OP Financial Group's Interim Report for 1 January–31 March 2025

OP Financial Group's Interim Report 1 January–31 March 2025:

OP Financial Group reports a good first quarter in an uncertain operating environment

Operating profit Q1/2025	Net interest income Q1/2025	Total income Q1/2025	Total expenses Q1/2025	CET1 ratio, % 31 Mar 2025
€423 million	-11%	-17%	+10%	20.0%

- Operating profit decreased by 31% to EUR 423 million (618).
- Net interest income decreased by 11% to EUR 631 million (709). Insurance service result was EUR 2 million (-10) and net commissions and fees were EUR 206 million (205). Income from customer business, that is, net interest income, insurance service result and net commissions and fees, decreased by a total of 7% to EUR 839 million (904).
- Impairment loss on receivables reversed came to EUR 24 million (-39), representing -0.10% of the loan and guarantee portfolio (0.15).
- Investment income decreased by 88% to EUR 19 million (151).
- Total expenses grew by 10% to EUR 590 million (537). The cost/income ratio weakened to 60% (45).
- In the year to March, the loan portfolio grew by 1% to EUR 99.1 billion (98.4). Deposits increased by 5% to EUR 77.5 billion (73.6).
- The CET1 ratio was 20.0% (21.5), which exceeds the minimum regulatory requirement by 6.9 percentage points. The changes in the collateral management process decreased capital adequacy. The changes in the EU Capital Requirements Regulation (CRR3), which took effect on 1 January 2025, caused a slight reduction in the capital adequacy of OP Financial Group.
- **The Retail Banking segment's** operating profit decreased by 23% to EUR 291 million (379). Net interest income decreased by 17% to EUR 464 million (558). Impairment loss on receivables reversed came to EUR 26 million (-27). Net commissions and fees increased by 2% to EUR 190 million (187). The cost/income ratio weakened to 60% (46). In the year to March, the loan portfolio grew by 0.4% to EUR 71.0 billion (70.6). Deposits increased by 4% to EUR 64.0 billion (61.8). Assets under management grew by 6% to EUR 94.4 billion (89.4).
- **Corporate Banking segment's** operating profit grew by 13% to EUR 145 million (129). Net interest income decreased by 0.5% to EUR 165 million (166). Impairment loss on receivables decreased by 89% to EUR 1 million (12). Net commissions and fees decreased by 10% to EUR 21 million (23). The cost/income ratio was 33% (32). In the year to March, the loan portfolio grew by 1% to EUR 28.2 billion (27.8). Deposits increased 14% by to EUR 14.2 billion (12.5).
- **The Insurance segment's** operating loss was EUR -14 million (118). The insurance service result grew to EUR 2 million (-10). Investment income fell to EUR -17 million (129). The combined ratio reported by non-life insurance improved to 99.5% (108.9).
- **Group Functions'** operating profit was EUR 23 million (-5). Net interest income grew to EUR 2 million (-6).
- **OP Financial Group** increased the OP bonuses to be earned by owner-customers for 2025 by 40% compared to the normal level of 2022. Additionally, owner-customers get daily banking services without monthly charges in 2025. Together, these benefits added up to EUR 104 million in value for owner-customers during the reporting period.
- **Outlook:** OP Financial Group's operating profit for 2025 is expected to be at a good level but lower than that for 2023 and 2024. For more detailed information on the outlook, see "Outlook".

OP Financial Group's key indicators

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Operating profit, € million	**423**	**618**	**-31.4**	**2,486**
Retail Banking***	291	379	-23.4	1,328
Corporate Banking***	145	129	12.8	520
Insurance	-14	118	-111.5	578
Group Functions	23	-5	–	19
New OP bonuses accrued to owner-customers, € million	-81	-75	7.6	-314
Total income**	**989**	**1,194**	**-17.1**	**4,844**
Total expenses	**-590**	**-537**	**10.0**	**-2,262**
Cost/income ratio, %*/**	59.7	45.0	14.7	46.7
Return on equity (ROE), %*	7.5	12.1	-4.5	11.6
Return on equity, excluding OP bonuses, %*	8.8	13.4	-4.6	13.0
Return on assets (ROA), %*	0.85	1.25	-0.40	1.24
Return on assets, excluding OP bonuses, %*	0.99	1.39	-0.39	1.39
	31 Mar 2025	31 Mar 2024	Change, %	31 Dec 2024
CET1 ratio, %*	20.0	19.6	0.3	21.5
Loan portfolio, € billion	99.1	98.4	0.7	98.9
Deposits, € billion	77.5	73.6	5.4	77.7
Assets under management, € billion****	94.4	89.4	5.6	93.3
Ratio of non-performing exposures to exposures, %*	2.48	3.04	-0.56	2.64
Ratio of impairment loss on receivables to loan and guarantee portfolio, %*	-0.10	0.15	-0.25	0.09
Owner-customers (1,000)	2,121	2,095	1.3	2,115

Comparatives for the income statement items are based on the corresponding figures in 2024. Unless otherwise specified, figures from 31 December 2024 are used as comparatives for balance-sheet and other cross-sectional items.

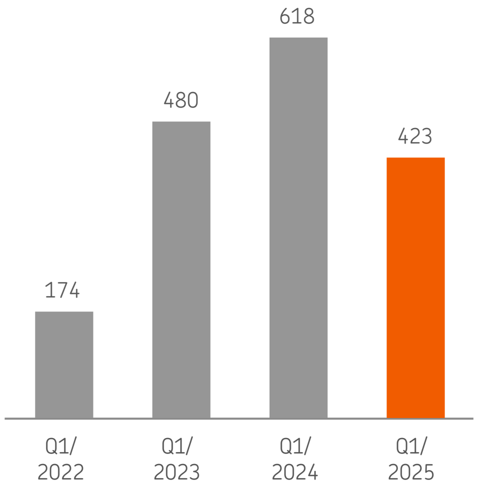
* Change in ratio, percentage point(s).

** OP bonuses to owner-customers, which were previously shown on a separate line in the income statement, have been divided under the following items based on their accrual: interest income, interest expenses, and commission income from mutual funds. The line 'OP bonuses to owner-customers' is no longer shown in the income statement. Comparative information of Q1 2024 has been adjusted accordingly. For more detailed information on the change, see Note 1 to the Half-year Financial Report 1 January–30 June 2024, Accounting policies and changes in accounting policies and presentation.

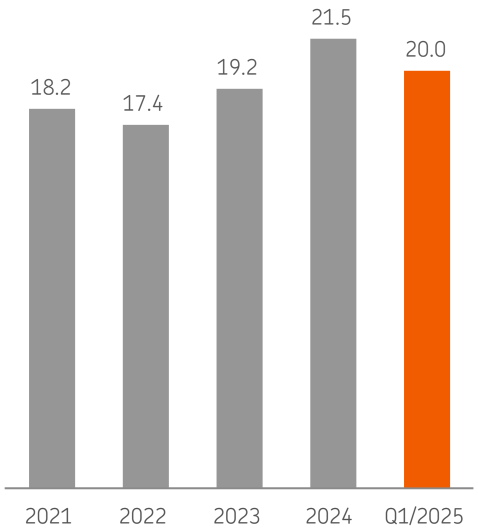
*** As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Comparative information of 2024 has been adjusted accordingly.

**** The presentation of assets under management was changed at the beginning of 2025. Comparatives have been adjusted to correspond to the current definition.

Operating profit, € million



CET1 ratio, %



Comments by the President and Group Chief Executive Officer

Geopolitical tensions and the trade war are making the economic outlook uncertain

In the first quarter of 2025, the business environment was marked by uncertainty and an exceptionally tense geopolitical situation. The war in Ukraine has continued for more than three years, no solution is in sight for the Middle-East conflict, and the trade war ignited by US tariff rises is creating exceptional uncertainty in the world economy. As the tectonic plates of geopolitics and world trade structures shift, it is difficult to see where they will settle. The golden age of globalisation, which began in the late nineties, already appears to be over for now; free global trade seems unlikely to return to its former course. Mounting trade barriers will slow global growth and increase inflationary pressures.

Due to the uncertainty, the most recent analyses revise economic forecasts downwards: OP Financial Group's latest projection envisages GDP growth of 1% in Finland this year. The world economy is expected to grow by only 2.5%, which is a relative slowdown in terms of global growth. However, given the exceptional uncertainty in growth prospects, positive changes in the outlook are also possible.

Gloomy economic expectations have spurred cuts in interest rates and the markets expect short-term market rates to keep falling in the euro zone. Conversely, long-term rates have risen due to concerns that public debt will continue to rise in the euro zone.

The uncertainty seems to be dampening consumer confidence and companies' willingness to invest. Despite this, the housing market continues its gradual recovery.

The trade war has magnified the unusual volatility in stock market prices. In many markets, the early-year rise in stock prices was wiped out as Q1 ended: in late March, the global equity index was 2.1% lower than at the end of 2024. European share markets defied this trend, rising by 5.2% after the year-end; the Nasdaq Helsinki closed 4.2% higher.

OP Financial Group performed well, despite the turbulence in capital markets

Regardless of the challenging business environment, OP Financial Group's profitability remained high and its operating profit was EUR 423 million. This represents a decrease of 31% compared to the same period in 2024. Our strong profit performance will enable us to continue providing outstanding benefits for our more than 2.1 million owner-customers in 2025. This year again, we will use benefits to help ease the strain on households in economically challenging times. We will pay 40% extra (compared to the normal level of 2022) on OP bonuses earned in 2025 and will not charge our owner-customers monthly fees for daily services throughout the year. Together, these benefits will add up to more than EUR 400 million in value for our owner-customers. Being customer-owned, OP Financial Group will continue to share its financial success through a range of financial and other benefits for owner-customers.

Strong capital adequacy and excellent liquidity provide security in the uncertain and often unpredictable business environment. At the end of March, OP Financial Group's CET1 ratio was 20.0%, which exceeds the minimum regulatory requirement by 6.9 percentage points. OP Financial Group is one of the most financially solid large banks in Europe. Furthermore, our liquidity remained excellent. Strong capital adequacy, excellent liquidity and broad trust among customers and other stakeholders are vital for banks and insurance companies, particularly in these uncertain times. All of these are in excellent shape at OP Financial Group.

Income from OP Financial Group's business operations was EUR 989 million in January–March, which was 17% less year-on-year. In particular, net interest income fell by 11% due to decreases in market rates. Net commissions and fees were at the same level year-on-year.

The insurance service result was a EUR 2 million profit, compared to a EUR 10 million loss for Q1 in 2024. This was due to a more favourable claims trend than a year earlier, although the insurance service result for this year's Q1 was weighed down by growing operating expenses and the poor profitability of health insurance.

Due to turbulence in the markets, income from investment activities was modest at EUR 19 million, compared to EUR 151 million at the end of March last year.

Totalling EUR 590 million, OP Financial Group's expenses were higher by 10% year-on-year, mainly due to rising personnel costs and higher investments in ICT development. At 60%, OP Financial Group's cost-income ratio clearly deteriorated compared to Q1 2024.

Of the three business segments, the best performer was Corporate Banking, which had an operating profit of EUR 145 million in January–March, a year-on-year increase of 13%. Despite a 23% decrease, Retail Banking's operating profit of EUR 291 million was also a good performance. The segment was particularly affected by falling market rates: net interest income decreased by 17%. Due to a poor investment result, the Insurance segment recorded a EUR 14 million operating loss. This compares to the segment's operating profit of EUR 118 million for Q1 in 2024.

Both deposit and loan volumes are growing – impairment loss on receivables was exceptionally positive

The deposit portfolio grew by 5% year-on-year, total deposits being EUR 77.5 billion at the end of March. OP Financial Group's market share of deposits has been growing markedly over the last couple of years.

Moreover, its loan portfolio, which grew by around 1% year-on-year, was EUR 99.1 billion: with this, the Group held onto its position as Finland's leading provider of home loans. The home loan market has shown signs of recovery in recent months: for example, the euro amount of new home loans granted by OP Financial Group in March 2025 was 28% higher than in March 2024. OP's home loan customers have continued to repay their loans diligently and on schedule. The number of loan modification applications was lower than in the same period in 2024. Year-on-year, the number of corporate loans under special monitoring declined.

The ratio of non-performing exposures to the loan and guarantee portfolio decreased to 2.5%. Exceptionally, reversals of impairment loss on receivables totalled EUR 24 million in January–March, compared to EUR -39 million recognised for Q1 a year earlier.

Savings and investments are growing strongly – OP First Investment for babies incentivises long-term investment

Alongside our aim to coach our customers in making better financial choices, we have focused on making personal financial management easier for them, while enabling and supporting long-term saving and investing. Wealth management is one of our growth focus areas and we aim to make a clear growth leap in this business activity. Despite the volatility on stock markets, our customers retained a strong interest in securing their financial futures and accumulating wealth.

Customers were interested in systematically investing in funds – they made almost 57,000 new systematic investment agreements with us, which is a 22% increase compared to Q1 in 2024. There are already more than 1.4 million OP mutual fund unitholders. In addition, the number of active equity investors grew by 34%. Reaching almost EUR 94 billion in value, investment assets managed by OP Financial Group grew by 6% compared to January–March 2024.

OP Financial Group member cooperative banks will make an OP First Investment donation – a EUR 100 investment in the OP-World Index fund – to every baby born in Finland this year. The wellbeing of children and youths is one of OP's values and part of its approach to corporate responsibility. With OP First Investment, we want to encourage families to engage in systematic, long-term saving and investment. Based on last year's figures, the estimated aggregate value of OP First Investment donations may exceed EUR 4.3 million. OP First Investment can be received from May 2025, when it will become available for babies born in 2025 (including those born before May).

The mild winter had a positive impact on claims, but health insurance claims expenditure continued to grow considerably

Pohjola Insurance's premiums written grew by 1% compared to the first quarter of last year. Premiums written grew by more than 8% regarding personal customers, but decreased by 2% in the case of corporate customers.

Pohjola Insurance's claims expenditure fell by 16% year-on-year. Due to the mild winter, building claims were 36% down and compensation paid for vehicle claims was 2% lower than for Q1 in 2024. On the other hand, health insurance compensation grew by 14% compared to the first three months of last year.

Compensation was paid for a total of 94% of all claims, which was the same level as a year earlier.

Use of digital services is still growing – phone number-based payment is becoming more versatile

Use of digital services grew substantially again. Our personal and corporate customers increasingly use digital channels for banking and insurance. OP-mobile was logged into more than 60 million times in March. The app already has more than 1.7 million active users. Use of OP Aina – which was launched in June last year as a personal assistant for customers using OP-mobile – grew in the first quarter to 1.5 million service interactions. We use OP Aina to provide customers with services that are even more personalised than before and continuously available.

Siirto Brand Oy, a joint venture between OP and Nordea, began operating: the company provides Finnish solutions for easy and secure payment. With just a phone number, users can make payments to friends or online stores, and a feature for ordering recurring or single e-invoices is planned. These services will expand opportunities to make account-based payments in Finland. Siirto already has 1.5 million registered users.

A historically large structural change is underway among OP cooperative banks

New plans were published during the first quarter for mergers between OP cooperative banks around Finland. The mergers announced and decided so far will reduce the number of OP cooperative banks from 93 at the end of 2024 to 54 by the end of 2025. In addition, several projects (both published and unpublished) for mergers between OP cooperative banks are being planned.

Key drivers of mergers between OP cooperative banks include ensuring that they can provide the most comprehensive, highest quality banking services possible in their operating regions, while keeping pace with the increase in banking regulations.

In uncertain times, we need pioneers that point the way to futures filled with hope

OP Financial Group is in excellent shape to support customers in various ways in the uncertain business environment. We want to be a pioneer pointing the way to futures filled with hope in Finnish society – we will pursue this objective through a number of measures this year. An example is our new partnership with the Hive coding school, through which we aim to promote work-based immigration and the training of people from diverse backgrounds for high-level roles in IT. The future success and wellbeing of Finland and its people depend on stepping up work-based immigration and solving the challenges posed by the ageing of society, as Finland's working-age population decreases.

