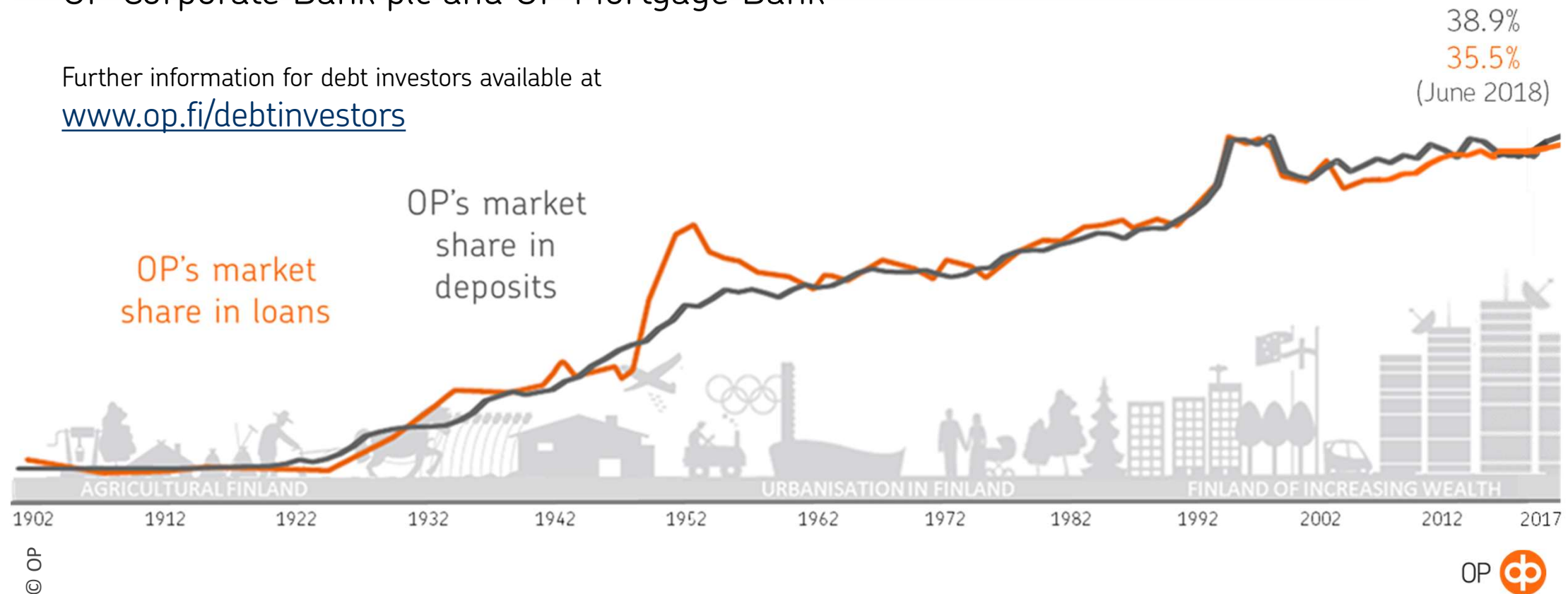


Debt Investor Presentation Q1–3/2018

OP Financial Group and issuing entities
OP Corporate Bank plc and OP Mortgage Bank

Further information for debt investors available at
www.op.fi/debtinvestors



Disclaimer

Certain statements in this presentation are based on the beliefs of our management as well as assumptions made by and information currently available to the management. All forward-looking statements in this presentation expressing the management's expectations, beliefs, estimates, forecasts, projections and assumptions are based on the current view of the future development in the operating environment and the future financial performance of OP Financial Group and its various functions. No assurance can be given that such expectations will prove to have been correct. Accordingly, results may differ materially from those set out in the forward-looking statements as a result of various factors. OP Financial Group has used sources of information which it considers to be reliable, and the accuracy and reliability of which it has sought to establish to the best of its ability, but it can nevertheless not guarantee their accuracy or reliability.

A number of different factors may cause the actual performance to deviate significantly from the forward-looking statements in the presentations. Our financial reports also describe risks and factors that could affect our future performance and the industry in which we operate. Should one or more of these risks or uncertainties materialise or should any underlying assumptions prove to be incorrect, our actual financial position or results of operations could materially differ from that presented as anticipated, believed, estimated or expected. The views and other information provided are current as of the date of when such information was provided and may be subject to change without notice. OP Financial Group does not undertake and is not under any obligation to update any of the forward-looking statements or to conform such statements to actual results, except as may be required by law or applicable stock exchange regulations.

Past performance is no guide to future performance. Persons needing advice should consult an independent financial, legal or tax adviser.

Contents

- OP Financial Group in brief
- Key financials Q1-3/2018
- Finnish economy
- OP Financial Group
 - Management and structural changes
 - Structure, joint liability and market shares
 - Strategy and competitive advantages
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 - Capitalisation, financial performance and asset quality
 - Credit ratings, liquidity and funding
- OP Mortgage Bank
- OPMB Cover Asset Pool Characteristics and ECBC Harmonised Transparency Template
- Appendices
- Debt IR contacts

Co-operative OP Financial Group in brief

TOTAL ASSETS

€140 bn

at end-September 2018

SOLID CAPITAL POSITION

20.0%

CET1 ratio
at end-September
2018

22.1%

Total capital ratio
at end-September
2018

MARKET LEADER IN FINLAND

38.9% 35.5% 33.0%

Market share
in deposits
June 2018

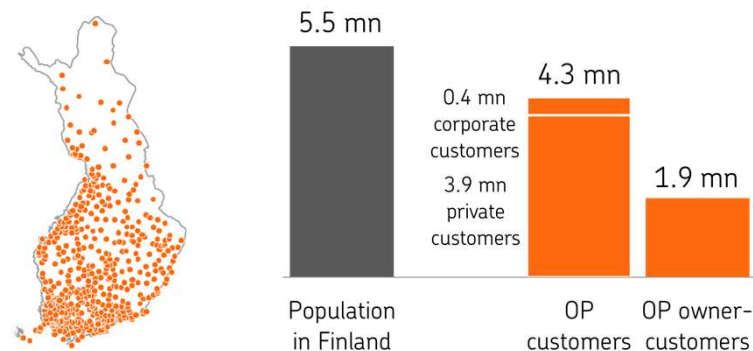
Market share
in loans
June 2018

Market share in
non-life insurance
2017

JOINT LIABILITY

Central institution, OP Cooperative, and the member credit institutions (incl. both issuing entities) of the amalgamation are jointly liable for each others' debts and commitments, by virtue of the Finnish law.

FINNISH RISK EXPOSURE



HIGH CREDIT RATINGS

Moody's Aa3
S&P AA-

OP Corporate Bank plc

Moody's Aaa
S&P AAA

OP Mortgage Bank's
covered bonds

Key financials Q1-3/2018

KEY P&L LINE ITEMS

Group EBT
€687 mn
 (-18%)

Banking EBT **€489 mn (+2%)**
 Non-life Insurance EBT **€131 mn (-5%)**
 Wealth Management EBT **€136 mn (-28%)**

Total income
€2,286 mn
 (-0%)

NII **€867 mn (+6%)**
 Net insurance income **€432 mn (+27%)**
 Net commissions and fees **€655 mn (+3%)**
 Net investment income **€284 mn (-32%)**

Total expenses
€1,378 mn
 (+9%)

Expense growth mainly due to higher personnel costs, development costs from existing business lines, costs from new business as well as increased depreciation/amortisation and impairment loss

VOLUMES (y-on-y)

Housing loans
+3%

Corporate loans
+7%

Deposits
+4%

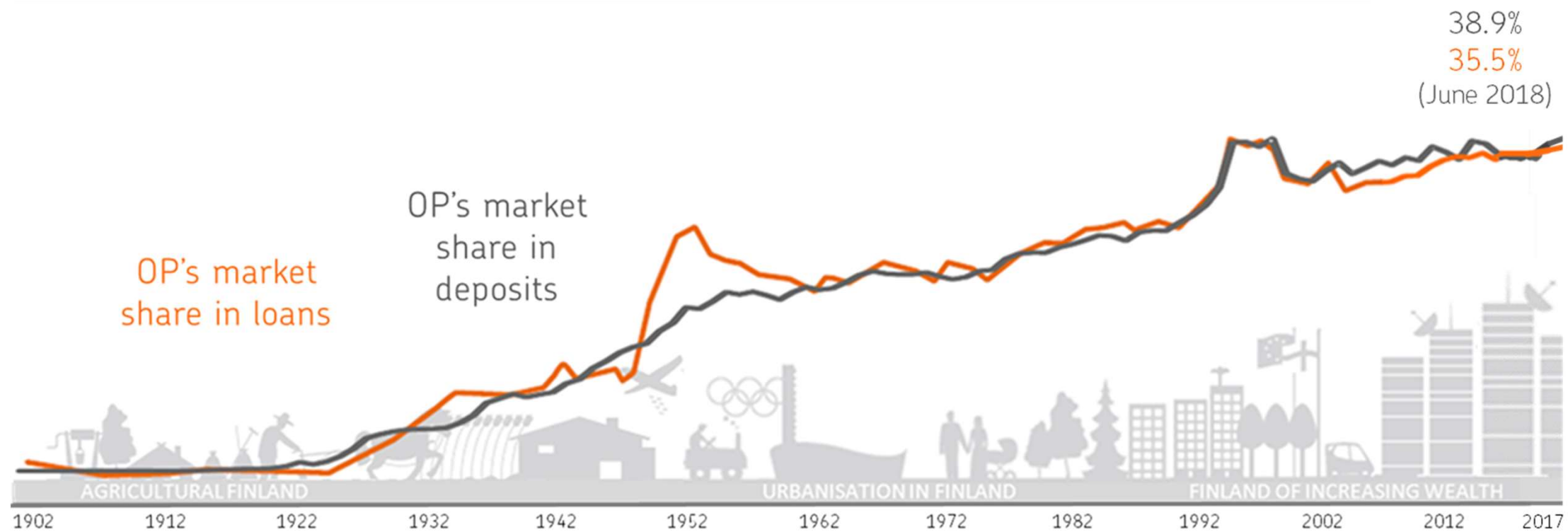
Insurance premium revenue
+3%

AUM (gross)
+2%

OUTLOOK 2018

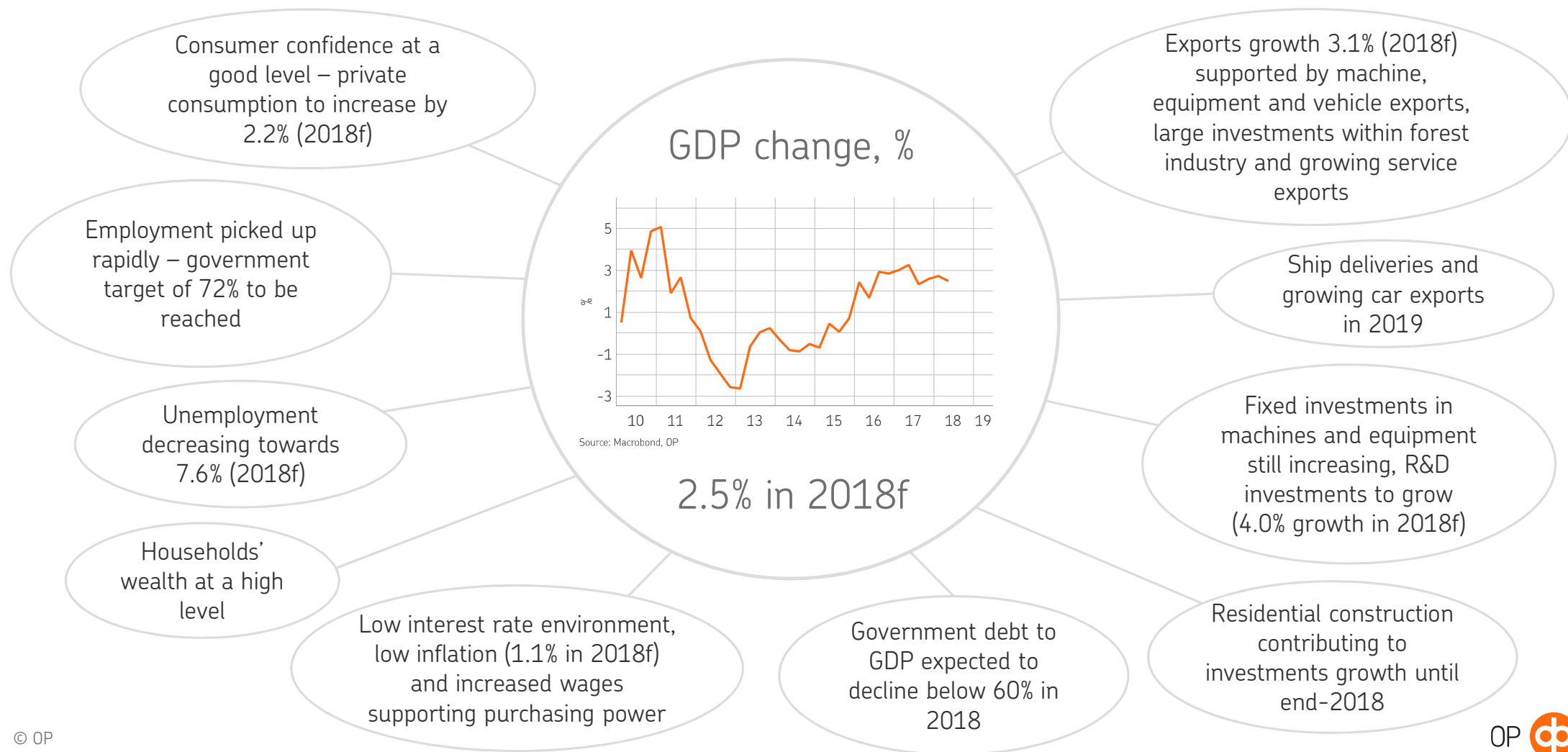
In 2018, OP's EBT is expected to be at about the same level as in 2017

The most significant uncertainty related to the earnings for the rest of the year is associated with the amount of the non-recurring item arising from the transfer of the portfolio of the statutory earnings-related pension insurance for OP Financial Group's personnel. The transfer will improve the Group's CET1 ratio by an estimated 0.4 pps and earnings before tax by €240 mn, based on the current estimate. Other uncertainties are associated with other potential effects of significant changes in the interest rate and investment environment as well as impairment losses.



Finnish economy

Broad-based and balanced economic growth in Finland



Finnish economy grows at moderate pace

Forecasts for the Finnish economy, November 2018

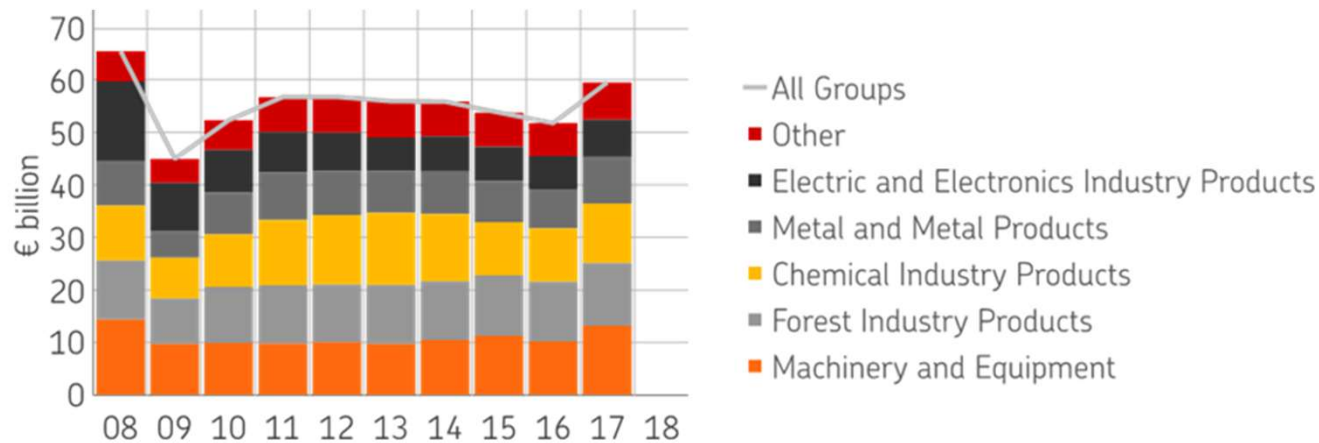
	EUR bn				
Volume, % change on previous year	2017	2016	2017	2018f	2019f
GDP	223,8	2,5	2,8	2,5	1,8
Imports	85,4	5,6	3,5	2,8	3,0
Exports	86,3	3,9	7,5	3,1	3,0
Consumption	173,1	1,9	0,8	2,1	1,8
- Private	121,9	2,0	1,3	2,2	2,2
- Public	51,2	1,8	-0,5	2,0	1,0
Fixed investment	49,6	8,5	4,0	4,0	3,0
Other key indicators		2016	2017	2018f	2019f
Consumer price index, % change y/y		0,4	0,7	1,1	1,6
Change in wage and salary earnings, %		0,9	0,2	1,7	2,5
Unemployment rate, %		8,8	8,6	7,6	7,2
Current account balance, % of GDP		-0,7	-0,7	-1,0	-0,9
General government net lending, % of GDP		-1,7	-0,7	-0,5	0,0
General government debt, % of GDP		63,0	61,3	59,5	58,0

Finland is an exports-driven economy – around 40% of GDP derives from exports

Sources: Statistics Finland and OP Financial Group

Balanced goods exports structure by commodity group

Goods exports by commodity group
commodity group 2008–17



Source: Macrobond, Finnish Customs

Goods exports around 2/3 of
Finnish exports

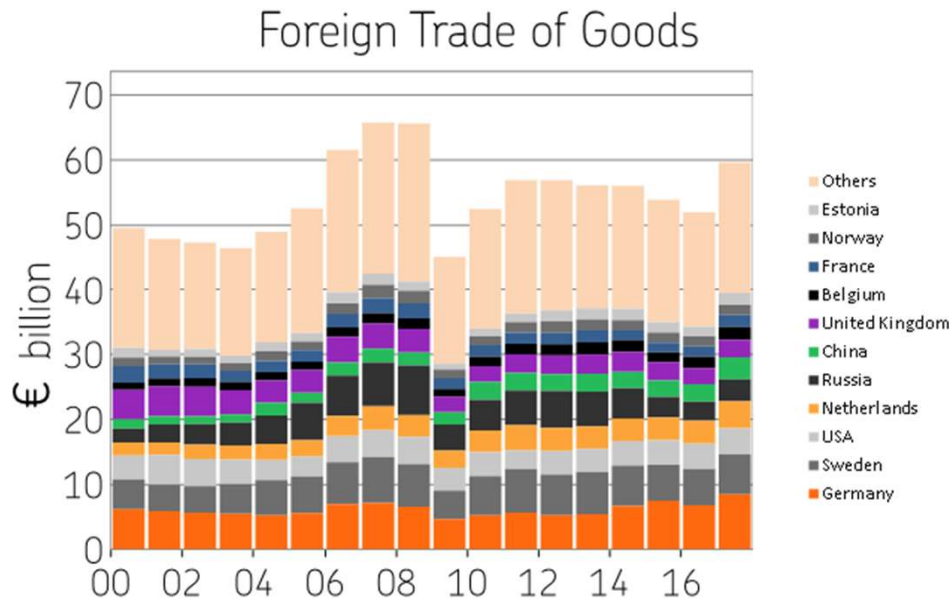


Source: Macrobond, OP
Latest values: Q2/2018

Diversified goods exports structure by country

Goods exports to EU member countries 60.2% and to Euro Area 39.2% in January–July 2018

Finland's largest goods exports countries
2000–17



Source: Macrobond, OP

Finland's biggest trading partners
(July 2017–July 2018, 12 mth moving avg)

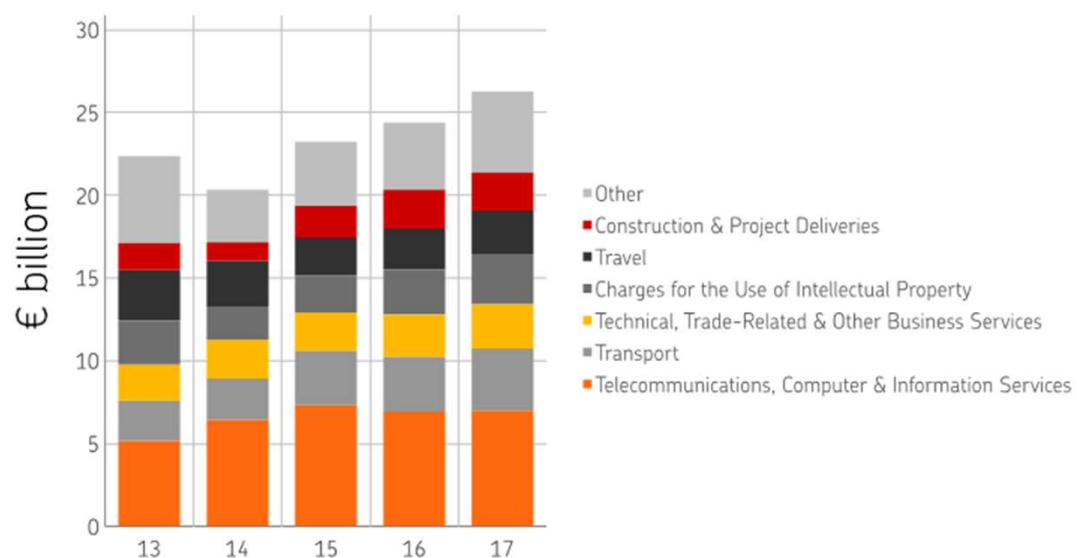


Source: Macrobond, OP

* Poland (2.7%), Japan (2.3%), Italy (2.3%), Denmark (1.8%), Spain (1.7%), South Korea (1.4%), Turkey (1.2%), Switzerland (1.2%), Canada (1.0%), Australia (1.0%), Latvia (1.0%), India (0.9%), Lithuania (0.9%), Mexico (0.6%), Austria (0.6%), Brazil (0.5%), Czech Republic (0.5%), South Africa (0.5%) and the remaining countries (12.1%) of which less than 0.5% each.

