

Debt Investor Presentation FY/2017

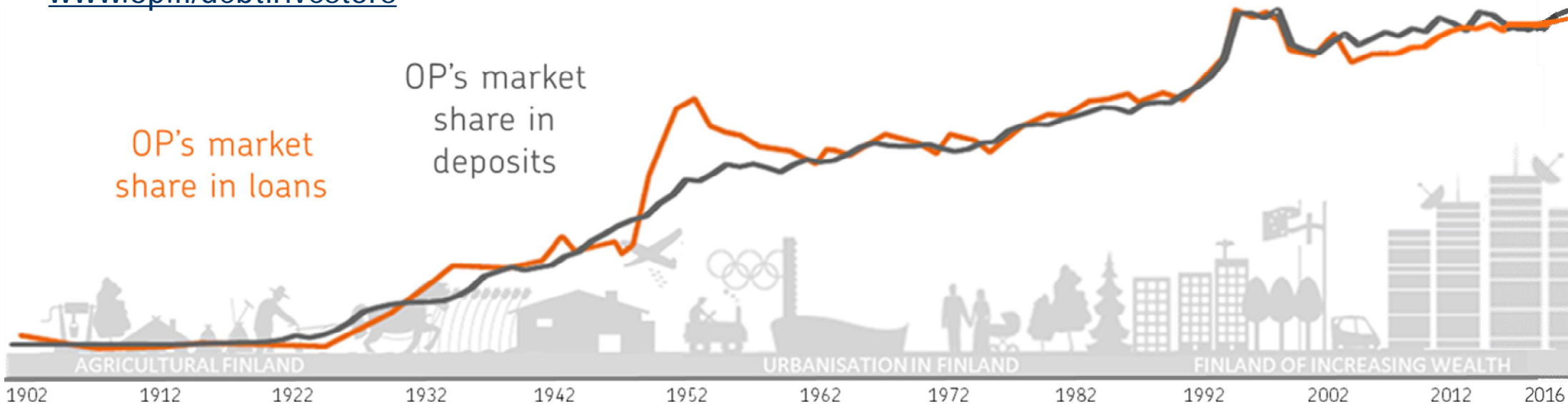
OP Financial Group and issuing entities
OP Corporate Bank plc and OP Mortgage Bank

For further information, visit the new IR website at
www.op.fi/debtinvestors

37.5%
35.3%
(YE2016)

OP's market
share in loans

OP's market
share in deposits



Disclaimer

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

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

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

Contents

- OP in brief
- Key facts and figures FY/2017
- Finnish economy
- OP Financial Group
 - Management change
 - Structure, joint liability and market shares
 - Competitive advantages and strategy
 - Capitalisation, financial performance and asset quality
 - Credit ratings, liquidity and funding
- OP Mortgage Bank
- OPMB Cover Asset Pool Characteristics and ECBC Harmonised Transparency Template
- Appendices
- Debt IR contacts



SOLID CAPITAL POSITION

20.1%

CET1 ratio at YE2017

Fully-loaded CET1 ratio 20.1%

MARKET LEADER IN FINLAND

>38%

Market share
in deposits
2016

>35%

Market share
in loans
2016

>32%

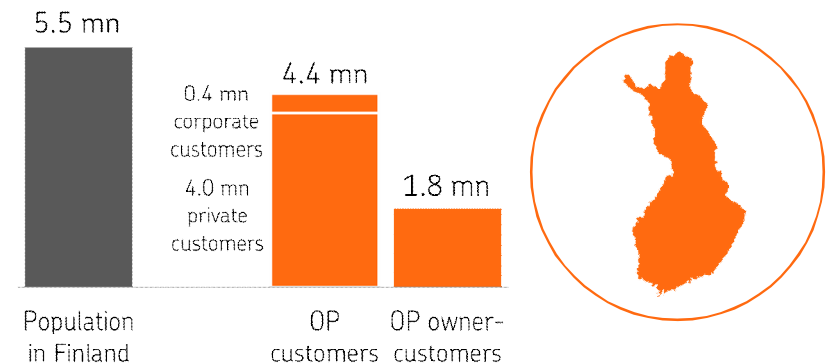
Market share in
non-life insurance
2016

OP FINANCIAL GROUP

€137 bn

Balance sheet total at YE2017

FINNISH RISK EXPOSURE



HIGH CREDIT RATINGS

Moody's Aa3
S&P AA-

OP Corporate Bank
plc

Moody's Aaa
S&P AAA

OP Mortgage Bank's
covered bonds



Key facts and figures FY/2017

STABLE FINANCIAL PERFORMANCE

EBT -5% to €1,077 mn
 Total income +4%
 NII +3%
 Net insurance income -14%
 Net commissions and fees +8%
 Total expenses +13% due to
 higher development costs

Volume growth y/y
 Housing loans +2%
 Corporate loans +4%
 Deposits +6%
 Insurance premium
 revenue +1%
 AUM (gross) +5%

CET1 ratio 20.1%
 incl. negative
 effect of 2.0 ppt
 in 2017 due to
 the RW floors set
 by the ECB in
 February 2017

OUTLOOK FOR OP AND FINNISH ECONOMY

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

In 2018,
 Finland's GDP is expected to grow by 3.3%
 supported by strong exports growth of 7.5%
 Source: OP's economists' forecast, 22 January 2018

PROGRESS IN STRATEGY IMPLEMENTATION

Digitisation

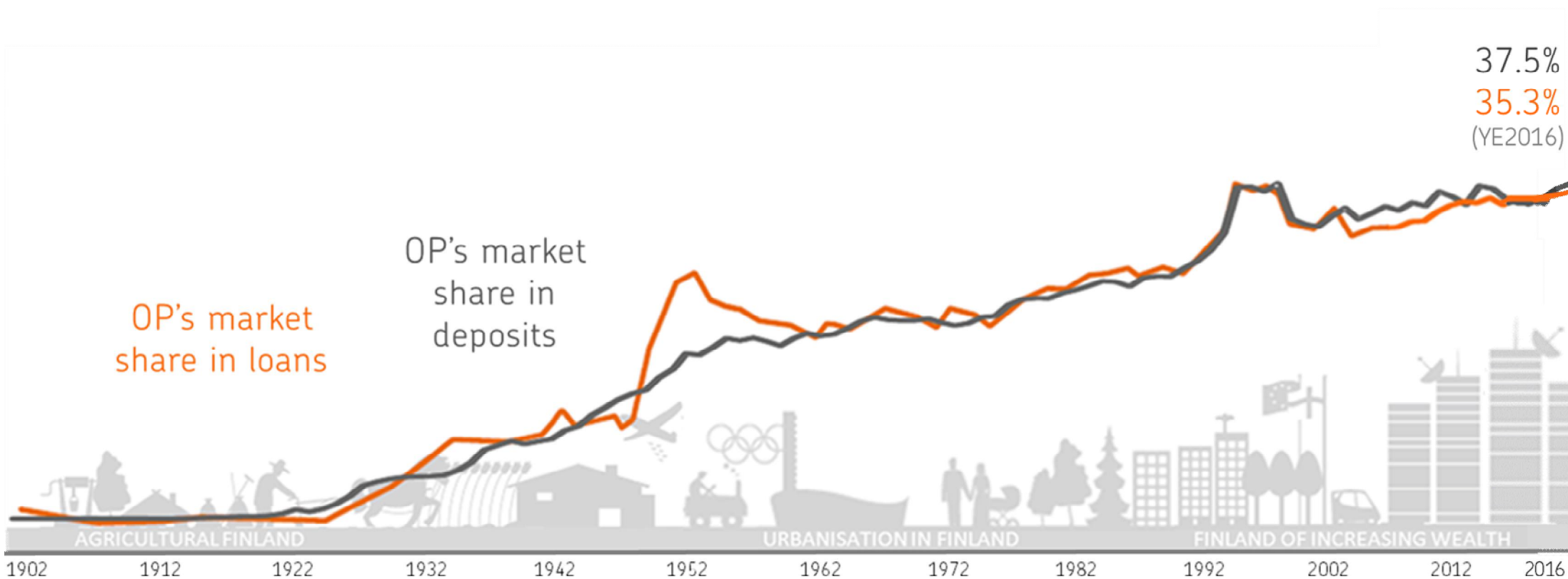
- OP Mobile App the main channel for customers' daily banking
- New op.fi internet bank and website
- Majority of the €2 bn investments to be spent on developing existing business

New businesses

- **Health and wellbeing:** 4 Pohjola Sairaala hospitals open (the 5th to open in May 2018), medical centre network underway
- **Mobility:** OP Kulku (electric cars as a service), OP DriveNow franchising (car sharing service), electric vehicle charging stations near to OP branches

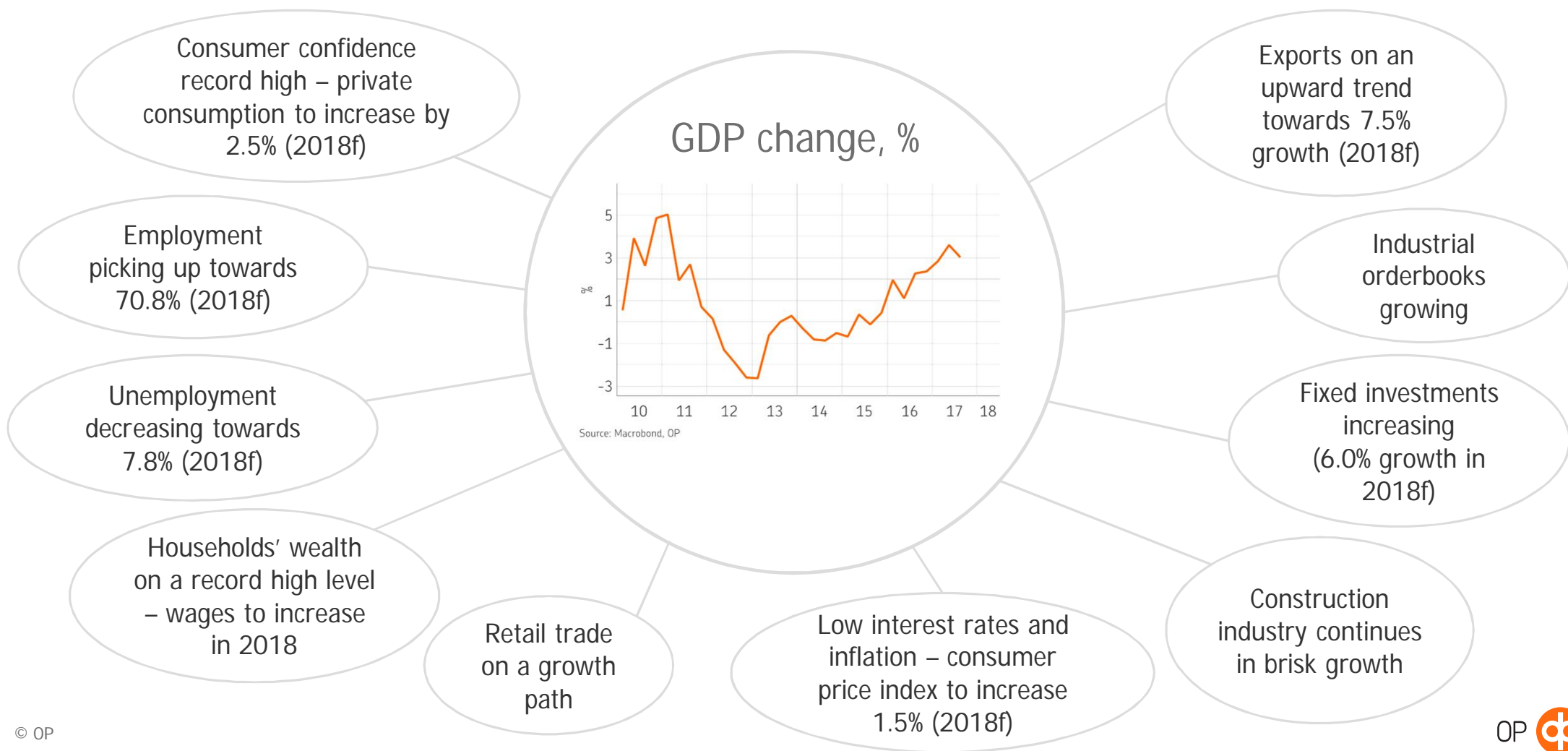
New digital payment solutions

- Payment Highway, Pivo P2P payment, Pivo payment button, Siirto payments on Pivo and OP Mobile Apps



Finnish economy

Broad-based economic recovery in Finland



Strong economic growth continues in 2018

Forecasts for the Finnish economy
January 2018

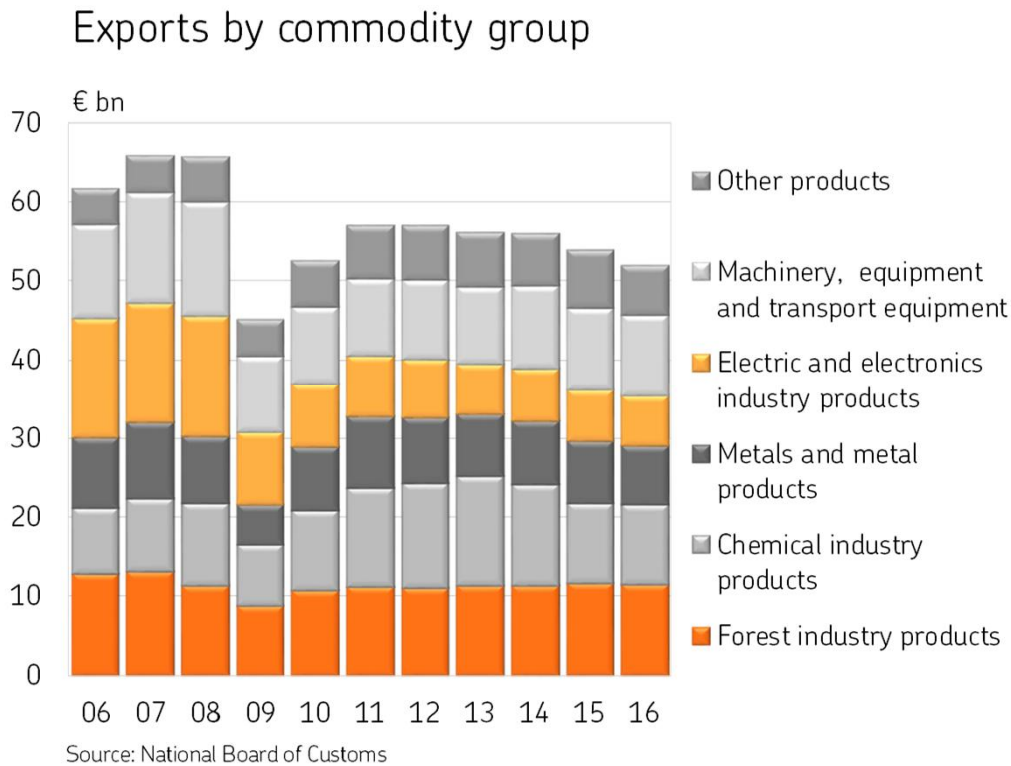
Volume, % change on previous year	EUR bn		2017f	2018f	2019f
	2016	2016			
GDP	215,6	1,9	3,2	3,3	2,3
Imports	78,6	4,2	5,7	6,3	4,0
Exports	76,8	1,0	8,5	7,5	4,3
Consumption	170,8	1,6	1,5	1,9	1,6
- Private	119,1	1,8	2,0	2,5	2,0
- Public	51,7	1,2	0,2	0,6	0,7
Fixed investment	46,4	7,2	9,0	6,0	4,0
Other key indicators		2016	2017f	2018f	2019f
Consumer price index, % change y/y		0,4	0,8	1,5	1,7
Change in wage and salary earnings, %		0,9	0,3	2,0	2,3
Unemployment rate, %		8,8	8,5	7,8	7,4
Current account balance, % of GDP		-1,4	0,6	0,8	0,9
General government net lending, % of GDP		-1,8	-1,2	-0,7	-0,2
General government debt, % of GDP		63,1	61,2	59,6	57,9

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

Sources: Statistics Finland and OP Financial Group

Balanced goods exports structure by commodity group

Goods exports by commodity group
commodity group 2006-16



Goods exports around 2/3 of
Finnish exports

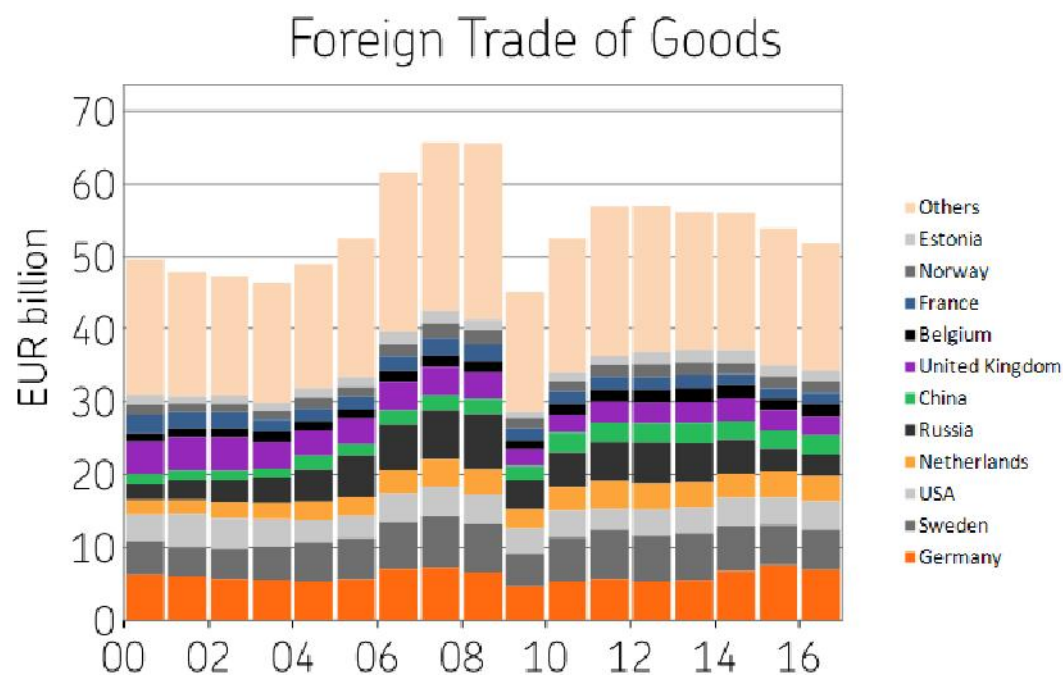


Source: Macrobond, OP
Latest values: Q3/2017

Diversified goods exports structure by country

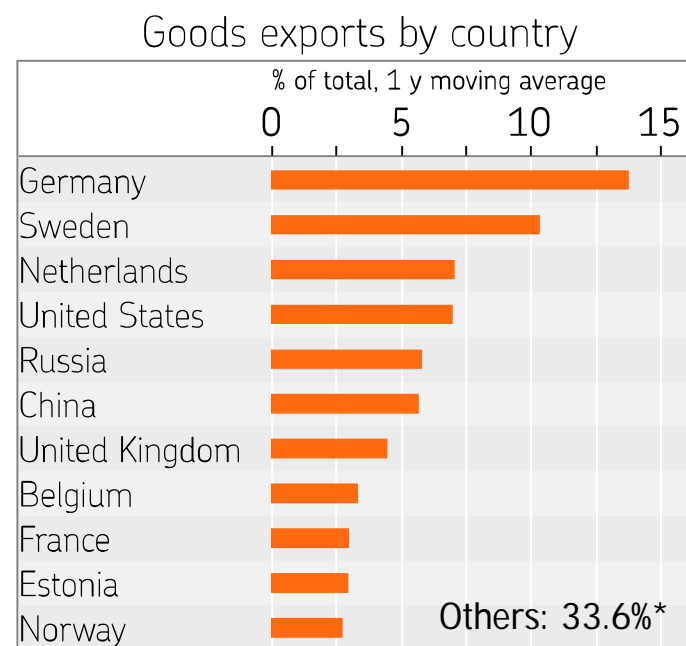
Goods exports to EU member countries' 59.2% and to Euro Area 37.5% in 2016

Finland's largest goods exports countries
2000-16



Source: Macrobond, OP

Finland's biggest trading partners
(November 2016–November 2017, 12 mth moving avg)



Source: Macrobond, OP

* Poland (2.7%), Italy (2.4%), Japan (2.1%), Spain (1.8%), Denmark (1.7%), Switzerland (1.3%), South Korea (1.3%), Turkey (1.2%), Latvia (1.0%), Canada (1.0%), India (0.9%), Australia (0.9%), Lithuania (0.8%), Brazil (0.6%), Austria (0.6%), Mexico (0.5%), Czech Republic (0.5%), South Africa (0.5%) and the remaining countries (5.7%) of which less than 0.5% each.

