Risk and Capital Management report 2014

Annual disclosure according to Pillar III

Contents

Definitions

Company – Catella AB (publ).

Group – The group in which Catella AB (publ) is the parent company.

Consolidated situation – The Consolidated situation within the Group in which Catella AB (publ) is the parent company.

Group Risk Control – The risk control function at Catella AB which has the overall responsibility to coordinate risk management within the Consolidated situation.

Licensed Companies – The companies within the Group which conduct operations subject to a licensing obligation and which thus are under the supervision of the SFSA or an equivalent foreign regulatory authority.

LCR - Liquidity Coverage Ratio.

Management Body – The Board of Directors at the Company and/or the Licensed Companies.

SFSA –The Swedish Financial Supervisory Authority.

1. Introduction

This document discloses information related to risk, risk management and capital adequacy for the Consolidated situation in accordance with FFFS 2014:12, part eight of the Capital Requirements Regulation (EU) 575 2013 and FFFS 2007:10. On behalf of its status as reporting institute for the Consolidated situation the disclosure report is published by Nordic Fixed Income AB. Additional information is provided in the Company's annual report and quarterly interim reports.

2. Organization and governance

The Company and those subsidiaries that conduct operations regulated by Swedish or foreign financial supervisory authorities constitute the Consolidated situation. In Sweden there is one subsidiary that is an institution, investment firm Nordic Fixed Income AB. Within the Consolidated situation, Nordic Fixed Income AB is the reporting and responsible institution. The table below provides a list of the Licensed Companies included in the Consolidated situation.

Companies included in the Consolidated situation	Corp. id nr.	Domicile	Ownership share %
Catella AB (publ)	556079-1419	Stockholm	
Catella Holding AB	556064-2018	Stockholm	100
Catella Bank SA	B 29962	Luxemburg	100
IPM Informed Portfolio Management AB	556561-6041	Stockholm	51
European Equity Trance Income Ltd	44552	Guernsey	100
Nordic Fixed Income AB	556545-0383	Stockholm	55
Catella Nordic Fixed Income AB	556887-7087	Stockholm	55
Catella Kapital & Pension AB	556886-9019	Stockholm	100
CFA Partners AB	556748-6286	Stockholm	100
Catella Brand AB	556690-0188	Stockholm	100
Catella Property Fund Management AB	556660-8369	Stockholm	100
Catella Real Estate AG	HRB 169051	München	95
Catella Capital Intressenter AB	556736-7072	Stockholm	100
Catella Capital AB	556243-6989	Stockholm	100
Catella Fondförvaltning AB	556533-6210	Stockholm	100
Alletac Shared Services AB	556543-2118	Stockholm	100

For more information on the organizational and legal structure of the Consolidated situation, see Annex 1.

Description of the entities included in the Consolidated situation.

<u>Catella AB</u>

Catella AB is a parent financial holding company in the Group. Group management and other central group functions are integrated in Catella AB.

<u>Catella Bank</u>

Catella Bank provides cards and payment solutions for clients in Europe. Catella Bank operates as a card issuing and card acquiring bank within the framework of proprietary Visa and MasterCard licenses. Card operations are conducted from Luxembourg.

In parallel, Catella Bank is offering lending services to Wealth Management clients and provides tailored wealth management and asset management services. It also offers specialist investments in properties and unlisted companies. Wealth Management operations are conducted from offices in Stockholm, Gothenburg, Malmö and Luxembourg.

Catella Bank is a credit institution regulated by CSSF in Luxembourg. The bank has 135 employees.

Nordic Fixed Income

Nordic Fixed Income offers specialised advisory services to corporations that want to diversify their debt profiles, refinance outstanding loans or are seeking to raise capital for expansion and acquisitions. In addition, Nordic Fixed Income serves as a broker on the government, mortgage and corporate bond market, as well as offering credit and macroeconomic research. The company has 11 employees in Stockholm.

Nordic Fixed Income is an investment company under the Securities Market Act and regulated by the SFSA.

Catella Fondförvaltning

Catella Fondförvaltning offers actively managed equity, hedge and fixed-income funds. Catella Fondförvaltning currently manages 11 funds with various management styles and risk profiles. Geographical focus and expertise is concentrated in the Nordic countries. The company has 26 employees in Stockholm.

The company is authorized by the SFSA to fund activities under the Mutual Funds Act (LVF), the law of the managers of alternative investment funds (LAIF) and also permission for discretionary portfolio management regarding financial instruments.

IPM Informed Portfolio Management

IPM is a provider of systematic investment services in discretionary management and fund management. IPM currently has assets under management of SEK 45 Bn on assignment from major institutional investors, pension funds, insurance companies and foundations. IPM has 45 employees in Stockholm.

IPM is authorized by the SFSA as an Alternative Investment Fund Manager (AIFM), with ancillary licenses to perform discretionary portfolio management and investment advisory services, within the meaning of the Alternative Investment Fund Managers Directive 2011/61/EU and the related Swedish Alternative Investment Fund Managers Act. Furthermore IPM is also registered with US Securities and Exchange Commission (SEC) as an Investment Adviser Firm and with the US Commodity Futures Trading Commission (CFTC) as a Commodity Pool Operator and Commodity Trading Advisor.

Catella Real Estate

Catella Real Estate provides real estate fund management and real estate investment advice and is based in Munich. The company’s purpose is to design, develop and manage fund products that are geared towards the Group’s expertise and market position. Catella Real Estate’s funds are mainly designed for institutional investors and are characterised in each case by a clear profile and a focus on specific risk classes and regions. The company currently distributes three open ended public real estate fund and five real estate special funds, in all cases under German investment law. Catella Real Estate has 40 employees in Munich.

Catella Real Estate is regulated by BaFin in Germany.

Catella Kapital & Pension
Catella Kapital & Pension conducts insurance mediation. The company is authorized by the SFSA to carry out insurance brokerage of insurance in all classes of life insurance and accident insurance and health insurance. Catella Kapital & Pension has three employees in Stockholm.

