



Pillar 3 Report
2020

Content

General information	3
Information on the reconciliation between own funds balance sheet items	5
Risk exposure amounts and capital requirements	6
Main features of capital instruments	7
Disclosure of nature and amounts of specific items on own funds	8
Information regarding transitional arrangements that mitigate the impact of IFRS 9 on own funds	9
Disclosure of CRR leverage ratio	10
Disclosure of encumbered and unencumbered assets	12
Disclosure of the countercyclical buffer requirement	13
Disclosure of non-performing and forborne exposures	14
Disclosure of liquidity coverage ratio and information on liquidity risk management	17

General information

The information on capital adequacy and risk management published in this document and in the Annual Report 2020 of Coop AS group has been prepared in accordance with the Capital Requirements Directive 2013/36/EU (CRD IV) and the Capital Requirements Regulation (EU) 575/2013 (CRR).

Annual Report 2020 of Coop Pank AS group, published on the bank's website www.cooppank.ee, contains information on the risk profile of the consolidation group, the total amount and composition of capital requirements and the total amount and composition of own funds, which is the basis for calculating the capital adequacy ratio. The requirements set out in Article 439 of Regulation (EU) 575/2013 do not apply to the Group, due to absence of the respective exposures. The group's risk management principles are described in Note 2 "Risk management" of the Annual Report 2020.

Key ratios and indicators of exposure

In thousands of euros	31.12.2020	31.12.2019
Net loan portfolio	670 593	460 460
Credit cost per year on average loan portfolio	0.8%	0.50%
Liquid assets to total assets ratio	20%	21.00%
Capital adequacy	19.50%	24.35%
Capital adequacy, adjusted*	20,18%	n/a

* Adjusted value here and below includes audited profit for 2020, which will be added to regulatory Tier 1 capital after approval by the Financial Supervisory Authority or after approval of the 2020 Annual Report by shareholders. By the end of the reporting period the 9 month interim profit 2020 is included as approved by the Financial Supervisory Authority.

The Group's risk strategy operates in accordance with the operational strategy approved by the Supervisory Board. The Group focuses on growing business volumes. As a result, the Group's risk appetite is medium in the credit risk, market risk and strategic risk categories and low in the operational risk, liquidity risk, reputation risk and real estate risk categories.

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

Regular risk reporting to the management is carried out in the Group. In the event of a large-scale realisation of risks or a significant deviation from the general risk management principles, the Management Board and the Supervisory Board shall be notified immediately.

The Group uses risk-based capital planning, ensuring that all risks are adequately covered by own funds at all times. Capital planning is based on financial forecasts that take into account the Group's strategy, future

expectations and risk profile, as well as risk appetite. The existing capital buffer is sufficient to permanently cover all risks taken to achieve the Group's strategic goals.

The Group implements the mandatory crisis prevention and resolution measures established by the Financial Crisis Prevention and Resolution Act in order to ensure the financial stability of the consolidation group, the sustainability of critical functions and the sufficient protection of depositors, investors and other customers funds. Thus, a recovery plan for the Group's financial position has been prepared and the Group monitors and complies at all times with the minimum level of own funds and eligible liabilities provided by law. As financing of the Group is organized through Cooo Pank AS as the parent company, then the Group does not use intra-group financial support measure. Consequently, any group undertaking hasn't entered into a financial support agreement under which it may provide financial support to another group undertaking.

Information on the reconciliation between own funds balance sheet items

Disclosed information according to Article 2 of the commission implementing regulation (EU) 1423/2013

In thousands of euros, as of 31.12.2020

Own funds	Value in the statement of financial position	Regulatory corrections	Regulatory own funds	*Adjusted	
				Regulatory corrections	Regulatory own funds
Paid-up share capital	61 756	0	61 756	0	61 756
Share premium	12 061	0	12 061	0	12 061
Reserve capital	2 802	0	2 802	0	2 802
Retained earnings	20 824	-2 425	18 399	0	20 824
Other reserves	124	-142	-18	-142	-18
Tier 1 capital before adjustments	97 567	-2 567	95 000	-142	97 425
Adjustments:					
Goodwill as intangible asset	-6 757	0	-6 757	0	-6 757
Intangible assets	-5 930	0	-5 930	0	-5 930
Adjustment of value arising from requirements of reliable measurement	0	-3	-3	-3	-3
Other deductions from Tier 1 capital	0	-715	-715	0	0
Other adjustments of own funds resulting from transitional provisions	0	441	441	441	441
Total regulatory adjustments of Tier 1 capital	-12 687	-277	-12 964	438	-12 249
Total Tier 1 capital	84 880	-2 844	82 036	295	85 175
Subordinated debt	7 000	0	7 000	0	7 000
Total Tier 2 capital	7 000	0	7 000	0	7 000
Own funds	91 880	-2 844	89 036	295	92 75