My warm thanks to all our customers for the trust they showed in OP Financial Group in early 2025. We aim to continue being worthy of the confidence you place in us. I would also like to thank our employees and governing bodies for their excellent work in the first quarter of 2025.

Timo Ritakallio
President and Group CEO

Contents

Business environment

Global economic growth slowed down according to preliminary information in the first quarter of 2025. According to economic surveys, confidence in the global economy weakened somewhat. Growth in the euro area continued to be slow in the first quarter. Euro-area inflation slowed down from 2.3% at year-end to 2.2% in March.

Measured by the MSCI index, global stock prices fell by 2.1% in the first quarter. In the euro area and Finnish equity market, prices increased by the end of March.

The European Central Bank lowered its key interest rate twice in the first quarter. The deposit facility rate decreased to 2.50%. The 12-month Euribor, which is the key reference interest rate for home loans, had fallen to 2.31% by the end of March from 2.46% at the end of 2024.

According to preliminary information, Finland's GDP increased in the first quarter by 1.2% year on year. In March, the unemployment rate rose to 9.3% compared to 9.0% at the end of 2024. Inflation slowed down to 0.5% in March, compared to 0.7% in December 2024. Year on year, home sales increased, while the decrease in home prices slowed down to a marginal level.

The global economic outlook has become weaker as the US have imposed import tariffs, resulting in a higher level of uncertainty. The Finnish economy is likely to grow less than previously expected and the outlook is exceptionally uncertain.

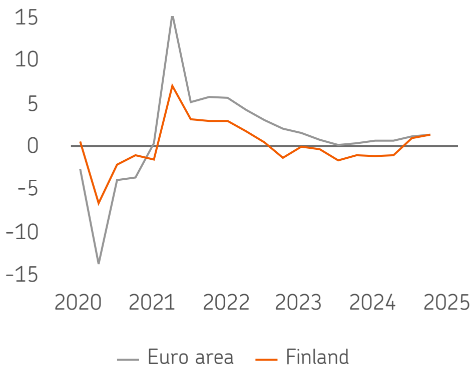
The total loan portfolio in Finland was 0.1% larger in March than a year earlier. Corporate loans decreased by 2.9% year on year, and total household loans decreased by 0.3% compared to the same period a year ago. The volume of consumer credit was the same as a year ago.

Total deposits in Finland decreased by 0.8% over the previous year. Corporate deposits decreased by 2.0% and household deposits increased by 2.8% year on year.

The value of the assets of mutual funds registered in Finland decreased from EUR 184 billion to EUR 182 billion during the first three months of the year, and new assets invested totalled EUR 0.6 billion.

GDP

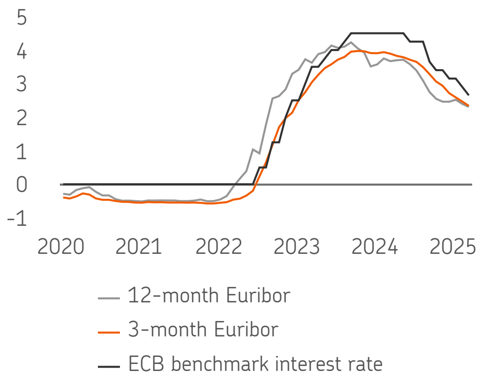
Annual volume change, %



Sources: Eurostat, Statistics Finland Seasonally adjusted series

Euribor rates and ECB refi rate

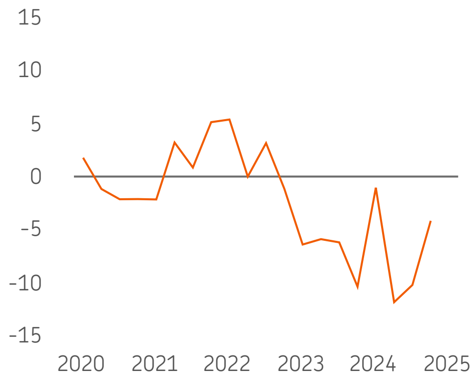
%



Source: Bank of Finland

Fixed investments in Finland

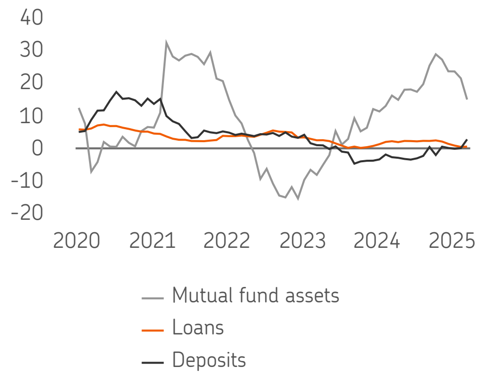
Annual volume change, %



Source: Statistics Finland

Change in financial sector volumes

in the past 12 months, %



Sources: Bank of Finland, Investment Research Finland

Earnings analysis and balance sheet

Earnings analysis

Earnings analysis, € million	Q1/2025	Q1/2024	Change, %	Q4/2024	Change, %	Q1–4/2024
Operating profit	**423**	**618**	**-31.4**	**538**	**-21.3**	**2,486**
Retail Banking**	291	379	-23.4	249	16.8	1,328
Corporate Banking**	145	129	12.8	144	0.5	520
Insurance	-14	118	-111.5	120	-111.4	578
Group Functions	23	-5	–	15	–	19
Net interest income*	631	709	-11.0	678	-6.9	2,796
Impairment loss on receivables	24	-39	–	-23	–	-96
Net commissions and fees*	206	205	0.4	219	-5.7	818
Insurance revenue	518	523	-1.0	555	-6.6	2,129
Insurance service expenses	-495	-512	-3.3	-428	15.9	-1,879
Reinsurance contracts	-21	-21	–	-31	–	-59
Insurance service result	2	-10	–	96	-97.8	192
Investment income	19	151	-87.5	46	-58.8	465
Other operating income	-11	9	-227.5	13	-183.1	44
Personnel costs	-280	-256	9.4	-299	-6.4	-1,081
Depreciation/amortisation and impairment loss	-32	-33	-4.1	-39	-18.5	-146
Other operating expenses	-278	-248	12.4	-295	-5.6	-1,036
Transfers to insurance service result	142	129	9.8	142	0.0	529
OP bonuses included in earnings	-73	-69	5.7	-80	-9.4	-307

* OP bonuses to owner-customers, which were previously shown on a separate line in the income statement, have been divided under the following items based on their accrual: interest income, interest expenses, and commission income from mutual funds. The line 'OP bonuses to owner-customers' is no longer shown in the income statement. Comparative information of Q1 2024 has been adjusted accordingly. For more detailed information on the change, see Note 1 to the Half-year Financial Report 1 January–30 June 2024, Accounting policies and changes in accounting policies and presentation.

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Key indicators

Key indicators, € million	31 Mar 2025	31 Dec 2024	Change, %
Loan portfolio	99,109	98,917	0.2
Home loans	41,560	41,604	-0.1
Corporate loans*	27,851	27,907	-0.2
Housing company loans**	10,786	10,619	1.6
Other loans to corporations and institutions*/***	6,773	6,644	1.9
Other consumer loans*/***	12,140	12,143	0.0
Guarantee portfolio	3,480	4,136	-15.9
Other exposures	13,882	13,219	5.0
Deposits	77,542	77,653	-0.1
Assets under management****	94,412	93,284	1.2
Mutual funds	40,153	40,383	-0.6
Direct investments*****	36,407	34,699	4.9
Insurance assets	17,852	18,202	-1.9
Balance sheet total	162,063	161,168	0.6
Investment assets	24,520	23,537	4.2
Insurance contract liabilities	11,616	11,796	-1.5
Debt securities issued to the public	32,473	33,198	-2.2
Oma pääoma	18,246	18,110	0.8

* The customer classification was updated in the first quarter of 2025 by further specifying the definition of personal and corporate customers. The figures for 31 December 2024 have been adjusted to correspond to the new customer classification and are comparable to the figures of 2025.

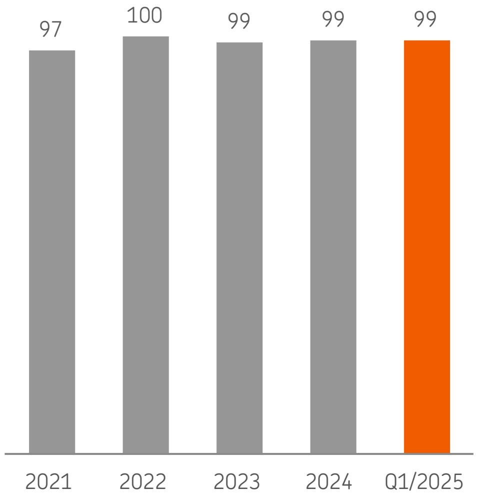
** Housing company loans include housing companies and housing investment companies.

*** Other loans to corporations and institutions include public sector entities, banks and financial institutions and non-profit organisations.

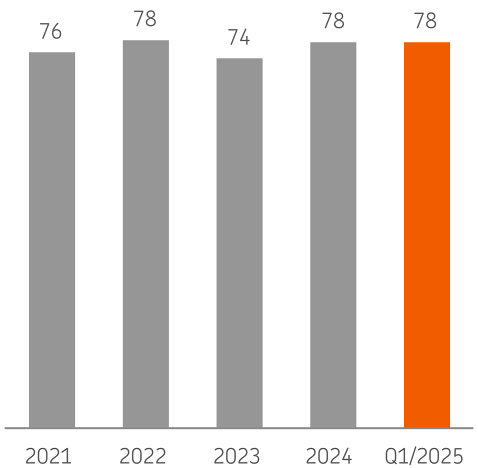
**** The presentation of assets under management was changed at the beginning of 2025. Comparatives have been adjusted to correspond to the current definition.

***** Direct investments includes investments other than funds and insurance assets (equities and derivatives, structured products and bonds).

Loan portfolio, € billion



Deposits, € billion



January-March

OP Financial Group's operating profit was EUR 423 million (618), down by 31.4% or EUR 194 million year on year. Income from customer business (net interest income, net commissions and fees and insurance service result) decreased by a total of 7.2% to EUR 839 million (904). The cost/income ratio weakened to 59.7% (45.0). New OP bonuses accrued to owner-customers increased by 7.6% to EUR 81 million.

As a result of lower market interest rates, net interest income decreased by 11.0% to EUR 631 million. Net interest income reported by the Retail Banking segment decreased by 16.9% to EUR 464 million and that by the Corporate Banking segment decreased by 0.5% to EUR 165 million. OP Financial Group's loan portfolio grew by 0.7% to EUR 99.1 billion while deposits grew by 5.4% to EUR 77.5 billion, year on year. Household deposits increased by 4.1% year on year, to EUR 49.0 billion. New loans drawn down by customers during the reporting period totalled EUR 6.1 billion (4.5).

Impairment loss on receivables reversed came to EUR 24 million (-39). Final credit losses totalled EUR 16 million (12). At the end of the reporting period, loss allowance was EUR 784 million (824), of which management overlay accounted for EUR 58 million (77). Non-performing exposures decreased, accounting for 2.5% (3.0) of total exposures. Impairment loss on loans and receivables accounted for -0.10% (0.15) of the loan and guarantee portfolio.

Net commissions and fees grew by 0.4% to EUR 206 million. Owner-customers' use of daily banking services has been free of monthly charges since October 2023. Net commissions and fees for payment transfer services increased by EUR 3 million to EUR 58 million, and those for mutual funds by EUR 2 million to EUR 46 million.

The insurance service result was EUR 2 million (-10). Insurance service result includes EUR 142 million (129) in operating expenses. Non-life insurance net insurance revenue, including the reinsurer's share, decreased by 1.1% to EUR 419 million. Net claims incurred after the reinsurer's share decreased by 15.8% to EUR 287 million. The combined ratio reported by non-life insurance improved to 99.5% (108.9).

Investment income (net investment income, net insurance finance expenses and income from financial assets held for trading) decreased by a total of 87.5% to EUR 19 million. Investment income decreased as a result of the decrease in the value of equity investments and notes and bonds in particular. Net investment income together with net finance income describe investment profitability in the insurance business. The combined return on investments at fair value of OP Financial Group's insurance companies was -1.1% (2.0).

Net income from financial assets recognised at fair value through profit or loss, or notes and bonds, shares and derivatives, totalled EUR -448 million (744). Net income from investment contract liabilities totalled EUR 184 million (-359). Net insurance finance expenses totalled EUR 229 million (-250).

In banking, net income from financial assets held for trading came to EUR 53 million (8) as a result of changes in the value of derivatives.

Other operating income totalled EUR -11 million (9). A EUR 23 million valuation adjustment in patient insurance policies with full risk for own account decreased other operating income.

Total expenses grew by 10.0% to EUR 590 million. Personnel costs rose by 9.4% to EUR 280 million. The increase was affected by headcount growth and pay increases. OP Financial Group's personnel increased by more than 800 year on year. The number of employees increased in areas such as sales, customer service, service development, risk management and compliance. Depreciation/amortisation and impairment loss on PPE and intangible assets decreased by 4.1% to EUR 32 million. Other operating expenses increased by 12.4% to EUR 278 million. ICT costs totalled EUR 139 million (123). Development costs were EUR 101 million (83) and capitalised development expenditure EUR 13 million (14). Charges of financial authorities were EUR 1 million (1). The EU's Single Resolution Board (SRB) does not collect stability contributions from banks for 2025.

At EUR 73 million (69), OP bonuses for owner-customers are included in earnings and are divided under the following items based on their accrual: EUR 33 million (35) under interest income, EUR 22 million (19) under interest expenses, EUR 13 million (11) under commission income from mutual funds, and EUR 4 million (4) under the insurance service result.

Income tax amounted to EUR 85 million (125). The effective tax rate for the reporting period was 20.1% (20.3). Comprehensive income after tax totalled EUR 362 million (509).

OP Financial Group's equity amounted to EUR 18.2 billion (18.1). Equity included EUR 3.1 billion (3.3) in Profit Shares, terminated Profit Shares accounting for EUR 0.2 billion (0.4).

OP Financial Group's funding position and liquidity are strong. The Group's LCR was 202% (193) and NSFR was 129% (129).

Highlights of the reporting period

Additional benefits for owner-customers

OP Financial Group allocates part of its profitability improvement to provide additional benefits to owner-customers. OP Financial Group increased the OP bonuses to be earned by owner-customers for 2025 by 40% compared to the normal level of 2022. Owner-customers earned a total of EUR 81 million (75) in OP bonuses during the reporting period. In addition, owner-customers get daily banking services free of monthly charges until the end of 2025. The estimated total value of this benefit will be EUR 90 million for 2025.

Change in segment reporting

As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Previously, these companies have been reported as part of the Corporate Banking segment. Comparative information is reported according to the new segment structure.

Joint venture of OP Financial Group and Nordea started operations

On 11 February 2025, the Finnish Competition and Consumer Authority (FCCA) approved a plan for expanding the operations of Siirto Brand Oy, which is fifty-fifty owned by OP Financial Group and Nordea. The corporate transaction was completed on 28 February 2025, after which Siirto Brand Oy started operations as an independent company. In December 2023, OP Financial Group and Nordea established a joint venture to create solutions for payment challenges in Finland. The company will develop phone-number and account-based payment solutions via Siirto's partner applications, which will benefit both consumers and businesses.

OP Financial Group's strategic targets and priorities

OP Financial Group has a strategy process in which it assesses, reshapes and implements its strategy on an ongoing basis. The Group systematically assesses its business environment and operating model to be able to make and implement new strategic choices when needed.

OP Financial Group's mission, values, vision and strategic priorities form a whole whose parts complement each other. The Group's vision is to be the leading and most appealing financial services group in Finland. Continuous monitoring of the business environment and strategic priorities will help achieve the shared vision and guide all actions.

