



OP POHJOLA

OP Pohjola's transition plan

12 March 2026





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Summary

OP Pohjola is committed to the Paris Agreement. OP Pohjola is committed to ensuring that its corporate loan portfolios are carbon neutral by 2050 (from 2026, the term "net zero emissions" is used instead of "carbon neutral"). OP Asset Management and OP Fund Management Company are committed to the same target for the mutual funds they manage. Pohjola Insurance and OP Life Assurance Company aim to achieve net zero emissions for investment assets by 2050. OP Pohjola has set transition targets to bring its business on a trajectory aligned with the Paris Agreement. The transition targets include OP Pohjola's greenhouse gas (GHG) emissions reduction targets for its own operations, reduction targets for GHG emissions from financing, investment and insurance business, an extension of the sustainable financing portfolio and Pohjola Insurance's circular economy target.

In 2022, OP Pohjola companies set the following transition targets:

- OP Pohjola will cut 25% of its corporate loan portfolio GHG emissions by 2030, compared with the 2022 level
- 50% reduction in GHG emission intensity of OP funds by 2030, compared to 2019

The following sector-specific targets were set in 2023 for business loans and mortgages:

- Emissions intensity of energy production will be reduced by 50% by 2030 compared to 2022.
- Absolute emissions of agriculture will be reduced by 30% by 2030 compared to 2022.
- Emissions intensity of mortgages will be reduced by 45% by 2030 compared to 2022.

OP Pohjola has progressed towards these transition targets at the expected rate or even faster, which is why OP Pohjola has set new targets in this transition plan and updated the existing targets in the sustainability programme that became effective at the beginning of 2026:

- A new target for Pohjola Insurance is to reduce the emissions intensity of its insurance portfolio for large corporate customers by 25% by 2030 compared to 2023
- OP Pohjola will reduce 50% of its business loan portfolio emissions by 2035 compared to 2022 (an update to the current target)
- The share of renewable energy of the total energy consumption of properties in our own use is at least 99% (emissions target of our own operations). OP Pohjola considers the following energy sources as renewable energy: wind power, solar power, hydropower, energy from bio-based sources, and renewable energy from various heat pump solutions.
- OP Pohjola will increase the use of solar energy in the properties it owns and properties used by its business operations (emissions target of OP Pohjola's own operations)
- In addition, OP Pohjola will set an emissions reduction target for its suppliers during 2026 (Scope 3 emissions of the supply chain).

To support the transition targets, a number of measures have been set to support the progress of our customers, businesses and own operations towards net zero emissions and a sustainable future. The measures consist of a range of sustainable finance products, exclusion and credit policy priorities, cooperation with customers and contractual partners, and active monitoring of climate-related information and communicating about it.

OP Pohjola's transition targets have been approved in OP Pohjola's sustainability programme, and they will also be described in OP Pohjola's future transition plans. These targets also form the intent of OP Pohjola's transition.



Introduction

OP Pohjola's transition plan describes OP Pohjola's current state, targets and measures taken towards a net zero economy and is an integral part of OP Pohjola's strategy process, risk management and executive remuneration.

The transition plan consists of five main sections that guide the planning, implementation and monitoring of OP Pohjola's climate transition:

- 1 Intent – describes OP Pohjola's intent and role in the transition towards a net zero economy.
- 2 Analysis – describes OP Pohjola's current situation, GHG emissions distributions and methodological starting points that serve as the background for the transition plan.
- 3 Targets – presents tangible transition targets.
- 4 Transition measures – describes business-specific measures to achieve the transition.
- 5 Monitoring and development – defines how the progress of the transition plan is monitored, which indicators and management models support its implementation and how the plan will be developed in future.



The purpose of the transition plan is to describe OP Pohjola's strategic path towards net zero economy. As a signatory to the Paris Agreement, OP Pohjola published its initial climate transition plan at the end of 2024, describing the measures it had already taken to manage the negative impacts of climate change. The plan also outlined OP Pohjola's own transition roadmap. The present, more extensive, transition plan describes in detail the measures, targets and background analyses of the targets that drive OP Pohjola's climate actions while also serving as a catalyst for future climate efforts. Climate actions are carried out together with the customers. The transition plan contributes to OP Pohjola's mission of promoting the sustainable prosperity, security and wellbeing of our owner-customers and operating region.

The targets of the Climate transition plan are part of OP Pohjola's sustainability programme. The targets and measures chosen by OP Pohjola reflect a materiality analysis and analyses conducted on OP Pohjola's GHG emissions. The background analyses are continuously updated and developed and their results are always taken into account in the latest revision of the transition plan.

OP Pohjola has set transition targets to align OP Pohjola's business with the Paris Agreement. These transition targets include OP Pohjola's emissions reduction targets for its own operations, reduction targets for GHG emissions from financing, investment and insurance business, an extension of the sustainable financing portfolio and Pohjola Insurance's circular economy target.

The transition targets are supported by exclusion lists, and restrictions related to fossil fuels have been set for companies we invest in and companies we take as customers. In addition, the setting of new limits involves considering the intensity-based transition targets for mortgages, funds and business loans for the energy sector.

The transition plan and its progress are monitored actively, and its updatedness is reviewed annually.



Intent

OP Pohjola's mission is to promote the sustainable prosperity, security and wellbeing of its owner-customers and business environment. The mission has guided OP Pohjola's operations for decades, and it also guides OP Pohjola's ESG and corporate responsibility activities as well as OP Pohjola's role in the green transition.

Responsibility is one of OP Pohjola's three core values – people first, responsibility and succeeding together – and therefore an inseparable part of OP Pohjola's strategy. Responsibility does not exist in a vacuum. Instead, it is an overarching principle that guides all our actions and manifests itself in OP Pohjola's strategic priorities, especially in "value for customers" and "highly skilled, motivated and satisfied personnel." OP Pohjola's intent is to provide its customers with solutions that support sustainable business and responsible choices. The intent highlights OP Pohjola's desire to enable sustainable choices for our customers and to be a financier, insurer, and investor in the green transition in Finland and in the Baltic countries. This intent is reflected in the transition plan, and the transition targets in the plan are a part of OP Pohjola's sustainability programme.



Analysis

OP Pohjola aims to continuously deepen its understanding of both direct and indirect climate impacts. In 2025, total 95.4% of OP Pohjola's GHG emissions were generated under Scope 3 category 15, which is why identifying transition risks associated with GHGs requires high-quality calculation of financed and insured emissions in conjunction with measures that promote emissions reductions in sectors identified as material. Scope 1 and 2 emissions generated in customer companies through financing, investments, and insurance are included in OP Pohjola's Scope 3 category 15, that is, indirect emissions under the category 'Investments'.



In 2022, OP Pohjola revised its methods of measuring GHG emissions belonging to category 15 of the GHG Protocol Scope 3 Standard. In doing so, it migrated to compliance with the Partnership for Carbon Accounting Financials' (PCAF's) harmonised accounting approach for GHG emissions for the financial sector. In 2023, OP Pohjola began PCAF-compliant GHG accounting of its insurance business for the first time. OP Pohjola has also established its own principles for GHG emissions calculation which complement the PCAF Standard's guidelines regarding the materiality of asset classes and situations where emissions recalculation is performed.

Calculation of GHG emissions financed by banking and Wealth Management covers the following asset classes: business loans, mortgages, motor vehicle loans, listed equity and corporate bonds. The calculation methodology applied to business loans is used to calculate emissions data on commercial real estate financing (CRE), which is included in business loans. Emissions data on commercial real estate financing will be reported as a separate asset class in the future, when the required calculation data becomes available.

Calculation in the unlisted equity asset class is under development, but is not yet included in emission calculation. Because development of the calculation methodology for sovereign debt is being monitored, such bonds are not yet included in emission calculation. On the other hand, they have low materiality in the overall calculation of OP Pohjola's emissions.

OP Pohjola reviewed the project finance portfolio in 2024. As a result, these emissions will not be calculated for the time being due to the portfolio's low materiality.

