

UN
environment
programme



finance
initiative

Principles for
Responsible Banking

Responsible Banking Progress Statement for PRB Signatories

Summary template

OP Pohjola 2025

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p>Content Briefly describe your bank’s sustainability strategy, and which international, regional or national frameworks and UN Sustainable Development Goals it aims to align with. Note any changes in the reporting year.</p> <p>Sustainability and corporate responsibility are embedded in OP Pohjola's business strategy and operating model. The work is guided by OP Pohjola's sustainability programme, which includes defined objectives and measurable targets. OP Pohjola updated its sustainability programme at the end of 2025 and the programme entered into force at the beginning of 2026. The update strengthened climate- and</p>	<p>Content Briefly describe the bank’s most significant impact areas and the steps taken to identify, measure and manage them—including impact analysis results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank’s transition/action plan, and progress made. Explain how the bank addressed interlinkages between impact areas where possible.</p> <p>Example Progress Indicators</p> <ul style="list-style-type: none"> ▪ % of bank's portfolio covered by the impact analysis and each set target ▪ Updated values of KPIs defined by bank to measure progress against targets 	<p>Content Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/action plans/transition plans to encourage sustainable practices/economic activities. Note any changes in the reporting year.</p> <p>Example Progress Indicators</p> <ul style="list-style-type: none"> ▪ % of clients and/or customers engaged in key sectors in areas of significant impact. ▪ USD sustainable finance volume mobilized and/or as a percentage of the global or sector portfolio <p>OP Pohjola works with its clients and customers to promote sustainable economic</p>

<p>nature-related objectives, introduced more precise indicators, and added metrics related to the responsible use of artificial intelligence and security of supply. The programme objectives are linked to the UN Sustainable Development Goals (SDGs) and sub-targets.</p> <p>OP Pohjola is committed to the Paris Agreement and to internationally recognised frameworks and principles, including the UN Global Compact, the Principles for Responsible Banking, the Principles for Responsible Investment and the Principles for Sustainable Insurance. OP Pohjola also respects internationally recognised human rights and is committed to the ILO Declaration on Fundamental Principles and Rights at Work. In addition, OP Pohjola participates in PCAF and PBAF initiatives to advance the measurement of financed emissions and biodiversity impacts.</p>	<p>As part of the sustainability programme update, OP Pohjola refined its targets and indicators across key themes. Emissions reduction targets were strengthened, indicators on the responsible use of AI were added, and strengthening national security of supply was introduced as a new objective under good governance. Sustainable finance, responsible investment, supporting local communities and fostering a diverse and equal workplace remained core priorities. OP Pohjola is committed to achieving net zero emissions in its corporate loan portfolio by 2050 and published an updated transition plan in March 2026, outlining key measures to support this objective and the reallocation of capital towards sustainable activities. The results of the 2025 double materiality assessment informed the refinement of OP Pohjola's targets and indicators under the sustainability programme.</p> <p>OP Pohjola identifies, assesses and manages its most significant sustainability impacts, risks and opportunities through a structured double materiality analysis process. The process covers OP Pohjola's own operations and value chain, including Corporate Banking, Retail Banking, Wealth Management, Insurance and procurement activities. In the 2025 double materiality assessment, material impacts, risks and opportunities were identified under ESRS standards E1 Climate change, E4 Biodiversity and ecosystems, S1 Own workforce, S4 Consumers and end-users, and G1 Business conduct. The results form the basis for target-setting, risk management and sustainability reporting.</p>	<p>activities and to manage sustainability-related risks. As part of corporate financing, company-specific ESG assessments are conducted based on sector-specific materiality, and the need for an assessment is reviewed regularly during the client relationship. OP Pohjola requires customers in sectors with high climate transition risks to have company-specific emission reduction plans. OP Pohjola applies its own assessment method to assess the credibility of these plans.</p> <p>In addition, OP Pohjola engages with selected clients in key sectors on biodiversity-related topics with the objective of increasing awareness and integrating biodiversity considerations into business decision-making. The concept was piloted at the end of 2024 and the beginning of 2025, and will be further developed based on the experiences gathered.</p> <p>OP Pohjola offers a range of sustainable finance products, including green loans, sustainability-linked loans and facilities. At the end of 2025, total exposures related to these products amounted to EUR 8.9 billion.</p>
<p>Links & references <u>OP Pohjola's Annual Report 2025:</u> Sustainability programme (p. 22–23). List of relevant commitments (p. 23 and 43).</p>	<p>Links & references <u>OP Pohjola's Annual Report 2025:</u> Sustainability programme: p. 22-23 Implementation of sustainability programme 2025: (pp. 25–26). Double materiality analysis process and IROs:</p>	<p>Links & references <u>OP Pohjola's Annual Report 2025:</u> Key figures: (p. 9). Sustainable finance product example: (p. 16).</p>

