

Nordea



Capital and Risk Management Report 2023

Appendix F Nordea Mortgage Bank Plc

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Table 1 - EU KM1 - Key metrics template

During the second half of 2023, total own funds for NMB increased by EUR 3m. CET1 capital increased by 3m, while AT1 capital and T2 capital remained stable. Total REA decreased by EUR 3m over the period, CET1 ratio increased by 0.1pp to 39.8% and TCR increased by 0.1 pp to 40.3%. The leverage ratio remained at the same level (4.8%).

	a	b	c	d	e
	2023 Q4		2023 Q2		2022 Q4
Available own funds (amounts)					
1 Common Equity Tier 1 (CET1) capital	1,559		1,557		1,560
2 Tier 1 capital	1,559		1,557		1,560
3 Total capital	1,580		1,578		1,581
Risk-weighted exposure amounts					
4 Total risk exposure amount	3,922		3,925		3,892
Capital ratios (as a percentage of risk-weighted exposure amount)					
5 Common Equity Tier 1 ratio (%)	39.8%		39.7%		40.1%
6 Tier 1 ratio (%)	39.8%		39.7%		40.1%
7 Total capital ratio (%)	40.3%		40.2%		40.6%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0.0%		0.0%		0.0%
EU 7b of which: to be made up of CET1 capital (percentage points)	0.0%		0.0%		0.0%
EU 7c of which: to be made up of Tier 1 capital (percentage points)	0.0%		0.0%		0.0%
EU 7d Total SREP own funds requirements (%)	8.0%		8.0%		8.0%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8 Capital conservation buffer (%)	2.5%		2.5%		2.5%
EU 8a Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0%		0.0%		0.0%
9 Institution specific countercyclical capital buffer (%)	0.0%		0.0%		0.0%
EU 9a Systemic risk buffer (%)	0.0%		0.0%		0.0%
10 Global Systemically Important Institution buffer (%)	0.0%		0.0%		0.0%
EU 10a Other Systemically Important Institution buffer (%)	0.0%		0.0%		0.0%
11 Combined buffer requirement (%)	2.5%		2.5%		2.5%
EU 11a Overall capital requirements (%)	10.5%		10.5%		10.5%
12 CET1 available after meeting the total SREP own funds requirements (%)	32.3%		32.2%		32.6%
Leverage ratio					
13 Total exposure measure	32,559		32,542		34,006
14 Leverage ratio (%)	4.8%		4.8%		4.6%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a Additional own funds requirements to address the risk of excessive leverage (%)	0.0%		0.0%		0.0%
EU 14b of which: to be made up of CET1 capital (percentage points)	0.0%		0.0%		0.0%
EU 14c Total SREP leverage ratio requirements (%)	3.0%		3.0%		3.0%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d Leverage ratio buffer requirement (%)	0.0%		0.0%		0.0%
EU 14e Overall leverage ratio requirement (%)	3.0%		3.0%		3.0%
Liquidity Coverage Ratio					
15 Total high-quality liquid assets (HQLA) (Weighted value -average)	350	304	323	326	302
EU 16a Cash outflows - Total weighted value	302	200	279	263	152
EU 16b Cash inflows - Total weighted value	646	787	967	938	879
16 Total net cash outflows (adjusted value)	75	50	70	66	38
17 Liquidity coverage ratio (%)	1437%	1432%	1757%	2315%	2488%
Net Stable Funding Ratio					
18 Total available stable funding	28,818	28,605	29,258	30,004	29,207
19 Total required stable funding	25,638	25,605	26,163	26,757	26,823
20 NSFR ratio (%)	112.4%	111.7%	111.8%	112.1%	108.9%

Table 2 - EU CC1 - Composition of regulatory own funds

At the end of 2023, Tier 1 capital and CET1 capital decreased by EUR -1m compared to 2022. Tier 2 capital remained unchanged and total own funds decreased by EUR -1m.

EURm	(a)	(b)
	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves		
1 Capital instruments and the related share premium accounts	250	1
<i>of which: Instrument type 1</i>	250	
<i>of which: Instrument type 2</i>		
<i>of which: Instrument type 3</i>		
2 Retained earnings	1,328	
3 Accumulated other comprehensive income (and other reserves)	-15	3
EU-3a Funds for general banking risk		
4 Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1		
5 Minority interests (amount allowed in consolidated CET1)		
EU-5a Independently reviewed interim profits net of any foreseeable charge or dividend		
6 Common Equity Tier 1 (CET1) capital before regulatory adjustments	1,563	
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7 Additional value adjustments (negative amount)	0	
8 Intangible assets (net of related tax liability) (negative amount)		
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)		
11 Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	15	
12 Negative amounts resulting from the calculation of expected loss amounts	-15	
13 Any increase in equity that results from securitised assets (negative amount)		
14 Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		
15 Defined-benefit pension fund assets (negative amount)		
16 Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)		
17 Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
18 Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
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)		
EU-20a Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		
EU-20b <i>of which: qualifying holdings outside the financial sector (negative amount)</i>		
EU-20c <i>of which: securitisation positions (negative amount)</i>		
EU-20d <i>of which: free deliveries (negative amount)</i>		
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)		
22 Amount exceeding the 17.65% threshold (negative amount)		
23 <i>of which: 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</i>		
24 Not applicable	N/A	
25 <i>of which: deferred tax assets arising from temporary differences</i>		
EU-25a Losses for the current financial year (negative amount)		
EU-25b Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)		
26 Not applicable	N/A	
27 Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)		
27a Other regulatory adjustments	-3	
28 Total regulatory adjustments to Common Equity Tier 1 (CET1)	-3	
29 Common Equity Tier 1 (CET1) capital	1,559	

