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Effect of costs on investment return

With examples, this document illustrates charges and fees related to products and trading services under the OP Savings and Investments Agreement that affect investment return, in view of the investment risk category. On the basis of such information, investors receive extensive and transparent information on the cost structure included in the agreement and may make their investment decisions based on this information. This document forms part of the list of service charges and fees, supplementing other information related to products and services provided by the bank on charges, fees and the commissions payable to third parties. The latest version of the document is available at op.fi.

Securities custody and service packages

Securities custody is a service making it possible to keep securities in custody and monitor them and it also shows an overall picture of assets under management. The service provides summaries of the total value of investment and their breakdown by investment instrument. Furthermore, the service offers annual investment transactions and return data as well as a Statement of Capital Gains.

The services for equity investors consist of two packages depending on trading activity. The saver's service package consists of securities custody, book-entry account and OP's equity research. In addition to the above-mentioned services, the investor's service package includes a market monitoring tool and real-time price data, which provide sufficiently extensive information even for daily equity trading. In addition to the service package fee, custody of international securities is subject to an annual charge of 0.1% of the market value of the international equities managed.

Equities, stock options, warrants

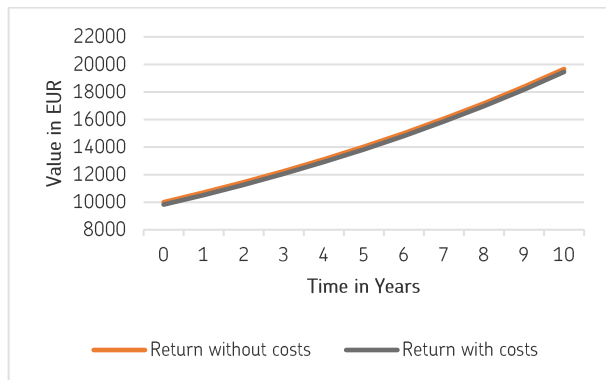
Charges related to equities, stock options and warrants are made up of trading fees and securities custody fees. Trading fees include a brokerage fee, service fee and, in certain foreign investments, a clearing fee, financial transaction tax as well as a currency exchange charge, if any. Trading fees will be charged from the client on the trade execution date when book entries are recorded. In orders for securities, the client makes an order with an OP cooperative bank which transmits it to OP Corporate Bank. OP Corporate Bank charges the brokerage fee and the service fee from the client. OP Corporate Bank pays OP cooperative banks a sales commission for the products. OP cooperative banks typically receive a brokerage fee and service fee from OP Corporate Bank in full in terms of a sales commission. The brokerage fees in buy orders will be added to the transaction amount and in sales they will be deducted from the transaction amount.

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Example 1: The client buys equities of a company listed on the Helsinki Stock Exchange through OP eServices at the price of 10,000 euros. OP Corporate Bank plc charges a fee for the order, a maximum of 0.2% of the transaction price (but a minimum of 9 euros), totalling 20 euros in this example.

The total amount paid by the client is 10,020 euros in this example. OP Corporate Bank will pay the client's own OP cooperative bank the brokerage fee paid by the client as a sales commission, the sales commission is 20 euros in this example.

Effect of costs on the expected return



The expected return used in the graphic example is an 7% annual return and it only illustrates a long-term effect of costs on the investment return. The example does not reflect the product's historical or expected performance.

Product risk category

Low (L) Medium (M) High (H)

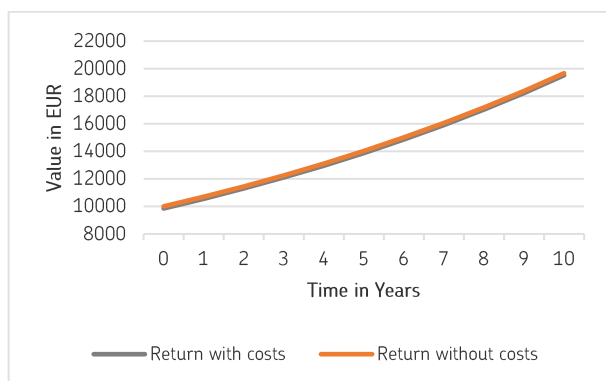
Costs based on the example for the holding period