	p. 90, p. 108-120	<p>Requirement that large/high transition-risk corporates prepare company-specific emission reduction plans by end-2025 (p. 25).</p> <p>Sustainability & corporate responsibility highlights: (p. 43).</p> <p>Company-specific ESG assessments p. 124</p> <p>Biodiversity dialogue: p. 208</p>
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Principle 4: Stakeholders	Principle 5: Governance & Culture	Principle 6: Transparency & Accountability
<p>Content Briefly describe how the bank consults, engages and collaborates/partners with relevant stakeholders for the purpose of implementing the Principles. This could include understanding impacts, setting ambitious targets, advocating for enabling regulatory/policy environments, and creating partnerships that contribute to addressing significant impacts. Note any changes in the reporting year.</p> <p>Stakeholder engagement is an integral part of OP Pohjola's cooperative business model and sustainability governance. OP Pohjola maintains regular and structured dialogue with a broad range of stakeholders, including customers, personnel, cooperative banks, governing bodies and wider society. Stakeholder perspectives are collected through surveys, workshops, meetings and forums, including OP Pohjola's ESG Forum. The outcomes of stakeholder engagement are reported to management and governing bodies and are taken into account when developing and implementing the sustainability programme and related policies.</p> <p>A wide range of internal experts from across OP Pohjola's businesses and functions participated in the 2025 double materiality analysis, ensuring a comprehensive assessment of sustainability-related impacts, risks and opportunities.</p> <p>OP Pohjola's due diligence process involves multiple functions and, where necessary, engages customers, internal stakeholders, third-party experts and other stakeholders.</p>	<p>Content Briefly describe the key governance structures in place (Board and Executive level) and related accountability mechanisms to implement the Principles. This could include how governance supports your bank's management of significant impacts and risks, including target implementation and monitoring of action/transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (e.g. via employee learning & development). Note any changes or progress in the reporting period.</p> <p>Example Progress Indicators</p> <ul style="list-style-type: none"> ▪ Details of remuneration practices linked to sustainability targets. ▪ % of employees trained on responsible banking topics. <p>Sustainability and corporate responsibility are embedded in OP Pohjola's governance structure. OP Cooperative's Board of Directors oversees the implementation of sustainability work and approves OP Pohjola's strategic priorities, including ESG-related policies and metrics. The Board and its Risk Committee receive and review quarterly reporting on OP Pohjola's material ESG and corporate responsibility matters and their impacts.</p> <p>OP Pohjola monitors the implementation of its sustainability programme through defined metrics and reports progress quarterly to the Executive Management Team and annually to the Risk Committee, Board of Directors and Supervisory Council. Governance and coordination are supported by an ESG Committee appointed by the Executive Management Team. ESG and sustainability matters are regularly addressed also</p>	<p>Content Provide reference to additional relevant reports, if not listed as references with P1–P5. Briefly note whether/where assurance of sustainability information has been undertaken (optional).</p> <p>OP Pohjola is committed to transparent and consistent sustainability reporting. Sustainability information is disclosed as part of the Annual Report in accordance with the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards.</p> <p>The sustainability report forms part of the Board of Directors' Report and covers material sustainability impacts, risks and opportunities identified through the double materiality analysis. Sustainability reporting is subject to external assurance.</p>

	<p>within the management teams of individual business units.</p> <p>Sustainability considerations are integrated into OP Pohjola’s risk governance framework, including the Risk Appetite Statement and related policies. Compliance, internal control and internal audit functions support the effective implementation of sustainability-related requirements. In addition, the terms of OP Pohjola’s remuneration scheme state that the scheme must take consistent account of sustainability risks.</p> <p>CSRD and ESRS implementation is supported by a CSRD Steering Group responsible for defining reporting principles, supporting report preparation and ensuring completion of the annual sustainability reporting process. In 2025, progress on sustainability reporting implementation was reported regularly to the Audit Committee of OP Cooperative’s Board of Directors.</p> <p>In autumn 2025, AI was included among the targets of OP Pohjola’s updated sustainability programme. The objective is to ensure that all personnel have received training on AI.</p>	
<p>Links & references <u>OP Pohjola’s Annual Report 2025</u> Stakeholder engagement: p. 103, p. 23 Double Materiality Analysis 2025: p. 120 OP Pohjola’s due diligence processes: p. 103</p>	<p>Links & references <u>OP Pohjola’s Annual Report 2025</u> Risk governance: p. 48–49. Integration of sustainability-related performance in incentive schemes: p.98 Overseeing the sustainability work: p. 96-97 CSRD Steering Group: p. 99 AI target: p. 578</p>	<p>Links & references <u>OP Pohjola’s Annual Report 2025</u> Annual Report includes a CSRD/ESRS-compliant Sustainability Report: starting from p. 88 Assurance Report on the Sustainability Report: p. 513</p>



Supplements templates

**Principle 1:
Alignment**

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main business lines, customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, business areas or by disclosing the number of customers and clients served.

Links & references:

OP Pohjola's Annual Report 2025: p. 4, p.8, p. 10-14, p. 242

OP Pohjola is a cooperative financial services group formed by member cooperative banks and the central cooperative and its subsidiaries. OP Pohjola offers banking, wealth management and insurance services for personal, corporate and institutional customers in Finland, and financing and liquidity management services for corporate and institutional customers in the Baltic countries. In the reporting year, OP Pohjola had 14,985 employees in Finland and 149 in the Baltic countries. In OP cooperative banks, the highest decision-making power rests with owner-customers. Owner-customers exercise their decision-making power in the Cooperative Meeting. Active involvement of over 2.1 million owner-customers in the cooperative's activities improves the prospects for more diverse governance. The members of boards of directors and supervisory councils of OP cooperative banks are also elected from among owner-customers. OP Pohjola's business consists of four business segments: Retail Banking, Corporate Banking, Insurance and Wealth Management.

Strategy alignment

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF), the United Nations Guiding Principles on Business and Human Right (UNGPs), the forthcoming instrument on plastic pollution etc.

Include any other national and/or regional frameworks that your bank has a strategy to align with where relevant.

Links & references

[OP Pohjola's Annual Report 2025](#) p. 23, p. 43, p. 172, p. 208-209, p. 214

Sustainability and corporate responsibility are embedded in OP Pohjola's business processes and strategy. OP Pohjola's sustainability programme implements the strategy and defines concrete targets for climate work. OP Pohjola is committed to complying not only with all applicable laws and regulations, but also with a number of international initiatives that guide operations.

OP Pohjola is committed to complying with the ten principles of the UN Global Compact initiative in the areas of human rights, labour rights, the environment and anti-corruption. OP Pohjola is a Founding Signatory of the Principles for Responsible Banking under the United Nations Environment Programme Finance Initiative (UNEP FI). Furthermore, OP Pohjola is committed to complying with the Principles for Responsible Investment supported by the UN and the UN Principles for Sustainable Insurance. OP Pohjola's sustainability programme's objectives are linked to the UN Sustainable Development Goals (SDGs) and subgoals. In addition, the double materiality analysis incorporates SDG-relevant impacts such as climate action and biodiversity.

OP Pohjola is committed to the goals of the Paris Climate Agreement, which aims to limit the global temperature increase to 1.5°C. OP Pohjola's sector-specific emissions targets set for home loans and energy-sector corporate loans in its transition are based on emissions reduction pathways aimed at achieving net zero emissions by 2050, as defined in the International Energy Agency's (IEA) Net Zero Emissions (NZE) by 2050 Scenarios. The Net Zero Investment Framework model and interim targets of the Institutional Investors Group on Climate Change (IIGCC) are used to promote the achievement of Wealth Management's net zero target for 2050.

