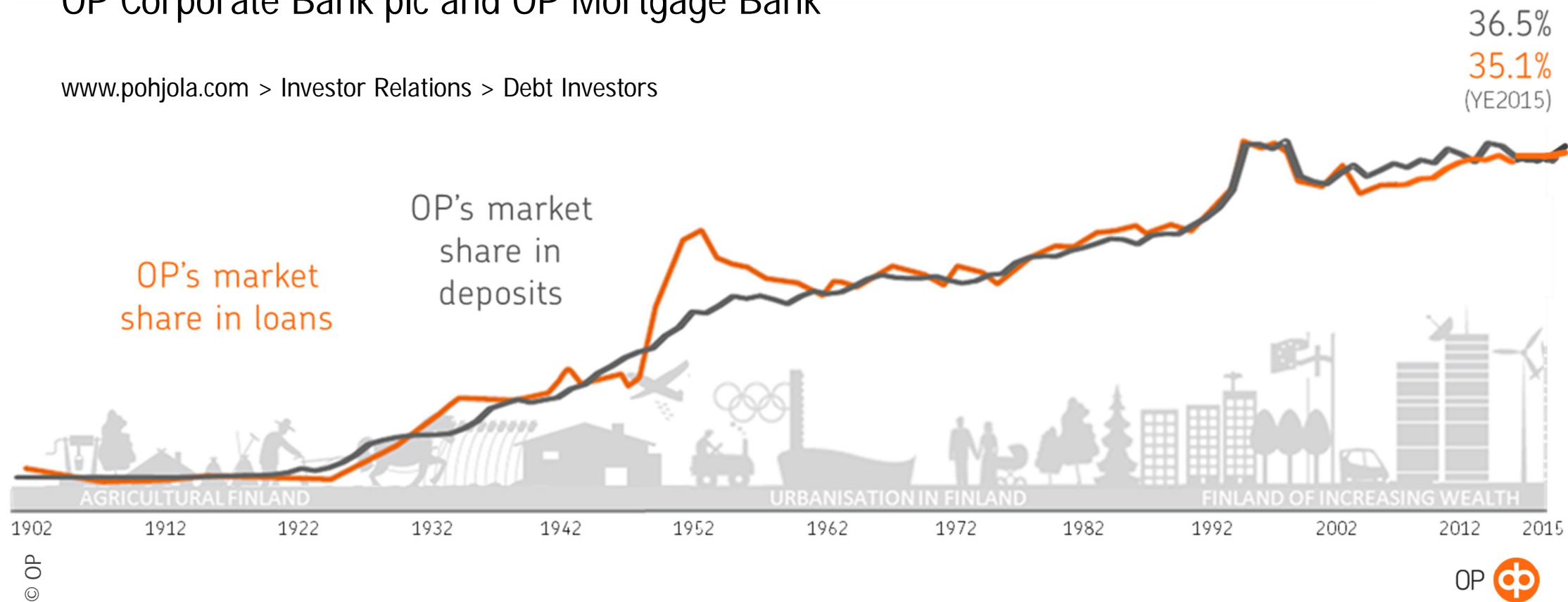


Debt Investor Presentation Q1-3/2016

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

www.pohjola.com > Investor Relations > Debt Investors



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.

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2. Finnish economy
3. OP Financial Group
 - Structure and joint liability
 - Competitive advantages and strategy
 - Market shares
 - Capitalisation
 - Financial performance
 - Asset quality
 - Credit ratings
 - Liquidity and funding
4. OP Mortgage Bank
5. OPMB Cover Asset Pool characteristics and ECBC Harmonised Transparency Template
6. Debt IR contacts
7. Appendices





Leading financial group in Finland

Issuing entities: OP Corporate Bank plc and OP Mortgage Bank

€134 bn

Balance sheet total as of 30 Sept. 2016

SOLID CAPITAL POSITION

19.7%

CET1 ratio as of 30 Sept. 2016

FINNISH RISK EXPOSURE

95%

of retail and corporate exposures in Finland
as of 31 Dec. 2015

MARKET LEADER IN FINLAND

>35%

Market share in
loans and
deposits in 2015

>30%

Market share in
non-life insurance
in 2015

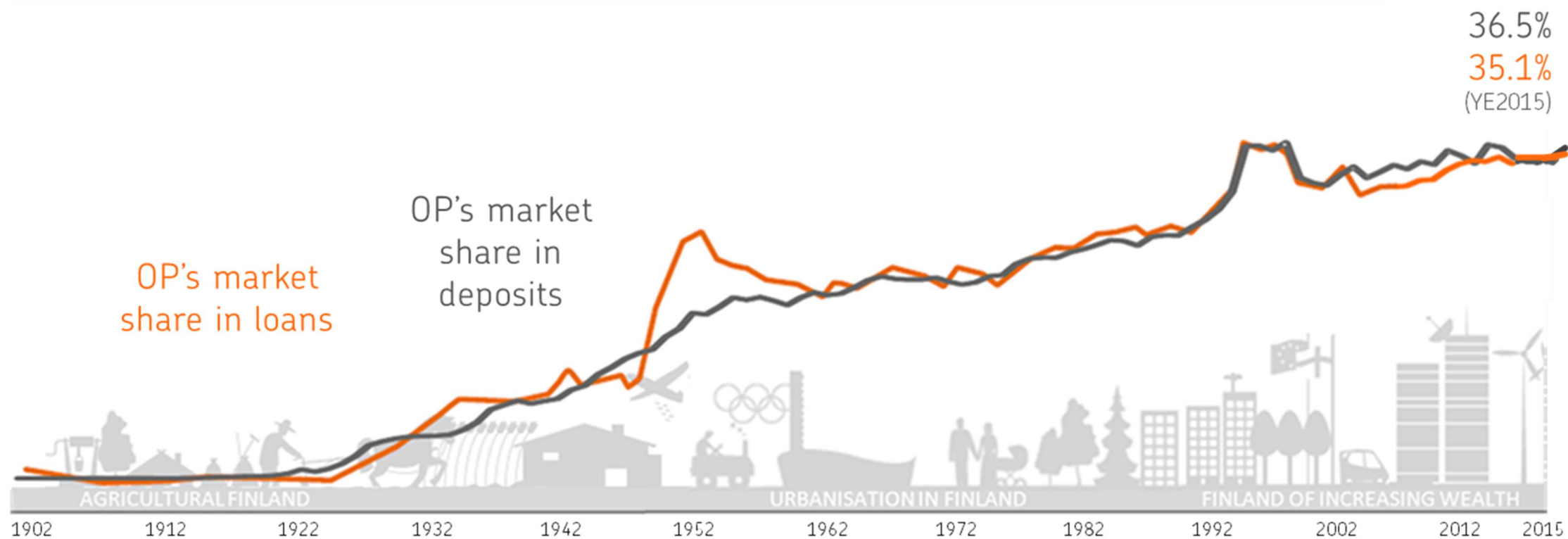
HIGH CREDIT RATINGS

Moody's Aa3
S&P AA-

OP Corporate Bank plc

Moody's Aaa
S&P AAA

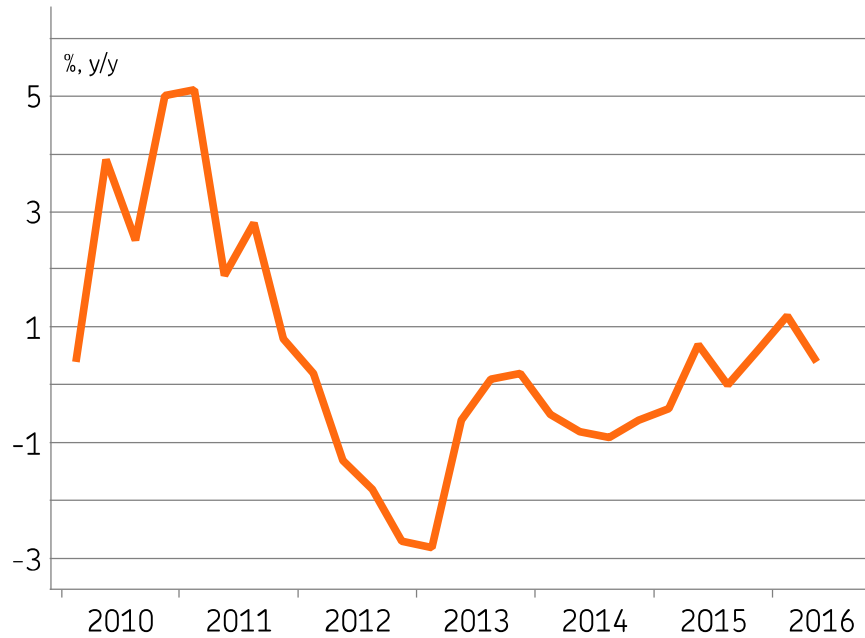
OP Mortgage Bank



Finnish economy

Economy continues to recover gradually

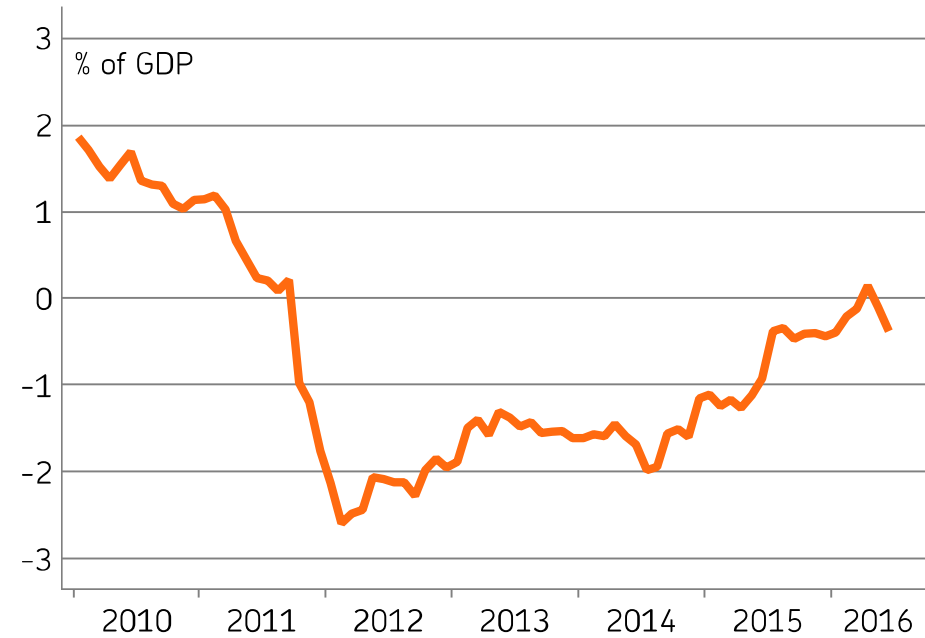
GDP growth



Source: Macrobond, OP

Updating frequency: Quarterly

Current account



Source: Macrobond, OP

Updating frequency: Monthly

Economic outlook for the Finnish economy

Forecasts for the Finnish economy

Published on 23 August, 2016

| Volume, % change on previous year | 2015 | 2014 | 2015 | 2016f | 2017f |
|-----------------------------------|-------|------|------|-------|-------|
| EUR bn | | | | | |
| GDP | 209,1 | -0,7 | 0,2 | 1,1 | 1,2 |
| Imports | 77,5 | -0,2 | 1,9 | 1,0 | 2,0 |
| Exports | 76,6 | -1,7 | -0,2 | 0,5 | 1,8 |
| Consumption | 166,7 | 0,3 | 1,1 | 1,0 | 0,6 |
| Private consumption | 115,7 | 0,6 | 1,5 | 1,3 | 1,1 |
| Public consumption | 51,0 | -0,5 | 0,4 | 0,2 | -0,5 |
| Fixed investment | 42,7 | -2,5 | 0,7 | 4,0 | 3,3 |

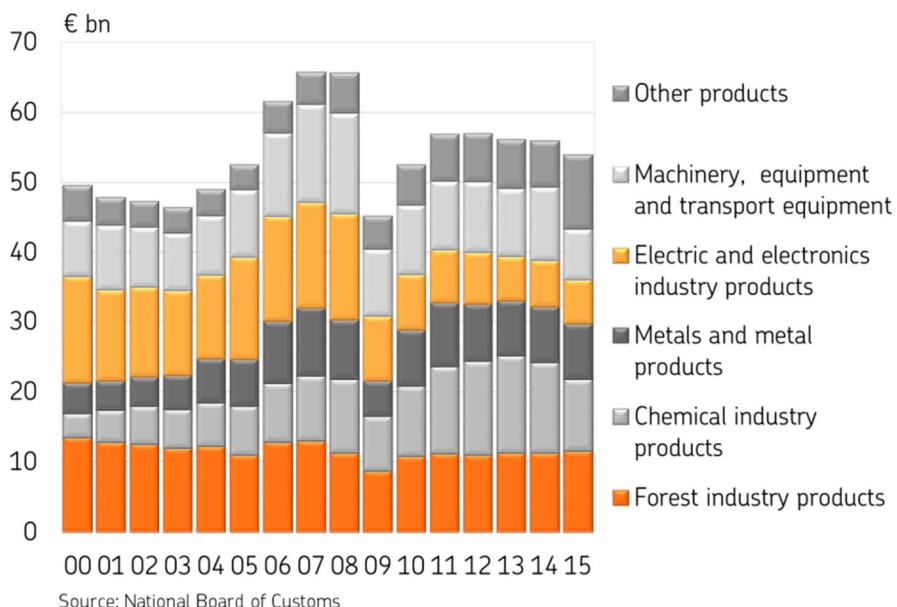
| Other key indicators | 2014 | 2015 | 2016f | 2017f |
|--|------|------|-------|-------|
| Consumer price index, % change y/y | 1,0 | -0,2 | 0,2 | 1,0 |
| Unemployment rate, % | 8,7 | 9,4 | 9,1 | 8,7 |
| Current account balance, % of GDP | -0,9 | 0,1 | 0,1 | -0,2 |
| General government debt, % of GDP | 59,3 | 62,5 | 65,4 | 67,6 |
| General government net lending, % of GDP | -3,2 | -2,8 | -2,6 | -2,6 |

Sources: Statistics Finland and OP Financial Group

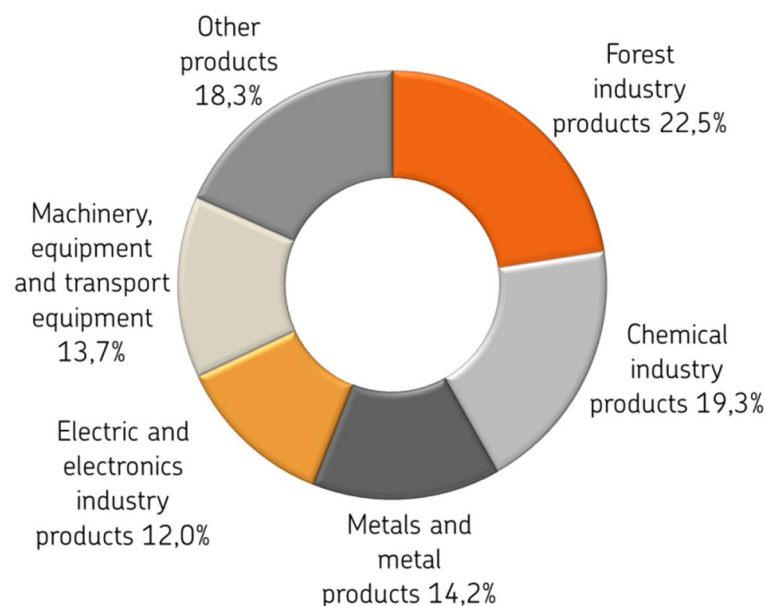
Finland is an
exports-driven
economy –
around 40% of
GDP derives
from exports

Balanced goods exports structure by commodity group

Goods exports by commodity group
2000-15



Goods exports by commodity group
January–July 2016



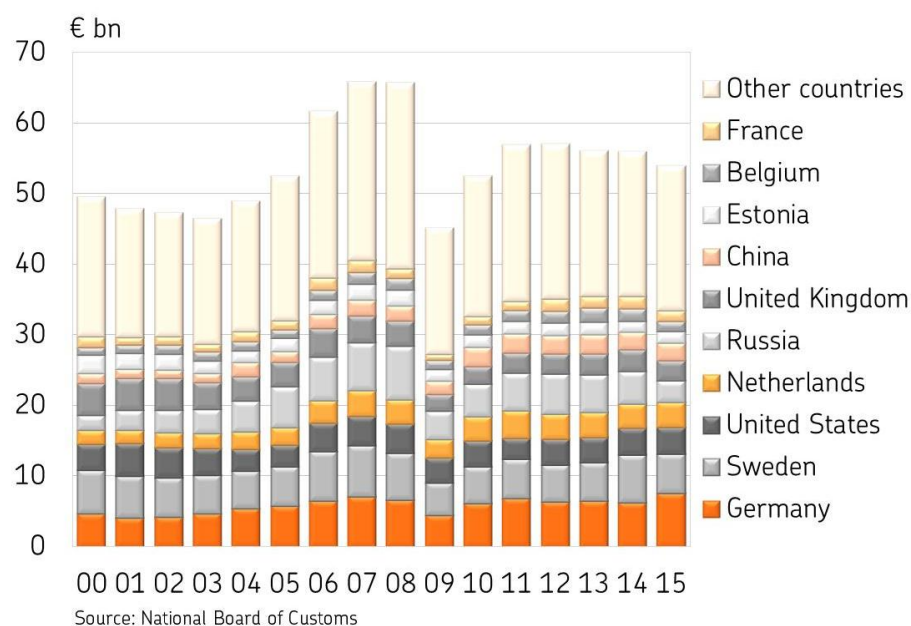
Source: National Board of Customs

Total exports €29.64 bn

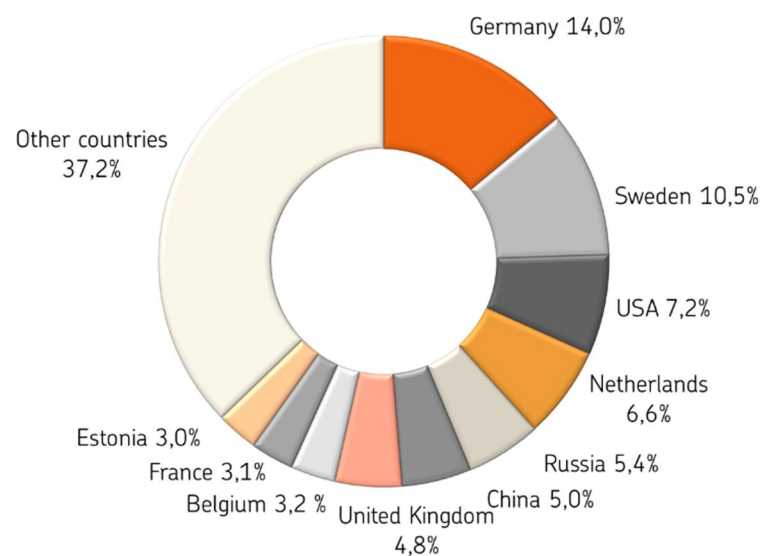
Goods exports
70% of total
exports and
share of
service
exports
gradually
increasing

Diversified goods exports structure by country

Finland's largest goods exports countries 2000-15



Goods exports by country* January–July 2016



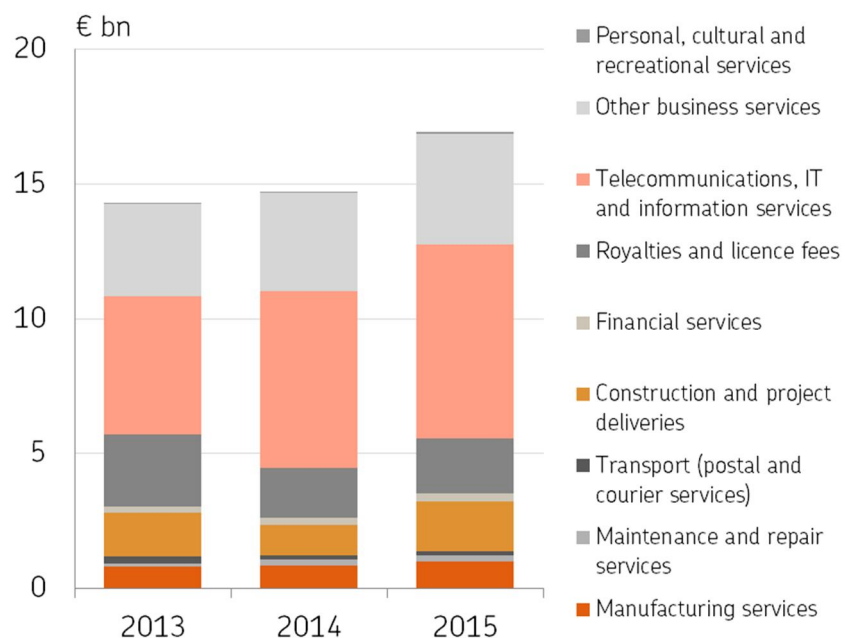
Source: National Board of Customs

Goods exports to EU member countries' 59.8% and to Euro Area 38.2% in January–July 2016

* Other countries: Norway (2,9%), Poland (2,8%), Italy (2,6%), Spain (2,0%), Japan (1,9%), Denmark (1,7%), Turkey (1,7%), Switzerland (1,6%), South Korea (1,3%), Latvia (1,0%), India (1,0%) and diversified other countries with a share of less than 1,0%.

