



2021 EU-wide Transparency Exercise

Bank Name	Arion banki hf
LEI Code	RIL4VBPDB0M7Z3KXSF19
Country Code	IS

The information on Collateral valuation - loans and advances applies only to banks meeting at least one of the criteria for significance and having a ratio of non-performing loans and advances divided by total loans and advances (excluding loans and advances classified as held for sale, cash balances at central banks and other demand deposits) of 5% or above, therefore this bank is not required to report it to the EBA.

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Key Metrics

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(min EUR, %)	As of 30/09/2020	As of 31/12/2020	As of 31/03/2021	As of 30/06/2021	CORE CODE	REGULATION
Available capital (amounts)						
Common Equity Tier 1 (CET1) capital - transitional period	998	1,063	1,120	1,155	C 01.00 (r020,c010)	Article 50 of CRR
Common Equity Tier 1 (CET1) capital - transitional period - as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	986	1,051	1,112	1,142	C 01.00 (r020,c010) - C 05.01 (r440,c010)	Article 50 of CRR
Tier 1 capital - transitional period	1,088	1,151	1,208	1,244	C 01.00 (r015,c010)	Article 25 of CRR
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied - transitional definition	1,076	1,139	1,200	1,231	C 01.00 (r015,c010) - C 05.01 (r440,c010) - C 05.01 (r440,c020)	Article 25 of CRR
Total capital - transitional period	1,226	1,289	1,348	1,385	C 01.00 (r010,c010)	Articles 4(118) and 72 of CRR
Total capital - transitional period - as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	1,214	1,277	1,340	1,372	C 01.00 (r010,c010) - C 05.01 (r440,c010) - C 05.01 (r440,c020) - C 05.01 (r440,c030)	Articles 4(118) and 72 of CRR
Risk exposure amounts						
Total risk exposure amount	4,489	4,777	5,099	5,111	C 02.00 (r010,c010)	Articles 92(3), 95, 96 and 98 of CRR
Total risk exposure amount as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,476	4,763	5,090	5,097	C 02.00 (r010,c010) - C 05.01 (r440,c040)	Articles 92(3), 95, 96 and 98 of CRR
Capital ratios						
Common Equity Tier 1 (as a percentage of risk exposure amount) - transitional definition	22.23%	22.26%	21.97%	22.60%	CA3 {1}	-
Common Equity Tier 1 (as a percentage of risk exposure amount) - transitional definition - as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	22.02%	22.07%	21.84%	22.40%	(C 01.00 (r020,c010) - C 05.01 (r440,c010)) / (C 02.00 (r010,c010) - C 05.01 (r440,c040))	-
Tier 1 (as a percentage of risk exposure amount) - transitional definition	24.24%	24.09%	23.70%	24.34%	CA3 {3}	-
Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	24.04%	23.91%	23.58%	24.14%	(C 01.00 (r015,c010) - C 05.01 (r440,c010) - C 05.01 (r440,c020)) / (C 02.00 (r010,c010) - C 05.01 (r440,c040))	-
Total capital (as a percentage of risk exposure amount) - transitional definition	27.31%	26.98%	26.44%	27.09%	CA3 {5}	-
Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	27.12%	26.80%	26.33%	26.91%	(C 01.00 (r010,c010) - C 05.01 (r440,c010) - C 05.01 (r440,c020) - C 05.01 (r440,c030) / (C 02.00 (r010,c010) - C 05.01 (r440,c040))	-
Leverage ratios						
Leverage ratio total exposure measure - using a transitional definition of Tier 1 capital	7,544	7,632	8,241	8,502	C 47.00 (r300,c010)	Article 429 of the CRR; Delegated Regulation (EU) 2015/62 of 10 October 2014 amending CRR
Leverage ratio - using a transitional definition of Tier 1 capital	14.43%	15.08%	14.66%	14.63%	C 47.00 (r340,c010)	Article 429 of the CRR; Delegated Regulation (EU) 2015/62 of 10 October 2014 amending CRR

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Leverage ratio

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(mln EUR, %)		As of 30/09/2020	As of 31/12/2020	As of 31/03/2021	As of 30/06/2021	COREP CODE	REGULATION
A.1	Tier 1 capital - transitional definition	1,088	1,151	1,208	1,244	C 47.00 (r320,c010)	Article 429 of the CRR; Delegated Regulation (EU) 2015/62 of 10 October 2014 amending CRR
A.2	Tier 1 capital - fully phased-in definition	1,088	1,151	1,208	1,244	C 47.00 (r310,c010)	
B.1	Total leverage ratio exposures - using a transitional definition of Tier 1 capital	7,544	7,632	8,241	8,502	C 47.00 (r300,c010)	
B.2	Total leverage ratio exposures - using a fully phased-in definition of Tier 1 capital	7,531	7,620	8,241	8,502	C 47.00 (r290,c010)	
C.1	Leverage ratio - using a transitional definition of Tier 1 capital	14.4%	15.1%	14.7%	14.6%	[A.1]/[B.1]	
C.2	Leverage ratio - using a fully phased-in definition of Tier 1 capital	14.4%	15.1%	14.7%	14.6%	[A.2]/[B.2]	

