



# OP Financial Group's Debt Investor Presentation H1/2025

OP Financial Group and issuing entities

OP Corporate Bank plc and OP Mortgage Bank

[www.op.fi/debtinvestors](http://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.

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



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This presentation is targeted for debt investors interested in OP Financial Group. The aim of this presentation is to provide insights into the Finnish economy as well as OP Financial Group's financial performance and corporate responsibility actions.



# Outlook for the Finnish economy



# OP Financial Group's forecasts for the Finnish economy

Forecast published on 16 April 2025

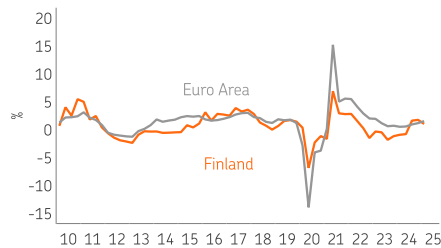
|  | 2024 | 2025f | 2026f |
|--|------|-------|-------|
| GDP volume, annual growth %              |      |       |       |
| Finland                                  | 0.4  | 1.0   | 1.5   |
| Euro area                                | 0.8  | 0.5   | 1.3   |
| Unemployment rate, %                     |      |       |       |
| Finland                                  | 8.4  | 8.5   | 8.3   |
| Euro area                                | 6.4  | 6.4   | 6.5   |
| Current account balance, % of GDP        |      |       |       |
| Finland                                  | 0.0  | -0.4  | -0.7  |
| Euro area                                | 2.6  | 2.0   | 2.2   |
| General government net lending, % of GDP |      |       |       |
| Finland                                  | -4.5 | -4.0  | 2.6   |
| Euro area                                | -3.2 | -3.5  | -4.0  |
| General government debt, % of GDP        |      |       |       |
| Finland                                  | 82.1 | 84.2  | 85.2  |
| Euro area                                | 90.1 | 91.4  | 92.2  |
| Inflation, %*                            |      |       |       |
| Finland                                  | 1.0  | 2.0   | 2.0   |
| Euro area                                | 2.4  | 2.3   | 2.0   |

\* Harmonised Index of Consumer Prices (HICP). The HICP figures differ from national inflation figures (CPI)

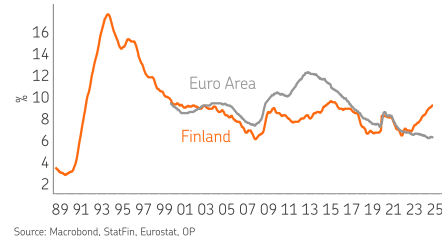
Sources: Statistics Finland, Eurostat, OP

## Finland and Euro Area

Quarterly GDP growth, % y-o-y



Unemployment rate, %



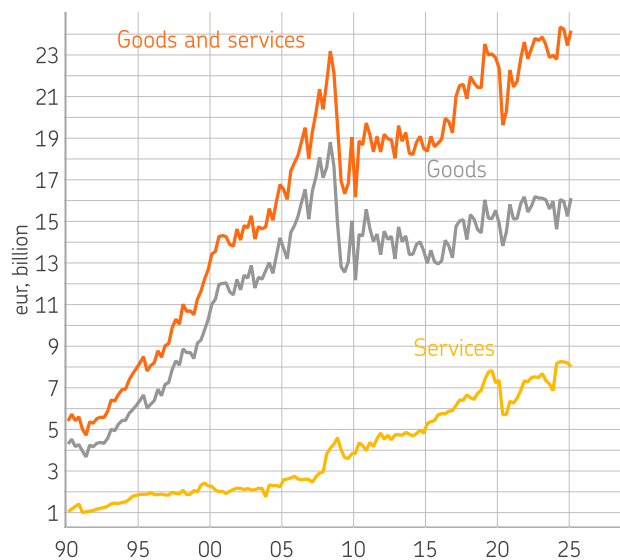
- OP's economists awarded as the most accurate forecaster for Finnish GDP for the second year in a row. [FocusEconomics Analyst Forecast Awards](#)

Link to [Economic outlook for Finland by OP Financial Group's Chief Economist](#)

# Foreign trade structure rather stable

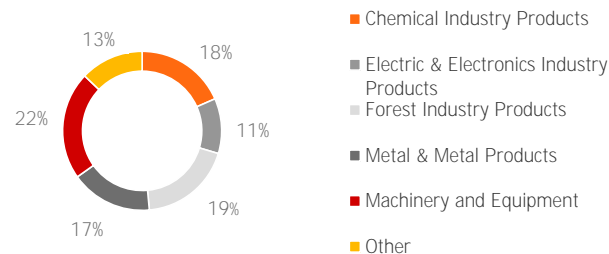
Finland is an exports-driven economy with around 40% of GDP deriving from exports

## Exports of goods and services, SA

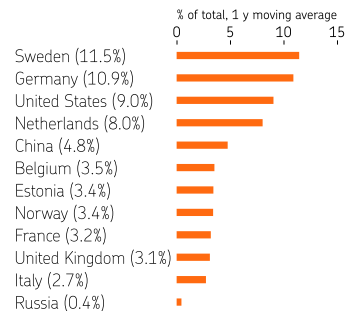


Source: Macrobond, OP

## Exports by commodity group



## Goods exports by country



Source: Macrobond, OP

# Finnish housing market is stable

## Characteristics

- › Fully-amortizing mortgage market with rather short maturities
- › 96% of home loans tied to variable interest rates
- › Home loan cap (LTC) 90% and for first-home-buyers 95%

39%

OP's  
market share  
in mortgages

6%

OP's stress-test  
in 25 years  
maturity

34%

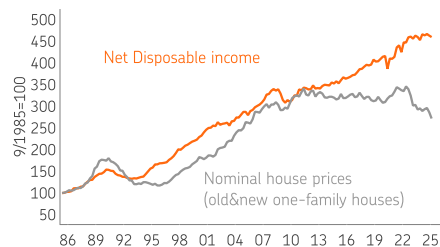
OP's personal  
customers'  
mortgages covered  
by interest rate cap

€63m

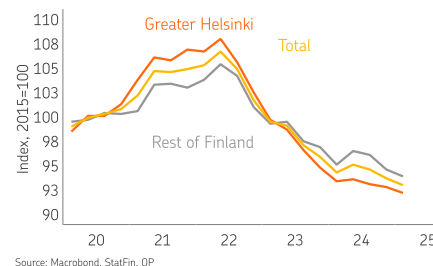
The net benefit  
gained by customers  
from interest rate  
caps in H1/25

## Finnish economy

### Change in house prices and net income

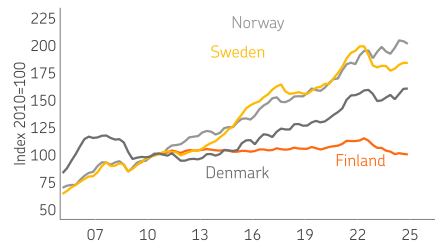


### Real estate prices, old dwellings

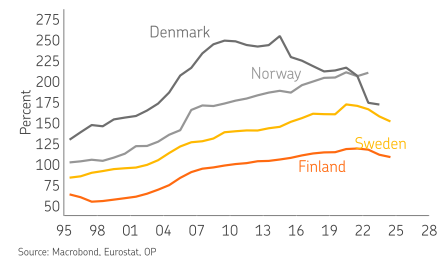


## Nordics

### House prices



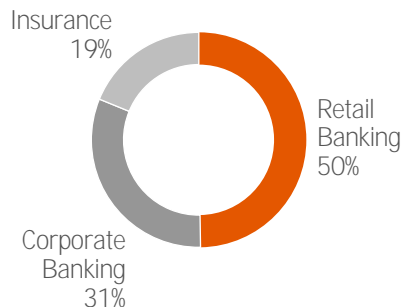
### Gross Debt-to-Income Ratio



# OP Financial Group



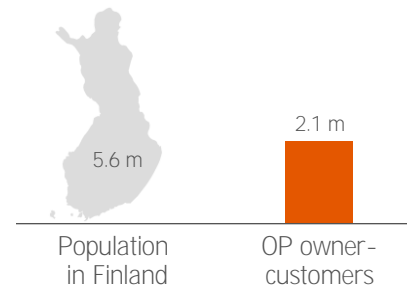
# Co-operative OP Financial Group



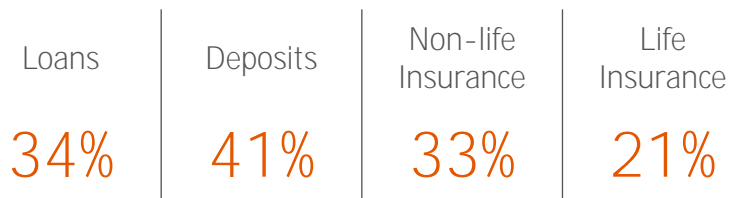
**€990m**  
Operating profit  
in H1/2025

**20.8%**  
CET1 ratio

**€167bn**  
Total assets



## Leading market position in Finland



## Joint and several liability

The 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.

## Strong credit ratings

**Moody's Aa3**  
**S&P AA-**

OP Corporate  
Bank plc

**Moody's Aaa**  
**S&P\* AAA**

OP Mortgage  
Bank's covered  
bonds

\* EMTCN programme

Source: Bank of Finland (Loans and Deposits 12/2024), Finance Finland (Non-life & Life Insurance 12/2024)



# OP Financial Group's business structure

2.1 million owner-customers

75 OP cooperative banks

OP Cooperative (central cooperative)

## Retail Banking

The Retail Banking segment consists of banking for private and SME customers at OP cooperative banks and at the central cooperative consolidated.

**OP Mortgage Bank\***

OP Asset Management Ltd  
OP Fund Management Company Ltd  
OP Real Estate Asset Management Ltd  
OP Retail Customers plc  
OP Services Ltd

## Corporate Banking

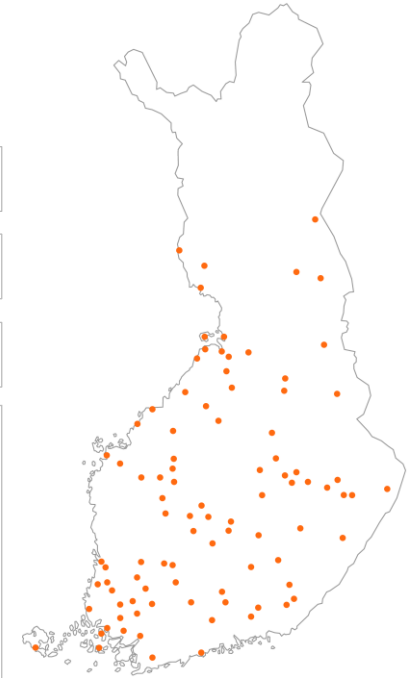
The Corporate Banking segment consists of banking services for corporate and institutional customers.