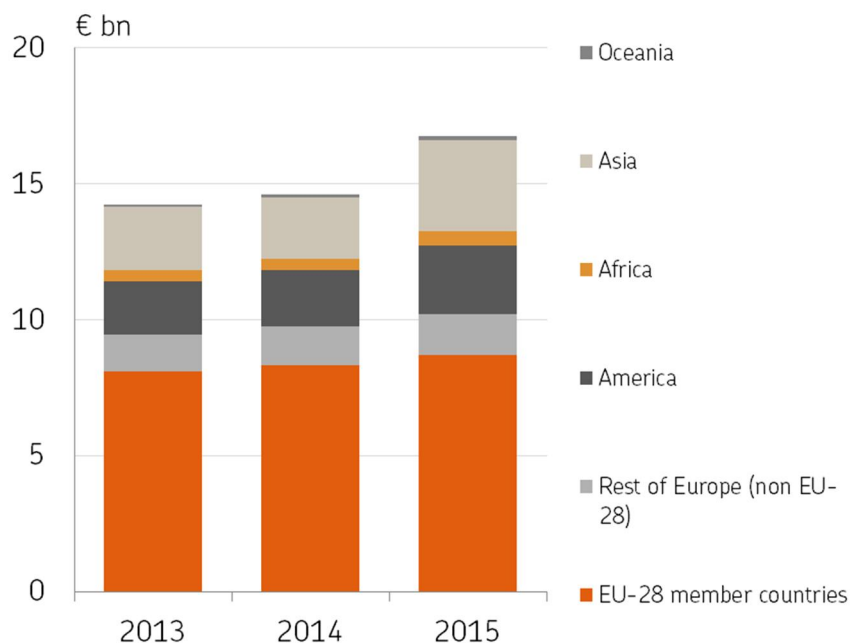
Service exports* up by 15% in 2015 to €16.9 bn

Service exports by service item
2013–15



Source: Statistics Finland, May 2016

Service exports by region
2013–15



Source: Statistics Finland, May 2016

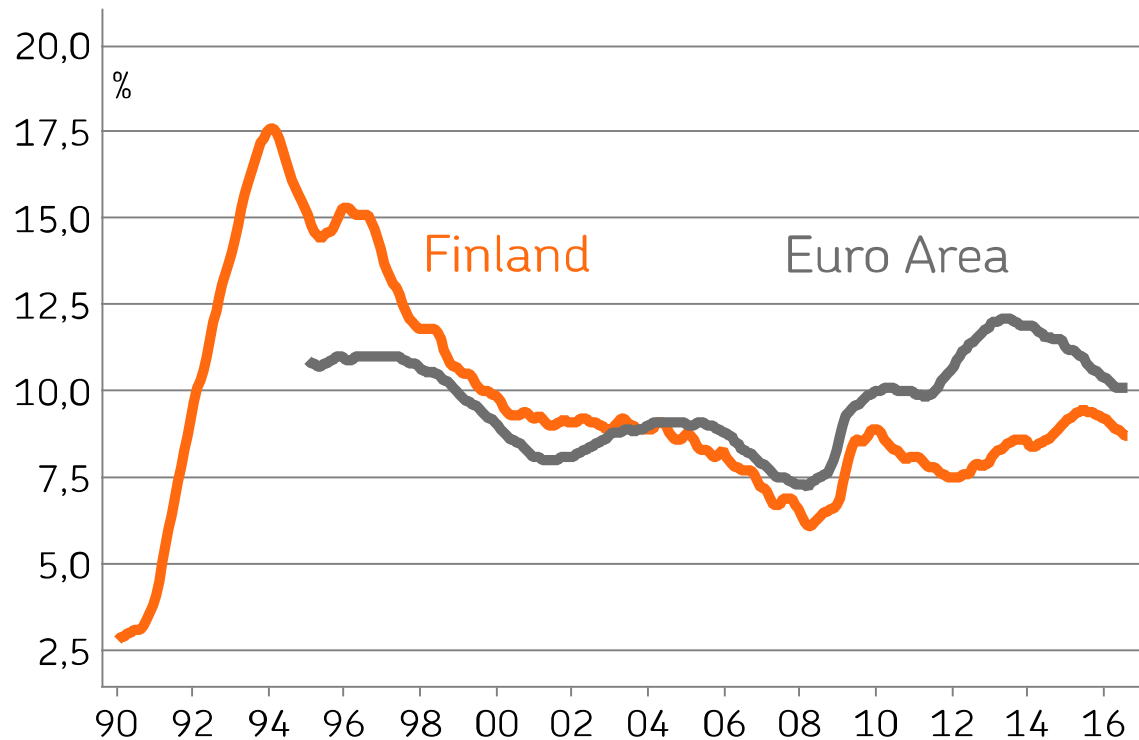
Service exports to EU member countries over 50% and to Europe 60%

Finland's TOP2 service exports countries:
1. Sweden
2. USA

* Service exports statistics exclude tourism services, transportation services, insurance services and indirect financial services

Unemployment rate to fall slightly

Unemployment rate in Finland and Euro area

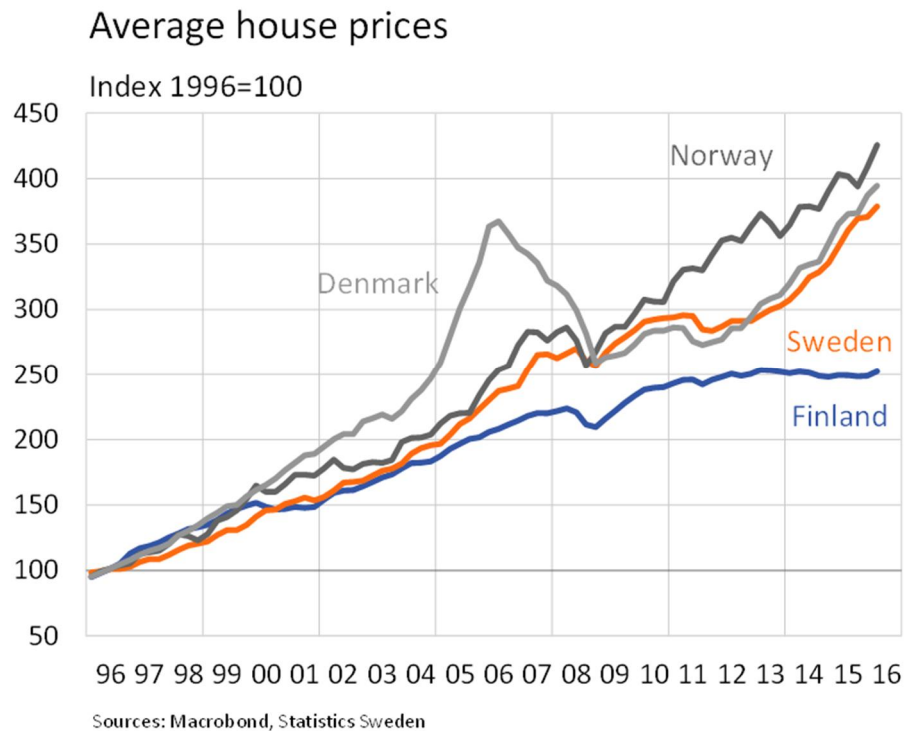


| | | |
|------|-------|-------|
| 2015 | 2016f | 2017f |
| 10.9 | 10.1 | 9.8 |

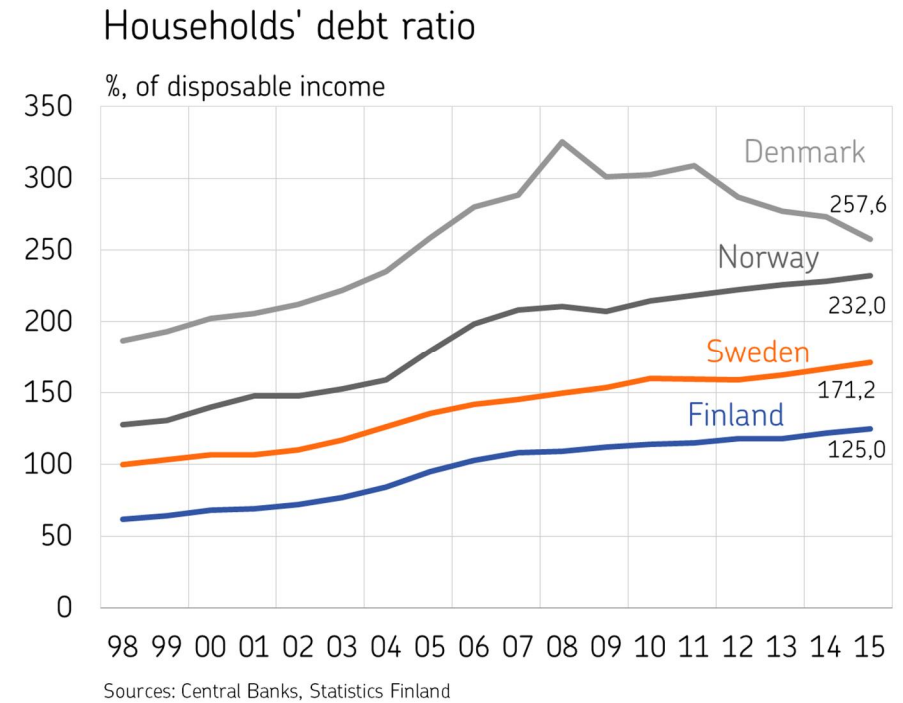
| | | |
|------|-------|-------|
| 2015 | 2016f | 2017f |
| 9.4 | 9.1 | 8.7 |

Lähde: Macrobond, OP

Average house prices and households' debt



Latest values: Q2/2016



Latest values: 2015

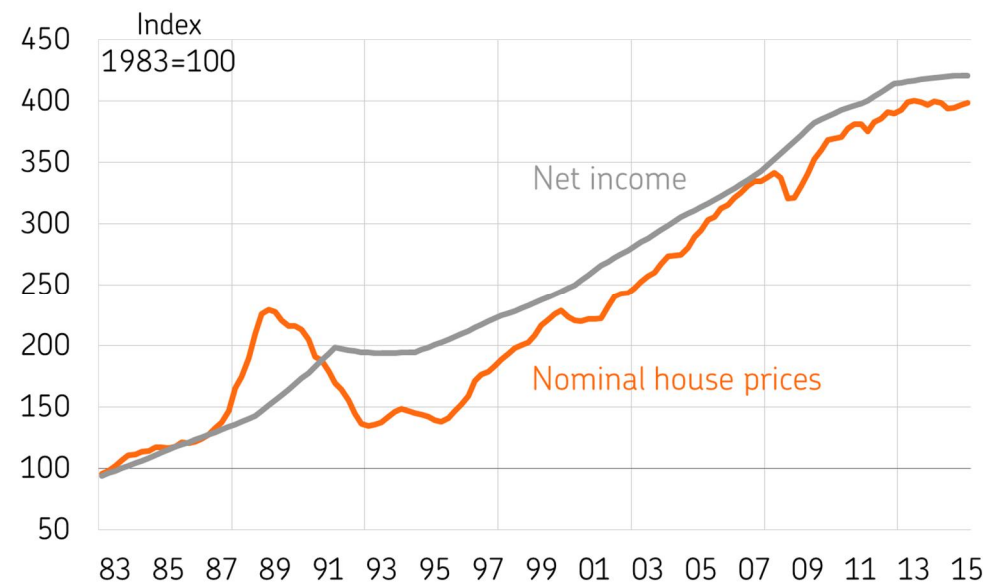
Finnish housing market is stable

Characteristics of Finnish housing market

- Ownership ratio of households around 68%
- Average size of homes 82.0 m²
- Typical maturity of new loans 19.0 years
- Variable interest rates: around 96% of loans to households
- Fully-amortizing market
- Interest relief in taxation (max. €3,600 / household)
- Capital gains tax-exempt after 2 years

Gentle rise in nominal house prices in relation to average net income

Changes in house prices and net income



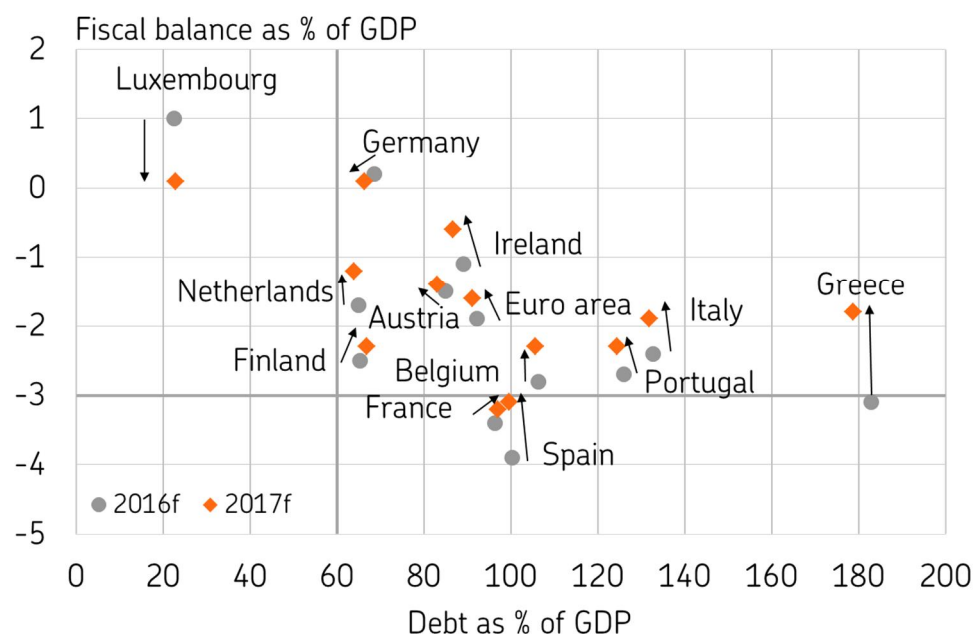
Source: Statistics Finland

As of 19 October 2016

Sources: Statistics Finland, Bank of Finland and Finnish Tax Administration

Finland is wealthy and balanced economy in European comparison

Fiscal Balance,
Forecasts for 2016 and 2017



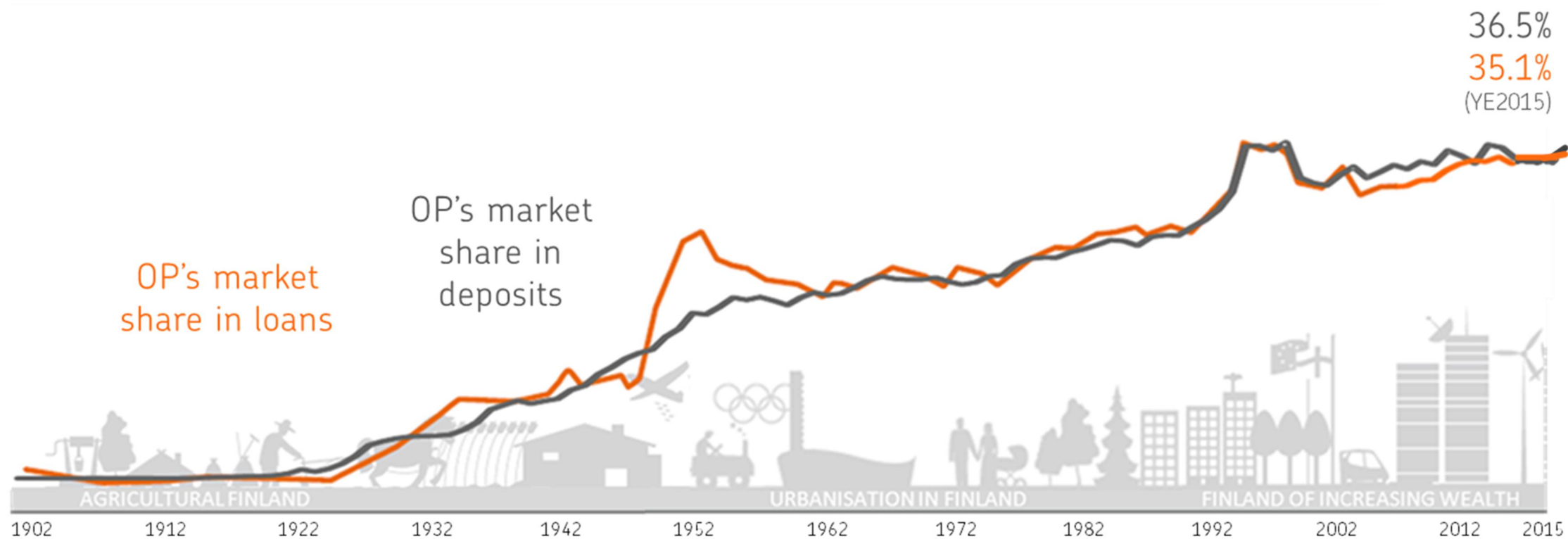
Sources: Statistics Finland, European Commission, May 2016

Long-term sovereign credit ratings for Euro area
27 October 2016

| | Moody's | S&P | Fitch |
|----------------|------------|------------|------------|
| Germany | Aaa | AAA | AAA |
| Luxembourg | Aaa | AAA | AAA |
| Netherlands | Aaa | AAA | AAA |
| Austria | Aa1 | AA+ | AA+ |
| Finland | Aa1 | AA+ | AA+ |
| France | Aa2 | AA | AA |
| Belgium | Aa3 | AA | AA* |
| Estonia | A1 | AA- | A+ |
| Slovakia | A2 | A+ | A+ |
| Ireland | A3** | A+ | A |
| Malta | A3 | A- | A** |
| Latvia | A3 | A- | A- |
| Lithuania | A3 | A- | A- |
| Slovenia | Baa3** | A | A- |
| Spain | Baa2 | BBB+ | BBB+ |
| Italy | Baa2 | BBB- | BBB+** |
| Portugal | Ba1 | BB+ | BB+ |
| Cyprus | B1 | BB** | BB-** |
| Greece | Caa3 | B- | CCC |

* Negative outlook
** Positive outlook

Sources: Rating agencies' websites



OP Financial Group



1.7 million owner customers, of which 90% households

178 OP Financial Group member cooperative banks

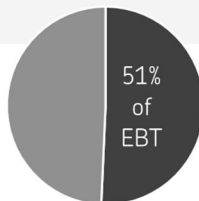
OP COOPERATIVE

Group supervision, steering, finance, risk management, control

BANKING

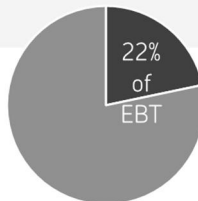
(incl. OP Corporate Bank plc and OP Mortgage Bank)

- Retail banking
- Corporate banking
- Markets
- Baltic States
- Mortgage banking



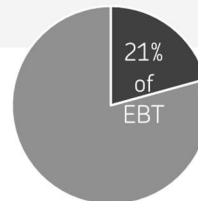
NON-LIFE INSURANCE

- Private customers
- Corporate customers
- Baltic States
- Health & wellbeing



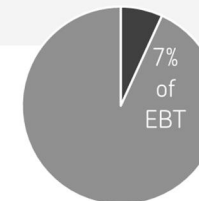
WEALTH MANAGEMENT

- Private banking
- Institutional asset management
- Life insurance
- Mutual fund management



OTHER OPERATIONS

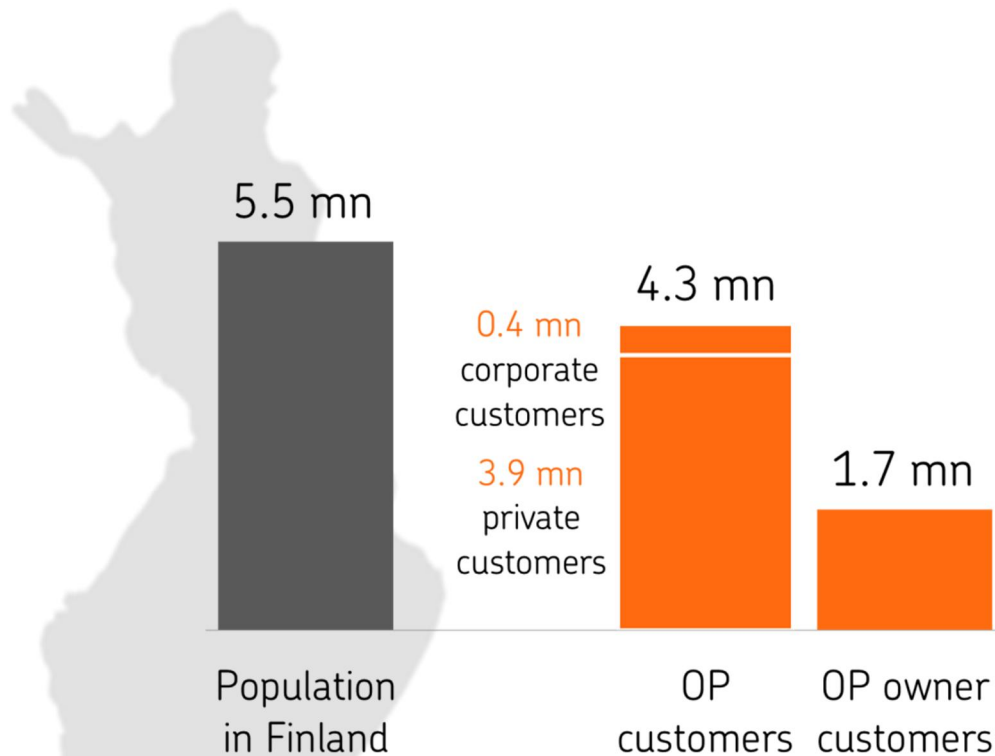
- Group Treasury (incl. Central Bank)
- Product and service development
- Support functions



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 Process 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.

