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Pillar III Half Year Disclosure Report 2023

MuniFin

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Section 1

Introduction and basis for preparation

The Basel Committee on Banking Supervision (*BCBS*) revised capital adequacy framework, also known as Basel III, consists of three complimentary pillars. Pillar I consists of minimum capital requirements for credit risk, market and operational risk. Pillar II establishes a supervisory review process, also called the Supervisory Review and Evaluation Process (*SREP*), and the Internal Capital Adequacy Assessment Process (*ICAAP*) that is an internal assessment of overall risks and capital adequacy based on those risks. Pillar III requires banks to publish a wide variety of disclosures, mainly covering risk, capital, leverage, liquidity and remuneration.

This Pillar III Half Year Disclosure Report 2023 provides the disclosures for Municipality Finance Group (*MuniFin Group*) as of 30 June 2023. The disclosures have been prepared in line with Part 8 of EU Capital Requirements Regulation (575/2013), later amended by CRR II (2019/876) in compliance with the commission implementing regulations, delegated regulations and guidelines issued by the European Banking Authority (*EBA*) for publishing disclosures.

All figures in this Pillar III Half Year Disclosure Report 2023 are consolidated figures of MuniFin Group unless otherwise stated. This Pillar III Disclosure Report complies with principles described in the Pillar III Disclosure Report 2022. The figures in this Report are presented in euros (EUR), which is the Group's functional currency, rounded to the nearest thousands of euros (except for the ESG related figures, where the figures are rounded to the nearest million). Due to the rounding, certain figures in the Report may not tally exactly.

In regard to comparative periods, this Pillar III Disclosure Report provide quantitative comparative information as of 31 December 2022. Where specifically required by the EBA, MuniFin Group discloses comparative information for additional reporting dates. Major changes compared with the comparative period is accompanied by explanations in this Report.

Whilst this Pillar III Half Year Disclosure Report 2023 has not been externally audited, the appropriateness of the disclosed information in this Pillar III Disclosure Report has been approved by MuniFin's Executive Management Team. If there is information considered to be proprietary or confidential, the information is not published, but disclosed in more general manner. Templates identified as not applicable to MuniFin Group have not been included in this Report. For more information, see Section 14.

Section 2

Key metrics and overview of risk-weighted exposure amounts

EU KM1
Key metrics template

Total capital ratio increased to 101.34% (97.60%) compared to 2022 year-end. The change was driven by the increase of CET1 capital and decrease of total risk exposure amount due to decrease in the credit valuation adjustment of value-at-risk (*CVA VaR*).

Furthermore to the regulatory minimum capital requirements, as part of the annual Supervisory Review and Evaluation Process (*SREP*), the European Central Bank (*ECB*) has imposed a bank-specific Pillar II Requirement (*P2R*) of 2.00% on MuniFin Group to cover additional risks not covered in Pillar I. The minimum level of total capital ratio is 13.85% (13.81%) including P2R and other additional capital buffers. The total SREP capital requirement (*TSCR*) is 10.00% (10.00%).

	(EUR 1,000)	a 30 Jun 2023	b 31 Mar 2023	c 31 Dec 2022	d 30 Sep 2022	e 30 Jun 2022
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	1,499,983	1,475,483	1,481,610	1,392,818	1,421,461
2	Tier 1 capital	1,499,983	1,475,483	1,481,610	1,392,818	1,421,461
3	Total capital	1,499,983	1,475,483	1,481,610	1,392,818	1,421,461
	Risk-weighted exposure amounts					
4	Total risk exposure amount	1,480,157	1,551,636	1,518,036	1,491,701	1,696,695
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	101.3395%	95.0921%	97.6004%	93.3711%	83.7782%
6	Tier 1 ratio (%)	101.3395%	95.0921%	97.6004%	93.3711%	83.7782%
7	Total capital ratio (%)	101.3395%	95.0921%	97.6004%	93.3711%	83.7782%
	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 (%)	2.0000%	2.0000%	2.0000%	2.0000%	2.0000%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.1250%	1.1250%	1.1250%	1.1250%	1.1250%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.5000%	1.5000%	1.5000%	1.5000%	1.5000%
EU 7d	Total SREP own funds requirements (%)	10.0000%	10.0000%	10.0000%	10.0000%	10.0000%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.5000%	2.5000%	2.5000%	2.5000%	2.5000%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	Institution specific countercyclical capital buffer (%)	0.8528%	0.7892%	0.8116%	0.3750%	0.1629%
EU 9a	Systemic risk buffer (%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
10	Global Systemically Important Institution buffer (%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EU 10a	Other Systemically Important Institution buffer (%)	0.5000%	0.5000%	0.5000%	0.5000%	0.5000%
11	Combined buffer requirement (%)	3.8528%	3.7892%	3.8116%	3.3750%	3.1629%
EU 11a	Overall capital requirements (%)	13.8528%	13.7892%	13.8116%	13.3750%	13.1629%
12	CET1 available after meeting the total SREP own funds requirements (%)	91.3395%	85.0921%	87.6004%	83.3711%	79.2782%

	(EUR 1,000)	a 30 Jun 2023	b 31 Mar 2023	c 31 Dec 2022	d 30 Sep 2022	e 30 Jun 2022
	Leverage ratio					
13	Total exposure measure	12,656,659	12,335,406	12,777,216	13,454,650	13,451,223
14	Leverage ratio (%)	11.8513%	11.9614%	11.5957%	10.3519%	10.5680%
	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 (%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EU 14c	Total SREP leverage ratio requirements (%)	3.0000%	3.0000%	3.0000%	3.0000%	3.0000%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EU 14e	Overall leverage ratio requirement (%)	3.0000%	3.0000%	3.0000%	3.0000%	3.0000%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	11,244,484	11,594,545	12,198,793	12,359,708	12,113,100
EU 16a	Cash outflows - Total weighted value	4,941,009	4,858,837	4,743,623	4,432,980	4,039,952
EU 16b	Cash inflows - Total weighted value	1,143,406	1,140,478	1,082,195	1,024,585	1,046,084
16	Total net cash outflows (adjusted value)	3,797,602	3,718,359	3,661,429	3,408,395	2,993,868
17	Liquidity coverage ratio (%)	301.5994%	320.1957%	344.3836%	392.4069%	446.5775%
	Net Stable Funding Ratio					
18	Total available stable funding	34,894,215	33,937,035	31,966,243	32,224,756	34,223,803
19	Total required stable funding	27,462,410	27,128,209	26,582,553	25,905,380	26,447,467
20	NSFR ratio (%)	127.0617%	125.0987%	120.2527%	124.3941%	129.4029%

EU OV1
Overview of total risk exposure amounts

The total risk exposure amount decreased from the year-end 2022 EUR 1,518 million to EUR 1,480 million at the end of the reporting period. The capital requirement for credit risk is calculated using the standardised approach and the total risk exposure amount for credit risk excluding CCR increased by EUR 39 million from the year-end 2022. The total risk exposure amount for counterparty credit risk decreased to EUR 464 million (EUR 541 million), of which CVA VaR decreased to EUR 423 million (EUR 471 million). The decrease in total risk exposure amount for counterparty credit risk is due to lower exposure at default. The decrease was influenced by two SA-CCR model changes deployed into production in June 2023.

In calculating the regulatory capital requirements for market risk, only foreign exchange risk is taken into account as the Group does not have a trading book nor share or commodity positions. As foreign exchange risk is hedged by swapping all currency denominated funding and investments into euros, the Group's foreign exchange position is small and consists of FX trades made for daily collateral management purposes in other currencies than euros. On 30 June 2023, the FX net position was EUR 5.2 million (EUR 4.8 million), which is less than 2% of total own funds. There was no capital requirement for market risk since the FX net position did not exceed 2% of the total own funds (CRR 575/2013 Art. 351).

The capital requirement for operational risk is calculated using the basic indicator approach. The risk exposure amount of operational risk was EUR 526 million (EUR 526 million).

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
(EUR 1,000)		30 Jun 2023	31 Mar 2023	30 Jun 2023
1	Credit risk (excluding CCR)	490,074	476,543	39,206
2	Of which the standardised approach	490,074	476,543	39,206
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	-	-	-
6	Counterparty credit risk - CCR	464,190	549,200	37,135
7	Of which the standardised approach	39,952	72,066	3,196
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	1,069	827	86
EU 8b	Of which credit valuation adjustment - CVA	423,168	476,307	33,853
9	Of which other CCR	-	-	-
10	Not applicable			
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk	-	-	-

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
	(EUR 1,000)	30 Jun 2023	31 Mar 2023	30 Jun 2023
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	525,892	525,892	42,071
EU 23a	Of which basic indicator approach	525,892	525,892	42,071
EU 23b	Of which standardised approach	-	-	-
EU 23c	Of which advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
25	Not applicable			
26	Not applicable			
27	Not applicable			
28	Not applicable			
29	**Total**	**1,480,157**	**1,551,636**	**118,413**

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
(EUR 1,000)		31 Dec 2022	30 Sep 2022	31 Dec 2022
1	Credit risk (excluding CCR)	451,086	459,428	36,087
2	Of which the standardised approach	451,086	459,428	36,087
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	-	-	-
6	Counterparty credit risk - CCR	541,057	575,686	43,285
7	Of which the standardised approach	70,039	70,663	5,603
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	467	748	37
EU 8b	Of which credit valuation adjustment - CVA	470,552	504,275	37,644
9	Of which other CCR	-	-	-
10	Not applicable			
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk	-	-	-

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
(EUR 1,000)		31 Dec 2022	30 Sep 2022	31 Dec 2022
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	525,892	456,587	42,071
EU 23a	Of which basic indicator approach	525,892	456,587	42,071
EU 23b	Of which standardised approach	-	-	-
EU 23c	Of which advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
25	Not applicable			
26	Not applicable			
27	Not applicable			
28	Not applicable			
29	**Total**	**1,518,036**	**1,491,701**	**121,443**

Section 3
Own funds

EU CC1
Composition of regulatory own funds

At the end of June 2023, the Group's CET1 capital totalled EUR 1,500 million (EUR 1,482 million). MuniFin Group has no AT1 capital or Tier 2 capital, so CET1 capital equals to Tier 1 capital and total own funds.

CET1 capital includes profit for the period of 1 January–30 June 2023, as the profit has been subject to a review by the auditors, and therefore can be included in CET1 capital on the basis of permission granted by the ECB in accordance with the CRR. Deductions due to prudential filters on CET1 capital are made up of MuniFin Group's debit value adjustment (*DVA*), additional valuation adjustment (*AVA*) and changes in fair value due to own credit risk standing. In addition, the amount of foreseeable dividend of EUR 36 million is deducted from the interim profits included in CET1 capital.

30 Jun 2023 (EUR 1,000)		(a) Amounts	(b) 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	82,949	(c)
	of which: Share capital	42,583	(c)
	of which: Reserve for invested non-restricted equity	40,366	(c)
2	Retained earnings	1,465,955	(f)
3	Accumulated other comprehensive income (and other reserves)	13,629	(d)+(e)
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	24,587	(g)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**1,587,121**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	-51,246	
8	Intangible assets (net of related tax liability) (negative amount)	-7,828	(a)
9	Not applicable		
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	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-24,983	(e)
15	Defined-benefit pension fund assets (negative amount)	-	

30 Jun 2023 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
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)	-	
20	Not applicable	-	
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	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
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)	-12	(h)
22	Amount exceeding the 17.65% threshold (negative amount)	-	
23	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	-	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences	-	
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		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	

30 Jun 2023 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
27a	Other regulatory adjustments	-3,068	(b)
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-87,137**	
29	**Common Equity Tier 1 (CET1) capital**	**1,499,983**	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items 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	of which: instruments issued by subsidiaries subject to phase out	-	
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)	-	
41	Not applicable		

30 Jun 2023 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
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)**	**1,499,983**	
	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	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	**Tier 2 (T2) capital before regulatory adjustments**	**-**	
	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)	-	
54a	Not applicable	-	

30 Jun 2023 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
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)	-	
56	Not applicable	-	
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**	**-**	
59	**Total capital (TC = T1 + T2)**	**1,499,983**	
60	**Total risk exposure amount**	**1,480,157**	
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	101.3395%	
62	Tier 1 capital	101.3395%	
63	Total capital	101.3395%	
64	Institution CET1 overall capital requirements	9.4778%	
65	of which: capital conservation buffer requirement	2.5000%	
66	of which: countercyclical capital buffer requirement	0.8528%	
67	of which: systemic risk buffer requirement	0.0000%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.5000%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.1250%	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**91.3395%**	

30 Jun 2023 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	National minima (if different from Basel III)		
69	Not applicable		
70	Not applicable		
71	Not applicable		
	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)	-	
74	Not applicable	-	
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)	-	
	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)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	

31 Dec 2022 (EUR 1,000)		(a) Amounts	(b) 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	82,949	(c)
	of which: Share capital	42,583	(c)
	of which: Reserve for invested non-restricted equity	40,366	(c)
2	Retained earnings	1,361,534	(f)
3	Accumulated other comprehensive income (and other reserves)	-2,775	(d)+(e)
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	104,421	(g)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**1,546,129**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	-50,691	
8	Intangible assets (net of related tax liability) (negative amount)	-8,831	(a)
9	Not applicable		
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	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	83	(e)
15	Defined-benefit pension fund assets (negative amount)	-	

31 Dec 2022 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
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)	-	
20	Not applicable		
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	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
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)	-763	(h)
22	Amount exceeding the 17.65% threshold (negative amount)	-	
23	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	-	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences		
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		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	

31 Dec 2022 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
27a	Other regulatory adjustments	-4,316	(b)
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-64,519**	
29	**Common Equity Tier 1 (CET1) capital**	**1,481,610**	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items 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	of which: instruments issued by subsidiaries subject to phase out	-	
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)	-	
41	Not applicable		

31 Dec 2022 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
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)**	**1,481,610**	
	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	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	**Tier 2 (T2) capital before regulatory adjustments**	**-**	
	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)	-	
54a	Not applicable		

31 Dec 2022 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
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)	-	
56	Not applicable		
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**	**-**	
59	**Total capital (TC = T1 + T2)**	**1,481,610**	
60	**Total risk exposure amount**	**1,518,036**	
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	97.6004%	
62	Tier 1 capital	97.6004%	
63	Total capital	97.6004%	
64	Institution CET1 overall capital requirements	9.4366%	
65	of which: capital conservation buffer requirement	2.5000%	
66	of which: countercyclical capital buffer requirement	0.8116%	
67	of which: systemic risk buffer requirement	0.0000%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.5000%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.1250%	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	87.6004%	
	National minima (if different from Basel III)		
69	Not applicable		

31 Dec 2022 (EUR 1,000)		(a) Amounts	(b) Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
70	Not applicable		
71	Not applicable		
	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)	-	
74	Not applicable		
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)	-	
	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)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	

EU CC2

Reconciliation of regulatory own funds to balance sheet in the audited financial statements

30 Jun 2023 (EUR 1,000)		a	b	c
		Balance sheet as in published financial statements As at period end	Under regulatory scope of consolidation As at period end	Reference
	Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
1	Cash and balances with central banks	2	2	
2	Loans and advances to credit institution	9,531,268	9,531,268	
3	Loans and advances to the public and public sector entities	30,129,008	30,129,008	
4	Debt securities	4,618,618	4,618,618	
5	Shares and participations	-	-	
6	Derivative contracts	2,305,756	2,305,756	
7	Intangible assets	7,828	7,828	(a)
8	Tangible assets	9,946	9,946	
9	Other assets	1,454,404	1,454,404	
10	Accrued income and prepayments	320,097	320,097	
11	Deferred tax assets	12	12	(h)
12	**Total assets**	**48,376,941**	**48,376,941**	
	Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
1	Liabilities to credit institutions	179,259	179,259	
2	Liabilities to the public and public sector entities	2,516,086	2,516,086	
3	Debt securities issued	38,376,034	38,376,034	
4	Derivative contracts	4,485,429	4,485,429	
4a	Of which: Debit value adjustment	-3,068	-3,068	(b)
5	Other liabilities	573,009	573,009	
6	Accrued expenses and deferred income	328,618	328,618	
7	Deferred tax liabilities	295,056	295,056	
8	**Total liabilities**	**46,753,491**	**46,753,491**	

30 Jun 2023 (EUR 1,000)		a Balance sheet as in published financial statements As at period end	b Under regulatory scope of consolidation As at period end	c Reference
	Shareholders' Equity			
1	Share capital	42,583	42,583	(c)
2	Reserve fund	277	277	(d)
3	Fair value reserve of investments	-4,848	-4,848	(d)
4	Own credit revaluation reserve	24,983	24,983	(e)
5	Cost-of-Hedging reserve	-6,783	-6,783	(d)
6	Reserve for invested non-restricted equity	40,366	40,366	(c)
7	Retained earnings	1,526,871	1,526,871	
7a	Of which: Retained earnings from previous years	1,465,955	1,465,955	(f)
7b	Of which: Independently reviewed interim profits	60,917	24,587	(g)
8	Total equity attributable to parent company equity holders	1,623,450	1,623,450	
9	Other equity instruments issued	-	-	
10	**Total shareholders' equity**	**1,623,450**	**1,623,450**	
11	**Total liabilities and shareholder's equity**	**48,376,941**	**48,376,941**	

MuniFin Group's the scope of accounting consolidation and the scope of prudential consolidation do not differ.
**DVA includes tax impact reducement of 20%.

