

Update: OP Corporate Bank PLC

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Ratings Score Snapshot

Global Scale Ratings
Issuer Credit Rating
AA-/Stable/A-1+
Resolution Counterparty Rating
AA-/--/A-1+

SACP: a+ →			Support: +1 →		Additional factors: 0					
Anchor	a-		ALAC support	+1	<table border="1"> <thead> <tr> <th>Issuer credit rating</th> </tr> <tr> <td>AA-/Stable/A-1+</td> </tr> <tr> <th>Resolution counterparty rating</th> </tr> <tr> <td>AA-/A-1+</td> </tr> </thead></table>		Issuer credit rating	AA-/Stable/A-1+	Resolution counterparty rating	AA-/A-1+
Issuer credit rating										
AA-/Stable/A-1+										
Resolution counterparty rating										
AA-/A-1+										

Business position	Strong	+1	GRE support	0	
Capital and earnings	Very strong	+2	Group support	0	
Risk position	Moderate	-1	Sovereign support	0	
Funding	Adequate	0			
Liquidity	Adequate				
CRA adjustment		0			

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview	
Key strengths	Key risks
Successful bancassurance strategy and solid domestic retail and corporate franchise.	Geographical concentration in Finland.
Robust capitalization, underpinned by sound retained earnings and profit share issuances.	Lower cost efficiency than that of peers, which weighs on profitability.
Deeply rooted cooperative banking model, with OP Corporate Bank PLC and the member banks having joint liability.	Weaker asset-quality metrics than those of peers.

S&P Global Ratings anticipates that OP Financial Group, the parent of OP Corporate Bank, will maintain its dominant position in the Finnish market. OP Financial Group is the leading financial institution in Finland, holding a strong retail and corporate banking franchise with over 2 million owner-customers and a market share of 35%-40%. This is supported by the group's life and nonlife insurance operations, which enjoy strong market shares of 20% and 33%, respectively. The group's asset management business--which manages €73.1 billion of customer assets and has a 20% share of the domestic mutual funds market--complements the offering.

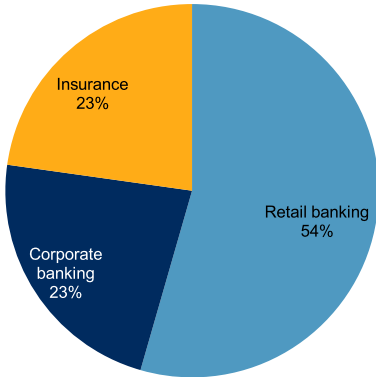
OP Financial Group's revenue diversity from its banking and insurance businesses is a strength, and the group has

been making efforts to further leverage cross-selling opportunities. As a result, the number of joint clients almost doubled to 1.3 million (36% of total customers) in June 2023 from about 700,000 in 2005.

We expect that OP Financial Group's strategy of providing value to customers and ramping up digitalization will further support cross-selling in the rapidly evolving operating environment. We believe this will allow the group to maintain a return on equity of above 8% (excluding member banks' bonuses), alongside robust capitalization that is at least 400 basis points (bps) above the common equity tier 1 ratio requirement.

Chart 1

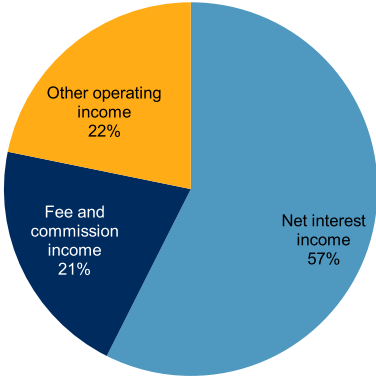
OP Financial Group's income is well diversified by business line...
As of end-June 2023



Source: S&P Global Ratings and June 2023 consolidated financial statements. Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Chart 2

