier 1 capital. Common Equity Tier 1 capital are subject to the reductions required by the EU Capital Requirement regulation.

Own funds (1,000 euros)	31 Dec 2020	31 Dec 2019
Oma Savings Bank Group's equity	353,493	319,865
Minus		
Non-controlling interest	427	598
Other items	16,814	9,713
Common Equity Tier 1 capital before regulatory adjustments	336,252	309,553
Share capital	24,000	24,000
Reserve for invested unrestricted equity*	133,304	133,304
Fair value reserve	10,824	8,538
Other reserves	128	-
Retained earnings	167,996	143,711
Regulatory adjustments on Common Equity Tier 1 capital	-12,243	-10,184
Intangible assets	-11,180	-9,259
Deferred tax assets	-522	-594
Value adjustments due to the requirements for prudent valuation	-541	-331
Common Equity Tier 1 (CET1) capital	324,009	299,369
Additional Tier 1 capital before regulatory adjustments	-	-
Regulatory adjustments on Additional Tier 1 capital	-	-
Additional Tier 1 (AT1) capital	-	-
Tier 2 capital before regulatory adjustments	6,260	9,266
Debentures	6,260	9,266
Regulatory adjustments on Tier 2 capital	-	-
Tier 2 (T2) capital	6,260	9,266
Total capital (TC)	330,268	308,635

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

Own funds by item (EU 1423/2013)

31 Dec 2020 (1,000 euros)

		Amount on disclosure date	Regulation (EU) N:o 575/2013 Article Reference
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and related share premium accounts	24,000	26(1), 27, 28, 29
	of which: capital stock	24,000	EBA's list 26(3)
2	Retained earnings	144,272	26(1)(c)
3	Accumulated other comprehensive income (and other reserves)	144,256	26(1)
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	23,724	26(2)
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	336,252	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Other value adjustments (negative amount)	-541	34, 105
8	Immaterial goods (with related tax liabilities deducted) (negative amount)	-11,180	36(1)(b), 37
10	Deferred tax assets dependent on future taxable profits, excluding those resulting from temporary differences (with the related tax liabilities deducted if the conditions of Article 38(3) are met) (negative amount)	-522	36(1)(c), 38
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-12,243	
29	Common Equity Tier 1 (CET1) capital	324,009	
45	Tier 1 capital (T1=CET1+AT1)	324,009	
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and related share premium accounts	6,260	62, 63
58	Tier 2 (T2) capital	6,260	
59	Total capital (TC=T1+T2)	330,268	
60	Total risk weighted assets	2,037,412	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	15.90%	92(2)(a)
62	Tier 1 (as a percentage of total risk exposure amount)	15.90%	92(2)(b)
63	Total capital (as a percentage of total risk exposure amount)	16.21%	92(2)(c)
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 expressed as a percentage of risk exposure amount)	8.00%	CRD 128, 129, 130, 131, 133
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical buffer requirement	0.00%	
67	of which: systemic risk buffer requirement	0.00%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	11.40%	CRD 128
Amounts below the thresholds for deduction (before risk weighting)			
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% threshold and net of eligible short positions)	3,698	36(1)(h), 45, 46, 56(c), 59, 60, 66(c), 69, 70

Capital instruments' main features (EU 1423/2013)

		OMAD012523	Share capital
1	Issuer	Oma Savings Bank Plc	
2	Unique identifier	FI4000282983	N/A
3	Governing law(s) of the instrument	Finnish legislation	Finnish legislation
4	Transitional CRR rules	T2	CET1
5	Post-transitional CRR rules	T2	CET1
6	Eligible at solo/ (sub-)consolidated/ solo & (sub-)consolidated	individual company and on a consolidated basis / on a subconsolidation group level	individual company
7	Instrument type (types to be specified by each jurisdiction)	Article 486(4)	Limited Liability Companies Act, chapter 3, section 1, paragraph 1 and Regulation (EU) No. 575/2013 Article 28
8	Amount recognised in regulatory capital (1,000 euros)	6,260	24,000
9	Nominal amount of instrument (1,000 euros)	15,000	N/A
9a	Issue price	100	N/A
9b	Redemption price	100%	N/A
10	Accounting classification	Liability amortised cost, cost	shareholders' shares
11	Original date of issuance	01/11/2017	Continuous
12	Perpetual or dated	dated	perpetual
13	Original maturity date	01/02/2023	no maturity
14	Issuer call subject to prior supervisory approval	yes	no
15	Optional call date, contingent call dates and redemption amount	no redemption option	no redemption option
16	Subsequent call dates, if applicable	no redemption option	no redemption option
17	Fixed or floating dividend/coupon	fixed	
18	Coupon rate and any related index	1.25%	no
19	Existence of a dividend stopper	no	no
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory	fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory	fully discretionary
21	Existence of step up or other incentive to redeem	no	no
22	Noncumulative or cumulative	Noncumulative	Noncumulative
23	Convertible or Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	no	no
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Immediately senior to instrument: Other liabilities	Immediately senior to instrument: Debenture
36	Non-compliant transitioned features	no	no
37	If Yes, specify non-compliant features	N/A	N/A

5.2 Capital requirements

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

In December 2019, the Finnish Financial Supervisory Authority (FIN-FSA) imposed on Oma Savings Bank Plc the first supervisory review and evaluation process

(SREP) requirement of 1.5% based on the supervisory authority's assessment. The requirement entered into force 30 June 2020 and is valid until further notice, but not later than 30 June 2023. The requirement should be covered by the Common Equity Tier 1 capital. FIN-FSA decides on the countercyclical buffer requirement quarterly and a countercyclical buffer requirement has thus far not been imposed on Finnish credit institutions. As the corona pandemic significantly weakened the global economic outlook and the operating conditions of the financial sector, the Financial Supervisory Authority decided on 6 April 2020 to remove the systemic risk buffer from all credit institutions. The decision took effect immediately.

Group's total capital requirement

31 Dec 2020
(1,000 euros)

Capital	Pillar I minimum capital requirement*	Buffer requirements					Total capital requirement	
		Pillar II (SREP) capital requirement	Capital conservation buffer	Countercyclical buffer**	O-SII	Systemic risk buffer		
CET1	4.50%	1.50%	2.50%	0.00%	0.00%	0.00%	8.50%	173,242
AT1	1.50%						1.50%	30,561
T2	2.00%						2.00%	40,748
Total	8.00%	1.50%	2.50%	0.00%	0.00%	0.00%	12.00%	244,551

* It is possible to meet the AT1 and T2 capital requirements with CET1 capital.

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

Development of own funds

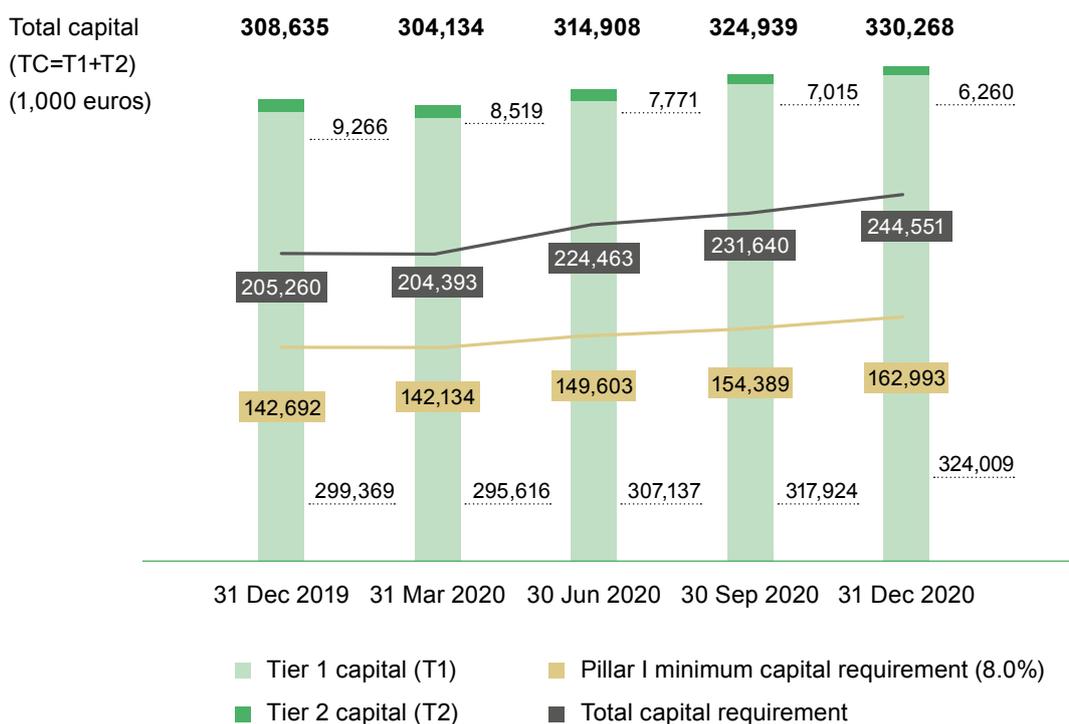


Table 1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer (EU 1555/2015)

31 Dec 2020 (1,000 euros)	General credit exposures	Own funds requirements		Own funds requirement weights	Countercyclical capital buffer rate
	Exposure value for SA	Of which: General credit exposures	Total		
	010	070	100	110	120
010 Breakdown by country					
Finland*	1,750,937	140,075	140,075	96.04%	0.00%
Great Britain	415	33	33	0.02%	0.00%
Norway	2,836	227	227	0.16%	1.00%
Belgium	5,133	411	411	0.28%	0.00%
Germany	5,695	456	456	0.31%	0.00%
Denmark	837	67	67	0.05%	0.00%
Sweden	2,266	181	181	0.12%	0.00%
France	8,438	675	675	0.46%	0.00%
Slovakia	522	42	42	0.03%	1.00%
Luxembourg	8,591	687	687	0.47%	0.25%
Ireland	2,030	162	162	0.11%	0.00%
Other countries	35,425	2,834	2,834	1.94%	0.00%
020 Total	1,823,126	145,850	145,850	100.0%	0.0030%

* Foreign credit exposures <2% of the institution's total risk-weighted exposure amounts may be assigned to an institution's location.