31 Dec 2022 (EUR 1,000)		a Balance sheet as in published financial statements As at period end	b Under regulatory scope of consolidation As at period end	c Reference
	Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
1	Cash and balances with central banks	2	2	
2	Loans and advances to credit institution	9,625,488	9,625,488	
3	Loans and advances to the public and public sector entities	29,144,361	29,144,361	
4	Debt securities	4,786,768	4,786,768	
5	Shares and participations	-	-	
6	Derivative contracts	2,707,103	2,707,103	
7	Intangible assets	8,831	8,831	(a)
8	Tangible assets	5,062	5,062	
9	Other assets	1,234,810	1,234,810	
10	Accrued income and prepayments	223,104	223,104	
11	Deferred tax assets	763	763	(h)
12	**Total assets**	**47,736,293**	**47,736,293**	
	Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
1	Liabilities to credit institutions	2,332,623	2,332,623	
2	Liabilities to the public and public sector entities	2,529,585	2,529,585	
3	Debt securities issued	35,592,065	35,592,065	
4	Derivative contracts	4,616,111	4,616,111	
4a	Of which: Debit value adjustment	-4,316	-4,316	(b)
5	Other liabilities	593,848	593,848	
6	Accrued expenses and deferred income	166,635	166,635	
7	Deferred tax liabilities	291,717	291,717	
8	**Total liabilities**	**46,122,584**	**46,122,584**	

31 Dec 2022 (EUR 1,000)		a Balance sheet as in published financial statements As at period end	b Under regulatory scope of consolidation As at period end	c Reference
	Shareholders' Equity			
1	Share capital	42,583	42,583	(c)
2	Reserve fund	277	277	(d)
3	Fair value reserve of investments	-4,457	-4,457	(d)
4	Own credit revaluation reserve	-83	-82	(e)
5	Cost-of-Hedging reserve	1,488	1,488	(d)
6	Reserve for invested non-restricted equity	40,366	40,366	(c)
7	Retained earnings	1,533,535	1,533,535	
7a	Of which: Retained earnings from previous years	1,361,534	1,361,534	(f)
7b	Of which: Independently reviewed interim profits	172,001	104,421	(g)
8	Total equity attributable to parent company equity holders	1,613,709	1,613,709	
9	Other equity instruments issued	-	-	
10	**Total shareholders' equity**	**1,613,709**	**1,613,709**	
11	**Total liabilities and shareholder's equity**	**47,736,293**	**47,736,293**	

MuniFin Group's the scope of accounting consolidation and the scope of prudential consolidation do not differ.
**DVA includes tax impact reducement of 20%.

Section 4

Capital buffers

MINIMUM CAPITAL REQUIREMENTS AND CAPITAL BUFFERS (%) 30 Jun 2023	Capital requirement	Capital conservation buffer [1]	Countercyclical buffer [2]	O-SII [3]	Systemic risk buffer [4]	Total capital buffers	Total
Common Equity Tier 1 capital (CET1)	4.5000%	2.5000%	0.8528%	0.5000%	0.0000%	3.8528%	8.3528%
Tier 1 Capital (T1)	6.0000%	2.5000%	0.8528%	0.5000%	0.0000%	3.8528%	9.8528%
Total own funds	8.0000%	2.5000%	0.8528%	0.5000%	0.0000%	3.8528%	11.8528%

MINIMUM CAPITAL REQUIREMENTS AND CAPITAL BUFFERS (EUR 1,000) 30 Jun 2023	Capital requirement	Capital conservation buffer [1]	Countercyclical buffer [2]	O-SII [3]	Systemic risk buffer [4]	Total capital buffers	Total
Common Equity Tier 1 capital (CET1)	66,607	37,004	12,623	7,401	0	57,027	123,635
Tier 1 Capital (T1)	88,809	37,004	12,623	7,401	0	57,027	145,837
Total own funds	118,413	37,004	12,623	7,401	0	57,027	175,440

MINIMUM CAPITAL REQUIREMENTS AND CAPITAL BUFFERS (%) 31 Dec 2022	Capital requirement	Capital conservation buffer	Countercyclical buffer	O-SII	Systemic risk buffer	Total capital buffers	Total
Common Equity Tier 1 capital (CET1)	4.5000%	2.5000%	0.8116%	0.5000%	0.0000%	3.8116%	8.3116%
Tier 1 Capital (T1)	6.0000%	2.5000%	0.8116%	0.5000%	0.0000%	3.8116%	9.8116%
Total own funds	8.0000%	2.5000%	0.8116%	0.5000%	0.0000%	3.8116%	11.8116%

MINIMUM CAPITAL REQUIREMENTS AND CAPITAL BUFFERS (EUR 1,000) 31 Dec 2022	Capital requirement	Capital conservation buffer	Countercyclical buffer	O-SII	Systemic risk buffer	Total capital buffers	Total
Common Equity Tier 1 capital (CET1)	68,312	37,951	12,320	7,590	0	57,861	126,173
Tier 1 Capital (T1)	91,082	37,951	12,320	7,590	0	57,861	148,943
Total own funds	121,443	37,951	12,320	7,590	0	57,861	179,304

[1] Act on Credit Institutions (610/2014), Sect 10:3 §, and the EU Capital Requirements Regulation (575/2013; CRR) and Directive (2013/36/EU; CRD IV). Valid from 1 January 2015.

[2] Act on Credit Institutions (610/2014) Sect 10:4-6 § and the EU Capital Requirements Regulation (575/2013; CRR) and Directive (2013/36/EU; CRD IV). In June 2023, the FIN-FSA decided to keep the countercyclical capital buffer requirement unchanged and it remained at its standard level of 0%. The institution-specific countercyclical capital buffer requirement is determined on the basis of the geographical distribution of the exposures. For MuniFin Group it is 0.85% (0.81%).

[3] Other Systemically Important Institutions additional capital requirements: Act on Credit Institutions (610/2014) Sect 10:8 § and the EU Capital Requirements Regulation (575/2013; CRR) and Directive (2013/36/EU; CRD IV). Additional capital requirement (*O-SII*) for MuniFin Group is 0.5% (0.5%). The decision of the Board of FIN-FSA on 28 June 2023, effective immediately.

[4] Act on Credit Institutions (610/2014) Sect 10:6a § and the EU Capital Requirements Regulation (575/2013; CRR) and Directive (2013/36/EU; CRD IV). At the end of March 2023, the FIN-FSA decided on a systemic risk buffer (*SyRB*) requirement of 1% for MuniFin Group. This decision is effective as of 1 April 2024 and also applies to other Finnish credit institutions at the same level. The systemic risk buffer and the O-SII buffer are parallel buffers, of which only the greater is applied.

ECB has imposed a bank-specific Pillar 2 Requirement (*P2R*) of 2.00% (2.00%) on MuniFin Group as part of the annual Supervisory Review and Evaluation Process (*SREP*). Including this P2R requirement, the total SREP capital requirement ratio (*TSCR*) was 10.00% (10.00%) at the end of June 2023. The minimum level of total capital ratio was 13.85% (13.81%) including P2R and other additional capital buffers.

EU CCyB1
Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

Countercyclical capital buffer is calculated only for the relevant credit exposure classes as defined in Article 140(4) of the Capital Requirement Directive. Exposure classes not included in the calculation are exposures to a) central governments or central banks; b) regional governments or local authorities; c) public sector entities; d) multilateral development banks; e) international organisations; f) institutions.

At 30 June 2023, the institution-specific countercyclical buffer rate for MuniFin Group was 0.85% (0.81%).

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk				Own fund requirements						
30 Jun 2023 (EUR 1,000)		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	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)
010	Breakdown by country:													
	BE	78,162	-	-	-	-	78,162	625	-	-	625	7,816	4.1234%	0.0000%
	DK	134,090	-	-	-	-	134,090	1,073	-	-	1,073	13,409	7.0738%	2.5000%
	FI	461,351	-	-	-	-	461,351	6,369	-	-	6,369	79,611	41.9980%	0.0000%
	FR	165,881	-	-	-	-	165,881	1,327	-	-	1,327	16,588	8.7509%	0.5000%
	GB	86,654	-	-	-	-	86,654	2,504	-	-	2,504	31,305	16.5148%	1.0000%
	NL	38,649	-	-	-	-	38,649	309	-	-	309	3,865	2.0389%	1.0000%
	NO	214,819	-	-	-	-	214,819	1,719	-	-	1,719	21,482	11.3326%	2.5000%
	SE	154,824	-	-	-	-	154,824	1,239	-	-	1,239	15,482	8.1676%	2.0000%
020	**Total**	**1,334,429**	**-**	**-**	**-**	**-**	**1,334,429**	**15,165**	**-**	**-**	**15,165**	**189,558**	**100.0000%**	

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk				Own fund requirements						
	31 Dec 2022 (EUR 1,000)	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	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)
010	**Breakdown by country:**													
	BE	26,850	-	-	-	-	26,850	215	-	-	215	2,685	1.5487%	0.0000%
	DK	119,172	-	-	-	-	119,172	953	-	-	953	11,917	6.8741%	2.0000%
	FI	370,697	-	-	-	-	370,697	4,604	-	-	4,604	57,552	33.1973%	0.0000%
	FR	93,793	-	-	-	-	93,793	750	-	-	750	9,379	5.4102%	0.0000%
	GB	96,014	-	-	-	-	96,014	3,297	-	-	3,297	41,210	23.7709%	1.0000%
	NL	38,399	-	-	-	-	38,399	307	-	-	307	3,840	2.2149%	0.0000%
	NO	288,749	-	-	-	-	288,749	2,310	-	-	2,310	28,875	16.6556%	2.0000%
	SE	179,056	-	-	-	-	179,056	1,432	-	-	1,432	17,906	10.3283%	1.0000%
020	**Total**	**1,212,729**	**-**	**-**	**-**	**-**	**1,212,729**	**13,869**	**-**	**-**	**13,869**	**173,365**	**100.0000%**	

EU CCyB2
Amount of institution-specific countercyclical capital buffer

30 Jun 2023
(EUR 1,000)

		a
1	Total risk exposure amount	1,480,157
2	Institution specific countercyclical capital buffer rate	0.8528%
3	Institution specific countercyclical capital buffer requirement	12,623

31 Dec 2022
(EUR 1,000)

		a
1	Total risk exposure amount	1,518,036
2	Institution specific countercyclical capital buffer rate	0.8116%
3	Institution specific countercyclical capital buffer requirement	12,320

Section 5

Leverage ratio

EU LR1

LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

30 Jun 2023 (EUR 1,000)		a
		Applicable amount
1	Total assets as per published financial statements	48,376,941
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential 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	-1,611,316
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)	1,209,962
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-51,246
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	-35,267,681
13	**Total exposure measure**	**12,656,659**

31 Dec 2022 (EUR 1,000)		a Applicable amount
1	Total assets as per published financial statements	47,736,293
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential 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	-1,930,311
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)	1,164,571
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-50,691
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	-34,142,646
13	**Total exposure measure**	**12,777,216**

EU LR2
LRCom: Leverage ratio common disclosure

The Group's leverage ratio was 11.85% (11.60%) at the end of June 2023.

The total balance sheet exposures increased by net EUR 723 million during the 6-month period. Off-balance sheet exposures, loan promises to public and public sector entities increased by EUR 45 million during the period.

MuniFin fulfills the CRR II definition of a public development credit institution and may therefore deduct all credit receivables fom the central government, municipalities and wellbeing services counties in the calculation of its leverage ratio exposure measure. The total amount exempted is EUR 32,700 million (EUR 31,853 million). It consists of loans and loan commitments to local government and wellbeing services counties and corporations that are wholly owned or under their control, and central government subsidised housing companies.

Rows 28-31a of the table are reported annually.

(EUR 1,000)		CRR leverage ratio exposures a 30 Jun 2023	CRR leverage ratio exposures b 31 Dec 2022
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	45,938,169	44,939,655
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)	-2,605,396	-2,329,364
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)	-7,828	-8,831
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**43,324,945**	**42,601,459**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	43,178	23,009
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	779,060	841,234
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**	**822,238**	**864,243**
	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	-	-

		CRR leverage ratio exposures	CRR leverage ratio exposures
		a	b
(EUR 1,000)		30 Jun 2023	31 Dec 2022
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	2,579,553	2,463,964
20	(Adjustments for conversion to credit equivalent amounts)	-1,369,591	-1,299,394
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	**Off-balance sheet exposures**	**1,209,962**	**1,164,571**
	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)	-32,700,485	-31,853,057
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)	-	-
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)**	**-32,700,485**	**-31,853,057**
	Capital and total exposure measure		
23	**Tier 1 capital**	**1,499,983**	**1,481,610**
24	**Total exposure measure**	**12,656,659**	**12,777,216**

		CRR leverage ratio exposures	CRR leverage ratio exposures
		a	b
(EUR 1,000)		**30 Jun 2023**	**31 Dec 2022**
	Leverage ratio		
25	**Leverage ratio (%)**	**11.8513%**	**11.5957%**
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	3.3070%	3.3197%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	11.8513%	11.5957%
26	Regulatory minimum leverage ratio requirement (%)	3.0000%	3.0000%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.0000%	3.0000%
	Choice on transitional arrangements and relevant exposures		
EU-27b	Choice on transitional arrangements for the definition of the capital measure	-	-
	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 receivables	-	-
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)	-	12,777,216
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)	-	12,777,216
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)	-	11.5957%
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)	-	11.5957%

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

MuniFin fulfills the CRR II definition of a public development credit institution and may therefore deduct all credit receivables fom the central government and municipalities in the calculation of its leverage ratio exposure measure. The total amount exempted is EUR 32,700 million (EUR 31,853 million) at end of June 2023.