OP Pohjola is a signatory of the international Partnership for Carbon Accounting Financials (PCAF), which has the goal of creating and maintaining a harmonised methodology for assessing and reporting GHG emissions associated with financing, insurance and investments. In addition, OP Pohjola is a participant in the international Partnership for Biodiversity Accounting Financials (PBAF), which aims to develop a common biodiversity measurement standard for financial institutions. OP Pohjola's biodiversity roadmap includes key measures to promote biodiversity at OP Pohjola in the coming years. The roadmap takes account of the Kunming-Montreal Global Biodiversity Framework's targets applicable to the financial sector.

Regarding human rights, OP Pohjola has drawn up a Human Rights Statement and Human Rights Policy. OP Pohjola respects all recognised human rights. Human rights work at OP Pohjola is guided by the following international principles, guidelines and initiatives:

UN Guiding Principles on Business and Human Rights (UNGPR)

OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

UN Global Compact principles

UN Principles for Responsible Banking (UN PRB)

UN-supported Principles for Responsible Investment (PRI)

UN Principles for Sustainable Insurance (UN PSI)

Principle 2: Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Impact Analysis

Show how your bank has identified, prioritized and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target-setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include assessment of the relevance of the four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector](#), as part of its initial or ongoing impact analysis.

Links & references

[OP Pohjola's Annual Report 2025](#)

p. 23, p. 103, p. 105, p. 109-110, p. 120, p. 123, p. 126, p. 176, p. 214, p. 232

[Tavoitteet | OP](#)

Stakeholder engagement

To ensure that its decisions include stakeholders' perspectives, OP Pohjola continuously surveys its personnel, consumers and customers, and tracks changes in the business environment. It also regularly uses means such as surveys and discussions to involve member cooperative banks and governing bodies in development based on sustainability themes.

OP Pohjola's ESG forum brings together various stakeholders. These stakeholders range from representatives of owner-customers, employees, the environment and social responsibility to various parts of the financial and corporate world. Representatives express their opinions in meetings arranged by OP Pohjola and through surveys – conducted by the Group ESG Function at least annually – of ESG forum members.

Regarding the sustainability programme, the update involved a wide range of stakeholders: governing bodies, management, personnel and members of OP Pohjola's ESG Forum. Stakeholders' observations and feedback were collected through meetings, interviews and surveys of various target groups.

Double materiality assessment

OP Pohjola's double materiality analysis process is used to assess impacts, risks and opportunities (IRO) potentially related to material sustainability topics. The double materiality analysis covers all of OP Pohjola's operations in all its geographical areas. Topics are examined from the perspective of OP Pohjola's own operations, including the businesses (Corporate Banking, Retail Banking, Wealth Management and Insurance) and the procurement function. The analysis addresses both perspectives of double materiality: The impacts of OP Pohjola's operations on the environment, society and people and Sustainability topic-related financial risks and business opportunities relevant to OP Pohjola.

In 2025, OP Pohjola refined its double materiality assessment to better reflect its operating context, stakeholder perspectives, risk management practices and value chain impacts, strengthening the basis for a more systematic identification of material impacts, risks and opportunities.

The material impacts, risks and opportunities identified were assessed in relation to OP Pohjola's business model, value chain, strategy and decision-making. The main priorities for OP Financial Group are climate change, biodiversity, own workforce and consumers and end-users. In its double materiality assessment (DMA) of 2025 OP Pohjola identified all E1 - Climate change, E4 - Biodiversity and ecosystems, S1 – Own workforce and S4 – Consumers and end-users as material topics. As a change from year 2024, standards S2 Workers in the value chain and S3 Affected

communities were assessed non-material. In addition, a new entity-specific topic, "Ensuring business continuity" was added to reporting under the G1 standard. The results of the assessment informed the update of the sustainability programme and the refinement of targets and indicators across key themes.

OP Pohjola's sustainability programme covers all identified, material impacts, risks and opportunities. In 2025, the sustainability programme was updated in a review which addressed material impacts, risks and opportunities identified in the double materiality analysis, and an assessment was made of whether the strategy or business model should be changed accordingly or new sustainability programme targets set. A full list of targets can be found in our sustainability programme at [Tavoitteet | OP](#).

ESG Risk Materiality Analysis

The annual ESG risk materiality analysis identifies, assesses and prioritises ESG risk factors associated with OP Pohjola's operations, such as physical and transition risks related to climate change. ESG factors' impacts on all significant risk types are assessed on a short, medium and long-term basis. Its results guide the targeting of measures at the most material ESG risk factors and support risk management and strategic planning.

Climate and environmental scenarios are applied to assess transition and physical risks across relevant portfolios and time horizons. The resulting analysis identifies key risk drivers and informs the prioritisation of risk management measures, while contributing to the ongoing development of data and methodologies.

The materiality analysis of ESG risks indicates that risk factors will have moderate impacts on OP Pohjola's business operations, but may increase in the long term. The most significant physical risk is the flood risk associated with OP Pohjola's real estate funding, which is modelled using the Finnish Environment Institute's flood maps. Tighter energy efficiency requirements pose a material transition risk to the real estate portfolio. Changes in emissions allowance trading have also been identified as posing a transition risk to certain sectors and operators.

According to an analysis in 2024, based on the ENCORE tool, OP Pohjola's most material sectors in corporate financing are the real estate sector, agriculture and forestry, energy and construction, transportation and storage, and industry and trade. The sectors' materiality is based on high impact or dependence assessments of them, and OP Pohjola's levels of corporate exposures within them. OP Pohjola has set sector-specific emissions reduction targets, based on the materiality analysis, in the three most emissions-intensive financed sectors. When the targets were set in 2023, these three sectors accounted for 90.6% of emissions from OP Pohjola's loan portfolio. International Energy Agency (IEA) scenarios – based on the goal of net zero GHG emissions by 2050 – were used for setting sector-specific emissions reduction targets. OP Pohjola's key means of achieving its sector-specific emissions reduction targets are by focusing financing and investments on low-emission assets, and by setting sector-specific limits and engaging in customer interaction.

Human Rights Due Diligence

Regarding human rights, the Human Rights Statement and Policy acknowledge the responsibility to respect the human rights of customers, or consumers and end-users, and prevent and mitigate potential adverse impacts. The Statement and Policy are publicly available on OP Pohjola's website.

According to the human rights due diligence process, OP Pohjola regularly assesses human rights-related risks and any adverse human rights impacts that may affect workers in the value chain due to OP Pohjola's operations. OP Pohjola's Human Rights Policy describes the identified material adverse human rights impacts and the measures for managing them.

