

A woman with voluminous curly hair, wearing a white long-sleeved shirt under a dark blue vest, stands on a train platform. She is looking off to the side with a thoughtful expression while holding a smartphone. The platform is modern, with concrete pillars and overhead lighting. In the background, train tracks and a tunnel entrance are visible. The overall atmosphere is professional and modern.

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 €25bn 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

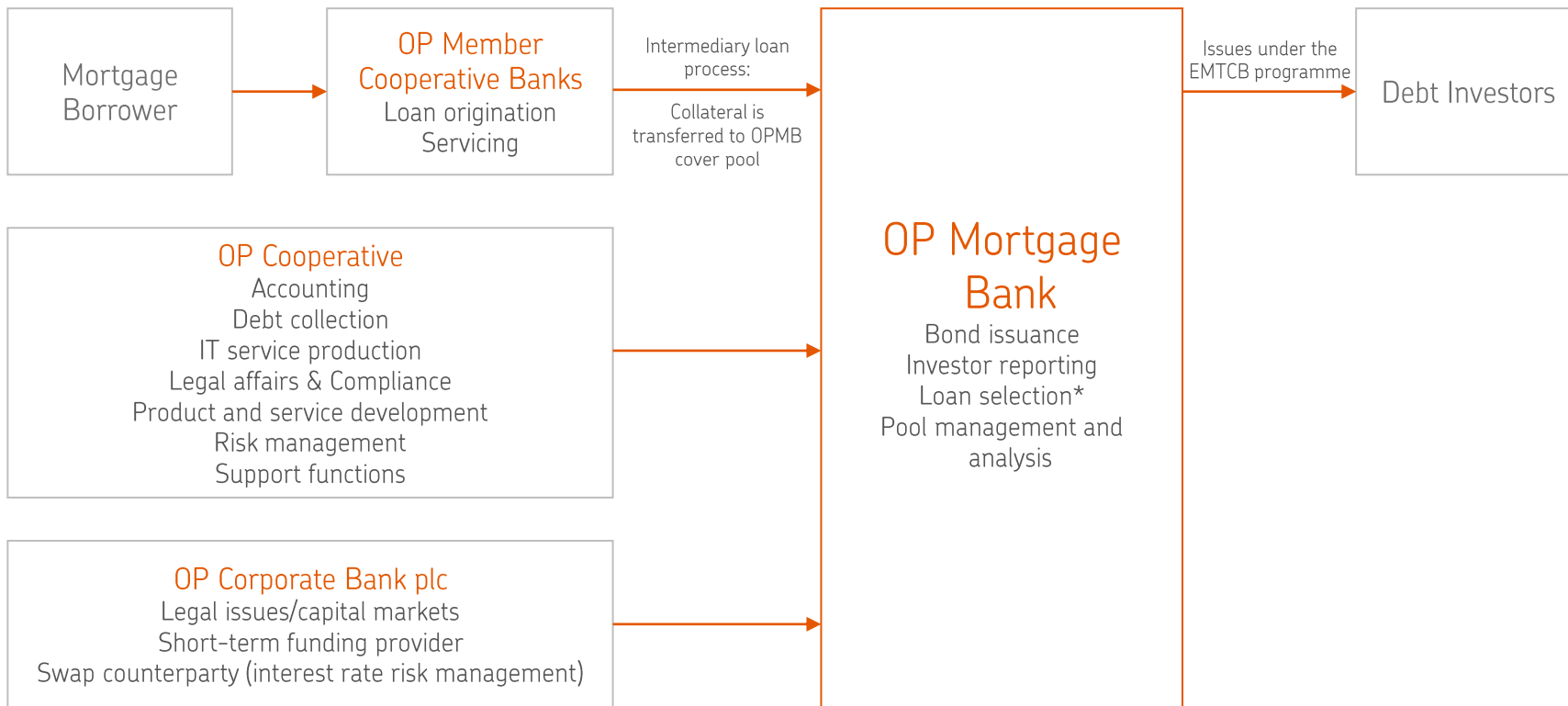


COVERED BOND
· LABEL ·

<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



* Basic lending criteria for the Group are set by OP Cooperative. OP Mortgage Bank has additional loan selection and cover pool eligibility criteria.



Covered Bonds under Finnish legislation

Act on Mortgage Credit Banks and Covered Bonds
(151/2022)

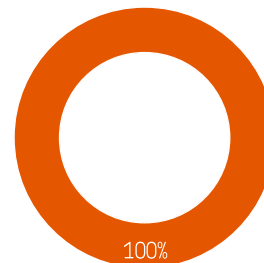
Act on Mortgage Credit Bank Operations
(688/2010)

	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)
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	

Euro Medium Term Covered Bond Premium (EMTCB)

Bonds issued after 8 July 2022

€5.8bn Current balance	€5.3bn Total amount of covered bonds	€53,800 Average loan size
>99% Tied to floating interest rate	50% Weighted Average indexed LTV	10% Over-collateralisation (OC)