In the next few years, OP Financial Group's operations will be guided by the following five strategic priorities:

- Value for customers
- Profitable growth
- Efficient, high-quality operations
- Responsible business
- Highly skilled, motivated and satisfied personnel.

OP Financial Group's operations are based on a strong culture of risk management and compliance.

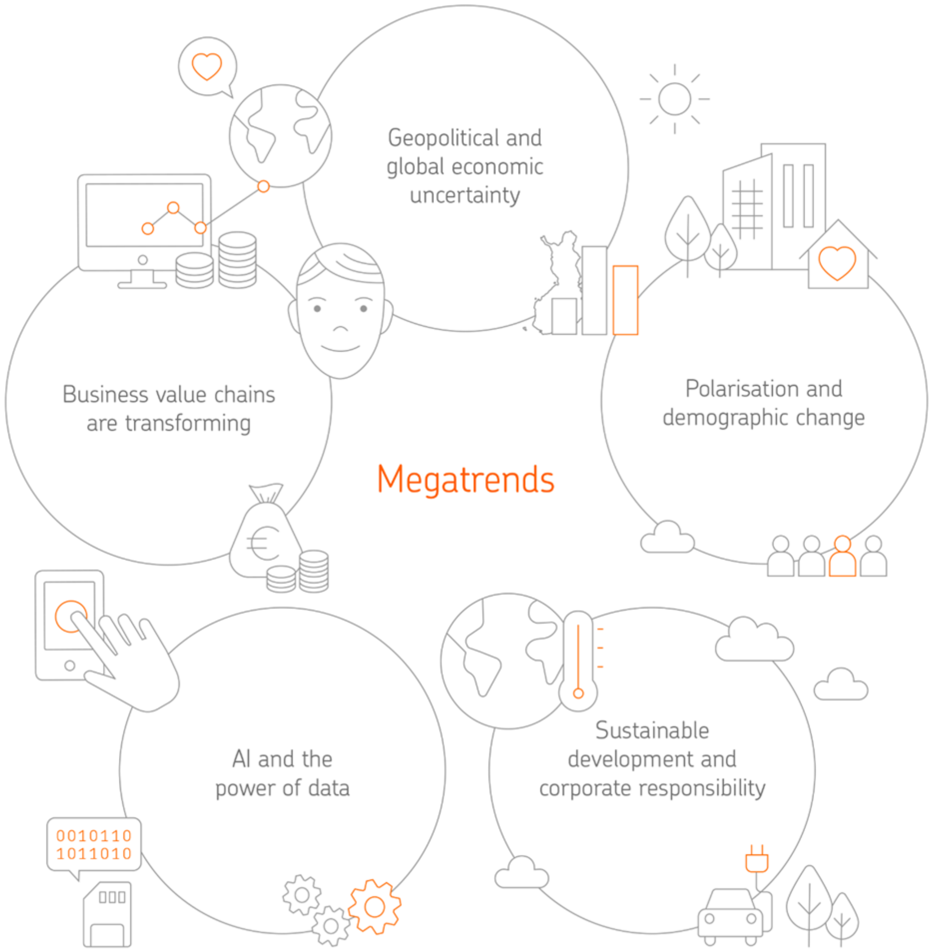
OP Financial Group's strategic targets and outcomes

	31 Mar 2025	31 Dec 2025	Target
Return on equity (ROE excluding OP bonuses), %	8.8	13.0	9.0
CET1 ratio, %	20.0	21.5	At least CET1 requirement + 4 pps*
Brand recommendations, bNPS (Net Promoter Score, personal and corporate customers)**	Banking: 1	Banking: 1	Banking: 1
	Insurance: 2	Insurance: 2	Insurance: 1
Credit rating	AA-/Aa3	AA-/Aa3	At least at the level of AA-/Aa3

* OP Financial Group's target CET1 ratio is at least the CET1 capital adequacy requirement plus four percentage points. The CET1 target calculated by applying the capital adequacy requirement of 31 March 2025 was 17.0%.

** Ranking in the survey on switching bank and insurer by Kantar Finland Oy and in a nationwide survey on SMEs by Red Note Oy.

OP Financial Group's business environment



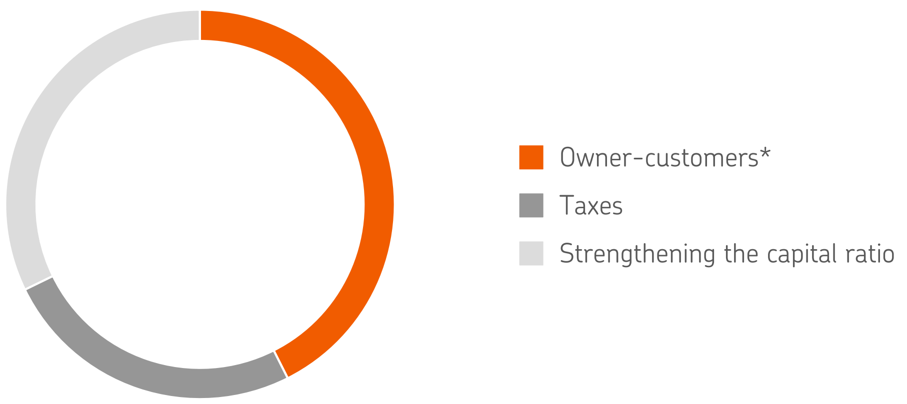
Promotion of the success of owner-customers and operating region

OP Financial Group's mission is to promote the sustainable prosperity, security and wellbeing of its owner-customers and operating region. The Group's operations are based on its values, mission, a strong capital base, capable risk management and customer respect.

Allocation of earnings

OP Financial Group aims to provide its owner-customers with the services they need, as efficiently as possible. The shared success will be used for the benefit of owner-customers in the form of loyalty benefits and other financial benefits, as well as the maintenance and further development of service capabilities.

OP Financial Group's estimated earnings allocation for 2025 that is to be confirmed after the end of the financial year:



*) Owner-customers = OP bonuses, benefits and interest on Profit Shares to owner-customers

Implementing OP Financial Group's mission successfully requires a strong capital base. A stronger capital base will require efficiency and earnings power from the Group in the years to come too. In addition to the part returned to owner-customers, a significant part of earnings is used to strengthen OP Financial Group's capital base.

Benefits created by OP Financial Group are allocated to owner-customers on the basis of the extent to which each owner-customer of an OP cooperative bank uses the Group's services. The owner-customers' loyalty benefit programme consists of OP bonuses – accrued on the basis of an owner-customer's transactions with OP – as well as benefits and discounts granted on OP's banking services, insurance contracts and savings and investment services. Owner-customers also have the opportunity to contribute capital to their own OP cooperative bank through Profit Shares. Interest will be paid annually on Profit Shares as the banks' profit distribution, based on the return target confirmed on an annual basis.

OP Financial Group has been the largest taxpayer in Finland measured by tax on profits. As a major taxpayer, OP Financial Group is contributing to prosperity in the whole of Finland.

Owner-customer benefits

OP Financial Group had 2.1 million (2.1) owner-customers at the end of the reporting period. The number of owner-customers increased by 6,000 during the reporting period.

OP cooperative banks' owner-customers earn OP bonuses through banking, insurance and wealth management transactions. OP Financial Group increased the OP bonuses earned for 2025 by 40% compared to the 2022 level. The value of the new OP bonuses earned during the reporting period totalled EUR 81 million (75).

During the reporting period, a total of EUR 17 million (20) of OP bonuses were used to pay for banking and wealth management services and EUR 52 million (46) to pay non-life insurance premiums. Additionally, owner-customers get daily banking services free of monthly charges in 2025. The estimated total value of this benefit will be EUR 90 million for 2025.

Owner-customer benefits

€ million	Q1/2025	Q1/2024
New OP bonuses earned	81	75
Daily services*	53	52
Insurance**	5	5
Investing and saving***	6	4
Total	**145**	**136**

* Daily services packages, Current Account without account service charge, daily services free of charge in 2024 and 2025.
** Loyalty discount
*** Trading in shares or mutual funds, securities custody and Equity Savings Account free of charge.

OP bonuses and other owner-customer benefits totalled EUR 145 million (136), accounting for 25.5% (18.0) of OP Financial Group's operating profit before granted owner-customer benefits.

The Act on changing the bonus practices in the financial sector will take effect on 1 January 2026 and will have a significant effect on the tax treatment of OP bonuses. Under the new Act, customer bonuses in the financial sector will be considered taxable if they are used for things other than the services which initially brought the bonuses. OP Financial Group has prepared for the change in the tax practices of financial-sector customer bonuses. The Group's owner-customers will continue to receive at least the same level of financial benefits compared to the normal level of 2022, regardless of the new Act.

Contributions made by OP cooperative banks' owner-customers to the banks' Profit Shares and cooperative shares totalled EUR 3.3 billion (3.5). The return target for Profit Shares for 2025 is an interest rate of 4.50% (5.50). Interest payable on Profit Shares accrued during the reporting period is estimated to total EUR 35 million (44). Interest on Profit Shares for the financial year 2024, payable in June 2025, is estimated to total EUR 176 million (148).

Multichannel services

OP Financial Group has a multichannel service network comprising mobile, online, branch and telephone services. The Group provides personal customer service both at branches and via digital and telephone services. Use of digital services continues to grow steadily. Personal and corporate customers increasingly use digital channels for banking and insurance. In March, 1.7 million (1.6) personal and corporate customers used OP Financial Group's mobile channels, and there were 60 million logins to OP-mobile.

Mobile and online services

No. of logins (million)	Q1/2025	Q1/2024	Change, %
Mobile services, personal customers	168.6	158.4	6.4
Mobile services, corporate customers	11.4	8.7	31.0
Op.fi	17.6	17.2	2.3

Registered customers (OP)	31 Mar 2025	31 Mar 2024	Change, %
Siirto payment	1,254,779	1,233,636	1.7

OP Aina is a personal assistant on mobile and online that helps OP's customers with a range of banking and insurance matters on a 24/7 basis. OP Aina is the first Finnish financial sector service based on AI and alerts – OP is using it to provide its customers with more personalised and easily available services than before. During the reporting period, OP Aina had 1.5 million customer contacts. The use of OP's AI agents increased by 50% year on year.

On 11 February 2025, the Finnish Competition and Consumer Authority (FCCA) approved a plan for expanding the operations of Siirto Brand Oy, which is fifty-fifty owned by OP Financial Group and Nordea. The corporate transaction was completed on 28 February 2025, after which Siirto Brand Oy started operations as an independent company. In December 2023, OP Financial Group and Nordea established a joint venture to create solutions for payment challenges in Finland. The company will develop phone-number and account-based payment solutions via Siirto's partner applications, which will benefit both consumers and businesses.

The popularity of mobile payments is on the rise, with nearly half of card customers aged 18–25 already using mobile payment services. The mobile payment options that OP Financial Group provides for customers at the moment include Apple Pay, Garmin Pay, Google Pay, Samsung Pay and Siirto.

OP Financial Group has an extensive branch network with 276 branches (278) across the country. In addition, Pohjola Insurance has a comprehensive network of agencies and partnerships.

Sustainability and corporate responsibility

As of 2024, OP Financial Group has reported on its sustainability and corporate responsibility in accordance with the European Sustainability Reporting Standards (ESRS) under the EU's Corporate Sustainability Reporting Directive (CSRD).

Responsible business is one of OP Financial Group's strategic priorities. OP Financial Group's sustainability programme guides the Group's actions and is built around three themes: Climate and the environment, People and communities, and Corporate governance. Read more about the sustainability programme at www.op.fi/en/op-financial-group/corporate-social-responsibility/corporate-social-responsibility-programme.

At OP Financial Group, sustainability and corporate responsibility are guided by a number of principles and policies. OP Financial Group is committed to complying not only with all applicable laws and regulations, but also with a number of international initiatives that guide operations. The Group is committed to complying with the ten principles of the UN Global Compact initiative in the areas of human rights, labour rights, the environment and anti-corruption. OP Financial Group is a Founding Signatory of the Principles for Responsible Banking under the United Nations Environment Programme Finance Initiative (UNEP FI). Furthermore, OP Financial Group is committed to complying with the UN Principles for Responsible Investment and the UN Principles for Sustainable Insurance.

OP Financial Group is committed to the international Partnership for Carbon Accounting Financials (PCAF), which aims to develop and implement a harmonised approach to assessing and disclosing greenhouse gas emissions associated with partners' loans and investments.

OP Financial Group has set emissions reduction targets for three sectors in its loan portfolio: the energy, agriculture and residential property sectors. These account for more than 90% of the emissions related to OP Financial Group's loan portfolio. The goal is to reduce the following from their 2022 initial level by 2030: 1) the emissions intensity of energy production by 50%; 2) absolute emissions associated with the agricultural sector by 30%; and 3) the emissions intensity of home loans by 45%.

OP Financial Group's biodiversity roadmap includes measures to promote biodiversity. OP Financial Group aims to grow its nature positive handprint by 2030. 'Nature positive' means that OP Financial Group's operations will have a net positive impact (NPI) on nature.

OP Financial Group has drawn up a Human Rights Statement and Human Rights Policy. The Group respects all recognised human rights. The Human Rights Statement includes the requirements and expectations that OP Financial Group has set for itself and actors in its value chains. OP Financial Group is committed to perform remediation actions if its operations have adverse human rights impacts.

Sustainability and corporate responsibility highlights of the reporting period

OP Financial Group has developed several products based on the international framework for sustainable finance, such as green loans, sustainability-linked loans and sustainable supply chain finance. On 31 March 2025, total exposures from green loans and sustainability-linked loans and facilities stood at EUR 8.7 billion (8.6). Sustainable funds accounted for 89.8 of all fund assets (88.0). Funds to be reported in accordance with article 9 of the SFDR, or funds aimed at making sustainable investments accounted for 5.3% (4.6) of all funds.

To promote diversity, OP Financial Group aims to have at least 40% of defined executive positions occupied by the least represented group in each case: men or women. At the end of March, the proportion of women in these positions was 38% (38). The calculation method was changed at the beginning of 2025, and comparatives have been adjusted accordingly.

In March 2025, Pohjola Insurance published a report on the implementation of the UN Principles for Sustainable Insurance in its business operations in 2024.