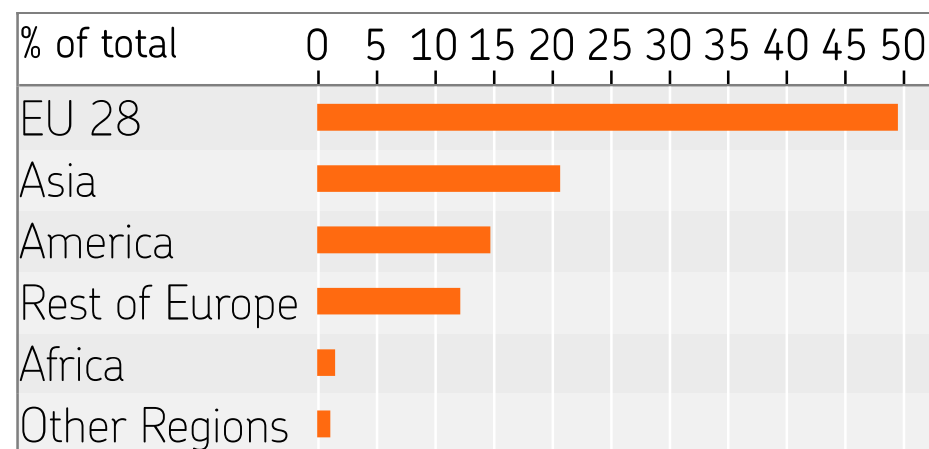
Service exports structure rather stable

Finland's service exports by item
2013–17



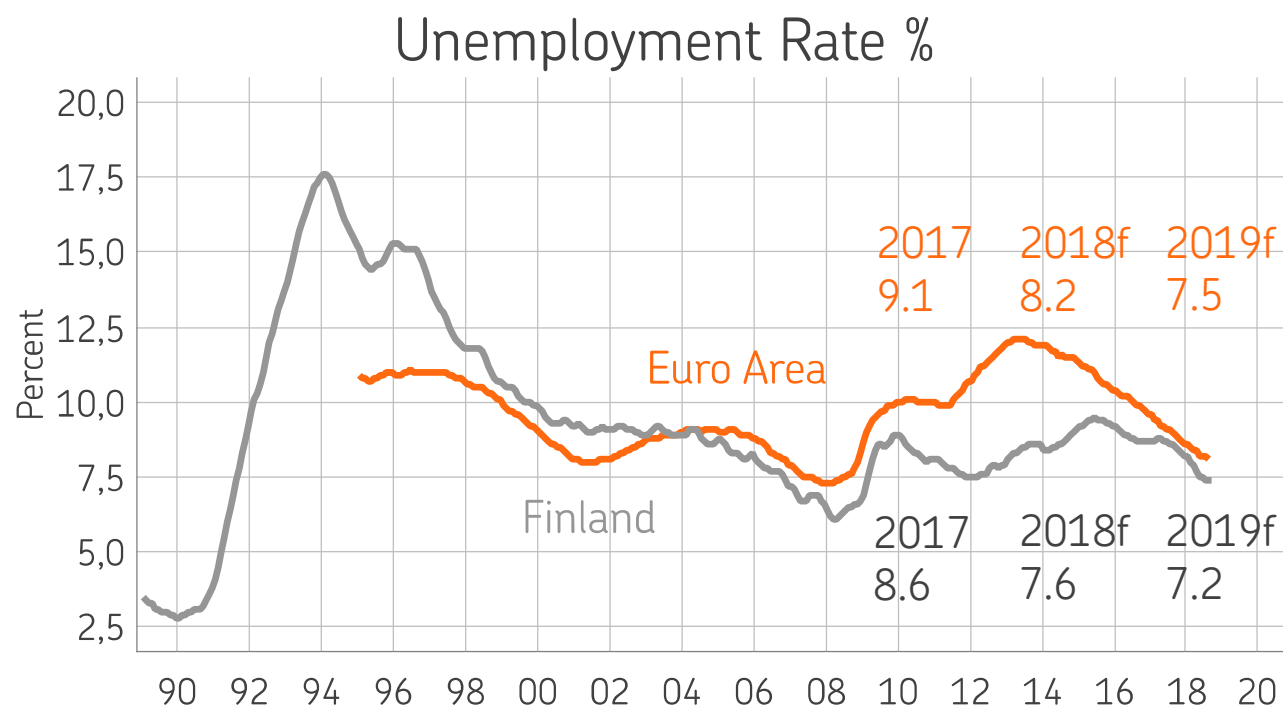
Source: Macrobond, OP

Finland's service exports by area
(2017)



Source: Macrobond, OP

Unemployment rate falling faster than expected



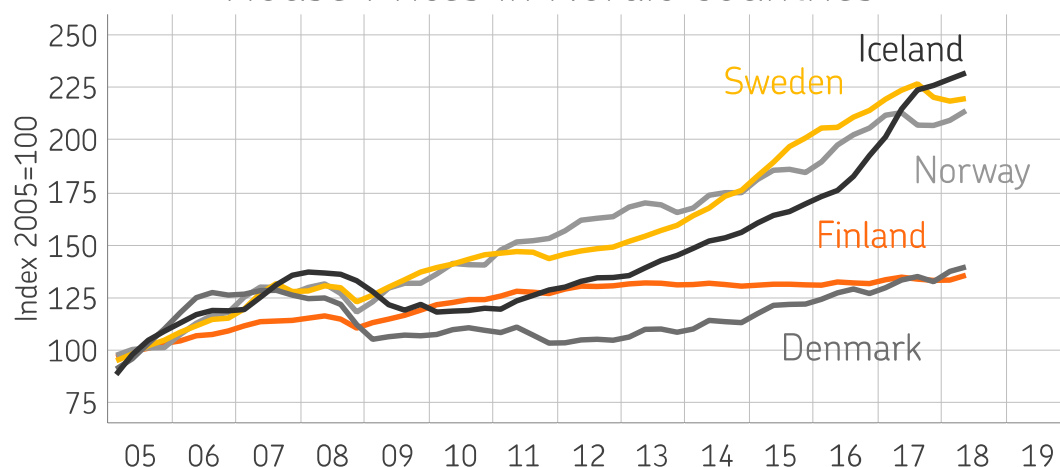
Source: Macrobond, OP

Target of the Finnish Government, 72%, to be reached as employment rate trend was just below 72% in August 2018 and employment rate is expected to reach nearly 73% in 2019

Average house prices and households' debt

In Finland, housing market picking up and average house prices estimated to increase by 1–2% in 2018 and 0–3% in 2019

House Prices in Nordic Countries

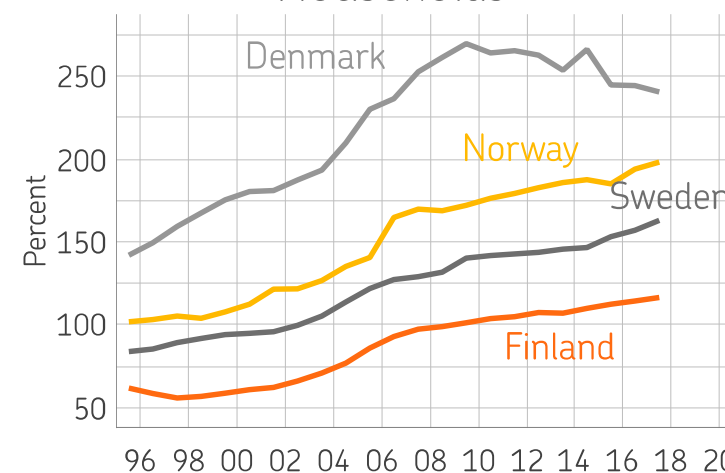


Source: Macrobond, OP, Eurostat

The House Price Index (HPI) measures price changes of all residential properties purchased by households (flats, detached houses, terraced houses, etc.), both new and existing.

Latest values: Q2/2018

Gross Debt-To-Income Ratio of Households



Source: Macrobond, OP

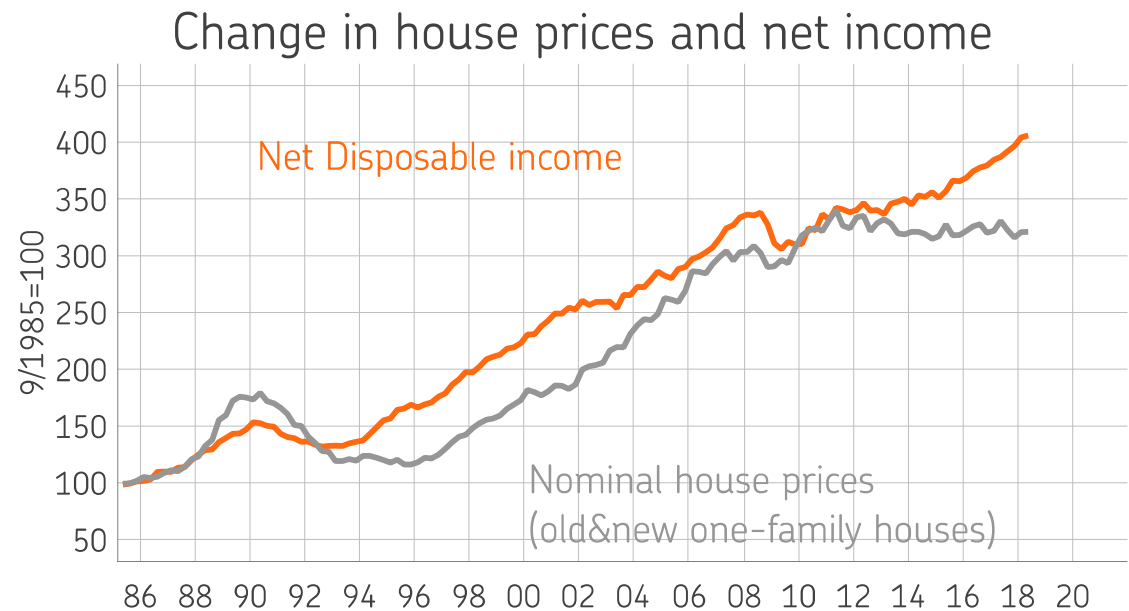
Latest values: 2017

Finnish housing market is stable

Characteristics of Finnish housing market

- Fully-amortizing market
- Average maturity of a new housing loan 20 years in July 2018
- 97% of housing loans tied to variable interest rates in August 2018
 - At OP, stress-tested with 6% interest rate in 25 years' maturity
- Ownership ratio 72% at YE2017
- Average price of an old dwelling 2,081 €/sq m in September 2018

Change in nominal house prices in relation to average net income

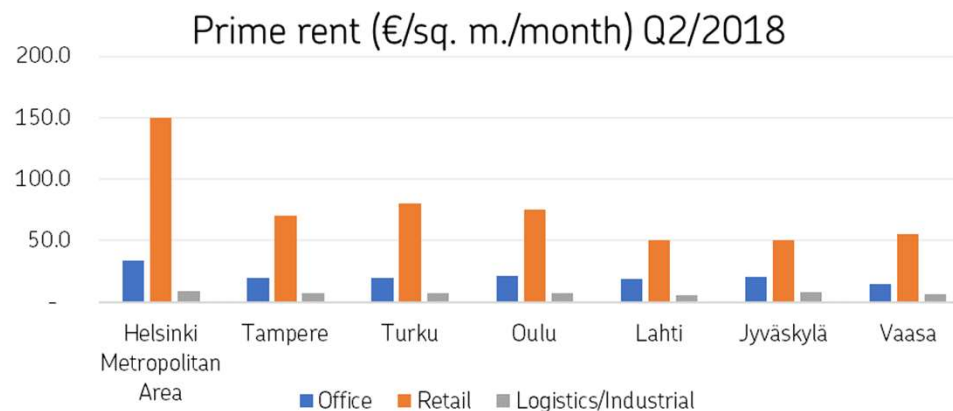
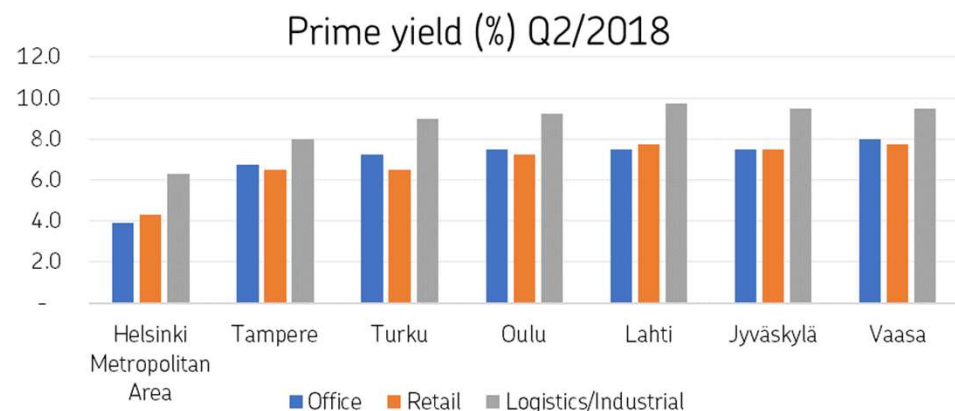
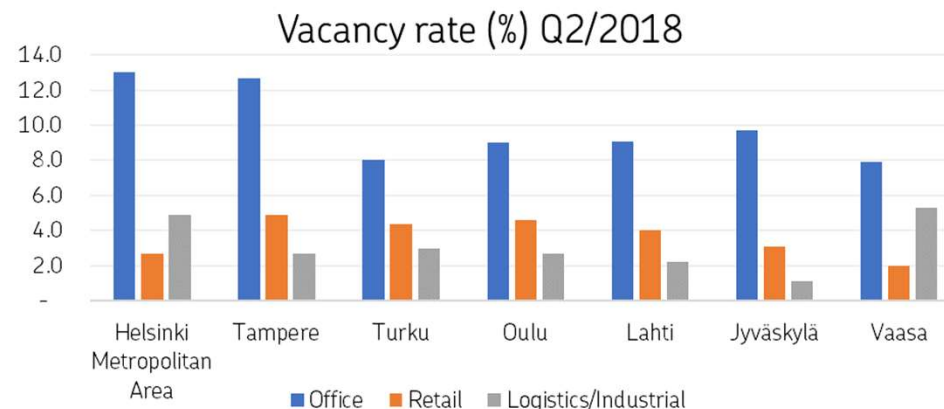
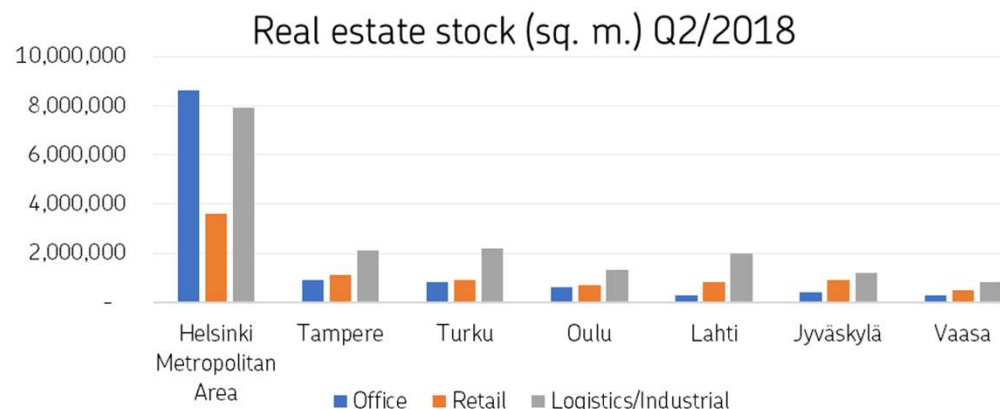


Source: Macrobond, OP

Updated: 29 October 2018

Sources: Statistics Finland and Bank of Finland

Commercial real estate market in largest Finnish cities

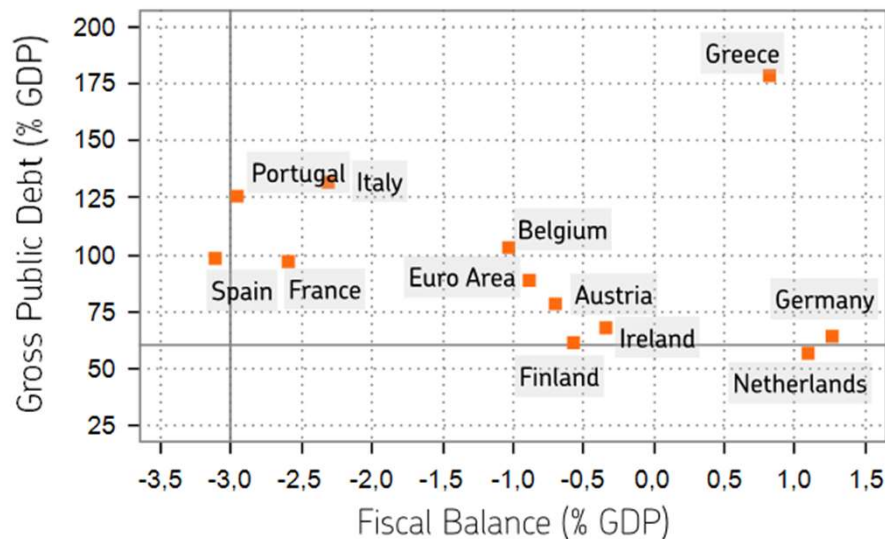


Rental levels and yields are based on following criteria: Rents are gross rents. Retail premises: Street level retail premises in the central business district (CBD), well-known domestic or international tenant, 3–5-year lease agreement and initial yield without renovations. Office premises: Modern or renovated premises in the CBD with good rentability, stable anchor tenants, 3–5-year lease agreements and initial yield without renovations. Logistics/Industrial premises: Ordinary premises located in a good industrial area, newer medium-sized building without major renovations needed, one stable tenant, 5–7-year lease agreement and initial yield without renovations. Particularly long lease agreements currently decrease yields by approx. 0.1–0.5% points in the Helsinki CBD and 0.1–0.7% points in other submarkets.

Source: Catella Property Oy, Real Estate Market Finland, Autumn 2018

Finland is wealthy and balanced economy in European comparison

Fiscal Balance and Public Debt
% of GDP in 2017



Source: OP, Macrobond, European Commission estimates

Long-term sovereign credit ratings of selected
European countries

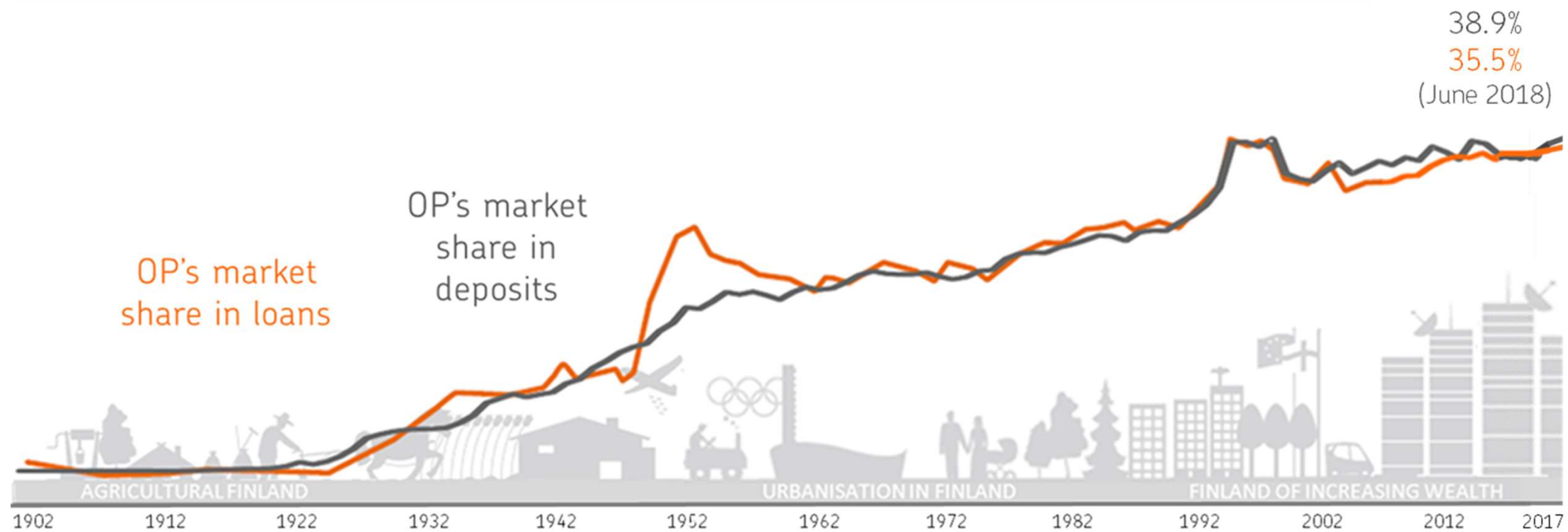
28 October 2018

	Moody's	S&P	Fitch
Germany	Aaa	AAA	AAA
Netherlands	Aaa	AAA	AAA
Austria	Aa1	AA+	AA+*
Finland	Aa1	AA+	AA+*
France	Aa2*	AA	AA
Belgium	Aa3	AA	AA-
Ireland	A2	A+	A+
Spain	Baa1	A-*	A-
Italy	Baa3	BBB**	BBB**
Portugal	Baa3	BBB-*	BBB
Greece	B3*	B+*	BB-

* Positive outlook

** Negative outlook

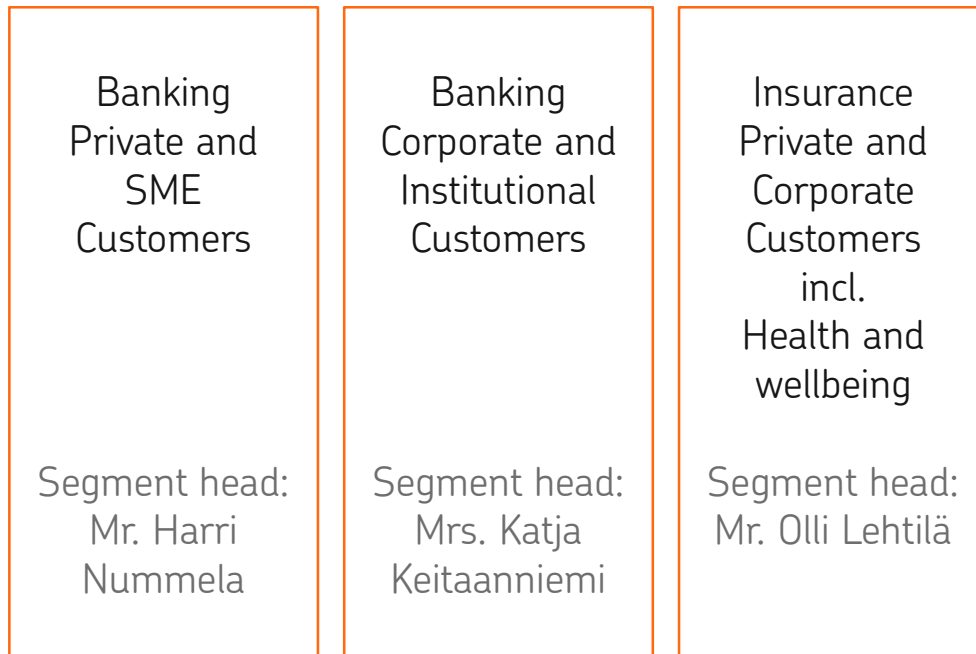
Sources: Rating agencies' websites



OP Financial Group

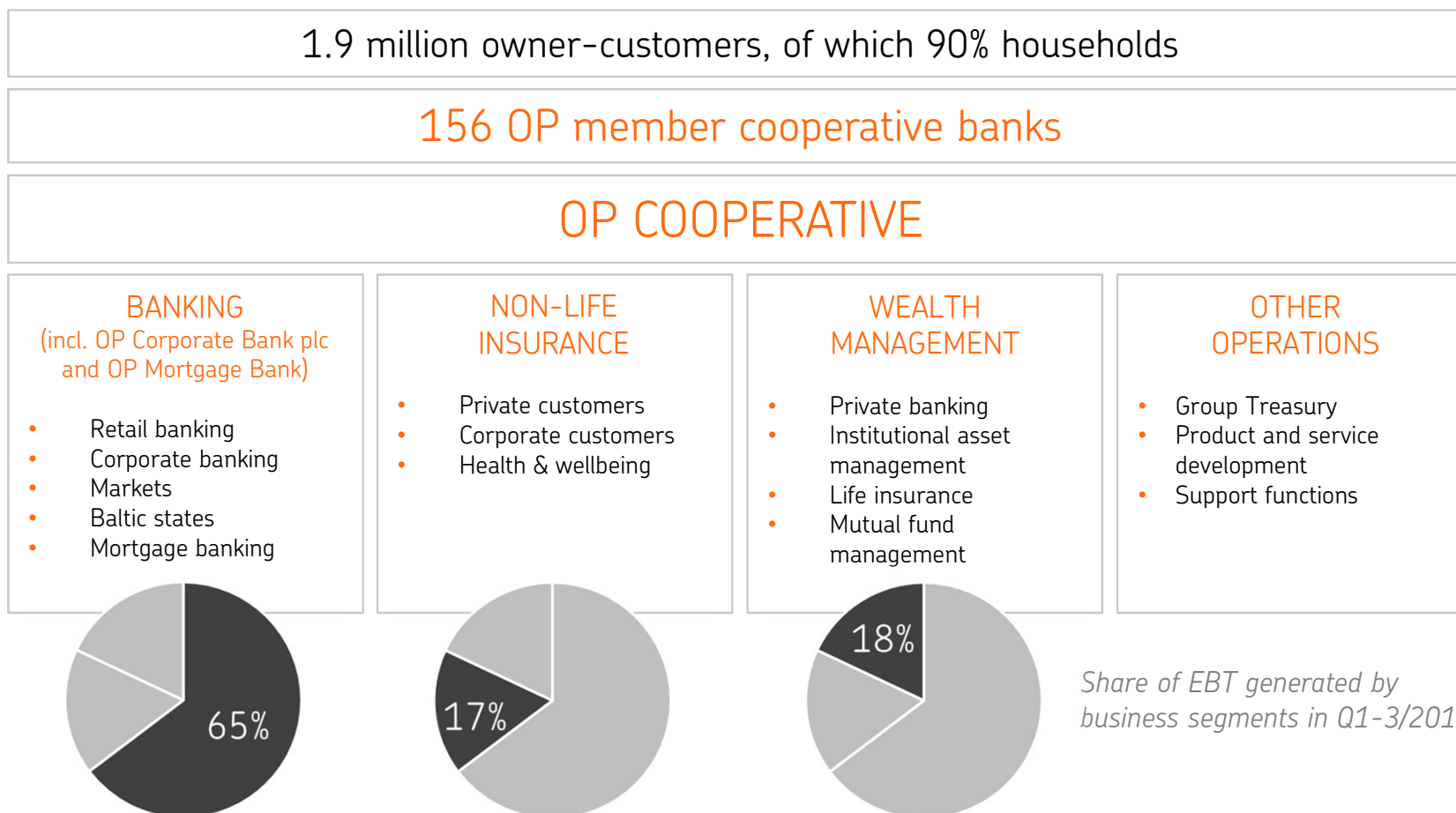
OP to put customer relationships at the core of management

New simplified business segment structure



- ✓ Aim of re-organisation: sharpening the strategic focus, maximising the benefit for customers and speeding up business success
- ✓ Planning for the organisation will continue during autumn 2018 through ongoing Information and Consultation of Employees process

OP Financial Group's current reporting structure



Share of EBT generated by business segments in Q1-3/2018

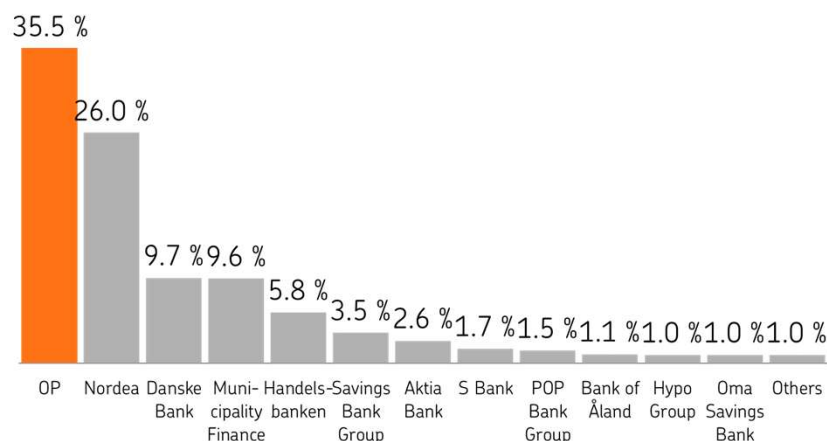
Change in a company name:
During 2019, OP Insurance will become Pohjola Insurance as Pohjola is one of the most renowned brands in Finland and the brand among customers is strongly associated with insurance services.