Service exports structure rather stable

Finland's service exports by item
2013-16



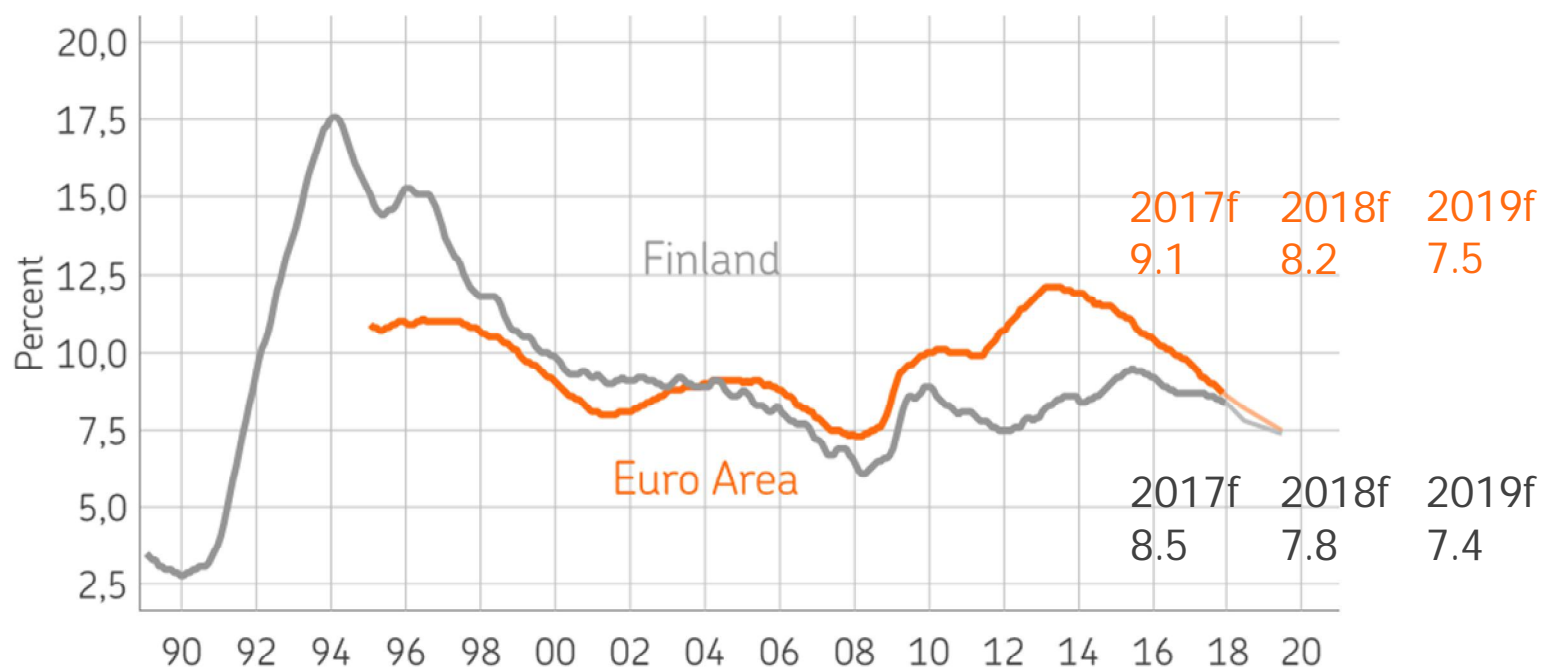
Finland's service exports by area
(2016)



Source: Macrobond, OP

Unemployment rate on downward trend

Unemployment rate



Employment rate

68.7% in 2016

69.7% 2017f

70.8% 2018f

71.7% 2019f

Source: OP's economists' forecast, 22 January 2018

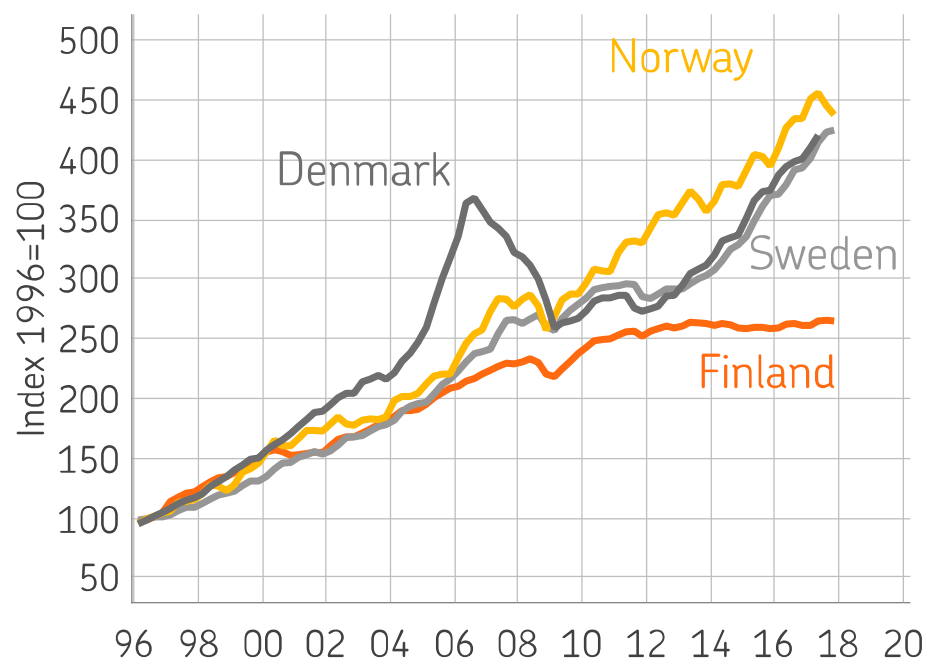
Target of the Finnish Government
72%

Source: Macrobond, OP

Average house prices and households' debt

In Finland, housing market picking up and house prices slightly increasing on average

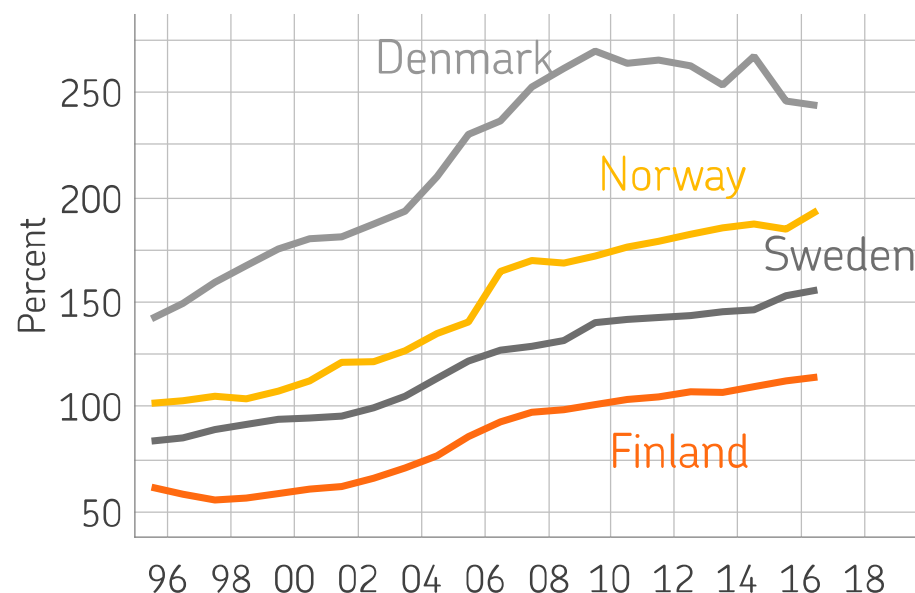
Real Estate Prices in Nordic Countries



Source: Macrobond, OP

Latest values: Q4/2017, Denmark Q2/2017

Gross Debt-To-Income Ratio of Households



Source: Macrobond, OP

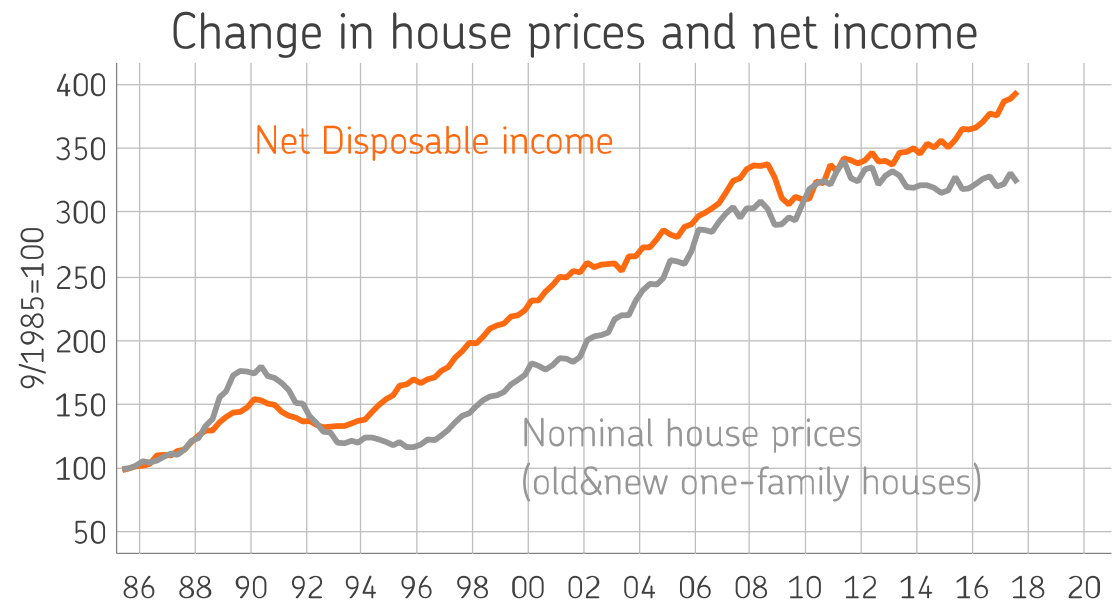
Latest values: 2016

Finnish housing market is stable

Characteristics of Finnish housing market

- Fully-amortizing market
- Average maturity of a new housing loan 19.5 years in 2017
- 97% of housing loans tied to variable interest rates in November 2017
 - Stress-tested with 6% interest rate in 25 years' maturity
- Ownership ratio 68% at YE2016
- Average price of an old dwelling 2,274 €/sq m in November 2017

Change in nominal house prices in relation to average net income



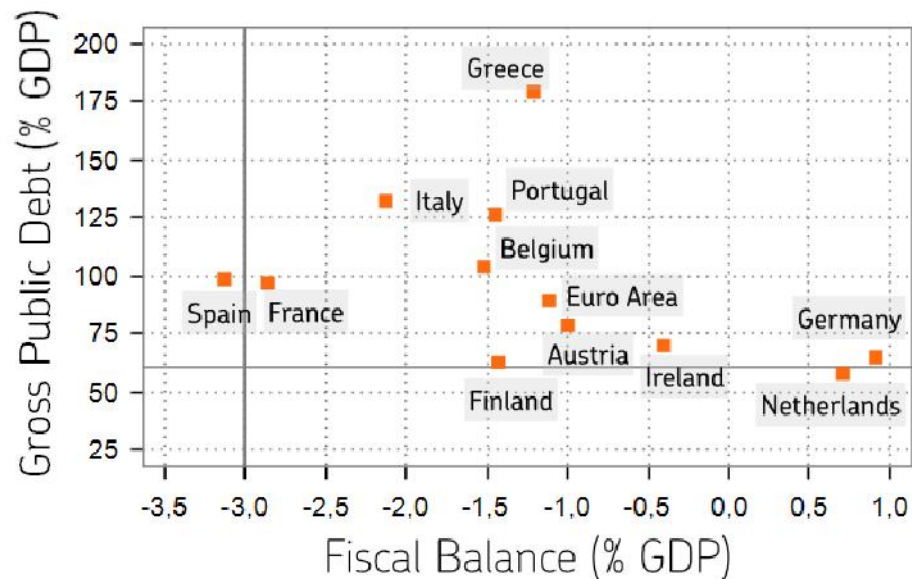
Source: Macrobond, OP

As of January 2018

Sources: Statistics Finland and Bank of Finland

Finland is wealthy and balanced economy in European comparison

Fiscal Balance and Public Debt
% of GDP in 2017



Source: OP, Macrobond, European Commission estimates

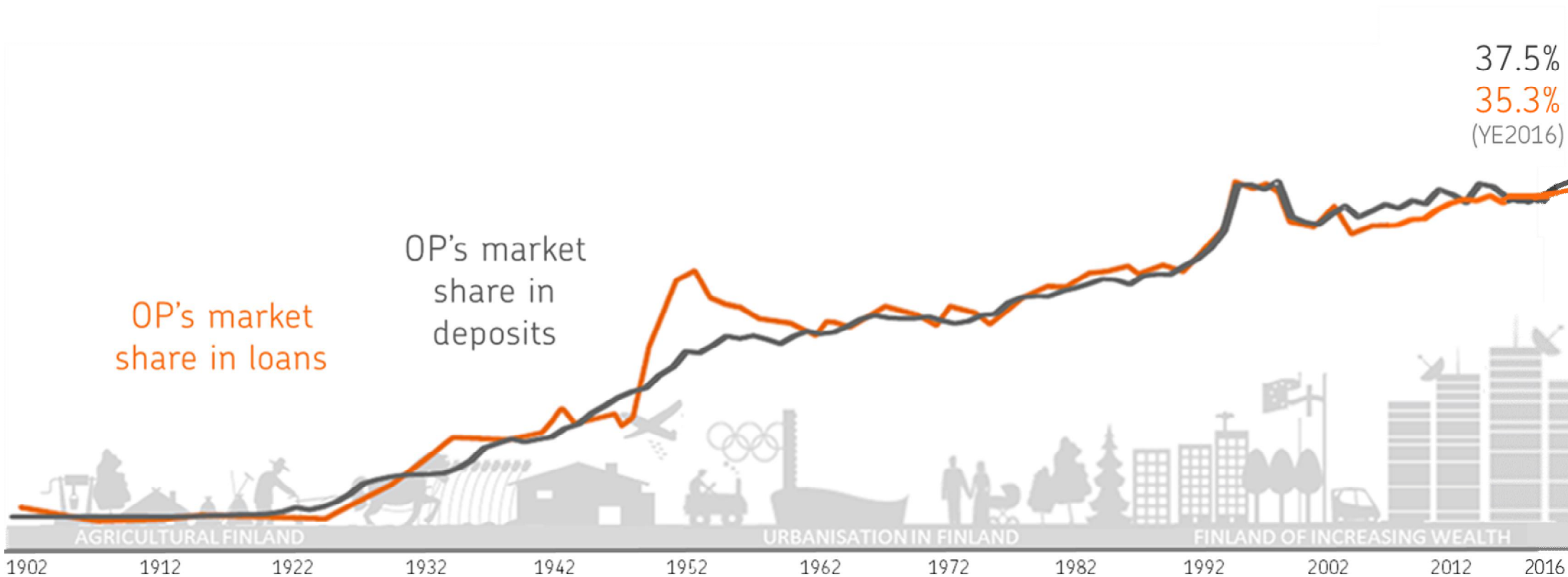
Long-term sovereign credit ratings for Euro area
28 January 2018

	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	A2	A+	A+
Malta	A3	A-**	A+
Latvia	A3	A-**	A-
Lithuania	A3	A-**	A-
Slovenia	Baa1	A+	A-
Spain	Baa2	BBB+**	A-
Italy	Baa2*	BBB	BBB
Portugal	Ba1**	BBB-	BBB
Cyprus	Ba3**	BB+**	BB**
Greece	Caa2**	B**	B-**

* Negative outlook

** Positive outlook

Sources: Rating agencies' websites



OP Financial Group

New President and Group Executive Chairman as of 1 March 2018*



TIMO RITAKALLIO

- President and Group Executive Chairman, OP Financial Group
- Chair of the Board of Directors, OP Corporate Bank plc

Education

- LL.M, MBA and D.Sc. (Tech.)

Relevant previous experience

- Ilmarinen Mutual Pension Insurance Company
 - President and CEO since 2015
 - Deputy CEO 2008–2014
- OP Financial Group
 - Various executive positions, of which the most recent being Deputy CEO and Vice Chairman of the Executive Committee of the former Pohjola Group (currently OP Corporate Bank Group) 2006–2008

OP Financial Group's management structure

1.8 million owner-customers, of which 90% households

167 OP member cooperative banks

OP COOPERATIVE

Group supervision, steering, finance & control, risk management, internal audit

BANKING

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

- Retail banking
- Corporate banking
- Markets
- Baltic states
- Mortgage banking

NON-LIFE INSURANCE

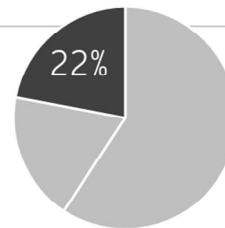
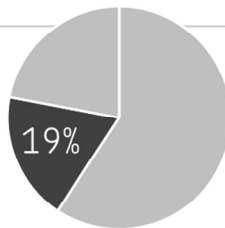
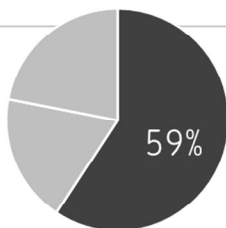
- Private customers
- Corporate customers
- Baltic states *
- Health & wellbeing

WEALTH MANAGEMENT

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

OTHER OPERATIONS

- Group Treasury
- Product and service development
- Support functions



SHARE OF EBT
GENERATED BY
BUSINESS
SEGMENTS

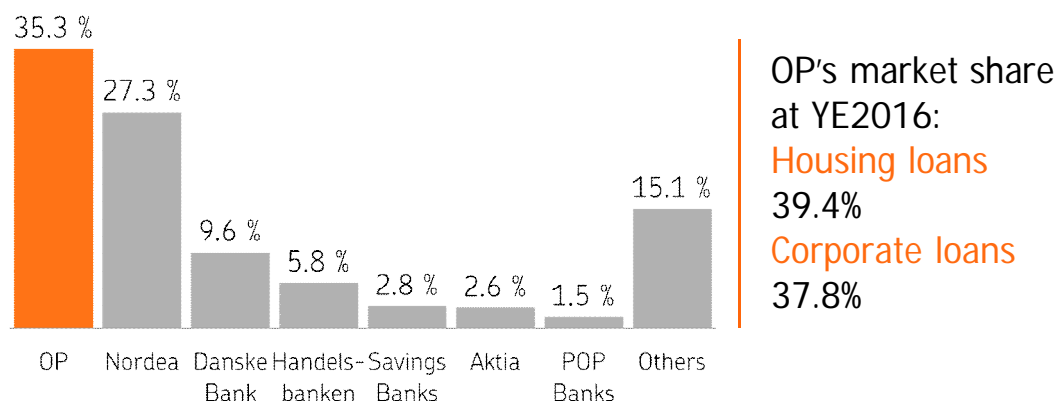
* Baltic non-life insurance business under Seesam Insurance As, including its Latvian and Lithuanian branches, will be sold to Vienna Insurance Group (VIG). Contract of sale was signed in December 2017 and divestment should be completed during 2018, provided that it is approved by relevant authorities and that the related conditions are otherwise fulfilled.

Joint liability within OP Financial Group

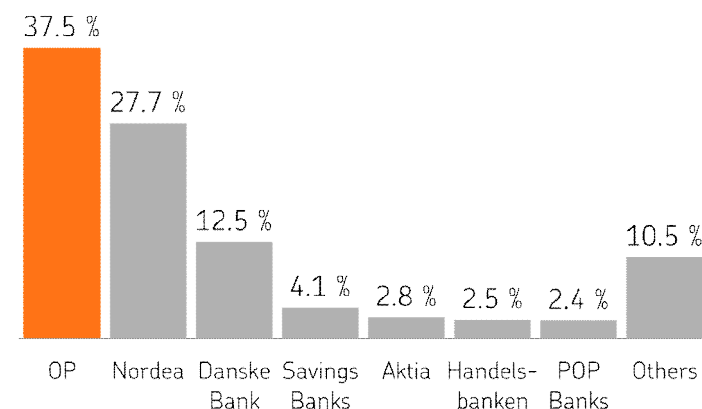
- Under the Act on the Amalgamation of Deposit Banks (Laki talletuspankkien yhteenliittymästä 599/2010), OP Cooperative and the member credit institutions are jointly liable for each others' debts.
- The member credit institutions include OP Corporate Bank plc, Helsinki Area Cooperative Bank, OP Mortgage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

OP – Leading financial group in Finland

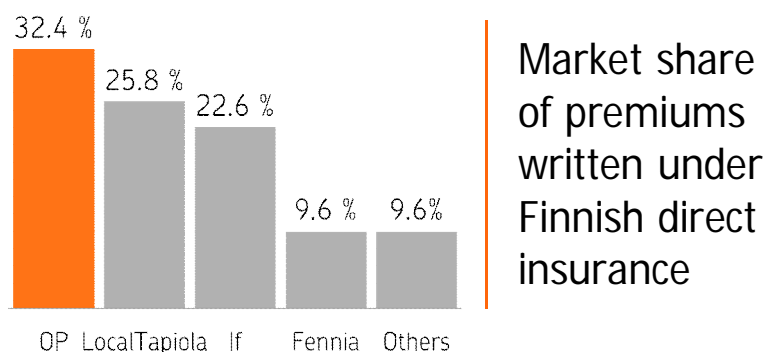
Loans 2016 (Finland: €219 bn)



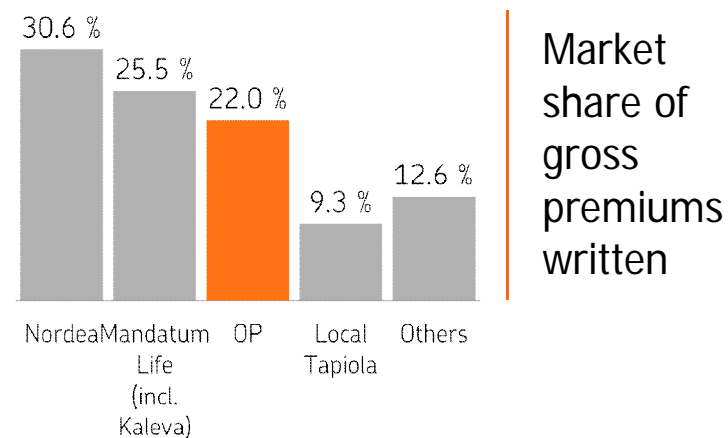
Deposits 2016 (Finland: €147 bn)



