

Arion Banki Covered Bonds



Risk Report: 31. May 2026

Asset Coverage Test	Amount
Loan Pool (A)	420,728
Collateral Reserve Account (B)	0
Liquidity Reserve Account (C)	6,220
Customer Deposits (W)	0
Total (A + B + C - W)	426,948
Outstanding Covered Bonds	377,685
Over Collateralization	49,263
Over Collateralization [%]	13.0%

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	377,685	375,866	366,453	385,852
Loan Pool	420,728	483,379	476,114	491,890
Bank Account	6,220	6,220	6,220	6,220
Over Collateralization	49,263	113,733	115,881	112,258
Over Collateralization [%]	13.0%	30.3%	31.6%	29.1%

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	377,685	375,866	390,956	360,777
Loan Pool	420,728	483,379	483,379	483,379
Bank Account	6,220	6,220	6,298	6,142
Over Collateralization	49,263	113,733	98,721	128,744
Over Collateralization [%]	13.0%	30.3%	25.3%	35.7%

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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Cashflow Projection	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027
Bank Account:	6,220												
Covered Bonds:		771	886	462	629	1,639	508	771	966	1,646	629	1,350	508
Loans in Default:		11	11	11	11	11	11	11	11	11	11	11	11
Performing Loans:		2,070	2,575	2,570	2,570	2,569	2,567	2,565	2,564	2,563	2,563	2,561	2,563
Cumulative Balance:	6,220	7,519	9,207	11,315	13,255	14,186	16,245	18,039	19,636	20,554	22,487	23,698	25,754

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	271,543	155,405	426,948
Covered Bonds Issuance	-176,940	-200,745	-377,685
Net	94,603	-45,340	49,263