European Equity Tranche Income (EETI)
The company's principal activity is to hold a portfolio of securitised European loans with primary exposure in housing. The investment objective is to hold the portfolio until maturity making opportune disposals. EETI is based in Guernsey and has no employees.

Other companies
Other companies within the Consolidated situation, Catella Holding AB, Catella Nordic Fixed Income AB, CFA Partners AB, Catella Brand AB, Catella Property Fund Management AB, Catella Capital Intressenter AB and Catella Capital AB are holding companies whose business is to own and manage shares in subsidiaries. Alletac Shares Services AB is a dormant company.

2.1. Corporate governance

Responsibility for the management and control of operations in the entities within the Consolidated situation is divided between the shareholders at the Annual General Meeting, the Management Body, the Chief Executive Officer and the auditor elected by the Annual General Meeting. This responsibility is based on the Companies Act, the Articles of Association, First North Premier's listing agreement and internal rules of procedure and instructions. These provisions are applied and followed up with the aid of company-wide reporting procedures and standards. Further information regarding corporate governance is provided in the Company's annual report 2014.

2.2. Accounting principles & treatment

Consolidated accounts for the Consolidated situation have been prepared in accordance with the Group's accounting policies and the Annual Accounts for Credit Institutions and Securities Companies Act. All units included in the Consolidated situation are fully consolidated.

3. Risk management objectives and policies

3.1. Strategies and Processes

This section describes the overall strategies and processes which governs the risk management within the Consolidated situation.

The primary objective of risk management within the Consolidated situation is to ensure that material risks are identified, reported, managed and monitored in relation to each Licensed Company and the Consolidated situation as a whole. The overall framework for risk management within the Consolidated situation is established through the minimum requirements presented in the Guidelines for Group Risk Control. Within the framework established in the minimum requirements, each Licensed Company has the mandate to adopt stricter requirements for risk management.

In order to identify and manage all material risks, within the Consolidated situation as well as the Licensed Companies, self assessments are continuously being carried out. Such self assessments are among other things performed as forward looking workshops as well as through the analysis of business critical processes. Each Licensed Company as well as the Company also performs a self assessment within the scope of the annual ICLAAP process.

All risks identified within the scope of self assessments are further analyzed in order to determine whether or not the risk exceeds the risk limits established in accordance with the Consolidated situation's overall risk appetite.

If a specific risk is considered to exceed or contribute to the breach of a risk limit the risk will be managed according to any of the methods described below:

- Transferring the risk to another party
- Avoiding the risk
- Reducing the negative effect of the risk
- Accepting some or all of the consequences of a particular risk and report this to the Board of Directors

3.2. Structure and organization of the risk management function

The Management Body at the Company has the strategic responsibility to supervise the Consolidated situation's risk exposure and to determine the overall principles for managing material risks. The Management Body also determines the overall risk appetite for the Consolidated situation and actively participates in the development of internal rules for risk management. The risk appetite and internal rules are reviewed by the Management Body on an annual basis.

Each licensed company within the Consolidated situation has an established function for risk control which is independent from the daily business operations. It's the responsibility of the risk control function to monitor and manage all risks which materialize within the scope of the Licensed Company's business operations. The risk control function reports to the Management Body and CEO of the Licensed Company, as well as to the Group Risk Control function within the Company. The risk control function is set up in proportion to the scope and complexity of the business carried out within each Licensed Company.

The Group Risk Control is responsible for coordinating the risk managements efforts carried out within the Consolidated situation and to monitor the risk exposure of the Consolidated situation as a whole. In order to monitor the risk exposure of the Consolidated situation the Group Risk Control receives continuous reports from the risk control functions within the Licensed Companies. The Group Risk Control function compiles the data gathered through such reports and presents an overview of the Consolidated situation's risk exposure to the Management Body at the Company on a quarterly basis.

3.3. The scope and nature of risk reporting and measurement systems

The risk control function of each Licensed Company is responsible for reporting the risk exposure to the CEO and Management Body as well as to the Group Risk Control. The Group Risk Control then has the responsibility to compile and report the risk exposure of the whole Consolidated situation to the Management Body at the Company.

All identified risks are measured and compared to the risk limits and risk appetite established within each Licensed Company. The risk appetite and risk limits of the Licensed Companies are developed within the scope of the overall group risk appetite which has been established by the Management Body at the Company.

3.4. Policies for hedging and mitigating risk

The business carried out within the Consolidated situation is exposed to financial as well as operational risk. Financial risks within the Consolidated situation include among others credit-, market-, and liquidity risks. The methods used to mitigate the above mentioned risks are summarized below.[1]

Credit Risk
Credit risk is the risk of financial loss from an obligor's failure to meet the terms of any contract with the Consolidated situation or otherwise fail to perform as agreed. The credit risk within the Consolidated situation relates mainly to retail, corporate and institutional exposures.

Credit risk within the Consolidated situation is monitored both by the business area itself, the CFO as well as by Group Risk Control. Frequently, a detailed assessment is made of the Consolidated situation's exposures and reported to the Management Body. The CFO of the Company manages counterparty risk.

Market Risk
Market risk is the risk linked to earnings and capital arising from adverse movements in bond prices, security and commodity prices and foreign exchange rates in the trading book. This risk comprises foreign exchange risk, defined as the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates in banking book.

The Consolidated situation separates market risk into trading and non-trading positions. Trading is only conducted in a very limited proportion by Nordic Fixed Income AB. Catella Bank does not

[1] The Consolidated situation's management of liquidity risk is described in section 6 of this report.

engage in own account trading. However, Catella Bank (to a large extent) has the assets denominated in EUR, while the Consolidated situation's accounts on a consolidated basis are denominated in SEK. As a result, the Consolidated situation has a net long EUR exposure due to mismatch between the denomination of its assets and its own equity. The Consolidated situation has made an assessment that there is no meaningful exposure to other currencies than EUR. The Management Body of the Company has decided, for the time being, not to hedge foreign net investments in subsidiaries.