Measures related to preventing and mitigating adverse impacts are promoted and monitored on an ongoing basis. In addition, OP Pohjola's services are developed continuously to better meet different customer groups' needs. No severe cases of human rights issues or violations concerning OP Pohjola's consumers or end-users were observed during the reporting period of 2025. The monitoring of these factors is partly lacking currently, and OP Pohjola continues to develop its processes to improve its ability to detect any adverse or severe human rights impacts resulting from

its operations.

OP Pohjola's updated sustainability programme includes targets regarding people and communities, such as:

- We will strive to achieve at least 40% representation of each gender in leadership positions.
- Number of children and youths reached through financial literacy training events and projects organised by OP cooperative banks and partners, 80,000 people per year
- We will develop a tool for measuring and tracking perceived financial wellbeing for our customers

The full list of targets can be found at: [Tavoitteet | OP](#).

Summary

The main priorities for OP Financial Group are climate change, biodiversity, own workforce and consumers and end-users. The most significant physical risk is the flood risk associated with OP Pohjola's real estate funding, which is modelled using the Finnish Environment Institute's flood maps. Tighter energy efficiency requirements pose a material transition risk to the real estate portfolio. Changes in emissions allowance trading have also been identified as posing a transition risk to certain sectors and operators. OP Pohjola regularly assesses human rights-related risks and any adverse human rights impacts that may affect workers in the value chain due to OP Pohjola's operations.

Targets, Target Implementation, and Action Plans/Transition plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans/ Transition plans and Milestones.

Banks are encouraged to disclose information regarding actions they are taking in four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector \(2024\)](#).

Links & references

[Tavoitteet | OP](#)

[OP Pohjola's Annual Report 2025:](#)

p. 22-23, p. 43, p. 172, p. 179, p. 208, p. 186-187, p. 208-209

The updated sustainability programme

OP Pohjola's sustainability programme was updated in 2025, and it entered into force at the start of 2026. OP cooperative banks' local sustainability and corporate responsibility work is based on OP Pohjola's sustainability programme. The programme contains concrete targets and actions that are aligned with SMART-principles. In the updated sustainability programme there is at least one indicator measuring our progress towards each goal.

New and more precise metrics were set for each main theme. Emissions reduction targets were tightened up and indicators on the responsible use of AI were added. Strengthening national security of supply was incorporated as a new objective in the sustainability programme, under good governance. Sustainable finance products, responsible investment, supporting local communities and fostering a diverse and equal workplace remained important goals in the updated programme. All of the targets of the updated sustainability programme can be found from [OP Pohjola's sustainability programme | OP](#).

Climate Change

Sustainable financing

One of OP Pohjola's sustainability targets is to offer sustainable financing and investment products to

customers. This target contributes to SDG 13 – Climate Action. In the updated programme, the indicators for this goal are:

- Sustainable financing products will account for at least 11 billion euros of total commitments by the end of 2028
- OP Pohjola is the market leader in Finland in the financing of electric vehicles: number of EVs financed by OP as a percentage of all financed EVs
- Responsible investment funds will account for 80% of all of OP's fund assets by the end of 2028

Net zero emissions by 2050

Another target of the updated sustainability programme contributing to SDG 13 - Climate Action is to achieve net zero emissions by 2050. OP Pohjola strives to reduce 50% of its corporate loan portfolio emissions by 2035 compared to 2022. OP Pohjola has set emissions reduction targets for three sectors in its loan portfolio: the energy, agriculture and residential property sectors. These account for more than 90% of the emissions related to OP Pohjola's loan portfolio. The goal is to reduce the following from their 2022 initial level by 2030:

- 1) the emissions intensity of energy production by 50%;
- 2) absolute emissions associated with the agricultural sector by 30%;
- and 3) the emissions intensity of home loans by 45%.

OP Pohjola's sector-specific emissions targets set for home loans and energy-sector corporate loans in its transition are based on emissions reduction pathways aimed at achieving net zero emissions by 2050, as defined in the International Energy Agency's (IEA) Net Zero Emissions (NZE) by 2050 Scenarios. The Net Zero Investment Framework model and interim targets of the Institutional Investors Group on Climate Change (IIGCC) are used to promote the achievement of Wealth Management's net zero target for 2050.

The indicators in the updated sustainability programme regarding Wealth Management are:

- Indicator: We will strive to ensure that 65% of OP funds' equity and bond holdings are aligning or have aligned to net zero, or have achieved net zero, by the end of 2028, and 75% of holdings by the end of 2030
- Indicator: We will reduce the carbon intensity of OP's funds by 50% by 2030 compared to 2019

Regarding Pohjola Insurance, the indicators are:

- Indicator: We will reduce the carbon intensity of investments by Pohjola Insurance and OP Life Insurance by 50% by 2030 compared to 2019
- Pohjola Insurance aims to reduce the carbon intensity of its insurance portfolio for large corporate customers by 25 percent by 2030 compared to the baseline year 2023

OP Pohjola's updated sustainability programme aims to keep its own real estate's Scope 1 and Scope 2 emissions at the current level – renewable energy must account for at least 99% of the real estate's total energy consumption. The target includes emissions from OP Pohjola's own properties, generated by heating oil, fuel oil used in stand-by generators, electricity, district heating and district cooling. In addition, the sustainability programme contains following indicators:

- Indicator: We will set emissions reduction targets for OP Pohjola suppliers during 2026
- Indicator: We will increase the share of renewable energy of the total energy consumption of properties in our use to at least 99%
- Indicator: We will increase the use of solar energy in our owned properties and properties

used by our business operations

Promoting the circular economy in customers' operations

OP Pohjola aims to promote the circular economy in its customers' operations. This target contributes to the SDGs 13 – Climate action and 12 – Responsible consumption and production. OP Pohjola strives to ensure that 40% of large companies that produce or use steel, aluminium, concrete or cement have set a target on the use of secondary raw materials by 2030. Additionally, OP Pohjola will increase the share of the circular economy among reported vehicle and property damage claims to 25% by 2030 compared to 2022.

Biodiversity

OP Pohjola promotes biodiversity and the wellbeing of nature. The target contributes to the SDG 14 – Life below water and SDG 15 – Life on land. OP Pohjola published a biodiversity roadmap in 2023 and will carry out the measures outlined in the biodiversity road map. The indicators for this goal are:

- OP Asset Management will set goals and report on them in 2027. OP Asset Management will publish and track data on the impact of drivers of biodiversity loss (incl. changes in land use, climate change, pollution) on our investments.
- OP Asset Management will supplement the negative screening criteria of OP Asset Management's investment funds promoting sustainability factors with respect to commodities that are detrimental to global deforestation.