Joint liability within OP Financial Group

- Under the Act on the Amalgamation of Deposit Banks (*Laki talletuspankkien yhteenliittymästä 599/2010*), OP Cooperative and the member credit institutions are jointly liable for each others' debts.
- The member credit institutions include OP Corporate Bank plc, Helsinki Area Cooperative Bank, OP Mortgage Bank, OP Card Company Plc, OP Customer Services Ltd and the member cooperative banks. Insurance companies or other group entities do not fall within the scope of joint liability.
 - If a creditor has not received payment from a member credit institution on a due debt, the creditor may demand payment from OP Cooperative.
 - The member credit institutions must pay proportionate shares of the amount OP Cooperative has paid, and upon insolvency of OP Cooperative they have an unlimited liability to pay the debts of OP Cooperative.
 - OP Cooperative and the member credit institutions are under an obligation to take support actions to prevent a member credit institution's liquidation.
- Further information on the joint liability available in the Base Prospectuses of OP Corporate Bank plc and OP Mortgage Bank.

OP – Leading financial group in Finland

Loans, June 2018 (Finland: €230 bn)



OP's market share at June 2018:

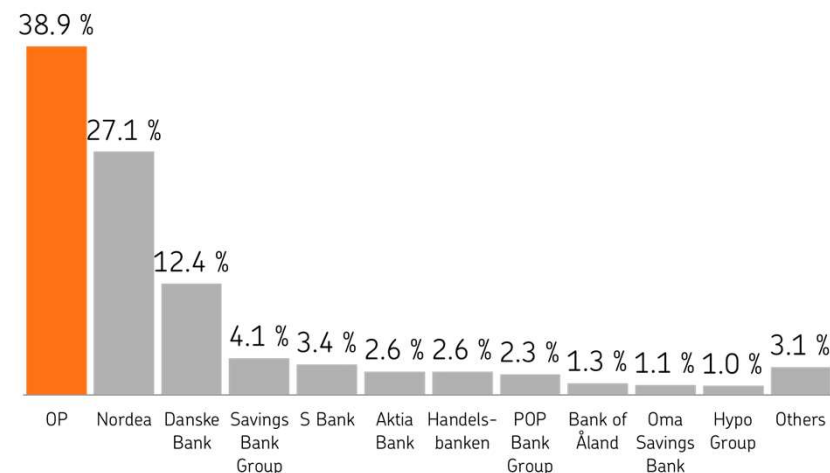
Housing loans

39.3%

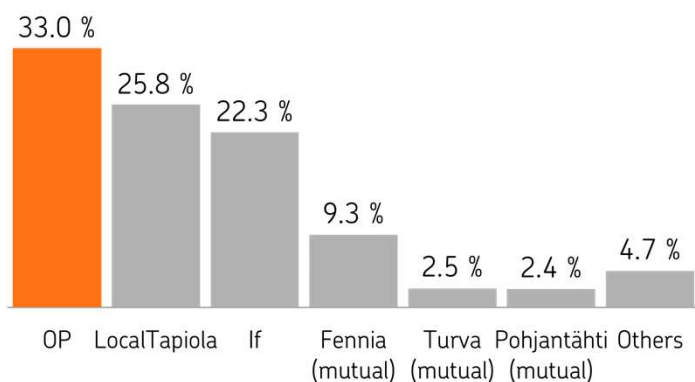
Corporate loans

38.7%

Deposits, June 2018 (Finland: €155 bn)

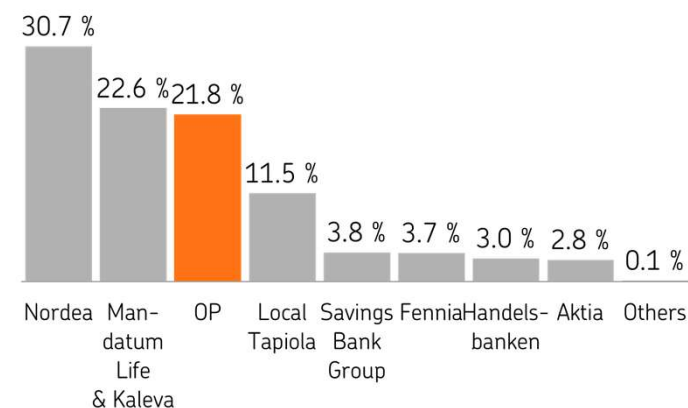


Non-life Insurance, 2017 (Finland: €4.2 bn)



Market share of premiums written under Finnish direct insurance

Life Insurance, 2017 (Finland: €4.5 bn)



Market share of gross premiums written

OP's strategy based on customer focus

Strategy still emphasizes creating new services and pioneering within the financial sector, but also strong focus on key measures and efficient implementation



Strategy sharpened around 5 key focus areas

New vision – The leading and most attractive financial services group in Finland

- OP is the leading actor in terms of the number of customers and a forerunner that others look up to
- OP is the most attractive player among customers, employees and partners



Introduction of new OP Agile operating model to be expanded to entire organisation



OP Agile operating model

1. Lowers decision-making levels
2. Increases cooperation and interaction between operations
3. Highlights work significance and enhances job satisfaction, which, in turn, improve customer experience and workplace efficiency – creating potential for cost savings

New operating model will first be phased in at OP Financial Group's central cooperative

- Implementation begun with the re-organisation of the central cooperative consolidated and the associated information & consultation of employees process in October 2018
- Organisational changes aim at decreasing annual costs incurred by the central cooperative consolidated by €100 mn

Owner–customership rationale in brief

Based on co-operative company form and mission:

We promote our owner–customers' and operating environment's sustainable financial prosperity, safety and wellbeing

Ownership

Co-operative mindset. Finnish and local. Genuinely close to customers. OP owned by its customers.

Community spirit

Finnish roots, long history and collective values. Positive community and society impacts. Collective experiences and events.



Financial benefits

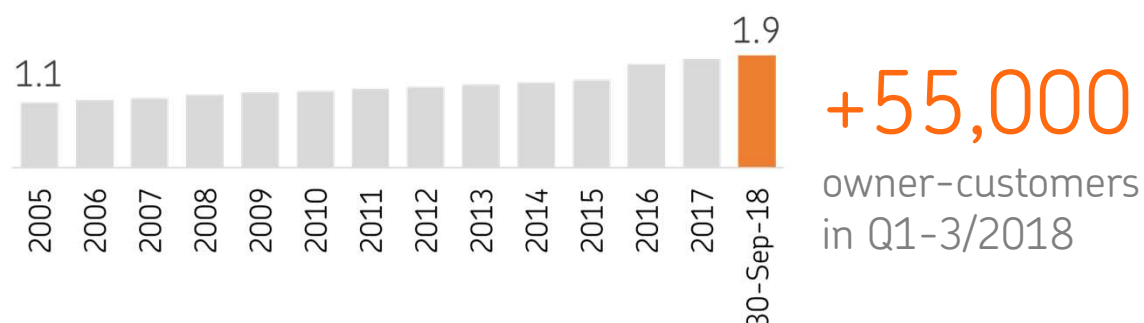
OP bonuses. Discounts from daily banking and insurance policies. Best service channels. Constantly renewing OP services. Benefits from partners.

Opportunity to influence

Influencing on your own bank's decision-making. Local owner–customer community. OP cooperative bank assembly voting. Participation in product and service development.

Growth in number of owner-customers and successful cross-selling supported by attractive loyalty benefits

Solid growth in number of owner-customers, mn



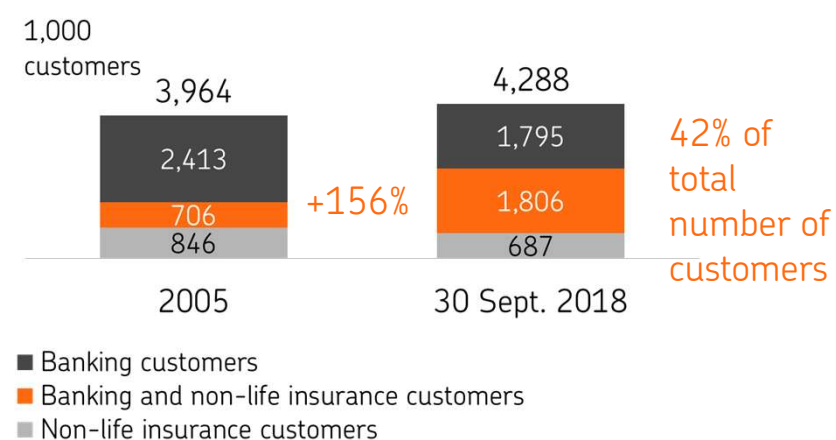
Owner-customer* value through attractive loyalty benefits

- Accrued OP bonuses** €171 mn in Q1-3/2018 – Use of bonuses €83 mn to banking and wealth management services and €87 mn to insurances
- Investments in Profit shares €3.0 bn and estimated accrued interests €70 mn in Q1-3/2018 – Return target 3.25% in 2018
- Daily banking discount – total benefit €42 mn in Q1-3/2018
- Non-life insurance loyalty discount – total benefit €50 mn in Q1-3/2018
- Selling, buying and trading of most mutual funds free of charge

* Membership fee varies depending on the OP cooperative bank (eg. 100€ at Helsinki Area Cooperative Bank)

** An owner-customer's loans, savings, investments and insurance premiums generate OP bonuses 0.25% of monthly transactions

Successful integration of banking and non-life insurance customerships



+18,000

combined banking and non-life insurance customers in Q1-3/2018

Development activities within Group and core business lines



GROUP

- Productivity of development – investments of €2 bn in developing operations and improving CX during 2016–2020 (majority to core business lines)
- Operational agility – process automation and service digitisation
- Basic system and ICT architecture renewal in order to improve competitiveness and enable new digital services
- Utilisation of UX/UI, service design, AI, analytics, big data, block chain, robotics, voice control etc. – and related competence update
- OP Lab – Group-level innovation unit

BANKING

- Digital housing loan offer enabling real-time housing loan decision online
- Digital corporate loan application
- Technology platform renewal and basic system upgrade within payment transfers, card business and private customer financing
- OP Crowd Funding – fully digital funding platform for SMEs
- OP Nano digital investment service
- Open Banking StartUp Partnership Programme

NON-LIFE INSURANCE

- OP Nano fully digital home and travel insurances
- Digital insurance card
- Developing online and mobile services in both insurance sales and claims reporting
- AI utilisation in claims handling process
- www.vahinkoapu.op.fi platform for non-life claim help service online
- Non-life Insurance basic system upgrade

Examples of the progress within new businesses

New business openings must be inherently linked to the core business lines and real customer needs

HEALTH AND WELLBEING



- Linked to health insurance business
- 5 Pohjola Health hospitals open
- Pohjola Health Advisor assessing need for treatment and referring to appropriate treatment
- Digital health services and processes eg. upcoming Pohjola Health App
- Smart Health StartUp Partnership Programme

MOBILITY



- Linked to car financing and car insurance business
- OP Kulku Electric Car as a service and OP Flexible Car
- DriveNow Car sharing service franchised by OP
- 100 EV charging stations near to OP branches
- Smart Mobility StartUp Partnership Programme

HOUSING



- Linked to real estate brokerage services
- OP Home online marketplace and map service for home search and other home-related services
- Smart Living StartUp Partnership Programme

COMMERCE



- Linked to payment transfers and cash management
- Mobile and e-commerce payment solutions (eg. OP Cashier App, Payment Highway)
- Smart Commerce StartUp Partnership Programme

Digital customer experience changes the role of local presence

OP Mobile App

19.4 mn visits in Sept. 2018

+240% growth since Dec. 2014

>1 mn users

+85% growth since Dec. 2014

OP Business Mobile App

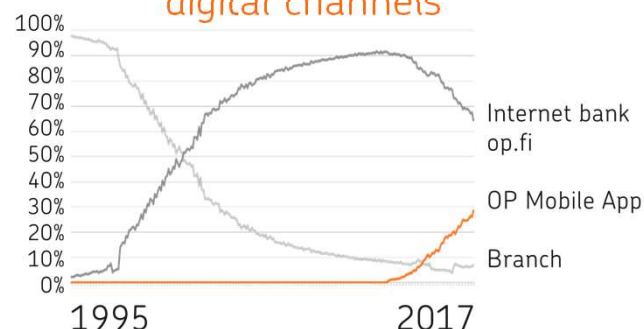
505,432 visits in Sept. 2018

+155% 12-month-change

79%

of mutual fund
transactions made in
digital channels

**>90% of payments in
digital channels**



95%

of private customer
encounters occur in
digital channels



Op.fi Internet Bank

8.8 mn visits in
Sept. 2018

-29% decline since Dec.
2014



70%

of private customers'
loss reports made in
digital channels

156

OP member
cooperative banks

-25 since Dec. 2014

371

branches

-84 since Dec. 2014



Recent developments within digital channels

OP Mobile App

Fingerprint authentication
 Mobile Key to replace key code lists
 Daily Banking: Accounts, Cards, Payments...
 Loans: Loan details, Financing options...
 Non-life insurance: Loss reports, Policy details,
 Travel insurance cards...
 Investments: Trading in equities and mutual funds,
 Investment details, Market monitoring
 Siirto Payment – Real-time P2P money transfers with phone number

New OP Internet Bank

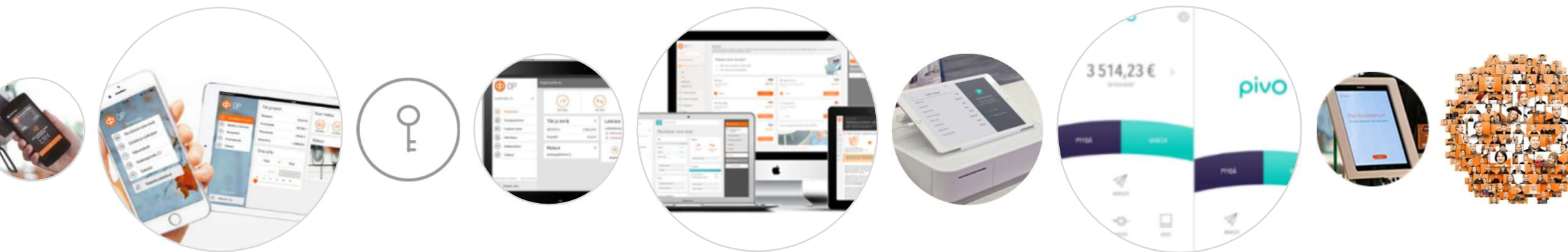
Re-designed internet bank and website at op.fi
 New customership digitally

Pivo Mobile Wallet App

Contactless payment
 Siirto Payment and Pivo P2P – Real-time money transfers with phone number
 Siirto and Pivo payment buttons at webshops enabling purchases without key code list or card's PIN
 Pivo wearable payment solutions
 Pivo 2018 renewal: New user opportunities through opening the App for partnering service providers, new Pivo consumer loan, Pivo facial payment pilot

OP Developer platform

Opening application programming interfaces for external developers



OP Business Mobile App

for corporate customers' loans, daily banking, invoicing and monitoring receivables

OP Accessible

New saavutettava.op.fi service providing basic banking services to those who are unable to use eg. the op.fi service or OP Mobile App due to vision or hearing impairments, motoric challenges or other functional defects

OP Cashier App

for corporate customers' payment transactions and sales

Social media channels & op.media

for customer service, employee interaction and sharing expertise

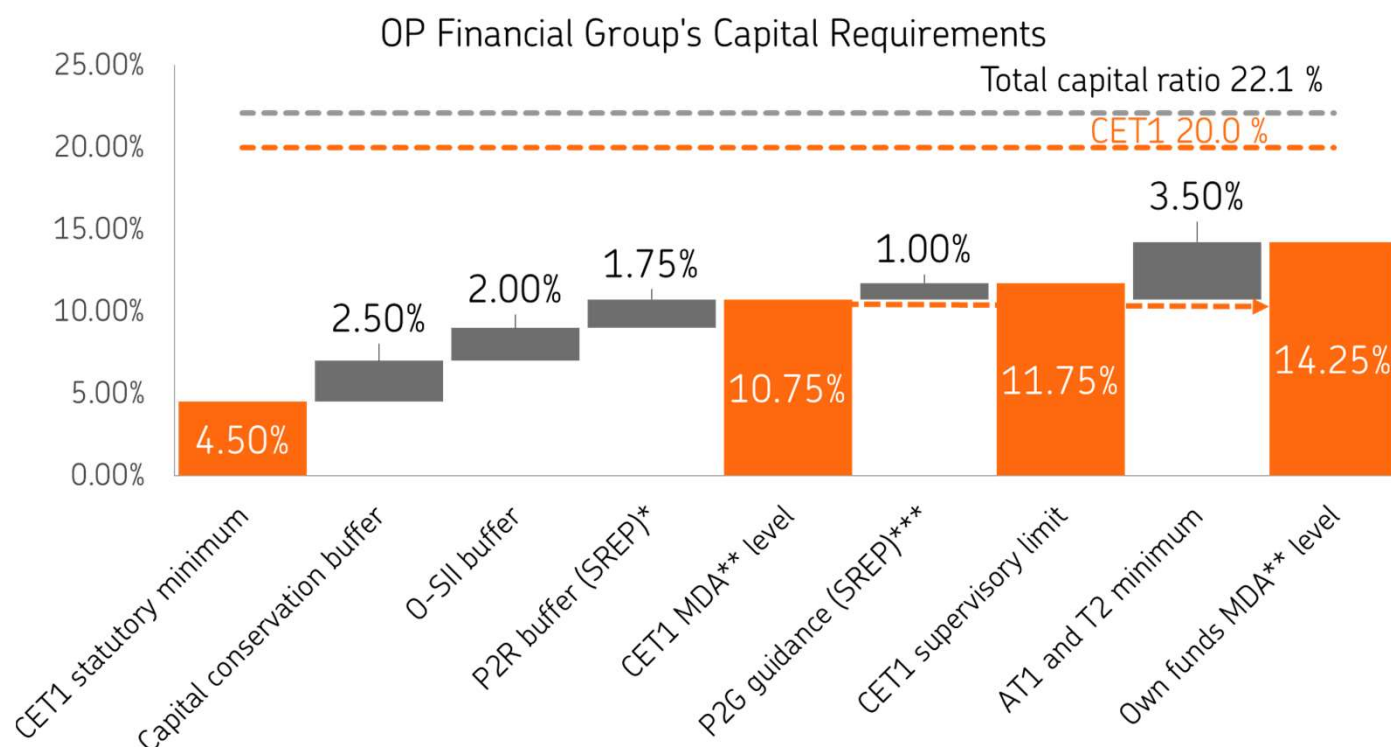
CSR is an integral part of OP's business and strategy

CSR programme built around 4 key themes



OP has solid capital adequacy compared to requirements

Management buffers 9.25% (CET1) and 7.85% (total capital ratio)

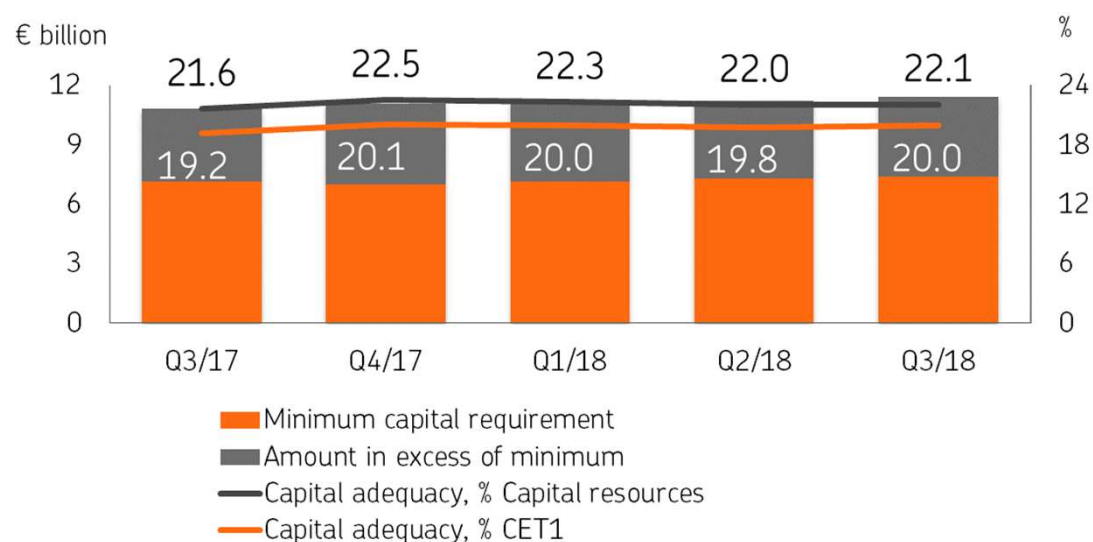


In June 2018, the FIN-FSA decided to set a 2% systemic risk buffer on OP Financial Group, ie. a capital buffer requirement that will enter into force on 1 July 2019. At the same time, it also confirmed OP Financial Group's O-SII buffer requirement at 2%. Considering that these capital buffer requirements are parallel buffers and the larger one is applied, the decision will have no effect on OP Financial Group's total capital adequacy requirement.