Capital adequacy and capital base

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

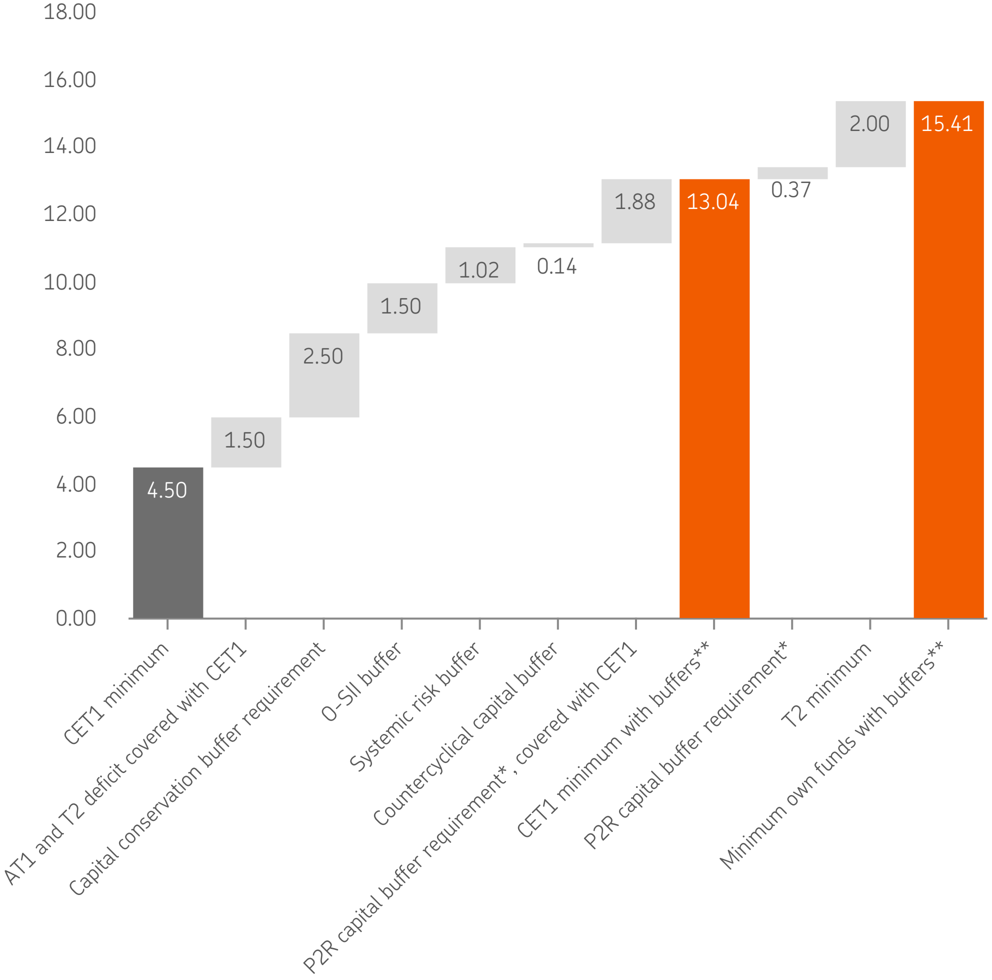
OP Financial Group's own funds, calculated according to the Act on the Supervision of Financial and Insurance Conglomerates (FiCo), exceeded the minimum amount specified in the Act by EUR 5.5 billion (6.0). Banking capital requirement was 15.4% (15.4), calculated on risk-weighted assets. The changes in banking's collateral management process and in the EU Capital Requirements Regulation (CRR) increased the capital requirement.
The ratio of OP Financial Group's own funds to the minimum capital requirement was 141% (148). As a result of the buffer requirements for banking and the solvency requirements for insurance companies, the minimum FiCo solvency of 100% reflects the level within which the conglomerate can operate without regulatory obligations resulting from buffers below the required level.

Capital adequacy for credit institutions

OP Financial Group's CET1 ratio was 20.0% (21.5), which exceeds the minimum regulatory requirement by 6.9 percentage points. The ratio decreased due to the growth in risk-weighted assets that resulted from the changes in the collateral management process, and the changes in the EU Capital Requirements Regulation (CRR). The figures in the comparison period are compliant with the previous regulation.

As a credit institution, OP Financial Group's capital adequacy is on a solid basis compared to the statutory requirements and those set by the authorities. The statutory minimum for the capital adequacy ratio is 8% and for the CET1 ratio 4.5%; the minimum requirement of 1.5% for AT1 and T2, which must be covered by CET1, raises the CET1 minimum to 6.0%. The requirement for the capital conservation buffer of 2.5% under the Act on Credit Institutions, the O-SII buffer requirement of 1.5%, the systemic risk buffer requirement of 1.0%, the change in the countercyclical capital buffer requirement for foreign exposures, and the ECB's P2R requirement increase, in practice, the minimum total capital ratio to 15.4% and the minimum CET1 ratio to 13.0%, including the shortfalls of Additional Tier 1 (AT1) and Tier 2 (T2) capital.

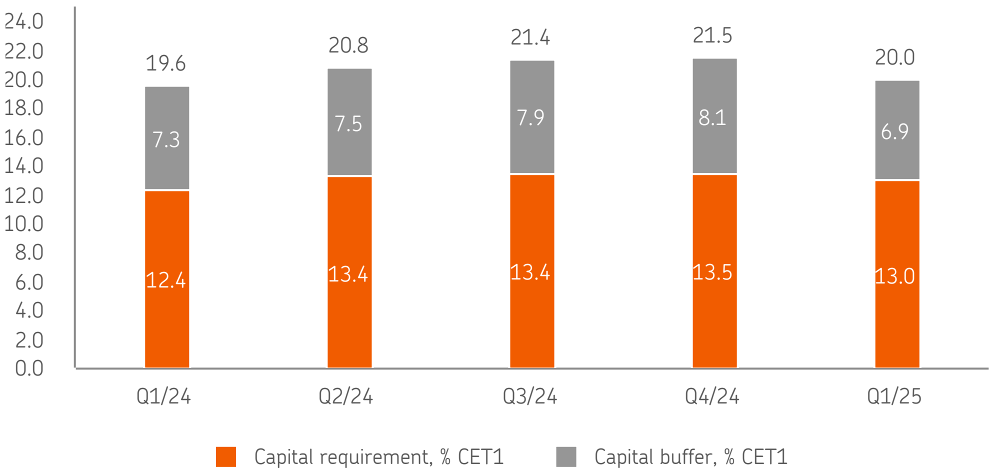
Capital requirements, % Q1/2025



*P2R supervisor's Pillar 2 requirement

**If the minimum level is not met, profit distribution will be restricted

CET1 ratio, %



The CET1 capital of OP Financial Group as a credit institution was EUR 15.8 billion (15.5). Banking earnings had a positive effect on CET1 capital. The amount of Profit Shares in CET1 capital was EUR 3.1 billion (3.1). The EUR 500 million Tier 2 debenture loan issued by OP Corporate Bank in January increased OP Financial Group's own funds.

The risk exposure amount (REA) was EUR 78.8 billion (71.8). Risk-weighted credit risk assets increased as a result of changes in the collateral management process and regulatory changes under CRR3. The risk-weighted assets for operational risk increased in line with income for previous years. In addition, regulatory changes under CRR3 increased the risk-weighted assets for operational risk.

Total risk exposure amount 31 March 2025, EUR 78.8 billion

Risk exposure amount (REA)	31 Mar 2025	Share of REA, %	31 Dec 2024	Share of REA, %	Change, %
Credit and counterparty risk	68.6	87.0	63.3	88.3	8.3
Corporate exposure	32.2	40.8	44.7	62.3	-28.0
Retail exposure	30.7	38.9	12.0	16.7	156.0
Equity investments	2.2	2.8	2.4	3.3	-7.2
Other	3.5	4.4	4.2	5.9	-17.3
Market risk	1.2	1.6	1.2	1.6	8.2
Operational risk	6.6	8.3	4.9	6.9	33.1
Other risks	2.4	3.1	2.3	3.3	3.6
Total	78.8	100.0	71.8	100.0	9.9

OP Financial Group treats insurance holdings within the financial conglomerate as risk-weighted assets, based on permission from the ECB. Equity investments include EUR 1.9 billion in risk-weighted assets of the Group's internal insurance holdings, with a risk weight of 100%. Investments in subordinated debt instruments include EUR 0.6 billion in risk-weighted assets of the Group's internal insurance holdings, with a risk weight of 150%.

The Finnish Financial Supervisory Authority (FIN-FSA) makes a macroprudential policy decision on a quarterly basis. In March 2025, the FIN-FSA reiterated its decision not to impose a countercyclical capital buffer requirement on banks.

The leverage ratio for OP Financial Group's Banking was 10.7% (10.5). This higher ratio was due to Banking earnings in particular. The regulatory minimum requirement is 3%.

OP Amalgamation's Pillar 3 disclosures for 31 March 2025 will be published in week 19.

Insurance

The solvency position of the insurance companies is strong. At the end of the first quarter of 2025, both companies' solvency ratio remained close to that of 31 December 2024.

	Non-life insurance*		Life insurance	
	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024
Own funds, € mill.	1,842	1,845	1,526	1,550
Solvency capital requirement (SCR), € mill.	958	950	741	758
Solvency ratio, %	192	194	206	204

*Comparatives have been specified

ECB's supervision

OP Financial Group is supervised by the European Central Bank (ECB). The ECB has set a capital requirement for OP Financial Group based on the supervisory review and evaluation process (SREP). The capital buffer requirement (P2R) set by the ECB is 2.25%.

Liabilities under the Resolution Act

Under regulation applied to the 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) based in Brussels is OP Financial Group's resolution authority. The SRB has confirmed a resolution strategy for OP Financial Group whereby the resolution measures would focus on the OP amalgamation and on the new OP Corporate Bank that would be formed in case of resolution. According to the resolution strategy, OP Mortgage Bank will continue its operations as the new OP Corporate Bank's subsidiary.

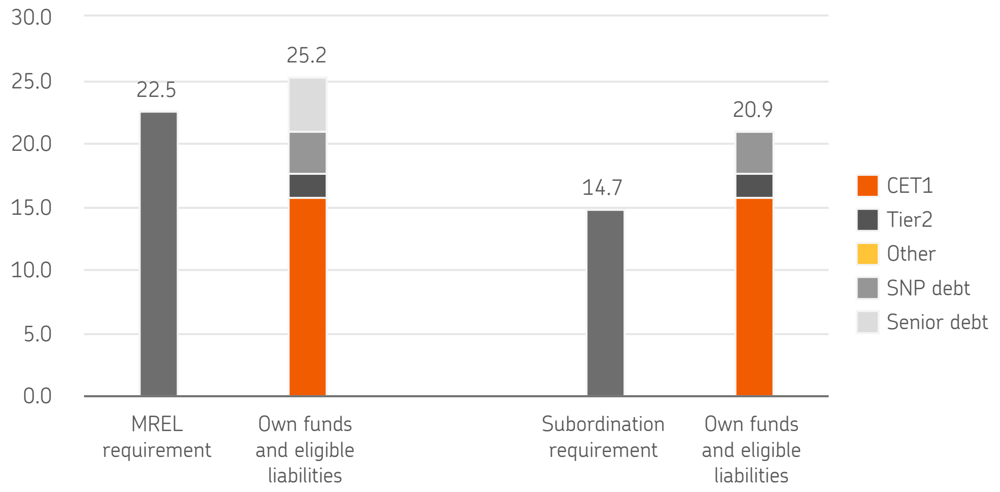
The SRB updated the Minimum Requirement for Own Funds and Eligible Liabilities (MREL) for OP Financial Group in March 2025. As part of the MREL requirement, SRB updated the subordination requirement in accordance with the Single Resolution Mechanisms Regulation. The subordination requirement determines how much of the MREL must be fulfilled with own funds or subordinated liabilities. The MREL is 23.42% of the total risk exposure amount and 28.58% of the total risk exposure amount including a combined buffer requirement, and 7.36% of leverage ratio exposures. The subordination requirement supplementing the MREL is 13.50% of the total risk exposure amount and 18.66% of the total risk exposure amount including a combined buffer requirement, and 7.36% of leverage ratio exposures. The requirements include a combined buffer requirement (CBR) of 5.16%.

OP Financial Group's buffer for the MREL was EUR 2.7 billion (5.2), and for the subordination requirement it was EUR 6.2 billion (7.2). The amount of senior non-preferred (SNP), MREL-eligible bonds issued by OP Financial Group totalled EUR 3.3 billion (3.8). These bonds provide funds for the MREL subordination requirement.

OP Financial Group clearly exceeds the MREL requirement. OP Financial Group's MREL ratio was 32.0% (35.6) of the total risk exposure amount and, based on the subordination requirement, the MREL ratio for subordinated liabilities was 26.5% (28.7) of leverage ratio exposures.

MREL requirements

€ billion



Bases for risk profile management and the business environment

The basic principle of OP Financial Group's risk-taking is acknowledgement that it takes risks related to fulfilling its mission. In risk-taking related to its operations, OP Financial Group emphasises careful preparation and a sound risk-return ratio. The principles and limits prepared by senior management and adopted by OP Cooperative's Board of Directors steer and limit OP Financial Group's risk taking.

OP Financial Group's success lies in a foundation of accumulated trust capital, sufficient capital and liquidity and diverse information on customers. From a risk-carrying capacity perspective, it is essential for OP Financial Group to understand its customers' activities and needs, as well as change factors affecting their future success in the prevailing business environment and in situations where the business environment is affected by an unexpected shock or trend change.

OP Financial Group analyses the business environment as part of its ongoing risk assessment activities and strategy process. Megatrends and worldviews behind OP Financial Group's strategy reflect driving forces that affect the daily activities, conditions and future of the Group and its customers and competitors. At present, global factors identified as particularly shaping the business environment include geopolitics and trade policy, climate, biodiversity loss, and scientific and technological innovations. In addition to these, factors emphasised in Finland include the demographic and regional development and growing public debt. OP Financial Group provides customers with advice and tailored services that promote their sustainable financial success and security, while managing its own risk profile on a longer-term basis. The use of data plays an important role in OP Financial Group's operations because advice for customers, risk-based service sizing and pricing and contract lifecycle management are based on correct and comprehensive information about the customer. Reporting for management purposes is also based on accurate and comprehensive data.

OP Financial Group has extensive business operations in different areas of the financial sector. For this reason, unexpected external shocks from the economic environment may have various direct and indirect effects on the prosperity of OP Financial Group's customers and on the Group's premises, ICT infrastructure and personnel. If materialised, they may affect the risk profile, capitalisation, liquidity and the continuity of daily business in various ways. OP Financial Group assesses the effects of such potential shocks by means of scenario work and continuously prepares for such effects by creating and testing action plans.

Operational risks

There was a major change in the cybersecurity environment in 2022 due to Russia's aggressive war in Ukraine. Since then, the cybersecurity threat level has remained elevated, including in Finland. OP Financial Group protects its operations and the data of its customers and other stakeholders by maintaining a strong digital infrastructure, data security capabilities and cyber preparedness. This task extends to the level of the financial sector and the whole of society.

Cooperation with the authorities and within the financial sector has been stepped up in Finland and the Nordic countries. This has proven an effective way of maintaining resistance to cyber attacks throughout the financial sector. OP Financial Group has developed its cybersecurity on a long-term basis, taking account of cyber risks and continuous changes in external threats. To ensure high-quality operations, the Group emphasises continuous practice, testing of activities, maintenance of competencies and sufficient resourcing. An analysis of successfully stopped attacks and systems-related vulnerabilities has shown that OP Financial Group has a good reaction speed and strong preventative capabilities, combining expertise, processes and technologies.

OP Financial Group is systematically maintaining its operational capability and continuing the holistic development of its cybersecurity. Despite the preparedness of OP Financial Group, the financial sector and authorities, the risk of cyber attacks and other operations remains elevated.

At the end of the reporting period, around 600 specialists were working in anti-financial crime roles in OP Financial Group's central cooperative. Employees of OP cooperative banks and OP Financial Group's other companies also play an important role in financial crime prevention.

During the reporting period, the volume of materialised operational risks remained low at OP Financial Group, resulting in EUR 3 million (1) in losses. The risk profile of other risks is discussed in more detail by business segment.

Retail Banking and Corporate Banking

Major risks in banking are associated with credit risk arising from customer business, and market risk.

Banking credit risk exposure remained low in terms of risk level, and the overall quality of the loan portfolio was good. The economic impact of changes in US trade policy, however, increase uncertainty in the outlook of the business environment.

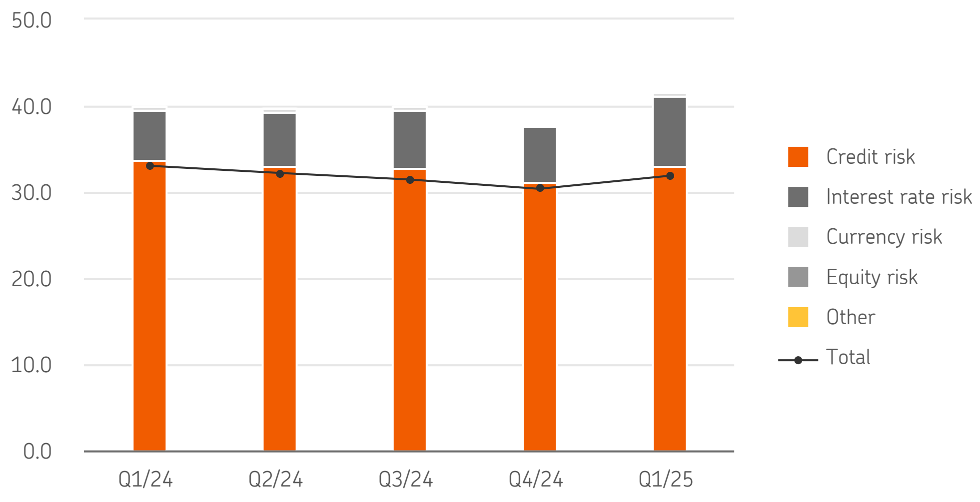
The VaR, a measure of market risks associated with Corporate Banking's investments, was EUR 32 million (30) at the end of the reporting period. The VaR risk metric includes banking's bond investments, derivatives that hedge their interest rate risk and investments in money market papers. No major changes were made to the asset class allocation during the reporting period.

