

Second-Party Opinion

OP Corporate Bank plc Green Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the OP Corporate Bank plc Green Bond Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eight eligible categories for the use of proceeds¹ are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 2, 6, 7, 9, 11, 12, 14 and 15.



PROJECT EVALUATION AND SELECTION OP Financial Group's Green Bond Committee is responsible for the evaluation and selection of credible projects that are aligned with the criteria in the OP Corporate Bank plc Green Bond Framework. OP Corporate Bank has processes in place to identify and manage environmental and social risks associated with the eligible projects, which apply to all allocation decisions made under the Framework. Sustainalytics considers the project selection process to be in line with market practice.



MANAGEMENT OF PROCEEDS OP Corporate Bank will track and monitor the allocation of proceeds through a Green Bond Register, where the credible assets will be monitored by the Green Bond Committee on a quarterly basis. OP Corporate Bank intends to allocate proceeds within 24 months of issuance. Pending allocation, unallocated proceeds will be temporarily held in cash and cash equivalents in accordance with OP Financial Group's liquidity management policy, whereby carbon-intensive and controversial activities will be excluded. Green deposits issued under the Framework will be capped and replenished and have an allocation period shorter than the maturity of the deposits. This is in line with market practice.



REPORTING OP Corporate Bank commits to report on the allocation of proceeds and corresponding impacts on its website on an annual basis. Allocation reporting will include the amount of green bonds outstanding, the aggregated amount of net proceeds allocated to each use of proceeds category, the origination timeframe and maturity profile of the loan portfolio and the balance of unallocated net proceeds. OP Corporate Bank is also committed to reporting on relevant impact metrics, achieved or expected, where feasible. Sustainalytics views OP Corporate Bank's allocation and impact reporting as aligned with market practice.

Evaluation Date	March 8, 2024 ²
Issuer Location	Helsinki, Finland

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¹ Renewable Energy, Energy Efficiency, Green Buildings, Pollution Prevention and Control including Sustainable Water Management, Circular Economy, Clean Transportation, Biodiversity Conservation and Environmentally Sustainable Management of Living Natural Resources and Land Use, and Climate Change Adaptation

² This document is an update to the Second-Party Opinion originally provided in September 2018 and updated in January 2022.

Introduction

OP Corporate Bank plc (“OP Corporate Bank” or the “Bank”) is the corporate banking subsidiary of OP Financial Group (“OP Financial Group”, “OP” or the “Group”), which is the largest financial services group in Finland. The Group offers retail banking, corporate banking and insurance services. Established in 1902 and headquartered in Helsinki, Finland, the Bank offers financing, hedging, payment services, working capital, risk management and asset management services in Finland and across the Baltic states (Estonia, Latvia and Lithuania).

OP has developed the OP Corporate Bank plc Green Bond Framework dated March 2024 (the “Framework”), under which it intends to issue multiple green bonds, green deposits and use the proceeds to finance and refinance, in whole or in part, existing and future projects that deliver positive environmental impacts and contribute towards the advancement of the Bank’s sustainability strategy. The Framework defines eligibility criteria in eight areas:

1. Renewable Energy
2. Energy Efficiency
3. Green Buildings
4. Pollution Prevention and Control including Sustainable Water Management
5. Circular Economy
6. Clean Transportation
7. Biodiversity Conservation and Environmentally Sustainable Management of Living Natural Resources and Land Use
8. Climate Change Adaptation

OP Corporate Bank engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP).³ The Framework has been published in a separate document.⁴

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁵ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.15, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of OP Corporate Bank’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. OP Corporate Bank representatives have confirmed (1) they understand it is the sole responsibility of OP Corporate Bank to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and OP Corporate Bank.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant

³ The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

⁴ The OP Corporate Bank plc Green Bond Framework is available on OP’s website at: <https://www.op.fi/op-financial-group/debt-investors/green-bonds/green-issuances>

⁵ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realized allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favor or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that OP Corporate Bank has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the OP Corporate Bank Green Bond Framework

Sustainalytics is of the opinion that the OP Corporate Bank plc Green Bond Framework is credible and impactful and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible categories – Renewable Energy, Energy Efficiency, Green Buildings, Pollution Prevention and Control including Sustainable Water Management, Circular Economy, Clean Transportation, Biodiversity Conservation and Environmentally Sustainable Management of Living Natural Resources and Land Use, and Climate Change Adaptation – are aligned with those recognized by the GBP.
 - Under the Framework, OP Corporate Bank may finance general-purpose loans to pure play companies that derive more than 90% of their turnover or revenue from activities that comply with the eligibility criteria in the Framework. Sustainalytics believes that project- and activity-based lending results in more direct environmental benefits and ensures compliance with the criteria in the Bank's Framework, but the financing of pure play companies through green bonds is a commonly accepted approach, which is likely to generate positive impacts.
 - Under the Renewable Energy category, OP Corporate Bank may finance or refinance the development, manufacturing, construction, operation, and maintenance of renewable energy technologies, such as wind, solar, hydropower, ocean power, bioenergy and geothermal, hydrogen and hydrogen-based synthetic fuel, as well as the production of heat and/or cooling from geothermal energy and waste heat and R&D of direct air capture in accordance with the following criteria:
 - Solar power projects, including photovoltaic and concentrated solar heat and power generation (CSP). Sustainalytics notes that the Bank commits to financing CSP projects that generate at least 85% of electricity from solar energy sources.
 - Ocean power projects, where the Bank confirms the exclusion of fossil fuel backup except for restart or continuity purposes of the assets.
 - New hydropower projects where either: i) the life cycle emissions intensity is below 100 gCO₂e/kWh; ii) the power density is higher than 5 W/m²; or iii) the electricity generation facility is a run-of-river plant without an artificial reservoir; and existing hydropower projects where OP Corporate Bank is confident that the life cycle emissions intensity threshold is below 100 gCO₂e/kWh.⁶ Sustainalytics notes that the Bank has confirmed that all new hydropower projects financed under the Framework will be subject to an environmental and social risk assessment to ensure that no significant risks, negative impacts or controversies related to the projects are identified.
 - Sustainalytics notes that OP Corporate Bank has defined the estimated emissions intensity thresholds at or below 100 gCO₂/kWh for both new hydropower financing and refinancing. Considering the longevity of

⁶ The median lifecycle intensity of global hydropower plants is 24 gCO₂e/kWh and is estimated to be much lower for European hydropower plants. Annex III: Technology-specific Cost and Performance Parameters⁶, at: https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_annex-iii.pdf

hydropower assets, the financing and refinancing of such projects effectively locks in energy generation for an extended period of time, Sustainalytics therefore encourages OP Corporate Bank to favour projects with emissions intensities below a threshold of 50 gCO₂e/kWh.