30 Jun 2023 (EUR 1,000)		a CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**11,842,250**
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	11,842,250
EU-4	Covered bonds	1,206,630
EU-5	Exposures treated as sovereigns	8,743,880
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	52,668
EU-7	Institutions	1,341,014
EU-8	Secured by mortgages of immovable properties	-
EU-9	Retail exposures	-
EU-10	Corporates	449,085
EU-11	Exposures in default	-
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	48,974

31 Dec 2022 (EUR 1,000)		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**11,921,804**
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	11,921,804
EU-4	Covered bonds	1,090,411
EU-5	Exposures treated as sovereigns	9,116,446
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	66,117
EU-7	Institutions	1,278,256
EU-8	Secured by mortgages of immovable properties	-
EU-9	Retail exposures	-
EU-10	Corporates	335,439
EU-11	Exposures in default	-
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	35,135

Section 6

Liquidity requirements

EU LIQ1
Quantitative information of LCR

SCOPE OF CONSOLIDATION: CONSOLIDATED (EUR 1,000)		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
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)					11,244,484	11,594,545	12,198,793	12,359,708
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
3	Stable deposits	-	-	-	-	-	-	-	-
4	Less stable deposits	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	2,916,743	2,934,249	2,798,507	2,464,402	2,916,743	2,934,249	2,798,507	2,464,402
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	20,867	22,476	28,879	16,762	20,867	22,476	28,879	16,762
8	Unsecured debt	2,895,877	2,911,773	2,769,628	2,447,640	2,895,877	2,911,773	2,769,628	2,447,640
9	Secured wholesale funding					-	-	-	-
10	Additional requirements	3,737,098	3,734,922	3,798,199	3,897,715	1,464,238	1,376,986	1,378,969	1,398,457
11	Outflows related to derivative exposures and other collateral requirements	1,214,071	1,118,352	1,115,246	1,125,631	1,211,935	1,117,070	1,114,456	1,125,031

SCOPE OF CONSOLIDATION: CONSOLIDATED (EUR 1,000)		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	2,523,027	2,616,570	2,682,953	2,772,084	252,303	259,915	264,513	273,426
14	Other contractual funding obligations	28,802	30,802	61,386	65,771	24,569	26,878	54,418	58,951
15	Other contingent funding obligations	5,354,149	5,204,940	5,114,996	5,109,824	535,458	520,724	511,730	511,170
16	**TOTAL CASH OUTFLOWS**					**4,941,009**	**4,858,837**	**4,743,623**	**4,432,980**
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	259,945	265,007	247,529	235,416	175,560	175,302	159,829	150,467
19	Other cash inflows	967,847	965,176	922,365	874,119	967,847	965,176	922,365	874,119
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)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	**TOTAL CASH INFLOWS**	**1,227,792**	**1,230,183**	**1,169,894**	**1,109,535**	**1,143,406**	**1,140,478**	**1,082,195**	**1,024,585**
EU-20a	**Fully exempt inflows**	-	-	-	-	-	-	-	-
EU-20b	**Inflows subject to 90% cap**	-	-	-	-	-	-	-	-
EU-20c	**Inflows subject to 75% cap**	**1,227,792**	**1,230,183**	**1,169,894**	**1,109,535**	**1,143,406**	**1,140,478**	**1,082,195**	**1,024,585**
TOTAL ADJUSTED VALUE									
EU-21	**LIQUIDITY BUFFER**					**11,244,484**	**11,594,545**	**12,198,793**	**12,359,708**
22	**TOTAL NET CASH OUTFLOWS**					**3,797,602**	**3,718,359**	**3,661,429**	**3,408,395**
23	**LIQUIDITY COVERAGE RATIO**					**301.5994%**	**320.1957%**	**344.3836%**	**392.4069%**

SCOPE OF CONSOLIDATION: CONSOLIDATED (EUR 1,000)		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	30 Jun 2022	31 Mar 2022	31 Dec 2021	30 Sep 2021	30 Jun 2022	31 Mar 2022	31 Dec 2021	30 Sep 2021
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)					12,113,100	11,937,362	11,324,635	10,711,419
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
3	Stable deposits	-	-	-	-	-	-	-	-
4	Less stable deposits	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	2,067,844	2,026,440	2,023,840	2,229,248	2,067,844	2,026,440	2,023,840	2,229,248
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	38,736	41,521	36,567	46,042	38,736	41,521	36,567	46,042
8	Unsecured debt	2,029,107	1,984,919	1,987,273	2,183,206	2,029,107	1,984,919	1,987,273	2,183,206
9	Secured wholesale funding					-	-	-	-
10	Additional requirements	3,868,833	3,925,892	3,828,228	3,745,097	1,406,884	1,511,907	1,521,164	1,517,411
11	Outflows related to derivative exposures and other collateral requirements	1,138,264	1,246,674	1,265,544	1,270,616	1,137,609	1,246,026	1,264,895	1,269,963
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	2,730,569	2,679,218	2,562,684	2,474,481	269,275	265,881	256,268	247,448
14	Other contractual funding obligations	66,771	70,095	36,448	27,444	58,489	61,970	31,916	23,168
15	Other contingent funding obligations	5,065,479	4,980,177	4,865,222	4,695,379	506,735	498,018	486,522	469,538
16	**TOTAL CASH OUTFLOWS**					**4,039,952**	**4,098,335**	**4,063,442**	**4,239,365**

SCOPE OF CONSOLIDATION: CONSOLIDATED (EUR 1,000)		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	243,578	255,811	285,685	331,482	159,109	171,417	199,895	239,683
19	Other cash inflows	886,975	900,695	1,021,869	1,066,774	886,975	900,695	1,021,869	1,066,774
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)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	**TOTAL CASH INFLOWS**	**1,130,554**	**1,156,505**	**1,307,554**	**1,398,256**	**1,046,084**	**1,072,112**	**1,221,764**	**1,306,457**
EU-20a	**Fully exempt inflows**	-	-	-	-	-	-	-	-
EU-20b	**Inflows subject to 90% cap**	-	-	-	-	-	-	-	-
EU-20c	**Inflows subject to 75% cap**	**1,130,554**	**1,156,505**	**1,307,554**	**1,398,256**	**1,046,084**	**1,072,112**	**1,221,764**	**1,306,457**
TOTAL ADJUSTED VALUE									
EU-21	**LIQUIDITY BUFFER**					**12,113,100**	**11,937,362**	**11,324,635**	**10,711,419**
22	**TOTAL NET CASH OUTFLOWS**					**2,993,868**	**3,026,223**	**2,841,678**	**2,932,908**
23	**LIQUIDITY COVERAGE RATIO**					**446.5775%**	**436.0400%**	**440.1467%**	**396.3133%**

EU LIQ2
Net Stable Funding Ratio

		a	b	c	d	e
		Unweighted value by residual maturity				
30 Jun 2023 (EUR 1,000)		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items						
1	Capital items and instruments	1,499,983	-	-	-	1,499,983
2	*Own funds*	1,499,983	-	-	-	1,499,983
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		-	-	-	-
5	*Stable deposits*		-	-	-	-
6	*Less stable deposits*		-	-	-	-
7	Wholesale funding:		6,533,771	3,422,307	31,267,598	32,978,751
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		6,533,771	3,422,307	31,267,598	32,978,751
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	173,110	64,749	-	415,564	415,481
12	*NSFR derivative liabilities*	173,110				
13	*All other liabilities and capital instruments not included in the above categories*		64,749	-	415,564	415,481
14	**Total available stable funding (ASF)**					**34,894,215**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					220,547
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-

MuniFin

30 Jun 2023 (EUR 1,000)		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
17	Performing loans and securities:		1,444,037	596,365	29,917,390	26,609,507
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		46,875	-	29,413	34,101
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		193,211	528,174	29,571,825	25,670,606
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		22,823	384,417	24,398,136	20,563,782
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*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*		1,203,951	68,191	316,152	904,800
25	Interdependent assets		-	-	-	-
26	Other assets:	-	2,671,167	78	2,013	503,378
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		431,000	-	-	366,350
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		2,189,215			109,461
31	*All other assets not included in the above categories*		50,952	78	2,013	27,567
32	Off-balance sheet items		278,392	97,891	2,203,282	128,978
33	**Total RSF**					**27,462,410**
34	**Net Stable Funding Ratio (%)**					**127.0617%**

31 Mar 2023 (EUR 1,000)		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items						
1	Capital items and instruments	1,475,483	-	-	-	1,475,483
2	*Own funds*	1,475,483	-	-	-	1,475,483
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		-	-	-	-
5	*Stable deposits*		-	-	-	-
6	*Less stable deposits*		-	-	-	-
7	Wholesale funding:		6,090,595	4,423,384	29,846,903	32,058,595
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		6,090,595	4,423,384	29,846,903	32,058,595
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	219,708	133,277	-	403,510	402,956
12	*NSFR derivative liabilities*	219,708				
13	*All other liabilities and capital instruments not included in the above categories*		133,277	-	403,510	402,956
14	**Total available stable funding (ASF)**					**33,937,035**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					225,717
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-

		a	b	c	d	e
		Unweighted value by residual maturity				
31 Mar 2023 (EUR 1,000)		**No maturity**	**< 6 months**	**6 months to < 1yr**	**≥ 1yr**	**Weighted value**
17	Performing loans and securities:		1,578,767	620,665	29,332,708	26,295,440
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		82,290	-	32,489	40,718
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		198,970	549,925	29,002,847	25,317,832
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		25,959	388,781	23,378,618	19,813,035
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*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*		1,297,507	70,740	297,372	936,890
25	Interdependent assets		-	-	-	-
26	Other assets:	-	2,604,083	90	3,095	468,362
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		391,000	-	-	332,350
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		2,167,435			108,372
31	*All other assets not included in the above categories*		45,648	90	3,095	27,640
32	Off-balance sheet items		300,950	64,297	2,408,540	138,689
33	**Total RSF**					**27,128,209**
34	**Net Stable Funding Ratio (%)**					**125.0987%**

31 Dec 2022 (EUR 1,000)		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items						
1	Capital items and instruments	1,481,610	-	-	-	1,481,610
2	*Own funds*	1,481,610	-	-	-	1,481,610
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		-	-	-	-
5	*Stable deposits*		-	-	-	-
6	*Less stable deposits*		-	-	-	-
7	Wholesale funding:		8,046,239	4,350,551	27,954,532	30,129,808
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		8,046,239	4,350,551	27,954,532	30,129,808
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	270,609	48,659	-	355,603	354,825
12	*NSFR derivative liabilities*	270,609				
13	*All other liabilities and capital instruments not included in the above categories*		48,659	-	355,603	354,825
14	**Total available stable funding (ASF)**					**31,966,243**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					214,806
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-

31 Dec 2022 (EUR 1,000)		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
17	Performing loans and securities:		1,588,658	424,952	29,075,188	25,958,271
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		48,622	-	32,392	37,255
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		118,280	339,439	28,769,047	24,934,695
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		24,686	176,816	23,189,075	19,523,186
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*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*		1,421,756	85,513	273,749	986,321
25	Interdependent assets		-	-	-	-
26	Other assets:	-	2,263,584	90	3,224	286,278
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		146,700	-	-	124,695
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		2,004,606			100,230
31	*All other assets not included in the above categories*		112,278	90	3,224	61,353
32	Off-balance sheet items		247,687	22,434	2,193,857	123,199
33	**Total RSF**					**26,582,553**
34	**Net Stable Funding Ratio (%)**					**120.2527%**

EU LIQB
On qualitative information on LCR, which complements template EU LIQ1

(a) Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

The main items which effect the outflows of MuniFin Group's LCR are funding outflows and the impact of an adverse market scenario on derivatives transactions. On the inflow side larger than normal principal payments of loan contracts and non-ISIN short-term papers may have impact on the LCR ratio.

(b) Explanations on the changes in the LCR over time

MuniFin Group has had steady figures in LCR for over a year.

(c) Explanations on the actual concentration of funding sources

MuniFin Group acquires funding from international capital markets, mainly with unsecured public bond issues. While there is a high concentration on the unsecured wholesale funding, the Group has diversified its funding extensively across markets, currencies, durations and maturities.

(d) High-level description of the composition of the institution`s liquidity buffer.

MuniFin Group holds a diversified liquidity buffer of Level 1 and Level 2A investments. The liquidity buffer is composed of the following Level 1 assets: central bank assets, coins and banknotes, central government assets, regional government / local authority assets, public sector entity assets, multilateral development bank and international organization assets and extremely high quality covered bonds. The liquidity buffer is composed of the following Level 2 assets: regional government / local authorities or public sector entity assets (Member State, risk-weight 20%), central bank or central / regional government or local authorities or public sector entity assets (Third Country, risk-weight 20%), high quality covered bonds (CQS2) and high quality covered bonds (Third Country, CQS1). MuniFin Group holds a liquidity buffer in EUR and USD.

(e) Derivative exposures and potential collateral calls

MuniFin Group has made CSA agreements including daily margin calls with most of its derivative counterparties. The Group calculates the largest cash collateral movement with the historical look-back approach and considers this as an outflow for the potential collateral calls.

(f) Currency mismatch in the LCR

MuniFin Group monitors and calculates LCR in all significant currencies on a regular basis. The Group hedges against exchange rate risks by using derivative contracts to translate all foreign currency denominated funding into euros. MuniFin Group does not bear any material foreign exchange risk.

(g) Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile

Outflows from unsecured wholesale funding with call maturity options are treated in the LCR calculation according to the next possible call date.

Section 7

Credit risk quality

EU CR1

Performing and non-performing exposures and related provisions.

		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							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
30 Jun 2023 (EUR 1,000)			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	Accumulated partial write-off	On performing exposures	On non-performing exposures
005	Cash balances at central banks and other demand deposits	7,920,567	7,920,567	-	-	-	-	-1	-1	-	-	-	-	-	-	-
010	Loans and advances	34,704,397	33,644,502	1,000,559	2,194	-	-	-1,332	-186	-1,146	-3	-	-	-	17,497,102	2,091
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	15,176,426	14,859,165	294,935	-	-	-	-127	-75	-51	-	-	-	-	1,574,885	-
040	Credit institutions	1,615,114	1,615,114	-	-	-	-	-79	-79	-	-	-	-	-	-	-
050	Other financial corporations	1,431,057	1,431,057	-	-	-	-	-8	-8	-	-	-	-	-	-	-
060	Non-financial corporations	16,122,526	15,393,709	698,043	2,194	-	-	-1,094	-22	-1,072	-3	-	-	-	15,567,462	2,091
070	Of which SMEs	3,734,454	3,322,752	411,702	-	-	-	-371	-4	-367	-	-	-	-	3,701,843	-
080	Households	359,274	345,457	7,582	-	-	-	-24	-1	-23	-	-	-	-	354,756	-

30 Jun 2023 (EUR 1,000)		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							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
090	Debt securities	4,635,544	1,484,942	3,634	-	-	-	-1	-1	0	-	-	-	-	261,183	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	1,824,541	1,082,600	2,945	-	-	-	-1	-1	0	-	-	-	-	49,861	-
120	Credit institutions	2,360,965	270,439	-	-	-	-	-	-	-	-	-	-	-	98,629	-
130	Other financial corporations	337,344	19,898	-	-	-	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	112,693	112,005	689	-	-	-	0	0	0	-	-	-	-	112,693	-
150	Off-balance sheet exposures	2,579,565	2,519,998	59,567	-	-	-	12	12	1	-	-	-		199,523	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	803,723	800,723	3,000	-	-	-	4	4	0	-	-	-		-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-		-	-
200	Non-financial corporations	1,763,028	1,706,461	56,567	-	-	-	8	8	1	-	-	-		199,523	-
210	Households	12,814	12,814	-	-	-	-	0	0	-	-	-	-		-	-
220	**Total**	**49,840,073**	**45,570,009**	**1,063,760**	**2,194**	**-**	**-**	**-1,321**	**-175**	**-1,146**	**-3**	**-**	**-**	**-**	**17,957,808**	**2,091**

		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							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
31 Dec 2022 (EUR 1,000)			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	Accumulated partial write-off	On performing exposures	On non-performing exposures
005	Cash balances at central banks and other demand deposits	8,192,632	8,192,632	-	-	-	-	0	0	-	-	-	-	-	-	-
010	Loans and advances	33,387,488	32,793,102	534,564	7,256	-	4,990	-1,091	-407	-684	-21	-	-13	-	16,861,752	7,099
020	Central banks	28,685	28,685	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	14,947,875	14,641,332	284,432	-	-	-	-202	-73	-129	-	-	-	-	1,532,900	-
040	Credit institutions	1,435,339	1,435,339	-	-	-	-	-109	-109	-	-	-	-	-	-	-
050	Other financial corporations	1,220,259	1,220,259	-	-	-	-	-203	-203	-	-	-	-	-	-	-
060	Non-financial corporations	15,400,331	15,122,597	246,471	7,256	-	4,990	-574	-21	-553	-21	-	-13	-	14,978,781	7,099
070	Of which SMEs	3,682,346	3,493,887	188,459	2,676	-	2,676	-490	-4	-486	-13	-	-13	-	3,646,872	2,664
080	Households	354,998	344,890	3,661	-	-	-	-3	-1	-3	-	-	-	-	350,070	-
090	Debt securities	4,799,062	1,625,062	-	-	-	-	-1	-1	-	-	-	-	-	249,200	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	2,048,883	1,307,164	-	-	-	-	-1	-1	-	-	-	-	-	42,229	-
120	Credit institutions	2,218,581	124,384	-	-	-	-	-	-	-	-	-	-	-	98,073	-
130	Other financial corporations	342,976	4,892	-	-	-	-	-	-	-	-	-	-	-	-	-