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Capital
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		(mln EUR, %)						
		As of 30/09/2020	As of 31/12/2020	As of 31/03/2021	As of 30/06/2021	COREP CODE	REGULATION	
OWN FUNDS	A	OWN FUNDS	1,226	1,289	1,348	1,385	C 01.00 (0101,010)	Articles 4(1)(b) and 72 of CRR
	A.1	COMMON EQUITY TIER 1 CAPITAL (net of deductions and after applying transitional adjustments)	998	1,063	1,120	1,155	C 01.00 (0102,010)	Article 50 of CRR
	A.1.1	Capital instruments eligible as CET1 Capital (including share premium and net own capital instruments)	287	329	266	248	C 01.00 (0103,010)	Articles 26(1) points (a) and (b), 27 to 29, 36(1) point (f) and 42 of CRR
	A.1.2	Retained earnings	732	865	885	989	C 01.00 (0130,010)	Articles 36(1) points (c), 26(2) and 36 (1) points (a) and (f) of CRR
	A.1.3	Accumulated other comprehensive income	19	15	0	0	C 01.00 (0180,010)	Articles 4(1)(b), 26(1) point (d) and 36 (1) point (f) of CRR
	A.1.4	Other Reserves	53	58	86	83	C 01.00 (0200,010)	Articles 4(1)(b) and 26(1) point (a) of CRR
	A.1.5	Funds for general banking risk	0	0	0	0	C 01.00 (0210,010)	Articles 4(1)(b), 26(1) point (f) and 36 (1) point (f) of CRR
	A.1.6	Minority interest given recognition in CET1 capital	0	0	0	0	C 01.00 (0230,010)	Article 84 of CRR
	A.1.7	Adjustments to CET1 due to prudential filters	-23	-16	-11	-12	C 01.00 (0250,010)	Articles 32 to 35 and 36 (1) point (f) of CRR
	A.1.8	(-) Intangible assets (including Goodwill)	-72	-84	-94	-65	C 01.00 (0300,010) + C 01.00 (0340,010)	Articles 4(1)(b), 36(1) point (b) and 37 of CRR. Articles 4(1)(b), 36(1) point (b) and 37 point (a) of CRR
	A.1.9	(-) DTAs that rely on future profitability and do not arise from temporary differences net of associated DTAs	0	0	0	0	C 01.00 (0370,010)	Articles 36(1) point (c) and 38 of CRR
	A.1.10	(-) IBS shortfall of credit risk adjustments to expected losses	0	0	0	0	C 01.00 (0380,010)	Articles 36(1) point (d), 40 and 128 of CRR
	A.1.11	(-) Defined benefit pension fund assets	0	0	0	0	C 01.00 (0390,010)	Articles 4(1)(b), 36(1) point (a) and 41 of CRR
	A.1.12	(-) Reciprocal cross holdings in CET1 Capital	0	0	0	0	C 01.00 (0430,010)	Articles 4(1)(b), 36(1) point (g) and 44 of CRR
	A.1.13	(-) Excess deduction from AT1 items over AT1 Capital	0	0	0	0	C 01.00 (0440,010)	Article 36(1) point (i) of CRR
	A.1.14	(-) Deductions related to assets which can alternatively be subject to a 1.250% risk weight	0	0	0	0	C 01.00 (0450,010) + C 01.00 (0460,010) + C 01.00 (0470,010) + C 01.00 (0471,010) + C 01.00 (0472,010)	Articles 4(1)(b), 36(1) point (j) and 89 to 91 of CRR. Article 36(1) point (k) (i), 24(1) point (b), 24(1) point (c) and 258 of CRR. Article 36(1) point (k) (ii) and 270(1) of CRR. Article 36(1) point (k) (iii) and 133(8) of CRR and Article 36(1) point (k) (iv) and 155(4) of CRR.
	A.1.14.1	Of which: from securitisation positions (-)	0	0	0	0	C 01.00 (0460,010)	Articles 36(1) point (k) (i), 24(1) point (b), 24(1) point (c) and 258 of CRR
	A.1.15	(-) Holdings of CET1 capital instruments of financial sector entities where the institution does not have a significant investment	0	0	0	0	C 01.00 (0480,010)	Article 4(2), 36(1) point (l), 43 to 46, 49 (2) and (3) and 79 of CRR
	A.1.16	(-) Deductible DTAs that rely on future profitability and arise from temporary differences	-2	0	0	0	C 01.00 (0490,010)	Articles 36(1) point (c) and 38, Article 48(1) point (a) and 48(2) of CRR
	A.1.17	(-) Holdings of CET1 capital instruments of financial sector entities where the institution has a significant investment	0	0	0	0	C 01.00 (0500,010)	Articles 4(2), 36(1) point (l), 43, 45, 47, 48(1) point (b), 48(1) to (3) and 79 of CRR
	A.1.18	(-) Amount exceeding the 17.65% threshold	0	0	0	0	C 01.00 (0510,010)	Article 48 of CRR
	A.1.18A	(-) Insufficient coverage for non-performing exposures				0	C 01.00 (0520,010)	Article 36(1) point (m) and Article 47c of CRR
	A.1.18B	(-) Minimum value commitment shortfalls				0	C 01.00 (0540,010)	Article 36(1) point (n) and Article 133(2) of CRR
	A.1.18C	(-) Other foreseeable tax charges				0	C 01.00 (0550,010)	Article 36(1) point (o) of CRR
	A.1.19	(-) Additional deductions of CET1 Capital due to Article 3 CRR	0	0	0	0	C 01.00 (0540,010)	Article 3 of CRR
	A.1.20	CET1 capital elements or deductions - other	-8	-115	-21	-102	C 01.00 (0570,010)	-
	A.1.21	Transitional adjustments	12	12	8	13	GA1 (1.1.16 + 1.1.18 + 1.1.126)	-
	A.1.21.1	Transitional adjustments due to grandfathered CET1 Capital instruments (+/-)	0	0	0	0	C 01.00 (0220,010)	Articles 483(1) to (3), and 484 to 487 of CRR
	A.1.21.2	Transitional adjustments due to additional minority interests (+/-)	0	0	0	0	C 01.00 (0240,010)	Articles 479 and 480 of CRR
	A.1.21.3	Other transitional adjustments to CET1 Capital (+/-)	12	12	8	13	C 01.00 (0530,010)	Articles 469 to 472, 478 and 481 of CRR
	A.2	ADDITIONAL TIER 1 CAPITAL (net of deductions and after transitional adjustments)	90	88	88	89	C 01.00 (0530,010)	Article 61 of CRR
	A.2.1	Additional Tier 1 Capital instruments	90	88	88	89	C 01.00 (0540,010) + C 01.00 (0470,010)	
	A.2.2	(-) Excess deduction from T2 items over T2 capital	0	0	0	0	C 01.00 (0700,010)	
A.2.3	Other Additional Tier 1 Capital components and deductions	0	0	0	0	C 01.00 (0460,010) + C 01.00 (0700,010) + C 01.00 (0710,010) + C 01.00 (0740,010) + C 01.00 (0741,010) + C 01.00 (0742,010)		
A.2.4	Additional Tier 1 transitional adjustments	0	0	0	0	C 01.00 (0660,010) + C 01.00 (0680,010) + C 01.00 (0730,010)		
A.3	TIER 1 CAPITAL (net of deductions and after transitional adjustments)	1,088	1,151	1,208	1,244	C 01.00 (0101,010)	Article 25 of CRR	
A.4	TIER 2 CAPITAL (net of deductions and after transitional adjustments)	138	138	140	141	C 01.00 (0750,010)	Article 71 of CRR	
A.4.1	Tier 2 Capital instruments	138	138	140	141	C 01.00 (0760,010) + C 01.00 (0690,010)		
A.4.2	Other Tier 2 Capital components and deductions	0	0	0	0	C 01.00 (0910,010) + C 01.00 (0920,010) + C 01.00 (0930,010) + C 01.00 (0940,010) + C 01.00 (0950,010) + C 01.00 (0970,010) + C 01.00 (0971,010) + C 01.00 (0972,010)		
A.4.3	Tier 2 transitional adjustments	0	0	0	0	C 01.00 (0880,010) + C 01.00 (0900,010) + C 01.00 (0960,010)		
B	TOTAL RISK EXPOSURE AMOUNT	4,489	4,777	5,099	5,111	C 02.00 (0101,010)	Articles 92(1), 95, 96 and 98 of CRR	
B.1	Of which: Transitional adjustments included	13	14	9	14	C 05.01 (0101,010)		
CAPITAL RATIOS (%)	C.1	COMMON EQUITY TIER 1 CAPITAL RATIO (transitional period)	22.23%	22.26%	21.97%	22.60%	GA3 (1)	-
	C.2	TIER 1 CAPITAL RATIO (transitional period)	24.24%	24.09%	23.70%	24.34%	GA3 (2)	-
	C.3	TOTAL CAPITAL RATIO (transitional period)	27.31%	26.98%	26.44%	27.09%	GA3 (3)	-
CET1 Capital Fully loaded	D	COMMON EQUITY TIER 1 CAPITAL (fully loaded)	986	1,051	1,112	1,142	[A.1+A.1.13+A.1.21+MIN(A.1+A.1.13+A.1.21+A.1.21.1+MIN(A.1+A.1.21+A.1.21.1))]	-
CET1 RATIO (%) Fully loaded ⁽¹⁾	E	COMMON EQUITY TIER 1 CAPITAL RATIO (fully loaded)	22.02%	22.07%	21.84%	22.40%	[D.1]/[B-A.1]	-
Memo Items	F	Adjustments to CET1 due to IFRS 9 transitional arrangements	12	12	8	13	C 05.01 (0440,010)	
	F	Adjustments to AT1 due to IFRS 9 transitional arrangements	0	0	0	0	C 05.01 (0440,010)	
	F	Adjustments to T2 due to IFRS 9 transitional arrangements	0	0	0	0	C 05.01 (0440,010)	
	F	Adjustments included in RWAs due to IFRS 9 transitional arrangements	13	14	9	14	C 05.01 (0440,010)	

(1) The fully loaded CET1 ratio is an estimate calculated based on banks' supervisory reporting. Therefore, any capital instruments that are not eligible from a regulatory point of view at the reporting date are not taken into account in this calculation. Fully loaded CET1 capital ratio estimation is based on the formulae stated in column "COREP CODE" - please note that this might lead to differences to fully loaded CET1 capital ratios published by the participating banks e.o. in their Pillar 3 disclosure

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Overview of Risk exposure amounts

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(min EUR, %)	RWAs				COREP CODE
	As of 30/09/2020	As of 31/12/2020	As of 31/03/2021	As of 30/06/2021	
Credit risk (excluding CCR and Securitisations) ¹	3,828	4,028	4,298	4,321	C 02.00 (r040, c010) - [C 07.00 (r090, c220, s001) + C 07.00 (r110, c220, s001) + C 07.00 (r130, c220, s001) + C 08.01 (r040, c260, s001) + C 08.01 (r050, c260, s001) + C 08.01 (r060, c260, s001) + C 08.01 (r040, c260, s002) + C 08.01 (r050, c260, s002) + C 08.01 (r060, c260, s002)] - [C 02.00 (R470, c010) - C 02.00 (R460, c010)]
Of which the standardised approach	3,828	4,028	4,298	4,321	C 02.00 (r060, c010) - [C 07.00 (r090, c220, s001) + C 07.00 (r110, c220, s001) + C 07.00 (r130, c220, s001)]
Of which the foundation IRB (FIRB) approach	0	0	0	0	C 02.00 (R250, c010) - [C 08.01 (r040, c260, s002) + C 08.01 (r050, c260, s002) + C 08.01 (r060, c260, s002)]
Of which the advanced IRB (AIRB) approach	0	0	0	0	C 02.00 (R310, c010) - [C 08.01 (r040, c260, s001) + C 08.01 (r050, c260, s001) + C 08.01 (r060, c260, s001)]
Of which equity IRB	0	0	0	0	C 02.00 (R420, c010)
Counterparty credit risk (CCR, excluding CVA) ²	30	22	33	54	C 07.00 (r090, c220, s001) + C 07.00 (r110, c220, s001) + C 07.00 (r130, c220, s001) + C 08.01 (r040, c260, s001) + C 08.01 (r050, c260, s001) + C 08.01 (r060, c260, s001) + C 08.01 (r040, c260, s002) + C 08.01 (r050, c260, s002) + C 08.01 (r060, c260, s002) + C 02.00 (R460, c010)
Credit valuation adjustment - CVA	10	5	9	17	C 02.00 (R440, c010)
Settlement risk	0	16	17	0	C 02.00 (R490, c010)
Securitisation exposures in the banking book (after the cap)	0	0	0	0	C 02.00 (R470, c010)
Position, foreign exchange and commodities risks (Market risk)	107	139	146	116	C 02.00 (R520, c010)
Of which the standardised approach	107	139	146	116	C 02.00 (R530, c010)
Of which IMA	0	0	0	0	C 02.00 (R580, c010)
Of which securitisations and resecuritisations in the trading book	0	0	0	0	C 19.00_010_601*12.5+C 20.00_010_450*12.5+MAX(C 24.00_010_090,C 24.00_010_100,C 24.00_010_110)*12.5
Large exposures in the trading book	0	0	0	0	C 02.00 (R680, c010)
Operational risk	515	567	597	604	C 02.00 (R590, c010)
Of which basic indicator approach	0	0	0	0	C 02.00 (R600, c010)
Of which standardised approach	515	567	597	604	C 02.00 (R610, c010)
Of which advanced measurement approach	0	0	0	0	C 02.00 (R620, c010)
Other risk exposure amounts	0	0	0	0	C 02.00 (R630, c010) + C 02.00 (R690, c010)
Total	4,489	4,777	5,099	5,111	

¹ The positions "of which" are for information and do not need to sum up to Credit risk (excluding CCR and Securitisations)

² On-balance sheet exposures related to Free Deliveries (according to Article 379(1)) have not been included in "Counterparty Credit Risk (CCR, excluding CVA)". They are instead reported in the "Credit Risk (excluding CCR and Securitisations)" section.