Action plans and policies

OP Pohjola published its updated climate transition plan in March 2026. The plan describes OP Pohjola's policy priorities and targets, and how it will adapt its business to the targets of the Paris Agreement. The plan includes concrete measures, timetables and monitoring in support of the targets. OP Cooperative's Board of Directors has approved, and the Supervisory Council has confirmed, the targets and measures under the transition plan. Moreover, they monitor the targets and measures in their follow-up of the sustainability programme's implementation. The plan forms part of the business strategy and risk management and is updated annually in accordance with regulatory requirements and changes in the business environment. Based on OP Pohjola's sustainability programme, the transition plan includes key measures for reducing GHG emissions and directing funding towards sustainable development projects. The financial impacts of transition targets on OP Pohjola's earnings, profitability and capital adequacy have been assessed in a range of medium-term scenarios (5 years). Analysis indicates that the financial impacts, and the impacts on OP Pohjola's capital adequacy, are minor.

Achievement of the transition plan's targets is monitored regularly and progress in fulfilling emissions reduction targets forms part of OP Pohjola's annual sustainability reporting. Key indicators, such as growth in the loan portfolio for sustainable finance, are monitored quarterly as part of management reporting. Emissions and related targets are monitored quarterly for corporate loans. Regarding other activities, they are monitored on an annual basis. OP Pohjola also conducts qualitative analysis of measures and impacts included in the transition plan. This is done within different business units and considered by the ESG Committee at OP Pohjola-level.

Dialogue with corporate customers is key to achieving OP Pohjola's climate change mitigation targets: customers can be offered advice and sustainable solutions jointly developed to promote the achievement of climate goals. For example, active dialogue about emissions reduction targets and transition plans is held with energy sector customers subject to sector-specific targets for 2030. OP Pohjola requires large customers in sectors with high climate transition risk to prepare company-specific emissions reduction plans. Regarding corporate customers, the primary expectation is that they have such plans, the quality of which can be assessed.

OP Pohjola has set a policy according to which it does not finance new coal power plants or coal mines, including companies planning to build them. Furthermore, it does not accept new corporate customers for financing, whose financial dependence on coal as an energy source represents over 5% of turnover. This policy can be disregarded if the corporate customer commits to shifting to a low-

carbon economy and producing a credible strategy to decouple from coal. The goal of these policies is to promote climate change mitigation in OP Pohjola's value chain. Direct equity and fixed income investments by OP Pohjola's sustainable mutual funds now exclude institutions and companies involved in coal, oil and gas exploration and production. OP Pohjola has also ceased financing or insuring new corporate customers that engage in so-called unconventional oil and gas extraction, or the exploration or production of oil or gas in Arctic areas.

OP Pohjola's biodiversity roadmap, approved by OP Cooperative's Board of Directors in 2023, includes key measures to promote biodiversity in the coming years. The roadmap takes account of the Kunming-Montreal Global Biodiversity Framework's targets applicable to the financial sector. The measures included in OP Pohjola's biodiversity roadmap are particularly oriented towards the harm mitigation hierarchy levels "Avoidance", "Minimisation" and "Rehabilitation and restoration".

With respect to sustainable corporate financing, the aim is to discuss biodiversity goals with 200 corporate customers (those that are considered most material based on our exposures) in the sectors assessed as most material for our business (agriculture/food industry, forest industry, energy, real estate and construction, and transport). OP Corporate Bank has developed a concept for meetings on biodiversity. In the first stage, the aim is to form a clear picture of customers' maturity and progress in ecological work and target setting, as a guide for engagement with customers. The concept was piloted at the end of 2024 and the beginning of 2025, and will be further developed based on the experiences gathered.

During the reporting period of 2025, OP Pohjola developed a method of measuring biodiversity impacts arising from water risk, by performing a pilot analysis of water risk. This involved analysing the activities of companies, in sectors critically dependent on water, which operate in areas with high water stress. The results can be included in the annual materiality analysis of ESG risks. More detailed assessment of water risk is also enabled by improvements in location data.

Principle 3: Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Client and Customer engagement

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on the client engagement strategy including but not limited to the impact areas identified/ targets set, awareness raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Links & references

[OP Pohjola's Annual Report 2025](#)

p. 25, p. 103, p. 186, p. 208,

OP Pohjola maintains open and continuous dialogue with various stakeholders. On the basis of dialogue, one of the key principles and goals of stakeholder engagement is to identify areas of development in OP Pohjola's sustainability work. OP Pohjola prioritises being a reliable partner that respects the values of its stakeholders.

Dialogue with corporate customers is key to achieving OP Pohjola's climate change mitigation targets: customers can be offered advice and sustainable solutions jointly developed to promote the achievement of climate goals. For example, active dialogue about emissions reduction targets and transition plans is held with energy sector customers subject to sector-specific targets for 2030. OP Pohjola requires large customers in sectors with a high climate transition risk to prepare company-specific emissions reduction plans. Regarding corporate customers, the primary expectation is that they have such plans, the quality of which can be assessed.

As part of corporate financing, OP Pohjola performs company-specific ESG analyses based on sector-specific materiality in the downstream value chain. In practice, corporate customers are divided into ESG sectors based on industry exposure to ESG factors. If an ESG sector and the total exposures of a group of connected clients are considered material, an ESG analysis is performed in support of the financing decision, in order to identify any material climate-change and climate-change mitigation topics relevant to the customer's business. The need for an ESG analysis is regularly assessed during the customer relationship. In addition, an ESG section is included in credit analyses of corporate customers covered by expert rating, in cases where the exposures of a group of connected clients are considered material. The section includes a concise description of the sector's ESG risks that are material to credit risk, potential company-specific ESG risks, and how the company has prepared for such risks. In the case of smaller customer relationships, ESG risks are evaluated as part of the creditworthiness assessment, particularly in relation to climate risks. In addition, ESG analysis helps us to recommend suitable sustainable corporate finance for our customers. The amount of sustainable financing is measured in the sustainability programme. In 2025, the amount was 8.9 billion euros.

