

# Arion Banki Covered Bonds



Risk Report: 31. March 2026

Asset Coverage Test	Amount
Loan Pool (A)	416,624
Collateral Reserve Account (B)	0
Liquidity Reserve Account (C)	7,138
Customer Deposits (W)	0
Total (A + B + C - W)	423,762
Outstanding Covered Bonds	369,968
Over Collateralization	53,794
Over Collateralization [%]	14.5%

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	369,968	370,073	360,358	380,382
Loan Pool	416,624	503,768	493,914	515,365
Bank Account	7,138	7,138	7,138	7,138
Over Collateralization	53,794	140,833	140,694	142,121
Over Collateralization [%]	14.5%	38.1%	39.0%	37.4%

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	369,968	370,073	385,078	355,069
Loan Pool	416,624	503,768	503,768	503,768
Bank Account	7,138	7,138	7,213	7,063
Over Collateralization	53,794	140,833	125,903	155,762
Over Collateralization [%]	14.5%	38.1%	32.7%	43.9%

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.

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Risk Report: 31. March 2026

Cashflow Projection	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027
Bank Account:	7,138												
Covered Bonds:		1,600	501	1,522	1,761	351	621	1,707	501	1,522	1,932	1,535	621
Loans in Default:		9	9	9	9	9	9	9	9	9	9	9	9
Performing Loans:		2,095	2,559	2,560	2,575	2,557	2,552	2,549	2,546	2,544	2,542	2,546	2,549
Cumulative Balance:	<b>7,138</b>	<b>7,634</b>	<b>9,692</b>	<b>10,730</b>	<b>11,545</b>	<b>13,750</b>	<b>15,682</b>	<b>16,523</b>	<b>18,568</b>	<b>19,590</b>	<b>20,201</b>	<b>21,211</b>	<b>23,139</b>

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	260,955	162,807	423,762
Covered Bonds Issuance	-168,618	-201,350	-369,968
Net	92,337	-38,543	53,794