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P&L Arion banki hf

(m€ EUR)	As of 30/09/2020	As of 31/12/2020	As of 31/03/2021	As of 30/06/2021
Interest income	240	331	80	177
Of which debt securities income	7	12	4	9
Of which loans and advances income	227	310	73	163
Interest expenses	98	132	30	72
Of which deposits expenses	34	43	8	21
Of which debt securities issued expenses	64	89	22	50
(Expenses on share capital repayable on demand)	0	0	0	0
Dividend income	0	0	0	1
Net Fee and commission income	53	75	22	47
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, and of non financial assets, net	6	5	1	2
Gains or (-) losses on financial assets and liabilities held for trading, net	5	12	3	8
Gains or (-) losses on financial assets and liabilities at fair value through profit or loss, net	6	16	7	17
Gains or (-) losses from hedge accounting, net	-3	-3	0	0
Exchange differences (gain or (-) loss), net	0	-4	0	0
Net other operating income /(expenses)	16	29	6	14
TOTAL OPERATING INCOME, NET	225	330	89	193
(Administrative expenses)	103	146	38	77
(Cash contributions to resolution funds and deposit guarantee schemes)	0	0	0	2
(Depreciation)	7	10	2	6
Modification gains or (-) losses, net	0	0	0	0
(Provisions or (-) reversal of provisions)	0	0	0	0
(Payment commitments to resolution funds and deposit guarantee schemes)	0	0	0	0
(Commitments and guarantees given)	0	0	0	0
(Other provisions)	0	0	0	0
Of which pending legal issues and tax litigation ¹⁾	0	0	0	0
Of which restructuring ²⁾	0	0	0	0
(Increases or (-) decreases of the fund for general banking risks, net) ²⁾	0	0	0	0
(Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss)	35	37	-6	-11
(Financial assets at fair value through other comprehensive income)	0	0	0	0
(Financial assets at amortised cost)	35	37	-6	-11
(Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates and on non-financial assets)	0	0	0	0
(of which Goodwill)	0	0	0	0
Negative goodwill recognised in profit or loss	0	0	0	0
Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates	0	0	0	0
Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	0	0	0	0
PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS	81	136	55	120
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS	53	107	40	93
Profit or (-) loss after tax from discontinued operations	-12	-27	1	2
PROFIT OR (-) LOSS FOR THE YEAR	41	80	41	95
Of which attributable to owners of the parent	41	80	41	95

¹⁾ Information available only as of end of the year

²⁾ For IFRS compliance banks "zero" in cell "Increases or (-) decreases of the fund for general banking risks, net" must be read as "n.a."

2021 EU-wide Transparency Exercise
Total Assets: fair value and impairment distribution

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ASSETS:	As of 30/09/2020					As of 31/12/2020					As of 31/03/2021					As of 30/06/2021					References
	Carrying amount	Fair value hierarchy			Carrying amount	Fair value hierarchy			Carrying amount	Fair value hierarchy			Carrying amount	Fair value hierarchy							
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3					
Cash, cash balances at central banks and other demand deposits	749				413				557				691				IAS 1.54 (i)				
Financial assets held for trading	301	235	66	0	382	338	44	0	415	381	34	0	426	392	35	0	IFRS 7.8(a)(i); IFRS 9, Appendix A				
Non-trading financial assets mandatorily at fair value through profit or loss	183	89	83	12	177	101	63	13	217	110	75	33	236	111	90	35	IFRS 7.8(a)(ii); IFRS 9.4.1.4				
Financial assets designated at fair value through profit or loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	IFRS 7.8(a)(i); IFRS 9.4.1.5				
Financial assets at fair value through other comprehensive income	943	889	54	0	882	872	10	0	704	699	6	0	801	801	0	0	IFRS 7.8(h); IFRS 9.4.1.2A				
Financial assets at amortised cost	5,015				5,310				5,687				5,774				IFRS 7.8(f); IFRS 9.4.1.2				
Derivatives – Hedge accounting	21	0	21	0	15	0	15	0	9	0	9	0	11	0	11	0	IFRS 9.6.2.1; Annex V, Part 1.22; Annex V, Part 1.26				
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0				0				0				0				IAS 39.89A(a); IFRS 9.6.5.8				
Other assets ¹	409				334				385				374								
TOTAL ASSETS	7,622				7,513				7,975				8,313				IAS 1.9(a), IAS 6				

¹ Portfolios, which are not GAAP specific, i.e. which are not applicable for IFRS reporting banks, are considered in the position "Other assets".

Breakdown of financial assets by instrument and by counterparty sector ¹	As of 30/09/2020						As of 31/12/2020						As of 31/03/2021						As of 30/06/2021						References
	Gross carrying amount			Accumulated impairment			Gross carrying amount			Accumulated impairment			Gross carrying amount			Accumulated impairment			Gross carrying amount ⁽²⁾			Accumulated impairment ⁽²⁾			
	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	Stage 1 Assets without significant increase in credit risk since initial recognition	Stage 2 Assets with significant increase in credit risk since initial recognition but not credit-impaired	Stage 3 Credit-impaired assets	
Financial assets at fair value through other comprehensive income	943	0	0	0	0	0	882	0	0	0	0	704	0	0	0	0	0	801	0	0	0	0	0	0	Annex V, Part 1.31, 44(b)
Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Annex V, Part 1.32, 44(a)
Financial assets at amortised cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Annex V, Part 1.31, 44(b)
Loans and advances	3,990	951	159	-12	-22	-51	4,416	894	138	-13	-21	-44	4,805	798	162	-13	-20	-45	4,922	756	159	-12	-17	-36	Annex V, Part 1.32, 44(a)

¹ This table covers IFRS 9 specific information and as such only applies for IFRS reporting banks.

² From June 2021, the gross carrying amount of assets and accumulated impairments that are purchased or originated as credit-impaired at initial recognition are not included in the impairment stages, as it was the case in previous periods.

2021 EU-wide Transparency Exercise

Breakdown of liabilities

Arion banki hf

(mln EUR)

LIABILITIES:	Carrying amount				References
	As of 30/09/2020	As of 31/12/2020	As of 31/03/2021	As of 30/06/2021	
Financial liabilities held for trading	25	34	43	36	IFRS 7.8 (e) (ii); IFRS 9.BA.6
Trading financial liabilities ¹	0	0	0	0	Accounting Directive art 8(1)(a),(3),(6)
Financial liabilities designated at fair value through profit or loss	0	0	0	0	IFRS 7.8 (e)(i); IFRS 9.4.2.2
Financial liabilities measured at amortised cost	5,915	5,871	6,283	6,471	IFRS 7.8(g); IFRS 9.4.2.1
Non-trading non-derivative financial liabilities measured at a cost-based method ¹	0	0	0	0	Accounting Directive art 8(3)
Derivatives – Hedge accounting	0	0	0	1	IFRS 9.6.2.1; Annex V.Part 1.26
Fair value changes of the hedged items in portfolio hedge of interest rate risk	0	0	0	0	IAS 39.89A(b), IFRS 9.6.5.8
Provisions	8	8	7	7	IAS 37.10; IAS 1.54(l)
Tax liabilities	19	27	37	40	IAS 1.54(n-o)
Share capital repayable on demand	0	0	0	0	IAS 32 IE 33; IFRIC 2; Annex V.Part 2.12
Other liabilities	307	202	270	308	Annex V.Part 2.13
Liabilities included in disposal groups classified as held for sale	161	104	57	129	IAS 1.54 (p); IFRS 5.38, Annex V.Part 2.14
Haircuts for trading liabilities at fair value ¹	0	0	0	0	Annex V Part 1.29
TOTAL LIABILITIES	6,435	6,245	6,696	6,992	IAS 1.9(b);IG 6
TOTAL EQUITY	1,187	1,268	1,279	1,322	IAS 1.9(c), IG 6
TOTAL EQUITY AND TOTAL LIABILITIES	7,622	7,513	7,975	8,313	IAS 1.IG6

(1) Portfolios which are nGAAP specific, i.e. which are not applicable for IFRS reporting banks

2021 EU-wide Transparency Exercise

Breakdown of liabilities

Arion banki hf

(mln EUR)

Breakdown of financial liabilities by instrument and by counterparty sector		Carrying amount				References
		As of 30/09/2020	As of 31/12/2020	As of 31/03/2021	As of 30/06/2021	
Derivatives		16	29	35	36	IFRS 9.BA.7(a); CRR Annex II
Short positions	Equity instruments	0	0	0	0	IAS 32.11; ECB/2013/33 Annex 2.Part 2.4-5
	Debt securities	8	5	7	2	Annex V.Part 1.31
Deposits	Central banks	13	18	16	22	Annex V.Part 1.42(a), 44(c)
	of which: Current accounts / overnight deposits	0	0	0	0	ECB/2013/33 Annex 2.Part 2.9.1
	General governments	423	281	351	328	Annex V.Part 1.42(b), 44(c)
	of which: Current accounts / overnight deposits	335	191	255	104	ECB/2013/33 Annex 2.Part 2.9.1
	Credit institutions	53	65	49	31	Annex V.Part 1.42(c),44(c)
	of which: Current accounts / overnight deposits	40	59	26	21	ECB/2013/33 Annex 2.Part 2.9.1
	Other financial corporations	563	495	540	598	Annex V.Part 1.42(d),44(c)
	of which: Current accounts / overnight deposits	288	265	292	326	ECB/2013/33 Annex 2.Part 2.9.1
	Non-financial corporations	1,048	1,037	1,136	1,230	Annex V.Part 1.42(e), 44(c)
	of which: Current accounts / overnight deposits	836	842	944	903	ECB/2013/33 Annex 2.Part 2.9.1
	Households	1,683	1,829	1,974	1,969	Annex V.Part 1.42(f), 44(c)
	of which: Current accounts / overnight deposits	951	1,055	1,149	1,108	Annex V.Part 1.42(f), 44(c)
Debt securities issued		2,132	2,146	2,217	2,293	Annex V.Part 1.37, Part 2.98
Of which: Subordinated Debt securities issued		227	231	234	0	Annex V.Part 1.37
Other financial liabilities		0	0	0	0	Annex V.Part 1.38-41
TOTAL FINANCIAL LIABILITIES		5,940	5,905	6,325	6,509	