Table 2 – Amount of institution-specific countercyclical capital buffer

31 Dec 2020 (1,000 euros)	010
010 Total risk exposure amount	2,037,412
020 Institution specific countercyclical buffer rate	0.0030%
030 Institution specific countercyclical buffer requirement	62

5.3 Capital adequacy position

The total capital (TC) ratio of the Oma Savings Bank Group remained strong and was 16.2 (17.3)% at the end of the period. The common equity Tier 1 capital's (CET1) ratio to risk-weighted assets was 15.9 (16.8)%, clearly exceeding the minimum level for the financial goals approved by the Board of Directors, 14%. Risk-weighted assets, EUR 2,037,4 (1,783,6) million, rose by 14.2% on the comparative period, contributing to the weakening of the Group's capital adequacy position. The risk-weighted assets were increased mainly due to the strong growth in

the private and corporate customers credit portfolio. The sale of fund investments in the first quarter and the share transaction with the Savings Bank Group in the fourth quarter reduced risk-weighted assets.

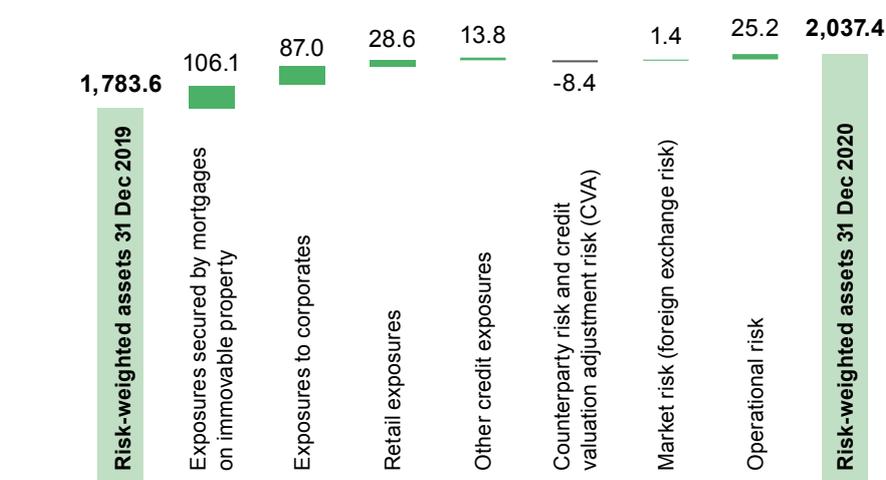
In its capital adequacy calculations, Oma Savings Bank Group applies the standardised approach for credit risks and the basic indicator approach for operational risk. The basic indicator approach is applied when calculating the capital requirement for market risk for the foreign exchange position.

EU OV1 – Overview of RWAs

(1,000 euros)			RWAs		Minimum capital requirements
			31 Dec 2020	31 Dec 2019	31 Dec 2020
	1	Credit risk (excluding CCR)	1,853,222	1,617,688	148,258
Article 438(c)(d)	2	Of which the standardised approach	1,853,222	1,617,688	148,258
Article 107, Article 438(c)(d)	6	CCR	3,668	12,042	293
Article 438(c)(d)	7	Of which mark to market	1,338	3,130	107
Article 438(c)(d)	12	Of which CVA	2,329	8,913	186
Article 438(e)	19	Market risk	7,986	6,598	639
	20	Of which the standardised approach	7,986	6,598	639
Article 438(e)	22	Large exposures	330,268	308,635	26,421
Article 438(f)	23	Operational risk	172,536	147,320	13,803
	24	Of which basic indicator approach	172,536	147,320	13,803
Article 437 (2), Article 48 and Article 60	27	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	13,881	-
Article 500	28	Floor adjustment	-	-	-
	29	Total	2,037,412	1,783,648	162,993

Development of risk-weighted assets

EUR mill.



Development of capital ratios

	31 Dec 2019	31 Mar 2020	30 Jun 2020	30 Sep 2020	31 Dec 2020
Common Equity Tier 1 (CET1), %	16.78%	16.64%	16.42%	16.47%	15.90%
Tier 1 capital ratio, %	16.78%	16.64%	16.42%	16.47%	15.90%
Total capital (TC), %	17.30%	17.12%	16.84%	16.84%	16.21%

5.4 Leverage ratio

Oma Savings Bank's leverage ratio is presented in accordance with the European Commission Delegated Regulation and the figure describes the ratio of the company's Tier 1 capital to the total exposures. On 31 December 2020, Oma Savings Bank Group's leverage ratio was strong 7.3%. At the end of the previous financial year, it was 8.6%.

The total leverage ratio exposures grew by EUR 984.0 million, resulting mostly from an increase in the loan portfolio for corporate and private customers. Profit for the period and the increase in the fair value reserve contributed to a significant increase in Tier 1 capital. However, exposures increased proportionally more, resulting in a decrease in the leverage ratio.

Oma Savings Bank monitors excessive leverage as part of its capital adequacy management process. An internal minimum target level has been set for the group's leverage ratio as part of risk budgeting included in the overall risk strategy. The CRR2 regulation obligates the maintenance of Tier 1 capital at a minimum of 3%.

Leverage ratio (EU 2016/200)

Table LR SUM: Summary reconciliation of accounting assets and leverage ratio exposures

31 Dec 2020 (1,000 euros)		Applicable Amount
1	Total assets as per published financial statements	4,381,999
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	-
4	Adjustments for derivative financial instruments	5,839
5	Adjustment for securities financing transactions (SFTs)	-
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	92,326
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)	-
EU-6b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013)	-
7	Other adjustments	-14,089
8	Leverage ratio total exposure measure	4,466,075

Table LR COM: Leverage ratio common disclosure

31 Dec 2020 (1,000 euros)		CRR leverage ratio exposures
On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	4,377,859
2	(Asset amounts deducted in determining Tier 1 capital)	-10,802
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	4,367,057
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	853
5	Add-on amounts for PFE associated with all derivatives transactions (mark- to-market method)	5,839
EU-5a	Exposure determined under Original Exposure Method	-
11	Total derivatives exposures (sum of lines 4 to 10)	6,692
SFT exposures		
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	226,822
18	(Adjustments for conversion to credit equivalent amounts)	-134,496
19	Other off-balance sheet exposures (sum of lines 17 and 18)	92,326
Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)		
EU-19a	(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	-
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	-
Capital and total exposure measure		
20	Tier 1 capital	324,009
21	Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	4,466,075
Leverage ratio		
22	Leverage ratio	7.25%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	-
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013	-

**Table LR Spl: Split-up of on balance sheet exposures
(excluding derivatives, SFTs and exempted exposures)**

31 Dec 2020 (1,000 euros)		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	4,377,859
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	4,377,859
EU-4	Covered bonds	183,721
EU-5	Exposures treated as sovereigns	621,605
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	8,180
EU-7	Institutions	142,039
EU-8	Secured by mortgages of immovable properties	2,252,201
EU-9	Retail exposures	505,153
EU-10	Corporate	522,447
EU-11	Exposures in default	40,281
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	102,233

Table LR Qua: Free format text boxes for disclosure on qualitative items

1 Description of processes used to manage risk of excessive leverage

Oma Savings Bank monitors excessive leverage as part of its continuous reporting and an internal minimum target level has been set for the group's leverage ratio as part of risk budgeting which is included in the overall risk strategy.

2 A description of factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers

Oma Savings Bank Group's leverage ratio was 7.30% at the end of the accounting period, compared to 8.60% at the end of the previous accounting period. The leverage ratio has been calculated in accordance with the CRR and the European Commission Delegated Regulation 2015/62. The leverage ratio exposure increased relative higher than Tier 1 capital, which resulted in a reduction in the leverage ratio.

6. Credit risk

Credit risk refers to the possibility that a counterparty fails to meet its obligations in accordance with agreed terms and conditions. Oma Savings Bank's credit risk largely originates in loans granted to private customers, SMEs and agriculture and forestry operators. Credit risk and counterparty risk also result from other receivables, such as bonds in the company's investment portfolio, debt securities and derivative contracts and off-balance sheet commitments, such as undrawn credit facilities and limits, guarantees and letters of credit.

The credit risk included in the investments in the company's investment portfolio are handled in the company's market risk strategy.

Oma Savings Bank calculates the credit and counterparty risk capital requirement using the standardised approach. Credit and counterparty risk accounted for some 91% (EUR 1.9 billion) of the company's risk-weighted assets.

6.1 Structure of credit risk

Oma Savings Bank's credit risk primarily consists of exposures secured by immovable property, retail exposures and exposures to corporates. The share of exposures secured by immovable property of the total exposures is 42.3%, the share of retail exposures is 19.6% and exposures to corporates 28.4%. The share of private customers in the loan portfolio has remained very stable throughout the financial year. While the proportion of corporate customers and housing communities has risen slightly, the proportion of agriculture and forestry customers has fallen. Private customers account for 58.8% of the total loan portfolio. The total loan portfolio increased by 16.6% during 2020. The credit portfolio is well diversified geographically and by industry, which reduces the company's concentration risk. The company does not have any customer entity whose liabilities exceed the limit of 10% of company's own funds (large customer risks) set by the Credit Institutions Act. The company has no material liabilities outside Finland. The risks included in the company's loan portfolio are low in relation to the company's annual income and risk-bearing capacity.