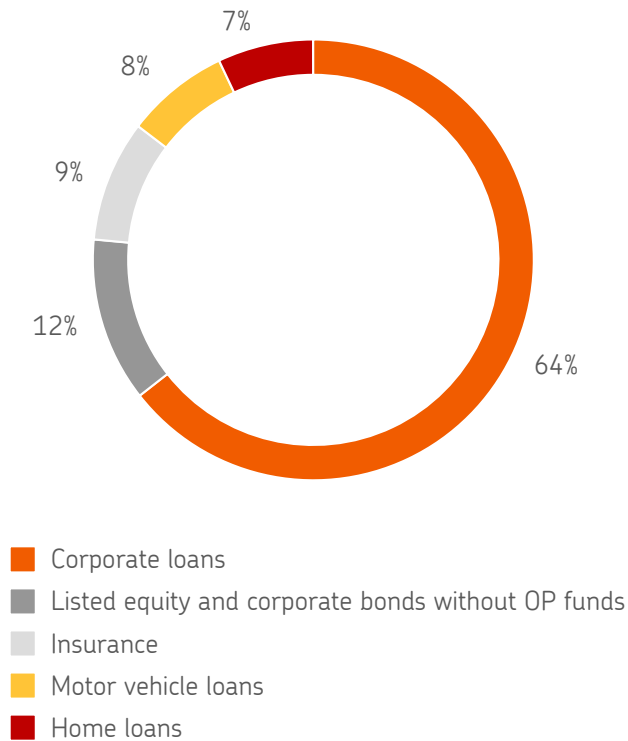
A review of indirect property investments was performed in 2025. These investments consist of real estate funds managed by a third party. In light of the audit's results, the related GHG emissions are not included in OP Pohjola's emission calculation due to their low materiality. Most property investment assets are operationally controlled by OP Real Estate Asset Management; this is addressed accordingly in OP Pohjola's Scope 1 and 2 emissions.

Calculation of insurance-associated GHG emissions includes emissions associated with motor vehicle insurance for personal and corporate customers, and emissions related to property and liability insurance for corporate customers, in accordance with the scope set by the PCAF Standard.



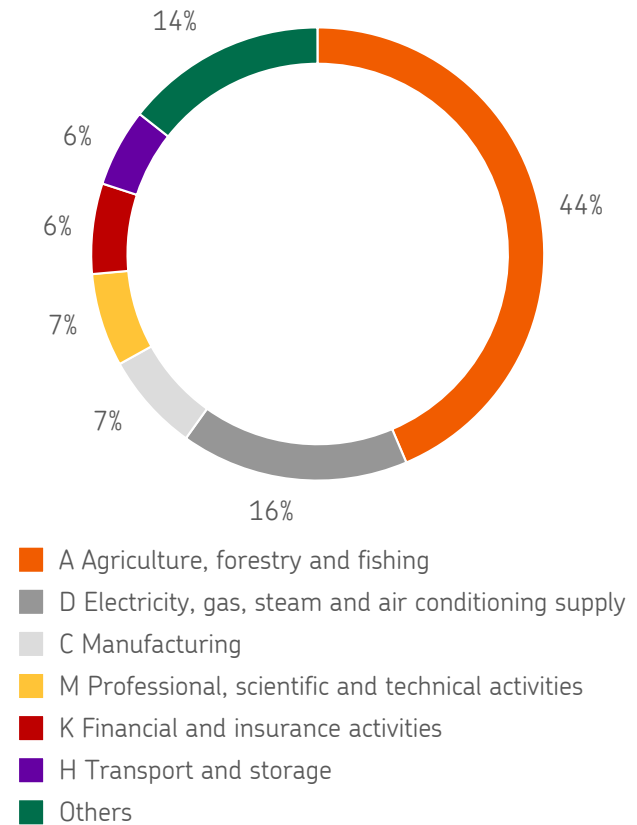
Charts 1 and 2 show the distribution of OP Pohjola's GHG emissions across different asset classes, calculated according to the PCAF standard, and the distribution of emissions related to business loans referred to in the PCAF standard across different sectors as of 31 December 2025.

Chart 1: Distribution of OP Pohjola's financed and insured GHG emissions by asset class



The GHG emissions totalled 2,819,072 tCO₂e. It should be noted that the PCAF-compliant calculation methods for financed and insured GHG emissions differ, which makes the figures not directly comparable.

Chart 2: Distribution of financed GHG emissions of OP Pohjola's business loans by sector



OP Pohjola's business loans are particularly heavily weighted towards energy production and the real estate sector. The proportion of the agricultural sector in the portfolio is relatively small in terms of euros, but the sector produces significant GHG emissions.



Chart 3 shows the Scope 1–2 GHG emissions of OP Pohjola's funds' investments by sector. Approximately half of the total emissions comes from high-emission basic industries.

Chart 4 shows the Scope 1–2 emissions generated through Pohjola Insurance policies by sector.

Chart 3: Distribution of financed GHG emissions of OP Pohjola Wealth Management by sector

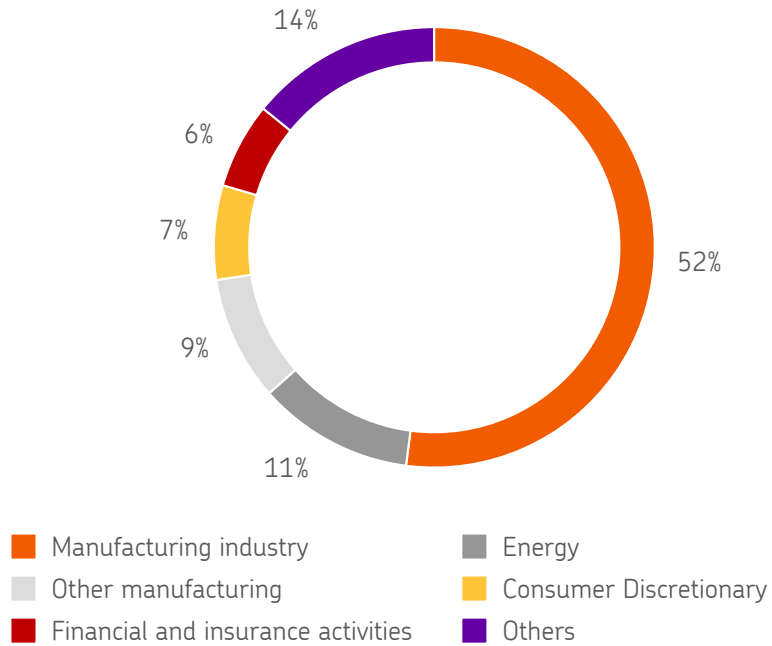
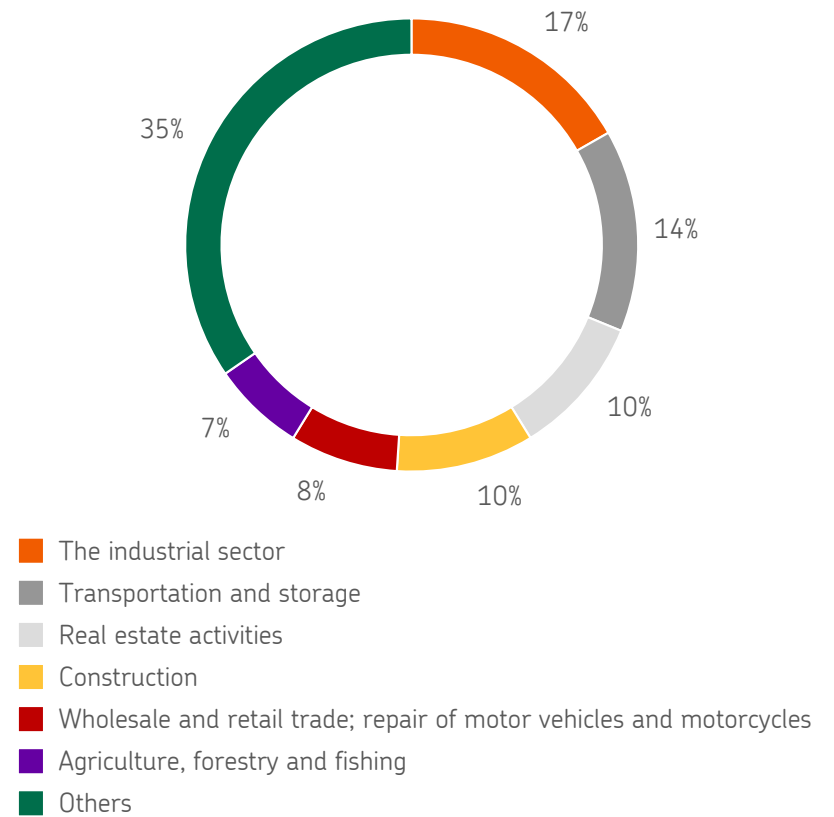


Chart 4: Distribution of indirect GHG emissions generated through the insurances of Pohjola Insurance by sector





Targets

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The financial sector plays a key role in the mitigation of climate change, particularly through financing and investment operations, but also through insurance and claims management. OP Pohjola is committed to the Paris Agreement, which aims to limit the global temperature increase to 1.5°C. OP Pohjola has not been excluded from Paris-aligned benchmark values.