2021 EU-wide Transparency Exercise

Market Risk

Arion banki hf

	SA		IM										IM											
	TOTAL RISK EXPOSURE AMOUNT	TOTAL RISK EXPOSURE AMOUNT	VaR (Memorandum item)		STRESSED VaR (Memorandum item)			INCREMENTAL DEFAULT AND MIGRATION RISK CAPITAL CHARGE		ALL PRICE RISKS CAPITAL CHARGE FOR CTP			TOTAL RISK EXPOSURE AMOUNT	VaR (Memorandum item)		STRESSED VaR (Memorandum item)			INCREMENTAL DEFAULT AND MIGRATION RISK CAPITAL CHARGE		ALL PRICE RISKS CAPITAL CHARGE FOR CTP			TOTAL RISK EXPOSURE AMOUNT
			MULTIPLICATION FACTOR (mc) x AVERAGE OF PREVIOUS 60 WORKING DAYS (VaRavg)	PREVIOUS DAY (VaRt-1)	MULTIPLICATION FACTOR (ms) x AVERAGE OF PREVIOUS 60 WORKING DAYS (SVaRavg)	LATEST AVAILABLE (SVaRt-1)	12 WEEKS AVERAGE MEASURE	LAST MEASURE	FLOOR	12 WEEKS AVERAGE MEASURE	LAST MEASURE	MULTIPLICATION FACTOR (mc) x AVERAGE OF PREVIOUS 60 WORKING DAYS (VaRavg)		PREVIOUS DAY (VaRt-1)	MULTIPLICATION FACTOR (ms) x AVERAGE OF PREVIOUS 60 WORKING DAYS (SVaRavg)	LATEST AVAILABLE (SVaRt-1)	12 WEEKS AVERAGE MEASURE	LAST MEASURE	FLOOR	12 WEEKS AVERAGE MEASURE	LAST MEASURE			
(mln EUR)	As of 30/09/2020	As of 31/12/2020	As of 30/09/2020										As of 31/12/2020											
Traded Debt Instruments	28	32	0	0	0	0						0	0	0	0							0	0	
Of which: General risk	15	21	0	0	0	0						0	0	0	0							0	0	
Of which: Specific risk	13	11	0	0	0	0						0	0	0	0							0	0	
Equities	63	51	0	0	0	0						0	0	0	0							0	0	
Of which: General risk	31	25	0	0	0	0						0	0	0	0							0	0	
Of which: Specific risk	31	26	0	0	0	0						0	0	0	0							0	0	
Foreign exchange risk	16	55	0	0	0	0						0	0	0	0							0	0	
Commodities risk	0	0	0	0	0	0						0	0	0	0							0	0	
Total	107	139	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	As of 31/03/2021	As of 30/06/2021	As of 31/03/2021										As of 30/06/2021											
Traded Debt Instruments	32	36	0	0	0	0						0	0	0	0							0	0	
Of which: General risk	18	21	0	0	0	0						0	0	0	0							0	0	
Of which: Specific risk	14	15	0	0	0	0						0	0	0	0							0	0	
Equities	71	73	0	0	0	0						0	0	0	0							0	0	
Of which: General risk	30	36	0	0	0	0						0	0	0	0							0	0	
Of which: Specific risk	41	37	0	0	0	0						0	0	0	0							0	0	
Foreign exchange risk	43	7	0	0	0	0						0	0	0	0							0	0	
Commodities risk	0	0	0	0	0	0						0	0	0	0							0	0	
Total	146	116	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Market risk template does not include CUI positions under the particular approach for position risk in CIUs (Articles 348(1), 350 (3) c) and 364 (2) a) CRR), which instead are included in the RWA OV1 template.

		Standardised Approach							
		As of 30/09/2020				As of 31/12/2020			
		Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³	Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³
(in EUR, %)									
Consolidated data	Central governments or central banks	1,362	1,376	5	0	1,071	1,093	3	0
	Regional governments or local authorities	41	32	0	0	42	28	0	0
	Public sector entities	7	5	0	0	8	6	0	0
	Multilateral Development Banks	0	16	0	0	0	14	0	0
	International Organisations	0	0	0	0	0	0	0	0
	Institutions	405	354	95	286	233	233	64	64
	Corporates	2,379	1,959	1,839	2,465	2,005	2,008	2,008	2,008
	of which: SME	1,252	1,051	1,033	1,298	1,067	1,067	1,069	1,069
	Retail	1,095	774	538	1,105	880	880	880	880
	of which: SME	314	240	138	338	255	255	255	255
	Secured by mortgages on immovable property	2,389	2,367	894	2,589	2,558	947	947	947
	of which: SME	356	299	149	352	352	126	126	126
	Exposures in default	163	110	146	51	141	94	123	44
	Items associated with particularly high risk	12	12	12	0	15	15	22	0
	Covered bonds	88	88	18	0	89	89	18	0
Claims on institutions and corporates with > 12 month assessment	9	9	0	0	9	9	0	0	
Claims on institutions and corporates with a ST credit assessment	24	24	16	0	19	19	16	0	
Collective Investments undertakings (CIU)	42	29	29	0	75	75	159	0	
Equity	135	135	132	0	122	122	122	0	
Other exposures	0	0	0	0	0	0	0	0	
Standardised Total ⁴		8,162	7,299	3,858	91	8,028	7,175	4,659	83

¹ Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (i.e. substitution effects).

² Exposure value Total does not include the Securitisation reserves unless in the security class by the 2018 exercise.

		Standardised Approach							
		As of 30/09/2020				As of 31/12/2020			
		Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³	Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³
(in EUR, %)									
ICELAND	Central governments or central banks	1,022	1,030	5	0	686	707	3	0
	Regional governments or local authorities	41	32	0	0	42	28	0	0
	Public sector entities	7	5	0	0	8	6	0	0
	Multilateral Development Banks	0	0	0	0	0	0	0	0
	International Organisations	0	0	0	0	0	0	0	0
	Institutions	88	88	29	69	77	69	18	18
	Corporates	2,190	1,809	1,789	2,298	1,972	1,868	1,868	1,868
	of which: SME	1,243	1,044	1,026	1,290	1,080	1,062	1,062	1,062
	Retail	1,070	761	528	1,090	795	546	546	546
	of which: SME	314	240	138	338	255	255	255	255
	Secured by mortgages on immovable property	2,373	2,354	889	2,573	2,543	941	941	941
	of which: SME	356	299	149	352	352	126	126	126
	Exposures in default	160	109	145	10	138	94	123	43
	Items associated with particularly high risk	12	12	12	0	14	14	22	0
	Covered bonds	88	88	18	0	89	89	18	0
Claims on institutions and corporates with a ST credit assessment	17	17	9	0	11	11	9	0	
Collective Investments undertakings (CIU)	48	31	31	0	86	86	149	0	
Equity	154	154	153	0	139	139	139	0	
Other exposures	0	0	0	0	0	0	0	0	
Standardised Total ⁴		8,162	7,299	3,858	91	8,028	7,175	4,659	83

¹ Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (i.e. substitution effects).

² Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 30/09/2020				As of 31/12/2020			
		Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³	Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³
(in EUR, %)									
UNITED STATES	Central governments or central banks	235	235	0	0	217	217	0	0
	Regional governments or local authorities	0	0	0	0	0	0	0	0
	Public sector entities	0	0	0	0	0	0	0	0
	Multilateral Development Banks	0	0	0	0	0	0	0	0
	International Organisations	0	0	0	0	0	0	0	0
	Institutions	54	54	11	29	29	29	6	6
	Corporates	66	48	48	66	46	46	46	46
	of which: SME	0	0	0	0	0	0	0	0
	Retail	2	2	0	2	2	2	0	0
	of which: SME	0	0	0	0	0	0	0	0
	Secured by mortgages on immovable property	1	1	1	1	1	1	1	1
	of which: SME	0	0	0	0	0	0	0	0
	Exposures in default	0	0	0	0	0	0	0	0
	Items associated with particularly high risk	0	0	0	0	0	0	0	0
	Covered bonds	0	0	0	0	0	0	0	0
Claims on institutions and corporates with a ST credit assessment	0	0	0	0	0	0	0	0	
Collective Investments undertakings (CIU)	0	0	0	0	0	0	0	0	
Equity	32	19	19	0	17	17	10	0	
Other exposures	0	0	0	0	0	0	0	0	
Standardised Total ⁴		0	0	0	0	0	0	0	0

¹ Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (i.e. substitution effects).

² Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 30/09/2020				As of 31/12/2020			
		Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³	Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³
(in EUR, %)									
Country of Counterpart 3	Central governments or central banks	0	0	0	0	0	0	0	0
	Regional governments or local authorities	0	0	0	0	0	0	0	0
	Public sector entities	0	0	0	0	0	0	0	0
	Multilateral Development Banks	0	0	0	0	0	0	0	0
	International Organisations	0	0	0	0	0	0	0	0
	Institutions	0	0	0	0	0	0	0	0
	Corporates	0	0	0	0	0	0	0	0
	of which: SME	0	0	0	0	0	0	0	0
	Retail	0	0	0	0	0	0	0	0
	of which: SME	0	0	0	0	0	0	0	0
	Secured by mortgages on immovable property	0	0	0	0	0	0	0	0
	of which: SME	0	0	0	0	0	0	0	0
	Exposures in default	0	0	0	0	0	0	0	0
	Items associated with particularly high risk	0	0	0	0	0	0	0	0
	Covered bonds	0	0	0	0	0	0	0	0
Claims on institutions and corporates with a ST credit assessment	0	0	0	0	0	0	0	0	
Collective Investments undertakings (CIU)	0	0	0	0	0	0	0	0	
Equity	0	0	0	0	0	0	0	0	
Other exposures	0	0	0	0	0	0	0	0	
Standardised Total ⁴		0	0	0	0	0	0	0	0

¹ Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (i.e. substitution effects).

² Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 30/09/2020				As of 31/12/2020			
		Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³	Original Exposure ¹	Exposure Value ²	Risk exposure amount	Value adjustments and provisions ³
(in EUR, %)									
Country of Counterpart 4	Central governments or central banks	0	0	0	0	0	0	0	0
	Regional governments or local authorities	0	0	0	0	0	0	0	0
	Public sector entities	0	0	0	0	0	0	0	0
	Multilateral Development Banks	0	0	0	0	0	0	0	0
	International Organisations	0	0	0	0	0	0	0	0
	Institutions	0	0	0	0	0	0	0	0
	Corporates	0	0	0	0	0	0	0	0
	of which: SME	0	0	0	0	0	0	0	0
	Retail	0	0	0	0	0	0	0	0
	of which: SME	0	0	0	0	0	0	0	0
	Secured by mortgages on immovable property	0	0	0	0	0	0	0	0
	of which: SME	0	0	0	0	0	0	0	0
	Exposures in default	0	0	0	0	0	0	0	0
	Items associated with particularly high risk	0	0	0	0	0	0	0	0
	Covered bonds	0	0	0	0	0	0	0	0
Claims on institutions and corporates with a ST credit assessment	0	0	0	0	0	0	0	0	
Collective Investments undertakings (CIU)	0	0	0	0	0	0	0	0	
Equity	0	0	0	0	0	0	0	0	
Other exposures	0	0	0	0	0	0	0	0	
Standardised Total ⁴		0	0	0	0	0	0	0	0

¹ Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (i.e. substitution effects).

² Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 31/03/2021				As of 30/06/2021			
		Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b	Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b
(in EUR, %)									
Consolidated data	Central governments or central banks	1,034	1,037	1		1,137	1,131	0	
	Regional governments or local authorities	46	33	7		46	32	6	
	Public sector entities	8	6	3		8	6	3	
	Multilateral Development Banks	0	14	0		0	13	0	
	International Organisations	0	0	0		0	0	0	
	Institutions	273	299	65		296	281	83	
	Corporates	2,546	2,111	2,084		2,592	2,167	2,033	
	of which: SME	1,423	1,164	1,140		858	691	582	
	Retail	1,123	863	944		1,098	838	390	
	of which: SME	337	263	350		333	261	349	
	Secured by mortgages on immovable property	2,888	2,779	1,044		3,011	2,989	1,127	
	of which: SME	342	318	371		286	276	322	
	Exposures in default	164	117	154	45	167	125	165	37
	Items associated with particularly high risk	36	36	24		32	32	18	
	Covered bonds	94	94	39		168	168	34	
Claims on institutions and corporates with a ST credit assessment	0	0	0		0	0	0		
Collective investments undertakings (CIU)	32	22	26		26	26	0		
Equity	84	84	174		97	97	181		
Other exposures	141	132	162		111	111	116		
Standardised Total ²	8,429	7,582	4,331	82	8,757	8,016	4,374	69	

(1) Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (e.g. substitution effects).
(2) Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 31/03/2021				As of 30/06/2021			
		Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b	Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b
(in EUR, %)									
ICELAND	Central governments or central banks	765	768	1		970	974	0	
	Regional governments or local authorities	84	31	3		46	32	6	
	Public sector entities	8	6	3		8	6	3	
	Multilateral Development Banks	0	0	0		0	0	0	
	International Organisations	0	0	0		0	0	0	
	Institutions	46	0	21		49	25	25	
	Corporates	2,372	1,994	1,928		2,371	1,960	1,850	
	of which: SME	1,415	1,137	1,133		846	679	573	
	Retail	1,170	838	962		1,074	802	376	
	of which: SME	337	263	350		333	261	349	
	Secured by mortgages on immovable property	2,788	2,762	1,038		2,992	2,969	1,119	
	of which: SME	342	318	371		288	276	322	
	Exposures in default	165	115	153	43	164	123	164	35
	Items associated with particularly high risk	36	36	24		32	32	18	
	Covered bonds	94	94	39		168	168	34	
Claims on institutions and corporates with a ST credit assessment	0	0	0		0	0	0		
Collective investments undertakings (CIU)	16	13	13		13	13	2		
Equity	79	79	164		79	79	116		
Other exposures	134	131	137		111	111	116		
Standardised Total ²	7,911	7,111	3,977	79	8,111	7,411	3,977	67	

(1) Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (e.g. substitution effects).
(2) Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 31/03/2021				As of 30/06/2021			
		Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b	Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b
(in EUR, %)									
UNITED STATES	Central governments or central banks	98	98	0		98	98	0	
	Regional governments or local authorities	0	0	0		0	0	0	
	Public sector entities	0	0	0		0	0	0	
	Multilateral Development Banks	0	0	0		0	0	0	
	International Organisations	0	0	0		0	0	0	
	Institutions	62	62	32		106	106	21	
	Corporates	52	51	51		90	80	50	
	of which: SME	0	0	0		0	0	0	
	Retail	0	0	0		0	0	0	
	of which: SME	0	0	0		0	0	0	
	Secured by mortgages on immovable property	2	2	2		2	2	1	
	of which: SME	0	0	0		0	0	0	
	Exposures in default	0	0	0	0	0	0	0	0
	Items associated with particularly high risk	0	0	0		0	0	0	
	Covered bonds	0	0	0		0	0	0	
Claims on institutions and corporates with a ST credit assessment	0	0	0		0	0	0		
Collective investments undertakings (CIU)	0	0	0		0	0	0		
Equity	11	11	11		18	18	11		
Other exposures	2	2	2		2	2	2		
Standardised Total ²	160	160	43	0	214	214	43	0	

(1) Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (e.g. substitution effects).
(2) Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 31/03/2021				As of 30/06/2021			
		Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b	Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b
(in EUR, %)									
Country of Counterpart 3	Central governments or central banks	0	0	0		0	0	0	
	Regional governments or local authorities	0	0	0		0	0	0	
	Public sector entities	0	0	0		0	0	0	
	Multilateral Development Banks	0	0	0		0	0	0	
	International Organisations	0	0	0		0	0	0	
	Institutions	0	0	0		0	0	0	
	Corporates	0	0	0		0	0	0	
	of which: SME	0	0	0		0	0	0	
	Retail	0	0	0		0	0	0	
	of which: SME	0	0	0		0	0	0	
	Secured by mortgages on immovable property	0	0	0		0	0	0	
	of which: SME	0	0	0		0	0	0	
	Exposures in default	0	0	0	0	0	0	0	0
	Items associated with particularly high risk	0	0	0		0	0	0	
	Covered bonds	0	0	0		0	0	0	
Claims on institutions and corporates with a ST credit assessment	0	0	0		0	0	0		
Collective investments undertakings (CIU)	0	0	0		0	0	0		
Equity	0	0	0		0	0	0		
Other exposures	0	0	0		0	0	0		
Standardised Total ²	0	0	0	0	0	0	0	0	

(1) Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (e.g. substitution effects).
(2) Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

		Standardised Approach							
		As of 31/03/2021				As of 30/06/2021			
		Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b	Original Exposure ^a	Exposure Value ^a	Risk exposure amount	Value adjustments and provisions ^b
(in EUR, %)									
Country of Counterpart 4	Central governments or central banks	0	0	0		0	0	0	
	Regional governments or local authorities	0	0	0		0	0	0	
	Public sector entities	0	0	0		0	0	0	
	Multilateral Development Banks	0	0	0		0	0	0	
	International Organisations	0	0	0		0	0	0	
	Institutions	0	0	0		0	0	0	
	Corporates	0	0	0		0	0	0	
	of which: SME	0	0	0		0	0	0	
	Retail	0	0	0		0	0	0	
	of which: SME	0	0	0		0	0	0	
	Secured by mortgages on immovable property	0	0	0		0	0	0	
	of which: SME	0	0	0		0	0	0	
	Exposures in default	0	0	0	0	0	0	0	0
	Items associated with particularly high risk	0	0	0		0	0	0	
	Covered bonds	0	0	0		0	0	0	
Claims on institutions and corporates with a ST credit assessment	0	0	0		0	0	0		
Collective investments undertakings (CIU)	0	0	0		0	0	0		
Equity	0	0	0		0	0	0		
Other exposures	0	0	0		0	0	0		
Standardised Total ²	0	0	0	0	0	0	0	0	

(1) Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (e.g. substitution effects).
(2) Total value adjustments and provisions per country of counterparty excludes those for securitisation exposures, additional valuation adjustments (AVAs) and other own funds reductions related to the exposures, but includes general credit risk adjustments.

2021 EU-wide Transparency Exercise

Credit Risk - IRB Approach

Arion banki hf

		IRB Approach											
		As of 30/09/2020					As of 31/12/2020						
		Original Exposure ¹	Of which: defaulted	Exposure Value ¹	Risk exposure amount	Of which: defaulted	Value adjustments and provisions	Original Exposure ¹	Of which: defaulted	Exposure Value ¹	Risk exposure amount	Of which: defaulted	Value adjustments and provisions
(mln EUR, %)													
Consolidated data	Central banks and central governments	0	0	0	0	0	0	0	0	0	0	0	
	Institutions	0	0	0	0	0	0	0	0	0	0	0	
	Corporates	0	0	0	0	0	0	0	0	0	0	0	
	Corporates - Of Which: Specialised Lending	0	0	0	0	0	0	0	0	0	0	0	
	Corporates - Of Which: SME	0	0	0	0	0	0	0	0	0	0	0	
	Retail	0	0	0	0	0	0	0	0	0	0	0	
	Retail - Secured on real estate property	0	0	0	0	0	0	0	0	0	0	0	
	Retail - Secured on real estate property - Of Which: SME	0	0	0	0	0	0	0	0	0	0	0	
	Retail - Secured on real estate property - Of Which: non-SME	0	0	0	0	0	0	0	0	0	0	0	
	Retail - Qualifying Revolving	0	0	0	0	0	0	0	0	0	0	0	
	Retail - Other Retail	0	0	0	0	0	0	0	0	0	0	0	
	Retail - Other Retail - Of Which: SME	0	0	0	0	0	0	0	0	0	0	0	
	Retail - Other Retail - Of Which: non-SME	0	0	0	0	0	0	0	0	0	0	0	
	Equity	0	0	0	0	0	0	0	0	0	0	0	
	Other non credit-obligation assets				0						0		
IRB Total ²				0						0			

⁽¹⁾ Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (e.g. substitution effects).

⁽²⁾ IRB Total does not include the Securitisation position unlike in the results prior to the 2019 exercise.