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

Credit balance (1,000 euros)	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019
Private customers	2,074,984	1,969,839	1,890,953	1,830,930	1,780,900
-Expected credit losses	-12,977	-9,392	-8,699	-8,286	-7,866
Business customers	742,629	672,092	649,014	648,938	641,470
-Expected credit losses	-11,441	-11,628	-12,278	-15,643	-9,276
Housing association	321,913	330,303	315,574	290,652	264,829
-Expected credit losses	-116	-222	-220	-209	-361
Agriculture, forestry, fishing industry	268,141	271,840	267,103	264,206	255,906
-Expected credit losses	-854	-963	-843	-1,227	-524
Other	52,507	57,212	57,525	40,765	35,457
-Expected credit losses	-470	-527	-833	-475	-178
Credit balance total	3,460,173	3,301,285	3,180,169	3,075,490	2,978,562
Expected credit losses total	-25,858	-22,733	-22,873	-25,840	-18,206

The most significant part of expected credit losses comes from loans to private and corporate customers. The share of housing communities, agricultural and forestry customers and other customers is limited. The increase in expected credit losses was due to the status transition to stage 3 and the increase in credit risk. Expected credit losses were further increased by refinements to the calculation models, a total provision of EUR 4.4 million due to the corona pandemic based on the management's judgement, a total provision of EUR 1.4 million due to the new definition of insolvency based on management's judgement as well as individual loan-specific changes based on management judgement.

Exposures shall be considered non-performing when they have been 90 days past due or are otherwise likely to remain unsettled. NPLs increased by EUR 14.1 million compared to the previous year, representing 1.9% (1.7%) of the loan portfolio. Assets due (30-90 days) at the end of the year totalled EUR 10.6 million (16.6). In certain circumstances, in the event of financial difficulties, the client is granted concessions to the terms of the loan in the form of repayment or credit restructuring, with the aim of safeguarding the client's solvency and avoiding potential credit losses. A prerequisite for granting forbearance measures is that the client's financial difficulties are short-term and temporary. The Group had forbearance exposures totalled EUR 85.1 million (84.1).

Matured and non-performing receivables and forbearances

(1,000 euros)	31 Dec 2020	% of credit portfolio	31 Dec 2019	% of credit portfolio
Matured receivables, 30–90 days	10,631	0.3%	16,610	0.5%
Non-matured or matured less than 90 days, non-repayment likely	21,536	0.6%	14,392	0.4%
Non-performing receivables, 90–180 days	5,228	0.2%	10,725	0.3%
Non-performing receivables, 181 days – 1 year	21,389	0.6%	9,075	0.3%
Non-performing receivables, > 1 year	17,620	0.5%	17,431	0.5%
Matured and non-performing receivables total	76,403	2.2%	68,233	2.0%
Performing receivables and matured receivables with forbearances	72,700	2.1%	72,030	2.1%
Defaulted receivables with forbearances	12,436	0.4%	12,118	0.3%
Forbearances total	85,135	2.5%	84,148	2.4%

Figures include interest due on items.

The company has adopted new guidance from the European Banking Authority (EBA) on the definition of insolvency (Guidance on the application of the definition of insolvency in accordance with Article 178 of Regulation (EU) No 575/2013) from 1 January 2021. The reform has sought to unify the definition of insolvency used by the banks. The company has estimated that the amount of insolvency findings and, consequently, the amount of expected credit losses (ECL) will increase with the new definition. The company has already made a provision of EUR 1.4 million based on the previously mentioned management judgement following the introduction of the definition of insolvency.

6.2 Credit risk management

6.2.1 Credit risk management systems

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

The development of credit risks is monitored regularly using different methods. Credit risk monitoring takes into account, for example, the quality, structure, credit shortfall development and non-performing loans of the loan portfolios.

Non-performing loans are considered ECL stage 3 loans and stage 2 loans in which the collateral risk is significant. The development of credit risks is monitored in relation to the set control limits. In terms of credit risk, limitations have been placed on different customer groups, industries and maturities, as well as the amount of bank guarantees. In addition, limits have been placed on different credit ratings, behavioural patterns, as well as different risk categories and the proportion of loan servicing flexibilities. Reporting of credit risk position to the Board is regular. Reporting includes, among other things, the amount of non-performing receivables, collateral risk, the development of the loan portfolio by customer entity, industry and credit quality category. Developments in the quantity and quality of the loan portfolio are reported to the Board on a monthly basis. Developments in the quantity and quality of the largest industries are reported on a quarterly basis. In addition, the 15 largest customer entities are reported to the Board once a year.

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

Distribution of corporate loans (excluding private customers)

Industry	31 Dec 2020	31 Dec 2019
Real estate	41.8%	37.8%
Agriculture, forestry, fishing industry	19.0%	21.1%
Trade	7.3%	8.7%
Construction	6.0%	6.6%
Industry	4.2%	4.5%
Finance and insurance	4.2%	4.0%
Accommodation and food service activities	4.2%	3.2%
Transportation and storage	2.4%	2.2%
Professional, scientific and technical activities	3.6%	3.9%
Art, entertainment and recreation	1.7%	1.8%
Other lines of business, total	5.6%	6.2%
Total	100%	100%

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

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

6.2.2 Credit granting process

Credits are granted based on and in accordance with the credit granting policy approved by the company's Board of Directors, following the credit risk strategy approved by the company's Board of Directors and good lending practices. Credit granting authority requires completion of a credit authorisation test. Customer due diligence is a key part of the credit granting process. Credit decisions are based on the customer's creditworthiness and financial standing as well as the fulfilment of other criteria, such as the collateral requirement. A credit analysis is carried out when making credit decisions, which must provide a sufficient picture of the customer applying for the loan

and of the asset to be financed. Creditworthiness is also ensured by testing the ability to pay rising interest rates. The decision levels are determined based on exposures to the customer entities, collateral risk and credit rating. The main rule is the principle of a minimum of two decision makers. Major credit decisions are made by the company's Board of Directors or credit groups, whose meetings are also attended by a risk control representative who is not a quorum member.

The company's loan portfolio contains only a small amount of wrong-way risk. As a rule, customers with a poor credit rating are not financed. An exception can be a situation in which the financing is critical in terms of the asset used as collateral.

Customers are classified into groups according to their ability to pay. In this grouping, the bank uses its internal assessment, and for corporates, the Rating Alfa credit rating offered by Suomen Asiakastieto, changes in which are regularly updated in the customer's data.

Credit ratings for private customers

Credit ratings (1,000 euros)	31 Dec 2020	%	31 Dec 2019	%
AAA-A	1,131,333	54.5%	989,810	55.6%
B	704,492	34.0%	546,014	30.7%
C	157,930	7.6%	169,501	9.5%
D	46,255	2.2%	45,036	2.5%
No rating	34,974	1.7%	30,539	1.7%
Private customers	2,074,984	100%	1,780,900	100%

Credit ratings of companies and housing companies

Credit ratings (1,000 euros)	31 Dec 2020	%	31 Dec 2019	%
AAA	66,859	6.3%	41,917	4.6%
AA+	362,558	34.1%	329,958	36.4%
AA	127,944	12.0%	95,385	10.5%
A+	224,594	21.1%	164,177	18.1%
A	163,318	15.3%	158,874	17.5%
B	56,286	5.3%	46,688	5.2%
C	55,359	5.2%	51,667	5.7%
D or no rating	7,623	0.7%	17,632	1.9%
Companies and housing corporations	1,064,542	100.0%	906,299	100.0%

For private customers, the combined share of the best credit ratings AAA-A and B was 88.5% and increased slightly compared to the previous year (86.2%). For corporates and housing limited liability companies, the AAA-AA share of the best credit ratings was 52.4% and increased slightly compared to the previous year (51.5%).

6.2.3 Collateral management

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

The collateral risk measured by the company's collateral deficit is low. Although the company's absolute collateral deficit has increased slightly during 2020, its collateral deficit relative to capital (after securing collateral) has largely declined over the same period. The maximum loan-to-value ratio measures the ratio of the amount of the remaining loan to the collateral of the loan. The LTV distribution of the mortgage bank is shown in the table below.

Mortgage bank's LTV distribution

LTV	31 Dec 2020	31 Dec 2019
0–50%	23.2%	25.7%
50–60%	13.7%	14.9%
60–70%	20.1%	19.9%
70–80%	15.1%	15.9%
80–90%	13.3%	14.0%
90–100%	14.6%	9.7%
> 100%	0.0%	0.0%
Total	100.0%	100.0%

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

6.2.4 Credit risk adjustments

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

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

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

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

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

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

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

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

6.3 Counterparty risk

Counterparty risk results in connection with the investment of liquid assets and asset management, from large individual customer entities and sector concentrations.

Derivatives are used very moderately and only for hedging purposes. Derivatives do not have daily collateral settlements.

