

Amalgamation of POP Banks'

CAPITAL ADEQUACY REPORT

2020

PILLAR III CAPITAL ADEQUACY DISCLOSURES

The amalgamation of POP Banks is formed by the central institution (POP Bank Centre coop), the member credit institutions of the central institution, the companies included in the consolidation groups of the member credit institutions and those credit institutions, financial institutions and service companies in which entities included in the amalgamation jointly hold over 50% of the votes. More detailed information about the entities included in the consolidation group is presented in Note 1 of the POP Bank Group's consolidated financial statements.

Information pursuant to Part Eight of the EU's Capital Requirements Regulation No 575/2013 regarding capital adequacy of the amalgamation of POP Banks is presented in this report (Pillar III disclosures). The information is based on the capital adequacy of the amalgamation of POP Banks. Consequently, the information presented in this report is not directly comparable with the figures presented in the financial statements of the POP Bank Group. This report is unaudited.

Pillar III disclosure requirements regarding governance and management systems and risk and capital adequacy management are presented in Notes 3 and 4 of the POP Bank Group's consolidated financial statements, respectively. The remuneration disclosure requirements are in part presented in

Note 3 on governance and management systems and Note 11 on personnel expenses of the Group's financial statements in addition to this report.

The amalgamation of POP Banks does not publish information regarding counterparty risk and countercyclical capital buffer requirements pursuant to articles 439 and 440 of the EU's Capital Requirements Regulation, respectively. The Board of Directors of the central institution has considered in its materiality assessment that information concerning counterparty risk and countercyclical capital buffer requirements is not material as their share of the risk-weighted assets is very small.

The capital requirement to credit risk of the amalgamation of POP Banks is calculated using the standardised approach and capital requirement to operational risk using the basic indicator approach. The capital requirement for market risk is calculated for the foreign exchange exposure using the basic indicator approach.

The amalgamation of POP Banks has decided to not apply the IFRS 9 related transitional arrangements laid down in article 473 a of the Capital Requirements Regulation. As a result, reported own funds, capital and leverage ratio all reflect the full, phased-in impact of IFRS 9.

BOARD DECLARATION OF RISK MANAGEMENT ARRANGEMENTS' ADEQUACY

Risk management systems are based on the risk appetite framework, risk-area specific strategies and limits approved by the board of the central institution. Information on the risks, their levels and trends is regularly reported to the Board of Directors of the central institution. With this statement, the Board of Directors of the central institution assures that the risk management systems put in place are adequate with regard to the amalgamation of POP Banks' risk profile and strategy.

RISK PROFILE OF THE AMALGAMATION OF POP BANKS

The primary mission of POP Banks is to provide retail banking services to private customers, small and medium-sized companies and agricultural and forestry companies. In addition to healthy and profitable business, the objectives of the POP Banks emphasise the development of the customer experience.

Credit risk arising from retail banking constitutes the amalgamation's most significant risk exposure, in addition to which the amalgamation's business involves market, liquidity and operational risks and other qualitative risks such as business risk. Risks are mitigated through risk-area specific strategies and risk limits approved by the Board of the central institution.

Credit risk is managed through a credit risk strategy approved by the Board of the central institution. The strategy contains qualitative and quantitative limits for the loan portfolio, limiting e.g. counterparty, collateral and concentration risks. Majority of the amalgamation's loan portfolio is comprised of exposures secured by immovable

property for corporate or retail exposures. At the end of 2020, the amalgamation's loan portfolio stood at EUR 3,868 million, with associated expected credit losses of EUR 32.3 million (0.84 % of the loan portfolio).

Liquidity risk is managed by ensuring a sufficient amount of liquidity reserves and by constantly monitoring funding structure and future funding needs. The amalgamation's liquidity coverage ratio (LCR) was at 191.4 (114.7) per cent on 31 December 2020. At the end of 2020, the amalgamation's LCR-eligible assets before haircuts totalled EUR 607.3 (305.4) million. In May 2020, S&P Global Ratings reiterated the amalgamation's central credit institution's, Bonum Bank Plc, long-term credit rating as BBB and its short-term rating as A-2.

The amalgamation's most significant market risk arises from the interest rate risk in the banking book, which is monitored and limited via both the Net Present Value and Net Interest Income models. Market risks associated with the investment and liquidity portfolio is monitored and limited by asset class and counterparty. Member credit institutions of the amalgamation do not, by default, engage in trading activities. Use of derivatives is limited to hedging purposes only.

Operational risk is mitigated through guidelines approved by the Board of the central institution in every member credit institution of the amalgamation. The guidelines define central methods and tools for monitoring and managing operational risks.

At the end of 2020 the amalgamation's CET1 Capital ratio was 19.9 per cent, Total Capital ratio was 19.9 per cent and Leverage ratio was 10.0 per cent. The amalgamation's own funds comfortably exceeded the combined capital requirements.

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NOTE 1 SUMMARY OF CAPITAL ADEQUACY

(EUR 1,000)	31.12.2020	31.12.2019
Own funds		
Common Equity Tier 1 capital before deductions	536,352	520,317
Deductions from Common Equity Tier 1 capital	-23,306	-19,363
Total Common Equity Tier 1 capital (CET1)	513,046	500,954
Additional Tier 1 capital before deductions	-	2,163
Deductions from Additional Tier 1 capital	-	-
Additional Tier 1 capital (AT1)	-	2,163
Tier 1 capital (T1 = CET1 + AT1)	513,046	503,117
Tier 2 capital before deductions	-	1,514
Deductions from Tier 2 capital	-	-
Total Tier 2 capital (T2)	-	1,514
Total capital (TC = T1 + T2)	513,046	504,632
Total risk weighted assets	2,578,449	2,531,685
of which credit risk	2,349,874	2,300,929
of which credit valuation adjustment risk (CVA)	-	0
of which market risk (foreign exchange risk)	20,858	24,633
of which operational risk	207,717	206,123
CET1 Capital ratio (CET1-%)	19.9 %	19.8 %
T1 Capital ratio (T1-%)	19.9 %	19.9 %
Total capital ratio (TC-%)	19.9 %	19.9 %
Capital Requirement		
Total capital	513,046	504,632
Capital requirement *	303,016	323,558
Capital buffer	210,031	181,074
Leverage ratio		
Tier 1 capital (T1)	513,046	503,117
Leverage ratio exposure	5,146,910	4,588,442
Leverage ratio, %	10.0 %	11.0 %

* The capital requirement comprises of the minimum requirement of 8.0 %, the additional Pillar 2 requirement of 1.25 %, the capital conservation buffer of 2.5 % and country-specific countercyclical capital requirements for foreign exposures. FIN-FSA released the systematic risk buffer capital requirement (1%) 6th April 2020.

NOTE 2 OWN FUNDS BY CLASS

Own funds disclosure template

(EUR 1,000)		Regulation (EU) n:o 575/2013 article reference	
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	63,977	26 (1), 27, 28, 29
	of which: cooperative capital	9,629	
	of which: POP Shares	54,348	
2	Retained earnings	306,107	26 (1) (c)
3	Accumulated other comprehensive income (and other reserves)	166,268	26 (1)
3a	Funds for general banking risk	-	26 (1) (f)
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	486 (2)
5	Minority interests (amount allowed in consolidated CET1)	-	84
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	26 (2)
6	Common Equity Tier 1 capital (CET1) before regulatory adjustments	536,352	
Common Equity Tier 1 capital (CET1): statutory adjustments			
7	Additional value adjustments (negative amount)	-556	34, 105
8	Intangible assets (net of tax liability) (negative amount)	-15,717	36 (1) (b), 37
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability where the conditions of Article 38(3) are met) (negative amount)	-	36 (1) (c), 38
11	Fair value reserves related to gains or losses on cash flow hedges	-	33 (1) (a)
12	Negative amounts resulting from the calculation of expected loss amounts	-	36 (1) (d), 40, 159
13	Any increase in equity that results from securitised assets (negative amount)	-	32 (1)
14	Gains or losses on liabilities that are valued at fair value resulting from changes in own credit standing	-	33 (1) (b)
15	Defined benefit pension fund assets (negative amount)	-	36 (1) (e), 41
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	36 (1) (f), 42
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	36 (1) (g), 44