* P2R supervisory Pillar II requirement ** Maximum distributable amount
 *** P2G supervisory guidance, breach results enhanced supervisory measures

CET1 ratio 20.0%

Capital resources and capital adequacy



CET1 ratio

- Target 22% by the end of 2019
- Profit shares outstanding in CET1 capital €3.0 bn
- Non-recurring improvement in CET1 ratio by YE2018 (subject to regulatory approval): Transfer of OP Financial Group's personnel's statutory earnings-related pension insurance portfolio to Ilmarinen Mutual Pension Insurance Company would improve CET1 ratio by approx. 0.4 pps (final impact dependent on market conditions)

REA €51.7 bn (49.2)

- €4.9 bn caused by ECB RW floors

Avg RWs excl. RW floors:

7.5% for retail exposures (AIRB) (7.5)
65.2% for corporate exposures (FIRB) (64.7)

- In Feb. 2017, ECB set RW floors for OP's retail exposures
 - 15.4% for mortgage-backed exposures
 - 32.7% for other private customer exposures
 - RW floors decreased CET1 ratio by 2.0 pps
- FIN-FSA's 15% RW floor on residential mortgage loans came into force on 1 January 2018 and is valid for 2 years unless renewed
 - If OP had no ECB RW floors, FIN-FSA RW floor would decrease OP's CET1 ratio by 1.3 pps

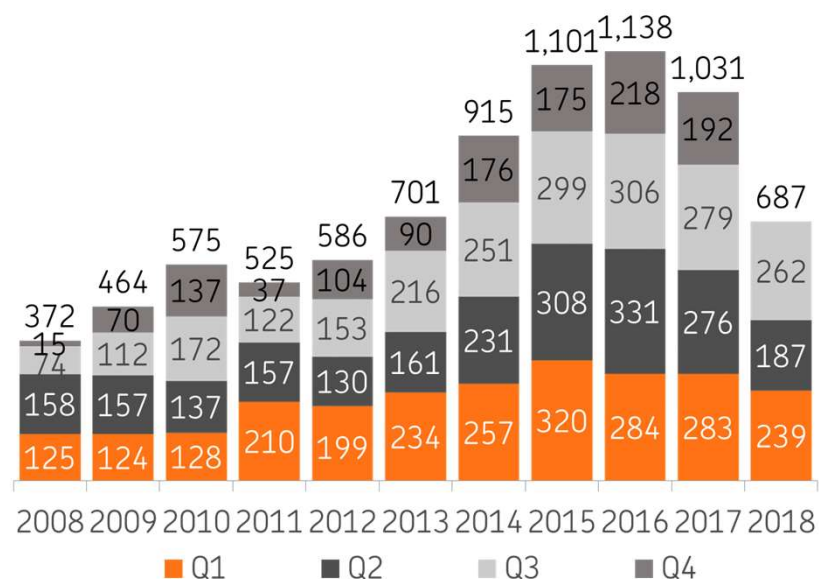
Leverage ratio 7.9% (7.9)

- Minimum level in the draft regulations 3.0%

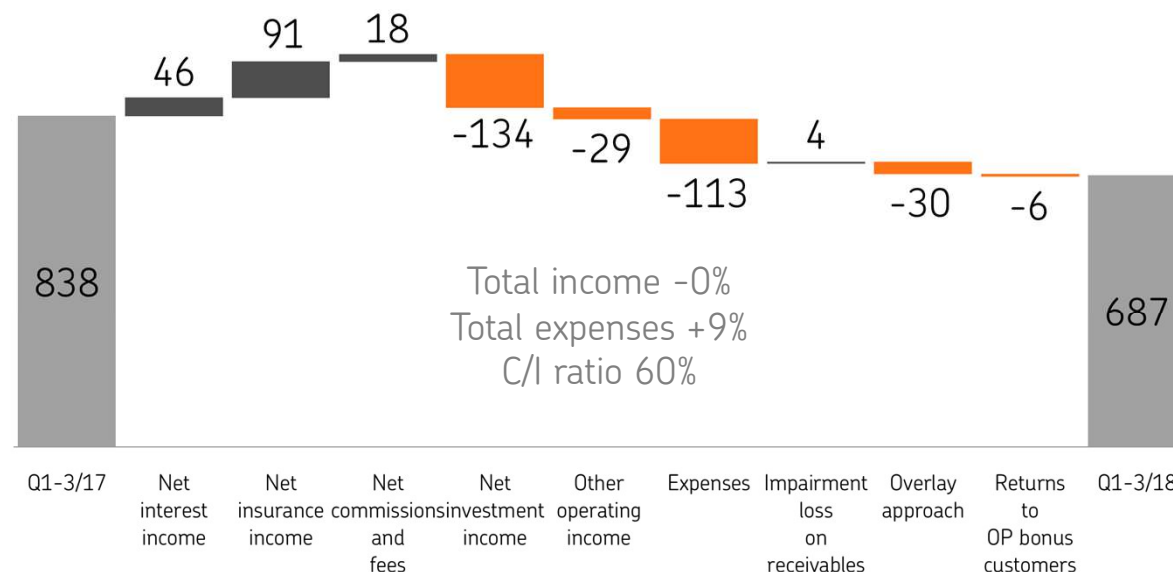
EBT in 2018 expected to be at about the same level as in 2017

Lower EBT in Q1-3/2018 due to decreased net investment income and other operating income as well as higher expenses

EBT by quarter 2008–18*, € mn



EBT, y-o-y change by P&L line item*, **, ***, Q1-3/18 vs. Q1-3/17, € mn



* 2017 comparatives have been changed as a result of entry into force of IFRS 15 and change in the recognition practice of loan service fees to correspond the current reporting approach.

** A temporary exemption from IFRS 9 (overlay approach) is applied to some equity instruments of insurance companies (reported according to IAS39), which eroded earnings for the reporting period by EUR 30 million.

*** Net insurance income includes net income from Non-life and Life insurance. Net investment income includes net trading income as well as net investment income from Non-life and Life insurance.

OP's financial performance in Q1-3/2018*, **

GROUP		BANKING		NON-LIFE INSURANCE		WEALTH MANAGEMENT		OTHER OPERATIONS	
EBT, € mn	687 (838) -18%	EBT, € mn	489 (478) +2%	EBT, € mn	131 (137) -5%	EBT, € mn	136 (190) -28%	EBT, € mn	-69 (32)
NII, € mn	867 (821) +6%	NII, € mn	919 (893) +3%	Insurance premium revenue, € mn	1,107 (1,074) +3%	Net commissions and fees, € mn	247 (258) -4%	NII, € mn	-36 (-60)
Net insurance income, € mn	432 (341) +27%	Net commissions and fees, € mn	409 (434) -6%	Net insurance income, € mn	422 (322) +31%	Net investment income from Life Insurance, € mn	85 (99) -14%	Net commissions and fees, € mn	4 (-44)
Net commissions and fees, € mn	655 (637) +3%	Net investment income, € mn	83 (20)	Net investment income, € mn	34 (128) -73%	Assets under management (gross), € bn	77.8 (76.5) +2%	Net investment income, € mn	80 (175) -54%
Net investment income, € mn	284 (418) -32%	Impairment loss on receivables, € mn	-24 (-27)	Operating combined ratio, %	90.5 (97.0)	Net inflows, € mn	142 (1,231) -89%	Long-term bonds issued to the public and TLTRO II funding, € bn	3.1 (5.0 in 2017)
Expenses, € mn	1,378 (1,265) +9%	Loan portfolio, € bn	86.0 (81.1) +6%	Operating expense ratio, %	20.4 (19.7)	Solvency II ratio*** within Life Insurance, %	181 (151)	Average margin of senior wholesale funding, TLTRO II funding and covered bonds, bps	16 (19 at YE2017)
Impairment loss on receivables, € mn	-24 (-28)	Deposits, € bn	61.6 (59.2) +4%	Solvency II ratio***, %	169 (135)				
Cost/income ratio, %	60 (55)	Cost/income ratio, %	54.1 (52.8)						

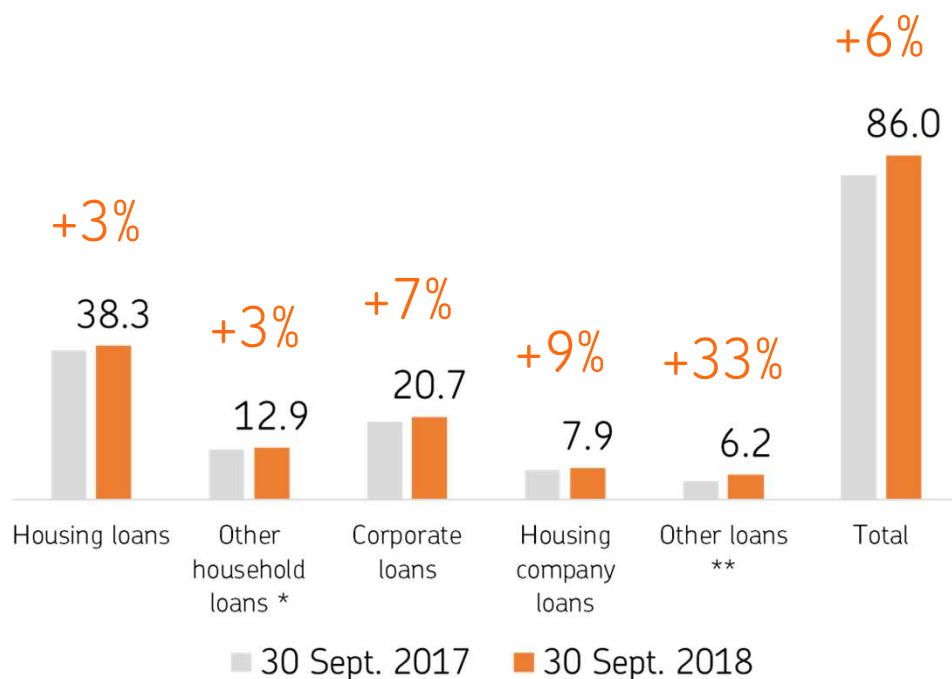
* 2017 comparatives have been changed as a result of entry into force of IFRS 15 and change in the recognition practice of loan service fees to correspond the current reporting approach.

** A temporary exemption from IFRS9 (overlay approach) is applied to some equity instruments of insurance companies (reported according to IAS39), which eroded earnings for the reporting period by EUR 30 million.

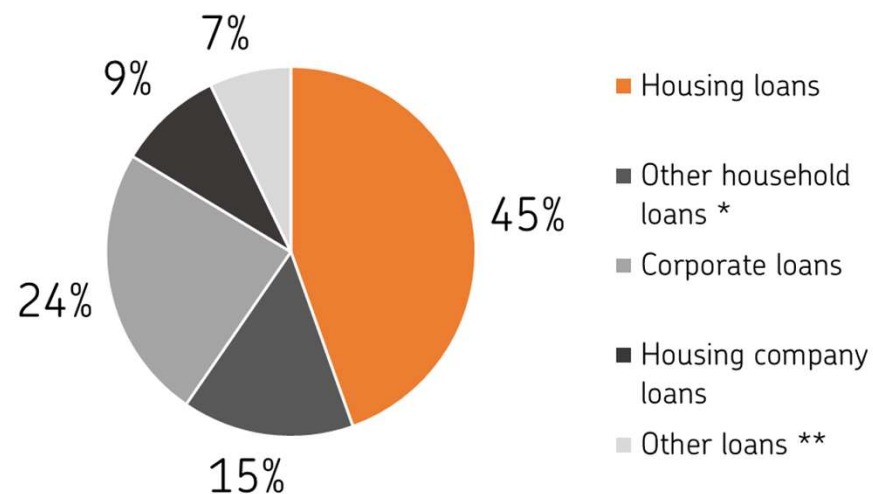
© *** Excluding transitional provision

Loan portfolio by customer group

Loan portfolio breakdown,
30 Sept. 2018 vs. 30 Sept. 2017, € bn



Loan portfolio breakdown,
30 Sept. 2018, %



* Other household loans include loans for holiday houses, consumer loans, student loans etc.

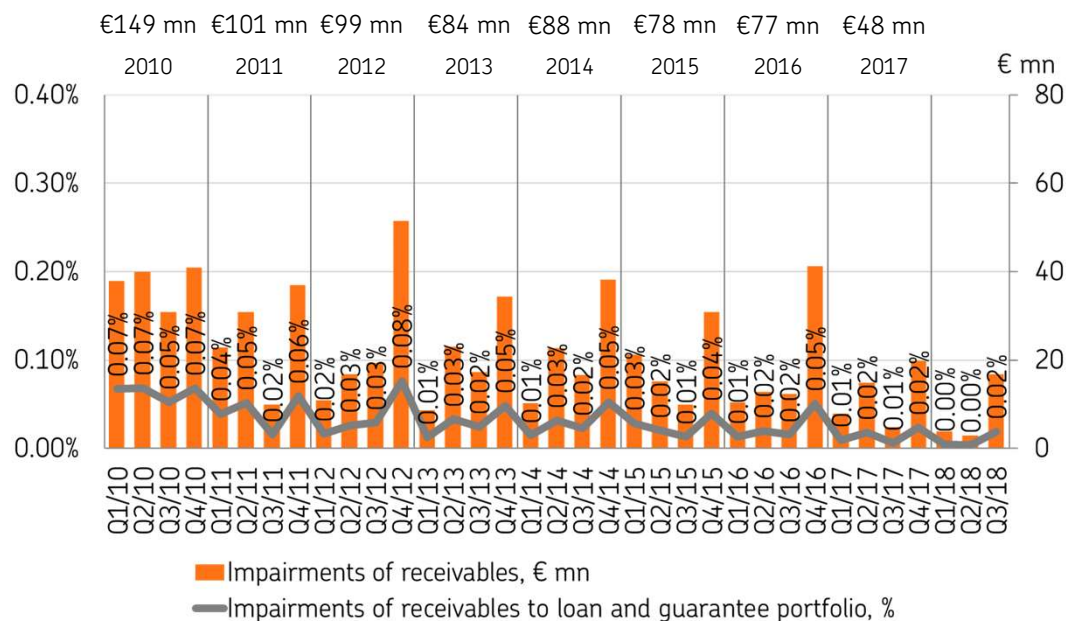
** Other loans include loans to financial institutions, public sector, non-profit organisations and customers abroad

Q1-3/2018 impairment loss on receivables €24 mn, equaling to 0.03% of loan and guarantee portfolio (0.03)

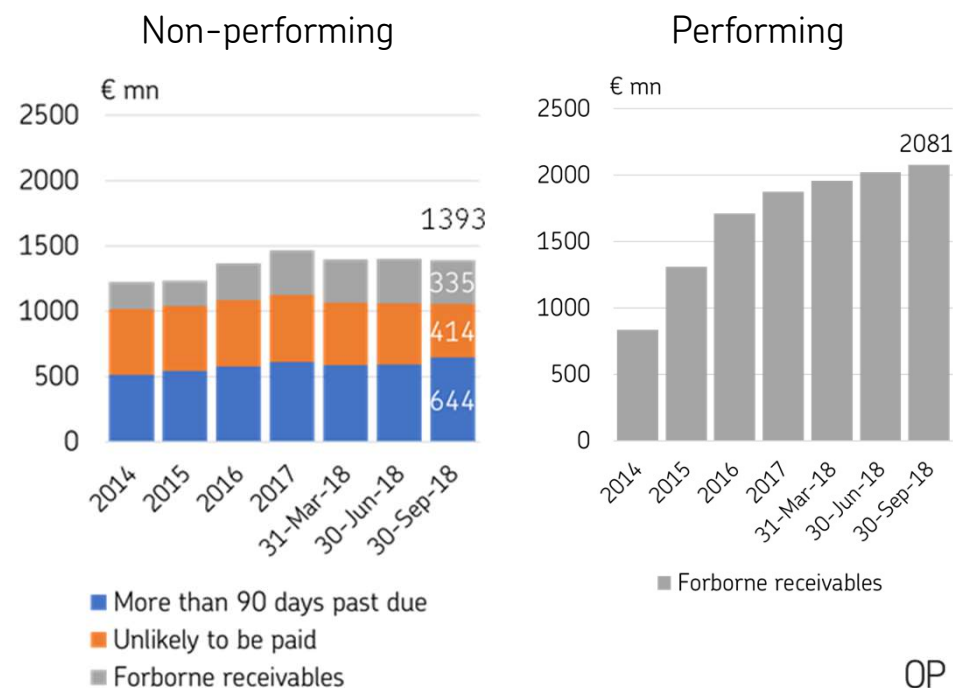
Non-performing receivables to loan and guarantee portfolio 1.1% as of 30 Sept. 2018 (1.2)

Ratio of exposures individually assessed for impairment/ECL to gross doubtful receivables 11.1% (12.6)

Impairment loss on receivables



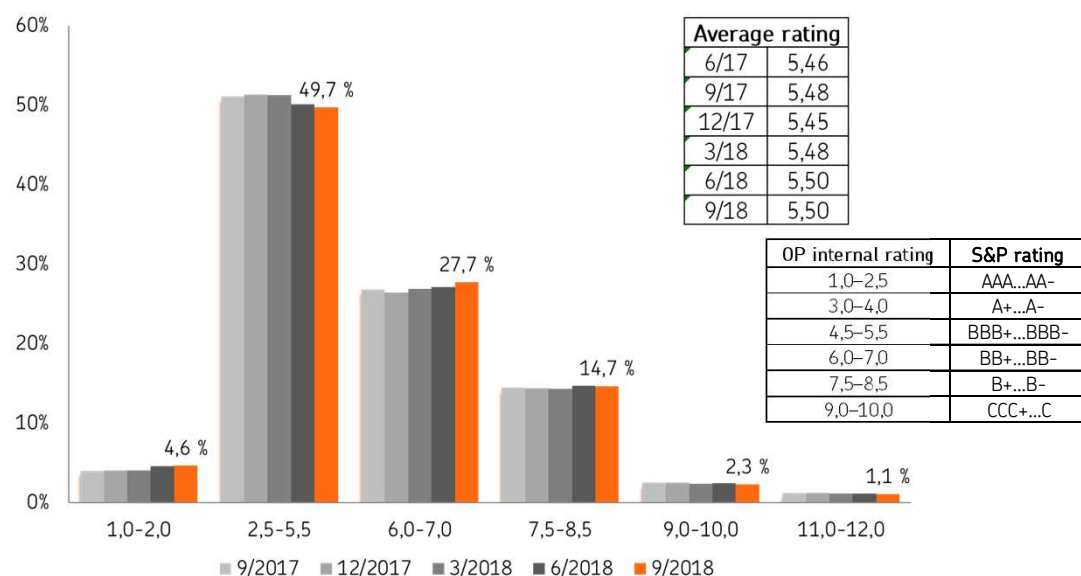
Doubtful and forborne receivables (gross)



Exposures by credit rating category

IG (1.0-5.5) 54% of the exposure from Non-financial corporations and housing companies sector

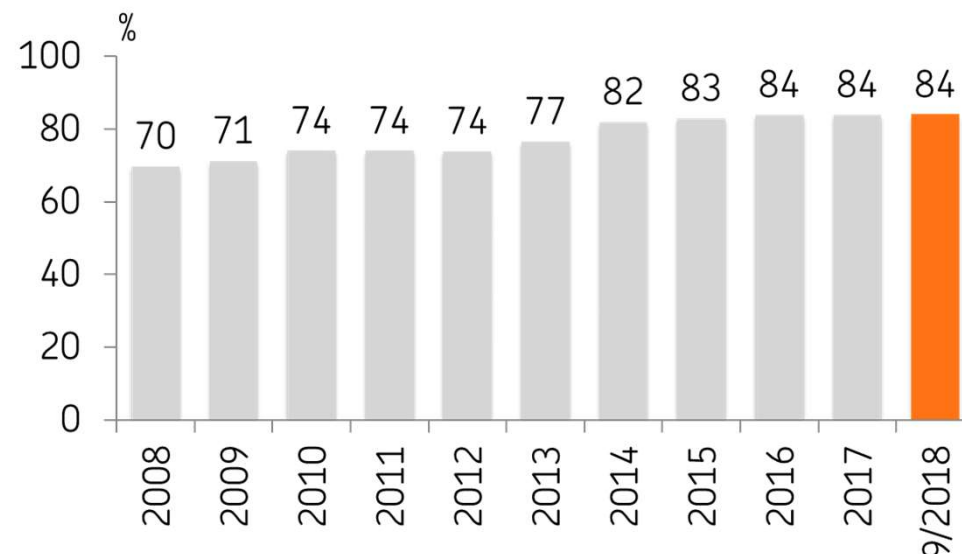
Exposures from the Non-financial Corporations and Housing Companies Sector by credit rating category
(total corporate customer exposure €48.6 bn at end-Sept. 2018)



Largest single customer risk to capital under FiCo capital adequacy at YE2017

5.0% (4.0)

Private Customer exposures of credit rating categories A and B, % of total exposure
(total private customer exposure €49.6 bn at end-Sept. 2018)

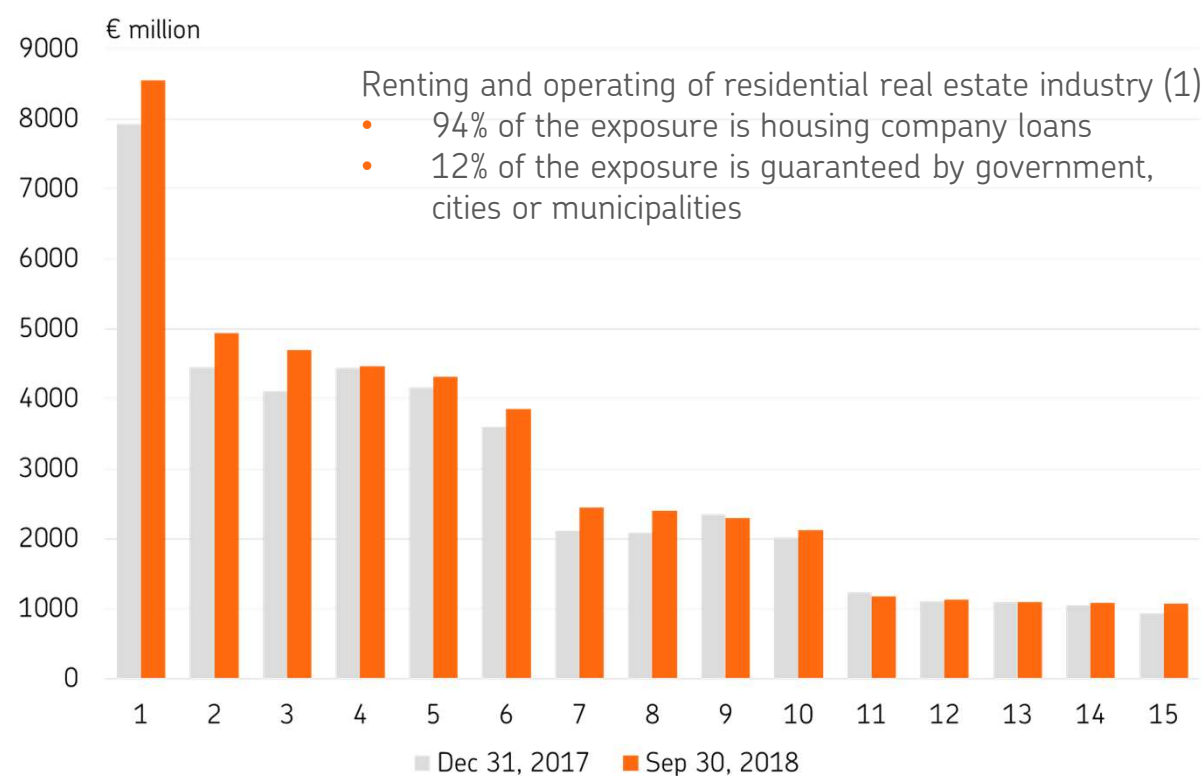


At YE2017, average PD of private customer exposures (Pillar III) with a credit rating of A and B a maximum of

0.1% (0.1)

Corporate exposures well diversified by industry

Exposures from the Non-financial corporations and housing companies sector €48.6 bn at end-September 2018



	Dec 31, 2017	Sep 30, 2018
Renting and operating of		
1 residential real estate	17,4 %	17,6 %
Renting and operating of		
2 other real estate	9,8 %	10,2 %
3 Services	9,0 %	9,7 %
4 Energy	9,8 %	9,2 %
5 Wholesale and retail trade	9,2 %	8,9 %
6 Construction	7,9 %	7,9 %
7 Financial and insurance services	4,6 %	5,0 %
8 Agriculture, forestry and fishing	4,6 %	4,9 %
Manufacture of machinery		
9 and equipment (incl. services)	5,2 %	4,7 %
10 Transportation and storage	4,4 %	4,4 %
11 Forest industry	2,7 %	2,4 %
12 Metal industry	2,4 %	2,3 %
13 Food industry	2,4 %	2,2 %
14 Chemical industry	2,3 %	2,2 %
15 Information and communication	2,0 %	2,2 %

Funding based on strong credit ratings

OP aims to maintain senior unsecured rating at AA level affirmed by at least 2 rating agencies or senior unsecured ratings at least at the main competitors' level