- Electricity generation from bioenergy, the manufacture of biogas and biofuels for use in transport and of bioliquids, cogeneration of heat and/or cooling and power from bioenergy and production of heat or cooling from renewable non-fossil gaseous, liquid fuels and bioenergy, where respectively aligned with each activity's EU Taxonomy criteria⁷: i) life cycle emissions will be lower than 100 gCO₂e/kWh or 80% lower than the fossil fuel baseline for electricity heat and cooling ; and ii) life cycle emissions are 65% lower compared to the fossil fuel baseline for biofuel and biogas manufacturing, following the thresholds for GHG emissions saving criteria in Article 29 RED II (EU) 2018/2001.
 - OP Corporate Bank has confirmed that the biomass fuels used in this category will meet the criteria in Article 29 RED II (EU) 2018/2001⁸ and the main feedstock sources will be manure, sewage sludge, biowaste and forestry by-products. OP further has confirmed that: i) palm oil effluents will be sourced from RSPO- or ISCC-certified operations; ii) in the case of used cooking oil, the source of the oil will be tracked in a credible manner; and iii) sewage sludge from the by-products of fossil fuel operations will be excluded, and iv) the origin of forestry by-products will be traced to ensure sustainable sourcing.
 - Sustainalytics notes that manure may be a major feedstock used for operations under the bioenergy category of the Bank's Framework. The use of livestock residue for biomass energy may improve the environmental performance of some agricultural operations, but large- and medium-scale livestock farming has a significant carbon and water footprint that is not addressed by using livestock by-products in energy generation. Such farming techniques may also contribute to land degradation, biodiversity loss and deforestation. Nevertheless, Sustainalytics considers the use of residue from day-to-day operations of existing facilities for energy generation to provide positive impacts in the short term.
 - Sustainalytics further notes that the Bank will follow the GHG emissions savings criteria in line with Article 29 RED II (EU) 2018/2001, which exempts fuels with a total rated thermal input of equal to or below 2 MW for biogas and below 20 MW for solid biomass from the GHG emissions intensity reduction thresholds. Sustainalytics encourages the Bank to prioritize the activities that are in line with the emissions thresholds defined above and report on the life cycle emissions intensities of its financing in this category.
- Electricity generation, cogeneration and production of heat or cooling from geothermal energy where the life cycle emissions will be lower than 100 gCO₂e/kWh, as well as production of heat or cool using waste heat, where OP Corporate Bank confirms to exclude waste heat from fossil fuel production and operations.
- Manufacturing of hydrogen that either: i) results in life cycle GHG emissions lower than 3 tCO₂e/tH₂ and hydrogen-based synthetic fuels with life cycle emissions 70% lower than the fossil fuel comparator; or ii) is produced using electrolysis that is powered by renewables.
 - OP Corporate Bank has further confirmed that the manufacturing of hydrogen from steam reforming, or blue hydrogen, will not be financed under the Framework and that the CO₂ used for hydrogen-based synthetic fuel manufacturing will not be sourced from fossil fuel operations and industries.
- Sustainalytics considers the financing under this category to be in line with market practice.

⁷ As described in the Framework.

⁸ European Parliament, "Directive (EU) 2018/2001 of the European Parliament and of the Council", (2018), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018L2001#d1e3697-82-1>

- Under the Energy Efficiency category, OP Corporate Bank may finance or refinance activities and businesses that are dedicated to energy efficiency or significantly reducing energy consumption, such as manufacturing of batteries, energy efficiency equipment for buildings and renewable energy technologies, energy storage, electric heat pumps, energy transmission, and steel and iron, in accordance with the following criteria:
 - Manufacturing of batteries where the batteries are limited to electric vehicle and electricity storage batteries, to be installed either in i) renewable energy plants, or ii) a grid that is aligned with the Energy Efficiency criteria of the Framework.
 - Manufacturing of household appliances that belong to the highest two populated classes of the EU Energy Label and other energy efficiency equipment for buildings, including energy-efficient doors and windows, building automation and control systems. Sustainalytics notes that the Bank's reliance on EU energy labels to define eligibility in this category is consistent with the EU Taxonomy Climate Delegated Act.⁹
 - Energy storage systems and technologies, including from hydrogen sources, namely, electrochemical, chemical, mechanical, thermal and electrical storage; power-to-gas projects; and pumped hydropower plants. The Bank has confirmed that all storage activities financed under this category will be dedicated to renewable energy facilities.
 - For pumped hydropower plants, OP Corporate Bank confirms that an environmental and social impact assessment will be carried out by a credible body for each project to ensure that there are no significant expected negative impacts from the projects.
 - Financed power-to-gas projects will utilize water electrolysis powered by renewables.
 - Installation, repair and maintenance of energy efficiency equipment and renewable energy technologies, where: i) the equipment and technologies are not reliant on or powered by fossil fuels; and ii) the renewable energy technologies have a demonstrated life cycle GHG emissions intensity below 100 gCO₂e/kWh.
 - Manufacturing, installation and operation of electric heat pumps that are not installed on site and where the global warming potential (GWP) of the refrigerant does not exceed 675, as well as the installation, repair and maintenance of on-site electric heat pumps without a GWP threshold.
 - Sustainalytics notes that heat pumps offer an energy-efficient heat transfer alternative to conventional systems and acknowledges that the Bank has confirmed it will incorporate high-GWP restrictions for identified substances, including hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride and nitrogen trifluoride. Sustainalytics further encourages OP to promote robust refrigerant leak control, detection and monitoring while ensuring the recovery, reclamation, recycling or destruction of refrigerants at end of life.
 - Smart grid technology¹⁰ and infrastructure, including the construction and operations of the grid and transmission and distribution infrastructure where, over a rolling five-year period: i) 67% of newly connected generation capacity in the system is below 100 gCO₂e/kWh; or ii) the average system grid emissions factor is below 100 gCO₂e/kWh. The Bank has confirmed that dedicated transmission line fossil fuels will be excluded from financing.
 - Manufacturing of green steel by financing facilities that either: i) use electric arc furnaces with at least 90% scrap steel; or ii) direct reduced iron process with green hydrogen where the reduced iron ore is transported into an electric arc furnace. Sustainalytics views these processes of steel manufacturing to be environmentally impactful and aligned with market practice.
 - OP Corporate Bank has confirmed that it will exclude the financing of any energy-efficient technologies designed or intended for processes that are inherently carbon-intensive and primarily driven or powered by fossil fuels under the Framework.