Market risk within the Consolidated situation is monitored both by the business area itself as well by the Group Risk Control. FX-risk inherent in the balance sheet is monitored and managed by the CFO of the Company. Among other things, various stress tests are used in order to determine what capital buffer is needed to cover this risk. Group Risk Control reports the exposure towards FX-risk to the Management Body on a regular basis.

Operational Risk

Operational risk is the risk of financial loss resulting from inadequate or failed internal processes, people and systems or from external events. It is inherent in every business organization and covers a wide spectrum of issues.

The operational risks are mitigated through good internal governance. The enforcement of good internal governance is an on-going process that includes:

- Reporting/Evaluation of incidents
- Self-assessment
- Monitoring of Key Risk Indicators (KRI)
- Continuous training of employees regarding the content of the internal policies and guidelines and the internal information and reporting systems.

3.5. Declaration on the adequacy of risk management arrangements

In accordance with Article 435 (e) of CRR, the Management Body of the Company declares that the systems put in place for risk management within the Consolidated situation are satisfactory with regards to the profile and strategy of the Consolidated situation.

3.6. Risk Statement

The risk appetite of the Consolidated situation shall generally be low to medium, with limited risk. When the Consolidated situation provides financial products and services, risk shall be estimated and compared to expected revenue to the extent it is economically justifiable. The risks taken shall be limited, and no speculative elements shall occur in the daily operations. The Consolidated situation shall ensure to maintain the amount of internal capital that the Management Body considers adequate to cover all the risks which the Consolidated situation is exposed to.

The optimal capital level is dependent upon balancing the following:

- To operate above minimum regulatory capital levels, taking into consideration the Consolidated situation's risk profile and the SFSA's requirements; and
- To generate an attractive return on equity, and keeping the equity in the business at an efficient level.

To meet the requirements from the SFSA, the Consolidated situation's capitalization shall be risk-based, founded on an assessment of all risks inherent in the operations and forward looking, aligned with strategic and business planning.

The Consolidated situation has established a risk appetite framework, approved by the Management Body and reviewed on an annual basis, to effectively monitor the Consolidated situation's risk appetite within the thresholds set. The table below illustrates how the risk appetite is formalized. The risk appetite sets the minimum level for all Licensed Companies but stricter limits may be used by the individual companies.

Regarding the LCR requirement, the Consolidated situation is in progress of analysing the liquidity situation for being able to make the necessary changes in the liquidity buffer and net liquidity outflows to reach a LCR that exceeds 60 %, well in advance of 1st of October 2015 when the legal requirement of 60 % enters into force.

Indicator	Threshold (% of the total risk exposure amount)
Capital ratio requirement (Pillar I) (% of the total risk exposure amount)	> 8 %
Capital ratio requirement (Pillar I and II) (% of the total risk exposure amount)	> 9.31 %
Capital ratio requirement (Pillar I, Pillar II and internal buffer) (% of the total risk exposure amount)	> 10.31 %
Capital ratio requirement (Pillar I, Pillar II, internal buffer and capital conservation buffer) (% of the total risk exposure amount)	> 12.81 %
Largest exposure to non-institution (exposure to one client or a group of connected clients)	< 25 %
Largest exposure to institution (exposure to one client or a group of connected clients)	< 100 %
Liquidity Coverage Ratio (external requirement from 1 October 2015)	> 60 %
Internal Liquidity Ratio	> 100 %
Interest rate risk sensitivity (+/- 200 bp)	< 20 % of capital base
Leverage ratio (external requirement from 1 January 2019)	> 3 %

4. Governance Arrangements

This section describes the governance arrangements currently existing within the Consolidated situation. The Management Body of the Company has the ultimate responsibility for the Consolidated situation's governance arrangements and all information, regarding the Management Body provided in this section, therefore relates to the Company.

4.1. Experience, knowledge and directorships held by members of the management body

The table below provides a summary of information regarding each member of the Management Body in the Company. More detailed information is provided in the Company's annual report.

Member of the board	Directorships	Experience	Education
Johan Claesson	Claesson & Anderzén AB CA Fastigheter AB Alufab Ltd K3Business Technology Group PLC Leeds Group PLC	Owner and chairman of the board in Claesson & Anderzén AB	Degree of Master of Science in Business and Economics
Johan Damne	Several directorships within the Claesson Anderzén Group	CEO Claesson & Anderzén AB	Degree of Master of Science in Business and Economics
Joachim Gahm	Arise AB Kungsleden AB	Deputy CEO at E.Öhman J:or Fondkommission AB CEO at E.Öhman J:or Investment AB	Degree of Master of Science in Business and Economics
Anna Ramel	SPP Spar AB	Compliance consultant within the financial sector. Legal Counsel at ABG Sundal Collier AB and Alfred Berg Fondkommission AB.	LL.M.
Jan Roxendal	Exportkreditnämnden mySafety Group Flexenclosure Svensk Exportkredit	CEO at Gambro AB CEO and Group president at Intrum Justitia Group Deputy CEO ABB Group president ABB Financial Services.	Degree in Bank Management

4.2. Policy of diversity for selection of members to the management body

The Consolidated situation strives to ensure that the Management Body of each Licensed Company has a well diversified constitution in terms of both knowledge and experience.

4.3. Risk committee

The Consolidated situation has not set up a separate risk committee. Matters relating to risk management are discussed at ordinary meetings of the Management Body together with the Group Risk Control.

4.4. Information flow on risk to the management body

The Management Body of the Company receives, at least quarterly, reports from the Group Risk Control regarding the risk exposure of the Consolidated situation as a whole. Reports are based on among other things risk limits, Key Risk Indicators as well as thresholds relating to regulatory capital and liquidity requirements.

5. Management of liquidity risk

Liquidity risk is the risk that within a defined period of time the Consolidated situation is unable to refinance its existing assets or is unable to meet more stringent liquidity requirements. Liquidity risk also includes the risk that the Consolidated situation could be forced to borrow at unfavorable interest rates or sell assets at a loss to be able to fulfill its payment obligations.

Thanks to the diversification of the Consolidated situations business activities, the liquidity risk profile is limited in both a short and long term perspective.

