MOODY'S
INVESTORS SERVICE

CREDIT OPINION

14 June 2019

Update

Rate this Research

RATINGS

OP Corporate Bank plc

Domicile	Finland
Long Term CRR	Aa2
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Aa3
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	Aa3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Americas	1-212-553-1653
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Japan	81-3-5408-4100
EMEA	44-20-7772-5454

OP Corporate Bank plc

Update following assignment of LT junior senior unsecured MTN rating of (P)Baa1; stable outlook

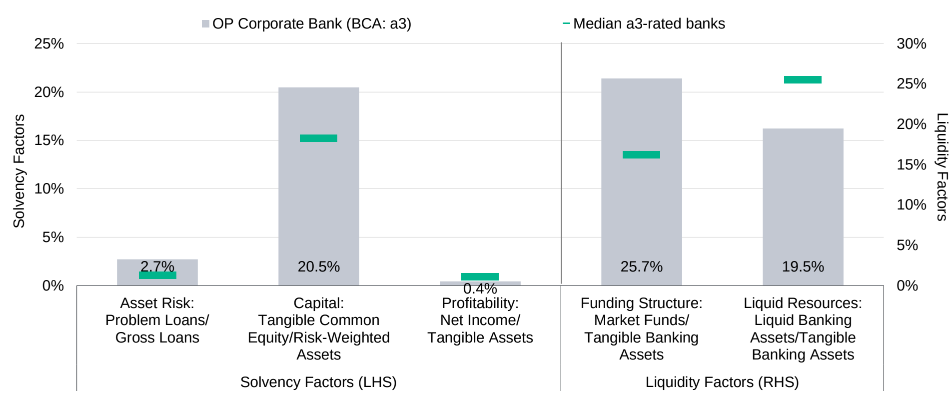
Summary

Moody's Aa3 rating on OP Corporate bank (OP) reflects its key role within the OP Financial Group (OPFG), which is an amalgamation of member banks, and credit institutions, who are all part of a joint liability. This credit opinion primarily reflects Moody's view on the creditworthiness of the OPFG, with OP Corporate bank being the unsecured debt issuing entity within the group and acting as the group's treasury.

OP Corporate Bank Plc's Aa3/Prime-1 deposit and senior unsecured debt ratings reflect: (1) the bank's standalone baseline credit assessment (BCA) and the adjusted BCA of a3, which fully incorporates the credit implications arising from the joint liability agreement shared by the key credit institutions operating under the OPFG, because the agreement effectively links these entities and align the BCA of the bank with that of the group, (2) the results from our Advanced Loss Given Failure (LGF) analysis, which takes into account the severity of loss faced by the different liability classes in resolution, and which leads to two notches of rating uplift for OP Corporate Bank's deposit and senior unsecured ratings, and (3) our assumption of moderate likelihood of support from the Finnish Government (Aa1, stable) in case of need, which results in one notch of additional uplift. The bank's Counterparty Risk Assessment (CR Assessment) is Aa2(cr)/Prime-1(cr) and the bank's Counterparty Risk Rating (CRR) is Aa2/P-1.

Exhibit 1

Rating Scorecard - Key Financial Ratios as of 31 March 2019



Note: The bank's problem loan and profitability ratios are the weaker out of the average of the latest three year-end ratios or the latest reported ratio. The capital ratio is the latest reported figure. The funding structure and liquid asset ratios are the latest year-end figures.
Source: Moody's Financial Metrics

The long-term junior senior unsecured MTN ratings of (P)Baa1 reflects OP's adjusted BCA of a3; and one negative notch as indicated by Moody's LGF analysis, with a likely high loss severity for these instruments in the event of the bank's failure; and (3) Moody's assumption of a low probability of government support for instrument, which is meant to be loss-absorbing, resulting in no additional uplift.

OP Corporate Bank's BCA and adjusted BCA of a3 is supported by Finland's Macro Profile of Strong+, and reflects the group's: 1) very strong capitalization with CET 1 of 20.2% at end-March 2019, 2) low asset risk with a problem loan ratio at 1.5% at end-March 2019, and 3) stable earnings due to good business growth and low provisioning needs. These strengths remain balanced against a modest reliance on market funding.

Credit Strengths

» High capitalisation, with strong leverage ratio of the OPFG and good capital position of the bank.