Non-life Insurance 2016 (Finland: €4.3 bn)

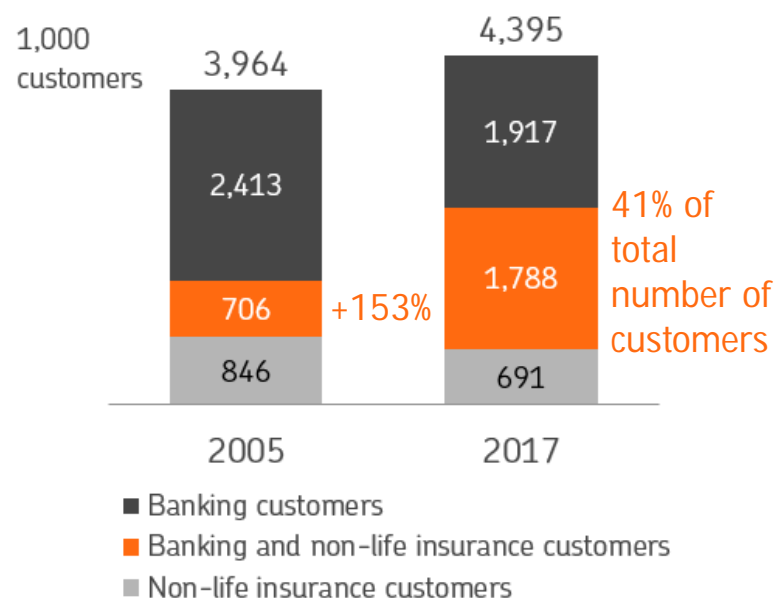


Life Insurance 2016 (Finland: €4.5 bn)



Significant customer potential in cross-selling supported by best loyalty benefits

Successful integration of banking and non-life insurance customers



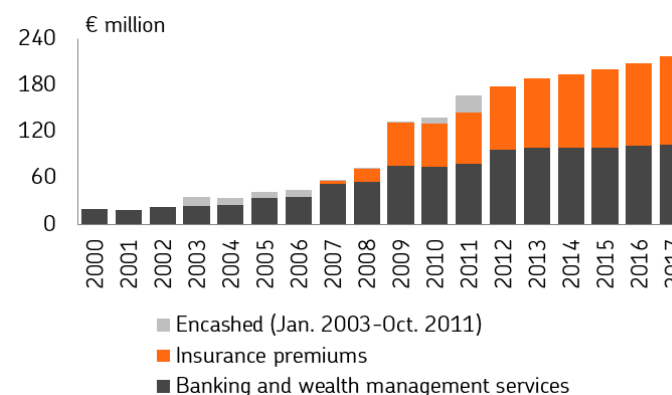
Growth in number of customers 2017

+38,000
total customers

+86,000
owner-customers
(membership fee)

+40,000
combined customers
(banking and non-life)

Use of OP bonuses €217 mn in 2017



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

Non-life insurance loyalty discounts for owner-customers €70 mn in 2017 (67)

CX performance

Indicator	2017	Target
NPS for brand	22	25
NPS for service	58	70 (over time 90)

OP – Diversified services company of the digital era

Development of new businesses inherently linked to the existing business



OP Lab

- Innovation unit of OP Financial Group seeking new business and growth through improving life with technology
- Operates in Helsinki, Oulu, Tampere, Silicon Valley and Berlin
- Read more at www.op-lab.fi

Strategic focus on digital customer experience and productivity of development

- Developing existing business – service channels, basic systems, process digitisation, ICT architecture, new regulation...
- Creating new business – fully digital, customer-driven, smart business models, new SME service offerings, open banking, FinTech collaboration, Startup Partnership Programmes...
- Developing new capabilities – service design, UX/UI, analytics, AI, robotics, innovation, big data...

€2 bn investments in developing digital services during 2016–2020

- Development expenditure €454 mn in 2017 (315) – the majority to existing business
 - Compliance with regulatory and legislative requirements (data protection, AML, PSD2, MiFID II, T2S, IFRS9)
 - Large-scale ICT platform and basic system upgrades (payment service, card and non-life insurance systems and electronic sales and services for wealth management)
 - Enhancing operational efficiency and smoothness

New efficiency target

- Expenses of present-day business in 2020 at the same level as in 2015 (€1,500 mn)
- In 2017, robotics enabled cost savings of EUR 9 million (1)

Providing financial and other services efficiently through local presence and digital channels

167

OP member
cooperative banks

407

branches

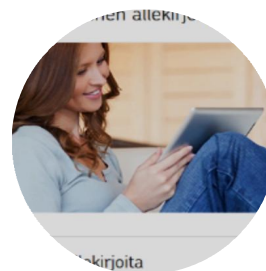


OP Mobile App

18 mn visits in Dec. 2017
>1 mn users & NPS 60

OP Business Mobile App

360,000 visits in Dec. 2017



op.fi internet bank

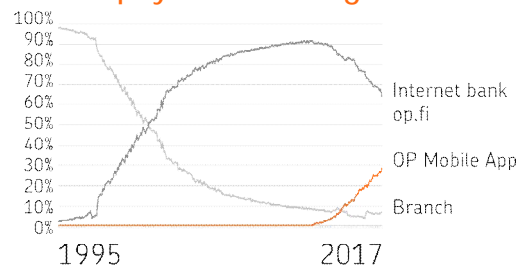
9 mn visits in Dec. 2017

Pivo Mobile Wallet App

2.5 mn visits in Dec. 2017
>1 mn users



>90% of payments in digital channels



95%

of private customer
encounters occur in
digital channels



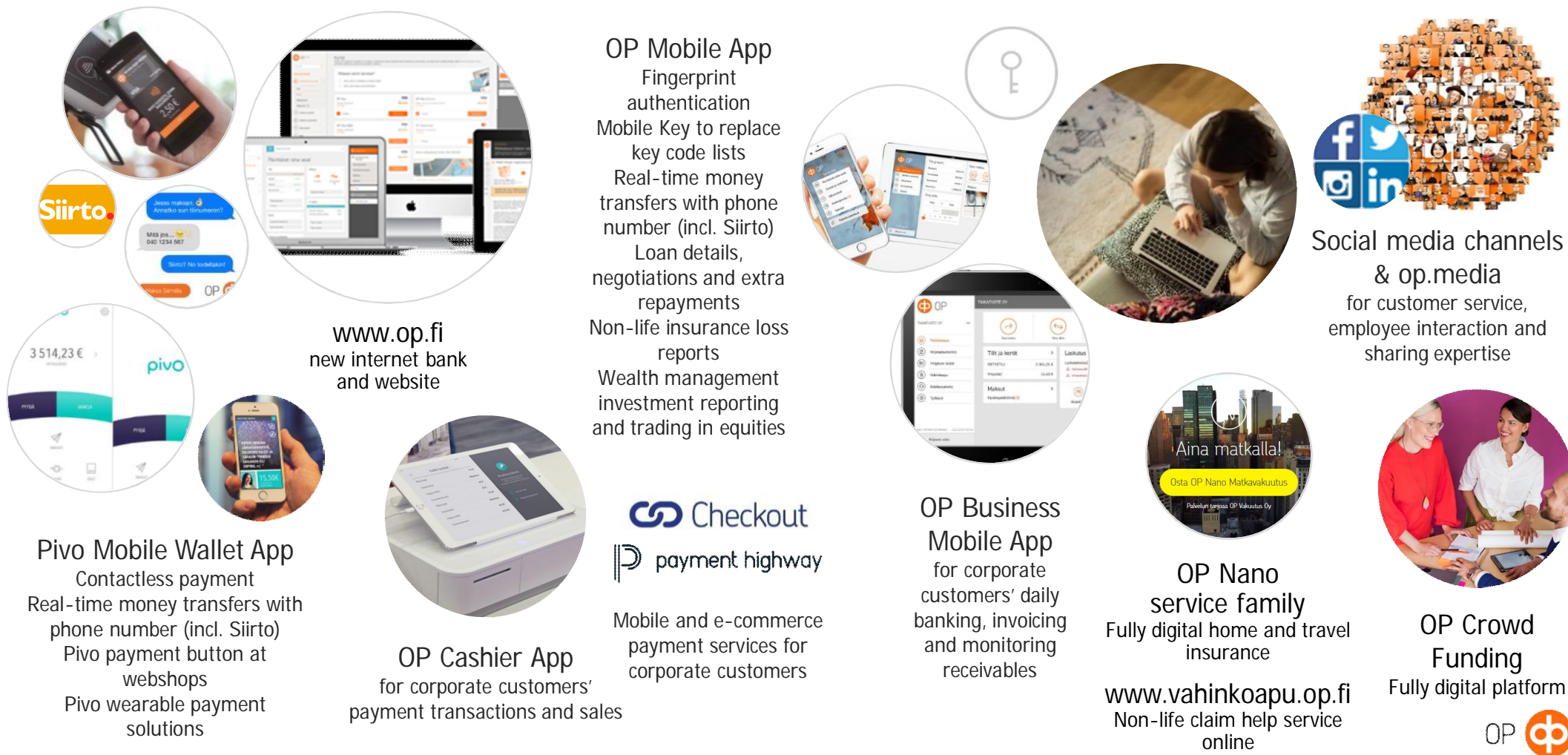
80%

of mutual fund
transactions made in
digital channels

70%

of private customers'
loss reports made in
digital channels

Progress within digital channels and services



Progress within new businesses

HEALTH AND WELLBEING



4 Pohjola Hospitals
now open – the 5th to be opened in
Turku in May 2018



Smart, digital health
services and
processes



Health Kiosk (pilot) to
benefit from OP branch
network

HOME



OP Home at www.op-koti.fi –
channel for home-related services

Energy-saving improvement services for housing
associations in cooperation with LeaseGreen



DriveNow* franchised by OP
Car sharing service
(minute/hour-based or
dynamic) with >16,000
users and 150 cars



MOBILITY



OP Kulku**
Electric car for years
(monthly-based)
Car sharing service
(hour-based)



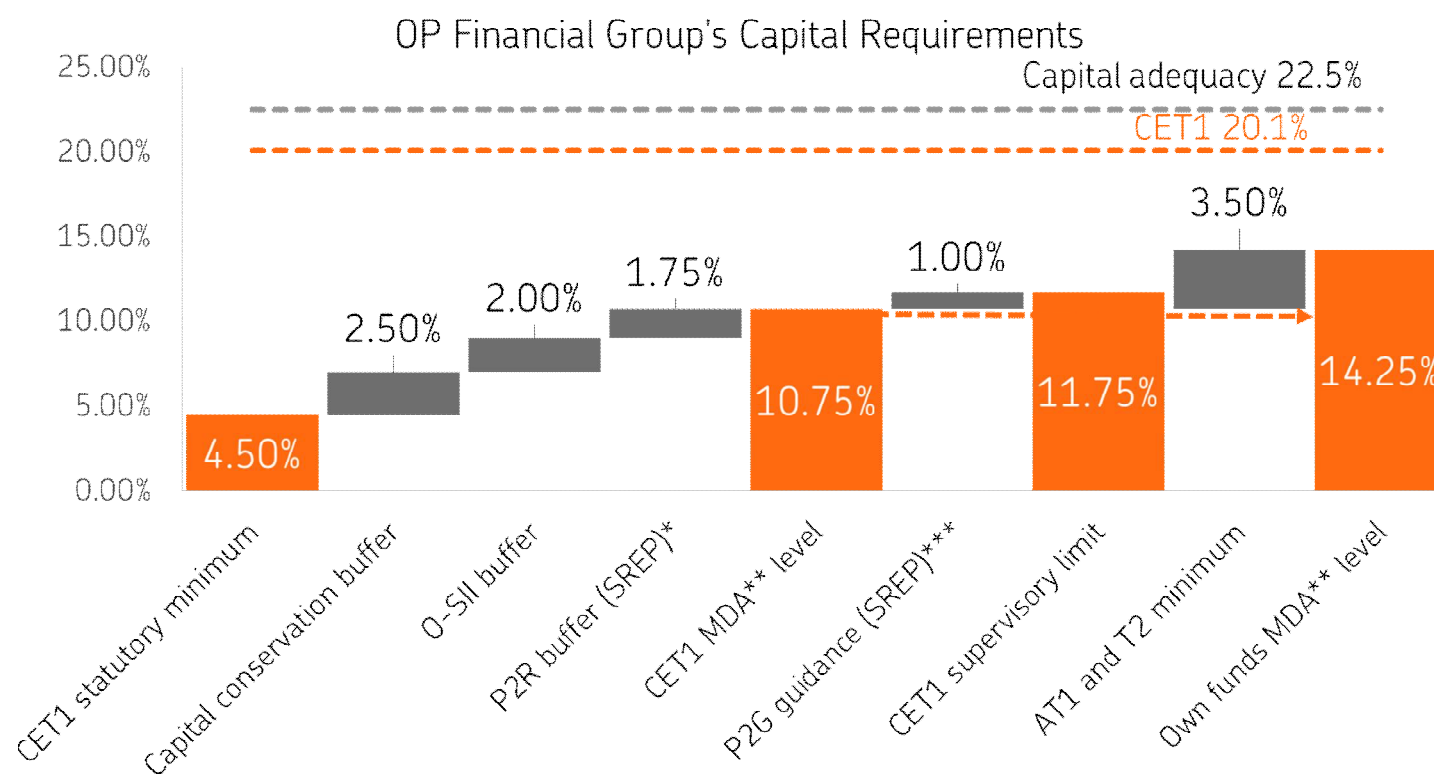
100 EV charging
stations to 80
cities near OP
branches under
construction



OP Flexible Car
(monthly-based)

* Helsinki area
** Helsinki area, Tampere, Turku etc.

OP has solid capital adequacy compared to requirements

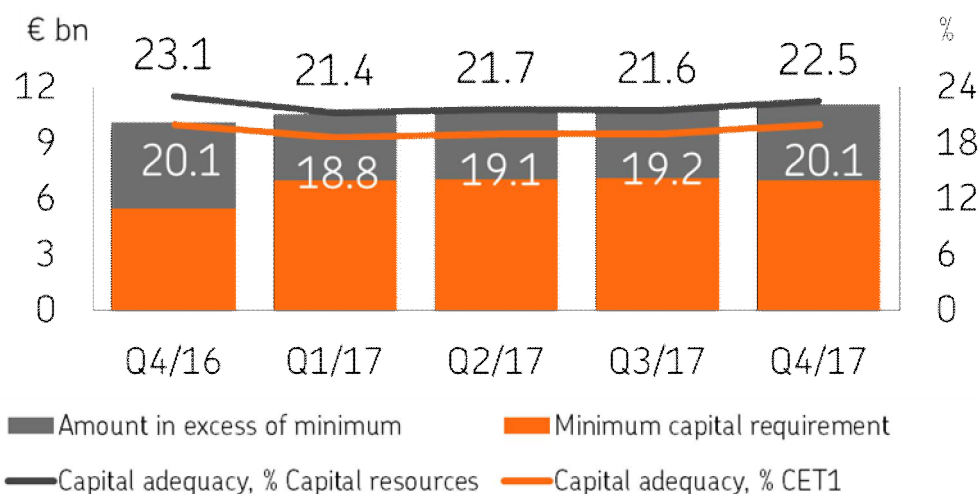


The Ministry of Finance is drafting the inclusion of the systemic risk buffer in the Act on Credit Institutions. Accordingly, the FIN-FSA could set the systemic risk buffer ranging from 0 to 5%. The buffer would affect OP Financial Group only if it exceeded the O-SII buffer which currently is 2%.

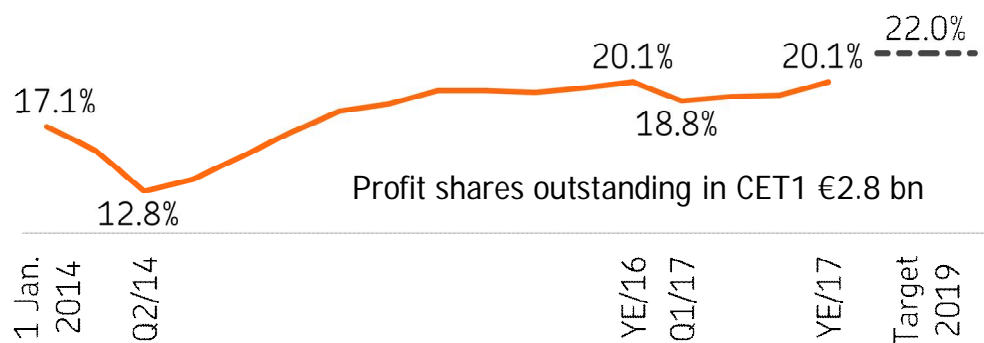
* P2R supervisory Pillar II requirement ** Maximum distributable amount
 *** P2G supervisory guidance, breach results enhanced supervisory measures

CET1 ratio improved to 20.1%

Capital resources and capital adequacy



CET1 ratio



REA €49.2 bn (44.1)

- €4.5 bn caused by ECB RW floors

Avg RWs excl. RW floors:

7.5% for retail exposures (AIRB) (7.3)

64.7% for corporate exposures (FIRB) (66.9)

- In Feb. 2017, ECB set RW floors for OP's retail exposures, valid until Q3/2018
 - 15.4% for mortgage-backed exposures
 - 32.7% for other private customer exposures
 - RW floors decreased CET1 ratio by 2.0 pps (31 Dec. 2017)
- FIN-FSA's 15% RW floor on residential mortgage loans came into force on 1 January 2018 and is valid for 2 years unless renewed
 - If OP had no ECB RW floors, FIN-FSA RW floor would decrease OP's CET1 ratio by 1.2 pps

Leverage ratio 7.9% (7.4)

- Minimum level in the draft regulations 3.0%

OP's financial performance in 2017

GROUP

EBT, € mn	1,077 (1,138) -5%
NII, € mn	1,094 (1,058) +3%
Net insurance income, € mn	478 (558) -14%
Net commissions and fees, € mn	928 (859) +8%
Net investment income, € mn	495 (390) +27%
Expenses, € mn	1,773 (1,567) +13%
Impairment loss on receivables, € mn	48 (77)
Cost/income ratio, %	57 (52)

BANKING

EBT, € mn	666 (574) +16%
NII, € mn	1,184 (1,134) +4%
Net commissions and fees, € mn	631 (605) +4%
Impairment loss on receivables, € mn	47 (76)
Loan portfolio, € bn	82.2 (78.6) +5%
Deposits, € bn	58.0 (54.8) +6%
Cost/income ratio, %	51.9 (52.6)

NON-LIFE INSURANCE

EBT, € mn	210 (244) -14%
Insurance premium revenue, € mn	1,432 (1,420) +1%
Net insurance income, € mn	459 (534) -14%
Net investment income, € mn	179 (97) +85%
Operating combined ratio, %	96.1 (87.6)
Operating expense ratio, %	20.3 (18.5)
Solvency II ratio*, %	135 (127)

WEALTH MANAGEMENT

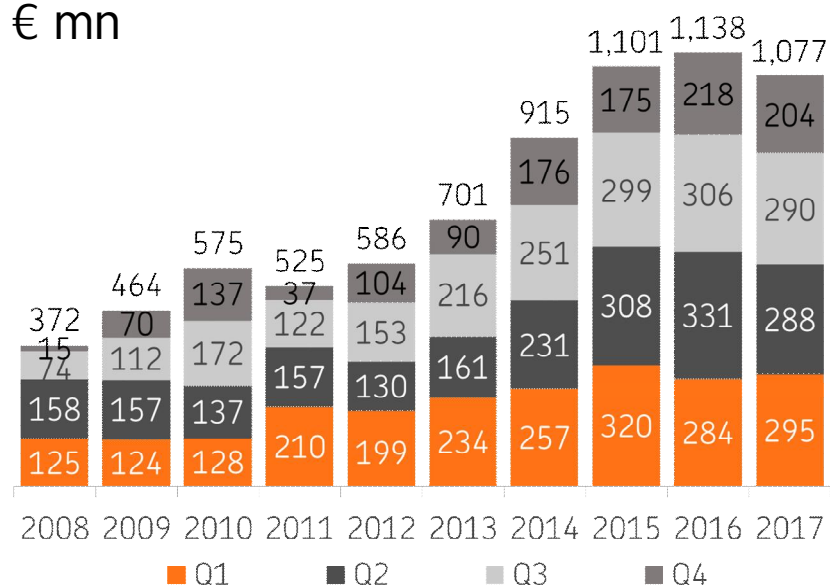
EBT, € mn	247 (226) +9%
Net commissions and fees, € mn	385 (330) +17%
Net investment income from Life Insurance, € mn	70 (111) -37%
Assets under management (gross), € bn	78.0 (74.5) +5%
Net inflows, € mn	1,897 (1,198) +58%
Solvency II ratio* within Life Insurance, %	151 (149)