18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)	-	36 (1) (h), 43, 45, 46, 49 (2) (3), 79
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)	-7,034	36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79
21	Deferred tax assets arising from temporary differences (amount above 10 % threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	36 (1) (c), 38, 48 (1) (a)
22	Amount exceeding the 15 % threshold (negative amount)	-	48 (1)
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	36 (1) (i), 48 (1) (b)
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-	36 (1) (j)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-23,306	
29	Common Equity Tier 1 (CET1) capital	513,046	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	-	51, 52
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualified items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	486 (3)
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	85, 86
35	of which: instruments issued by subsidiaries subject to phase out	-	486 (3)
36	Additional Tier 1 (AT1) capital before regulatory adjustments	-	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-	52 (1) (b), 56 (a), 57
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	56 (b), 58
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)	-	56 (c), 59, 60, 79

40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	56 (d), 59, 60, 79
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	56 (e)
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	-	
45	Tier 1 capital (T1 = CET1 + AT1)	513,046	
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	-	62, 63
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	486 (4)
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	87, 88
49	of which: instruments issued by subsidiaries subject to phase out	-	486 (4)
50	Credit risk adjustments	-	62 (c) & (d)
51	Tier 2 (T2) capital before regulatory adjustments	-	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	63 (b) (i), 66 (a), 67
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	66 (b), 68
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible positions) (negative amount)	-	66 (c), 69, 70, 79
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	66 (d), 69, 79
57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	-	
59	Total Capital (TC = T1 + T2)	513,046	
60	Total risk weighted assets	2,578,449	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of the total risk exposure amount)	19.9 %	92 (2) (a)
62	Tier 1 (as a percentage of the total risk exposure amount)	19.9 %	92 (2) (b)

63	Total Capital (as a percentage of the total risk exposure amount)	19.9 %	92 (2) (c)
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)	3,340	36 (1) (h), 45, 46, 56 (c), 59, 60, 66 (c), 69, 70
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10 % threshold and net of eligible short positions)	-7,034	36 (1) (i), 45, 48
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	62
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	62
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
80	- Current cap on CET1 instruments subject to phase out arrangements	-	484 (3), 486 (2) & (5)
81	- Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	484 (3), 486 (2) & (5)
82	- Current cap on AT1 instruments subject to phase out arrangements	-	484 (4), 486 (3) & (5)
83	- Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	484 (4), 486 (3) & (5)
84	- Current cap on T2 instruments subject to phase out arrangements	-	484 (5), 486 (4) & (5)
85	- Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	484 (5), 486 (4) & (5)

NOTE 3 CAPITAL INSTRUMENTS' MAIN FEATURES

COMMISSION IMPLEMENTING REGULATION (EU) NO 1423/2013

		Supplementary co-operative capital	Cooperative capital	POP Shares
1	Issuer	Member cooperative banks	Member cooperative banks	Member cooperative banks
2	Unique identifier	Not applicable	Not applicable	Not applicable
3	Governing law(s) of the instrument	Finnish legislation	Finnish legislation	Finnish legislation
4	Transitional CRR rules	Common Equity Tier 1 capital (CET1), Additional Tier 1 capital (AT1), Tier 2 capital (T2)	Common Equity Tier 1 capital (CET1)	Common Equity Tier 1 capital (CET1)
5	Post-transitional CRR rules	Not applicable	Common Equity Tier 1 capital (CET1)	Common Equity Tier 1 capital (CET1)
6	Eligible at solo/(sub-) consolidated/solo &(sub-) consolidated	Solo & Consolidated	Solo & Consolidated	Solo & Consolidated
7	Instrument type	Regulation (EU) No 575/2013 article 484	Regulation (EU) No 575/2013 article 29	Regulation (EU) No 575/2013 article 29
8	Amount recognised in regulatory capital (currency in millions on the latest reporting date)	0.0	9.6	54.3
9	Nominal amount of the instrument (currency in millions)	11.3	9.9	56.1
9a	Issue price	100 %	100 %	100 %
9b	Redemption price	100 %	100 %	100 %
10	Accounting classification	Cooperative's share	Cooperative's share	Cooperative's share
11	Original date of issuance	Continuous	Continuous	Bank specific
12	Perpetual or dated	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes

15	Optional call date, contingent call dates and redemption amount	<p>Cooperative banks refund unit holders their supplementary cooperative contributions upon termination of membership or when the unit holder has resigned the contribution. The supplementary contribution is refunded within six 6 months of the end of the financial year based on which the refund can be for the first time. If the refund cannot be made in full, the refund may take place subsequently if it is possible based on the next three financial statements.</p>	<p>The member contribution is refunded after the expiry of membership in accordance with the Co-operatives Act and the Act on Co-operative Banks and Other Credit Institutions in the Form of a Cooperative on conditions laid down in the abovementioned Acts. However, the cooperative bank has the right to refuse to refund the contributions while the bank is operating. If a cooperative bank has not refused to refund the contribution, this may take place within 12 months after the end of the financial year when membership terminated. If the refund cannot be made in full in any given year, the balance will be refunded from disposable cooperative capital based on subsequent financial statements. However, this entitlement to the refund for the balance will terminate after the fifth financial statements. No interest is paid on the unpaid portion.</p>	<p>The cooperative bank refunds POP Share subscription price upon termination of membership or when the when the unit holder has resigned the POP Share. However, the cooperative bank has the right to refuse to refund payments made for POP Shares while the bank is operating. If a cooperative bank has not refused to refund POP Share, this may take place within 12 months after the end of the financial year when the holder of the POP Share resigned the contribution. The payments made for POP Shares are refunded on the conditions laid down in the Co-operatives Act and the Act on Co-operative Banks and Other Credit Institutions in the Form of a Cooperative and these rules. If the refund cannot be made in full in any given year, the balance will be refunded from disposable cooperative capital based on subsequent financial statements. However, this entitlement to the refund for the balance will terminate after the fifth financial statements. No interest is paid on the unpaid portion.</p>
16	Any subsequent redemption dates	See item 15	See item 15	See item 15
17	Fixed or variable dividend/coupon	Variable	Variable	Variable
18	Coupon interest rate and the related indices	Decision by the cooperative	Decision by the cooperative	Decision by the cooperative

19	Existence of a dividend stopper clause	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary
20b	Fully discretionary, partly discretionary or mandatory (with regard to amount)	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of a step-up condition or other redemption incentive	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Negotiable or restricted	Restricted	Restricted	Restricted
24	If the instrument is negotiable, which factors affect the condition?	Not applicable	Not applicable	Not applicable
25	If the instrument is negotiable, is it negotiable in its entirety or partly?	Not applicable	Not applicable	Not applicable
26	If the instrument is negotiable, what is the exchange rate?	Not applicable	Not applicable	Not applicable
27	If the instrument is negotiable, is the exchange mandatory or optional?	Not applicable	Not applicable	Not applicable
28	If the instrument is negotiable, specify which kind of an instrument it can be exchanged for.	Not applicable	Not applicable	Not applicable
29	If the instrument is negotiable, specify which issuer's instrument it can be exchanged for.	Not applicable	Not applicable	Not applicable
30	Properties of a write-down of book value	Yes	Yes	Yes
31	If it is possible to write down the book value, which factors trigger it?	Accrual of losses	Accrual of losses	Accrual of losses
32	If it is possible to write down the book value, is it performed completely or partly?	Completely or partly	Completely or partly	Completely or partly