The Consolidated situation has developed a number of tools and safeguards to minimize liquidity risk:

- **Liquidity management:** Liquidity forecasts are presented to senior management and reported on a periodic basis to the Management Body;
- **Independent oversight:** the Group Risk Control acts as the central function for independent control of liquidity, as well as the Internal Auditor being responsible for auditing the Consolidated situation’s liquidity management tools;
- **Continuous monitoring:** in order to monitor its liquidity position and mitigate liquidity risk the Consolidated situation uses a cash forecasting model, which provide ongoing visibility as to imminent, medium-term and long-term liquidity needs which minimizes the risk of facing unforeseen liquidity requirements;
- **Stress testing:** The Consolidated situation further performs stress tests on the liquidity situation;
- **Minimum liquidity holdings:** in relation to deposits taken from the public, the Consolidated situation holds a minimum of 30 % of public & corporate deposits and 100 % of deposits from credit institutions as a liquidity reserve to meet potential short-term redemption requests.

Stress testing of the Consolidated situation’s liquidity situation is performed from the perspective of a base scenario and a stressed scenario developed within the annual ICLAAP. The stressed liquidity scenario is based on the same one used to stress the capital situation but the liquidity scenario also assumes an additional shock in the funding by simulating a bank-run with an outflow of 30 % of the deposits from the public and corporate and a 100 % outflow of the deposits from credit institutions.

5.1. Quantitative information on liquidity positions

Liquidity reserve

(mSEK)	2014-12-31
Central bank deposits	21

Credit institution deposits	2 365
Investment grade covered bonds	48
Total liquidity reserve	2 434

Funding sources	
(mSEK)	2014-12-31
Shareholders' equity	1 084
Bond loans	199
Borrowing from credit institutions	237
Borrowing from the public	2 026
Other liabilities	483
Total	4 029

Risk measures and key figures on liquidity	
(mSEK)	2014-12-31
Liquidity reserve/total assets quotient	0.60
Liquidity reserve/total liabilities quotient	0.83
Liquidity reserve/current liabilities quotient	0.90

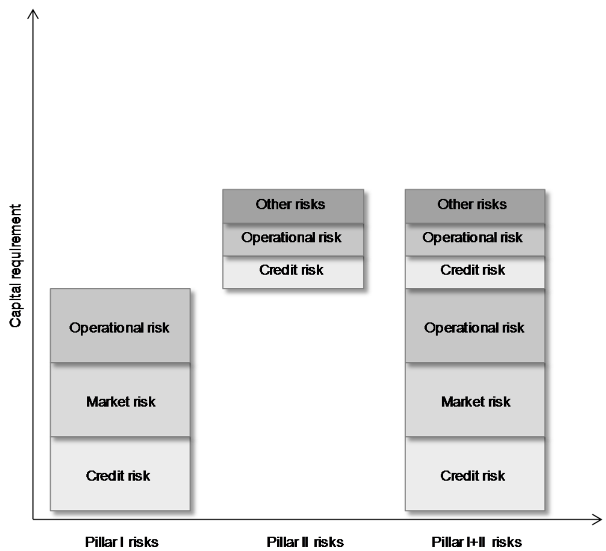
6. Own Funds

Information regarding own funds of the Consolidated situation is disclosed according to the format described in the delegated regulation (EU) 1423/2013. Information regarding own fund is included in annex 2 and 3 of this report.

7. Capital Requirements

7.1. Assessment of internal capital

In order to assess its capacity to support all the risks it is exposed to when conducting its business, the Consolidated situation has set up an ICLAAP methodology inspired from the supervisory expectations provided in FFFS 2014:12. The ICLAAP approach used is Pillar I [plus]. In this approach, “the internal capital requirements for Pillar I risks are considered to be equal to the prudential own funds requirements. The risks which are not covered or not fully captured by the minimum prudential own funds requirements are subject to a separate assessment”. When resulting exposure is considered material and capital is seen as an adequate risk mitigant, capital needs are added to the risks of the first pillar in order to define the overall internal capital requirement. The figure below illustrates the Pillar I [plus] approach.



Through the ICLAAP process, the Consolidated situation's management has conducted a risk identification process with the support of a group of selected members representing different areas of knowledge of the Consolidated situation's business. With regard to their function, those members provide the appropriate level of oversight to the project given their day-to-day responsibilities and remit for the ICLAAP project.

It is a clearly formulated requirement from the SFSA that individual risks should be quantified where possible. This means that a method for the quantification should be presented as well as the result of applying this model to the risk at hand. The sophistication of the models used will vary with the size and complexity of the risks involved.

The models used by the Consolidated situation range from simple impact/probability models to more advanced numerical methods, depending on the risks being considered. The reasons behind each specific choice of model as well as possible alternatives (where appropriate) are discussed for each risk individually.

The type of capital used to cover the Pillar II capital requirements is solely core equity tier one (CET1) capital.

7.2. Key parameters and assumptions

When conducting the ICLAAP, the following parameters and assumptions have been used:

Risk Appetite: The Consolidated situation shall comply with the limits of the risk appetite framework. In particular, the Consolidated situation shall maintain a risk profile with resilience to both short term and long term external stresses in order to report, in normal conditions, a total CET1 capital ratio above 13% of the total risk exposure amount.

Correlation: As explained in previous sections, the Consolidated situation uses a 'building block' approach that adds up the capital needs arising from the assessments of single risks in its business. By implicitly assuming a full positive correlation between risks, the Consolidated situation has opted for a conservative approach that does not take into account diversification across risk types. This approach is very conservative and overestimates the actual risk exposure. At the same time it provides the Consolidated situation with a buffer to absorb model errors or other small deficiencies in its ICLAAP.