	(a)	(b)
	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Additional Tier 1 (AT1) capital: instruments		
30 Capital instruments and the related share premium accounts		
31 <i>of which: classified as equity under applicable accounting standards</i>		
32 <i>of which: classified as liabilities under applicable accounting standards</i>		
33 Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1		
EU-33a Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1		
EU-33b Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1		
34 Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35 <i>of which: instruments issued by subsidiaries subject to phase out</i>		
36 Additional Tier 1 (AT1) capital before regulatory adjustments		
Additional Tier 1 (AT1) capital: regulatory adjustments		
37 Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)		
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)		
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)		
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)		
42 Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)		
42a Other regulatory adjustments to AT1 capital		
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital		
44 Additional Tier 1 (AT1) capital		
45 Tier 1 capital (T1 = CET1 + AT1)	1,559	
Tier 2 (T2) capital: instruments		
46 Capital instruments and the related share premium accounts		
47 Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR		
EU-47a Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2		
EU-47b Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2		
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		
49 <i>of which: instruments issued by subsidiaries subject to phase out</i>		
50 Credit risk adjustments	21	
51 Tier 2 (T2) capital before regulatory adjustments	21	

	(a)	(b)
	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Tier 2 (T2) capital: regulatory adjustments		
52 Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
53 Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
54 Direct, indirect and synthetic 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 short positions) (negative amount)		
55 Direct, indirect and synthetic 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)		
EU-56a Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
EU-56b Other regulatory adjustments to T2 capital		
57 Total regulatory adjustments to Tier 2 (T2) capital		
58 Tier 2 (T2) capital	21	
59 Total capital (TC = T1 + T2)	1,580	
60 Total Risk exposure amount	3,922	
Capital ratios and requirements including buffers		
61 Common Equity Tier 1 capital	39.8%	
62 Tier 1 capital	39.8%	
63 Total capital	40.3%	
64 Institution CET1 overall capital requirements	7.0%	
65 of which: capital conservation buffer requirement	2.5%	
66 of which: countercyclical capital buffer requirement	0.0%	
67 of which: systemic risk buffer requirement		
EU-67a of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement		
EU-67b of which: additional own funds requirements to address the risks other than the risk of excessive leverage		
68 Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	32.3%	
Amounts below the thresholds for deduction (before risk weighting)		
72 Direct and indirect holdings of own funds and eligible liabilities 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)		
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 17.65% thresholds and net of eligible short positions)		
75 Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	16	
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)		
77 Cap on inclusion of credit risk adjustments in T2 under standardised approach		
78 Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	51	
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	21	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80 Current cap on CET1 instruments subject to phase out arrangements		
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82 Current cap on AT1 instruments subject to phase out arrangements		
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84 Current cap on T2 instruments subject to phase out arrangements		
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Table 3 - EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements

At the end of the fourth quarter of 2023 total assets as published in the financial statements stood at EUR 32.5bn (EUR 34.2bn in Q4 2022), total liabilities amounted to EUR 31.0bn (EUR 32.7bn in Q4 2022) and equity amounted to EUR 1.56bn (EUR 1.55bn in Q4 2022).

EURm

	a & b	c
	Balance sheet as in published financial statements	Reference
	As at period end	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements		
1 Cash and balances with central banks	201	
2 Loans to credit institutions	1,042	
3 Loans to the public	31,066	
4 Derivatives	450	
5 Fair value changes of the hedged items in portfolio hedges of interest rate risk	-288	
6 Property and equipment	0	
7 Deferred tax assets	16	
8 Other assets	28	
9 Prepaid expenses and accrued income	9	
Total assets	32,524	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements		
1 Deposits by credit institutions	10,297	
2 Debt securities in issue	19,931	
4 Derivatives	589	
5 Current tax liabilities	1	
6 Other liabilities	97	
7 Accrued expenses and prepaid income	47	
8 Provisions	0	
9 Retirement benefit liabilities	0	
Total liabilities	30,962	
Shareholders' Equity		
1 Share capital	250	1
2 Other reserves	1,185	
<i>of which: Accumulated other comprehensive income</i>	<i>-15</i>	<i>3</i>
3 Retained earnings	128	
Total shareholders' equity	1,563	
Total liabilities and shareholders' equity	32,524	
Off balance sheet commitments		
Assets pledged as security for own liabilities	16,685	
Loan commitments	196	

Table 4 - EU OV1 - Overview of total risk exposure amounts

The table provides an overview of total REA for 2023. Credit risk was the largest risk type accounting for approximately 90% of Pillar I REA, followed by operational risk which was the second largest risk type. REA increased by EUR 31m during the period, mainly stemming from operational risk (EUR 37m).

EURm

	Total risk exposure amounts (TREA)		Total own funds requirements
	a	b	c
	Q4 2023	Q4 2022	Q4 2023
1 Credit risk (excluding CCR)	3,508	3,513	281
2 Of which the standardised approach	41	51	3
3 Of which the Foundation IRB (F-IRB) approach	0	70	0
4 Of which slotting approach			
EU 4a Of which equities under the simple riskweighted approach			
5 Of which the Advanced IRB (A-IRB) approach	3,467	3,392	277
6 Counterparty credit risk - CCR			
7 Of which the standardised approach			
8 Of which internal model method (IMM)			
EU 8a Of which exposures to a CCP			
EU 8b Of which credit valuation adjustment - CVA			
9 Of which other CCR			
15 Settlement risk			
16 Securitisation exposures in the non-trading book (after the cap)			
17 Of which SEC-IRBA approach			
18 Of which SEC-ERBA (including IAA)			
19 Of which SEC-SA approach			
EU 19a Of which 1250% / deduction			
20 Position, foreign exchange and commodities risks (Market risk)			
21 Of which the standardised approach			
22 Of which IMA			
EU 22a Large exposures			
23 Operational risk	404	367	32
EU 23a Of which basic indicator approach			
EU 23b Of which standardised approach	404	367	32
EU 23c Of which advanced measurement approach			
24 Amounts below the thresholds for deduction (subject to 250% risk weight)	41	50	3
29 Total	3,912	3,881	313
Additional risk exposure amount related to Finnish RW floor due to Article 458 CRR			
Additional risk exposure amount related to Swedish RW floor due to Article 458 CRR	11	11	1
Article 3 CRR Buffer			
Pillar 1 total	3,922	3,892	314