33	If it is possible to write down the book value, is it permanent or temporary?	Temporary	Temporary	Temporary
34	If the write down of the book value is temporary, describe the mechanism of an increase in book value.	Through increase in cooperative capital	Through increase in cooperative capital	Through increase in cooperative capital
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	If a cooperative bank is dissolved either through liquidation or bankruptcy, any supplementary cooperative capital is refunded other cooperative capital or, if the funds are insufficient, that part of supplementary cooperative capital that is proportional to the supplementary cooperative capital paid.	If a cooperative bank is dissolved, supplementary cooperative capital is first refunded and thereafter member cooperative capital and payments made for POP Shares with equal priority.	If a cooperative bank is dissolved, supplementary cooperative capital is first refunded and thereafter member cooperative capital and payments made for POP Shares with equal priority.
36	Non-compliant properties	No	No	No
37	Specify any non-compliant properties	Not applicable	Not applicable	Not applicable

NOTE 4 MINIMUM CAPITAL REQUIREMENT AND RISK WEIGHTED ASSETS

(EUR 1,000)	Capital requirement		Risk weighted assets	
	2020	2019	2020	2019
Credit and counterparty risk by exposure class				
Exposures to central governments or central banks	446	313	5,578	3,907
Exposures to regional governments or local authorities	80	74	997	928
Exposures to public sector entities	52	9	650	107
Exposures to institutions	2,517	1,084	31,466	13,555
Exposures to corporates	49,250	51,666	615,619	645,826
Retail exposures	30,995	25,788	387,436	322,346
Exposures secured by mortgages on immovable property	72,622	69,087	907,771	863,584
Exposures in default	3,090	2,838	38,624	35,477
Exposures associated with particularly high risk	397	483	4,969	6,037
Exposures in the form of covered bonds	140	158	1,748	1,978
Exposures in the form of units or shares in collective investment undertakings (CIUs)	11,329	15,481	141,615	193,509
Equity exposures	11,197	10,775	139,960	134,694
Other items	5,875	6,319	73,441	78,983
Total credit risk exposures	187,990	184,074	2,349,874	2,300,929
Credit valuation adjustment risk (CVA)	-	-	-	-
Market risk (exchange rate risk)	1,669	1,971	20,858	24,633
Operational risk	16,617	16,490	207,717	206,123
Total	206,276	202,535	2,578,449	2,531,685

NOTE 5 AVERAGE VALUE OF TOTAL EXPOSURES DURING THE FINANCIAL PERIOD BY EXPOSURE CLASS

CREDIT AND COUNTERPARTY RISK

Exposure class (EUR 1,000)	2020	2019
Exposures to central governments or central banks	366,508	144,617
Exposures to regional governments or local authorities	143,638	187,124
Exposures to public sector entities	1,476	-
Exposures to multilateral development banks	638	631
Exposures to institutions	125,801	66,438
Exposures to corporates	759,347	735,735
Retail exposures	794,658	712,208
Exposures secured by mortgages on immovable property	2,601,247	2,489,311
Exposures in default	38,433	34,779
Exposures associated with particularly high risk	3,264	3,815
Exposures in the form of covered bonds	17,465	22,492
Exposures in the form of units or shares in collective investment undertakings (CIUs)	147,032	195,750
Equity exposures	60,214	59,557
Other items	91,746	93,681
Total	5,151,467	4,746,140

NOTE 6 ORIGINAL EXPOSURE BY RISK WEIGHT**CREDIT AND COUNTERPARTY RISK**

Risk weight (%) (EUR 1,000)	2020	2019
0	619,826	311,511
10	17,480	20,520
20	160,746	72,093
35	2,617,947	2,487,180
50	48,075	49,651
75	882,187	740,113
100	956,418	1,039,417
150	32,161	33,356
250	54,239	52,290
350	-	-
1250	-	6
Total	5,389,079	4,806,137

NOTE 7 DISTRIBUTION OF MATURITIES OF TOTAL EXPOSURE BY EXPOSURE CLASS

CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2020

Exposure class (EUR 1,000)	Total	less than 3 months	3-12 months
Exposures to central governments or central banks	463,626	421,390	2,721
Exposures to regional governments or local authorities	149,508	77,059	35,139
Exposures to public sector entities	2,932	2,000	-
Exposures to multilateral development banks	643	-	-
Exposures to institutions	151,285	-	6,707
Exposures to corporates	717,538	24,800	36,379
Retail exposures	882,188	20,113	25,480
Exposures secured by mortgages on immovable property	2,657,765	22,867	31,453
Exposures in default	48,879	22,322	319
Exposures associated with particularly high risk	3,312	-	-
Exposures in the form of covered bonds	17,480	-	502
Exposures in the form of units or shares in collective investment undertakings (CIUs)	146,222	-	-
Equity exposures	61,948	-	-
Other items	85,754	21,497	-
Total	5,389,079	612,048	138,699

Exposure class (EUR 1,000)	1-5 years	5-10 years	over 10 years
Exposures to central governments or central banks	22,951	16,564	-
Exposures to regional governments or local authorities	31,512	338	5,459
Exposures to public sector entities	594	338	-
Exposures to multilateral development banks	-	643	-
Exposures to institutions	120,830	19,796	3,953
Exposures to corporates	158,831	161,557	335,971
Retail exposures	100,902	145,741	589,951
Exposures secured by mortgages on immovable property	216,905	451,407	1,935,134
Exposures in default	3,773	7,162	15,303
Exposures associated with particularly high risk	-	-	3,312
Exposures in the form of covered bonds	14,454	2,525	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	146,222
Equity exposures	-	-	61,948
Other items	196	-	64,061
Total	670,948	806,071	3,161,314

CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2019

Exposure class (EUR 1,000)	Total	less than 3 months	3-12 months
Exposures to central governments or central banks	238,608	192,772	3,535
Exposures to regional governments or local authorities	62,986	3,004	18,924
Exposures to public sector entities	-	-	-
Exposures to multilateral development banks	629	-	-
Exposures to institutions	61,310	-	16,578
Exposures to corporates	751,976	25,501	32,517
Retail exposures	740,113	11,868	21,413
Exposures secured by mortgages on immovable property	2,525,052	21,127	30,648
Exposures in default	45,235	19,617	1,276
Exposures associated with particularly high risk	4,024	744	-
Exposures in the form of covered bonds	19,781	3,046	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	205,890	-	-
Equity exposures	58,603	-	-
Other items	91,929	26,136	-
Total	4,806,137	303,815	124,892

Exposure class (EUR 1,000)	1-5 years	5-10 years	over 10 years
Exposures to central governments or central banks	24,906	17,395	-
Exposures to regional governments or local authorities	35,958	62	5,039
Exposures to public sector entities	-	-	-
Exposures to multilateral development banks	-	629	-
Exposures to institutions	29,440	10,940	4,352
Exposures to corporates	173,893	171,200	348,864
Retail exposures	90,985	119,600	496,247
Exposures secured by mortgages on immovable property	217,700	437,279	1,818,299
Exposures in default	4,398	5,939	14,005
Exposures associated with particularly high risk	-	-	3,280
Exposures in the form of covered bonds	9,697	7,038	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	-	205,890
Equity exposures	-	-	58,603
Other items	106	-	65,687
Total	587,083	770,082	3,020,265

NOTE 8 TOTAL EXPOSURE BY EXPOSURE CLASS AND COUNTERPARTY

CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2020

Exposure class (EUR 1,000)	Total	Private	Corporate	- of which SME exposures
Exposures to central governments or central banks	463,626	-	-	-
Exposures to regional governments or local authorities	149,508	-	-	-
Exposures to public sector entities	2,932	-	-	-
Exposures to multilateral development banks	643	-	-	-
Exposures to institutions	151,285	-	-	-
Exposures to corporates	717,538	86,026	306,910	161,839
Retail exposures	882,188	425,195	121,060	140,850
Exposures secured by mortgages on immovable property	2,657,765	2,289,097	189,496	187,853
Exposures in default	48,879	20,943	9,036	-
Exposures associated with particularly high risk	3,312	-	-	-
Exposures in the form of covered bonds	17,480	-	-	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	146,222	-	-	-
Equity exposures	61,948	-	8,286	-
Other items	85,754	-	-	-
Total	5,389,079	2,821,261	634,788	490,543