6.4 Credit risk tables

EU CRB-B – Total and average net amount of exposures

		a	b
		Net value of exposures at the end of the period	Average net exposures over the period
31 Dec 2020 (1,000 euros)			
16	Central governments or central banks	454,784	280,496
17	Regional governments or local authorities	5,250	5,379
18	Public sector entities		
21	Institutions	147,168	130,197
22	Corporates	627,249	549,822
23	Of which: SMEs	483,213	413,859
24	Retail	813,326	760,269
25	Of which: SMEs	209,609	192,134
26	Secured by mortgages on immovable property	2,299,295	2,180,738
27	Of which: SMEs	524,926	502,369
28	Exposures in default	41,390	44,162
29	Items associated with particularly high risk	5,897	5,927
30	Covered bonds	183,721	137,286
32	Collective investments undertaking	10,473	8,910
33	Equity exposures	29,880	29,848
34	Other exposures	45,180	41,493
35	Total standardised approach	4,663,615	4,174,526
36	Total	4,663,615	4,174,526

EU CRB-D – Concentration of exposures by industry or counterparty types

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t
		Agriculture, forestry and fishing	Mining and quarrying	Manufacturing	Electricity, gas, steam and air conditioning supply	Water supply	Construction	Wholesale and retail trade	Transport and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities	Administrative and support services	Public administration, defence, compulsory social security	Education	Human health services and social work activities	Arts, entertainment and recreation	Other services	Total
31 Dec 2020 (1,000 euros)																					
7	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	17,700	-	-	-	154,385	-	-	-	282,699	454,784
8	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	354,048	-	-	2,159	2,738	-	-	-	5,250
9	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Institutions	-	-	-	-	-	-	-	-	-	-	95,771	-	-	-	-	-	-	-	51,397	147,168
13	Corporates	68,655	2,439	43,314	526	182	28,807	36,533	24,429	29,826	5,895	56,537	245,012	23,940	3,110	1,080	4,581	5,205	15,713	31,465	627,249
14	Retail	115,712	1,945	20,707	311	1,661	30,730	30,065	10,531	11,914	3,471	5,335	65,103	16,727	7,319	0	1,292	5,429	5,229	479,843	813,326
15	Secured by mortgages on immovable property	96,702	884	27,872	260	1,361	44,790	52,294	12,506	21,204	7,135	15,686	333,979	22,239	8,187	105	1,446	6,903	3,726	1,642,016	2,299,295
16	Exposures in default	1,681	81	350	24	-	858	1,094	680	693	484	75	17,304	118	127	-	-	1	-	17,818	41,390
17	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	5,897	-	-	-	-	-	-	-	-	5,897
18	Covered bonds	-	-	-	-	-	-	-	-	-	-	183,721	-	-	-	-	-	-	-	-	183,721
20	Collective investments undertaking	-	-	-	-	-	-	-	-	-	-	10,473	-	-	-	-	-	-	-	-	10,473
21	Equity exposures	-	-	-	-	-	-	3,275	236	-	-	8,866	17,446	-	-	-	-	-	57	-	29,880
22	Other exposures	-	-	-	-	-	-	-	-	-	-	118	-	-	-	-	-	-	-	45,062	45,180
23	Total standardised approach	282,751	5,350	92,244	1,121	3,204	105,186	123,261	48,382	63,637	16,985	400,180	679,198	63,023	18,743	157,729	10,057	17,538	24,725	2,550,300	4,663,615
24	Total	282,751	5,350	92,244	1,121	3,204	105,186	123,261	48,382	63,637	16,985	400,180	679,198	63,023	18,743	157,729	10,057	17,538	24,725	2,550,300	4,663,615

EU CRB-E – Maturity of exposures

		a	b	c	d	f
		Net exposure value				
31 Dec 2020 (1,000 euros)		On demand	≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total
7	Central governments or central banks	256,547	26,152	8,223	163,863	454,784
8	Regional governments or local authorities	-	-	2,013	3,237	5,250
9	Public sector entities	-	-	-	-	-
12	Institutions	50,852	545	82,771	13,000	147,168
13	Corporates	-	54,433	148,811	424,005	627,249
14	Retail	-	25,494	84,844	702,988	813,326
15	Secured by mortgages on immovable property	-	50,340	97,325	2,151,630	2,299,295
16	Exposures in default	-	6,724	1,703	32,963	41,390
17	Items associated with particularly high risk	-	-	-	5,897	5,897
18	Covered bonds	-	-	9,173	174,548	183,721
20	Collective investments undertaking	-	-	-	10,473	10,473
21	Equity exposures	-	-	-	29,880	29,880
22	Other exposures	-	21,544	18	23,619	45,180
23	Total standardised approach	307,399	185,232	434,881	3,736,104	4,663,615
24	Total	307,399	185,232	434,881	3,736,104	4,663,615

EU CR1-A – Credit quality of exposures by exposure class and instrument

31 Dec 2020 (1,000 euros)		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net value
		Defaulted exposures	Non-defaulted exposures					
16	Central governments or central banks	-	454,784	-	-	-	-	454,784
17	Regional governments or local authorities	-	5,257	7	-	-	-7	5,250
18	Public sector entities	-	-	-	-	-	-	-
21	Institutions	-	147,168	-	-	-	-	147,168
22	Corporates	-	629,716	2,467	-	-	366	627,249
23	Of which: SMEs	-	485,358	2,145	-	-	613	483,213
24	Retail	-	819,479	6,153	-	660	-1,130	813,326
25	Of which: SMEs	-	212,282	2,673	-	228	-213	209,609
26	Secured by mortgages on immovable property	-	2,305,095	-	5,800	-	-	2,299,295
27	Of which: SMEs	-	524,926	-	-	-	-	524,926
28	Exposures in default	53,804	-	12,414	-	8,284	-470	41,390
29	Items associated with particularly high risk	-	5,897	-	-	-	-	5,897
30	Covered bonds	-	183,721	-	-	-	-	183,721
32	Collective investments undertaking	-	10,473	-	-	-	-	10,473
33	Equity exposures	-	29,880	-	-	-	-	29,880
34	Other exposures	-	45,180	-	-	-	-	45,180
35	Total standardised approach	53,804	4,636,652	21,040	5,800	8,944	-1,240	4,663,615
36	Total	53,804	4,636,652	21,040	5,800	8,944	-1,240	4,663,615
37	Of which: Loans	53,752	3,435,586	20,066	5,800	8,944	-880	3,463,472
38	Of which: Debt securities	-	518,329	-	-	-	-	518,329
39	Of which: Off-balance-sheet exposures	52	289,815	974	-	-	-360	288,893

EU CR1-B – Credit quality of exposures by industry or counterparty types

31 Dec 2020 (1,000 euros)		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net value
		Defaulted exposures	Non-defaulted exposures					
1	Agriculture, forestry and fishing	2,235	281,409	893	-	289	-329	282,751
2	Mining and quarrying	85	5,269	5	-	-	11	5,350
3	Manufacturing	984	92,626	1,366	142	-	-393	92,102
4	Electricity, gas, steam and air conditioning supply	70	1,098	47	-	1,341	-7	1,121
5	Water supply	-	3,256	52	-	-	-42	3,204
6	Construction	1,342	104,710	867	955	5,031	1,689	104,231
7	Wholesale and retail trade	2,243	123,089	1,882	677	101	207	122,773
8	Transport and storage	1,128	47,972	705	219	180	53	48,177
9	Accommodation and food service activities	944	63,164	471	148	57	-83	63,489
10	Information and communication	485	16,595	95	-	-	-57	16,985
11	Financial and insurance activities	75	400,781	164	-	-	11	400,691
12	Real estate activities	18,646	663,296	1,737	-	115	338	680,204
13	Professional, scientific and technical activities	568	63,460	1,005	-	-	-643	63,023
14	Administrative and support services	146	19,169	572	-	-	-421	18,743
15	Public administration, defence, compulsory social security	-	157,734	4	-	-	-4	157,729
16	Education	29	10,099	71	117	-	-30	9,940
17	Human health services and social work activities	155	17,627	244	39	5	-97	17,499
18	Arts, entertainment and recreation	-	25,438	710	183	125	-447	24,545
19	Other services	24,667	2,539,861	10,151	3,320	1,701	-994	2,551,057
20	Total	53,804	4,636,652	21,040	5,800	8,944	-1,240	4,663,615

Template 3: Credit quality of performing and non-performing exposures by past due days

31 Dec 2020 (1,000 euros)	a	b	c	d	e	f	g	h	i	j	k	l	
	Gross carrying amount / nominal amount												
	Performing exposures			Non-performing exposures									
	Not past due or past due ≤ 30 days	Past due > 30 days ≤ 30 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted		
1	Loans and advances	3,423,558	3,412,927	10,631	65,772	21,536	5,228	21,389	8,764	7,563	712	581	53,752
2	Central banks	22,799	22,799	-	-	-	-	-	-	-	-	-	-
3	General government	3,014	3,014	-	-	-	-	-	-	-	-	-	-
4	Credit institutions	824	824	-	-	-	-	-	-	-	-	-	-
5	Other financial corporations	20,989	20,989	-	-	-	-	-	-	-	-	-	-
6	Non-financial corporations	1,013,681	1,011,238	2,444	29,303	3,764	2,146	17,711	3,789	1,533	264	95	26,335
7	Of which SMEs	1,001,444	999,000	2,444	29,303	3,764	2,146	17,711	3,789	1,533	264	95	26,335
8	Households	2,362,251	2,354,064	8,188	36,468	17,772	3,081	3,677	4,975	6,030	448	485	27,418
9	Debt securities	518,822	518,822	-	-	-	-	-	-	-	-	-	-
10	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
11	General government	172,047	172,047	-	-	-	-	-	-	-	-	-	-
12	Credit institutions	273,046	273,046	-	-	-	-	-	-	-	-	-	-
13	Other financial corporations	24,242	24,242	-	-	-	-	-	-	-	-	-	-
14	Non-financial corporations	49,487	49,487	-	-	-	-	-	-	-	-	-	-
15	Off-balance-sheet exposures	288,538			1,329								52
16	Central banks	-			-								-
17	General government	230			-								-
18	Credit institutions	-			-								-
19	Other financial corporations	420			-								-
20	Non-financial corporations	146,655			1,156								1
21	Households	141,233			173								50
22	Total	4,230,918	3,931,749	10,631	67,100	21,536	5,228	21,389	8,764	7,563	712	581	53,804