⁹ As described in the Framework.

¹⁰ OP has defined smart technology as including smart grids, smart meters and smart city energy solutions that: i) increase available information and its quality to the grid users, ii) enable more efficient use of energy, iii) enable storage of energy, and iv) enable maintenance of the smart grid; and smart infrastructure as electricity networks that use digital technologies, sensors and software to better match the supply and demand of electricity in real time while minimizing costs and maintaining the stability and reliability of the grid.

- Sustainalytics considers financing under this category to be in line with market practice.
- Under the Green Buildings category, OP Corporate Bank may finance or refinance the construction, renovation acquisition and ownership of new and existing commercial and residential buildings that meet the following eligibility criteria:
 - Acquisition of buildings that comply with one of the following:
 - For buildings built after 31 December 2020, the net primary energy demand (PED) is at least 10% lower than the PED resulting from the relevant nearly zero-energy building (NZEB) requirements or the national building code for jurisdictions where the NZEB thresholds are not yet defined.
 - Buildings built before 31 December 2020 that have an energy performance certificate (EPC) rating of A or are otherwise deemed to belong to the top 15% of energy-performing buildings in the relevant area
 - The buildings have received or are expected to achieve LEED Gold or better, BREEAM Very Good with a score of 70% in the energy section or better, Nordic Swan Ecolabel certification, EDGE, RTS 3 star or better or any other equivalent regionally recognized certification with similar standards.
 - Construction of new buildings that comply with one of the following:
 - The net PED is at least 10% lower than the PED resulting from the relevant NZEB requirements or the national building code for jurisdictions where the NZEB thresholds are not yet defined.
 - The buildings have received or are expected to achieve LEED Platinum or better, BREEAM Excellent or better, Nordic Swan Ecolabel certification, EDGE, RTS 3 star or better or any other equivalent regionally recognized certification with similar standards.
 - Renovation of existing buildings that comply with one of the following:
 - Major renovations or retrofits that lead to at least a 30% reduction in PED per heated square metre per year (kWh/m²/year)
 - The energy performance of the building or the renovated part meets cost-optimal minimum energy performance requirements in accordance with the EU Energy Performance of Buildings Directive (EPBD)
 - The buildings are expected to achieve LEED Gold or better, BREEAM Excellent or better, Nordic Swan Ecolabel certification, EDGE, RTS 4 star or better or any other equivalent regionally recognized certification with similar standards, after the renovation.
 - Sustainalytics notes that, for major renovations, the EU Taxonomy Climate Delegated Act¹¹ requires meeting the relevant cost-optimal minimum energy performance requirements in accordance with the EPBD, which vary among EU Member States. Sustainalytics therefore encourages the Bank to report on the actual improvement on PED or energy savings achieved in comparison with the existing building stock in the area or region.
 - Sustainalytics further notes that, under the renovation category, the Bank has confirmed that it will finance only the renovation expenditures of the buildings and not the whole construction expenditure.
 - Sustainalytics notes that the Bank may finance buildings with similar certifications to those that are identified in the Framework. Sustainalytics notes that it is market expectation to specify all eligible schemes and certifications and encourages the Bank to report on any specific schemes and certifications it intends to use.
 - Sustainalytics considers financing under this category to be in line with market practice.
- Under Pollution Prevention and Control including Sustainable Water Management category, OP Corporate Bank may finance or refinance the development, construction, extension and operation of material recovery facilities for non-hazardous waste, water and wastewater collection; supply and treatment systems; pollution prevention and control systems for air emissions reductions; and soil remediation, in accordance with the following criteria:

¹¹ As described in the Framework.