Exposure class (EUR 1,000)	Agriculture	Other
Exposures to central governments or central banks	-	463,626
Exposures to regional governments or local authorities	-	149,508
Exposures to public sector entities	-	2,932
Exposures to multilateral development banks	-	643
Exposures to institutions	-	151,285
Exposures to corporates	270,676	53,926
Retail exposures	153,691	182,242
Exposures secured by mortgages on immovable property	174,286	4,885
Exposures in default	4,561	14,339
Exposures associated with particularly high risk	-	3,312
Exposures in the form of covered bonds	-	17,480
Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	146,222
Equity exposures	39	53,623
Other items	-	85,754
Total	603,253	1,329,777

CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2019

Exposure class (EUR 1,000)	Total	Private	Corporate	- of which SME exposures
Exposures to central governments or central banks	238,608	-	-	-
Exposures to regional governments or local authorities	62,986	-	-	-
Exposures to public sector entities	-	-	-	-
Exposures to multilateral development banks	629	-	-	-
Exposures to institutions	61,310	-	-	-
Exposures to corporates	751,976	98,219	323,719	169,574
Retail exposures	740,113	522,444	94,885	102,755
Exposures secured by mortgages on immovable property	2,525,052	2,175,683	169,370	171,504
Exposures in default	45,235	22,698	16,168	-
Exposures associated with particularly high risk	4,024	-	-	-
Exposures in the form of covered bonds	19,781	-	-	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	205,890	-	-	-
Equity exposures	58,603	-	7,482	-
Other items	91,929	-	-	-
Total	4,806,137	2,819,044	611,624	443,833

Exposure class (EUR 1,000)	Agriculture	Other
Exposures to central governments or central banks	-	238,608
Exposures to regional governments or local authorities	-	62,986
Exposures to public sector entities	-	-
Exposures to multilateral development banks	-	629
Exposures to institutions	-	61,310
Exposures to corporates	293,587	36,451
Retail exposures	122,359	425
Exposures secured by mortgages on immovable property	175,319	4,681
Exposures in default	5,399	971
Exposures associated with particularly high risk	-	4,024
Exposures in the form of covered bonds	-	19,781
Exposures in the form of units or shares in collective investment undertakings (CIUs)	-	205,890
Equity exposures	39	51,082
Other items	-	91,929
Total	596,703	778,767

NOTE 9 GEOGRAPHICAL BREAKDOWN OF SIGNIFICANT CREDIT EXPOSURES

CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2020

Exposure class (EUR 1,000)	Total	Finland	Other
Exposures to central governments or central banks	463,626	423,816	39,810
Exposures to regional governments or local authorities	149,508	149,508	-
Exposures to public sector entities	2,932	2,932	-
Exposures to multilateral development banks	643	-	643
Exposures to institutions	151,285	141,984	9,301
Exposures to corporates	717,538	685,316	32,222
Retail exposures	882,188	879,226	2,962
Exposures secured by mortgages on immovable property	2,657,765	2,653,078	4,687
Exposures in default	48,879	48,864	15
Exposures associated with particularly high risk	3,312	3,312	-
Exposures in the form of covered bonds	17,480	3,096	14,384
Exposures in the form of units or shares in collective investment undertakings (CIUs)	146,222	135,913	10,309
Equity exposures	61,948	56,205	5,743
Other items	85,754	85,754	-
Total	5,389,079	5,269,004	120,075

CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2019

Exposure class (EUR 1,000)	Total	Finland	Other
Exposures to central governments or central banks	238,608	196,302	42,306
Exposures to regional governments or local authorities	62,986	62,986	-
Exposures to public sector entities	-	-	-
Exposures to multilateral development banks	629	-	629
Exposures to institutions	61,310	54,216	7,094
Exposures to corporates	751,976	716,167	35,809
Retail exposures	740,113	737,261	2,852
Exposures secured by mortgages on immovable property	2,525,052	2,520,848	4,204
Exposures in default	45,235	45,230	5
Exposures associated with particularly high risk	4,024	4,024	-
Exposures in the form of covered bonds	19,781	2,466	17,315
Exposures in the form of units or shares in collective investment undertakings (CIUs)	205,890	194,254	11,636
Equity exposures	58,603	54,499	4,104
Other items	91,929	91,929	-
Total	4,806,137	4,680,184	125,953

NOTE 10 TOTAL EXPOSURES BY EXPOSURE CLASS BY COLLATERAL**CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2020**

Exposure class (EUR 1,000)	Total	Financial collateral	Secured by real estate	Guarantees	Other
Exposures to central governments or central banks	463,626	-	-	-	-
Exposures to regional governments or local authorities	149,508	-	-	-	-
Exposures to public sector entities	2,932	-	-	-	-
Exposures to multilateral development banks	643	-	-	-	-
Exposures to institutions	151,285	-	-	-	-
Exposures to corporates	717,538	3,636	-	29,458	80
Retail exposures	882,188	9,908	-	168,532	644
Exposures secured by mortgages on immovable property	2,657,765	-	2,657,765	-	-
Exposures in default	48,879	159	25,658	939	148
Exposures associated with particularly high risk	3,312	-	-	-	-
Exposures in the form of covered bonds	17,480	-	-	-	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	146,222	-	-	-	-
Equity exposures	61,948	-	-	-	-
Other items	85,754	-	-	-	-
Total	5,389,079	13,703	2,683,423	198,928	871

CREDIT AND COUNTERPARTY RISK 31 DECEMBER 2019

Exposure class (EUR 1,000)	Total	Financial collateral	Secured by real estate	Guarantees	Other
Exposures to central governments or central banks	238,608	-	-	-	-
Exposures to regional governments or local authorities	62,986	-	-	-	-
Exposures to public sector entities	-	-	-	-	-
Exposures to multilateral development banks	629	-	-	-	-
Exposures to institutions	61,310	-	-	-	-
Exposures to corporates	751,976	3,723	-	29,546	123
Retail exposures	740,113	8,284	-	147,752	685
Exposures secured by mortgages on immovable property	2,525,052	-	2,525,052	-	-
Exposures in default	45,235	147	21,480	982	34
Exposures associated with particularly high risk	4,024	-	-	-	-
Exposures in the form of covered bonds	19,781	-	-	-	-
Exposures in the form of units or shares in collective investment undertakings (CIUs)	205,890	-	-	-	-
Equity exposures	58,603	-	-	-	-
Other items	91,929	-	-	-	-
Total	4,806,137	12,153	2,546,532	178,280	843

COLLATERAL USED IN CAPITAL ADEQUACY

The following collateral specified in the EU Capital Requirements Regulation No 575/2013 are utilised in capital adequacy calculations: residential real estates and shares entitling their holders to the possession of an apartment, deposits and securities. Deposits and securities are financial collateral, as referred to in the regulatory framework. Financial collateral has been treated using the comprehensive method and volatility adjustments specified by the supervisor.

In addition, approved guarantors specified in the EU's Capital Requirements Regulation are used in the standardised approach for credit risk. The Finnish State is the most significant individual guarantor. Credit derivatives have not been used in the calculation. Offsetting balance-sheet or off-balance-sheet items has not been applied in capital adequacy measurement.

NOTE 11 DEGREE OF ASSET ENCUMBRANCE

ASSETS 31 DEC 2020

(EUR 1,000)	Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
Assets of the institution	94,832		4,832,318	
Equity instruments			67,934	67,936
Debt securities	94,832	95,730	482,761	483,028
Other assets			4,235,609	

COLLATERAL RECEIVED 31 DEC 2020

The amalgamation of POP Banks did not have encumbered collateral received or own debt securities issued as of 31 December 2020. The amalgamation did neither have collateral received or own securities issued that would have been available for encumbrance.