Template 4: Performing and non-performing exposures and related provisions

31 Dec 2020 (1,000 euros)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received		
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures	
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
1	Loans and advances	3,423,558	3,047,871	375,688	65,772	62	65,654	-9,531	-2,169	-7,362	-16,327	-10	-16,317	-1,763	3,272,924	43,055
2	Central banks	22,799	22,799	-	-	-	-	-	-	-	-	-	-	-	-	-
3	General governments	3,014	3,014	-	-	-	-	-	-	-	-	-	-	-	354	-
4	Credit institutions	824	824	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Other financial corporations	20,989	20,989	-	-	-	-	-30	-30	-	-	-	-	-	19,866	-
6	Non-financial corporations	1,013,681	911,833	101,848	29,303	56	29,204	-5,265	-1,144	-4,121	-5,987	-10	-5,977	-621	979,065	22,690
7	Of which SMEs	1,001,444	904,273	97,170	29,303	56	29,204	-4,913	-1,140	-3,773	-5,987	-10	-5,977	-621	967,264	22,690
8	Households	2,362,251	2,088,412	273,839	36,468	6	36,449	-4,236	-994	-3,242	-10,340		-10,340	-1,143	2,273,639	20,365
9	Debt securities	518,822	486,731	15,551	-	-	-	-493	-313	-180	-	-	-	-	-	-
10	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	General governments	172,047	172,047	-	-	-	-	-125	-125	-	-	-	-	-	-	-
12	Credit institutions	273,046	263,647	9,399	-	-	-	-245	-163	-82	-	-	-	-	-	-
13	Other financial corporations	24,242	7,872	-	-	-	-	-1	-1	-	-	-	-	-	-	-
14	Non-financial corporations	49,487	43,165	6,151	-	-	-	-122	-24	-98	-	-	-	-	-	-
15	Off-balance sheet exposures	288,538	281,141	7,397	1,329	1	189	848	480	367	126	-	126	-	153,752	55
16	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	General governments	230	230	-	-	-	-	7	7	-	-	-	-	-	-	-
18	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Other financial corporations	420	420	-	-	-	-	-	-	-	-	-	-	-	31	-
20	Non-financial corporations	146,655	143,735	2,921	1,156	1	16	469	293	176	16	-	15	-	93,885	1
21	Households	141,233	136,757	4,476	173	-	173	372	180	191	110	-	110	-	59,836	54
22	Total	4,230,918	3,815,743	398,635	67,100	63	65,842	-9,176	-2,001	-7,175	-16,202	-10	-16,191	-1,763	3,426,677	43,110

Template 1: Credit quality of forborne exposures

31 Dec 2020 (1,000 euros)	a	b	c	d	e	f	g	h
	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne		Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
Of which defaulted								
1 Loans and advances	72,700	12,436	9,470	12,414	-627	-3,555	78,745	8,557
2 <i>Central banks</i>	-	-	-	-	-	-	-	-
3 <i>General government</i>	-	-	-	-	-	-	-	-
4 <i>Credit institutions</i>	-	-	-	-	-	-	-	-
5 <i>Other financial corporations</i>	-	-	-	-	-	-	-	-
6 <i>Non-financial corporations</i>	13,954	3,898	3,755	3,877	-141	-1,624	15,579	2,158
7 <i>Households</i>	58,745	8,537	5,715	8,537	-485	-1,931	63,167	6,399
8 Debt securities	-	-	-	-	-	-	-	-
9 Loan commitments given	92	13		13	6	13	70	
10 Total	72,792	12,449	9,470	12,428	-621	-3,542	78,815	8,557

Template 9: Collateral obtained by taking possession and execution processes

	a	b
	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
31 Dec 2020 (1,000 euros)		
1 Property, plant and equipment (PP&E)	-	-
2 Other than PP&E	-	-
3 <i>Residential immovable property</i>	-	-
4 <i>Commercial immovable property</i>	-	-
5 <i>Movable property (auto, shipping, etc.)</i>	-	-
6 <i>Equity and debt instruments</i>	-	-
7 <i>Other</i>	-	-
8 Total	-	-

EU CR2-A – Changes in the stock of general and specific risk adjustments

	a	b
	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
31 Dec 2020 (1,000 euros)		
1 Opening balance	18,758	210
2 Increases due to amounts set aside for estimated loan losses during the period	3,238	
3 Decreases due to amounts reversed for estimated loan losses during the period	-1,993	-210
4 Decreases due to amounts taken against accumulated credit risk adjustments	-4,771	
5 Transfers between credit risk adjustments	5,857	
8 Other adjustments	-48	5,800
9 Closing Balance	21,040	5,800
10 Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	-237	
11 Specific credit risk adjustments directly recorded to the statement of profit or loss	13,978	

EU CR2-B – Changes in the stock of defaulted and impaired loans and debt securities

	a
	Gross carrying value defaulted exposures
31 Dec 2020 (1,000 euros)	
1 Opening balance	38,437
2 Loans and debt securities that have defaulted or impaired since last reporting period	31,839
3 Returned to non-defaulted status	-7,959
4 Amounts written off	-13,175
5 Other changes	4,661
6 Closing balance	53,804

EU CR3 – CRM techniques - Overview

		a	b	c	d
		Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees
31 Dec 2020 (1,000 euros)					
1	Total loans	147,492	3,315,980	3,203,578	112,402
2	Total debt securities	295,442	222,887	185,916	36,971
3	Total exposures	442,934	3,538,867	3,389,494	149,373
4	Of which defaulted	6,290	35,100	34,161	939

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

		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
		On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density
31 Dec 2020 (1,000 euros)							
Exposure classes							
1	Central governments or central banks	454,784	-	578,875	2,002	-	0%
2	Regional governments or local authorities	5,027	230	7,060	114	19	0%
3	Public sector entities	-	-	8,085	84	1,634	20%
4	Multilateral development banks	-	-	35,764	146	-	0%
6	Institutions	140,477	-	142,039	179	28,444	20%
7	Corporates	524,316	105,400	516,347	35,945	525,486	95%
8	Retail	681,484	137,995	491,872	26,091	363,088	70%
9	Secured by mortgages on immovable property	2,258,001	47,095	2,252,201	20,304	783,956	34%
10	Exposures in default	53,684	120	40,031	21	44,061	110%
11	Exposures associated with particularly high risk	5,897	-	5,897	-	8,845	150%
12	Covered bonds	183,721	-	183,721	-	18,372	10%
14	Collective investments undertaking	10,473	-	10,473	-	9,797	94%
15	Equity	29,880	-	29,880	-	29,880	100%
16	Other items	45,180	-	45,180	-	39,640	88%
17	Total	4,392,924	290,840	4,347,427	84,886	1,853,222	42%

EU CR5 – Standardised approach

31 Dec 2020 (1,000 euros)

Exposure classes	Risk weight																Total	Of which unrated	
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Deducted			
1 Central governments or central banks	580,876	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	580,876	580,876
2 Regional governments or local authorities	7,079	-	-	-	95	-	-	-	-	-	-	-	-	-	-	-	-	7,174	7,174
3 Public sector entities	-	-	-	-	8,169	-	-	-	-	-	-	-	-	-	-	-	-	8,169	8,169
4 Multilateral development banks	35,911	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,911	35,911
6 Institutions	-	-	-	-	148,910	-	-	-	-	-	-	-	-	-	-	-	-	148,910	148,910
7 Corporates	-	-	-	-	-	-	33,258	-	-	519,034	-	-	-	-	-	-	-	552,292	552,292
8 Retail	-	-	-	-	-	-	-	-	517,964	-	-	-	-	-	-	-	-	517,964	517,964
9 Secured by mortgages on immovable property	-	-	-	-	-	2,122,517	149,989	-	-	-	-	-	-	-	-	-	-	2,272,505	2,272,505
10 Exposures in default	-	-	-	-	-	-	-	-	-	32,035	8,017	-	-	-	-	-	-	40,052	40,052
11 Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	5,897	-	-	-	-	-	-	5,897	5,897
12 Covered bonds	-	-	-	183,721	-	-	-	-	-	-	-	-	-	-	-	-	-	183,721	183,721
14 Collective investments undertaking	827	-	-	-	256	-	128	-	-	8,420	841	-	-	-	-	-	-	10,473	6,397
15 Equity	-	-	-	-	-	-	-	-	-	29,880	-	-	-	-	-	-	-	29,880	29,880
16 Other items	5,540	-	-	-	-	-	-	-	-	39,640	-	-	-	-	-	-	-	45,180	45,180
17 Total	630,234	-	-	183,721	157,430	2,122,517	183,375	-	517,964	629,011	14,754	-	-	-	-	-	-	4,439,005	4,434,928

EU CCR1 – Analysis of CCR exposure by approach

	a	b	c	f	g
31 Dec 2020 (1,000 euros)	Notional	Replacement cost / current market value	Potential future credit exposure	EAD post CRM	RWAs
1 Mark to market		853	5,839	6,692	1,338
2 Original exposure	-			-	-
3 Standardised approach		-		-	-
4 IMM (for derivatives and SFTs)				-	-
11 Total					1,338

EU CCR2 – CVA capital charge

	a	b
31 Dec 2020 (1,000 euros)	Exposure value	RWAs
1 Total portfolios subject to the advanced method	-	-
2 i) VaR component (including the 3x-multiplier)		-
3 ii) SVaR component (including the 3x-multiplier)		-
4 All portfolios subject to the standardised method	6,692	2,329
EU4 Based on the original exposure method	-	-
5 Total subject to the CVA capital charge	6,692	2,329

EU CCR3 – Standardised approach - CCR exposures by regulatory portfolio and risk

31 Dec 2020 (1,000 euros)

Exposure classes	Risk weight		Of which unrated
	20 %	Total	
6 Institutions	6,692	6,692	-
11 Total	6,692	6,692	-