		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							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
31 Dec 2022 (EUR 1,000)			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			
140	Non-financial corporations	188,622	188,622	-	-	-	-	0	0	-	-	-	-	-	108,898	-
150	Off-balance sheet exposures	2,463,978	2,447,584	16,394	-	-	-	14	11	2	-	-	-		595,073	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	877,470	872,284	5,186	-	-	-	4	4	0	-	-	-		-	-
180	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-		-	-
200	Non-financial corporations	1,574,168	1,562,960	11,208	-	-	-	10	7	2	-	-	-		585,723	-
210	Households	12,340	12,340	-	-	-	-	0	0	-	-	-	-		9,350	-
220	**Total**	**48,843,159**	**45,058,380**	**550,958**	**7,256**	**-**	**4,990**	**-1,079**	**-397**	**-681**	**-21**	**-**	**-13**	**-**	**17,706,025**	**7,099**

EU CR1-A
Maturity of exposures

Table CR1-A shows breakdown by residual maturity for on- and off balance sheet exposures. At the end of June 2023, 69.5% (69.6%) of the exposures were within the “> 5 years” bucket.

		a	b	c	d	e	f
		Net exposure value					
30 Jun 2023 (EUR 1,000)		**On demand**	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
1	Loans and advances	3,031,190	665,810	4,861,556	28,726,276	-	37,284,833
2	Debt securities	35,087	2,025,262	2,179,706	395,487	-	4,635,543
3	**Total**	**3,066,278**	**2,691,072**	**7,041,263**	**29,121,763**	**-**	**41,920,375**

		a	b	c	d	e	f
		Net exposure value					
31 Dec 2022 (EUR 1,000)		**On demand**	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
1	Loans and advances	2,645,484	705,934	4,577,720	27,928,485	-	35,857,624
2	Debt securities	-	2,239,394	2,210,621	349,046	-	4,799,060
3	**Total**	**2,645,484**	**2,945,328**	**6,788,341**	**28,277,531**	**-**	**40,656,684**

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

30 Jun 2023 (EUR 1,000)		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	**7,256**
020	Inflows to non-performing portfolios	-
030	Outflows from non-performing portfolios	-5,062
040	Outflow due to write-offs	-
050	Outflow due to other situations	-5,062
060	**Final stock of non-performing loans and advances**	**2,194**

31 Dec 2022 (EUR 1,000)		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	**129,996**
020	Inflows to non-performing portfolios	638
030	Outflows from non-performing portfolios	-123,378
040	Outflow due to write-offs	-
050	Outflow due to other situations	-123,378
060	**Final stock of non-performing loans and advances**	**7,256**

EU CQ1
Credit quality of forborne exposures

Total amount of forborne exposures at the end of June 2023 increased by EUR 2.6 million compared to the end of previous year. Performing forborne exposures grew by EUR 3 million and non-performing decreased by EUR 0.4 million, due to transfers from non-performing to performing forborne exposures.

		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	
			Non-performing forborne						
30 Jun 2023 (EUR 1,000)		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
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	83,272	2,194	2,194	2,194	-314	-3	84,183	2,091
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	-	-	-	-	-	-	-	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial corporations*	83,272	2,194	2,194	2,194	-314	-3	84,183	2,091
070	*Households*	-	-	-	-	-	-	-	-
080	Debt securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	**Total**	**83,272**	**2,194**	**2,194**	**2,194**	**-314**	**-3**	**84,183**	**2,091**

MuniFin

31 Dec 2022 (EUR 1,000)		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	
			Non-performing forborne						
		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
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	80,252	2,623	2,623	2,623	-470	-8	81,406	2,511
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	-	-	-	-	-	-	-	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial corporations*	80,252	2,623	2,623	2,623	-470	-8	81,406	2,511
070	*Households*	-	-	-	-	-	-	-	-
080	Debt securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	**Total**	**80,252**	**2,623**	**2,623**	**2,623**	**-470**	**-8**	**81,406**	**2,511**

EU CQ4
Quality of non-performing exposures by geography

The Group's non-domestic original exposures are 13.5% (13.2%) of total exposures on 30 Jun 2023. 5 largest countries are reported below. Other countries include exposures in following countries: AT, AU, BE, DK, ES, IE, JP, KR, LU, LV, NL, NO, NZ and SE.

		a	b	c	d	e	f	g
		Gross carrying/nominal amount						
			Of which non-performing					
30 Jun 2023 (EUR 1,000)				Of which defaulted	Of which subject to impairment	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
010	**On-balance-sheet exposures**	**39,342,135**	**2,194**	**2,194**	**36,135,831**	**-1,337**		**-**
020	FI	33,683,339	2,194	2,194	33,161,314	-1,297		-
030	GB	1,778,534	-	-	1,755,583	-15		-
040	FR	756,232	-	-	332,990	-10		-
050	DE	566,106	-	-	365,241	-8		-
060	CA	544,074	-	-	77,380	-1		-
070	Other countries	2,013,850	-	-	443,322	-6		-
080	**Off-balance-sheet exposures**	**2,579,565**	**-**	**-**			**12**	
090	FI	2,579,565	-	-			12	
150	**Total**	**41,921,700**	**2,194**	**2,194**	**36,135,831**	**-1,337**	**12**	**-**

31 Dec 2022 (EUR 1,000)		a	b	c	d	e	f	g
		Gross carrying/nominal amount						
			Of which non-performing					
				Of which defaulted	Of which subject to impairment	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
010	**On-balance-sheet exposures**	**38,193,806**	**7,256**	**7,256**	**34,959,985**	**-1,113**		**-**
020	FI	32,814,671	7,256	7,256	32,346,052	-851		-
030	GB	1,602,947	-	-	1,580,292	-220		-
040	DE	707,760	-	-	318,511	-13		-
050	FR	547,621	-	-	48,566	-1		-
060	CA	509,280	-	-	309,470	-14		-
070	Other countries	2,011,525	-	-	357,093	-14		-
080	**Off-balance-sheet exposures**	**2,463,978**	**-**	**-**			**14**	
090	FI	2,463,978	-	-			14	
150	**Total**	**40,657,784**	**7,256**	**7,256**	**34,959,985**	**-1,113**	**14**	**-**

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

		a	b	c	d	e	f
		Gross carrying amount					
			Of which non-performing		Of which loans and advances subject to impairment		
30 Jun 2023 (EUR 1,000)				Of which defaulted		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
10	Agriculture, forestry and fishing	-	-	-	-	-	-
20	Mining and quarrying	593	-	-	593	0	-
30	Manufacturing	6,234	-	-	6,234	0	-
40	Electricity, gas, steam and air conditioning supply	273,014	-	-	273,014	-2	-
50	Water supply	823,554	-	-	813,952	-5	-
60	Construction	131,739	-	-	131,739	0	-
70	Wholesale and retail trade	-	-	-	-	-	-
80	Transport and storage	102,340	-	-	102,340	0	-
90	Accommodation and food service activities	4,337	-	-	4,337	0	-
100	Information and communication	2,641	-	-	2,641	0	-
110	Real estate activities	14,581,424	1,096	1,096	14,560,253	-1,063	-
120	Financial and insurance activities	11,689	-	-	11,689	0	-
130	Professional, scientific and technical activities	17,299	-	-	17,299	-2	-
140	Administrative and support service activities	21,822	-	-	21,822	0	-
150	Public administration and defense, compulsory social security	1,771	-	-	1,771	0	-
160	Education	-	-	-	-	-	-
170	Human health services and social work activities	103,051	-	-	103,051	0	-
180	Arts, entertainment and recreation	43,210	1,098	1,098	43,210	-24	-
190	Other services	-	-	-	-	-	-
200	**Total**	**16,124,719**	**2,194**	**2,194**	**16,093,946**	**-1,098**	**-**

31 Dec 2022 (EUR 1,000)		a	b	c	d	e	f
		Gross carrying amount					
			Of which non-performing		Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
				Of which defaulted			
10	Agriculture, forestry and fishing	-	-	-	-	-	-
20	Mining and quarrying	1,186	-	-	1,186	-	-
30	Manufacturing	6,570	-	-	6,570	-	-
40	Electricity, gas, steam and air conditioning supply	289,273	-	-	289,273	-1	-
50	Water supply	649,426	-	-	639,966	-3	-
60	Construction	169,361	-	-	169,361	-	-
70	Wholesale and retail trade	-	-	-	-	-	-
80	Transport and storage	92,341	-	-	92,341	-	-
90	Accommodation and food service activities	4,343	-	-	4,343	-	-
100	Information and communication	754	-	-	754	-	-
110	Real estate activities	13,994,910	5,568	5,568	13,973,106	-585	-
120	Financial and insurance activities	12,044	-	-	12,044	-	-
130	Professional, scientific and technical activities	18,491	-	-	18,491	-2	-
140	Administrative and support service activities	22,725	-	-	22,725	-	-
150	Public administration and defense, compulsory social security	1,813	-	-	1,813	-	-
160	Education	-	-	-	-	-	-
170	Human health services and social work activities	99,952	-	-	99,952	-	-
180	Arts, entertainment and recreation	44,397	1,689	1,689	44,397	-2	-
190	Other services	-	-	-	-	-	-
200	**Total**	**15,407,588**	**7,256**	**7,256**	**15,376,324**	**-595**	**-**

Section 8

Use of credit risk mitigation techniques

EU CR3
CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

In the following table the unsecured loans include loans granted to MuniFin Group's customers, cash held at the central bank and loans and advances in credit institutions other than posted cash collateral as variation margin. Collaterals reported in this table consist exclusively of immovable property. For further credit risk mitigation, all loans secured by immovable property have guarantees from the State of Finland, municipalities or wellbeing services counties.

On 30 June 2023, unsecured debt securities include covered bonds by EUR 1,207 million (EUR 1,090 million) and municipal commercial paper investments in municipalities by EUR 1,054 million (EUR 1,246 million).

	30 Jun 2023 (EUR 1,000)	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1	Loans and advances	25,126,629	17,499,193	12,036,712	5,462,481	-
2	Debt securities	4,374,360	261,183	-	261,183	-
3	**Total**	**29,500,988**	**17,760,376**	**12,036,712**	**5,723,664**	**-**
4	Of which non-performing exposures	99	2,091	-	2,091	-
EU-5	Of which defaulted	99	2,091			

	31 Dec 2022 (EUR 1,000)	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1	Loans and advances	24,717,412	16,868,850	11,478,865	5,389,985	-
2	Debt securities	4,549,861	249,200	-	249,200	-
3	**Total**	**29,267,273**	**17,118,050**	**11,478,865**	**5,639,185**	**-**
4	Of which non-performing exposures	136	7,099	2,553	4,546	-
EU-5	Of which defaulted	136	7,099			

Section 9

Credit risk standardised approach

EU CR4
Standardised approach – Credit risk exposure and CRM effects

This table shows on- and off-balance sheet exposures, items treated within the scope of counterparty credit risk are excluded.

Total on- and off-balance sheet exposure amount post CCF and CRM was EUR 44,129 million at the end of June 2023 increasing by EUR 654 million from the year-end 2022.

30 Jun 2023 (EUR 1,000)	a	b	c	d	e	f
	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
EXPOSURE CLASSES	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
1 Central governments or central banks	8,002,531	-	20,914,581	903,798	-	-
2 Regional government or local authorities	14,986,688	782,719	19,062,004	306,164	5,283	0.0273%
3 Public sector entities	243,110	-	222,791	-	5,251	2.3567%
4 Multilateral development banks	89,051	-	89,051	-	-	0.0000%
5 International organisations	97,271	-	97,271	-	-	0.0000%
6 Institutions	1,341,014	-	1,242,385	-	311,766	25.0941%
7 Corporates	5,531,417	1,796,833	43,087	-	9,522	22.0988%
8 Retail	-	-	-	-	-	-
9 Secured by mortgages on immovable property	11,377,490	-	-	-	-	-
10 Exposures in default	2,597	-	-	-	-	-
11 Exposures associated with particularly high risk	-	-	-	-	-	-
12 Covered bonds	1,206,630	-	1,206,630	-	120,663	10.0000%
13 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14 Collective investment undertakings	-	-	-	-	-	-
15 Equity	-	-	-	-	-	-
16 Other items	41,146	-	41,146	-	37,590	91.3587%
17 TOTAL	**42,918,945**	**2,579,553**	**42,918,945**	**1,209,962**	**490,074**	**1.1106%**

31 Dec 2022 (EUR 1,000)		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
EXPOSURE CLASSES		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
1	Central governments or central banks	8,294,139	-	20,578,173	869,012	-	0.0000%
2	Regional government or local authorities	14,615,347	845,466	18,887,493	295,558	5,240	0.0273%
3	Public sector entities	293,300	-	273,223	-	7,983	2.9219%
4	Multilateral development banks	108,801	-	108,801	-	-	0.0000%
5	International organisations	121,432	-	121,432	-	-	0.0000%
6	Institutions	1,278,256	-	1,180,182	-	290,285	24.5966%
7	Corporates	5,600,553	1,618,498	44,440	-	15,424	34.7063%
8	Retail	-	-	-	-	-	-
9	Secured by mortgages on immovable property	10,874,824	-	-	-	-	0.0000%
10	Exposures in default	7,092	-	-	-	-	0.0000%
11	Exposures associated with particularly high risk	-	-	-	-	-	-
12	Covered bonds	1,090,411	-	1,090,411	-	109,041	10.0000%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	-	-	-	-	-	-
15	Equity	-	-	-	-	-	-
16	Other items	26,304	-	26,304	-	23,113	87.8710%
17	**TOTAL**	**42,310,459**	**2,463,964**	**42,310,459**	**1,164,571**	**451,086**	**1.0376%**

EU CR5
Standardised approach

This table shows on- and off-balance sheet exposures post conversion factor and post risk mitigation techniques. Items treated within the scope of counterparty credit risk are excluded. To determine the exposure's risk weight, MuniFin Group applies credit ratings by Moody's Investors Service, Fitch Ratings or Standard & Poor's Financial Services.

The largest change took place in the 0% risk weight bucket, which increased by EUR 477 million. 94.2% (94.5%) of the total exposure amount is risk-weighted by 0%.