Purchase costs (€) in case the cost is 0.2%	Annual average ongoing costs	Transfer costs (€) in case the cost is 0.2%
20 €	-	39,34 €
Annual calculated costs for the holding period (€/ % of holding)		
Investment horizon 1 year	Investment horizon 5 years	Investment horizon 10 years
41 €	10 €	5,93 €
0,39 %	0,08 %	0,03 %

Example 2: The client buys equities of a company listed on the New York Stock Exchange through OP eServices at the price of 10,000 euros, which are denominated in US dollars. In non-euro transactions, OP will automatically exchange the currency on behalf of the client. The resulting foreign exchange charge accounts for 0.3% of the OP Corporate Bank's average exchange rate quoted at the processing time. OP charges a fee for the order, which is a maximum of 0.2% of the transaction price (but a minimum of 9 euros).

So, the total amount paid by the client is 10,050 euros, including the brokerage fee of 20 euros and the currency exchange charge of 30 euros. OP Corporate Bank will pay the client's own OP cooperative bank the brokerage fee paid by the client as a sales commission, the sales commission is 20 euros in this example.

Effect of costs on the expected return



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Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

Purchase costs (€) in case the cost is 0.2%	Annual average ongoing costs	Transfer costs (€) in case the cost is 0.2% of the transaction amount
50 €	-	98,36 €
Annual calculated costs for the holding period (€/ % of holding)		
Investment horizon 1 year	Investment horizon 5 years	Investment horizon 10 years
104 €	25 €	14,84 €
1,00 %	0,21 %	0,10 %

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ETPs – Exchange-traded products (ETC, ETF, ETN)

Charges related to ETPs are made up of trading fees, securities custody fees and a management fee for the product, if any. Trading fees include a brokerage fee, service fee and, in certain foreign investments, a clearing fee, and a currency exchange charge, if any. OP Corporate Bank charges the brokerage fee and the service fee from the client. OP Corporate Bank pays OP cooperative banks a sales commission for the products. OP cooperative banks typically receive a brokerage fee and service fee from OP Corporate Bank in full in terms of a sales commission. ETPs often have a management fee that typically varies between 0 and 2%, depending on the product and issuer. Such a fee is not an amount charged by OP but the product's issuer will automatically deduct it from the value of the financial instrument. More detailed information on the ETP management fees can be found in Key Information Documents.

Example 3: The client invests 10,000 euros in an ETF listed on Deutsche Börse, with the management fee being 0.5%. OP charges a brokerage fee for the order, a maximum of 0.2% of the transaction price (but a minimum of 9 euros), totalling 20 euros in this example.

The total amount paid by the client is 10,020 euros. OP Corporate Bank will pay the client's own OP cooperative bank the brokerage fee paid by the client as a sales commission, the sales commission is 20 euros in this example.

Effect of costs on the expected return



The expected return used in the graphic example is an 7 % annual return and it only illustrates a long-term effect of costs on the investment return. The example does not reflect the product's historical or expected performance.

Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

Purchase costs (€) in case the cost is 0.2% of the transaction cost	Annual average ongoing costs	Transfer costs (€) in case the cost is 0.2% of the transaction amount
20 €	71,50 €	37,44 €
Annual calculated costs for the holding period (€/ % of holding)		
Investment horizon 1 year	Investment horizon 5 years	Investment horizon 10 years
93 €	69 €	77,24 €
0,90 %	0,59 %	0,55 %

Issue of and trading in structured notes in secondary markets

The cost related to issues of structured notes is made up of a structuring cost that appears from the terms and conditions of each bond. The structuring cost is included in the note subscription price. More detailed information on the product-specific costs of the structured notes to be issued and the effect on the return can be found in the Key Information Document of each product. In respect of structured notes, OP Corporate Bank will pay an OP cooperative bank a commission arising from structuring costs; the OP cooperative bank typically receives the cost in terms of commission in its entirety from OP Corporate Bank.