ENCUMBERED ASSETS/COLLATERAL RECEIVED AND DEBTS RELATING TO THEM 31 DEC 2020

(EUR 1,000)	Financing obtained against encumbered asset items (liabilities), contingent liabilities or borrowed securities	Assets, collateral received and debt securities other than covered bonds and asset-backed securities encumbered
Carrying amount of selected financial liabilities	55,000	94,832

INFORMATION ABOUT THE IMPORTANCE OF ASSET ENCUMBRANCE

The amalgamation has used collateral of securities in the balance with a carrying amount of EUR 948 32 thousand.

The information refers to the year 2020.

ASSETS 31 DEC 2019

(EUR 1,000)	Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
Assets of the institution	21,751		4,480,030	
Equity instruments			64,288	64,290
Debt securities	21,751	21,751	601,132	601,134
Other assets			3,811,811	

COLLATERAL RECEIVED 31 DEC 2019

The amalgamation did not have encumbered collateral received or own debt securities issued as of 31 December 2019. The amalgamation did neither have collateral received or own securities issued that would have been available for encumbrance.

ENCUMBERED ASSETS/COLLATERAL RECEIVED AND DEBTS RELATING TO THEM 31 DEC 2019

(EUR 1,000)	Financing obtained against encumbered asset items (liabilities), contingent liabilities or borrowed securities	Assets, collateral received and debt securities other than covered bonds and asset-backed securities encumbered
Carrying amount of selected financial liabilities	-	21,751

INFORMATION ABOUT THE IMPORTANCE OF ASSET ENCUMBRANCE

The amalgamation has used collateral of securities in the balance with a carrying amount of EUR 217 51 thousand.

The information refers to the year 2019.

NOTE 12 OPERATIONAL RISK STATEMENT

OPERATIONAL RISK CAPITAL REQUIREMENT 31 DEC 2020

(EUR 1,000)	2020	2019	2018	Capital requirement
Gross income total	111,597	118,916	101,834	
Profit indicator	16,740	17,837	15,275	16,617

OPERATIONAL RISK CAPITAL REQUIREMENT 31 DEC 2019

(EUR 1,000)	2019	2018	2017	Capital requirement
Gross income total	118,916	101,834	109,046	
Profit indicator	17,837	15,275	16,357	16,490

Profit indicator is calculated according to the basic indicator approach described in the EU:s Capital Requirements Regulation No 575/2013.

Minimum capital requirement = sum of yearly positive profit indicators / sum of the years the profit indicator has been positive.

Operational risks refer to the risk of loss that banks may incur as a result of inadequate or incomplete internal processes, personnel, systems or external factors.

NOTE 13 LEVERAGE RATIO

31 DEC 2020

Reconciliation of leverage ratio and balance sheet (EUR 1,000)

1	Total assets as per published financial statements	5,082,576
4	Adjustments for derivative financial instruments	-
6	Adjustment for off-balance sheet items	87,129
7	Other adjustments	-22,795
8	Total leverage ratio exposures	5,146,910

Disclosure of leverage ratio

Balance sheet exposures (excluding derivative contracts, SFTs)		CRR leverage ratio exposures
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1	On-balance sheet items (excluding derivative contracts, SFTs and fiduciary assets, but including collateral)	5,082,531
3	Total on-balance sheet exposures (excluding derivative contracts, SFTs and fiduciary assets)	5,082,531

Derivative contracts

4	Derivative contracts: market value	-
5	Derivative contracts: mark-to-market method	-

11	Total derivative contracts	278,326
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Other off-balance-sheet exposures	-175,900
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17	Off-balance sheet exposures at gross notional amount	87,129
18	(Adjustments for conversion to credit equivalent amounts)	

19	Other off-balance-sheet exposures	513,046
		5,146,910

Capital and total exposures

20	Tier 1 capital	100 %
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21	Total leverage ratio exposures	-
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Leverage ratio

22	Leverage ratio	100 %
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Choice on transitional arrangements and amount of derecognised fiduciary items

EU-23	Choice on transitional arrangements for the definition of the capital measure	-
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Balance sheet exposures total (excluding derivative contracts, SFTs and exempted exposures)

	CRR leverage ratio exposures
EU-1 Total on-balance sheet exposures (excluding derivative contracts, SFTs and exempted exposures), of which:	5,082,531
EU-3 Banking book exposures, of which:	5,082,531
EU-4 Covered bonds	17,480
EU-5 Exposures treated as sovereigns	782,655
EU-6 Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns	7,986
EU-7 Institutions	151,860
EU-8 Secured by mortgages of immovable properties	2,593,856
EU-9 Retail exposures	536,847
EU-10 Exposures to corporates	637,443
EU-11 Exposures in default	34,417
EU-12 Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	319,987

31 DEC 2019**Reconciliation of leverage ratio and balance sheet****(EUR 1,000)**

1	Total assets as per published financial statements	4,528,086
4	Adjustments for derivative financial instruments	-
6	Adjustment for off-balance sheet items	79,163
7	Other adjustments	-18,807
8	Total leverage ratio exposures	4,588,442

Disclosure of leverage ratio

		CRR leverage ratio expo
Balance sheet exposures (excluding derivative contracts, SFTs)		
1	On-balance sheet items (excluding derivative contracts, SFTs and fiduciary assets, but including collateral)	4 528 088
3	Total on-balance sheet exposures (excluding derivative contracts, SFTs and fiduciary assets)	4 528 088
Derivative contracts		
4	Derivative contracts: market value	-
5	Derivative contracts: mark-to-market method	-
11	Total derivative contracts	-
Other off-balance-sheet exposures		
17	Off-balance sheet exposures at gross notional amount	249 400
18	(Adjustments for conversion to credit equivalent amounts)	-170 237
19	Other off-balance-sheet exposures	79 163
Capital and total exposures		
20	Tier 1 capital	503 117
21	Total leverage ratio exposures	4 588 442
Leverage ratio		
22	Leverage ratio	11,0 %
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	5 253

Balance sheet exposures total (excluding derivative contracts, SFTs and exempted exposures)

		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivative contracts, SFTs and exempted exposures), of which:	4,528,088
EU-3	Banking book exposures, of which:	4,528,088
EU-4	Covered bonds	19,781
EU-5	Exposures treated as sovereigns	450,425
EU-6	Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns	4,725
EU-7	Institutions	61,989
EU-8	Secured by mortgages of immovable properties	2,466,107
EU-9	Retail exposures	444,418
EU-10	Exposures to corporates	670,460
EU-11	Exposures in default	30,926
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	379,256

Disclosure of qualitative aspects of leverage ratio

1	Description of the processes used to manage the risk of excessive leverage	The risk of excessive leverage of the amalgamation is assessed by frequent monitoring of the leverage ratio. At the end of 2020, the amalgamation set a target level for the minimum leverage ratio.
2	Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	The leverage ratio decreased by 1.0 percentage points compared to the previous financial period. The decrease was driven by growth of the amalgamation's total exposures, primarily due to growth of exposures treated as sovereigns and exposures secured by immovable real estate.