30 Jun 2023 (EUR 1,000)		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight																
EXPOSURE CLASSES		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which unrated
1	Central governments or central banks	21,818,379	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,818,379	-
2	Regional government or local authorities	19,341,753	-	-	-	26,415	-	-	-	-	-	-	-	-	-	-	19,368,168	18,959,989
3	Public sector entities	196,538	-	-	-	26,253	-	-	-	-	-	-	-	-	-	-	222,791	-
4	Multilateral development banks	89,051	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89,051	-
5	International organisations	97,271	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97,271	-
6	Institutions	-	-	-	-	1,031,423	-	210,962	-	-	-	-	-	-	-	-	1,242,385	29,455
7	Corporates	-	-	-	-	40,072	-	3,014	-	-	-	-	-	-	-	-	43,087	-
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	1,206,630	-	-	-	-	-	-	-	-	-	-	-	1,206,630	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	1,940	-	-	-	2,020	-	-	-	-	37,186	-	-	-	-	-	41,146	39,208
17	**TOTAL**	**41,544,932**	**-**	**-**	**1,206,630**	**1,126,183**	**-**	**213,977**	**-**	**-**	**37,186**	**-**	**-**	**-**	**-**	**-**	**44,128,907**	**19,028,652**

31 Dec 2022 (EUR 1,000)		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weight																
EXPOSURE CLASSES		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which unrated
1	Central governments or central banks	21,447,185	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,447,185	-
2	Regional government or local authorities	19,156,850	-	-	-	26,201	-	-	-	-	-	-	-	-	-	-	19,183,052	18,774,738
3	Public sector entities	233,307	-	-	-	39,916	-	-	-	-	-	-	-	-	-	-	273,223	-
4	Multilateral development banks	108,801	-	-	-	-	-	-	-	-	-	-	-	-	-	-	108,801	-
5	International organisations	121,432	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121,432	-
6	Institutions	-	-	-	-	999,353	-	180,829	-	-	-	-	-	-	-	-	1,180,182	32,440
7	Corporates	-	-	-	-	22,655	-	21,785	-	-	-	-	-	-	-	-	44,440	-
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	1,090,411	-	-	-	-	-	-	-	-	-	-	-	1,090,411	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	9	-	-	-	3,976	-	-	-	-	22,318	-	-	-	-	-	26,304	26,296
17	**TOTAL**	**41,067,585**	**-**	**-**	**1,090,411**	**1,092,102**	**-**	**202,614**	**-**	**-**	**22,318**	**-**	**-**	**-**	**-**	**-**	**43,475,030**	**18,833,474**

Section 10

Exposures to counterparty credit risk

EU CCR1
Analysis of CCR exposure by approach

MuniFin Group has 35 counterparties with which it has active derivative contracts in the interbank financial markets. The Group limits the credit risk arising from these derivative contracts with ISDA Credit Support Annexes. The Group has the above-mentioned collateral agreement with all of these counterparties. Additionally, the Municipal Guarantee Board's guarantees are used for reducing the derivative counterparty risk of certain counterparties. In addition to the interbank counterparties, MuniFin has derivative contracts with its clients. The counterparty credit risk RWEA has decreased to EUR 40 million (EUR 70 million) when excluding CCP exposures. With CCP exposures the RWEA is 41 million. The change is due to decreased exposure at default. The decrease was influenced by two SA-CCR model changes deployed into production in June 2023.

		a	b	c	d	e	f	g	h
30 Jun 2023 (EUR 1,000)		**Replacement cost (RC)**	**Potential future exposure (PFE)**	**EEPE**	**Alpha used for computing regulatory exposure value**	**Exposure value pre-CRM**	**Exposure value post-CRM**	**Exposure value**	**RWEA**
EU-1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	26,121	442,837		1.4	1,007,320	656,541	651,614	39,952
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	**Total**					**1,007,320**	**656,541**	**651,614**	**39,952**

The table above represents counterparty credit risk exposures without exposures to CCP. With CCP exposures included, the exposure value is EUR 705 million and RWEA is EUR 41 million.

31 Dec 2022 (EUR 1,000)		a Replacement cost (RC)	b Potential future exposure (PFE)	c EEPE	d Alpha used for computing regulatory exposure value	e Exposure value pre-CRM	f Exposure value post-CRM	g Exposure value	h RWEA
EU-1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	16,435	500,897		1.4	1,017,970	724,265	724,265	70,039
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	**Total**					**1,017,970**	**724,265**	**724,265**	**70,039**

The table above represents counterparty credit risk exposures without exposures to CCP. With CCP exposures included, the exposure value is EUR 748 million and RWEA is EUR 71 million. Exposure value post-CRM and Exposure value updated for reference period to include exposure at default amount for derivatives with guarantees.

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EU CCR2
Transactions subject to own funds requirements for CVA risk

The CVA capital charge has decreased due to lower exposure at default. The decrease was influenced by two SA-CCR model changes deployed into production in June 2023. MuniFin Group manages the CVA capital charge with comprehensive use of CSAs and CCP clearing.

30 Jun 2023 (EUR 1,000)		a	b
		Exposure value	RWEA
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	631,020	423,168
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**631,020**	**423,168**

31 Dec 2022 (EUR 1,000)		a	b
		Exposure value	RWEA
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	698,235	470,552
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**698,235**	**470,552**

EU CCR3
Standardised approach – CCR exposures by regulatory exposure class and risk weights

This table shows classification of counterparty credit risk exposure value in exposure classes and risk weights after credit risk mitigation. MuniFin Group applies SA-CCR method in calculating the counterparty credit risk. After credit risk mitigation, 81.1% (77.9%) of the total exposure value is in the 0% risk weight bucket. Credit risk mitigation techniques applied are guarantees granted by the Municipal Guarantee Board and municipalities.

30 Jun 2023 (EUR 1,000)		a	b	c	d	e	f	g	h	i	j	k	l
		Risk weight											
EXPOSURE CLASSES		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional government or local authorities	21,193	-	-	-	-	-	-	-	-	-	-	21,193
3	Public sector entities	550,359	-	-	-	-	-	-	-	-	-	-	550,359
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	53,456	-	-	262	36,233	-	-	-	-	-	89,951
7	Corporates	-	-	-	-	-	43,567	-	-	-	-	-	43,567
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total exposure value**	**571,552**	**53,456**	**-**	**-**	**262**	**79,800**	**-**	**-**	**-**	**-**	**-**	**705,071**

31 Dec 2022 (EUR 1,000)	a	b	c	d	e	f	g	h	i	j	k	l
	Risk weight											
EXPOSURE CLASSES	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1 Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2 Regional government or local authorities	26,030	-	-	-	-	-	-	-	-	-	-	26,030
3 Public sector entities	556,350	-	-	-	-	-	-	-	-	-	-	556,350
4 Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6 Institutions	-	23,329	-	-	3,013	87,299	-	-	-	-	-	113,640
7 Corporates	-	-	-	-	-	51,574	-	-	-	-	-	51,574
8 Retail	-	-	-	-	-	-	-	-	-	-	-	-
9 Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10 Other items	-	-	-	-	-	-	-	-	-	-	-	-
11 Total exposure value	**582,380**	**23,329**	**-**	**-**	**3,013**	**138,872**	**-**	**-**	**-**	**-**	**-**	**747,594**

EU CCR5
Composition of collateral for CCR exposures

The amount of collaterals posted for derivative transactions at the end of June 2023 was EUR 3,036 million (EUR 2,645 million). MuniFin holds a strong credit rating (Aa1/AA+). The impact of a possible credit downgrade lower than four notches of MuniFin would not have any impact on the collateral posted.

		a	b	c	d	e	f	g	h
30 Jun 2023 (EUR 1,000)		**Collateral used in derivative transactions**				**Collateral used in SFTs**			
		Fair value of collateral received		**Fair value of posted collateral**		**Fair value of collateral received**		**Fair value of posted collateral**	
COLLATERAL TYPE		**Segregated**	**Unsegregated**	**Segregated**	**Unsegregated**	**Segregated**	**Unsegregated**	**Segregated**	**Unsegregated**
1	Cash – domestic currency	-	602,302	406,000	2,431,967	-	-	-	-
2	Cash – other currencies	-	-	-	173,429	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	-
4	Other sovereign debt	-	-	24,339	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-
9	**Total**	**-**	**602,302**	**430,339**	**2,605,396**	**-**	**-**	**-**	**-**

31 Dec 2022 (EUR 1,000)		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
COLLATERAL TYPE		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	815,362	291,000	2,118,055	-	-	-	-
2	Cash – other currencies	-	-	-	211,310	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	-
4	Other sovereign debt	-	-	25,000	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-
9	**Total**	**-**	**815,362**	**316,000**	**2,329,364**	**-**	**-**	**-**	**-**

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Template EU CCR8 – Exposures to CCPs

Exposures for qualified central clearing counterparties increased to EUR 53 million (EUR 23 million). The increase was due to higher amount of contracts linked to central clearing counterparty.

30 Jun 2023 (EUR 1,000)		a	b
		Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**1,069**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	53,456	1,069
3	(i) OTC derivatives	53,456	1,069
4	(ii) Exchange-traded derivatives	-	-
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	430,339	
8	Non-segregated initial margin	-	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		**-**
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

31 Dec 2022 (EUR 1,000)		a	b
		EAD post CRM	**RWAs**
1	**Exposures to QCCPs (total)**		**467**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	23,329	467
3	(i) OTC derivatives	23,329	467
4	(ii) Exchange-traded derivatives	-	-
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	291,000	
8	Non-segregated initial margin	-	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		**-**
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

Section 11

Market risk

EU MR1
Market risk under the standardised approach

MuniFin Group calculates capital requirements for overall net foreign exchange position. The Group hedges against exchange rate risks by using derivative contracts to translate all foreign currency denominated funding and investments into euros. The Group does not bear any material foreign exchange risk.

The foreign exchange risk position was EUR 5.2 million at the end of June 2023 (EUR 4.8 million). Since the foreign exchange risk position was less than 2% of the own funds, there was no capital requirement for it (CRR 575/2013 Art. 351).

MuniFin Group does not hold trading book exposures.

30 Jun 2023 (EUR 1,000)		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	-
2	Equity risk (general and specific)	-
3	Foreign exchange risk	5,172
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	**Total**	**5,172**

31 Dec 2022 (EUR 1,000)		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	-
2	Equity risk (general and specific)	-
3	Foreign exchange risk	4,833
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	**Total**	**4,833**

Section 12

Exposures to interest rate risk on positions not held in the trading book

EU IRRBB1
Interest rate risks of non-trading book activities

Current period is as of 30 June 2023. Last period is 31 December 2022. In current period, a 50% weight is used to positive EVE changes when summing up the EVE, inline with the Supervisory outlier test specifications in EBA/GL/2018/02. Most of all EVE risk comes from EUR.

		a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
	SUPERVISORY SHOCK SCENARIOS	Current period	Last period	Current period	Last period
1	Parallel up	-78,703	-33,689	17,516	25,895
2	Parallel down	57,060	47,970	-16,468	-25,155
3	Steepener	2,529	5,327		
4	Flattener	-14,594	-13,633		
5	Short rates up	-41,406	-25,621		
6	Short rates down	22,069	13,809		

Section 13

Environmental, Social and Governance risks (ESG risks)

Qualitative information on Environmental risk

Business strategy and processes

MuniFin Group's risk management approach includes a careful assessment of climate-related and environmental risks, although the Group's exposure to these risks is considered low. This approach is a direct consequence of the Group's business model that limits the ultimately exposure only to Finnish local and central government risk. In this light the most notable environmental risk is identified to be related to real-estate collateral received from affordable social housing organisations. However, in these cases there is always a central government deficiency guarantee in place and thus no final credit losses are expected in the case that an environmental risk event affects the collateral. Due to MuniFin Group's restricted business model and conservative risk strategy, MuniFin Group's operations cannot be broadened to new customer groups with a higher environmental risk exposure.

In terms of climate-related and environmental risks, the Group's customers and thus the Group as their financier are exposed to both physical and transition risks. However, potential environmental risk events of the Group's customers (where there is no collateral pledged for the benefit of MuniFin Group) are considered to have low risk impact on the Group as exposures are direct or indirect municipal risk and thus, based on Finnish legislation, no final credit losses can be expected as municipalities cannot be declared bankrupt, and they have independent and unlimited right to levy taxes.

MuniFin Group's liquidity portfolio counterparties are central banks, sovereigns, agencies, and credit institutions and the Group considers' these entities to possess low risk in respect to climate-related and environmental risks due to MuniFin Group's requirement to invest only in low-risk issuers. The same requirement applies to the Group's derivative counterparties.

However, in the medium to long-term time horizon, these risks may materialize among MuniFin Group's customers or counterparties. Therefore, climate-related and environmental risks, although considered having low impact on the Group, will be increasingly integrated in MuniFin Group's risk appetite, credit granting process and investment activities to support decision-making and monitor and mitigate risks.

Furthermore, the Group deems that as a public sector financier its lending activities can promote environmentally sustainable objectives. Therefore, as a core approach to environmentally sustainable society, the Group has introduced a green finance product which allows proceeds of the Group's green funding transactions to be used for lending activities supporting this goal. The Group has set a combined goal for its two sustainable products: green and social finance to achieve 20% of the total long-term customer finance portfolio by 2024. The set target year of 2024 is aligned with the timeline of other strategic goals in the Group. The framework used for green and social finance is MuniFin Group's Green Bond Framework.

Due to very limited exposure to climate-related and environmental risks, the Group has not yet set separate short-term, medium-term and long-term targets in relation to its customer exposures. The Group considers that local and regional government exposures, as such, are low risk with no evidence of major environmental risk related challenges, unless otherwise proven in individual cases. However, despite of the described approach, the Group analyses climate-related and environmental risks of its customer groups with applicable methods further described under the following Risk management section.

MuniFin Group seeks ways to grant financing and invest its liquidity towards environmentally sustainable activities/ issuers now and in the future while meeting the financing needs of its customers. In 2022, the Group updated its Green Bond Framework that determines what kinds of projects can be financed by green finance. The eligibility criteria of the Green Bond Framework take into account the EU Taxonomy Regulation and the EU Taxonomy Climate Delegated Act with the intention to apply them on a best effort basis, where there are feasible practical applications and support by local regulation. The market still requires time to transition towards the Taxonomy. Currently the Group sees that there are various challenges in the application of the Taxonomy. Application of the Taxonomy criteria and reporting on the alignment needs to develop throughout the market in order it to be widely applied.

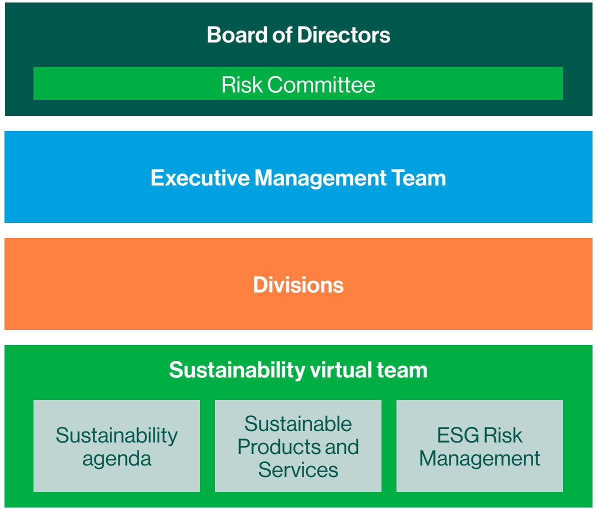
The Group reports on various KPIs in its sustainability scorecard published as part of the Annual Report. These indicators include the growth in amount of green and social finance (EUR), number of green and social projects and total amount of socially responsible investments, inter alia. Furthermore, MuniFin Group publishes a quarterly overview of sustainability results in liquidity portfolio on its website.

Based on the qualitative materiality assessment conducted, the Group is not, due to its specific business model, materially affected by other environmental impact or other environmental risks than climate risks as explained in this Report.

As an overarching theme, sustainability, including environmental aspects has been integrated into a variety of governing policies and guidelines in MuniFin Group. Most noteworthy policies include the Sustainability Policy, the Risk Appetite Framework (*RAF*), risk policies and risk inventory. In addition, the Group has published a Sustainable Investment Framework which outlines its key practices on long-term liquidity management and the Green Bond Framework.

Governance

The governance structure for ESG risks, with the main focus on climate-related and environmental risks, is depicted in Figure 1.



Board of Directors

The key sustainability related duties of the Board of Directors include inter alia:

- To determine the Company's strategy (including sustainability and risk profile), corporate values and business model of MuniFin and key long-term goals and key performance indicators (including sustainability) to support monitoring of development.
- To oversee Company's strategic, business and financial development and to monitor material changes in company's business and regulatory environment (including the area of sustainability) and to agree on any potential actions based on the development.
- To monitor MuniFin's overall risk appetite and strategy, taking into account all types of risks (including ESG risks), to ensure that they are in line with the business strategy, objectives, corporate and risk culture and values of MuniFin.

The Board has established committees for assistance and preparation. With regard to ESG risks, especially the Risk Committee plays a key role. The Risk Committee inter alia assists the Board in matters related to MuniFin's risk strategy and risk taking, and advises and supports the Board regarding the monitoring of MuniFin's overall risk appetite and strategy, taking into account all types of risks (including ESG risks), to ensure that they are in line with the business strategy, objectives, corporate and risk culture and values of MuniFin.

