### 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.

<table>
<thead>
<tr>
<th>Reporting and Self-Assessment Requirements</th>
<th>High-level summary of bank’s response (limited assurance required for responses to highlighted items)</th>
<th>Reference(s)/Link(s) to bank's full response/relevant information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.1 Describe</strong> (high-level) your bank’s business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</td>
<td>OP Financial Group is made up of 137 OP cooperative banks and the central cooperative which they own, including its subsidiaries and affiliated entities. Over 2 million owner-customers own the OP cooperative banks and thereby the entire OP Financial Group with a staff of over 12,000. OP Financial Group’s vision is to be the leading and most appealing financial services group in Finland for our customers, employees and partners. OP Financial Group’s business consists of the following three business segments: Retail Banking (Banking for private and SME customers), Corporate Banking (Banking for corporate and institutional customers), and Insurance (Insurance customers). OP Financial Group is a local player with services available through a diverse range of digital channels and an extensive network of branches nationwide.</td>
<td>Op-year2020.fi, page 10</td>
</tr>
<tr>
<td><strong>1.2 Describe</strong> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society’s goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</td>
<td>OP Financial Group has made a commitment to pursuing the UN Sustainable Development Goals (SDGs). We have identified the SDGs with the most relevance to OP and factored them into our Corporate Responsibility Programme. OP Financial Group has also signed the National Commission on Sustainable Development’s Commitment 2050 pledge.</td>
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**Principle 2: Impact and 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.

### 2.1 Impact Analysis:

**Show** that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

- **Scope:** The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.
- **Scale of Exposure:** In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.
- **Context & Relevance:** Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.
- **Scale and intensity/salience of impact:** In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))

Show that building on this analysis, the bank has
- Identified and disclosed its areas of most significant (potential) positive and negative impact
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

### a) The climate impacts of OP Financial Group's loan portfolio have been analysed with an emissions assessment based on the GHG Protocol's Scope 3 emissions calculation. In addition, our corporate loans have been assessed for negative and positive impact categories using the UNEP FI Impact Analysis Tool. Based on our preliminary assessment the most significant negative impacts are climate and biodiversity and positive impacts were identified in the impact categories of housing, health and employment.

- According to emission intensity the most significant industries are agriculture, forestry and fishing sector, energy sector and households.

- OP has taken into account all regions in which it operates.

- We have identified key responsibility perspectives relevant for OP Financial Group based on a stakeholder survey followed by a materiality analysis. Based on these, we have selected four themes for our Corporate Responsibility Programme: we improve financial literacy in Finland, we foster a sustainable economy, we support local vitality and community spirit, and we use our information capital responsibly.

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

**OP Financial Group has undertaken and fulfilled the requirements regarding Impact Analysis. Corporate loans have been assessed for negative and positive impact categories using the UNEP FI Impact Analysis Tool.**
### Target Setting

**Show** that the bank has set and published a minimum of two **Specific, Measurable** (can be qualitative or quantitative), **Achievable, Relevant and Time-bound** (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.

**Show** that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

**Show** that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

**OP Financial Group continues its work to set goals in accordance with the Principles of Responsible Banking (PRB) in 2021.**

Our corporate responsibility program is linked to SDG’s. We have set a target to achieve a positive carbon handprint in 2025, which means zero emissions from the energy and fuels that we use (Scope 1 and Scope 2) and also reducing emissions across our supply chain.

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.

**OP Financial Group continues its work to set targets in accordance with the Principles of Responsible Banking (PRB) in 2021.**

### Plans for Target Implementation and Monitoring

**Show** that your bank has defined actions and milestones to meet the set targets.

**Show** that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.

**OP Financial Group continues its work to set targets and take measures for implementation in accordance with the Principles of Responsible Banking (PRB) in 2021.**

The Corporate Responsibility Committee prepares OP Financial Group’s CR Programme for the Board’s approval and tracks progress against the agreed targets. Daily corporate responsibility routines and the implementation of the Corporate Responsibility Programme are coordinated by business divisions’ corporate responsibility working groups.

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.
### Progress on Implementing Targets

**For each target separately:**

Show that your bank has implemented the actions it had previously defined to meet the set target.

Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

*Report* on your bank’s progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in.