2021 EU-wide Transparency Exercise

Credit Risk - IRB Approach

Arion banki hf

		IRB Approach										
		As of 31/03/2021					As of 30/06/2021					
		Original Exposure ¹	Of which: defaulted	Exposure Value ¹	Risk exposure amount	Of which: defaulted	Value adjustments and provisions	Original Exposure ¹	Of which: defaulted	Exposure Value ¹	Risk exposure amount	Of which: defaulted
(mln EUR, %)												
Consolidated data	Central banks and central governments	0	0	0	0	0	0	0	0	0	0	0
	Institutions	0	0	0	0	0	0	0	0	0	0	0
	Corporates	0	0	0	0	0	0	0	0	0	0	0
	Corporates - Of Which: Specialised Lending	0	0	0	0	0	0	0	0	0	0	0
	Corporates - Of Which: SME	0	0	0	0	0	0	0	0	0	0	0
	Retail	0	0	0	0	0	0	0	0	0	0	0
	Retail - Secured on real estate property	0	0	0	0	0	0	0	0	0	0	0
	Retail - Secured on real estate property - Of Which: SME	0	0	0	0	0	0	0	0	0	0	0
	Retail - Secured on real estate property - Of Which: non-SME	0	0	0	0	0	0	0	0	0	0	0
	Retail - Qualifying Revolving	0	0	0	0	0	0	0	0	0	0	0
	Retail - Other Retail	0	0	0	0	0	0	0	0	0	0	0
	Retail - Other Retail - Of Which: SME	0	0	0	0	0	0	0	0	0	0	0
	Retail - Other Retail - Of Which: non-SME	0	0	0	0	0	0	0	0	0	0	0
	Equity	0	0	0	0	0	0	0	0	0	0	0
	Other non credit-obligation assets				0						0	
IRB Total ²				0						0		

⁽¹⁾ Original exposure, unlike Exposure value, is reported before taking into account any effect due to credit conversion factors or credit risk mitigation techniques (e.g. substitution effects).

⁽²⁾ IRB Total does not include the Securitisation position unlike in the results prior to the 2019 exercise.

2021 EU-wide Transparency Exercise
General governments exposures by country of the counterparty

Arion banki hf

As of 31/12/2020

(min EUR)		Direct exposures													Risk weighted exposure amount	
		On balance sheet						Derivatives				Off balance sheet				
		Total gross carrying amount of non-derivative financial assets	Total carrying amount of non-derivative financial assets (net of short positions)	of which: Financial assets held for trading	of which: Financial assets designated at fair value through profit or loss	of which: Financial assets at fair value through other comprehensive income	of which: Financial assets at amortised cost	Derivatives with positive fair value		Derivatives with negative fair value		Off-balance sheet exposures				
								Carrying amount	Notional amount	Carrying amount	Notional amount	Nominal	Provisions			
Residual Maturity	Country / Region															
10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total	Spain															
	10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total	Sweden														
		10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total	United Kingdom													
			10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total	Iceland	0	0	0	0	0	0	0	0	0	0	19	0
				10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total	Liechtenstein	0	0	0	0	0	0	0	0	0	0	2
10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total					Norway	0	0	0	0	0	0	0	0	0	0	1
	10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total				Australia	0	0	0	0	0	0	0	0	0	0	0
		10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total			Canada	0	0	0	0	0	0	0	0	0	0	0
			10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total		Hong Kong	0	0	0	0	0	0	0	0	0	0	0
				10 - 3M f 3M - 1Y f 1Y - 2Y f 2Y - 3Y f 3Y - 5Y f 5Y - 10Y f 10Y+ more Total		0	0	0	0	0	0	0	0	0	0	0
Total					0	0	0	0	0	0	0	0	0	0	22	0

2021 EU-wide Transparency Exercise
General governments exposures by country of the counterparty

Arion banki hf

As of 31/12/2020

(min EUR)		Direct exposures												Risk weighted exposure amount
		On balance sheet						Derivatives				Off balance sheet		
		Total gross carrying amount of non-derivative financial assets	Total carrying amount of non-derivative financial assets (net of short positions)	of which: Financial assets held for trading	of which: Financial assets designated at fair value through profit or loss	of which: Financial assets at fair value through other comprehensive income	of which: Financial assets at amortised cost	Derivatives with positive fair value		Derivatives with negative fair value		Off-balance sheet exposures		
Carrying amount	Notional amount							Carrying amount	Notional amount	Nominal	Provisions			
Residual Maturity	Country / Region													
[0 - 3M] [3M - 1Y] [1Y - 2Y] [2Y - 3Y] [3Y - 5Y] [5Y - 10Y] [10Y - more] Total	Africa													
	Others													

Notes and definitions

Information disclosed in this template is sourced from COREP template C 33, introduced with the reporting framework 2.7, applicable for reports as of 31 March 2018.

(1) Information on sovereign exposures is only available for institutions that have sovereign exposures of at least 1% of total "Debt securities and loans receivables". Country of breakdown is only available for institutions that hold non-domestic sovereign exposures of 10% or more compared to total sovereign exposures. Where the latter threshold is not met, information is disclosed through the aggregate "Others".

(2) The exposures reported cover only exposures to central, regional and local governments on immediate borrower basis, and do not include exposures to other counterparties with full or partial government guarantees

(3) The banks disclose the exposures in the "Financial assets held for trading" portfolio after offsetting the cash short positions having the same maturities.

(4) The exposures reported include the positions towards counterparties (other than sovereign) on sovereign credit risk (i.e. CDS, financial guarantees) booked in all the accounting portfolio (on-off balance sheet). Irrespective of the denomination and or accounting classification of the positions

the economic substance over the form must be used as a criteria for the identification of the exposures to be included in this column. This item does not include exposures to counterparties (other than sovereign) with full or partial government guarantees by central, regional and local governments

(5) Residual countries not reported separately in the Transparency exercise

Regions:

Other advanced non EEA: Israel, Korea, New Zealand, Russia, San Marino, Singapore and Taiwan.

Other CEE non EEA: Albania, Bosnia and Herzegovina, FYR Macedonia, Montenegro, Serbia and Turkey.

Middle East: Bahrain, Djibouti, Iran, Iraq, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Sudan, Syria, United Arab Emirates and Yemen.

Latin America: Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, Venezuela, Antigua And Barbuda, Aruba, Bahamas, Barbados, Cayman Islands, Cuba, French Guiana, Guadeloupe, Martinique, Puerto Rico, Saint Barthélemy, Turks And Caicos Islands, Virgin Islands (British), Virgin Islands (U.S.).

Africa: Algeria, Egypt, Morocco, South Africa, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Congo, The Democratic Republic Of The, Côte D'Ivoire, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mauritania, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome And Principe, Senegal, Seychelles, Sierra Leone, South Sudan, Swaziland, Tanzania, United Republic Of, Togo, Uganda, Zambia, Zimbabwe and Tunisia.

(6) The columns "Total carrying amount of non-derivative financial assets (net of short positions)" provide information on a net basis, whilst the related "of which" positions present information on a gross basis.

(7) The values for the 'Other' bucket is calculated subtracting from the reported Total the breakdown of the listed countries. As a result of precision and rounding in the calculation we accept an approximation in the order of e04.

2021 EU-wide Transparency Exercise
General governments exposures by country of the counterparty

Arion banki hf

As of 30/06/2021

(min EUR)		Direct exposures												Risk weighted exposure amount
		On balance sheet				Derivatives				Off balance sheet				
		Total gross carrying amount of non-derivative financial assets	Total carrying amount of non-derivative financial assets (net of short positions)	of which: Financial assets held for trading	of which: Financial assets designated at fair value through profit or loss	of which: Financial assets at fair value through other comprehensive income	of which: Financial assets at amortised cost	Derivatives with positive fair value		Derivatives with negative fair value		Off-balance sheet exposures		
Carrying amount	Notional amount							Carrying amount	Notional amount	Nominal	Provisions			
Residual Maturity	Country / Region													
[0 - 3M] [3M - 1Y] [1Y - 2Y] [2Y - 3Y] [3Y - 5Y] [5Y - 10Y] [10Y - more] Total	Africa													
	Others													

Notes and definitions

Information disclosed in this template is sourced from COREP template C 33, introduced with the reporting framework 2.7, applicable for reports as of 31 March 2018.

(1) Information on sovereign exposures is only available for institutions that have sovereign exposures of at least 1% of total "Debt securities and loans receivables". Country of breakdown is only available for institutions that hold non-domestic sovereign exposures of 10% or more compared to total sovereign exposures. Where the latter threshold is not met, information is disclosed through the aggregate "Others".

(2) The exposures reported cover only exposures to central, regional and local governments on immediate borrower basis, and do not include exposures to other counterparties with full or partial government guarantees

(3) The banks disclose the exposures in the "Financial assets held for trading" portfolio after offsetting the cash short positions having the same maturities.

(4) The exposures reported include the positions towards counterparties (other than sovereign) on sovereign credit risk (i.e. CDS, financial guarantees) booked in all the accounting portfolio (on-off balance sheet). Irrespective of the denomination and or accounting classification of the positions

the economic substance over the form must be used as a criteria for the identification of the exposures to be included in this column. This item does not include exposures to counterparties (other than sovereign) with full or partial government guarantees by central, regional and local governments

(5) Residual countries not reported separately in the Transparency exercise

Regions:

Other advanced non EEA: Israel, Korea, New Zealand, Russia, San Marino, Singapore and Taiwan.

Other CEE non EEA: Albania, Bosnia and Herzegovina, FYR Macedonia, Montenegro, Serbia and Turkey.

Middle East: Bahrain, Djibouti, Iran, Iraq, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Sudan, Syria, United Arab Emirates and Yemen.

Latin America: Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, Venezuela, Antigua And Barbuda, Aruba, Bahamas, Barbados, Cayman Islands, Cuba, French Guiana, Guadeloupe, Martinique, Puerto Rico, Saint Barthélemy, Turks And Caicos Islands, Virgin Islands (British), Virgin Islands (U.S.).

Africa: Algeria, Egypt, Morocco, South Africa, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Congo, The Democratic Republic Of The, Côte D'Ivoire, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mauritania, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome And Principe, Senegal, Seychelles, Sierra Leone, South Sudan, Swaziland, Tanzania, United Republic Of, Togo, Uganda, Zambia, Zimbabwe and Tunisia.

(6) The columns "Total carrying amount of non-derivative financial assets (net of short positions)" provide information on a net basis, whilst the related "of which" positions present information on a gross basis.

