



OP Mortgage Bank Green Covered Bond Investor Presentation March 2021

www.op.fi/op-financial-group/debt-investors/green-bonds

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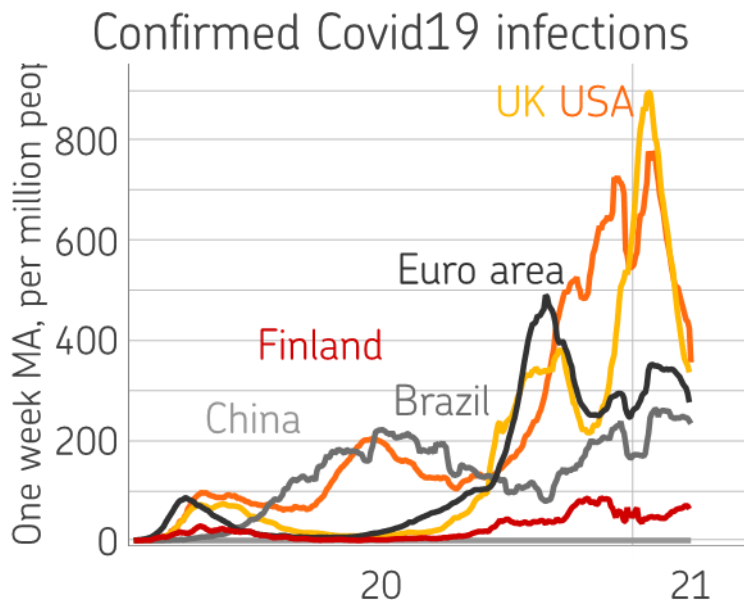
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A close-up photograph of green grass blades covered in numerous small, clear water droplets. The background is a soft, out-of-focus green, creating a natural and fresh aesthetic.

Section 1: OP Financial Group and the Finnish Economy

Outlook for the Finnish Economy

In Finland coronavirus crisis has been subdued



- Globally, Finland has fared well during the coronavirus crisis with some of the lowest reported rates as of end of January 2021 (46,000 cases and 685 deaths).
 - As of end-January 2021, Finland had 8,456 cases per 1 mn population.
- Compared to 30 other European countries, Finland's GDP growth in Q2/2020 compared to Q1/2020 was affected the second least (decline of 4.4%).

Updated: 5 February 2021
Sources: Macrobond, WHO, ECDC, OP

Source: OECD

Forecasts for Finland and the euro area

Published on 26 January 2021

		2019	2020	2021f	2022f
GDP volume, annual growth %					
	Finland	1.1	-2.9	3.0	2.6
	Euro area	1.3	-6.0	4.7	3.5
Unemployment rate, %					
	Finland	6.7	7.8	7.7	7.2
	Euro area	7.6	7.8	8.0	7.5
Current account balance, % of GDP					
	Finland	-0.2	0.8	0.1	0.2
	Euro area	3.1	2.6	2.6	2.8
General government net lending, % of GDP					
	Finland	-1.0	-5.3	-4.5	-3.7
	Euro area	-0.6	-8.8	-6.4	-4.7
General government debt, % of GDP					
	Finland	59.3	69.0	70.3	70.8
	Euro area	85.9	101.1	102.9	104.1
Inflation, %					
	Finland	1.0	0.3	0.8	1.0
	Euro area	1.2	0.3	0.6	1.0

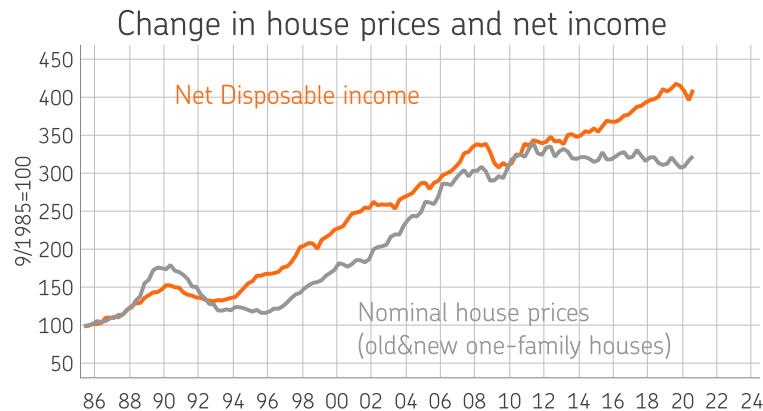
Finnish housing market is stable

Characteristics of Finnish housing market

- Fully-amortizing housing market
- Average maturity of a new home loan 21 yrs 6 mths in December 2020
- 98% of home loans tied to variable interest rates in December 2020
- Stress-tested with 6% interest rate in 25 years' maturity at OP
- Home loan cap (LTC) was restored to 90% (95% for first-home-buyers) from 85% due to COVID-19 related support actions for housing market in late June 2020
- Home ownership rate 66% at YE2019
- Rental market: around 50% municipalities/subsidized and around 50% privately financed/non-subsidized (of which 30% private investors, 20% professional investors)
- Average price of an old dwelling 2,207 €/sq m in November 2020 (3.0% y-o-y, preliminary information)
 - 3,999 €/sq m in Helsinki Metropolitan Area (+6.0%)
 - 1,647 €/sq m in rest of Finland (+0.0%)

Sources: Statistics Finland, Bank of Finland, RAKLI ry

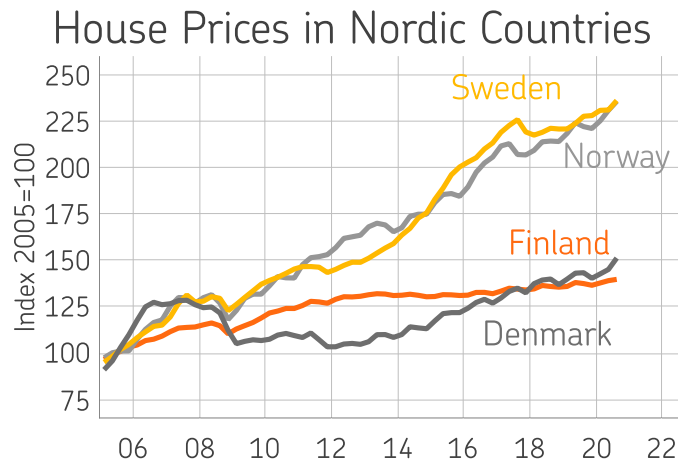
Change in nominal house prices in relation to average net income



Source: Macrobond, OP

Average house prices and households' debt

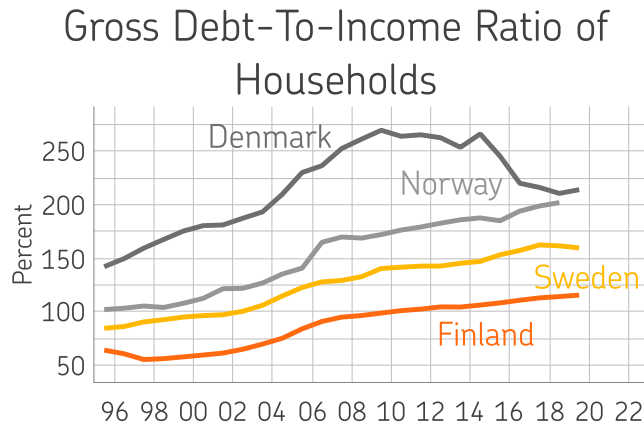
In Finland, the coronavirus has not affected housing prices as much as expected



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: Q3/2020



Source: Macrobond, OP

Gross debt-to-income ratio of households is defined as liabilities divided by gross disposable income with the latter being adjusted for the net change in pension entitlements.

