

A man and a young boy are sitting on folding chairs on a concrete pier, fishing. The man is wearing a blue t-shirt and khaki shorts, and the boy is wearing a blue and white striped shirt. They are both looking out over a large body of water under a clear sky. Fishing rods are planted in the ground next to them. In the foreground, there is a green fishing net, a silver bucket, and a silver thermos.

OP Mortgage Bank Cover Asset Pool Characteristics

OP Mortgage Bank (OPMB)

- 100% owned subsidiary of OP Cooperative
- Covered bond issuing entity of OP Financial Group
- Special-purpose bank and a funding vehicle for the OP member cooperative banks
- New issues under the Euro Medium Term Covered Bond (Premium) Programme (EMTCB) of €25 bn rated by Moody's

Joint liability

OPMB fully benefits from the joint liability among OP Cooperative and the member credit institutions, based on the Act on the Amalgamation of Deposit Banks. However, since assets in OPMB's Cover Asset Pools are ring-fenced, the covered bondholders have the right to receive what is due to them before all other creditors

Covered bond ratings

Moody's

Aaa

S&P

AAA

Harmonised transparency template

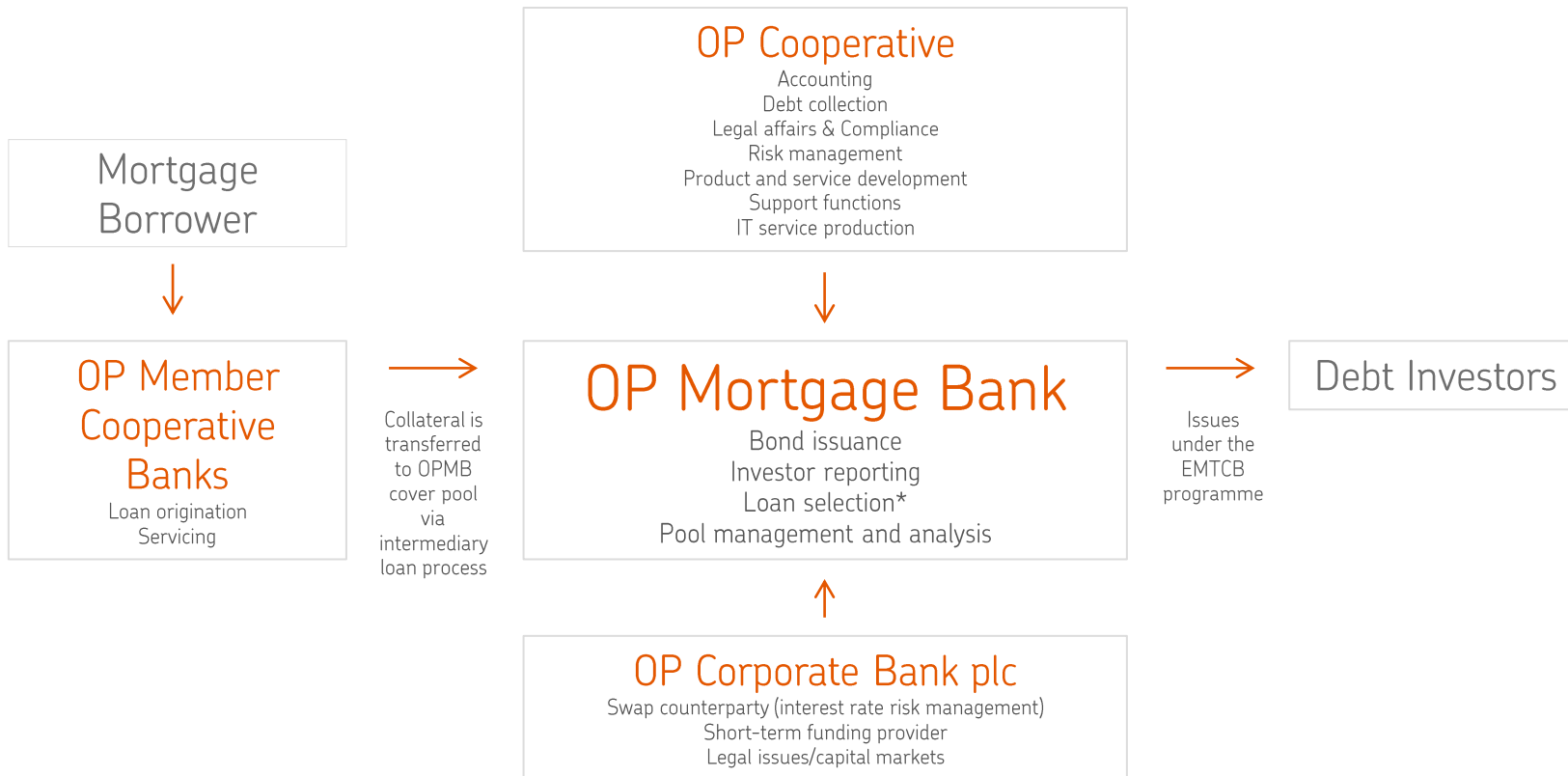


COVERED BOND
· LABEL ·

<https://www.op.fi/op-financial-group/debt-investors/issuers/op-mortgage-bank/cover-asset-pool>