OP Pohjola has identified key sectors and a group of companies with which it engages in detailed dialogue on biodiversity, with the main aim of raising awareness in customer companies. With respect to sustainable corporate financing, the aim is to discuss biodiversity goals with 200 corporate customers (those that are considered most material based on our exposures) in the sectors assessed as most material for our business (agriculture/food industry, forest industry, energy, real estate and construction, and transport). OP Corporate Bank has developed a concept for meetings on biodiversity. In the first stage, the aim is to form a clear picture of customers' maturity and progress in ecological work and target setting, as a guide for engagement with customers. The concept was piloted at the end of 2024 and the beginning of 2025, and will be further developed based on the experiences gathered.

Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio,* and which SDGs or impact areas you bank is striving to make a positive impact on (e.g. green mortgages—climate, social, sustainability bonds—financial inclusion, etc.).

* Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes

Links & references

[OP Pohjola's Annual Report 2025](#)

p. 100, p. 186, p. 207

[Green Bond Framework](#)

In line with its strategy, OP Pohjola provides customers with financial sector solutions enabling responsible choices and business. It is simultaneously progressing towards fulfilment of its own sustainability targets: emissions reduction targets are being achieved alongside customers.

One of the sustainability programme's goals is "We will offer sustainable financing and investment products to our customers". Accordingly, OP Pohjola continuously develops its product and service range to include an even higher number of sustainable and green financing and investment options. Its target in this regard was that sustainable financing products would account for at least EUR 8 billion by the end of 2025. This target has been achieved (EUR 8.93 billion at the end of December 2025). OP Pohjola updated its sustainability programme in December 2025, with effect from the start of 2026. According to the updated programme, the target for sustainable financing products is that they account for at least EUR 11 billion of total commitments by the end of 2028.

OP Corporate Bank's Green Bond Framework serves as the primary criteria for identifying suitable investments for green financing (such as green loans) provided by OP Pohjola. Where applicable, corporate customers' own green finance frameworks, or their key criteria for promoting alignment with the EU Taxonomy, can also be used as green financing criteria. The sustainable finance product range includes sustainability linked financing, in which funds are used for general purposes; and green financing, where use of funds is limited to promotion of a certain green business or project. Both types of financing can be applied to e.g. loans and facilities, leasing and hire-purchase financing, supply chain financing, and bonds. OP Pohjola engages in regular dialogue with debt investors, updating the GBF as necessary to meet their expectations. Its green frameworks and annual reporting on green bonds can be found on its debt investor websites.

At the end of 2025, nearly 92.0% of OP Pohjola's funds were funds that promote ESG characteristics (EU sustainable finance disclosure regulation, article 8) or funds with the objective of sustainable investment (SFDR, article 9). Funds in accordance with Article 9 accounted for 6.0% of all funds. The sustainability programme's target for responsible investment funds as a share of total fund assets (80%) was therefore achieved by the end of 2025. This target is retained in the updated sustainability programme, valid from the beginning of 2026 – responsible investment funds must account for 80% of OP Pohjola's total fund assets by the end of 2028.

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

Stakeholder identification and consultation

Describe which stakeholders (or groups/types of stakeholders) your bank has identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of the bank's engagement strategy following criteria for effective engagement and advocacy, how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Links & references

[OP Pohjola's Annual Report 2025](#)

p. 23, p. 103, p. 120

As Finland's largest financial-sector service provider, OP Pohjola maintains open and continuous dialogue with various stakeholders. Stakeholder engagement is deeply embedded in the cooperative business model. On the basis of dialogue, one of the key principles and goals of stakeholder engagement is to identify areas of development in OP Pohjola's corporate responsibility work. OP Pohjola prioritises being a reliable partner that respects the values of its stakeholders.

In its ESG forum, OP Pohjola engages in open discussions with various operators; promotes themes that are important to society, stakeholders and itself; and listens to parties that might be affected by its operations. The ESG forum brings together various stakeholders. These stakeholders range from representatives of owner-customers, employees, the environment and social responsibility to various parts of the financial and corporate world. Representatives express their opinions in meetings arranged by OP Pohjola and through surveys – conducted by the Group ESG Function at least annually – of ESG forum members. To ensure that its decisions include stakeholders' perspectives, OP Pohjola continuously surveys its personnel, consumers and customers, and tracks changes in the business environment. It also regularly uses means such as surveys and discussions to involve member cooperative banks and governing bodies in development based on sustainability themes. Members of the ESG forum, and management and governing body members of OP Pohjola, receive the results of surveys and discussions in quarterly reports or other reviews, which include information on how the results will be used in the future.

Stakeholders' views are considered when deciding on business, sustainability and corporate responsibility work, for example when updating and implementing OP Pohjola's sustainability programme in business units and OP cooperative banks. OP Pohjola's sustainability programme also includes the identification of human rights impacts and development of human rights work. A Human Rights Policy has been drawn up on the basis of the sustainability programme; the Policy guides OP Pohjola's operations and stakeholders such as the relevant value-chain employees, and organisations and consumers. When necessary, stakeholders' opinions and views are also discussed and presented on OP Pohjola's various governing bodies, and to stakeholders themselves.

Experts from a wider range of OP Pohjola's businesses, across the first and second lines of defence, were involved in the 2025 double materiality analysis, increasing the range of perspectives and the scope of the analysis. In addition, the sustainability programme update involved a wide range of stakeholders: governing bodies, management, personnel and members of OP Pohjola's ESG Forum. Stakeholders' observations and feedback were collected through meetings, interviews and surveys of various target groups. The updated sustainability programme for OP Pohjola was approved by the Board of Directors of OP Cooperative on 25 November 2025 and confirmed by the Supervisory Council of OP Cooperative on 4 December 2025.

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

Governance Structure for Implementation of the Principles

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts (including accountability at the executive leadership level, clearly defined roles and responsibilities for sustainability matters in internal processes, etc.) and support the effective implementation of the Principles.

Links & references

[OP Pohjola's Annual Report 2025](#)

p. 95-99

OP Cooperative's Board of Directors supervises the implementation of sustainability work and approves OP Pohjola's strategic priorities. It also monitors metrics and policies on ESG factors. The Board of Directors and its Risk Committee considers a quarterly report on OP Pohjola's material ESG and corporate responsibility matters and their impact on OP Pohjola.