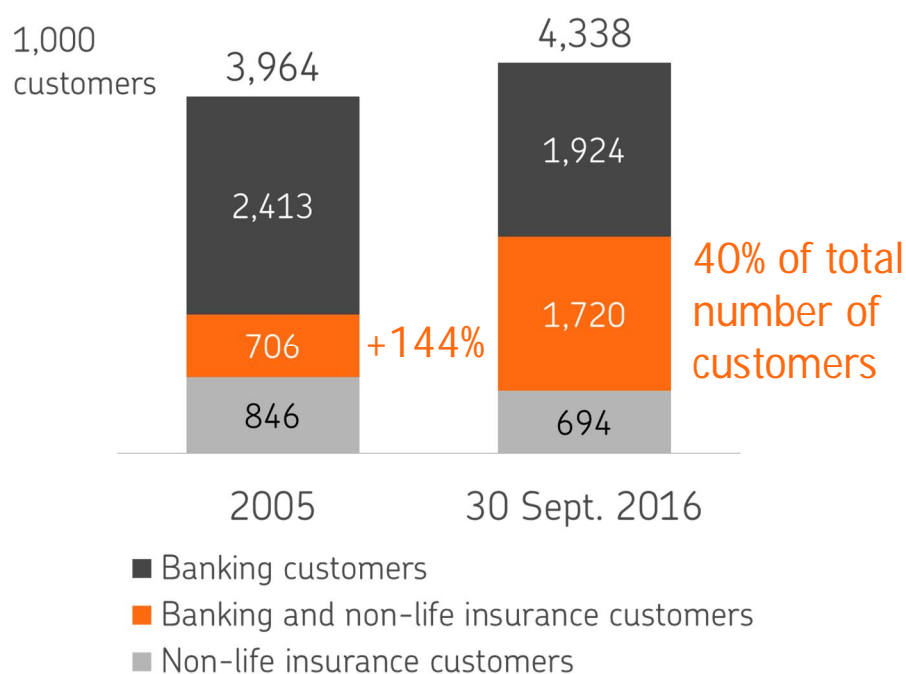
Customer-owned OP widely present among Finnish households and corporates



- ✓ Comprehensive financial services offering
- ✓ Strong and well-known OP brand
- ✓ Best loyalty benefits, OP bonuses
- ✓ Close to customers through the most extensive service network
- ✓ Significant customer potential in cross-selling

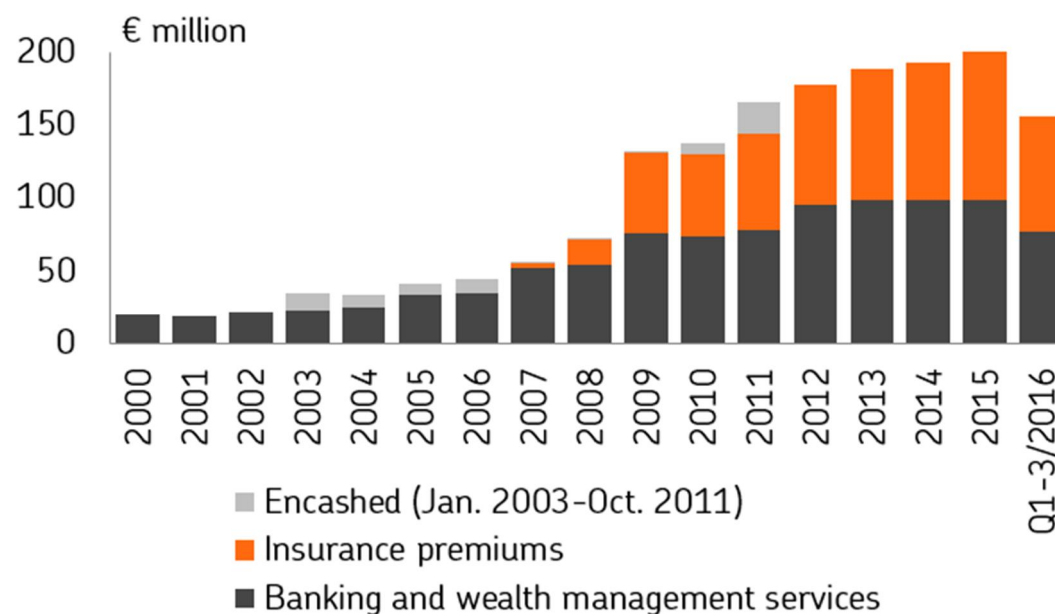
Significant customer potential through successful bancassurance business model

64,000 new combined banking and non-life customerships in Q1-3/2016



Use of OP bonuses €156 mn in Q1-3/2016

1,648,000 insurance premiums paid using OP bonuses, of which 220,000 insurance premiums paid in full using OP bonuses only



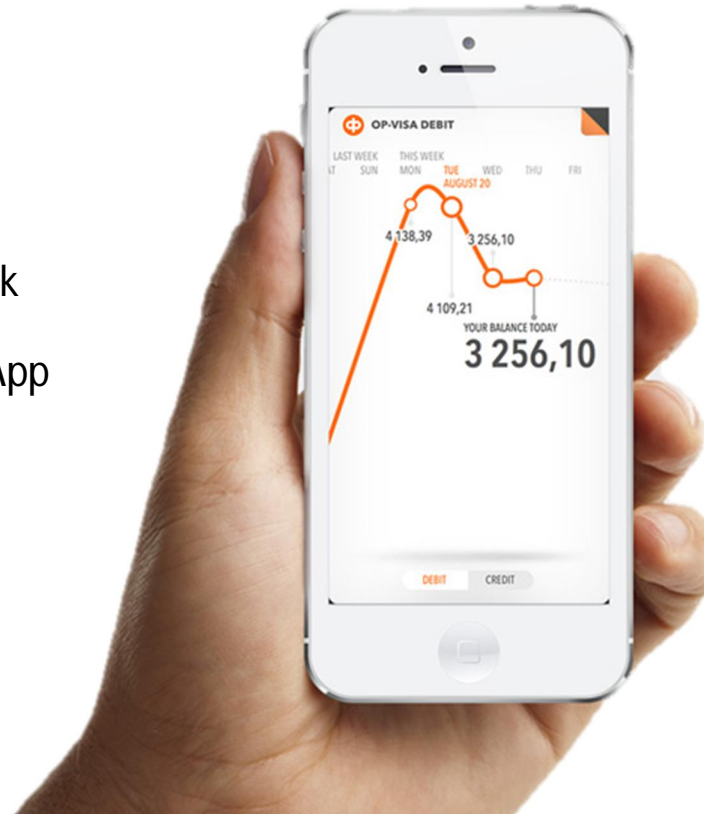
Digitisation requires investments in technology, customer experience and service design

Number of visits in digital channels
September 2016

12 mn OP Mobile App
(#1 channel for daily transactions)

10 mn Op.fi internet bank

2 mn Pivo Mobile Wallet App



New features in digital channels
2015–16

OP Mobile App

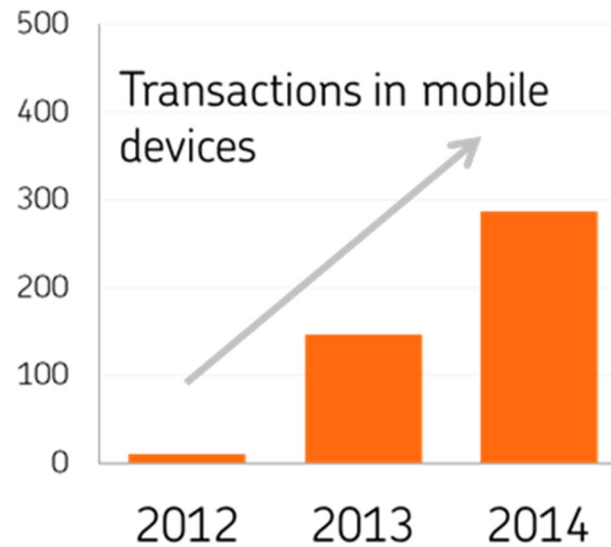
- Fingerprint authentication
- Non-life insurance loss reports
- Loan details and extra repayments
- Trading in equities on Stockholm and Copenhagen stock exchanges in addition to Helsinki stock exchange
- Wealth management investment reporting

Pivo Mobile Wallet App

- Contactless payment

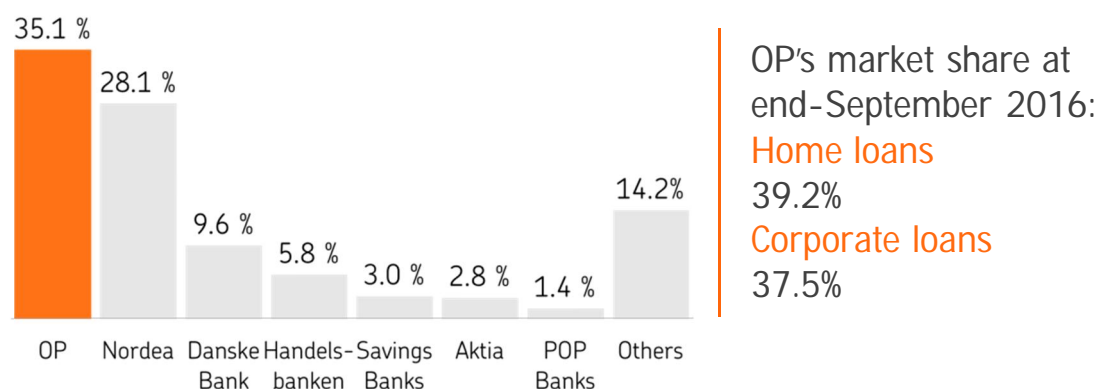
Pivo Cashier App and OP Business Mobile App for corporate customers

Providing financial services through local presence and digital channels

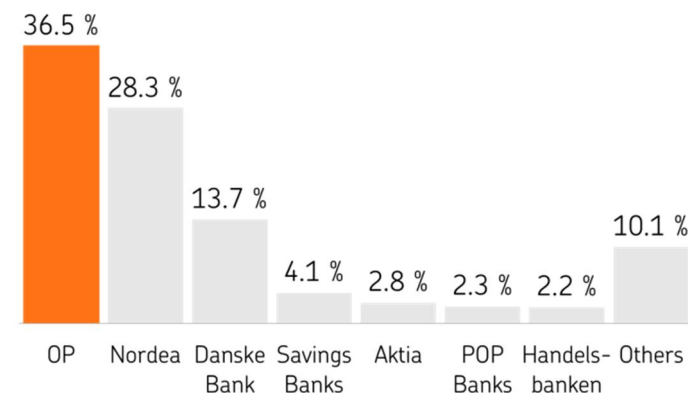


OP – Leading financial group in Finland

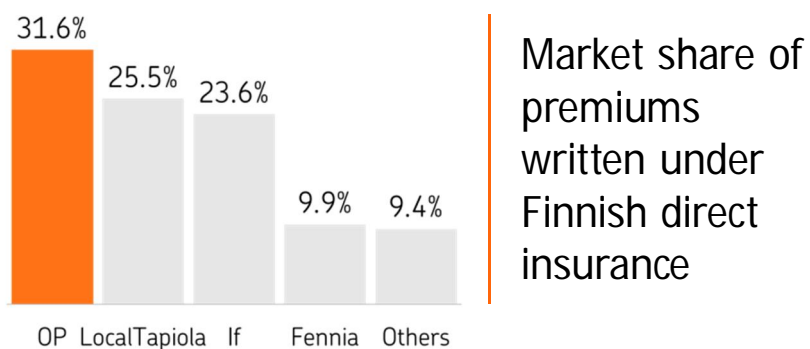
Loans 2015 (Finland: €212 bn)



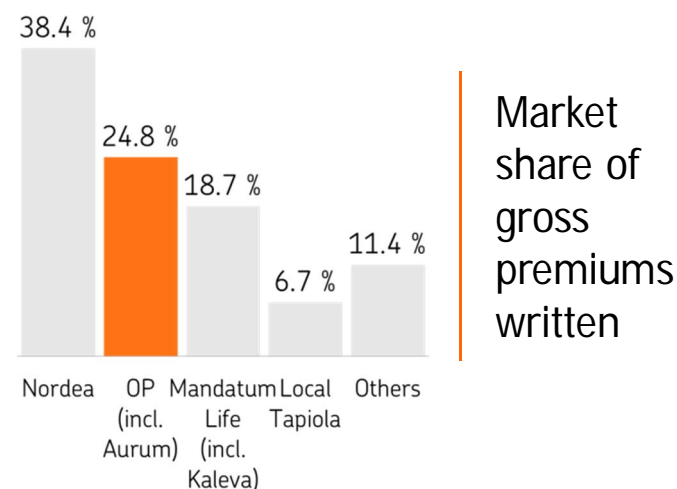
Deposits 2015 (Finland: €144 bn)



Non-life Insurance 2015 (Finland: €4.3 bn)

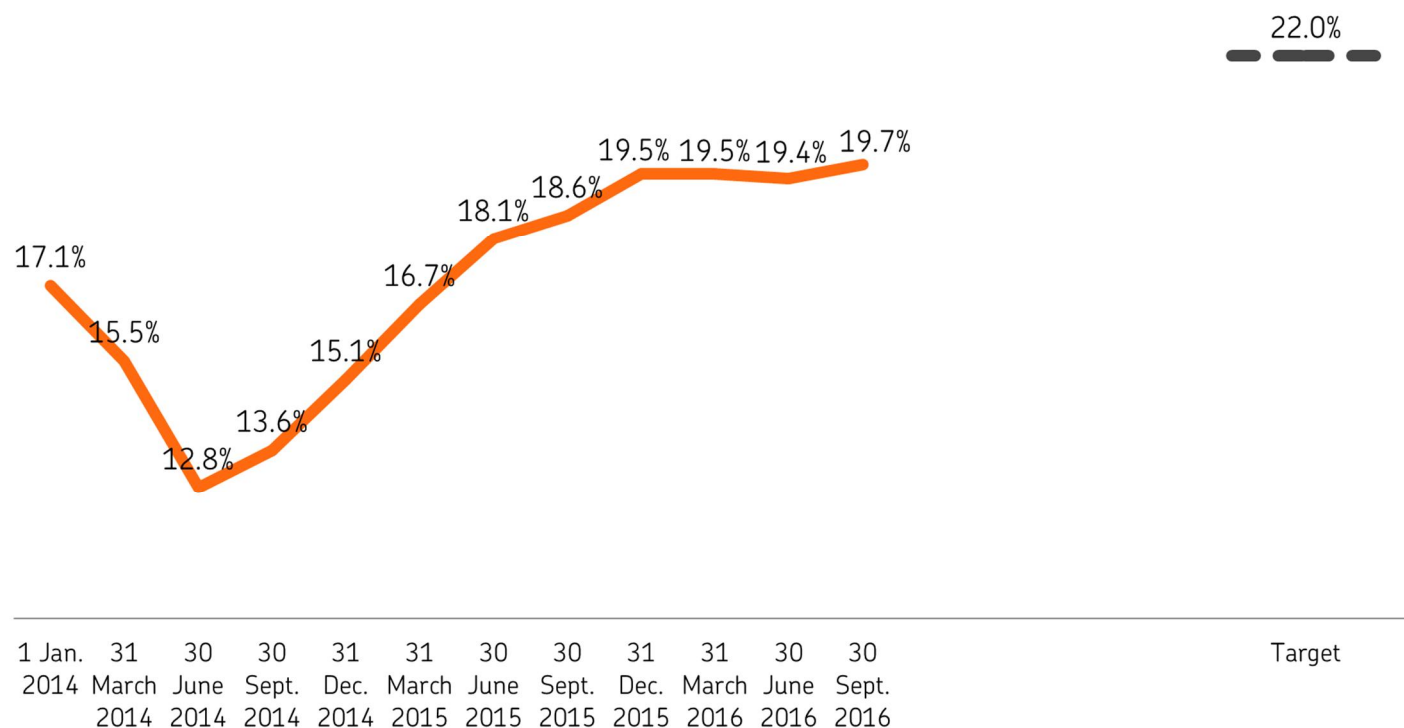


Life Insurance 2015 (Finland: €6.3 bn)



Source: Federation of Finnish Financial Services

Actions to maintain strong CET1 ratio



PROFIT SHARES

- Conversions of old cooperative capital of €0.6 bn issued by member cooperative banks
- Member cooperative banks' €1.3 bn profit share issuances in 2014–15 and additional issuances of €0.4 bn March 2015 onwards
 - Issued profit shares €2.6 bn as of 30 Sept. 2016

EARNINGS

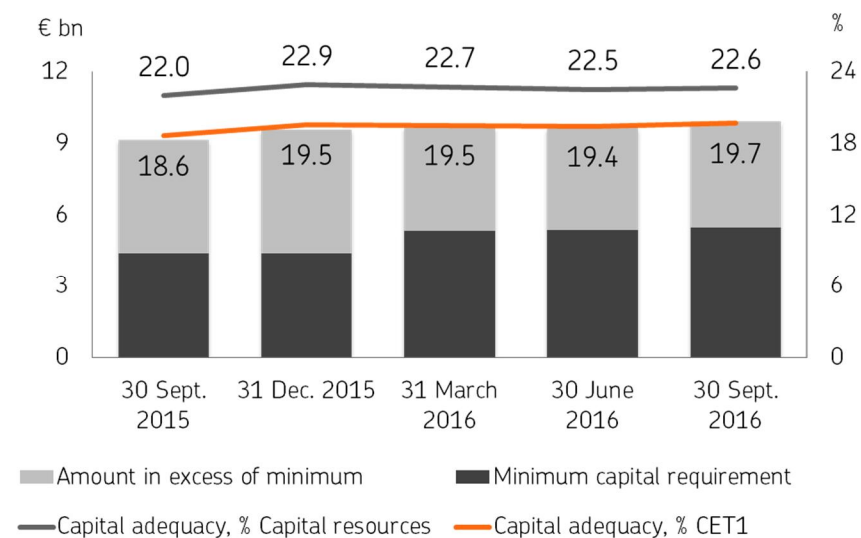
- Retained earnings 2014–16

RISK EXPOSURE AMOUNT (REA)

- Active management of REA growth in 2014–16

CET1 ratio 19.7% as of 30 Sept. 2016

CAPITAL RESOURCES AND CAPITAL ADEQUACY



LEVERAGE RATIO 7.2% as of 30 Sept. 2016 (7.2)

- Minimum level in the draft regulations 3.0%

RISK EXPOSURE AMOUNT (REA) €43.8 bn as of 30 Sept. 2016 (41.8)

AVERAGE RISK WEIGHTS

6.9% for personal customer exposures (AIRB) as of 30 Sept. 2016 (6.8)

- Fin-FSA decided in June 2016 to start preparing a credit institution-specific minimum level of 10% for the average risk weight on housing loans of credit institutions that have adopted the IRBA. The minimum level would come into force on 1 July 2017 at the latest. Minimum RW of 10% on housing loans would lower OP's CET1 ratio by 0.9 pps. Average RW of OP's housing loans was 5.6% at YE2015 (6.1).

67.5% for corporate customer exposures (FIRB) as of 30 Sept. 2016 (66.7)

REGULATORY CAPITAL BUFFERS

- Capital conservation buffer 2.5% of RWA (1 Jan. 2015)
- O-SII buffer 2.0% (7 Jan. 2016)
- Discretionary CET1 requirement as part of SREP 9.75% and incl. O-SII buffer 11.75%

EBT €921 mn in Q1-3/2016 (926)

Income up by 1% and expenses up by 3%

| BANKING | | NON-LIFE INSURANCE | | WEALTH MANAGEMENT | | OTHER OPERATIONS | |
|----------------------------------|-----------------------------------|---|-------------------------------|--|------------------------------------|---|---------------------------|
| EBT, € mn | 467 (-12%) Q1-3/15: 531 | EBT, € mn | 200 (-9%) Q1-3/15: 218 | EBT, € mn | 191 (+14%) Q1-3/15: 168 | EBT***, € mn | 63 Q1-3/15: 16 |
| Net interest income, € mn | 847 (+3%) Q1-3/15: 822 | Insurance premium revenue, € mn | 1,062 (+2%) Q1-3/15: 1,039 | Net commissions and fees, € mn | 157 (-6%) Q1-3/15: 167 | Net interest income, € mn | -35 Q1-3/15: -34 |
| Net commissions and fees**, € mn | 564 (+11%) Q1-3/15: 511 | Net insurance income, € mn | 398 (+4%) Q1-3/15: 383 | Net investment income, € mn | 102 (+22%) Q1-3/15: 84 | Net commissions and fees****, € mn | -48 Q1-3/15: 15 |
| Impairments of receivables, € mn | 35 Q1-3/15: 47 | Net investment income, € mn | 87 (-21%) Q1-3/15: 110 | Income from Life Insurance investments at fair value, € mn | 18 Q1-3/15: 38 | Net investment income****, € mn | 110 (+47%) Q1-3/15: 75 |
| Loan portfolio, € bn | 77.8 (+5%) 30 Sept. 2015: 74.2 | Income from investments at fair value, € mn | 18 Q1-3/15: 31 | Assets under management, € bn | 72.0 (+12%) 30 Sept. 2015: 64.2 | Long-term bonds issued to the public, € bn | 2.2 Q1-3/15: 5.0 |
| Deposits, € bn | 54.3 (+5%) 30 Sept. 2015: 51.6 | Operating combined ratio, % | 86.5 Q1-3/15: 86.3 | Operating cost/income ratio, % | 43.0 Q1-3/15: 45.8 | Average margin of senior wholesale funding, TLTRO II funding and covered bonds, bps | 34 YE2015: 39 |
| Operating cost/income ratio, % | 55.2 Q1-3/15: 51.7 | Operating expense ratio, % | 17.6 Q1-3/15: 17.4 | Solvency II ratio* within Life Insurance, % | 135 YE2015: 149 | | |
| | | Solvency II ratio*, % | 152 YE2015: 146 | | | | |

* According to the Solvency II draft (EU 138/2009), excluding transitional provision. Non-life Insurance includes OVY Insurance Ltd.

** In Q1-3/2016, increase in net commissions and fees was affected by the change in the Group's internal operating model, as a result of which commissions of EUR 59 mn from derivatives and FX trading were recognised in commissions and fees.

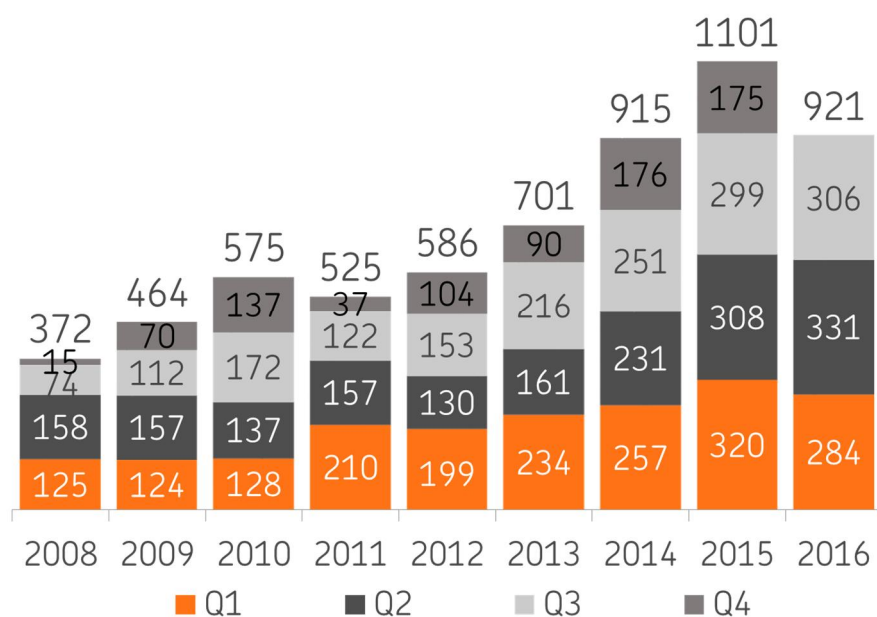
*** Other Operations recognised EUR 71 mn in non-recurring gain under other operating income as a result of the acquisition of Visa Europe Ltd by Visa Inc.