Latest values: Finland, Sweden & Denmark
2019, Norway 2018



OP Financial Group in Brief

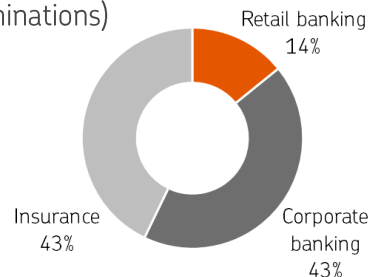
Co-operative OP Financial Group

TOTAL ASSETS

€160 bn

EARNINGS BEFORE TAX

(excl. group eliminations)



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.

SOLID CAPITAL POSITION

18.9% 21.7% 7.8%

CET1 ratio

Capital adequacy ratio

Leverage ratio

LEADING MARKET SHARES

34.9% 38.6% 33.5% 17.6%

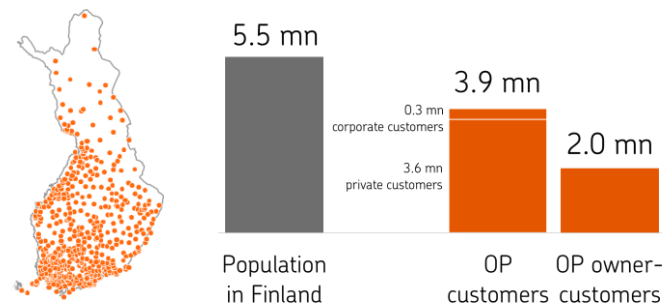
In Loans
(June 2020)

In Deposits
(June 2020)

In Non-life Insurance
(YE2019)

In Life Insurance
(YE2019)

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 FY2020

Main P&L line items

Group EBT
€785 mn
 (-6.3%)

Retail banking EBT **€115 mn** (-51.2%)
 Corporate banking EBT **€349 mn** (12.5%)
 Insurance EBT **€348 mn** (-6.5%)
 Other operations EBT **€3 mn**

Total income
€3,103 mn
 (-2.5%)

NII **€1,284 mn** (+3.5%)
 Net insurance income **€572 mn** (+35.9%)
 Net commissions and fees **€931 mn** (-0.5%)
 Net investment income **€184 mn** (-65.3%)

Total expenses
€1,839 mn
 (-3.4%)

Personnel costs **€715 mn** (-8.6%)
 Development cost impact **€183 mn** (183)

Majority of OP's personnel's statutory earnings-related pension insurance was transferred to Mutual Pension Insurance Company Ilmarinen at YE2018. The rest of these pension insurance liabilities transferred at YE2020 which decreased personnel costs by €96 mn in 2020. Without the transfer personnel costs increased by 3.7%.

Volumes (y-on-y growth)

Home loans
€40.0 bn (+1.2%)
 Corporate loans
€22.6 bn (+0.3%)
 Housing company loans
€9.9 bn (+7%)

Loans, total
€93.6 bn (+2.4%)
 Deposits, total
€70.9 bn (+10.8%)

Insurance premium revenue
€1,506 mn (+1.9%)

Assets under management
€89 bn (+7.2%)

Outlook 2021

OP Financial Group's earnings before tax for 2021 are expected to be lower than in 2020.

Exceptional uncertainty caused by the coronavirus pandemic increased impairment loss on receivables and weakened net investment income in 2020.

The coronavirus pandemic affected OP's core business operations in different ways

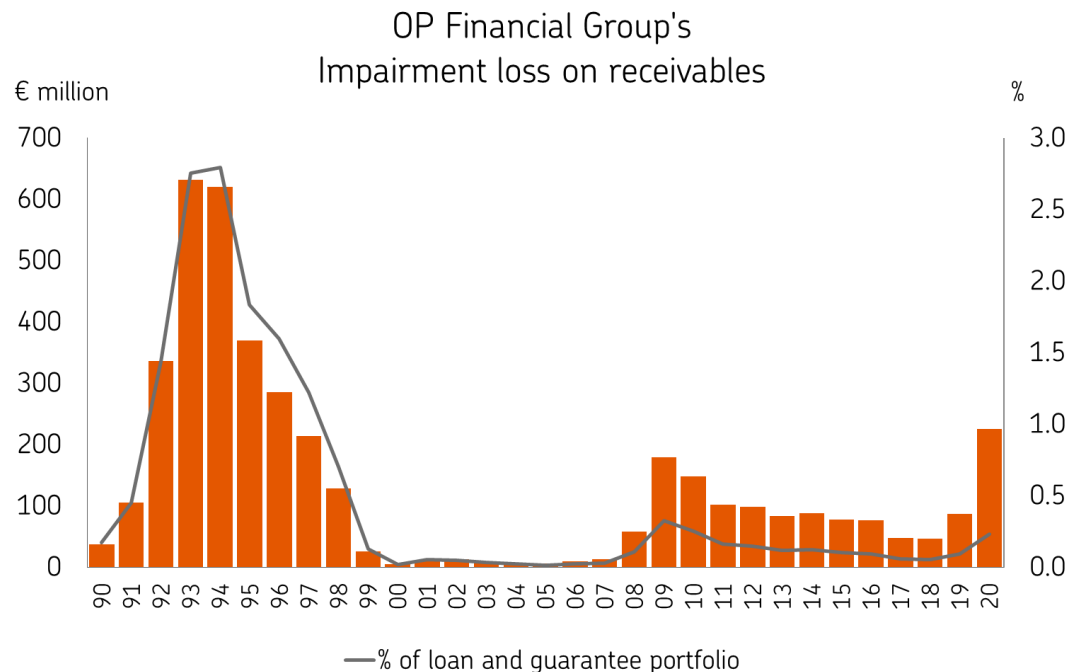
Banking

- Applications for loan **repayment holiday** and loan repayment schedule modifications in 2020
 - Private customers: over **200,000** applications
 - Corporate loans: over **20,000** applications
- All applications aren't caused by coronavirus crisis. The number of repayment holiday applications **returned to its pre-pandemic level in the summer**.
- After the restrictions set due to the pandemic were eased, loan demand started to bounce back at end-May 2020

Insurance

- The coronavirus pandemic increased the number of travel and business interruption insurance claims filed during the spring
- In many other insurance lines, the number of claims decreased as a result of lower activity in general
- The number of claims approached the pre-pandemic level in the autumn
- Claims incurred as a result of the pandemic totalled **€37 million**.