In each quarter, OP Cooperative's Executive Management Team, the Board of Directors' Risk Committee and the Board of Directors discuss a review of current ESG and corporate responsibility topics. OP Pohjola actively monitors its sustainability programme's metrics and reports quarterly on their development to OP Cooperative's Executive Management Team, and annually to the Risk Committee, Board of Directors and the Supervisory Council of the Board of Directors.

Appointed by the Executive Management Team, OP Pohjola's ESG Committee provides support for the management of sustainability and corporate responsibility matters. The ESG Committee monitors, controls and reports on implementation of the sustainability programme, prepares OP Pohjola-level policies, and monitors sustainability and corporate responsibility regulation. ESG and sustainability feature regularly on the agendas not only of the central cooperative's Board of Directors and the Executive Management Team, but also of the management teams of individual business units.

The Risk Committee monitors the effectiveness of OP Pohjola's risk appetite and risk management principles, risk policies and limits, and that of detailed guidelines on such matters. It also assesses how, based on the existing risk profile, OP Pohjola's performance and capital base would react to external and internal events and to trends affecting external change drivers in different scenarios, particularly in stress scenarios of various kinds. In addition, on the basis of reports from the Risk Management Committee, the Risk Committee assesses the suitability and scope of scenarios specifically intended for use in risk management (macroeconomic scenarios, transformative scenarios related to external change drivers, and scenarios related to unexpected events). The aim is to ensure that the scenarios apply to OP Pohjola's revenue logics and support comprehensive risk management. In addition, the Committee assesses how ESG factors (factors related to climate and the environment (including nature), to people and communities, and to governance) impact on OP Pohjola's customers. It also assesses the implementation of OP Pohjola's sustainability programme and transition plan.

The Remuneration Committee provides a framework for, steers, monitors and controls the development of overall remuneration of employees across OP Pohjola. The terms of OP Pohjola's remuneration scheme state that the scheme must take consistent account of sustainability risks. In addition to financial risks and compliance with OP Pohjola's values and culture, its internal remuneration schemes address sustainability risks and reputational risk. One of the requirements of variable remuneration is compliance with OP Pohjola's sustainability risk management principles. Sustainability factors affect the targets set for Executive Management Team members, including those of the President and Group CEO. 10% of their performance-based bonus depends on attainment of their shared sustainability target.

The Nomination Committee's legal and statutory duties include assisting the Board of Directors in the appointment of a Chief Audit Executive, Chief Risk Officer, Chief Compliance Officer and directors directly reporting to the President and Group Chief Executive Officer.

For the implementation of the EU's Corporate Sustainability Reporting Directive (CSRD) and ESRS standards, OP Pohjola has a CSRD Steering Group that draws up the sustainability reporting principles, supports preparation of the sustainability report, and ensures completion of the annual reporting process. Sustainability reporting is supported by the reporting system, which automates the process. In addition, OP Pohjola has an ESG Regulation Steering Group that reports to the ESG Committee on a quarterly basis. In 2025, the implementation of sustainability reporting was reported regularly to the Audit Committee of OP Cooperative's Board of Directors.

Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Links & references

[OP Pohjola's Annual Report 2025](#)

p. 94-97, p. 100, p. 186, p. 188, p. 217-218, p. 235, p. 248, p. 250, p. 578

OP Pohjola invests in developing competencies that are key to its success. Moreover, it has continued the activities begun in 2024 to promote a diverse, equitable and inclusive workplace.

Personnel competencies

Increasing employees' knowledge of products that promote sustainability is important to OP Pohjola. In 2025, the focus was on developing personnel competencies to help OP cooperative banks' Account Managers to identify and discuss material sustainability topics – such as investments promoting low emissions or GHG reduction – with corporate customers. OP Pohjola's customers were trained on how to start sustainability work in SMEs, through sustainability coaching arranged in partnership with the Finland Chamber of Commerce.

Enhancing personnel competencies in line with sustainable insurance topics is a key element in Pohjola Insurance's sustainability and corporate responsibility work. Targeted training is provided for those working closely with the matters concerned. In addition, at the start of 2025, Pohjola Insurance launched a sustainability network open to all employees in the business. The network has provided opportunities to participate in webinars, fast-fact briefings and other events on a monthly basis. It also enables low-threshold sharing of information on sustainability topics. An example is the second Insurance Responsibility Week, during which the network arranged a variety of events on sustainability topics, such as promotion of the circular economy, loss prevention, neurodiversity in working life, and sustainable investment.

In line with OP Pohjola's responsible AI policies, OP Pohjola makes continuous investments in the security of AI and personnel competencies. In 2025, personnel competencies were strengthened by training on the use of AI tools and courses offering more in-depth competencies.

In 2025, OP Pohjola provided training on various topics related to marketing law to ensure that specialists operate in compliance with legislation when conducting marketing activities. The goal is to ensure that all customer communication and marketing are transparent, truthful and comply with regulation. Furthermore, training ensures that personnel have the competence and ability to identify situations in which the principles of provision of information must be followed with particular care. OP Pohjola actively monitors changes in regulation and guides and trains business functions accordingly.

Instructions on managing conflicts of interest and preventing corruption are available on OP Pohjola's intranet pages. Compliance with the guidelines is supported by an online training course, Managing conflicts of interest and anti-corruption, which is mandatory for all personnel on an annual basis. Governing body members must complete the course at least once. In addition to compulsory online courses, Compliance has provided training for OP Pohjola employees on managing conflicts of interest and preventing corruption.

Personnel's competence plays a key role in fraud prevention. The annual Security Days seminars and Q&A sessions provide personnel with an easy opportunity to raise questions and highlight any training needs. Online courses on financial crime prevention have continued to be developed and internal info sessions have been increased, so that every employee is able to identify the risks and act appropriately when dealing with customers. With these measures, OP Pohjola continues its determined efforts to prevent fraud and ensure the safety of its customers. All OP Pohjola employees are regularly trained in matters such as the detection and reporting of suspicious transactions. The trainings ensure that all OP Pohjola employees understand the regulations, guidelines and procedures related to anti-money laundering activities and sanctions. All OP Pohjola employees must complete the Basics of financial crime prevention online course every year.