- Material recovery that converts at least 50% of collected and separated non-hazardous waste into secondary raw materials that are suitable for the substitution of virgin materials in production processes.
 - Water and wastewater treatment systems, including drinking water treatment, wastewater treatment facilities and desalination plants. OP Corporate Bank has confirmed that: i) treatment of wastewater from fossil fuel operations will be excluded from financing; ii) desalination plants will be powered by low-carbon energy sources; and iii) there will be an appropriate waste management plan for brine disposal in desalination plants.
 - Soil remediation projects where the Bank will exclude soil remediation related to the contamination or negative environmental externality from the Bank's own activities or financing.
 - Air emissions reduction projects, where the Bank has committed to excluding emissions reduction from the following: i) fossil fuels, ii) technologies that are inherently reliant on fossil fuels as an energy source, and iii) traditional carbon-intensive production processes in heavy industries, such as steel, cement and aluminum.
 - Sustainalytics considers financing under this category to be in line with market practice.
- Under the Circular Economy category, OP Corporate Bank may finance or refinance the leasing and sale of second-hand goods; the development and operation of sharing platform, marketplaces, and product-as-a-service; technologies and processes reducing virgin raw material use and increasing secondary raw material use; and the repairing, refurbishing and remanufacturing of products, in accordance with the following criteria:
- Sales and leasing (including sale and lease back) of second-hand goods, such as textile and textile fibres, electronic equipment, building materials, office furniture, industrial equipment and machinery and other consumer-use products where: i) if packaging is required for the activity, at least 65% of the packaging material will be recycled material and paper packaging will be certified by FSC or PEFC; or ii) the packaging will be designed to be reusable.¹²
 - Sustainalytics acknowledges that the sales and leasing of second-hand products support the circular economy by enabling the slowdown of natural resource use. Nevertheless, Sustainalytics notes that the financed activity may involve the use of single-use plastics for packaging the reused products for sale. Single-use plastic products waste is more likely to end up in the environment rather than be recycled or appropriately managed.¹³
 - Marketplace and online platforms that support the trade (sale or exchange) of second-hand products, components, or material, including marketplace-related data centres with annualized power usage effectiveness (PUE) below 1.5.
 - Technologies and processes that reduce virgin raw material use through the recycling and valorization of by-products in the construction, textile and metal sectors.
 - For all the activities under this category, OP Corporate Bank has confirmed that: i) repair, refurbishment and remanufacturing of the products specifically for use in the extraction of fossil fuels or that inherently rely on fossil fuels will be excluded; ii) activities will result in products being put back to their original use with minimal pre-processing; ; and iii) single-use plastic products will be excluded under this category, except for plastic packaging used for sales of these products in line with the criteria above.

¹² Sustainalytics notes that the extent of plastics recycling is very low, with an estimated 9% of total plastic waste recycled, while 19% is incinerated and 50% sent to sanitary landfills. The remaining 22% of plastic waste is mismanaged, such as being disposed of in uncontrolled dumpsites, burned in open pits or leaked into the environment. Sustainalytics further recognizes that improved recycling rates alone, even if attainable, will not fully address holistic environmental issues associated with plastics. Unlike steel, glass and aluminum, plastics can only be recycled a finite number of times before disposal. In order to achieve full circularity, the industry needs to take substantial measures, including an increased use of sustainably sourced alternative (low carbon) materials that can be recycled indefinitely without a loss of quality.

OECD iLibrary, "Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options – Executive Summary", at: <https://www.oecd-ilibrary.org/sites/dfe099c9-en/index.html?itemId=/content/component/dfe099c9-en>

¹³ UNEP, "Our planet is choking on plastic", at: <https://www.unep.org/interactives/beat-plastic-pollution/>

- Sustainalytics considers financing under this category to be in line with market practice.
- Under the Clean Transportation category, OP Corporate Bank may finance or refinance the purchase, rental, leasing and operation of passenger and freight rail transport, urban and suburban transport, transport by motorbikes, and passenger cars and light commercial vehicles; freight transport services by road; construction, operation and maintenance of rail, low-carbon and public transport-enabling infrastructure; and installation, maintenance and repair of charging stations for electric vehicles, in accordance with the following criteria:
 - Trains, passenger coaches and freight rail, including bi-mode trains with zero tailpipe emissions when operated on a track with necessary electric infrastructure and that use a conventional engine where such infrastructure is not available.
 - OP Corporate Bank has confirmed that the emissions intensity of financed passenger rail and freight rail will be limited to 50 gCO₂/pkm and 25 gCO₂/tkm, respectively. Sustainalytics considers the Bank's emissions intensity thresholds to be environmentally impactful but notes that bi-mode trains may still use fossil fuels until becoming fully electric in the future. Sustainalytics encourages the Bank to report on the emissions intensity of bi-mode trains financed under the Framework.
 - Zero tailpipe emissions urban and suburban transport vehicles, light rail vehicles, metros, trams and buses
 - Zero tailpipe emissions motorbikes, passenger cars, and light commercial vehicles and vans that are classified as M1, N1 and L in accordance with the EU's UNECE standards.¹⁴ Hybrid passenger and light-goods vehicles that are M1- and N1-classified, where until 31 December 2025, the tailpipe emissions will be below 50 gCO₂/km and then zero from thereafter.
 - Zero tailpipe emissions freight transport services by road, such as light and heavy-goods vehicles, that are classified as N1, N2 and N3 in accordance with the EU's UNECE standards.
 - Sea and coastal passenger and freight water transport, including vessels for port operations and auxiliary activities, including:
 - Hybrid and dual-fuel vessels that derive at least 25% of their energy from zero direct tailpipe CO₂ emissions fuels or plug-in power for their normal operations at sea or in ports
 - Vessels that are used exclusively for operating coastal and short sea services designed to enable modal shift of freight currently transported by land to sea, and the vessels have zero direct tailpipe CO₂ emissions¹⁵
 - Vessels with direct tailpipe emissions that are 50% lower than the average reference value for emissions defined for heavy-duty vehicles¹⁶
 - Vessels that have an attained Energy Efficiency Design Index (EEDI) value 10% below the EEDI requirements applicable on 1 April 2022 if the vessels are able to operate using zero direct tailpipe CO₂ emissions fuels or fuels from renewable sources¹⁷
 - Sustainalytics recognizes that financing of hybrid and dual vessels contributes to the decarbonization of the shipping sector by replacing traditional fossil fuel vessels. Sustainalytics notes that these criteria are in line with the EU Taxonomy Climate Delegated Act¹⁸, but Sustainalytics encourages the Bank to report on the emissions intensity and type of

¹⁴ European Commission, "EU classification of vehicle types", at: <https://alternative-fuels-observatory.ec.europa.eu/general-information/vehicle-types>

¹⁵ Sustainalytics notes that emissions will be calculated using the International Maritime Organization (IMO) Energy Efficiency Design Index (EEDI), 50% lower than the average reference CO₂ emissions value defined for heavy-duty vehicles (vehicle subgroup 5- LH) in accordance with EU Article 11 of Regulation 2019/1242.