Table 5 - EU CR1 - Performing and non-performing exposures and related provisions

Total gross carrying amount of performing and non-performing loans and advances amounted to EUR 32bn at the end of 2023, of which non-performing amounted to EUR 270m. Allowances in stage 3 for non-performing loans and advances were EUR 51m at the end of 2023. The coverage ratio, including loans and advances fair value through profit and loss (FV through PL), was 19%.

EURm	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									
	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			Accumulated partial write-off	Collaterals and financial guarantees received	
		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		On performing exposures	On non-performing exposures
Q4 2023															
005 Cash balances at central banks and other demand deposits	641		641												
010 Loans and advances	31,479		28,935	2,544	270	270	-30	-4	-26	-51		-51		27,476	216
020 <i>Central banks</i>															
030 <i>General governments</i>															
040 <i>Credit institutions</i>	603		603											143	
050 <i>Other financial corporations</i>	0		0											0	
060 <i>Non-financial corporations</i>	1,620		1,409	211	1	1	-5	-0	-5	-0		-0		1,615	1
070 <i>Of which SMEs</i>	1,587		1,409	178	1	1	-3	-0	-3	-0		-0		1,588	1
080 <i>Households</i>	29,256		26,923	2,333	269	269	-25	-3	-21	-50		-50		25,719	215
090 Debt securities	0		0				-0	-0							
100 <i>Central banks</i>															
110 <i>General governments</i>															
120 <i>Credit institutions</i>															
130 <i>Other financial corporations</i>	0		0				-0	-0							
140 <i>Non-financial corporations</i>															
150 Off-balance-sheet exposures	194		185	10	1	1	-0	-0	-0					59	0
160 <i>Central banks</i>															
170 <i>General governments</i>															
180 <i>Credit institutions</i>															
190 <i>Other financial corporations</i>															
200 <i>Non-financial corporations</i>	149		149	1		1	-0	-0						1	
210 <i>Households</i>	45		35	10	0	0	-0	-0	-0					58	0
220 Total	32,314		29,760	2,554	271	271	-30	-4	-26	-51		-51		27,535	216

Table 6 - EU CR1-A - Maturity of exposures

EU CR1-A discloses net exposure values for on-balance and off-balance sheet exposures. For exposures classified as loans and advances, about 91.5 % were in the >5 years bucket. Total exposure amount for both groups in Q4 2023 amounted to EUR 32.4bn.

EURm	a	b	c	d	e	f
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances	439	289	1,775	29,598	254	32,355
2 Debt securities						
3 Total	439	289	1,775	29,598	254	32,355

Table 7 - EU CR2 - Changes in the stock of non-performing loans and advances

The final stock of non-performing loans and advances amounted to EUR 270m at the end of 2023. The net increase of EUR 36m was driven by inflows (EUR 143m). This was partly offset by outflows of EUR 107m, of which EUR 8m was driven by write-offs.

EURm		a
Q4 2023		Gross carrying amount
010	Initial stock of non-performing loans and advances	234
020	Inflows to non-performing portfolios	143
030	Outflows from non-performing portfolios	-107
040	Outflows due to write-offs	-8
050	Outflow due to other situations	-99
060	Final stock of non-performing loans and advances	270

Table 8 - EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

In comparison to the last reported quarter (Q4 2022) there are no significant changes for loans and advances and debt securities. In Q4 2023, 85% of the total exposures had at least one Credit Risk Mitigation (CRM) mechanism (collateral, financial guarantees), the majority of which were secured by real estate collaterals.

EURm

		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	4,697	27,693	27,555	138	
2	Debt securities					
3	Total	4,697	27,693	27,555	138	
4	Of which non-performing exposures	220	216	211	6	
EU-5	Of which defaulted					

Table 9 - EU CR4 – standardised approach – Credit risk exposure and CRM effects

Total exposure amount before CCF and CRM for the standardised approach amounted to EUR 1.3bn in Q4 2023. The on-balance sheet exposure in Q4 2023 amounted to EUR 1.3 bn (compared to EUR 2.1bn in Q4 2022). The decrease in on-balance exposures was mainly driven by decreased exposure to Institutions. The REA density increased by 1 percentage point (from 2% to 3%) mainly driven by a decrease within the Central governments or central banks exposure class.