* Excluding transitional provision

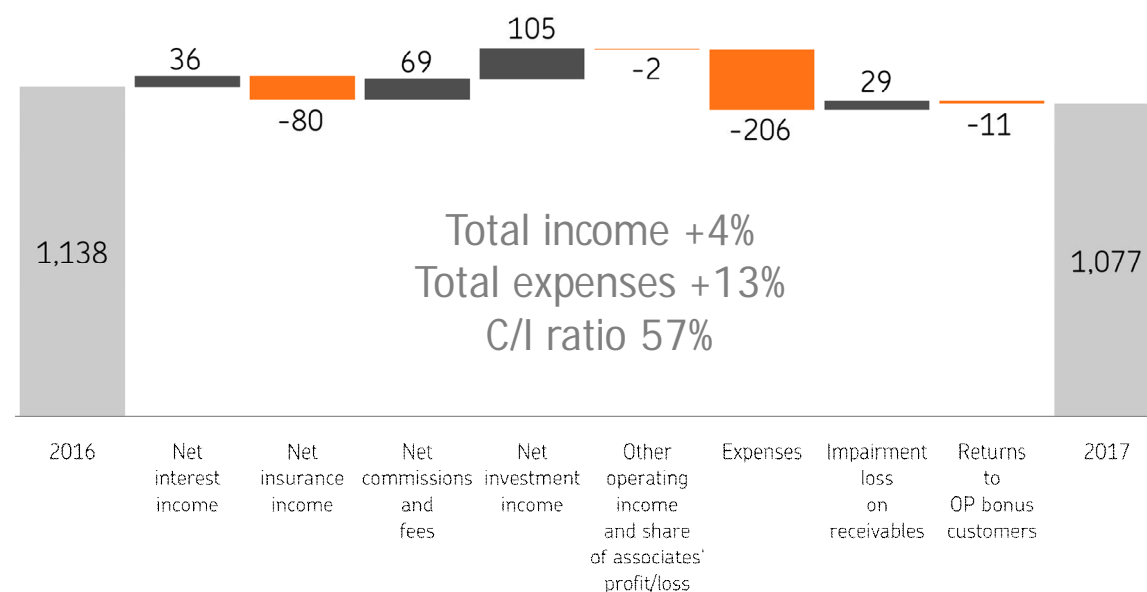
EBT for 2018 expected to be at about the same level as or lower than in 2017

Lower EBT in 2017 due to expense growth caused by new strategy implementation, decreased net insurance income and lower non-recurring gains

EBT by quarter 2008–17,
€ mn

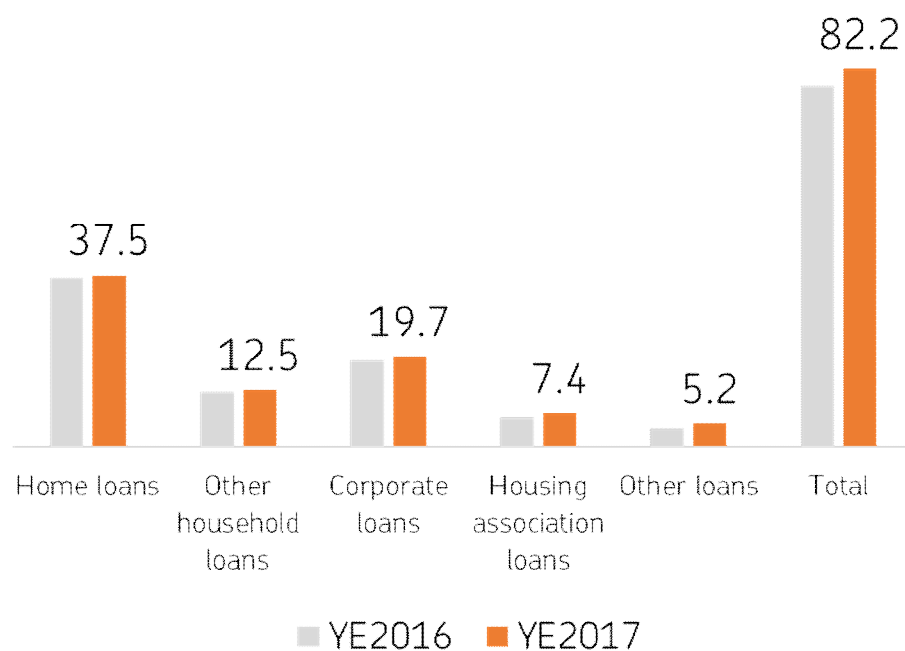


EBT, y-o-y change by P&L line item*
2017 vs. 2016, € mn

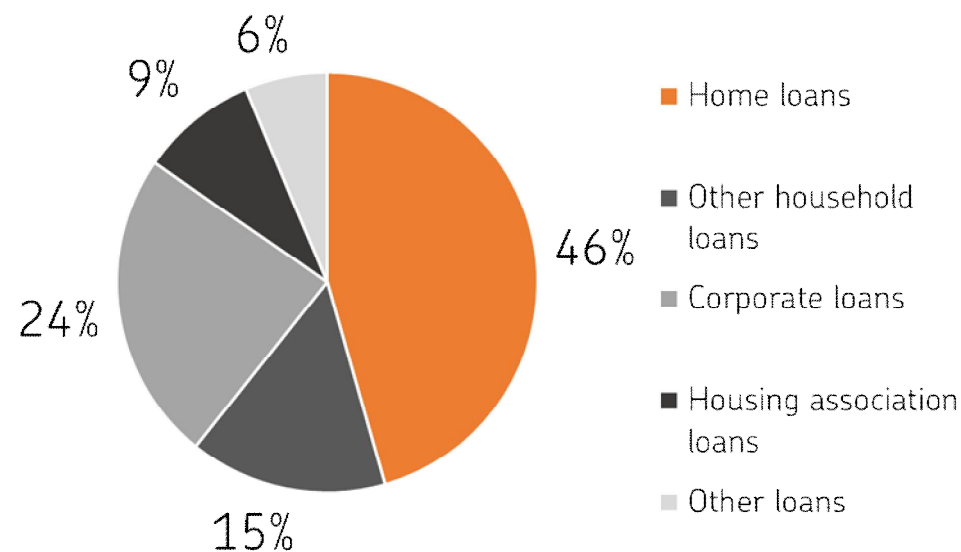


Loan portfolio by customer group

Loan portfolio breakdown,
YE2017 vs. YE2016, € bn



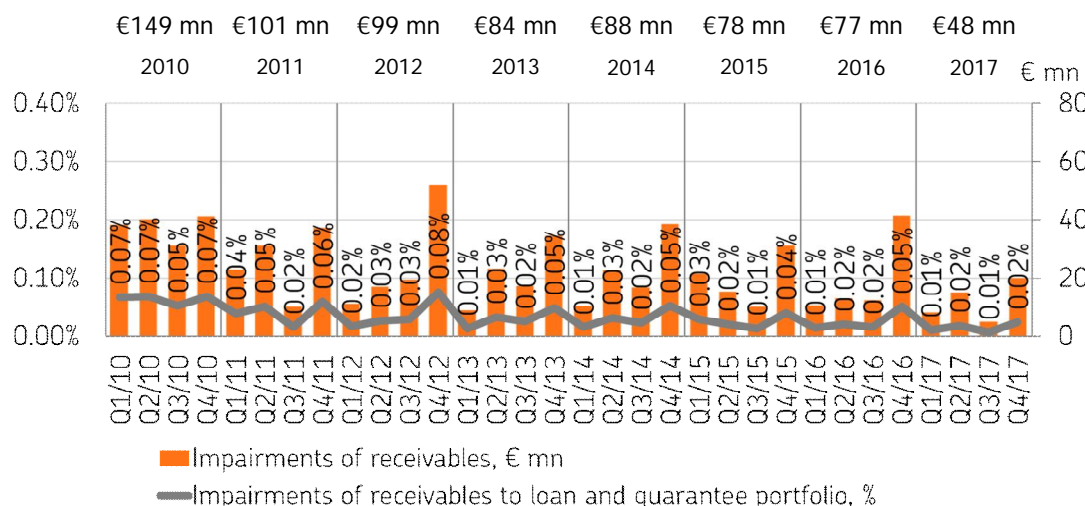
Loan portfolio breakdown,
YE2017, %



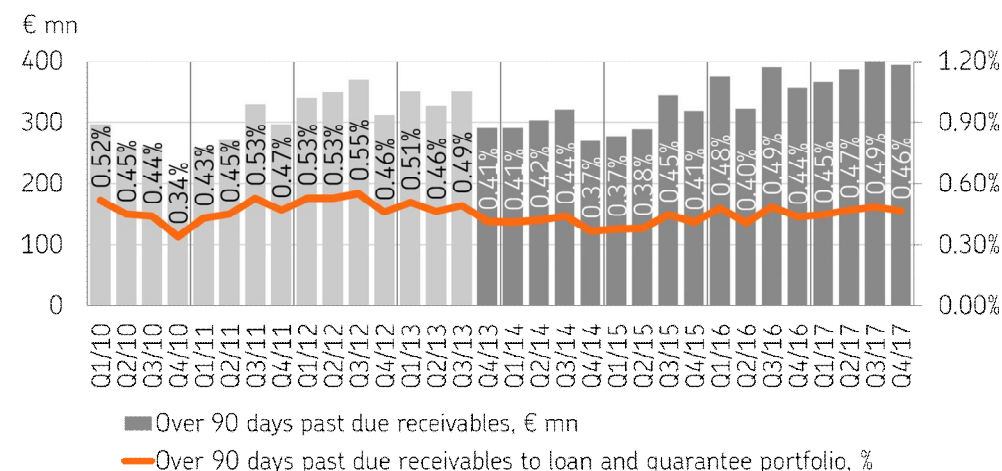
2017 impairment loss on receivables 0.06% to loan and guarantee portfolio (0.09)

Over 90 days past due receivables (€394 mn at YE2017) 0.46% to loan and guarantee portfolio (0.44)

Impairment loss on receivables



Over 90 days past due receivables*



At YE2017, ratio of exposures individually assessed for impairment to gross doubtful receivables**
12.6% (14.5)

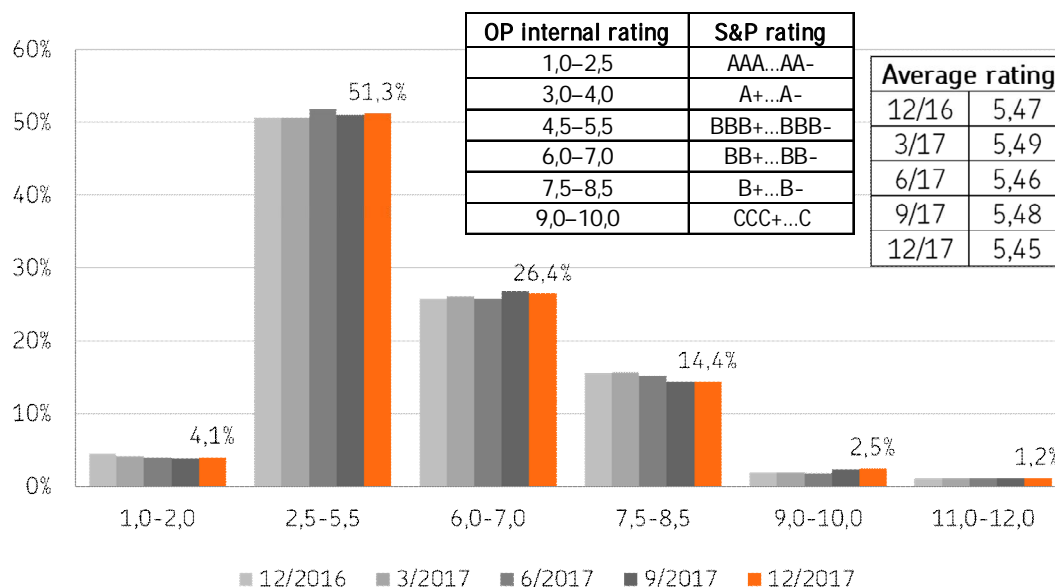
* Until Q3/13 over 90 days past due receivables and zero interest receivables, since Q4/13 over 90 days past due receivables

** 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) 55% of the exposure from Non-financial corporations and housing associations sector

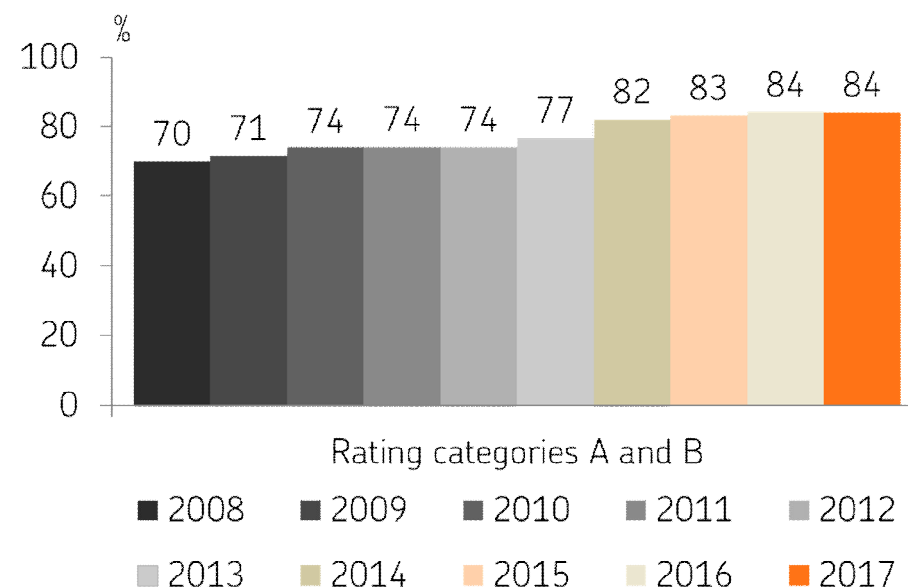
Exposures from the Non-financial Corporations and Housing Associations Sector by credit rating category
(total €45.5 bn at YE2017)



Largest single customer risk to capital under FiCo capital adequacy at YE2016

4.0% (5.7)

Private Customer exposures of credit rating categories A and B
(total €49.9 bn at YE2017)

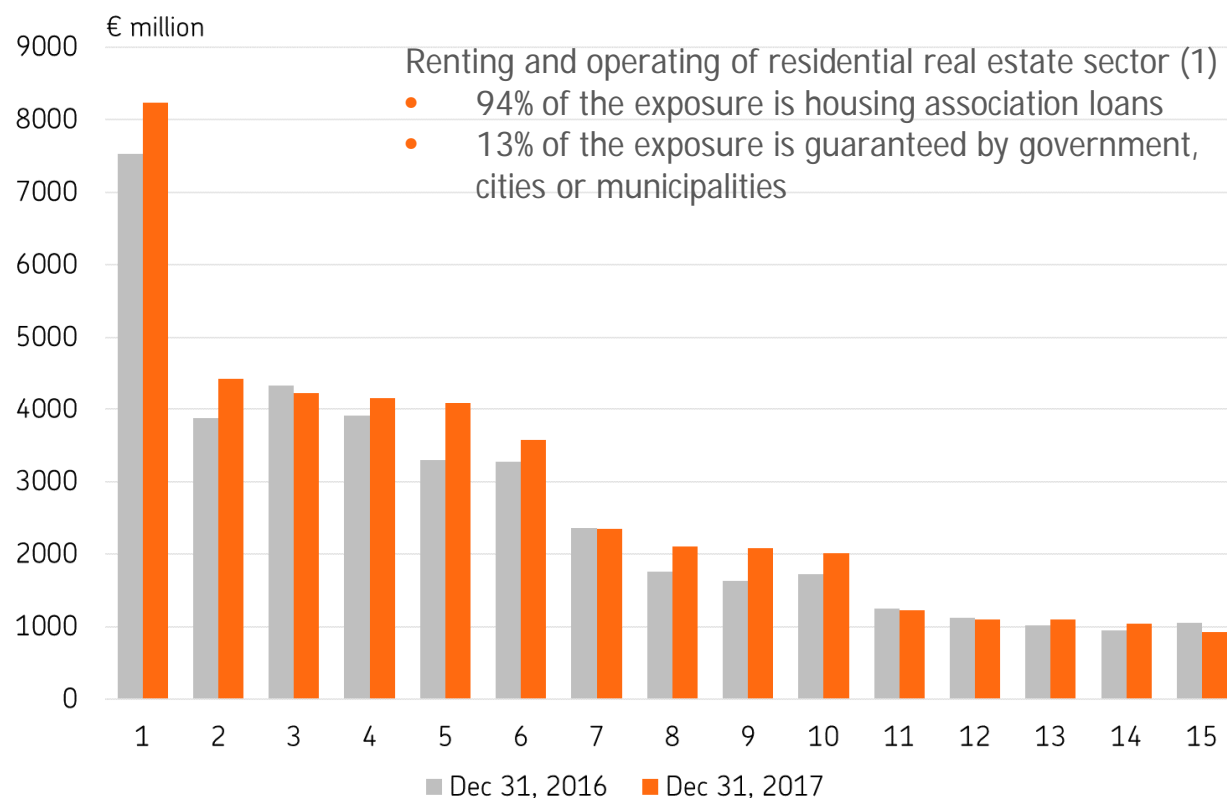


At YE2016, average PD of private customer exposures (Pillar III) with a credit rating of A and B a maximum of

0.1% (0.1)

Corporate exposures well diversified by industry

Exposures from the Non-financial corporations and housing associations sector €45.5 bn at YE2017



	Dec 31, 2016	Dec 31, 2017
1 Renting and operating of residential real estate	17,7 %	18,1 %
2 Energy	9,1 %	9,8 %
3 Renting and operating of other real estate	10,2 %	9,3 %
4 Wholesale and retail trade	9,1 %	9,2 %
5 Services	7,8 %	9,0 %
6 Construction	7,7 %	7,9 %
7 Manufacture of machinery and equipment (incl. services)	5,6 %	5,2 %
8 Financial and insurance services	4,2 %	4,6 %
9 Agriculture, forestry and fishing	3,8 %	4,6 %
10 Transportation and storage	4,1 %	4,4 %
11 Forest industry	2,9 %	2,7 %
12 Metal industry	2,7 %	2,4 %
13 Food industry	2,4 %	2,4 %
14 Chemical industry	2,2 %	2,3 %
15 Information and communication	2,5 %	2,1 %

Funding based on strong credit ratings

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

	Moody's (Senior unsecured/LT issuer rating)	S&P (LT issuer credit rating)
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****	A1	A+
Finland	Aa1	AA+

* Negative outlook

** Positive outlook

*** Covered bond rating

**** Insurance financial strength rating

Updated: 28 January 2018

OP CORPORATE BANK PLC

- Moody's affirmed Aa3 rating with stable outlook on 29 June 2015
 - Uplifts from Loss-Given-Failure (+2 notches) and Government Support (+1 notch)
- S&P affirmed AA- rating and stable outlook in July 2017
 - Uplifts from Business Position (+1 notch), Capital and Earnings (+1 notch) and ALAC Support (+1 notch)

OP MORTGAGE BANK

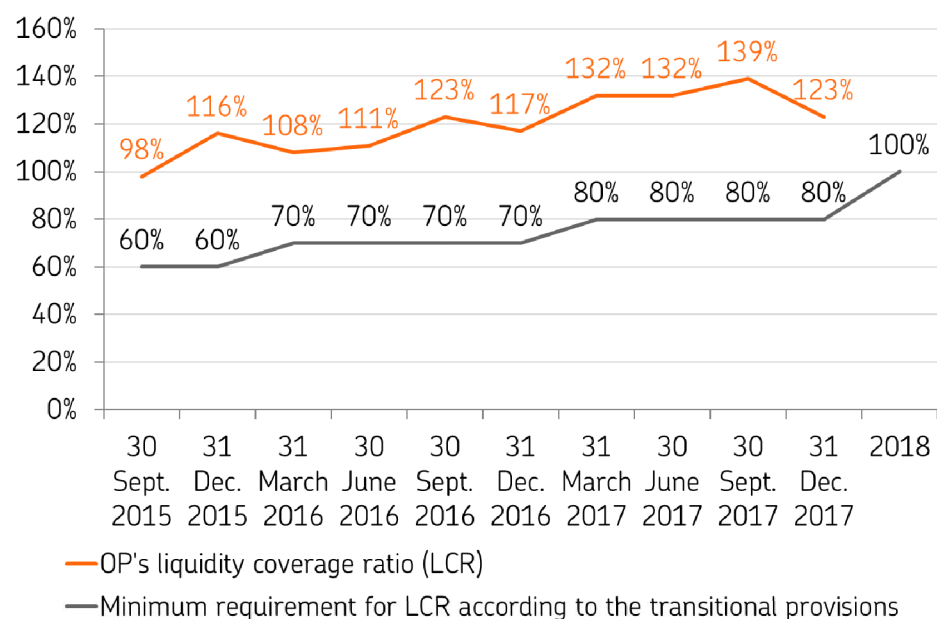
- Moody's affirmed Aaa rating with stable outlook in November 2017
 - TPI (Timely Payment Indicator) Leeway 5 notches
- S&P affirmed AAA rating with stable outlook in September 2017
 - 3 unused notches of jurisdictional support
 - 2 unused notches of collateral based uplift

OP INSURANCE LTD

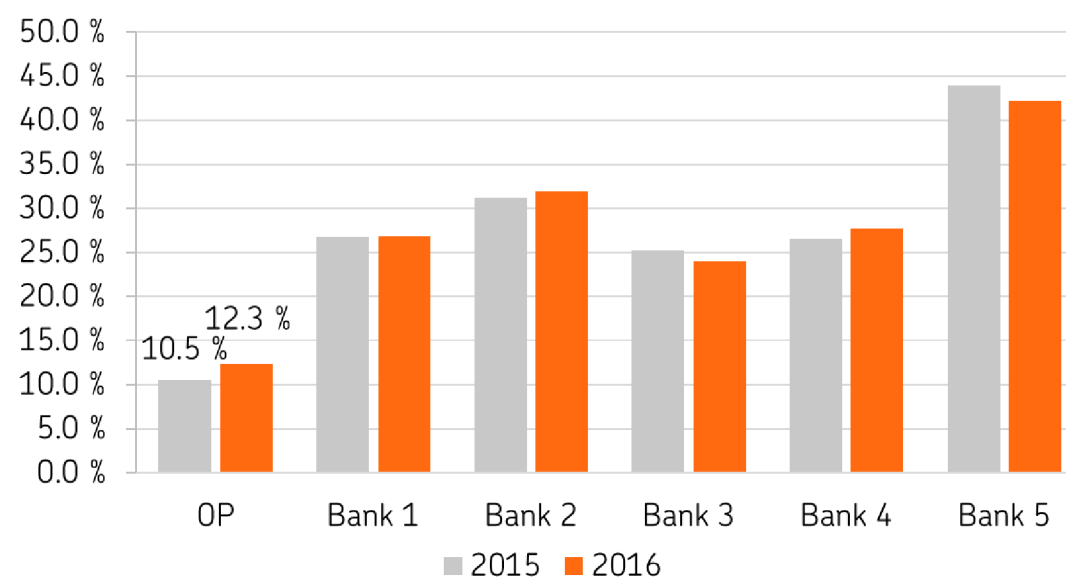
- Moody's affirmed A3 rating with stable outlook on 15 May 2015
- S&P affirmed A+ rating and stable outlook in July 2017