	Moody's (Senior unsecured/LT issuer rating)	S&P (LT issuer credit rating)
Svenska Handelsbanken	Aa2	AA-
Swedbank	Aa2	AA-
OP Corporate Bank plc	Aa3	AA-
Nordea Bank	Aa3	AA-
SEB	Aa2	A+
DNB Bank	Aa2*	A+**
Danske Bank	A2*	A*
OP Mortgage Bank***	Aaa	AAA
lf****	A1	A+
OP Insurance Ltd****	A3	A+
Finland	Aa1	AA+

* Negative outlook

** Positive outlook

*** Covered bond rating

**** Insurance financial strength rating

Updated: 28 October 2018

OP CORPORATE BANK PLC

- Moody's affirmed Aa3 rating with stable outlook on 29 June 2015
 - Uplifts from Loss-Given-Failure (+2 notches) and Government Support (+1 notch)
- S&P affirmed AA- rating and stable outlook in July 2018
 - Uplifts from Business Position (+1 notch), Capital and Earnings (+2 notches) and ALAC Support (+1 notch)

OP MORTGAGE BANK

- Moody's affirmed Aaa rating with stable outlook in May 2018
 - TPI (Timely Payment Indicator) Leeway 5 notches
- S&P affirmed AAA rating with stable outlook in August 2017
 - 3 unused notches of jurisdictional support
 - 2 unused notches of collateral based uplift

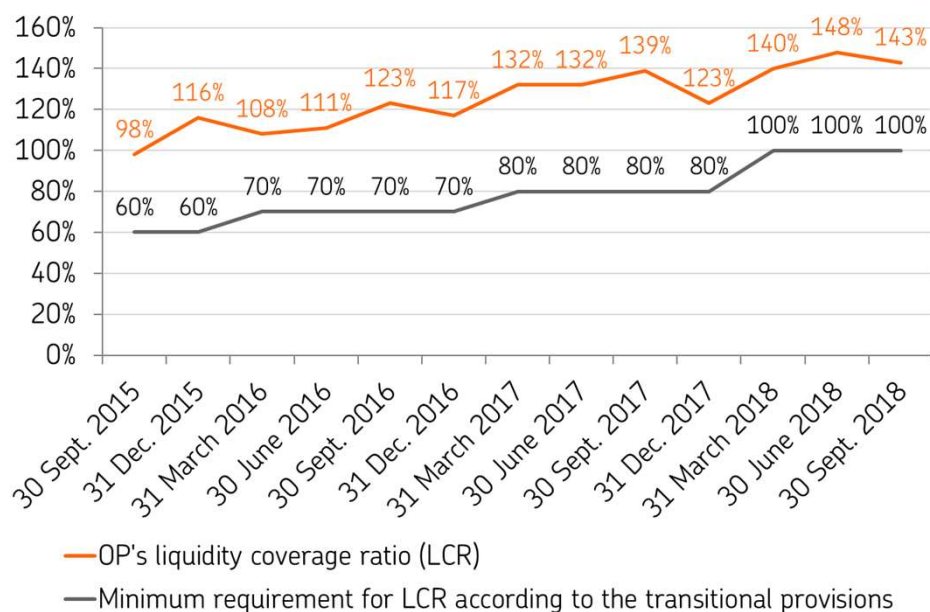
OP INSURANCE LTD

- Moody's affirmed A3 rating with stable outlook on 15 May 2015
- S&P affirmed A+ rating and stable outlook in July 2018

LCR 143% at end-September 2018 and NSFR 116% at YE2017

Encumbrance ratio 14.9% at YE2017

LCR vs. minimum requirement



Encumbrance ratio in Nordic comparison

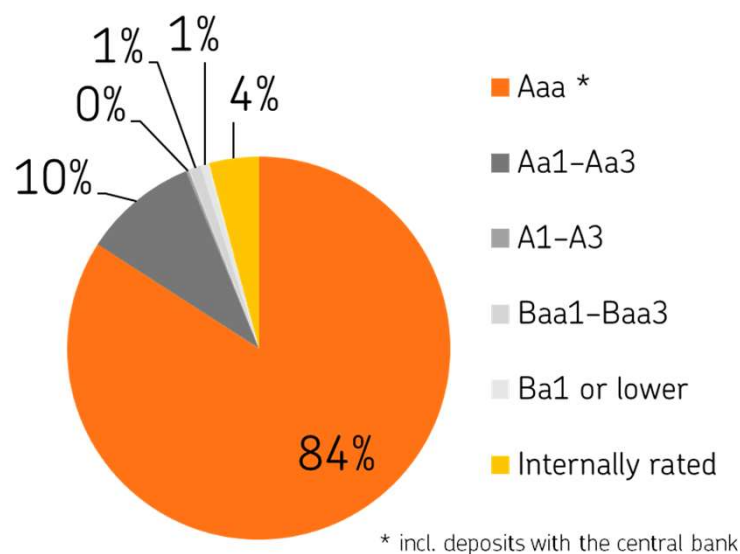


NSFR (Net Stable Funding Ratio) 116% at YE2017 (114% at YE2016)

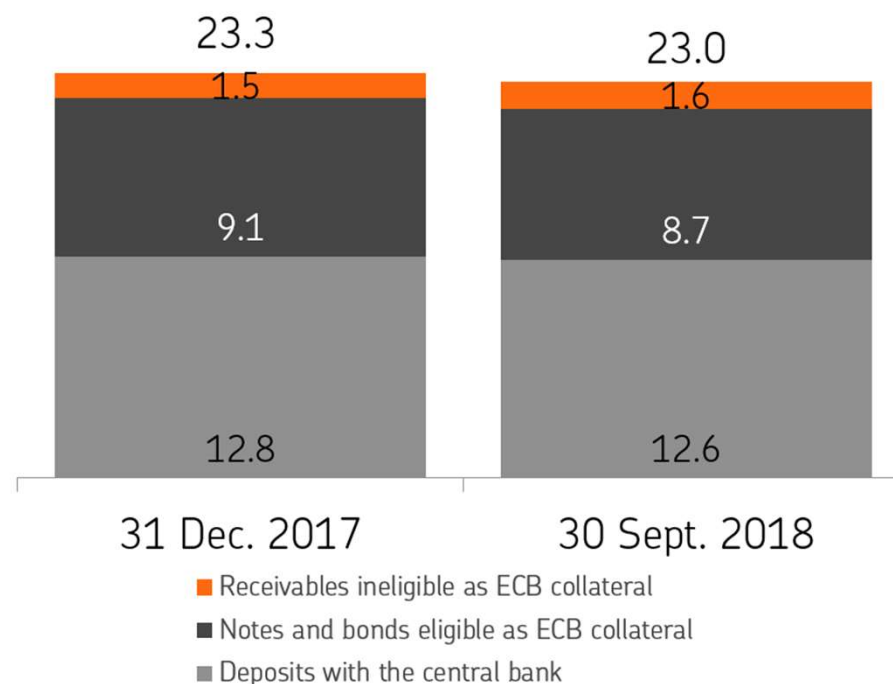
Liquidity buffer €23.0 bn at end-September 2018

Liquidity buffer and other sources of additional funding based on the contingency funding plan are sufficient to cover funding for at least 24 months in the event wholesale funding becomes unavailable and total deposits decrease at a moderate rate

Liquidity buffer by credit rating**, as of 30 September 2018



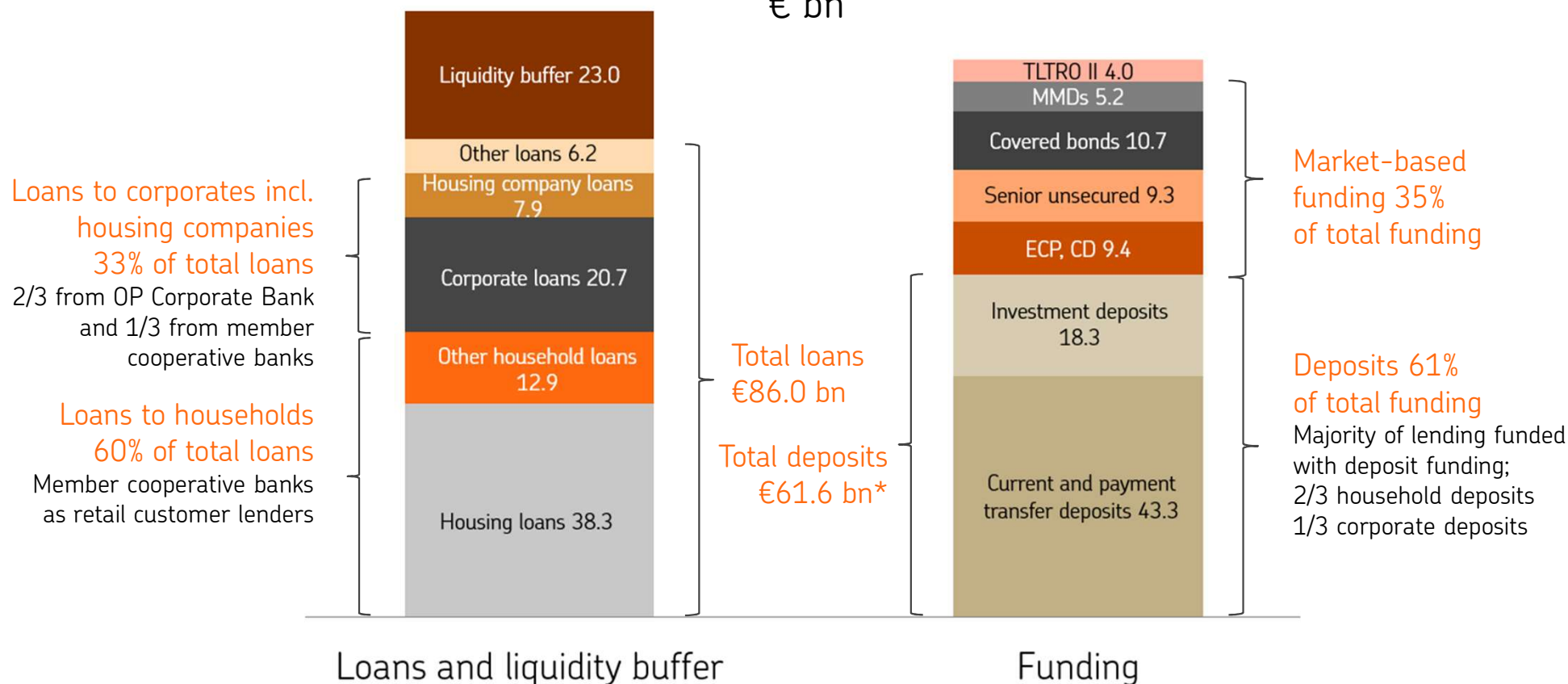
Liquidity buffer breakdown, € bn



Loans, liquidity buffer and funding

30 September 2018

€ bn



* Deposits within the scope of deposit guarantee totalled €35.3 bn (34.3) at end-September 2018. The Deposit Guarantee Fund compensates a maximum of €100,000 for each OP Financial Group customer.

Maturity breakdown of wholesale funding well diversified

Issued senior unsecured and covered bonds by maturity, 30 September 2018 (€ bn)



OP issued long-term bonds worth €3.1 billion during Q1-3/2018

MREL regulation

- On 7 May 2018, the Finnish Financial Stability Authority set MREL for OP Financial Group of 12.2 billion euros, or 27.6% of the risk-weighted assets (RWA) at the end of 2016
- OP Financial Group clearly fulfils the requirement set by the authority: according to an estimate, OP Financial Group's MREL ratio was 35% at the turn of 2017
- OP Financial Group seeks to meet the requirements under the MREL with its capital base and other subordinated debt
- The Senior Non-Preferred debt regulations will be incorporated into Finnish legislation by YE2018
- The SRB has confirmed a resolution strategy for OP Financial Group whereby the resolution measures would apply to OP Corporate Bank acting as a Single Point of Entry

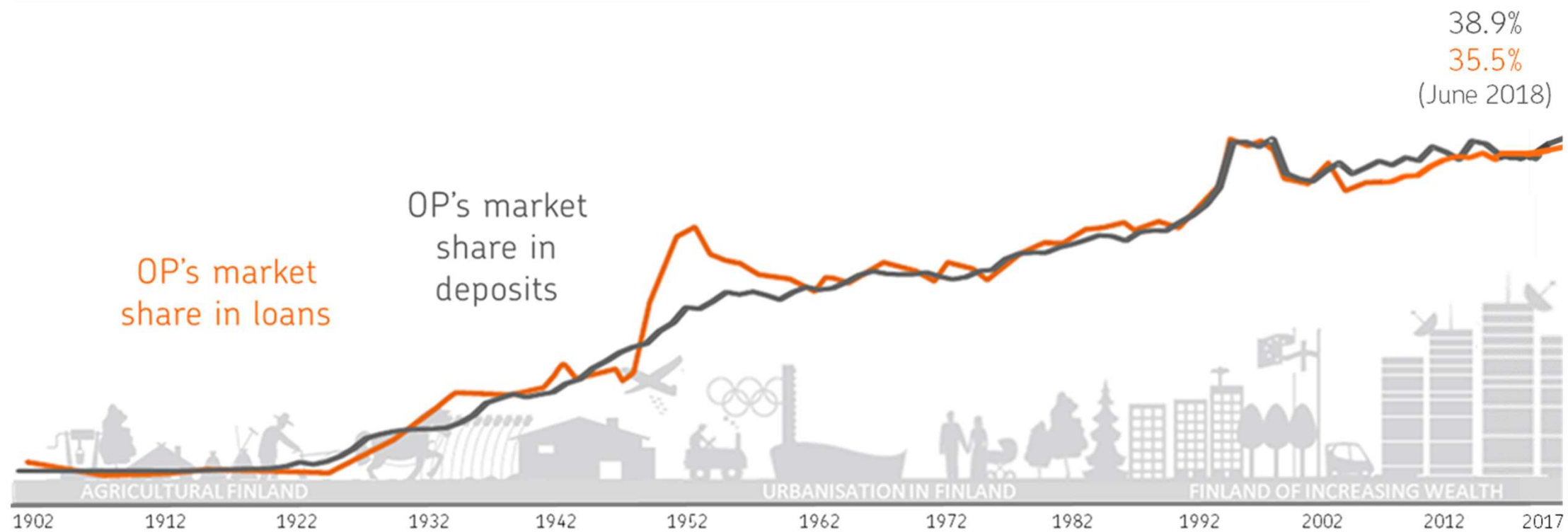
Issued senior unsecured and covered bonds

OP Corporate Bank plc's benchmark senior unsecured bonds 2015–18

Year	Month	Amount	Maturity	Interest rate
2018	August	€500 mn	5 yrs	m/s +22 bps
2018	May	GBP200 mn	3 yrs	Eb3 +17 bps
2018	May	Total €1 bn dual-tranche, €500 mn each	7 yrs (fixed) 3 yrs (floating)	m/s +30 bps Eb3 +20 bps
2017	April	€500 mn	5.5 yrs	m/s +27 bps
2016	January	€500 mn	5 yrs	m/s +65 bps
2015	November	Total ¥30 bn (€228 mn), 2 issues	5 yrs (floating) 5 yrs (fixed)	m/s +59.9 bps m/s +66.1 bps
2015	May	GBP300 mn	3 yrs	Eb3 +16 bps
2015	May	GBP400 mn	7 yrs	Eb3 +58 bps
2015	March	€1 bn	7 yrs	m/s +33 bps

OP Mortgage Bank's benchmark covered bonds 2015–18

Year	Month	Amount	Maturity	Interest rate
2018	June	€1 bn	7.25 yrs	m/s -2 bps
2017	November	€1 bn	5.25 yrs	m/s -13 bps
2017	June	€1 bn	10 yrs	m/s +1 bps
2017	March	€1 bn	7 yrs	m/s -4 bps
2016	May	€1.25 bn	7 yrs	m/s +4 bps
2015	November	€1.25 bn	5 yrs	m/s +5 bps
2015	September	€1 bn	7 yrs	m/s -1 bps



OP Mortgage Bank

Highlights of the Act on Mortgage Credit Bank Operations

- Segregation of assets in Covered Register
- Tight LTV restrictions on eligible assets (70% LTV on housing loans)
- Over-collateralisation requirement of 2%
- Continuity of Cover Pool and Covered Bonds in the event of liquidation and bankruptcy of the issuer
- Regulated by Finnish FSA and ECB
- Assets that must be booked as non-performing (over 90 days in arrears), according to FIN-FSA regulations, shall not be included in the Cover Pool
 - At OPMB, non-performing loans were €17.3 mn as of 30 September 2018

OP Mortgage Bank (OPMB) in brief

OPMB IN BRIEF

- Wholly-owned subsidiary of OP Cooperative
- Special-purpose bank operating under the Act on Mortgage Credit Bank Operations
 - OPMB's sole purpose is to raise funds for OP member cooperative banks by issuing covered bonds with mortgage collateral
- Outstanding covered bonds of OPMB are rated AAA by S&P and Aaa by Moody's

OPMB & 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 Pool are ring-fenced, the noteholders have the right to receive what is due to them before all other creditors

OP Mortgage Bank's covered bond programme qualifies for the European Covered Bond Council's (ECBC) Covered Bond Label.



Read more about ECBC's covered bond label at www.coveredbondlabel.com

OP Mortgage Bank's rating buffers

Standard & Poor's: AAA (stable)

- 3 unused notches of jurisdictional support
- 2 unused notches of collateral based uplift
- Key scores (as of 30 June 2018)
 - Available Credit Enhancement: 14.27%
 - Target Credit Enhancement: 4.2%
 - Credit Enhancement (OC) commensurate with AAA rating: 2.5%
 - WAFF*: 16.53%
 - WALs**: 7.50%

* Weighted-average foreclosure frequency

** Weighted-average loss severity

Moody's: Aaa (stable)

- TPI*** Leeway 5 notches
- Key scores (as of 30 June 2018)
 - CR-A****: Aa2(cr)
 - CB Anchor: CR-A + 1 notch = Aa1
 - TPI: Probable-High
 - Collateral score (post-haircut): 3.4% (cap 5.0%)

*** Timely payment indicator

**** Counterparty risk assessment

Source: Standard & Poor's Global Ratings Europe Limited, Transaction Update: OP Mortgage Bank, 14 September 2018

Source: Moody's Investors Service Ltd, Performance Overview, OP Mortgage Bank, Mortgage Covered Bonds 2, 5 September 2018

OPMB operating model

OPMB is a funding vehicle for the member cooperative banks

- Subject to strict eligibility criteria
 - Collateral may be transferred to OPMB via intermediary loan process

OPMB utilises the structure of OP Financial Group through, for example,

- outsourcing
 - origination and servicing of assets to member cooperative banks, and
 - risk management, IT services, accounting etc. to OP Cooperative
- cooperatively organising
 - interest rate risk management with OP Corporate Bank plc

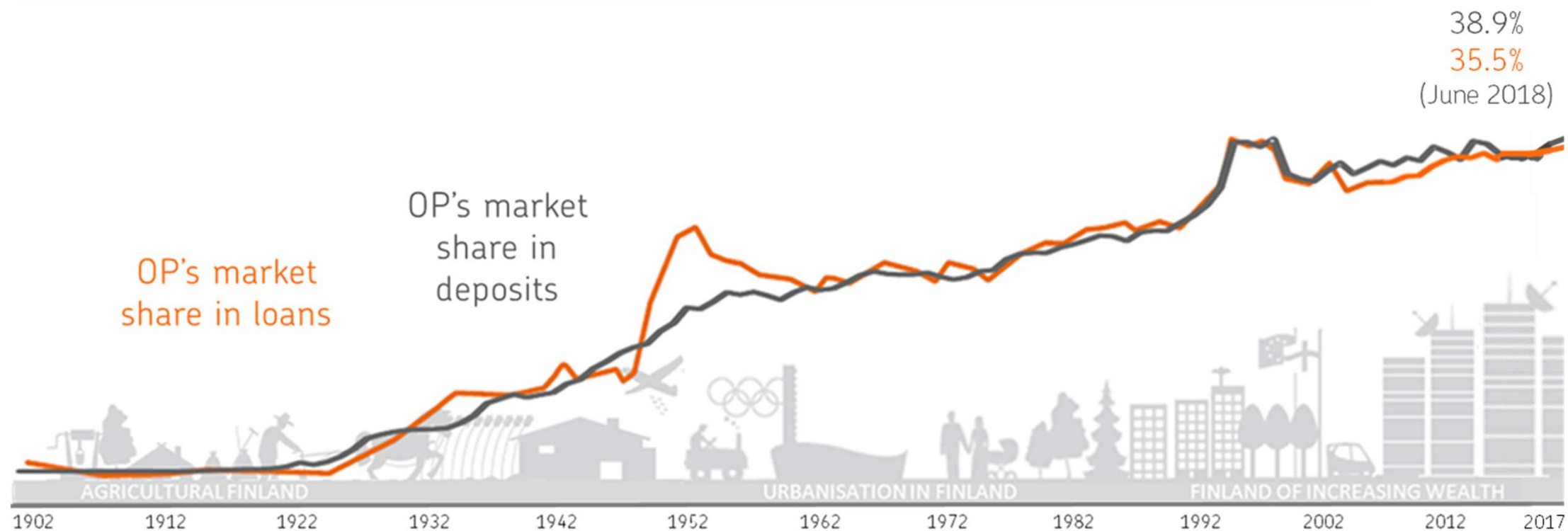
Operating model and roles



*) Basic lending criteria for the Group are set by OP Cooperative. OP Mortgage Bank can set additional limits.