7.3. Risk-weighted exposure amounts

Own funds requirements

Specification of risk-weighted exposure amounts and own funds requirement, mSEK

	31 December 2014		31 December 2013	
	Risk exposure amount	Own funds requirements	Risk exposure amount	Own funds requirements
Credit risk according to standardised method				
- Exposures to institutions	474	38	290	23
- Exposures to corporates	763	61	226	18
- Exposures to retail	89	7	279	22
- Exposures in default	231	19	183	15
- Exposures in the form of covered bonds	10	1	-	-
- Exposures to collective investments undertakings (funds)	61	5	-	-
- Equity exposures	48	4	-	-
- Other items	11	1	162	13
	1 687	135	1 140	91
Market risk				
- Interest risks	12	1	9	1
- Share price risks	0	0	49	4
- Foreign exchange rate risks	591	47	515	41
	603	48	573	46
Operational risk according to basic method	1 002	80	919	73
Total	3 292	263	2 632	211

8. Asset Encumbrance

Information regarding the asset encumbrance of the Consolidated situation is disclosed according to the format described in the EBA Guidelines (EBA/GL/2014/03). Information regarding asset encumbrance is included in annex 4 of this report.

9. Use of ECAIs

The Consolidated situation uses Standard & Poor's (S&P) as the nominated External Credit Assessment Institution (ECAI) for associating the external rating of the asset with the credit quality step in CRR for all exposure classes.

If the asset does not have an external rating, the external rating of the issuer is used.

10.Exposures in equities not included in the trading book

Exposures in equities not included in the trading book consist of shares in subsidiaries active in advisory services to the property and consumer sectors and certain other operations. These subsidiaries are part of the Group but they are not part of the Consolidated situation. The subsidiaries are held for strategic and profit-related reasons.

From the perspective of the Consolidated situation shares in subsidiaries have been measured at cost or fair value at the balance sheet date, whichever is lower, and decline in value is considered to be permanent.

Acquisition of an interest in a partnership is recognized what was paid for the shares, either in the form of purchase price or as an insert in the company. The carrying value of the shares change annually with the holder's share of the partnership's net income and with the withdrawals and contributions made during the year. Each year an assessment is made whether the carrying amount exceeds its recoverable amount. If this is the case, the shares' value are written down.

As per 31 December, 2014 the carrying value of shares in subsidiaries amounted to 48 mSEK. Fair value is estimated to be a significantly higher amount.
Furthermore, results from participations in subsidiaries amounted to 18 mSEK which has been recognized in the income statement of the Consolidated situation in 2014.

No sales or liquidation of subsidiaries have been made in 2014.

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

The Consolidated situation has identified the following positions not included in the trading book to be subject to interest risk:

Assets
Cash and cash balances with credit institutions and central banks
Debt instruments
Loans and advances
Derivatives held for trading

Liabilities
Deposits from credit institutions
Deposits other than from credit institutions
Debt certificates (including bonds)
Derivatives held for trading

The interest rate risk is measured by calculating the NPV of the assets and liabilities discounted with the risk free interest rate curve and comparing this with the NPV of the assets and liabilities discounted with the risk free interest rate curve parallel shifted upward and downward with 2 %.

The measurement of interest rate risk is carried out quarterly.

12.Credit risk mitigation techniques

In the Consolidated situation, credit risk mitigation techniques are only used for exposures generated by the balance sheet and off-balance sheet items of Catella Bank.
The bank's general rules and conditions for granting credit is set out in the bank's Credit Policy. This policy describes the procedures relative to the banks credit acceptance process and the conditions for granting, monitoring and reporting on credits accepted by the bank. This credit policy furthermore sets out the bank's use of credit mitigation techniques and defines rules for acceptable collateral and its valuation.

Catella Bank accepts three credit risk mitigation techniques:

- Eligible guarantees
- On-balance sheet netting
- Collateralised transactions.

The bank is inspired by the comprehensive approach but is not using this approach for calculating its capital requirements. As such the bank is more conservative for capital allocation calculations.

The bank is today making use of eligible on-balance sheet netting of cash only. The policies and procedures for financial collateral management are defined in the Credit Policy and follow the regulatory rules with internal rules applied to certain collateral categories.
The accepted collateralised transactions, in addition to Eligible guarantees and Cash netting, are:

- Financial assets, other than Cash, held in custody at the bank
- Mortgages held against loans or guarantees provided
- Assigned insurance policies duly pledged to the bank by the policyholder and the insurance company

Currently the bank has received no guarantees relating to exposures in the Wealth Management loan book, but has received a third party guarantee from a well known bank regarding a part of its Acquiring business.

There is little concentration in the bank's credit risk mitigation. Collaterals are diversified across asset classes, asset type and geographically. Further the bank applies additional conservative and restrictive haircuts for the few cases where financial collateral for an exposure may be concentrated on a reduced number of collateral lines.

13.Remuneration policy[2]

The Consolidated situation is subject to the SFSA's regulations (FFFS 2011:1) which provides that each Licensed Company shall have a remuneration policy. In order to ensure a consistent framework, the Company has established a policy which sets the minimum requirements regarding remunerations within the Consolidated situation. The main features of this policy are presented below.

There is currently no remuneration committee within the Management Body of the Company. However, the Management Body has appointed one of its members as responsible for evaluating the remuneration policy's effect on the overall risk management within the Consolidated situation.

All employees within the Consolidated situation shall receive a fixed remuneration. The remuneration shall be market competitive to ensure that the Consolidated situation can attract and retain competent employees. The remuneration shall be decided upon the employee's qualification, position, experience, responsibility and the job complexity.

The Consolidated situation also offers variable remuneration to its employees. The variable remuneration shall be decided upon qualitative and quantitative criteria's for each employee.[3]

For receiving variable remuneration the employee shall actively have been participating in reaching common goals set up by the Licensed Company in which he/she operates. If an employee does not actively participate in reaching common goals the variable remuneration can always be set to zero. The variable remuneration can also be set to zero if an employee breaches external or internal regulations.

When deciding on remuneration to employees the Consolidated situation ensures that there is an appropriate balance between the fixed and variable component. The size of the fixed remuneration shall always constitute such part of each employee's remuneration that the variable remuneration can be set to zero.

The Consolidated situation does not offer guaranteed variable remuneration other than variable remuneration in relation to a new employment and if there are special reasons for the offering of such remuneration. Guaranteed remuneration shall always be limited to the first year of the employment.