Governing body competencies

OP Pohjola takes a long-term approach to planning the composition of governing bodies. Governing bodies perform annual self-assessments of their collective competence and work, in which they consider the potential need to e.g. supplement their competencies and experience. When proposing new members, nomination committees use governing bodies' self-assessments in their own assessments of their governing body's supplementary needs. To work effectively on governing bodies, members require sufficiently diverse expertise, skills and experience. When selecting governing body members, nomination committees address the nominee's added value to the body's composition in terms of factors such as the promotion of diversity. Diversity is fostered by ensuring that candidates have a wide range of knowledge, skills and experience, and ensuring diverse representation of genders and age groups. Regarding the governing bodies of OP cooperative banks and OP Cooperative, sufficient geographical representation of members must also be considered. The governance training service, which applies to the governing body members of OP cooperative banks and OP Cooperative, offers courses for governing body members covering topics such as the contents of the Code of Business Ethics and the principles of good corporate governance.

Moreover, the expertise of the Board of Directors and management is enhanced through regular sustainability training. In 2025, the Board of Directors received training in areas such as the materiality analysis methodology and the identification of ESG risks. In addition, diversity workshops have been arranged for various management teams and an online course on diversity has been added to the governance training environment.

Inclusive workplace practices

OP Pohjola's pay and remuneration policies are fair, and the criteria underlying the pay and reward schemes are transparent. Throughout OP Pohjola, common remuneration principles and pay policy are applied. The contents of the pay policy are regularly reviewed, and its implementation is assessed and monitored on a regular basis. In all decisions related to recruiting, career progression and remuneration, the most important selection criteria are the person's performance, qualifications and competencies.

The implementation of the principles in remuneration measures is supported by training arranged for supervisors, material on remuneration made available for personnel, and through regular communication by the highest governing body and senior management on remuneration measures. The implementation and regulatory compliance of OP Pohjola's remuneration is supervised on an annual basis by OP Pohjola's centralised Compliance function and Internal Audit, which also facilitates the implementation of the Remuneration Principles confirmed at OP Pohjola.

Good multilingual practices and suggestions for improvement were collected from the staff through a

survey, interviews and events in 2025 in support of a multilingual workplace. On the basis of these, OP Pohjola's multilingual practices were published, providing concrete guidelines and support for workplaces and teams where Finnish is not the common language of everyone. OP Pohjola will ensure that the key instructions on the intranet are available in Finnish, English and Swedish, and that the applied practices ensure access to orientation sessions, training courses and events in English.

Risk and due diligence processes and policies

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures your bank has in place to oversee these risks.

Links & references

[OP Pohjola's Annual Report 2025](#)

p. 122, p. 124, p. 181, p. 214, p. 220, p. 232, p. 241, p. 243

A strong culture of risk management and compliance is one of OP Pohjola's strategic priorities. It supports corporate responsibility and ensures operational reliability in all conditions. OP Pohjola's risk management process continuously assesses changes in the external business environment in relation to OP Pohjola's business and strategy. On one hand, risks and opportunities identified in OP Pohjola's risk management were used in the double materiality analysis. On the other, the double materiality analysis produces new information for OP Pohjola's risk management process, concerning risks and opportunities that are material for OP Pohjola, and risks and opportunities arising from its operations. Management of ESG risks in business units is part of risk management of OP Pohjola's downstream value chain.

Company-specific ESG analyses

In corporate lending, company-specific ESG assessments are conducted based on sector-specific materiality and integrated into credit analysis and decision-making. The need for an assessment is reviewed regularly during the client relationship. The assessments support both risk management and client dialogue by identifying material sustainability topics relevant to the client's business..

RAF and RAS

OP Pohjola has in place a uniform Risk Appetite Framework and risk management practices, approved by OP Cooperative's Board of Directors, that support the provision of secure banking and insurance services. OP Pohjola's Risk Appetite Statement (RAS) describes the starting points, preconditions and principles of OP Pohjola's business and risk-taking, and defines the key concepts related to risk appetite. The Risk Appetite Framework (RAF) outlines the strategic intents of the risk management process and specifies them by revenue logic. Moreover, the RAF sets out how senior management must organise the risk management process within OP Pohjola. The scope of application of RAF and RAS covers the entire operations of OP Pohjola.

Banking Risk Policy and Credit Policy

OP Pohjola's Banking Risk Policy (and supplementary Credit Policy Applied to Corporate and Institutional Customers) steer how ESG factors are taken into account in lending. The Banking Risk Policy includes policies on lending to companies and housing companies, and mortgages and consumer loans. In the Banking Risk Policy, OP Pohjola outlines its principles of sustainable financing, which include evaluating potential climate change impacts when assessing creditworthiness. The Policy also includes provisions on emission limits for the corporate loan portfolio, on emissions intensity limits for the energy sector and home loan portfolios, and green loans' share of all loans granted for the sector. The Credit Policy Applied to Corporate and Institutional Customers gives a detailed description of how ESG factors are addressed in financing and decision-making. The Credit Policy is subject to approval by OP Cooperative's Board of Directors.

Procurement Policy

OP Pohjola's Procurement Policy aims to ensure a high-quality, reliable and cost-effective supplier and partner network and to harmonise policies related to procurement, supplier selection and supplier relationships. The policy promotes sustainable cooperation and risk management, especially in relation to outsourcing and third parties. The policy requires suppliers to comply with OP Pohjola's Supplier Code of Conduct, which covers ethical principles, human rights, occupational health and safety, environmental responsibility and the legality of business activities.

Human Rights Policy and Statement

According to the human rights due diligence process, OP Pohjola regularly assesses human rights-related risks and any adverse human rights impacts that may affect workers in the value chain due to OP Pohjola's operations. OP Pohjola's Human Rights Policy describes the identified material adverse human rights impacts and the measures for managing them. OP Pohjola does not accept human trafficking, forced labour, child labour or any form of discrimination in its own activities or the operations of its value chains. In accordance of its Human Rights Statement, OP Pohjola respects the right of workers to unionise.

Whistleblowing channel

OP Pohjola maintains a whistleblowing channel available to employees and external parties. Reports are handled independently within the Compliance function.

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

The information provided in the Responsible Banking Progress Statement is sufficient. If third-party assurance has been undertaken, provide details on the scope of assurance and the reference/link to the Independent (Limited) Assurance Report

OP Pohjola is committed to transparent and consistent sustainability reporting. Sustainability information is disclosed as part of the Annual Report in accordance with the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards.

The sustainability report forms part of the Board of Directors' Report and covers material sustainability impacts, risks and opportunities identified through the double materiality analysis. Sustainability reporting is subject to external assurance.