» The group is market leader within bank and insurance with successful cross-selling

» The joint liability amongst OP Cooperative and member credit institutions ensures that OP corporate bank's obligations are backed by all other credit institutions of the group.

» Sound profitability aided by business growth and stable costs

Credit Challenges

» Group wide asset quality expected to stabilise because of lower levels of forbearance

» The group has a certain reliance on wholesale funding, although with extended maturity profile

Rating Outlook

The stable outlook on the long-term ratings incorporate Moody's view that over the next 12 to 18 months, OP Financial group's fundamentals will remain stable. Furthermore, Moody's expects that the issuances of junior senior debt according to current MREL and OP's intentions to fulfill current MREL with capital and subordinated liabilities, is in line with current notching uplifts above the BCA, as indicated by Moody's Advanced Loss Given Failure analysis (LGF).

Factors that Could Lead to an Upgrade

Factors that could lead to an upgrade of OP's BCA include a combination of: (1) sustained improvements in asset risk; (2) stronger recurring profitability; (3) reduction in the overall wholesale funding dependence in favour for a higher proportion of deposit funding for the group.

Factors that Could Lead to a Downgrade

Factors that could lead to a downgrade of OP's BCA include: (1) a deterioration of the group's funding conditions; (2) a weakening of asset quality beyond our current expectations; and (3) a significant lower recurring profitability.

Furthermore, if the volumes of outstanding loss absorbing obligations protecting creditors and depositors in case of failure decline in relation to tangible banking assets of the group, it could lead to a downgrade.

Key indicators

Exhibit 2
OP Financial Group (Consolidated Financials) [1]

	03-19[2]	12-18[2]	12-17[2]	12-16[2]	12-15[2]	CAGR/Avg.[3]
Total Assets (EUR Million)	142,834.0	137,366.0	134,148.0	129,013.0	121,066.0	5.2[4]
Total Assets (USD Million)	160,381.3	157,029.2	161,084.6	136,076.7	131,513.4	6.3[4]
Tangible Common Equity (EUR Million)	11,011.0	10,821.0	9,928.0	9,032.0	7,617.0	12.0[4]
Tangible Common Equity (USD Million)	12,363.7	12,370.0	11,921.5	9,526.5	8,274.3	13.2[4]
Problem Loans / Gross Loans (%)	1.5	1.5	4.0	3.9	3.4	2.9[5]
Tangible Common Equity / Risk Weighted Assets (%)	20.5	20.8	20.2	20.5	18.2	20.0[6]
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	11.8	12.0	32.0	32.2	31.3	23.9[5]
Net Interest Margin (%)	0.9	0.9	0.9	0.9	0.9	0.9[5]
PPI / Average RWA (%)	2.0	1.6	2.3	2.7	3.2	2.4[6]
Net Income / Tangible Assets (%)	0.4	0.4	0.7	0.7	0.8	0.6[5]
Cost / Income Ratio (%)	66.8	71.3	63.4	60.8	53.9	63.2[5]
Market Funds / Tangible Banking Assets (%)	26.9	25.7	23.8	26.5	23.8	25.4[5]
Liquid Banking Assets / Tangible Banking Assets (%)	18.6	19.5	21.3	20.5	27.0	21.4[5]
Gross Loans / Due to Customers (%)	136.1	136.8	126.3	131.7	130.0	132.2[5]

[1]All figures and ratios are adjusted using Moody's standard adjustments. [2]Basel III - fully-loaded or transitional phase-in; IFRS. [3]May include rounding differences due to scale of reported amounts. [4]Compound Annual Growth Rate (%) based on time period presented for the latest accounting regime. [5]Simple average of periods presented for the latest accounting regime. [6]Simple average of Basel III periods presented.
Source: Moody's Investors Service; Company Filings

Profile

OP Financial Group is Finland's largest financial and insurance conglomerate that provides banking, non-life insurance and wealth management services to private individuals and corporate and institutional customers. The products and services offered by the group include retail banking, corporate and investment banking, asset management, insurance products and health services.

As of 31 December 2018, OPFG held Finnish market shares of 35.5% in terms of loans and 38.4% in terms of deposits. As of 31 March 2019, it operated mainly in Finland through a nationwide service network of 361 branches. As of the same date, the group reported a consolidated asset base of €146 billion.