40% of the variable remuneration to specially regulated staff, whose variable remuneration during one year exceeds 100 000 SEK, shall be deferred during three to five years and be paid out in equal shares during the following years (pro rata). The first pro rata payment is made the year after the remuneration was awarded.

2 Further information regarding remuneration in relation to the Consolidated situation's management body and senior management is provided the Company's annual report.

3 Information regarding entitlements to shares and options within the Consolidated situation is further described in the Company's annual report.

The decision about the length of the period shall be made in consideration of the risks in the Licensed Company, responsibility of the employee, the size of the variable remuneration and the expected market.

60% of the variable remuneration to the specially regulated staff, who are a member of the senior management shall be deferred and paid out in equal shares during a minimum period of three years (pro rata). The same shall apply when the variable remuneration to persons with an ability to significantly influence the risk profile of the company, is particularly high.

It shall be possible to minimize or cancel variable remuneration to all employees if it is detected that the basis for calculation of results was wrong or the financial status of the Licensed Company has been deteriorated in a severe way. It shall also be possible to cancel or minimize variable remuneration, including deferred remuneration, if it is considered reasonable due to the financial situation of the Licensed Company and motivated by the result of the company, the relevant business unit and the result of the relevant employee.

The financial status of each Licensed Company shall always be considered when making decisions about the offering of variable remuneration. Furthermore, variable remuneration shall not be paid out if it could mean that the long term interests of the Licensed Company would be affected in a negative way.

13.1. Quantitative information

The tables below provide quantitative information regarding remunerations for the Consolidated situation. As the Consolidated situation is not organized into separate business areas the information required by CRR article 450 1. (g) is presented in relation to each relevant Licensed Company. All figures are presented in kSEK.

Aggregate quantitative information on remuneration broken down by Licensed Company.[4]

Company	Total Remuneration paid out during 2014
Catella AB	13 912
Catella Bank (Branch)	4 730
Catella Bank SA	10 788
Catella Fondförvaltning AB	54 759
Informed Portfolio Management AB	34 224
Catella Nordic Fixed Income AB	1 307
Catella Real Estate AG	22 295

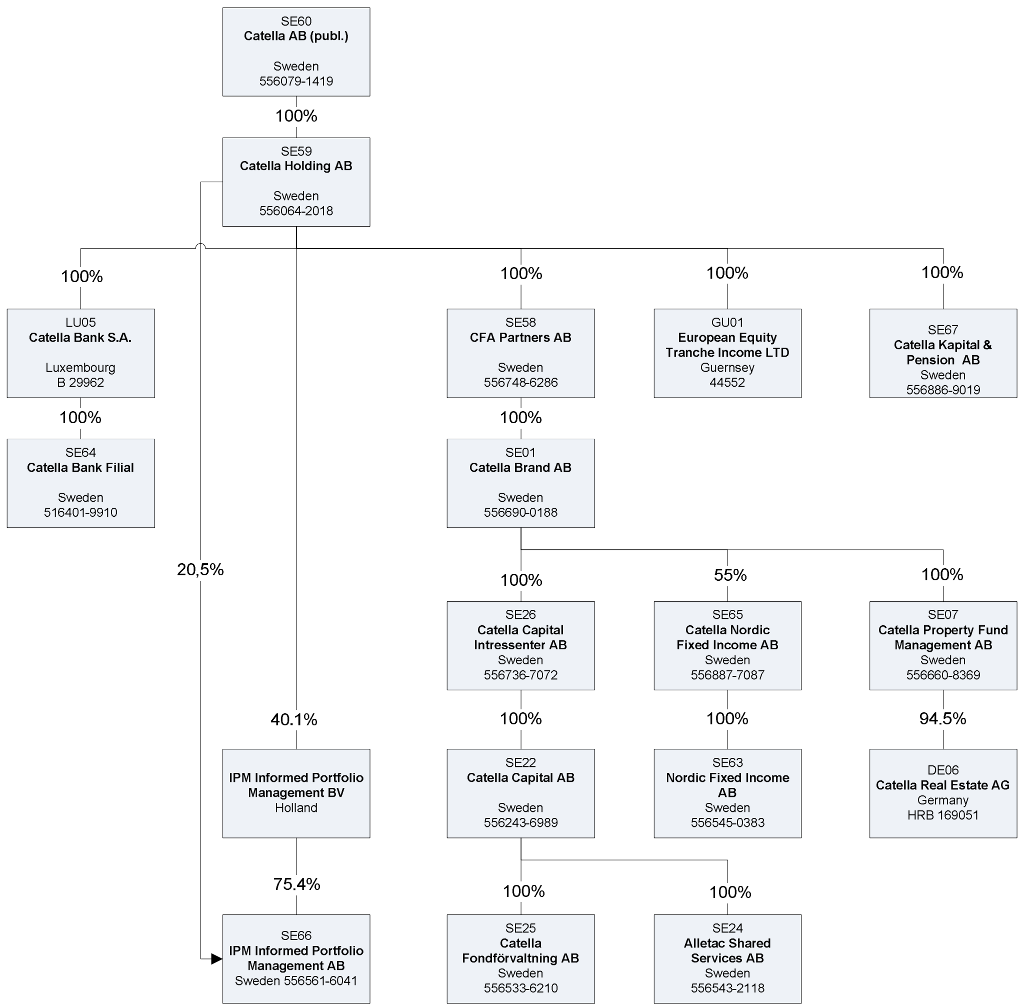
[4] Information is disclosed in relation to senior management and Employees whose work duties have a material impact on the undertaking's risk profile

Aggregate quantitative information presented according to CRR article 450 1 (h) i – vi.[5]

	Senior management	Employees whose work duties have a material impact on the undertaking's risk profile
Fixed remuneration	37 212	39 062
Variable remuneration	24 155	41 594
Number of beneficiaries	23	36
Variable remuneration in the form of cash	24 155	41 594
Outstanding deferred remuneration in vested portions	6 621	28 610
Deferred remuneration awarded during the financial year	5 830	23 839
Deferred remuneration paid out during the financial year	1 059	9 523
Severance payments made during the financial year	360	775
Number of beneficiaries	1	1
Severance payments awarded during the financial year	2 160	1 860
Number of beneficiaries	1	1
Highest such award to a single person	2 160	1 860

[5] Rows not containing any information have been excluded from the presentation.