6.5 Encumbered and unencumbered assets

Encumbered and unencumbered assets (EU 2017/2295)

Template A – Encumbered and unencumbered assets

		Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencum- bered assets	Fair value of unencumbered assets
31 Dec 2020 (1,000 euros)		010	040	060	090
010	Assets of the reporting institution	1,338,387		2,557,045	
030	Equity instruments			21,200	22,621
040	Debt securities	167,956	167,956	254,545	254,545
050	of which: covered bonds	62,083	62,083	88,148	88,148
070	of which: issued by general governments			111,151	111,151
080	of which: issued by financial corporations	150,766	150,766	115,969	115,969
090	of which: issued by non-financial corporations	17,190	17,190	28,484	28,484
120	Other assets	1,171,046		2,280,896	
121	of which mortgages	1,171,046		1,777,769	

Template B – Collateral received

		Fair value of encumbered collateral received or own debt securities issued	Unencumbered Fair value of collateral received or own debt securities issued available for encumbrance
31 Dec 2020 (1,000 euros)		010	040
130	Collateral received by the reporting institution		
140	Loans	3,322,789	
141	of which: property collateral	3,162,909	
142	of which: other	159,880	
150	Equity instruments		
160	Debt securities		
230	Other collateral received		
240	Own debt securities issued other than own covered bonds or asset-backed securities		

Template C – Sources of encumbrance

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
010		010	030
010	Carrying amount of selected financial liabilities	1,046,986	1,338,387

Template D – Explanatory information

The encumbered assets consist of loans secured as collateral for covered bonds.

The non-encumbered assets consist mainly of debt securities.

7. Market risk

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

Market risk is managed through the strategy approved by the Board of Directors and conservative risk appetite.

Market risk concentration and asset class-specific risk is managed using margin and counterparty limits. Limits are actively monitored and reported.

7.1 Interest rate risk

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

The impact of the corona pandemic on interest rate risk is limited, although interest rates rose sharply momentarily. Due to the structure of the company's balance sheet, the company's net interest income increases as interest rates rise and at the same time the effects of falling interest rates are limited. Derivative contracts terminated during September have contributed to the bank's interest rate risk position, with interest rate sensitivities having increased in both positive and negative shocks since the derivative. The company constantly monitors interest rate sensitivities and, if necessary, the bank is ready to open new hedging positions.

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

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

Net interest income (NII) (EUR mill.)	31 Dec 2020	31 Dec 2019
+100bps	9.2	4.6
-100bps	-4.2	1.1

Economic value (EV) (EUR mill.)	31 Dec 2020	31 Dec 2019
+100bps	15.1	2.6
-100bps	-3.6	2.7

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

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

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

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

7.2 Spread risk

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

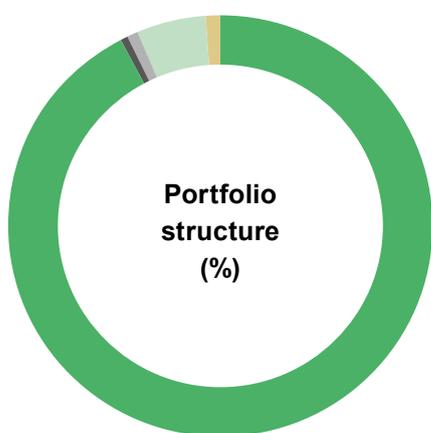
The effects of the uncertainty and unawareness caused by corona pandemic on the company's investment portfolio were limited, as the risk weight had already been reduced in February, when about half of the investment portfolio had been sold. In addition, the company's investments are mainly in well-rated government bonds and covered bonds, whose reactions to negative news were, for example, more moderate than in the corporate bond market.

The company's investment portfolio consists mainly of low-risk fixed income investments because High Yield bonds form less than two per cent of the portfolio and the other bonds are Investment Grade obligations to EU states. The company's Board of Directors is provided with

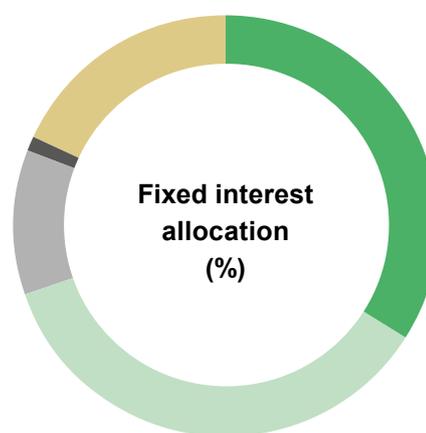
regular reports on the content of the investment portfolio and its largest counterparties. The investment portfolio's market value on 31 December 2020 was EUR 548.09 million.

The company manages the market risk of its investment portfolio by concentrating the structure of the investment portfolio on issuers and instruments that have an Investment Grade credit rating and high liquidity on the markets. Additionally, the company complies with the counterparty risks approved by the Board of Directors, which are regularly reported to the company's management.

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



- Debt securities 92.4%
- Listed shares 0.6%
- Equity funds 0.8%
- Unlisted shares 5.2%
- Other securities 1.1%



- Government bonds 34%
- Municipality bonds 0%
- Covered bonds 36%
- Corporate bonds 11%
- Capital bonds 0%
- Bond funds 1%
- Other ECB eligible investments 18%

8. Operational risk

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

Operational risk forms a significant risk area for Oma Savings Bank. It is typical for operational risk that any losses resulting from the risk are not always easy to measure. Reasons for this may include the delayed realisation of the risk or that the risks, when they are realised, cannot be quantified as concrete financial losses.

Oma Savings Bank's main sources of operational risks are the ongoing pandemic and the ongoing renewal of the core banking platform. If the risks were realised, the cost of the project could increase, and other development projects could be delayed. Other key operational risk sources include disturbances in the functioning of IT systems, damage and errors caused by the launching of new products and services and the personnel's actions, damage to property and non-compliance with regulations.

Oma Savings Bank calculates the operational risk in accordance with Pillar I using the basic indicator approach for the capital requirement. This amount in 2020 was EUR 172.5 (147.3), of which the requirement of own funds was EUR 13.8 million. The growth results from significant growth in gross income and net interest income and fee and commission income.

Operational risk

(1,000 euros)	2020	2019	2018
Gross income	105,751	94,055	76,253
The revenue indicator	15,863	14,108	11,438
Requirement for own funds of operational risk			13,803
Risk-weighted amount of operational risk			172,536

In the management of operational risk, the company's main objective is to manage reputation risk and to ensure the continuity of business activities and compliance with regulations in the short and long term. Operational risk management ensures that the values and strategy of Oma Savings Bank are achieved throughout the business activities. Operational risk management covers all material risks related to business activities.

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

As part of operational risk management, the company aims to reduce the likelihood of operational risk through its internal code of conduct and by training personnel. The control points defined for the processes and internal control are also a key component of preventing operational risk. The company reduces the impact of operational risk also by maintaining insurance for real estate and the fixed assets it owns. Every employee is responsible for operational risk management in his/her work. Materialised operational risks are reported to the management teams of the business lines.

New products, services and suppliers of outsourced services are separately approved through the bank's separate approval process before their adoption. The approval process ensures that new products and services are planned, appropriate and their documentation is appropriate and sufficient. The approval process ensures that the risks related to new products and services are appropriately identified and assessed. The same approval process is also applied when existing products are developed.

The company's risk management function monitors, controls and reports on operational risks. The company's management receives risk assessments and a report on materialised risks at least annually from the business lines, based on which a separate operational risk matrix is compiled, which is reported to the Board of Directors. Based on the created process, the Board of Directors can form an overall picture of the operational risks targeting the business activities and their possible impacts on the company. The risk identification process helps the Board of Directors to decide on risk management measures and the focal areas with regard to operational risk. The Bank has also introduced a new risk management system towards the end of the year and through this it improves operational risk management and monitoring.

9. Liquidity risk

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

The group's liquidity ratio (LCR) remained good, coming to 184.9 (140.1)% at the end of the period 2020. The company's LCR was below 100% at 31 March 2020 due to market uncertainty caused by the corona pandemic. The decrease in the LCR level is due to the deferred nature of LCR, but the company's cash reserves did not fall to alarming levels at any point. The rate returned above the limit as soon as early April and has been stable ever since. The minimum LCR is 100%.

Liquidity coverage ratio (LCR)

(EUR mill.)	31 Dec 2020		31 Dec 2019	
	Market value	Buffer value	Market value	Buffer value
Level 1a	458.9	458.9	133.6	133.6
Assets from regional governments or local authorities	5.5	5.5	6.6	6.6
Funds from central administrations	279.3	279.3	-	-
Central bank reserves available for withdraw	174.1	174.1	127.0	127.0
Level 1b	121.6	113.1	91.6	85.2
High-quality covered bonds level 1	121.6	113.1	91.6	85.2
Level 2A	26.3	22.4	37.2	31.6
High-quality covered bonds (third country) level 1	-	-	5.8	4.9
Corporate bonds level 1	26.3	22.4	31.4	26.7
Level 2B	3.8	1.9	5.3	2.7
Listed stocks	1.9	1.0	1.1	0.5
Corporate bonds level 2	1.3	0.7	4.2	2.1
Corporate bonds level 3	0.5	0.3	-	-
Total.	610.69	596.34	267.72	253.07
Liquidity out flow		347.80		204.70
Liquidity in flow		25.33		24.09
LCR %		184.9%		140.1%

Another significant key figure in terms of liquidity management is the Net Stable Funding Ratio (NSFR), which was 134.6 (124.3)% in 2020. As of September 30, 2020, the requirements of the CRR2 regulation have been taken into account in the calculation of the NSFR indicator. The figures for the comparison periods have been changed retrospectively and at the same time the accounting principles have been corrected. The minimum level for the requirement is 100%.