* The information shown in the adjusted columns includes all audited profits for 2020 and the resulting adjustments and own funds.

Risk exposure amounts and capital requirements

The Group calculates capital requirement arising from credit risk exposures according to the standardised approach and operational risk exposure according to basic indicator approach. All the exposures, risk-weighted exposures and capital requirements per exposure class as of 31.12.2020 can be found in the table below.

Disclosed information according to CRR Article 438

In thousands of euros

Expouser class	Net exposure	Risk-weighted exposure amount	Minimum regulatory capital requirement
Balance sheet (standardised approach)			
Central governments and central banks	138 504	624	50
Public sector entities	181	36	3
Credit institutions, investment companies and local governments	2 256	451	36
Companies	93 047	70 931	5 674
Retail receivables	154 442	106 822	8 546
Receivables secured by mortgage on real estate	412 901	187 217	14 977
Receivables past due	5 731	6 612	529
Items subject to particularly high risk	13 428	20 142	1 611
Investments in equity	80	80	7
Other assets	37 093	10 811	865
Total balance sheet exposures	857 663	403 726	32 298
Off-balance sheet (standardised approach)			
Companies	6 784	2 031	163
Retail receivables	38 359	3 838	307
Receivables secured by mortgage on real estate	27 806	8 405	672
Items subject to particularly high risk	3 287	2 276	182
Total off-balance sheet exposures	76 236	16 550	1 324
Total credit risk exposure (standardised approach)	933 899	420 276	33 622
Operational risk according to basic indicator approach			
	n/a	36 423	2 914
Total risk exposure amounts and minimum capital requirement	933 899	456 699	36 536

Main features of capital instruments

Disclosed information according to Article 3 of the commission implementing regulation (EU) 1423/2013

1	Issuer	Coop Pank AS	Coop Pank AS	Coop Pank AS
2	Unique identifier (ISIN)	EE3100007857	EE3300111384	EE3300111699
3	Governing law(s) of the instrument	Estonian	Estonian	Estonian
Regulatory treatment				
4	Transitional CCR rules	Common equity Tier 1	Tier 2	Tier 2
5	Post-transitional CRR rules	Common equity Tier 1	Tier 2	Tier 2
6	Eligible at solo/(sub-) consolidated/ solo & (sub-)consolidated	solo and sub-consolidated	solo and sub-consolidated	solo and sub-consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share, (EU) 575/2013 Articles 28,29	Tier 2 subordinated bond, (EU) 575/2013 Article 63	Tier 2 subordinated bond, (EU) 575/2013 Article 63
8	Amount recognised in regulatory capital (MEUR, as of 31.12.2020)	74 M, EUR	5 M, EUR	2 M, EUR
9	Nominal amount of instrument	Without nominal value, § 222 ¹ of the Commercial Code	5 M, EUR	2 M, EUR
9a	Issue price	74 M, EUR	100,00%	100,00%
9b	Redemption price	N/A	100,00%	100,00%
10	Accounting classification	Share capital	liability – amortised cost	liability – amortised cost
11	Original date of issuance	19.07.1999	04.12.2017	29.03.2019
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	No maturity	04.12.2027	29.03.2029
14	Issuer call subject to prior supervisory approval	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	Issuer Call Option: 04.12.2022 100,00%	Issuer Call Option: 29.03.2024 100,00%
16	Subsequent call dates, if applicable	N/A	Any time after 04.12.2022	Any time after 29.03.2024
Coupons / dividends				
17	Fixed or floating dividend/coupon	fixed	fixed	fixed
18	Coupon rate and any related index	N/A	6,75% per annum	7,58% per annum
19	Existence of a dividend stopper	No	N/A	N/A
20a	Fully discretionary, partially or mandatory (in terms of timing)	fully discretionary	mandatory	mandatory
20b	Fully discretionary, partially or mandatory (in terms of amount)	fully discretionary	mandatory	mandatory
21	Existence of step up or other incentive to redeem	N/A	No	No
22	Noncumulative or cumulative	cumulative	cumulative	cumulative
23	Convertible or non-convertible	non-convertible	non-convertible	non-convertible
30	Write-down features	No	No	No
35	Positioning subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 2	other debt obligation	other debt obligation
36	Non-compliant transitioned features	No	No	No