CEO and the Executive Management Team

The CEO's duty is to manage the Company's operations in order to implement the resolutions made by the Board and maintain the Company's operations in line with the strategy, risk management principles and limits set by the Board. Supported by the Executive Management Team (*EMT*), the CEO is responsible for the effectiveness of MuniFin's day-to-day operations and organisational structure as well as reporting to the Board.

The EMT discusses and makes decisions on sustainability issues as needed according to MuniFin's governance model. Sustainability is discussed frequently in sustainability theme meetings.

Divisions

The EMT has established management teams for divisions to support its activities. Each of the divisional management team has rules of procedure confirmed by the EMT and powers of decision have been delegated to them. Divisions and their management teams discuss and make sustainability related decisions falling under their responsibility according to MuniFin's governance model.

Sustainability virtual team

MuniFin has established a cross organisational sustainability virtual team to coordinate the sustainability work of MuniFin. The Sustainability virtual team consists of designated persons representing MuniFin's different divisions. The main responsibilities of the Sustainability virtual team are to proactively drive MuniFin's sustainability work, follow market development and respond to development needs.

The Sustainability virtual team operates primarily through its three working groups. The working group structure allows division of responsibilities based on different topics. Each working group has a dedicated leader and a sponsor who is a member of the EMT.

The Sustainability agenda working group is responsible for companywide sustainability themes, including key principles of sustainability, sustainability agenda, targets and roadmap as well as reporting and ESG ratings. The working group is sponsored by the Head of Capital Markets and Sustainability.

The Sustainable Products and Services working group promotes the growth of MuniFin's sustainable products and services and actively monitors development of regulation relating to sustainable financing and funding. The working group is sponsored by the Head of Customer Solutions.

The ESG Risk Management working group develops MuniFin's ESG risk management including determination of material risks and consideration of these in the governance model and relevant policies. The working group is sponsored by the CRO. MuniFin Group has a Board approved Risk Appetite Framework (*RAF*) reflecting the Group's conservative approach to all material risk and setting a limit framework for these risks. Climate-related and environmental risks, as explained, are considered quite limited due to the Group's specific business model. However, to mitigate the Group's future exposure to climate-related and environmental risks, the Group's Board with the support of the Risk Committee has set limits for risk indicators for environmental risk; the ESG risk score for the liquidity portfolio, energy efficiency of real-estate new production financing and climate-related and environmental score of consolidated municipality financing. The ESG risk score for each issuer and the Sustainability benchmark is produced quarterly by an external ESG service provider. The energy efficiency of real-estate new production financing is gathered for loans initiated after 1st of July 2021. In addition, as required by the Group's Sustainability Policy and EBA Loan Origination (EBA/GL/2020/06), ESG factors have been integrated in the customer lending process.

MuniFin Group is regularly assessing its RAF with the intention of including additional indicators for climate-related and environmental risks.

Development of the RAF indicators are included in MuniFin Group's monthly risk reporting to the EMT and the Board, including its Risk Committee. The Group's liquidity portfolio's ESG score is monitored on a quarterly basis and reported through the Group's risk reporting to the EMT and to the Board.

MuniFin Group's Risk Management function in second line of defence reports risk exposures regularly to the Board's Risk Committee and may escalate identified challenges of its counterparties to the Risk Committee and, if necessary, to the Board. The Group's annual customer risk analysis, which may also highlight environmental risk-related challenges of a customer, is prepared by the Risk Management function, and reviewed by the Board's Risk Committee.

MuniFin Group considers ESG risks but also business potential related to sustainability linked products as an important development area. Therefore, MuniFin Group's organisational setup has been enhanced to support development needs. MuniFin Group's Risk Management function, which forms part of the internal control function, includes an ESG risk analyst position to support the function's identification and monitoring of ESG risks. MuniFin Group's business and support functions in the first line of defence have also specific staffing to ensure that sustainability aspects are taken into account in daily business operations and external reporting including disclosure requirements are adhered to. The Compliance function's focus has been in supporting the organisation in ESG related regulatory development monitoring. In the future, once regulatory requirements are more comprehensively in place, the Compliance function's monitoring actions will increasingly take into account climate-related and environmental risks related regulatory compliance. Internal audit's annual planning has included audits focusing on climate-related and environmental risks and other aspects of sustainability and this will be the case also in the future.

Due to the Group's limited environmental risk position, its current remuneration framework does not specifically include MuniFin Group's exposures related to climate-related and environmental risks. However, MuniFin Group's current variable remuneration framework includes an ESG indicator for the Group's own ESG scoring and thus takes into account also the environmental risk aspect of MuniFin Group's operations, as defined by the external rating model. Furthermore, variable remuneration can be only achieved if operations are being aligned within the limits set by the RAF and thus within the limits set for climate-related and environmental risk indicators within the RAF.

Risk management

MuniFin Group has conducted a materiality assessment to identify the Group's exposure to climate-related and environmental risks. The materiality assessment has been done for the lending portfolio and for the investment portfolio and it considers the most relevant transmission channels of each risk identified. The materiality assessment is reviewed on a regular basis.

The Group measures environmental risks of its customers with different applicable methods. The Group uses an ESG score provided by an external service provider to evaluate ESG risks of municipalities. The ESG score includes several climate-related and environmental metrics that take into account both physical risks and transition risks municipalities are exposed to. For affordable social housing organisations, the Group has introduced an annual ESG questionnaire that includes questions related to the actions organisations have taken to manage and mitigate climate-related and environmental risks associated with them. In addition to that, MuniFin Group has conducted an analysis of the most relevant physical risks in Finland and included customer-level analysis of physical risks as a part of the annual risk analysis of customers. The analysis of the most relevant physical risks in Finland is able to capture real-estate collateral that is sensitive to environmental risks.

Climate-related and environmental risks have an impact on the internal risk rating of all customers. In the RAF, the Group has included several climate-related and environmental risk indicators. The RAF includes climate-related and environmental risk score of municipalities provided by an external service provider. The RAF also includes a risk indicator for the energy efficiency of real-estate new production financing to follow transition risk its clients are exposed to. For each risk indicator in the RAF, risk limits and threshold values are set to define the amount of risk that MuniFin Group is able and willing to take, and these risk limits and thresholds are reviewed at least annually.

MuniFin Group has a Sustainable Investment Framework that defines the frames for investments in its liquidity portfolio. An essential part of sustainability management in the portfolio management process is the exclusion of such issuers/investments that violate MuniFin Group's ethical standards or operate in controversial fields of business. The Sustainable Investment Framework includes a list of exclusion criteria and exclusion criteria is monitored at the time of the investment as well as bi-annually for the whole portfolio. These exclusion criteria allow managing environmental risks in the liquidity portfolio. The RAF also includes the ESG score risk indicator of the liquidity portfolio. The Group monitors all investments through a quarterly calculated ESG score provided by an external service provider. The Group's liquidity portfolio investments receive ESG scores on a scale of 0–10. The average score of the liquidity portfolio is also communicated to external stakeholders. The ESG score of the portfolio is compared with a benchmark that is composed of relevant market indices replicating the actual portfolio weights in each asset class. The ESG score of the portfolio compared to the sustainability benchmark is reported on material risks' dashboard.

The Group recognises data limitations associated with environmental risk management. MuniFin Group's customers are mainly not in the scope of ESG disclosure regulation and customers disclose climate-related and environmental information mainly on voluntary basis. As the data collected from customers is limited and not consistent, the Group mainly uses the information available from public sources to conduct comparable analysis of its customers. However, the Group engages with its customers in many ways to enhance the preparedness and awareness of the customers. MuniFin Group sees that dialogue with customers and increased awareness will decrease the risks associated with customers and increase the quality and the availability of the data as the customers increasingly consider climate-related and environmental risks as well as other ESG risks in their operations.

RISK	TRANSMISSION CHANNEL	DESCRIPTION
Credit Risk	Lower real estate value	Increased energy consumption, renovation needs and locations at risk of extreme weather events can have a negative impact to the value of counterparties' real estate/collateral.
	Lower profitability	Higher costs for energy or GHG-intensive raw material and higher cost of land result in higher overall expenses. Also changed consumer preferences could result to income effect for counterparties of MuniFin Group.
	Increase cost of compliance	Strengthened regulatory requirements can set new requirements for companies to renovate real estates or increase the pressure to rent or sell non-energy-efficient real estate. New legislation requires monitoring and resources and if companies fail to comply with new legislation it can have negative economic impact for the counterparty.
Market Risk	Lower asset value	Significant market shifts can create notable uncertainty and impact to the value of the assets. Especially declines in value for companies operating in sectors associated with climate change are expected.
	Lower asset value	Climate events can result in big shifts in the markets creating market risk for MuniFin Group's liquidity portfolio and derivatives counterparties. They may be affected by a market risk event and a significant event could decrease value of the bonds or derivatives.
	Increased volatility	Climate-related and environmental factors can cause significant changes or uncertainty in the market that may have a negative impact on volatility increasing the risks for MuniFin Group.
Liquidity and funding risk	Limited access to funding	Risks arising from climate-related and environmental matters may have a negative effect on MuniFin Group's ability to raise new funding or roll over existing funding transactions upon maturity. MuniFin Group's access to the funding market may be impaired by a shift in investor demand away from non-green issuers. In the case that MuniFin fails to increase green lending to its customers, it may not be able to issue an adequate amount of green bonds to meet its funding requirements. This could further increase MuniFin Group's exposure to wholesale funding risk.
	Lower asset value and liquidity	Climate-related and environmental risks may have a negative effect on the market price of assets held in MuniFin Group's liquidity portfolio. Investor demand may shift away from assets associated with higher C&E risks resulting in both decline in market price and lower the liquidity of these assets.
Operational risk	Increased legal cost and cost of compliance	Climate-related and environmental matters can increase the Group's legal and regulatory compliance risk and risk of increased litigation costs if MuniFin Group fails to comply with relevant standards and legislation.
Reputational risk	Increased legal cost and cost of compliance	Climate risk event of any material customer, counterparty supplier or the Group's own actions may lead to financial impacts via reputational damages depending on the third-party connectedness to MuniFin Group and severity of the event.

Table 1 Financial risk categories and examples of identified transmission channels for MuniFin Group

Qualitative information on Social risk

Business strategy and processes

Sustainability is a core value of MuniFin Group and that includes also social risk management. The Group's social risk position is considered very low as the Group's normal business operations with its customers or other counterparties have not been identified to include material risks for labour law non-compliance, human rights or other social laws or rights non-compliance that may face legal dispute. Therefore, it should be noted that the main risk mitigation approach for social risk is already taken in the form of MuniFin Group's specific business model, which allows (as defined by the Act on Municipal Guarantee Board) to use the Municipal Guarantee Board guaranteed funding only for limited customer base consisting of local and regional government entities and affordable social housing production entities, and thus considered low risk entities in respect of social risk. Due to this regulation, the Group's strategy cannot be broadened to any higher risk customers.

Due to very limited social risk, the Group has not set separately short-term, medium-term and long-term targets for the matter in relation to its customer exposures. The Group considers that local and regional government exposures, as such, are low risk with no evidence of major social risk related challenges, unless otherwise proven in individual cases. Furthermore, affordable social housing production organisations are non-profit entities whose operations are monitored by The Housing Finance and Development Centre of Finland (*ARA*) and therefore similar general approach in relation to those is justified. Finally, MuniFin Group has no historical evidence, since the establishment of the Company, on social risk related challenges among its customers having impact on the Group's exposures. However, despite of the described approach, MuniFin Group's customer risk rating model includes also monitoring customers in perspective of social risk and the annual customer analysis takes into account potential social risk related events. To allow this, the Group monitors its entire customer base through e.g., external databases to see e.g. news having potentially impact on evaluation of the customer.

Furthermore, MuniFin Group's risk approach as determined by the strategy is very conservative and therefore in relation to other counterparties (e.g., liquidity portfolio counterparties, funding dealers, derivative counterparties, suppliers etc.) there is a requirement to operate only with responsible counterparties that can be considered to meet the principles defined in MuniFin Group's Sustainability Policy.

The Sustainable Investment Framework reflects the Group's low risk appetite and conservative liquidity management strategy which limits the room of exposures to very low risk entities which in general are considered not having material social risk challenges (central banks, sovereigns, and credit institutions in OECD countries etc). The Group considers that through MuniFin Group's role as a bond holder, MuniFin's social risk exposure in relation to these entities is low. Consequently, MuniFin Group deems that it has no reasons to further decrease the social risk impact arising from its liquidity portfolio exposure and has therefore set no short-, medium-, or long-term targets but reckons that the currently used ESG monitoring approach takes MuniFin Group's objectives into account appropriately. Despite of this approach MuniFin Group monitors its liquidity portfolio exposures actively and can react in case of individual social risk challenges.

Finally, the Group's own actions as a responsible counterparty, employer and contributor to society are defined in the Board approved sustainability strategy and reflected in the Sustainability Policy. In relation to other counterparties (business partners or stakeholders), the Group is mainly in a customer role and therefore social risk events in these relationships could cause reputational risk to MuniFin Group. The Group monitors its main service providers through active dialogue and external sources to see if there have been events that could be considered increasing reputational risk.

MuniFin Group has policies and processes in place for approving new customers, liquidity portfolio exposures, funding dealers, swap counterparties and stating how these are continuously monitored. Social risk aspect is included but due to explained low risk approach, its role is limited.

More importantly, the Group deems that as a public sector financier its lending activities can promote socially sustainable objectives. Therefore, as a core approach to socially sustainable society, the Group has introduced a social finance product which allows proceeds of the Group's social funding transactions to be used for lending activities supporting a socially sustainable community. The Group has set a combined goal for its two sustainable products: green and social finance to achieve 20% of the total long-term customer financing portfolio by 2024. The Group's social finance is targeting the most vulnerable parts of the population as a means of addressing the expanding welfare gap between social groups and selecting projects that can help to alleviate wide-ranging social issues. MuniFin Group sees that targeted finance to promote socially sustainable projects limits social risks its customers and consequently the Group is exposed to.

Governance

MuniFin Group has a Board approved RAF reflecting the Group's conservative approach to all material risk and setting a limit framework for these risks. Social risk, as explained, are considered quite limited due to the Group's specific business model and therefore there are no limits set for social risks as part of the RAF, nor any specific reporting on social risk is considered necessary at this stage. Social risk can be reflected through other risks (e.g., credit, market, liquidity, operational risk) as a result of transmission (see further). The Group's liquidity portfolio's ESG score is monitored on a quarterly basis and reported through the Group's standard risk reporting to the EMT and to the Board.

MuniFin Group's expectations and requirements for its counterparties in relation to activities towards the community and society, employee relationships and labour standards, customer protection and product responsibility and human rights are communicated through the Sustainability Policy approved by the Board. The Sustainability Policy includes the Group's own commitment to these matters, and it is communicated that the Group expects that its counterparties comply with a similar set of standards in their operations. MuniFin Group's independent Risk Management function reports regularly to the Board's Risk Committee and may escalate identified challenges of its counterparties to the Risk Committee and, if necessary, to the Board. The Group's annual customer risk analysis, which may also highlight social risk related challenges of a customer, is prepared by the independent risk management function, and reviewed by the Board's Risk Committee.

The Group's current monitoring and reporting processes related to social risk are based on internal actions supported by different type of information tools for information gathering, together with active dialogue with customers and other counterparties.

Due to the Group's limited social risk position, the Group's current remuneration framework does not specifically include MuniFin Group's social risk objectives. However, MuniFin Group's current variable remuneration framework includes an ESG indicator for the Group's own ESG scoring and thus takes into account also the social risk aspect of MuniFin Group's operations, as defined by the external rating model.

Risk Management

Relevant social risks and their transmission channels are evaluated in MuniFin Group's materiality assessment. The materiality assessment is reviewed on a regular basis. MuniFin Group uses an ESG score provided by an external service provider to evaluate ESG risks of municipalities. The ESG score includes several metrics evaluating the social risks of municipalities such as metrics related to poverty, unemployment, education, and health. For affordable social housing companies, MuniFin Group has introduced an ESG questionnaire that includes questions related to the actions companies have taken to mitigate social risks associated with them. Questions are related to themes such as equality, diversity and pay ratio.