Intermediary loans

- The Finnish Covered Bond Act (2010) enables granting intermediary loans
 - The member cooperative banks are granted the opportunity to indirectly participate in the covered bond issuance process
- The intermediary loan contract is made between the member cooperative bank and OPMB
 - Intermediary loans are the way for the member cooperative banks to utilize OPMB
 - The amount of loan, interest margin/fixed interest rate and maturity of the loan are indicative during the contracting phase of the intermediary loan
 - The member cooperative bank commits to preserving adequate intermediary loan worthy loan portfolio for the maturity of the intermediary loans, and accepts that OPMB subscribes the mortgage loans as collateral in the cover pool
 - OPMB monitor's the adequacy of the loans daily
- Once the mortgage loans are registered in the OP MB Covered Bond Register via intermediary loan process, they serve as collateral for the covered bonds for the benefit of the noteholders as long as intermediary loan expires



OPMB Cover Asset Pool Characteristics

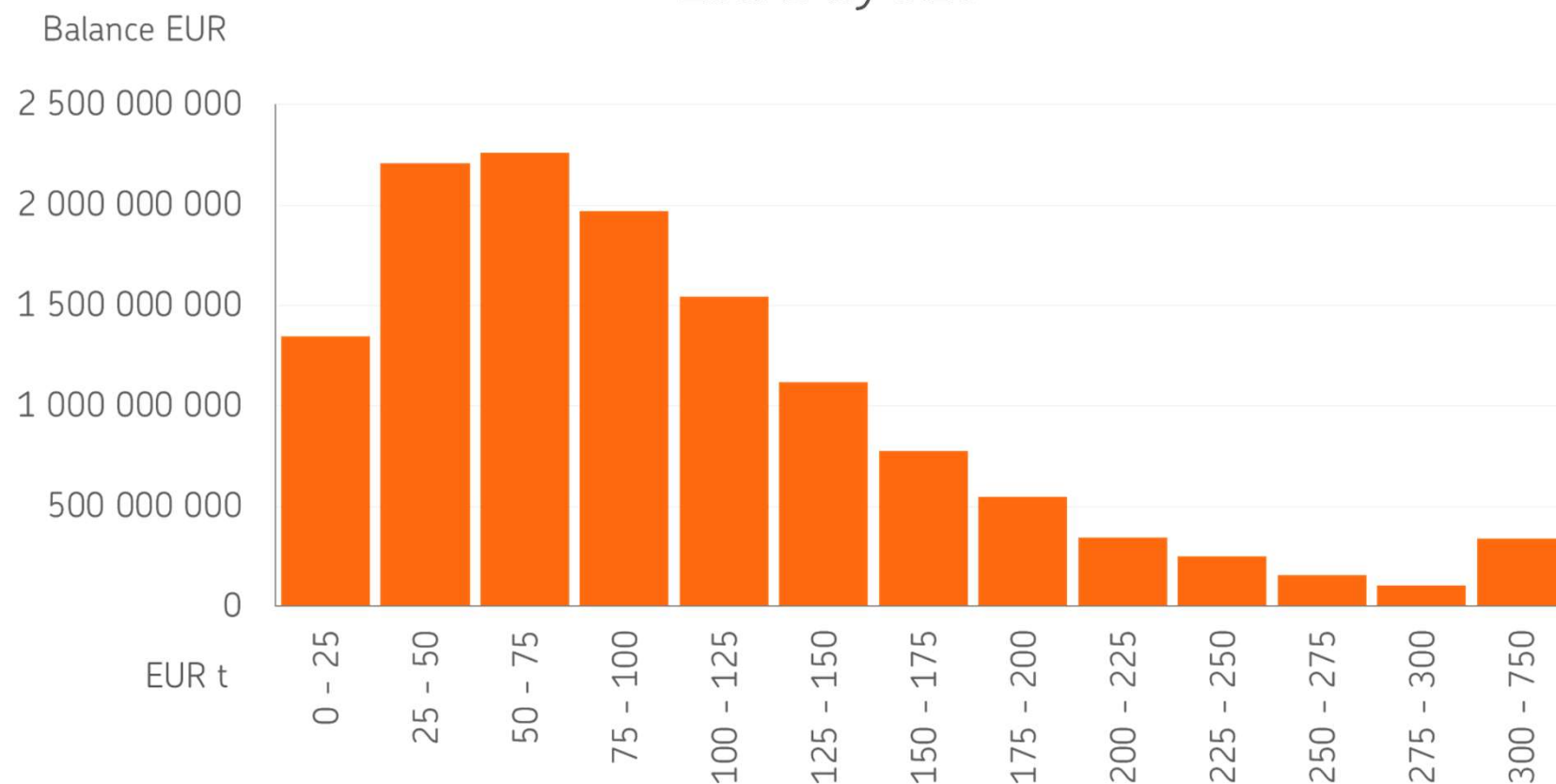
Covered bonds issued after 1 Aug. 2010,
under the Finnish Act on Mortgage Credit Banks 680/2010

Main Features of OP Mortgage Bank's Cover Asset Pool as of 30 September 2018

- Collateralized by Finnish mortgages
- Current balance EUR 12.98 billion
- Weighted Average indexed LTV of 44%
- Average loan size of approximately EUR 49,072
- No loans over 60 days in arrears ongoing
- Variable interest rates: over 98% of all loans
- Hedging agreements in place in order to mitigate interest rate risk
- Total amount of covered bonds issued EUR 10.735 billion

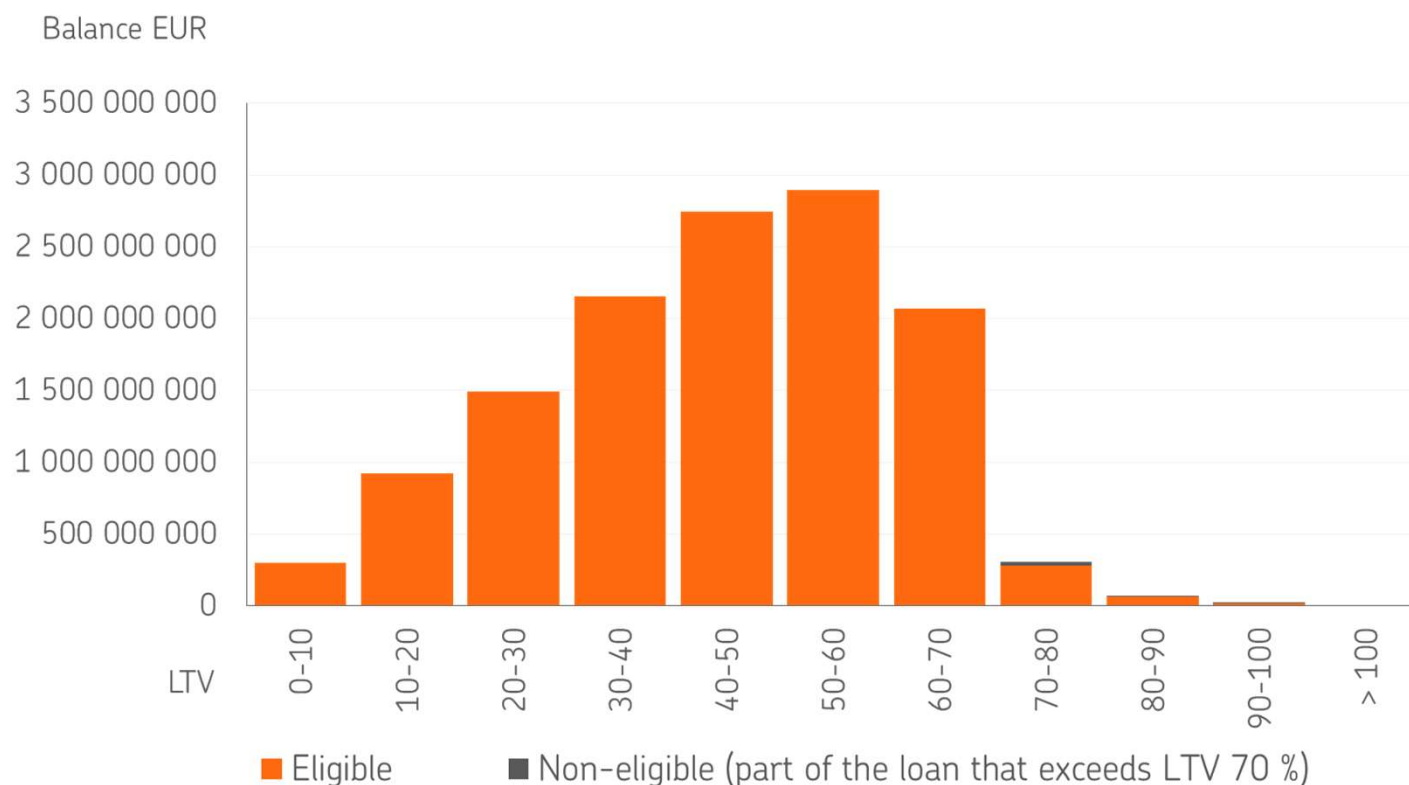
OPMB Cover Asset Pool Characteristics

Loans by size



OPMB Cover Asset Pool Characteristics

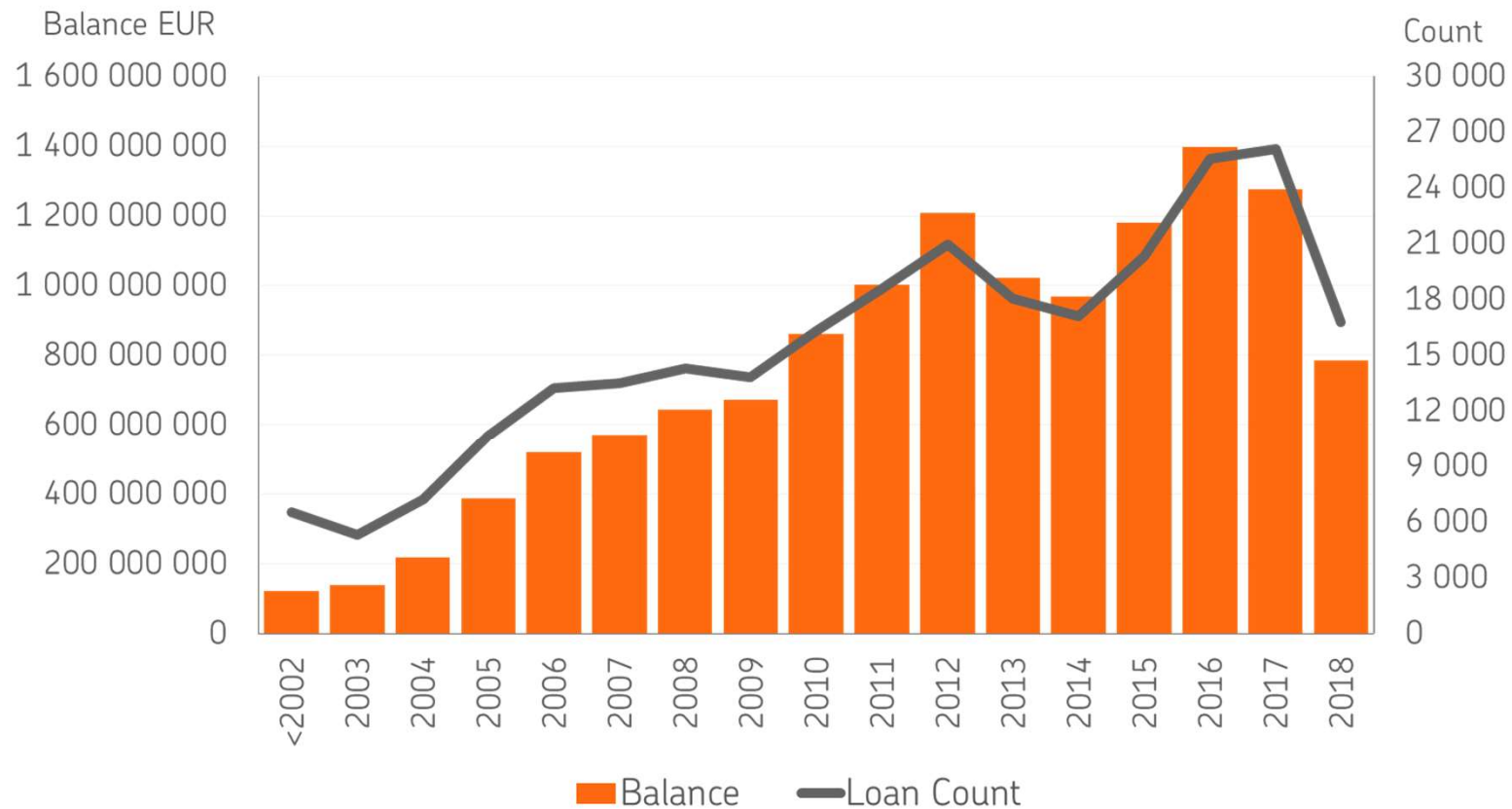
Loans by LTV



- Total assets EUR 12.98 billion
- Eligible Cover Pool assets EUR 12.94 billion
- Weighted average indexed LTV of 44%
- Over-collateralisation 20.6% (eligible-only)

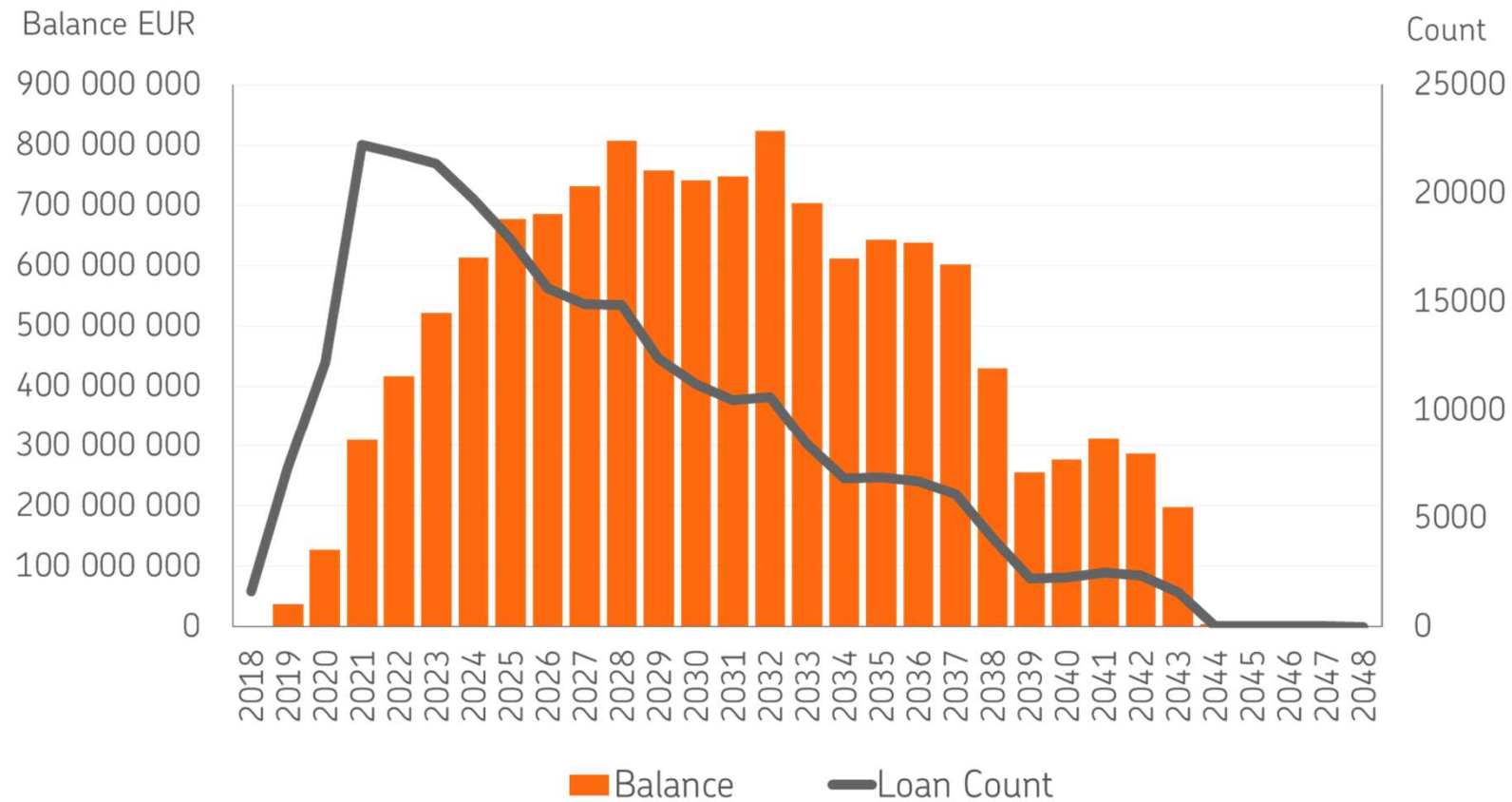
OPMB Cover Asset Pool Characteristics

Loans by origination year



OPMB Cover Asset Pool Characteristics

Loans by maturity

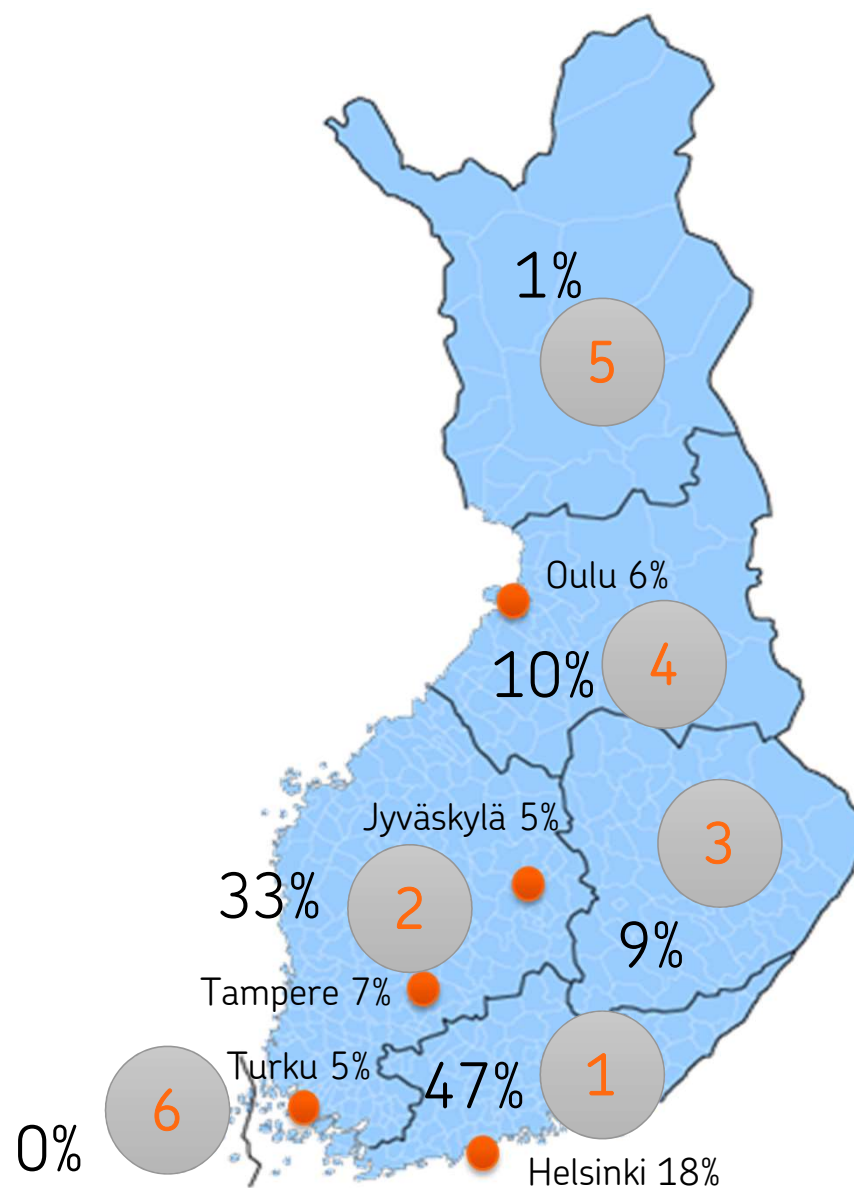


OPMB Cover Asset Pool

Characteristics

Geographical distribution

- 1 Southern Finland
- 2 Western Finland
- 3 Eastern Finland
- 4 Oulu region
- 5 Lapland
- 6 Åland



A. Harmonised Transparency Template - General Information

HTT 2018

Reporting in Domestic Currency		EUR
CONTENT OF TAB A		
1. Basic Facts		
G.1.1	Country	Finland
G.1.2	Issuer Name	OP Mortgage Bank
G.1.3	Link to Issuer's Website	https://www.op.fi/op-financial-group/debt-investors/ob-as-an-investment
G.1.4	Cut-off date	30/09/2018
OG.1.11	Optional information e.g. Contact names	
OG.1.12	Optional information e.g. Parent name	
OG.1.13		
OG.1.14		
OG.1.15		
OG.1.16		
OG.1.17		
OG.1.18		
2. Regulatory Summary		
G.2.1	UCITS Compliance (Y/N)	Y
G.2.2	CBR Compliance (Y/N)	Y
G.2.3	LCR status	https://www.coveredbondlabel.com/issuer
OG.2.11		
OG.2.12		
OG.2.13		
OG.2.14		
OG.2.15		
OG.2.16		
3. General Cover Pool / Covered Bond		
1. General Information		Nominal (mn)
G.3.1	Total Cover Assets	12976.04
G.3.2	Outstanding Covered Bonds	10735.00
OG.3.1	Cover Pool Size (NPV) (mn)	ND1
OG.3.2	Outstanding Covered Bonds (NPV) (mn)	ND1
OG.3.3		
OG.3.4		
2. Over-collateralisation (OC)		Legal / Regulatory
G.3.2.1	OC (%)	2%
OG.3.2.1	Optional information e.g. Asset Coverage Test (ACT)	2%
OG.3.2.2	Optional information e.g. OC (NPV basis)	
OG.3.2.3		
OG.3.2.4		
OG.3.2.5		
OG.3.2.6		
3. Cover Pool Composition		Nominal (mn)
G.3.3.1	Mortgages	12973.89
G.3.3.2	Public Sector	0.00
G.3.3.3	Shipping	0.00
G.3.3.4	Substitute Assets	0.00
G.3.3.5	Other	2.15
G.3.3.6	Total	12,976
OG.3.3.1	ch (if relevant, please specify)	99.98%
OG.3.3.2	ch (if relevant, please specify)	0.00%
OG.3.3.3	ch (if relevant, please specify)	0.00%
OG.3.3.4	ch (if relevant, please specify)	0.00%
OG.3.3.5	ch (if relevant, please specify)	0.00%
OG.3.3.6	ch (if relevant, please specify)	0.00%
		% Cover Pool

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 30 September 2018

4. Cover Pool Amortisation Profile		Contractual	Expected Upon Prepayments	% Total Contractual	% Total Expected Upon Prepayments
G.3.4.1	Weighted Average Life (in years)	6.14	ND3		
	Residual Life (mn)				
	By buckets:				
G.3.4.2	0 - 1 Y	1799.74	ND3	13.67%	
G.3.4.3	1 - 2 Y	1336.99	ND3	10.30%	
G.3.4.4	2 - 3 Y	1220.39	ND3	9.40%	
G.3.4.5	3 - 4 Y	1062.16	ND3	8.34%	
G.3.4.6	4 - 5 Y	981.97	ND3	7.57%	
G.3.4.7	5 - 10 Y	354.29	ND3	27.08%	
G.3.4.8	10+ Y	3040.50	ND3	23.43%	
G.3.4.9	Total	12,976	0	100%	0%
OG.3.4.1	chr 0-1 day			0.00%	
OG.3.4.2	chr 0-0.5y			0.00%	
OG.3.4.3	chr 0.5-1y			0.00%	
OG.3.4.4	chr 1-1.5y			0.00%	
OG.3.4.5	chr 1.5-2y			0.00%	
OG.3.4.6					
OG.3.4.7					
OG.3.4.8					
OG.3.4.9				0.00%	
OG.3.4.10				0.00%	
5. Maturity of Covered Bonds		Initial Maturity	Extended Maturity	% Total Initial Maturity	% Total Extended Maturity
G.3.5.1	Weighted Average life (in years)	4.46	5.45		
	Maturity (mn)				
	By buckets:				
G.3.5.2	0 - 1 Y	1100.00	100.00	10.25%	0.93%
G.3.5.3	1 - 2 Y	1270.00	1000.00	11.83%	9.32%
G.3.5.4	2 - 3 Y	1000.00	1270.00	9.32%	11.83%
G.3.5.5	3 - 4 Y	1000.00	1000.00	9.32%	9.32%
G.3.5.6	4 - 5 Y	2250.00	1000.00	20.96%	9.32%
G.3.5.7	5 - 10 Y	4115.00	6365.00	38.33%	59.29%
G.3.5.8	10+ Y	0.00	0.00	0.00%	0.00%
G.3.5.9	Total	10,735	10,735	100%	100%
OG.3.5.1	chr 0-1 day			0.00%	0.00%
OG.3.5.2	chr 0-0.5y			0.00%	0.00%
OG.3.5.3	chr 0.5-1y			0.00%	0.00%
OG.3.5.4	chr 1-1.5y			0.00%	0.00%
OG.3.5.5	chr 1.5-2y			0.00%	0.00%
OG.3.5.6					
OG.3.5.7					
OG.3.5.8					
OG.3.5.9					
OG.3.5.10					
6. Covered Assets - Currency		Nominal [before hedging] (mn)	Nominal [after hedging] (mn)	% Total [before]	% Total [after]
G.3.6.1	EUR	10,735	0.00	100.00%	
G.3.6.2	USD	0.00	0.00	0.00%	
G.3.6.3	GBP	0.00	0.00	0.00%	
G.3.6.4	NOK	0.00	0.00	0.00%	
G.3.6.5	CHF	0.00	0.00	0.00%	
G.3.6.6	AUD	0.00	0.00	0.00%	
G.3.6.7	CAD	0.00	0.00	0.00%	
G.3.6.8	BRL	0.00	0.00	0.00%	
G.3.6.9	CZK	0.00	0.00	0.00%	
G.3.6.10	DKK	0.00	0.00	0.00%	
G.3.6.11	HKD	0.00	0.00	0.00%	
G.3.6.12	KRW	0.00	0.00	0.00%	
G.3.6.13	SEK	0.00	0.00	0.00%	
G.3.6.14	SGD	0.00	0.00	0.00%	
G.3.6.15	Other	0.00	0.00	0.00%	
G.3.6.16	Total	10735	0	100%	0%
OG.3.6.1	chr [if relevant, please specify]			0.00%	
OG.3.6.2	chr [if relevant, please specify]			0.00%	
OG.3.6.3	chr [if relevant, please specify]			0.00%	
OG.3.6.4	chr [if relevant, please specify]			0.00%	
OG.3.6.5	chr [if relevant, please specify]			0.00%	
OG.3.6.6	chr [if relevant, please specify]			0.00%	
OG.3.6.7	chr [if relevant, please specify]			0.00%	
OG.3.6.8	chr [if relevant, please specify]			0.00%	
OG.3.6.9	chr [if relevant, please specify]			0.00%	