OP Pohjola has set climate targets for both its own operations and its customers' business operations. The targets also support the Principles for Responsible Banking under the United Nations Environment Programme Finance Initiative (UNEP FI). OP Pohjola has been a founding member of the Principles since 2019.

OP Pohjola's climate and environmental targets are based on our financing, investment and insurance products, and the opportunities they bring for reducing GHG emissions. In addition, OP Pohjola promotes climate change mitigation by using circular economy business models. OP Pohjola's own operations and procurements reduce climate impacts by improving energy efficiency, increasing the share of renewable energy and adopting solutions that minimise GHG emissions.

This section presents a concise overview of OP Pohjola's transition targets and their background analyses.

OP Pohjola's Scope 1 and 2 GHG emissions reduction target in its own operations

OP Pohjola previously set the goal of making its own operations carbon neutral by the end of 2025 (from 2026, the term "net zero emissions" is used instead of "carbon neutral"), including emissions from energy consumption and fuels (Scope 1 and Scope 2). 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. OP Pohjola has taken account of the GHG emissions of the company cars it owns and manages in its Scope 1 and 2 emissions accounting since 2024. OP Real Estate Asset Management's GHG emissions were included in OP Pohjola's emissions accounting in the same year.



By the end of 2025, GHG emissions had fallen by 98.6% compared to the reference year 2021 (26,165 tCO₂e), and by 31 December 2025, OP Pohjola had 370 tCO₂e of its own emissions remaining. These consist of owned cars and a small amount of heating oil used. The fleet consists of 146 cars, and their GHG emissions have been included in the figures from own operations from 31 December 2024 onwards. GHG emissions from OP Pohjola's real estate are caused by renewable fuel oil used in stand-by generators and fossil fuels used in heating. Their use is justified from a security of supply perspective. In addition, 8 properties still use oil for heating.

OP Pohjola's Scope 3 category 15 GHG emissions reduction targets

OP Pohjola has set numerous GHG emissions reduction targets for indirect emissions classified under Scope 3 category 15, namely the category 'Investments'. At present, the targets cover a significant part of the business of Corporate Banking, Retail Banking, Wealth Management, and Pohjola Insurance. The following subsections present the GHG emissions reduction targets for OP Pohjola's businesses.

GHG emissions reduction targets for OP Corporate Banking and Retail Banking

OP Pohjola is committed to achieving net zero emissions in its business loan portfolios by 2050.

OP Pohjola will reduce 50% of the GHG emissions of its business loan portfolio by 2035 compared to 2022. The emissions reduction targets of business loan portfolios and their progress are described in more detail later in this section.

In addition, OP Pohjola has set sector-specific GHG emissions reduction targets based on materiality analysis for the three most emissions-intensive financed sectors. When the targets were set in 2022, these three sectors accounted for 90.6% of GHG emissions from OP Pohjola's loan portfolio. The sector-specific GHG emissions reduction targets are based on IEA's "Net zero by 2050" scenario that aims for net zero greenhouse gas emissions by 2050 and the emissions reduction targets set by major players in those sectors.

- Emissions intensity of energy production will be reduced by 50% by 2030 compared to 2022.
- Absolute emissions of agriculture will be reduced by 30% by 2030 compared to 2022.
- Emissions intensity of mortgages will be reduced by 45% by 2030 compared to 2022.

OP Pohjola is aware that the initial values used in the base years defined for its absolute GHG emissions reduction targets and GHG emissions intensity reduction targets reflect the then-prevailing understanding of climate change and the level of the emission factors used at the time. Baseline years are therefore recalculated when necessary, to maintain the comparability of reported GHG emissions and GHG emissions intensity reductions and to address real-world changes. If significant factors that have affected GHG emissions are identified during the base year or any other year, they are discussed in OP Pohjola's reporting under the affected target.

The progress towards the targets of OP Pohjola's business and mortgages is shown in Figures 5–8 below. The GHG emissions calculation of these loans involves uncertainties, but overall, the targets set for 2030 have progressed favourably, largely due to the electrification of the Finnish society, the increase in green financing options for major customers, and the GHG emissions reductions achieved in Finnish energy production.



Figure 5: Progress towards the emissions intensity reduction target for energy production business loans 2022–2030 [gCO₂e/kWh]

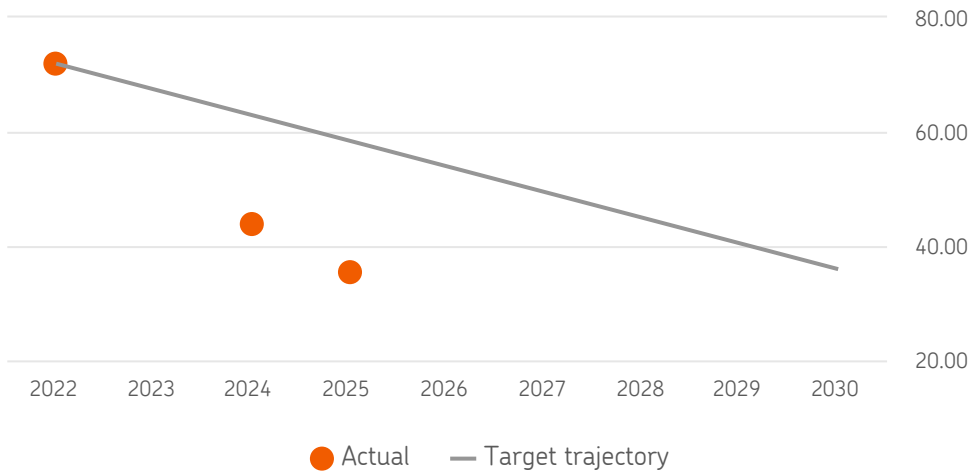


Figure 7: Progress towards the emissions intensity reduction target for mortgages 2022–2030 [kgCO₂e/m²]

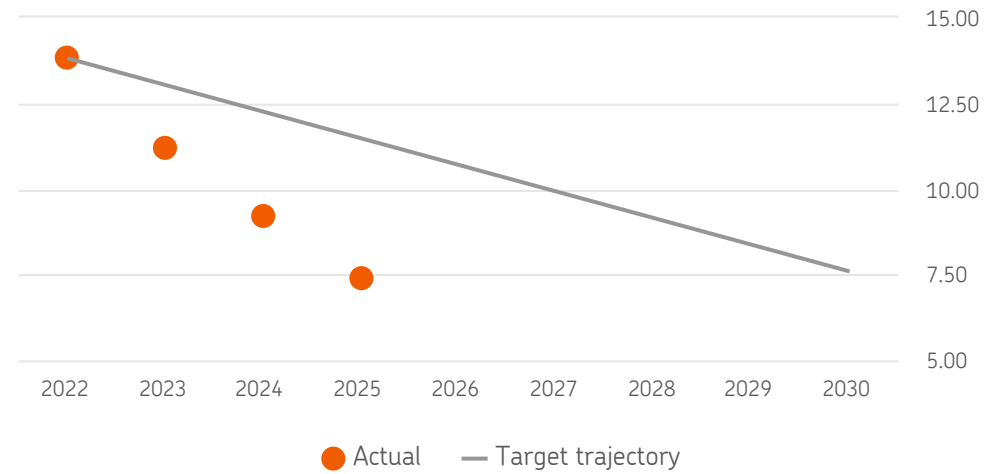


Figure 6: Progress towards the emissions reduction target of the business loan portfolio 2022–2035 [tCO₂e]