**** Change in the Group's internal operating model added to net investment income reported by the Other Operations segment as a result of an increase in net income from securities and FX trading while decreasing net commissions and fees.

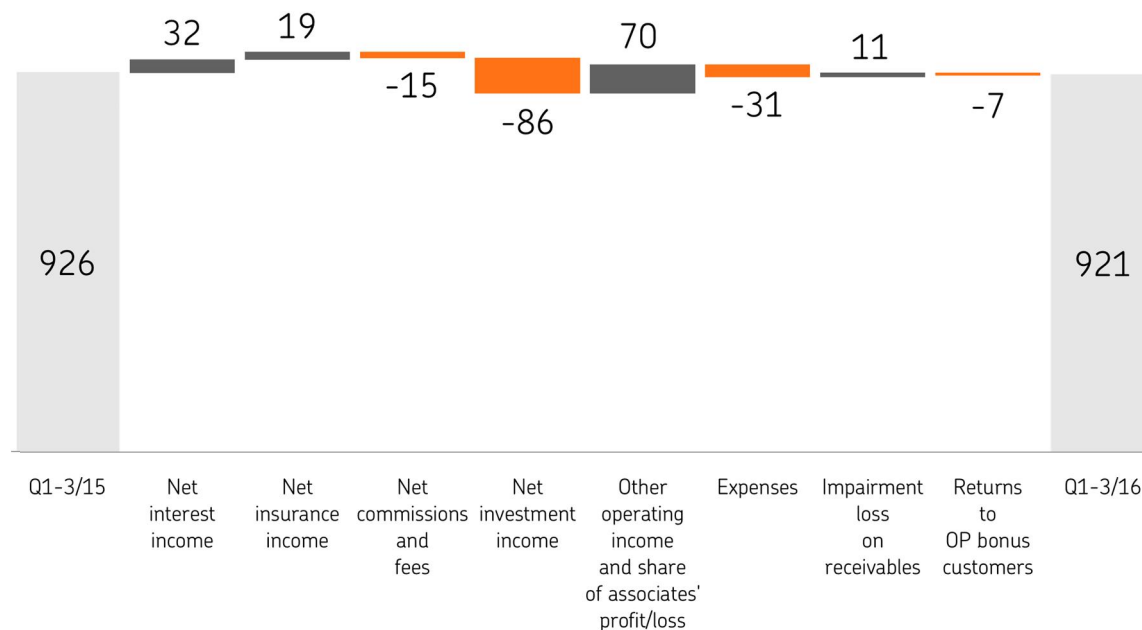
2016 EBT expected to be of about the same size as in 2015

EBT in Q1-3/2016 were the second best Q1-3 earnings ever recorded

EBT by quarter 2008–16, € mn



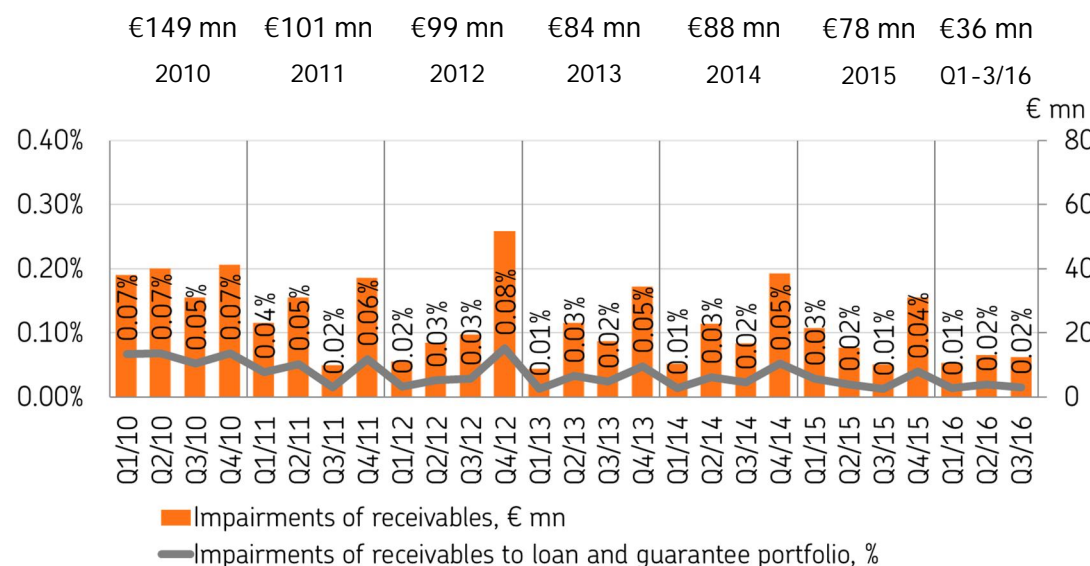
EBT, y-o-y change by P&L line item*
Q1-3/16 vs. Q1-3/15, € mn



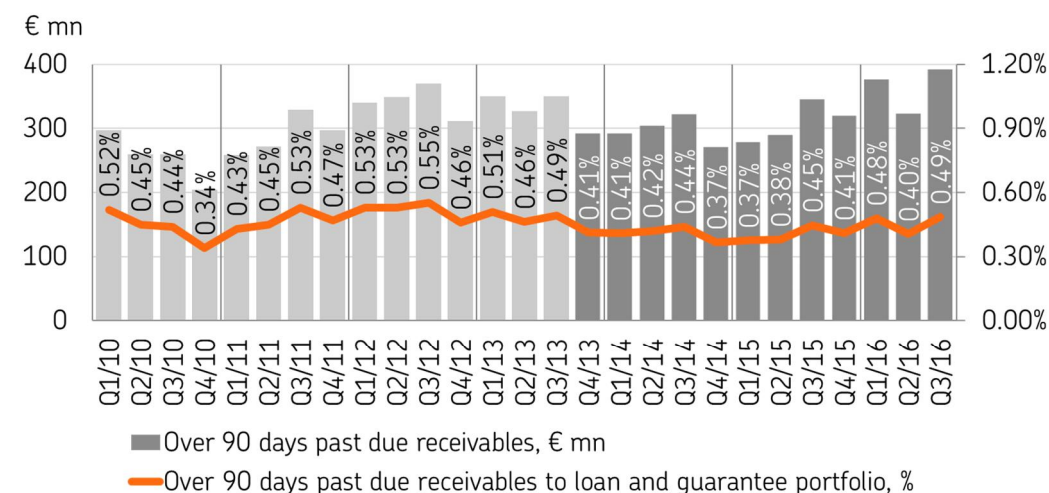
Q1-3/16 impairment loss on receivables 0.06% to loan and guarantee portfolio (0.08)

Over 90 days past due receivables (€391 mn as of 30 Sept. 2016) 0.49% to loan and guarantee portfolio (0.41)

Impairment loss on receivables



Over 90 days past due receivables*



As of 30 Sept. 2016, ratio of exposures individually assessed for impairment to doubtful receivables**

13.7% (17.3 at YE2015)

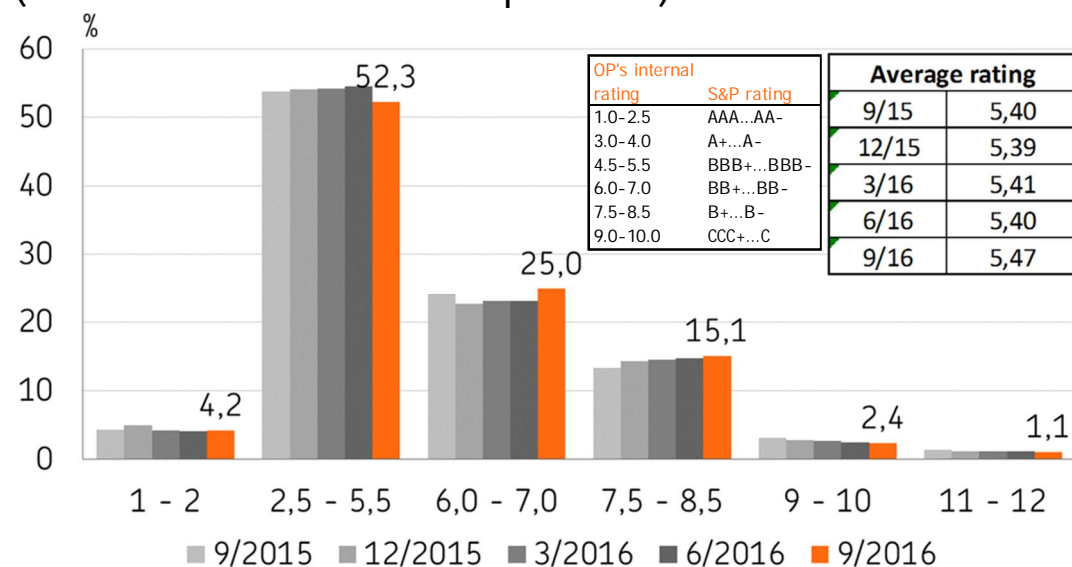
* Until Q3/13 over 90 days past due receivables and zero interest receivables, since Q4/13 over 90 days past due receivables

** Doubtful receivables refer to receivables that are over 90 days past due, receivables unlikely to be paid and forborne receivables. Definitions of non-performing and renegotiated receivables correspond with the EBA's guidelines on forborne and non-performing receivables.

Exposures by credit rating category

IG (1.0-5.5) 56% (59) of the exposure from Non-financial corporations and housing associations sector. In August 2016, OP adopted updated credit rating scale for corporate customers which affected corporate customer ratings. Comparatives have not been restated.

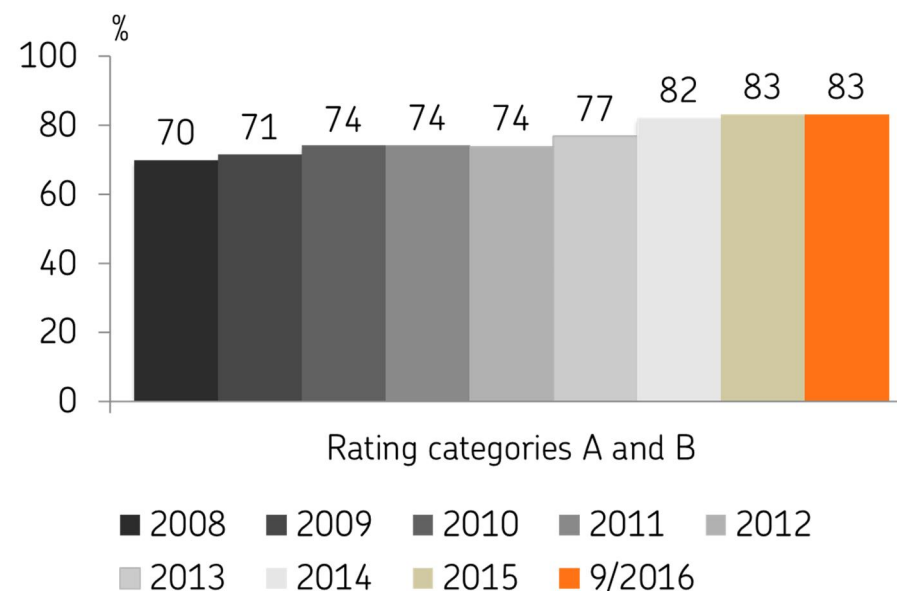
Exposures from the Non-financial Corporations and Housing Associations Sector by credit rating category (total €37.2 bn as of 30 Sept. 2016)



Largest single counterparty-related customer risk to Group's own funds covering customer risk at YE2015

5.7% (6.6)

Private Customer exposures of credit rating categories A and B (total €49.3 bn as of 30 Sept. 2016)

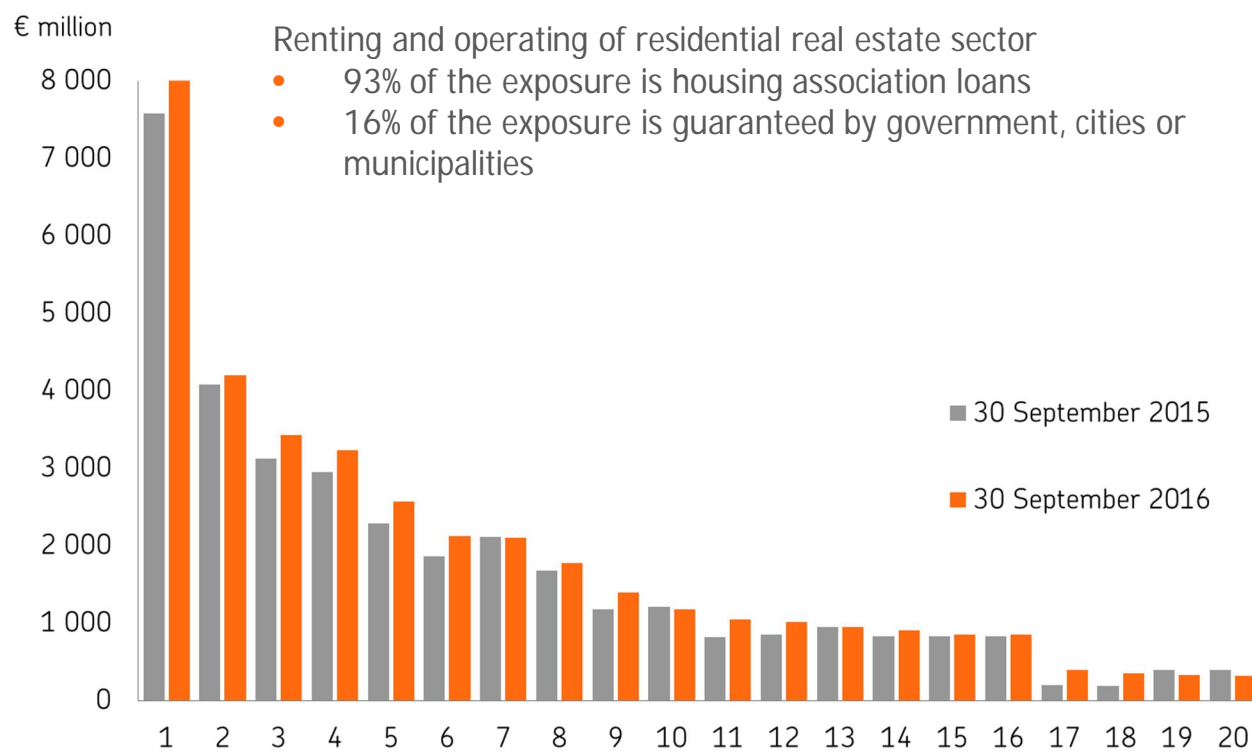


At end-September 2016, average PD of private customer exposures (Pillar III) with a credit rating of A and B a maximum of

0.1% (0.1)

Corporate loan portfolio well diversified by industry

Exposures from the Non-financial corporations and housing associations sector €37.2 bn as of 30 Sept. 2016



| | 30 Sep. 2015 | 30 Sep. 2016 |
|---|-----------------|-----------------|
| 1 Renting and operating of residential real estate | 22,1 % | 22,1 % |
| 2 Renting and operating of other real estate | 11,9 % | 11,3 % |
| 3 Wholesale and retail trade | 9,1 % | 9,2 % |
| 4 Energy | 8,6 % | 8,7 % |
| 5 Services | 6,6 % | 6,9 % |
| 6 Manufacture of machinery and equipment (incl. services) | 5,4 % | 5,7 % |
| 7 Construction | 6,1 % | 5,6 % |
| 8 Transportation and storage | 4,9 % | 4,8 % |
| 9 Agriculture, forestry and fishing | 3,4 % | 3,7 % |
| 10 Forest Industry | 3,5 % | 3,2 % |
| 11 Financial and insurance services | 2,4 % | 2,8 % |
| 12 Metal Industry | 2,5 % | 2,7 % |
| 13 Food Industry | 2,8 % | 2,6 % |
| 14 Information and communication | 2,4 % | 2,4 % |
| 15 Real estate investments | 2,4 % | 2,3 % |
| 16 Chemical Industry | 2,4 % | 2,3 % |
| 17 Other manufacturing | 0,6 % | 1,1 % |
| 18 Mining and quarrying | 0,6 % | 0,9 % |
| 19 Other industries | 1,1 % | 0,9 % |
| 20 Water supply, sewerage and waste management | 1,1 % | 0,8 % |

Funding based on strong credit ratings

Rating target: AA rating affirmed by at least 2 credit rating agencies
(or at least at the main competitors' level)

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

* Negative outlook

** Positive outlook

*** Covered bond rating

**** Insurance financial strength rating

Updated: 27 October 2016

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 with negative outlook in July 2016
 - Uplifts from Business Position (+1 notch), Capital and Earnings (+1 notch) and ALAC Support (+1 notch)
- S&P published article "Ratings component scores for the TOP150 banks globally" in September 2016 – OP Corporate Bank's ranking with rating AA- and negative outlook was 15/150

OP MORTGAGE BANK

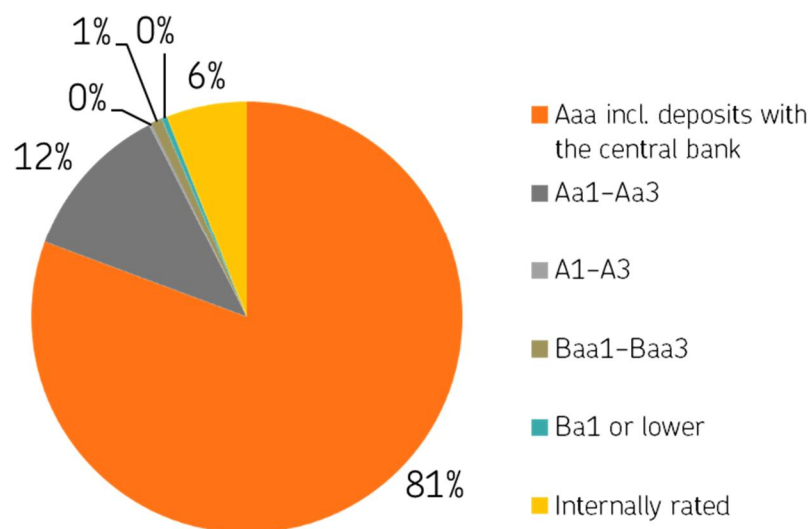
- Moody's affirmed Aaa rating with stable outlook in July 2016
 - TPI (Timely Payment Indicator) Leeway 5 notches
- S&P affirmed AAA rating with stable outlook in July 2016
 - 3 unused notches of jurisdictional support
 - 2 unused notches of collateral based uplift

OP INSURANCE LTD

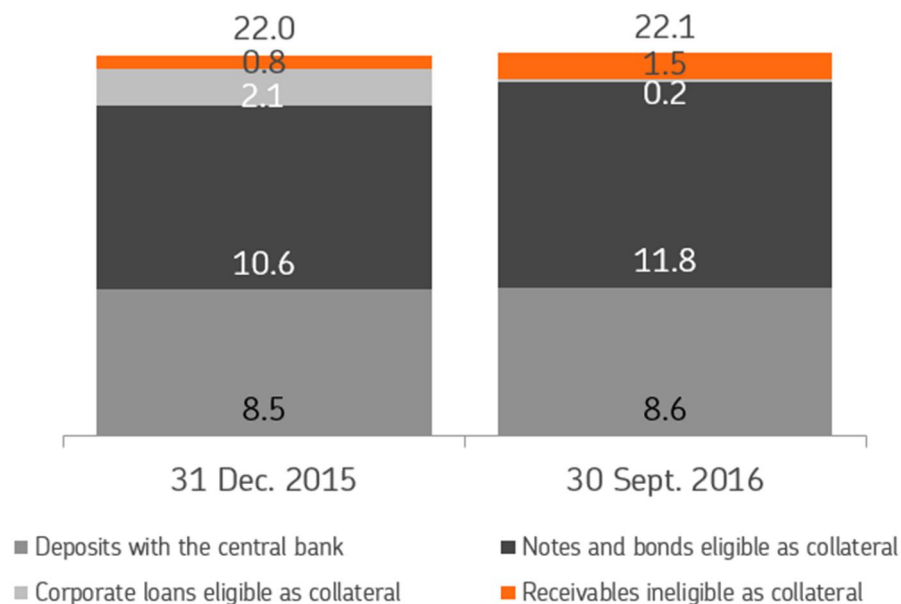
- Moody's affirmed A3 rating with stable outlook on 15 May 2015
- S&P affirmed A+ rating with negative outlook in July 2016

Liquidity buffer €22.1 bn at end-September

Liquidity buffer by credit rating*, ** as of 30 Sept. 2016



Liquidity buffer breakdown***, € bn



*) Aaa incl. deposits with the central bank: share of deposits with the central bank 48%

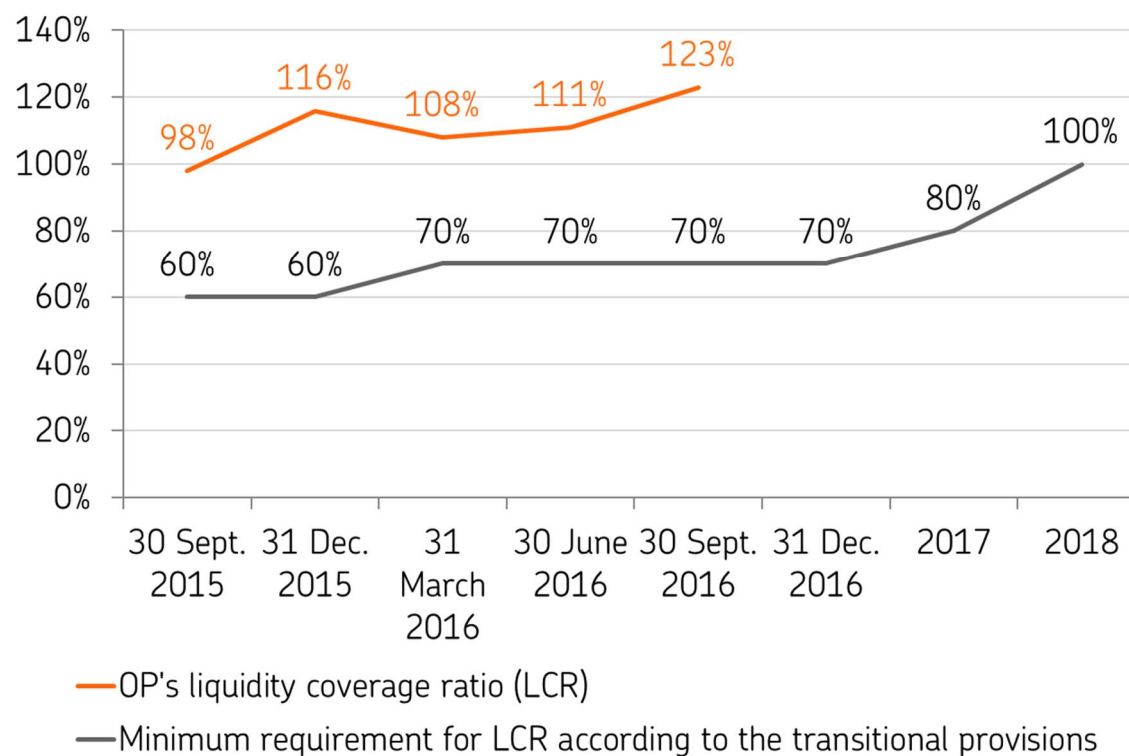
**) Internally rated: corporate loans 15% and the remainder externally non-rated notes and bonds issued by public-sector entities and companies, both eligible as ECB collateral

***) The liquidity buffer plus other items based on OP Financial Group's contingency funding plan can be used to cover maturing wholesale funding for at least 24 months

As a result of an analysis carried out in the third quarter, the Group has reassessed the application of the collateral eligibility criteria for corporate loans eligible as collateral included in the liquidity buffer, on the basis of which the comparative data amount was reduced by EUR 2.2 billion. The amount of corporate loans eligible as collateral decreased during the reporting period because they were used as collateral in TLTRO-II.