(7) The values for the 'Other' bucket is calculated subtracting from the reported Total the breakdown of the listed countries. As a result of precision and rounding in the calculation we accept an approximation in the order of e04.

2021 EU-wide Transparency Exercise
Performing and non-performing exposures

Arion banki hf

	As of 30/09/2020										As of 31/12/2020											
	Gross carrying amount					Accumulated impairment, accumulated changes in fair value due to credit risk and provisions ¹					Collaterals and financial guarantees received on non-performing exposures	Gross carrying amount					Accumulated impairment, accumulated changes in fair value due to credit risk and provisions ¹					Collaterals and financial guarantees received on non-performing exposures
	Of which performing but past due >30 days and <=90 days		Of which non-performing ¹			On performing exposures ²	On non-performing exposures ²			Of which performing but past due >30 days and <=90 days		Of which non-performing ¹			On performing exposures ²	On non-performing exposures ²						
			Of which: defaulted	Of which Stage 3			Of which Stage 3					Of which: defaulted	Of which Stage 3			Of which Stage 3						
(mln EUR)																						
Cash balances at central banks and other demand deposits	722	0	0	0	0	0	0	0	0	392	0	0	0	0	0	0	0	0	0	0		
Debt securities (including at amortised cost and fair value)	1,026	0	0	0	0	0	0	0	0	976	0	0	0	0	0	0	0	0	0	0		
Central banks	3	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0		
General governments	845	0	0	0	0	0	0	0	0	832	0	0	0	0	0	0	0	0	0	0		
Credit institutions	118	0	0	0	0	0	0	0	0	123	0	0	0	0	0	0	0	0	0	0		
Other financial corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Non-financial corporations	60	0	0	0	0	0	0	0	0	18	0	0	0	0	0	0	0	0	0	0		
Loans and advances (including at amortised cost and fair value)	5,100	32	175	95	159	34	51	51	7	5,388	24	155	80	138	34	44	44	6	6	6		
Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
General governments	37	0	1	1	1	1	0	0	0	31	0	1	1	1	0	0	0	0	0	0		
Credit institutions	35	0	0	0	0	1	0	0	0	38	0	0	0	0	1	0	0	0	0	0		
Other financial corporations	200	3	5	1	5	1	1	1	0	233	0	5	1	5	1	2	2	2	0	0		
Non-financial corporations	2,254	14	122	73	114	22	40	40	2	2,295	8	108	62	98	24	34	34	1	1	1		
of which: small and medium-sized enterprises at amortised cost	1,172	14	105	62	96	11	29	29	2	1,152	8	102	59	93	12	28	28	1	1	1		
of which: Loans collateralised by commercial immovable property at amortised cost	1,037	1	46	37	45	6	4	4	0	977	4	42	33	40	8	3	3	0	0	0		
Households	2,575	15	47	19	40	10	10	10	5	2,792	16	41	16	35	8	8	8	5	5	5		
of which: Loans collateralised by residential immovable property at amortised cost	2,245	14	33	11	28	3	2	2	0	2,455	14	30	10	25	3	2	2	0	0	0		
of which: Credit for consumption at amortised cost	159	0	6	2	4	5	3	3	0	161	1	5	2	4	3	3	3	0	0	0		
DEBT INSTRUMENTS other than HFT	6,840	32	175	95	159	34	51	51	7	6,755	24	155	80	138	34	44	44	6	6	6		
OFF-BALANCE SHEET EXPOSURES	864		0	0	11	8	0	0	0	878		0	0	9	8	0	0	0	0	0		

¹ For the definition of non-performing exposures please refer to COMMISSION IMPLEMENTING REGULATION (EU) 2015/227 of 9 January 2015, ANNEX V, Part 2-Template related instructions, subtable 29

² Institutions report here collective allowances for incurred but not reported losses (instruments at amortised cost) and changes in fair value of performing exposures due to credit risk and provisions (instruments at fair value other than HFT)

³ Institutions report here specific allowances for financial assets, individually and collectively estimated (instruments at amortised cost) and changes in fair value of NPE due to credit risk and provisions (instruments at fair value other than HFT)

⁴ For the on-balance sheet items, accumulated impairments and accumulated negative changes in fair value due to credit risk are disclosed with a positive sign if they are decreasing assets. Following this sign convention, information is disclosed with the opposite sign of what is reported according to the FINREP framework (templates F.18.00 / F.19.00), which follows a sign convention based on a credit/debt convention, as explained in Annex V, Part 1 paragraphs 9 and 10 of Regulation (EU) No 680/2014 - ITS on Supervisory reporting. However, for the off-balance sheet instruments, the same item ("Accumulated impairment, accumulated changes in fair value due to credit risk and provisions") is disclosed consistently with the FINREP sign convention. This is because, based on this sign convention, the provisions on off-balance sheet commitments are generally reported with a positive sign.

⁵ From June 2021, the gross carrying amount of assets and accumulated impairments that are purchased or originated as credit-impaired at initial recognition are not included in the impairment stages, as it was the case in previous periods.

2021 EU-wide Transparency Exercise
Performing and non-performing exposures

Arion banki hf

	As of 31/03/2021									As of 30/06/2021										
	Gross carrying amount					Accumulated impairment, accumulated changes in fair value due to credit risk and provisions ^{4,5}				Collaterals and financial guarantees received on non-performing exposures	Gross carrying amount ⁵					Accumulated impairment, accumulated changes in fair value due to credit risk and provisions ^{4,5}				Collaterals and financial guarantees received on non-performing exposures
	Of which performing but past due >30 days and <=90 days	Of which non-performing ¹			On performing exposures ²	On non-performing exposures ³			Of which performing but past due >30 days and <=90 days		Of which non-performing ¹			On performing exposures ²	On non-performing exposures ³					
		Of which: defaulted	Of which Stage 3			Of which Stage 3		Of which Stage 3			Of which: defaulted	Of which Stage 3			Of which Stage 3					
(in EUR)																				
Cash balances at central banks and other demand deposits	535	0	0	0	0	0	0	0	0	668	0	0	0	0	0	0	0	0	0	0
Debt securities (including at amortised cost and fair value)	809	0	0	0	0	0	0	0	0	912	0	0	0	0	0	0	0	0	0	0
Central banks	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General governments	646	0	0	0	0	0	0	0	0	680	0	0	0	0	0	0	0	0	0	0
Credit institutions	131	0	0	0	0	0	0	0	0	208	0	0	0	0	0	0	0	0	0	0
Other financial corporations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-financial corporations	29	0	0	0	0	0	0	0	0	24	0	0	0	0	0	0	0	0	0	0
Loans and advances (including at amortised cost and fair value)	5,780	22	172	88	162	33	45	45	7	5,853	17	170	159	159	29	36	36	17	0	0
Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General governments	32	0	1	1	1	0	0	0	0	27	0	1	1	1	0	0	0	0	0	0
Credit institutions	50	0	0	0	0	1	0	0	0	28	0	0	0	0	0	0	0	0	0	0
Other financial corporations	244	0	5	0	5	1	2	2	0	248	0	5	5	5	1	3	3	0	0	0
Non-financial corporations	2,420	13	117	72	113	23	34	34	2	2,312	7	115	110	110	21	26	26	0	0	0
of which: small and medium-sized enterprises at amortised cost	1,231	4	107	68	103	13	28	28	2	1,249	6	99	94	94	11	25	26	0	0	0
of which: Loans collateralised by commercial immovable property at amortised cost	1,131	11	49	35	48	8	3	3	0	1,127	2	59	59	59	6	3	3	0	0	0
Households	3,034	9	50	15	43	8	8	8	5	3,239	10	50	43	43	7	7	7	0	0	0
of which: Loans collateralised by residential immovable property at amortised cost	2,680	7	38	10	32	4	2	2	0	2,857	9	38	32	32	3	2	1	0	0	0
of which: Credit for consumption at amortised cost	162	1	5	2	4	3	2	2	0	176	0	4	4	4	3	2	2	0	0	0
DEBT INSTRUMENTS other than HFT	7,124	22	172	88	162	33	45	45	7	7,433	17	170	159	159	29	36	36	17	0	0
OFF-BALANCE SHEET EXPOSURES	982		0	0	10	7	0	0	0	943		14	14	14	5	2	2	0	0	0

(1) For the definition of non-performing exposures please refer to COMMISSION IMPLEMENTING REGULATION (EU) 2015/227 of 9 January 2015, ANNEX V, Part 2-Template related instructions, subtable 29

(2) Institutions report here collective allowances for incurred but not reported losses (instruments at amortised cost) and changes in fair value of performing exposures due to credit risk and provisions (instruments at fair value other than HFT)

(3) Institutions report here specific allowances for financial assets, individually and collectively estimated (instruments at amortised cost) and changes in fair value of NPE due to credit risk and provisions (instruments at fair value other than HFT)

(4) For the on-balance sheet items, accumulated impairments and accumulated negative changes in fair value due to credit risk are disclosed with a positive sign if they are decreasing assets. Following this sign convention, information is disclosed with the opposite sign of what is reported according to the FINREP framework (templates F 18.00 / F 19.00), which follows a sign convention based on a credit/debit convention, as explained in Annex V, Part 1 paragraphs 9 and 10 of Regulation (EU) No 680/2014 – ITS on Supervisory reporting. However, for the off-balance sheet instruments, the same item (Accumulated impairment, accumulated changes in fair value due to credit risk and provisions) is disclosed consistently with the FINREP sign convention. This is because, based on this sign convention, the provisions on off-balance sheet commitments are generally reported with a positive sign.

(5) From June 2021, the gross carrying amount of assets and accumulated impairments that are purchased or originated as credit-impaired at initial recognition are not included in the impairment stages, as it was the case in previous periods.