Loan type distribution

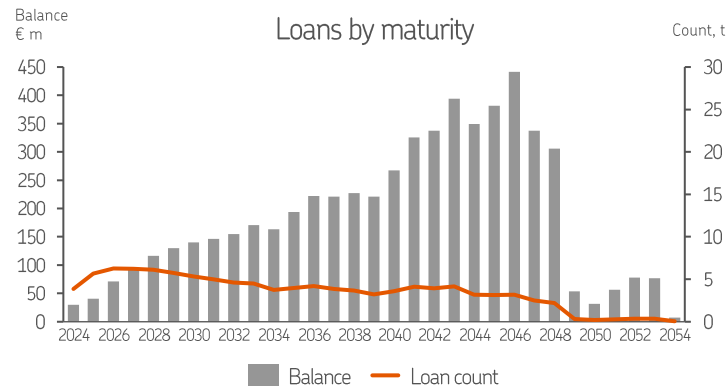
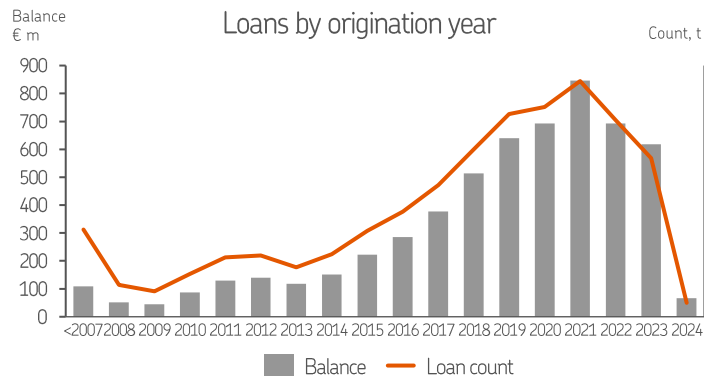
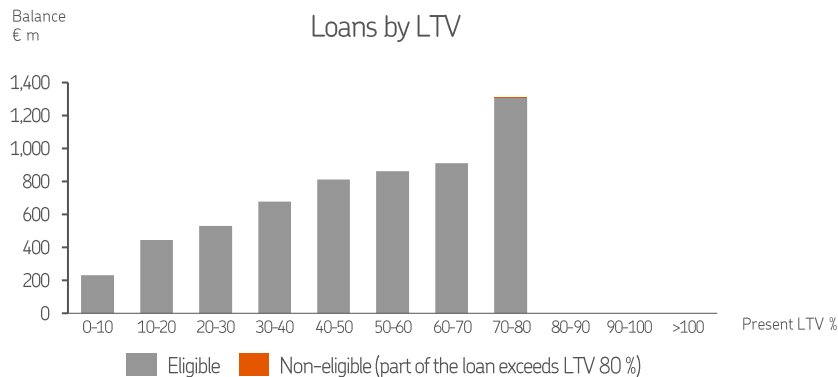
Residential loans



Geographical loan distribution

1	Southern Finland	53%
2	Western Finland	29%
3	Eastern Finland	5%
4	Oulu region	9%
5	Lapland	3%

OPMB EMTCB cover asset pool



Euro Medium Term Covered Note (EMTCN)

Bonds issued before 8 July 2022

€12.3bn

Current balance

€9.7bn

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

€64,900

Average loan size

>99%

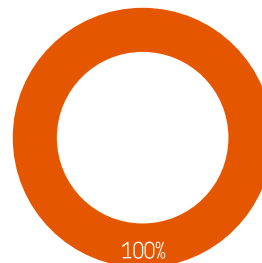
Tied to floating interest rate

53%

Weighted Average indexed LTV

28%

Over-collateralisation (OC)



Loan type distribution

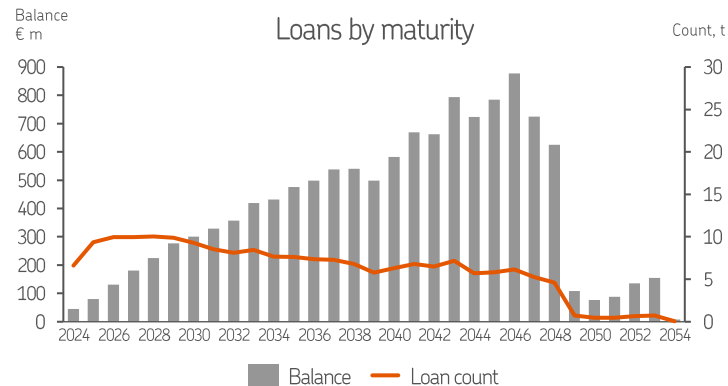
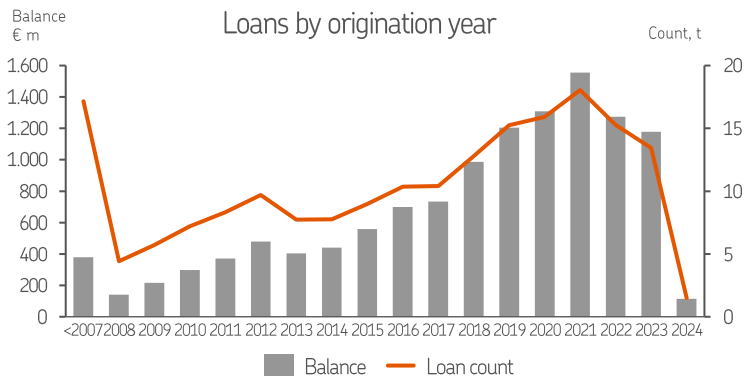
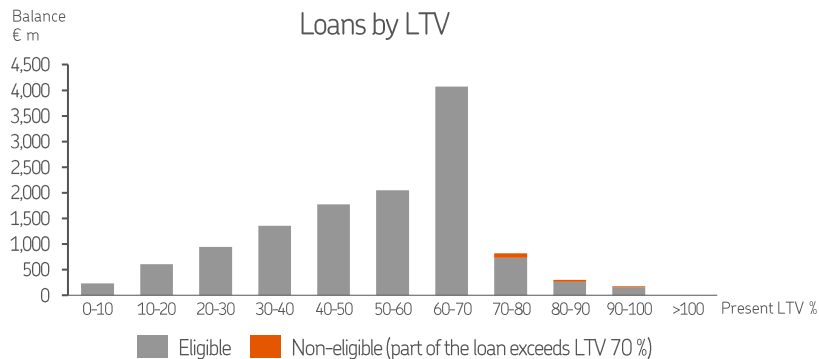
Residential loans



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.