NOTE 14 SHAREHOLDINGS NOT INCLUDED IN THE TRADING BOOK

31 DEC 2020

Share breakdown (EUR 1,000)	Market value	Balance sheet value
Listed shares	3,713	3,713
Unlisted shares	65,112	65,111
Total	68,826	68,824

Diversified distribution of shares (EUR 1,000)

Listed shares	3,713
Strategic shares	62,403
Other unlisted shares	2,708
Total	68,824

EUR 59.0 million of the strategic holdings consists of Finnish P&C Insurance Ltd, which is a wholly owned company by POP Holding Ltd

Capital gains and losses (EUR 1,000)	Gains	Losses	Total
Share/fund unit	34	-2	31

Fair value reserve (EUR 1,000)	EUR	EUR
Fair value reserve balance on 1 January 2020 (gross)		781
- Fair value increases	2,801	
- Fair value decreases	-1,561	
- Transferred from fair value reserve to the income statement		
Total changes in fair value reserve 1 January - 31 December 2020		1,240
Fair value reserve balance on 31 December 2020 (gross)		2,020

31 DEC 2019

Share breakdown (EUR 1,000)	Market value	Balance sheet value
Listed shares	3,227	3,227
Unlisted shares	61,576	61,574
Total	64,803	64,802

Diversified distribution of shares (EUR 1,000)

Listed shares	3,227
Strategic shares	59,052
Other unlisted shares	2,523
Total	64,802

Capital gains and losses (EUR 1,000)	Gains	Losses	Total
Share/fund unit	29	-1,138	-1,108

Fair value reserve (EUR 1,000)	EUR	EUR
Fair value reserve balance on 1 January 2019 (gross)		345
- Fair value increases	849	
- Fair value decreases	-1,529	
- Transferred from fair value reserve to the income statement	1,116	
Total changes in fair value reserve 1 January - 31 December 2019		436
Fair value reserve balance on 31 December 2019 (gross)		781

NOTE 15 REMUNERATION OF PERSONNEL

31 DEC 2020

FIXED AND VARIABLE REMUNERATION (EUR 1,000)

Employee group	Number of personnel		Fixed wages and salaries		Variable remuneration	
	2020	2019	2020	2019	2020	2019
Management	6	7	918	1,010	71	65
Risk-takers	115	98	8,792	8,125	294	149
Other personnel	588	516	19,380	19,222	465	497
Total	709	621	29,089	28,357	830	711

The amalgamation of POP Banks has not paid signing bonuses to risk-takers in 2020. During the same period the amalgamation paid redundancy payments of 108 thousand euros to one risk-taker. Redundancy payments of 757 thousand euros have been defined to eight risk-takers in the amalgamation of POP Banks in 2020. The maximum compensation for one recipient was 192 thousand euros. The amalgamation of POP Banks has not paid compensation of over EUR 1 million in 2020 or such variable remunerations that should be delayed.

Other information regarding remuneration and remuneration to related parties is presented in Notes 3 and 38 of the consolidated financial statements.

NOTE 16 LIQUIDITY COVERAGE RATIO

Consolidated (EUR 1,000) 31 Dec 2020	Total weighted adjusted value (average)			
	31/03/2020	30/06/2020	30/09/2020	31/12/2020
Number of data points used in the calculation	12	12	12	12
21 Liquidity buffer	332,913	423,484	531,506	603,881
22 Total net cash outflows	258,438	270,118	283,558	306,822
23 Liquidity coverage ratio (%)	129 %	157 %	187 %	197 %

Consolidated (EUR 1,000) 31 Dec 2019	Total weighted adjusted value (average)			
	31/03/2019	30/06/2019	30/09/2019	31/12/2019
Number of data points used in the calculation	12	12	12	12
21 Liquidity buffer	323,046	347,204	353,482	348,763
22 Total net cash outflows	243,385	251,891	252,600	257,330
23 Liquidity coverage ratio (%)	133 %	139 %	141 %	136 %

TABLE ON QUALITATIVE/QUANTITATIVE INFORMATION OF LIQUIDITY RISK IN ACCORDANCE WITH ARTICLE 435(1) OF REGULATION (EU) 575/2013

Strategies and processes in the management of the liquidity risk	The liquidity management of the amalgamation follows the principles set out in the liquidity strategy, which aims to manage risk by a well-diversified funding structure. The most important means of maintaining a good liquidity position are to maintain a sufficiently large liquidity reserve buffer and to diversify sources of funding. Intra-day liquidity, liquidity reserve and liquidity coverage ratio are the central ways to limit and measure the liquidity risk of the amalgamation. The internal limits and controls of the amalgamation limit the liquidity risk of the amalgamation and its member credit institutions. They also ensure that regulatory requirements related to liquidity risk are met. To improve liquidity management in the amalgamation the credit institutions and the central credit institution have signed a transfer of title agreement on the transfer of credit institutions' liquid assets to the credit institution that ensures the credit institution's treasury has no legal or practical impediments in using them.
Structure and organisation of the liquidity risk management function (authority, statute, other arrangements)	The member credit institutions each manage the operational implementation of the amalgamation's liquidity strategy, which is coordinated by the amalgamation's central institution Bonum Bank. In the role of a central institution, Bonum Bank manages the liquidity reserve. The central institution is also responsible for the amalgamation's external funding and ensures that its maturity profile is always in line with the amalgamation's confirmed risk appetite. It implements day-to-day liquidity management, compliance with LCR regulatory requirements, and coordinates the amalgamation's internal liquidity equalization as well as wholesale funding. All intra-group lending takes place through a central institution.

<p>Scope and nature of liquidity risk reporting and measurement systems</p>	<p>The amalgamation's central credit institution supervises the intra-day liquidity coverage by monitoring the balances of the payment accounts of the member credit institutions. The member credit institutions follow continuously their intra-day liquidity position. The measuring and monitoring of liquidity risk is based on the central credit institution's and the member credit institutions' portfolio, balance sheet, accounting and customer information. The system collects data on a contractual level from the loan and deposit core systems as well as data from the investment portfolio. The system has the portfolio, organizational and limit structures necessary for the measurement of market, interest and liquidity risk.</p>
<p>A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy</p>	<p>The central institution's Board of Directors assures that the liquidity risk management systems put in place are adequate with regard to the amalgamation's profile and strategy.</p>
<p>A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy</p>	<p>The member credit institutions shall not be exposed to such a high level of risk as to materially endanger the liquidity of the amalgamation or individual credit institution. The amalgamation's level of liquidity risk appetite is moderate. The aim is to limit liquidity risk in all activities. The moderate level of risk appetite is reflected in the size of the amalgamation's liquidity reserve and the amalgamation's Liquidity Requirement (LCR) control and response limits. Liquidity risk is managed by ensuring a sufficient amount of the liquidity reserve buffer, by continuously forecasting funding needs and monitoring the funding structure.</p>

TEMPLATE ON QUALITATIVE INFORMATION ON LCR, WHICH COMPLEMENTS THE LCR DISCLOSURE TEMPLATE

Concentration of funding and liquidity sources	The most significant source of funding for the amalgamation is retail deposits. The central bank of the amalgamation acquires wholesale funding by issuing bonds and certificates of deposits.
Derivative exposures and potential collateral calls	No derivative contracts have been entered into at the end of the year 2019. Thus there are no outflows from derivatives or additional collateral needs in LCR.
Currency mismatch in the LCR	The amalgamation's business is conducted in euros and there is no currency mismatch in LCR.
A description of the degree of centralisation of liquidity management and interaction between the group's units	The central bank of the amalgamation is responsible for the amalgamation's intraday and daily liquidity management and monitoring. The member credit institutions are responsible for implementing the liquidity strategy. The member credit institutions are mainly responsible for the control and monitoring its payment accounts, fulfilling its minimum reserve requirement and monitoring and fulfilling its LCR Net cash Flow. The central credit institution monitors and supervises the activities of the member credit institutions, in particular from the point of view of ensuring liquidity, and intervenes, where appropriate, in the liquidity position of the member credit institutions in accordance with the principles agreed in the amalgamation's liquidity strategy. In addition the central credit institution coordinates the payment transactions of the member credit institutions and the acquisition and balancing of liquidity in the amalgamation. The central credit institution acts as an issuer in the wholesale market and maintains the amalgamation's liquidity buffer.
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	POP Bank Alliance Coop, the central institution of POP Banks' Amalgamation, applies a permission by the Finnish Financial Supervisory Authority to decide that the requirements laid down in the sixth part of the European Union's Capital Requirements Regulation (EU 575/2013) and EU's statutory orders set in the Regulation are not applied to its member credit institutions.