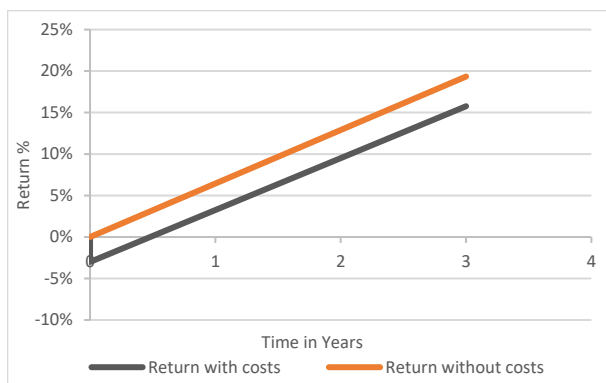
After issues in the structured note secondary markets, the cost is made up of the difference between the base price modelled by OP Financial Group and the purchase price of OP Financial Group in case the client sells notes to OP Financial Group in secondary markets. If the client buy structured notes from OP Financial Group in secondary markets, the cost is made up of the difference between OP Financial Group's selling price and the base price modelled by OP Financial Group. OP Corporate Bank plc seeks to give buy quotes to the note during its term to maturity in normal market conditions. The cost of a secondary market transaction accounts for either 0–2% if the product's face value or is the cost indicated in the Key Information Document. In respect of structured notes, OP Corporate Bank will pay an OP cooperative bank a commission arising from any secondary market transaction cost; the OP cooperative bank typically receives the cost in terms of commission in its entirety from OP Corporate Bank.

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Example 4: The client invests through an OP cooperative bank a structured note issued by OP Corporate Bank at the price of 10,000 euros. The note's term to maturity is 3 years. The structuring cost accounting for 3% of the face value, 300 euros in this example, is included in the subscription price. OP Corporate Bank will pay the full structuring cost to the OP cooperative bank in terms of commission, which means 300 euros in this example.

Based on the example, the graph illustrates the cumulative return difference between the free-of-charge note and the note with a charge.

Effect of costs on the expected return



The expected return used in the graphic example is an 5% annual return and it only illustrates a long-term effect of costs on the investment return. The example does not reflect the product's historical or expected performance.

Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

Face value 10,000 euros		
Purchase costs (€) in case the cost is 3% of face value	Average annual ongoing costs in case the holding amounts to €10,000	Transfer costs (€)
300 €	-	-

Example 5: The client has bought structured notes issued by OP Corporate Bank at the price of 10,000 euros. The note's term to maturity is 5 years. The structuring cost accounting for 5% of the face value, 500 euros in this example, is included in the subscription price. The value of the holding after costs is 12,155 euros after four years of maturity and the client sells the note in secondary markets through the OP cooperative bank.

The bid quote issued by OP Corporate Bank includes a 2% secondary market cost of the note's face value. The secondary market transaction cost totals 200 euros, which means that the total amount paid to the client is 11,955 euros. OP Corporate Bank will pay the secondary market cost to the OP cooperative bank in its entirety, or 200 euros in this particular example.

Based on the example, the graph illustrates the cumulative return difference between the free-of-charge note and the note with a charge.

Effect of costs on the expected return



The expected return used in the graphic example is an 5% annual return and it only illustrates a long-term effect of costs on the investment return. The example does not reflect the product's historical or expected performance.

Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

Face value 10,000 euros		
Purchase costs (€) in case the cost is 5% of face value	Average annual ongoing costs in case the holding amounts to €10, 000	Transaction costs (€) in case the cost accounts for 2%
500 €	-	200 €

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Mutual funds

Mutual fund costs are made up of the cost of subscription and redemption and a management fee that may be fixed or based on performance. The Key Investor Information Document of each fund describes costs that include not only a fixed management fee but also all charges related to the fund's investments, excluding the fund's trading costs. The costs by fund can be found in the fund's Key Investor Information Document (KIID), the fund prospectus and the annual report.

Subscription and redemption fees will be charged directly from the client. All other abovementioned costs will be charged from the fund's assets.