EURm	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
	a	b	c	d	e	f
Q4 2023						
1 Central governments or central banks	220		297		41	14%
2 Regional government or local authorities			15			
3 Public sector entities						
4 Multilateral development banks						
5 International organisations						
6 Institutions	1,078		1,078			
7 Corporates						
8 Retail						
9 Secured by mortgages on immovable property						
10 Exposures in default						
11 Exposures associated with particularly high risk						
12 Covered bonds						
13 Institutions and corporates with a short-term credit assessment						
14 Collective investment undertakings						
15 Equity						
16 Other items						
17 Total	1,298		1,391		41	3%

EURm	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
	a	b	c	d	e	f
Q4 2022						
1 Central governments or central banks	180		271		50	19%
2 Regional government or local authorities			15			
3 Public sector entities						
4 Multilateral development banks						
5 International organisations						
6 Institutions	1,877		1,877		0	0%
7 Corporates						
8 Retail						
9 Secured by mortgages on immovable property						
10 Exposures in default						
11 Exposures associated with particularly high risk						
12 Covered bonds						
13 Institutions and corporates with a short-term credit assessment						
14 Collective investment undertakings						
15 Equity						
16 Other items						
17 Total	2,057	0	2,162	0	51	2%

Table 10 - EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

The following table discloses the effect on the RWEAs of credit derivatives used as CRM techniques for the IRB approach. The most significant difference was seen in Retail – Non-SMEs - Secured by immovable property collateral segment, which increased by EUR 0.11bn compared to the last reporting period.

EURm	Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
Q4 2023	a	b
1 Exposures under F-IRB		
2 Central governments and central banks		
3 Institutions		
4 Corporates		
4.1 of which Corporates - SMEs		
4.2 of which Corporates - Specialised lending		
5 Exposures under A-IRB	4,667	3,467
6 Central governments and central banks		
7 Institutions		
8 Corporates	301	350
8.1 of which Corporates - SMEs	213	314
8.2 of which Corporates - Specialised lending		
9 Retail	4,366	3,118
9.1 of which Retail – SMEs - Secured by immovable property collateral		33
9.2 of which Retail – non-SMEs - Secured by immovable property collateral		2,251
9.3 of which Retail – Qualifying revolving		
9.4 of which Retail – SMEs - Other	61	3
9.5 of which Retail – Non-SMEs- Other	4,304	831
10 Total (including F-IRB exposures and A-IRB exposures)	4,667	3,467

EURm	Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
Q4 2022	a	b
1 Exposures under F-IRB		
2 Central governments and central banks		
3 Institutions		
4 Corporates		
4.1 of which Corporates - SMEs		
4.2 of which Corporates - Specialised lending		
5 Exposures under A-IRB	4,557	3,392
6 Central governments and central banks		
7 Institutions		
8 Corporates	299	369
8.1 of which Corporates - SMEs	219	331
8.2 of which Corporates - Specialised lending		
9 Retail	4,258	3,024
9.1 of which Retail – SMEs - Secured by immovable property collateral		37
9.2 of which Retail – non-SMEs - Secured by immovable property collateral		2,145
9.3 of which Retail – Qualifying revolving		
9.4 of which Retail – SMEs - Other	70	4
9.5 of which Retail – Non-SMEs- Other	4,188	838
10 Total (including F-IRB exposures and A-IRB exposures)	4,557	3,392

Table 11 - EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

The table provides a comprehensive overview of use of credit risk mitigation techniques according to the Advanced IRB approach and the Foundation IRB approach broken down by exposure class.

EURm	A-IRB	Total exposures	Credit risk Mitigation techniques										Credit risk Mitigation			
			Funded credit Protection (FCP)								Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)		
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)			Part of exposures covered by Credit Derivatives (%)	
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	
1 Central governments and central banks																
2 Institutions																
3 Corporates		1,223	0%	88%	88%	0%	0%					0%		349	349	
3.1 Of which Corporates – SMEs		1,149	0%	99%	99%	0%	0%					0%		314	314	
3.2 Of which Corporates – Specialised lending																
3.3 Of which Corporates – Other		74	0%	80%	80%	0%	0%					0%		36	36	
4 Retail		29,964	1%	88%	87%	0%	0%					0%		3,118	3,118	
4.1 Of which Retail – Immovable property		446	0%	100%	100%	0%	0%					0%		33	33	
4.2 Of which Retail – Immovable property non-SMEs		25,650	0%	100%	100%	0%	0%					0%		2,251	2,251	
4.3 Of which Retail – Qualifying revolving																
4.4 Of which Retail – Other SMEs		10	0%	0%	0%	0%	0%					7%		3	3	
4.5 Of which Retail – Other non-SMEs		3,859	5%	3%	0%	0%	3%					1%		831	831	
5 Total		31,187	1%	88%	88%	0%	0%					0%		3,467	3,467	

EURm	F-IRB	Total exposures	Credit risk Mitigation techniques										Credit risk Mitigation		
			Funded credit Protection (FCP)								Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)	
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)			Part of exposures covered by Credit Derivatives (%)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1 Central governments and central banks															
2 Institutions															
3 Corporates															
3.1 Of which Corporates – SMEs															
3.2 Of which Corporates – Specialised lending															
3.3 Of which Corporates – Other															
4 Total															

Table 12 - EU CR8 - RWEA flow statements of credit risk exposures under the IRB approach

During the fourth quarter of 2023, IRB REA increased by EUR 4m, mainly driven by an increase in asset quality. This was mainly offset by a decrease in asset size and other IRB.

EURm	Risk weighted exposure amount	
	a	
1 Risk weighted exposure amount as at the end of the previous reporting period		3,463
2 Asset size (+/-)		-51
3 Asset quality (+/-)		123
4 Model updates (+/-)		0
5 Methodology and policy (+/-)		
6 Acquisitions and disposals (+/-)		
7 Foreign exchange movements (+/-)		
8 Other (+/-)		-68
9 Risk weighted exposure amount as at the end of the reporting period		3,467

Table 13 - EU CQ1 - Credit quality of forborne exposures

Forbearance refers to eased terms or restructuring of credit terms and conditions due to the borrower experiencing financial difficulties. The intention of granting forbearance for a limited period of time is to ensure full repayment of the outstanding debt. Examples of eased terms are changes to amortisation profile, repayment schedule and customer margin, or eased financial covenants. At the end of 2023, total forborne loans and advances amounted to EUR 212m. Non-performing forborne loans and advances were EUR 71m and performing forborne loans and advances amounted to EUR 141m.