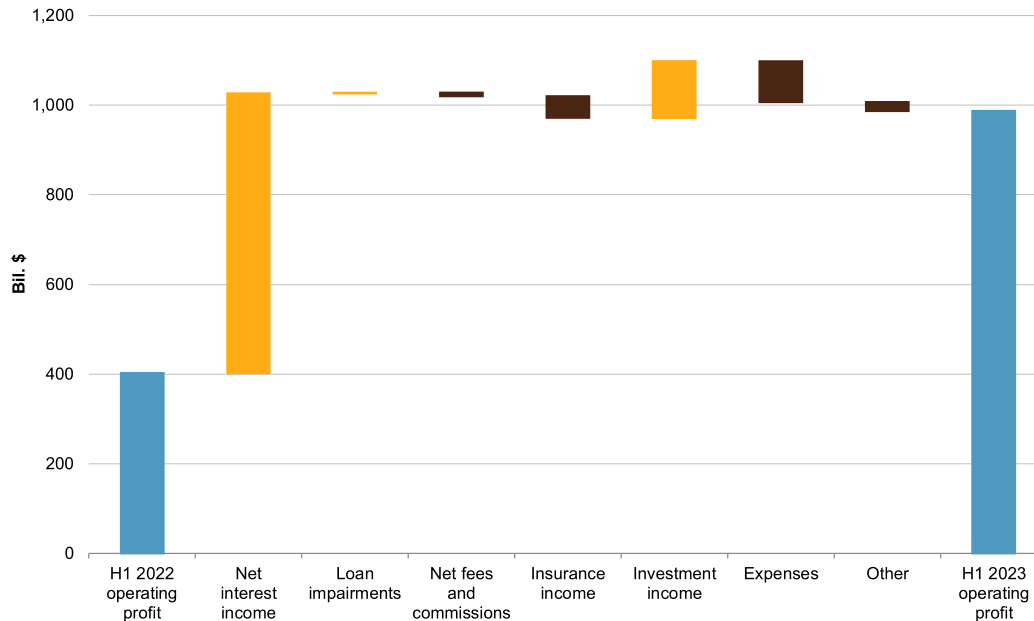
...As well as by income source
As of end-June 2023



Source: S&P Global Ratings and June 2023 consolidated financial statements. Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Chart 3

OP Financial Group reported a strong operating profit in H1 2023, backed by an increase in interest rates



Data as of H1 2023. H1--First half. Source: S&P Global Ratings.
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OP Financial Group reported a return on equity of 12% (excluding bonuses) in the first half of 2023 and improved its earnings outlook for 2023. In the first half of 2023, the group's earnings benefitted from the change in interest rates, with customer-related income up 47% on the previous year. The retail banking business was the largest income contributor, owing to stronger net interest income (up 106% versus first-half 2022), while net commission and fee income fell by 9% due to market volatility. The corporate banking franchise posted sound net interest income growth of 33% and noninterest income growth of 40%.

OP Financial Group applied International Financial Reporting Standard (IFRS) 17 Insurance Contracts as of Jan. 1, 2023. This new method of recognizing insurance contracts changes the intra-year timing of the insurance business's results and entails the immediate recognition of expected losses on the income statement. Operating profit in the insurance business increased to €217 million in the first half of 2023 from €148 million in the first half of 2022, thanks to higher investment income. Overall operating profit increased to €986 million from €402 million over the same period. Owing to the increase in market rates, the group now expects a higher result in full-year 2023 than in 2022.