Impairment loss on receivables up due to coronavirus crisis and the new DoD



2020:

€225 mn (87) i.e.
0.23% (0.09) of loan and
guarantee portfolio

Increase in impairment loss on
receivables mainly caused by the
coronavirus crisis (€88 mn) and the
new DoD (€44 mn)



OP Mortgage Bank in Brief

OP Mortgage Bank (OPMB)

OPMB in brief

- 100% owned subsidiary of OP Cooperative
- Covered bond issuing entity of OP Financial Group
- Special-purpose bank and a funding vehicle for the OP member cooperative banks
- Covered bond ratings: AAA (S&P), Aaa (Moody's)
- EMTCN programme of €20 bn qualifies for the ECBC Covered Bond Label

Harmonized Transparency Template



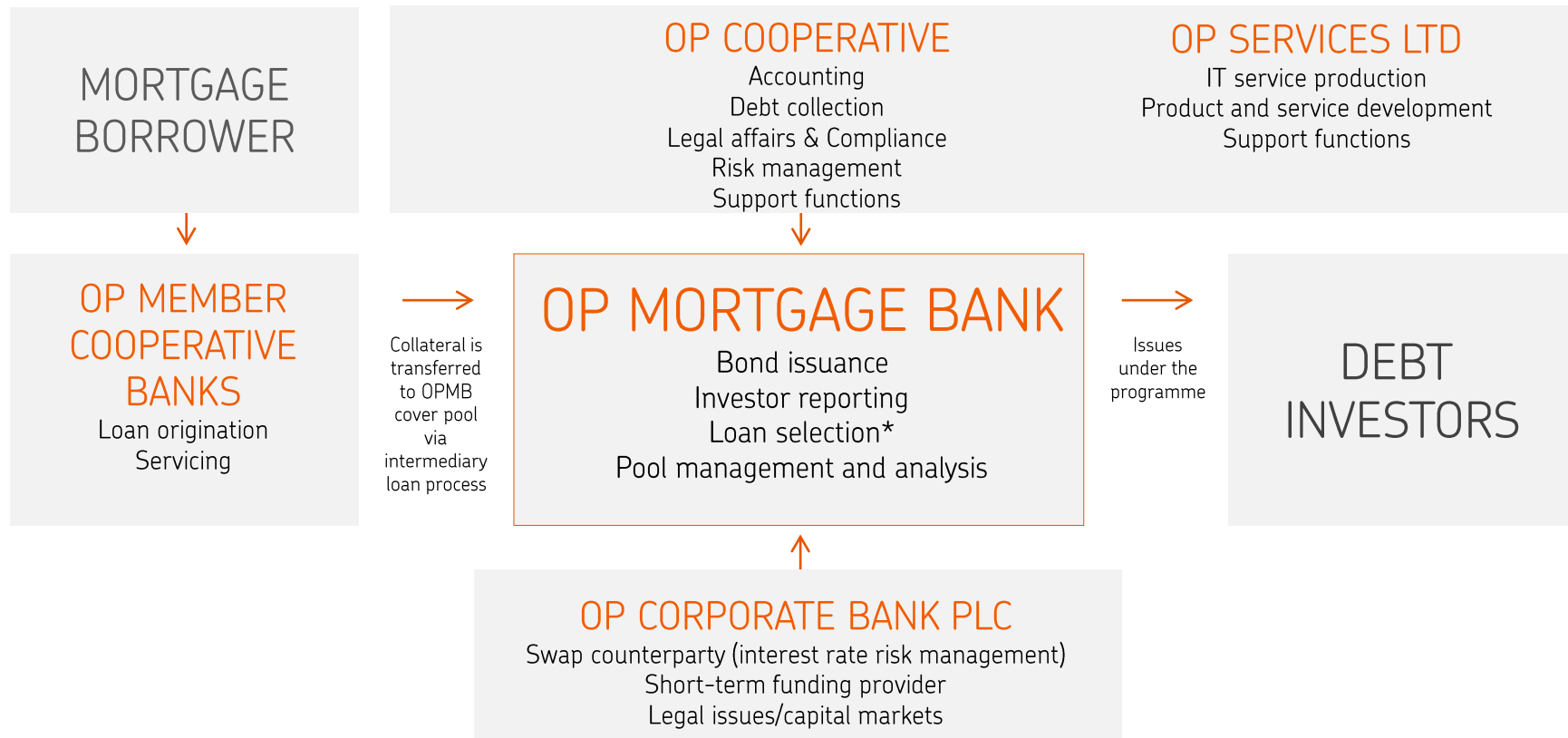
<https://www.op.fi/op-financial-group/debt-investors/issuers/op-mortgage-bank/cover-asset-pool>

<https://www.coveredbondlabel.com/issuer/6/>

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

Operating model and roles



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

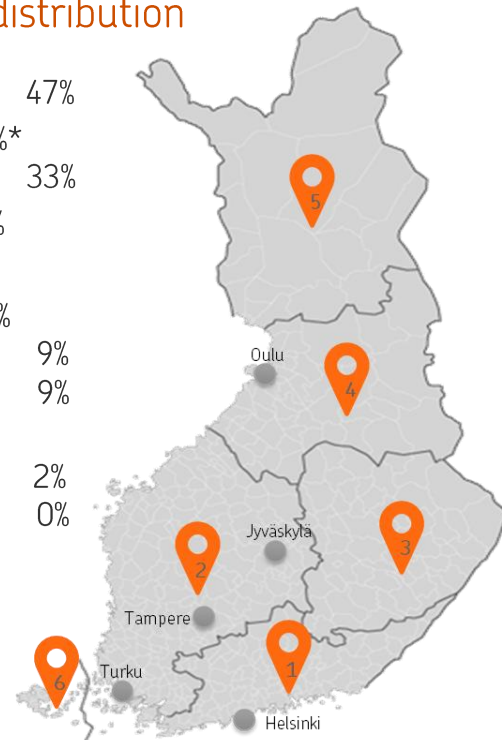
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Main Features of OPMB Cover Asset Pool as of YE2020

- Collateralized by Finnish mortgages
- Current balance €15.7 billion
- Weighted Average indexed LTV of 47%
- Average loan size of approximately €53,232
- 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 €13.665 billion

Geographical distribution

1	Southern Finland	47%
	• Helsinki	20%*
2	Western Finland	33%
	• Tampere	7%
	• Turku	5%
	• Jyväskylä	4%
3	Eastern Finland	9%
4	Oulu region	9%
	• Oulu	5%
5	Lapland	2%
6	Åland	0%



*City-specific figures are percentages of the whole of Finland

OPMB Cover Asset Pool Rating Buffers

Standard & Poor's: AAA (Stable)

- 3 unused notches of jurisdictional support
- 2 unused notches of collateral based uplift
- Key scores (as at 31 December 2020)
 - Available Credit Enhancement: 29.61%
 - Target Credit Enhancement: 4.96%
 - Credit Enhancement (OC) commensurate with AAA rating: 2.5%
 - WAFF*: 17.87%
 - WALS**: 7.23%

* Weighted-average foreclosure frequency

** Weighted-average loss severity

Source: Standard & Poor's Global Ratings Europe Limited, Transaction Update: OP Mortgage Bank, 17 September 2019

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Moody's: Aaa (Stable)

- TPI*** Leeway 5 notches
- Key scores (as at 31 December 2020)
 - CR-A****: Aa2(cr)
 - CB Anchor: CR-A + 1 notch = Aa1
 - TPI: Probable-High
 - Collateral Score post-haircut: 3.4% (cap 5.0%)