European Commission, "Commission Implementing Decision (EU) 2021/781 of 10 May 2021", (2021), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021D0781&rid=1>

¹⁶ Sustainalytics notes that emissions will be calculated (or estimated in case of new vessels) using the Energy Efficiency Operational Indicator for vehicle subgroup 5-LH in accordance with EU Article 11 of Regulation 2019/1242.

European Parliament, "Regulation (EU) 2019/1242 of the European Parliament and of the Council of 20 June 2019", (2019), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32019R1242>

¹⁷ European Commission, "Reducing emissions from the shipping sector", at: https://climate.ec.europa.eu/eu-action/transport/reducing-emissions-shipping-sector_en

¹⁸ As described in the Framework.

- fuels used by such vessels and prioritize vessels that have the potential to run on low-carbon fuels in the long term.
- Infrastructure for rail transport meeting one of the following criteria:
 - i) Infrastructure for electrified trains, ii) rail lines and associated subsystems that have plans to electrify in the next 10 years, and iii) trackside infrastructure and associated subsystems that are not part of the TEN-T network, until 2030. Sustainalytics notes that 60% of European rail infrastructure is electrified and the average emissions from rail transport in the EU are 33 gCO₂/pkm.¹⁹
 - Sustainalytics recognizes the Bank's intention of promoting the modal shift of transportation to rail transport, which has the potential to reduce emissions by up to 75% compared to other forms of road transport. OP Corporate Bank has further confirmed that any infrastructure dedicated to fossil fuel storage and transportation will be excluded.
 - Infrastructure enabling low-carbon and public transport, such as roads and railways, bridges and tunnels, bus stations, electric and hydrogen charging stations for vehicles. OP Corporate Bank has confirmed that the following are excluded from financing: i) road infrastructure and bridges unless directly linked to public transport, such as bus lanes; ii) fossil fuel filling stations; iii) parking facilities unless directly linked to public transport (park and ride); and iv) other assets that prolong the life or facilitate the use of fossil fuel-powered transport.
 - OP Corporate Bank has confirmed freight vehicle financing under this category will exclude the transport of fossil fuels and fossil fuel blends with alternative fuels.
 - Sustainalytics considers financing under this category to be in line with market practice.
- Under Biodiversity Conservation and Environmentally Sustainable Management of Living Natural Resources and Land Use category, OP Corporate Bank may finance or refinance maintenance and protection projects to preserve terrestrial and marine natural habitats and biodiversity, and conserve and restore landscapes supporting ecosystem resiliency and biodiversity, such as through reforestation and afforestation projects where: i) the tree species will be well adapted to the site conditions, and ii) there will be a sustainable management plan in accordance with the EU Nature Conservation Act²⁰ or equivalent in place for these projects. OP Corporate Bank may also finance or refinance certified forests, regenerative farming techniques and whole agricultural units, production of alternative proteins from plants or fermentation process and R&D on the alternative proteins from animal cells, in accordance with the following criteria:
- Forests that are certified by FSC or PEFC.
 - Regenerative farming techniques that promote soil carbon retention, improve soil health or support biodiversity. Practices include increased crop coverage, regulated drainage systems, complex crop rotation, crop diversity practices, maintenance of living roots and permanent soil coverage, minimum or no tillage farming and management of soil nutrients and the soil resource itself.
 - Whole agricultural units that are certified by EU Organic or national organic certifications.
 - Production of alternative proteins from plants where the Bank confirms that: i) life cycle emissions of the alternative proteins will be significantly below the average emissions from animal-derived counterparts; and ii) all high-risk ingredients and ingredients originating from high-risk areas will be certified (such as RSB and RTRS for soy), and where available, all ingredients will receive an organic certification.
 - Production of alternative proteins from fermentation process where the lifecycle emissions of the alternative proteins will be significantly below average emissions from animal-derived counterparts.
 - Sustainalytics notes that OP Corporate Bank may finance the production of alternative proteins from certain non-high-risk ingredients that may not always be certified, which may imply certain negative impacts on biodiversity and land use change. Sustainalytics encourages the Bank to implement processes to ensure sustainable sourcing of all ingredients.

¹⁹ Transport & Environment, "Rail", at: <https://www.transportenvironment.org/challenges/rail/>

²⁰ Government of Finland, "Nature Conservation Act", (1996), at: https://www.finlex.fi/en/laki/kaannokset/1996/en19961096_20110058.pdf