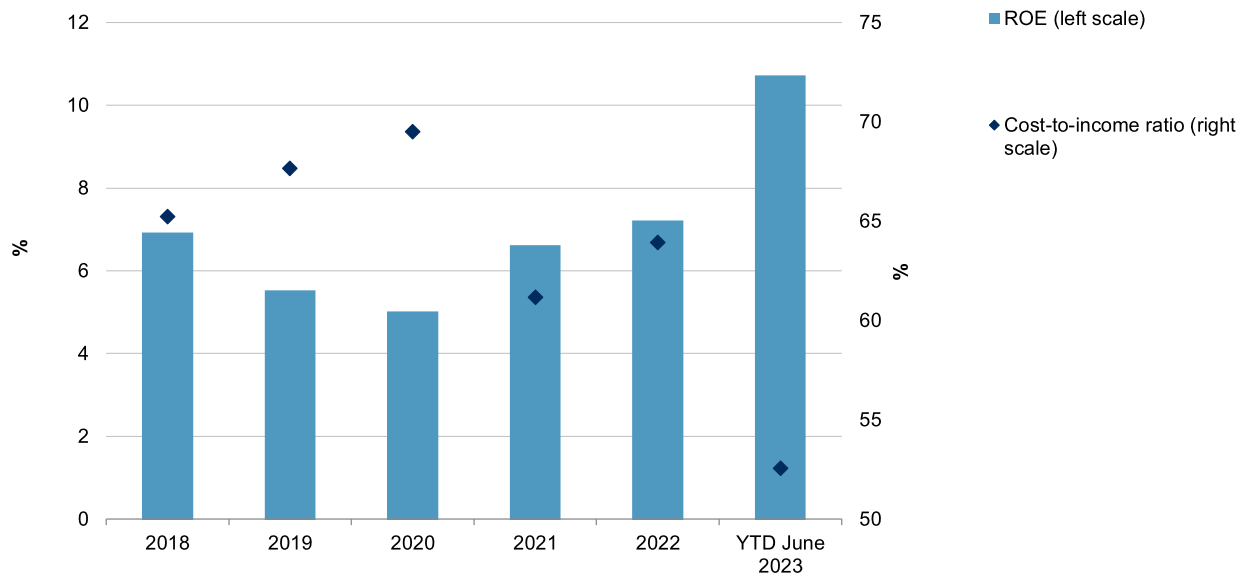
Even though we expect the bank's funding costs to rise, and demand for credit is low due to persistent economic uncertainty, we believe that OP Financial Group will continue to perform excellently in the next 12-24 months. We expect that the group will focus on improving its operating efficiency as it continues to streamline its structure by

further reducing the number of cooperative banks through mergers. There were 104 banks at the end of June 2023, down from 108 at year-end 2022. That said, we understand that about 80% of the banking business comes from the 10 largest member banks.

Chart 4

OP Financial Group's key financial metrics are in line with medium-term targets

Data as of first-half 2023



*Data as of first-half 2023. ROE--Return on equity excluding bonuses to owner-customers. YTD--Year to date.

Source: S&P Global Ratings.

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We expect OP Financial Group's asset quality to hold firm, despite the more muted economic outlook and some pressure on households' debt-servicing capacity. OP Financial Group's €98.5 billion loan book is split between retail mortgages (43%), housing company and other loans (34%), and corporate loans (24%). We consider that the group follows prudent underwriting standards. Although mortgage lending predominately occurs on a floating-rate basis, we note that borrowers' repayment capacity is stressed using a 6% interest rate and a 25-year maturity date, and that about one-third of borrowers have interest rate hedges.

OP Financial Group's gross ratio of nonperforming loans (NPLs; including forbore exposures) was 3% as of June 30, 2023--above the average for its large Nordic peers. In view of more challenging operating conditions, high inflation, increasing debt-servicing costs, and overall uncertainty, we believe that asset quality is likely to weaken moderately through 2023, but the uptick in projected NPLs and the cost of risk is manageable.

In the first half of 2023, OP Financial Group's cost of risk equaled 19 bps compared with 20 bps in 2022, and included additional overlay provisions for the real estate and construction sectors, which are experiencing a downturn. We

project that the cost of risk will increase to 20 bps-25 bps over 2023-2025, but we do not exclude a spike beyond the base case should we observe increasing unemployment in Finland. OP Financial Group's exposure to Russia, Belarus, and Ukraine is not significant.

