



Pillar 3 Report 2016

Table of contents

General information	3
Remuneration policy	3
Risk strategy	4
Transitional own funds	5
Leverage ratio.....	11
Capital instruments' main features.....	14

General information

The information on capital adequacy and risk management, disclosed in current document and Annual Report 2016 of AS Eesti Krediidipank Group, has been compiled in accordance with the Capital Requirements Directive 2013/36/EU (CRD IV) and the Capital Requirements Regulation (EU) No 575/2013 (CRR).

The Annual Report 2016 of AS Eesti Krediidipank Group (published on bank's homepage www.krediidipank.ee) provides information on risk profile, amount and composition of capital requirements and of the own funds of the consolidation group, which form the basis for the calculation of the capital adequacy ratio. The consolidation group includes AS Eesti Krediidipank and its subsidiaries AS Krediidipank Finants (51%), Krediidipanga Liisingu AS (100%) and AS Martinoza (100%).

The description of Group's risk management principles is published in the Annual Report 2016 as Note 2 "Risk management" and in chapter "Risk strategy" of current document. Remuneration policy is presented in the Management Report chapter "Remuneration policy" of Annual Report 2016 and information about compensations paid to the Management is available in Note 36 „Related parties“ of the report.

In addition to the aforementioned information we publish forms of disclosed information, which are laid down in implementing regulations (EU) No 1423/2013 and (EU) No 2016/200 of the regulation (EU) No 575/2013.

Remuneration policy

Krediidipank Group applies a single remuneration policy that has been approved by the Supervisory Board of the bank and the effectiveness, adherence to objectives and implementation of the policy is supervised by the Remuneration Committee.

The task of the Remuneration Committee is to assess:

- implementation of the principles of remuneration policy, approved by bank's Supervisory Board, and their consistency with bank's operational objectives;
- the effect of remuneration-related decisions on fulfilling the requirements set on bank's risk management, own funds and liquidity.

The Remuneration Committee supervises control over remuneration of Management Board members and employees, subject to the supervision of Remuneration Committee, at least once a year assesses implementation of remuneration principles and, if necessary, makes a proposal for updating the remuneration principles. One Remuneration Committee meeting was held in 2016.

According to the principles applied in 2016, the employees became entitled to performance fee based on the Group's profitability, as the average ROE of the Group exceeded 5%. Performance pay will be paid after the auditing of Annual Report 2016. Performance pay encourages efficient risk management and does not incentivise excessive risk-taking.

Those employees are eligible for performance pay, who have contributed to achieving the results, followed risk management principles, goal and values of the Group and continue to be employed by the Group. Performance pay is payable in cash. Management and key personnel are paid by instalments during 3 years if the accounted amount of pay exceeds 10 thousand euros. There were no such persons among performance fees, accounted for the year 2016. Shares and options are not determined as forms of performance pay.

Risk strategy

Risk strategy of the group acts in accordance with operational strategy, approved by Supervisory Board, and it is reviewed in the course of approving strategic plan of the Group. Significant risks, arising from group's operations, are following:

- credit risk (incl. concentration risk, guarantee risk, counterparty risk);
- liquidity risk;
- market risks (interest risk, currency risk, real estate risk);
- operational risk (incl. compliance risk);
- interest risk of banking portfolio;
- strategic risk;
- reputation risk.

In Q1 2017 a new strategy for the Group was formulated, the focus is on increasing business volumes. Consequently, Group's risk appetite in the categories of credit, market and strategic risk is medium, and low in categories of operational, liquidity, reputation and real estate risk.

Group's risk appetite by main risk categories		Credit risk	Market risk	Liquidity risk	Operational risk
		Medium	Medium	Low	Low
Techniques of risk control	Avoidance				
	Limiting	x	x	x	x
	Hedging		x		
	Separation	x	x	x	
	Reduction	x			x
	Insurance				x

The Group has implemented regular risk reporting to the Management on all significant risks, including level of risks, trend, results of stress testing, capital requirements, etc. In case of large-scale materialisation of risks or significant departure from general risk management principles the Management and Supervisory Board of the bank is informed immediately.

The Group uses risk-based capital planning, ensuring that all risks were adequately covered with own funds at any time. Capital planning is done based on balance and profit forecasts, considering group strategy, future expectations, as well as risk profile and appetite.