The group originated in 1902 as the Central Lending Fund of the Cooperative Credit Societies Limited Company. In 1970, cooperative societies became cooperative banks. As of end-March 2019, the OPFG comprised 155 independent cooperative banks, their central management body (OP Cooperative, or "the Central Cooperative") and its subsidiaries. As of that date, the cooperative member banks reported almost 1.9 million owner-customers. Each member is entitled to one vote.

OP Corporate Bank Plc (formerly, Pohjola Bank Plc) is part of the OPFG and in addition of conducting corporate lending, capital markets activities, and non-life insurance, it acts as the central treasury within the group and issuer of unsecured debt.

For further information on the bank's profile see OPFG Key Facts and Statistics - H1 2017.

Detailed Credit Considerations

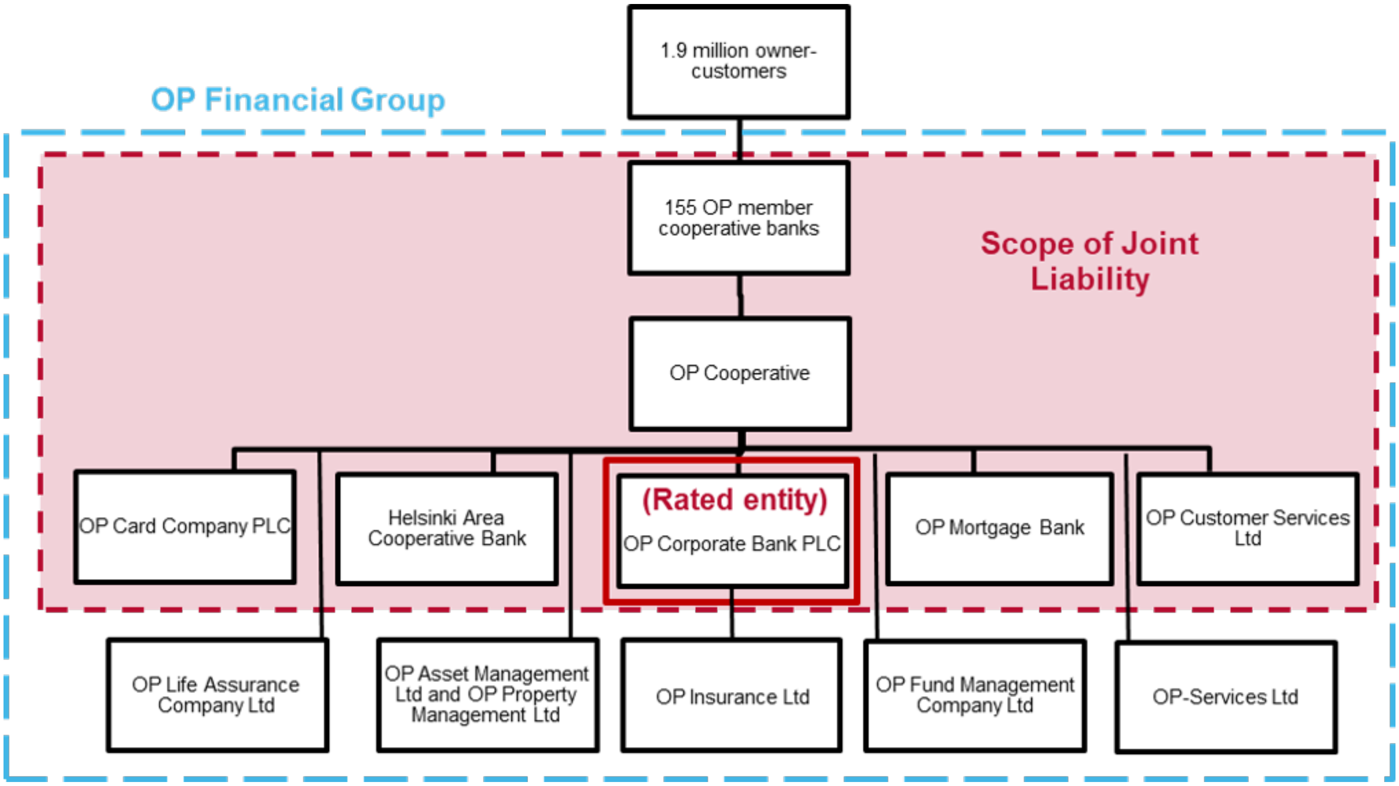
OP Financial Group benefits from a joint liability amongst member credit institutions