Robust capitalization, backed by further profit share issuances and retained earnings, provides OP Financial Group with a strong protective buffer. We consider that OP Financial Group's risk-adjusted capitalization provides a very strong buffer to absorb unexpected losses. We project a risk-adjusted capital (RAC) ratio of 18.0%-19.5% for the next 12-24 months, compared with 17.1% at year-end 2022, based on our expectation of strong earnings generation; profit share issuances totaling €3.3 billion, or 22% of total equity, as of June 30, 2023; and a conservative capital policy across the cooperative network. As a cooperative, the group retains its earnings to support business growth and build further capital. The interest on profit shares for 2022, payable in June 2023, totaled €144 million.

OP Financial Group has substantial additional loss-absorbing capacity (ALAC). As a leading lender in Finland, we see OP Financial Group as having high systemic importance in the country. Consequently, from March 15, 2023, it has been subject to a minimum requirement for own funds and eligible liabilities of 26.3% of risk-weighted assets (RWAs; a subordination requirement of 18.7%) and 7.4% of the leverage ratio exposure (a subordination requirement of 7.4%).

We apply one notch of uplift to the group stand-alone credit profile (SACP), and therefore to the long-term rating on OP Corporate Bank, because we believe that the group will sustain an ALAC ratio of well above 3% of S&P Global Ratings' RWAs over the next two years. We estimate that the ALAC buffer, including €1.4 billion of tier 2 instruments and €4.4 billion of senior nonpreferred debt, will be close to 8% of S&P Global Ratings' calculated RWAs at year-end 2023. For a bank with a group SACP of 'a+', the ALAC uplift is limited to one notch.

Outlook

The stable outlook on OP Corporate Bank reflects our view that the creditworthiness of the wider OP Financial Group is unlikely to change over the next two years, and that the support mechanisms within the group--underpinned by the joint liability of OP Corporate Bank and the member banks--will remain a positive factor.

As a leading financial institution in Finland, OP Financial Group's performance will be closely tied to the evolution of the Finnish economy and banking sector. Moreover, by building on the further integration of OP Corporate Bank within the group, the leaner group structure, and the digital transformation, we expect OP Financial Group to gradually improve its efficiency, which, in turn, will boost its profitability.

The outlook also indicates that we expect our RAC ratio for the bank to stay above 15% in the next two years, on the back of stable retained earnings and the issuance of additional profit shares.

Downside scenario

We could take a negative rating action if OP Financial Group fails to achieve its 2025 strategic targets, or if its operating performance materially lags that of highly rated peers. Specifically, this could occur if the group's cost efficiency fails to improve despite the streamlining of the group structure and the increased digital investments. Moreover, we could also lower the rating if we project that the RAC ratio will decline below 15%, and at the same time, we no longer consider the bank as able to sustain the 'a+' group SACP.

Upside scenario

An upgrade during our two-year outlook horizon is unlikely since our rating on the bank is now among the highest of those on rated commercial banks globally. Moreover, we do not see OP Financial Group as a positive outlier compared with these banks.

Key Metrics

OP Financial Group--Key ratios and forecasts

(%)	--Fiscal year ended Dec. 31--				
	2021a	2022a	2023f	2024f	2025f
Growth in operating revenue	20.3	(5.3)	30.0-31.5	8.7-9.2	0.3-0.4
Growth in customer loans	3.6	1.6	0.0-0.0	1.9-2.0	1.9-2.0
Growth in total assets	8.7	0.8	(0.0)-(0.0)	1.0-1.1	1.0-1.1
Net interest income/average earning assets (NIM)	1.3	1.4	2.1-2.3	2.0-2.3	2.0-2.2
Cost-to-income ratio	61.2	63.9	53.2-54.3	52.2-53.3	55.2-56.3
Return on average common equity	6.7	7.2	9.5-10.0	10.0-10.5	8.6-9.0
Return on assets	0.6	0.7	0.8-1.0	1.0-1.2	0.9-1.1
New loan loss provisions/average customer loans	0.2	0.1	0.2-0.4	0.2-0.4	0.2-0.4

OP Financial Group--Key ratios and forecasts (cont.)