The Group has a Sustainable Investment Framework that defines the frames for investments in its liquidity portfolio. An essential part of sustainability management in the portfolio management process is the exclusion of such issuers/investments that violate the Group's ethical standards or operate in controversial fields of business. The Framework includes a list of exclusion criteria and exclusion criteria is monitored at the time of the investment as well as bi-annually to the whole portfolio. These exclusion criteria allow managing social risks in the liquidity portfolio. In addition to exclusion criteria, the Group has integrated social factors into its investment process by using an ESG risk score provided by an external service provider. The ESG score of the portfolio is compared with a benchmark that is composed of relevant market indices replicating the actual portfolio weights in each asset class. The ESG score of the portfolio compared to the sustainability benchmark is reported on material risks' dashboard within the RAF risk indicators. The RAF indicator suggests that the average ESG score of the portfolio should be above the sustainability benchmark. This reinforces investing in instruments with an ESG score higher than the benchmark, and ultimately drives towards a best-in-class ESG portfolio. The ESG score is monitored and reported on a quarterly basis.

MuniFin Group's own actions and commitments shall give guidance to the Group's customers and counterparties on its expectations and requirements in regard to social risk management. Consequently, the Group's social financing product, disclosure activities and publicly available policies set the tone of the Group's approach and thus support dialogue with its customers and counterparties on social risk related issues. The Group is committed to the following standards to reflect its approach: UN Global Compact, and Commitment 2050 initiative of the Finnish Prime Minister's Office. MuniFin Group is also committed to observe the International Labour Organisation (*ILO*) conventions. MuniFin Group is committed to active management of its relationships with the existing counterparties and even termination of the relationship in case of counterparties' material non-compliance in the area of social responsibility.

On operational level the most important tools for identification and management of social risks are continuous dialogue with customers and counterparties to understand their operating environment and on-going matters. MuniFin Group's customer relationship management model includes standard processes for customer dialogue, including frequency of dialogue, depending on the size of exposure. In addition to customer dialogue, the Group has automated tools in use to monitor e.g., media to gather information e.g., disputes or other challenges of its customers and counterparties discussed publicly.

As described previously, MuniFin Group has not set specific limits for social risks but management of social risks is, due to low risk profile, based on case-by-case evaluation, which also determines the necessary escalation route and actions. MuniFin Group has not had any cases in history where a social risk event would be crucial, and thus it is deemed that the case-by-case evaluation model is under the current circumstances appropriate. However, MuniFin Group is committed to further develop its social risk management activities in case the existing approach would not be deemed to mitigate the risk in the future. This commitment is shown through e.g., the Group's activity in the area of social finance and in the 2022 published Sustainable Investment Framework.

MuniFin Group deems that social risk may be transmitted to credit, liquidity, funding, market, operational or reputational risks and therefore MuniFin Group does not allocate capital to social risk itself but has considered the impact of social risk through the following assessment into the said risk areas:

TRANSMISSION RISK AREA	TRANSMISSION METHOD
Credit risk	A social risk event may cause sanctions or reputational risk to MuniFin Group's customer or other counterparty and thus decrease its profitability or even lead to a default. However, in the case of MuniFin Group's customers, all exposures are 0% risk-weighted due to being either local or central government risk and thus risk is considered not material.
Funding risk	A social risk event in relation to MuniFin Group's funding may be linked to e.g. a certain investor / investor type or a dealer that due to the social risk event will not be used as a funding source. However, MuniFin Group's funding is well-diversified and not focusing on singular investors or dealers and therefore social risk impact on funding is considered limited.
Liquidity risk	MuniFin Group's liquidity portfolio counterparties may be affected by a social risk event and a significant event could decrease liquidity of the bond. MuniFin Group's liquidity portfolio is very conservatively invested including mainly bonds issued by central banks, sovereigns, agencies and credit institutions, and thus the social risk transfer effects related to those is considered limited.
Market risk	MuniFin Group's liquidity portfolio and derivative counterparties may be affected by a social risk event and a significant event could decrease value of the bonds or derivatives. MuniFin Group's liquidity portfolio is very conservatively invested including mainly bonds issued by central banks, sovereigns, agencies and credit institutions, and thus the social risk transfer effects related to those is considered limited. Derivative counterparties are well-known and reputable credit institutions.
Operational risk	A social risk event of any MuniFin Group supplier may cause challenges to the service provided by it to the Group and increase operational risks derived from the third-party service. This risk is higher in cases where the external supplier service is more critical (e.g., significant outsourcing services) to MuniFin Group's operations than in those that were service model is limited.
Reputational risk	A social risk event of any material customer, counterparty or supplier may cause reputational challenges depending on the third-party connectedness to MuniFin Group. However, due to the Group's business model the risk is limited.

Table 2 Financial risk categories and examples of identified transmission channels for MuniFin Group

Qualitative information on Governance risk

Governance

MuniFin Group deems its governance risk very low. Due to the nature of the Group's business model and therefore the customers (municipal sector, wellbeing services counties and affordable social housing production) it finances, MuniFin Group has no integration to the governance arrangements of its customers. Compositions of municipalities' highest decision-making body, municipal council, is based on election every fourth year. MuniFin Group's liquidity portfolio counterparties are central banks, sovereigns, agencies and larger credit institutions, and thus MuniFin Group as a bondholder has no integration to their governance arrangements. This applies also to derivative counterparties. Therefore, it should be noted that the main risk mitigation approach for governance risk is already taken in the form of MuniFin Group's specific business model, which allows (as defined by the Act on Municipal Guarantee Board) to use the Municipal Guarantee Board guaranteed funding only for limited clientele consisting of local and regional government entities and affordable social housing production entities and thus considered low risk entities in respect of governance risk. MuniFin Group's strategy cannot be broadened to any higher risk entities. However, MuniFin Group monitors also governance performance of its customers and liquidity portfolio counterparties through a scoring model that includes governance factors among other credit and ESG factors. This governance factor of ESG scoring takes also into account, if available, counterparties' non-financial reporting on their governance arrangements. Availability of such information is still quite limited in relation to small municipal and affordable social housing sector entities where non-financial information reporting is not compulsory.

Risk management

Lack of availability of non-financial information in relation to small municipal and affordable social housing entities challenges the Group's capability to analyse their performance in relation to ethics, strategy and risk management, inclusiveness, transparency, management of conflict of interest and internal communication on critical concerns. However, as explained, MuniFin Group's risks as a financier towards its counterparties based on this type of governance risks is considered low due to the nature of customers and business model. MuniFin Group's service model or products do not integrate the Group closely to its customers and therefore customers' risk events in these areas are not considered materially to harm the Group. However, MuniFin Group's annual monitoring process covering its customers and liquidity portfolio counterparties takes into account ESG factors and can raise material issues in these described areas if public information on challenges is available.

Template 1
Banking book - Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

MuniFin Group followed the Partnership for Carbon Accounting Financials (*PCAF*) methodology for calculating GHG financed emissions. For the assets in scope of template 1, MuniFin has utilized different methodologies for real estate related loans, business loans and motor vehicle loans. PCAF data quality scores reflect the type of data that was available to estimate financed emissions. PCAF data quality score 1–2 include reported emissions, scores 2–3 physical activity-based emissions, and scores 4–5 economic activity-based emissions, as per PCAF guidance.

Real estate loans:
PCAF's Global Standard section 5.5 methodology was followed. PCAF data quality score ranged from 3 to 4 for financing granted to finance real estate. Where available, MuniFin Group has used actual energy efficiency and area data of the property financed. Where this data was not available, these values were estimated using average energy efficiency and average property price per square meter. As per PCAF guidance, financed emissions for real estate cover scopes 1 and 2. Estimates are physical activity-based. Data sources used included Statistics Finland, IEA, UK BEIS and CRREM.

Business loans:
PCAF's Global Standard section 5.2 methodology was followed. PCAF data quality score for assets with other purposes ranged from 4 to 5. For business loans, as reported emission data or the specific purpose of the financing were not available, economic activity-based estimates for sector-specific emission factors were used. Where financial information was not available, potential revenue generated from the outstanding loan was estimated using an asset turnover ratio that was based on sector/industrial activity. Financed emissions for business loans cover scopes 1 and 2. Data source for business loans included an external consultant's internal data base.

Motor vehicle loans:
PCAF's Global Standard section 5.6 methodology was followed. PCAF data quality score for motor vehicle loans was 5. Estimates for financed emissions are physical activity-based estimates for the type of the vehicle, typical fuel type used and average distance travelled had to be used in lack of actual data. Data sources used included Statistics Finland and UK BEIS.

The share of emissions belonging as MuniFin Group financed emissions were attributed based on the outstanding debt per property value, the outstanding debt amount per the total debt plus equity of the counterparty, and based on outstanding debt amount per the vehicle value, for real estate loans, business loans and motor vehicle loans, respectively.

Because financed emission calculation requires up to date emission factors and as the Group's calculation practices are still developing the Group had to manage the timing difference of the emission calculation and the Pillar 3 ESG reporting. The financed emissions used in the reporting were based on the latest available calculations. Due to the changes in outstanding values of the financing, the Group scaled the financed emissions to reflect the outstanding amount of the reporting date. As some lending has been granted after the emission calculation, financed emissions figures are not yet available for such assets but this is an area of future development.

MuniFin Group has reviewed its counterparties and can conclude that it does not have any exposure towards companies excluded from the EU Paris-aligned Benchmarks.

Please note that the disclosure requirements in columns c) and j) in Template 1 is not yet in force. MuniFin Group will start to disclose the information in column c) as of end 2023 (first reference date) and information in column j) as of 30 June 2024 (first reference date).

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
	30 Jun 2023 (EUR million) SECTOR/SUBSECTOR		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
1	**Exposures towards sectors that highly contribute to climate change***	16,035	-	-	687	1	1	1	0	271,579	-	-	530	1,611	2,222	11,672	26
2	A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	B - Mining and quarrying	1	-	-	-	-	0	-	-	934	-	-	1	-	-	-	0
4	*B.05 - Mining of coal and lignite*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	*B.06 - Extraction of crude petroleum and natural gas*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	*B.07 - Mining of metal ores*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	*B.08 - Other mining and quarrying*	1	-	-	-	-	0	-	-	934	-	-	1	-	-	-	0
8	*B.09 - Mining support service activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	C - Manufacturing	6	-	-	-	-	0	-	-	449	-	-	-	6	-	-	9
10	*C.10 - Manufacture of food products*	6	-	-	-	-	0	-	-	449	-	-	-	6	-	-	9
11	*C.11 - Manufacture of beverages*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*C.12 - Manufacture of tobacco products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	*C.13 - Manufacture of textiles*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	*C.14 - Manufacture of wearing apparel*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	*C.15 - Manufacture of leather and related products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					
30 Jun 2023 (EUR million) SECTOR/SUBSECTOR			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
17	C.17 - Manufacture of pulp, paper and paperboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	C.18 - Printing and service activities related to printing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	C.19 - Manufacture of coke oven products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	C.20 - Production of chemicals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	C.21 - Manufacture of pharmaceutical preparations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	C.22 - Manufacture of rubber products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	C.23 - Manufacture of other non-metallic mineral products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	C.24 - Manufacture of basic metals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	C.26 - Manufacture of computer, electronic and optical products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	C.27 - Manufacture of electrical equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	C.28 - Manufacture of machinery and equipment n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					
30 Jun 2023 (EUR million) **SECTOR/SUBSECTOR**			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
30	*C.30 - Manufacture of other transport equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	*C.31 - Manufacture of furniture*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	*C.32 - Other manufacturing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	*C.33 - Repair and installation of machinery and equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	D - Electricity, gas, steam and air conditioning supply	288	-	-	2	-	0	0	-	58,640	-	-	115	113	49	11	7
35	*D35.1 - Electric power generation, transmission and distribution*	178	-	-	-	-	0	-	-	38,989	-	-	93	74	10	1	5
36	*D35.11 - Production of electricity*	77	-	-	-	-	0	-	-	14,733	-	-	44	25	8	-	4
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	*D35.3 - Steam and air conditioning supply*	110	-	-	2	-	0	0	-	19,650	-	-	22	39	39	10	10
39	E - Water supply; sewerage, waste management and remediation activities	851	-	-	2	-	0	0	-	41,029	-	-	93	355	327	75	13
40	F - Construction	132	-	-	1	-	0	0	-	1,678	-	-	1	48	16	67	20
41	*F.41 - Construction of buildings*	129	-	-	1	-	0	0	-	1,670	-	-	0	47	14	67	21
42	*F.42 - Civil engineering*	2	-	-	-	-	0	-	-	6	-	-	0	0	1	-	11
43	*F.43 - Specialised construction activities*	1	-	-	-	-	0	-	-	2	-	-	0	1	-	-	8

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
30 Jun 2023 (EUR million) **SECTOR/SUBSECTOR**			**Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation**	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**		**Of which Scope 3 financed emissions**	**GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	H - Transportation and storage	102	-	-	-	-	0	-	-	870	-	-	8	40	40	15	13
46	*H.49 - Land transport and transport via pipelines*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	*H.50 - Water transport*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	*H.51 - Air transport*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	*H.52 - Warehousing and support activities for transportation*	102	-	-	-	-	0	-	-	870	-	-	8	40	40	15	13
50	*H.53 - Postal and courier activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	I - Accommodation and food service activities	4	-	-	-	-	0	-	-	206	-	-	-	-	-	4	32
52	L - Real estate activities	14,652	-	-	683	1	1	1	0	167,773	-	-	313	1,050	1,789	11,500	27
53	**Exposures towards sectors other than those that highly contribute to climate change***	202	-	-	12	1	0	0	0	3,026	-	-	5	48	37	112	21
54	K - Financial and insurance activities	12	-	-	-	-	0	-	-	89	-	-	0	3	8	-	12
55	Exposures to other sectors (NACE codes J, M—U)	190	-	-	12	1	0	0	0	2,938	-	-	4	45	29	112	22
56	**TOTAL**	**16,237**	**-**	**-**	**699**	**2**	**1**	**1**	**0**	**274,605**	**-**	**-**	**535**	**1,659**	**2,259**	**11,784**	**26**

* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					
	31 Dec 2022 (EUR million) **SECTOR/SUBSECTOR**		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
1	**Exposures towards sectors that highly contribute to climate change***	15,395	-	-	236	6	1	1	0	283,145	0	0	571	1,577	2,072	11,175	26
2	A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	B - Mining and quarrying	1	-	-	-	-	0	-	-	1,869	-	0	1	-	-	-	1
4	*B.05 - Mining of coal and lignite*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	*B.06 - Extraction of crude petroleum and natural gas*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	*B.07 - Mining of metal ores*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	*B.08 - Other mining and quarrying*	1	-	-	-	-	0	-	-	1,869	-	0	1	-	-	-	1
8	*B.09 - Mining support service activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	C - Manufacturing	7	-	-	-	-	0	-	-	474	-	0	-	7	-	-	9
10	*C.10 - Manufacture of food products*	7	-	-	-	-	0	-	-	474	-	0	-	7	-	-	9
11	*C.11 - Manufacture of beverages*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	*C.12 - Manufacture of tobacco products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	*C.13 - Manufacture of textiles*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	*C.14 - Manufacture of wearing apparel*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	*C.15 - Manufacture of leather and related products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2022 (EUR million)		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting					
SECTOR/SUBSECTOR			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
17	*C.17 - Manufacture of pulp, paper and paperboard*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	*C.18 - Printing and service activities related to printing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	*C.19 - Manufacture of coke oven products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	*C.20 - Production of chemicals*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	*C.21 - Manufacture of pharmaceutical preparations*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	*C.22 - Manufacture of rubber products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	*C.23 - Manufacture of other non-metallic mineral products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	*C.24 - Manufacture of basic metals*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	*C.26 - Manufacture of computer, electronic and optical products*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	*C.27 - Manufacture of electrical equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
31 Dec 2022 (EUR million) SECTOR/SUBSECTOR			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
30	*C.30 - Manufacture of other transport equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	*C.31 - Manufacture of furniture*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	*C.32 - Other manufacturing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	*C.33 - Repair and installation of machinery and equipment*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	D - Electricity, gas, steam and air conditioning supply	322	-	-	-	-	0	-	-	64,491	-	0	134	130	47	12	7
35	*D35.1 - Electric power generation, transmission and distribution*	214	-	-	-	-	0	-	-	44,472	-	0	109	93	10	1	5
36	*D35.11 - Production of electricity*	88	-	-	-	-	0	-	-	17,836	-	0	49	31	8	-	5
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	*D35.3 - Steam and air conditioning supply*	108	-	-	-	-	0	-	-	20,019	-	0	25	36	37	10	10
39	E - Water supply; sewerage, waste management and remediation activities	754	-	-	2	-	0	0	-	43,680	-	0	168	342	208	35	10
40	F - Construction	169	-	-	0	-	0	0	-	2,909	-	0	1	40	22	106	23
41	*F.41 - Construction of buildings*	128	-	-	0	-	0	0	-	1,696	-	0	1	39	21	67	21
42	*F.42 - Civil engineering*	2	-	-	-	-	0	-	-	6	-	0	0	0	1		11
43	*F.43 - Specialised construction activities*	40	-	-	-	-	0	-	-	1,207	-	0	-	1	-	39	32