**OP Corporate Bank plc\***  
OP Custody Ltd

## Insurance

The Insurance segment comprises Pohjola Insurance and OP Life Assurance Company.

Pohjola Insurance Ltd  
OP Life Assurance Company Ltd



**-58%**  
cooperative banks  
since 2015

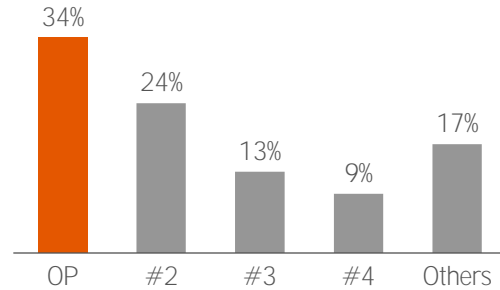
# Diverse offering with strong market shares

## OP's market shares

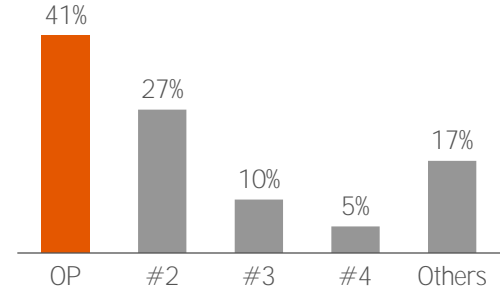
39%  
Mortgages

38%  
Corporate  
loans

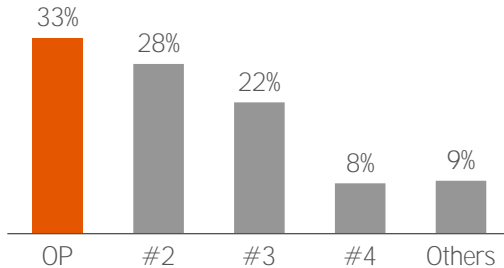
## Loans



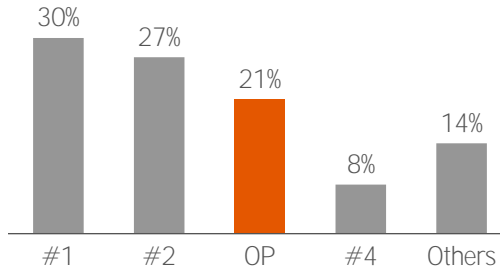
## Deposits



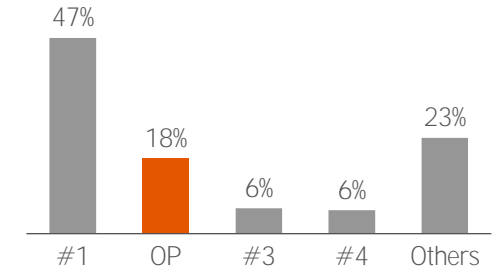
## Non-life insurance



## Life insurance



## Mutual funds



Source: Bank of Finland (Loans and Deposits 12/2024), Finance Finland (Non-life & Life Insurance 12/2024), FIN-FSA (Mutual Funds 12/2024)



# OP's strategic priorities and long-term targets

We aspire to be the leading and most appealing financial services group in Finland



Strong risk management and compliance culture

## OP Financial Group's strategic long-term targets

|  | 30.6.2025  | Target   |
|--|--|--|
| Return on equity (ROE) excluding OP bonuses, % | 10.0   | 9.0  |
| CET1 ratio, %                                  | 20.8   | At least CET1 ratio requirement + 4 pps                |
| Brand recommendations (bNPS) *                 | Banking: 1 <sup>st</sup><br>Insurance: 2 <sup>nd</sup> | Banking: 1 <sup>st</sup><br>Insurance: 1 <sup>st</sup> |
| Credit rating                                  | AA-/Aa3  | At least at the level of AA-/Aa3                       |

\* Ranking in the survey on switching bank and insurer by Kantar Finland Oy and in a nationwide survey on SMEs by Red Note Oy

# Attractive loyalty benefits support cross-selling

Owner-customer benefits H1/25, € million

**€162m**

accrued OP bonuses

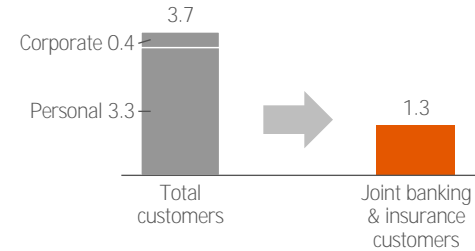
**€116m**

discounts on  
daily banking and non-  
life insurance policies

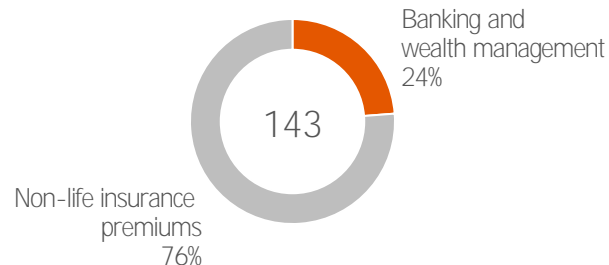
**€70m**

accrued estimated  
returns on  
Profit Shares

Number of customers Q4/24, million



OP bonus usage H1/25, € million



In 2025, our owner-customers continue to get daily banking services without monthly charges and accrue 40% extra OP bonuses compared to the normal level of 2022.

The total value of OP bonuses and free daily services will be more than EUR 400 million in 2025.

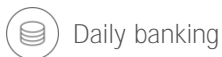


# Multichannel services with 24/7 presence



OP Aina is the **first Finnish financial sector service based on AI**. OP Aina helps OP's customers with a range of banking and insurance matters on a 24/7 basis.

Finland's largest **local branch network** complements the **digital** channels.



Daily banking



Savings & investments



Loans



Insurances

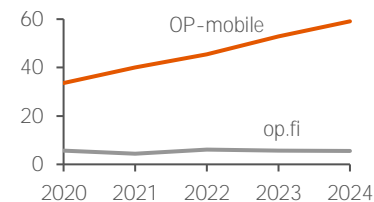
The logo of OP Financial Group is touched **over 70 million times every month** on the screens of smart devices.



Customers can manage both their **finance and insurance** services extensively in OP-mobile.

Over 70% of usage consists of daily banking services.

Logins on average per month, million



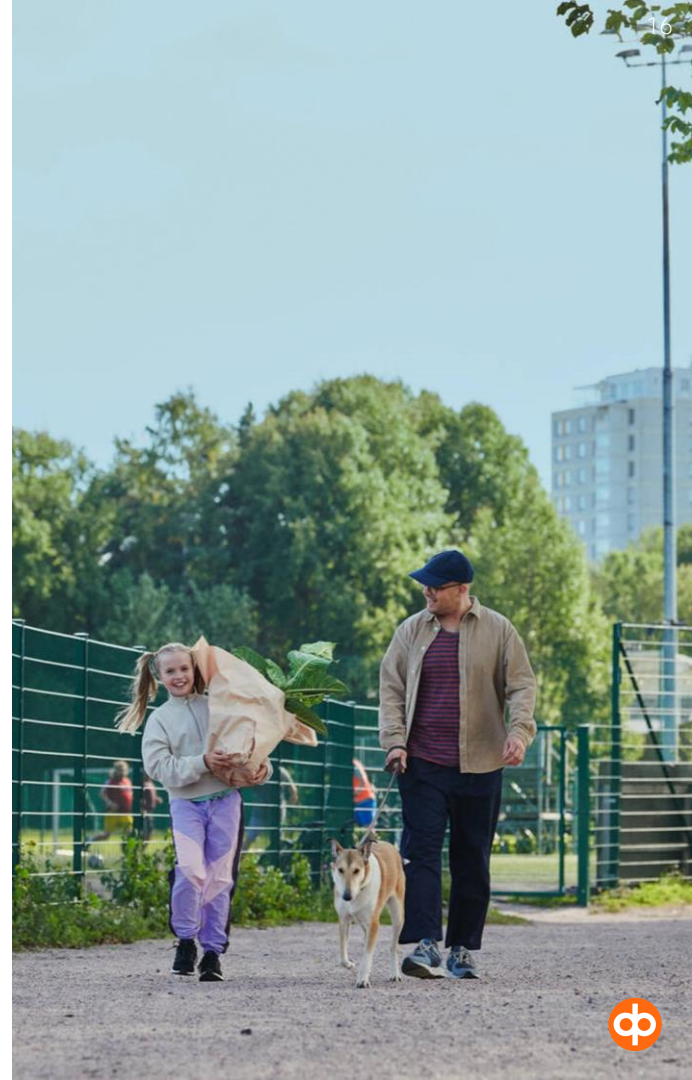
# Financial performance



# OP Financial Group's first half – Solid performance in uncertain operating environment

- › Operating profit at a good level of EUR 990 million.
- › Growth in business volumes during the first half of 2025. Deposits increased by 4% and the loan portfolio grew by 1%.
- › Credit quality remained sound and non-performing exposures declined. Impairment loss on receivables was recorded as reversals and amounted to EUR +19 million, accounting for -0.04 bps of the loan and guarantee portfolio.
- › Strong CET1 ratio at 20.8%, exceeding the minimum regulatory requirement by 6.1 percentage points.
- › Liquidity position remained strong and funding profile well-balanced, LCR ratio of 213% and NSFR ratio of 132%.

Link to [Results overview by OP Financial Group's CFO](#)



# Key financial figures of the first half 2025

| Operating profit                          | Total income                                      | Total expenses                            | Loan portfolio                         | Deposits                    | Assets under management                              |
|---|---|---|--|-----------------------------|--|
| <p><b>€990m</b><br/>-20%</p>              | <p><b>€2,139m</b><br/>-11%</p>                    | <p><b>€1,169m</b><br/>+6%</p>             | <p><b>€100bn</b><br/>+1%</p>           | <p><b>€81bn</b><br/>+4%</p> | <p><b>€98bn</b><br/>+5%</p>                          |
| <p>Retail Banking<br/>€489m (-31%)</p>    | <p>Net interest income<br/>€1,194m (-12%)</p>     | <p>Development costs<br/>€204m (+19%)</p> | <p>Home loans<br/>€42bn (+0.1%)</p>    |                             | <p>90% of OP's funds promote ESG characteristics</p> |
| <p>Corporate Banking<br/>€309m (+25%)</p> | <p>Insurance service result<br/>€68m (+83%)</p>   | <p>Personnel costs<br/>€550m (+3%)</p>    | <p>Corporate loans<br/>€28bn (+1%)</p> |                             |  |
| <p>Insurance<br/>€185m (-31%)</p>         | <p>Net commissions &amp; fees<br/>€404m (+1%)</p> |   |  |                             |  |
| <p>Group Functions<br/>€34m</p>           | <p>Investment income<br/>€206m (-36%)</p>         |   |  |                             |  |

Comparatives for the income statement are based on the corresponding figures in 2024. Unless otherwise specified, figures from 31 December 2024 are used as comparatives for balance-sheet and other cross-sectional items.