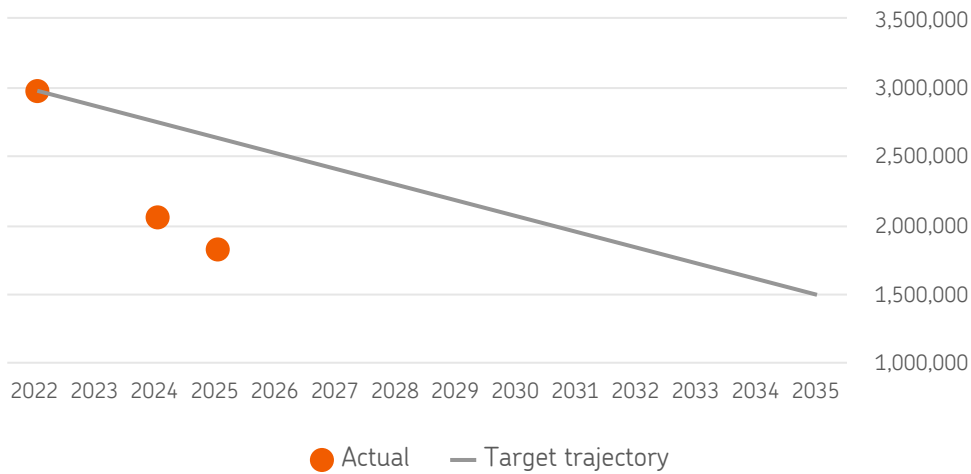
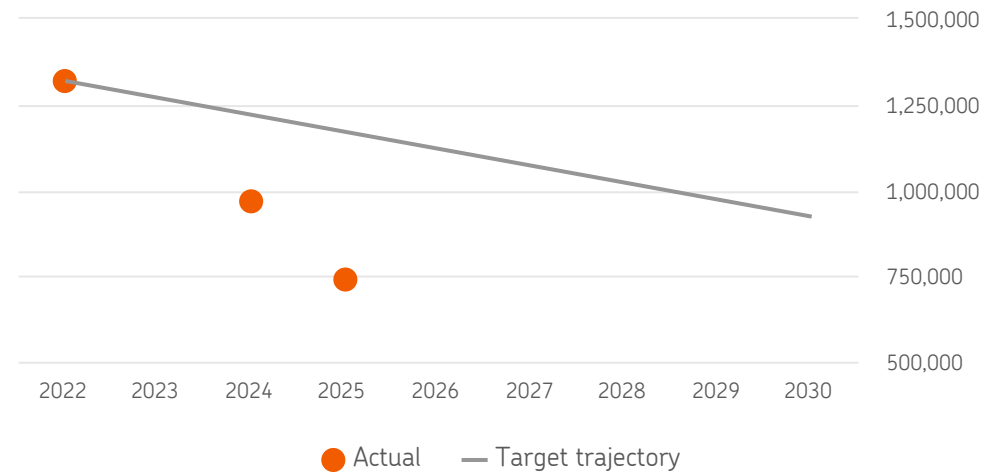


Figure 8: Progress towards the emissions reduction target for agricultural business loans 2022–2030 [tCO₂e]





GHG emissions reduction targets for Wealth Management

Wealth Management is committed to achieving net zero emissions in all its investments by 2050.

- 75% of OP Fund Management Company's fixed income and equity holdings are aligning to net zero, aligned to net zero or net zero by the end of 2030. The interim target is to have 65% of the holdings reach this target by the end of 2028. At the end of 2025 this was at 68%.
- OP Real Estate Asset Management seeks to achieve net zero emissions in the energy consumption of its direct real estate investments by 2030 in cases where the energy is sourced by OP Real Estate Asset Management itself. These targets are promoted by reducing energy consumption in real estate units, and by producing and sourcing renewable energy. OP Real Estate Asset Management's market-based GHG emissions for Scope 1 and 2 were 0 tCO₂e in 2025.
- OP Pohjola's Wealth Management, together with OP Fund Management Company, is committed to halving the GHG emissions intensity of its funds from the 2019 level by 2030. This target was reached at the start of 2024 (see Figure 9).

GHG emissions reduction targets of insurance companies

The target for the insurance companies is to halve the emissions intensity of their investment-related GHG emissions by 2030 compared to the 2019 level. The target and its progress are described in more detail later in this chapter. Pohjola Insurance and OP Life Assurance Company aim to achieve net zero emissions for investment assets by 2050. The emissions intensity of the portfolios' greenhouse gas emissions (later emissions intensity) is the weighted average of target companies' emissions intensities. The emissions intensity takes into account the companies' Scope 1 and 2 GHG emissions in tonnes in proportion to companies' turnover (USD million). The calculation covers listed equity and fixed income investments.

Pohjola Insurance calculates the greenhouse gas emissions of its insurance portfolio in accordance with the PCAF standard published in 2022. In 2025, Pohjola Insurance set its first climate target to reduce the greenhouse gas emissions of its insurance portfolio. Pohjola Insurance aims to reduce the emissions intensity of its insurance portfolio comprising major corporate customers by 25% by 2030 from the 2023 level. The portfolio of this target is limited to major corporate customers based on premiums written to ensure that the target is based on the most comprehensive and accurate company-specific GHG emissions data possible. The customer group covered by the target accounts for

around 20% of corporate insurance GHG emissions. The emissions intensity of the insurance portfolio represents the weighted average carbon intensity (WACI), which indicates the average emissions intensity of the companies in the target portfolio weighted by their share of the target portfolio's insurance revenue. The emissions intensity of customer companies takes into account their Scope 1 and 2 GHG emissions in tonnes in proportion to turnover. The development of the insurance portfolio's emissions has been modelled for 2025. The analysis uses sector-specific estimates of emission reductions at the national level published by the Ministry of Economic Affairs and Employment of Finland in 2024.

The progress towards the targets of OP Pohjola's investment operations is shown in Figures 9–11. All targets are ahead of schedule.

The emissions intensity reduction trajectory towards the target set for Pohjola Insurance's insurance portfolio is shown in Figure 12.



Figure 9: Progress towards the target of halving the emissions intensity of OP Pohjola funds between 2019 and 2030 [tCO₂e/m USD]

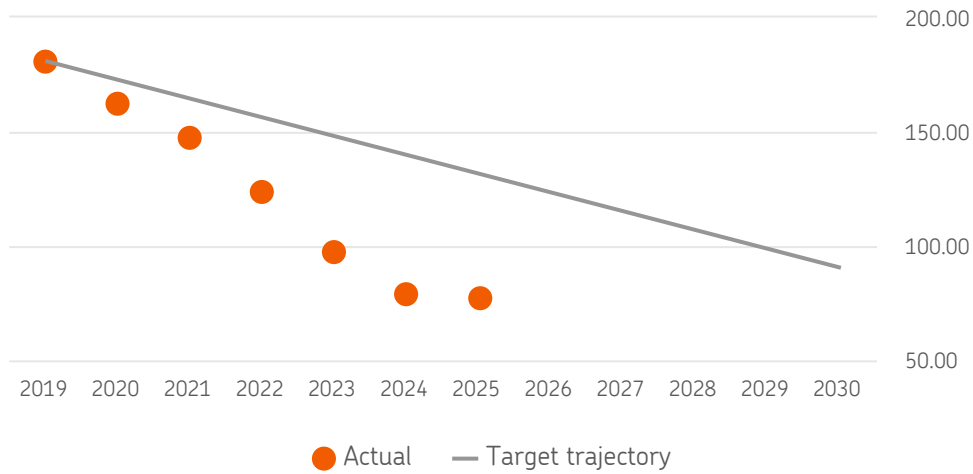


Figure 11: Progress towards the target of halving the emissions intensity of Pohjola Insurance's investments between 2019 and 2030 [tCO₂e/m USD]

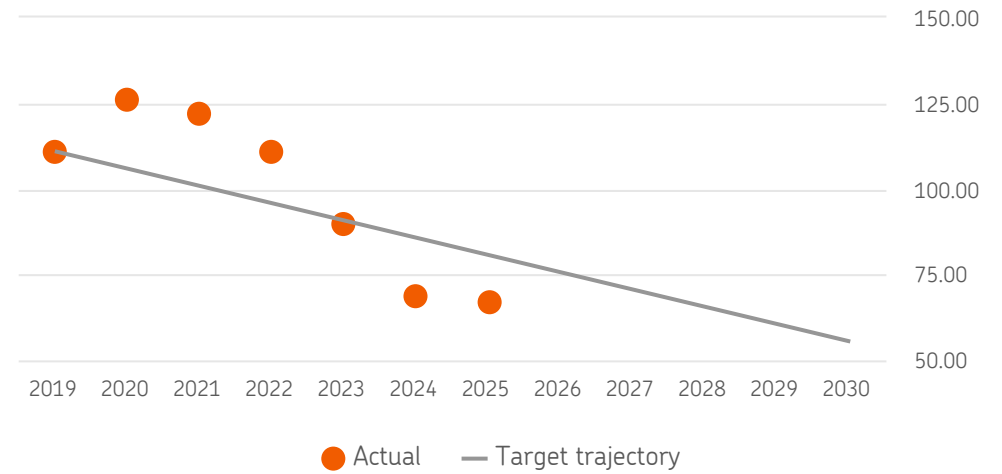


Figure 10: Progress towards the target of halving the emissions intensity of OP Life Assurance Company's investments between 2019 and 2030 [tCO₂e/m USD]