- OP Corporate Bank has confirmed that any expenditure associated with eligible farming techniques will not be integrated with, nor take place on, industrial livestock production units.
 - Sustainalytics considers financing under this category to be in line with market practice.
- Under the Climate Change Adaptation category, OP Corporate Bank may finance or refinance projects dedicated to enhancing infrastructure resiliency to climate change impacts, such as climate observation systems, early-warning and data-driven climate monitoring and reporting systems, and adaptation measures, such as flood prevention systems. The Bank has confirmed that all expenditures financed under this category will have a vulnerability assessment to diagnose the realized climate impacts and potential climate risks and an adaptation plan noting how identified climate risks will be addressed. Sustainalytics considers financing under this category to be in line with market practice.
- Sustainalytics notes that OP Corporate Bank will not extend financing to businesses or projects that are involved in weapons and ammunition, nuclear or fossil-fuel energy generation, gambling or casinos, or other identified high-risk projects or assets defined in OP Financial Group's internal policies.
- Sustainalytics notes that OP Corporate Bank may finance any other activities that align with the EU Taxonomy Substantial Contribution Criteria specified in the Delegated Acts of the EU Taxonomy²¹, as well as any categories that may be defined or revised in future versions. Sustainalytics is unable to opine on these expenditures as they are not specifically defined.
- Project Evaluation and Selection:
 - OP Financial Group has established a dedicated Green Bond Committee, which is responsible for governing and monitoring the selection of credible assets that are aligned with the eligibility criteria under the Framework. The Green Bond Committee comprises an executive board member of OP Financial Group and senior management representatives from the Finance and Group Treasury, Corporate Sustainability, Banking, Corporate and Institutional Customers business segment and Risk Management departments.
 - The credible assets will be selected according to the conventional credit processes and eligibility screening in line with the criteria of the Framework. The exclusionary criteria will be applied and presented for approval by the Green Bond Committee. After approval, the monitoring of the assets will be ongoing and in case non-alignment is detected, the Green Bond Committee will decide to remove the assets that are not compliant with the criteria, on a quarterly basis.
 - The OP Credit Management and Analysis Department assesses ESG-related risks for financed projects as part of the credit analysis process, and ESG risks are assessed at the customer level. The OP Credit Management and Analysis Department also conducts industry-level ESG analyses for industries that have been identified to have a higher exposure to ESG risks or that have been identified as material or significant for OP. OP's Credit Management Department is in charge of producing adequate ESG information for OP's internal ratings, exposure limit decisions and credit decisions. For additional details, refer to Section 2.
 - Based on the established processes for project selection and the presence of risk management systems, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - OP Corporate Bank will manage the proceeds from their issuance through a Green Bond Register, on a portfolio basis, where the Green Bond Committee will supervise and approve the inclusion and exclusion of assets in the register on a quarterly basis. OP Corporate Bank has confirmed that if the underlying assets are repaid, matured or removed from the register for any other reason, the Bank will replenish the portfolio with new credible assets so that the value of the outstanding eligible loans remains equal to or greater than the net proceeds.
 - OP Corporate Bank intends to allocate all proceeds to credible assets within 24 months of the issuance. Pending allocation, the Bank will temporarily invest the proceeds in cash or cash equivalents in accordance with OP Corporate Bank's liquidity management policy, where carbon-intensive and controversial activities will be excluded.
 - Additionally, for deposits issued under the Framework: i) an amount cap for deposits will apply to ensure that the deposit amount will not exceed the amount of loans at any point in time and the matured loans in the underlying portfolio will be replenished; ii) the allocation timeframe will be shorter than the term of the deposits; and iii) OP ensures no double allocation of proceeds from deposits and other instruments issued under the Framework.

²¹ As described in the Framework.

- Based on the regular monitoring of the allocation process and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - OP Corporate Bank commits to report on allocation and impact on an annual basis, published on the OP Financial Group's Debt IR website.²²
 - The Allocation Reporting will include the amount of green bonds outstanding, the aggregated amount of net proceeds allocated to each use of proceeds, the origination timeframe and maturity profile of the loan portfolio and the balance of unallocated net proceeds. The Bank also intends to report on the EU Taxonomy alignment of their allocations, on a best effort basis.
 - The Impact Reporting will include the output and expected or realized impact indicators per use of proceeds in the Framework and the applied methodology and assumptions to calculate the impacts, on a best-effort basis.
 - Key impact indicators may include GHG emissions, water savings and increases in conserved area for natural habitats (in km² or % increase).
 - Based on the commitment to annual allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Bond Principles 2021

Sustainalytics has determined that the OP Corporate Bank plc Green Bond Framework aligns with the four core components of the GBP.

Section 2: Sustainability Performance of OP

Contribution to OP's sustainability strategy

Sustainalytics is of the opinion that OP Corporate Bank demonstrates its commitment towards sustainability through its group-level Sustainability Programme, which outlines three key pillars: i) climate and the environment; ii) people and communities; and iii) corporate governance.²³

Regarding its climate and environment pillar, OP Financial Group has set climate-specific targets, which the Bank has adhered to: i) increase the percentage represented by sustainable funds in the total fund assets from 26.3% in 2021 to 60% by 2025; ii) decrease emissions from its corporate loan portfolio by 25% by 2030 compared to 2022 and achieve carbon neutrality by 2050; iii) halve GHG emissions intensity by 2030 compared to 2019; and iv) request financed companies that are vulnerable to high climate transition risks to prepare emissions reduction plans by 2025.²⁴ OP Financial Group has also published sector targets and has committed to the following reductions between 2022 and 2030: 50% in energy per production unit, 30% in absolute emissions in agriculture and 45% in emissions per production unit in home loans.²⁵ Furthermore, OP Financial Group will provide its employees with training to increase value and knowledge of nature, and by 2024, it expects to provide advanced training to employees working in biodiversity, as well as to sector-specific biodiversity customers.²⁶

The board of directors is the body responsible for monitoring the Bank's the compliance with the climate and environmental targets and setting strategic priorities. Furthermore, the ESG Committee supports the implementation of the overall sustainability strategy. The Bank has also committed to following initiatives: i) the CDP Climate Change and Water initiatives, through which companies report on their impacts on climate and water usage, ii) The Net Zero Asset Managers reinforce their commitment to achieve carbon neutrality by 2050, iii) TCFD reporting, and, is iv) a founding signatory to UN the Principles of Responsible Banking as a founding signatory.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the net proceeds from the bond(s) and deposits issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include issues involving: i) bribery, corruption and business ethics; ii) biodiversity and land use change issues associated with large infrastructure projects; iii) emissions, effluents and waste; and iv) occupational health and safety (OH&S). Sustainalytics notes that OP Corporate Bank plays

²² OP Financial Group, "Debt Investors", at: <https://www.op.fi/op-financial-group/debt-investors>

²³ OP Financial Group, "OP Financial Group's Year 2022 and Sustainability", (2022), at: <https://vuosi.op.fi/siteassets/pdf/2022/op-financial-groups-year-2022-and-sustainability-pdf.pdf>

²⁴ Ibid.