# Financial performance

Loan portfolio

€100bn

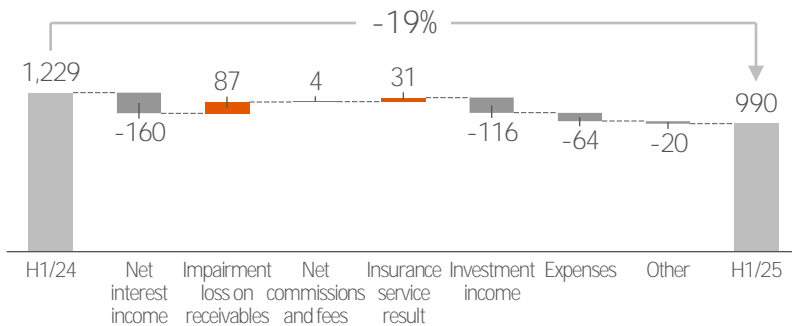
Deposits

€81bn

Assets under  
management

€98bn

Operating profit, € million



€ million

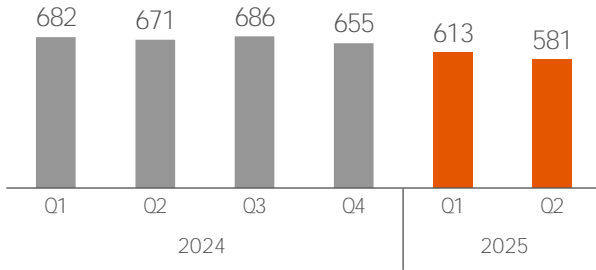
|                                       | H1/25         | H1/24         | Change %    |
|---------------------------------------|---------------|---------------|-------------|
| Net interest income                   | 1,194         | 1,353         | -12%        |
| Impairment loss on receivables        | 19            | -67           | -129%       |
| Net commissions and fees              | 404           | 400           | 1%          |
| Insurance premium revenue             | 1,051         | 1,041         | 1%          |
| Insurance service expenses            | -946          | -1,005        | -6%         |
| Net income from reinsurance contracts | -38           | 1             | -           |
| Insurance service result              | 68            | 37            | 83%         |
| Investment income                     | 206           | 323           | -36%        |
| Other operating income                | -1            | 25            | -103%       |
| Personnel costs                       | -550          | -535          | 3%          |
| Depreciation and impairment loss      | -61           | -69           | -11%        |
| Other operating expenses              | -557          | -501          | 11%         |
| Transfers to insurance service result | 269           | 263           | 2%          |
| <b>Total income</b>                   | <b>2,139</b>  | <b>2,400</b>  | <b>-11%</b> |
| <b>Total expenses</b>                 | <b>-1,169</b> | <b>-1,104</b> | <b>6%</b>   |
| <b>Cost/income ratio, %</b>           | <b>54.7</b>   | <b>46.0</b>   | <b>9%*</b>  |
| <b>Operating profit</b>               | <b>990</b>    | <b>1,229</b>  | <b>-19%</b> |
| OP bonuses included in earnings       | -154          | -147          | 4%          |

\*Change in ratio

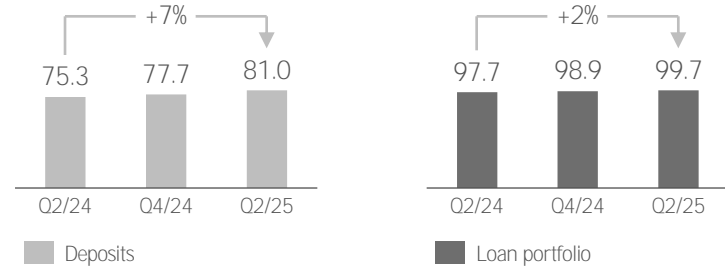


# Net interest income affected by lower market rates

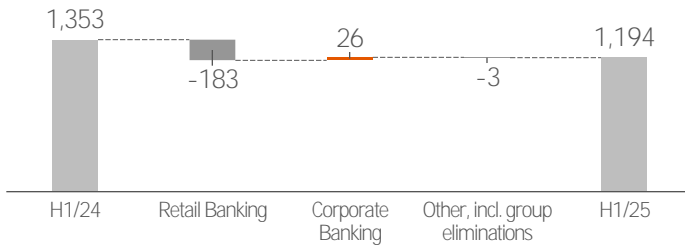
Net interest income by quarter, € million



Volumes, € billion



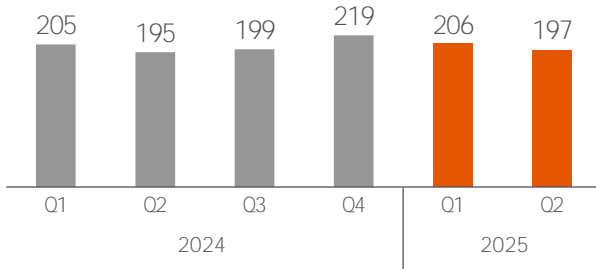
Change in NII, € million



- › Net interest income -12% year on year impacted by the reduction in market interest rates.
- › NII sensitivity +/- 100 bps:
  - › Retail Banking: + €88m / - €98m
  - › Corporate Banking: + €3m / - €4m

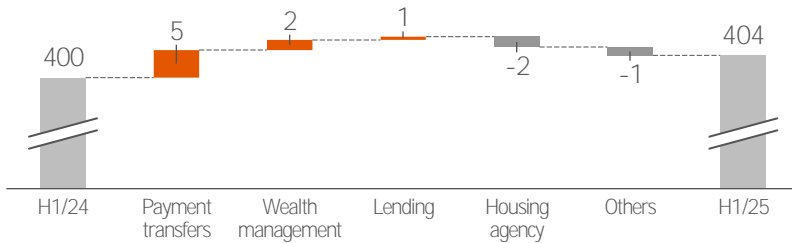
# Net commissions & fees provide a steady income stream

Net commissions & fees by quarter, € million



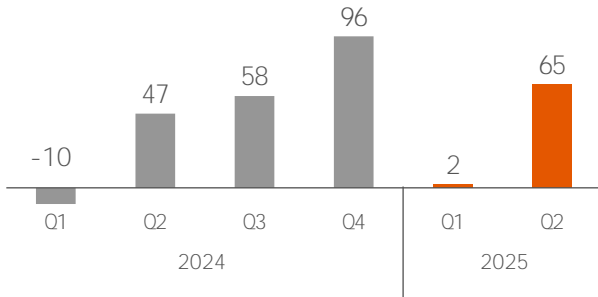
- > Net commissions and fees grew by 1% year on year.
- > Owner-customers will get daily banking services free of monthly charges until the end of 2025. The value of this benefit was EUR 90 million for 2024 and will be an estimated EUR 90 million for 2025.

Change in net commissions & fees, € million

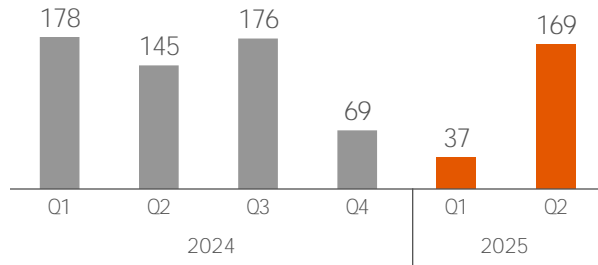


# Insurance service result & investment income

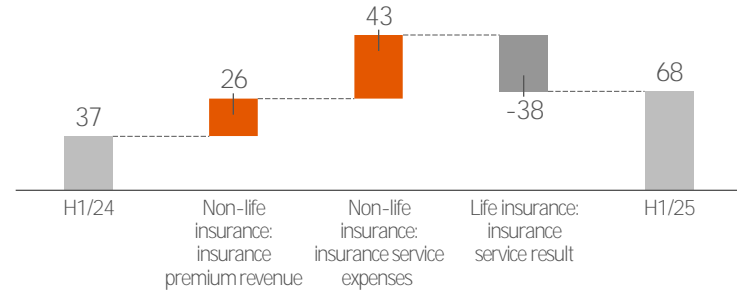
Insurance service result by quarter, € million



Investment income by quarter, € million



Change in insurance service result, € million



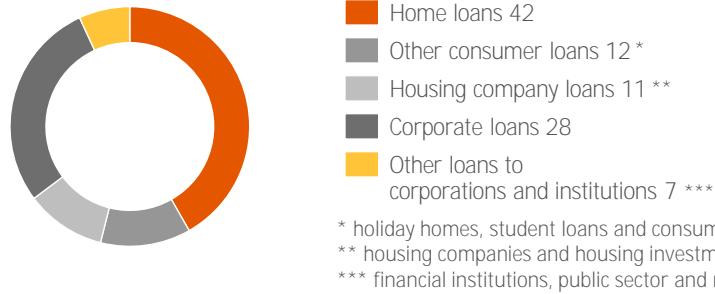
- Insurance service result increased year on year as a result of a favourable claims trend.
- Combined ratio of non-life insurance improved to 92.4% (100.4).
- The Group's insurance companies are the main contributors to investment income. Investment income -36% year on year, but remained at a quite good level considering the market turbulence earlier in the year.