In Markets, the stressed Expected Shortfall (ES), a measure of market risk, increased in the early part of the year, amounting to EUR 1.1 million at the end of the reporting period.

Deposits within the scope of deposit guarantee and managed by OP Financial Group totalled EUR 45.7 billion (45.2) at the end of the reporting period, which equals 59.0% of deposits (58.2). The Deposit Guarantee Fund compensates a maximum of EUR 100,000 for each OP Financial Group customer.

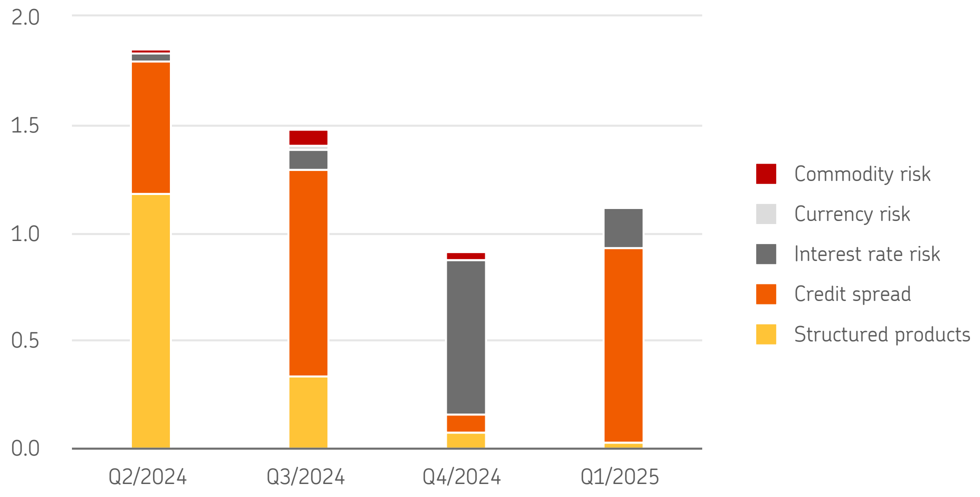
Corporate Banking's market risk VaR at a confidence level of 95% and a retention period of 10 days

€ million



Market risk ES at a confidence level of 97.5% and a retention period of 1 day

€ million



Forborne and non-performing exposures

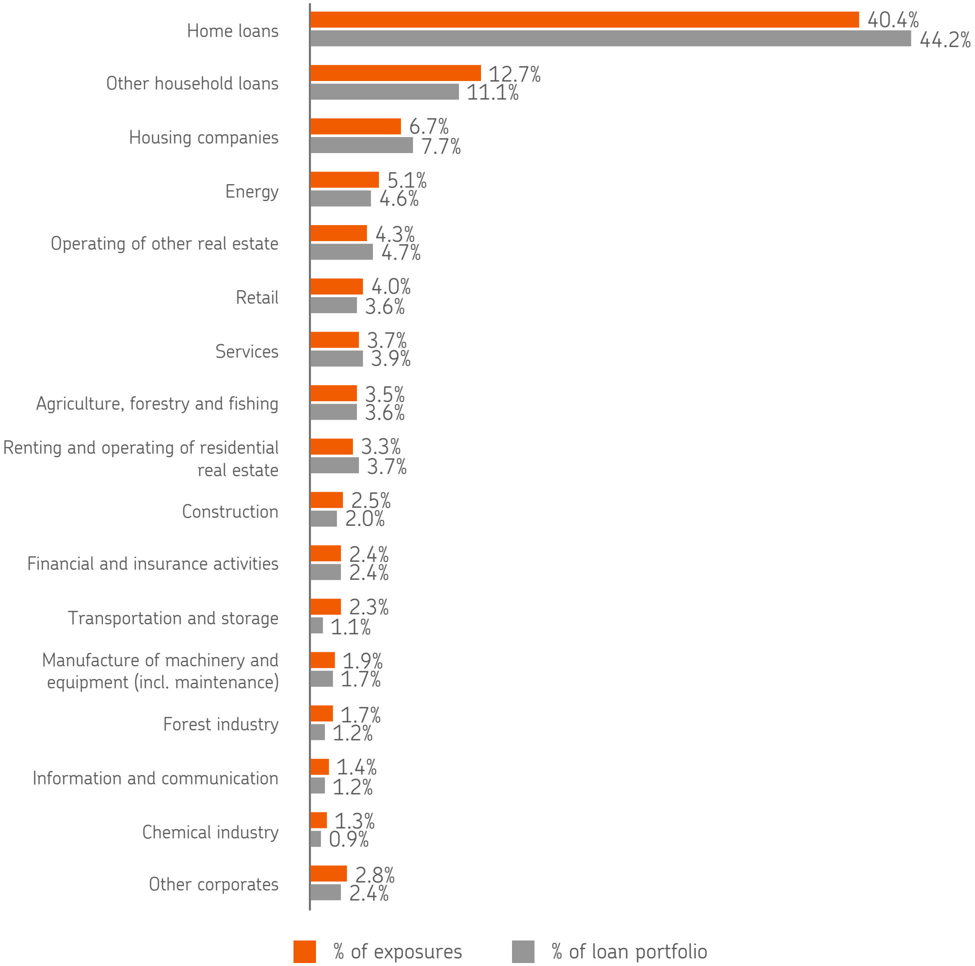
€ billion	Performing forborne exposures (gross)		Non-performing exposures (gross)		Doubtful receivables (gross)		Loss allowance		Doubtful receivables (net)	
	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024
More than 90 days past due			0.58	0.57	0.58	0.57	0.17	0.17	0.42	0.40
Unlikely to be paid			1.00	1.08	1.00	1.08	0.15	0.17	0.84	0.92
Forborne exposures	3.46	3.47	1.31	1.40	4.77	4.87	0.21	0.22	4.56	4.64
Total	**3.46**	**3.47**	**2.89**	**3.05**	**6.35**	**6.52**	**0.53**	**0.55**	**5.82**	**5.96**

Key ratios, %	OP Financial Group		Retail Banking		Corporate Banking	
	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024	31 Mar 2025	31 Dec 2024
Ratio of doubtful receivables to exposures	5.45	5.64	6.10	6.36	3.97	4.00
Ratio of non-performing exposures to exposures	2.48	2.64	2.85	3.02	1.65	1.77
Ratio of performing forborne exposures to exposures	2.97	3.00	3.25	3.34	2.32	2.23
Ratio of performing forborne exposures to doubtful receivables	54.52	53.21	53.35	52.47	58.50	55.77
Ratio of loss allowance (receivables from customers) to doubtful receivables	12.28	12.59	9.87	10.35	20.47	20.45

Non-performing exposures decreased, accounting for 2.5% of total exposures (2.6). Doubtful receivables decreased to 5.5% of total exposures (5.6). Ratio of performing forborne exposures to total exposures remained at 3.0% (3.0). No single customer's exposure exceeded 10% of OP Financial Group's Tier 1 capital after allowances.

Breakdown of exposures and loan portfolio

Breakdown of exposures and loan portfolio by sector



The graph shows the breakdown of OP Financial Group's exposures and loans by sector as percentages at the end of the reporting period.

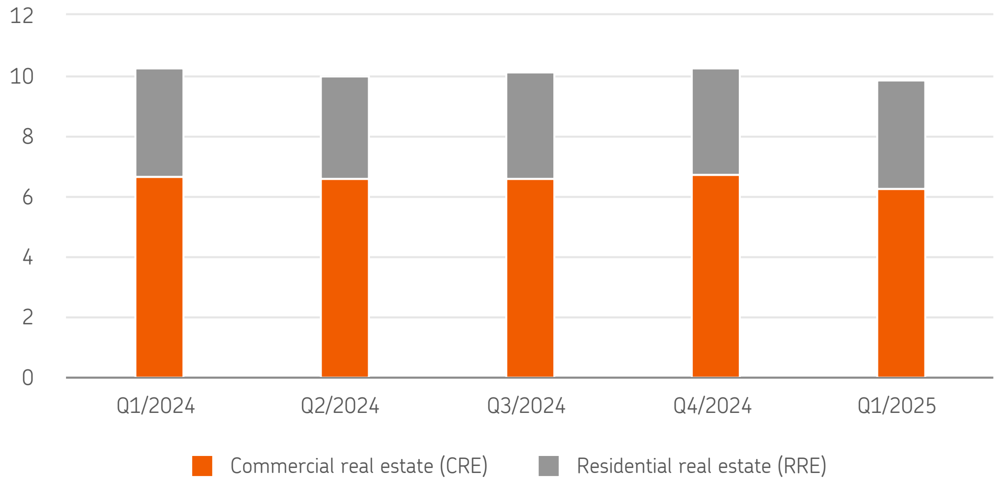
Below is a more detailed description of the development of OP Financial Group's exposures to the real estate sector, and the breakdown of exposures by type of real estate. In the graph on the left, exposures to the real estate sector are mainly included in Operating of other real estate, and Renting and operating of residential real estate.

OP Financial Group's exposures to the real estate sector totalled 8.6% (8.9) of all exposures at the end of the reporting period. These exposures are well spread across different types of real estate. The largest type of real estate is commercial real estate units, which includes units such as offices. At the end of the reporting period, 64.6% (64.4) of OP Financial Group's real estate portfolio was held by Corporate Banking and 35.4% (35.6) by Retail Banking.

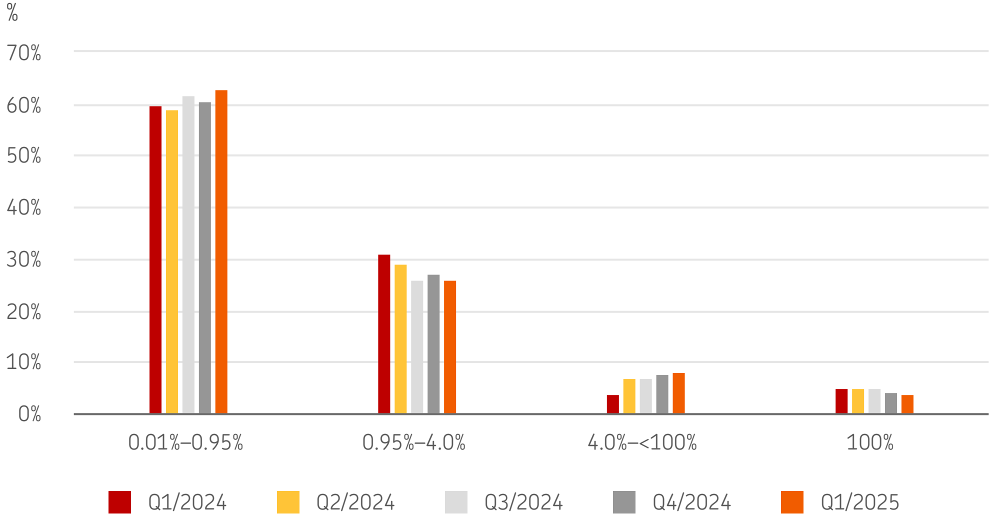
At the end of March, 3.7% of the real estate exposures (3.6%) were classified as non-performing exposures.

CRE and RRE exposures

€ billion

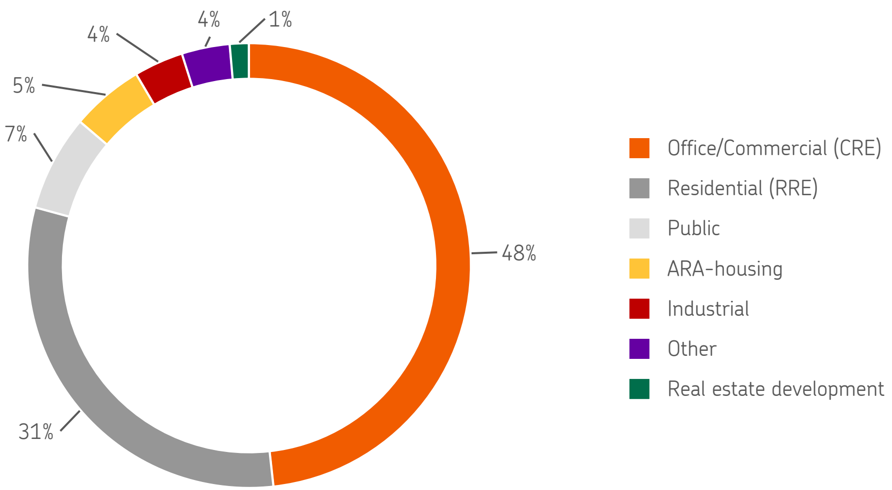


Breakdown of real estate operators' probability of default



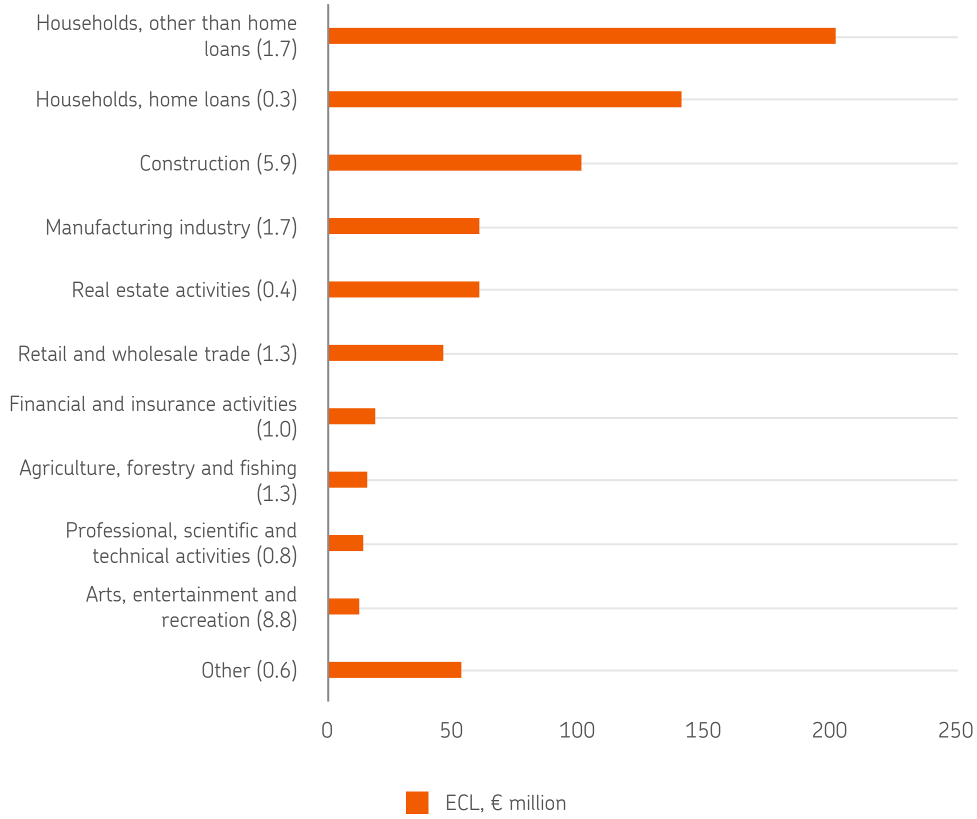
Portfolio split between real estate types

31 Mar 2025



Loss allowance by sector

31 Mar 2025



The graph shows the loss allowance of different sectors at the end of the reporting period, 31 March 2025. The figure in brackets after each description shows the ratio of loss allowance to gross exposures of the sector at the end of the reporting period.