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
	31 Dec 2022 (EUR million) SECTOR/SUBSECTOR		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	H - Transportation and storage	96	-	-	1	-	0	0	-	937	-	0	13	33	45	6	10
46	*H.49 - Land transport and transport via pipelines*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	*H.50 - Water transport*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	*H.51 - Air transport*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	*H.52 - Warehousing and support activities for transportation*	96	-	-	1	-	0	0	-	937	-	0	13	33	45	6	10
50	*H.53 - Postal and courier activities*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	I - Accommodation and food service activities	4	-	-	-	-	0	-	-	207	-	0	-	-	-	4	32
52	L - Real estate activities	14,042	-	-	233	6	1	1	0	168,579	0	0	254	1,026	1,749	11,013	27
53	**Exposures towards sectors other than those that highly contribute to climate change***	201	-	-	10	2	0	0	0	3,090	0	0	4	41	47	109	21
54	K - Financial and insurance activities	12	-	-	-	-	0	-	-	92	-	0	0	1	10	-	13
55	Exposures to other sectors (NACE codes J, M—U)	189	-	-	10	2	0	0	0	2,998	0	0	4	39	37	109	22
56	**TOTAL**	**15,596**	**-**	**-**	**246**	**7**	**1**	**1**	**0**	**286,235**	**0**	**0**	**575**	**1,618**	**2,119**	**11,284**	**26**

* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006.

Template 2
Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

MuniFin Group reports the actual energy efficiency information of the collateral to the extent information has been received from customers or received using a public source (the energy performance certificate register maintained by the Housing Finance and Development Center of Finland (*ARA*)). There are several versions of energy performance certificates used in Finland and reported energy efficiency information includes information calculated using standards of 2007, 2013 and 2018.

For collaterals, where information was not received or available, energy efficiency has been estimated. Estimation has been done in line with thresholds in the latest energy performance certificate in Finland. Estimation of the energy efficiency of the immovable property is based on the building type as well as the year of construction. The Housing Finance and Development Center of Finland (*ARA*) maintains energy performance certificate register and statistical information regarding the average energy efficiency has been collected from the register. There are some collaterals where energy efficiency information was not available and therefore columns b-g do not equal column a.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total gross carrying amount amount															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
30 Jun 2023 (EUR million) **COUNTERPARTY SECTOR**			0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	**Total EU area**	12,612	5,168	6,191	749	119	38	38	1,154	3,064	3,654	1,088	650	318	210	2,475	99
2	Of which Loans collateralised by commercial immovable property	1	-	1	-	-	-	-	-	-	-	-	-	-	-	1	100
3	Of which Loans collateralised by residential immovable property	12,596	5,154	6,190	749	119	38	38	1,153	3,062	3,653	1,088	650	318	210	2,460	99
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	2,444	1,555	871	18	-	-	-								2,444	100
6	**Total non-EU area**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-								-	-

31 Dec 2022 (EUR million)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount amount															
		Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
COUNTERPARTY SECTOR		0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1 **Total EU area**	12,066	4,795	6,162	743	119	38	38	1,009	2,869	3,660	1,097	645	319	202	2,264	99
2 Of which Loans collateralised by commercial immovable property	1	-	1	-	-	-	-	-	-	-	-	-	-	-	1	100
3 Of which Loans collateralised by residential immovable property	12,062	4,793	6,160	743	119	38	38	1,009	2,868	3,660	1,097	645	319	202	2,262	99
4 Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	2,248	1,379	851	18	-	-	-								2,248	100
6 **Total non-EU area**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Of which Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Of which Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-								-	-

Template 5
Banking book - Climate change physical risk: Exposures subject to physical risk

MuniFin Group uses dedicated external data sources recognized by EBA or provided by national governmental institutes to determine risks associated with climate change related hazards. The scope of acute physical risks includes the most common acute risks recognized in Finland where all MuniFin Group's exposures in the scope are located. These risks are floods, precipitation, and wildfires. The most significant flood risk areas for 2018–2024 in Finland are defined by Ministry of Agriculture and Forestry. Finnish Environmental Institute provides data of these areas and that data was used to identify collaterals located on significant flood risk areas. Analysis is done on postal code level. Flood risk includes coastal flooding and river flooding. The data source for extreme precipitation is Prepdata and the analysis for MuniFin Group's banking book is conducted on county/region level. The baseline information was compared with 2030 prediction in low emission scenario. The data source for wildfire is ThinkHazard and the analysis is conducted on country/region level. ThinkHazard classifies risks based on future occurrences of certain hazard.

The scope of chronic physical risks includes the most common physical risks which are water scarcity and extreme heat. Sea level rise is not included as separate acute risk as costal flooding is included in acute risks. The data source for both water scarcity and extreme heat is ThinkHazard and the analysis for MuniFin's banking book is conducted on county/region level. ThinkHazard classifies risks based on future occurrences of certain hazard. The physical risk reported in the template consists only of flood risk since other physical risks did not exceed internally defined risk thresholds and hence are not reported.

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount													
		of which exposures sensitive to impact from climate change physical events												
		Breakdown by maturity bucket											Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	
30 Jun 2023 (EUR million) **FINLAND**		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		of which Stage 2 exposures	Of which non-performing exposures
1 A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 B - Mining and quarrying	1	-	-	-	-	-	-	-	-	-	-	-	-	-
3 C - Manufacturing	6	-	-	-	-	-	-	-	-	-	-	-	-	-
4 D - Electricity, gas, steam and air conditioning supply	288	18	26	11	3	7	-	59	-	-	-	0	-	-
5 E - Water supply; sewerage, waste management and remediation activities	851	26	32	115	23	14	-	196	-	1	-	0	0	-
6 F - Construction	132	0	4	13	7	17	-	24	-	0	-	0	0	-
7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 H - Transportation and storage	102	7	-	-	-	3	-	7	-	-	-	0	-	-
9 L - Real estate activities	14,652	79	211	206	1,244	25	-	1,732	-	152	-	0	0	-
10 Loans collateralised by residential immovable property	12,434	4	146	83	1,141	28	-	1,366	-	66	-	0	0	-
11 Loans collateralised by commercial immovable property	1	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Repossessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket											Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	
	31 Dec 2022 (EUR million) **FINLAND**		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	B - Mining and quarrying	1	-	-	-	-	-	-	0	-	-	-	-	-	-
3	C - Manufacturing	7	-	-	-	-	-	-	0	-	-	-	-	-	-
4	D - Electricity, gas, steam and air conditioning supply	322	19	37	11	3	7	-	70	-	-	-	0	-	-
5	E - Water supply; sewerage, waste management and remediation activities	754	30	24	122	23	14	-	200	-	0	-	0	0	-
6	F - Construction	169	0	4	14	18	22	-	37	-	-	-	0	-	-
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	H - Transportation and storage	96	8	-	-	-	4	-	8	-	-	-	0	-	-
9	L - Real estate activities	14,042	73	203	211	1,204	25	-	1,684	-	24	1	0	0	0
10	Loans collateralised by residential immovable property	11,862	3	139	82	1,133	28	-	1,349	-	-	1	0	-	0
11	Loans collateralised by commercial immovable property	1	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Repossessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template 10
Other climate change mitigating actions that are not covered in the EU Taxonomy

Column f: Qualitative information on the nature of the mitigating actions

Bonds (rows 1–7):
MuniFin Group's sustainable investments are executed according to the Group's Sustainable Investment Framework. Sustainable investments are internally divided into three categories: green, social, and sustainable bonds. The Sustainable Investment Framework requires investments to be aligned with the core components of the respective International Capital Markets Association (*ICMA*) principles to be included in the thematic portfolio. ESG performance of issuers was incorporated into the Group's liquidity portfolio management in 2016 and the framework was first published in 2021.

Many of the eligible assets in MuniFin Group's liquidity portfolio address EU Taxonomy's environmental objectives 1 and 2 (climate change mitigation and climate change adaptation). Asset categories financed include renewable energy, energy efficiency, green buildings, pollution prevention and control, clean transportation, sustainable management of living natural resources etc. Underlying issuer frameworks seem to focus on transition risks rather than physical risks. Some rare mentions of physical risks can be found in relation to new building projects, where new buildings are built in such a manner that they are not prone to significant physical climate risks (e.g., flooding, storm surges, landslides).

Reflecting the current state of the market, issuers of the bonds in the liquidity portfolio consider EU taxonomy but have not yet aligned their frameworks accordingly. This leads to portfolio assets being on aggregate partially aligned with the taxonomy and thus cannot be classified as fully aligned. Most common reason for deviations on the issuer side is lack of data on the underlying asset pool. Also, some of the internal asset categorization done by issuers differ from the taxonomy and some project categories might not be included in regulation, which is why issuers have opted not to introduce detailed requirements into their own frameworks, until the market and regulation are more developed and coherent.

Loans (rows 8–14):
MuniFin Group's green finance is granted according to MuniFin Green Bond Framework. This framework aligns with the core components of the Green Bond Principles (June 2021) published by the International Capital Markets Association (*ICMA*) and seeks to comply with best market practices. MuniFin Group has granted green finance using portfolio approach since 2016 with the latest framework dated in August 2022.

The projects are classified in four categories: buildings, transportation, renewable energy, and water and wastewater management. In preparation of the eligibility criteria, MuniFin Group has taken into account the EU Green Taxonomy. For the time being, the market is not ready for the full use of the EU Green Taxonomy as a criteria for all green financing.

Also, as the portfolio consists of projects since 2016. Thus, all the information required to assess the taxonomy alignment is not available.

The aim of green finance is to create positive effects for the environment and society. Green finance is granted to the Group's customers – i.e. Finnish municipalities, joint municipal authorities, wellbeing services counties, companies owned by them and affordable social housing companies – projects that promote the transition to low carbon and climate resilient growth. Portfolio includes projects such as energy efficient buildings, energy efficiency renovations, public transportation and bioenergy heating plants. The projects financed are primarily new projects.

The impacts of the projects in MuniFin Group's green portfolio include among others avoided or reduced CO2 emissions, energy savings, and production of renewable energy. Through such impacts, the projects contribute to climate change mitigation and the physical risks climate change causes.

The idea behind green finance is that the projects are more aligned with sustainable economy. Many project characteristics that allow projects to be included in the Group green portfolio make the investments less prone to transition risks. For example, focus on energy efficiency of the buildings and the renewable methods for energy production and transportation lead into lower transition risk in comparison to more carbon intensive alternatives.

	a	b	c	d	e	f
30 Jun 2023	Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	389	Yes	Yes	For qualitative information on the nature of the mitigation actions, please see text above "bonds (row 1–7)".
2		Non-financial corporations	-	-	-	
3		Of which Loans collateralised by commercial immovable property	-	-	-	
4		Households	-	-	-	
5		Of which Loans collateralised by residential immovable property	-	-	-	
6		Of which building renovation loans	-	-	-	
7		Other counterparties	-	-	-	
8	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	-	-	-	For qualitative information on the nature of the mitigation actions, please see text above "loans (row 8–14)".
9		Non-financial corporations	1,692	Yes	Yes	
10		Of which Loans collateralised by commercial immovable property	-	-	-	
11		Households	8	Yes	Yes	
12		Of which Loans collateralised by residential immovable property	8	Yes	Yes	
13		Of which building renovation loans	-	-	-	
14		Other counterparties	1,706	Yes	Yes	

	a	b	c	d	e	f
31 Dec 2022	Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	272	Yes	Yes	For qualitative information on the nature of the mitigation actions, please see text above "bonds (row 1–7)".
2		Non-financial corporations	-	-	-	
3		Of which Loans collateralised by commercial immovable property	-	-	-	
4		Households	-	-	-	
5		Of which Loans collateralised by residential immovable property	-	-	-	
6		Of which building renovation loans	-	-	-	
7		Other counterparties	-	-	-	
8	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	-	-	-	For qualitative information on the nature of the mitigation actions, please see text above "loans (row 8–14)".
9		Non-financial corporations	1,388	Yes	Yes	
10		Of which Loans collateralised by commercial immovable property	-	-	-	
11		Households	8	Yes	Yes	
12		Of which Loans collateralised by residential immovable property	8	Yes	Yes	
13		Of which building renovation loans	-	-	-	
14		Other counterparties	1,468	Yes	Yes	

Section 14

Information not disclosed due to non-materiality, proprietary or confidential nature or not applicable to MuniFin Group

REFERENCE	REASON FOR NOT DISCLOSING
EBA/ITS/2020/04 Implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 Disclosure of credit risk quality Templates EU CR2a, EU CQ2, EU CQ6 and EU CQ8	EBA/ITS/2020/04 templates EU CR2a, EU CQ2, EU CQ6 and EU CQ8 are applicable only to significant credit institutions with a gross NPL ratio of 5% or above. As the NPL ratio does not exceed 5%, MuniFin Group has not disclosed these templates.
EBA/ITS/2020/04 Implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 Disclosure of the use of the IRB approach to credit risk All templates	MuniFin Group does not apply IRB approach.
EBA/ITS/2020/04 Implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 Disclosure of specialised lending and equity exposures under the simple riskweighted approach Template EU CR10	MuniFin Group does not hold such exposures.
EBA/ITS/2020/04 Implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 Disclosure of exposures to counterparty credit risk Templates EU CCR4, EU CCR6 and EU CCR7	MuniFin Group does not apply IRB approach or internal model method for CCR. MuniFin Group does not hold credit derivatives.

REFERENCE	REASON FOR NOT DISCLOSING
EBA/ITS/2020/04 Implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 Disclosure of exposures to securitisation positions All templates	MuniFin Group does not hold such exposures.
EBA/ITS/2020/04 Implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 Disclosure of use of standardised approach and internal model for market risk Templates EU MR2-A, EU MR2-B, EU MR3 and EU MR4	MuniFin Group does not apply internal model for market risk.
EBA/GL/2020/12 EBA Guidelines amending Guidelines EBA/GL/2018/01 on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 (CRR) on the transitional period for mitigating the impact of the introduction of IFRS 9 own funds to ensure compliance with the CRR 'quick fix' in response to the COVID-19 pandemic.	MuniFin Group is not applying the transitional arrangements specified in Capital Requirements Regulation's Article 473a for IFRS 9 or analogous ECLs. MuniFin Group's own funds, capital and leverage ratios already reflect the full impact of IFRS 9 or analogous ECLs. Based on this, there is nothing to report regarding EBA/GL/2020/12.
EBA/ITS/2022/01 Implementing technical standards on prudential disclosures on ESG risks in accordance with Article 449a CRR Template 4: Exposures in the banking book to the top 20 carbon-intensive firms in the world	MuniFin Group does not have exposures towards the top 20 carbon-intensive firms.

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