EURm	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 defaulted	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
Q4 2023								
005 Cash balances at central banks and other demand deposits								
010 Loans and advances	141	71	71	71	-2	-9	137	50
020 Central banks								
030 General governments								
040 Credit institutions								
050 Other financial corporations								
060 Non-financial corporations	5	1	1	1	-0	-0	6	
070 Households	136	70	70	70	-2	-9	131	50
080 Debt Securities								
090 Loan commitments given	0	0	0	0	-0		0	0
100 Total	141	71	71	71	-2	-9	137	50

Table 14 - EU CQ3 - Credit quality of performing and non-performing exposures by past due days

At the end of 2023, total gross carrying amount of loans and advances amounted to EUR 32bn. Major part of non-performing loans, 51%, are loans which are classified as unlikely to pay, that are not past-due or that are past-due less than or equal to 90 days.

EURm	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 ≤ 90 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
Q4 2023												
005 Cash balances at central banks and other demand deposits	641	641										
010 Loans and advances	31,479	31,415	64	270	137	21	44	37	28	2		270
020 <i>Central banks</i>												
030 <i>General governments</i>												
040 <i>Credit institutions</i>	603	603										
050 <i>Other financial corporations</i>	0	0										
060 <i>Non-financial corporations</i>	1,620	1,616	4	1	1		0	0	0	0		1
070 <i>Of which SMEs</i>	1,587	1,586	2	1	1		0	0	0	0		1
080 <i>Households</i>	29,256	29,196	60	269	136	21	44	37	28	2		269
090 Debt securities	0	0										
100 <i>Central banks</i>												
110 <i>General governments</i>												
120 <i>Credit institutions</i>												
130 <i>Other financial corporations</i>	0	0										
140 <i>Non-financial corporations</i>												
150 Off-balance-sheet exposures	194			1								1
160 <i>Central banks</i>												
170 <i>General governments</i>												
180 <i>Credit institutions</i>												
190 <i>Other financial corporations</i>												
200 <i>Non-financial corporations</i>	149			1								1
210 <i>Households</i>	45			0								0
220 Total	32,314	32,055	64	271	137	21	44	37	28	2		271

Table 15 - EU CQ4 - Quality of non-performing exposures by geography

The distribution of non-performing exposures by geography, seen in the table below, shows that 99% of the total non-performing volume represents exposures in Finland. The total non-performing exposures at the end of 2023 were EUR 271m.

EURm		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which subject to impairment				
			Of which defaulted					
Q4 2023								
010	On-balance-sheet exposures	32,390	270	270	32,390	-80		
020	Finland	32,161	267	267	32,161	-79		
030	Sweden	36	0	0	36	-0		
040	Norway	6	0	0	6	-0		
050	Denmark	4			4	-0		
060	United States	24	0	0	24	-0		
070	Other countries	159	3	3	159	-1		
080	Off-balance-sheet exposures	196	1	1			-0	
090	Finland	193	1	1			-0	
100	Sweden	0					-0	
110	Norway							
120	Denmark							
130	United States	0					-0	
140	Other countries	2					-0	
150	Total	32,585	271	271	32,390	-80	-0	

Table 16 - EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry

The following table displays loans and advances by industry group to non-financial corporations. Real estate activities contributed to the largest share of total loans and advances and accounted for 99% of the portfolio.

EURm	a	b	c	d	e	f
	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Of which non-performing		Of which loans and advances subject to impairment			
		Of which defaulted				
Q4 2023						
010 Agriculture, forestry and fishing	0			0	0	
020 Mining and quarrying						
030 Manufacturing	0	0	0	0	0	
040 Electricity, gas, steam and air conditioning supply						
050 Water supply	0	0	0	0	0	
060 Construction	2			2	0	
070 Wholesale and retail trade	0			0	0	
080 Transport and storage	0			0	0	
090 Accommodation and food service activities	3			3	0	
100 Information and communication	0			0	0	
110 Financial and insurance activities	2			2	0	
120 Real estate activities	1,611	1	1	1,611	-6	
130 Professional, scientific and technical activities	1			1	0	
140 Administrative and support service activities	0			0	0	
150 Public administration and defense, compulsory social security						
160 Education	0			0	0	
170 Human health services and social work activities	0			0	0	
180 Arts, entertainment and recreation	0			0	0	
190 Other services	1			1	0	
200 Total	1,621	1	1	1,621	-6	

Table 17 - EU LIQ1 - Quantitative information of LCR

Nordea Mortgage Bank Plc's short term liquidity risk exposure measured by Liquidity Coverage Ratio (LCR) remained on stable level throughout 2023. Average LCR decreased 1050pp between Q4 2023 and Q4 2022 mainly due to decreased inflows from mortgage loans. Main drivers of Nordea Mortgage Bank Plc LCR results are outflows from wholesale funding which are covered by high quality liquid assets. During 2023 there was a decrease in loan inflows that was partly counterbalanced by increased liquid assets resulting to lower average LCR ratio. Liquidity buffer in Nordea Mortgage Bank Plc is composed of cash with central banks. Nordea Mortgage Bank Plc's main funding sources in 2023 were issued covered bonds (61%) and internal funding from Nordea Bank Abp (32%). Nordea has a centralised liquidity management function where Group Treasury is responsible for the management of the Mortgage Bank Plc's liquidity positions, liquidity buffers, external and internal funding, and Funds Transfer Pricing. In terms of liquidity regulation, Nordea Mortgage Bank Plc does not have other significant currencies than EUR. Possible mismatches from minor exposures in foreign currencies are actively managed and monitored. Nordea Mortgage Bank Plc's derivative exposures, potential collateral calls and their impact to LCR is closely monitored and managed.