(%)	--Fiscal year ended Dec. 31--				
	2021a	2022a	2023f	2024f	2025f
Gross nonperforming assets/customer loans	2.8	2.8	2.8-3.1	2.7-3.0	2.6-2.8
Net charge-offs/average customer loans	0.1	0.1	0.1-0.1	0.1-0.1	0.1-0.1
Risk-adjusted capital ratio	15.8	17.1	17.3-18.1	18.7-19.6	19.8-20.8

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Environmental, Social, And Governance

ESG credit factors for OP Financial Group are broadly in line with the industry and Finnish peers. Social factors are gaining importance, considering that the cooperative is the largest lender in the country and the largest taxpayer, with the 104 independent member banks paying their taxes locally in their operating regions. OP Financial Group is owned by over 2 million owner-customers, mainly individuals. Aside from their business role, the cooperative banks play a significant social role in Finland, particularly in times of stress.

Like the rest of the financial sector, OP Financial Group's most notable risks relate to financial crime and abuses, and involve preventing mis-selling to the retail clientele and eliminating anti-competitive practices. The group is committed to providing access to financial services in sparsely populated or economically disadvantaged areas through its vast branch network. This solidifies its business position.

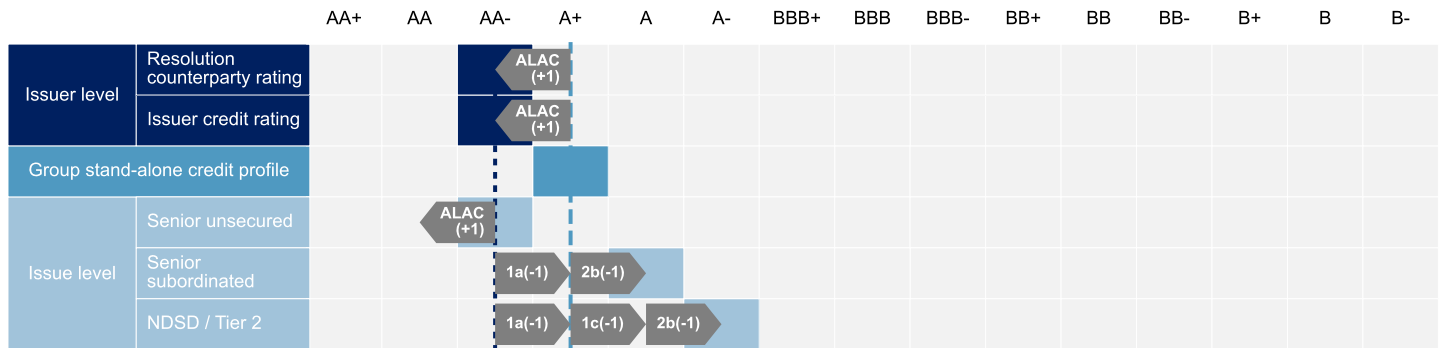
OP Financial Group's governance supports our strong assessment of its business position, but we do not consider it a positive distinguishing factor compared with local peers. We consider that the group's strategy is clear and consistent, and that it has a strong social and local community role. Most of the group's board comprises independent directors.

OP Financial Group's environmental framework is advanced, and the bank aims to achieve carbon neutrality in its direct operations by 2025 and in its corporate loan portfolios and managed funds by 2050. The group has started offering green loans and sustainability-linked loans to corporates, with total outstanding debt of €5.2 billion as of year-end 2022. It has expanded the offering to small-to-midsize enterprises in 2023. The group published its own green bond and covered bond frameworks in 2018 and 2020, respectively. The green bond transactions amounted to €1.0 billion and the green covered bond transactions to €1.8 billion as of Dec. 31, 2022.

Hybrids Instruments

We rate OP Corporate Bank's hybrid debt instruments according to their respective features.

OP Corporate Bank PLC : Notching



Key to notching

- Group stand-alone credit profile
- Issuer credit rating
- RC Resolution counterparty liabilities (senior secured debt)
- ALAC Additional loss-absorbing capacity buffer
- 1a Contractual subordination
- 1c Mandatory contingent capital clause or equivalent
- 2b Other nonpayment or default risk not captured already

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 2 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on March 2, 2022.