Disclosure of nature and amounts of specific items on own funds

Disclosed information according to Article 4 of the commission implementing regulation (EU) 1423/2013

The items and amounts of Coop Pank Group's own funds are presented according to corresponding CRR Regulation (EU) 575/2013 as referred to in Annex IV of the commission implementing regulation (EU) 1423/2013. Coop Pank group's own funds tables show only those items and amounts that are relevant to the group.

In thousands of euros

		31.12.2020	31.12.2020 adjusted*	31.12.2019
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	73 817	73 817	72 757
	of which: Instrument type 1	73 817	73 817	72 757
2	Retained earnings	18 399	20 824	12 258
3	Accumulated other comprehensive income (and other reserves to cover retained earnings on the basis of applied accounting procedures)	-18	-18	1
3a	Funds for general banking risk	2 802	2 802	2 526
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	95 000	97 425	87 542
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	-3	-3	-4
8	Intangible assets (net of related tax liability) (negative amount)	-12 687	-12 687	-10 469
12	Negative amounts resulting from the calculation of expected loss amounts	-715	0	-538
12a	IFRS 9 transitional arrangements	441	441	535
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-12 964	-12 249	-10 476
29	Common Equity Tier 1 (CET1) capital	82 036	85 175	77 066
4	Tier 1 capital (T1 = CET1 + AT1)	82 036	85 175	77 066
5				
Tier 2 (T2) capital: instruments and provisions				
46	Capital instruments and the related share premium accounts	7 000	7 000	7 000
51	Tier 2 (T2) capital before regulatory adjustments	7 000	7 000	7 000
57	Total regulatory adjustments to Tier 2 (T2) capital	0	0	0
58	Tier 2 (T2) capital	7 000	7 000	7 000
59	Total capital (TC = T1 + T2)	89 036	92 175	84 066
60	Total risk-weighted assets	456 699	456 699	345 284
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	17,96%	18,65%	22,32%
62	Tier 1 (as a percentage of total risk exposure amount)	17,96%	18,65%	22,32%
63	Total capital (as a percentage of total risk exposure amount)	19,50%	20,18%	24,35%
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 expressed as a percentage of total risk exposure amount)	7,00%	7,00%	8,00%
65	of which: capital conservation buffer requirement	2,50%	2,50%	2,50%
66	of which: countercyclical buffer requirement	0,00%	0,00%	0,02%
67	of which: systemic risk buffer requirement	0,00%	0,00%	0,98%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	13,46%	14,15%	17,82%

Information regarding transitional arrangements that mitigate the impact of IFRS 9 on own funds

Disclosed information according to Annex I of the EBA guidelines EBA/GL/2018/01

In thousands of euros

Available capital		31.12.2020	31.12.2020 adjusted*
1	Common Equity Tier1 (CET1) capital	82 036	85 175
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	81 595	84 734
3	Tier1 capital	82 036	85 175
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	81 595	84 734
5	Total capital	89 036	92 175
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	88 595	91 734
Risk-weighted assets			
7	Total risk-weighted assets	456 699	456 699
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	456 258	456 258
Capital ratios (as a percentage of risk exposure amount)			
9	Common Equity Tier1	17,96 %	18,65 %
10	Common Equity Tier 1 as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17,88 %	18,57 %
11	Tier1	17,96 %	18,65 %
12	Tier 1 as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	18,88 %	18,57 %
13	Total capital	19,50 %	20,18 %
14	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19,42 %	20,11 %
Leverage ratio (as a percentage of risk exposure amount)			
15	Leverage ratio total exposure measure, amount	933 181	933 869
16	Leverage ratio	8,79 %	9,12 %
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	8,75 %	9,08 %

The Bank has decided to apply the transitional period for the adoption of IFRS 9 using the static approach set out in Article 473a (7) (b) of Regulation (EU) No 575/2013 established by EU Regulation 2017/2395 and not to apply Article 473a (4) of that Regulation.