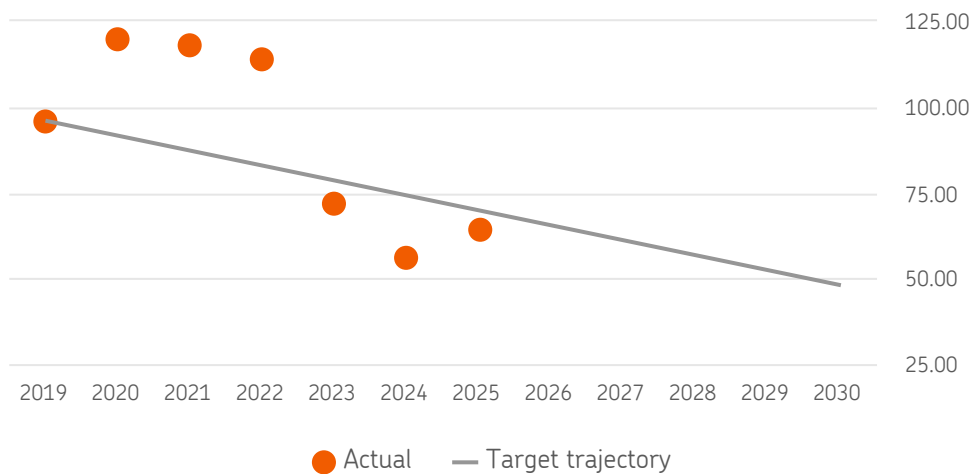




Figure 12: Emissions reduction trajectory towards the target set for Pohjola Insurance's insurance portfolio 2023–2030 (WACI)

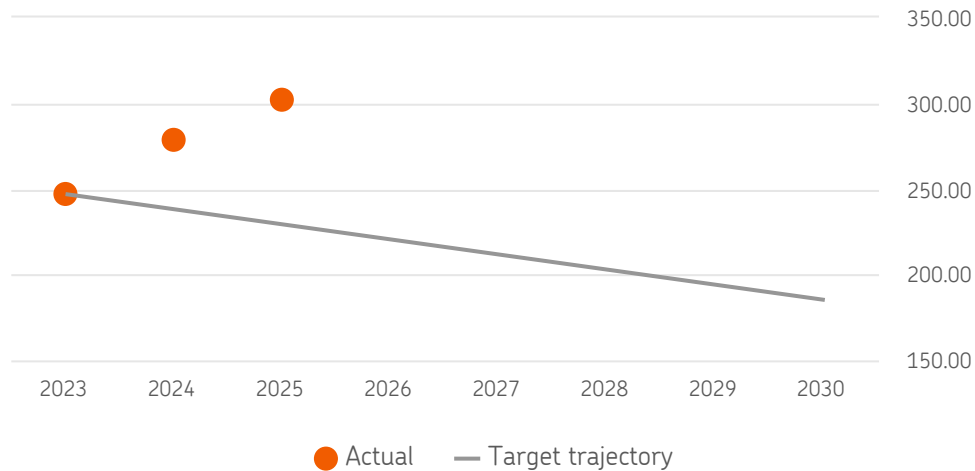
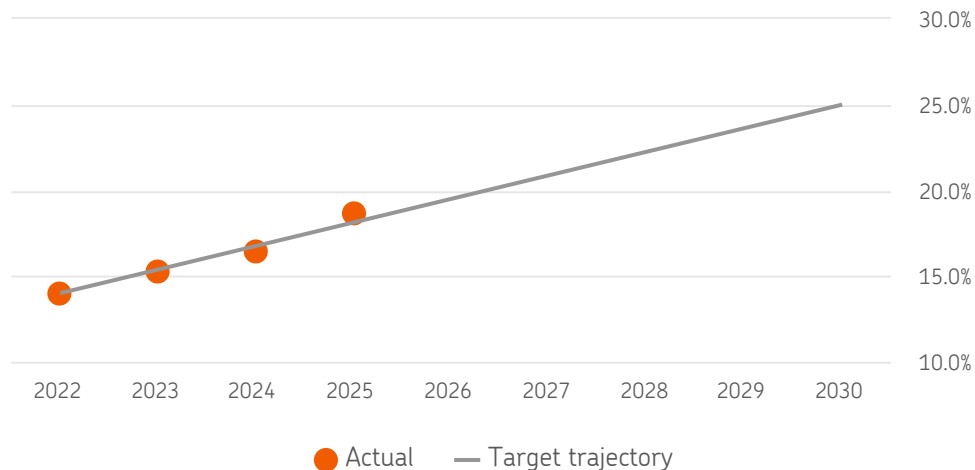


Figure 13: Progress towards Pohjola Insurance's circular economy target 2022–2030



Other transition targets set and planned at OP Pohjola

Scope 3 GHG emissions reduction target for OP Pohjola's procurement partners

The GHG emissions of procured products and services (Scope 3, category 1) accounted for approximately 4% of OP Pohjola's total emissions in 2025. OP Pohjola engages in active cooperation with its suppliers and partners of non-life claims settlement to develop supplier-specific GHG emissions reporting and take account of measures that can reduce greenhouse gas emissions from procurement. OP Pohjola's target is to reduce the emissions intensity of procurements by 2030 by engaging in active collaboration with key suppliers. During 2026, the GHG emissions target will be specified while exploring cooperation opportunities with major suppliers.

OP Pohjola's Sustainable Finance target

OP Pohjola's sustainability programme sets a target for the amount of sustainable financing products, which was 8 billion euros by the end of 2025 and 11 billion euros by the end of 2028. By the end of 2025, sustainable financing products amounted to 8.93 billion euros.

Pohjola Insurance's circular economy target

Pohjola Insurance's claims settlement aims to increase the share of circular economy in reported vehicle and property damage to 25% by 2030 from the 2022 level (14%). The use of circular economy business models seeks to reduce GHG emissions, decrease the consumption of natural resources and generation of waste, and minimise the need for manufacturing new products. The progress towards the target is shown in Figure 13 on the left.

Increasing the share of circular economy in claims settlement means that damaged assets or vehicles are repaired instead of replacing them with new ones. The metric covers cases where compensation is carried out by partially or fully repairing the damaged asset or vehicle. This includes situations where repairs are made using new, recycled, or restored parts, and cases where a damaged vehicle or asset is fully replaced with a recycled or restored equivalent.



Transition measures

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In line with OP Pohjola's strategic focus on delivering value to customers, we offer financial solutions that enable responsible choices and business operations. OP Pohjola integrates sustainability in its business processes, supports its customers in the green transition and introduces products and services that enable customers to make sustainable choices.

This section describes the measures by which OP Pohjola implements the transition towards a net zero economy. The measures cover the transition targets for OP Pohjola's own operations and its banking, Wealth Management, and Insurance operations. The section also describes how sustainability and ESG aspects are integrated into business processes, products and services.

Measures to reduce OP Pohjola's own GHG emissions

One key measure OP Pohjola takes in reducing the amount of GHG emissions is to increase the use of renewable energy. All electricity, district heating and district cooling purchased by OP Pohjola in Finland is generated with renewable energy, and solar power stations are being installed on properties owned by OP Pohjola. Renewable energy accounted for 99.7% of OP Pohjola's total electricity consumption in 2025.

The target is to increase even more the use of solar energy in properties owned by OP Pohjola and in properties used for its own business operations. At the end of 2025, 11.4% of such properties utilised solar power.

Measures in banking operations

Banking operations identify counterparties and sectors that are significant in the promotion of the targets of the transition plan. Active discussions are held with corporate customers, and significant customers in GHG emission-intensive sectors were expected to have transition plans in place at the end 2025. The customers' transition plans and GHG emission targets are compared to OP Pohjola's emission targets in the sector. OP Pohjola has developed a separate model to support specialists in assessing the credibility of transition plans. A customer-specific ESG analysis prepared by an ESG analyst helps other experts identify better the ESG risks associated with customers and assess the adequacy of customers' risk management measures.



The following sections describe in more detail the measures taken by Corporate Banking and Retail Banking to support the transition and manage transition risks.

Sustainable finance

OP Pohjola supports the green transition by providing financing solutions that enable responsible and sustainable development, for example, in energy production, agriculture, and other transitioning sectors, while also ensuring security of supply. OP Pohjola actively offers products and services that support its customers' responsible investments and the transition to low-emission production.