NOTE 17 CREDIT QUALITY OF FORBORNE EXPOSURES**31 DEC 2020**

	a	b	c	d
	Gross carrying amount/nominal amount of exposures with forbearance measures			
	Non-performing forborne			
(EUR 1,000)	Performing forborne	Of which defaulted		Of which impaired
1 Loans and advances	116,459	37,194	19,242	37,189
2 Central banks				
3 General governments				
4 Credit institutions				
5 Other financial corporations				
6 Non-financial corporations	20,391	10,501	9,271	10,496
7 Households	96,068	26,693	9,971	26,693
8 Debt Securities				
9 Loan commitments given	100	45		45
10 Total	116,559	37,239	19,242	37,234

		e	f	g	h
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
		On performing forbore exposures	On non-performing forbore exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
(EUR 1,000)					
1	Loans and advances	-1,136	-7,231	139,233	27,719
2	Central banks				
3	General governments				
4	Credit institutions				
5	Other financial corporations				
6	Non-financial corporations	-318	-3,265	26,173	6,668
7	Households	-818	-3,966	113,060	21,052
8	Debt Securities				
9	Loan commitments given		1	132	
10	Total	-1,136	-7,230	139,365	27,719

NOTE 18 CREDIT QUALITY OF PERFORMING AND NON-PERFORMING EXPOSURES BY PAST DUE DAYS

31 DEC 2020		a	b	c	d	e	f
		Gross carrying amount/nominal amount					
		Performing exposures			Non-performing exposures		
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	
(EUR 1,000)							
1	Loans and advances	3,829,203	3,817,725	11,478	118,866	71,120	13,185
2	Central banks	37,041	37,041				
3	General governments	2,210	2,210				
4	Credit institutions	3,552	3,552				
5	Other financial corporations	12,985	12,982	3	121		
6	Non-financial corporations	551,090	550,166	924	31,735	15,899	5,148
7	Of which SMEs	545,127	544,203	924	31,173	15,338	5,148
8	Households	3,222,326	3,211,775	10,551	87,011	55,221	8,037
9	Debt securities	589,097	589,097		6,579	6,579	
10	Central banks						
11	General governments	185,852	185,852				
12	Credit institutions	146,560	146,560				
13	Other financial corporations	159,368	159,368				
14	Non-financial corporations	97,318	97,318		6,579	6,579	
15	Off-balance-sheet exposures	295,677			1,307		
16	Central banks						
17	General governments	890					
18	Credit institutions	209					
19	Other financial corporations	158					
20	Non-financial corporations	79,415			616		
21	Households	215,005			690		
22	Total	4,713,978	4,406,822	11,478	126,752	77,699	13,185

	g	h	i	j	k	l
	Gross carrying amount/nominal amount					
	Non-performing exposures					
(EUR 1,000)	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	9,026	10,789	9,883	3,155	1,708	59,539
2 Central banks						
3 General governments						
4 Credit institutions						
5 Other financial corporations					121	121
6 Non-financial corporations	4,229	3,379	2,111	636	333	24,345
7 Of which SMEs	4,229	3,379	2,111	636	333	23,783
8 Households	4,798	7,410	7,772	2,519	1,254	35,073
9 Debt securities						
10 Central banks						
11 General governments						
12 Credit institutions						
13 Other financial corporations						
14 Non-financial corporations						
15 Off-balance-sheet exposures						867
16 Central banks						
17 General governments						
18 Credit institutions						
19 Other financial corporations						
20 Non-financial corporations						516
21 Households						351
22 Total	9,026	10,789	9,883	3,155	1,708	60,405

NOTE 19 PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

31.12.2020

(EUR 1,000)		a	b	c	d	e	f
		Gross carrying amount/nominal amount					
		Performing exposures			Non-performing exposures		
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3	
1	Loans and advances	3,829,203	3,566,115	263,089	118,866	244	118,489
2	Central banks	37,041	37,041				
3	General governments	2,210	2,210				
4	Credit institutions	3,552	3,552				
5	Other financial corporations	12,985	12,982	3	121		121
6	Non-financial corporations	551,090	488,222	62,867	31,735	24	31,656
7	Of which SMEs	545,127	484,268	62,867	31,173	24	31,094
8	Households	3,222,326	3,022,108	200,218	87,011	220	86,713
9	Debt securities	589,097	397,117	32,427	6,579		6,579
10	Central banks						
11	General governments	185,852	182,411	3,440			
12	Credit institutions	146,560	144,340	897			
13	Other financial corporations	159,368	4,111	1,398			
14	Non-financial corporations	97,318	66,255	26,691	6,579		6,579
15	Off-balance-sheet exposures	295,677	278,326	17,352	1,307		1,307
16	Central banks						
17	General governments	890	890				
18	Credit institutions	209	209				
19	Other financial corporations	158	158				
20	Non-financial corporations	79,415	70,857	8,557	616		616
21	Households	215,005	206,210	8,795	690		690
22	Total	4,713,978	4,241,557	312,867	126,752	244	126,375

		g	h	i	j	k	l
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
		Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
(EUR 1,000)			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3
1	Loans and advances	-8,850	-5,370	-3,480	-23,453	-56	-23,397
2	Central banks						
3	General governments	-1	-1				
4	Credit institutions						
5	Other financial corporations	-20	-20		-109		-109
6	Non-financial corporations	-1,602	-806	-796	-9,410		-9,410
7	Of which SMEs	-1,598	-802	-796	-9,354		-9,354
8	Households	-7,226	-4,543	-2,684	-13,934	-55	-13,879
9	Debt securities	-1,020	-149	-870	-2,073		-2,073
10	Central banks						
11	General governments	-56	-45	-11			
12	Credit institutions	-54	-51	-3			
13	Other financial corporations	-40	-4	-36			
14	Non-financial corporations	-869	-50	-819	-2,073		-2,073
15	Off-balance-sheet exposures	469	332	137	319		319
16	Central banks						
17	General governments						
18	Credit institutions	6	6				
19	Other financial corporations	1	1				
20	Non-financial corporations	117	69	48	242		242
21	Households	346	256	90	77		77
22	Total	-9,400	-5,188	-4,213	-25,207	-56	-25,151

(EUR 1,000)	m	Collateral and financial guarantees received	
		n	o
	Accumulated partial write-off	On performing exposures	On non-performing exposures
1 Loans and advances	-1,744	3,626,506	85,166
2 Central banks			
3 General governments		929	
4 Credit institutions			
5 Other financial corporations		12,924	
6 Non-financial corporations	-1,159	531,895	20,197
7 Of which SMEs	-1,076	525,991	19,695
8 Households	-585	3,080,758	64,969
9 Debt securities			
10 Central banks			
11 General governments			
12 Credit institutions			
13 Other financial corporations			
14 Non-financial corporations			
15 Off-balance-sheet exposures		137,441	596
16 Central banks			
17 General governments		872	
18 Credit institutions			
19 Other financial corporations		133	
20 Non-financial corporations		47,486	241
21 Households		88,949	354
22 Total	-1,744	3,763,947	85,762

NOTE 20 COLLATERAL OBTAINED BY TAKING POSSESSION AND EXECUTION PROCESSES

31 DEC 2020

(EUR 1,000)	a	b
	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
1		
Property, plant and equipment (PP&E)		
2		
Other than PP&E	1,770	-284
3		
<i>Residential immovable property</i>	1,567	-284
4		
<i>Commercial Immovable property</i>	203	
5		
<i>Movable property (auto, shipping, etc.)</i>		
6		
<i>Equity and debt instruments</i>		
7		
<i>Other</i>		
8		
Total	1,770	-284

NOTE 21 READER'S GUIDE

Regulation (EU) No 575/2013 of the European parliament and of the Council of 26 June 2013 (Title 2: Technical Criteria on Transparency and Disclosure)