Example 6: The client invests 10,000 euros through OP eServices in OP-Moderate managed by OP Fund Management Company, whose subscription fee is 0.0%. The Fund's annual ongoing costs are 1.37%, including a 1.25% management fee. The subscription fee will be deducted directly from the subscription amount, in which case the total amount of 10,000 euros paid by the client consists of the subscription amount of 10 000 euros and the subscription fee of 0 euro. OP Fund Management Company will charge an annual management fee directly from the fund's value. The Fund's redemption fee is 0.5%.

OP Fund Management Company will pay 33% of the annual management fee to an OP Financial Group branch as long as the related capital remains invested in the fund. The amount of ongoing costs and the management fee in euros depends on the investment value performance. In the example, if the investment's value averaged 10,000 euros within a year, the ongoing costs would amount to 10,000 euros x 1.37%, which equals 137 euros a year that includes 125 euros in management fees. Out of the management fee, a sales commission of 41.25 euros will be paid to the OP Financial Group branch. The fund has paid trading costs of 0.02% related to investments = 2 euros.

Effect of ongoing costs on the expected return



The expected return used in the graphic example is a 4.0% annual net return and a 5.4% annual gross return of OP-Moderate and it only illustrates a long-term effect of costs on the investment return. The example does not necessarily reflect the product's future or expected performance. The product's notified risk category is based on SRI.

Product risk category

Low (L) **Medium (M)** High (H)

Costs based on the example for the holding period

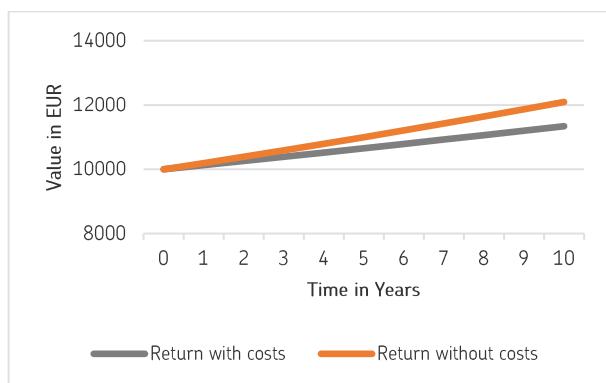
Purchase costs (€) in case the cost is 0%	Annual average ongoing costs based on the example	Transfer costs (€) in case the cost is 0.5%
0 €	169 €	73 €
Annual calculated costs for the holding period (€/ % of holding)		
Investment horizon 1 year	Investment horizon 5 years	Investment horizon 10 years
193,75 €	166 €	176,76 €
1,90 %	1,50 %	1,45 %

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Example 7: The client invests 10,000 euros through OP eServices in OP-Fixed Income Portfolio managed by OP Fund Management Company, whose subscription fee is 0.0%. The Fund's annual ongoing costs are 0.63%, including a 0.6% management fee. The subscription fee will be deducted directly from the subscription amount, in which case the total amount of 10,000 euros paid by the client consists of the subscription amount of 10 000 euros and the subscription fee of 0 euro. OP Fund Management Company will charge an annual management fee directly from the fund's value. The Fund's redemption fee is 0.5%.

OP Fund Management Company will pay 33% of the annual management fee to an OP Financial Group branch as long as the related capital remains invested in the fund. The management fee amount in euros depends on the investment value performance. In the example, if the investment's value averaged 10,000 euros within a year, the ongoing costs would amount to 10,000 euros x 0.63%, which equals 63 euros a year that includes 60 euros in management fees. Out of the management fee, a sales commission of 19.8 euros will be paid to the OP Financial Group branch. The fund has paid trading costs of 0.00% related to investments = 0 euros.

Effect of ongoing costs on the expected return



The expected return used in the graphic example is a 1.3% annual net return and an annual 1.9% gross return of OP-Fixed Income Portfolio and it only illustrates a long-term effect of costs on the investment return. The example does not necessarily reflect the product's future or expected performance. The product's notified risk category is based on SRI.

Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

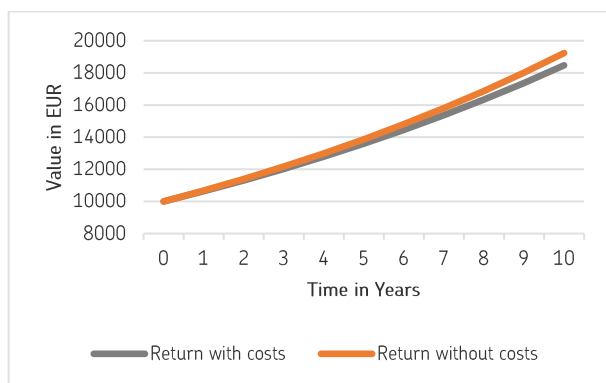
Purchase costs (€) in case the cost is 0%	Annual average ongoing costs based on the example	Transfer costs (€) in case the cost is 0.5%
0 €	80 €	79 €
Annual calculated costs for the holding period (€/ % of holding)		
Investment horizon 1 year	Investment horizon 5 years	Investment horizon 10 years
117 €	84 €	88 €
1,15 %	0,74 %	0,69 %

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Example 8: The client invests 10,000 euros through OP eServices in OP-America Index managed by OP Fund Management Company, whose subscription fee is 0.06%. The Fund's annual ongoing costs are 0.39%, including a 0.39% management fee. The subscription fee will be deducted directly from the subscription amount, in which case the total amount of 10,000 euros paid by the client consists of the subscription amount of 9,994 euros and the subscription fee of 6 euros. OP Fund Management Company will charge an annual management fee directly from the fund's value. The Fund's redemption fee is 0.06%.

OP Fund Management Company will pay 33% of the annual management fee to an OP Financial Group branch as long as the related capital remains invested in the fund. The management fee amount in euros depends on the investment value performance. In the example, if the investment's value averaged 10,000 euros within a year, the ongoing costs would amount to 10,000 euros x 0.39%, which equals 39 euros a year that includes 39 euros in management fees. Out of the management fee, a sales commission of 12.87 euros will be paid to the OP Financial Group branch. The fund has paid trading costs of 0.02% related to investments = 2 euros.

Effect of ongoing costs on the expected return



The expected return used in the graphic example is a 6.37% annual net return and an annual 6.76% gross return of OP- America Index and it only illustrates a long-term effect of costs on the investment return. The example does not necessarily reflect the product's future or expected performance. The product's notified risk category is based on SRI.

Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

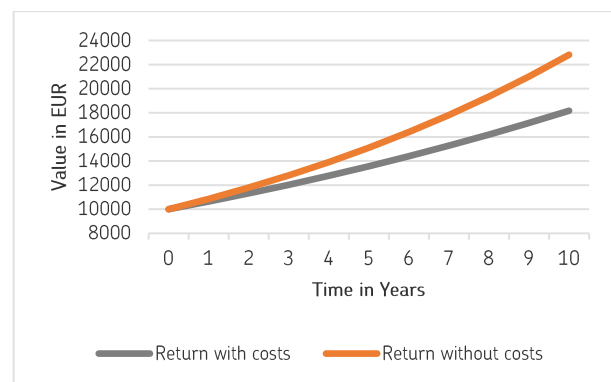
Purchase costs (€) in case the cost is 0.06%	Annual average ongoing costs based on the example	Transfer costs (€) in case the cost is 0.06%
6 €	57 €	11 €
Annual calculated costs for the holding period (€/ % of holding)		
Investment horizon 1 year	Investment horizon 5 years	Investment horizon 10 years
59 €	51 €	58,33 €
0,58 %	0,43 %	0,42 %

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Example 9: The client invests 10,000 euros through OP eServices in OP-World managed by OP Fund Management Company, whose subscription fee is 0.75%. The Fund's annual ongoing costs are 1.88%, including a 1.6% management fee. The subscription fee will be deducted directly from the subscription amount, in which case the total amount of 10,000 euros paid by the client consists of the subscription amount of 9,925 euros and the subscription fee of 75 euros. OP Fund Management Company will charge an annual management fee directly from the fund's value. The Fund's redemption fee is 0.75%.