Liquidity coverage ratio 123% at YE2017 and encumbrance ratio 12.3% at YE2016

LCR vs. minimum requirement

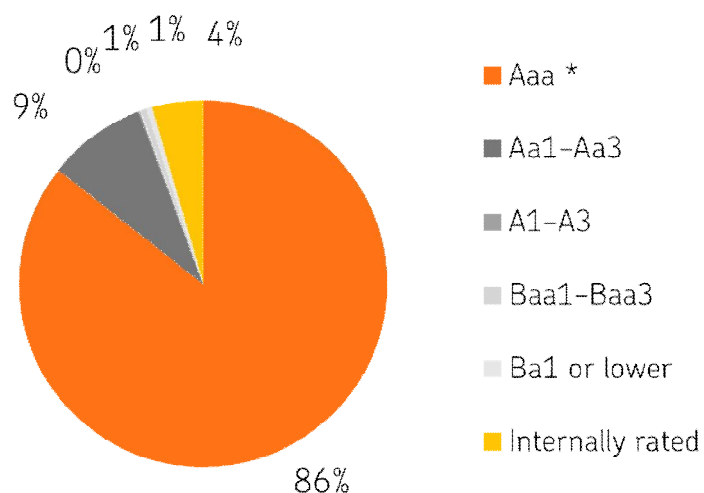


Encumbrance ratio in Nordic comparison



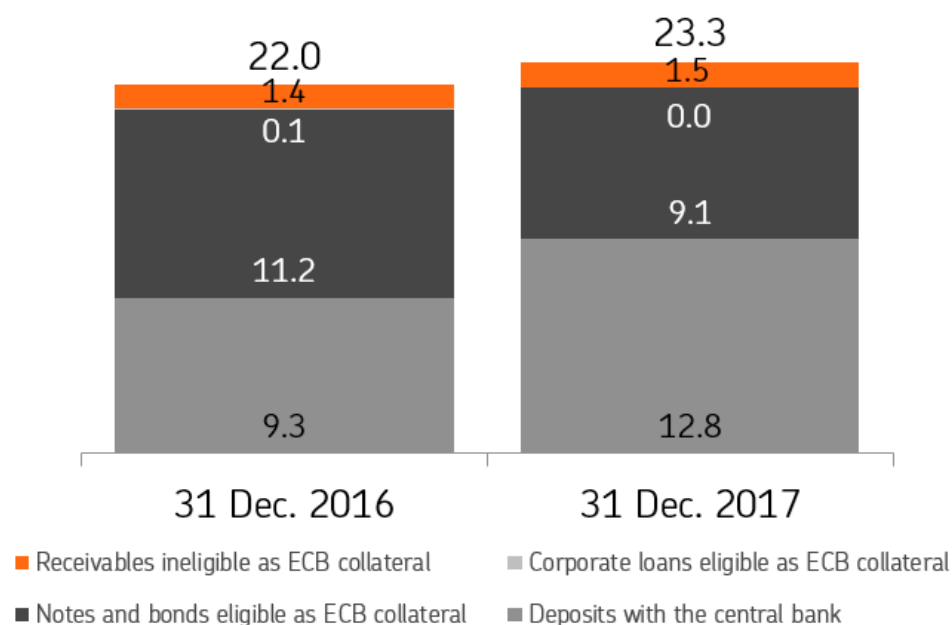
Liquidity buffer €23.3 bn at YE2017

Liquidity buffer by credit rating**, as of 31 Dec. 2017



*incl. deposits with central banks

Liquidity buffer breakdown, € bn



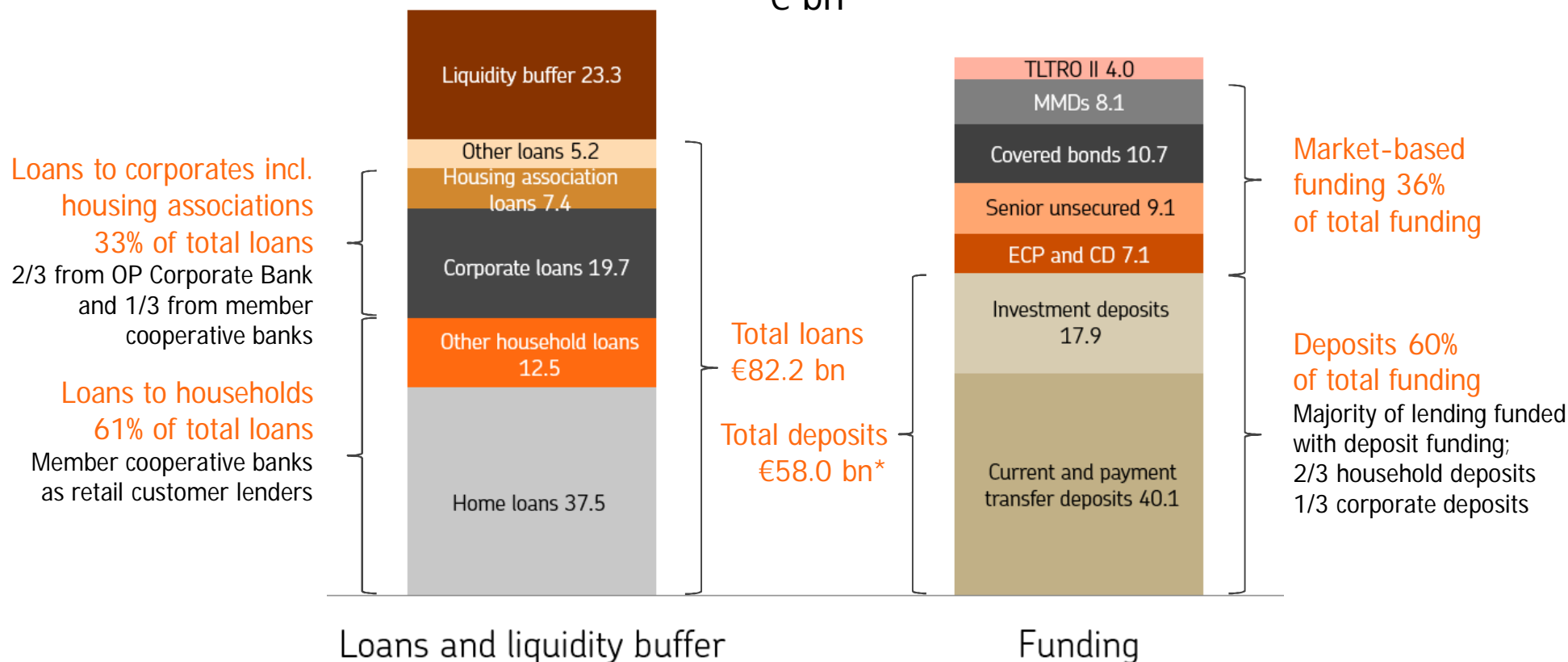
***) "Internally rated" includes externally non-rated notes and bonds issued by public-sector entities and companies

Decrease in the amount of notes and bonds eligible as collateral was due, for example, by their use as collateral in TLTRO-II. The liquidity buffer and other sources of additional funding based on the contingency funding plan are sufficient to cover funding for at least 24 months in the event wholesale funding becomes unavailable and total deposits decrease at a moderate rate.

Loans, liquidity buffer and funding

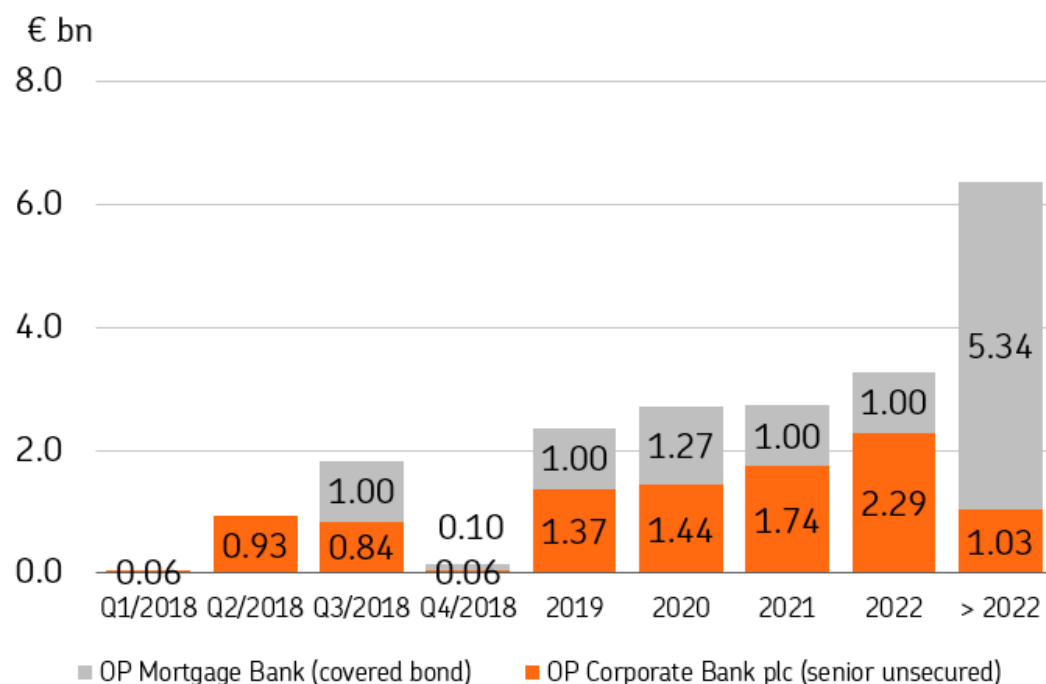
31 December 2017

€ bn



Maturity breakdown of wholesale funding well diversified

Issued senior unsecured and covered bonds by maturity, 31 December 2017



- OP issued long-term bonds worth €4.0 billion during 2017
- Additionally, OP participated in ECB's TLTRO II refinancing operation with €1.0 billion in March 2017
- OP Financial Group's resolution authority, the EU's Single Resolution Board (SRB), is determining the minimum level of liabilities (MREL), under the Resolution Act, at the Group level

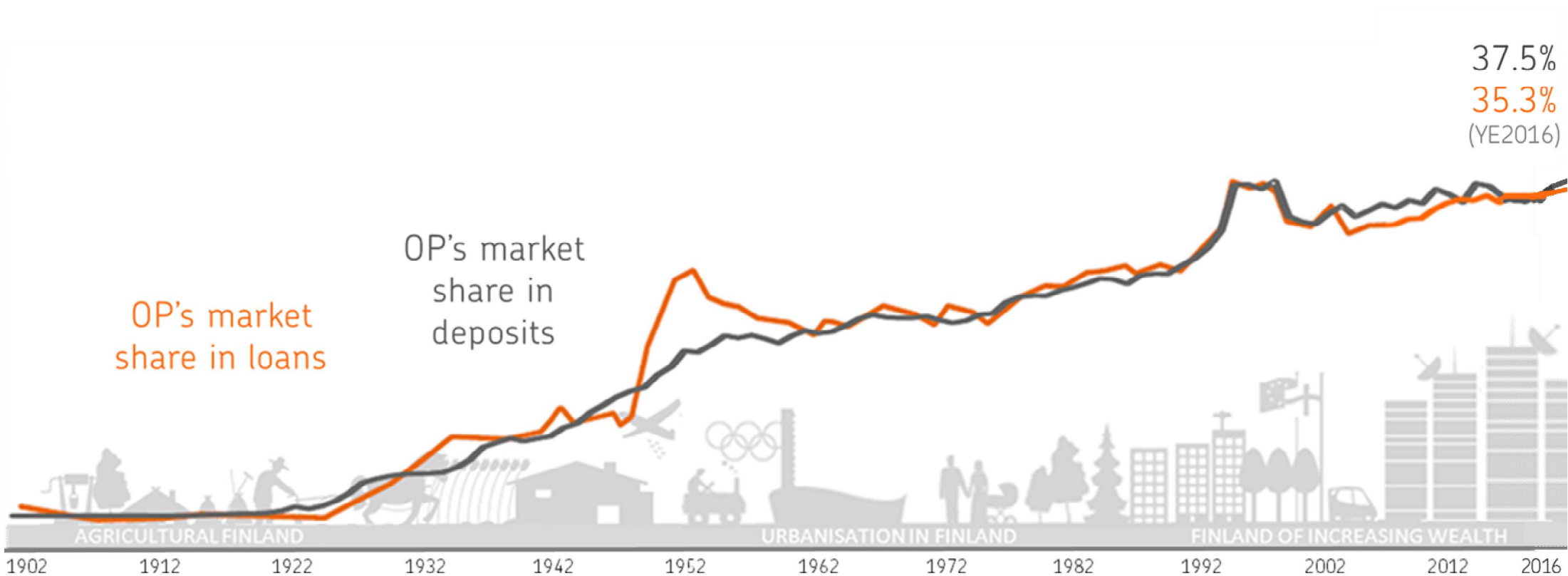
Issued senior unsecured and covered bonds

OP Corporate Bank plc's benchmark senior unsecured bonds 2015–17

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

OP Mortgage Bank's benchmark covered bonds 2015–17

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



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

OPMB IN BRIEF

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

OPMB & JOINT LIABILITY

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

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



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

OP Mortgage Bank's rating buffers

Standard & Poor's: AAA (stable)

- 3 unused notches of jurisdictional support
- 2 unused notches of collateral based uplift
- Key scores (as of 31 March 2017)
 - Available Credit Enhancement: 21.45% (CE* commensurate with AAA rating: 3.52%)
 - WAFF**: 16.21%
 - WALS***: 17.28%

* Credit enhancement

** Weighted-average foreclosure frequency

*** Weighted-average loss severity

Source: S&P Transaction Update OP Mortgage Bank, 6 September 2017

Moody's: Aaa (stable)

- TPI*** Leeway 5 notches
- Key scores (as of 30 September 2017)
 - 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, Mortgage Covered Bonds 2, 20 November 2017

OPMB operating model

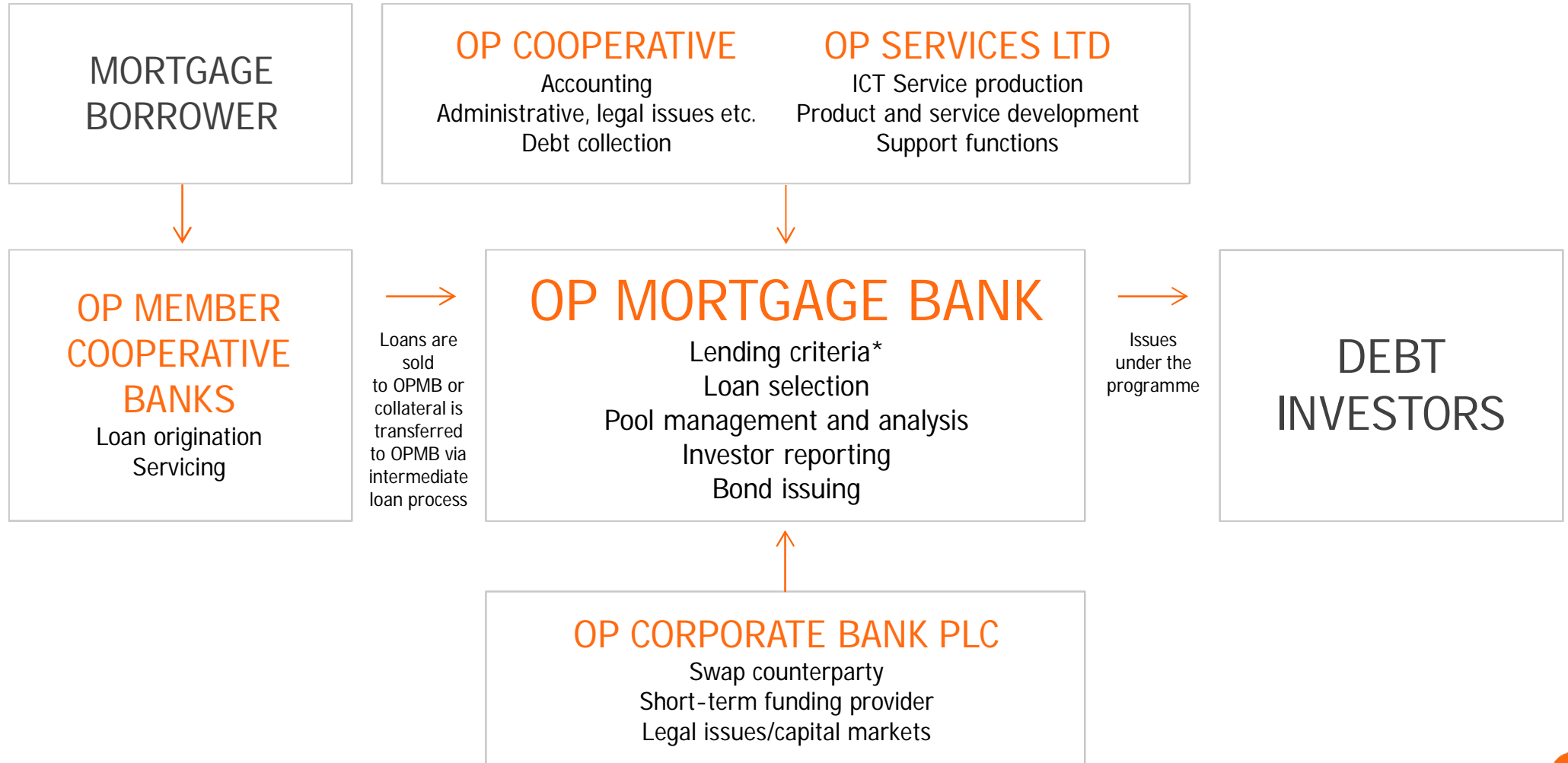
OPMB is a funding vehicle for the member cooperative banks

- Subject to strict eligibility criteria
 - Existing loans may be sold from member cooperative banks to OPMB
 - Collateral may be transferred to OPMB via intermediate loan process
 - Member cooperative banks may originate directly into OPMB's balance sheet acting as a broker agent

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

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

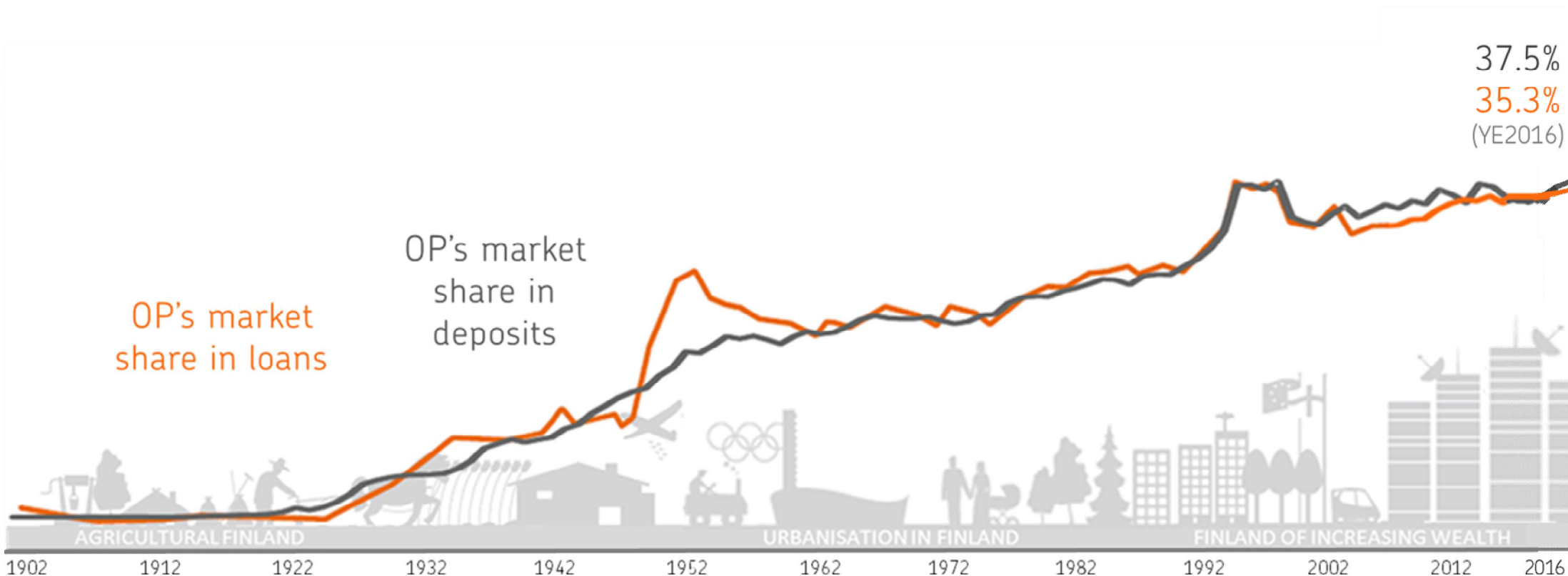
Operating model and roles



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

Intermediate loans

- The Finnish Covered Bond Act (2010) enables granting intermediate loans
 - The member cooperative banks are granted the opportunity to indirectly participate in the issuing of a covered bond
 - Intermediate loans are the third way for the member cooperative banks to utilize OPMB along with selling loans and granting loans from OPMB
- The intermediate 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 intermediate loan
 - The member cooperative bank commits to preserving adequate intermediate loan worthy loan portfolio for the maturity of the intermediate 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 intermediate loan process or true sales, they serve as collateral for the covered bonds for the benefit of the noteholders.