OP Pohjola offers sustainable finance through a range of sustainable financing solutions. OP Pohjola's business units offer green loans and leases, EIF (European Investment Fund) guarantees, sustainability-linked loans and leases that are in line with the customer's sustainability goals, and sustainable accounts receivable financing solutions. In addition to the products above, OP Pohjola arranges sustainable finance for corporate customers through sustainable bonds.

Green loan

A green loan is based on the Loan Market Association's (LMA) Green Loan Principles (GLP). The purpose of the GLP is to promote the development and integrity of the green loan market. The GLP outlines the framework for green loans, emphasising transparency, disclosure, and support for environmentally sustainable projects.

The criteria for OP Pohjola's green loans are defined in OP Corporate Bank's Green Bond Framework, the EU taxonomy, or the corporate customer's own sustainable finance framework. The climate impacts of green loans in the Green Bond portfolio are assessed and reported annually as part of the reporting on Green Bonds. The green criteria and OP Pohjola's Green Bond Framework are updated as necessary. Green loans can be granted for example for the following categories:

- renewable energy
- energy efficiency
- green buildings
- biodiversity and sustainable use of natural resources
- low-emission transport
- circular economy.

Green loans are granted to companies of all sizes. Farmers and housing companies can also obtain green loans, and their investments can therefore directly support GHG emission reduction efforts.

What comes to the GHG emissions reduction target of residential lending, loans granted to housing companies for improving energy efficiency or transitioning to renewable energy directly reduce the emissions intensity of those properties. Financing new properties that have a good energy class is another way that directly helps OP Pohjola achieve its GHG emission targets. OP Pohjola actively monitors the development of energy efficiency in its mortgage portfolio and supports its customers' transition towards low-carbon housing.

EIF guarantees

The European Investment Fund (EIF) has defined sustainable finance criteria for SMEs. EIF is OP Pohjola's long-term partner, and OP cooperative banks have been offering promissory note loans with EIF's risk-sharing guarantee to companies for years. Similarly to green loans, the sustainability criteria of EIF's Sustainability Guarantee usually relate to the investment asset, which is why the investment is likely to directly help OP Pohjola and the customer to reach their climate targets in the short or long term. Additionally, loans with an EIF's Sustainability Guarantee can be granted to so-called pure player companies, i.e., SMEs whose operations on the whole are considered sustainable based on separate criteria. Financing the growth of these companies is in line with the objectives in OP Pohjola's transition plan.

Sustainability-linked loans

Sustainability-linked financing is based on the Loan Market Association's (LMA) Sustainability-Linked Loan Principles (SLLP). The SLLP document is a comprehensive overview of the framework and guidelines for sustainability-linked loans. These loans aim to support sustainable economic activities by providing financial mechanisms that encourage borrowers to achieve specific sustainable development performance targets.

OP Corporate Bank offers its customers sustainability-linked finance. Sustainability-linked finance is the bank's way of supporting its corporate customers in transitioning towards a low-carbon economy, since the most commonly used targets in loan agreements relate specifically to mitigating climate change.

Personal customers' Energy Efficiency Loan

Owners of detached houses can apply for an Energy Efficiency Loan from an OP cooperative bank to finance measures that improve the energy efficiency of their house.



The loan can also be applied for energy renovation of a holiday home. An Energy Efficiency Loan is a secured loan.

An Energy Efficiency Loan can be used to finance the following measures:

- Fittings that improve energy efficiency
- Renewable energy technology
- Electric vehicle charging stations
- Energy renovation planning costs.

Examples of renovations that fall into the above categories include replacing windows and doors with more energy-efficient ones, air sealing buildings and adding insulation, transitioning to geothermal heating, solar power systems and solar panels, using expert services related to energy efficiency and obtaining energy performance certificates. When a customer takes out an Energy Efficiency Loan, more than 50% of the loan must be used for energy renovation measures. The remaining part of the loan may be used for other major renovations.

A customer applying for an Energy Efficiency Loan from OP Pohjola can receive a discount of up to 0.3 percentage points on the loan margin compared to a normal renovation loan.

Sustainable accounts receivable financing

Sustainable accounts receivable financing products comprise sustainable supply chain finance and sustainable payment term financing. Sustainable supply chain finance seeks to support the principal's sustainability targets by applying suitable responsibility criteria to the supplier relationship. By meeting these criteria, the supplier can benefit from more favourable terms. Sustainable payment term financing seeks to support both the seller's and the buyer's sustainability targets by applying suitable responsibility criteria to the supplier relationship. By meeting these criteria, the buyers and sellers can benefit from more favourable terms.

Measures related to companies' transition plans

In addition to sustainable financing solutions, dialogue with corporate customers is key to achieving OP Pohjola's targets for climate change mitigation. It allows us to offer advice and develop sustainable solutions together, paving the way towards achieving the climate targets. An example of this are our energy sector customers who are subject to sector-specific targets for 2030 and with whom we actively discuss GHG emissions reduction targets and transition plans.

OP Pohjola required that large companies subject to high climate transition risk have company-specific GHG emissions reduction plans in place by the end of 2025. Our first expectation from corporate customers is that such plans exist, and we also assess the credibility of such plans. For this purpose, we have developed an assessment tool for transition plans.

In the agricultural sector, cooperation with the food production supply chain plays a key role. The food industry principals have set ambitious GHG emissions reduction targets for their producers, including concrete proposals and requirements for action that enable farmers to reduce their own emissions and ensure future success of their business.

Measures related to GHG emissions from energy sector companies

To steer the progress towards the GHG emissions reduction target of its energy portfolio, OP Pohjola's process for granting credit to its energy sector customers assesses their emissions intensity by comparing it to the energy target trajectory set for 2030. The assessment is based on a model that classifies customers according to their emissions intensity. The classification guides financing decisions and potential actions. To ensure compliance with the target trajectory, the classification thresholds are adjusted annually based on the status of the portfolio. Additionally, OP Pohjola monitors the average emissions intensity of its entire energy sector customer base. This enables us to compare the development of the portfolio to the set targets and it also affects the customer classification thresholds. This approach supports OP Pohjola's climate targets and ensures that lending promotes the transition to a low-emission economy.

Tools for analysing ESG risk exposure in banking operations

To better understand the GHG emissions of its value chain and measure the realisation of emissions reduction targets, OP Pohjola started collecting information on GHG emissions from corporate customers alongside with other ESG information in 2024. This data enables OP Pohjola to identify financed GHG emissions, and promote emissions reduction targets with customers, more effectively.

OP Pohjola regularly updates its ESG analysis practices to respond to the changes associated with sustainability and climate in its business environment, with the latest ESG Analysis Framework adopted at the beginning of 2026. The framework defines how ESG aspects are taken into account as part of corporate finance processes, and it is also one of the items that serve to meet the European Banking Authority's (EBA) expectations concerning ESG risk management in banking operations.



Measures in Wealth Management

Climate policy

Wealth Management's Climate policy guides the work towards climate change mitigation and outlines climate targets for our investments. The policy outlines the criteria by which investee companies are analysed and the targets are set, as well as the measures taken to achieve those targets.

Active ownership measures in Wealth Management

Active ownership is a way to positively influence the activities of a company. OP Pohjola is an active owner that encourages investee companies to engage in responsible business and its partners in responsible investing. Influence is exerted through three methods: voting at general meetings with climate aspects in mind; engaging in direct dialogue with companies, focusing on a few key companies with the greatest potential for impact; and participating in investor engagement initiatives such as Climate Action 100+.

Wealth Management's climate engagement is one of the measures supporting climate targets. Regarding direct investments made by equity and fixed income funds managed by OP Fund Management Company, we carry out targeted climate engagement to influence companies that have not yet achieved net zero emissions and do not intend to converge or have not yet converged on an aligned trajectory.

Tools for analysing ESG risk exposure in Wealth Management

In investment operations, the impacts of short- and long-term climate risk factors are managed by integrating the analysis and monitoring of climate perspectives into portfolio management, and by leveraging comprehensive company-specific ESG data on the risks and opportunities posed by climate change.

OP Asset Management, OP Fund Management Company, OP Real Estate Asset Management, Pohjola Insurance and OP Life Assurance Company have their own principles for responsible investment, approved by each company's Board of Directors. The principles describe methods and means for considering the environment, social responsibility and corporate governance in investment activities. To achieve the climate targets, Wealth Management uses an analytical model of climate transition that is based on the Net Zero Investment Framework (NZIF) methodology. The model analyses the risks and targets of investments and evaluates the companies' low-carbon strategies. This seeks to align investments towards a global net zero trajectory.