Credit risk occupies the biggest share in group's risk profile. According to recommended risk profile, the share of credit risk is 75-85% of all capital requirements, the share of market risk is up to 5% on group's internal capital requirements. The existing capital buffer is sufficient for permanent coverage of all risks, taken for fulfilling group's strategic goals.

Transitional own funds

Disclosure according to Article 5 in EU Regulation No 1423/2013

Columns of the own funds disclosure form as set in Annex VI of the implementing regulation (EU) No 1423/2013 and disclosure on the form of AS Eesti Krediidipank Group:

(A) amount, according to the CRR regulation (EU) No 575/2013

(B) reference to the article of Regulation (EU) No 575/2013 – not presented. Applied as laid down in Annex VI of EU Regulation No 1423/2013.

(C) amounts subject to the approach, applicable prior the regulation (EU) No 575/2013 or residual amounts, provided in regulation (EU) No 575/2013 - AS Eesti Krediidipank Group has no amounts subject to the mentioned regulation, i.e. the sums to be disclosed in column C are not relevant for the Group.

Thousands of euros		(A)	(A)
Common Equity Tier 1 capital : instruments and reserves		31.12.2016	31.12.2015
1	Capital instruments and the related share premium accounts	25 175	25 175
	of which: instrument type 1	25 175	25 175
	of which: instrument type 2		
	of which: instrument type 3		
2	Retained earnings	617	58
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)		
3a	Funds for general banking risk	1 970	1 844
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1 Public sector capital injections grandfathered until 1 January 2018		
5	Minority interests (amount allowed in consolidated CET1)		
5a	Independently reviewed interim profits net of any foreseeable charge or dividend		
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	27 762	27 077
Common Equity Tier 1 capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-21	-17
8	Intangible assets (net of related tax liability) (negative amount)	-687	-761
9	Empty set in the EU	N/A	
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)	-1	-1
11	Fair value reserves related to gains or losses on cash flow hedges		
12	Negative amounts resulting from the calculation of expected loss amounts	-1 019	0
13	Any increase in equity that results from securitised assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		
15	Defined-benefit pension fund assets (negative amount)		
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		

Continues on next page

Krediidipank Group - Pillar 3 Report 2016

	31.12.2016	31.12.2015
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)	
18	Direct and indirect 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	Empty set in the EU	N/A
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	
20b	of which: qualifying holdings outside the financial sector (negative amount)	
20c	of which: securitisation positions (negative amount)	
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) are met) (negative amount)	
22	Amount exceeding the 15% threshold (negative amount)	
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	
24	Empty set in the EU	N/A
25	of which: deferred tax assets arising from temporary differences	
25a	Losses for the current financial year (negative amount)	
25b	Foreseeable tax charges relating to CET1 items (negative amount)	
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment	
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	
	of which: ... filter for unrealised loss 1	
	of which: ... filter for unrealised loss 2	
	of which: ... filter for unrealised gain 1	
	of which: ... filter for unrealised gain 2	
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-1 728
29	Common Equity Tier 1 (CET1) capital	26 034
		26 298

Continues on next page

Krediidipank Group - Pillar 3 Report 2016

Additional Tier 1 (AT1) capital: instruments		31.12.2016	31.12.2015
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) and the related share premium accounts subject to phase out from AT1 Public sector capital injections grandfathered until 1 January 2018		
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 and indirect holdings by an institution of own AT1 instruments (negative amount)		
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)		
39	Direct and indirect holdings by the institution 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 and indirect holdings by the institution of the AT1 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)		
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)		
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		
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		
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre CRR of wich ... possible filter for unrealised losses of wich ... possible filter for unrealised gains		
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital		
44	Additional Tier 1 (AT1) capital		
45	Tier 1 capital (T1=CET1+AT1)	26 034	26 298

Continues on next page

Krediidipank Group - Pillar 3 Report 2016

Tier 2 (T2) capital: instruments and provisions			
	31.12.2016	31.12.2015	
46	Capital instruments and the related share premium accounts	3 299	4 000
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 Public sector capital injections grandfathered until 1 January 2018		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 and 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	3 299	4 000
Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
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)		
54	Direct and indirect holdings by the institution 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	Of which new holdings not subject to transitional arrangements		
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements		
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
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)		
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		
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		
56c	Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre CRR of which ... possible filter for unrealised losses of which ... possible filter for unrealised gains		
57	Total regulatory adjustments to Tier 2 (T2) capital		
58	Tier 2 (T2) capital	3 299	4 000
59	Total capital (TC=T1+T2)	29 333	30 298