OPMB Cover Asset Pool Characteristics

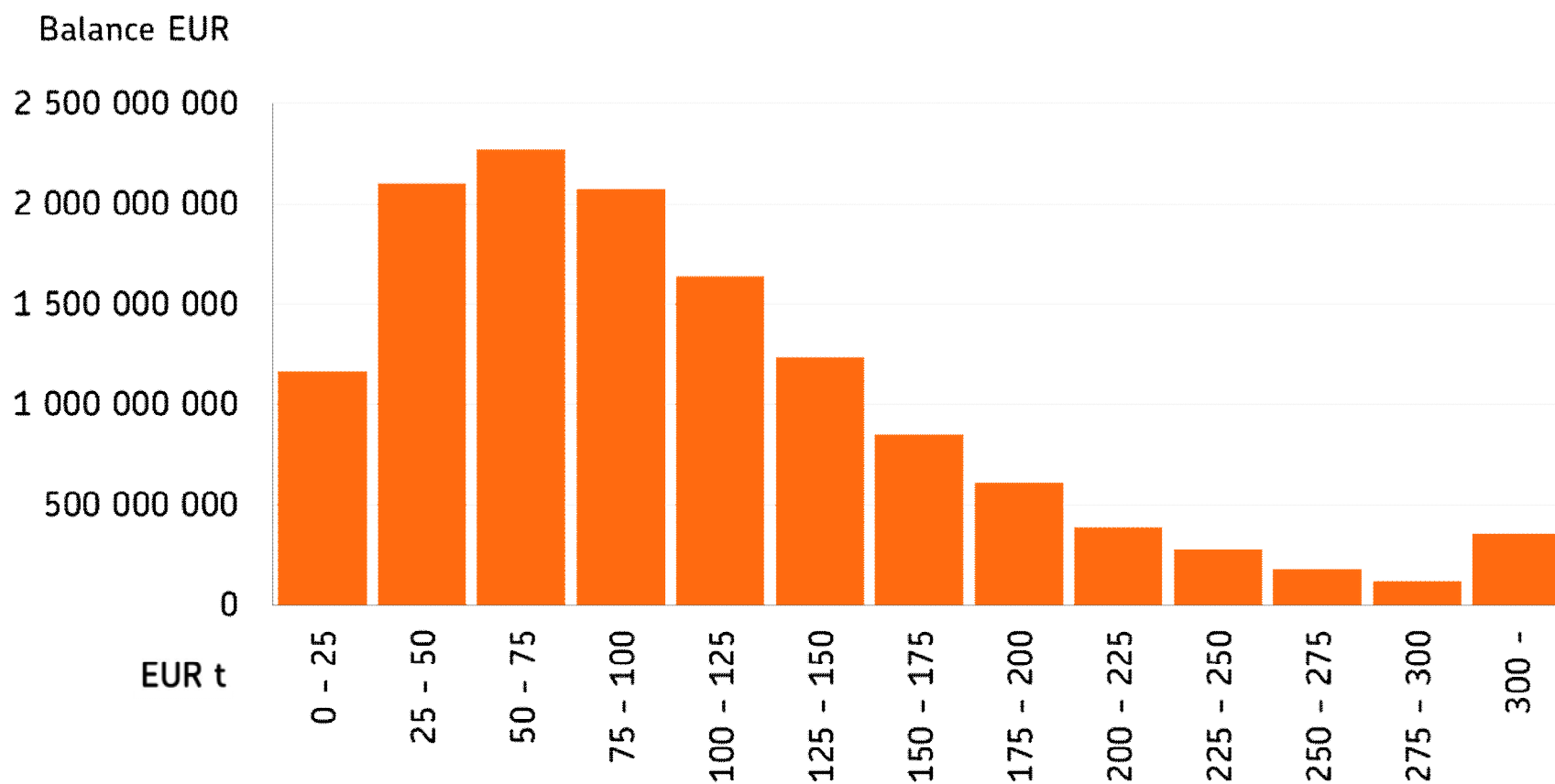
Covered bonds issued after 1 Aug. 2010,
under the Finnish Act on Mortgage Credit Banks 680/2010

Main Features of OP Mortgage Bank's Cover Asset Pool as of 31 December 2017

- Collateralized by Finnish mortgages
- Current balance EUR 13.27 billion
- Weighted Average indexed LTV of 45%
- Average loan size of approximately EUR 53,352
- No loans over 90 days in arrears ongoing
- Variable interest rates: over 98% of all loans
- Hedging agreements in place in order to mitigate interest rate risk
- Total amount of covered bonds issued EUR 10.735 billion

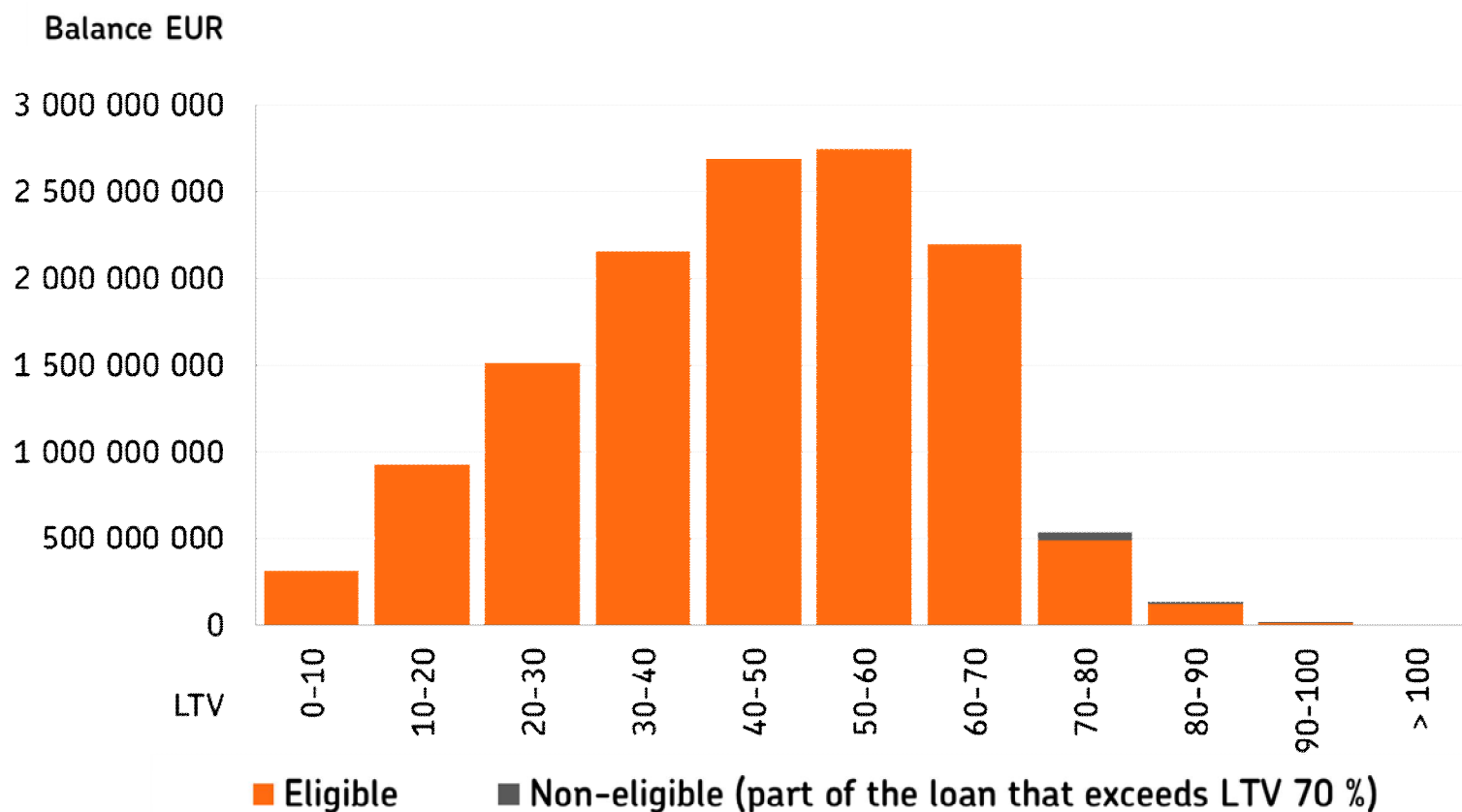
OPMB Cover Asset Pool Characteristics

Loans by size



OPMB Cover Asset Pool Characteristics

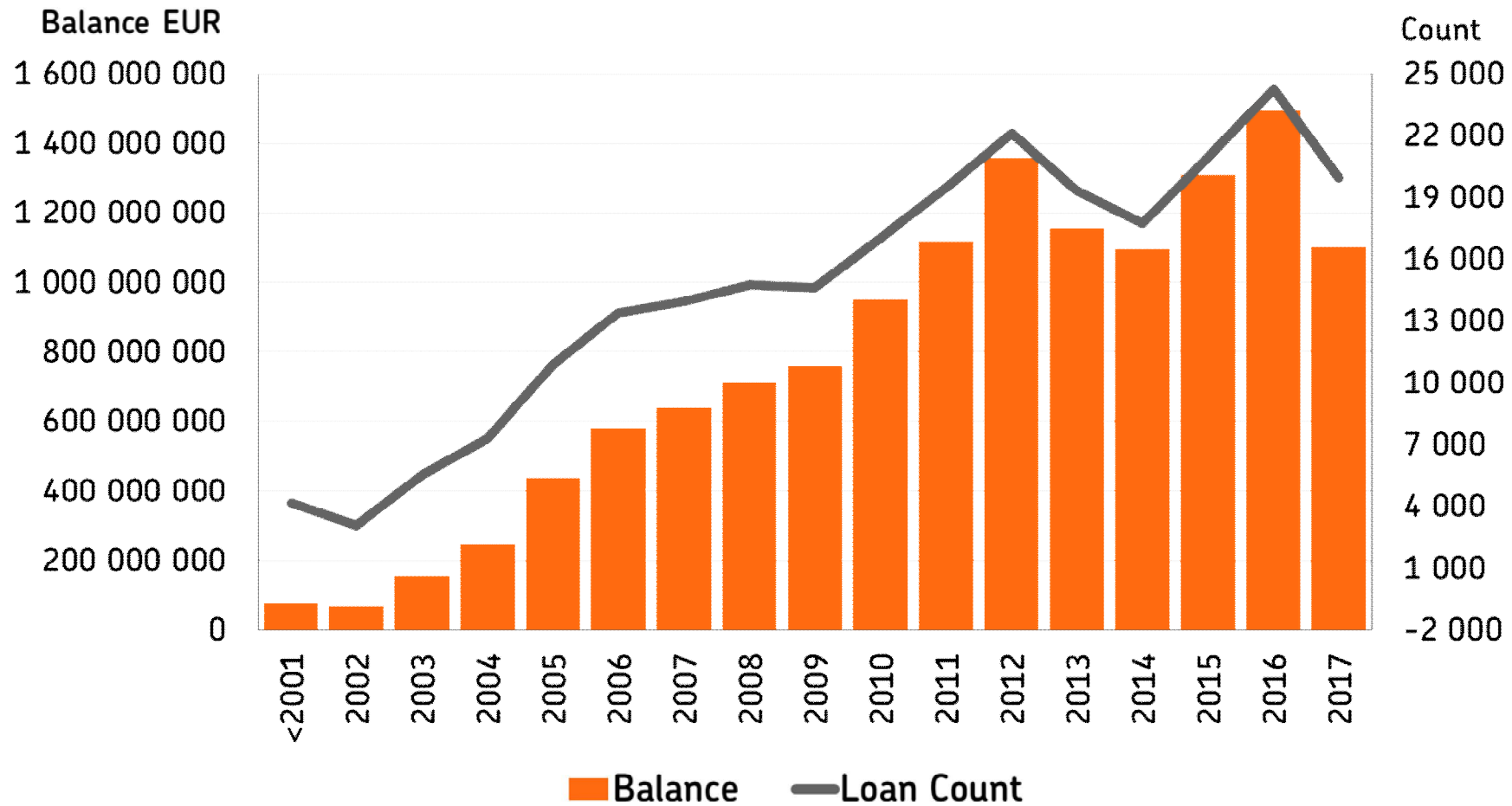
Loans by LTV



- Total assets
EUR 13.27 billion
- Eligible Cover Pool
assets EUR 13.21
billion
- Weighted average
indexed LTV of 45%
- Over-collateralisation
23.0% (eligible cover
pool assets only)

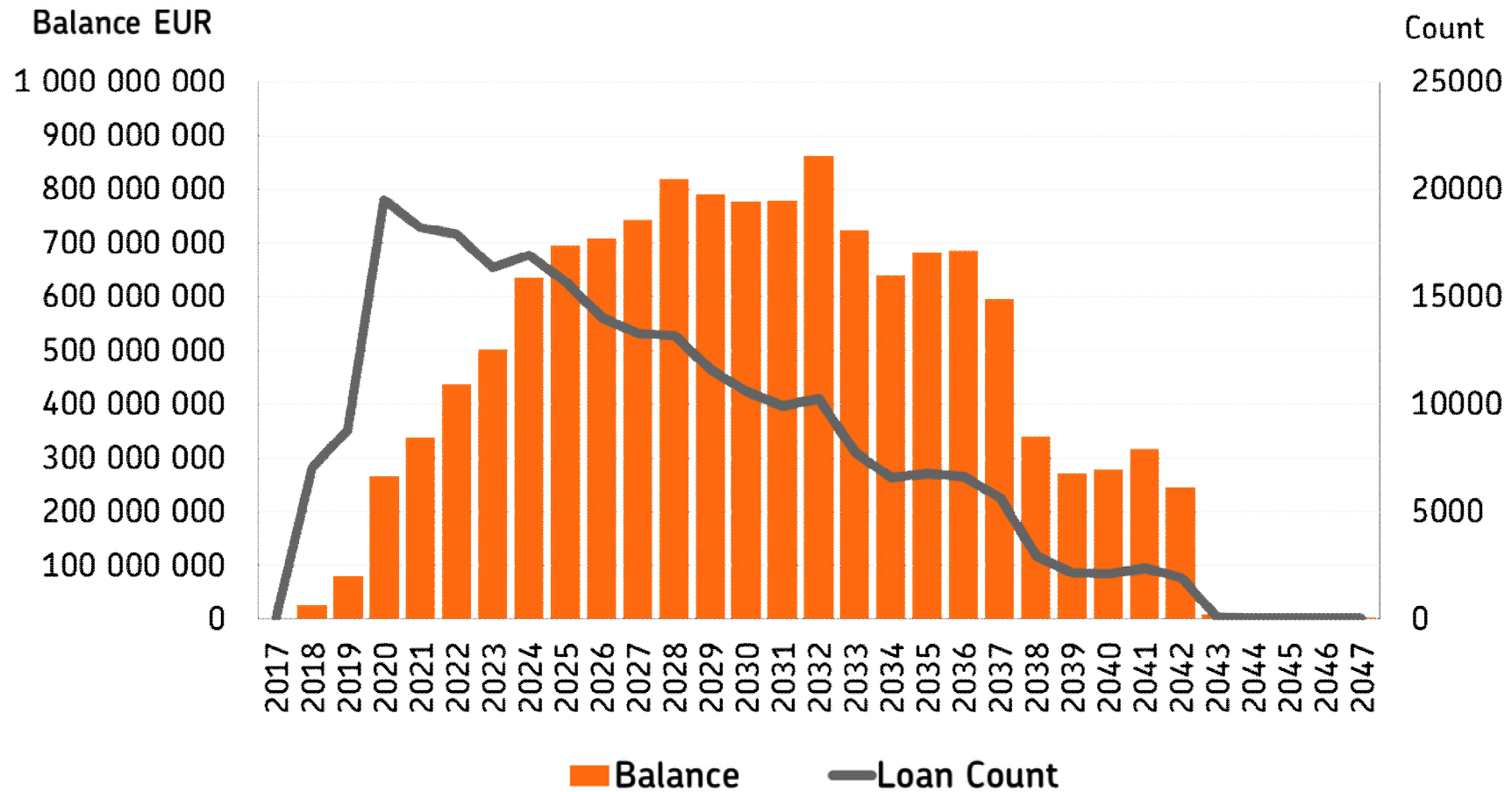
OPMB Cover Asset Pool Characteristics

Loans by origination year



OPMB Cover Asset Pool Characteristics

Loans by maturity

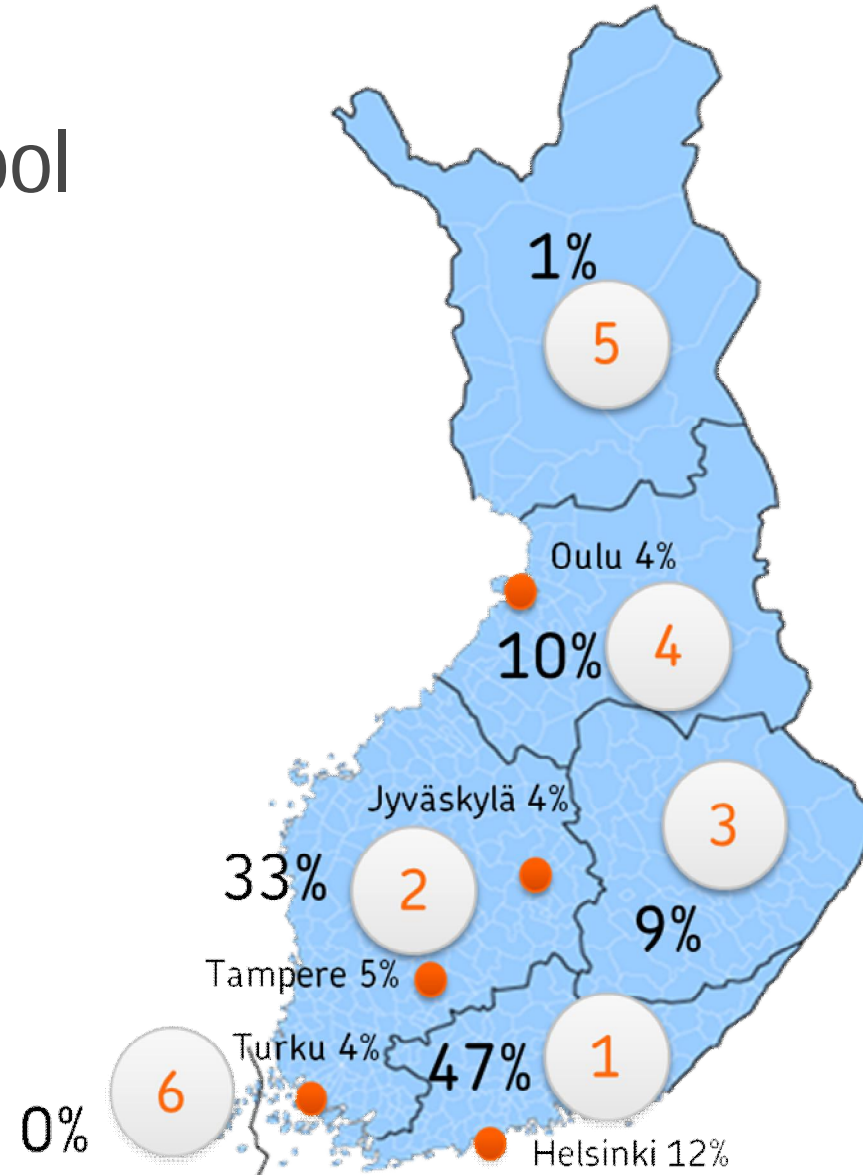


OPMB Cover Asset Pool

Characteristics

Geographical distribution

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



A. Harmonised Transparency Template - General Information

	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.op.fi/op-financial-group/debt-investors/op-as-an-investment			
G.1.1.4	Cut-off date	31/12/2017			
	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	Total Cover Assets	13265.94			
G.3.1.2	Outstanding Covered Bonds	10735.00			
	2. Over-collateralisation (OC)		Legal / Regulatory	Actual	Minimum Committed
G.3.2.1	OC (%)	2%		23.05	ND1
	3. Cover Pool Composition		Nominal (mn)		% Cover Pool
G.3.3.1	Mortgages	13263.15			99.98%
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	2.79			0.02%
G.3.3.6	Total	13,265.94			100%
	4. Cover Pool Amortisation Profile		Contractual	Expected Upon Prepayments	% Total Contractual
G.3.4.1	Weighted Average Life (in years)	6.32		ND3	% Total Expected Upon Prepayments
	Residual Life (mn)				
	By buckets:				
G.3.4.2	0 - 1Y	1425.44		ND3	10.75%
G.3.4.3	1 - 2Y	1336.01		ND3	10.07%
G.3.4.4	2 - 3Y	1235.66		ND3	9.31%
G.3.4.5	3 - 4Y	1118.53		ND3	8.43%
G.3.4.6	4 - 5Y	1001.90		ND3	7.55%
G.3.4.7	5 - 10Y	3755.34		ND3	28.31%
G.3.4.8	10+Y	3393.07		ND3	25.58%
G.3.4.9	Total	13,265.94		0	100%
					0%