NDS--Non-deferrable subordinated debt.

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Core Subsidiary: Pohjola Insurance

Pohjola Insurance is one of the leading non-life insurance companies in Finland, with a solid market share above 30%. We regard the insurance subsidiary as a core entity of OP Financial Group because it is integral to the overall group's strategy and an important earnings contributor. However, we do not believe that it will benefit from the bank's ALAC in resolution. We anticipate that the Finnish resolution framework will exclude insurance activities from a bail-in process. For this reason, we equalize our long-term ratings on the subsidiary with our 'a+' unsupported group credit profile assessment.

The stable outlook on Pohjola Insurance is aligned with that on its parent and reflects our view that the subsidiary will remain integral to the overall group's strategy. It also takes into account that the group will maintain its sound business franchise, strong earnings capacity, and an adequate capital and risk profile. For more information, see "Pohjola Insurance Ltd.," published on Nov. 9, 2022.

Key Statistics

Table 1

OP Financial Group--Key figures						
--Year to date June 2023--						
(Mil. €)	YTD June 2023	2022	2021	2020	2019	2018
Adjusted assets	136,202.0	155,460.0	151,828.0	139,907.0	127,216.0	121,066.0
Customer loans (gross)	97,652.0	99,248.0	97,662.0	94,307.0	92,018.0	87,606.0
Adjusted common equity	11,972.0	11,361.5	10,527.2	9,809.3	9,573.2	9,183.6
Operating revenues	2,287.0	3,426.0	3,616.0	3,007.0	3,181.0	2,937.0
Noninterest expenses	1,202.0	2,190.0	2,212.0	2,090.0	2,152.0	1,916.0
Core earnings	790.0	907.4	998.6	565.1	753.9	761.2

YTD--Year to date.

Table 2

OP Financial Group--Business position						
--Year to date June 2023--						
(Mil. €)	YTD June 2023	2022	2021	2020	2019	2018
Loan market share in country of domicile	N/A	35.0	34.7	34.6	35.5	35.5
Deposit market share in country of domicile	N/A	39.0	38.0	37.6	39.2	38.4
Total revenues from business line	2,287.0	3,569.0	3,616.0	3,103.0	3,181.0	2,979.0
Commercial banking/total revenues from business line (%)	19.3	21.7	24.5	22.8	20.6	N/A
Retail banking/total revenues from business line (%)	60.6	55.9	49.0	53.3	52.1	N/A
Commercial & retail banking/total revenues from business line	80.0	77.7	73.5	76.1	72.7	64.1
Insurance activities/total revenues from business line	21.2	21.7	31.4	24.3	30.5	18.2
Asset management/total revenues from business line	N/A	N/A	N/A	N/A	N/A	15.1
Other revenues/total revenues from business line	-1.2	0.6	-4.9	-0.4	-3.1	2.5
Return on average common equity	10.7	7.2	6.7	5.1	5.5	6.9

YTD--Year to date. N/A--Not applicable.

Table 3

OP Financial Group--Capital and earnings						
--Year to date June 2023--						
(Mil. €)	YTD June 2023	2022	2021	2020	2019	2018
Tier 1 capital ratio	18.8	17.4	18.2	18.9	19.5	20.6
S&P Global Ratings' RAC ratio before diversification	N/A	17.1	15.8	14.6	15.0	15.3
S&P Global Ratings' RAC ratio after diversification	N/A	15.7	14.4	13.7	13.7	14.1
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	56.8	47.2	39.0	42.7	39.0	40.0
Fee income/operating revenues	20.6	29.3	28.6	31.0	29.4	30.2
Market-sensitive income/operating revenues	35.0	-23.4	6.7	14.9	29.0	7.9
Cost-to-income ratio	52.6	63.9	61.2	69.5	67.7	65.2
Provision operating income/average assets	1.3	0.7	0.8	0.6	0.7	0.7
Core earnings/average managed assets	1.0	0.5	0.6	0.4	0.5	0.5

YTD--Year to date. N/A--Not applicable. RAC--Risk-adjusted capital.