²⁵ OP Financial Group, "Biodiversity roadmap", at: <https://www.op.fi/documents/20556/41516411/Luonnon-monimuotoisuustiekartta-EN/0da74647-3d22-e29a-f354-6d080e23c10e>

²⁶ Ibid.

a limited role in the development of projects and the assets being financed, but it remains exposed to risks associated with projects it may finance by offering lending and financial services.

- To mitigate risks related to bribery, corruption and business ethics, OP Corporate Bank adheres to the Group's Code of Business Ethics.²⁷ The code outlines a set of standards based on work ethics for all the Bank's employees and establishes procedures to promote anti-bribery and corruption behaviour by defining three lines of defence: i) daily risk management and development activities in the business, including KYC; ii) monitoring customers' behaviour; and iii) identifying and preventing fraud.²⁸ The Bank also has a Suppliers Code of Conduct, which mandates suppliers to act in accordance with local laws and regulations, the Group's internal values and norms and good industry practices.²⁹ The Group is also a signatory to the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and International Labour Organization's Declaration on Fundamental Principles and Rights at Work, indicating its commitment to environmental and social responsibility and upholding principles on human rights, labour standards and anti-corruption.
- To manage risks related to biodiversity and land use change, as well as emissions, effluents and waste associated with large infrastructure projects, and OH&S, OP Corporate Bank has integrated ESG criteria into its overall business operations. OP Corporate Bank's ESG Analysis Framework,³⁰ based on the European Banking Authority Guidelines, and it outlines procedures to assess ESG risks of the Bank's overall loan origination and monitoring procedures. Furthermore, its Guidelines for ESG Analysis³¹ set the procedure to classify clients' ESG risks at the industry and corporate levels, considering factors, including: i) material impacts caused by the company, and ii) environmental (physical and transitional), social and governance risks the company is exposed to, with comparison and consideration of industry best mitigation practices. Furthermore, the Group commits to identifying the negative impacts of its operations and financed activities on biodiversity and contributing to nature loss reduction through its Biodiversity roadmap.³² OP Group also improves integration of biodiversity considerations into its ESG risk analyses.³³
- Regarding OH&S, OP Corporate Bank has implemented internal regulations through its Human Rights Policy to mitigate potential risks per service and product provided.³⁴ In a general note, the Bank conducts product- and service-specific assessments before investment, in which controversies related to OH&S and workers' rights are checked.³⁵

Based on these policies, standards and assessments, Sustainalytics is of the opinion that OP Corporate Bank has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All eight use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused on one below where the impact is specifically relevant in the local context.

Importance of renewable energy in achieving Finland's and Baltic countries' climate targets

The energy sector was responsible for 77% of the EU's GHG emissions in 2021.³⁶ According to the International Renewable Energy Agency, the widespread adoption of renewable energy sources and deep electrification has the potential to reduce energy-related CO₂ emissions by 60%, in alignment with the expectations of the Paris Agreement.³⁷ In this context, increasing the share of renewables in the EU's energy mix is expected to play a fundamental role in achieving its climate neutrality target by 2050.³⁸ As

²⁷ OP Financial Group, "Code of Business Ethics", at: <https://www.op.fi/documents/20556/63695/Code+of+Business+Ethics/7aaf28d4-d273-42ed-8856-bf86905b0274>

²⁸ OP Financial Group, "Anti-financial Crime", at: <https://www.op.fi/op-financial-group/about-us/anti-financial-crime>

²⁹ OP Financial Group, "Suppliers Code of Conduct", at: <https://www.op.fi/documents/20556/39802506/Supplier+CoCo/19f8596c-41b9-7689-207d-a5840606db5f>

³⁰ OP Corporate Bank shared the ESG Analysis Framework with Sustainalytics confidentially.

³¹ Ibid.

³² OP Financial Group, "Biodiversity roadmap", at: <https://www.op.fi/documents/20556/41516411/Luonnon-monimuotoisuustiekartta-EN/0da74647-3d22-e29a-f354-6d080e23c10e>

³³ Ibid.

³⁴ OP Financial Group, "OP Financial Group's Human Rights Policy", at: https://www.op.fi/documents/20556/41513123/OP_Ryhma_ihmisoikeuspolitiikka-EN/3107b516-c7d1-ebe1-f7e7-19d021a0e3a4

³⁵ Ibid.

³⁶ UNFCCC, "Summary of GHG Emissions for European Union (Convention)", at: https://di.unfccc.int/ghg_profiles/annexOne/EUA/EUA_ghg_profile.pdf

³⁷ IRENA, "Global Energy Transformation: A Roadmap to 2050", (2019), at: <https://www.irena.org/publications/2019/Apr/Global-energy-transformation-A-roadmap-to-2050-2019Edition>

³⁸ European Commission, "The European Green Deal", at: https://ec.europa.eu/clima/eu-action/european-green-deal_en

EU Member States, Finland and the Baltics are bound by the EU’s energy- and climate change-related targets.

In Finland, the energy sector is the primary driver of carbon emissions, having accounted for 72% of the country’s total CO₂ emissions in 2022.³⁹ The country has set a target to phase out coal by 2030, with a further goal to become carbon neutral by 2035.⁴⁰ In order to achieve this, Finland is committed to ensuring that 51% of its gross final energy consumption is sourced from renewable sources by 2030, with a focus on wind energy and biomass.⁴¹ In 2022, renewable energy accounted for 42% of the total energy consumption in Finland.⁴²

In Estonia, the energy sector accounted for more than 80% of the GHG emissions in 2020, 75% of which are generated from the consumption of fossil fuels.⁴³ In order to reduce its dependency on fossil fuels, Estonia has set a target to increase its share of renewable energy to 42% of the total final energy consumption by 2030,⁴⁴ relative to 28% in 2019.⁴⁵ Estonia has set a target to reduce its GHG emissions by 80% by 2050 relative to 1990 levels, with interim targets of 70% by 2030 and 72% by 2040.⁴⁶