Regulation	Disclosure requirement	Reference to publication
Article 435	Risk management objectives and policies	
1 a)	The strategies and processes to manage those risks	Financial statements: Note 4
1 b)	The structure and organisation of the relevant risk management function including information on its authority and statute, or other appropriate arrangements	Financial statements: Note 4
1 c)	The scope and nature of risk reporting and measurement systems	Financial statements: Note 4
1 d)	The policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants	Financial statements: Note 4
1 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	Pillar III Report
1 f)	A concise risk statement approved by the management body succinctly describing the institution's overall risk profile associated with the business strategy	Pillar III Report
2 a)	The number of directorships held by members of the management body	Financial statements: Note 3
2 b)	The recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise	Financial statements: Note 3
2 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	Financial statements: Note 3
2 d)	Whether or not the institution has set up a separate risk committee and the number of times the risk committee has met	Financial statements: Note 4
2 e)	The description of the information flow on risk to the management body	Financial statements: Note 4
Article 436	Scope of application	
a)	The name of the institution to which the requirements of this Regulation apply	Pillar III Report
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; (ii) proportionally consolidated; (iii) deducted from own funds; (iv) neither consolidated nor deducted;"	Financial statements: Note 1

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

Article 437 Own funds

1 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	Pillar III Report
1 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	Pillar III Report
1 c)	The full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments	Pillar III Report
1 d)	"Separate disclosure of the nature and amounts of the following (i) each prudential filter applied pursuant to Articles 32 to 35; (ii) each deduction made pursuant to Articles 36, 56 and 66; (iii) items not deducted in accordance with Articles 47, 48, 56, 66 and 79;"	Pillar III Report
1 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
1 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

Article 438 Capital requirements

a)	A summary of the institution's approach to assessing the adequacy of its internal capital to support current and future activities	Financial statements: Note 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 based on the supervisory review process as referred to in point (a) of Article 104(1) of Directive 2013/36/EU	Not applicable

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	Pillar III Report
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. For the retail exposure class, this requirement applies to each of the categories of exposures to which the different correlations in Article 154(1) to (4) correspond. For the equity exposure class, this requirement applies to (i) each of the approaches provided in Article 155; (ii) exchange traded exposures, private equity exposures in sufficiently diversified portfolios, and other exposures; (iii) exposures subject to supervisory transition regarding own funds requirements; (iv) exposures subject to grandfathering provisions regarding own funds requirements;"	Not applicable
e)	Own funds requirements calculated in accordance with points (b) and (c) of Article 92(3)	Pillar III Report
f)	Own funds requirements calculated in accordance with Part Three, Title III, Chapters 2, 3 and 4 and disclosed separately	Pillar III Report
Article 439 Exposure to counterparty credit risk		
	Not significant. The amalgamation of POP Banks has no derivative contracts outstanding as of 31 December 2019.	Not significant
Article 440 Capital buffers		
1 a)	The geographical distribution of its credit exposures relevant for the calculation of its countercyclical capital buffer	Not significant
1 b)	The amount of its institution specific countercyclical capital buffer	Not significant
Article 441 Indicators of global systemic importance		
	Institutions identified as G-SIIs in accordance with Article 131 of Directive 2013/36/EU shall disclose, on an annual basis, the values of the indicators used for determining the score of the institutions in accordance with the identification methodology referred to in that Article	Not applicable
Article 442 Credit risk adjustments		
a)	The definitions for accounting purposes of • past due • and • impaired •	Financial statements: Note 2
b)	A description of the approaches and methods adopted for determining specific and general credit risk adjustments	Financial statements: Note 2
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	Pillar III Report

d)	The geographic distribution of the exposures, broken down in significant areas by material exposure classes, and further detailed if appropriate	Pillar III Report
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	Pillar III Report
f)	The residual maturity breakdown of all the exposures, broken down by exposure classes, and further detailed if appropriate	Pillar III Report
g)	"By significant industry or counterparty type, the amount of (i) impaired exposures and past due exposures, provided separately; (ii) specific and general credit risk adjustments; (iii) charges for specific and general credit risk adjustments during the reporting period;"	Pillar III Report
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 significant
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; (ii) the opening balances; (iii) the amounts taken against the credit risk adjustments during the reporting period; (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; (v) the closing balances"	Financial statements: Note 18

Article 443 Unencumbered assets

Disclosure requirements as specified by Commission delegated regulation (EU) 2017/2295	Pillar III Report
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Article 444 Use of ECAs

a)	The names of the nominated ECAs 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
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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	Not applicable
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Article 445 Exposure to market risk

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	Pillar III Report
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Article 446 Operational risk

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	Pillar III Report
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Article 447 Exposures in equities not included in the trading book

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	Financial statements: Note 2
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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	Financial statements: Note 4, Pillar III Report
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c)	The types, nature and amounts of exchange-traded exposures, private equity exposures in sufficiently diversified portfolios, and other exposures	Pillar III Report, Financial statements: Note 21
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d)	The cumulative realised gains or losses arising from sales and liquidations in the period	Pillar III Report
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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	Pillar III Report
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Article 448 Exposure to interest rate risk on positions not included in the trading book

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	Financial statements: Note 4
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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	Financial statements: Note 4
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Article 449 Exposure to securitisation positions

Not applicable. The amalgamation of POP Banks does not carry securitisation positions.	Not applicable
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Article 450 Remuneration policy

1 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	Financial statements: Note 3
1 b)	Information on link between pay and performance	Financial statements: Note 3
1 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	Financial statements: Note 3
1 d)	The ratios between fixed and variable remuneration set in accordance with Article 94(1)(g) of Directive 2013/36/EU	Pillar III Report
1 e)	Information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based	Financial statements: Note 3
1 f)	The main parameters and rationale for any variable component scheme and any other non-cash benefits	Financial statements: Note 3
1 g)	Aggregate quantitative information on remuneration, broken down by business area	Financial statements: Note 1
1 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; (ii) the amounts and forms of variable remuneration, split into cash, shares, share-linked instruments and other types; (iii) the amounts of outstanding deferred remuneration, split into vested and unvested portions; (iv) the amounts of deferred remuneration awarded during the financial year, paid out and reduced through performance adjustments; (v) new sign-on and severance payments made during the financial year, and the number of beneficiaries of such payments; (vi) the amounts of severance payments awarded during the financial year, number of beneficiaries and highest such award to a single person"	Pillar III Report

1 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	Pillar III Report
1 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	Not applicable
Article 451 Leverage		
1 a)	The leverage ratio and how the institution applies Article 499(2) and (3)	Pillar III Report
1 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	Pillar III Report
1 c)	Where applicable, the amount of derecognised fiduciary items in accordance with Article 429(11)	Pillar III Report
1 d)	A description of the processes used to manage the risk of excessive leverage	Pillar III Report
1 e)	A description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	Pillar III Report
Article 452 Use of the IRB Approach to credit risk		
	Not applicable. The amalgamation of POP Banks does not use the IRB approach to credit risk.	Not applicable
Article 453 Use of credit risk mitigation techniques		
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	Financial statements: Note 2
b)	The policies and processes for collateral valuation and management	Financial statements: Note 4
c)	A description of the main types of collateral taken by the institution	Financial statements: Note 4, Pillar III Report
d)	The main types of guarantor and credit derivative counterparty and their creditworthiness	Pillar III Report
e)	Information about market or credit risk concentrations within the credit mitigation taken	Pillar III Report
f)	For institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, but not providing own estimates of LGDs 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	Pillar III Report

g)	For institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, separately for each exposure class, the total exposure (after, where applicable, on- or off-balance sheet netting) that is covered by guarantees or credit derivatives. For the equity exposure class, this requirement applies to each of the approaches provided in Article 155	Pillar III Report
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Article 454 Use of the Advanced Measurement Approaches to operational risk

Not applicable. The amalgamation of POP Banks does not use advanced measurement approaches for operational risk capital requirement.	Not applicable
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Article 455 Use of Internal Market Risk Models

Not applicable. The amalgamation of POP Banks does not use internal market risk models.	Not applicable
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EBA GL 2020 07 COVID -19 measures disclosure

According to European Banking Authority (EBA) legislative moratoria has not been introduced in Finland (templates 1 and 2).	Not applicable
Finnish Supervisory Authority (FSA) has waived in Regulations and Guidelines 3/2020 the disclosure of template 3 information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis for non global systemically important financial institutions (non G-SIFIs).	Not applicable

POP Bank 