Continues on next page

Krediidipank Group - Pillar 3 Report 2016

		31.12.2016	31.12.2015
59a	Risk weighted assets 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	N/A
	of which: CET1 instruments of financial sector entities 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.)	N/A	N/A
	of which: AT1 instrument of financial sector entities not deducted from AT1 (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.)	N/A	N/A
	of which: Tier 2 instrument of financial sector entities not deducted from Tier 2 (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.)	N/A	N/A
60	Total risk weighted assets	138 221	140 667
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	18.84%	18.69%
62	Tier 1 (as a percentage of risk exposure amount)	18.84%	18.69%
63	Total capital (as a percentage of risk exposure amount)	21.22%	21.54%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	8.00%	9.00%
65	of which: capital conservation buffer requirement	2.50%	2.5%
66	of which: countercyclical buffer requirement	0.00%	0.00%
67	of which: systemic risk buffer requirement	1.00%	2.00%
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	N/A	N/A
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	14.34%	14.2%
69	[non relevant in EU regulation]	N/A	N/A
70	[non relevant in EU regulation]	N/A	N/A
71	[non relevant in EU regulation]	N/A	N/A
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)		
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)		
74	Empty set in the EU	N/A	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)		

Continues on next page

Applicable caps on the inclusion of provisions in Tier 2		31.12.2016	31.12.2015
76	Credit risk adjustments included in Tier 2 in respect of exposures subject to standardized approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach		
78	Credit risk adjustments included in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		
79	Cap on inclusion of credit risk adjustments in T2 under internal ratings-based approach		
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	N/A	N/A
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
82	Current cap on AT1 instruments subject to phase out arrangements	N/A	N/A
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A
84	Current cap on T2 instruments subject to phase out arrangements	N/A	N/A
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	N/A	N/A

Leverage ratio

Disclosure according to Article 1 in EU Regulation No 2016/200

Thousands of euros

Table LRSum: Summary reconciliation of accounting assets and leverage ratio exposures		31.12.2016	31.12.2015
1	Total assets as per published financial statements	290 170	305 350
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation		
3	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with Article 429(13) of Regulation (EU) No 575/2013)		
4	Adjustments for derivative financial instruments	0	207
5	Adjustment for securities financing transactions (SFTs)		
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	5 062	7 871
6a	(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)		
6b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013)		
7	Other adjustments	-1 728	-779
8	Leverage ratio total exposure measure	293 504	312 649

Table LRCom: Leverage ratio common disclosure		CRR leverage ratio exposures	
		31.12.2016	31.12.2015
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	290 170	305 322
2	(Asset amounts deducted in determining Tier 1 capital)	-1 728	-779
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	288 442	304 543
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	0	28
5	Add-on amounts for PFE associated with all derivatives transactions (mark- to-market method)	0	207
5a	Exposure determined under Original Exposure Method		
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework		
7	Deductions of receivables assets for cash variation margin provided in derivatives transactions (negative amount)		
8	Exempted CCP leg of client-cleared trade exposures (negative amount)		
9	Adjusted effective notional amount of written credit derivatives		
10	Adjusted effective notional offsets and add-on deductions for written credit derivatives (negative amount)		

Continues on next page

11	Total derivatives exposures (sum of lines 4 to 10)	0	235
SFT exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions		
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
14	Counterparty credit risk exposure for SFT assets		
14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429b(4) and 222 of Regulation (EU) No 575/2013		
15	Agent transaction exposures		
15a	(Exempted CCP leg of client-cleared SFT exposure)		
16	Total securities financing transaction exposures (sum of lines 12 to 15a)		
Other off-balance sheet exposures			
17	Off-balance sheet exposures at gross notional amount	5 062	7 871
18	(Adjustments for conversion to credit equivalent amounts)	0	0
19	Other off-balance sheet exposures (sum of lines 17 and 18)	5 062	7 871
Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)			
19a	(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))		
19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))		
Capital and total exposure measure			
20	Tier 1 capital	26 034	26 298
21	Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	293 504	312 649
Leverage ratio			
22	Leverage ratio	8.9%	8.4%
Choice on transitional arrangements and amount of derecognised fiduciary items			
23	Choice on transitional arrangements for the definition of the capital measure	Fully applied	
24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013	N/A	N/A
Table LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)		CRR leverage ratio exposures	
		31.12.2016	31.12.2015
1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	289 482	304 561
2	Trading book exposures		
3	Banking book exposures, of which:	289 482	304 561
4	Covered bonds		
5	Exposures treated as sovereigns	46 926	66 275
6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns		
7	Institutions	42 483	59 820
8	Secured by mortgages of immovable properties	122 180	121 082
9	Retail exposures	22 474	21 660
10	Corporate	8 450	5 729
11	Exposures in default	2 163	2 598
12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	44 806	27 397