(where feasible and appropriate, banks should include quantitative disclosures)

OP Financial group has set a target to achieve a positive carbon handprint in 2025, which means means zero emissions from the energy and fuels that we use (Scope 1 and Scope 2) and also reducing emissions across our supply chain.

Since becoming a signatory OP Financial group has assessed corporate loans for negative and positive impact categories using the UNEP FI Impact Analysis Tool.

OP Financial Group continues its work to set targets and take measures for implementation in accordance with the Principles of Responsible Banking (PRB) in 2021.

The Corporate Responsibility Committee prepares OP Financial Group’s CR Programme for the Board’s approval and tracks progress against the agreed targets.

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**Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets**

**OP Financial Group continues its work to set targets and take measures for implementation in accordance with the Principles of Responsible Banking (PRB) in 2021.**

**Principle 3: Clients and 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.

**3.1 Provide an overview** of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

Together with our customers, OP Financial Group builds a sustainable economy and promotes efforts to mitigate and adapt to the effects of climate change. OP will develop products and services which will encourage its customers to act in a responsible and environment-friendly manner and take into account the effects of its operations on biodiversity.

Stakeholder engagement is deeply embedded into OP’s cooperative business model. The Code of Business Ethics contains OP Financial Group’s corporate responsibility principles. Our corporate responsibility actions are guided by our Corporate Responsibility programme. To support the update of the CR programme, we carried out a stakeholder survey in 2019 and, based on its results, a materiality analysis.

**Code of Business Ethics**

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**3.2 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. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.

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**OP Financial Group continues its work to set targets and take measures for implementation in accordance with the Principles of Responsible Banking (PRB) in 2021.**
### Principle 4: Stakeholders
We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals.

**4.1 Describe** which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank’s impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

| OP Financial Group has identified our key stakeholders and engages in continuous dialogue with them. | https://www.op.fi/op-financial-group/corporate-social-responsibility/stakeholder-engagement |

### Principle 5: Governance & Culture
We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

**5.1 Describe** the relevant governance structures, policies and procedures your bank has in place or planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

| Corporate responsibility is an integral part of OP Financial Group’s business and strategy. OP Cooperative’s Supervisory Council has approved OP Financial Group’s Corporate Responsibility Programme. The Corporate Responsibility Committee established in 2019 by the Executive Management Team prepares OP Financial Group’s CR Programme for the Board’s approval and tracks progress against the agreed targets. |
| Corporate responsibility features regularly on the agendas of not only the central cooperative’s Board of Directors and the Executive Management Team but also the management teams of individual business divisions. Daily corporate responsibility routines and the implementation of the Corporate Responsibility Programme are coordinated by business divisions’ corporate responsibility working groups. OP Financial Group’s corporate responsibility policies and guidelines apply to all Group companies. |

**5.2 Describe** the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

| OP Financial Group’s corporate governance practices also largely cover actions related to corporate responsibility management. The most important management approaches are laid down in OP Financial Group’s Corporate Governance Principles. The Corporate Responsibility Policy and CR Programme and significant changes to them are approved by the Board of Directors of OP Cooperative, the central cooperative of OP Financial Group. The Corporate Responsibility Committee established in 2019 by the Executive Management Team prepares OP Financial Group’s CR Programme for the Board’s approval and tracks progress against the agreed targets. OP Cooperative’s Supervisory Council regularly reviews the Group’s CR Programme and monitors its implementation. |

### 5.3 Governance Structure for Implementation of the Principles
Show that your bank has a governance structure in place for the implementation of the PRB, including:

- a) target-setting and actions to achieve targets set
- b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.
Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

The governance structure of OP Financial Group fulfills and supports the requirements of the principles.

**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.

<table>
<thead>
<tr>
<th>1.1 Progress on Implementing the Principles for Responsible Banking</th>
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**Show** that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

**Show** that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

**Show** that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

| OP Financial Group has completed its first impact analysis and will continue efforts for target setting incorporating the SDG’s, the Paris Agreement and international as well as regional frameworks and best practices. |

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking.

OP Financial Group has completed its first impact analysis and will continue efforts for target setting incorporating the SDG’s, the Paris Agreement and international as well as regional frameworks and best practices.