Under Finland's Cooperative Bank Act, the OP Cooperative, OP Corporate Bank, Helsinki Area Cooperative Bank, OP Card Company Plc, OP Mortgage Bank, OP Customer Services Ltd and the member cooperative banks (combined, the bulk of OPFG's member credit institutions excluding insurance companies and other Group entities) are jointly responsible for each other's liabilities. Creditors can claim payment from the central cooperative if any member institution is unable to pay. Each member institution has an unlimited obligation to pay the debts of the central cooperative if the latter is unable to do so independently.

As OP Corporate Bank and other member credit institutions of OPFG are responsible for each other's liabilities, as outlined in the Act on the Amalgamation of Deposit Banks, OP Corporate Bank can issue debt at more advantageous interest rates, a credit positive.

Exhibit 3

Structure of OP Financial Group and the scope of the joint liability.



Source: OP Financial Group, Moody's Investors Service

Asset risk is stable, but coverage is low and some sector concentration risks exist

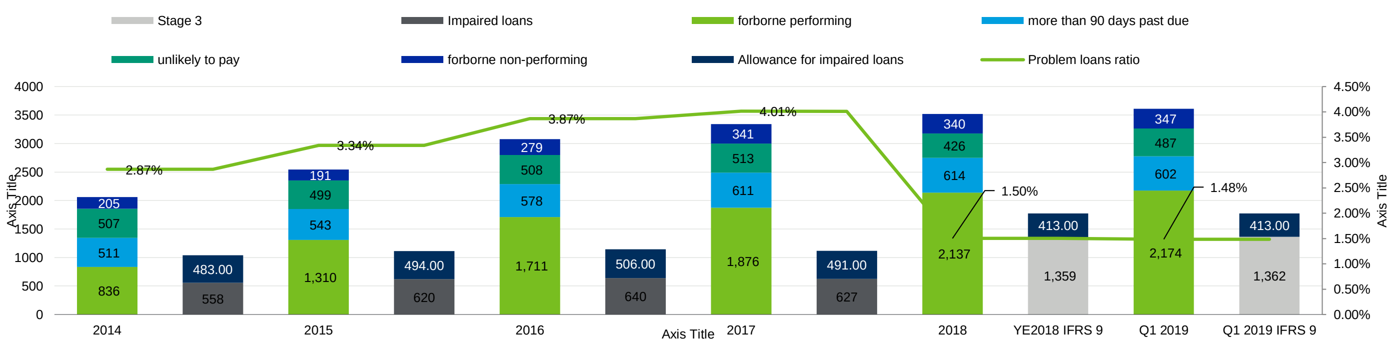
OPFG's asset risk is stable, with gradual improvement going forward as amounts of forborne loans decline. As of end- March 2019 OPFG reported Stage 3 loans (on and off balance sheet) improved to 1.48% of gross loans compared to 1.5% as of YE2018. Since the implementation of IFRS 9 on 1 January 2018, the problem loan to gross loan ratio is based on Stage 3 exposures in order to increase peer comparability. We previously included the forborne performing loans in our asset risk ratio calculation, which is why the problem loan ratio was higher previously, at 4.01% as of year-end 2017. The comparable figure at end-March is 3.94%.

The scorecard ratio of problem loans to gross loans has therefore improved (Exhibit 4), while we keep the assigned asset risk score at a3 to incorporate the volumes of forborne loans in the portfolio.

The Group has a relatively low coverage with loan loss reserves over problem loans of 38.2% as of end-March 2019. However, the group has a large portfolio of housing loans (44% of loans) that we consider to be well covered by collateral.

Exhibit 4

Problem loan increase is primarily due to increase in performing forborne loans



Source: OP Financial Group, Moody's Investors Service

The group is exposed to some concentration risks mainly owing to its large corporate lending book, which includes more volatile sectors. Exposure to the construction, renting and operating of residential or other real estate accounted for 35.9% of all corporate exposures as of March 2019, which is broadly in line with last year's contribution. As a mitigating factor, we note the group's conservative borrower concentration limits which are well below regulatory requirements that no single customer exceeds 10% of the group's capital base after allowances and other credit risk mitigation. OP's Asset Risk at a3 score reflects the above-mentioned constraints and sector concentration.