Liquidity coverage ratio improved to 123%

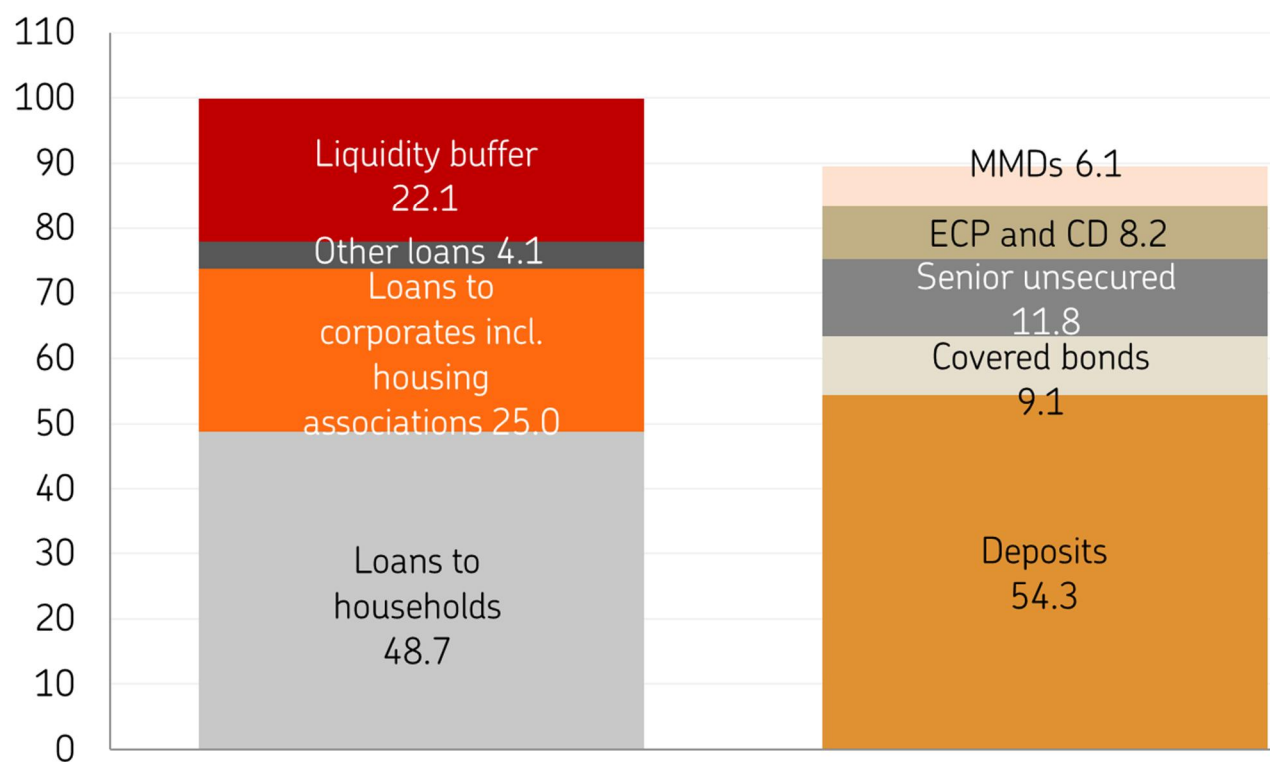
OP monitors its liquidity and the adequacy of its liquidity buffer using LCR. According to the transitional provisions, LCR must be at least 70% in 2016 and at least 100% from the beginning of 2018.



Loans, liquidity buffer and funding

30 September 2016

€ bn



Market-based funding 39% of total funding

Deposits 61% of total funding
Majority of lending funded with deposit funding;
2/3 household deposits
1/3 corporate deposits

Loans to corporates incl. housing associations
32% of total loans
2/3 from OP Corporate Bank and 1/3 from member cooperative banks

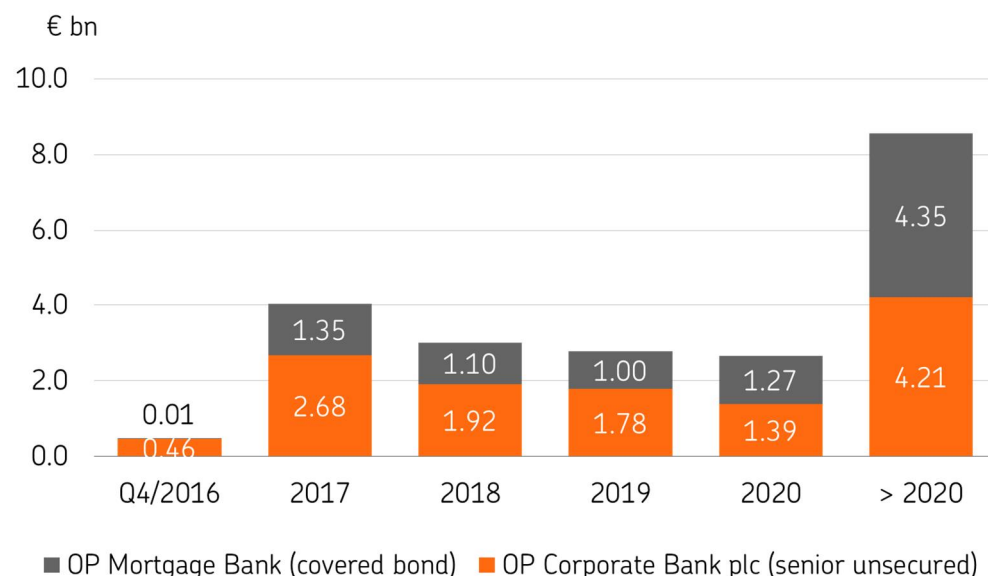
Loans to households
63% of total loans
Member cooperative banks as retail customer lenders

Loans and liquidity buffer

Funding

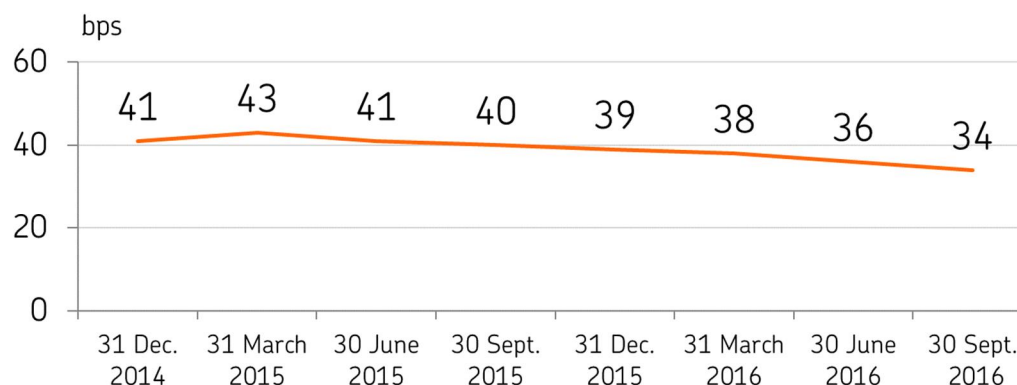
Maturity breakdown and average margin of wholesale funding

Issued senior unsecured and covered bonds by maturity, 30 Sept. 2016



OP issued long-term bonds worth €2.2 billion during Q1-3/2016 (5.0). Additionally, OP participated in ECB's TLTRO II refinancing operation with a total of €2 billion in June and September 2016.

Average margin of senior wholesale funding, TLTRO II funding and covered bonds, bps



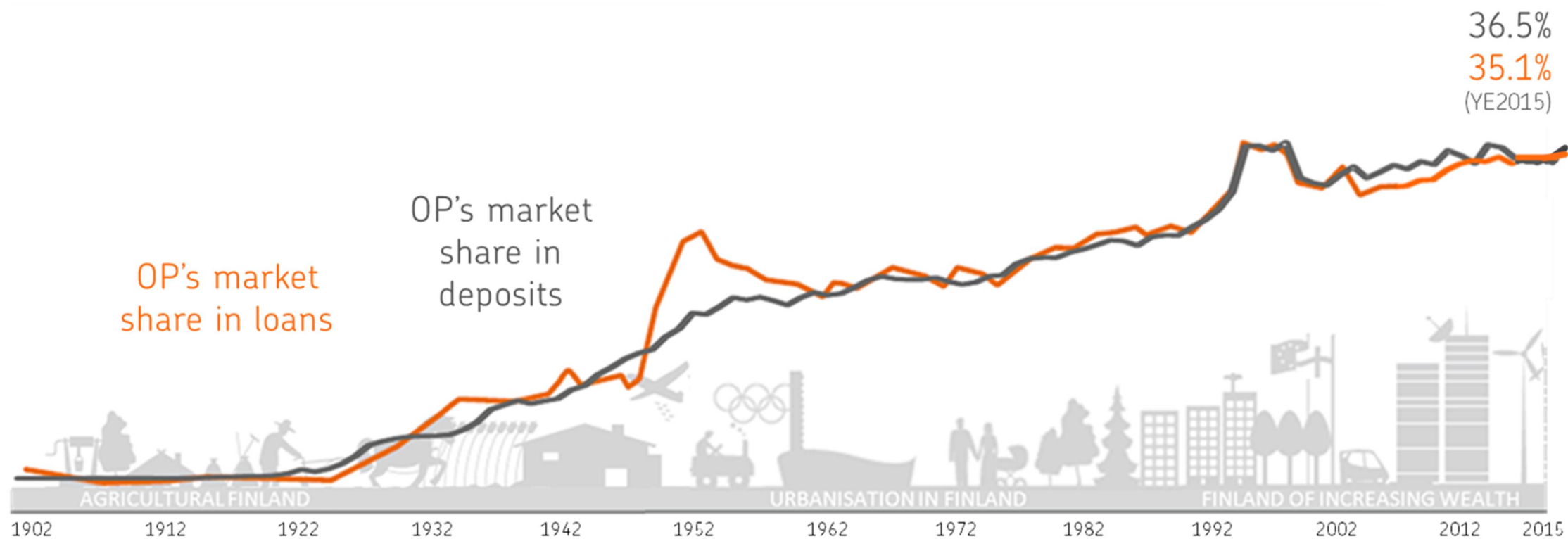
Issued senior unsecured and covered bonds

OP Corporate Bank plc's benchmark senior unsecured bonds 2014–16

| Year | Month | Amount | Maturity | Interest rate |
|------|----------|----------------------------------|----------------------------------|---------------------------------|
| 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 |
| 2014 | June | CHF300 mn | 7 yrs | CHFm/s + 30 bps |
| 2014 | June | Total ¥60 bn (€432 mn), 2 issues | 3 yrs (fixed) & 5 yrs (fixed) | m/s + 28.6 bps & m/s + 48.4 bps |
| 2014 | June | €750 mn | 5 yrs | m/s + 48 bps |
| 2014 | March | €750 mn | 7 yrs | m/s + 67 bps |
| 2014 | March | €750 mn | 3 yrs | Eb3 + 36 bps |

OP Mortgage Bank's benchmark covered bonds 2014–16

| Year | Month | Amount | Maturity | Interest rate |
|------|-----------|----------|----------|---------------|
| 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 |
| 2014 | November | €1 bn | 10 yrs | m/s + 4 bps |
| 2014 | June | €1 bn | 5 yrs | m/s + 5 bps |
| 2014 | March | €1 bn | 7 yrs | m/s + 14 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

OP Mortgage Bank (OPMB) in brief

- OP Mortgage Bank is a special-purpose bank operating under the Act on Mortgage Credit Bank Operations.
- OP Mortgage Bank's sole purpose is to raise funds for OP Financial Group member banks by issuing covered bonds with mortgage collateral.
- The outstanding covered bonds of OP Mortgage Bank are rated AAA by S&P and Aaa by Moody's.
- OP Mortgage Bank is a wholly-owned subsidiary of OP Cooperative.
- OP Mortgage Bank fully benefits from the joint liability based on the Act on the Amalgamation of Deposit Banks. However, since assets in its 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 2016)
 - Available Credit Enhancement: 15.59% (TCE* commensurate with AAA rating: 3.66%)
 - WAFF**: 16.50%
 - WALS***: 16.98%

* Target credit enhancement

** Weighted-average foreclosure frequency

*** Weighted-average loss severity

Source: S&P Transaction Update OP Mortgage Bank, 12 September 2016

Moody's: Aaa (stable)

- TPI*** Leeway 5 notches
- Key scores (as of 30 June 2016)
 - 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

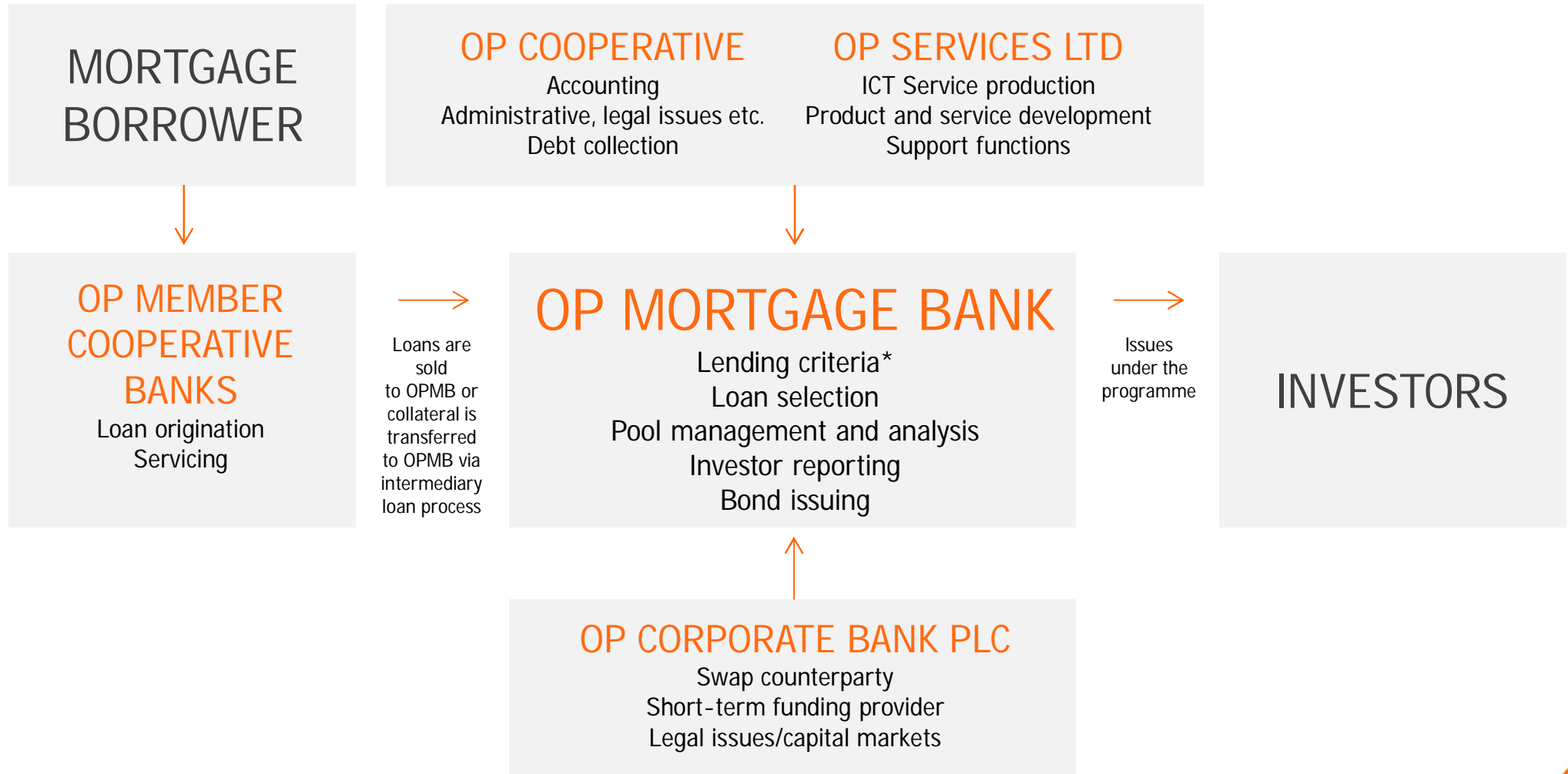
**** Counterparty risk assessment

Source: Moody's Performance Overview OP Mortgage Bank Covered Bonds II, 25 July 2016

OPMB operating model

- OPMB is a funding vehicle for the member banks:
 - Subject to strict eligibility criteria:
 - Existing loans may be sold from member banks to OPMB.
 - Collateral may be transferred to OPMB via intermediary loan process.
 - Member cooperative banks may originate directly into OPMB's balance sheet acting as a broker agent.
- OPMB utilises the structure of OP Cooperative and outsources for example:
 - origination and servicing of assets to member cooperative banks
 - risk management, IT services, accounting etc. to OP Cooperative
 - has organised interest rate risk management in cooperation with OP Corporate Bank plc

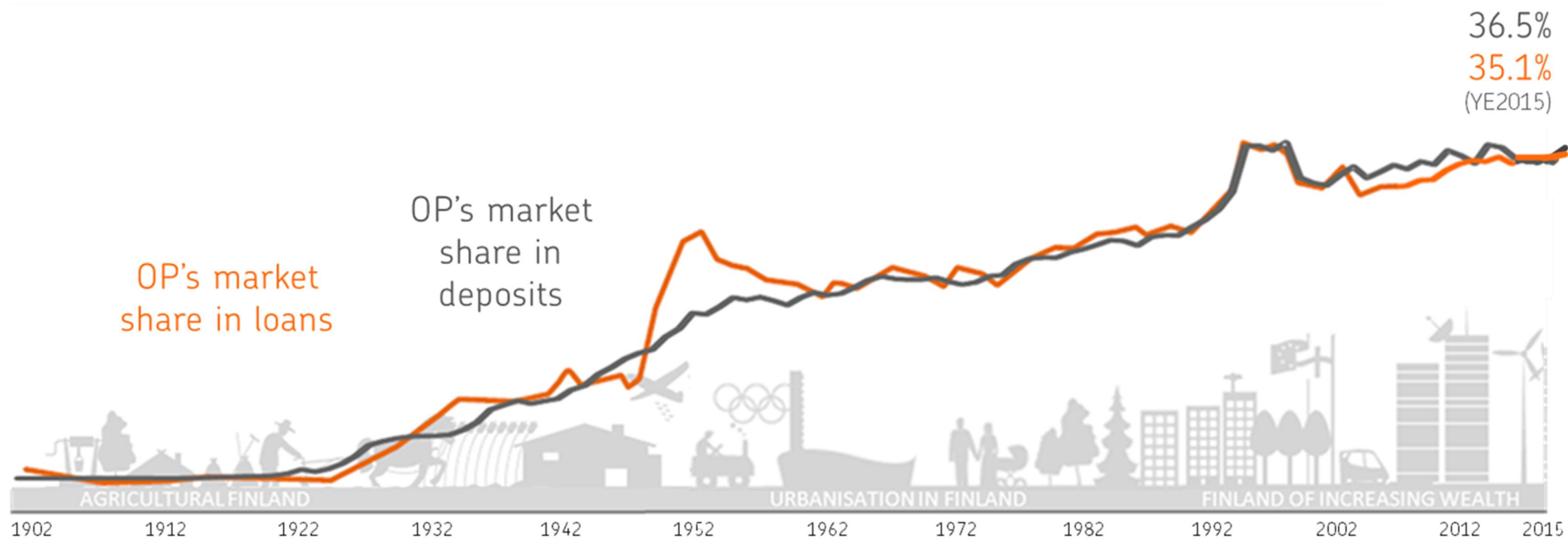
Operating model and roles



*) 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 issuing of a covered bond
 - Intermediary loans are the third way for the member banks to utilize OPMB along with selling loans and granting loans from OPMB
- The intermediary loan contract is made between the member cooperative bank and 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 bank commits to preserving adequate intermediary loan worthy loan portfolio for the maturity of the intermediary loan, and accepts that OPMB subscribes the loans as collateral in the cover pool
 - OPMB monitor's the adequacy of the loans daily
 - The OC is provided by OPMB
- Once the mortgage loans are registered in the covered register, whether they are entered via intermediary loan process or true sales, they serve as collateral for the covered bonds for the benefit of the noteholders.