EURm	a	b	c	d	e	f	g	h
	Total unweighted value (average)				Total weighted value (average)			
EU 1a Quarter ending on (31 December 2023)	31 Dec 23	30 Sep 23	30 Jun 23	31 Mar 23	31 Dec 23	30 Sep 23	30 Jun 23	31 Mar 23
EU 1b 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	304	323	326
Cash - Outflows								
2 Retail deposits and deposits from small business customers, of which:								
3 <i>Stable deposits</i>								
4 <i>Less stable deposits</i>								
5 Unsecured wholesale funding	257	164	252	239	257	164	252	239
6 <i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>								
7 <i>Non-operational deposits (all counterparties)</i>	25	20	15	9	25	20	15	9
8 <i>Unsecured debt</i>	232	143	237	230	232	143	237	230
9 <i>Secured wholesale funding</i>								
10 Additional requirements	304	354	407	458	45	36	27	24
11 <i>Outflows related to derivative exposures and other collateral requirements</i>	31	19	6	1	31	19	6	1
12 <i>Outflows related to loss of funding on debt products</i>								
13 <i>Credit and liquidity facilities</i>	273	335	400	457	14	17	20	23
14 Other contractual funding obligations	12	12	12	12				
15 Other contingent funding obligations								
16 Total cash outflows					302	200	279	263
Cash - Inflows								
17 Secured lending (e.g. reverse repos)								
18 Inflows from fully performing exposures	622	681	757	726	540	596	668	635
19 Other cash inflows	107	191	299	303	107	191	299	303
EU-19a (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b (Excess inflows from a related specialised credit institution)					0	0	0	0
20 Total cash inflows	729	873	1,056	1,029	646	787	967	938
EU-20a <i>Fully exempt inflows</i>								
EU-20b <i>Inflows subject to 90% cap</i>								
EU-20c <i>Inflows subject to 75% cap</i>	729	873	1,056	1,029	646	787	967	938
Total Adjusted Value								
21 Liquidity buffer					350	304	323	326
22 Total net cash outflows					75	50	70	66
23 Liquidity coverage ratio					1437%	1432%	1757%	2315%

Table 18 - EU LIQ2 - Net Stable Funding Ratio

Following Regulation (EU) 2019/876, the introduction of a minimum Net Stable Funding Ratio (NSFR) of 100 % applicable since June 30, 2021 requires banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. All liabilities and capital instruments are assigned an ASF weight, while assets and certain off balance sheet positions receive an RSF weight. The objective is to reduce funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of funding stress. The NSFR was 112.4% at the end of Q4 2023. It represents a 3.5pp increase compared to the Q4 2022 (108.9%), primarily driven by decreased RSF for mortgage loans. The following table sets out the unweighted and weighted value of the NSFR components of the Nordea Mortgage Bank Plc at December 31, 2023 (i.e. quarter-end observation).

ASF

	a	b	c	d	e
	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items					
1 Capital items and instruments	1,481				1,481
2 Own funds	1,481				1,481
3 Other capital instruments					
4 Retail deposits					
5 Stable deposits					
6 Less stable deposits					
7 Wholesale funding:			53	6,395	24,139
8 Operational deposits					
9 Other wholesale funding			53	6,395	24,139
10 Interdependent liabilities					
11 Other liabilities:	137				
12 NSFR derivative liabilities	137				
13 All other liabilities and capital instruments not included in the above categories					
14 Total available stable funding (ASF)					28,818

RSF

	a	b	c	d	e
	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Required stable funding (RSF) Items					
15 Total high-quality liquid assets (HQLA)					
EU-15a Assets encumbered for a residual maturity of one year or more in a cover pool		380	470	18,059	16,072
16 Deposits held at other financial institutions for operational purposes					
17 Performing loans and securities:		1,063	614	11,156	9,181
18 <i>Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut</i>					
19 <i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>		481	0	560	608
20 <i>Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:</i>		35	35	418	390
21 <i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>					
22 <i>Performing residential mortgages, of which:</i>		547	579	10,178	8,183
23 <i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		401	421	5,160	3,765
24 <i>Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products</i>					
25 Interdependent assets					
26 Other assets:		186	3	360	375
27 <i>Physical traded commodities</i>					
28 <i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>					
29 <i>NSFR derivative assets</i>					
30 <i>NSFR derivative liabilities before deduction of variation margin posted</i>		183			9
31 <i>All other assets not included in the above categories</i>		3	3	360	366
32 Off-balance sheet items		41	150	5	10
33 Total RSF					25,638

NSFR

34 Net Stable Funding Ratio (%)	112.4%
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Table 19 - EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts
Total Operational Risk RWA increased by EUR 37m compared to Q4 2022.

EURm	Banking activities	a	b	c	d	e
		Relevant indicator			Own funds requirements	Risk exposure amount
		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)					
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	226	276	284	32	404
3	Subject to TSA:	226	276	284		
4	Subject to ASA:					
5	Banking activities subject to advanced measurement approaches AMA					

Table 20 - EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

Nordea has policies and processes in place for the identification, management and monitoring of the excessive leverage. The leverage ratio is also part of Nordea's risk appetite framework. The leverage ratio increased from 4.59% in Q4 2022 to 4.79% in Q4 2023. The increase was mainly driven by a decrease in Other Assets.