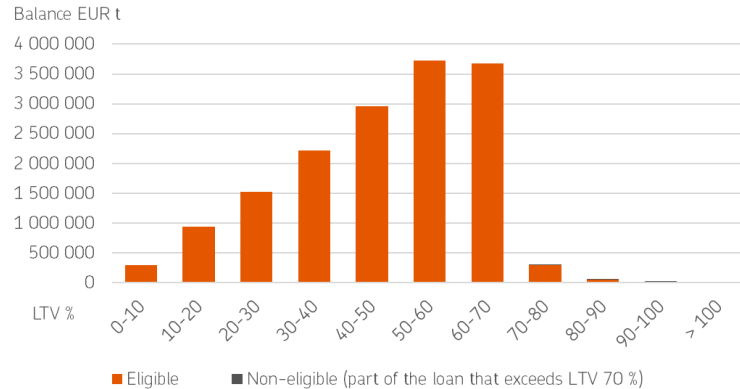
*** Timely payment indicator

**** Counterparty risk assessment

Source: Moody's Investors Service Ltd, Performance Overview, OP Mortgage Bank, Mortgage Covered Bonds 2, 23 July 2020

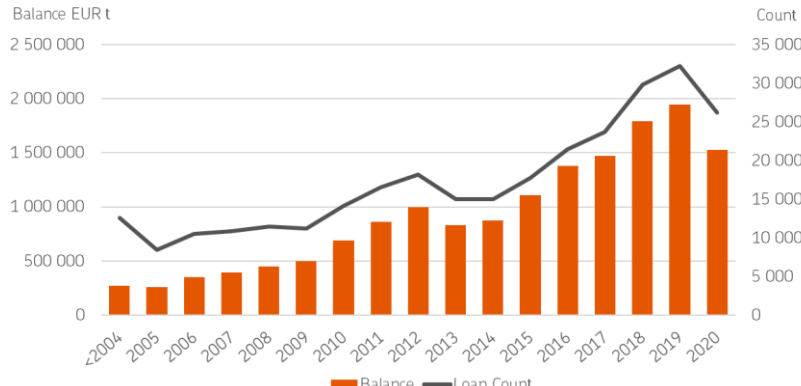
OPMB Cover Asset Pool

Loans by LTV

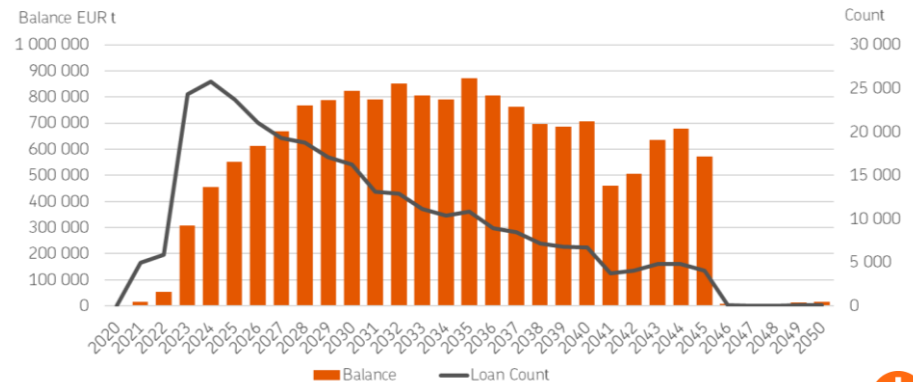


- Total assets €15.72 billion
- Eligible Cover Pool assets €15.70 billion
- Weighted average indexed LTV of 47%
- Over-collateralization 14.9% Eligible only

Loans by origination year



Loans by maturity



The background of the slide is a close-up photograph of green grass blades. The blades are covered with numerous small, clear water droplets, which are in sharp focus, creating a bokeh effect in the background. The overall color palette is various shades of green, from deep forest green to bright, almost white highlights from the water droplets.

Section 2: OP Financial Group's Corporate Responsibility

OP as a responsible actor in
the Finnish society

EU aims for climate neutrality* by 2050.

Finland aims for carbon neutrality** by 2035.

OP aims for carbon neutrality*** by 2025.

Emissions from OP's own operations have fallen by approximately 49% from 2011.

*Includes all GHGs; water vapour (H₂O), carbon dioxide (CO₂), nitrous oxide (N₂O), methane (CH₄) and ozone (O₃) being the primary ones in the Earth's atmosphere

**Includes CO₂ emissions

***Meaning zero emissions from the energy and fuels that OP uses (Scope 1 and Scope 2) and also helping customers reduce their emissions

Sources: the Ministry of the Environment http://www.ym.fi/en-US/The_environment/Climate_and_air/Mitigation_of_climate_change/National_climate_policy
Finland's Integrated Energy And Climate Plan <http://julkaisut.valtioneuvosto.fi/handle/10024/161977>
European Commission: https://ec.europa.eu/clima/policies/strategies/2030_en

OP Financial Group's Corporate Responsibility Programme



We improve
financial literacy
in Finland

We promote the
management of personal
finances and prosperity in
all age groups.



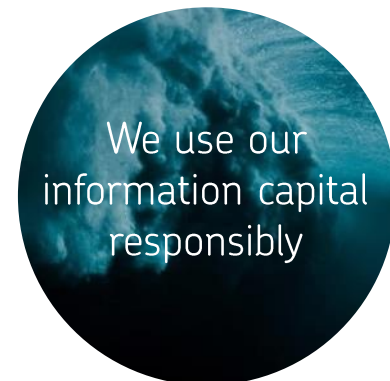
We foster a
sustainable economy

We support sustainable
development and
mitigating climate change
and help adapt to it.



We support local
vitality and
communities

We create jobs, promote
physical activity, provide
security and help build
wellbeing in Finland. We
promote local economic vitality.



We use our
information capital
responsibly

We use customer data and AI
transparently, in the best
interest of our customers.
Accessibility and having the best
customer experience across all
channels are at the core of
developing our services.

OP is highly committed to Corporate Responsibility

International ESG commitments



UN Environment Programme Finance Initiative (UNEP FI), Principles for Responsible Banking – signed in 2019

Commitment to align portfolios to reflect and finance low-carbon, climate-resilient economy required to limit global warming to well-below 2, striving for 1.5 degrees Celsius, in accordance with the Paris Agreement

Collective Commitment to Climate Action – signed in 2019

Commitment to monitor lending in accordance with the principles on sustainable and low-carbon economy, stated in Paris Agreement



Equator Principles – signed in 2016

Project financing that manages risks related to environmental issues and social responsibility



Montréal Carbon Pledge – signed in 2015

Measuring the carbon footprint of funds and complying with CDP's climate change, water and deforestation initiatives



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 Real Estate Asset Management Ltd