High capitalisation, with strong leverage ratio of the OP Financial group and good capital position of the bank.

We expect OPFG to be very well capitalised going forward. OPFG reported strong capital ratios in Q1 2019 with a stable CET1 of 20.2% (the CET1 ratio captures the capitalization of the amalgamation of credit institutions, excluding equity in the insurance companies) and TCR of 22.1%. In addition the group maintained a strong leverage ratio of 8.4% as of end-March 2019. However, the capital is constrained by the introduction of a 15.4% risk weight on housing loans and 32.7% for other private customer exposures set by the ECB in February 2017. The impact of this was a 2.0% decline in the CET1 ratio at year-end 2017. In addition, the ECB has set a capital requirement for OP Financial Group based on the supervisory review and evaluation process (SREP). The new capital buffer requirement (P2R) set by the ECB and effective as of 1 March 2019 is 2.0% now (1.75% a year ago). In addition, the ECB has set on OP Financial Group a capital adequacy guidance (P2G) which was 1.0%. Failure to meet this guidance would not affect, for example profit distribution. The capital requirements set by the ECB are at 11.0% for CET1 and 14.5% for Total Capital ratio.

To meet the CET1 management target of 22% by the end of 2019, and in order to build its capital base, the Group has been issuing profit shares. Contributions made by OP cooperative banks' owner-customers to the banks' Profit Shares and cooperative shares equalled to EUR 3.0 billion as of 31 March 2019. The assigned score of aa2 reflects OPFG's strong capital position and expected trends.

The Finnish Financial Supervisory Authority issued a macroprudential decision on March 28, 2017, introducing a 15% risk weight on housing loans for banks that have adopted the Internal Ratings Based (IRB) Approach, which was implemented January 1 2018 (an increase from the initially announced level at 10%). However, OP had already received information from the European Central Bank (ECB) on February 2, 2017 to raise risk weights on certain retail exposures for an 18 month period due to shortcomings in capital adequacy measurement (delayed validations). The impact of this was a 2 percentage point decline in the CET1 ratio at year-end 2017. Thus the ECB's action largely upfronted the impact of the 15% floor introduced by the Finnish FSA.

In June 2018 the Finnish FSA announced a macroprudential policy decision to set a 2% systemic risk buffer for OP Financial Group, which will enter into force on 1 July 2019. At the same time, it also confirmed OP Financial Group's O-SII buffer requirement at 2%. Considering that these capital buffer requirements are parallel buffers and the larger one is applied, the decision will have no effect on OP Financial Group's total capital adequacy requirement. In March 2019, the Finnish FSA reiterated its decision not to impose a countercyclical capital buffer requirement on banks.

Lower profitability as increasing revenues due to business growth are shadowed by increased expenses as IT investments continue

OPFG has a track record of consistent profitability, although Moody's expects that returns will be lower in 2019 than in previous years due to re-organisation and continued IT investments. With a continued supportive operating environment, with GDP growth of 2.5% in 2018 and estimated 1.8% in 2019, OPFG is well positioned to increase its business volumes. However increased costs primarily due to investments in digitalisation, will likely result in annualised net income to tangible assets of around 0.4% to 0.6%. The group's net income to tangible assets ratio was 0.44% during the first three months of 2019, compared to 0.42% during 2018 and 0.66% during 2017.

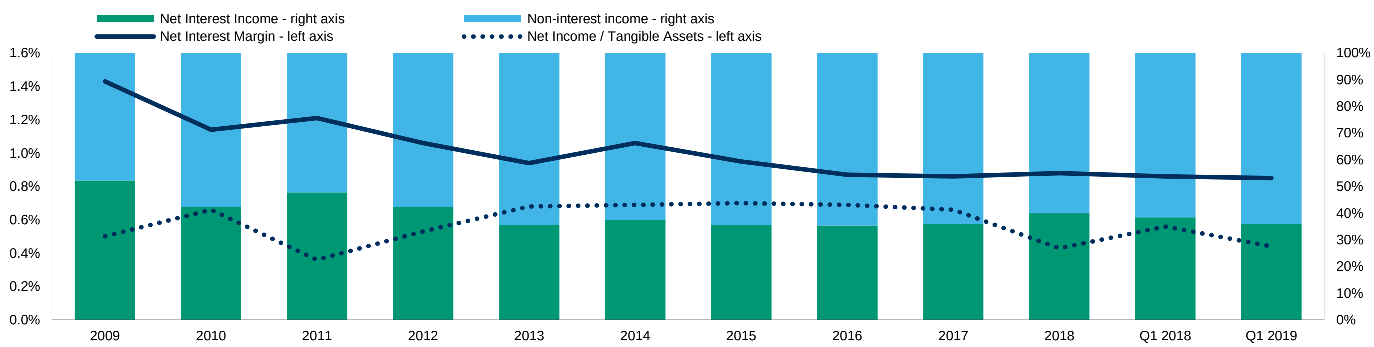
A temporary exemption from IFRS9 (overlay approach) is applied to some equity instruments of insurance companies (reported according to IAS39), which eroded earnings for the first quarter 2019 by EUR 55 million.