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 31 December 2017

5. Maturity of Covered Bonds		Initial Maturity	Extended Maturity	% Total Initial Maturity	% Total Extended Maturity
G.3.5.1	Weighted Average life (in years)	4.54	5.53		
	Maturity (mn)				
G.3.5.2	By buckets:				
G.3.5.3	0 - 1Y	1,100.00	0.00	10.25%	0.00%
G.3.5.4	1 - 2Y	1,000.00	1,100.00	9.32%	10.25%
G.3.5.5	2 - 3Y	1,270.00	1,000.00	11.83%	9.32%
G.3.5.6	3 - 4Y	1,000.00	1,270.00	9.32%	11.83%
G.3.5.7	4 - 5Y	1,000.00	1,000.00	9.32%	9.32%
G.3.5.8	5 - 10Y	5,365.00	5,365.00	49.98%	49.98%
G.3.5.9	10+Y	0.00	1,000.00	0.00%	9.32%
G.3.5.10	Total	10,735.00	10,735.00	100%	100%
6. Covered Assets - Currency		Nominal [before hedging] (mn)	Nominal [after hedging] (mn)	% Total [before]	% Total [after]
G.3.6.1	EUR	13265.94	13,265.94	100.00%	100.00%
G.3.6.2	USD	0.00	0.00	0.00%	0.00%
G.3.6.3	GBP	0.00	0.00	0.00%	0.00%
G.3.6.4	NOK	0.00	0.00	0.00%	0.00%
G.3.6.5	CHF	0.00	0.00	0.00%	0.00%
G.3.6.6	AUD	0.00	0.00	0.00%	0.00%
G.3.6.7	CAD	0.00	0.00	0.00%	0.00%
G.3.6.8	BRL	0.00	0.00	0.00%	0.00%
G.3.6.9	CZK	0.00	0.00	0.00%	0.00%
G.3.6.10	DKK	0.00	0.00	0.00%	0.00%
G.3.6.11	HKD	0.00	0.00	0.00%	0.00%
G.3.6.12	KRW	0.00	0.00	0.00%	0.00%
G.3.6.13	SEK	0.00	0.00	0.00%	0.00%
G.3.6.14	SGD	0.00	0.00	0.00%	0.00%
G.3.6.15	Other	0.00	0.00	0.00%	0.00%
G.3.6.16	Total	13265.94	13265.94	100%	100%
7. Covered Bonds - Currency		Nominal [before hedging] (mn)	Nominal [after hedging] (mn)	% Total [before]	% Total [after]
G.3.7.1	EUR	10735.00	10735.00	100.00%	100.00%
G.3.7.2	USD	0.00	0.00	0.00%	0.00%
G.3.7.3	GBP	0.00	0.00	0.00%	0.00%
G.3.7.4	NOK	0.00	0.00	0.00%	0.00%
G.3.7.5	CHF	0.00	0.00	0.00%	0.00%
G.3.7.6	AUD	0.00	0.00	0.00%	0.00%
G.3.7.7	CAD	0.00	0.00	0.00%	0.00%
G.3.7.8	BRL	0.00	0.00	0.00%	0.00%
G.3.7.9	CZK	0.00	0.00	0.00%	0.00%
G.3.7.10	DKK	0.00	0.00	0.00%	0.00%
G.3.7.11	HKD	0.00	0.00	0.00%	0.00%
G.3.7.12	KRW	0.00	0.00	0.00%	0.00%
G.3.7.13	SEK	0.00	0.00	0.00%	0.00%
G.3.7.14	SGD	0.00	0.00	0.00%	0.00%
G.3.7.15	Other	0.00	0.00	0.00%	0.00%
G.3.7.16	Total	10735.00	10735.00	100%	100%
8. Covered Bonds - Breakdown by interest rate		Nominal [before hedging] (mn)	Nominal [after hedging] (mn)	% Total [before]	% Total [after]
G.3.8.1	Fixed coupon	10635.00	10635.00	99%	99%
G.3.8.2	Floating coupon	100.00	100.00	1%	1%
G.3.8.3	Other	0.00	0.00	0%	0%
G.3.8.4	Total	10735.00	10735.00	100%	100%

Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 31 December 2017

9. Substitute Assets - Type		Nominal (mn)	% Substitute Assets		
G.3.9.1	Cash	0.00			
G.3.9.2	Exposures to/guaranteed by Supranational, Sovereign, Agency (SSA)	0.00			
G.3.9.3	Exposures to central banks	0.00			
G.3.9.4	Exposures to credit institutions	0.00			
G.3.9.5	Other	0.00			
G.3.9.6	Total	0.00		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	13265.94		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	13265.94		100%	100%
12. Bond List					
G.3.12.1	Bond list	https://www.coveredbondlabel.com/issuer/5/			
13. Derivatives & Swaps		intra-group			
G.3.13.1	Derivatives in the register / cover pool [notional] (mn)	8534.76			
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)		Row	Row
129(7)			
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 to preferential treatment under Regulation (EU) 648/2012 is ultimately a matter to be determined by a relevant investor institution and its relevant supervisory authority and the issuer does not accept any responsibility in this regard.			
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	
G.4.1.4	(iii) Type of cover assets:	52	
G.4.1.5	(iii) Loan size:	155 for Residential Mortgage Assets	240 for Commercial Mortgage Assets
G.4.1.6	(iii) Interest rate risk - cover pool:	119 for Mortgage Assets	228
G.4.1.7	(iii) Currency risk - cover pool:	111	
G.4.1.8	(iii) Interest rate risk - covered bond:	163	
G.4.1.9	(iii) Currency risk - covered bond:	137	
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:	88	
G.4.1.13	(iv) Percentage of loans more than ninety days past due:	149 for Mortgage Assets	
5. References to Capital Requirements Regulation (CRR)			
129(1)			
G.5.1.1	Exposure to credit institute credit quality step 1 & 2	ND3	
6. Other relevant information			

B1. Harmonised Transparency Template - Mortgage Assets			
	Reporting in Domestic Currency	EUR	
	CONTENT OF TAB B1		
	7. Mortgage Assets		
	7.A Residential Cover Pool		
	7.B Commercial Cover Pool		
Field Number	7. Mortgage Assets		
	1. Property Type Information	Nominal (mn)	% Total Mortgages
M.7.1.1	Residential	13263.15	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	13263.15	100.00%
	2. General Information	Residential Loans	Commercial Loans
M.7.2.1	Number of mortgage loans	248534	0
	3. Concentration Risks	% Residential Loans	% Commercial Loans
M.7.3.1	10 largest exposures	0.08	0.00
			% Total Mortgages
			0.08

4. Breakdown by Geography		% Residential Loans	% Commercial Loans	% Total Mortgages	
M.7.4.1	European Union	100.00	0.00	100.00	
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	100.00		100.00	
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)	0.00	0.00	0.00	
M.7.4.31	Iceland				
M.7.4.32	Liechtenstein				
M.7.4.33	Norway				
M.7.4.34	Other	0.00	0.00	0.00	
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				

<i>5. Breakdown by domestic regions</i>		% Residential Loans	% Commercial Loans	% Total Mortgages
M.7.5.1	Aland Islands	0.24		0.24
M.7.5.2	Central Finland	5.50		5.50
M.7.5.3	Central Ostrobothnia	1.12		1.12
M.7.5.4	Etela-Savo	1.95		1.95
M.7.5.5	Ita-Uusimaa	2.54		2.54
M.7.5.6	Kainuu	0.78		0.78
M.7.5.7	Kanta-Hame	4.27		4.27
M.7.5.8	Kymenlaakso	2.41		2.41
M.7.5.9	Lapland	1.40		1.40
M.7.5.10	North Karelia	2.90		2.90
M.7.5.11	North Ostrobothnia	8.68		8.68
M.7.5.12	Ostrobothnia	2.21		2.21
M.7.5.13	Paijat-Hame	3.52		3.52
M.7.5.14	Pirkanmaa	8.80		8.80
M.7.5.15	Pohjois-Savo	4.32		4.32
M.7.5.16	Satakunta	4.21		4.21
M.7.5.17	South Karelia	2.59		2.59
M.7.5.18	South Ostrobothnia	1.84		1.84
M.7.5.19	Uusimaa	29.67		29.67
M.7.5.20	Varsinais-Suomi	11.07		11.07
<i>6. Breakdown by Interest Rate</i>		% Residential Loans	% Commercial Loans	% Total Mortgages
M.7.6.1	Fixed rate	1.93		1.93
M.7.6.2	Floating rate	98.07		98.07
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	0.00		0.00
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 12months	9.35		9.35
M.7.8.2	≥ 12 – ≤ 24 months	11.22		11.22
M.7.8.3	≥ 24 – ≤ 36 months	9.64		9.64
M.7.8.4	≥ 36 – ≤ 60 months	17.03		17.03
M.7.8.5	≥ 60 months	52.76		52.76
<i>9. Non-Performing Loans (NPLs)</i>		% Residential Loans	% Commercial Loans	% Total Mortgages
M.7.9.1	% NPLs	0.00		0.00

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)	53.35				
	By buckets (mn):					
M.7A.10.2	0 - 0,025000	1167.08	92884.00		8.80%	37.36%
M.7A.10.3	0,025001 - 0,050000	2106.94	57668.00		15.89%	23.20%
M.7A.10.4	0,050001 - 0,100000	4345.43	60779.00		32.76%	24.45%
M.7A.10.5	0,100001 - 0,150000	2868.96	23702.00		21.63%	9.53%
M.7A.10.6	0,150001 - 0,200 000	1460.39	8533.00		11.01%	3.43%
M.7A.10.7	0,200001 - 0,250000	664.27	3004.00		5.01%	1.21%
M.7A.10.8	0,250001 - 0,300000	295.41	1092.00		2.23%	0.44%
M.7A.10.9	0,300001 -	354.66	932.00		2.67%	0.37%
M.7A.10.26	Total	13263.15	248594.00		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 (%)	50.46				
	By LTV buckets (mn):					
M.7A.11.2	>0 - <=40 %	10342.20	248594.00		77.98%	44.63%
M.7A.11.3	>40 - <=50 %	1382.95	122573.00		10.43%	22.01%
M.7A.11.4	>50 - <=60 %	913.76	90909.00		6.89%	16.32%
M.7A.11.5	>60 - <=70 %	502.20	63295.00		3.79%	11.36%
M.7A.11.6	>70 - <=80 %	107.27	26959.00		0.81%	4.84%
M.7A.11.7	>80 - <=90 %	12.73	3982.00		0.10%	0.71%
M.7A.11.8	>90 - <=100 %	1.87	561.00		0.01%	0.10%
M.7A.11.9	>100%	0.18	138.00		0.00%	0.02%
M.7A.11.10	Total	13263.15	557011.00		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 (%)	45.18				
	By LTV buckets (mn):					
M.7A.12.2	>0 - <=40 %	11059.69	248594.00		83.39%	56.38%
M.7A.12.3	>40 - <=50 %	1228.33	96122.00		9.26%	21.80%
M.7A.12.4	>50 - <=60 %	672.76	59065.00		5.07%	13.40%
M.7A.12.5	>60 - <=70 %	246.33	28163.00		1.86%	6.39%
M.7A.12.6	>70 - <=80 %	47.94	7060.00		0.36%	1.60%
M.7A.12.7	>80 - <=90 %	7.22	1654.00		0.05%	0.38%
M.7A.12.8	>90 - <=100 %	0.89	235.00		0.01%	0.05%
M.7A.12.9	>100%	0.00	0.00		0.00%	0.00%
M.7A.12.10	Total	13263.15	440893.00		100.00%	100.00%
13. Breakdown by type		% Residential Loans				
M.7A.13.1	Owner occupied	96.42				
M.7A.13.2	Second home/Holiday houses	1.22				
M.7A.13.3	Buy-to-let/Non-owner occupied	0.54				
M.7A.13.4	Agricultural	1.82				
M.7A.13.5	Other					
14. Loan by Ranking		% Residential Loans				
M.7A.14.1	1st lien / No prior ranks	100.00				
M.7A.14.2	Guaranteed	0.00				
M.7A.14.3	Other	0.00				

7B Commercial Cover Pool						
15. Loan Size Information						
		Nominal	Number of Loans		% Commercial Loans	% No. of Loans
M. 7B. 15.1	Average loan size (000s)					
	By buckets (mn):					
M. 7B. 15.2	0 - 0,100000	0.00	0.00			
M. 7B. 15.3	0,100001 - 0,200000	0.00	0.00			
M. 7B. 15.4	0,200001 - 0,300000	0.00	0.00			
M. 7B. 15.5	0,300001 - 0,400000	0.00	0.00			
M. 7B. 15.6	0,400001 - 0,500000	0.00	0.00			
M. 7B. 15.7	0,500001 - 0,600000	0.00	0.00			
M. 7B. 15.8	0,600001 - 0,700000	0.00	0.00			
M. 7B. 15.9	0,700001 - 0,800000	0.00	0.00			
M. 7B. 15.10	0,800001 - 0,900000	0.00	0.00			
M. 7B. 15.11	0,900001 - 1,000000	0.00	0.00			
M. 7B. 15.12	1,000001 -	0.00	0.00			
M. 7B. 15.26	Total	0.00	0.00		0.00%	0.00%
16. Loan to Value (LTV) Information - UNINDEXED						
		Nominal	Number of Loans		% Commercial Loans	% No. of Loans
M. 7B. 16.1	Weighted Average LTV (%)					
	By LTV buckets (mn):					
M. 7B. 16.2	>0 - <=40 %	0.00	0.00			
M. 7B. 16.3	>40 - <=50 %	0.00	0.00			
M. 7B. 16.4	>50 - <=60 %	0.00	0.00			
M. 7B. 16.5	>60 - <=70 %	0.00	0.00			
M. 7B. 16.6	>70 - <=80 %	0.00	0.00			
M. 7B. 16.7	>80 - <=90 %	0.00	0.00			
M. 7B. 16.8	>90 - <=100 %	0.00	0.00			
M. 7B. 16.9	>100%	0.00	0.00			
M. 7B. 16.10	Total	0.00	0.00		0.00%	0.00%
17. Loan to Value (LTV) Information - INDEXED						
		Nominal	Number of Loans		% Commercial Loans	% No. of Loans
M. 7B. 17.1	Weighted Average LTV (%)					
	By LTV buckets (mn):					
M. 7B. 17.2	>0 - <=40 %	0.00	0.00			
M. 7B. 17.3	>40 - <=50 %	0.00	0.00			
M. 7B. 17.4	>50 - <=60 %	0.00	0.00			
M. 7B. 17.5	>60 - <=70 %	0.00	0.00			
M. 7B. 17.6	>70 - <=80 %	0.00	0.00			
M. 7B. 17.7	>80 - <=90 %	0.00	0.00			
M. 7B. 17.8	>90 - <=100 %	0.00	0.00			
M. 7B. 17.9	>100%	0.00	0.00			
M. 7B. 17.10	Total	0.00	0.00		0.00%	0.00%
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					

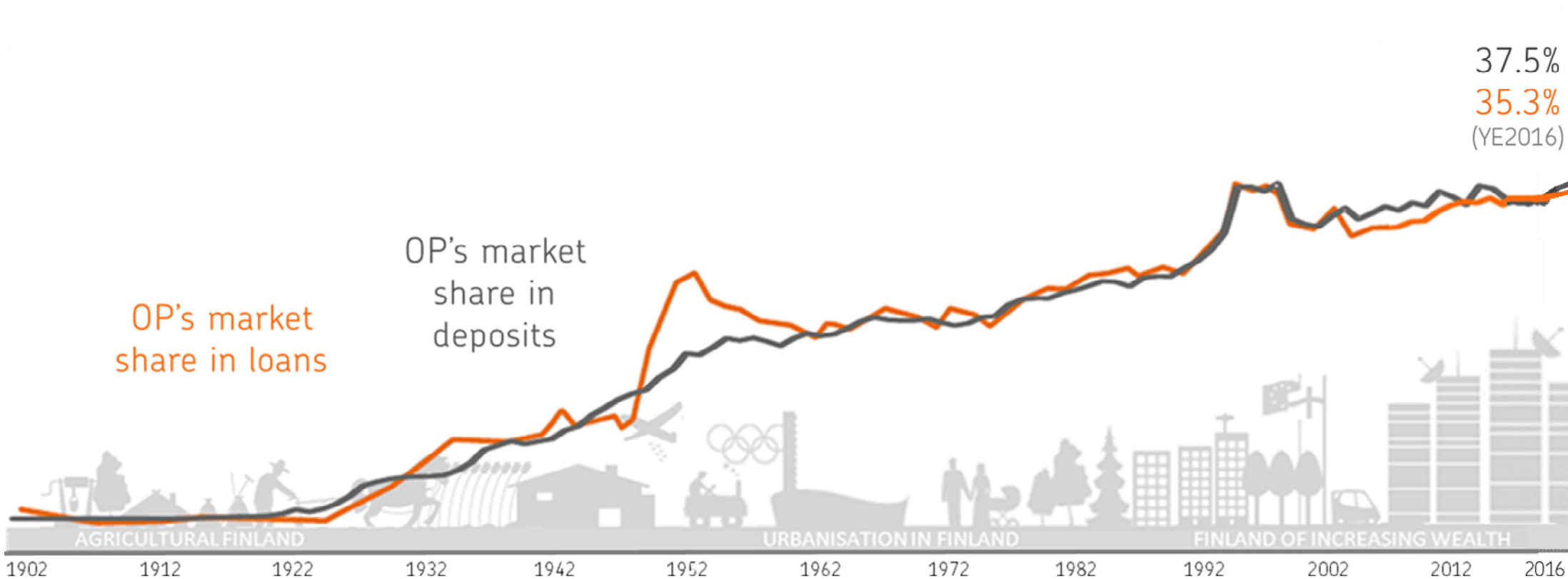
Source: OP Mortgage Bank Cover Asset Pool, ECBC Harmonised Transparency Template (HTT) as of 31 December 2017

This addendum is optional

E. Harmonised Transparency Template - Optional ECB - ECAIs Data Disclosure

	Reporting in Domestic Currency	EUR				
	CONTENT OF TAB E					
	1. Additional information on the programme					
	2. Additional information on the swaps					
	3. Additional information on the asset distribution					
			</			

Reason for No Data in Worksheet E.	Value
Not applicable for the jurisdiction	ND1
Not relevant for the issuer and/or CB programme at the present time	ND2
Not available at the present time	ND3
Confidential	ND4
* Legal Entity Identifier (LEI) finder: http://www.lei-lookup.com/#!search	
** Weighted Average Maturity = Remaining Term to Maturity	



Appendices

Group structure incl. major subsidiaries

1.8 million owner-customers, of which 90% households



167 OP Financial Group member cooperative banks

OP COOPERATIVE			
BANKING	NON-LIFE INSURANCE	WEALTH MANAGEMENT	OTHER OPERATIONS
<ul style="list-style-type: none"> OP Corporate Bank plc* (Corporate Banking) Helsinki Area Cooperative Bank*** OP Mortgage Bank* OP Card Company Plc* Member cooperative banks 	<ul style="list-style-type: none"> OP Insurance Ltd** with its subsidiaries <ul style="list-style-type: none"> Eurooppalainen Insurance Company Ltd Seesam Insurance AS**** Pohjola Health Ltd A-Insurance Ltd 	<ul style="list-style-type: none"> OP Asset Management Ltd* OP Property Management Ltd* OP Life Assurance Company Ltd* OP Fund Management Company Ltd* 	<ul style="list-style-type: none"> OP Services Ltd* OP Customer Services Ltd* OVY Ltd* Pivo Wallet Oy* Checkout Finland Oy* OP Corporate Bank plc* (Group Treasury)

* OP Cooperative's ownership 100%

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

*** OP Cooperative's control 2/3

**** Baltic non-life insurance business under Seesam Insurance As, including its Latvian and Lithuanian branches, will be sold to Vienna Insurance Group (VIG). Contract of sale was signed in December 2017 and divestment should be completed during 2018, provided that it is approved by relevant authorities and that the related conditions are otherwise fulfilled.

OP's group-level strategic targets

Main target: Above-market-average growth rate

INDICATOR	TARGET 2019	2017	2016	2015
Customer experience (CX)*, NPS for brand	25	22	23	-
NPS for service	70 (over time 90)	58	53	-
CET1 ratio	22%	20.1%	20.1%	19.5%
Return on economic capital (12-month rolling)	22%	21.3%	22.7%	21.5%
Expenses of present-day business (12-month rolling)	Expenses in 2020 at the same level as in 2015 (€1,500 mn)	€1,661 mn	€1,532 mn	€1,500 mn
Owner-customers, number	2.1 mn	1.8 mn	1.7 mn	1.5 mn

In October 2017, the Supervisory Board specified OP Financial Group's efficiency target. The new target is that OP Financial Group's present-day business expenses for 2020 are at the 2015 level.

The previous target was that OP Financial Group's present-day business expenses for 2019 are at the same level as in 2015, at the most.

* 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.

Large-scale development programme puts strategy into practice

DEVELOPMENT OF PRESENT-DAY BUSINESS

- MODERNISING SERVICE CHANNELS
- DIGITISING AND AUTOMATING SERVICES
- SIMPLIFYING PRODUCT PORTFOLIO
- REFORMING BASIC SYSTEMS AND ICT ARCHITECTURE
- DEVELOPING OWNER-CUSTOMER LOYALTY PROGRAMME
- New op.fi website and internet bank
- New features for OP-Mobile and Pivo Wallet Apps
- New organization for Development and Technologies
- OP Helsinki branch at HQ as test laboratory for current and new products and services offering touch screens, videos, animations, demos etc.