OECD Guidelines for Multinational Enterprises

Incl. voluntary CR principles and standards

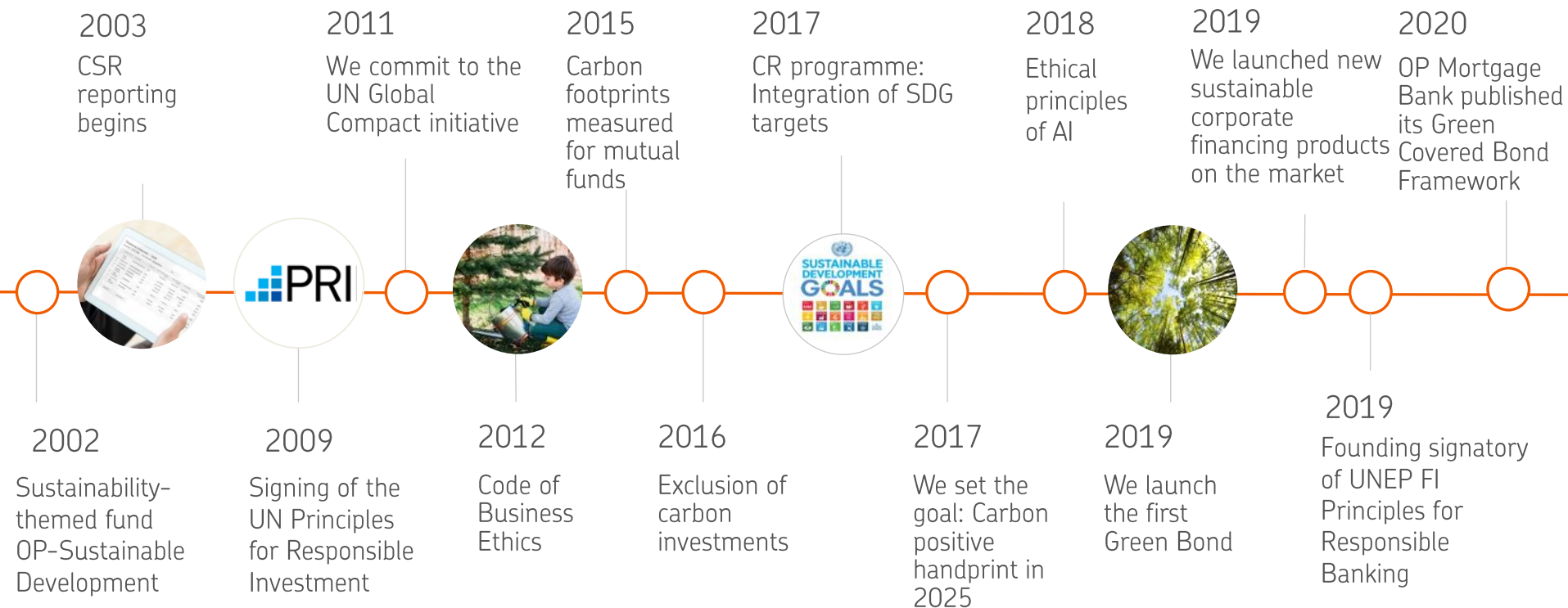
ESG participation & cooperation

- Finland's Sustainable Investment Forum (FINSIF)
- Climate Leadership Coalition (CLC)
- Global Compact Network Finland
- International Capital Markets Association's (ICMA) Green and Social Bond Principles
- Partnership agreement with Climate Bonds Initiative (CBI)
- CR network of the Finnish Business & Society association (FIBS)
- CR Working Group of the European Association of Co-operative Banks (EACB)
- CR Working Group of Finance Finland
- EEMI (Energy efficiency Mortgages Initiative)
- Pohjola Insurance Ltd & Hope Finland cooperation
- OP Asset Management Ltd: official supporter of The Task Force on Climate-related Financial Disclosures (TCFD)

ESG Ratings – OP is among the top performers in the banking sector

Rating Agency	Rating	Range
MSCI 	A	CCC to AAA
 SUSTAINALYTICS	16.0 (low risk)	100 to 0 (severe to negligible risk)
ISS ESG 	C-	D- to A+
 CDP <small>DISCLOSURE INSIGHT ACTION</small>	A-	D- to A
 vigeo eiris	53	0 to 100
imug (OP Mortgage Bank)	B	D to AAA

OP's CR measures during recent years



Examples of OP's actions to promote sustainability in 2020

The value of sustainability-linked loans, green loans and limits granted to corporate customers

€1,523 million.

OP Mortgage Bank published a

Green Covered
Bond Framework.

OP Finnfund Global Impact Fund I raised a total of €135 million in commitments in the first two rounds of funding in 2020.

OP Corporate Bank acted as an issuing bank in three out of four green bonds issued by companies in Finland.

The three bond issuers were Tornator (€350 million), SATO (€350 million) and Stora Enso (€500 million).

OP Real Estate Asset Management signed the Net Zero Carbon Buildings commitment and seeks to achieve zero carbon emissions for its real estate portfolio by 2030.

In 2020, OP Real Asset Management installed 12 new solar power stations for its properties and switched to renewable electricity.

Green covered bonds support OP's mission

Responsibility

- Strengthening OP's responsible role in the Finnish society
- Promoting one of the 4 key themes and commitments of OP's CR programme – Fostering sustainable economy

Retail banking

- Conducting business in a responsible manner: understanding mortgage customers' ESG risks better, while integrating sustainable policies into retail lending
- Providing customers with services that enable sustainable choices

Funding

- Diversifying the funding sources
- Expanding the investor base
- Responding to markets' green bond demand

OP's values



People First



Responsibility



Succeeding
Together

” Our mission is to promote the sustainable prosperity, security and wellbeing of our owner-customers and operating region, and this is embedded into everything we do.

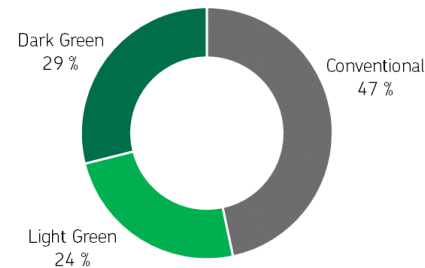
OPMB entered the Green Covered Bond market in March 2021

Green Covered Bond in brief

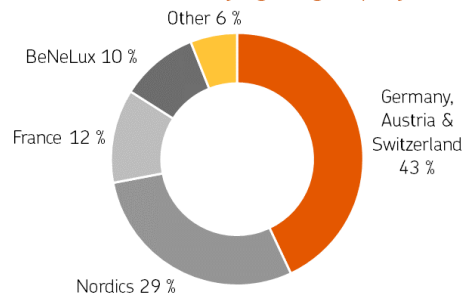
Issuer	OP Mortgage Bank
Issuer ratings	Aaa (stable) by Moody's, AAA (stable) by S&P
ISIN	XS2324321368
EMTCN series number	26
Nominal amount	EUR 750 million
Issue type	Covered Bond (under the OPMB Green Covered Bond Framework)
Use of Proceeds	Green buildings
Pricing date	18.3.2021
Issue date	25.3.2021
Maturity date	25.3.2031
Coupon (annual)	0.05%
Listing	Euronext Dublin
Second Party Opinion	Sustainalytics

The transaction was successful Green distribution (allocation)

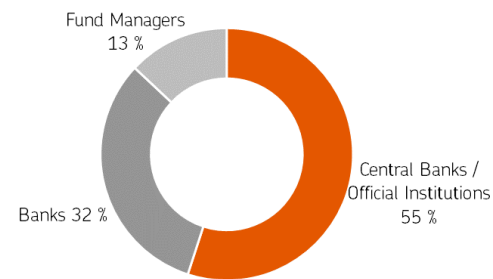
- The €750 mn bond was over-subscribed by more than **twice**. Over **50** investor accounts were involved.