In Latvia, the energy sector accounted for 66% of the total GHG emissions in 2021,⁴⁷ when approximately 45% of the total energy demand was met by renewable sources.⁴⁸ The government has set a target to meet 50% of its energy demand from renewable sources by 2030. Achieving this goal is crucial for Latvia to achieve its GHG emissions reduction target of 80% by 2050 compared to 1990 levels.⁴⁹

In Lithuania, the energy sector accounted for 56.64% of the total GHG emissions in 2019.⁵⁰ The country has set a 2050 target for climate neutrality.⁵¹ In order to achieve this goal, Lithuania has set interim milestones, including producing 70% of the electricity consumed domestically by 2030⁵² and increasing the share of renewable energy to 45%.⁵³

In this context, Sustainalytics is of the opinion that OP Corporate Bank’s financing of renewable energy generation projects offers the potential to support the transition to a low-carbon economy, while contributing to the climate related goals of Finland, the Baltic states and the EU.

Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the OP Corporate Bank plc Green Bond Framework are expected to advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030 double the global rate of improvement in energy efficiency

³⁹ Government of Finland, “Data and facts: Finland’s emissions, Energy transition”, (2022), at: <https://www.treasuryfinland.fi/investor-relations/sustainability-and-finnish-government-bonds/data-finlands-ghg-emissions-energy-transition/>

⁴⁰ Parry, IWH and Wingender, P. (2021), “Fiscal Policies for Achieving Finland’s Emission Neutrality Target”, International Monetary Fund, at: <https://www.imf.org/en/Publications/WP/Issues/2021/06/25/Fiscal-Policies-for-Achieving-Finlands-Emission-Neutrality-Target-460890>

⁴¹ European Commission, “Finland”, at: https://commission.europa.eu/system/files/2023-07/DRAFT%20NECP%20update_Finland.pdf

⁴² Government of Finland, “Debt Management Annual Review 2022 – Energy consumption: statistics”, (2023), at: <https://www.treasuryfinland.fi/annualreview2022/energy-consumption-statistics/>

⁴³ Government of Estonia, “Estonia’s Fifth Biennial Report under the United Nations Framework Convention on Climate Change”, (2022), at: https://unfccc.int/sites/default/files/resource/BRV_EE_2022_resubmission.pdf

⁴⁴ European Commission, “Estonia’s 2030 National Energy and Climate Plan”, (2019), at: https://energy.ec.europa.eu/system/files/2022-08/ee_final_necp_main_en.pdf

⁴⁵ IRENA, “Energy Profile – Estonia”, at: https://www.irena.org/IRENADocuments/Statistical_Profiles/Europe/Estonia_Europe_RE_SP.pdf

⁴⁶ European Commission, “Resolution of the Riigikogu: General Principles of Climate Policy until 2050”, at: https://ec.europa.eu/clima/sites/lts/lts_ee_et.pdf

⁴⁷ UNFCCC, “Summary of GHG Emissions for Latvia”, at: https://di.unfccc.int/ghg_profiles/annexOne/LVA/LVA_ghg_profile.pdf

⁴⁸ International Energy Agency, “Latvia”, at: <https://www.iea.org/countries/latvia>

⁴⁹ OECD iLibrary, “OECD Environmental Performance Reviews, Latvia 2019”, (2019), at: https://www.oecd-ilibrary.org/environment/oecd-environmental-performance-reviews-latvia-2019_2cb03cdd-en

⁵⁰ UNFCCC, “Lithuania’s progress towards achieving GHG targets”, (2021), at: https://unfccc.int/sites/default/files/resource/19_Lithuania%20MA%20presentation%20LT%202021%2005%2021.pdf

⁵¹ Ibid.

⁵² International Energy Agency, “Lithuania is well placed to lead on clean energy and energy security in the Baltic region, according to IEA policy review”, (2021), at: <https://www.iea.org/news/lithuania-is-well-placed-to-lead-on-clean-energy-and-energy-security-in-the-baltic-region-according-to-iea-policy-review>

⁵³ European Parliament, “Climate action in Lithuania”, (2021), at: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/690683/EPRS_BRI\(2021\)690683_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2021/690683/EPRS_BRI(2021)690683_EN.pdf)

Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030 upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, all countries taking action in accordance with their respective capabilities
Pollution Prevention and Control including Sustainable Water Management	6. Clean Water and Sanitation	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
	11. Sustainable Cities	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Circular Economy	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Biodiversity Conservation and Environmentally Sustainable Management of Living Natural Resources and Land Use	2. Zero Hunger	2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality
	14. Life Below Water	14.7 By 2030, increase the economic benefits to small island developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism
	15. Life on Land	15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally
Climate Change Adaptation	9. Industry Innovation and Infrastructure	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

Conclusion

OP Corporate Bank has developed the OP Corporate Bank plc Green Bond Framework, under which it may issue green bonds and green deposits and use the proceeds to finance and refinance, in whole or in part, existing or future eligible loans to finance or refinance projects that support the transition to a low-carbon and climate-resilient economy in Finland and the Baltic states (Estonia, Latvia and Lithuania). Sustainalytics considers that the eligible projects are expected to provide positive environmental impacts.

The OP Corporate Bank plc Green Bond Framework outlines a process for tracking, allocating and managing proceeds and makes commitments for reporting on allocation and impacts. Sustainalytics believes that the OP Corporate Bank plc Green Bond Framework is aligned with the overall sustainability strategy of the Bank and that the use of proceeds will contribute to the advancement of UN Sustainable Development Goals 2, 6, 7, 9, 11, 12, 14 and 15. Additionally, Sustainalytics is of the opinion that OP Corporate Bank has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that OP Corporate Bank is well positioned to issue green bonds and green deposits and that the OP Corporate Bank plc Green Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.

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