Continues on next page

Table LRQua: disclosure on qualitative items

- 1 Description of processes, used for management of the risk of excessive leverage:
In management of Eesti Krediidipank relies on the requirements, provided in Article 822 of Estonian Credit Institutions Act. For the purpose of evaluation and control of excessive leverage risk, the means and risk control structure have been established in Eesti Krediidipank Group in accordance with legislative regulations and risk profile. The Group monitors quantitative dynamics of leverage risk, using the leverage indicator provided in regulation (EU) No 575/2013. For the purpose of excessive leverage risk management, the Management Board of the bank and ALCO - working body formed by the Management Board - monitor the leverage ratio, analyse changes in balance sheet structure and forecasts and, if the necessity emerges, establish action plan for response to the changes in leverage ratio. By preparing the strategy, the principle of sustainable fulfilment of leverage ratio standard is being followed.

- 2 Description of factors that influence the leverage ratio during the reporting period:
In accordance with Article 1 of the delegated regulation (EU) No 2015/62 the Group's leverage ratio 2016 was 8.9%, calculated as at the end of reporting period, and 8.4% in the reference year, under 2015 regulation calculated as a simple arithmetic mean of monthly leverage ratios during one quarter. The leverage ratio has increased by 0.5% but remained within the same range as in 2015. According to predicted financial forecasts, the leverage ratio increased due to decreased deposit volume, however, as the capital indicator of the ratio decreased at the same time due to additional deductions, the leverage ratio resulted similar to the 2015 level (see table on page 17 in the Annual Report 2016 of AS Eesti Krediidipank Group).

Main features of capital instruments included in own funds

Disclosure according to Article 3 in EU Regulation No 1423/2013

		Share capital	Subordinated loan
1	Issuer	AS Eesti Krediidipank	AS Eesti Krediidipank
2	Unique identifier (ISIN)	EE3100007857	N/A
3	Governing law(s) of the instrument	Estonian jurisdiction	Estonian jurisdiction
Regulatory treatment			
4	Transitional CRR rules	Common Equity Tier 1	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	Tier 2
6	Eligible at solo / (sub-)consolidated / solo & (sub-)consolidated	Solo and (sub-)consolidated	Solo and (sub-)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary share, in accordance with (EU) 575/2013 Articles 28,29	Tier 2 / subordinated loan , in accordance with (EU) 575/2013 Article 63
8	Amount recognised in regulatory capital (currency in million, as at 31.12.2016)	EUR 25 m	EUR 3.3 m
9	Nominal value of instrument	Non par value share, according to Section 222 ¹ of Commercial Code	EUR 4.0 m
9a	Issue price	EUR 25 m	EUR 4.0 m
9b	Redemption price	N/A	N/A
10	Accounting classification	Share capital	liability – amortised cost
11	Original date of issuance	19.07.1999	15.02.2011
12	Undated or dated	Undated	Dated
13	Original maturity date	No maturity	15.02.2021
14	Issuer call subject to prior supervisory approval	No	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	100%
16	Subsequent call dates (if applicable)	N/A	N/A
Coupons / dividends			
17	Fixed or floating dividend / coupon	Fixed	Fixed
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)	Fully discretionary	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Mandatory
21	Existence of step-up or other incentive to redeem	N/A	N/A
22	Cumulative or non-cumulative	Cumulative	Cumulative
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, instrument type convertible into	N/A	N/A
29	If convertible, issuer of instrument it converts to	N/A	N/A

Continues on next page

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 (instrument type immediately senior to instrument)	Tier 2	other debt obligation
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A