Table 4

OP Financial Group--Risk-adjusted capital framework data					
	Exposure*	Basel III RWA	Average Basel III RW (%)	S&P Global Ratings' RWA	Average S&P Global Ratings' RW (%)
Credit risk					
Government and central banks	42,757,092,966.1	26,895,853.0	0.1	256,372,647.1	0.6
Of which regional governments and local authorities	3,831,012,316.3	0.0	0.0	138,719,980.8	3.6
Institutions and CCPs	7,957,465,660.7	1,167,284,487.8	14.7	1,428,135,269.0	17.9
Corporate	49,936,847,299.7	35,169,498,795.1	70.4	33,130,674,682.0	66.3
Retail	60,133,278,544.4	11,758,510,873.3	19.6	17,559,685,626.9	29.2
Of which mortgage	48,073,665,814.1	7,191,163,119.8	15.0	11,016,931,185.5	22.9
Securitization§	557,427,374.5	111,485,474.9	20.0	111,485,474.9	20.0
Other assets†	4,089,135,593.9	2,900,062,564.5	70.9	3,051,822,675.9	74.6
Total credit risk	165,431,247,439.2	51,133,738,048.5	30.9	55,538,176,375.7	33.6
Credit valuation adjustment					
Total credit valuation adjustment	--	178,801,721.0	--	0.0	--
Market risk					
Equity in the banking book	497,636,316.5	383,638,593.1	77.1	4,697,476,808.9	944.0
Trading book market risk	--	1,070,492,417.0	--	1,605,738,625.5	--
Total market risk	--	1,454,131,010.1	--	6,303,215,434.4	--
Operational risk					
Total operational risk	--	4,155,996,591.9	--	4,673,756,162.7	--
	Exposure	Basel III RWA	Average Basel II RW (%)	S&P Global Ratings' RWA	% of S&P Global Ratings' RWA
Diversification adjustments					
RWA before diversification	--	63,600,295,584.9	--	66,515,147,972.8	100.0
Total diversification/ Concentration adjustments	--	--	--	5,828,154,489.9	8.8
RWA after diversification	--	63,600,295,584.9	--	72,343,302,462.7	108.8
		Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global Ratings' RAC ratio (%)
Capital ratio					
Capital ratio before adjustments		12,568,887,417.7	19.8	11,361,523,381.0	17.1
Capital ratio after adjustments‡		12,568,887,417.7	17.4	11,361,523,381.0	15.7

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to tier 1 ratio are additional regulatory requirements (e.g. transitional floor or pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of Dec. 31, 2022, S&P Global Ratings.

Table 5

OP Financial Group--Risk position							
(Mil. €)	--Year to date June 2023--						
	YTD June 2023	2022	2021	2020	2019	2018	
Growth in customer loans	-3.2	1.6	3.6	2.5	5.0	5.9	
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	8.8	9.1	6.7	9.6	8.9	
Total managed assets/adjusted common equity (x)	13.1	15.4	16.5	16.3	15.4	15.3	
New loan loss provisions/average customer loans	0.2	0.1	0.2	0.2	0.1	0.1	
Net charge-offs/average customer loans	0.1	0.1	0.1	0.1	0.1	0.1	
Gross nonperforming assets/customer loans + other real estate owned	3.0	2.8	2.8	2.7	1.6	1.6	
Loan loss reserves/gross nonperforming assets	26.0	25.5	25.9	26.4	37.5	38.0	

YTD--Year to date. N/A--Not applicable. RWA--Risk-weighted assets.