# Loan book overview and asset quality

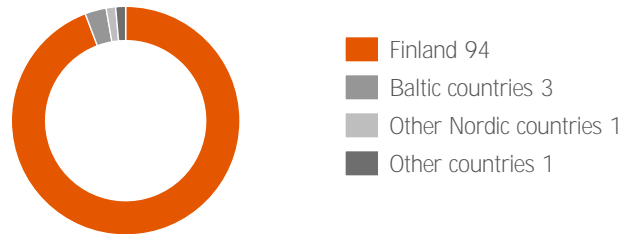


# Loan portfolio diversified and focused in Finland

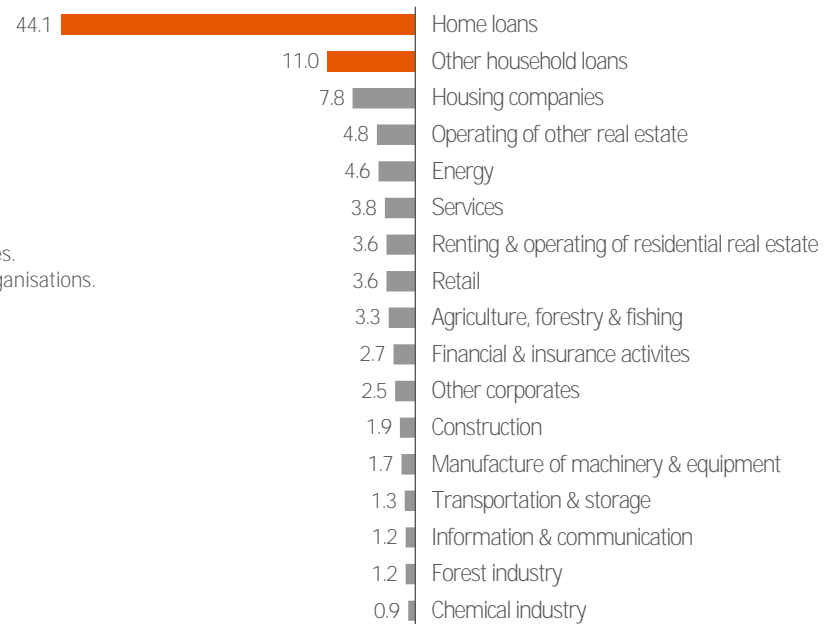
Loan portfolio breakdown Q2/25, € billion



Geographical split Q4/24, %



Loan portfolio by sector Q2/25, %

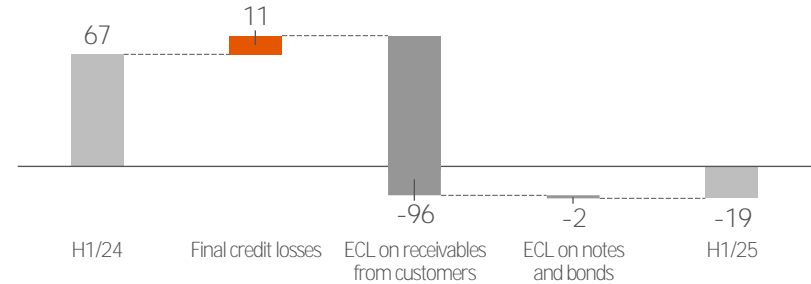


# Impairment loss on receivables as reversals

Impairment levels over time



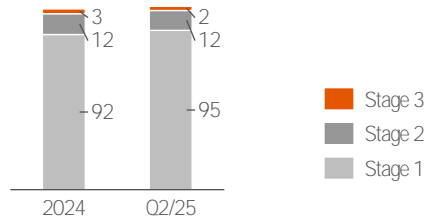
Breakdown of total impairment losses, € million



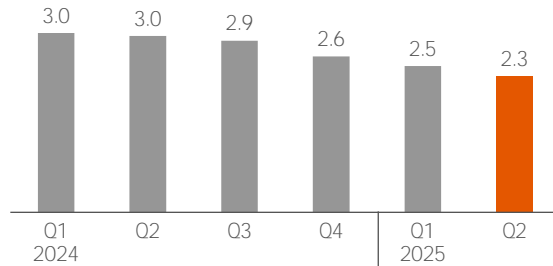
| € million                                     | H1/25         | H1/24        |
|---|---------------|--------------|
| Final credit losses, net                      | 36            | 25           |
| ECL on receivables from customers             | -55           | 41           |
| ECL on notes and bonds                        | -1            | 1            |
| <b>Total impairment losses on receivables</b> | <b>-19</b>    | <b>67</b>    |
| <b>% of loan and guarantee portfolio</b>      | <b>-0.04%</b> | <b>0.13%</b> |

# Sound credit quality

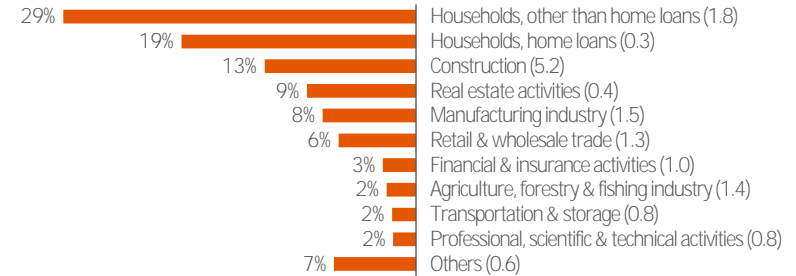
Receivables from customers by stage, € billion



Non-performing exposures of total exposures, %



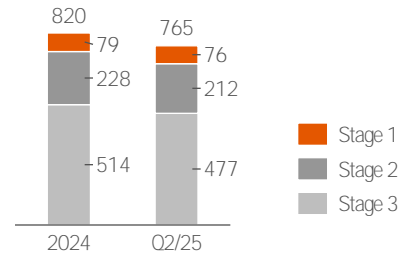
ECL allowance by sector (% of gross exposure)



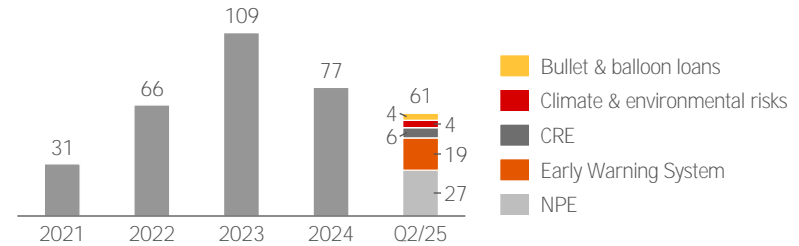
- › Stage 2 loans 10.8% of receivables from customers. Coverage ratio for Stage 2 loans 1.8%.
  - › 96% of loans in Stage 2 are ≤30 days past due date.
  - › Management overlay is included in Stage 2.
- › Stage 3 loans 2.3% of receivables from customers. Coverage ratio for Stage 3 loans 19.2%.
- › Doubtful receivables €6.0bn of which 55% performing forborne.

# Reversals in expected credit loss

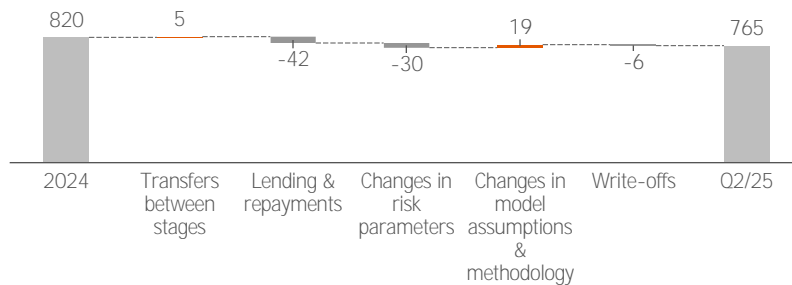
Total allowance on receivables from customers, € million



Share of management overlay in total allowance, € million



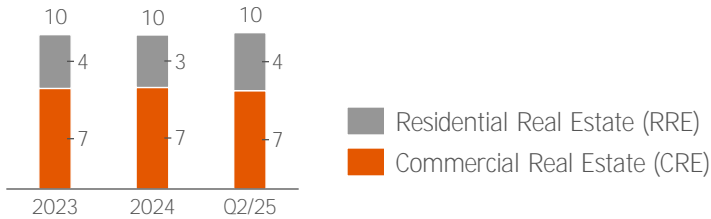
Net change in ECL, € million



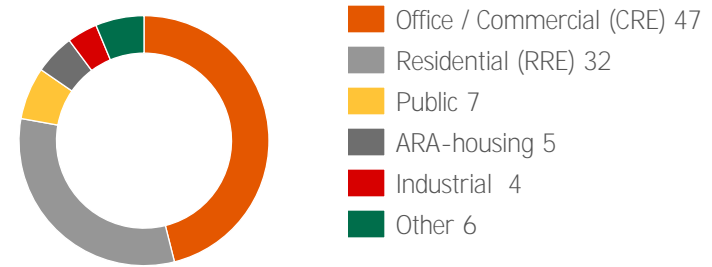
| € million   | 2024      | Q2/25     |
|---|-----------|-----------|
| Non-performing exposures  | 36        | 27        |
| Improvement to the identification processes for EWS and connected clients | 19        | 19        |
| Construction industry   | 7         | -         |
| Collateral valuation of CRE backed loans                                  | 6         | 6         |
| Climate & environmental risks   | 5         | 4         |
| Bullet & balloon loans  | 3         | 4         |
| <b>Total</b>  | <b>77</b> | <b>61</b> |

# Real estate exposure is stable

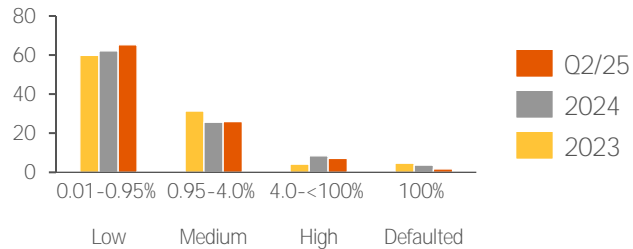
Commercial real estate exposure, € billion



Portfolio split between real estate types, %



Probability of default (PD) distribution, %



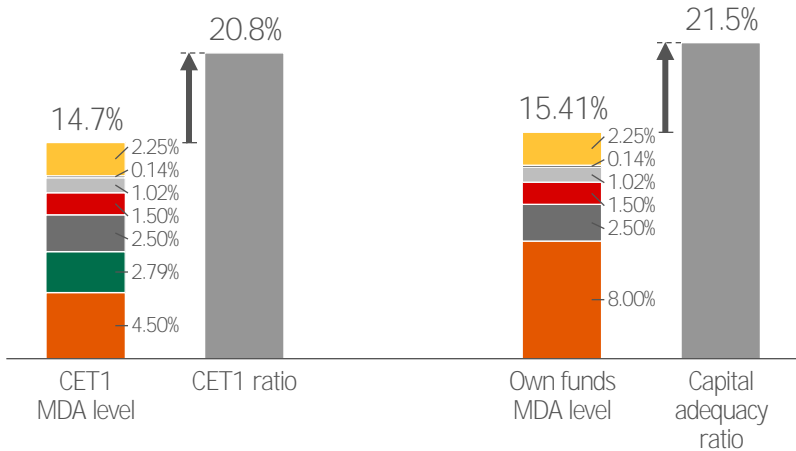
- › Real estate exposure is less than 9% of all exposures. 64% of real estate exposure in Corporate Banking and 36% in Retail Banking.
- › Exposures are well spread across different types of real estate. The largest type is commercial real estate units which includes offices.
- › Non-performing exposures 2.7% (3.6%) at the end of Q2/25.