<https://www.coveredbondlabel.com/issuer/5-op-mortgage-bank>

Operating model and roles



Covered Bonds under Finnish legislation

	Act on Mortgage Credit Banks and Covered Bonds (151/2022)	Act on Mortgage Credit Bank Operations (688/2010)
Applicability	Bonds issued after 8 July 2022	Bonds issued before 8 July 2022
Programmes under the Act	Euro Medium Term Covered Bond Premium (EMTCB)	Euro Medium Term Covered Note (EMTCN), Euro Medium Term Retained Covered Note (EMTRCN)
Bond qualification	European Covered Bond (Premium)	EEA Grandfathered – CRR compliant
Regulation	Regulated by the Finnish Financial Supervisory Authority (FIN-FSA) and ECB	Regulated by the Finnish Financial Supervisory Authority (FIN-FSA) and ECB
Intermediary loans	Enables granting intermediary loans	Enabled granting intermediary loans
LTV restrictions on eligible assets	80% LTV on residential mortgages	70% LTV on residential mortgages
Legal over-collateralisation requirement	2%. In case the requirements set by CRR Article 129 are not met, the OC must be 5%.	2%
Programme documentation including information valuation, market risks, expiry and over-collateralisation	EMTCB Programme documentation	EMTCN Programme documentation EMTRCN Programme documentation
Cover asset pool information including bond IDs, ECBC Harmonized Transparency Templates and legal information disclosure	OPMB's cover asset pools and legal information disclosure	

EMTCB programme

Bonds issued after 8 July 2022

€3.58 bn
Current balance

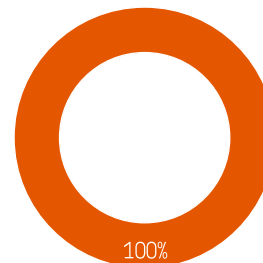
€3.25 bn
Total amount of
covered bonds

€38,500
Average loan size

>99%
Tied to floating
interest rate

43%
Weighted Average
indexed LTV

10%
Over-
collateralisation (OC)



Loan type distribution

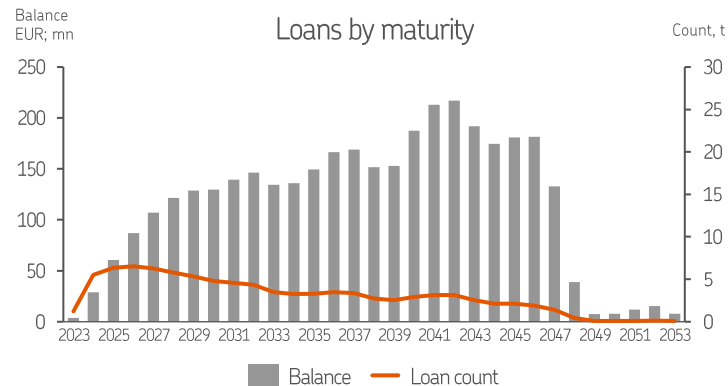
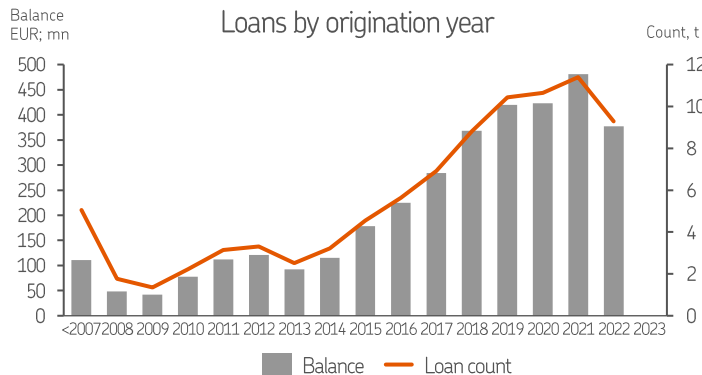
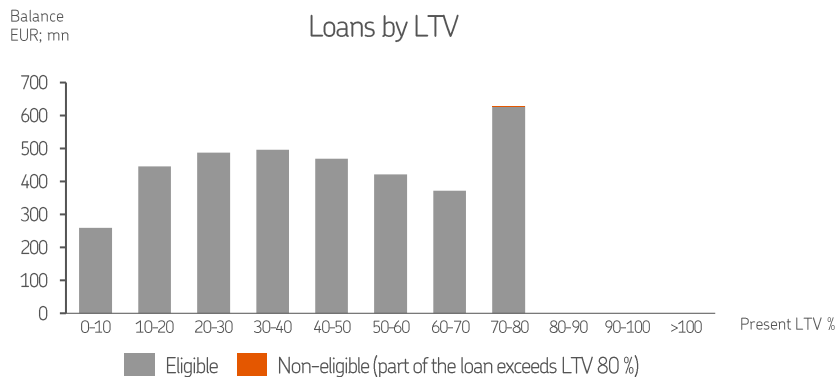
Residential loans