Table 6

OP Financial Group--Funding and liquidity							
(Mil. €)	--Year to date June 2023--						
	YTD June 2023	2022	2021	2020	2019	2018	
Core deposits/funding base	66.2	60.4	59.1	61.6	63.1	62.6	
Customer loans (net)/customer deposits	133.2	126.4	124.8	129.1	139.2	142.0	
Long-term funding ratio	92.6	82.6	89.2	91.5	87.1	87.5	
Stable funding ratio	112.4	113.6	125.3	116.9	99.6	99.2	
Short-term wholesale funding/funding base	8.4	19.2	11.9	9.3	14.2	13.8	
Regulatory net stable funding ratio	131.0	128.0	130.0	123.0	N/A	N/A	
Broad liquid assets/short-term wholesale funding (x)	3.4	2.0	2.9	3.1	1.5	1.7	
Broad liquid assets/total assets	20.0	27.9	26.5	21.0	15.0	15.9	
Broad liquid assets/customer deposits	43.2	62.7	59.4	46.3	33.5	36.4	
Net broad liquid assets/short-term customer deposits	29.8	29.6	39.1	31.0	10.7	13.6	
Regulatory liquidity coverage ratio (x)	214.0	217.0	212.0	197.0	N/A	N/A	
Short-term wholesale funding/total wholesale funding	24.7	48.6	29.1	24.3	38.6	36.8	
Narrow liquid assets/three-month wholesale funding (x)	7.6	2.7	7.7	6.7	2.7	2.7	

YTD--Year to date. N/A--Not applicable.

OP Corporate Bank PLC--Rating component scores	
Issuer credit rating	AA-/Stable/A-1+
SACP	a+
Anchor	a-
Economic risk	2
Industry risk	3
Business position	Strong
Capital and earnings	Very strong
Risk position	Moderate
Funding	Adequate
Liquidity	Adequate
Comparable ratings analysis	0

OP Corporate Bank PLC--Rating component scores (cont.)

Issuer credit rating	AA-/Stable/A-1+
Support	+1
ALAC support	+1
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity. GRE--Government-related entity.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology , Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions , Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings , Oct. 10, 2021
- General Criteria: Group Rating Methodology , July 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology , July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings , April 7, 2017
- General Criteria: Principles Of Credit Ratings , Feb. 16, 2011

Related Research

- Banking Industry Country Risk Assessment: July, July 28, 2023
- Global Banks Midyear Outlook 2023: Resilience Will Be Tested, July 20, 2023
- Global Banks: Our Credit Loss Forecasts: Rising Losses Amid Growing Risks, July 13, 2023
- Banking Risk Indicators: May 2023 Update, May 2, 2023
- How The EU's Bank Crisis Management Reforms Could Affect Ratings, April 25, 2023
- OP Corporate Bank PLC, Dec. 2, 2022
- Pohjola Insurance Ltd, Nov. 9, 2022
- Banking Industry Country Risk Assessment: Finland, June 1, 2022

Ratings Detail (As Of August 11, 2023)***OP Corporate Bank PLC**

Issuer Credit Rating	AA-/Stable/A-1+
Resolution Counterparty Rating	AA/--/A-1+

Ratings Detail (As Of August 11, 2023)*(cont.)

Commercial Paper		
<i>Local Currency</i>		A-1+
Senior Subordinated		A
Senior Unsecured		AA-
Short-Term Debt		A-1+
Subordinated		A-
Issuer Credit Ratings History		
22-Jan-2021	<i>Foreign Currency</i>	AA-/Stable/A-1+
19-May-2020		AA-/Negative/A-1+
17-Nov-2016		AA-/Stable/A-1+
22-Jan-2021	<i>Local Currency</i>	AA-/Stable/A-1+
19-May-2020		AA-/Negative/A-1+
17-Nov-2016		AA-/Stable/A-1+
Sovereign Rating		
Finland		AA+/Stable/A-1+
Related Entities		
OP Mortgage Bank		
Senior Secured		AAA/Stable
Pohjola Insurance Ltd		
Financial Strength Rating		
<i>Local Currency</i>		A+/Stable/--
Issuer Credit Rating		
<i>Local Currency</i>		A+/Stable/--

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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