We expect that the strategy of investment in development including improvement of its IT platforms will involve significant spending, which will constrain improvement in the group's cost structure in the next two to three years, while on a longer-term, digitalisation investments will lead to efficiency gains.

We recognise that OPFG has a well-diversified stream of income, and has successfully increased the contribution of non-interest income (mostly from its insurance operations) to the overall total income. As a result, the group has managed to keep the return on assets at a relatively stable level in recent years, despite notable decline in margins (see Exhibit 5).

Exhibit 5

Non-interest income is a large contributor for the total income of OP Financial Group



Source: Bank reports, Moody's Investors service

High reliance on wholesale funding, although mitigated by liquidity buffer

OP Corporate Bank currently has the role of central treasury for OPFG. Among other things, the bank is responsible for issuing senior unsecured debt and short-term debt as well as managing the group's liquidity buffer.

The group continues to be reliant on market funding, which expose them to swings in investor sentiment. Market funding of the group amounted to approximately 26.9% of tangible banking assets at end of March 2019. Covered bonds, which we deem a stable source of funding, issued via OP Mortgage Bank (a specialised group subsidiary), accounted for approximately 37% of all issued debt securities.

OPFG's liquidity buffer at market value and after collateral haircuts amounted to EUR25.2 billion at end of March 2019, which compares well to debt maturing in the remaining part of 2018. We calculate that the liquid assets to tangible assets are 18.6% as of end-March 2019. OPFG monitors its liquidity and the adequacy of its liquidity buffer using the LCR (Liquidity Coverage Ratio). According to regulation, the LCR must be at least 100% from the beginning of 2018 and on 31 March 2019, OPFG's LCR stood at 158%.

Pursuant to the Act on the Amalgamation of Deposit Banks, the consolidated capital base and liquidity of the companies within the amalgamation are controlled on a consolidated basis. The central cooperative is under an obligation to supervise its member credit institutions, issue instructions to them on risk management, good corporate governance and internal control to secure liquidity and capital adequacy, as well as instructions on compliance with standardised accounting policies in the preparation of the consolidated financial statements. Thus we assess that it is very unlikely that a single entity within the joint liability would default on a payment before the group.

Under regulation applied to crisis resolution of credit institutions and investment firms, the resolution authority is authorised to intervene in the terms and conditions of investment products issued by a bank in a way that affects an investor's position. The EU's Single Resolution Board (SRB) is OPFG's resolution authority, and has set the Minimum Requirement for own funds and Eligible Liabilities (MREL) at EUR13.4 billion, accounting for 27.3% of the total risk exposure amount at the end of 2017. OPFG's MREL ratio stood at 39% at YE 2018. In the same connection, the SRB confirmed a resolution strategy for OP Financial Group whereby the resolution measures would apply to OP Corporate Bank acting as a Single Point of Entry. OP Financial Group aims to meet the current requirements under the MREL with its capital base and other subordinated debt.

Notching Considerations

Loss Given Failure

Finland is subject to the EU Bank Recovery and Resolution Directive (BRRD), which we consider to be an Operational Resolution Regime. We assume residual tangible common equity of 3% and losses post-failure of 8% of tangible banking assets, a 25% run-off in “junior” wholesale deposits, a 5% run-off in preferred deposits, and assign a 25% probability to deposits being preferred to senior unsecured debt. In line with large European banks, we assume 26% of deposits are junior. These are in line with our standard assumptions.