Interest rate risk

Retail Banking's interest rate risk in the banking book measured as the effect of a one-percentage point interest rate increase on net interest income was EUR 81 million (113) and as the effect of a one-percentage point decrease EUR -89 million (-114) on average per year. Interest income risk is calculated for a one-year period by dividing the sum of the interest income risk for the next three years by three.

Corporate Banking's interest rate risk in the banking book measured as the effect of a one-percentage point interest rate increase on net interest income was EUR 9 million (16) and as the effect of a one-percentage point decrease EUR -9 million (-17) on average per year.

Insurance

Non-life insurance

Major risks within non-life insurance include underwriting risks associated with claims developments, market risks associated with investments covering insurance contract liabilities, a faster-than-expected increase in the life expectancy of the beneficiaries related to insurance contract liabilities for annuities, and interest rates used in the valuation of insurance contract liabilities.

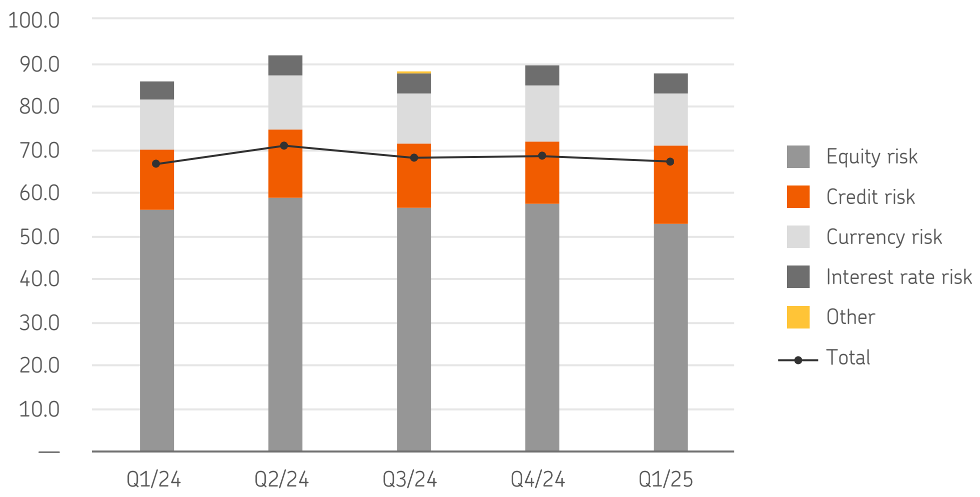
Longevity, or a decline in mortality, will increase payments made from pension portfolios. A 5% decrease in mortality assumptions would have an annual impact of EUR 14 million (15) on insurance contract liabilities. A one percentage point decrease in interest rates used in the valuation of insurance contract liabilities would have an annual impact of EUR 173 million (176) on such liabilities.

No significant changes took place in non-life insurance's underwriting risks during the reporting period. Non-life insurance's significant market risks include the equity risk, and lower market interest rates that increase the value of insurance contract liabilities and the capital requirement.

The Value-at-Risk (VaR) metric, a measure of market risks, was EUR 67 million (68) at the end of the reporting period. The decrease is explained by the decrease in equity risk. VaR includes the company's investment balance including investments, insurance contract liabilities and derivatives that hedge against interest rate risk associated with insurance contract liabilities.

Non-life insurance's market risk VaR at a confidence level of 95% and a retention period of 10 days

€ million



Life insurance

The key risks associated with life insurance are the market risks of life insurance's investment assets, the interest rate used for the valuation of insurance contract liabilities, changes in mortality rates among those insured, and the lapse risk arising from changes in customer behaviour.

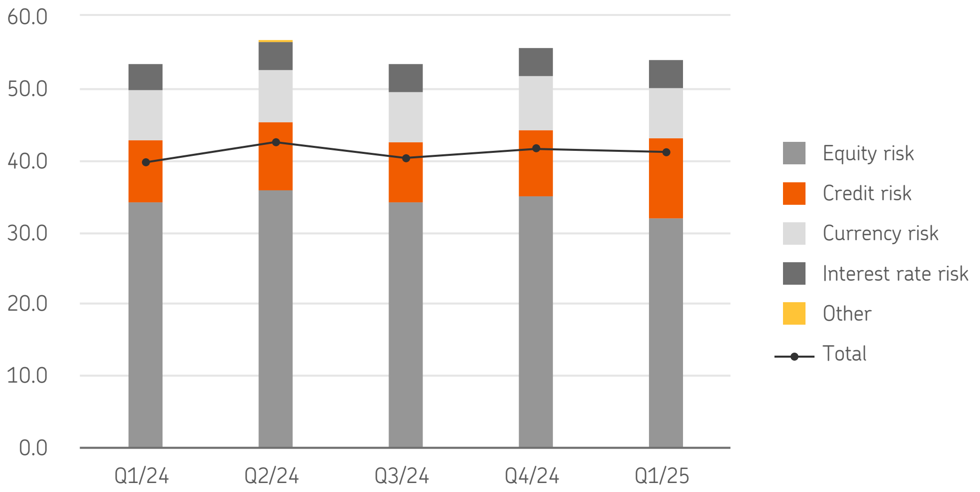
Longevity, or a decline in mortality, will increase payments made from pension portfolios. Overall, a 5% decrease in mortality assumptions would have an annual impact of EUR 22 million (23) on insurance contract liabilities related to annuity portfolios. Meanwhile, in term life insurance portfolios, growth in mortality rates would increase the number of claims. Overall, a 5% increase in mortality assumptions would have an annual impact of EUR 16 million (16) on insurance contract liabilities related to term life insurance portfolios. A 10% increase in the insurance policy lapse rate would have an annual impact of EUR 44 million (45) on insurance contract liabilities. A one percentage point decrease in interest rates used in the valuation of insurance contract liabilities would have an annual impact of EUR 166 million (175) on such liabilities.

Investment risks associated with separated insurance portfolios and risks associated with changes in customer behaviour have been buffered. The buffer is sufficient to cover a significant negative return on the investment assets included in the separated portfolios, after which OP Financial Group will bear the risks associated with the portfolios. The buffers totalled EUR 218 million (224) at the end of the reporting period.

The market risk level of the investments of life insurance decreased slightly during the reporting period. The decrease is explained by the decrease in equity risk. The Value-at-Risk (VaR) metric, a measure of market risks, was EUR 41 million (41) at the end of the reporting period. VaR includes life insurance's investment balance, including investments, insurance contract liabilities and derivatives that hedge against interest rate risk associated with insurance contract liabilities. The calculation does not include market risks associated with separated life insurance portfolios, assets that buffer against those risks, and customer bonuses.

Life insurance's market risk VaR at a confidence level of 95% and a retention period of 10 days

€ million



Group Functions

Major risks related to the Group Functions segment include credit and market risks associated with the liquidity buffer, and liquidity risks. The most significant market risk factor is the effect of credit spread changes on the value of notes and bonds included in the liquidity buffer.

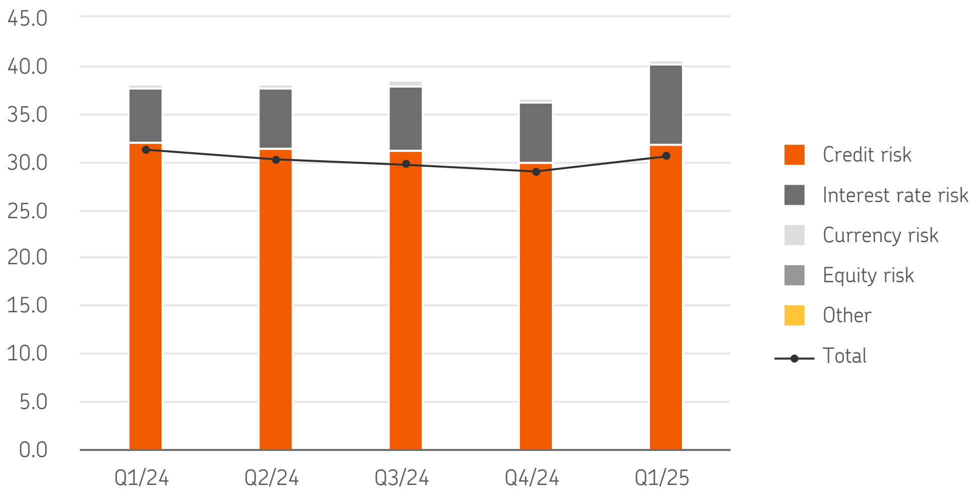
OP Financial Group's funding position and liquidity are strong. During the reporting period, OP Financial Group issued long-term bonds worth EUR 0.6 billion (1.6).

OP Financial Group monitors its long-term funding sufficiency, for example, by means of the Net Stable Funding Ratio (NSFR), which measures structural funding risk. According to regulation, the NSFR must be at least 100%. OP Financial Group's NSFR was 129% (129) at the end of the reporting period.

The VaR risk metric that measures market risk associated with the liquidity buffer was EUR 30 million (29) at the end of the reporting period. The VaR risk metric includes bond investments in the liquidity buffer, derivatives that hedge their interest rate risk and investment in money market papers. No major changes occurred in the asset class allocation.

Liquidity buffer's market risk VaR at a confidence level of 95% and a retention period of 10 days

€ million



OP Financial Group secures its liquidity through a liquidity buffer, which mainly consists of deposits with central banks and receivables eligible as collateral for central bank refinancing. The liquidity buffer is sufficient to cover the need for short-term funding for known and predictable payment flows and in a liquidity stress scenario.

OP Financial Group monitors its liquidity and the adequacy of its liquidity buffer using, for example, the LCR (Liquidity Coverage Ratio). According to regulation, the LCR must be at least 100%. OP Financial Group's LCR was 202% (193) at the end of the reporting period.

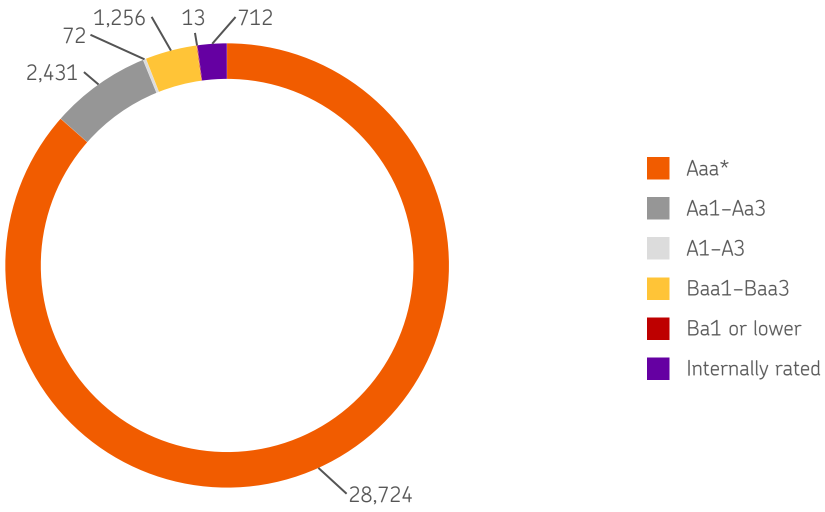
Liquidity buffer

€ billion	31 Mar 2025	31 Dec 2024	Change, %
Deposits with central banks	18.0	17.9	0.7
Notes and bonds eligible as collateral	13.2	12.3	7.2
Loan receivables eligible as collateral	1.0	1.0	0
Total	**32.2**	**31.2**	**3.3**
Receivables ineligible as collateral	1.0	0.8	25.6
Liquidity buffer at market value	33.2	32.0	3.8
Collateral haircut	-0.8	-0.7	-
Liquidity buffer at collateral value	32.4	31.2	3.8

The liquidity buffer comprises notes and bonds issued by governments, municipalities, financial institutions and companies all showing good credit ratings, securitised assets and loan receivables eligible as collateral. At the end of the reporting period, the liquidity buffer included bonds with a carrying amount of EUR 2,008 million (1,520), classified at amortised cost and issued by issuers other than OP Financial Group. The fair value of these bonds amounted to EUR 2,029 million (1,547). In the Liquidity buffer table, the bonds are measured at fair value.

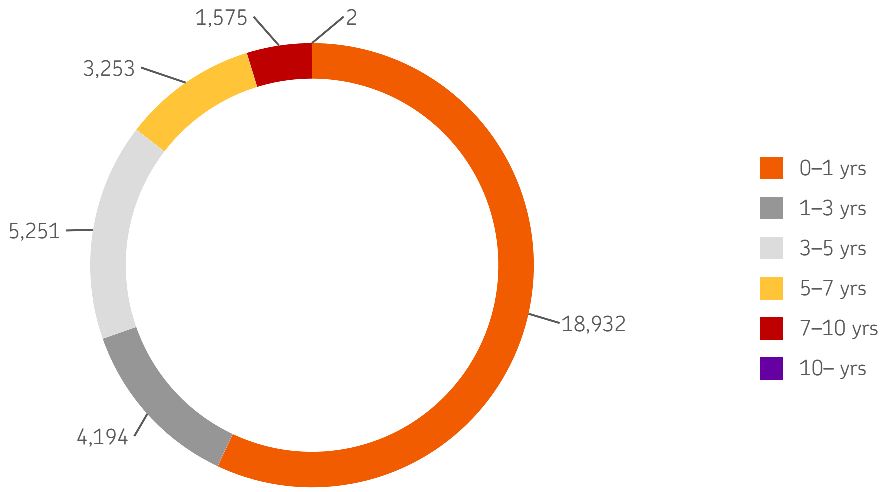
Financial assets included in the liquidity buffer by credit rating

31 March 2025, € million



Financial assets included in the liquidity buffer by maturity

31 March 2025, € million



* incl. deposits with the central bank

Credit ratings

Credit ratings 31 March 2025

	OP Corporate Bank plc				Pohjola Insurance Ltd	
Rating agency	Short-term debt	Outlook	Long-term debt	Outlook	Financial strength rating	Outlook
Standard & Poor's	A-1+	-	AA-	Stable	A+	Stable
Moody's	P-1	Stable	Aa3	Stable	A2	Stable

OP Corporate Bank plc has credit rating and Pohjola Insurance Ltd has financial strength rating affirmed by Standard & Poor's and Moody's. When assessing OP Corporate Bank's credit rating, credit rating agencies take account of the entire OP Financial Group's financial position. The credit ratings did not change during the first quarter of 2025.

Financial performance by segment

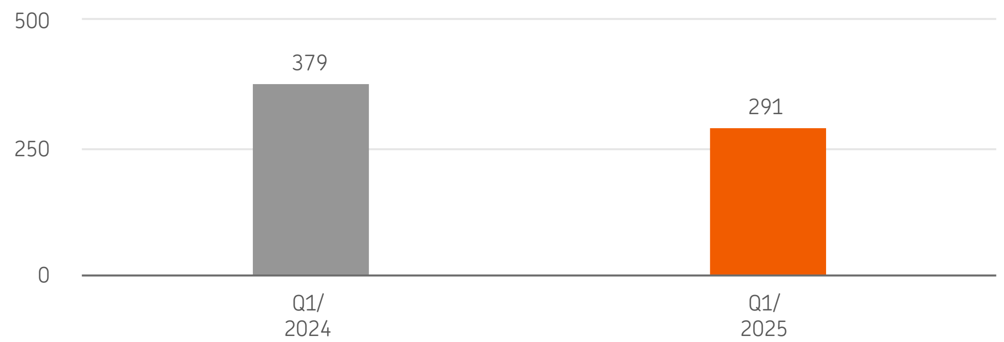
OP Financial Group's business segments are the Retail Banking segment, the Corporate Banking segment and the Insurance segment. Non-business segment operations are presented under the Group Functions segment. OP Financial Group prepares its segment reporting in compliance with its accounting policies. As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Previously, these companies have been reported as part of the Corporate Banking segment. Comparative information is reported according to the new segment structure.