In the case of the static approach, the exposures shall be adjusted in accordance with Article 473a (7) (b) of that Regulation as follows: when calculating the exposure value (CRR Article 111), the amount of write-down, deducted from the gross position, shall be multiplied by the factor calculated the gross position shall be multiplied by a factor calculated using the equation:

$sf = 1 - (ABsa / RAsa)$ where:

ABsa – amount added to own funds (after taxes)

RAsa – total amount of specific write-down, deducted from the gross position

The specific write-down shall be adjusted by the ratio between the amount added to own funds and the initial amount of the specific write-down.

Changes in Coop Pank's prudential ratios resulting from the application of IFRS 9 or analogous ECLs transitional arrangements are not significant.

Disclosure of CRR leverage ratio

Disclosed information according to Annex I of the Commission implementing regulation (EU) 2016/200. Coop Pank group's leverage tables show only those items and amounts that are relevant to the group.

In thousands of euros

Table LRSum: Summary reconciliation of accounting assets and leverage ratio exposures		31.12.2020	31.12.2020 adjusted*	31.12.2019
1	Total assets as per published financial statements	869 909	869 909	611 302
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	76 236	76 236	42 575
7	Other adjustments	-12 964	-12 249	-10 476
8	Leverage ratio total exposure measure	933 181	933 869	643 401

Table LRCom: Leverage ratio common disclosure		31.12.2020	31.12.2020 adjusted*	31.12.2019
On-balance sheet exposures (excluding derivatives and SFTs)				
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	857 663	857 663	601 368
2	(Asset amounts deducted in determining Tier 1 capital)	-718	-3	-542
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	856 945	857 660	600 826
Derivative exposures				
11	Total derivatives exposures (sum of lines 4 to 10)	0	0	0
SFT exposures				
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	76 236	76 236	42 575
18	(Adjustments for conversion to credit equivalent amounts)	0	0	0
19	Other off-balance sheet exposures (sum of lines 17 and 18)	76 236	76 236	42 575
Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)				
19 a	(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))			
19 b	(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	82 036	85 175	77 066
21	Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	933 181	933 869	643 401
Leverage ratio				
22	Leverage ratio	8,79%	9,12%	11,98%
Choice on transitional arrangements and amount of derecognised fiduciary items				
23	Choice on transitional arrangements for the definition of the capital measure		fully implemented	
24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013	n/a	n/a	n/a

CRR leverage ratio exposures

Table LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)		31.12.2020	31.12.2019
1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	857 663	601 368
2	Trading book exposures		
3	Banking book exposures, of which:	857 663	601 368
4	Covered bonds		
5	Exposures treated as sovereigns	138 504	99 802
6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns		
7	Institutions	2 256	2 864
8	Secured by mortgages of immovable properties	412 901	280 464
9	Retail exposures	154 442	122 522
10	Corporate	93 047	39 567
11	Exposures in default	5 731	5 636
12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	50 782	50 513

Table LRQua: disclosure on qualitative items

- Description of the processes used for excessive leverage risk management:**
 In managing the risk of excessive leverage, the Group follows the requirements provided for in § 82² of the Credit Institutions Act. The Group monitors the dynamics of leverage risk quantitatively, mainly using the leverage indicator in accordance with Regulation (EU) No 575/2013. In order to manage the risk of excessive leverage, the Bank's Management Board and the Assets and Liabilities Management Committee monitor the leverage ratio, analyze changes in the balance sheet structure and forecasts and, if necessary, approve an action plan to respond to the changes in leverage ratio. When preparing the strategy and financial forecasts, it is taken into account that the leverage ratio normative would be met in a sustainable manner.
- Description of factors that had an impact on the leverage ratio during the reporting period:**
 The leverage ratio of the Coop Pank Group calculated in accordance with Article 1 of commission delegated regulation (EU) 2015/62 is 8.79% (adjusted 9,12%) as of 31.12.2020 and 11.98% as of 31.12.2019. Compared to previous periods, the leverage ratio increased significantly in 2019, when the Common Equity Tier 1 capital, on which the leverage calculations is based, has increased due to the public issue of shares in December 2019. During 2020, the Group's business volumes have grown significantly, resulting in increased exposures, which in turn is the main reason for the decline in the leverage ratio in 2020.