Our advanced LGF analysis is based on the balance sheet of the entire OP Financial Group (excluding insurance assets), because all member credit institutions in OP Financial Group (excluding insurance companies and some other group companies) are liable for each other's obligations, in accordance with the Amalgamations Act. Moody's expects a single point of entry resolution for OP Amalgamation.

This results in a Preliminary Rating Assessment (PRA) of a1 for the deposits and senior unsecured debt, two notches above the Adjusted BCA, reflecting a very low loss-given failure.

For junior securities issued by OP Corporate Bank, our advanced LGF analysis confirms a high loss-given failure, given the small volume of debt and limited protection from more subordinated instruments and residual equity. We also incorporate additional notching for junior subordinated and preference share instruments reflecting the coupon features.

We assign a foreign and local currency long-term junior senior unsecured MTN ratings of (P)Baa1, to OP Corporate Bank plc as the bank's updated MTN programme under which OP plans to issue non-preferred senior debt, which reflects Moody's LGF analysis, which indicates likely high loss severity for these instruments in the event of the bank's failure, leading to a position one notch below the bank's adjusted BCA.

Government Support

The implementation of an operational resolution regime in Finland has caused us to reconsider the potential for government support to benefit certain creditors. Following the introduction of BRRD, we believe the probability of government support for OP Corporate Bank's long-term and deposits ratings to be moderate, translating into one notch of uplift from its unsupported rating level, reflecting OP Corporate Bank's profile as one of the leading financial institutions in Finland. This results in one notch of uplift for the deposit and senior unsecured debt ratings to Aa3.

For other junior securities, we continue to assume that potential government support is low and as such these ratings do not include any related uplift. As a result, we assign a Baa1 rating for the bank's “plain vanilla” junior subordinated debt and Baa3(hyb) for the preference shares it is Baa3(hyb). The ratings are one and three notches, respectively below the bank's adjusted BCA of a3.

For a foreign and local currency long-term junior senior unsecured MTN ratings of (P)Baa1, Moody's assumes a low probability of government support for this new instrument, resulting in no additional uplift.

Counterparty Risk Assessment

Counterparty Risk (CR) Assessments are opinions of how counterparty obligations are likely to be treated if a bank fails and are distinct from debt and deposit ratings in that they (1) consider only the risk of default rather than both the likelihood of default and the expected financial loss suffered in the event of default and (2) apply to counterparty obligations and contractual commitments rather than debt or deposit instruments. The CR assessment is an opinion of the counterparty risk related to a bank's covered bonds, contractual performance obligations (servicing), derivatives (e.g., swaps), letters of credit, guarantees and liquidity facilities.

The CR Assessment of OP Corporate Bank is positioned at Aa2(cr)/Prime-1(cr), three notches above the adjusted BCA of a3, based on the cushion against default provided to the senior obligations. In addition, the moderate probability of government support results in one notch uplift.

Counterparty risk ratings

CRRs are opinions of the ability of entities to honour the uncollateralised portion of non-debt counterparty financial liabilities (CRR liabilities) and also reflect the expected financial losses in the event such liabilities are not honoured. CRRs are distinct from ratings assigned to senior unsecured debt instruments and from issuer ratings because they reflect that, in a resolution, CRR liabilities might benefit from preferential treatment compared with senior unsecured debt. Examples of CRR liabilities include the uncollateralized portion of payables arising from derivatives transactions and the uncollateralised portion of liabilities under sale and repurchase agreements.

The counterparty risk rating of Aa2 reflects the adjusted BCA of a3, three notches of uplift reflecting the extremely low loss-given failure from the high volume of instruments that are subordinated to CRR liabilities and one notch of uplift due to moderate probability of government support. The short-term CRR is P-1.