OPMB Cover Asset Pool Characteristics

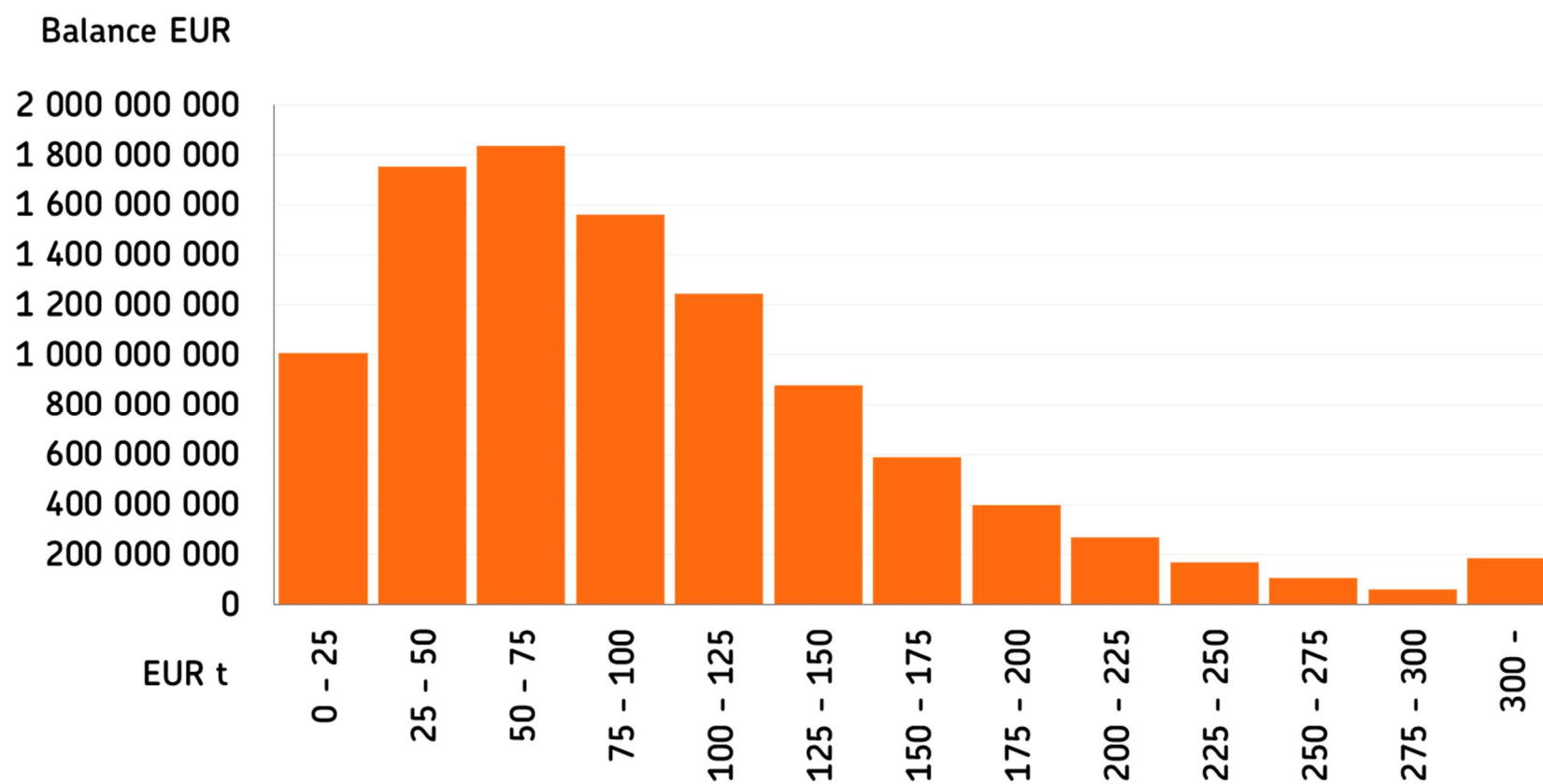
Covered bonds issued after 1 Aug. 2010,
under the Finnish Act on Mortgage Credit Banks 680/2010

Main Features of OP Mortgage Bank's Cover Asset Pool as of 30 September 2016

- Collateralized by Finnish mortgages
- Current balance EUR 10.05 billion
- Weighted Average indexed LTV of 44%
- Average loan size of approximately EUR 49,466
- No loans over 90 days in arrears ongoing
- Variable interest rates: over 95% of all loans
- Hedging agreements in place in order to mitigate interest rate risk
- Total amount of covered bonds issued EUR 9.095 billion

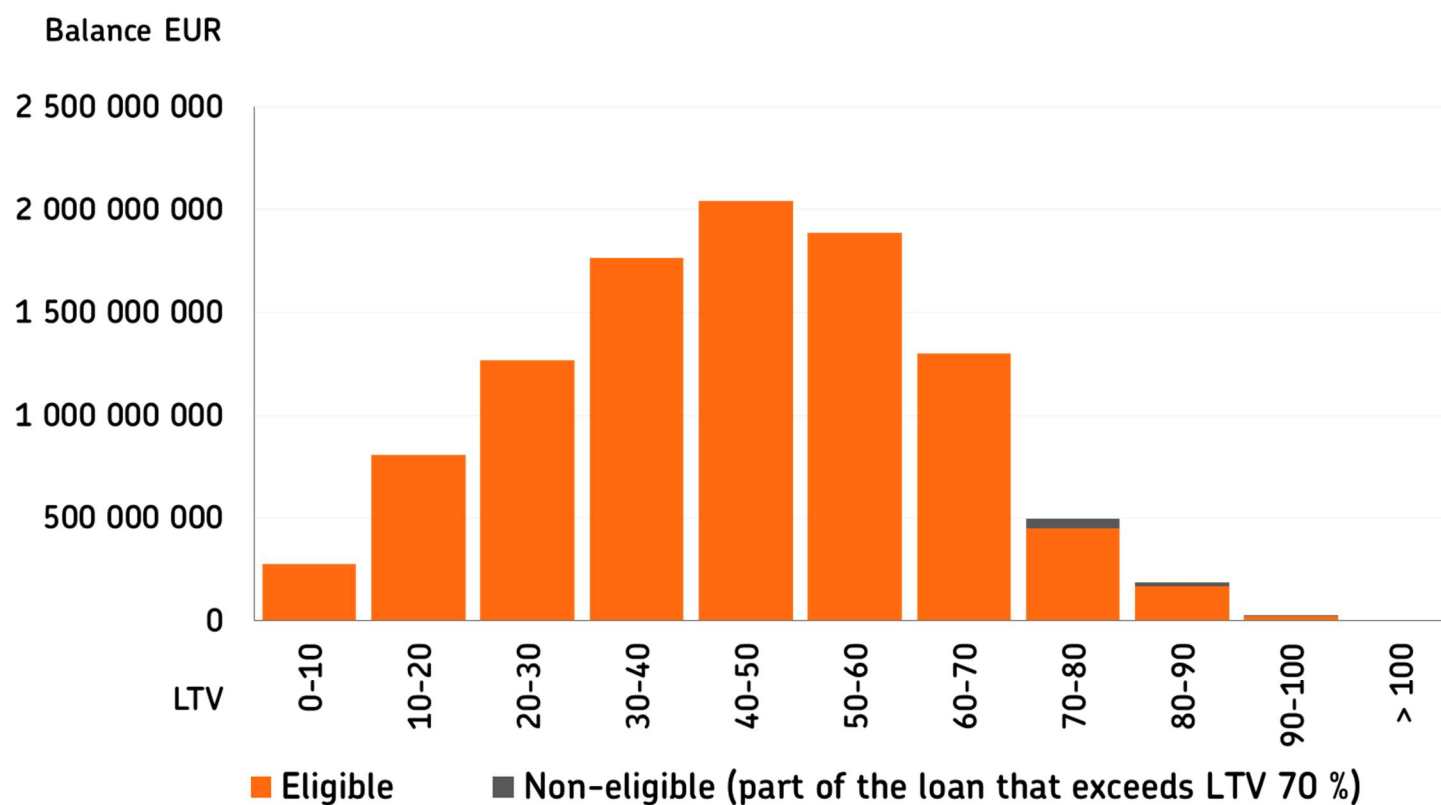
OPMB Cover Asset Pool Characteristics

Loans by size



OPMB Cover Asset Pool Characteristics

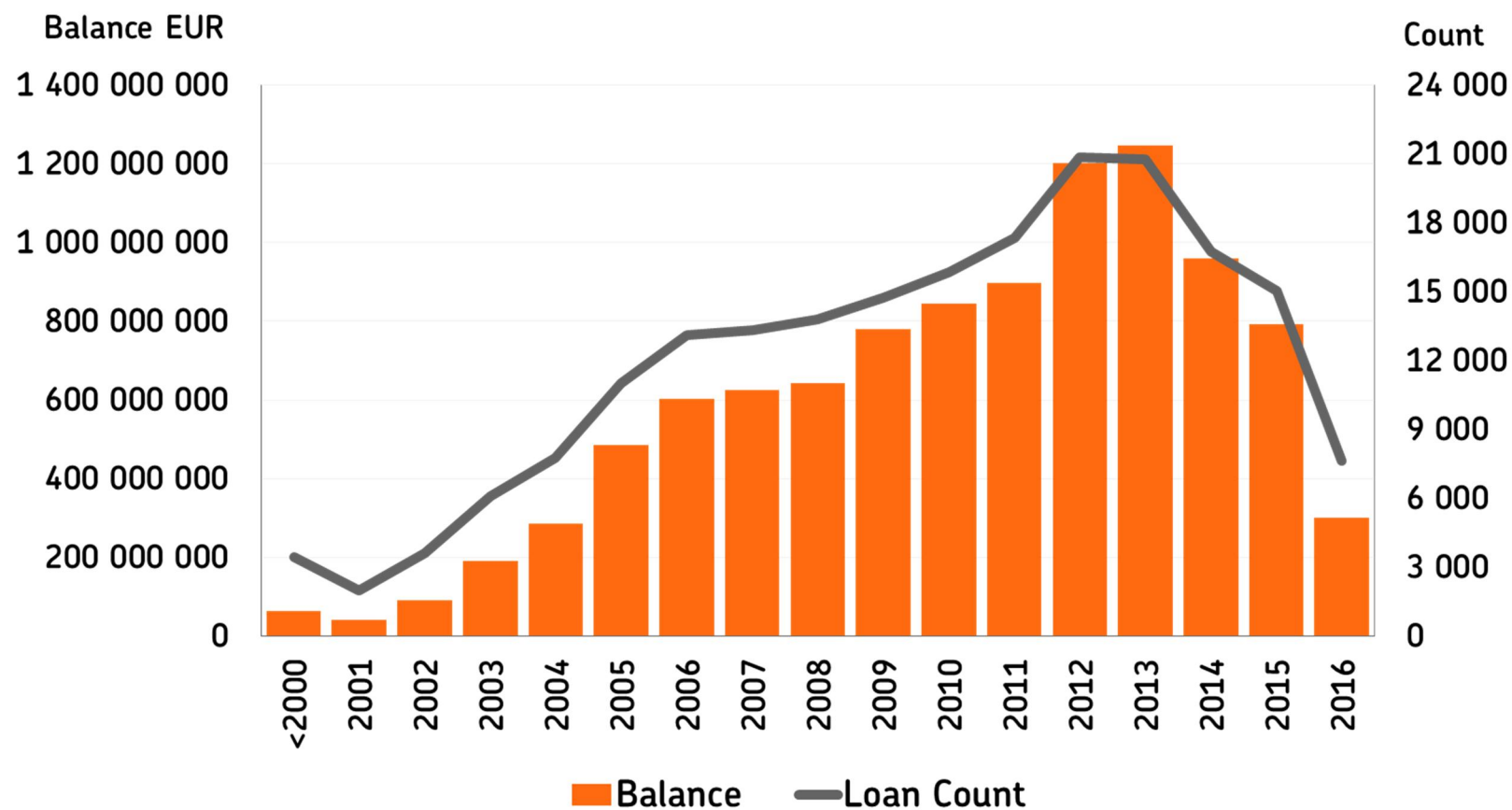
Loans by LTV



- Total assets
EUR 10.05 billion
- Eligible Cover Pool
assets
EUR 9.98 billion
- Weighted average
indexed LTV of 44%
- Over-collateralisation
10.5%

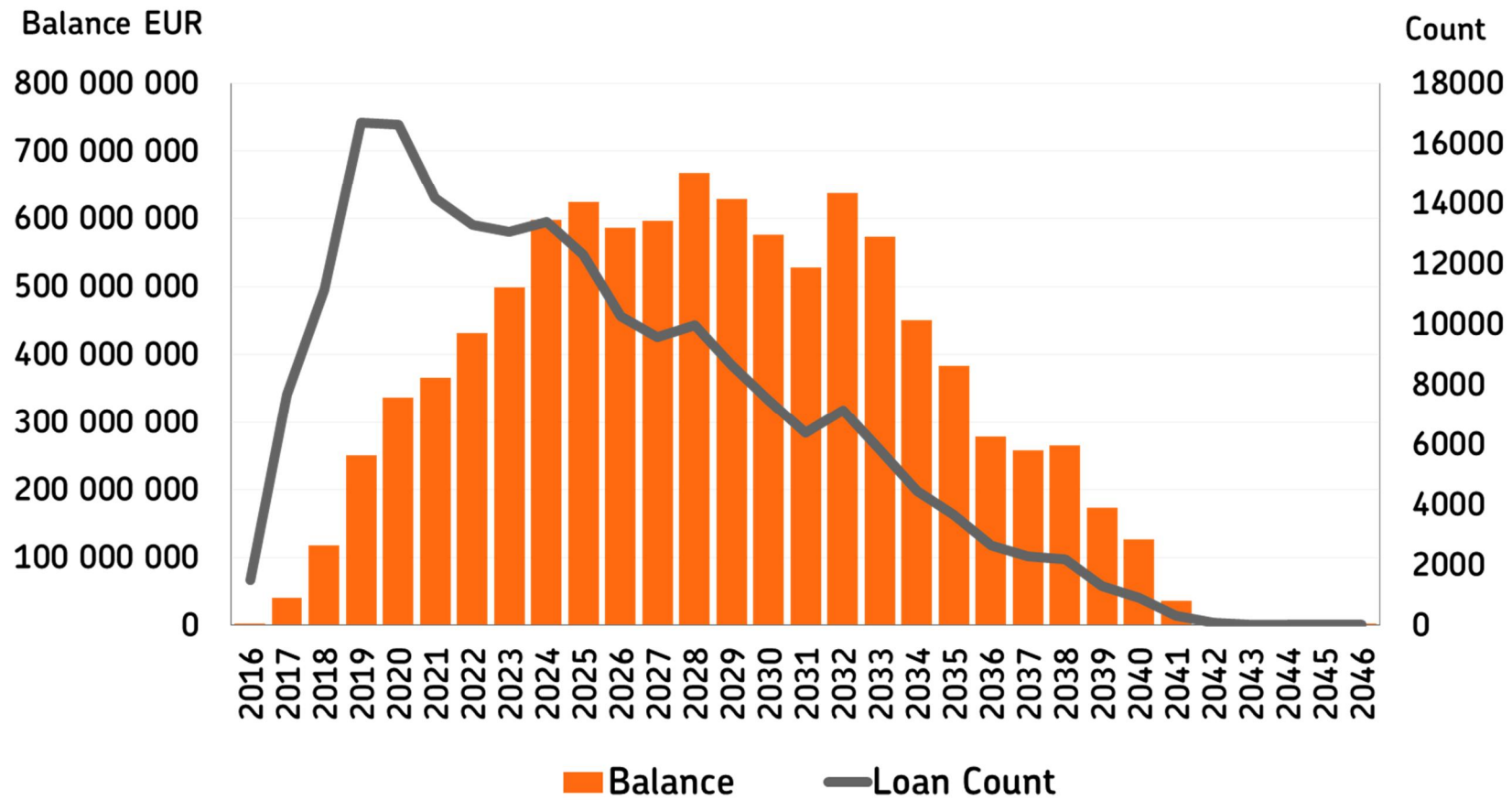
OPMB Cover Asset Pool Characteristics

Loans by origination year



OPMB Cover Asset Pool Characteristics

Loans by maturity

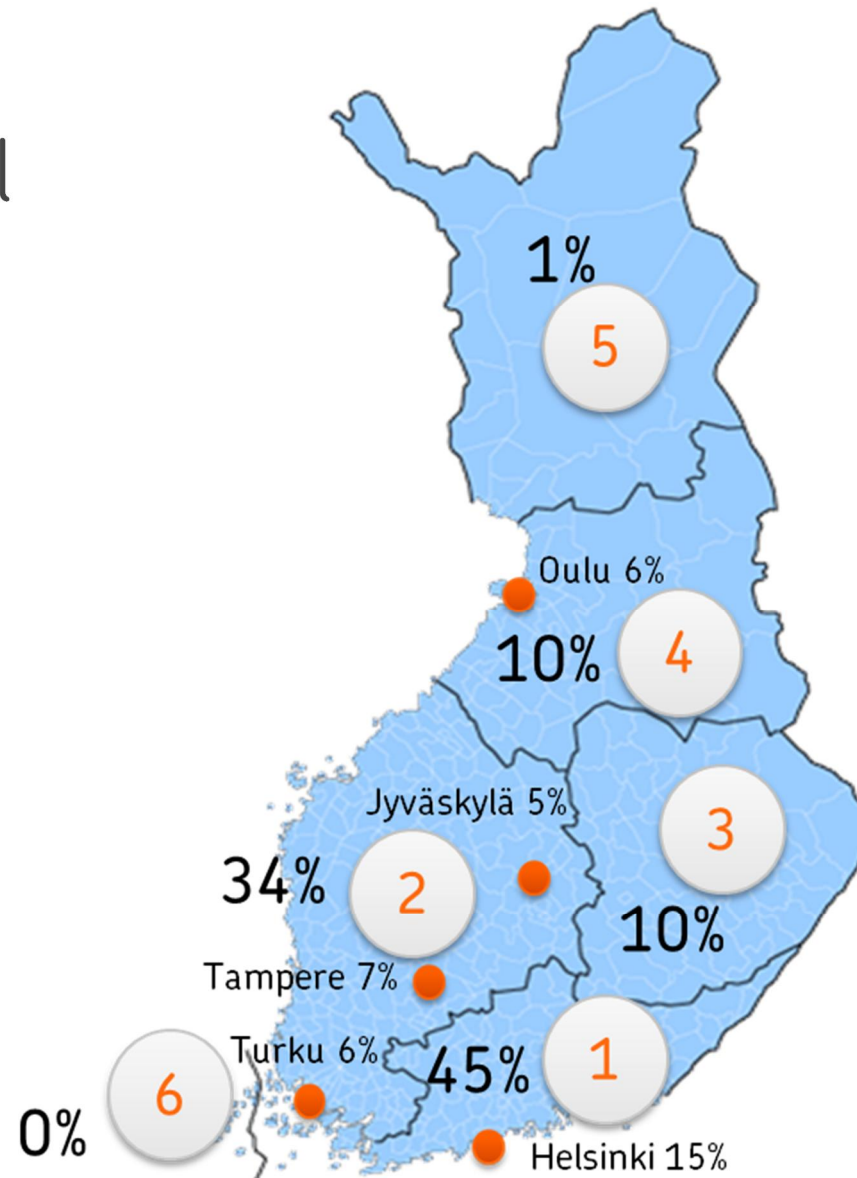


OPMB Cover Asset Pool

Characteristics

Geographical distribution

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



OPMB Cover Asset Pool

A. Harmonised Transparency Template - General Information

| | | | | | |
|--------------|---|---|------|--------|-----|
| | Reporting in Domestic Currency | EUR | | | |
| | CONTENT OF TAB A | | | | |
| | 1. Basic Facts | | | | |
| | 2. Regulatory Summary | | | | |
| | 3. General Cover Pool / Covered Bond Information | | | | |
| | 4. References to Capital Requirements Regulation (CRR) 129(7) | | | | |
| | 5. References to Capital Requirements Regulation (CRR) 129(1) | | | | |
| | 6. Other relevant information | | | | |
| Field Number | 1. Basic Facts | | | | |
| G.1.1.1 | Country | Finland | | | |
| G.1.1.2 | Issuer Name | OP Mortgage Bank | | | |
| G.1.1.3 | Link to Issuer's Website | https://www.pohjola.fi/pohjola/investor-relations/debt-investors/op-mortgage-bank?id=334200&rcpl=88&kielikoodi=en | | | |
| G.1.1.4 | Cut-off date | 30/09/2016 | | | |
| | 2. Regulatory Summary | | | | |
| G.2.1.1 | UCITS Compliance (Y/N) | Y | | | |
| G.2.1.2 | CRR Compliance (Y/N) | Y | | | |
| G.2.1.3 | LCR status | https://www.coveredbondlabel.com/issuer/6/ | | | |
| | 3. General Cover Pool / Covered Bond Information | | | | |
| | 1. General Information | | | | |
| | Nominal (mn) | | | | |
| G.3.1.1 | Cover Pool Size | 10,048.15 | | | |
| G.3.1.2 | Outstanding Covered Bonds | 9,095.00 | | | |
| | 2. Over-collateralisation (OC) | | | | |
| | Legal | | | | |
| | Actual | | | | |
| | Minimum Committed | | | | |
| | Purpose | | | | |
| G.3.2.1 | OC (%) | 2% | 9.74 | ND1 | ND1 |
| | 3. Cover Pool Composition | | | | |
| | Nominal (mn) | | | | |
| | % Cover Pool | | | | |
| G.3.3.1 | Mortgages | 10,044.56 | | 99.96% | |
| G.3.3.2 | Public Sector | 0.00 | | 0.00% | |
| G.3.3.3 | Shipping | 0.00 | | | |
| G.3.3.4 | Substitute Assets | 0.00 | | 0.00% | |
| G.3.3.5 | Other | 3.58 | | 0.04% | |
| G.3.3.6 | Total | 10,048.15 | | 100% | |
| | 4. Cover Pool Amortisation Profile | | | | |
| | Contractual (mn) | | | | |
| | Expected Upon Prepayments (mn) | | | | |
| | % Total Contractual | | | | |
| | % Total Expected Upon Prepayments | | | | |
| G.3.4.1 | Weighted Average life (in years) | 5.99 | ND3 | | |
| | By buckets: | | | | |
| G.3.4.2 | 0 - 1Y | 1,376.30 | ND3 | 13.70% | |
| G.3.4.3 | 1 - 2Y | 1,075.82 | ND3 | 10.71% | |
| G.3.4.4 | 2 - 3Y | 976.61 | ND3 | 9.72% | |
| G.3.4.5 | 3 - 4Y | 881.25 | ND3 | 8.77% | |
| G.3.4.6 | 4 - 5Y | 792.25 | ND3 | 7.88% | |
| G.3.4.7 | 5 - 10Y | 2,808.53 | ND3 | 27.95% | |
| G.3.4.8 | 10+Y | 2,137.05 | ND3 | 21.27% | |
| G.3.4.9 | Total | 10,047.80 | 0 | 100% | 0% |