# Capital position



# Capital position well above requirement

## Capital requirements

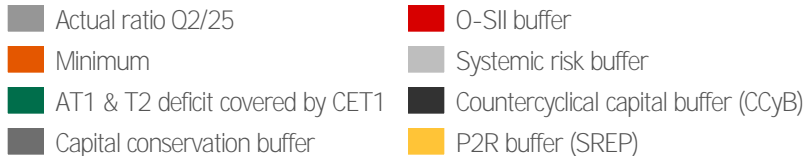


CET1 ratio 20.8%  
with a buffer of  
**6.1**  
percentage points  
above requirement

**10.5%**  
Leverage ratio and  
regulatory minimum  
requirement of 3%

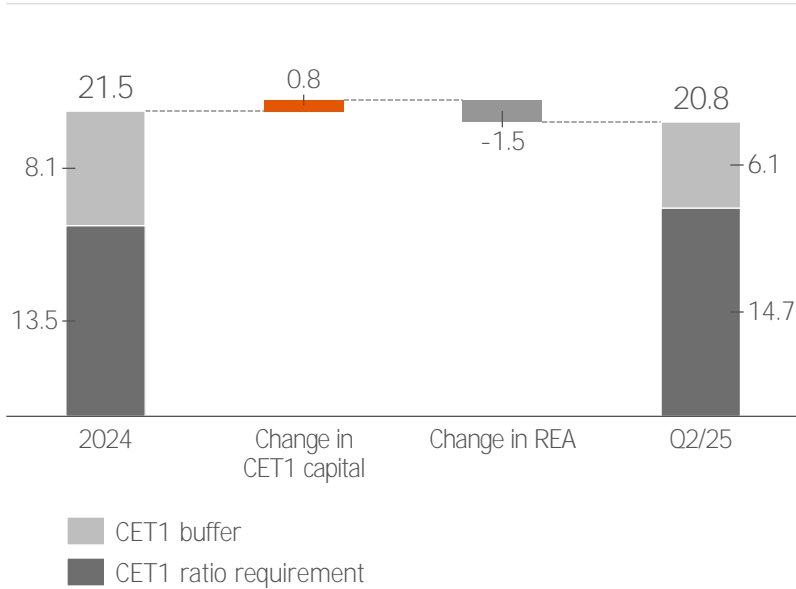
The statutory minimum for the capital adequacy ratio is 8% and for the CET1 ratio 4.5%; the AT1 and T2 minimum requirement of 2.8% increases the minimum CET1 ratio to 7.3%.

The requirement for the capital conservation buffer of 2.5% under the Act on Credit Institutions, the O-SII buffer of 1.5%, the systemic risk buffer requirement of 1%, the change in the countercyclical capital buffer for foreign exposures, and the ECB's P2R requirement increase the minimum total capital ratio to 15.4% and the minimum CET1 ratio to 14.7%, including the shortfalls of Additional Tier 1 (AT1) and Tier 2 (T2) capital.



# Strong capital position

CET1 ratio development, %

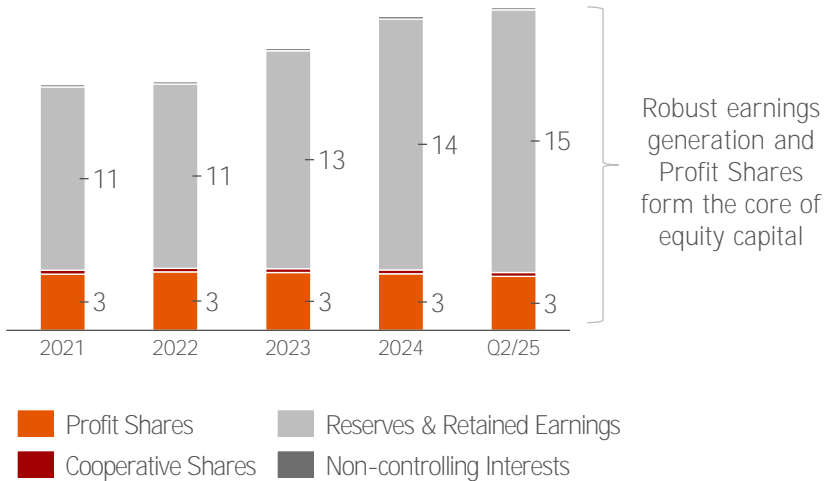


- > CET1 capital €16.1bn (€15.5bn)
  - > Banking earnings had a positive effect on CET1 capital.
  - > Profit Shares in CET1 capital €3.1bn (€3.1bn)
- > REA €77.3bn (€71.8bn)
  - > Credit risk-weighted items increased due to changes in collateral management processes, CRR3 regulatory changes and growth in loan portfolio.
- > OP has one of the strongest S&P RAC ratios of the world's top 200 banks\*

\*Source: Standard & Poor's. Ratings Component Scores For The Top 200 Banks Globally, 9/2024.

# Strength of the cooperative model

Equity capital, € billion



Estimated allocation of earnings, %



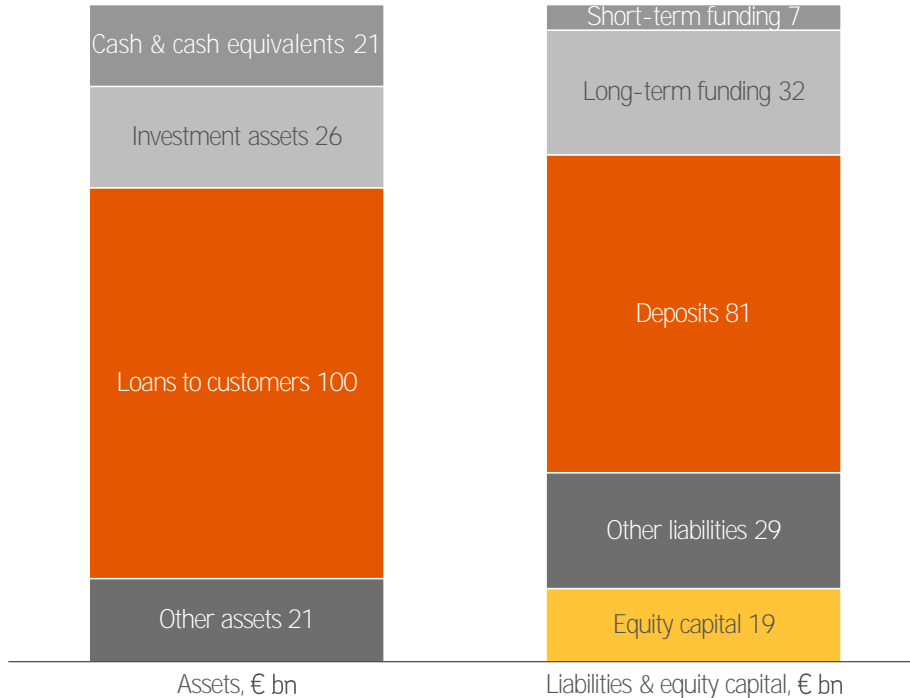
\* OP bonuses, discounts and interest on Profit Shares

- > Being the largest payer of corporate tax in 2023, OP contributed almost EUR 400 million – over 5% of all corporate tax paid in Finland.

# Liquidity and funding



# Balance sheet totaled at €167 billion



Loans to customers **59%**  
 Customer deposits **48%**  
 Market-based funding **23%** } of balance sheet

Deposits within the scope of deposit guarantee **€47bn**.  
 The Deposit Guarantee Fund compensates a maximum of €100,000 for each OP Pohjola customer.

Asset encumbrance **15%** at YE2024.

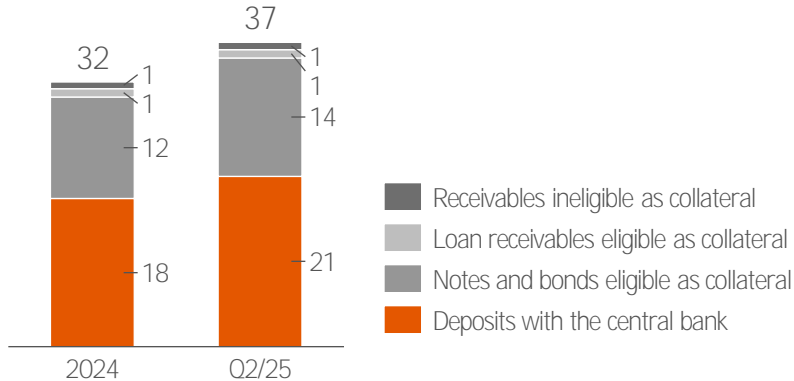
Other assets include: Assets covering unit-linked contracts, derivative contracts, intangible assets, PPE, tax assets, receivables from credit institutions and other assets.

Other liabilities include: Insurance liabilities, liabilities from unit-linked insurance and investment contracts, derivative contracts, provisions and other liabilities, liabilities to credit institutions and tax liabilities.

Household deposits account for €50bn of the deposits.

# Strong liquidity position

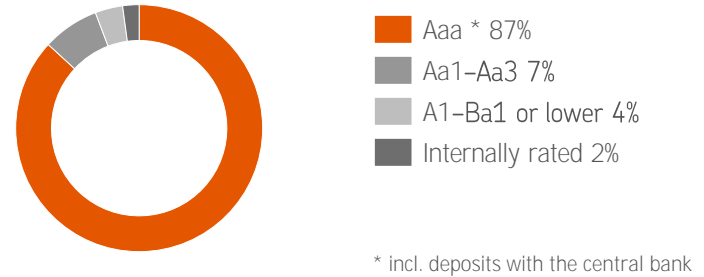
Liquidity buffer breakdown, € billion



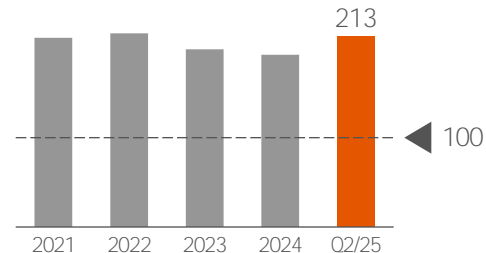
The liquidity buffer comprises notes and bonds issued by governments, municipalities, financial institutions and companies all showing good credit ratings, securitised assets and loan receivables eligible as collateral.

At the end of the reporting period, the liquidity buffer included bonds with a carrying amount of EUR 2,018 million, classified at amortised cost and issued by issuers other than OP Financial Group. The fair value of these bonds amounted to EUR 2,048 million.