Measures by the insurance companies

Insurance companies play a key role in the fight against climate change through their insurance and investment operations, and as part of claims settlement. The investment activities of Pohjola Insurance and OP Life Assurance Company are committed to promoting climate change mitigation. The insurance companies aim to reduce the emissions intensity of their investments and follow the principles for responsible investing approved by the companies' boards of directors. As a key decarbonisation measure, Pohjola Insurance no longer insures institutions or companies that engage in oil and gas exploration or production. Nor does it insure new coal power plants or coal mines unless the policyholder can present a credible transition plan.

Measures related to Pohjola Insurance's GHG emission reduction targets

In 2023, Pohjola Insurance calculated the insurance portfolio's CO₂ emissions for the first time in accordance with the PCAF standard published in 2022. The company is investigating measures to reduce the GHG emissions of its insurance portfolio. The company is committed to supporting the adoption of renewable energy and related procurements with its insurance solutions. Transition plans and other essential ESG information is collected as part of OP Pohjola's information collection aimed at large corporate customers. Pohjola Insurance will use the ESG information for an ESG assessment that, when its development is complete, will integrate sustainability factors into customer selection and other decision-making processes.

Measures by Pohjola Insurance Claims Settlement

In non-life insurance activities, GHG emissions are also generated in the context of compensation for loss or damage, especially under motor vehicle and property insurance. The key to climate change mitigation in Pohjola Insurance's value chain lies in circular economy. Claims settlement operations collaborate with loss partners, implementing a range of pilots and investigations to identify new ways of working related to the circular economy. Pohjola Insurance also continued to develop GHG emission calculation as part of its Claims Settlement service in 2025.

The vehicle insurance claims settlement operations and its partners will analyse new methods for repairing vehicle damage in a more environmentally friendly manner. The vehicle insurance claims settlement operations helped repair shop partners increase operating models that promote the circular economy by encouraging them to repair damaged parts and windscreens whenever possible, while ensuring traffic safety and the



repairs' high quality. The claims settlement operations recycle and reuse damaged green parts. Refurbished spare parts accounted for 7.2% of parts used for vehicle repairs in 2025. Pohjola Insurance collaborates with the automotive industry's leading circular economy operator with the aim of increasing the availability of dismantled quality-controlled spare parts from redeemed vehicles for reuse. The targets of the cooperation is to significantly increase the share of refurbished spare parts used in the future. Quality-controlled refurbished parts are used in a targeted manner by Pohjola Insurance's repair shop partners for repairs under claims.

Circular economy practices are also followed in Pohjola Insurance's other property claims settlements. Pohjola Insurance monitors the repair rate of damaged mobile devices and cooperates with its partners accordingly. Pohjola Insurance's other property insurance partners in compensating losses to movable property under property insurance also repair devices and ensure that waste is recycled appropriately. Pohjola Insurance has increased cooperation with its partner in redeeming salvage, so that even more redeemed salvage can be reused. For building losses such as damage caused by pipe leaks and fires, the aim is to plan repairs that require a minimum amount of new materials. We monitor the recycling rate of waste from our construction partners. In 2025, separate sustainability appendices were attached to partner agreements, obliging the partner to monitor and report matters such as GHG emissions and repair rates. In 2025, Pohjola Insurance explored the possibility of applying principles of circular economy to damage to a building.

Pohjola Insurance's measures related to climate risks

The insurance sector plays a central role in climate change adaptation, since climate-related losses may occur more frequently in the future and may be more severe. We insure losses caused by climate and weather, but at present they have a moderate and limited impact on the business as individual risk factors. However, the probability of certain losses will increase, which is why implementing measures related to climate change adaptation has been identified as critical in the insurance business. Pohjola Insurance analyses the materiality of climate-related risks and strengthens its understanding of them. Floods and storms in particular have been identified as significant climate-related risks. To make the prediction of material climate-related risks more accurate, Pohjola Insurance uses insurance risk modelling. Pohjola Insurance uses flood modelling to estimate the amount and scope of flood losses. The company utilises flood maps provided by the authorities to analyse the probabilities and heights of coastal and inland floods in Finland. Based on this information, Pohjola Insurance maps the impact of floods on insured objects and also determines flood risk indexes for these. In addition to floods,

modelling will continue for other climate-related threats that Pohjola Insurance has assessed as material.

One of the targets is to help customers better understand the impacts of physical climate-related risks, which was reflected in Pohjola Insurance's customer communication in 2025. Pohjola Insurance's customer communication focuses on damage prevention through press releases, expert presentations, social media channels, and more. Customers are instructed on what loss-prevention actions to take. Furthermore, Pohjola Insurance targets its communications about extreme weather phenomena at customers who have a higher geographical risk.

Other measures supporting OP Pohjola's transition

OP Pohjola's fossil fuel policy priorities

In line with the outcomes of the Paris Agreement and COP28 Climate Change Conference in Dubai, OP Pohjola excludes oil and gas exploration and production from its financing, mutual fund investment and Pohjola Insurance activities. Exceptions can be made in the case of companies that have committed to a transition towards a low-emission economy and provide a concrete plan for aligning their operations with the targets of the Paris Agreement.

OP Pohjola's banking, asset and wealth management, and non-life insurance increasingly exclude activities related to fossil fuels as part of the transition towards a net zero economy. Detailed descriptions on the exclusions and limitations on fossil fuels and related activities are published in the guidance policies of each business.

The personnel's ESG expertise and related training

OP Pohjola provides many ESG-related study modules and training courses. ESG themes are also part of other training programs, such as the Corporate Banking qualification. To improve task-specific ESG expertise, we collect suggestions for training from our personnel. This way, training can be tailored and developed according to the current needs. To deepen role-specific expertise, we have also established guilds that follow agile working methods, actively contributing to deepen the experts' knowledge and sharing best practices while keeping in touch with practical daily work. Regulation, regulatory supervision and OP Pohjola's policy priorities constantly set new competence and training requirements for various positions.



Increasing our personnel's knowledge about sustainability-promoting products is an important part of OP Pohjola's work. In 2024, OP Pohjola increased its personnel's competence concerning a green loan product offered by OP cooperative banks to corporate customers. OP Pohjola also offered training for discussing greenhouse gas emissions and other corporate responsibility factors with customers. Training has helped employees identify investments that promote low emissions, and for which green loans can be offered. Furthermore, Account Managers were trained to identify topics associated with sustainability and corporate responsibility that are essential and specific for a given company. Training on starting sustainability work in SMEs was also offered to OP Pohjola's customers in 2024–2025 through sustainability and corporate responsibility courses for SMEs, implemented in cooperation with the Finland Chamber of Commerce. We have also supported our customers' participation in emissions reduction training organised by Finland Chamber of Commerce.

In 2024, training on corporate sustainability reporting was held for the Board of Directors and Supervisory Council. In addition to this, the Board of Directors and management regularly go through training on sustainability matters to promote their expertise.

The link between transition targets and executive remuneration

The annual performance-based bonuses of OP Pohjola's Executive Management Team are tied to the progress of GHG emissions reduction targets. The progress towards the targets has an impact factor on the total remuneration that is confirmed by the Remuneration Committee of the Board of Directors of OP Cooperative, which bases its decisions on the information it has received from the businesses regarding the progress towards the targets in relation to the reduction trajectories of each specific target.

Sustainability factors affect the targets set for the Executive Board of OP Cooperative, including those of the President and Group CEO. 10% of the performance-based bonus of Executive Board members depends on attainment of their shared sustainability target. For transition targets, the assessment criteria of the corporate responsibility scorecard target set for Executive Board members are:

- Achievement of sector-specific emissions reduction targets
 - Emissions intensity of energy production will be reduced by 50% by 2030 compared to 2022
 - Absolute emissions of agriculture will be reduced by 30% by 2030 compared to 2022
 - Emissions intensity of mortgages will be reduced by 45% by 2030 compared to 2022
- Increased share of circular economy in Pohjola Insurance claims settlement.



Monitoring and development



The monitoring of the transition plan is based on clear metrics and reporting practices to ensure that the targets are met and development takes place continuously.