Net Stable Funding Ratio (NSFR)

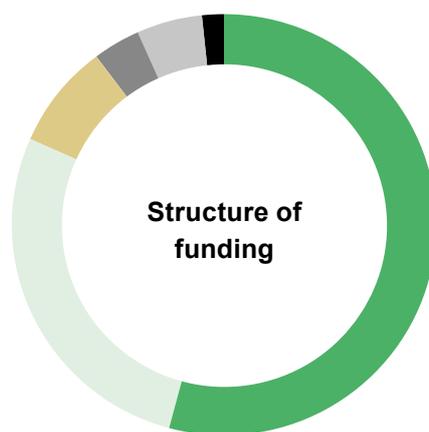
(EUR mill.)	31 Dec 2020	31 Dec 2019
Available stable funding	3,718	2,780
Required stable funding	2,763	2,237
Net Stable Funding Ratio (NSFR)	134.6%	124.3%

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

LCR & NSFR quarterly development

	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020
LCR (%)	185%	134%	133%	80%
NSFR (%)	135%	130%	131%	112%

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



- Deposits 54%
- Issued bonds 28%
- Equity 8%
- Certificates of deposit and debentures 4%
- Liabilities to credit institutions 5%
- Other liabilities 1%

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

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

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

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

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

EU LIQ1 – LCR disclosure template and the template on qualitative information on the LCR

31 Dec 2020 (1,000 euros)

Scope of consolidation: consolidated								
Currency and units (1,000 euros)	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on (DD Month YYYY)	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS								
1 Total high-quality liquid assets (HQLA)					350,227	290,270	273,137	267,954
CASH – OUTFLOWS								
2 Retail deposits and deposits from small business customers, of which:	1,604,969	1,561,563	1,527,199	1,501,267	96,674	93,773	92,179	91,710
3 <i>Stable deposits</i>	1,346,458	1,315,322	1,285,659	1,256,884	67,323	65,766	64,283	62,844
4 <i>Less stable deposits</i>	258,510	246,242	241,540	244,382	29,351	28,007	27,896	28,866
5 Unsecured wholesale funding	350,865	292,968	261,725	244,086	179,879	155,920	146,017	140,379
6 <i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>								
7 <i>Non-operational deposits (all counterparties)</i>	320,568	262,780	224,530	196,315	149,582	125,732	108,821	92,607
8 <i>Unsecured debt</i>	30,298	30,188	37,196	47,772	30,298	30,188	37,196	47,772
9 Secured wholesale funding								
10 Additional requirements	243,242	218,430	204,775	198,209	13,529	12,163	11,720	11,601
11 <i>Outflows related to derivative exposures and other collateral requirements</i>	83	208	333	458	83	208	333	458
12 <i>Outflows related to loss of funding on debt products</i>	68	68	68	68	68	68	68	68
13 <i>Credit and liquidity facilities</i>	243,091	218,154	204,374	197,683	13,378	11,886	11,319	11,075
14 <i>Other contractual funding obligations</i>	6,366	5,863	5,609	772	4,819	4,819	4,819	91
15 <i>Other contingent funding obligations</i>	21,367	21,014	20,636	20,130	189	138	86	30
16 TOTAL CASH OUTFLOWS					295,091	266,812	254,821	243,811

Scope of consolidation: consolidated								
Currency and units (1,000 euros)	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on (DD Month YYYY)	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
CASH – INFLOWS								
17 Secured lending (e.g. reverse repos)								
18 Inflows from fully performing exposures	52,104	51,347	50,168	48,950	22,475	22,676	22,545	22,308
19 Other cash inflows	38,470	37,566	39,161	37,729	22,402	23,007	24,103	21,654
(Difference between total weighted inflows and total weighted outflows arising from EU- 19a transactions in third countries where there are transfer restrictions or which are denomi- nated in non-convert- ible currencies)								
EU- 19b (Excess inflows from a related specialised credit institution)								
20 TOTAL CASH INFLOWS	90,574	88,914	89,329	86,679	44,877	45,683	46,647	43,962
EU- 20a Fully exempt inflows								
EU- 20b Inflows subject to 90% cap								
EU- 20c Inflows subject to 75% cap	90,574	88,914	89,329	86,679	44,877	45,683	46,647	43,962
					TOTAL ADJUSTED VALUE			
21 LIQUIDITY BUFFER					350,227	290,270	273,137	267,954
22 TOTAL NET CASH OUTFLOWS					249,437	220,353	207,397	199,849
23 LIQUIDITY COVERAGE RATIO (%)					138%	134%	134%	136%

10. Summary table

435 Risk management objectives and policies

		Reference
1		
a)	the strategies and processes to manage those risks;	Report of Board of Directors
b)	the structure and organisation of the relevant Risk Control function including information on its authority and statute, or other appropriate arrangements;	Report of Board of Directors
c)	the scope and nature of risk reporting and measurement systems	Financial statements, Note G1
d)	the policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants	Report of Board of Directors
e)	a declaration approved by the management body on the adequacy of risk management arrangements of the institution providing assurance that the risk management systems put in place are adequate with regard to the institution's profile and strategy	CAR, chapter 1.1
f)	a concise risk statement approved by the management body succinctly describing the institution's overall risk profile associated with the business strategy	CAR, chapter 1.2
2		
a)	the number of directorships held by members of the management body	https://sijoittaminen.omasp.fi/en/board-and-its-committees
b)	the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise	Oma Savings Bank Plc's Remuneration statement
c)	the policy on diversity with regard to selection of members of the management body, its objectives and any relevant targets set out in that policy, and the extent to which these objectives and targets have been achieved;	Oma Savings Bank Plc's Remuneration statement
d)	whether or not the institution has set up a separate risk committee and the number of times the risk committee has met;	https://sijoittaminen.omasp.fi/en/board-and-its-committees
e)	the description of the information flow on risk to the management body.	Report of Board of Directors

436 Scope of application

		Reference
a)	the name of the institution to which the requirements of this Regulation apply	Table EU LI3
b)	an outline of the differences in the basis of consolidation for accounting and prudential purposes, with a brief description of the entities therein, explaining whether they are:	
i)	fully consolidated;	Table EU LI3
ii)	proportionally consolidated;	Not applicable.
iii)	deducted from own funds;	Not applicable.
iv)	neither consolidated nor deducted;	Not applicable.
c)	any current or foreseen material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities among the parent undertaking and its subsidiaries;	Not applicable.
d)	the aggregate amount by which the actual own funds are less than required in all subsidiaries not included in the consolidation, and the name or names of such subsidiaries	Not applicable.
e)	if applicable, the circumstance of making use of the provisions laid down in Articles 7 and 9	Not applicable.

437 Own funds

1	Reference
a)	a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and filters and deductions applied pursuant to Articles 32 to 35, 36, 56, 66 and 79 to own funds of the institution and the balance sheet in the audited financial statements of the institution; Table Own funds
b)	a description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution Table Capital instruments' main features (EU 1423/2013)
c)	the full terms and conditions of all Common Equity Tier 1 (CET1), Additional Tier 1 (AT1) and Tier 2 (T2) instruments Table Capital instruments' main features (EU 1423/2013)
d)	separate disclosure of the nature and amounts of the following:
i)	each prudential filter applied pursuant to Articles 32 to 35; Table Own funds by item (EU 1423/2013)
ii)	each deduction made pursuant to Articles 36, 56 and 66; Table Own funds by item (EU 1423/2013)
iii)	items not deducted in accordance with Articles 47, 48, 56, 66 and 79; Table Own funds by item (EU 1423/2013)
e)	a description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply; Not applicable.
f)	where institutions disclose capital ratios calculated using elements of own funds determined on a basis other than that laid down in this Regulation, a comprehensive explanation of the basis on which those capital ratios are calculated. Not applicable. Oma Savings Bank does not use other elements of own fund calculation than described in CRR 575/2013.

438 Capital requirements

	Reference
a)	A summary of the institution's approach to assessing the adequacy of its internal capital to support current and future activities CAR, chapter 4
b)	Upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process including the composition of the additional own funds requirements CAR, chapter 4 and 5
c)	for institutions calculating the risk-weighted exposure amounts in accordance with Chapter 2 of Part Three, Title II, 8% of the risk-weighted exposure amounts for each of the exposure classes specified in Article 112 Table EU OV1
d)	For institutions calculating risk-weighted exposure amounts in accordance with Chapter 3 of Part Three, Title II, 8% of the risk-weighted exposure amounts for each of the exposure classes specified in Article 147: Not applicable. Oma Savings Bank does not use IRB approach.
e)	Own funds requirements calculated in accordance with points (b) and (c) of Article 92(3,) i.e capital requirements for market risk Not applicable.
f)	Own funds requirements calculated in accordance with Part Three, Title III, Chapters 2, 3 and 4 and disclosed separately Table EU OV1

439 Exposure to counterparty credit risk

		Reference
a)	a discussion of the methodology used to assign internal capital and credit limits for counterparty credit exposures	Not applicable.
b)	a discussion of policies for securing collateral and establishing credit reserves	CAR, chapter 6
c)	a discussion of policies with respect to wrong-way risk exposures	CAR, chapter 6
d)	a discussion of the impact of the amount of collateral the institution would have to provide given a downgrade in its credit rating	Not applicable.
e)	Gross positive fair value of contracts, netting benefits, netted current credit exposure, collateral held and net derivatives credit exposure. Net derivatives credit exposure is the credit exposure on derivatives transactions after considering both the benefits from legally enforceable netting agreements and collateral arrangements	Table CR1, CCR2, CCR3
f)	measures for exposure value under the methods set out in Part Three, Title II, Chapter 6, Sections 3 to 6 whichever method is applicable	Table CCR1, CCR2
g)	the notional value of credit derivative hedges, and the distribution of current credit exposure by types of credit exposure	Not applicable.
h)	the notional amounts of credit derivative transactions, segregated between use for the institution's own credit portfolio, as well as in its intermediation activities, including the distribution of the credit derivatives products used, broken down further by protection bought and sold within each product group	Not applicable.
i)	estimate of alpha if the institution has received permission from the competent authorities to estimate alpha	Not applicable.