Liquidity buffer by credit rating, %

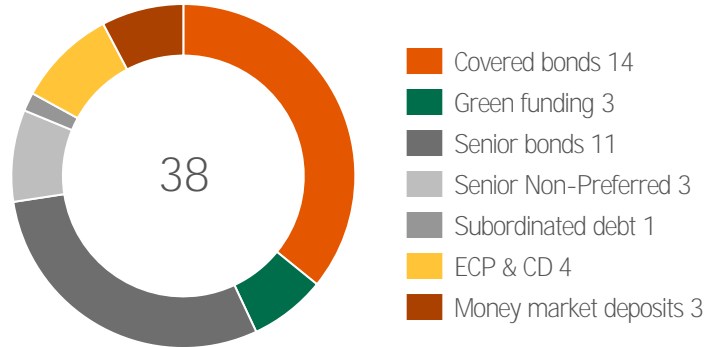


Liquidity Coverage Ratio (LCR), %



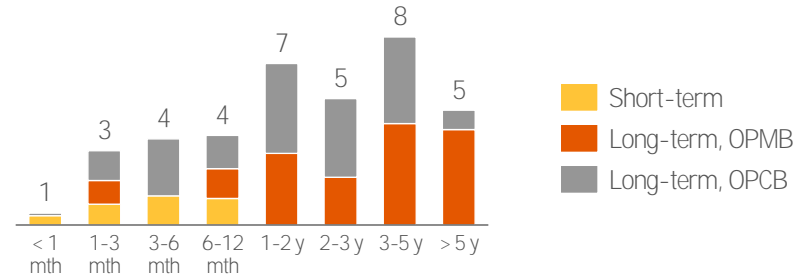
# Well-balanced funding profile

Long and short-term funding, € billion

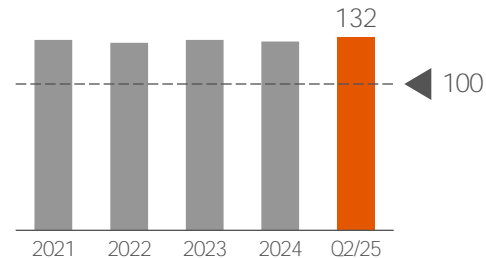


- > The long-term funding plan for the second half of 2025 estimated ~ under €1 billion.
- > OP Corporate Bank issued a Tier 2 bond of €500 million in January and a senior bond of €500 million in June. OP Corporate Bank also issued €1.4 billion in private placements in Q2/25.
- > OP Mortgage Bank issued a covered bond of €1 billion in April

Maturity profile, € billion

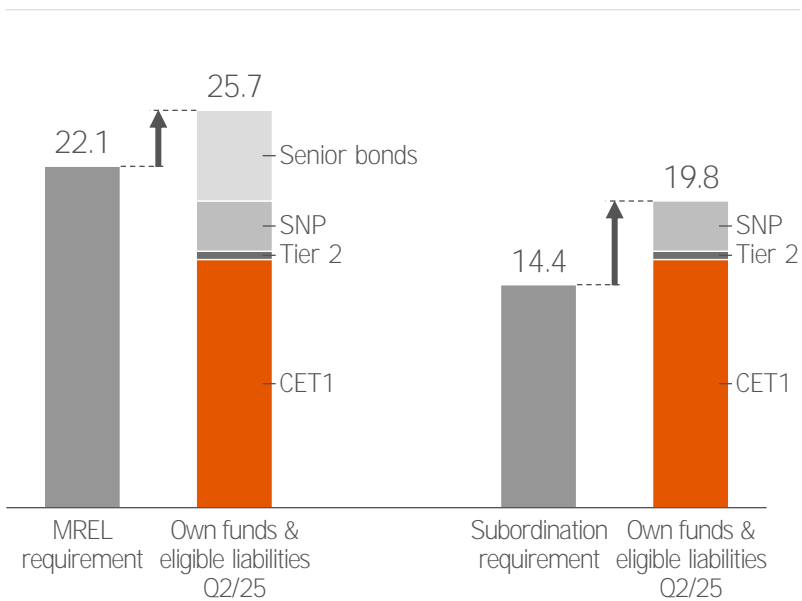


Net Stable Funding Ratio (NSFR), %



# MREL and subordination requirements

MREL and subordination requirements, € billion



Own funds & eligible liabilities, € bn

|                      |             |   |
|----------------------|-------------|---|
| CET1                 | 16.1        | } Own funds & eligible liabilities for subordination requirement <b>€19.8bn</b> |
| Tier 2               | 0.5         |   |
| Senior Non-Preferred | 3.2         |   |
| Senior bonds         | 5.9         |   |
| <b>Total</b>         | <b>25.7</b> |   |

MREL requirement, € bn

|                |      |
|----------------|------|
| 28.58% of TREA | 22.1 |
| 7.36% of LRE   | 11.2 |
| MREL-buffer    | 3.6  |

Subordination requirement, € bn

|                      |      |
|----------------------|------|
| 18.66% of TREA       | 14.4 |
| 7.36% of LRE         | 11.2 |
| Subordination buffer | 5.4  |

Both MREL and subordination requirements are based on Total Risk Exposure Amount (TREA), including a combined buffer requirement (CBR) of 5.16%. The CBR includes the O-SII buffer requirement of 1.5%.

# Recent benchmark transactions

| Issuer            | Year | Month    | Type                   | Amount | Maturity |
|-------------------|------|----------|------------------------|--------|----------|
| OP Corporate Bank | 2025 | June     | Senior Preferred       | €500m  | 5        |
| OP Mortgage Bank  | 2025 | April    | Covered Bond           | €1bn   | 5.25     |
| OP Corporate Bank | 2025 | January  | Tier 2                 | €500m  | 10NC5    |
| OP Corporate Bank | 2024 | November | Senior Preferred       | €500m  | 5        |
| OP Mortgage Bank  | 2024 | October  | Covered Bond           | €1bn   | 5        |
| OP Corporate Bank | 2024 | March    | Green Senior Preferred | €500m  | 3        |
| OP Mortgage Bank  | 2024 | January  | Covered Bond           | €1bn   | 7.5      |
| OP Corporate Bank | 2023 | November | Senior Preferred       | €750m* | 2        |
| OP Mortgage Bank  | 2023 | November | Covered Bond           | €1bn   | 3.25     |

\*tapped, original €500m

› OP Corporate Bank also issued €1.4 billion in private placements in Q2/25.

## Funding based on strong credit ratings

|                          | Moody's | S&P    |
|--------------------------|---------|--------|
| Outlook                  | Stable  | Stable |
| Senior Preferred         | Aa3     | AA-    |
| Senior Non-Preferred     | Baa1    | A      |
| Tier2                    | Baa1    | A-     |
| Short-term issuer rating | P-1     | A-1+   |
| Covered bonds (EMTCB)    | Aaa     | -      |
| Covered bonds (EMTCN)    | Aaa     | AAA    |



# Sustainability and green bonds



# Climate targets aligned with the Paris Agreement



- > OP will become carbon neutral in its operational emissions (Scope 1 & 2)
- > 70% of OP's funds' investee companies in direct equity and bond funds will align with net-zero or be under engagement



- > 75% of OP funds' direct equity and bond holdings in material sectors will align with or reach net-zero
- > In corporate loan portfolio 25% reduction of emissions compared to 2022

## Sector-specific targets (from 2022 levels)

- > In energy production: 50% reduction of emissions intensity
- > In agriculture: 30% reduction of absolute emissions
- > In home loans: 45% reduction of emissions intensity



- > Carbon neutral corporate loan portfolios
- > Carbon neutral funds managed by OP Asset Management Ltd and OP Fund Management Company Ltd

# OP Financial Group's sustainability programme

We build a sustainable tomorrow together



## Climate and the environment

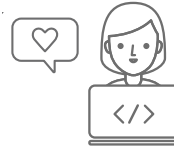
Offering sustainable financing and investment products to our customers

Decreasing emissions across our loan and investment portfolios

Promoting the circular economy in our business and that of our customers

Becoming carbon neutral by 2025

Promoting biodiversity and the wellbeing of nature



## People and communities

Fostering a diverse, inclusive and non-discriminatory culture

Promoting the wellbeing of our local communities

Supporting the management of personal finances and improve financial literacy

Helping customers with special needs to manage their finances

Identifying the impact of our operations on human rights



## Corporate governance

Integrating sustainability with all our business operations and risk-taking

Using data and artificial intelligence responsibly

Requiring our partners to commit to our Supplier Code of Conduct

Increasing diversity in our governing bodies

Further improving the sustainability competencies of our personnel

# OP is highly committed to sustainability



PRINCIPLES FOR  
RESPONSIBLE  
BANKING



## > Commitments





Carbon Disclosure Project (CDP)  
ILO Declaration on Fundamental Principles and Rights at Work  
Net Zero Asset Managers (NZAM)  
Partnership for Biodiversity Accounting Financials (PBAF)  
Partnership for Carbon Accounting Financials (PCAF)  
Task Force on Climate-related Financial Disclosures (TCFD)  
The Montreal Pledge  
The Paris Agreement  
UN Principles of Responsible Banking (UN PRB)  
UN Principles of Sustainable Insurance (UN PSI)  
UN Principles of Responsible Investment (UN PRI)  
UN Global Compact  
WWF Green Office

## > Collaborative networks

European Association of Co-operative banks (EACB)  
FIBS  
Finance Finland  
Finland's Sustainable Investment Forum (FINSIF)  
The International Capital Market Association (ICMA)

## > More [Commitments and policies](#)

# ESG Ratings

| Rating agency  | Rating          | Rating scale |
|--|-----------------|--------------|
| <b>MSCI</b>   | AA              | CCC to AAA   |
|  <b>SUSTAINALYTICS</b>                                   | 13.7 (low risk) | 100 to 0     |
| <b>ISS ESG</b>    | C               | D- to A+     |
|  <b>CDP</b><br><small>DISCLOSURE INSIGHT ACTION</small> | C               | D- to A      |

OP is among the top performers in the financial sector

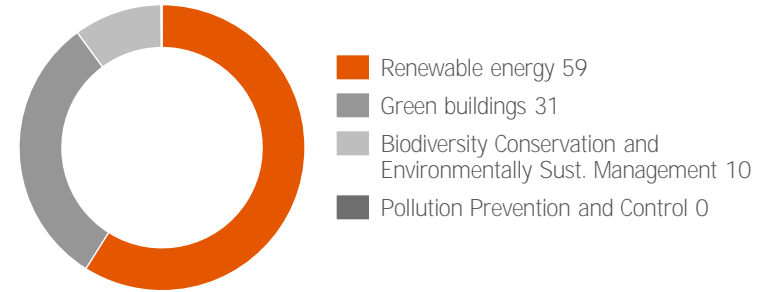


# OP Corporate Bank's Green Bonds

## Green Bond Framework (2024)

|                                  |   |
|----------------------------------|---|
| Use of proceeds                  | <ol style="list-style-type: none"> <li>1. Renewable Energy</li> <li>2. Energy Efficiency</li> <li>3. Green Buildings</li> <li>4. Pollution Prevention and Control including Sustainable Water Management</li> <li>5. Circular Economy</li> <li>6. Clean Transportation</li> <li>7. Biodiversity Conservation and Environmentally Sustainable Management of Living Natural Resources and Land Use</li> <li>8. Climate Change Adaptation</li> </ol> |
| Project evaluation and selection | Conventional credit process and green bond process in accordance with the eligibility criteria. Proceeds may be used for financing of general corporate purposes to dedicated businesses ("pure players") meeting specific eligibility criteria.  |
| Management of proceeds           | Green Bond Register is monitored on a monthly basis. Internal reporting to Green Bond Committee quarterly.  |
| Reporting                        | Annual Green Bond Report published on OP's <a href="#">website</a>  |
| External review and verification | Sustainalytics' Second Party Opinion<br>Limited assurance report by an external auditor   |

## OP Green Bond allocation %, YE2024



The Green Bond register totaled €2,035m, including a reserve of €1,035m unallocated green assets