EURm

	a
	Applicable amount
1 Total assets as per published financial statements	32,524
2 consolidation	
3 (Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	
4 (Adjustment for temporary exemption of exposures to central banks (if applicable))	
5 (Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	
6 Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	
7 Adjustment for eligible cash pooling transactions	
8 Adjustment for derivative financial instruments	-330
9 Adjustment for securities financing transactions (SFTs)	
10 Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	95
11 (Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	
EU-11a (Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	
EU-11b (Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	
12 Other adjustments	270
13 Total exposure measure	32,559

Table 21 - EU LR2 - LRCom: Leverage ratio common disclosure

On-balance sheet exposures decreased from EUR 33.5bn to EUR 32.3bn. Derivatives exposures decreased from EUR 235m to EUR 119m, off-balance sheet exposures decreased from EUR 207m to EUR 95m and Tier I capital decreased from EUR 1.560bn to EUR 1.559bn.

EURm	CRR leverage ratio exposures	
	a	b
	Q4 2023	Q4 2022
On-balance sheet exposures (excluding derivatives and SFTs)		
1 On-balance sheet items (excluding derivatives, SFTs, but including collateral)	32,363	33,555
2 Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
4 (Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5 (General credit risk adjustments to on-balance sheet items)		
6 (Asset amounts deducted in determining Tier 1 capital)	-18	-17
7 Total on-balance sheet exposures (excluding derivatives and SFTs)	32,345	33,538
Derivative exposures		
8 Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	58	154
EU-8a Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9 Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	62	81
EU-9a Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b Exposure determined under Original Exposure Method		
10 (Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a (Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b (Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11 Adjusted effective notional amount of written credit derivatives		
12 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13 Total derivatives exposures	119	235
Securities financing transaction (SFT) exposures		
14 Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions		
15 (Netted amounts of cash payables and cash receivables of gross SFT assets)		
16 Counterparty credit risk exposure for SFT assets		
EU-16a Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17 Agent transaction exposures		
EU-17a (Exempted CCP leg of client-cleared SFT exposure)		
18 Total securities financing transaction exposures		
Other off-balance sheet exposures		
19 Off-balance sheet exposures at gross notional amount	196	421
20 (Adjustments for conversion to credit equivalent amounts)	-101	-214
21 (General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22 Off-balance sheet exposures	95	207
Excluded exposures		
EU-22a (Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-22b (Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))		
EU-22c (Excluded exposures of public development banks (or units) - Public sector investments)		
EU-22d (Excluded exposures of public development banks (or units) - Promotional loans)		
EU-22e (Excluded passing-through promotional loan exposures by non-public development banks (or units))		
EU-22f (Excluded guaranteed parts of exposures arising from export credits)	0	0
EU-22g (Excluded excess collateral deposited at triparty agents)		
EU-22h (Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i (Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j (Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k (Total exempted exposures)	0	0
Capital and total exposure measure		
23 Tier 1 capital	1,559	1,560
24 Total exposure measure	32,559	33,979
Leverage ratio		
25 Leverage ratio (%)	4.8%	4.6%
EU-25 Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	4.8%	4.6%
25a Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	4.8%	4.6%
26 Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
EU-26a Additional own funds requirements to address the risk of excessive leverage (%)		
EU-26b <i>of which: to be made up of CET1 capital</i>		
27 Leverage ratio buffer requirement (%)		
EU-27a Overall leverage ratio requirement (%)	3.0%	3.0%
Choice on transitional arrangements and relevant exposures		
EU-27b Choice on transitional arrangements for the definition of the capital measure		

	a	b
	Q4 2023	Q4 2022
Disclosure of mean values		
28 Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable		
29 Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables		
30 Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	32,559	33,979
30a Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	32,559	33,979
31 Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.8%	4.6%
31a Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.8%	4.6%

Table 22 - EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

Out of total on-balance sheet exposures EUR 32.4bn, EUR 32.4bn or 100% are related to Banking book exposures. The biggest part of banking book exposures is related to secured by mortgages of immovable properties (80% of banking book exposures) and retail exposures (12% of banking book exposures).

EURm

	a
	CRR leverage ratio exposures
EU-1 Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	32,363
EU-2 Trading book exposures	
EU-3 Banking book exposures, of which:	32,363
EU-4 Covered bonds	
EU-5 Exposures treated as sovereigns	220
EU-6 Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	
EU-7 Institutions	1,078
EU-8 Secured by mortgages of immovable properties	25,753
EU-9 Retail exposures	3,801
EU-10 Corporates	1,222
EU-11 Exposures in default	288
EU-12 Other exposures (eg equity, securitisations, and other non-credit obligation assets)	0

Table 23 - EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer
Nordea Mortgage bank's counter-cyclical buffer rate requirements for Q4 2023 remained stable at 0.02%.