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 30 September 2018

7. Covered Bonds - Currency		Nominal [before hedging] (mn)	Nominal [after hedging] (mn)	% Total [before]	% Total [after]
G.3.7.1	EUR	10735.00	10735.00	100.00%	100.00%
G.3.7.2	USD	0.00	0.00	0.00%	0.00%
G.3.7.3	GBP	0.00	0.00	0.00%	0.00%
G.3.7.4	NOK	0.00	0.00	0.00%	0.00%
G.3.7.5	CHF	0.00	0.00	0.00%	0.00%
G.3.7.6	AUD	0.00	0.00	0.00%	0.00%
G.3.7.7	CAD	0.00	0.00	0.00%	0.00%
G.3.7.8	BRL	0.00	0.00	0.00%	0.00%
G.3.7.9	CZK	0.00	0.00	0.00%	0.00%
G.3.7.10	DKK	0.00	0.00	0.00%	0.00%
G.3.7.11	HKD	0.00	0.00	0.00%	0.00%
G.3.7.12	KRW	0.00	0.00	0.00%	0.00%
G.3.7.13	SEK	0.00	0.00	0.00%	0.00%
G.3.7.14	SGD	0.00	0.00	0.00%	0.00%
G.3.7.15	Other	0.00	0.00	0.00%	0.00%
G.3.7.16	Total	10735.00	10735.00	100%	100%
OG.3.7.1	chr [if relevant, please specify]				
OG.3.7.2	chr [if relevant, please specify]				
OG.3.7.3	chr [if relevant, please specify]				
OG.3.7.4	chr [if relevant, please specify]				
OG.3.7.5	chr [if relevant, please specify]				
OG.3.7.6	chr [if relevant, please specify]				
OG.3.7.7	chr [if relevant, please specify]				
OG.3.7.8	chr [if relevant, please specify]				
OG.3.7.9	chr [if relevant, please specify]				
8. Covered Bonds - Breakdown by interest rate		Nominal [before hedging] (mn)	Nominal [after hedging] (mn)	% Total [before]	% Total [after]
G.3.8.1	Fixed coupon	10635.00	10635.00	99.07%	99.07%
G.3.8.2	Floating coupon	100.00	100.00	0.93%	0.93%
G.3.8.3	Other	0.00	0.00	0.00%	0.00%
G.3.8.4	Total	10735.00	10735.00	100%	100%
OG.3.8.1					
OG.3.8.2					
OG.3.8.3					
OG.3.8.4					
OG.3.8.5					
9. Substitute Assets - Type		Nominal (mn)	% Substitute Assets		
G.3.9.1	Cash	0.00			
G.3.9.2	Exposures to/guaranteed by Supranational, Sovereign, Agency (SSA)	0.00			
G.3.9.3	Exposures to central banks	0.00			
G.3.9.4	Exposures to credit institutions	0.00			
G.3.9.5	Other	0.00			
G.3.9.6	Total	0		0%	
OG.3.9.1	chr EU gvs or quasi gvs				
OG.3.9.2	chr third-party countries: Credit Quality Step 1 (CQS1) gvs or quasi gvs				
OG.3.9.3	chr third-party countries: Credit Quality Step 2 (CQS2) gvs or quasi gvs				
OG.3.9.4	chr EU central banks				
OG.3.9.5	chr third-party countries: Credit Quality Step 1 (CQS1) central				
OG.3.9.6	chr third-party countries: Credit Quality Step 2 (CQS2) central				
OG.3.9.7	chr CQS1 credit institutions				
OG.3.9.8	chr CQS2 credit institutions				
OG.3.9.9					
OG.3.9.10					
OG.3.9.11					
OG.3.9.12					

10. Substitute Assets - Country		Nominal (mn)	% Substitute Assets	
G.3.10.1	Domestic (Country of Issuer)	0.00		
G.3.10.2	Eurozone	0.00		
G.3.10.3	Rest of European Union (EU)	0.00		
G.3.10.4	European Economic Area (not member of EU)	0.00		
G.3.10.5	Switzerland	0.00		
G.3.10.6	Australia	0.00		
G.3.10.7	Brazil	0.00		
G.3.10.8	Canada	0.00		
G.3.10.9	Japan	0.00		
G.3.10.10	Korea	0.00		
G.3.10.11	New Zealand	0.00		
G.3.10.12	Singapore	0.00		
G.3.10.13	US	0.00		
G.3.10.14	Other	0.00		
G.3.10.15	Total EU	0.00		
G.3.10.16	Total	0.00	0%	
OG.3.10.1	<i>chv (if relevant, please specify)</i>			
OG.3.10.2	<i>chv (if relevant, please specify)</i>			
OG.3.10.3	<i>chv (if relevant, please specify)</i>			
OG.3.10.4	<i>chv (if relevant, please specify)</i>			
OG.3.10.5	<i>chv (if relevant, please specify)</i>			
OG.3.10.6	<i>chv (if relevant, please specify)</i>			
OG.3.10.7	<i>chv (if relevant, please specify)</i>			
11. Liquid Assets		Nominal (mn)	% Cover Pool	% Covered Bonds
G.3.11.1	Substitute and other marketable assets	12976.04	100.00%	120.88%
G.3.11.2	Central bank eligible assets	0.00	0.00%	0.00%
G.3.11.3	Other	0.00	0.00%	0.00%
G.3.11.4	Total	12976.04	100%	121%
OG.3.11.1	<i>chv (if relevant, please specify)</i>			
OG.3.11.2	<i>chv (if relevant, please specify)</i>			
OG.3.11.3	<i>chv (if relevant, please specify)</i>			
OG.3.11.4	<i>chv (if relevant, please specify)</i>			
OG.3.11.5	<i>chv (if relevant, please specify)</i>			
OG.3.11.6	<i>chv (if relevant, please specify)</i>			
OG.3.11.7	<i>chv (if relevant, please specify)</i>			
12. Bond List				
G.3.12.1	Bond list	https://www.coveredbondlabel.com/issuer		
13. Derivatives & Swaps				
G.3.13.1	Derivatives in the register / cover pool [notional] (mn)	7284.95		
G.3.13.2	Type of interest rate swaps (intra-group, external or both)	intra-group		
G.3.13.3	Type of currency rate swaps (intra-group, external or both)	ND2		
OG.3.13.1	<i>NPV of Derivatives in the cover pool (mn)</i>			
OG.3.13.2	<i>Derivatives outside the cover pool [notional] (mn)</i>			
OG.3.13.3	<i>NPV of Derivatives outside the cover pool (mn)</i>			

B1. Harmonised Transparency Template - Mortgage Assets			HTT 2018	
	Reporting in Domestic Currency	EUR		
	CONTENT OF TAB B1			
	7. Mortgage Assets			
	7.A Residential Cover Pool			
	7.B Commercial Cover Pool			
Field Number	7. Mortgage Assets			
	1. Property Type Information	Nominal (mn)	% Total Mortgages	
M.7.1.1	Residential	12973.89	100.00%	
M.7.1.2	Commercial	0.00	0.00%	
M.7.1.3	Other	0.00	0.00%	
M.7.1.4	Total	12973.89	100%	
OM.7.1.1	<i>o/w Housing Cooperatives / Multi-family assets</i>		0.00%	
OM.7.1.2	<i>o/w Forest & Agriculture</i>		0.00%	
OM.7.1.3	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.4	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.5	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.6	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.7	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.8	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.9	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.10	<i>o/w [if relevant, please specify]</i>		0.00%	
OM.7.1.11	<i>o/w [if relevant, please specify]</i>		0.00%	
	2. General Information	Residential Loans	Commercial Loans	Total Mortgages
M.7.2.1	Number of mortgage loans	264381	0.00	264381.00
OM.7.2.1	<i>Optional information eg, Number of borrowers</i>			
OM.7.2.2	<i>Optional information eg, Number of guarantors</i>			
OM.7.2.3				
OM.7.2.4				
OM.7.2.5				
OM.7.2.6				
	3. Concentration Risks	% Residential Loans	% Commercial Loans	% Total Mortgages
M.7.3.1	10 largest exposures	0.09	0.00	0.09
OM.7.3.1				
OM.7.3.2				
OM.7.3.3				
OM.7.3.4				
OM.7.3.5				
OM.7.3.6				

4. Breakdown by Geography		% Residential Loans	% Commercial Loans	% Total Mortgages	
M.7.4.1	European Union	100.0%	0.0%	100.0%	
M.7.4.2	Austria				
M.7.4.3	Belgium				
M.7.4.4	Bulgaria				
M.7.4.5	Croatia				
M.7.4.6	Cyprus				
M.7.4.7	Czech Republic				
M.7.4.8	Denmark				
M.7.4.9	Estonia				
M.7.4.10	Finland	100.0%		100.0%	
M.7.4.11	France				
M.7.4.12	Germany				
M.7.4.13	Greece				
M.7.4.14	Netherlands				
M.7.4.15	Hungary				
M.7.4.16	Ireland				
M.7.4.17	Italy				
M.7.4.18	Latvia				
M.7.4.19	Lithuania				
M.7.4.20	Luxembourg				
M.7.4.21	Malta				
M.7.4.22	Poland				
M.7.4.23	Portugal				
M.7.4.24	Romania				
M.7.4.25	Slovakia				
M.7.4.26	Slovenia				
M.7.4.27	Spain				
M.7.4.28	Sweden				
M.7.4.29	United Kingdom				
M.7.4.30	European Economic Area (not member of EU)	0.0%	0.0%	0.0%	
M.7.4.31	Iceland				
M.7.4.32	Liechtenstein				
M.7.4.33	Norway				
M.7.4.34	Other	0.0%	0.0%	0.0%	
M.7.4.35	Switzerland				
M.7.4.36	Australia				
M.7.4.37	Brazil				
M.7.4.38	Canada				
M.7.4.39	Japan				
M.7.4.40	Korea				
M.7.4.41	New Zealand				
M.7.4.42	Singapore				
M.7.4.43	US				
M.7.4.44	Other				
OM.7.4.1	o/w [if relevant, please specify]				
OM.7.4.2	o/w [if relevant, please specify]				
OM.7.4.3	o/w [if relevant, please specify]				
OM.7.4.4	o/w [if relevant, please specify]				
OM.7.4.5	o/w [if relevant, please specify]				
OM.7.4.6	o/w [if relevant, please specify]				
OM.7.4.7	o/w [if relevant, please specify]				
OM.7.4.8	o/w [if relevant, please specify]				
OM.7.4.9	o/w [if relevant, please specify]				
OM.7.4.10	o/w [if relevant, please specify]				

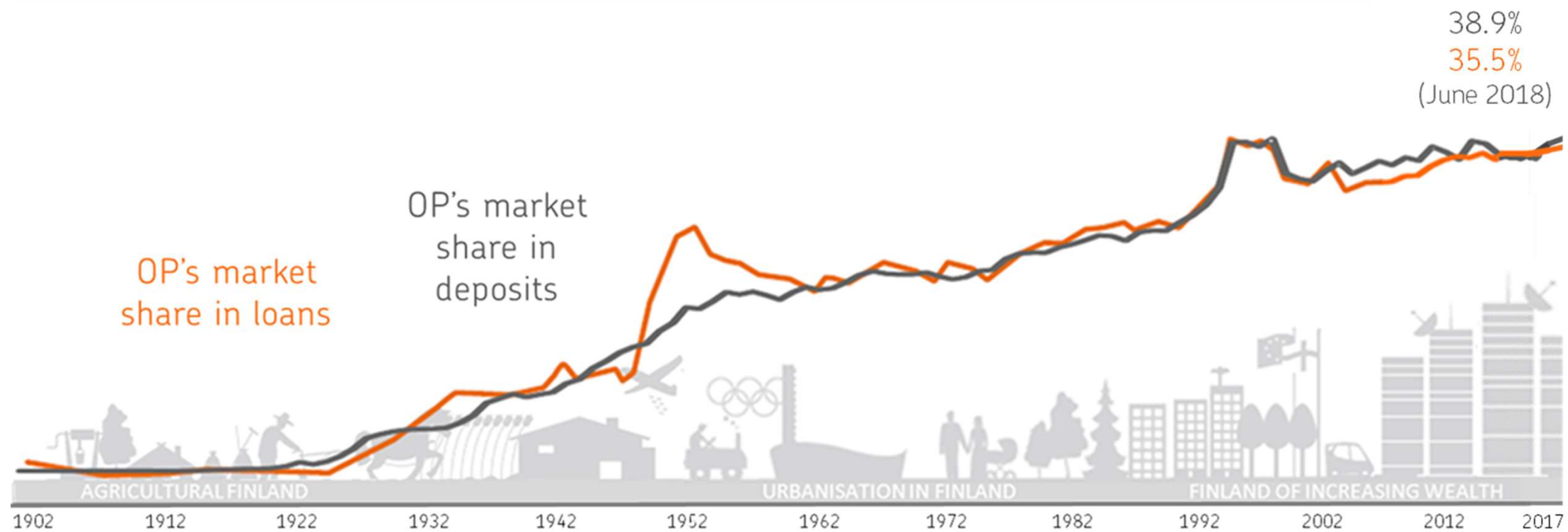
5. Breakdown by domestic regions		% Residential Loans	% Commercial Loans		% Total Mortgages	
M.7.5.1	Åland Islands	0.22			0.22	
M.7.5.2	Central Finland	5.44			5.44	
M.7.5.3	Central Ostrobothnia	1.23			1.23	
M.7.5.4	Etela-Savo	1.83			1.83	
M.7.5.5	Itä-Uusimaa	0.00			0.00	
M.7.5.6	Kainuu	0.74			0.74	
M.7.5.7	Kanta-Häme	4.02			4.02	
M.7.5.8	Kymenlaakso	2.25			2.25	
M.7.5.9	Lapland	1.29			1.29	
M.7.5.10	North Karelia	2.98			2.98	
M.7.5.11	North Ostrobothnia	9.00			9.00	
M.7.5.12	Ostrobothnia	2.16			2.16	
M.7.5.13	Päijät-Häme	3.35			3.35	
M.7.5.14	Pirkanmaa	9.51			9.51	
M.7.5.15	Pohjois-Savo	4.26			4.26	
M.7.5.16	Satakunta	3.84			3.84	
M.7.5.17	South Karelia	2.53			2.53	
M.7.5.18	South Ostrobothnia	1.76			1.76	
M.7.5.19	Uusimaa	33.80			33.80	
M.7.5.20	Varsinais-Suomi	9.79			9.79	
6. Breakdown by Interest Rate		% Residential Loans	% Commercial Loans		% Total Mortgages	
M.7.6.1	Fixed rate	2.02			2.02	
M.7.6.2	Floating rate	97.98			97.98	
M.7.6.3	Other					
OM.7.6.1						
OM.7.6.2						
OM.7.6.3						
OM.7.6.4						
OM.7.6.5						
OM.7.6.6						
7. Breakdown by Repayment Type		% Residential Loans	% Commercial Loans		% Total Mortgages	
M.7.7.1	Bullet / Interest only	0.00			0.00	
M.7.7.2	Amortising	100.00			100.00	
M.7.7.3	Other					
OM.7.7.1						
OM.7.7.2						
OM.7.7.3						
OM.7.7.4						
OM.7.7.5						
OM.7.7.6						
8. Loan Seasoning		% Residential Loans	% Commercial Loans		% Total Mortgages	
M.7.8.1	Up to 12months	9.17			9.17	
M.7.8.2	≥ 12 - ≤ 24 months	10.49			10.49	
M.7.8.3	≥ 24 - ≤ 36 months	10.43			10.43	
M.7.8.4	≥ 36 - ≤ 60 months	15.62			15.62	
M.7.8.5	≥ 60 months	54.29			54.29	
OM.7.8.1						
OM.7.8.2						
OM.7.8.3						
OM.7.8.4						
9. Non-Performing Loans (NPLs)		% Residential Loans	% Commercial Loans		% Total Mortgages	
M.7.9.1	% NPLs					

7.A Residential Cover Pool						
10. Loan Size Information		Nominal	Number of Loans	% Residential Loans		% No. of Loans
M.7A.10.1	Average loan size (000s)	49.07				
	By buckets (mn):					
M.7A.10.2	0 - 0,025000	1350.60	109700.00	10.41%		41.49%
M.7A.10.3	0,025001 - 0,050000	2212.45	60905.00	17.05%		23.04%
M.7A.10.4	0,050001 - 0,100000	4233.91	59504.00	32.63%		22.51%
M.7A.10.5	0,100001 - 0,150000	2657.49	21996.00	20.48%		8.32%
M.7A.10.6	0,150001 - 0,200 000	1322.45	7731.00	10.19%		2.92%
M.7A.10.7	0,200001 - 0,250000	591.75	2671.00	4.56%		1.01%
M.7A.10.8	0,250001 - 0,300000	269.96	994.00	2.08%		0.38%
M.7A.10.9	0,300001 -	335.29	880.00	2.58%		0.33%
M.7A.10.10						
M.7A.10.11						
M.7A.10.12						
M.7A.10.13						
M.7A.10.14						
M.7A.10.15						
M.7A.10.16						
M.7A.10.17						
M.7A.10.18						
M.7A.10.19						
M.7A.10.20						
M.7A.10.21						
M.7A.10.22						
M.7A.10.23						
M.7A.10.24						
M.7A.10.25						
M.7A.10.26	Total	12973.89	264381.00	100%		100%
11. Loan to Value (LTV) Information - UNINDEXED		Nominal	Number of Loans	% Residential Loans		% No. of Loans
M.7A.11.1	Weighted Average LTV (%)	46.94				
	By LTV buckets (mn):					
M.7A.11.2	>0 - <=40 %	10588.52	264295.00	81.63%		52.18%
M.7A.11.3	>40 - <=50 %	1276.03	112491.00	9.84%		22.21%
M.7A.11.4	>50 - <=60 %	738.73	74073.00	5.69%		14.62%
M.7A.11.5	>60 - <=70 %	314.72	41295.00	2.43%		8.15%
M.7A.11.6	>70 - <=80 %	46.88	12499.00	0.36%		2.47%
M.7A.11.7	>80 - <=90 %	5.48	1498.00	0.04%		0.30%
M.7A.11.8	>90 - <=100 %	0.99	291.00	0.01%		0.06%
M.7A.11.9	>100%	0.20	69.00	0.00%		0.01%
M.7A.11.10	Total	12971.57	506511.00	100%		100%
OM.7A.11.1	o/w >100 - <=110 %			0.00%		0.00%
OM.7A.11.2	o/w >110 - <=120 %			0.00%		0.00%
OM.7A.11.3	o/w >120 - <=130 %			0.00%		0.00%
OM.7A.11.4	o/w >130 - <=140 %			0.00%		0.00%
OM.7A.11.5	o/w >140 - <=150 %			0.00%		0.00%
OM.7A.11.6	o/w >150 %			0.00%		0.00%
OM.7A.11.7						
OM.7A.11.8						
OM.7A.11.9						

12. Loan to Value (LTV) Information - INDEXED		Nominal	Number of Loans	% Residential Loans	% No. of Loans
M.7A.12.1	Weighted Average LTV (%)	44.46			
	By LTV buckets (mn):				
M.7A.12.2	>0 - <=40 %	10920.63	264381.00	84.17%	57.83%
M.7A.12.3	>40 - <=50 %	1205.50	101168.00	9.29%	22.13%
M.7A.12.4	>50 - <=60 %	626.66	60249.00	4.83%	13.18%
M.7A.12.5	>60 - <=70 %	189.86	25732.00	1.46%	5.63%
M.7A.12.6	>70 - <=80 %	25.53	4362.00	0.20%	0.95%
M.7A.12.7	>80 - <=90 %	4.87	1042.00	0.04%	0.23%
M.7A.12.8	>90 - <=100 %	0.84	241.00	0.01%	0.05%
M.7A.12.9	>100%	0.00	0.00	0.00%	0.00%
M.7A.12.10	Total	12973.89	457175.00	100%	100%
OM.7A.12.1	o/w >100 - <=110 %			0.00%	0.00%
OM.7A.12.2	o/w >110 - <=120 %			0.00%	0.00%
OM.7A.12.3	o/w >120 - <=130 %			0.00%	0.00%
OM.7A.12.4	o/w >130 - <=140 %			0.00%	0.00%
OM.7A.12.5	o/w >140 - <=150 %			0.00%	0.00%
OM.7A.12.6	o/w >150 %			0.00%	0.00%
OM.7A.12.7					
OM.7A.12.8					
OM.7A.12.9					
13. Breakdown by type		% Residential Loans			
M.7A.13.1	Owner occupied	96.31			
M.7A.13.2	Second home/Holiday houses	1.20			
M.7A.13.3	Buy-to-let/Non-owner occupied	0.53			
M.7A.13.4	Agricultural	1.96			
M.7A.13.5	Other				
OM.7A.13.1	o/w Subsidised housing				
OM.7A.13.2	o/w Private rental				
OM.7A.13.3	o/w Multi-family housing				
OM.7A.13.4	o/w Buildings under construction				
OM.7A.13.5	o/w Buildings land				
OM.7A.13.6	o/w [If relevant, please specify]				
OM.7A.13.7	o/w [If relevant, please specify]				
OM.7A.13.8	o/w [If relevant, please specify]				
OM.7A.13.9	o/w [If relevant, please specify]				
OM.7A.13.10	o/w [If relevant, please specify]				
OM.7A.13.11	o/w [If relevant, please specify]				
14. Loan by Ranking		% Residential Loans			
M.7A.14.1	1st lien / No prior ranks	100.00			
M.7A.14.2	Guaranteed	0.00			
M.7A.14.3	Other	0.00			

7B Commercial Cover Pool						
15. Loan Size Information		Nominal	Number of Loans	% Commercial Loans		% No. of Loans
M.7B.15.1	Average loan size (000s)					
	By buckets (mn):					
M.7B.15.2	0 - 0,100000	0.00	0.00			
M.7B.15.3	0,100001 - 0,200000	0.00	0.00			
M.7B.15.4	0,200001 - 0,300000	0.00	0.00			
M.7B.15.5	0,300001 - 0,400000	0.00	0.00			
M.7B.15.6	0,400001 - 0,500000	0.00	0.00			
M.7B.15.7	0,500001 - 0,600000	0.00	0.00			
M.7B.15.8	0,600001 - 0,700000	0.00	0.00			
M.7B.15.9	0,700001 - 0,800000	0.00	0.00			
M.7B.15.10	0,800001 - 0,900000	0.00	0.00			
M.7B.15.11	0,900001 - 1,000000	0.00	0.00			
M.7B.15.12	1,000001 -	0.00	0.00			
M.7B.15.13						
M.7B.15.14						
M.7B.15.15						
M.7B.15.16						
M.7B.15.17						
M.7B.15.18						
M.7B.15.19						
M.7B.15.20						
M.7B.15.21						
M.7B.15.22						
M.7B.15.23						
M.7B.15.24						
M.7B.15.25						
M.7B.15.26	Total	0.00	0.00	0%		0%
16. Loan to Value (LTV) Information - UNINDEXED		Nominal	Number of Loans	% Commercial Loans		% No. of Loans
M.7B.16.1	Weighted Average LTV (%)					
	By LTV buckets (mn):					
M.7B.16.2	>0 - <=40 %	0.00	0.00			
M.7B.16.3	>40 - <=50 %	0.00	0.00			
M.7B.16.4	>50 - <=60 %	0.00	0.00			
M.7B.16.5	>60 - <=70 %	0.00	0.00			
M.7B.16.6	>70 - <=80 %	0.00	0.00			
M.7B.16.7	>80 - <=90 %	0.00	0.00			
M.7B.16.8	>90 - <=100 %	0.00	0.00			
M.7B.16.9	>100%	0.00	0.00			
M.7B.16.10	Total	0.00	0.00	0%		0%
OM.7B.16.1	o/w >100 - <=110 %					
OM.7B.16.2	o/w >110 - <=120 %					
OM.7B.16.3	o/w >120 - <=130 %					
OM.7B.16.4	o/w >130 - <=140 %					
OM.7B.16.5	o/w >140 - <=150 %					
OM.7B.16.6	o/w >150 %					

17. Loan to Value (LTV) Information - INDEXED		Nominal	Number of Loans	% Commercial Loans	% No. of Loans
M.7B.17.1	Weighted Average LTV (%)				
	By LTV buckets (mn):				
M.7B.17.2	>0 - <=40 %	0.00	0.00		
M.7B.17.3	>40 - <=50 %	0.00	0.00		
M.7B.17.4	>50 - <=60 %	0.00	0.00		
M.7B.17.5	>60 - <=70 %	0.00	0.00		
M.7B.17.6	>70 - <=80 %	0.00	0.00		
M.7B.17.7	>80 - <=90 %	0.00	0.00		
M.7B.17.8	>90 - <=100 %	0.00	0.00		
M.7B.17.9	>100%	0.00	0.00		
M.7B.17.10	Total	0.00	0.00	0%	0%
OM.7B.17.1	o/w >100 - <=110 %				
OM.7B.17.2	o/w >110 - <=120 %				
OM.7B.17.3	o/w >120 - <=130 %				
OM.7B.17.4	o/w >130 - <=140 %				
OM.7B.17.5	o/w >140 - <=150 %				
OM.7B.17.6	o/w >150 %				
OM.7B.17.7					
OM.7B.17.8					
OM.7B.17.9					
18. Breakdown by Type		% Commercial loans			
M.7B.18.1	Retail				
M.7B.18.2	Office				
M.7B.18.3	Hotel/Tourism				
M.7B.18.4	Shopping malls				
M.7B.18.5	Industry				
M.7B.18.6	Agriculture				
M.7B.18.7	Other commercially used				
M.7B.18.8	Land				
M.7B.18.9	Property developers / Building under construction				
M.7B.18.10	Other				
OM.7B.18.1	o/w Social & Cultural purposes				
OM.7B.18.2	o/w [if relevant, please specify]				
OM.7B.18.3	o/w [if relevant, please specify]				
OM.7B.18.4	o/w [if relevant, please specify]				
OM.7B.18.5	o/w [if relevant, please specify]				
OM.7B.18.6	o/w [if relevant, please specify]				
OM.7B.18.7	o/w [if relevant, please specify]				
OM.7B.18.8	o/w [if relevant, please specify]				
OM.7B.18.9	o/w [if relevant, please specify]				
OM.7B.18.10	o/w [if relevant, please specify]				
OM.7B.18.11	o/w [if relevant, please specify]				
OM.7B.18.12	o/w [if relevant, please specify]				
OM.7B.18.13	o/w [if relevant, please specify]				
OM.7B.18.14	o/w [if relevant, please specify]				
OM.7B.18.15	o/w [if relevant, please specify]				
OM.7B.18.16	o/w [if relevant, please specify]				
OM.7B.18.17	o/w [if relevant, please specify]				



Appendices

Current group structure incl. major subsidiaries

1.9 million owner-customers, of which 90% households



156 OP Financial Group member cooperative banks

OP COOPERATIVE

BANKING

- OP Corporate Bank plc* (Corporate Banking)
- Helsinki Area Cooperative Bank***
- OP Mortgage Bank*
- OP Card Company Plc*
- Member cooperative banks

NON-LIFE INSURANCE

- OP Insurance Ltd** with its subsidiaries
 - Eurooppalainen Insurance Company Ltd
 - Pohjola Health Ltd
- A-Insurance Ltd

WEALTH MANAGEMENT

- OP Asset Management Ltd*
- OP Property Management Ltd*
- OP Life Assurance Company Ltd*
- OP Fund Management Company Ltd*
- OP Corporate Bank plc* (Markets Equities)

OTHER OPERATIONS

- OP Services Ltd*
- OP Customer Services Ltd*
- Pivo Wallet Oy*
- Checkout Finland Oy*
- OP Corporate Bank plc* (Group Treasury)

Change in a company name:

During 2019, OP Insurance will become Pohjola Insurance as Pohjola is one of the most renowned brands in Finland and the brand among customers is strongly associated with insurance services.