OP Fund Management Company will pay 33% of the annual management fee to an OP Financial Group branch as long as the related capital remains invested in the fund. The amount of ongoing costs and the management fee in euros depends on the investment value performance. In the example, if the investment's value averaged 10,000 euros within a year, the ongoing costs would amount to 10,000 euros x 1.88%, which equals 188 euros a year that includes 160 euros in management fees. Out of the management fee, a sales commission of 52.80 euros will be paid to the OP Financial Group branch. The fund has paid trading costs of 0.24% related to investments = 24 euros.

Effect of ongoing costs on the expected return



The expected return used in the graphic example is a 6.8% annual net return and a 8.6% annual gross return of OP-World and it only illustrates a long-term effect of costs on the investment return. The example does not necessarily reflect the product's future or expected performance. The product's notified risk category is based on SRI.

Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

Purchase costs (€) in case the cost is 0.75%	Annual average ongoing costs based on the example	Transfer costs (€) in case the cost is 0.75%
75 €	291 €	136 €
Annual calculated costs for the holding period (€/ % of holding)		
Investment horizon 1 year	Investment horizon 5 years	Investment horizon 10 years
373,56 €	284 €	312,52 €
3,62 %	2,42 %	2,27 %

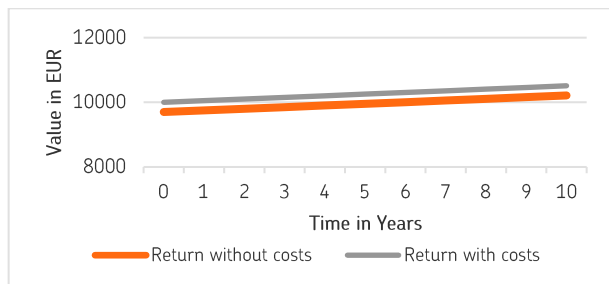
Trading in bonds on secondary markets

The secondary market costs of bonds are made up of the difference between the client fee and OP Corporate Bank's base price and custody and clearing fees related to securities. The base price is either the best possible price at which OP Corporate Bank is able to cover the risk on the markets, or a price better than this. The cost of a trade in bonds in secondary markets is 0–3% of the face value. The OP cooperative bank typically receives from OP Corporate Bank the cost of a secondary market transaction in full as a sales commission. Non-euro bond transactions are subject to a charge for foreign exchange trade whose determination bases can be found in section *Foreign exchange trade in the context of securities trade* below. Trading fees will be charged from the client on the value date when the securities transaction is executed. Certain bonds are subject to a bank transfer or clearing fee arising from entry in book-entry accounts. This is typically 5 euros and will be charged separately when a securities custody fee is paid.

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Example 10: The client buys bonds worth 10,000 euros in face value issued by Nokia Corporation at the rate of 100.00%. OP Corporate Bank's base price is 97.00. The cost is 300 euros and it is charged as part of the client fee.

Effect of ongoing costs on the expected return



The expected return used in the graphic example is a 0.5% annual return and it only illustrates a long-term effect of costs on the investment return. The example does not reflect the product's historical or expected performance.

Product risk category

Low (L) Medium (M) High (H)

Costs based on the example for the holding period

Face value 10,000 euros		
Purchase costs (€) in case the cost is 3.0%	Average annual ongoing costs in case the holding amounts to 10,000 euros	Transfer costs (€)
300 €	-	300 €

Issues and trading in subscription rights

Subscription for shares means their purchase during their issue. At subscription, the client undertakes to subscribe for the share on the terms of the issue concerned. No costs will be charged for the subscription at the time of the subscription. In issues arranged by OP Financial Group, the OP cooperative bank will be paid a commission of the allocated and paid underwriting commitment capital, typically ranging from 0.5% to 1.5%.

Subscription for bonds means their purchase during their issue. At subscription, the client undertakes to subscribe for the bond on the terms of the issue concerned. The client will not incur any costs due to the subscription. In issues arranged by OP Financial Group, the OP cooperative bank will be paid a commission of the allocated and paid underwriting commitment capital, typically ranging from 0% to 3%.