Geographical loan distribution

1	Southern Finland	48%
2	Western Finland	32%
3	Eastern Finland	6%
4	Oulu region	10%
5	Lapland	3%

OPMB EMTCB cover asset pool



EMTCN programme

Bonds issued before 8 July 2022

€13.6 bn
Current balance

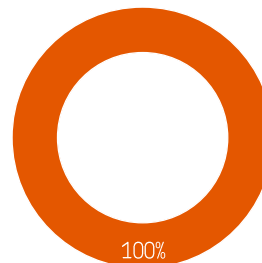
€11.6 bn
Total amount of covered bonds, out of which €1.75 bn is green

€65,500
Average loan size

>99%
Tied to floating interest rate

53%
Weighted Average indexed LTV

16%
Over-collateralisation (OC)



Loan type distribution

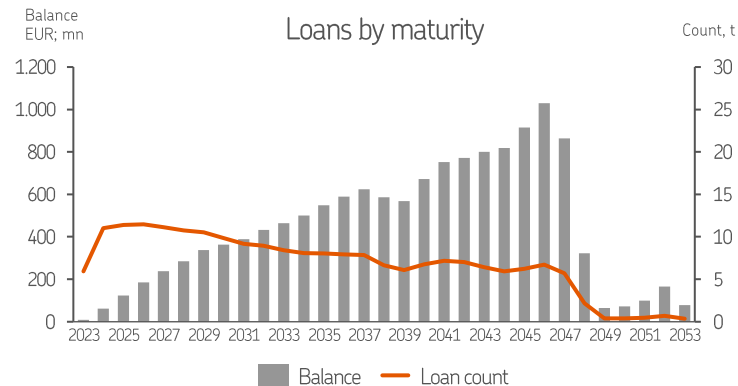
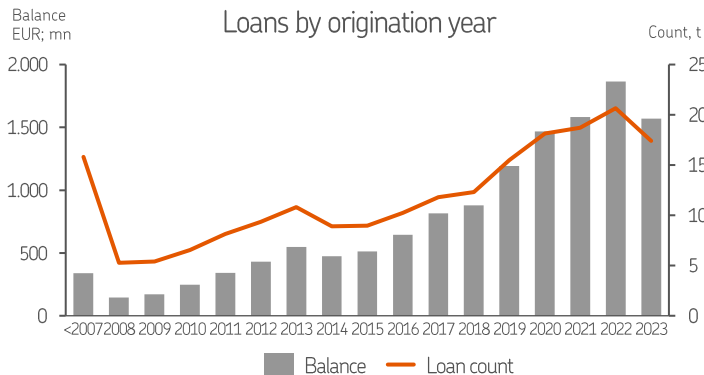
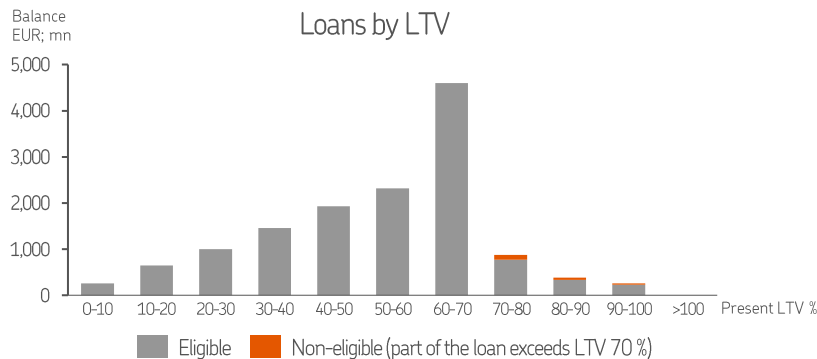
Residential loans



Geographical loan distribution

1	Southern Finland	46%
2	Western Finland	34%
3	Eastern Finland	8%
4	Oulu region	9%
5	Lapland	2%

OPMB EMTCN cover asset pool



Intermediary loan process

- Finnish legislation enables OP Mortgage Bank to grant intermediary loans to the member cooperative banks, who indirectly participate in the covered bond issuance process.
- In the intermediary loan process, an intermediary loan contract is made between the member cooperative bank and OPMB. The member cooperative banks allow OPMB to mark mortgages as intermediary loan collateral to the OPMB cover pool in return for funds from the emission.
- The loans eligible as collateral for a covered bond must meet the legal requirements as well as the criteria of OPMB's covered bond program and other specified criteria. The member cooperative bank commits to preserving adequate intermediary loan eligible loan portfolio for the maturity of the intermediary loans. OPMB monitors the adequacy of the collateral daily.
- Once the mortgage loans are registered in the OPMB cover pool via intermediary loan process, they serve as collateral for the covered bonds for the benefit of the noteholders until the intermediary loan expires.