Annex 1 – Organizational and legal structure of the Consolidated situation



Annex 2 – Own Funds

Transitional own funds disclosure template

	Common Equity Tier 1 capital: instruments and reserves	2014-12-31 (kSEK)	2013-12-31 (kSEK)	(B) Regulation (EU) No 575/2013 Article Reference	(C) Amounts subject to Pre-regulation (EU) No 575/2013 treatment or prescribed residual amount of regulation (EU) No 575/2013
1	Capital instruments and the related share premium accounts	398 905	398 905	26 (1), 27, 28, 29, EBA list 26 (3)	N/A
	of which: instrument type 1	398 905	398 905	EBA list 26 (3)	N/A
	of which: instrument type 2			EBA list 26 (3)	N/A
	of which: instrument type 3			EBA list 26 (3)	N/A
2	Retained earnings	521 580	544 484	26 (1) c	N/A
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	-119 699	-156 431	26 (1)	N/A
3a	Funds for general banking risk			26 (1) f	N/A
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	38 018	38 018	486 (2)	N/A
	Public sector capital injections grandfathered until 1 January 2018			483(2)	N/A
5	Minority interests (amount allowed in consolidated CET1)	52 257	4 640	84, 479, 480	N/A
5a	Independently reviewed interim profits net of any foreseeable charge of dividend	176 503		26 (2)	N/A
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**1 067 564**	**829 616**		**N/A**
	Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	-31 512	-18 946	34, 105	N/A
8	Intangible assets (net of related tax liability) (negative amount)	-269 981	-254 661	36 (1) b, 37, 472 (4)	N/A
9	Empty set in the EU				
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) are met) (negative amount)	-76 058	-51 972	36 (1) c, 38, 472 (5)	N/A
11	Fair value reserves related to gains or losses on cash flow hedges			33 a	N/A
12	Negative amounts resulting from the calculation of expected loss amounts			36 (1) d, 40, 159, 472 (6)	N/A
13	Any increase in equity that results from securitised assets (negative amount)			32 (1)	N/A
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing			33 b	N/A
15	Defined-benefit pension fund assets (negative amount)			36 (1) e, 41, 472 (7)	N/A

16	Direct or indirect holdings by an institution of own CET1 instruments (negative amount)			36 (1) f, 42, 472 (8)	N/A
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			36 (1) g, 44, 472 (9)	N/A
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institutions does not have a significant investment in those entities (amount above 10% threshold and not of eligible short positions) (negative amounts)			36 (1) h, 43, 45, 46, 49 (2) (3), 79, 472 (10)	N/A
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institutions has a significant investment in those entities (amount above 10% threshold and not of eligible short positions) (negative amounts)			36 (1) i, 43, 45, 47, 48 (1) b, 49 (1) to (3), 79, 470, 472 (11)	N/A
20	Empty set in the EU				
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative			36 (1) k	N/A
20b	of which: qualifying holdings outside the financial sector (negative amount)			36 (1) k i, 89 to 91	N/A
20c	of which: securitisation positions (negative amount)			36 (1) k ii, 243 (1) b, 244 (1) b, 258	N/A
20d	of which: free deliveries (negative amount)			36 (1) k iii, 379 (3)	N/A
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)			36 (1) c, 38, 48 (1) a, 470, 472 (5)	N/A
22	Amount exceeding the 15% threshold (negative amount)			48 (1)	N/A
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities			36 (1) i, 48 (1) b, 470, 472 (11)	N/A
24	Empty set in the EU				
25	of which: deferred tax assets arising from temporary differences			36 (1) c, 38, 48 (1) a, 470, 472 (5)	N/A
25a	Losses for the current financial year (negative amount)		-22 565	36 (1) a	N/A
25b	Foreseeable tax charges relating to CET1 items (negative amount)			36 (1) l	N/A
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment				N/A
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468				N/A
	of which: … filter for unrealised loss 1			467	N/A
	of which: … filter for unrealised loss 2			467	N/A
	of which: … filter for unrealised gain 1			468	N/A
	of which: … filter for unrealised gain 2			468	N/A
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR			481	N/A
	of which: …			481	N/A
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)			36 (1) j	N/A
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-377 551	-348 144	Sum of rows 7 to 20a, 21, 22	N/A

				and 25a to 27	
29	Common Equity Tier 1 (CET1) capital	690 013	481 472	Row 6 minus row 28	N/A
Additional Tier (AT1) capital: instruments					
30	Capital instruments and the related share premium accounts			51, 52	N/A
31	of which: classified as equity under applicable accounting standards				N/A
32	of which: classified as liabilities under applicable accounting standards				N/A
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1			486 (3)	N/A
	Public sector capital injections grandfathered until 1 January 2018			483 (3)	N/A
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties			85, 86, 480	N/A
35	of which: instruments issued by subsidiaries subject to phase out			486 (3)	N/A
36	Additional Tier 1 (AT1) capital before regulatory adjustments				N/A
Additional Tier (AT1) capital: regulatory adjustments					
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)			52 (1) b, 56 a, 57, 475 (2)	N/A
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			56 b, 58, 475 (3)	N/A
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			56 c, 59, 60, 79, 475 (4)	N/A
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			56 d, 59, 79, 475 (4)	N/A
41	Regulatory adjustments applied to additional tier 1 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)				N/A
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013			472, 472 (3) a, 472 (4), 472 (6), 472 (8), 472 (9), 472 (10), 472 (11) (a)	N/A
	Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc				N/A
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013			477, 477 (3), 477 (4) a	N/A
	Of which items to be detailed line by line, e.g. Reciprocal cross holdings in Tier 2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc				N/A
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre CRR			467, 468, 481	N/A
	Of which: … possible filter for unrealised losses			467	N/A
	Of which: … possible filter for unrealised gains			468	N/A
	Of which: …			481	N/A