Disclosure of encumbered and unencumbered assets

Disclosed information according to Article 1 of the Commission delegated regulation (EU) 2017/2295
In thousands of euros, as of 31.12.2020

Template A. Encumbered and unencumbered assets

	Carrying amount of encumbered assets 010	Fair value of encumbered assets 040	Carrying amount of unencumbered assets 060	Fair value of unencumbered assets 090
010 Assets of the reporting institution	500	500	869 409	872 609
030 Equity instruments	0	0	80	80
040 Debt securities	0	0	3 011	3 011
050 of which: covered bonds	0	0	0	0
060 of which: asset-backed securities	0	0	0	0
070 of which: issued by general governments	0	0	1 249	1 249
080 of which: issued by financial corporations	0	0	0	0
090 of which: issued by non-financial corporations	0	0	1 762	1 762
120 Other assets	500	500	866 318	869 518
121 of which: loans on demand	200	200	144 351	144 351
122 of which: loans and advances	0	0	670 593	673 293

Template B. Collateral received

	Fair value of encumbered collateral received or own debt securities issued 010	Unencumbered Fair value of collateral received or own debt securities issued available for encumbrance 040
250 Total assets, collateral received and own debt Securities issued	500	676 304

Template C. Sources of encumbrance

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

Template D. Accompanying narrative information

The Group's business strategy focuses mainly on the day-to-day banking (incl. deposits) and financing (incl. mortgage loans, unsecured loans and leasing) of private customers and small and medium-sized enterprises.

Mainly demand and term deposits and other long-term liabilities (e.g. debt Securities issued) serve as Resources for investments that require financing.

Thus, the group's assets are mostly unencumbered, except for deposits set to secure various settlements in the total amount of 500 thousand euros.

Disclosure of the countercyclical buffer requirement

Disclosed information according to Article 2 of the Commission delegated regulation (EU) 2015/1555

In thousands of euros, as of 31.12.2020

Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer													
		General credit exposures		Trading book exposure		Securitisation exposure		Own funds requirements					
		Exposure value for SA	Exposure Value for IRB	Sum of long and short position of trading book	Value of trading book exposure for internal models	Exposure value for SA	Exposure Value for IRB	Of which: General credit exposures	Of which: Trading book exposures	Of which: Securitisation exposures	Total	Own funds requirement weights (1/100)	Counter-cyclical capital buffer rate (%)
010	By country	010	020	030	040	050	060	070	080	090	100	110	120
	Estonia	723 580						32 639			32 639	0,973	0,00
	Latvia	6 576						526			526	0,016	0,00
	Germany	5 595						90			90	0,003	0,00
	Switzerland	2 475						157			157	0,005	0,00
	USA	1 037						53			53	0,002	0,00
	Other	1 272						68			68	0,001	0,00
020	Total	740 535	n/a	n/a	n/a	n/a	n/a	33 533	n/a	n/a	33 533	1	0,00

Amount of institution-specific countercyclical capital buffer		31.12.2020
Row		Column 010
010	Total risk exposure amount (EUR, thousand)	456 699
020	Institution specific countercyclical buffer rate (%)	0,00
030	Institution specific countercyclical buffer requirement (EUR, thousand)	0

Disclosure of non-performing and forbore exposures

Disclosed information according to Annexes of EBA Guidelines EBA/GL/2018/10

In thousands of euros, as of 31.12.2020

Template 1. Credit quality of forbore exposures

	a	b	c	d	e	f	g	h
	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
	Performing forbore	Non-performing forbore		Of which defaulted	Of which impaired	On performing forbore exposures	On non-performing forbore exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
1	Loans and advances	12 124	0			-1 094	0	0
2	Central banks	0	0			0	0	0
3	General governments	0	0			0	0	0
4	Credit institutions	0	0			0	0	0
5	Other financial corporations	0	0			0	0	0
6	Non-financial corporations	6 696	0			-994	0	0
7	<i>Households</i>	5 428	0			-100	0	0
8	Debt securities	0	0			0	0	0
9	Loan commitments given	0	0			0	0	0
10	Total	12 124	0			-1 094	0	0