Retail Banking segment

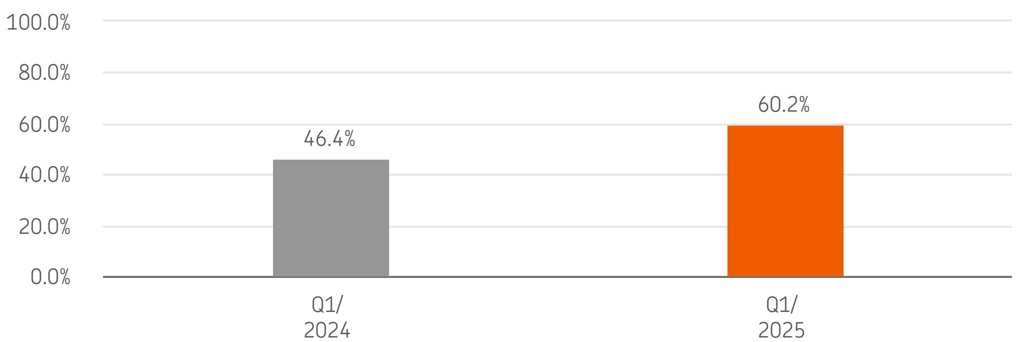
OP Financial Group's Retail Banking segment consists of banking and wealth management services for personal and SME customers at OP cooperative banks and at the central cooperative consolidated. The segment includes Retail Banking's banking and wealth management business, and OP Retail Customers plc, OP Mortgage Bank, OP Real Estate Asset Management Ltd, OP Asset Management Ltd and OP Fund Management Company Ltd.

- Operating profit decreased to EUR 291 million (379). The cost/income ratio weakened to 60.2% (46.4).
- Total income decreased by 12.0% to EUR 666 million. Net interest income decreased by 16.9% to EUR 464 million, and net commissions and fees grew by 1.6% to EUR 190 million.
- Impairment loss on receivables reversed came to EUR 26 million (-27). Non-performing exposures (gross) decreased and accounted for 2.8% (3.0) of total exposures.
- Total expenses increased by 14.4% to EUR 401 million. Personnel costs increased by 10.5% to EUR 152 million. Other operating expenses grew by 17.1% to EUR 240 million.
- OP bonuses to owner-customers increased by 5.3% to EUR 65 million (61).
- Year on year, the loan portfolio increased by 0.4% to EUR 71.0 billion and the deposit portfolio by 3.6% to EUR 64.0 billion.
- The most significant development investments focused on account and loan system upgrades and the development of credit risk management. Other investments were allocated to the modernisation of existing systems and the upgrades of self-service channels and customer relationship management systems.

Operating profit
€ million



Cost/income ratio
%



Retail Banking segment's key figures and ratios*

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Net interest income	464	558	-16.9	2,113
Impairment loss on receivables	26	-27	–	-95
Net commissions and fees	190	187	1.6	729
Investment income	-2	0	–	3
Other operating income	15	13	17.2	61
Personnel costs	-152	-137	10.5	-567
Depreciation/ amortisation and impairment loss	-9	-8	11.4	-48
Other operating expenses	-240	-205	17.1	-869
Operating profit	**291**	**379**	**-23.4**	**1,328**
Total income	**666**	**757**	**-12.0**	**2,906**
Total expenses	**-401**	**-351**	**14.4**	**-1,484**
Cost/income ratio, %**	60.2	46.4	13.9	51.1
Ratio of non-performing exposures to exposures, %**	2.8	3.4	-0.6	3.0
Ratio of impairment loss on receivables to loan and guarantee portfolio, %**	-0.14	0.15	-0.3	0.13
Return on assets (ROA), %*	0.96			
Return on assets, excluding OP bonuses, %*	1.18			

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Home loans drawn down	1,317	1,067	23.4	5,281
Corporate loans drawn down	475	344	38.0	1,784
No. of brokered residential property and property transactions	2,008	1,708	17.6	9,041

€ billion	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Loan portfolio				
Home loans	41.6	41.6	-0.1	41.6
Corporate loans	7.3	7.7	-5.1	7.3
Housing companies***	8.9	8.6	2.9	8.7
Other loans to corporations and institutions****	4.1	4.3	-3.4	4.0
Other consumer loans****	9.1	8.4	7.7	9.1
Total loan portfolio	**71.0**	**70.6**	**0.4**	**70.7**
Guarantee portfolio	1.0	1.0	9.3	1.0
Other exposures	8.5	7.9	7.1	8.0
Deposits				
Current and payment transfer deposits	35.7	36.3	-1.6	35.4
Investment deposits	28.3	25.5	11.1	27.4
Total deposits	**64.0**	**61.8**	**3.6**	**62.9**

* As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Comparative information of 2024 has been adjusted accordingly. The key ratio, Return on assets, %, was not calculated for 2024.

** Change in ratio, percentage point(s).

*** Housing company loans include housing companies and housing investment companies.

**** The customer classification was updated in the first quarter of 2025 by further specifying the definition of personal and corporate customers. The figures for 31 December 2024 have been adjusted to correspond to the new customer classification and are comparable to the figures of 2025.

Events of the reporting period

Year on year, the loan portfolio grew by 0.4% to EUR 71.0 billion. The home loan portfolio decreased by 0.1% to EUR 41.6 billion. Due to the recovering home loan market, the amount of home loans drawn down totalled EUR 1.3 billion, representing an increase of 23.4% year on year. The volume of home and real property sales brokered by OP Koti real estate agents increased by 17.6%, totalling 2,008. At the end of the reporting period, 77.4% (79.9) of the home loan portfolio was tied to the 12-month Euribor, 18.5% (16.5) to shorter Euribor rates, and 4.1% (3.6) to the OP-Prime rate and a fixed interest rate. Year on year, the corporate loan portfolio decreased by 5.1% to EUR 7.3 billion. The housing company loan portfolio grew by 2.9% to EUR 8.9 billion, year on year. Other loans to corporations and institutions decreased by 3.4% to EUR 4.1 billion, year on year. Other consumer loans increased by 7.7% to EUR 9.1 billion, year on year.

At the end of the reporting period, 33.6% (33.7) of personal customer home loans were covered by interest rate protection. On the same date, the interest expenses of around 138,000 home loans were being reduced by an interest rate cap; the loans' aggregate principal totalled EUR 11.8 billion. In financial terms, the net benefit gained by customers from interest rate caps during the reporting period totalled EUR 37 million (67).

The deposit portfolio grew by 3.6% year on year, to EUR 64.0 billion. Deposits on current and payment transfer accounts decreased by 1.6% to EUR 35.7 billion, and investment deposits increased by 11.1% to EUR 28.3 billion.

OP Financial Group provides SMEs and housing companies with a green loan that boosts investments in areas such as energy-efficient construction, renewable energy, and infrastructure for low-emission transport. At the end of March, green loans granted to SMEs totalled EUR 352 million (255). At the end of 2024, the Energy Efficiency Loan for energy renovation of one- or two-family houses was launched for personal customers.

OP Financial Group increased the OP bonuses to be earned by owner-customers for 2025 by 40% compared to the normal level of 2022. In addition, owner-customers get daily banking services free of monthly charges until the end of 2025.

Use of digital services continues to grow steadily. Personal and corporate customers increasingly use digital channels for banking and insurance. In March, 1.7 million (1.6) personal and corporate customers used OP Financial Group's mobile channels, and there were 60 million logins to OP-mobile.

On 11 February 2025, the Finnish Competition and Consumer Authority (FCCA) approved a plan for expanding the operations of Siirto Brand Oy, which is fifty-fifty owned by OP Financial Group and Nordea. The corporate transaction was completed on 28 February 2025, after which Siirto Brand Oy started operations as an independent company. The company will develop phone-number and account-based payment solutions via Siirto's partner applications, which will benefit both consumers and businesses.

In the reporting period, the most significant development investments focused on account and loan system upgrades and the development of credit risk management. Other investments were allocated to the modernisation of existing systems and the upgrades of self-service channels and customer relationship management systems.

In the year to March, the number of OP cooperative banks decreased by 23 to 79. Merger projects between OP cooperative banks are underway in various parts of Finland.

Profit for the period

Retail Banking's operating profit amounted to EUR 291 million (379). Total income decreased by 12.0% to EUR 666 million. As a result of lower market interest rates, net interest income decreased by 16.9% to EUR 464 million.

Net commissions and fees grew by 1.6% to EUR 190 million.

Impairment loss on receivables reversed came to EUR 26 million (-27). Final net loan losses recognised for the reporting period totalled EUR 14 million (11). Non-performing exposures decreased and accounted for 2.8% (3.0) of total exposures.

Total expenses increased by 14.4% to EUR 401 million. Personnel costs rose by 10.5% to EUR 152 million. The increase was affected by headcount growth and pay increases. Other operating expenses increased by 17.1% to EUR 240 million. The EU's Single Resolution Board (SRB) will not collect stability contributions from banks for 2025.

Depreciation/amortisation and impairment loss increased by 11.4% year on year, to EUR 9 million.

OP bonuses to owner-customers increased by 5.3% to EUR 65 million. Based on their accrual, OP bonuses to owner-customers are included in interest income and interest expenses in the income statement.

Wealth Management

As of the beginning of 2025, companies within the Wealth Management business are reported as part of the Retail Banking segment. This section presents wealth management figures at the level of OP Financial Group, most of which are included in the figures of the Retail Banking segment.

The year started in a positive mood, but the rising political uncertainty increased market fluctuations during the first quarter and caused a decline in share price performance, particularly in the US market. The depreciation of the US dollar against the euro deteriorated the negative performance of the US equity market for European investors.

The number of wealth management customers increased compared to a year ago. At the end of March, a total of 0.97 million (0.96) customers held wealth management products, while OP mutual funds had a total of 1.45 million (1.32) unitholders. Assets under management grew by 5.6% to EUR 94.4 billion. These included EUR 25.2 billion (24.5) in assets of the companies belonging to OP Financial Group. Net asset inflow from clients (net subscriptions) totalled EUR 437 million (964). While net asset inflow decreased year on year, there was a gross increase in retail clients' additional investments during the first quarter despite uncertain market conditions.

Wealth management commission income increased to EUR 72 million (69). Commission income was increased by the growth in assets under management, which was attributable to higher investment income and net asset inflow. OP-Rental Yield and OP-Public Services Real Estate special common funds have been closed since the beginning of the year. The funds' management fees have been halved, which reduced commission income for the first quarter.

OP Private was recognised as the best in Finland by the international Euromoney Private Banking Awards competition.

Wealth management net commissions and fees

The table shows all net commissions and fees related to OP Financial Group's wealth management.

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Mutual funds*	46	44	3.5	188
Wealth management	9	9	-2.9	45
Life insurance investment contracts	8	7	12.8	28
Securities brokerage	5	3	43.6	14
Legal services	5	5	-12.8	21
Total	72	69	4.2	296

* OP bonuses to owner-customers accrued from mutual funds have been deducted from commission income from mutual funds.

Wealth management net assets inflow

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Mutual funds	247	625	-60.5	1,005
Direct investments*	52	255	-79.5	406
Insurance investments	138	85	63.5	424
Total	437	964	-54.6	1,836

* Direct investments includes investments other than funds and insurance investments (equities and derivatives, structured products and bonds).

Assets under management

€ billion	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Mutual funds	40.2	38.3	4.8	40.4
Direct investments*	36.4	34.1	6.8	34.7
Insurance investments	17.9	17.0	4.8	18.2
Total	94.4	89.4	5.6	93.3

* Direct investments includes investments other than funds and insurance investments (equities and derivatives, structured products and bonds).

Wealth management's other key indicators

	31 Mar 2025	31 Mar 2024	Change, %	31 Dec 2024
OP mutual fund unitholders (1,000)	1,451	1,316	10.2	1,413
Morningstar rating	3.31	3.34		3.34

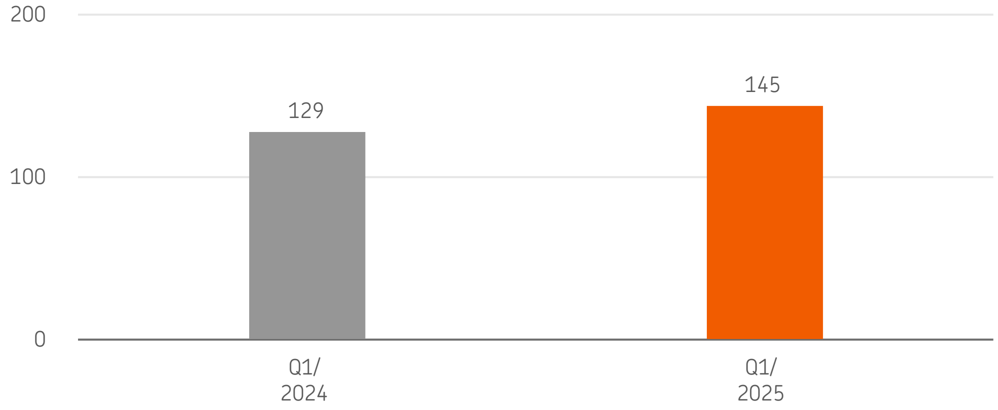
	Q1/2025	Q1/2024	Change, %	Q1–4/2024
New agreements for systematic investing in mutual funds (1,000)	57	47	22.2	165

Corporate Banking segment

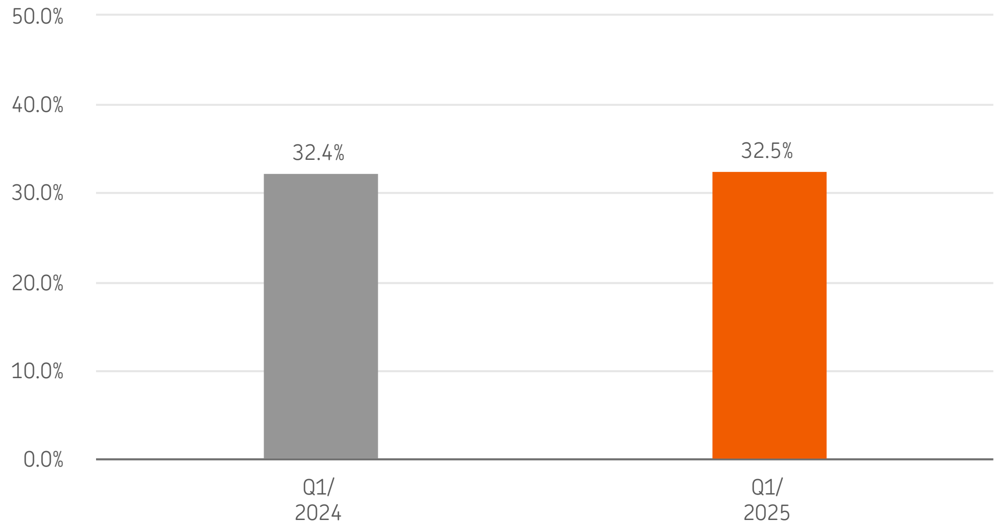
OP Financial Group's Corporate Banking segment consists of banking services for corporate and institutional customers. The segment comprises OP Corporate Bank plc's banking operations and OP Custody Ltd.

- Operating profit increased to EUR 145 million (129) and the cost/income ratio was 32.5% (32.4).
- Total income grew to EUR 217 million (208). Net interest income decreased by 0.5% to EUR 165 million (166). Net commissions and fees decreased by 10.4% to EUR 21 million (23). Investment income increased by 125.4% to EUR 22 million (10).
- Impairment loss on receivables totalled EUR 1 million (12). Non-performing receivables (gross) accounted for 1.6% (1.8) of the exposures.
- Total expenses increased to EUR 71 million (67). Personnel costs increased by 4.5% to EUR 21 million (20). Other operating expenses grew by 5.1% to EUR 50 million (47).
- The loan portfolio grew by 1.4% to EUR 28.2 billion while deposits grew by 13.9% to EUR 14.2 billion, year on year.
- The most significant development investments involved the upgrades of customer relationship management and payment systems and the development of asset-based financing systems.

