

internal capital  
adequacy  
assessment  
report  
2025



kompasbank

# internal capital adequacy assessment report 2025



## INTRODUCTION

This disclosure report is presented for Kompasbank A/S (referred to as “the Bank”), aiming to enhance information and transparency for investors, customers, public authorities, and other key stakeholders.

The objective of this Internal Capital Adequacy Assessment report is to address the disclosure requirements set out in the Danish Executive Order of 12 June 2025 on Calculation of Risk Exposures, Own Funds and ICAAP requirements (Appendix 2) and the Danish Financial Business Act.

The report is a supplement to the Bank's Annual Risk Report 2025 covering the Bank's Pillar 3 and MREL disclosure requirements according to CRR and BRRD. This report and the risk report 2025 is available on Kompasbank's website [www.kompasbank.dk](http://www.kompasbank.dk)

## ASSESSMENT METHOD

The Bank bases the internal capital adequacy assessment on the regulations and guidelines as stated in the Executive Order of 30 June 2025 on the Danish Management and Governance of Banks, the Danish Executive Order of 12 June 2025 on Calculation of Risk Exposures, Own Funds and ICAAP requirements and the Danish Guidance of 15 June 2025 on Adequate Own Funds and ICAAP Requirements for Credit Institutions.

The assessment of capital requirements applies an 8% + methodology. The Pillar I requirement (8% of the total Risk Weighted Exposures (RWE)) + Pillar II capital add-ons for risks that are not fully reflected in the calculation of the Pillar I requirement.

## CAPITAL BASE

By the end of December 2025, the Bank's total capital was DKK 175.6 million and consisted 100% of Core Tier 1 (CET1) Capital. The Bank has not issued any Additional Tier 1 (AT1) capital instruments or Tier 2 (T2) capital instruments.

With a total RWE of DKK 814.0 million, the total capital ratio (and CET1 ratio) was 21.6%.

More specifications on the capital base and RWE are shown in the risk report 2025.

## INDIVIDUAL CAPITAL ASSESSMENT

The Bank's own funds requirement has been determined to be DKK 103.3 million (12.7%) by the end of December 2025.

The individual capital requirement is specified in the below table.

| Specification of individual capital requirements and buffer requirements <sup>5</sup> : |              |             |
|---|--------------|-------------|
|   | DKKm         | %           |
| Credit risk   | 75.9         | 9.3         |
| Market risk   | 0.1          | 0.0         |
| Operational risk  | 15.6         | 1.9         |
| Other risks   | 11.8         | 1.4         |
| <b>Total Individual Capital Requirement</b>   | <b>103.3</b> | <b>12.7</b> |
| Excess Capital (CET1) before combined buffer requirement                                | 72.3         | 8.9         |
| Combined buffer requirement   | 47.0         | 5.8         |
| <b>Total capital requirement including combined buffer requirement</b>                  | <b>150.3</b> | <b>18.5</b> |
| Excess Capital (CET1)   | 25.3         | 3.1         |

Other risks consist of earnings risk. The Bank is young and currently not generating profits, which could act to absorb future losses. Additional capital is allocated to reflect the future risks that the Bank is exposed to.

#### COMBINED BUFFER

The Combined buffer (5.8%) is the sum of a Capital Conservation Buffer (2.5%), a Countercyclical Buffer (2.4%) and a Systemic Risk Buffer for property exposures (0.9%).

#### OTHER REQUIREMENTS

The Bank must hold a MREL (Minimum Requirement for own funds and Eligible liabilities) equal to 13.8% of the Bank's total RWE from December 2025, increasing by one percentage point annually to 17.8% in January 2029.

As of December 2025 the Bank has not issued any eligible liabilities instruments why the MREL add-on (1.1 %) is covered by the excess capital (CET1) shown in the above table. The MREL add-on is the difference between the MREL requirement and the Individual Capital requirement.

More specifications of the MREL are shown in the risk report 2025.