Investors by geography



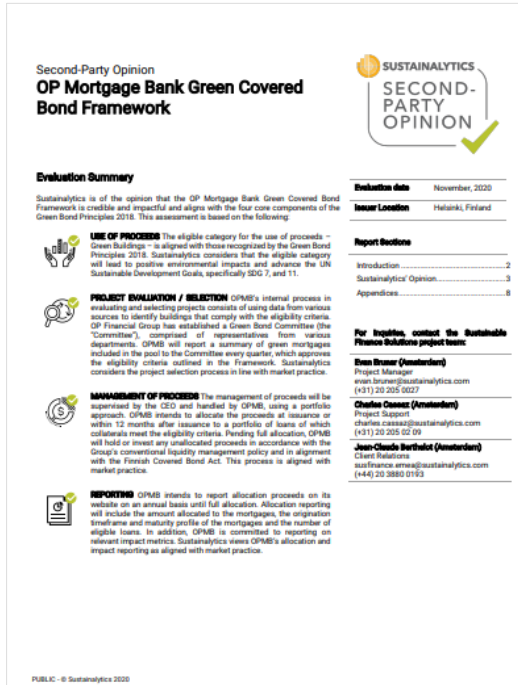
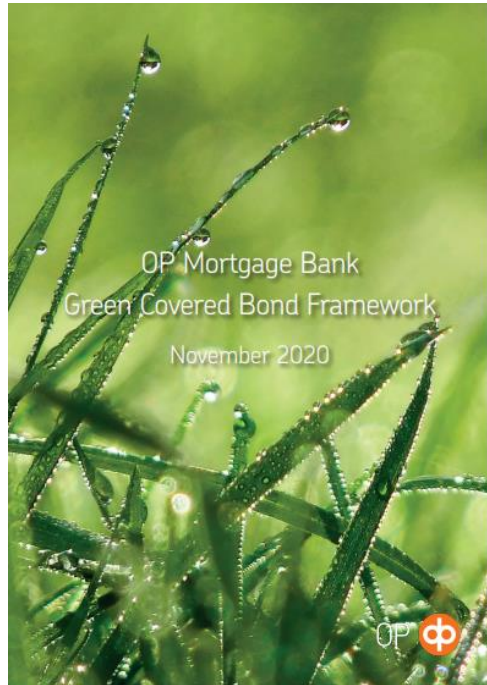
Investors by type





OPMB Green Covered Bond Framework

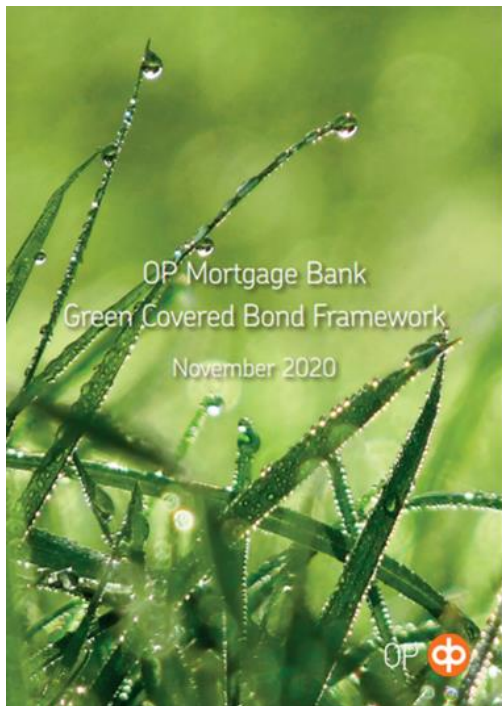
OPMB's Green Covered Bond Framework published in 2020



- OP Mortgage Bank published its Green Covered Bond Framework and associated Second Party Opinion issued by Sustainalytics in November 2020
- Aligned with ICMA Green Bond Principles and complies with the EU Green Bond Standard on a best effort basis
 - Complies with the disclosure requirements of the EU Green Bond Standard
 - Contributes to the EU Environmental objective "Climate Change Mitigation"
 - Criteria: EU Taxonomy's Construction and real estate activities criteria and CBI Residential Buildings criteria
 - Takes into consideration the Do No Significant Harm and Minimum Safeguards requirements
- Eligible sector for use of proceeds: Green Buildings

Documents available at <https://www.op.fi/op-financial-group/debt-investors/green-bonds>

OPMB Green Covered Bond Framework overview



Use of proceeds

- Green buildings

Project evaluation and selection

- To identify eligible mortgages, data from various sources is utilized (e.g. ARA)
- The energy performance certificates (EPCs) are used to assess eligibility
- If EPCs are not available, the secondary approach is energy efficiency statistical modeling

Management of proceeds

- Cover Pool is reviewed as a part of the pooling process on a regular basis
- Quarterly internal reporting to Green Bond Committee

Reporting: Annual Green Covered Bond Report

- Amount of proceeds allocated to green covered bonds
- Origination timeframe and maturity profile of mortgages
- Number of eligible mortgages
- Estimated environmental impacts of the mortgages

External review & verification

- Second Party Opinion by Sustainalytics
- Limited assurance report by an external auditor

OPMB Green Covered Bonds Eligible Use of Proceeds

Green Buildings: Eligible Economic Activities



1. Acquisition and ownership

For buildings built before 2021: energy performance must be among top 15% of similar stock (in terms of number of buildings) which corresponds to EPCs A or B (if issued under 2018 legislation) or equivalent (if issued under 2013 legislation). For buildings built after 2021: primary energy demand 20% lower than NZEB (Nearly Zero Energy Buildings) requirements*.



Affordable and clean energy

7.2. By 2030, increase substantially the share of renewable energy in the global energy mix

7.3. By 2030, double the global rate of improvement in energy efficiency

2. Construction of new buildings

Primary energy demand* 20% lower than NZEB requirements. (For buildings built from 2021 onwards, for buildings built before YE2020 the top 15% criteria is applied).



Sustainable cities and communities

11.6. By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

3. Building renovation

Complies with relevant local “major renovation” regulations (based on the Energy Performance of Buildings Directive, EPBD) or delivers 30% energy savings.

4. Individual measures and professional services

List of eligible measures and services with individual criteria as outlined in the Taxonomy**.

*In Finland EPCs and NZEB definition are based on “E-value” which is used to assess the energy efficiency of buildings

**The eligible measures and services with individual criteria are listed in the [Technical annex to the TEG final report on the EU Taxonomy](#)

Process for Project Evaluation and Selection

Identification of eligible collaterals

1

Energy Performance Certificates (EPCs)

- There are about 37,000 residential building EPCs publicly available in Finland (YE2020)
- EPCs for all buildings securing the mortgages in the cover pool are used as a primary method for identifying eligible collaterals

2

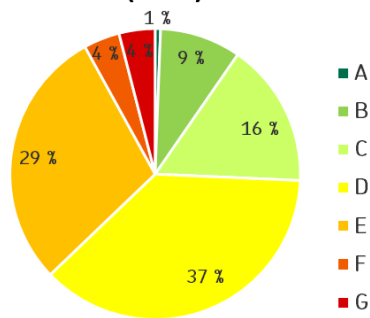
Statistical Modeling

- If an EPC is not available for a collateral, the secondary method is statistical modeling of the eligibility
- Data from various sources (e.g. Digital and Population Data Service Agency) is used to model eligibility for recently built buildings

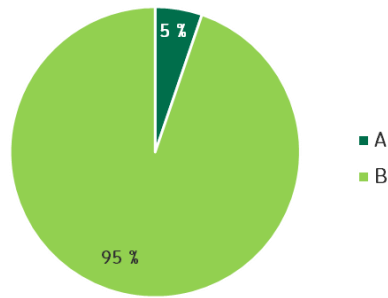
Buildings that have fossil fuels identified as their main heating source are automatically excluded.