Trading in subscription rights is subject to corresponding fees as trading in equities. For keeping subscription rights in custody, the client must have a securities custody account and a book-entry account, i.e. the client must have any of the equity investor's packages in use.

Foreign exchange trade in the context of securities trade

If a security is quoted in a non-euro currency and the client has no cash account in the product's quotation currency, an OP Financial Group company will automatically execute the foreign exchange transaction on behalf of the client as part of the transaction clearing process. The price of the foreign exchange transaction depends on the currency pair subject to the foreign exchange transaction and the size of the foreign exchange transaction. The client will pay for the difference between OP Corporate Bank's average rate and exchange rate and that cost is included in the total transaction amount charged from the client.

The foreign exchange transaction cost with an equivalent value of less than 1,000,000 euros (USD, SEK, DKK, NOK, CHF, GBP and CAD) in exchange transactions done in connection with equity transactions executed through op.fi accounts for 0.3% of OP Corporate Bank's quoted average rate. When it comes to equity transactions, the cost of larger foreign exchange transactions than this or that of transactions executed through a broker is determined on a case-by-case basis, with the cost accounting for a maximum of 0.3% of the average rate quoted by OP Corporate Bank at the time of processing the transaction.

The exchange rate used in connection with other forex transactions is the list rate quoted by OP Corporate Bank plc at the time of the payment transaction. The Bank sell rate shall apply to outgoing payments and the Bank buy rate to incoming payments. In payments requiring foreign exchange trading, OP Corporate Bank plc's market rate at the time of the trading shall apply. List exchange rates are applied for orders less than 50,000 euros or equivalent value.

In orders over 50,000 euros, a separate foreign exchange transaction will be executed, in which case the rate used in the client's order is not necessarily according to the list rate. In these cases, the client's order will always, however, be executed at least as at as good rate as, or better rate than, the list rate from the client's perspective.

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Available at op.fi, the valid list rates are updated four times a day: by 9.30 am, at approximately 12.30 pm and twice in the afternoon at approximately 3.30 pm and 5.00 pm. Whenever necessary, the rates will be updated more frequently if market rates have changed considerably from their previous update.

Financing an investment through a loan

The costs of an investment loan are made up of the selected interest rate, markup and costs related to the charged amount.

Interest rate

A Euribor rate (Euro Interbank Offered Rate) is a euro-area money market reference interest rate that indicates the price at which large banks lend each other euro loans. The Euribor rates are daily quoted at noon (Finnish time) for periods of varying length (e.g. 12 months, 6 months, 3 months and 1 month).

The name of the Euribor rate indicates the time during which the borrowing rate remains unchanged. For example, a loan tied to a 12-month Euribor rate will be revised every 12 months from the date of loan drawdown. The total borrowing rate will change as much as the reference rate changes. The lender's markup is added to the reference rate.

Markup is the bank's share of the interest rate

The bank's markup is used to cover, for example, the bank's operating costs and risk associated with granting a loan. The markup of secured loans is customer-specific, influenced, for example, by collateral provided and the borrower's repayment capacity and other customer relationship.

Effective interest rate includes all borrowing costs

In addition to the borrowing rate, loan drawdown and management are subject to charges. The effective interest rate includes the full costs of the loan converted to the annual interest rate. The effective interest rate calculation is based on the interest rate at the time of calculation. When comparing loan prices, it is important that the calculations compared are based on the same point of time.

Information on other benefits received by an OP cooperative bank

In addition to the sales commissions indicated in this brochure, an OP cooperative bank may also receive various minor non-monetary benefits from another OP Financial Group branch or a third party outside of OP Financial Group in connection with the provision of investment or ancillary service. Such minor non-monetary benefits are not regarded as inducements. These may include events, training sessions organised by OP Financial Group entities or third-parties outside of the Group as well as related reasonable catering or various customer and product materials. Each OP cooperative bank assesses the kind of investment research it can accept and the material it considers to be a minor non-monetary benefit. These minor non-monetary benefits and fees considered inducements can be regarded as improving the quality of the service provided by OP cooperative banks and they will not harm compliance with the obligation on the basis of which the OP cooperative bank must act honestly, equally and professionally in the customer's interests.