

30 April 2022

Derivatives and emission allowances

- OTC derivatives, such as interest rate derivatives, credit derivatives, currency derivatives, equity derivatives, securitised derivatives, commodity derivatives
- Emission allowances

An investment firm shall publish for each class of financial instruments, a summary of the analysis and conclusions it draws from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders in the previous year. The data must include

- a) an explanation of the relative importance the investment firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when making assessments of the quality of execution;

Based on OP Corporate Bank's business model, the bank always executes transactions from its own balance sheet, in which case it is the transaction execution venue and/or counterparty.

In derivative and emission allowance orders, OP Corporate Bank generally focuses on achieving the best possible consideration in terms of likelihood of execution, speed and price. Their order of importance may vary depending on the order's features and the instructions provided by the client.

In its operations, OP Corporate Bank complies with OP Corporate Bank Best Execution Policy.

- b) a description of any close links, conflicts of interest or common ownership with respect to any execution venue used in the execution of orders;

Based on OP Corporate Bank's business model, the bank always executes transactions from its own balance sheet, in which case it is the transaction execution venue and/or counterparty.

- c) a description of special arrangements made with any execution venue that apply to effected or received payments or discounts, rebates or non-monetary benefits received;

Not applicable

- d) an explanation of the factors that led to a change in the list of execution venues listed in the investment firm's execution policy, if such a change occurred;

Based on OP Corporate Bank's business model, the bank always executes transactions from its own balance sheet, in which case it is the transaction execution venue and/or counterparty. Consequently, no changes exist in the execution venues.

- e) an explanation of how order execution differs according to client categorisation, where the firm treats such category of client differently and where it may affect order execution arrangements;

Client categorisation does not affect order execution arrangements.

- f) an explanation of when other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

In addition to direct price and cost factors, product liquidity (likelihood of execution and the size of the transaction) has a significant effect on the achievement of the best possible result.

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Enabling the execution and the speed of the transaction are primary criteria according to the client's best interests, in which case the likelihood and speed of execution have higher value than direct price and cost factors when assessing the best possible execution. After enabling the execution, the bank always aims to offer the best price to the client.

- g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under the Delegated Directive (EU) 2017/575;

Based on OP Corporate Bank's business model, the bank always executes transactions from its own balance sheet, in which case it is the transaction execution venue and/or counterparty and does not execute orders in other execution venues. OP Corporate Bank assesses the quality of execution based on its Best Execution Policy.

- h) an explanation of how the investment firm has used, if applicable, output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

Not used.