Eligible green mortgages amount to €2.1 bn (March 2021)

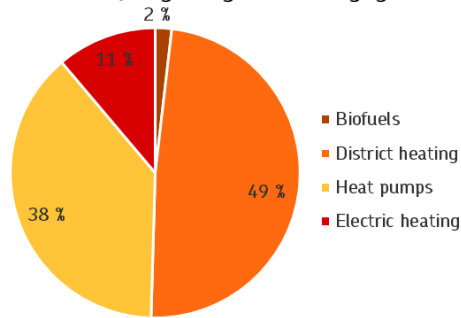
Energy label breakdown*, Finland (2020)



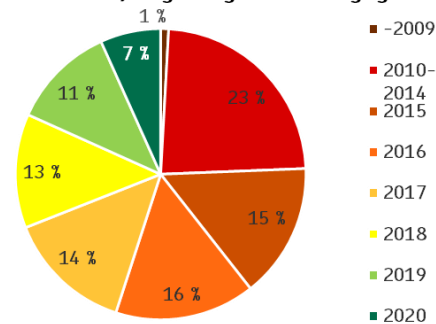
Estimated energy label breakdown*, eligible green mortgages



Estimated main heating source breakdown, eligible green mortgages



Estimated construction year breakdown, eligible green mortgages



- EPCs A and B amount to approximately 10% in Finland

- Estimation is based on OP mortgages that have EPCs available

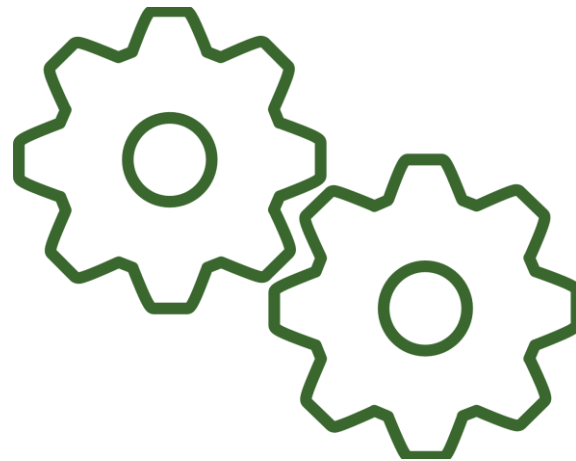
*presented as equivalent to 2018 Finnish EPC legislation

In Finland, 85% of electricity production was CO₂-neutral and 54% of district heating was produced from renewable energy sources and waste heat in 2020.

Source: Finnish Energy (ET)

Management of Proceeds

- OPMB's aim is that the size of the eligible mortgage portfolio will always exceed the total balance of all outstanding Green Covered Bonds.
- In case there are periods where there is an insufficient aggregate amount of Green Covered Bond Assets, OPMB will hold or invest any unallocated green covered bonds net proceeds in accordance with OP's conventional liquidity management policy and in alignment with the Finnish Covered Bond Act that is in effect.
- OPMB manages the net proceeds and reviews the cover pool as a part of the pooling process on a regular basis in order to ensure that the eligibility criteria are met at all times. The summary of green mortgages in OPMB's cover pool against the eligibility criteria is reported to the Green Bond Committee quarterly.



Reporting and External Review

Annual Green Covered Bond Report

- Includes:
 - the (aggregated) amount of net proceeds allocated to mortgages within the Eligible Sector mentioned in the Framework
 - the origination timeframe and maturity profile of the mortgages
 - the number of eligible mortgages
 - the estimated environmental impacts of the mortgages within the Eligible Sector
- Impact metrics (aligned with ICMA):
 - Annual energy reduced/avoided in MWh or GWh
 - Annual GHG emissions reduced/avoided in tonnes of CO₂ equivalent

Second Party Opinion

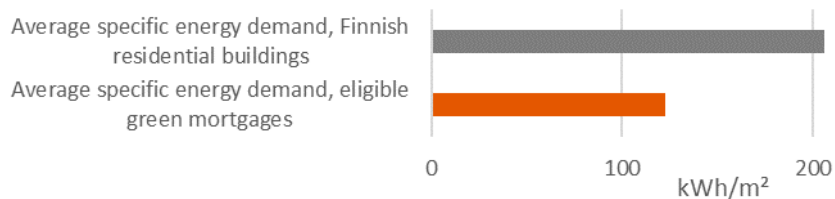
- Sustainalytics provided a Second Party Opinion on OPMB's Green Covered Bond Framework



Verification

- OPMB will request on an annual basis, starting one year after issuance and until maturity, a limited assurance report of the allocation of the Green Covered Bond proceeds to Eligible Assets

Impact metrics: preliminary estimates



- Preliminary estimate for energy savings of eligible green mortgages: **65 000 MWh/a**
- Preliminary estimate for emission savings of eligible green mortgages: **14 500 tCO₂/a**

METHODOLOGY AND ASSUMPTIONS

- Preliminary estimates for collateral(s)' specific energy demand are calculated from EPCs (if available for a collateral) and modeled for the rest of the collateral(s) (given data availability)
- Specific energy demand for an average residential building in Finland is calculated based on data from Statistics Finland
- In emission calculations all savings in energy demand are assumed to derive from heating
- Specific emissions used in estimates:
 - Electricity (marginal): 315 gCO₂/kWh, Source: [NPSI Position Paper on Green Bonds Impact Reporting, 2020](#)
 - District heating: 154 gCO₂/kWh as of March 2021. Source: [Motiva](#) (in Finnish)
- Specific (marginal) emissions from heating for an average residential building in Finland (based on the main heating source distribution published by Statistics Finland): 189 gCO₂/kWh
- The share of impacts of green collateral(s) allocated to eligible green mortgages is calculated as follows: loan balance divided by the value of green collateral(s) as of the reporting day
- The methodology will be further developed for the Green Covered Bond Report which will be published within a year from the date of issuance



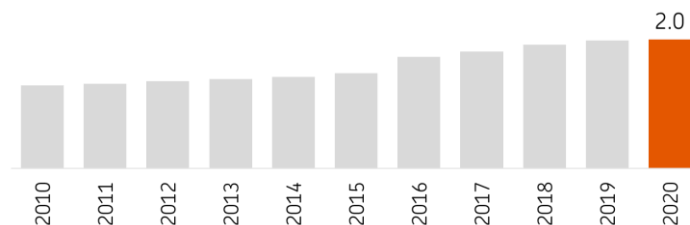
Appendix

OP Financial Group's structure



Owner-customers benefit from attractive loyalty benefits

Solid growth in number of owner-customers, mn



2 mn
owner-customers
+22,000
in 2020
+65%
since 2010

Owner-customer* benefits in 2020

€255 mn

accrued OP Bonuses**

€119 mn

to banking and wealth
management service fees

€130 mn

to insurance policy fees

€3.0 bn

investments in Profit
Shares

€95 mn

accrued returns on
Profit Shares (target
3.25% in 2020)