# OP Mortgage Bank's Green Covered Bonds

## Green Covered Bond Framework (2020)

|                                  |  |
|----------------------------------|--|
| Use of proceeds                  | <p>1. Green buildings</p> <p>Criteria: EU Taxonomy's construction and real estate activities criteria and CBI residential buildings criteria</p>   |
| 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 modelling. |
| Management of proceeds           | Cover pool is reviewed as a part of the pooling process on a regular basis. Internal reporting to Green Bond Committee quarterly.  |
| Reporting                        | Annual Green Covered Bond Report published on OP's <a href="#">website</a>   |
| External review and verification | Sustainalytics' Second Party Opinion<br>Limited assurance report by an external auditor  |

## Assets tagged as green in the cover pool, YE2024



|                               |            |
|-------------------------------|------------|
| Average time from origination | 5.0 years  |
| Average time until maturity   | 18.7 years |

Assets tagged as green in the cover pool worth €2,792m of which €1,750m allocated to the Green Covered Bonds

## OPMB Green Covered Bond impacts, YE2024

### Green Buildings (in the cover pool)

- > 21,286 mortgages
- > 2.1 million m<sup>2</sup> of green buildings tagged as green
- > 92,000 MWh avoided energy use
- > 8,800 tCO<sub>2</sub>e avoided emissions

### Green Buildings (allocated to €1,750 million in bonds)

- > 58,000 MWh avoided energy use
- > 5,500 tCO<sub>2</sub>e avoided emissions



# OP Mortgage Bank

Cover asset pool characteristics



# OP Mortgage Bank (OPMB)

- › 100% owned subsidiary of OP Cooperative
- › Covered bond issuing entity of OP Financial Group
- › New issues under the Euro Medium Term Covered Bond (Premium) Programme (EMTCB) of €25bn rated by Moody's

## Joint and several liability

OPMB fully benefits from the joint and several liability among OP Cooperative and the member credit institutions, based on the Act on the Amalgamation of Deposit Banks. However, since assets in OPMB's Cover Asset Pools are ring-fenced, the covered bondholders have the right to receive what is due to them before all other creditors.

## Covered bond ratings

Moody's  
**Aaa**

S&P  
**AAA**

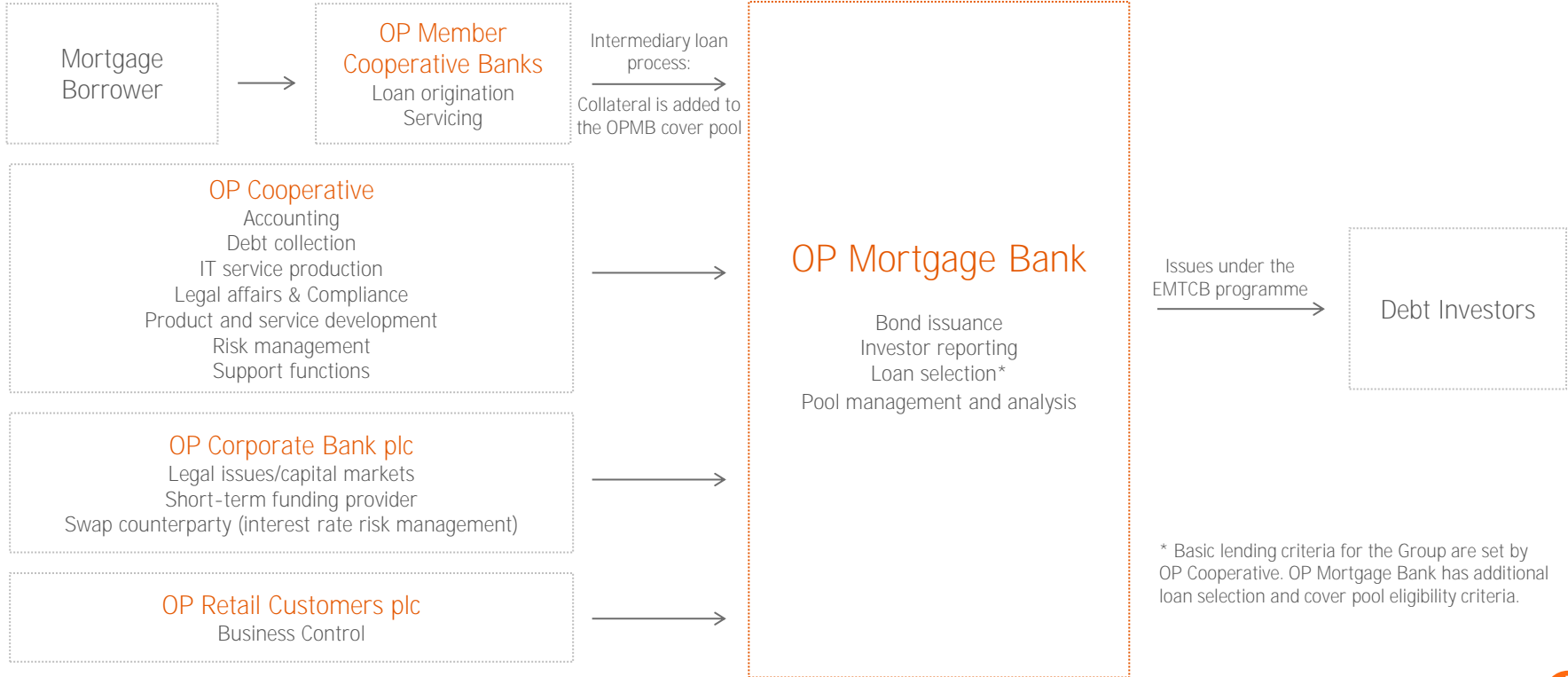
## Harmonised transparency template



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

<https://www.coveredbondlabel.com/issuer/5-op-mortgage-bank>

# Operating model and roles



# Covered Bonds under Finnish legislation

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

Act on Mortgage Credit Bank Operations  
(688/2010)

| Applicability  | Bonds issued after 8 July 2022  | Bonds issued before 8 July 2022   |
|--|---|---|
| Programmes under the Act   | Euro Medium Term Covered Bond Premium (EMTCB)                                       | Euro Medium Term Covered Note (EMTCN),<br>Euro Medium Term Retained Covered Note (EMTRCN)       |
| Bond qualification   | European Covered Bond (Premium)   | EEA Grandfathered – CRR compliant   |
| Regulation   | Regulated by the Finnish Financial Supervisory Authority (FIN-FSA) and ECB          | Regulated by the Finnish Financial Supervisory Authority (FIN-FSA) and ECB                      |
| Intermediary loans   | Enables granting intermediary loans   | Enabled granting intermediary loans   |
| LTV restrictions on eligible assets  | 80% LTV on residential mortgages  | 70% LTV on residential mortgages  |
| Legal over-collateralisation requirement   | 2%. In case the requirements set by CRR Article 129 are not met, the OC must be 5%. | 2%  |
| Programme documentation including information valuation, market risks, expiry and over-collateralisation                 | <a href="#">EMTCB Programme documentation</a>                                       | <a href="#">EMTCN Programme documentation</a><br><a href="#">EMTRCN Programme documentation</a> |
| Cover asset pool information including bond IDs, ECBC Harmonized Transparency Templates and legal information disclosure | <a href="#">OPMB's cover asset pools and legal information disclosure</a>           |   |

# Euro Medium Term Covered Bond (Premium), EMTCB

Bonds issued after 8 July 2022, outstanding amount €7.3bn

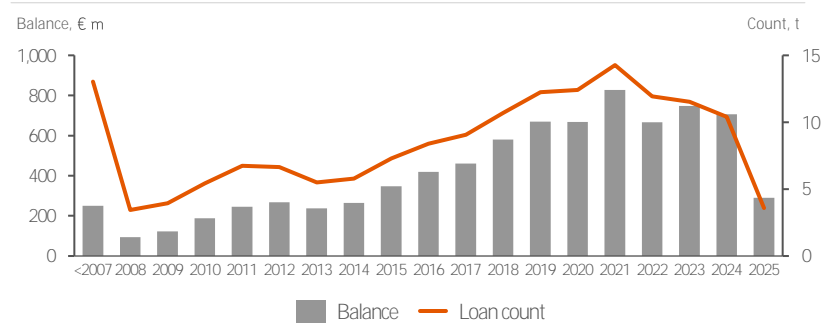
|                                |         |
|--------------------------------|---------|
| Current balance                | €8.1bn  |
| Average loan size              | €49,600 |
| Tied to floating interest rate | >99%    |
| Weighted Average indexed LTV   | 49%     |
| Over-collateralisation (OC)    | 10%     |



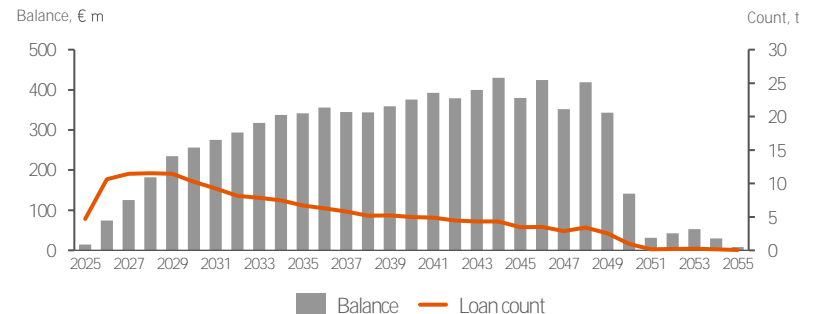
## Geographical loan distribution

|   |                  |     |
|---|------------------|-----|
| 1 | Southern Finland | 51% |
| 2 | Western Finland  | 32% |
| 3 | Eastern Finland  | 5%  |
| 4 | Oulu region      | 9%  |
| 5 | Lapland          | 2%  |

## Loans by origination year in cover asset pool



## Loans by maturity in cover asset pool



# Euro Medium Term Covered Note, EMTCN

Bonds issued before 8 July 2022, outstanding amount €8.6bn

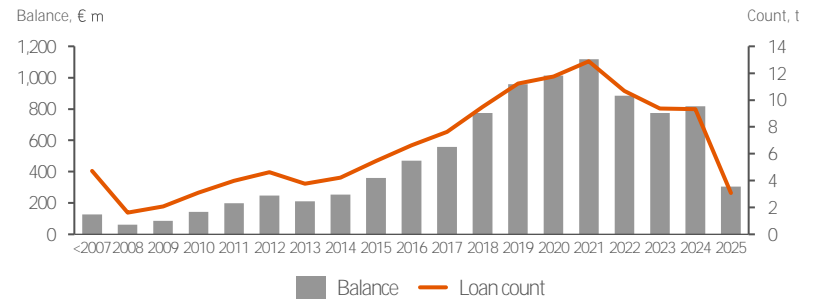
|                                |         |
|--------------------------------|---------|
| Current balance                | €9.4bn  |
| Average loan size              | €74,500 |
| Tied to floating interest rate | >99%    |
| Weighted Average indexed LTV   | 55%     |
| Over-collateralisation (OC)    | 9.5%    |