EURm		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements			Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book				
Countries with existing CCyB rate														
001	Australia		7				7	0			0	1	0.0%	1.0%
002	Bulgaria		0				0	0			0	0	0.0%	2.0%
003	Cyprus		2				2	0			0	0	0.0%	0.5%
004	Czech Republic		0				0	0			0	0	0.0%	2.0%
005	Germany		41				41	0			0	5	0.1%	0.8%
006	Denmark		17				17	0			0	1	0.0%	2.5%
007	Estonia		18				18	0			0	3	0.1%	1.5%
008	Faroe Islands						0							1.0%
009	France		17				17	0			0	2	0.1%	0.5%
010	United Kingdom		30				30	0			0	4	0.1%	2.0%
011	Hong Kong		4				4	0			0	0	0.0%	1.0%
012	Croatia		0				0	0			0	0	0.0%	1.0%
013	Ireland		5				5	0			0	1	0.0%	1.0%
014	Iceland		2				2	0			0	0	0.0%	2.0%
015	Lithuania		1				1	0			0	0	0.0%	1.0%
016	Luxembourg		11				11	0			0	1	0.0%	0.5%
017	Netherlands		14				14	0			0	1	0.0%	1.0%
018	Norway		18				18	0			0	2	0.1%	2.5%
019	Romania		2				2	0			0	0	0.0%	1.0%
020	Sweden		88				88	2			2	22	0.6%	2.0%
021	Slovenia		0				0	0			0	0	0.0%	0.5%
022	Slovakia		0				0	0			0	0	0.0%	1.5%
Sub-total			277				277	4			4	44	1.3%	
Countries with own funds requirements weight 1% or above and no existing CCyB rate														
012	Finland		30,706				30,706	272			272	3,406	97.9%	0.0%
Sub-total			30,706				30,706	272			272	3,406	97.9%	
Countries with own funds requirement below 1% and no existing CCyB rate														
Sub-total			204				204	2			2	27	0.8%	
Total			31,187				31,187	278			278	3,478	100%	

Table 24 - EU CCyB2 - Amount of institution-specific countercyclical capital buffer

Nordea Mortgage Bank's counter-cyclical buffer requirements increased to EUR 0.84m in the fourth quarter of 2023 (compared to EUR 0.38m in the fourth quarter of 2022).

EURm		Q4 2023
1	Total risk exposure amount	3,922
2	Institution specific countercyclical capital buffer rate	0.02%
3	Institution specific countercyclical capital buffer requirement	1

Table 25 - EU ILAC - Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs

As the end of Q4 2023, the iMREL ratio for Nordea Mortgage Bank Plc was 55.7% of Total Risk Exposure Amount (TREA) compared to the requirement of 18.4% of TREA including the combined buffer requirement of 2.5%. The iMREL ratio was 6.7% of Total Exposure Measure (same definition as Leverage Ratio Exposure (LRE)) compared to the requirement of 4.81% of LRE.

EURm	a	b	c
	Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII requirement for own funds and eligible liabilities (internal TLAC)	Qualitative information
Applicable requirement and level of application			
EU-1 Is the entity subject to a non-EU G-SII requirement for own funds and eligible liabilities? (Y/N)			N
EU-2 If EU-1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			
EU-2a Is the entity subject to an internal MREL? (Y/N)			Y
EU-2b If EU-2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			I
Own funds and eligible liabilities: Non-regulatory capital elements			
EU-3 Common Equity Tier 1 capital (CET1)	1,559		
EU-4 Eligible Additional Tier 1 capital			
EU-5 Eligible Tier 2 capital	21		
EU-6 Eligible own funds	1,580		
EU-7 Eligible liabilities	603		
EU-8 <i>of which permitted guarantees</i>			
EU-9a (Adjustments)			
EU-9b Own funds and eligible liabilities items after adjustments	2,184		
Total risk exposure amount and total exposure measure			
EU-10 Total risk exposure amount (TREA)	3,922		
EU-11 Total exposure measure (TEM)	32,559		
Ratio of own funds and eligible liabilities			
EU-12 Own funds and eligible liabilities as a percentage of the TREA	55.7%		
EU-13 <i>of which permitted guarantees</i>	0.0%		
EU-14 Own funds and eligible liabilities as a percentage of the TEM	6.7%		
EU-15 <i>of which permitted guarantees</i>	0.0%		
EU-16 CET1 (as a percentage of the TREA) available after meeting the entity's requirements	32.3%		
EU-17 Institution-specific combined buffer requirement			
Requirements			
EU-18 Requirement expressed as a percentage of the TREA	18.4%		
EU-19 <i>of which part of the requirement that may be met with a guarantee</i>	0.0%		
EU-20 Requirement expressed as percentage of the TEM	4.81%		
EU-21 <i>of which part of the requirement that may be met with a guarantee</i>	0.0%		
Memorandum items			
EU-22 Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No 575/2013			

Table 26 - EU TLAC2b: Creditor ranking - Entity that is not a resolution entity

This table discloses creditor ranking for Nordea Mortgage Bank Plc.

EURm	Insolvency ranking								Sum of 1 to n
	1	1	3	3	8	8	9	9	
	(most junior)	(most junior)					(most senior)	(most senior)	
	Resolution entity	Other	Resolution entity	Other	Resolution entity	Other	Resolution entity	Other	
2 Description of insolvency rank (free text)	CET1		T2		Senior non-preferred liabilities				
6 Own funds and eligible liabilities for the purpose of internal MREL	1,559		21		603				2,184
7 of which residual maturity ≥ 1 year < 2 years									
8 of which residual maturity ≥ 2 year < 5 years					603				603
9 of which residual maturity ≥ 5 years < 10 years				21					21
10 of which residual maturity ≥ 10 years, but excluding perpetual securities									
11 of which perpetual securities	1,559								1,559

The following two templates are not disclosed due to not being applicable to Nordea Mortgage Bank Plc:

[EU CQ7 - Collateral obtained by taking possession and execution processes](#)

[EU MR2-B - RWEA flow statements of market risk exposures under the IMA](#)

The following template is not disclosed as it is being reported under the published Group report:

[EU INS2 - Financial conglomerates information on own funds and capital adequacy ratio](#)