* OP Cooperative's ownership 100%

** Planned to be transferred with its subsidiaries from OP Corporate Bank plc to OP Cooperative's direct ownership in the future

*** OP Cooperative's control 2/3

OP's group-level strategic targets

Main target: Above-market-average growth rate

INDICATOR	TARGET 2019	Q1-3/2018	2017	2016	2015
Customer experience (CX)*,	25	23	22	23	-
NPS for brand	70	60	58	53	-
NPS for service					
CET1 ratio	22%	20.0%	20.1%	20.1%	19.5%
Return on economic capital (12-month rolling)	22%	18.7%	20.4%	22.7%	21.5%
Expenses of present-day business (12-month rolling)	Expenses in 2020 at the same level as in 2015 (€1,500 mn)	€1,760 mn	€1,661 mn	€1,532 mn	€1,500 mn
Owner-customers, number	2.1 mn	1.9 mn	1.8 mn	1.7 mn	1.5 mn

* OP's customer experience (CX) metric is based on the Net Promoter Score (NPS) that measures likelihood of recommendation. NPS for the brand gauges the overall customer experience of OP. The NPS for service measures what kind of customer experience OP manages to create in individual service encounters in all channels. NPS can range between -100 and +100.

Health and wellbeing business

2013–15: Launching the hospital concept

- First Pohjola Health hospital was opened in Helsinki (early 2013)
- Innovative concept of basic healthcare and special healthcare services, examinations, surgery and rehabilitation services to private and occupational healthcare customers
- Faster care chain and more efficient claims handling process resulting to incomparable customer satisfaction (NPS among surgery customers 96 in Q1-3/2018)

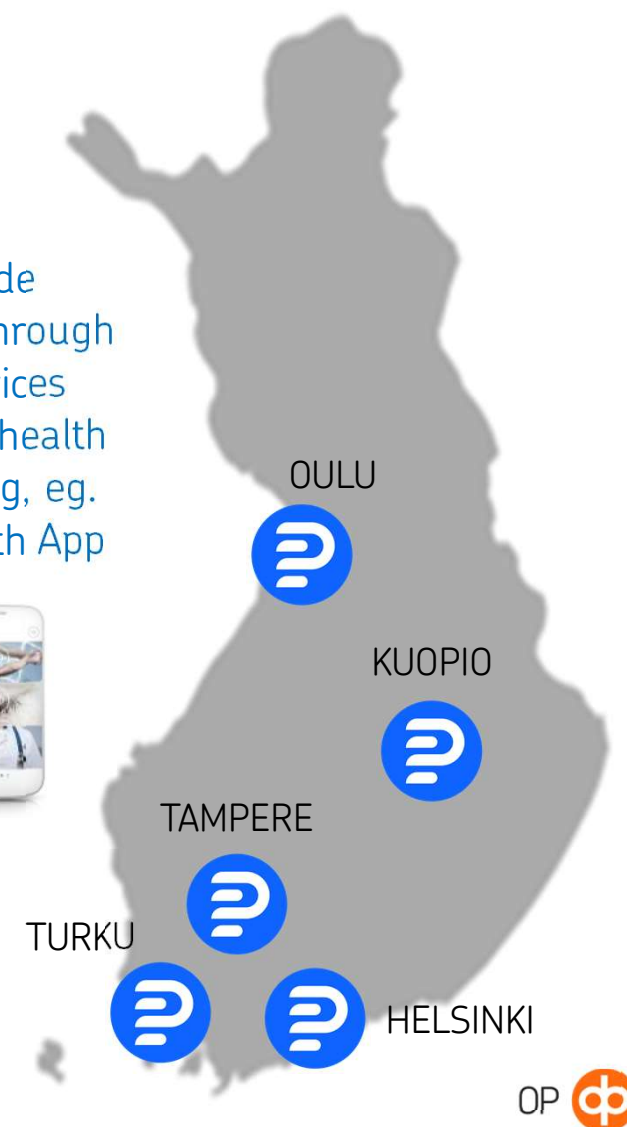
2016–18: Expansion to university hospital cities

- 4 more Pohjola Health hospitals were opened in Tampere (August 2016), in Oulu (May 2017), in Kuopio (August 2017) and in Turku (May 2018)

Strategy concerning health and wellbeing business is being updated as part of OP Financial Group's re-organisation process

- As part of the focus of health services business, Pohjola Health will change its name to Pohjola Hospital
- According to OP's new plan, Pohjola Health Ltd would in future focus on the development of its hospital business and would not open new medical centres as specified in its previous plan

Nationwide accessibility through digital services designed for health and wellbeing, eg. Pohjola Health App



OP's ESG highlights in 2015–18

Group-level measures eg.

- Climate Leadership Coalition (CLC) membership
- LEED certificates of OP HQ premises and Pohjola Health hospitals
- Solar power stations to OP HQ premises, Pohjola Health hospitals and buildings of OP Property Management
- Electricity used at OP HQ premises 100% renewable
- WWF Finland Green Office system applied for environmentally-friendly premise management – eg. in OP HQ premises, carbon footprint of OP's employees is mitigated by remote work opportunity and incentives to use public transportation
- Updated OP Code of Business Ethics – all OP employees committed to comply with the Code through designated online course

ESG unit within wealth management committed to responsible investment

- Exclusion of high-carbon companies
- Quarterly sustainability analyses on OP funds
- Active proxy voting at AGMs
- Membership in Climate Action 100+ (5yr investor engagement initiative) to impact on listed companies with the highest GHG emissions globally – thematic engagement projects on carbon, water and tax risks
- Signature of CDP's climate change, water and deforestation initiatives

Customer openings

- Putting Finland on a new growth path (#suominousuun) initiatives
- SME financing programmes (€300 mn) guaranteed by EIF and guarantee programme (€300mn) with EIB for large and mid-sized companies to support future economic growth and employment
- Energy-saving improvement services for housing companies in cooperation with LeaseGreen – first customer case (autumn 2018) to cut a housing company's heating costs into a half and carbon footprint by approx. 60%

Society efforts

- Record-high donations of EUR 6.3 mn to Finnish universities in 2017
- Subsidies of €1.2 mn for scientific research from OP's scientific foundations in 2018
- 100 person-years of volunteering in honour of the centenary of Finland's independence project – totalling to 274 years (in cooperation with partners) and continuing at OP in 2018

OP is highly committed to ESG

INTERNATIONAL ESG COMMITMENTS



UN Global Compact initiative – signed in 2011
10 principles on human rights, labour standards, environment and anti-corruption



UN Principles for Responsible Investment (UNPRI) – signed in 2009
Commitment by OP Asset Management Ltd, OP Fund Management Company Ltd and OP Property Management Ltd



Montréal Carbon Pledge – signed in 2015
Measuring the carbon footprint of funds and complying with CDP's climate change, water and deforestation initiatives



Equator Principles – signed in 2016
Project financing that manages risks related to environmental issues and social responsibility



OECD Guidelines for Multinational Enterprises
Incl. voluntary CSR principles and standards

PARTICIPATION IN ESG ORGANISATIONS AND INITIATIVES

- Finland's Sustainable Investment Forum (FINSIF)
- Climate Leadership Coalition (CLC)
- Global Compact Nordic Network
- CR network of the Finnish Business & Society association (FIBS)
- FIBS Diversity Charter Finland
- CSR Working Group of the European Association of Co-operative Banks (EACB)
- CSR Working Group of Finance Finland
- EeMAP (Energy efficiency Mortgages Action Plan) Initiative

OP Financial Group – CSR

OP's and its issuing entities' performance in external ESG ratings

OP Financial Group



Source: Sustainalytics, September 2018



Source: Sustainalytics, December 2017



Source: Oekom, June 2017



Environment
Human Resources
Human Rights
Community Involvement
Business Behaviour (C&S)
Corporate Governance

Source: Vigeo, the most recent rating profile on above themes available as of April 2017



OP's CDP Survey Score in 2017: B

Company has taken actions to address environmental issues beyond initial screenings or assessments.

Source: CDP (www.cdp.net/en)

OP Corporate Bank



Source: Imug, August 2018



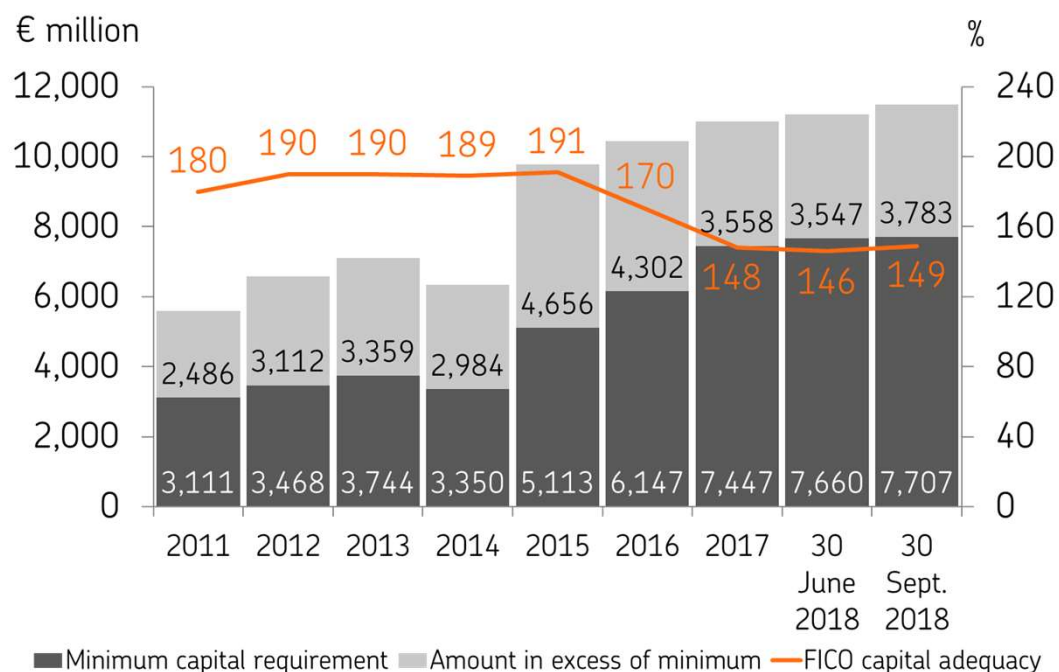
Source: MSCI, June 2018

OP Mortgage Bank



Source: Imug, June 2016

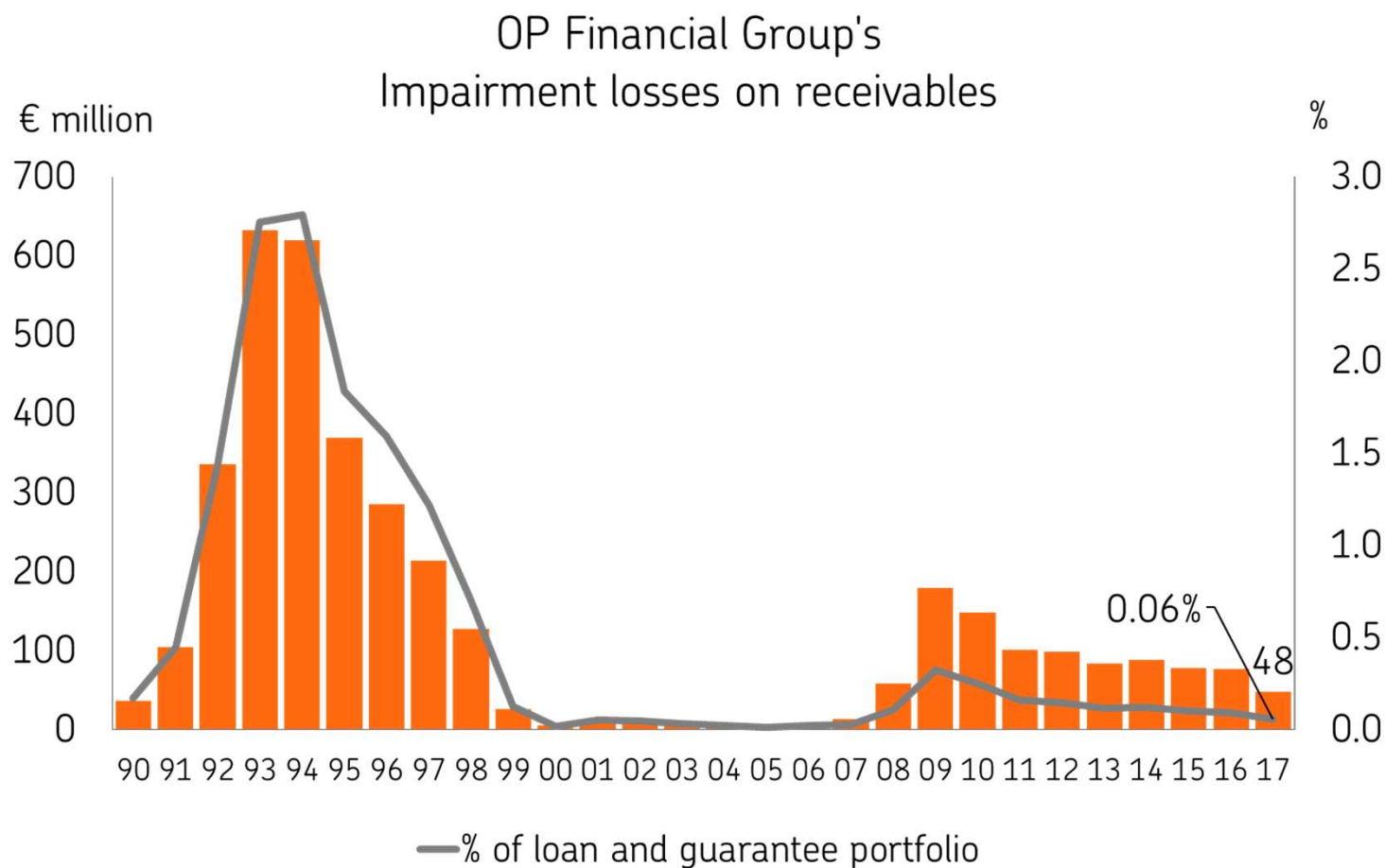
Capital Adequacy under the Act on the Supervision of Financial and Insurance Conglomerates



Statutory minimum requirement 100%

- In Q1-3/2018, capital adequacy buffer was decreased by 15 pps resulting from risk weight floors set by the ECB
- Banking capital requirement remained unchanged at 14.3%, calculated on RWA
- As a result of the buffer requirements for banking and solvency requirement for insurance companies, the minimum FiCo solvency of 100% reflects the level within which the group can operate without regulatory obligations resulting from buffers below the required level

Impairment losses at a very moderate level



OP Financial Group's earnings analysis

€ million	Q1-3/2018	2017*	2016	2015
Net interest income	867	1 102	1 058	1 026
Net insurance income	432	478	558	528
Net commissions and fees	655	879	859	855
Net investment income	284	522	390	432
Other operating income	46	83	123	55
Total income	2 286	3 063	2 989	2 895
Personnel costs	592	758	762	781
Depreciation/amortisation and impairment loss	189	246	160	162
Other operating expenses	597	764	646	577
Total expenses	1 378	1 768	1 567	1 520
Impairment loss on receivables	-24	-48	-77	-78
OP bonuses to owner-customers	-167	-217	-206	-196
Overlay approach**	-30			
Earnings before tax	687	1 031	1 138	1 101

* 2017 comparatives have been changed as a result of entry into force of IFRS 15 and change in the recognition practice of loan service fees to correspond the current reporting approach.

** A temporary exemption from IFRS9 (overlay approach) is applied to some equity instruments of insurance companies (reported according to IAS39), which eroded earnings for the reporting period by EUR 30 million.

OP Financial Group's key figures

	30 Sept. 2018	31 Dec. 2017**	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	31 Dec. 2011	31 Dec. 2010
Total assets, € million	140 253	137 205	133 747	124 455	110 427	100 991	99 769	91 905	83 969
Receivables from customers, € million	86 020	82 193	78 604	75 192	70 683	68 142	65 161	60 331	56 834
Liabilities to customers, € million	67 000	65 549	60 077	58 220	51 163	50 157	49 650	41 304	36 443
Equity capital, € million	11 617	11 084	10 237	9 324	7 213	7 724	7 134	6 242	6 726
CET1 ratio, %	20.0	20.1	20.1	19.5	15.1	17.1 ^a	14.1 ^b	14.0 ^b	12.6 ^b
Capital adequacy ratio, %	22.1	22.5	23.1	22.9	17.3	19.8 ^a	14.1	14.0	12.8
Over 90 days past due receivables*, € million	419	394	356	319	270	292	311	296	204
Ratio of over 90 days past due receivables* to loan and guarantee portfolio, %	0.47	0.46	0.44	0.41	0.37	0.41	0.46	0.47	0.34
Loan and guarantee portfolio, € billion	88.7	84.8	81.3	77.8	73.6	71.0	67.7	62.8	59.4
Impairment loss on receivables, € million	24 ^d	48 ^c	77 ^c	78 ^c	88 ^c	84 ^c	99 ^c	101 ^c	149 ^c
Impairment loss on receivables / loan and guarantee portfolio, %	0.03 ^d	0.06 ^c	0.09 ^c	0.10 ^c	0.12 ^c	0.12 ^c	0.15 ^c	0.16 ^c	0.25 ^c
Personnel	11 983	12 269	12 227	12 130	12 356	12 856	13 290	13 229	12 504

a) As of 1 January 2014

b) Core Tier 1 ratio

c) January–December

d) January–September

* Until 31 Dec. 2012 over 90 days past due receivables and zero interest receivables, since 31 Dec. 2013 over 90 days past due receivables

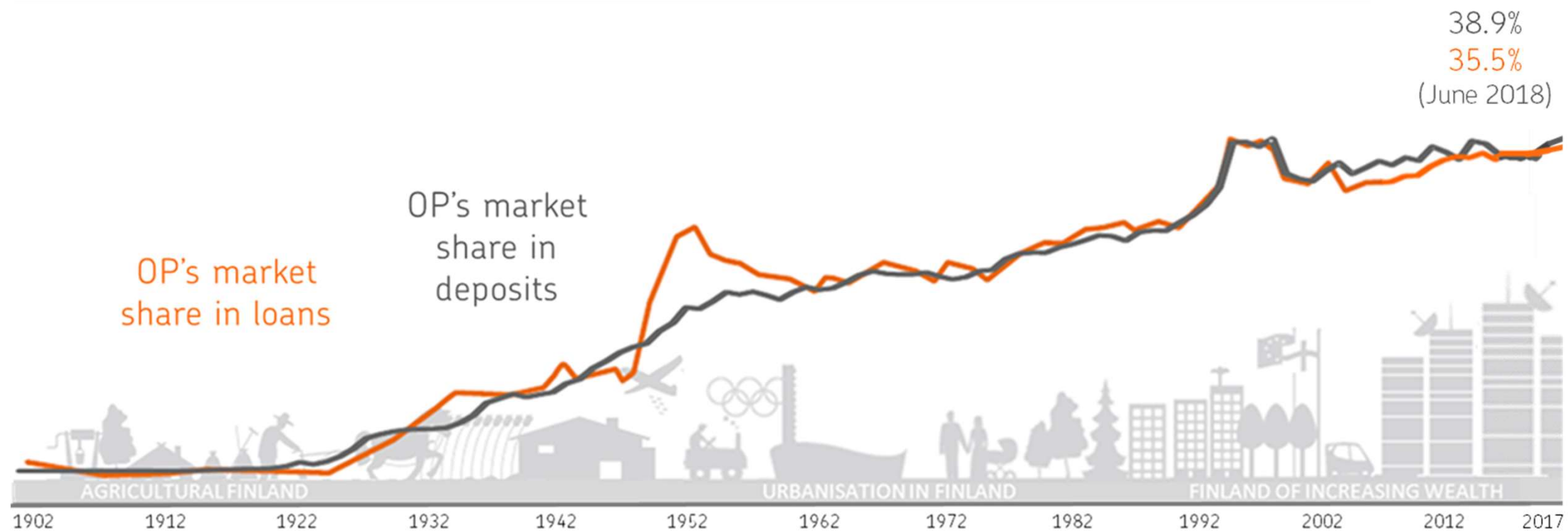
OP ** 2017 comparatives of balance sheet items have been changed as a result of entry into force of IFRS 15 and change in the recognition practice of loan service fees to correspond the current reporting approach.

OP Financial Group's key ratios

	Q1-3/2018	2017	2016	2015	2014	2013	2012	2011	2010
Average corporate loan margin, % ^a	1.23	1.25	1.41	1.38	1.44	1.57	1.52	1.34	1.36
Cost/income ratio, % ^b	60	58	52	53	56	62	63	63	59
Return on equity (ROE), %	6.5	8.0	9.4	10.3	8.1	8.9	7.0	6.8	6.9
Return on assets (ROA), %	0.5	0.6	0.7	0.7	0.6	0.7	0.5	0.5	0.5

a) OP Corporate Bank's corporate loan portfolio

b) 2017 comparatives have been changed as a result of entry into force of IFRS 15 and change in the recognition practice of loan service fees to correspond the current reporting approach.



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For OP Financial Group's and issuing entities' financial reports and other publications,
please visit OP's Debt IR website at www.op.fi/debtinvestors