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 30 September 2016

OPMB Cover Asset Pool

| 5. Maturity of Covered Bonds | | Initial Maturity (mn) | Extended Maturity (mn) | % Total Initial Maturity | % Total Extended Maturity |
|--|----------------------------------|--------------------------------------|-------------------------------------|---------------------------------|----------------------------------|
| G.3.5.1 | Weighted Average life (in years) | 4.23 | 5.21 | | |
| G.3.5.2 | By buckets: | | | | |
| G.3.5.3 | 0 - 1Y | 1,360.00 | 10.00 | 14.95% | 0.11% |
| G.3.5.4 | 1 - 2Y | 1,100.00 | 1,350.00 | 12.09% | 14.84% |
| G.3.5.5 | 2 - 3Y | 1,000.00 | 1,100.00 | 11.00% | 12.09% |
| G.3.5.6 | 3 - 4Y | 1,270.00 | 1,000.00 | 13.96% | 11.00% |
| G.3.5.7 | 4 - 5Y | 1,000.00 | 1,270.00 | 11.00% | 13.96% |
| G.3.5.8 | 5 - 10Y | 3,365.00 | 4,365.00 | 37.00% | 47.99% |
| G.3.5.9 | 10+Y | 0.00 | 0.00 | 0.00% | 0.00% |
| G.3.5.10 | Total | 9,095.00 | 9,095.00 | 100% | 100% |
| 6. Covered Assets - Currency | | Nominal [before hedging] (mn) | Nominal [after hedging] (mn) | % Total [before] | % Total [after] |
| G.3.6.1 | EUR | 0.00 | 0.00 | | |
| G.3.6.2 | USD | 0.00 | 0.00 | | |
| G.3.6.3 | GBP | 0.00 | 0.00 | | |
| G.3.6.4 | NOK | 0.00 | 0.00 | | |
| G.3.6.5 | CHF | 0.00 | 0.00 | | |
| G.3.6.6 | AUD | 0.00 | 0.00 | | |
| G.3.6.7 | CAD | 0.00 | 0.00 | | |
| G.3.6.8 | BRL | 0.00 | 0.00 | | |
| G.3.6.9 | CZK | 0.00 | 0.00 | | |
| G.3.6.10 | DKK | 0.00 | 0.00 | | |
| G.3.6.11 | HKD | 0.00 | 0.00 | | |
| G.3.6.12 | KRW | 0.00 | 0.00 | | |
| G.3.6.13 | SEK | 0.00 | 0.00 | | |
| G.3.6.14 | SGD | 0.00 | 0.00 | | |
| G.3.6.15 | Other | 0.00 | 0.00 | | |
| G.3.6.16 | Total | 0.00 | 0.00 | 0% | 0% |
| 7. Covered Bonds - Currency | | Nominal [before hedging] (mn) | Nominal [after hedging] (mn) | % Total [before] | % Total [after] |
| G.3.7.1 | EUR | 9,095.00 | 9,095.00 | 100.00% | |
| G.3.7.2 | USD | 0.00 | 0.00 | 0.00% | |
| G.3.7.3 | GBP | 0.00 | 0.00 | 0.00% | |
| G.3.7.4 | NOK | 0.00 | 0.00 | 0.00% | |
| G.3.7.5 | CHF | 0.00 | 0.00 | 0.00% | |
| G.3.7.6 | AUD | 0.00 | 0.00 | 0.00% | |
| G.3.7.7 | CAD | 0.00 | 0.00 | 0.00% | |
| G.3.7.8 | BRL | 0.00 | 0.00 | 0.00% | |
| G.3.7.9 | CZK | 0.00 | 0.00 | 0.00% | |
| G.3.7.10 | DKK | 0.00 | 0.00 | 0.00% | |
| G.3.7.11 | HKD | 0.00 | 0.00 | 0.00% | |
| G.3.7.12 | KRW | 0.00 | 0.00 | 0.00% | |
| G.3.7.13 | SEK | 0.00 | 0.00 | 0.00% | |
| G.3.7.14 | SGD | 0.00 | 0.00 | 0.00% | |
| G.3.7.15 | Other | 0.00 | 0.00 | 0.00% | |
| G.3.7.16 | Total | 9,095.00 | 0.00 | 100% | 0% |
| 8. Covered Bonds - Breakdown by interest rate | | Nominal (mn) | | % Covered Bonds | |
| G.3.8.1 | Fixed coupon | 8,895.00 | | 98% | |
| G.3.8.2 | Floating coupon | 200.00 | | 2% | |
| G.3.8.3 | Other | 0.00 | | 0% | |
| G.3.8.4 | Total | 9,095.00 | | 100% | |

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 30 September 2016

OPMB Cover Asset Pool

| 9. Substitute Assets - Type | | Nominal (mn) | % Substitute Assets | |
|---|---|---|------------------------------------|-----------------|
| G.3.9.1 | Cash | 0.00 | | |
| G.3.9.2 | Exposures to/guaranteed by governments or quasi | 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 | 0.00 | 0% | |
| 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% | |
| 11. Liquid Assets | | Nominal (mn) | % Cover Pool | % Covered Bonds |
| G.3.11.1 | Substitute and other marketable assets | 10,048.15 | 100.00% | 100.00% |
| 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 | 10,048.15 | 100% | 100% |
| 12. Bond List | | | | |
| G.3.12.1 | Bond list | https://www.coveredbondlabel.com/issuer/ | | |
| 13. Derivatives & Swaps | | | | |
| G.3.13.1 | Derivatives in the cover pool [notional] (mn) | 8,310.24 | | |
| 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 | | |
| 4. References to Capital Requirements Regulation | | | | |
| (CRR) 129(7) | | Row | Row | |
| <i>The issuer believes that, at the time of its issuance and based on transparency data made publicly available by the issuer, these covered bonds would satisfy the eligibility criteria for Article 129(7) of the Capital Requirements Regulation (EU) 648/2012. It should be noted, however, that whether or not exposures in the form of covered bonds are eligible for preferential treatment under Regulation (EU) 648/2012 is ultimately a matter to be determined by relevant investor institution and its relevant supervisory authority and the issuer does not accept any responsibility in this regard.</i> | | | | |
| G.4.1.1 | (i) Value of the cover pool outstanding covered bonds: | 38 | | |
| G.4.1.2 | (i) Value of covered bonds: | 39 | | |
| G.4.1.3 | (ii) Geographical distribution: | 43 for Mortgage Assets | #VIITTAUS! | |
| G.4.1.4 | (ii) Type of cover assets: | 52 | | |
| G.4.1.5 | (ii) Loan size: | 156 for Residential Mortgage Assets | 240 for Commercial Mortgage Assets | #VIITTAUS! |
| G.4.1.6 | (iii) Interest rate risk - cover pool: | 119 for Mortgage Assets | 161 | #VIITTAUS! |
| G.4.1.7 | (iii) Currency risk - cover pool: | 109 | | |
| G.4.1.8 | (iii) Interest rate risk - covered bond: | 161 | | |
| G.4.1.9 | (iii) Currency risk - covered bond: | 135 | | |
| G.4.1.10 | (Please refer to "Tab D. HTT Harmonised Glossary" for hedging strategy) | 17 for Harmonised Glossary | | |
| G.4.1.11 | (iii) Maturity structure of cover assets: | 65 | | |
| G.4.1.12 | (iii) Maturity structure of covered bonds: | 87 | | |
| G.4.1.13 | (iv) Percentage of loans more than ninety days past due: | 149 for Mortgage Assets | #VIITTAUS! | |
| 5. References to Capital Requirements Regulation | | | | |
| (CRR) 129(1) | | | | |
| G.5.1.1 | Exposure to credit institute credit quality step 1 & 2 | 171 | | |
| 6. Other relevant information | | | | |

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 30 September 2016

B1. Harmonised Transparency Template - Mortgage Assets

| Reporting in Domestic Currency | | EUR | |
|--------------------------------|---|---------------------|--------------------|
| CONTENT OF TAB B1 | | | |
| 7. Mortgage Assets | | | |
| 7. Mortgage Assets | | | |
| Field Number | 7. Mortgage Assets | | |
| 1. Property Type Information | | Nominal (mn) | % Total Mortgages |
| M.7.1.1 | Residential | 10,044.56 | 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 | 10,044.56 | 100% |
| 2. General Information | | Residential Loans | Commercial Loans |
| M.7.2.1 | Number of mortgage loans | 203056 | 0 |
| 3. Concentration Risks | | % Residential Loans | % Commercial Loans |
| M.7.3.1 | 10 largest exposures | 0.10 | 0.00 |
| 4. Breakdown by Geography | | % Residential Loans | % Commercial Loans |
| M.7.4.1 | European Union | 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 | |
| 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 |
| M.7.4.31 | Iceland | | |
| M.7.4.32 | Liechtenstein | | |
| M.7.4.33 | Norway | | |
| M.7.4.34 | Other | 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 | | |

OPMB Cover Asset Pool

| <i>5. Breakdown by domestic regions</i> | | % Residential Loans | % Commercial Loans | % Total Mortgages |
|---|------------------------|---------------------|--------------------|-------------------|
| M.7.5.1 | Aland Islands | 0.16 | | 0.16 |
| M.7.5.2 | Central Finland | 5.31 | | 5.31 |
| M.7.5.3 | Central Ostrobothnia | 1.14 | | 1.14 |
| M.7.5.4 | Etela-Savo | 2.30 | | 2.30 |
| M.7.5.5 | Ita-Uusimaa | 2.27 | | 2.27 |
| M.7.5.6 | Kainuu | 0.70 | | 0.70 |
| M.7.5.7 | Kanta-Hame | 5.21 | | 5.21 |
| M.7.5.8 | Kymenlaakso | 3.04 | | 3.04 |
| M.7.5.9 | Lapland | 1.48 | | 1.48 |
| M.7.5.10 | North Karelia | 2.61 | | 2.61 |
| M.7.5.11 | North Ostrobothnia | 8.85 | | 8.85 |
| M.7.5.12 | Ostrobothnia | 1.91 | | 1.91 |
| M.7.5.13 | Paijat-Hame | 3.39 | | 3.39 |
| M.7.5.14 | Pirkanmaa | 9.78 | | 9.78 |
| M.7.5.15 | Pohjois-Savo | 4.95 | | 4.95 |
| M.7.5.16 | Satakunta | 3.87 | | 3.87 |
| M.7.5.17 | South Karelia | 2.66 | | 2.66 |
| M.7.5.18 | South Ostrobothnia | 2.35 | | 2.35 |
| M.7.5.19 | Uusimaa | 27.53 | | 27.53 |
| M.7.5.20 | Varsinais-Suomi | 10.50 | | 10.50 |
| <i>6. Breakdown by Interest Rate</i> | | % Residential Loans | % Commercial Loans | % Total Mortgages |
| M.7.6.1 | Fixed rate | 1.13 | | 1.13 |
| M.7.6.2 | Floating rate | 98.87 | | 98.87 |
| M.7.6.3 | Other | | | |
| <i>7. Breakdown by Repayment Type</i> | | % Residential Loans | % Commercial Loans | % Total Mortgages |
| M.7.7.1 | Bullet / interest only | | | |
| M.7.7.2 | Amortising | 100.00 | | 100.00 |
| M.7.7.3 | Other | | | |
| <i>8. Loan Seasoning</i> | | % Residential Loans | % Commercial Loans | % Total Mortgages |
| M.7.8.1 | Up to 12 months | 5.30 | | 5.30 |
| M.7.8.2 | ≥ 12 – ≤ 24 months | 8.97 | | 8.97 |
| M.7.8.3 | ≥ 24 – ≤ 36 months | 10.23 | | 10.23 |
| M.7.8.4 | ≥ 36 – ≤ 60 months | 23.32 | | 23.32 |
| M.7.8.5 | ≥ 60 months | 52.18 | | 52.18 |
| <i>9. Non-Performing Loans (NPLs)</i> | | % Residential Loans | % Commercial Loans | % Total Mortgages |
| M.7.9.1 | % NPLs | 0.00 | | 0.00 |

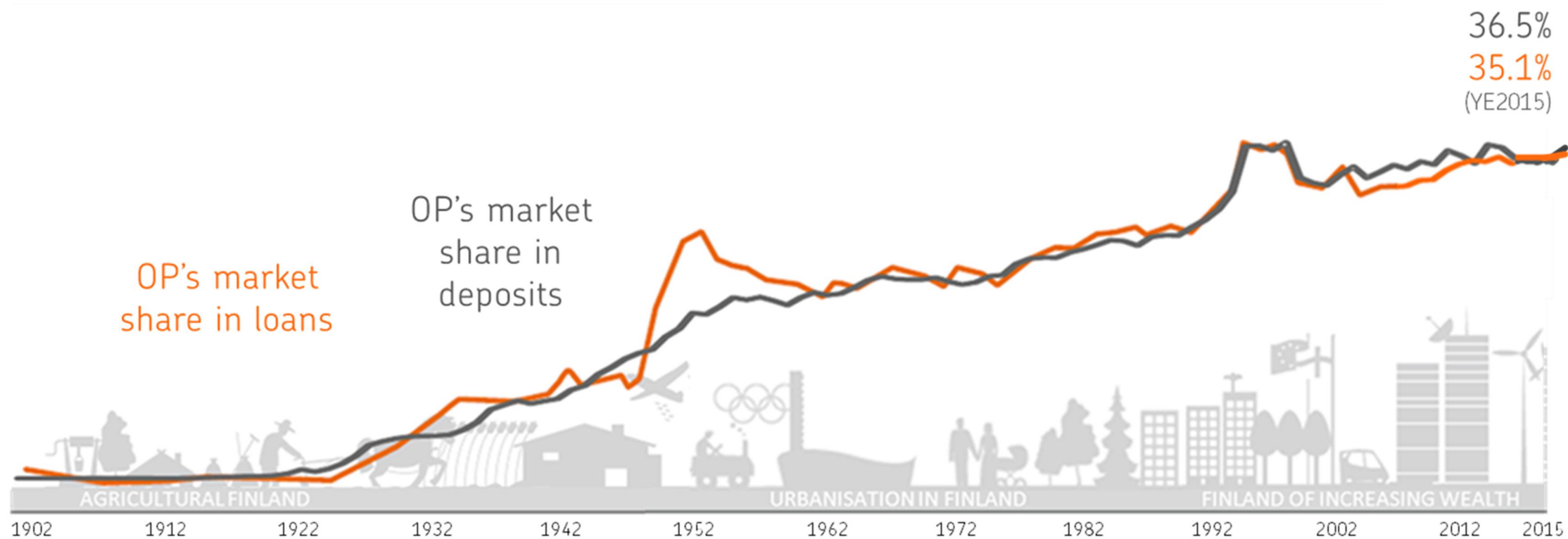
OPMB Cover Asset Pool

| 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) | 49.47 | | | | |
| | By buckets (mn): | | | | | |
| M.7A.10.2 | 0 - 0.025000 | 1,008.82 | 80784 | 10.04% | | 39.78% |
| M.7A.10.3 | 0.025001 - 0.050000 | 1,752.49 | 48068 | 17.45% | | 23.67% |
| M.7A.10.4 | 0.050001 - 0.100000 | 3,395.82 | 47807 | 33.81% | | 23.54% |
| M.7A.10.5 | 0.100001 - 0.150000 | 2,120.35 | 17572 | 21.11% | | 8.65% |
| M.7A.10.6 | 0.150001 - 0.200 000 | 983.97 | 5764 | 9.80% | | 2.84% |
| M.7A.10.7 | 0.200001 - 0.250000 | 432.65 | 1962 | 4.31% | | 0.97% |
| M.7A.10.8 | 0.250001 - 0.300000 | 168.70 | 622 | 1.68% | | 0.31% |
| M.7A.10.9 | 0.300001 - | 181.76 | 477 | 1.81% | | 0.23% |
| M.7A.10.26 | Total | 10,044.56 | 203056 | 100.00% | | 100.00% |
| 11. Loan to Value (LTV) Information - UNINDEXED | | Nominal | Number of Loans | % Residential Loans | % No. of Loans | |
| M.7A.11.1 | Weighted Average LTV (%) | 50.33 | | | | |
| | By LTV buckets (mn): | | | | | |
| M.7A.11.2 | >0 - <=40 % | 7,837.12 | 203056 | 78.02% | | 44.66% |
| M.7A.11.3 | >40 - <=50 % | 1,001.35 | 96060 | 9.97% | | 21.13% |
| M.7A.11.4 | >50 - <=60 % | 678.13 | 72770 | 6.75% | | 16.01% |
| M.7A.11.5 | >60 - <=70 % | 414.60 | 54269 | 4.13% | | 11.94% |
| M.7A.11.6 | >70 - <=80 % | 101.19 | 24362 | 1.01% | | 5.36% |
| M.7A.11.7 | >80 - <=90 % | 11.12 | 3619 | 0.11% | | 0.80% |
| M.7A.11.8 | >90 - <=100 % | 0.97 | 453 | 0.01% | | 0.10% |
| M.7A.11.9 | >100% | 0.08 | 37 | 0.00% | | 0.01% |
| M.7A.11.10 | Total | 10,044.56 | 454626 | 100.00% | | 100.00% |
| 12. Loan to Value (LTV) Information - INDEXED | | Nominal | Number of Loans | % Residential Loans | % No. of Loans | |
| M.7A.12.1 | Weighted Average LTV (%) | 44.06 | | | | |
| | By LTV buckets (mn): | | | | | |
| M.7A.12.2 | >0 - <=40 % | 8,487.01 | 203056 | 84.49% | | 59.31% |
| M.7A.12.3 | >40 - <=50 % | 858.28 | 69790 | 8.54% | | 20.38% |
| M.7A.12.4 | >50 - <=60 % | 454.45 | 40976 | 4.52% | | 11.97% |
| M.7A.12.5 | >60 - <=70 % | 178.32 | 19439 | 1.78% | | 5.68% |
| M.7A.12.6 | >70 - <=80 % | 55.55 | 6812 | 0.55% | | 1.99% |
| M.7A.12.7 | >80 - <=90 % | 9.98 | 2030 | 0.10% | | 0.59% |
| M.7A.12.8 | >90 - <=100 % | 0.98 | 285 | 0.01% | | 0.08% |
| M.7A.12.9 | >100% | 0.00 | 0 | 0.00% | | 0.00% |
| M.7A.12.10 | Total | 10,044.56 | 342388 | 100% | | 100% |
| 13. Breakdown by type | | % Residential Loans | | | | |
| M.7A.13.1 | Owner occupied | 97.11 | | | | |
| M.7A.13.2 | Second home/Holiday houses | 1.23 | | | | |
| M.7A.13.3 | Buy-to-let/Non-owner occupied | 1.66 | | | | |
| M.7A.13.4 | Other | | | | | |
| 14. Loan by Ranking | | % Residential Loans | | | | |
| M.7A.14.1 | 1st lien | 100.00 | | | | |
| M.7A.14.2 | Guaranteed | 0.00 | | | | |
| M.7A.14.3 | Other | 0.00 | | | | |

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 30 September 2016

OPMB Cover Asset Pool

| 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 | 0 | | | |
| M.7B.15.3 | 0,100001 - 0,200000 | 0 | 0 | | | |
| M.7B.15.4 | 0,200001 - 0,300000 | 0 | 0 | | | |
| M.7B.15.5 | 0,300001 - 0,400000 | 0 | 0 | | | |
| M.7B.15.6 | 0,400001 - 0,500000 | 0 | 0 | | | |
| M.7B.15.7 | 0,500001 - 0,600000 | 0 | 0 | | | |
| M.7B.15.8 | 0,600001 - 0,700000 | 0 | 0 | | | |
| M.7B.15.9 | 0,700001 - 0,800000 | 0 | 0 | | | |
| M.7B.15.10 | 0,800001 - 0,900000 | 0 | 0 | | | |
| M.7B.15.11 | 0,900001 - 1000000 | 0 | 0 | | | |
| M.7B.15.12 | 1000001 - | 0 | 0 | | | |
| M.7B.15.26 | Total | 0 | 0 | 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 | 0 | | | |
| M.7B.16.3 | >40 - <=50 % | 0 | 0 | | | |
| M.7B.16.4 | >50 - <=60 % | 0 | 0 | | | |
| M.7B.16.5 | >60 - <=70 % | 0 | 0 | | | |
| M.7B.16.6 | >70 - <=80 % | 0 | 0 | | | |
| M.7B.16.7 | >80 - <=90 % | 0 | 0 | | | |
| M.7B.16.8 | >90 - <=100 % | 0 | 0 | | | |
| M.7B.16.9 | >100% | 0 | 0 | | | |
| M.7B.16.10 | Total | 0 | 0 | 0% | 0% | |
| 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 | 0 | | | |
| M.7B.17.3 | >40 - <=50 % | 0 | 0 | | | |
| M.7B.17.4 | >50 - <=60 % | 0 | 0 | | | |
| M.7B.17.5 | >60 - <=70 % | 0 | 0 | | | |
| M.7B.17.6 | >70 - <=80 % | 0 | 0 | | | |
| M.7B.17.7 | >80 - <=90 % | 0 | 0 | | | |
| M.7B.17.8 | >90 - <=100 % | 0 | 0 | | | |
| M.7B.17.9 | >100% | 0 | 0 | | | |
| M.7B.17.10 | Total | 0 | 0 | 0% | 0% | |
| 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 | | | | | |