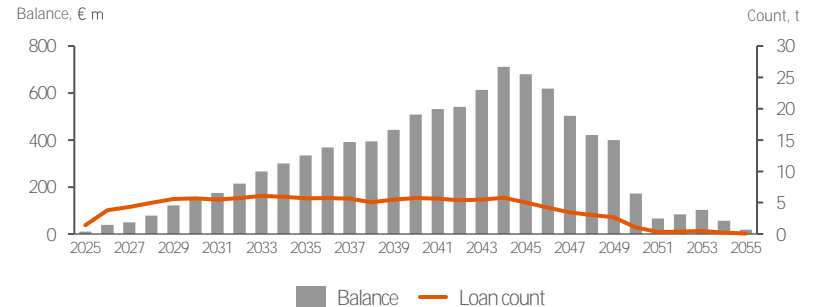
## Geographical loan distribution

|   |                  |     |
|---|------------------|-----|
| 1 | Southern Finland | 44% |
| 2 | Western Finland  | 36% |
| 3 | Eastern Finland  | 8%  |
| 4 | Oulu region      | 9%  |
| 5 | Lapland          | 3%  |

## Loans by origination year in cover asset pool



## Loans by maturity in cover asset pool



# Intermediary loan process

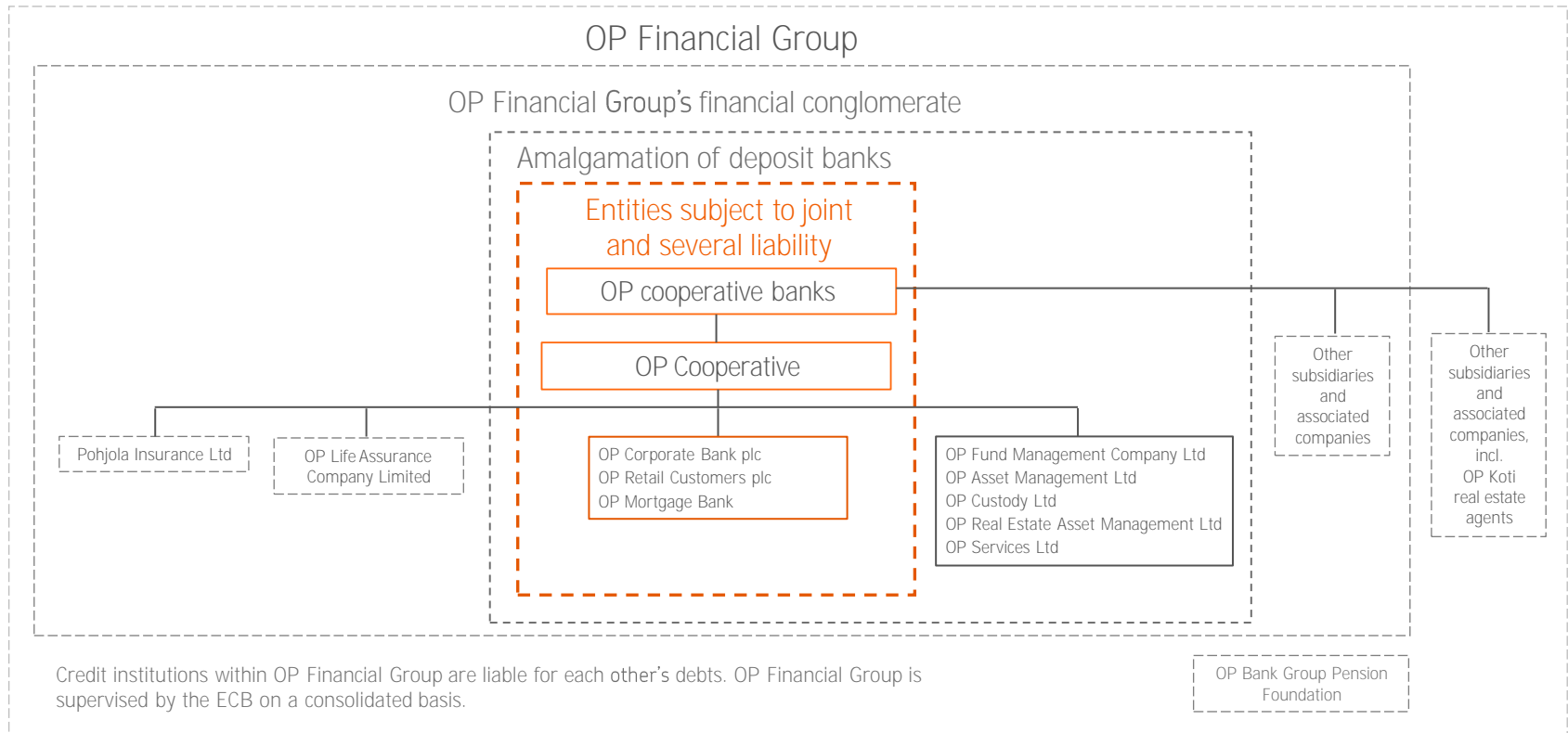
- › Finnish legislation enables OP Mortgage Bank to grant intermediary loans to the member cooperative banks, who indirectly participate in the covered bond issuance process.
- › In the intermediary loan process, an intermediary loan contract is made between the member cooperative bank and OPMB. The member cooperative banks allow OPMB to mark mortgages as collateral to the OPMB cover pool in return for funds from the issuance.
- › The loans eligible as collateral for a covered bond must meet the legal requirements as well as the criteria of OPMB's covered bond program and other specified criteria. The member cooperative bank commits to preserving adequate intermediary loan eligible loan portfolio for the maturity of the intermediary loans. OPMB monitors the adequacy of the collateral daily.
- › Once the mortgage loans are registered in the OPMB cover pool via intermediary loan process, they serve as collateral for the covered bonds for the benefit of the noteholders until the intermediary loan expires.



# Appendix



# OP Financial Group's amalgamation structure



# Joint and several liability

Under the Act on Amalgamation of Deposit Banks (Laki talletuspankkien yhteenliittymästä 599/2010), OP Cooperative and the member credit institutions are jointly and severally liable for each other's debts and commitments.

The member credit institutions include OP Corporate Bank plc, OP Mortgage Bank, OP Retail Customers plc and the member cooperative banks. OP Financial Group's insurance companies or other group entities do not fall within the scope of the joint and several 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.

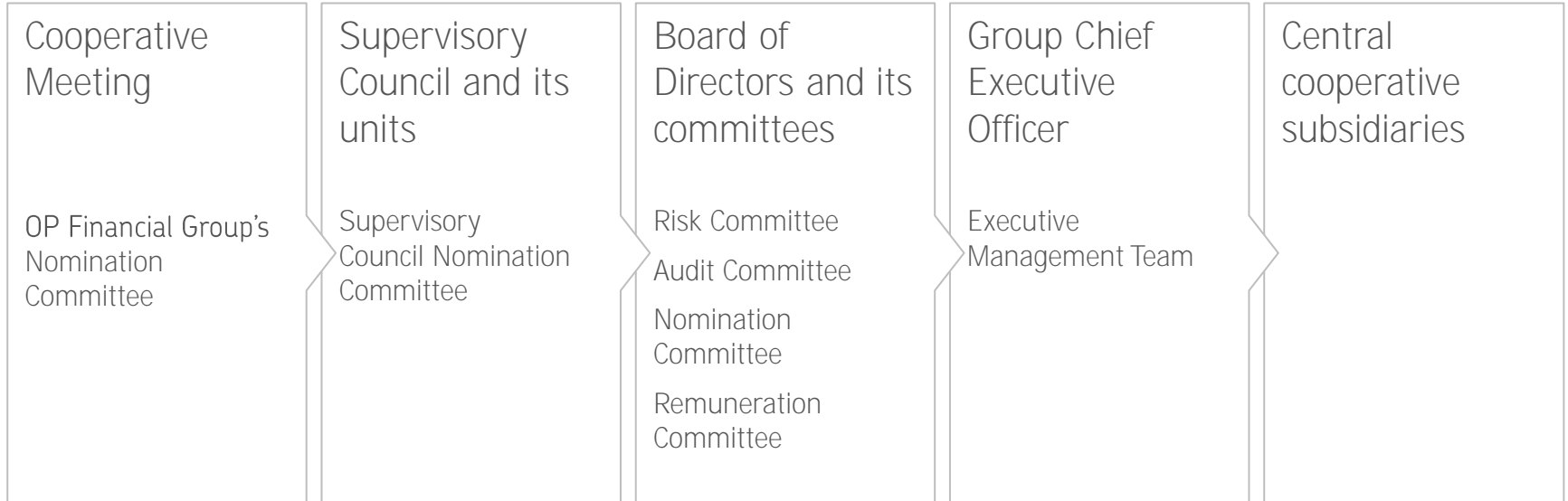
OP Cooperative and the member credit institutions are under an obligation to take capital support actions to prevent a member credit institution's liquidation.

The member credit institutions must pay proportionate shares of the amount OP Cooperative has paid to either a creditor or to another member credit institution, and upon insolvency of OP Cooperative the member credit institutions have an unlimited refinancing liability to pay the debts of OP Cooperative.

Further information on the joint and several liability available in the Base Prospectuses of OP Corporate Bank plc and OP Mortgage Bank.



# Central cooperative's governance structure



# Contacts



# Contacts and financial calendar

## Investor Relations & Funding



**Sanna Eriksson**  
Head of Investor Relations  
CEO of OP Mortgage Bank



**Sonja Kvist**  
IR Lead  
Investor Relations



**Tom Alanen**  
Head of Long-term Funding  
Treasury



**Jasmin Yletyinen**  
IR ESG Analyst  
Investor Relations



**Anni Saari**  
IR ESG Specialist  
Investor Relations



**Eerikki Holst**  
Senior IR Officer  
Rating Agency Relations



## Financial calendar

Interim Report for Q3/2025

28 October 2025

## For more information

[www.op.fi/debtinvestors](http://www.op.fi/debtinvestors)

[CFO Results Overview](#)

[Credit ratings](#)

[Economic outlook for Finland](#)

[ESG for Debt Investors](#)

[OP Financial Group's reports](#)

# OP cooperative banks will donate OP First Investment to every baby born in 2025

- › OP cooperative banks will make an OP First Investment donation – a 100-euro investment in OP-World Index fund – to every baby born in Finland in 2025.
- › OP Financial Group wants to promote wealth building in Finland – from the moment a child takes its first steps.
- › OP cooperative banks will give babies born this year a significant start for building financial security. OP First Investment is a gift from OP cooperative banks to help the new generation take its first investment steps.