440 Capital buffers

		Reference
a)	the geographical distribution of its credit exposures relevant for the calculation of its countercyclical capital buffer;	Table 1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer (EU 1555/2015)
b)	the amount of its institution specific countercyclical capital buffer.	Table 1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer (EU 1555/2015)

441 Indicators of global systemic importance

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

442 Credit risk adjustments

		Reference
a)	the definitions for accounting purposes of 'past due' and 'impaired'	CAR, chapter 6
b)	a description of the approaches and methods adopted for determining specific and general credit risk adjustments	CAR, chapter 6
c)	the total amount of exposures after accounting offsets and without taking into account the effects of credit risk mitigation, and the average amount of the exposures over the period broken down by different types of exposure classes	Table EU CRB-B
d)	the geographic distribution of the exposures, broken down in significant areas by material exposure classes, and further detailed if appropriate	Not to be published. No significant exposures outside Finland.
e)	the distribution of the exposures by industry or counterparty type, broken down by exposure classes, including specifying exposure to SMEs, and further detailed if appropriate;	Table EU CRB-D
f)	the residual maturity breakdown of all the exposures, broken down by exposure classes, and further detailed if appropriate;	Table EU CRB-E
g)	by significant industry or counterparty type, the amount of	
	i) impaired exposures and past due exposures, provided separately	CAR, chapter 6
	ii) specific and general credit risk adjustments	CAR, chapter 6
	iii) charges for specific and general credit risk adjustments during the reporting period	CAR, chapter 6
h)	The amount of the impaired exposures and past due exposures, provided separately, broken down by significant geographical areas including, if practical, the amounts of specific and general credit risk adjustments related to each geographical area	Not to be published. No significant exposures outside Finland.
i)	the reconciliation of changes in the specific and general credit risk adjustments for impaired exposures, shown separately. The information shall comprise:	
	i) a description of the type of specific and general credit risk adjustments	CAR, chapter 6
	ii) the opening balances	Table EU CR2-A and EU CR2-B
	iii) the amounts taken against the credit risk adjustments during the reporting period	Table EU CR2-A and EU CR2-B
	iv) the amounts set aside or reversed for estimated probable losses on exposures during the reporting period, any other adjustments including those determined by exchange rate differences, business combinations, acquisitions and disposals of subsidiaries, and transfers between credit risk adjustments	Table EU CR2-A and EU CR2-B
	v) the closing balances	Table EU CR2-A and EU CR2-B

443 Unencumbered assets

Table Encumbered and unencumbered assets (EU 2017/2295)

444 Use of External Credit Assessment Institutions

	Reference
a) the names of the nominated ECAIs and ECAs and the reasons for any changes	Not applicable.
b) the exposure classes for which each ECAI or ECA is used	Not applicable.
c) a description of the process used to transfer the issuer and issue credit assessments onto items not included in the trading book	Not applicable.
d) the association of the external rating of each nominated ECAI or ECA with the credit quality steps prescribed in Part Three, Title II, Chapter 2, taking into account that this information needs not be disclosed if the institution complies with the standard association published by EBA	Not applicable.
e) the exposure values and the exposure values after credit risk mitigation associated with each credit quality step prescribed in Part Three, Title II, Chapter 2 as well as those deducted from own funds	Table EU CR4

445 Exposure to market risk

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

446 Operational risk

	Reference
Institutions shall disclose the approaches for the assessment of own funds requirements for operational risk that the institution qualifies for; a description of the methodology set out in Article 312(2), if used by the institution, including a discussion of relevant internal and external factors considered in the institution's measurement approach, and in the case of partial use, the scope and coverage of the different methodologies used.	CAR, chapter 8

447 Exposures in equities not included in the trading book

	Reference
a) the differentiation between exposures based on their objectives, including for capital gains relationship and strategic reasons, and an overview of the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation and any significant changes in these practices	Not applicable.
b) the balance sheet value, the fair value and, for those exchange-traded, a comparison to the market price where it is materially different from the fair value	Not applicable.
c) the types, nature and amounts of exchange-traded exposures, private equity exposures in sufficiently diversified portfolios, and other exposures	Not applicable.
d) the cumulative realised gains or losses arising from sales and liquidations in the period	Not applicable.
e) the total unrealised gains or losses, the total latent revaluation gains or losses, and any of these amounts included in the original or additional own funds	Not applicable.

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

		Reference
a)	the nature of the interest rate risk and the key assumptions (including assumptions regarding loan prepayments and behaviour of non-maturity deposits), and frequency of measurement of the interest rate risk	CAR, chapter 7
b)	the variation in earnings, economic value or other relevant measure used by the management for upward and downward rate shocks according to management's method for measuring the interest rate risk, broken down by currency	CAR, chapter 7

449 Exposure to securitisation positions

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

450 Remuneration policy

1		Reference
a)	information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year, including, if applicable, information about the composition and the mandate of a remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/fi/palkkiot-ja-palkitsemisperiaatteet
b)	information on link between pay and performance	Not to be published.
c)	the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/fi/palkkiot-ja-palkitsemisperiaatteet
d)	the ratios between fixed and variable remuneration set in accordance with Article 94(1)(g) of Directive 2013/36/EU	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/fi/palkkiot-ja-palkitsemisperiaatteet
e)	information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based	Not applicable.
f)	the main parameters and rationale for any variable component scheme and any other non-cash benefits	Remuneration system concerning the Board of Directors and the Management Team is described in websites: https://sijoittaminen.omasp.fi/fi/palkkiot-ja-palkitsemisperiaatteet
g)	aggregate quantitative information on remuneration, broken down by business area	The bank has one business unit. More information in websites: https://sijoittaminen.omasp.fi/fi/palkkiot-ja-palkitsemisperiaatteet
h)	aggregate quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the institution, indicating the following	
i)	the amounts of remuneration for the financial year, split into fixed and variable remuneration, and the number of beneficiaries	Remuneration statement and notes in financial statement, published only concerning Board of Directors and Management Team
ii)	the amounts and forms of variable remuneration, split into cash, shares, share-linked instruments and other types	All remuneration in cash in financial year 2020. A key persons share-based incentive scheme is under way at the company, with a earning period from 2020 to 2021. The information in this regard is set out in Annexes K21 and K32 to the financial statements. The company has an ongoing share-based incentive scheme for key personnel, with an earning period from 2020 to 2021. Information in this respect is presented in the financial statements notes G21 and G32.
iii)	the amounts of outstanding deferred remuneration, split into vested and unvested portions	Not applicable. Fees have not been dereffed.
iv)	the amounts of deferred remuneration awarded during the financial year, paid out and reduced through performance adjustments	Not applicable. Fees have not been dereffed or reduced.
v)	new sign-on and severance payments made during the financial year, and the number of beneficiaries of such payments	Not applicable. No paid start-up and severancy pay during the financial year.
vi)	the amounts of severance payments awarded during the financial year, number of beneficiaries and highest such award to a single person	Not applicable. No paid start-up and severancy pay during the financial year.
i)	the number of individuals being remunerated EUR 1 million or more per financial year, for remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and for remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million	Not applicable.
j)	upon demand from the Member State or competent authority, the total remuneration for each member of the management body or senior management.	Not applicable.
2	For institutions that are significant in terms of their size, internal organisation and the nature, scope and the complexity of their activities, the quantitative information referred to in this Article shall also be made available to the public at the level of members of the management body of the institution.	The remuneration statement includes the remuneration of the Board of Directors and the financial statements include the remuneration of the CEO and the Deputy CEO, the rest of the Management Team only as a total.

451 Leverage

		Reference
a)	the leverage ratio and how the institution applies Article 499(2) and (3)	CAR, chapter 5.4
b)	a breakdown of the total exposure measure as well as a reconciliation of the total exposure measure with the relevant information disclosed in published financial statements	CAR, chapter 5.4
c)	where applicable, the amount of derecognised fiduciary items in accordance with Article 429(11)	CAR, chapter 5.4
d)	a description of the processes used to manage the risk of excessive leverage	CAR, chapter 5.4
e)	a description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	CAR, chapter 5.4

452 Use of the IRB approach to credit risk

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

453 Use of credit risk mitigation techniques

		Reference
a)	the policies and processes for, and an indication of the extent to which the entity makes use of, on- and off- balance sheet netting	Not applicable.
b)	the policies and processes for collateral valuation and management	CAR, chapter 6
c)	a description of the main types of collateral taken by the institution	CAR, chapter 6
d)	the main types of guarantor and credit derivative counterparty and their creditworthiness	CAR, chapter 6
e)	information about market or credit risk concentrations within the credit mitigation taken;	Not applicable.
f)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, but not providing own estimates of LGs or conversion factors in respect of the exposure class, separately for each exposure class, the total exposure value (after, where applicable, on- or off-balance sheet netting) that is covered — after the application of volatility adjustments — by eligible financial collateral, and other eligible collateral	Not applicable.
g)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, separately for each exposure class, the total exposure	Not applicable.

454 Use of the advanced measurement approaches to operational risk

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

455 Use of internal market risk models

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