42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)			56 e	N/A
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital				N/A
44	Additional Tier 1 (AT1) capital				N/A
45	Tier 1 capital (T1=CET1 + AT1)	690 013	481 472		N/A
Tier 2 (T2) capital: instruments and provisions					
46	Capital instruments and the related share premium accounts			62, 63	N/A
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2			486 (4)	N/A
	Public sector capital injections grandfathered until 1 January 2018				N/A
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties			87, 88, 480	N/A
49	of which: instruments issued by subsidiaries subject to phase out			486 (4)	N/A
50	Credit risk adjustments			62 c & d	N/A
51	Tier 2 (T2) capital before regulatory adjustments				N/A
Tier 2 (T2) capital: regulatory adjustment					
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)			63 b i, 66 a, 67, 477 (2)	N/A
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			66 b, 68, 477 (3)	N/A
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			66 c, 69, 70, 79, 477 (4)	N/A
54a	Of which new holdings not subject to transitional arrangements				N/A
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements				N/A
55	Direct and indirect holdings by the institution of the T2 instruments an subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			66 d, 69, 79	N/A
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)				N/A
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013			472, 472 (3) a, 472 (4), 472 (6), 472 (8) a, 472 (9), 472 (10) a, 472 (11) a	N/A
	Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc				N/A
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013			475, 475 (2) a, 475 (3), 475 (4) a	N/A
	Of which items to be detailed line by line, e.g. reciprocal cross holdings in at1 instruments, direct holdings of non significant in the capital of other financial sector entities, etc				N/A
56c	Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre CRR			467,468,481	N/A
	Of which: … possible filter for unrealised losses			467	N/A

	Of which: … possible filter for unrealised gains			468	N/A
	Of which: …			481	N/A
57	Total regulatory adjustments to Tier 2 (T2) capital				N/A
58	Tier 2 (T2) capital				N/A
59	Total capital (TC=T1 + T2)	690 013	481 472		N/A
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	3 292 312	2 631 635		N/A
	Of which: … items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc)			472, 472 (5), 472 (8) b, 472 (10) b, 472 (11) b	N/A
	Of which: … items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.)			475, 475 (2) b, 475 (2) c, 475 (4) b	N/A
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Indirect holdings of own t2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc)			477, 477 (2) b, 477 (2) c, 477 (4) b	N/A
60	Total risk weighted assets	3 292 312	2 631 635		N/A
Capital ratio buffers					
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	21,0	18,3	92 (2) a, 465	N/A
62	Tier 1 (as a percentage of total risk exposure amount)	21,0	18,3	92 (2) b, 465	N/A
63	Total capital (as a percentage of total risk exposure amount)	21,0	18,3	92 (2) c	N/A
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus systemically important institution buffer (G-SII or O-SII), expressed as a percentage of risk exposure amount)	2,5	0,0	CRD 128, 129, 130	N/A
65	of which: capital conservation buffer requirement	2,5			N/A
66	of which: countercyclical buffer requirement				N/A
67	of which: systemic risk buffer requirement				N/A
67a	of which: Global Systemically Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer			CRD 131	N/A
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	13,0	10,3	CRD 128	N/A
69	[not relevant in EU regulation]				N/A
70	[not relevant in EU regulation]				N/A
71	[not relevant in EU regulation]				N/A
Amounts below the threshold for deduction (before risk weighting)					
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)			36 (1) h, 46, 45, 472 (10), 56 c, 59, 60, 475 (4), 66c, 69, 70, 477 (4)	N/A

73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)			36 (1) i, 45, 48, 470, 472 (11)	N/A
74	Empty set in the EU				N/A
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)			36 (1) c, 38, 48, 470, 472 (5)	N/A
Applicable caps on the inclusion of provisions in Tier 2					
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)			62	N/A
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach			62	N/A
78	Credit risk adjustments included in T2 in respect of exposures subject to internal Ratings-based approach (prior to the application of the cap)			62	N/A
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach			62	N/A
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements			484 (3), 486 (2) & (5)	N/A
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			484 (3), 486 (2) & (5)	N/A
82	Current cap on AT1 instruments subject to phase out arrangements			484 (4), 486 (3) & (5)	N/A
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			484 (4), 486 (3) & (5)	N/A
84	Current cap on T2 instruments subject to phase out arrangements			484 (5), 486 (4) & (5)	N/A
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)			484 (5), 486 (4) & (5)	N/A

Annex 3 – Capital Instruments main features

Capital Instruments main features template			
1	Issuer	Catella AB (publ)	Catella AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement	SE0000188518	SE0000188500
3	Governing law(s) of the instrument	Swedish Law	Swedish Law
	Regulatory treatment		
4	Transitional CRR rules	Tier 1	Tier 1
5	Post-transitional CRR rules	Tier 1	Tier 1
6	Eligible at solo/(sub-)consolidated/ solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share capital	Share capital
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	MSEK 158,3	MSEK 5,1
9	Nominal amount of instrument	MSEK 158,3	MSEK 5,1
9a	Issue price	100%	100%
9b	Redemption price	N/A	N/A
10	Accounting classification	Equity	Equity
11	Original date of issuance		
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	N/A	N/A
14	Issuer call subject to prior supervisory approval	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons/ dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	N/A	N/A
19	Existence of a dividend stopper	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A

32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Catella bond issue	Catella bond issue
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

Annex 4 – Asset Encumbrance

Disclosure on asset encumbrance (kSEK)

Template A - Assets

		Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
		010	040	060	090
010	Assets of the reporting institution	186 532		3 842 960	
030	Equity instruments			48 197	350 000
040	Debt securities	0	0	314 528	314 528
120	Other assets	0		499 518	

Template B - Collateral received

		Fair value of encumbered collateral received or own debt securities issued	Fair value of collateral received or own debt securities issued available for encumbrance
		010	040
130	Collateral received by the reporting institution		
150	Equity instruments		
160	Debt securities		
230	Other collateral received		
240	Own debt securities issued other than own covered bonds or ABSs		

Template C - Encumbered assets/collateral received and associated liabilities

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

			Not to be filled in any case

Template D - Information on importance of encumbrance