In thousands of euros, as of 31.12.2020

Template 3. Credit quality of performing and non-performing exposures													
		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤30 days	Past due >30 days ≤90 days		Unlikely to pay that are not past due or are past due ≤90 days	Past due >90 days ≤180 days	Past due >180 days ≤1 year	Past due >1 year ≤2 years	Past due >2 year ≤5 years	Past due >5 year ≤7 years	Past due >7 years	Of which defaulted
1	Loans and advances	815 424	812 889	2 535	8 463	532	1 084	2 020	4 152	609	36	30	7 931
2	Central banks	136 700	136 700	0	0	0	0	0	0	0	0	0	0
3	General governments	18	18	0	0	0	0	0	0	0	0	0	0
4	Credit institutions	7 851	7 851	0	0	0	0	0	0	0	0	0	0
5	Other financial corporations	26 065	26 065	0	71	0	0	0	0	71	0	0	71
6	Non-financial corporations	278 183	277 729	454	4 350	148	203	564	3 413	22	0	0	4 202
7	Of which SMEs	278 171	277 717	454	4 350	148	203	564	3 413	22	0	0	4 202
8	Households	366 607	364 526	2 081	4 042	384	881	1 456	739	516	36	30	3 658
9	Debt securities	3 011	3 011	0	0	0	0	0	0	0	0	0	0
10	Central banks	0	0	0									
11	General governments	1 249	1 249										
12	Credit institutions	0	0										
13	Other financial corporations	0	0										
14	Non-financial corporations	1 762	1 762										
15	Off-balance-sheet exposures	76 236			0								0
16	Central banks	0											
17	General governments	0											
18	Credit institutions	0											
19	Other financial corporations	2 953											
20	Non-financial corporations	51 678											
21	Households	21 605											
22	Total	894 671	815 900	2 535	8 463	532	1 084	2 020	4 152	609	36	30	7 931

Template 4. Performing and non-performing exposures and related provisions

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received		
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures	
		Of which: stage 1.	Of which: stage 2		Of which: stage 2	Of which: stage 3		Of which: stage 1.	Of which: stage 2		Of which: stage 2	Of which: stage 3				
1	Loans and advances	815 424	784 723	30 701	8 463	0	8 463	-5 864	-3 351	-2 513	-2 879	-1	-2 878	n/a	n/a	n/a
2	Central banks	136 700	136 700	0	0	0	0	0	0	0	0	0	0			
3	General governments	18	18	0	0	0	0	0	0	0	0	0	0			
4	Credit institutions	7 851	7 851	0	0	0	0	0	0	0	0	0	0			
5	Other financial corporations	26 065	26 065	0	71	71	-137	-137	0	-26	0	-26				
6	Non-financial corporations	278 183	258 531	19 652	4 350	4 350	-3 275	-1 677	-1 598	-288	0	-288				
7	Of which SMEs	278 171	258 519	19 652	4 350	4 350	-3 275	-1 677	-1 598	-288	0	-288				
8	Households	366 607	355 558	11 049	4 042	4 042	-2 452	-1 537	-915	-2 565	-1	-2 564				
9	Debt securities	3 011	3 011	0	0	0	0	0	0	0	0	0	n/a	n/a	n/a	
10	Central banks	0	0	0	0	0	0	0	0	0	0	0				
11	General governments	1 249	1 249	0	0	0	0	0	0	0	0	0				
12	Credit institutions	0	0	0	0	0	0	0	0	0	0	0				
13	Other financial corporations	0	0	0	0	0	0	0	0	0	0	0				
14	Non-financial corporations	1 762	1 762	0	0	0	0	0	0	0	0	0				
15	Off-balance-sheet exposures	76 236	74 977	1 259	0	0	0	0	0	0	0	0		n/a	n/a	
16	Central banks	0	0	0	0	0	0	0	0	0	0	0				
17	General governments	0	0	0	0	0	0	0	0	0	0	0				
18	Credit institutions	0	0	0	0	0	0	0	0	0	0	0				
19	Other financial corporations	2 953	2 953	0	0	0	0	0	0	0	0	0				
20	Non-financial corporations	51 678	50 425	1 253	0	0	0	0	0	0	0	0				
21	Households	21 605	21 599	6	0	0	0	0	0	0	0	0				
22	Total	894 671	862 711	31 960	8 463	0	8 463	-5 864	-3 351	-2 513	-2 879	-1	-2 878			