2021 EU-wide Transparency Exercise

Forborne exposures

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	As of 30/09/2020						As of 31/12/2020					
	Gross carrying amount of exposures with forbearance measures		Accumulated impairment, accumulated changes in fair value due to credit risk and provisions for exposures with forbearance measures ²		Collateral and financial guarantees received on exposures with forbearance measures		Gross carrying amount of exposures with forbearance measures		Accumulated impairment, accumulated changes in fair value due to credit risk and provisions for exposures with forbearance measures ²		Collateral and financial guarantees received on exposures with forbearance measures	
		Of which non-performing exposures with forbearance measures		Of which on non-performing exposures with forbearance measures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures		Of which non-performing exposures with forbearance measures		Of which on non-performing exposures with forbearance measures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
(mln EUR)												
Cash balances at central banks and other demand deposits	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities (including at amortised cost and fair value)	0	0	0	0	0	0	0	0	0	0	0	0
Central banks	0	0	0	0	0		0	0	0	0	0	
General governments	0	0	0	0	0		0	0	0	0	0	
Credit institutions	0	0	0	0	0		0	0	0	0	0	
Other financial corporations	0	0	0	0	0		0	0	0	0	0	
Non-financial corporations	0	0	0	0	0		0	0	0	0	0	
Loans and advances (including at amortised cost and fair value)	210	90	23	20	180	67	379	90	27	17	5	3
Central banks	0	0	0	0	0	0	0	0	0	0	0	0
General governments	1	1	0	0	1	1	2	1	0	0	0	0
Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0
Other financial corporations	1	0	0	0	0	0	6	4	2	2	0	0
Non-financial corporations	146	69	17	16	124	51	264	66	21	12	1	1
of which: small and medium-sized enterprises at amortised cost	124	62	13	12	107		156	64	13	11	1	
Households	62	21	5	4	55	16	107	19	3	3	3	2
DEBT INSTRUMENTS other than HFT	210	90	23	20	180		379	90	27	17	5	
Loan commitments given	0	0	0	0	0	0	0	0	0	0	0	0
QUALITY OF FORBEARANCE ²												
Loans and advances that have been forborne more than twice	0						0					
Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	0						0					

⁽¹⁾ For the definition of forborne exposures please refer to COMMISSION IMPLEMENTING REGULATION (EU) 2015/227 of 9 January 2015, ANNEX V, Part 2-Template related instructions, subtitle 30

⁽²⁾ For the on-balance sheet items, accumulated impairments and accumulated negative changes in fair value due to credit risk are disclosed with a positive sign if they are decreasing assets. Following this sign convention, information is disclosed with the opposite sign of what is reported according to the FINREP framework (templates F 18.00 / F 19.00), which follows a sign convention based on a credit/debit convention, as explained in Annex V, Part 1 paragraphs 9 and 10 of Regulation (EU) No 680/2014 - ITS on Supervisory reporting. However, for the off-balance sheet instruments, the same item ("Accumulated impairment, accumulated changes in fair value due to credit risk and provisions") is disclosed consistently with the FINREP sign convention. This is because, based on this sign convention, the provisions on off-balance sheet commitments are generally reported with a positive sign.

2021 EU-wide Transparency Exercise

Forborne exposures

Arion banki hf

	As of 31/03/2021						As of 30/06/2021					
	Gross carrying amount of exposures with forbearance measures		Accumulated impairment, accumulated changes in fair value due to credit risk and provisions for exposures with forbearance measures ²		Collateral and financial guarantees received on exposures with forbearance measures		Gross carrying amount of exposures with forbearance measures		Accumulated impairment, accumulated changes in fair value due to credit risk and provisions for exposures with forbearance measures ²		Collateral and financial guarantees received on exposures with forbearance measures	
		Of which non-performing exposures with forbearance measures		Of which non-performing exposures with forbearance measures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures		Of which non-performing exposures with forbearance measures		Of which non-performing exposures with forbearance measures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
(mln EUR)												
Cash balances at central banks and other demand deposits	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities (including at amortised cost and fair value)	0	0	0	0	0	0	0	0	0	0	0	0
Central banks	0	0	0	0	0		0	0	0	0	0	
General governments	0	0	0	0	0		0	0	0	0	0	
Credit institutions	0	0	0	0	0		0	0	0	0	0	
Other financial corporations	0	0	0	0	0		0	0	0	0	0	
Non-financial corporations	0	0	0	0	0		0	0	0	0	0	
Loans and advances (including at amortised cost and fair value)	421	98	29	18	5	3	422	102	34	23	5	0
Central banks	0	0	0	0	0	0	0	0	0	0	0	0
General governments	2	1	0	0	0	0	1	0	0	0	0	0
Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0
Other financial corporations	9	4	2	2	0	0	6	4	3	3	0	0
Non-financial corporations	278	70	22	12	1	1	284	74	28	18	2	0
of which: small and medium-sized enterprises at amortised cost	171	68	15	11	1		175	71	20	16	2	
Households	133	23	4	3	4	2	131	23	3	2	3	0
DEBT INSTRUMENTS other than HFT	421	98	29	18	5		422	102	34	23	5	
Loan commitments given	0	0	0	0	0	0	0	0	0	0	0	0
QUALITY OF FORBEARANCE²												
Loans and advances that have been forborne more than twice	0						0					
Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	0						0					

(1) For the definition of forborne exposures please refer to COMMISSION IMPLEMENTING REGULATION (EU) 2015/227 of 9 January 2015, ANNEX V, Part 2-Template related instructions, subtitle 30

(2) For the on-balance sheet items, accumulated impairments and accumulated negative changes in fair value due to credit risk are disclosed with a positive sign if they are decreasing assets. Following this sign convention, information is disclosed with the opposite sign of what is reported according to the FINREP framework (templates F 18.00 / F 19.00), which follows a sign convention based on a credit/debit convention, as explained in Annex V, Part 1 paragraphs 9 and 10 of Regulation (EU) No 680/2014 - ITS on Supervisory reporting. However, for the off-balance sheet instruments, the same item ('Accumulated impairment, accumulated changes in fair value due to credit risk and provisions') is disclosed consistently with the FINREP sign convention. This is because, based on this sign convention, the provisions on off-balance sheet commitments are generally reported with a positive sign.

2021 EU-wide Transparency Exercise
Breakdown of loans and advances to non-financial corporations other than held for trading
 Arion banki hf

(mín EUR)	AS OF 30/09/2020					AS OF 31/12/2020					AS OF 31/03/2021					AS OF 30/06/2021								
	Gross carrying amount		Of which: non-perform	Of which loans and advances subject to impairment	Accumulated impairment ¹	Accumulated negative changes in fair value due to credit risk on non-performing exposures ¹	Gross carrying amount		Of which: non-perform	Of which loans and advances subject to impairment	Accumulated impairment ¹	Accumulated negative changes in fair value due to credit risk on non-performing exposures ¹	Gross carrying amount		Of which: non-perform	Of which loans and advances subject to impairment	Accumulated impairment ¹	Accumulated negative changes in fair value due to credit risk on non-performing exposures ¹	Gross carrying amount		Of which: non-perform	Of which loans and advances subject to impairment	Accumulated impairment ¹	Accumulated negative changes in fair value due to credit risk on non-performing exposures ¹
		of which: defaulted						of which: defaulted						of which: defaulted						of which: defaulted				
A Agriculture, forestry and fishing	328	9	3	328	3	0	303	7	2	303	4	0	335	7	2	335	3	0	326	7	7	326	3	0
B Mining and quarrying	2	1	0	2	1	0	2	1	0	2	1	0	2	2	0	2	2	0	2	2	2	2	2	0
C Manufacturing	416	9	5	416	6	0	438	8	2	438	4	0	434	9	2	434	4	0	404	9	9	404	4	0
D Electricity, gas, steam and air conditioning supply	3	0	0	3	0	0	3	0	0	3	0	0	3	0	0	3	0	0	5	0	0	5	0	0
E Water supply	36	1	1	36	2	0	39	1	1	39	2	0	39	1	1	39	2	0	35	1	1	35	1	0
F Construction	355	7	0	355	2	0	331	6	0	331	3	0	356	2	0	356	4	0	335	2	2	335	2	0
G Wholesale and retail trade	147	8	4	147	7	0	140	8	3	140	5	0	159	7	3	159	4	0	163	7	7	163	3	0
H Transport and storage	90	7	0	90	6	0	89	7	0	89	8	0	89	6	6	89	6	0	88	6	6	88	7	0
I Accommodation and food service activities	194	48	41	194	13	0	211	49	41	211	15	0	219	54	43	219	15	0	224	51	51	224	16	0
J Information and communication	124	2	0	124	2	0	124	1	0	124	1	0	127	1	0	127	1	0	91	1	1	91	1	0
K Financial and insurance activities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
L Real estate activities	458	16	10	458	8	0	498	9	6	498	7	0	520	16	6	520	7	0	531	24	24	531	6	0
M Professional, scientific and technical activities	24	1	0	24	1	0	26	1	0	26	1	0	29	1	1	29	0	0	28	1	1	28	0	0
N Administrative and support service activities	41	10	8	41	9	0	40	7	5	40	6	0	38	8	7	38	6	0	39	3	3	39	1	0
O Public administration and defence, compulsory social security	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
P Education	7	0	0	7	0	0	6	0	0	6	0	0	6	0	0	6	0	0	5	0	0	5	0	0
Q Human health services and social work activities	7	0	0	7	0	0	7	0	0	7	0	0	8	0	0	8	0	0	8	0	0	8	0	0
R Arts, entertainment and recreation	11	0	0	11	1	0	12	0	0	12	2	0	13	0	0	13	1	0	14	0	0	14	1	0
S Other services	11	0	0	11	0	0	15	0	0	15	0	0	15	0	0	15	0	0	15	0	0	15	0	0
Loans and advances	2,254	122	73	2,254	61	0	2,295	108	62	2,295	57	0	2,420	117	72	2,420	57	0	2,312	115	115	2,312	47	0

⁽¹⁾ The items 'accumulated impairment' and 'accumulated negative changes in fair value due to credit risk on non-performing exposures' are disclosed with a positive sign if they are decreasing an asset. Following this sign convention, information is disclosed with the opposite sign of what is reported according to the FINREP framework (template F 06.01), which follows a sign convention based on a credit/debit convention, as explained in Annex V, Part 1 paragraphs 9 and 10 of Regulation (EU) No 680/2014 - ITS on Supervisory reporting.

