Arion Banki Covered Bonds

Risk Report: 30. June 2025

Asset Coverage Test	Amount
Loan Pool (A)	361,943
Collateral Reserve Account (B)	0
Liquidity Reserve Account (C)	6,968
Customer Deposits (W)	0
Total (A + B + C - W)	368,911
Outstanding Covered Bonds	301,071
Over Collateralization	67,840
Over Collateralization [%]	22.5%

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	301,071	296,936	289,417	304,944
Loan Pool	361,943	463,951	412,904	526,341
Bank Account	6,968	6,968	6,968	6,968
Over Collateralization	67,840	173,983	130,455	228,365
Over Collateralization [%]	22.5%	58.6%	45.1%	74.9%

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 parallel shift in the risk free interest curve.

Foreign Exchange Sensitivity	Nominal	Base Case	10% ISK Depreciation	10 % ISK Appreciation
Outstanding Covered Bonds	301,071	296,936	307,475	286,397
Loan Pool	361,943	463,951	463,951	463,951
Bank Account	6,968	6,968	7,054	6,882
Over Collateralization	67,840	173,983	163,530	184,436
Over Collateralization [%]	22.5%	58.6%	53.2%	64.4%

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 10% foreign exchange depreciation/appreciation with respect to net MTM value.

Contact:
Investor Relations: samskiptasvid@arionbanki.is
Head of Funding: Eiríkur Dór Jónsson, eirikur.jonsson@arionbanki.is
Risk Management: Stefán Ingi Valdimarsson, stefan.v@arionbanki.is

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Risk Report: 30. June 2025

Cashflow Projection	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026
Bank Account:	6,968												
Covered Bonds:		946		599	1,626	483	734	405		599	1,591	483	734
Loans in Default:		7	6	6	6	6	6	6	6	6	6	6	6
Performing Loans:		1,882	2,274	2,284	2,289	2,295	2,297	2,300	2,303	2,305	2,306	2,308	2,309
Cumulative Balance:	**6,968**	**7,904**	**10,178**	**11,864**	**12,526**	**14,338**	**15,900**	**17,796**	**20,098**	**21,804**	**22,520**	**24,344**	**25,919**

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	206,719	162,192	368,911
Covered Bonds Issuance	-144,225	-156,847	-301,071
Net	62,494	5,345	67,840

Contact:
Investor Relations: samskiptasvid@arionbanki.is
Head of Funding: Eiríkur Dór Jónsson, eirikur.jonsson@arionbanki.is
Risk Management: Stefán Ingi Valdimarsson, stefan.v@arionbanki.is

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