€27 mn

discounts on daily banking

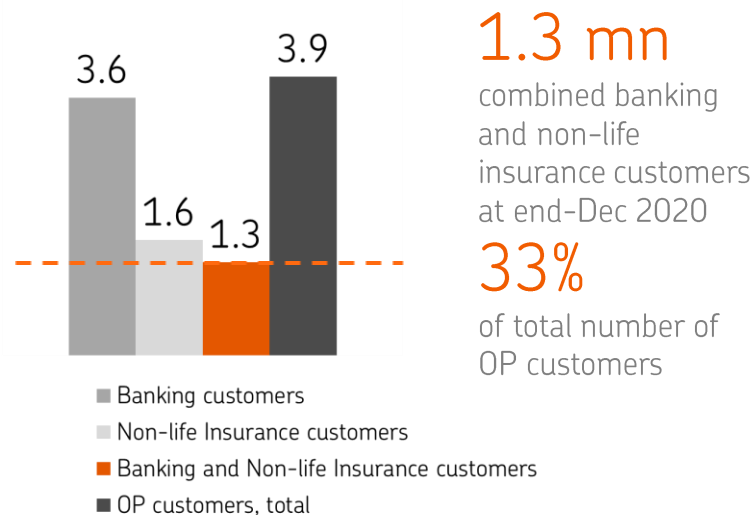
€66 mn

loyalty discounts on non-life insurance policies

€6 mn

benefit of selling, buying and trading of most
mutual funds free of charge

Successful integration of banking and
non-life insurance customerships, mn

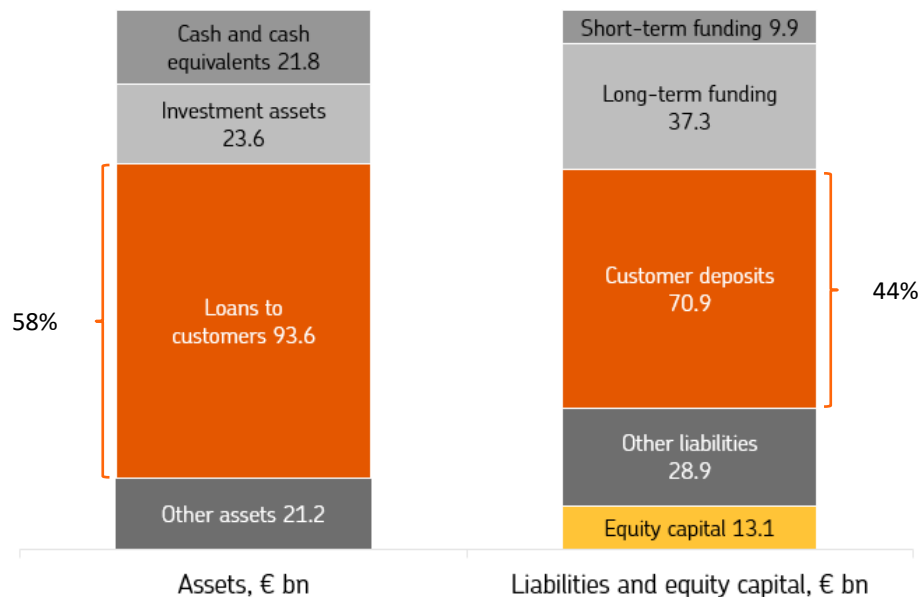


* Membership fee varies depending on the OP cooperative bank (eg. 100€ at Helsinki Area Cooperative Bank)

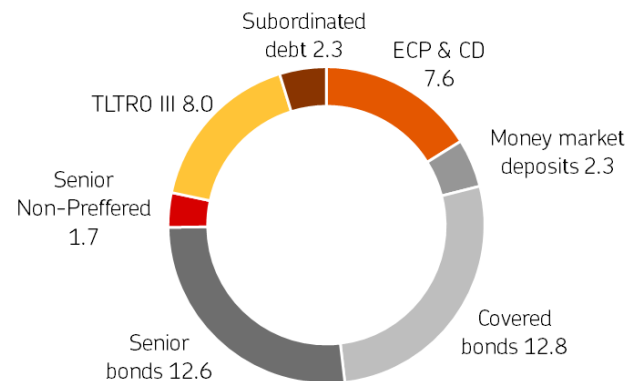
** An owner-customer's loans, savings, investments and insurance premiums generate OP bonuses 0.25% of monthly transactions

Balance sheet totaled €160 bn at end-Dec 2020

Market-based funding 25% of the balance sheet



Long-term and short-term funding, € bn



Deposits within the scope of deposit guarantee €41.2 bn. The Deposit Guarantee Fund compensates a maximum of €100,000 for each OP Financial Group customer.

Other assets include: Assets covering unit-linked contracts, Derivative contracts, Intangible assets, PPE, Tax assets, Receivables from credit institutions and other assets

Other liabilities include: Insurance liabilities, Liabilities from unit-linked insurance and investment contracts, Derivative contracts, Provisions and other liabilities, Liabilities to credit institutions (excl. TLTRO III) and Tax liabilities

OP's CR Governance, Reporting and Guidelines

Governance

- CR policy, CR Programme and annual CR report are confirmed by OP Cooperative's Board of Directors
- Executive Management Team's CR Committee prepares the CR Programme for the Board's approval and tracks progress against the agreed targets
- OP Cooperative's Supervisory Council reviews the CR Programme regularly and follows its implementation
- Chief Communications and Corporate Responsibility Officer is responsible for CR in respect of Group Executive Management and reports to President and Group Chief Executive Officer
- CR working groups established for each business line

CR reporting

- CR Report integrated in the Annual Report (OP Year 2020)
- Corporate Governance Statements (group- and issuer-level) & Remuneration Statement (group-level)
- Data Balance Sheet (describing e.g. responsible use of data)
- CR reporting principles applied:
 - Global Reporting Initiative (GRI) Standards (Core)
 - GRI Financial Services Sector Supplement
 - UN Global Compact initiative
- CR reporting takes into account the International Integrated Reporting Council (IIRC) Framework
- OP publishes a TCFD-aligned index as a part of its Annual Report
- OP reports according to the non-financial reporting directive (NFRD) in its Report by the Board of Directors
- Since 2016, OP's CR Report has been externally assured: Assurance for CR Report 2020 performed by KPMG Oy Ab

Key guidelines

- OP Financial Group's Corporate Responsibility Programme, updated in Dec 2019
- OP Financial Group's Corporate Governance Statement & Guidelines
- OP Financial Group's CR Policies
- OP Code of Business Ethics (incl. OP's climate principles) binding to all OP employees
- OP Financial Group's ethical guidelines for artificial intelligence
- UN Global Compact, UNEP FI Principles for Responsible Banking, UN Principles for Responsible Investment





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www.op.fi/debtinvestors

<https://www.op.fi/op-financial-group/debt-investors/green-bonds>

See also [CFO's Results Interview](#)