Debt IR contacts

Debt IR contacts



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Treasury

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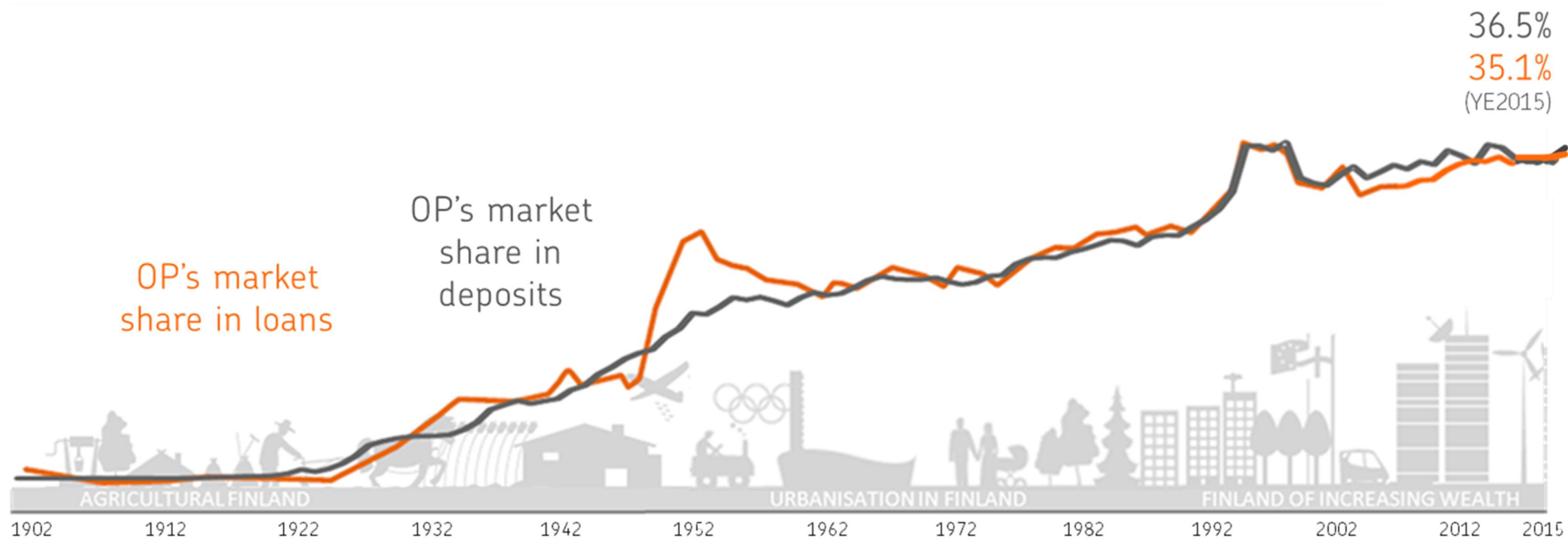
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Financial reports and background material online

- OP Financial Group: www.op.fi (English) > OP Financial Group > Media > Material service > OP Financial Group publications
- OP Corporate Bank plc: www.pohjola.com > Media > Material Service
- OP Mortgage Bank: www.op.fi (English) > OP Financial Group > Media > Material service > Subsidiaries' publications



Appendices

Bioeconomy as one of the new growth areas

- Branch of the economy using biological natural resources to create variety of products in the field of chemical, pharmaceutical, textile, packaging, food, energy and construction industries.
- Clean, environment saving technologies and efficient recycling are typical to bioeconomy.
- The significance of the forestry sector in Finland has been and will be great, as over one half of Finland's bioeconomy today relies on forests.
- The objective of the Bioeconomy Strategy is to push bioeconomy output up to €100 bn by 2025 and to create 100,000 new jobs.

16% of the total Finnish economy (i.e. turnover of €60 bn)

13% of total employment in Finland (i.e. 300,000 persons)

26% of total Finnish exports (i.e. €14 bn)

Group structure incl. major subsidiaries

1.7 million owner-customers, of which 90% households



178 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
 - A Insurance Ltd
 - Seesam insurance companies in Baltics

WEALTH MANAGEMENT

- OP Asset Management Ltd*
- OP Property Management Ltd*
- OP Life Assurance Company Ltd*
- OP Fund Management Company Ltd*

OTHER OPERATIONS

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

* OP Cooperative's ownership 100%

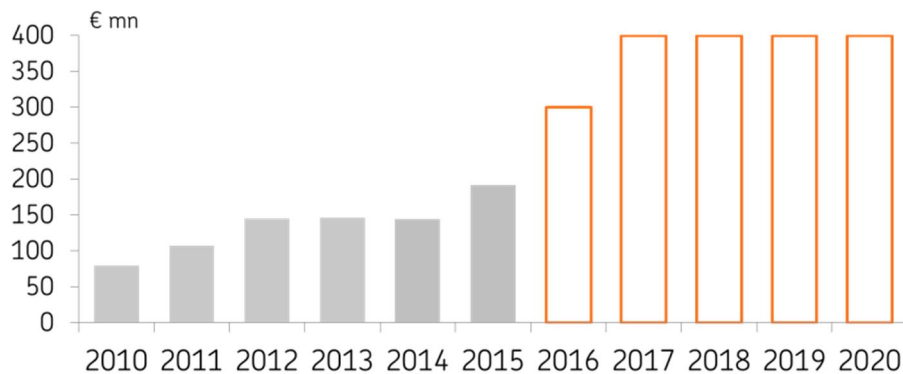
** Planned to be transferred to OP Cooperative's direct ownership in the future as a result of the completion of OP Cooperative's public voluntary bid for all OP Corporate Bank plc shares

*** OP Cooperative's control 2/3

OP adjusts to changing operating environment

New strategy aims to change OP from a plain financial services provider to a diversified services company of the digital era

OP's development expenditure, illustrative plan



OP's new strategy, published in June 2016, highlights **customer experience enhancement** by digitising services and processes.

Significant **investments of up to €2 bn** will be made in developing digital services **during next 5 years**.

In Q3/2016, OP initiated a large-scale **development programme to speed up the digitisation** of its services. New strategy will be put into practice within the framework of **15 strategic development programmes**.

Health and wellbeing services to become OP's fourth business line*

2013: ESTABLISHING PHASE

First Pohjola Hospital (Omasairaala Hospital until end-July 2016) was opened in Helsinki

- New innovative services in the field of specialised medicine and occupational health in addition to orthopaedics, rehabilitation units, comprehensive diagnostic and laboratory services
- Faster clinical pathway and more efficient claims handling process resulting to incomparable customer satisfaction (NPS 96 in H1/2016)

2016–2019: EXPANSION TO UNIVERSITY HOSPITAL CITIES

Pohjola Hospital in Tampere was opened in August 2016 and 3 new Pohjola Hospitals are under construction in Oulu (April 2017), Kuopio (August 2017) and Turku (January 2018).

2017–2019: NATIONWIDE MEDICAL CENTRE NETWORK

Pohjola Medical Centres to be opened across Finland to supplement the Pohjola Hospitals based in university hospital cities to create a nationwide health and wellbeing service network

- General practitioner and specialist services as well as diagnostics services
- Pohjola Medical Centres to provide referrals to Pohjola Hospitals

NATIONWIDE
ACCESSIBILITY
THROUGH DIGITAL
SERVICES DESIGNED
FOR HEALTH AND
WELLBEING



* Reported as part of Non-life Insurance segment until further announcement

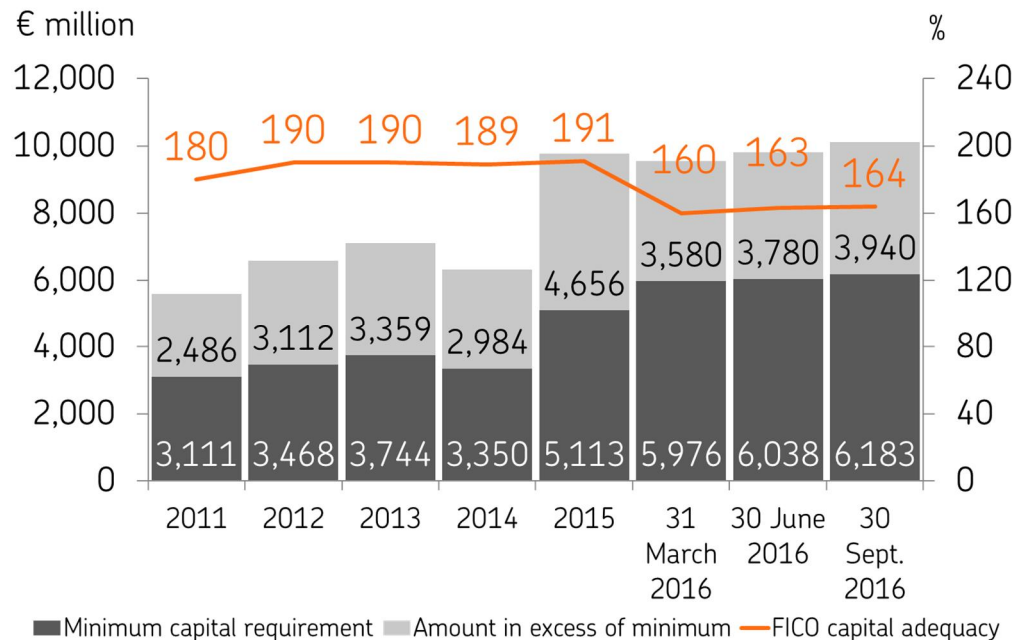
OP's group-level strategic targets

(strategy published in June 2016)

| INDICATOR | NEW TARGET | PREVIOUS TARGET | Q1-3/2016 | 2015 |
|---|---|------------------------|------------------------------|-----------|
| CET1 ratio | 22% | 18% by the end of 2016 | 19.7% | 19.5% |
| Return on economic capital (12-month rolling) | 22% | 20% | 22.2% | 21.5% |
| Expenses of present-day business | Expenses in 2019 lower than in 2015 (€1,520 mn) | - | €1,526 mn (12-month rolling) | €1,520 mn |
| Owner-customers, number | 2.1 mn by 2019 | - | 1.7 mn | 1.5 mn |
| Customer experience (CX)*, NPS for brand | 25 | - | 15 | - |
| NPS for service | 70 (over time 90) | - | 52 | - |

* 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.

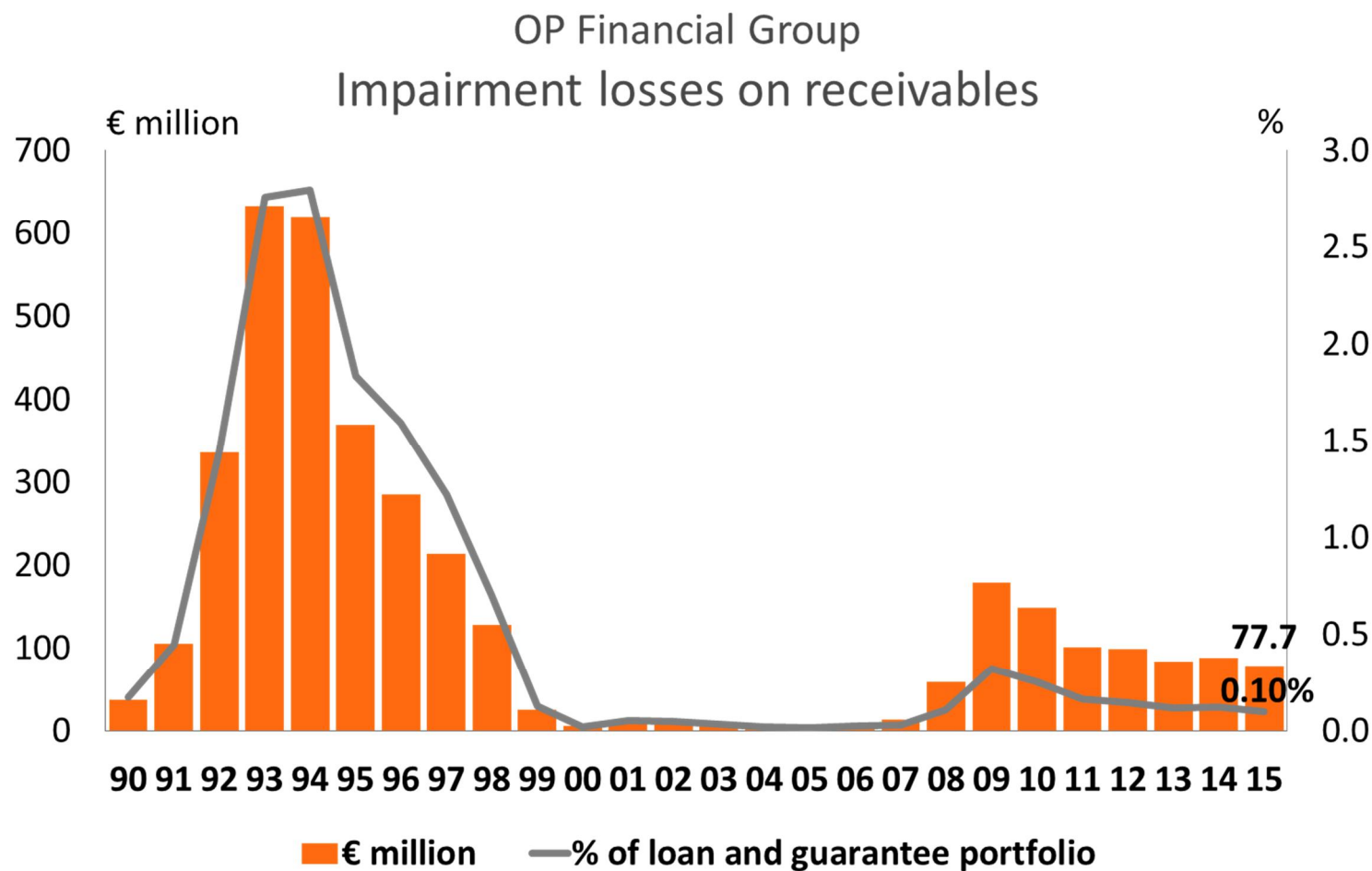
Capital Adequacy under the Act on the Supervision of Financial and Insurance Conglomerates



Statutory minimum requirement 100%, whereas OP's minimum target 160%

- In Q1-3/2016, capital adequacy buffer was decreased by
 - capital conservation buffer of the Other Systemically Important Institution (O-SII) of 2% adopted at the beginning of 2016 (-22 pps) and
 - decline in insurance business valuation differences
- O-SII buffer of 2% increased the consolidated capital adequacy requirement from 10.5% to 12.5%, calculated as percentage of RWA
- Since the beginning of 2016, insurance-sector solvency has been calculated in compliance with Solvency II and the FICO capital adequacy figures since then have been presented in view of the transitional provisions
- Fin-FSA decided on 14 June 2016 to take measures to introduce a credit institution-specific minimum level of 10% for the average risk weight on housing loans of credit institutions that have adopted the IRBA. The minimum level would come into force on 1 July 2017 at the latest. Minimum RW of 10% on housing loans would lower OP's FICO capital adequacy by 7,0 pps.

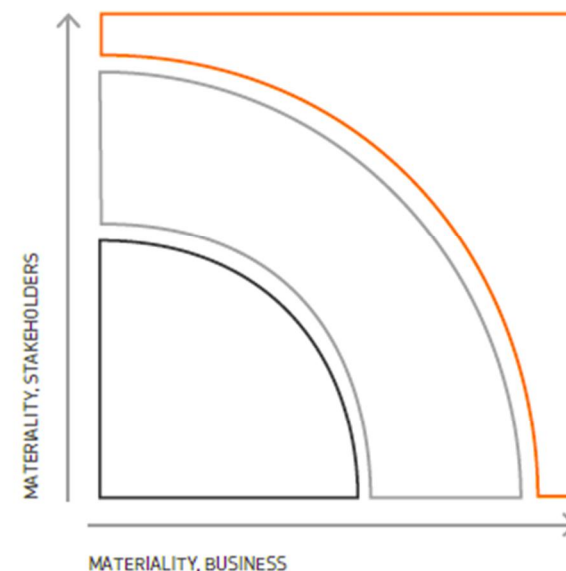
Impairment losses at a very moderate level



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

CSR activities take economic, social and environmental responsibility into consideration

CSR MATERIALITY ANALYSIS



CODE OF BUSINESS ETHICS

By the beginning of 2016, 80% of OP's employees had completed the designated online course and committed to following the Code

OP aims to be a pioneer in CSR within the Finnish financial sector

INTERNATIONAL CSR COMMITMENTS



OP Financial Group signed the UN Global Compact initiative in 2011, becoming committed to the initiative's ten principles on human rights, labour standards, environment and anti-corruption.



OP Asset Management Ltd and OP Fund Management Company Ltd signed the UN Principles for Responsible Investment (UNPRI) in 2009, among the first Finnish asset managers. Since April 2016 OP Wealth Management has been OP Financial Group's UNPRI signatory including OP Asset Management Ltd, OP Fund Management Company Ltd and OP Property Management Ltd.



OP signed the Montréal Carbon Pledge in 2015 and thereby committed to measure the carbon footprint of its funds.

PARTICIPATION IN CSR ORGANISATIONS

- OP is one of the founding members of Finland's Sustainable Investment Forum (FINSIF)
- OP is involved in Finnish FIBS CR Network, the Corporate Social Responsibility and Co-operative Affairs Working Group of the European Association of Co-operative Banks (EACB) as well as the Communication and CSR Committee of Unico Banking Group

CSR REPORTING

OP Financial Group has prepared its Corporate Social Responsibility Report in compliance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines.



Since FY2015, OP's CSR Report has been assured with KPMG, a firm of authorised public accountants, performing the assurance. CSR Report is integrated with the Group's Annual Report.

OP's and its issuing entities' performance in CSR indices

OP Financial Group



OP Corporate Bank



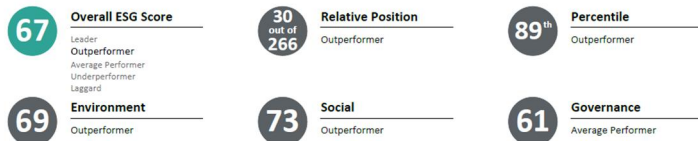
OP Financial Group



Industry: Diversified Financials Marketcap.: Employees: 12,130
Domicile: Finland Ticker:

ESG Summary

Overall Performance



OP's survey
score 2015:
91/100
(2014: 85/100)

OP Mortgage Bank



OP Financial Group's earnings analysis

| € million | Q1-3/2016 | Q1-3/2015 | 2015 |
|---|--------------|--------------|--------------|
| Net interest income | 799 | 767 | 1 026 |
| Net insurance income | 418 | 399 | 527 |
| Net commissions and fees | 637 | 652 | 855 |
| Net investment income | 282 | 368 | 432 |
| Other operating income | 104 | 33 | 46 |
| Share of associates' profit/loss | 5 | 6 | 9 |
| Total income | 2 245 | 2 225 | 2 894 |
| Personnel costs | 563 | 573 | 781 |
| Depreciation/amortisation and impairment loss | 116 | 120 | 162 |
| Other operating expenses | 458 | 411 | 577 |
| Total expenses | 1 136 | 1 105 | 1 520 |
| Impairment loss on receivables | 36 | 47 | 78 |
| New OP bonuses accrued to owner-customers | 154 | 147 | 197 |
| Earnings before tax | 921 | 926 | 1 101 |

OP Financial Group's key figures

| | 30 Sept. 2016 | 31 Dec. 2015 | 31 Dec. 2014 | 31 Dec. 2013 | 31 Dec. 2012 | 31 Dec. 2011 | 31 Dec. 2010 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total assets, € million | 134 264 | 125 145 | 110 427 | 100 991 | 99 769 | 91 905 | 83 969 |
| Receivables from customers, € million | 77 846 | 75 192 | 70 683 | 68 142 | 65 161 | 60 331 | 56 834 |
| Liabilities to customers, € million | 59 636 | 58 220 | 51 163 | 50 157 | 49 650 | 41 304 | 36 443 |
| Equity capital, € million | 10 073 | 9 324 | 7 213 | 7 724 | 7 134 | 6 242 | 6 726 |
| CET1 ratio, % | 19.7 | 19.5 | 15.1 | 17.1 ^a | 14.1 ^b | 14.0 ^b | 12.6 ^b |
| Capital adequacy ratio, % | 22.6 | 22.9 | 17.3 | 19.8 ^a | 14.1 | 14.0 | 12.8 |
| Over 90 days past due receivables*, € million | 391 | 319 | 270 | 292 | 311 | 296 | 204 |
| Ratio of over 90 days past due receivables* to loan and guarantee portfolio, % | 0.49 | 0.41 | 0.37 | 0.41 | 0.46 | 0.47 | 0.34 |
| Loan and guarantee portfolio, € billion | 80.5 | 77.8 | 73.6 | 71.0 | 67.7 | 62.8 | 59.4 |
| Impairment loss on receivables, € million | 36 ^d | 78 ^c | 88 ^c | 84 ^c | 99 ^c | 101 ^c | 149 ^c |
| Impairment loss on receivables / loan and guarantee portfolio, % | 0.06 ^d | 0.10 ^c | 0.12 ^c | 0.12 ^c | 0.15 ^c | 0.16 ^c | 0.25 ^c |
| Personnel | 12 248 | 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

OP Financial Group's key ratios

| | Q1-3/2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|-----------|------|------|------|------|------|------|
| Average corporate loan margin, % ^a | 1.38 | 1.38 | 1.44 | 1.57 | 1.52 | 1.34 | 1.36 |
| Cost/income ratio, % | 51 | 53 | 56 | 62 | 63 | 63 | 59 |
| Return on equity (ROE), % | 10.2 | 10.3 | 8.1 | 8.9 | 7.0 | 6.8 | 6.9 |
| Return on assets (ROA), % | 0.8 | 0.7 | 0.6 | 0.7 | 0.5 | 0.5 | 0.5 |

a) OP Corporate Bank's corporate loan portfolio