Template 9: Collateral obtained by taking possession and execution processes

As of the end of the reporting period, the Group has no collateral obtained by taking possession and execution processes

Disclosure of liquidity coverage ratio and information on liquidity risk management

Disclosed information according to Annex I of EBA Guidelines EBA/GL/2017/01; table EU LIQA

Table on qualitative/quantitative information of liquidity risk in accordance with Article 435(1) of Regulation (EU) 575/2013.	
Strategies and processes in the management of the liquidity risk	The aim of the Group's liquidity management strategy is to ensure the timely and full fulfilment of the Group's obligations at all times, while optimizing liquidity risk so as to achieve maximum and stable profitability from investments of different durations. A more detailed overview of liquidity management is provided in the Group's annual report "Note 2 Risk Management" and its subchapter "Liquidity Risk Management".
Structure and organisation of the liquidity risk management function (authority, statute, other arrangements)	The main liquidity management body is the Assets and Liabilities Management Committee (ALCO), whose functions and areas of responsibility in liquidity management are: <ul style="list-style-type: none"> • planning the short-term and long-term liquidity of the group and planning and implementing the measures to be used; • analysis of information concerning the Group's assets and liabilities, interest income and expenses, liquidity and investment management and, if necessary, preparation of strategic decisions concerning liquidity management for the Management Board; • optimizing the maturity, profitability and liquidity ratio of the Group's assets and liabilities to achieve the Bank's strategic objectives; • regulation of the Group's required level of liquidity, acceptable interest rate risk and acceptable level of risk of changes in the value of assets and liabilities.
Scope and nature of liquidity risk reporting and measurement systems	The Group's liquidity position is managed using the maturity analysis of assets and liabilities. The model also captures the main observable liquidity ratios and fixed-term ratios of assets and liabilities and liquidity stress tests are conducted. Limits have been set for all key liquidity ratios. The following indicators are used to measure liquidity risk: <ul style="list-style-type: none"> • Liquidity Coverage Ratio (LCR); • survival period in a liquidity crisis situation; • concentration of financing; • the ratio of liquid assets to demand deposits; • the ratio of long-term liabilities to investments requiring stable financing.
Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants	The Group's liquidity policy is based on the principle of conservatism and the formed liquidity buffers are sufficient to cover the large-scale outflow of deposits. The Group has established a business continuity and recovery plan for dealing with liquidity crisis situations, which includes activities to cover cash flow deficits in emergency situations. In order to manage the liquidity position, the Group's Management Board has established an internal investment resource model that takes into account the ratio of issued loans and Resources involved. Different coefficients have been assigned to resources in the model, to the extent to which the respective resource can be used for lending activities. The Group diversifies the maturity of resources and avoids large concentrations of one counterparty.

A concise liquidity risk statement approved by the management body, succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement includes key ratios and figures, providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, (incl the risk profile of the institution and the risk tolerance set by the management body)

Liquidity risk management is an important part of the Group's overall risk management and planning process. The Group's risk appetite for liquidity risk is low, but due to the growth strategy, the Group's actual liquidity risk profile is higher than recommended. Therefore, the management actively and continuously monitors the free resource based on the internal investment resource model. The share of the Group's liquid assets in total assets as of 31.12.2020 was 20% (2019: 21%); the share of liquid assets in customer demand deposits 58% (2019:83%) and the share of demand deposits in total deposits was 40% (2019: 30%). The Management Board has established a system of early warning indicators to help identify an increase in risk or financing needs.

Disclosed information according to Annex II of EBA Guidelines EBA/GL/2017/01

In thousands of euros

Template EU LIQ1				
Rida	Total adjusted value			
	31.03.2020	30.06.2020	30.09.2020	31.12.2020
21	115 015	127 351	156 457	157 411
22	16 139	32 679	37 538	57 594
23	716%	392%	412%	275%

The Management Board of Coop Pank AS confirms that the Group's liquidity risk management organization and established risk management systems are sufficient considering the Group's profile and strategy.

Margus Rink
Chairman of the Management Board

Kerli Lõhmus
Member of the Management Board

Heikko Mäe
Member of the Management Board

Arko Kurtmann
Member of the Management Board

Rasmus Heinla
Member of the Management Board

Signed digitally

30.03.2021

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