About Moody's Bank Scorecard

Our Scorecard is designed to capture, express and explain in summary form our rating committee's judgment. When read in conjunction with our research, a fulsome presentation of our judgment is expressed. As a result, the output of our Scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The Scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 6

OP Financial Group

Macro Factors		
Weighted Macro Profile	**Strong +**	**100%**

Factor	**Historic Ratio**	**Macro Adjusted Score**	**Credit Trend**	**Assigned Score**	**Key driver #1**	**Key driver #2**
Solvency						
Asset Risk						
Problem Loans / Gross Loans	2.7%	a2	←→	a3	Quality of assets	
Capital						
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	20.5%	aa1	←→	aa1	Expected trend	
Profitability						
Net Income / Tangible Assets	0.4%	ba1	←→	ba1	Expected trend	
Combined Solvency Score		a2		a2		
Liquidity						
Funding Structure						
Market Funds / Tangible Banking Assets	25.7%	baa2	←→	baa2	Extent of market funding reliance	
Liquid Resources						
Liquid Banking Assets / Tangible Banking Assets	19.5%	baa2	←→	baa2	Stock of liquid assets	
Combined Liquidity Score		baa2		baa2		
Financial Profile				a3		
Qualitative Adjustments				Adjustment		
Business Diversification				0		
Opacity and Complexity				0		
Corporate Behavior				0		
Total Qualitative Adjustments				0		
Sovereign or Affiliate constraint				Aa1		
Scorecard Calculated BCA range				a2 - baa1		
Assigned BCA				a3		
Affiliate Support notching				0		
Adjusted BCA				a3		

Balance Sheet	**In-scope (EUR Million)**	**% In-scope**	**At failure (EUR Million)**	**% At failure**
Other liabilities	34,660	29.3%	41,534	35.2%
Deposits	67,395	57.1%	60,521	51.2%
Preferred deposits	49,872	42.2%	47,379	40.1%
Junior Deposits	17,523	14.8%	13,142	11.1%
Senior unsecured bank debt	11,162	9.5%	11,162	9.5%
Dated subordinated bank debt	1,263	1.1%	1,263	1.1%
Preference shares (bank)	90	0.1%	90	0.1%
Equity	3,543	3.0%	3,543	3.0%
Total Tangible Banking Assets	118,113	100.0%	118,113	100.0%

Debt Class	**De jure waterfall**		**De facto waterfall**		**Notching**		**LGF notching guidance versus BCA**	**Assigned LGF notching**	**Additional notching**	**Preliminary Rating Assessment**
	Instrument volume + subordination	**Sub-ordination**	**Instrument volume + subordination**	**Sub-ordination**	**De jure**	**De facto**				
Counterparty Risk Rating	24.7%	24.7%	24.7%	24.7%	3	3	3	3	0	aa3
Counterparty Risk Assessment	24.7%	24.7%	24.7%	24.7%	3	3	3	3	0	aa3(cr)
Deposits	24.7%	4.1%	24.7%	13.6%	2	3	2	2	0	a1
Senior unsecured bank debt	24.7%	4.1%	13.6%	4.1%	2	1	2	2	0	a1
Junior senior unsecured bank debt	4.1%	4.1%	4.1%	4.1%	-1	-1	-1	-1	0	baa1
Dated subordinated bank debt	4.1%	3.1%	4.1%	3.1%	-1	-1	-1	-1	0	baa1

Non-cumulative bank preference shares	3.1%	3.0%	3.1%	3.0%	-1	-1	-1	-1	-2	baa3

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency rating	Foreign Currency rating
Counterparty Risk Rating	3	0	aa3	1	Aa2	Aa2
Counterparty Risk Assessment	3	0	aa3(cr)	1	Aa2(cr)	
Deposits	2	0	a1	1	Aa3	Aa3
Senior unsecured bank debt	2	0	a1	1	Aa3	Aa3
Junior senior unsecured bank debt	-1	0	baa1	0	(P)Baa1	(P)Baa1
Dated subordinated bank debt	-1	0	baa1	0	Baa1	Baa1
Non-cumulative bank preference shares	-1	-2	baa3	0	Baa3 (hyb)	Baa3 (hyb)

[1]Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
Source: Moody's Investors Service

Ratings

Exhibit 7

Category	Moody's Rating
OP CORPORATE BANK PLC	
Outlook	Stable
Counterparty Risk Rating	Aa2/P-1
Bank Deposits	Aa3/P-1
Baseline Credit Assessment	a3
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa2(cr)/P-1(cr)
Issuer Rating	Aa3
Senior Unsecured	Aa3
Junior Senior Unsecured MTN	(P)Baa1
Subordinate	Baa1
Pref. Stock Non-cumulative	Baa3 (hyb)
Commercial Paper	P-1
OP INSURANCE LTD	
Outlook	Stable
Insurance Financial Strength	A2

Source: Moody's Investors Service

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EMEA	44-20-7772-5454