CREATING NEW BUSINESS

- BUILDING FULLY DIGITAL BUSINESSES
- DEVELOPING NEW, CUSTOMER-DRIVEN BUSINESS MODELS EG. WITHIN HOUSING, MOBILITY AND ELECTRONIC COMMERCE
- EXTENDING HEALTH AND WELLBEING BUSINESS
- DEVELOPING SME SERVICE OFFERINGS
- DriveNow franchising partnership: 150 cars provided for car sharing with more than 16,000 users
- OP Kulku electric car as a service with a monthly fee in Finland's largest cities and 100 new EV charging stations in 80 cities near to OP branches. OP Flexible Car supplements OP Kulku service.
- OP Home online marketplace and related housing service search
- Fully digital OP Nano home and travel insurances and OP Crowdfunding platform
- International startup programme in the field of financial sector, health technology, mobility and housing
- OP Lab website available for customers to participate in development of future digital services through piloting and feedback

DEVELOPING NEW CAPABILITIES

- ENHANCING COMPETENCIES, MANAGEMENT AND CORPORATE CULTURE
- BUILDING CAPABILITIES RELATED TO ANALYTICS AND ARTIFICIAL INTELLIGENCE
- ENHANCING INNOVATION
- 100 new employees for product and service development in 2016
- New unit of 30 in-house service designers engaging customers in development through interviews and workshops
- Agile development model having enabled eg. new website launch as beta version

HIGHLIGHTING OUR SOCIAL ROLE

- WELL-DEFINED GOALS AND METRICS FOR SOCIAL ROLE
- SOCIALLY RESPONSIBLE OPENINGS
- New CSR Programme in 2017 incl. 4 key themes: Fostering sustainable economy, Supporting local vitality, People-first approach and acting through engagement, and Fostering health, security and wellbeing
- Initiatives under "Putting Finland on a new growth path" (#suominousuun) giving more leeway and economic activity among OP's customer base and in the entire Finland

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

2013–15: LAUNCHING AND REFINING HOSPITAL CONCEPT

First Pohjola Hospital was opened in Helsinki (early 2013)

- New innovative services in the field of specialised medicine and occupational health in addition to orthopaedics, rehabilitation units, comprehensive diagnostic and laboratory services
- Faster care chain and more efficient claims handling process resulting to incomparable customer satisfaction (NPS among surgery customers 97 in 2017)

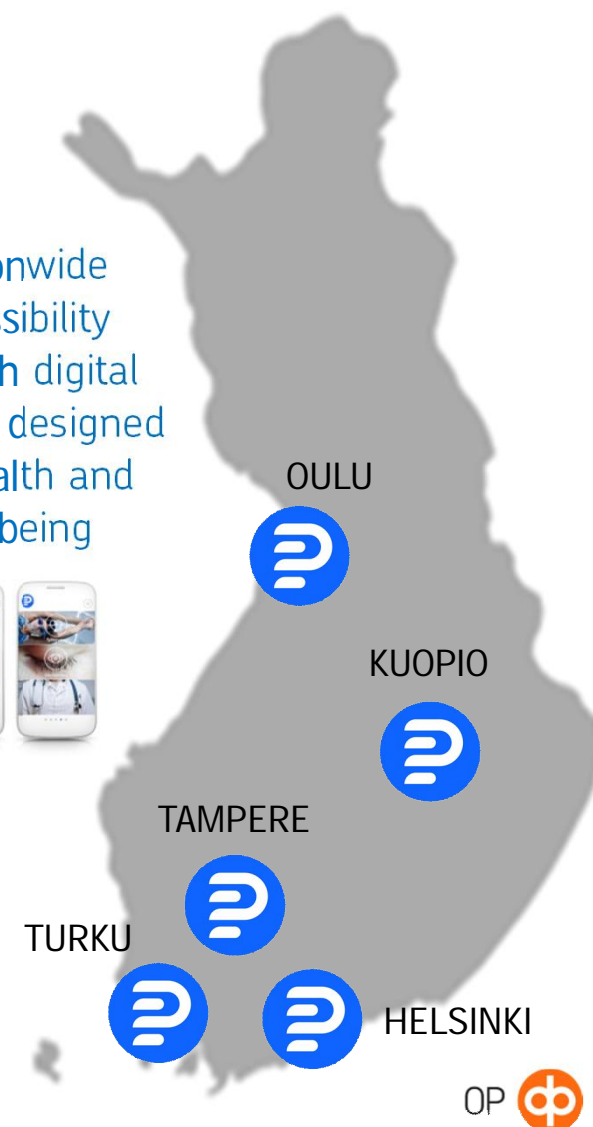
2016–18: EXPANSION TO UNIVERSITY HOSPITAL CITIES

3 more Pohjola Hospitals were opened in Tampere (August 2016), in Oulu (May 2017) and in Kuopio (August 2017). 1 more Pohjola Hospital is under construction in Turku (opening in May 2018).

FURTHER EXPANSION PLAN UNDERWAY

- Pohjola Health is expanding into a national player through, for instance, the construction of a nationwide medical centre network specialising in occupational health
- Branching out into care services for the elderly is under investigation

Nationwide accessibility through digital services designed for health and wellbeing



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

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

CSR activities take economic, social and environmental responsibility into consideration

CSR MATERIALITY MATRIX



CSR DEVELOPMENTS IN 2016–17

- New CSR Programme and CSR goals eg. carbon-positivity by 2025
- Solar power stations to OP premises and Pohjola Hospitals
- Electricity used at OP HQ premises 100% renewable
- New diversity target: Proportion of both genders in defined managerial positions at least 40% (women 21% at YE2017)
- Update of the materiality analysis and Stakeholder survey
- Signature of the Equator Principles
- CSR audits of procurement partners
- SME financing programmes (€300 mn) guaranteed by EIF and guarantee programme (€300mn) with EIB for large and mid-sized companies to support future economic growth and employment
- Record-high donations of EUR 6.3 million to Finnish universities
- Putting Finland on a new growth path (#suominousuun) initiatives
- 100 person-years of volunteering in honour of the centenary of Finland's independence project – totalling to 274 years (in cooperation with partners)
- Updated OP Code of Business Ethics
- Alignment of the Sustainable Development Goals (SDG) with OP's CSR goals
- External assurance for GRI reports
- ESG unit for Wealth Management
 - Exclusion of high-carbon companies
 - Quarterly sustainability analyses on OP funds
 - Active increasing of proxy voting at AGMs

CODE OF BUSINESS ETHICS

All of OP's employees have committed to following the Code of Business Ethics by having completed a designated, compulsory online course

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

INTERNATIONAL CSR COMMITMENTS



WE SUPPORT



OP Financial Group signed the UN Global Compact initiative in 2011, becoming committed to the initiative's 10 principles on human rights, labour standards, environment and anti-corruption.

OP Wealth Management signed the UN Principles for Responsible Investment (UNPRI) in 2009, 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. In its role as an investor, OP Wealth Management has signed CDP's climate change and water initiatives and, most recently, the deforestation initiative.



OP signed the Equator Principles in 2016 and thereby committed to project financing that manages risks related to environmental issues and social responsibility.



OP actively follows OECD Guidelines for Multinational Enterprises (incl. voluntary CSR principles and standards).

PARTICIPATION IN CSR ORGANISATIONS

- OP is one of the founding members of Finland's Sustainable Investment Forum (FINSIF)
- OP is involved in Global Compact Nordic Network, Finnish Business & Society association (FIBS), FIBS Diversity Charter Finland, Corporate Social Responsibility Working Groups of the European Association of Co-operative Banks (EACB) and the Association of Mutual Insurers and Insurance Cooperatives in Europe (AMICE), Communication and CSR Committee of Unico Banking Group

CSR REPORTING

As reporting principles, OP follows the Global Reporting Initiative (GRI) G4 framework (core) and the UN Global Compact and is developing its reporting in the direction of the IIRC framework. OP also takes into account the Financial Services Sector Supplement of the GRI Guidelines.

Since 2016, OP's CSR Report has been externally assured. Assurance for CSR Report 2016 was performed by Deloitte.

CSR Report is integrated with the Group's Annual Report.

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

OP Financial Group



Source: Oekom, June 2017



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

OP Financial Group



Industry: Diversified Financials
Domicile: Finland

MarketCap: min. USD
Ticker:

Employees: 12079



Source: Sustainalytics, December 2017

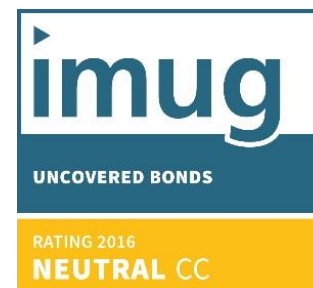


OP's CDP Survey
Score in 2017:
B

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

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

OP Corporate Bank



Source: Imug, November 2016



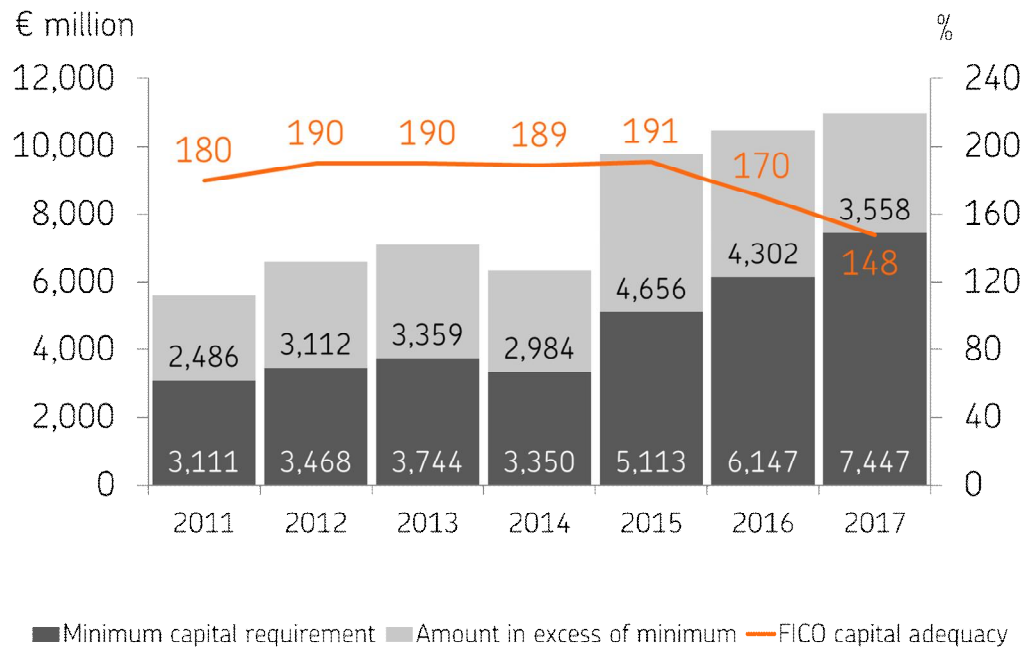
Source: MSCI, April 2017

OP Mortgage Bank



Source: Imug, June 2016

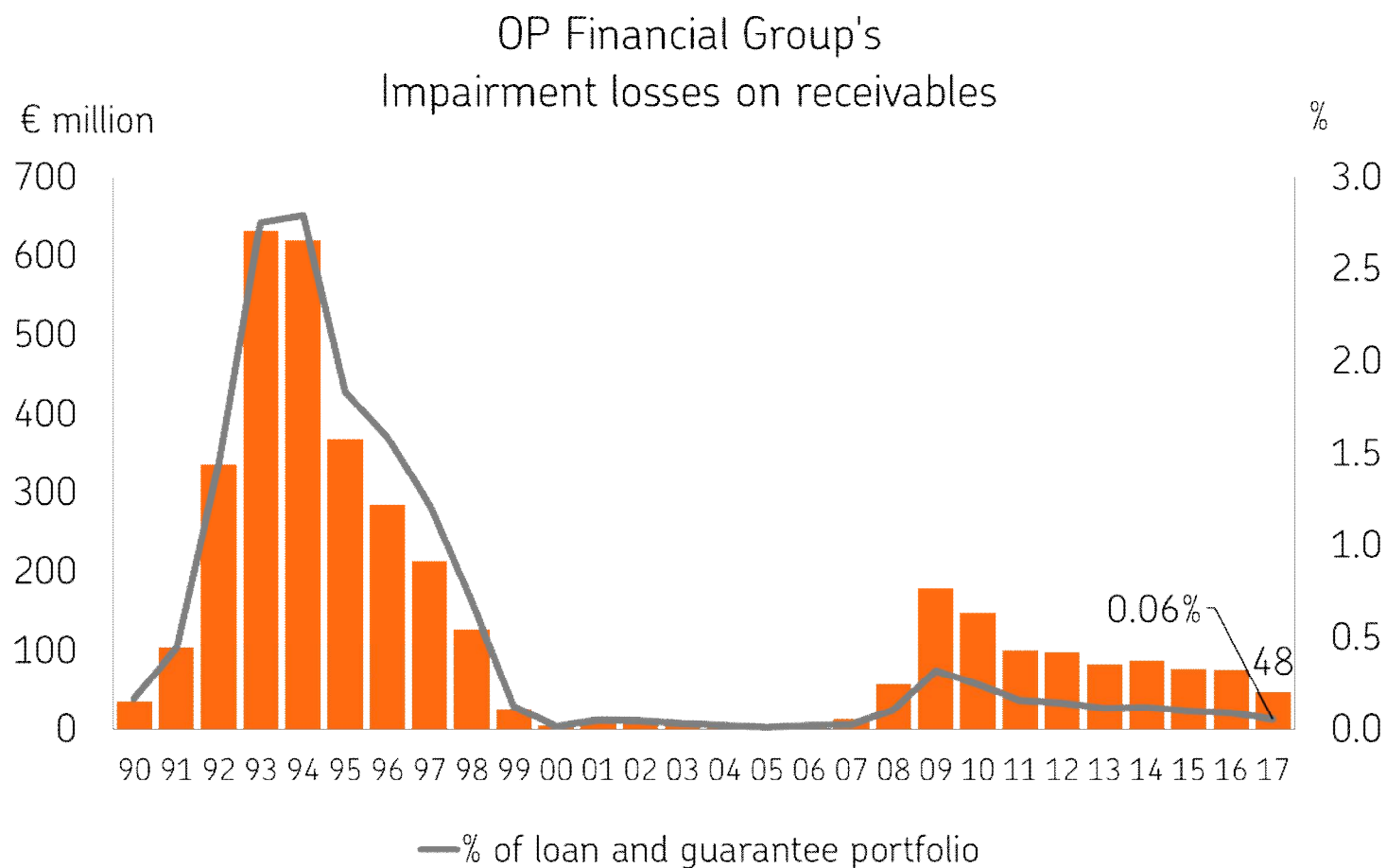
Capital Adequacy under the Act on the Supervision of Financial and Insurance Conglomerates



Statutory minimum requirement 100%

- In 2017, capital adequacy buffer was decreased by
 - capital buffer requirement (P2R) of 1.75% set by the ECB as part of SREP (-16 pps)
 - higher capital requirement caused by growth in banking operations
 - risk weight floors set by the ECB (-14 pps)
- As a result of the buffer requirements for banking and solvency requirement for insurance companies, the minimum FiCo solvency of 100% reflects the level within which the group can operate without regulatory obligations resulting from buffers below the required level

Impairment losses at a very moderate level



OP Financial Group's earnings analysis

€ million	2017	2016	2015
Net interest income	1 094	1 058	1 026
Net insurance income	478	558	528
Net commissions and fees	928	859	855
Net investment income	495	390	432
Other operating income	94	122	46
Share of associates' profit/loss	27	1	9
Total income	3 115	2 989	2 895
Personnel costs	758	762	781
Depreciation/amortisation and impairment loss	246	160	162
Other operating expenses	769	646	577
Total expenses	1 773	1 567	1 520
Impairment loss on receivables	48	77	78
OP bonuses to owner-customers	217	206	196
Earnings before tax	1 077	1 138	1 101

OP Financial Group's key figures

	31 Dec. 2017	31 Dec. 2016	31 Dec. 2015	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	31 Dec. 2011	31 Dec. 2010
Total assets, € million	137 242	133 747	124 455	110 427	100 991	99 769	91 905	83 969
Receivables from customers, € million	82 240	78 604	75 192	70 683	68 142	65 161	60 331	56 834
Liabilities to customers, € million	65 549	60 077	58 220	51 163	50 157	49 650	41 304	36 443
Equity capital, € million	11 121	10 237	9 324	7 213	7 724	7 134	6 242	6 726
CET1 ratio, %	20.1	20.1	19.5	15.1	17.1 ^a	14.1 ^b	14.0 ^b	12.6 ^b
Capital adequacy ratio, %	22.5	23.1	22.9	17.3	19.8 ^a	14.1	14.0	12.8
Over 90 days past due receivables*, € million	394	356	319	270	292	311	296	204
Ratio of over 90 days past due receivables* to loan and guarantee portfolio, %	0.46	0.44	0.41	0.37	0.41	0.46	0.47	0.34
Loan and guarantee portfolio, € billion	84.8	81.3	77.8	73.6	71.0	67.7	62.8	59.4
Impairment loss on receivables, € million	48 ^c	77 ^c	78 ^c	88 ^c	84 ^c	99 ^c	101 ^c	149 ^c
Impairment loss on receivables / loan and guarantee portfolio, %	0.06 ^c	0.09 ^c	0.10 ^c	0.12 ^c	0.12 ^c	0.15 ^c	0.16 ^c	0.25 ^c
Personnel	12 269	12 227	12 130	12 356	12 856	13 290	13 229	12 504

a) As of 1 January 2014

b) Core Tier 1 ratio

c) January–December

OP

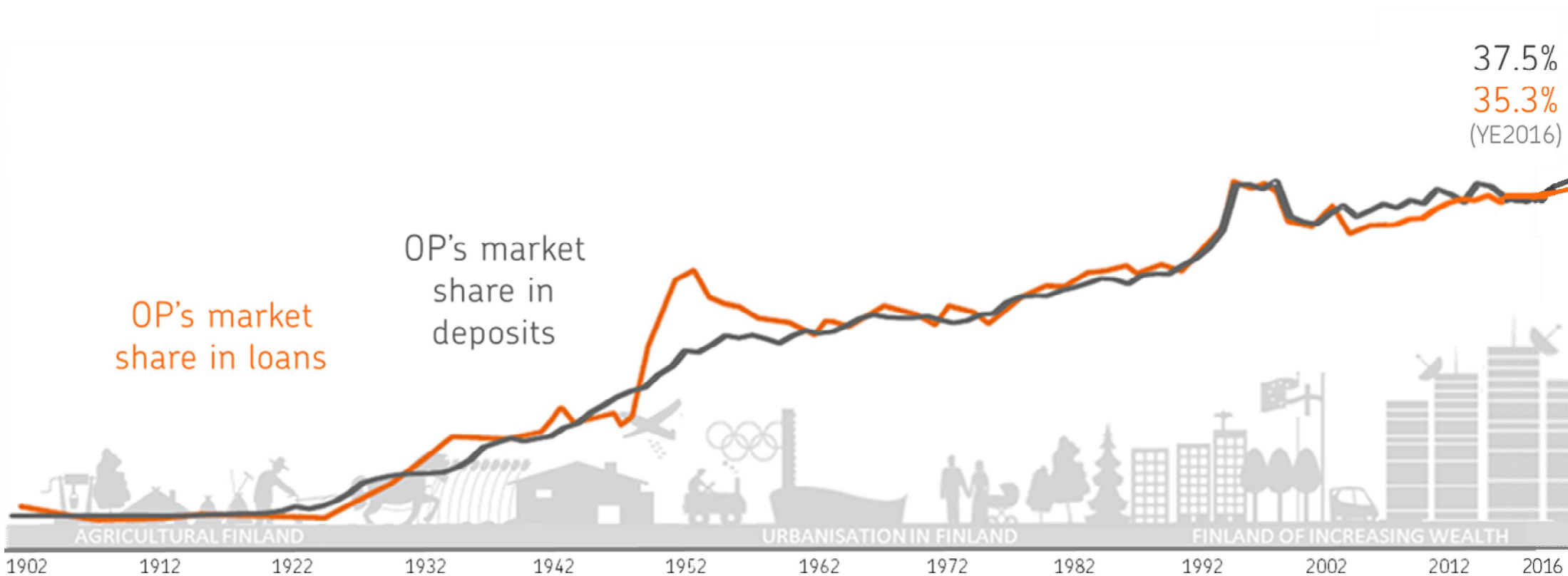
© *) Until 31 Dec. 2012 over 90 days past due receivables and zero interest receivables, since 31 Dec. 2013 over 90 days past due receivables



OP Financial Group's key ratios

	2017	2016	2015	2014	2013	2012	2011	2010
Average corporate loan margin, % ^a	1.25	1.41	1.38	1.44	1.57	1.52	1.34	1.36
Cost/income ratio, %	57	52	53	56	62	63	63	59
Return on equity (ROE), %	8.0	9.4	10.3	8.1	8.9	7.0	6.8	6.9
Return on assets (ROA), %	0.6	0.7	0.7	0.6	0.7	0.5	0.5	0.5

a) OP Corporate Bank's corporate loan portfolio



Debt IR contacts

Debt IR contacts



Head of ALM and Group
Treasury

**Ms Elina Ronkanen-
Minogue**

Tel. +358 10 252 8767
elina.ronkanen-
minogue@op.fi



Head of Group Funding
& IR

Mr Lauri Iloniemi

Tel. +358 10 252
3541
lauri.iloniemi@op.fi



Senior Funding Manager

Mr Tom Alanen

Tel. +358 10 252 4705
tom.alanen@op.fi



IR Officer,
Debt IR and Ratings

Ms Jaana Mauro

Tel. +358 10 252 8426
jaana.mauro@op.fi



IR Officer,
Debt IR and Ratings

Mr Eerikki Holst

Tel. +358 10 252 4455
eerikki.holst@op.fi

For OP Financial Group's and issuing entities' financial reports and other publications, visit the new IR website at

www.op.fi/debtinvestors