How OP Pohjola's transition plan is prepared and updated

OP Cooperative's Board of Directors is responsible for approving the transition plan and supervising the implementation of the plan and its targets. Each quarter, an overview of current themes in ESG and sustainability is presented to OP Cooperative's Board of Directors. In addition, the Board receives an annual report on the realisation of the sustainability programme, including the progress towards GHG emissions reduction targets and other transition targets. In accordance with its charter, the Risk Committee of the Board of OP Cooperative assesses the impact of climate and environmental-related risks on OP Pohjola's customers and further on OP Pohjola, and monitors realisation of the sustainability programme.

Monitoring the progress of the transition plan and measures

The transition plan is monitored using the monitoring metrics defined for the transition targets. The progress towards the targets is reported at different levels in OP Pohjola. In addition, centralised reporting to management ensures that the management can make informed decisions to guide sustainability and corporate responsibility efforts.

The Executive Management Team of OP Cooperative, the Risk Committee of the Board of OP Cooperative, the Board of OP Cooperative, and the Supervisory Council monitor the implementation of the transition plan as part of the reporting on the actuals of the sustainability programme and as part of the update of the transition plan. GHG emissions targets and the progress towards them is reported as part of OP Pohjola's Sustainability report. Risk Management monitors the development of limits tied to the targets and reports on them as part of risk reporting.

Climate change affects OP Pohjola's operating region, so the targets set must be monitored regularly with metrics that are sufficiently straightforward to interpret. The transition targets presented earlier in this document have metrics described in Appendix 2 that are monitored regularly as part of the business units' decision-making.



Appendices

Appendix 1: Terminology related to OP Pohjola's sustainability and corporate responsibility work

Absolute emissions reduction target	An emissions reduction target that seeks to reduce the total amount of greenhouse gases by a specific amount or percentage. Commonly expressed as tonnes of carbon dioxide equivalent (tCO ₂ e).
GHG Protocol	International calculation method for greenhouse gas emissions.
tonne of carbon dioxide equivalents (tCO ₂ e)	A commonly used unit in GHG emissions calculations in which the emissions of different GHGs are all converted to an equivalent amount of CO ₂ emissions by applying a gas-specific coefficient.
Intensity-based emissions reduction target	Emissions reduction target in order to reduce the emissions intensity of greenhouse gases. This target is usually expressed as a percentage. Examples of units for emissions intensity are tonnes of carbon dioxide equivalents per energy generated in kilowatt-hours (tCO ₂ e/kWh) and tonnes of carbon dioxide equivalents per distance travelled in kilometres (tCO ₂ e/km).
Greenhouse gas (GHG)	Gases that are released in natural processes and by human activity that warm the climate. Globally, the most significant greenhouse gases are carbon dioxide, methane and nitrous oxide.
Greenhouse gas emissions intensity (also emissions intensity)	Amount of emissions created in relation to the activity causing the emissions or to the activity caused by their creation, such as the turnovers of companies chosen for a fund. The emissions intensity of OP Pohjola's funds is calculated by summing the Scope 1 and 2 GHG emissions separately for each company. The total greenhouse gas emissions are then divided by the company's revenue. The total emissions intensity of the fund is calculated by summing the company-specific emissions intensity figures weighted by the company's proportion in the fund.
Net zero by 2050	A scenario by the International Energy Association (IEA) that aims for net zero GHG emissions by 2050.
Net zero pathway	Target rate for emissions reductions that lead to net zero emissions.

Net zero emissions	A situation in which the CO ₂ equivalent emissions from operations are in balance with how much is sequestered, that is, the sinks. In other words, the amount of greenhouse gases emitted by the operations equals the operations' contribution to their removal from the atmosphere. While OP Pohjola's emissions reduction targets have applied to all greenhouse gas emissions since their inception, we want to highlight this fact by using the term 'net zero emissions' from now on.
Paris Agreement	An international agreement that seeks to limit global warming to less than 1,5 degrees Celsius.
PCAF	Partnership for Carbon Accounting Financials, a common emissions calculation method for the financial sector that seeks to calculate the indirect emissions from different financial sector business operations and products in a comparable way. Financial services providers report the results of a PCAF emissions calculation under Scope 3, category 15 ("Investments"). Greenhouse gas emissions calculated under the PCAF standard related to the financing, investment and insurance business are called financed and insurance-associated emissions.
Base year	A reference year for GHG emissions. The GHG emissions during a base year are used as a reference level for a corresponding emissions reduction target. Also known as a 'baseline year'.
Scope 1, 2 and 3	A classification scheme for GHG emissions. Scope 1 covers direct emissions, Scope 2 indirect emissions from energy consumption and Scope 3 other indirect emissions throughout the value chain.
Transition risk	Risk factor caused by an actor acting slowly or being left behind in the transition towards net zero emissions.
Transition targets and measures	Targets and measures that help the transition to move towards net zero emissions.
UNEP FI	An abbreviation of United Nations Environmental Programme – Finance Initiative. An initiative in the UN Environmental Programme that brings together financial services providers globally, creates guidelines for sustainability and corporate responsibility actions in the financial sector and carries out research around the theme.
WACI	Weighted Average Carbon Intensity.



Appendix 2: Summary of OP Pohjola's transition targets and measures that support their attainment

Portfolio	Object of the transition target	Target	Metrics	Measures
	Emissions from own operations	OP Pohjola has set the goal of making its own operations carbon neutral by the end of 2025 (from 2026, the term "net zero emissions" is used instead of "carbon neutral"), including emissions from energy consumption and fuels (Scope 1 and Scope 2).	tCO ₂ e, including Scope 1 and 2 emissions from energy consumption and fuels	We will increase the use of solar energy in our owned properties and properties used by our business operations. Increasing the use of renewable energy
Corporate credit portfolio	Absolute emissions of the corporate credit portfolio	The portfolio's absolute emissions will be reduced by 50% by 2035 compared to 2022.	tCO ₂ e, meaning the financed emissions of the portfolio calculated according to the PCAF standard for business loans	Provision of sustainable financing products ESG-focused customer analyses and customer engagements are continuously carried out and developed
	Absolute emissions of the agriculture portfolio	Absolute emissions will be reduced by 30% from the 2022 level by 2030	tCO ₂ e, meaning the absolute emissions of the portfolio calculated according to the PCAF standard for agricultural business loans	Ensuring the updatedness of sector-specific credit and risk policies
	Emissions intensity of business loans in the energy sector	Reduction of the portfolio's emissions intensity by 50% from the 2022 level by 2030	gCO ₂ e/kWh, meaning the emissions intensity of the energy production of the companies in the portfolio weighted across the entire portfolio based on each company's remaining loan amount	Monitoring the green transition of the customer portfolio at the portfolio level and customer level
Mortgage portfolio	Emissions intensity of mortgages	Reduction of the portfolio's emissions intensity by 45% from the 2022 level by 2030	kgCO ₂ e/m ² , meaning the ratio of calculated emissions of homes to their floor area in square meters, weighted across the entire portfolio by the remaining loan amount of each home	Provision of sustainable financing products Monitoring the green transition of the customer portfolio at the portfolio level and financed object level
	Funds managed by OP Pohjola	Fixed income and equity investments of the funds. 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. The emissions intensity of the funds will be halved from the 2019 level by 2030.	Target-specific assessment of low-carbon transition An investee company is considered to be on the path towards the targets of low-carbon transition if the company reports scope 1 and 2 (as well as material Scope 3) emissions, has set emissions reduction targets, and has a low-carbon transition strategy. tCO ₂ e/m USD Emissions intensity is calculated by summing the Scope 1 and 2 GHG emissions of the company. The total emissions are then divided by the company's revenue. The total emissions intensity of the fund is calculated by summing the company-specific emissions intensity figures weighted by the company's proportion in the fund.	ESG-focused customer analyses and customer engagements are continuously carried out and developed Ensuring the updatedness of sector-specific investment and exclusion policy priorities and the climate policy Active ownership measures
Insurance portfolio	Emissions intensity of the insurances of major customers	Reducing the emissions intensity of the insurance portfolio of major customers by 25% by 2030 compared to the base year 2023.	The portfolio's WACI, which indicates the average emissions intensity of the companies in the target portfolio weighted by their share of the target portfolio's insurance revenue	Continuous improvement of ESG data Promoting circular economy practices in our own operations
	Pohjola Insurance's circular economy target	To increase the share of circular economy in reported vehicle and property damage to 25% by 2030 from the 2022 level.	Ratio of repaired objects or vehicles to new ones in compensations made. 'Repair' refers to situations where a partial or full repair is made using new, recycled, or restored parts, and cases where a damaged vehicle or asset is fully replaced with a recycled or restored equivalent.	Cooperation and development of new business models with partners Recycling and reuse of damaged green parts



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