

Risk Report: 31. January 2026

Asset Coverage Test	Amount
Loan Pool (A)	352,915
Collateral Reserve Account (B)	0
Liquidity Reserve Account (C)	5,727
Customer Deposits (W)	0
Total (A + B + C - W)	358,642
Outstanding Covered Bonds	319,147
Over Collateralization	39,495
Over Collateralization [%]	12.4%

As is outlined in the prospectus, the Asset Coverage Test (ACT) must be passed.

Interest Rate Sensitivity	Nominal	Base Case	Up100bp	Down100bp
Outstanding Covered Bonds	319,147	319,902	311,967	328,325
Loan Pool	352,915	439,956	430,971	450,598
Bank Account	5,727	5,727	5,727	5,727
Over Collateralization	39,495	125,781	124,731	128,000
Over Collateralization [%]	12.4%	39.3%	40.0%	39.0%

The Mark-To-Market (MTM) value of the underlying loan pool must exceed the MTM value of the Covered Bonds issuance. Furthermore, the program must withstand a parallel shift in the risk free interest curve.

Foreign Exchange Sensitivity	Nominal	Base Case	10% ISK Depreciation	10 % ISK Appreciation
Outstanding Covered Bonds	319,147	319,902	330,711	309,094
Loan Pool	352,915	439,956	439,956	439,956
Bank Account	5,727	5,727	5,802	5,651
Over Collateralization	39,495	125,781	115,047	136,513
Over Collateralization [%]	12.4%	39.3%	34.8%	44.2%

The Mark-To-Market (MTM) value of the underlying loan pool must exceed the MTM value of the Covered Bonds issuance. Furthermore, the program must withstand a 10% foreign exchange depreciation/appreciation with respect to net MTM value.

# Arion Banki Covered Bonds



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Cashflow Projection	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027
Bank Account:	5,727												
Covered Bonds:		238	613	1,596	494	1,502	1,760	238	613	1,705	494	1,502	1,790
Loans in Default:		9	9	9	9	9	9	9	9	9	9	9	9
Performing Loans:		1,689	2,281	2,289	2,288	2,286	2,296	2,282	2,278	2,275	2,271	2,269	2,266
Cumulative Balance:	5,727	7,178	8,846	9,539	11,332	12,116	12,653	14,697	16,363	16,933	18,710	19,477	19,953

The cashflow coverage measures the ability of the underlying loan pool to service the programs debt obligation on its own. Ignoring both infusion of cash and new loans it is a snapshot view of the debt servicing capability of the pool.

Indexation Balance	Indexed	Other	Total
Covered Assets	192,771	165,872	358,642
Covered Bonds Issuance	-160,424	-158,724	-319,147
Net	32,347	7,148	39,495