Operating profit
€ million



Cost/income ratio
%



Corporate Banking segment's key figures and ratios**

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Net interest income	165	166	-0.5	656
Impairment loss on receivables	-1	-12	-88.7	0
Net commissions and fees	21	23	-10.4	89
Investment income	22	10	125.4	28
Other operating income	9	9	-3.3	27
Personnel costs	-21	-20	4.5	-87
Depreciation/ amortisation and impairment loss	0	0	-25.5	-1
Other operating expenses	-50	-47	5.1	-193
Operating profit	**145**	**129**	**12.8**	**520**
Total income	**217**	**208**	**4.3**	**801**
Total expenses	**-71**	**-67**	**4.8**	**-281**
Cost/income ratio, %*	32.5	32.4	0.0	0.0
Ratio of non-performing exposures to exposures, %*	1.6	2.2	-0.6	1.8
Ratio of impairment loss on receivables to loan and guarantee portfolio, %*	0.02	0.15	-0.13	
Return on assets (ROA), %**	1.43			

€ billion	31 Mar 2025	31 Mar 2024	Change, %	31 Dec 2024
Loan portfolio				
Corporate loans	20.2	20.2	0.2	20.3
Housing companies***	1.9	2.0	-5.2	1.9
Other consumer loans	3.5	3.3	6.1	3.5
Other loans	2.6	2.4	10.6	2.6
Total loan portfolio	**28.2**	**27.8**	**1.4**	**28.3**
Guarantee portfolio	2.7	3.0	-9.7	2.7
Other exposures	5.4	5.6	-3.1	5.2
Deposits	14.2	12.5	13.9	15.5

* Change in ratio, percentage point(s).

**As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Comparative information of 2024 has been adjusted accordingly. The key ratio, Return on assets, %, was not calculated for 2024.

*** Housing company loans include housing companies and housing investment companies.

Events of the reporting period

The loan portfolio grew by 1.4% to EUR 28.2 billion, year on year. Demand for investment financing for businesses is showing signs of picking up. Both the loan portfolio for investment financing and loan application volumes have increased.

The deposit portfolio grew by 13.9% year on year, to EUR 14.2 billion.

The commitment portfolio of sustainable finance remained at the year-end level of EUR 8.3 billion (8.3).

In Corporate Banking, the most significant development investments involved the upgrades of customer relationship management and payment systems and the development of asset-based financing systems. With the implementation of the new Group-level customer relationship management system, Corporate Banking aims at better customer experience and higher quality and more efficient operations. The upgrade of core payment systems and improvement of digital transaction services will continue further.

Corporate Banking customer's currency and currency derivative trading has grown as a result of comprehensive and systematic technological development of the foreign exchange operations. The volume of electronic currency trading grew by 12% year on year.

Profit for the period

Corporate Banking's operating profit amounted to EUR 145 million (129). The cost/income ratio was 32.5% (32.4). Net interest income decreased by 0.5% to EUR 165 million (166). In the first quarter, impairment loss on receivables remained moderate at EUR 1 million (12). Non-performing exposures accounted for 1.6% (1.8) of total exposures. Net commissions and fees totalled EUR 21 million (23).

Investment income increased to EUR 22 million (10). Derivatives used for economic balance sheet hedging, investments recognised at fair value through profit or loss, and liabilities improved income from investment activities by EUR 3 million year on year. Correspondingly, their counterpart items (financial and investment items) decreased net interest income by EUR 3 million year on year. Value changes in Credit Valuation Adjustment (CVA) in derivatives owing to market changes improved earnings by EUR 3 million (-3). Higher customer activity in terms of currency and interest rate derivative trading has also contributed to better income from investment activities year on year.

Personnel costs rose by 4.5% to EUR 21 million. The increase was affected by headcount growth and pay increases. Other operating expenses increased by 5.1% to EUR 50 million. The increase was due to higher intra-Group charges at OP Financial Group.

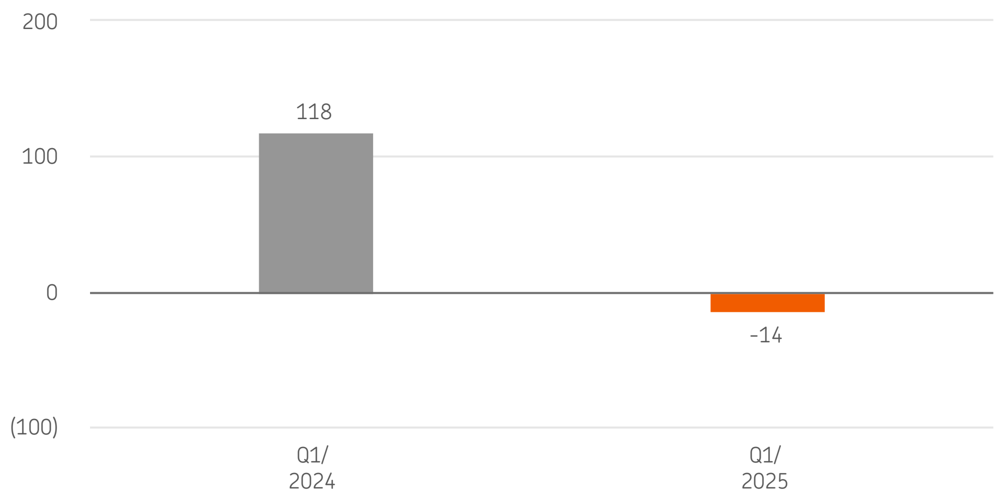
Insurance segment

OP Financial Group's Insurance segment comprises life and non-life insurance business. The segment includes Pohjola Insurance Ltd and OP Life Assurance Company Ltd.

- Operating loss amounted to EUR -14 million (118).
- Insurance service result improved to EUR 2 million (-10). Investment income totalled EUR -17 million (129).
- Non-life insurance premiums written increased by 1.1% to EUR 824 million. Combined ratio reported by non-life insurance improved to 99.5% (108.9).
- In life insurance, unit-linked insurance assets decreased by 1.8% to EUR 13.9 billion from the 2024-end level. Premiums written for term life insurance grew by 4.1%.
- Return on investments by non-life insurance at fair value was -1.0% (2.2) and that by life insurance was -1.2% (1.8).
- Total expenses increased to EUR 154 million (141) due to higher ICT costs.
- Development investments focused on core system upgrades and the development of digital services.

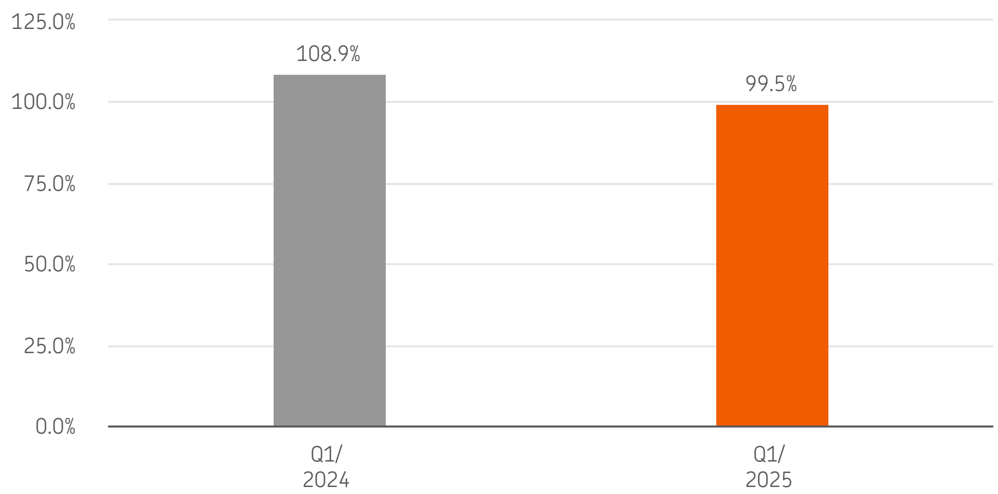
Operating profit

€ million



Non-life Insurance combined ratio

%



Insurance segment's key figures and ratios

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Insurance revenue	518	523	-1.0	2,129
Insurance service expenses	-495	-512	-3.3	-1,879
Reinsurance contracts	-21	-21	-3.3	-59
Insurance service result	2	-10	-120.7	192
Investment income	-17	129	-113.1	382
Net commissions and fees**	12	10	20.0	49
Other net income	1	0	86.0	2
Personnel costs	-47	-45	4.5	-183
Depreciation/ amortisation and impairment loss	-9	-10	-10.1	-37
Other operating expenses	-98	-86	14.0	-356
Total expenses	**-154**	**-141**	**9.3**	**-575**
Transfers to insurance service result	142	129	9.8	529
Operating profit	**-14**	**118**	**-111.5**	**578**
Return on assets (ROA), %*	-0.19	1.73	-1.92	2.20
Return on assets, excluding OP bonuses, %*	-0.08	1,84	-1.92	2,32

* Change in ratio, percentage point(s).

** OP bonuses to owner-customers, which were previously shown on a separate line in the income statement, have been deducted from commission income from mutual funds based on their accrual. The line 'OP bonuses to owner-customers' is no longer shown in the income statement. Comparative information of Q1 2024 has been adjusted accordingly. For more detailed information on the change, see Note 1 to the Half-year Financial Report 1 January–30 June 2024, Accounting policies and changes in accounting policies and presentation.

The Insurance segment's insurance service result increased year on year as a result of the favourable claims trend. The first quarter saw high volatility in stock prices. Stock prices fell and insurance companies reported negative investment results.

In non-life insurance, the number of personal customer households increased by 3,000 to nearly 1.3 million households. Profitability improved as a result of favourable developments in large claims. Claims volumes in motor vehicle and property insurance decreased. In health insurance, claims volumes continued to grow year on year.

In the life insurance business, premiums written in term life insurance grew by 4.1%. In life insurance, unit-linked insurance assets decreased by 1.8% from the year-end level, to EUR 13.9 billion (14.2).

Profit for the period

Operating loss amounted to EUR -14 million (118). The insurance service result was EUR 2 million (-10).

Investment income decreased to EUR -17 million (129). Net investment income decreased due to lower stock prices. Net investment income was EUR -246 million (379) and net finance income EUR 229 million (-250). Together, these items describe the profitability of investment operations.

Investment income

€ million	Q1/2025	Q1/2024
Insurance companies' investments		
Fixed income investments	-58	29
Quoted shares	-46	105
Other liquid investments	1	1
Property investments	6	3
Other illiquid investments	10	19
Insurance companies' net investment income	-88	157
Net finance income*	78	-13
Interest on subordinated loans, and other income and expenses	5	-5
Investment income	-5	139
Net income from separated balance sheets	-4	2
Net income from customers' savings and investments agreements	-8	-12
Total investment income	-17	129

* Excluding net finance income from separated balance sheets and customers' savings and investments agreements

Non-life insurance financial performance

Non-life insurance operating profit amounted to EUR 0 million (44). Insurance service result grew to EUR 2 million (-38). Investment income totalled EUR -2 million (82).

€ million	Q1/2025	Q1/2024	Change, %
Insurance revenue	447	453	-1.3
Claims incurred	-297	-351	-15.4
Operating expenses	-133	-123	8.3
Insurance service result, gross	17	-20	-186.0
Reinsurer's share of insurance revenue	-28	-30	-5.3
Reinsurer's share of insurance service	13	12	6.9
Net income from reinsurance	-15	-18	-13.9
Insurance service result	2	-38	
Net finance income	47	-16	-390.5
Income from investment activities	-50	99	-150.2
Investment income	-2	82	-102.8
Other net income	0	0	-113.0
Operating profit	0	44	-100.1
Combined ratio	99.5	108.9	
Risk ratio	68.5	80.5	
Cost ratio	30.9	28.4	

Non-life insurance: premiums written

€ million	Q1/2025	Q1/2024	Change, %
Personal customers	264	243	8.4
Corporate customers	560	572	-2.0
Total	824	815	1.1

Premiums written increased by 1.1% to EUR 824 million. Among personal customers, all lines of insurance showed strong growth. Besides the growth in the number of customers, the increase was attributable to the rise in the general level of costs and the resulting index increments and price increases in insurance premiums. Premiums written from large corporate customers decreased as a result of risk selection and changes in portfolios. Net insurance revenue, including the reinsurer's share, decreased by 1.1% to EUR 419 million. In addition, revisions in both assumed and ceded reinsurance decreased net insurance revenue.

Net claims incurred after the reinsurer's share decreased by 15.8% to EUR 287 million. The number of claims reported decreased by 3% (11). A year ago, claims related to weather phenomena increased claims incurred. In the reporting period, the number of large claims was smaller than usual. The reported number of large claims under property and business liability insurance (in excess of EUR 0.3 million) amounted to 32 (40) in January–March, with their claims incurred retained for own account totalling EUR 22 million (76). Large claims accounted for 5.2% (18.3) of the risk ratio.

Operating expenses, EUR 133 million, increased by 8.3% as a result of higher ICT costs. Investments in the core system reform increased ICT costs.

Combined ratio reported by non-life insurance improved to 99.5% (108.9). The risk ratio was 68.5% (80.5). The cost ratio was 30.9% (28.4).

Non-life insurance: investment income

€ million	Q1/2025	Q1/2024
Net finance income and expenses	47	-16
Fixed income investments	-29	19
Quoted shares	-29	67
Other liquid investments	0	1
Property investments	6	3
Other illiquid investments	4	10
Income from investment activities	-47	100
Interest on subordinated loans, and other income and expenses	-2	-1
Total investment income	-2	82

Non-life insurance: key investment indicators

	Q1/2025	Q1/2024
Return on investments at fair value, %	-1.0	2.2
Fixed income investments' running yield, %*	3.5	4.0
	31 Mar 2025	31 Dec 2024
Investment portfolio, € million	4,618	4,575
Investments within the investment grade category, %	88	89
At least A-rated receivables, %	49	51
Modified duration	3.9	3.9

* Portfolio's market value weighted yield of direct bonds excluding occurrences of default.

Life insurance financial performance

Operating loss amounted to EUR -15 million (73). The first quarter saw high volatility in stock prices. Stock prices fell and the investment result was negative. The revision of assumptions for cash flows weakened the insurance service result by EUR 22 million. Net commissions and fees grew by 25.0% to EUR 10 million. A contractual service margin of EUR 16 million (17) was recognised in the insurance service result. Development costs increased as a result of the core system reforms that were continued during the reporting period in term life insurance and individual unit-linked insurance.

€ million	Q1/2025	Q1/2024	Change, %
Insurance service result	0	28	-100.2
Net finance income and expenses	182	-234	-177.8
Income from investment activities	-199	279	-171.3
Investment income	-17	46	-137.0
Net commissions and fees	10	8	25.0
Other operating income and expenses	-16	-13	23.1
Personnel costs	-4	-4	0.0
Depreciation/amortisation and impairment loss	-4	-4	0.0
Other operating expenses	-16	-13	23.1
Total expenses	**-24**	**-20**	**20.0**
Transfers to insurance service result	15	11	36.4
Operating profit	**-15**	**73**	**-120.5**
Cost/income ratio, %	153.0	21.0	
Contractual service margin at period end	675	717	-5.9

Life insurance: investment income

€ million	Q1/2025	Q1/2024
Insurance company's investments		
Fixed income investments	-30	10
Quoted shares	-17	38
Other liquid investments	0	0
Property investments	1	0
Other illiquid investments	5	9
Insurance company's net investment income	**-40**	**57**
Net finance income*	30	4
Interest on subordinated loans, and other income and expenses	5	-5
Investment income	**-5**	**56**
Net income from separated balance sheets	-4	2
Net income from customers' savings and investments agreements	-8	-12
Total investment income	**-17**	**46**

* Excluding net finance income from separated balance sheets and customers' savings and investments agreements

Life insurance: key investment indicators*

	Q1/2025	Q1/2024
Return on investments at fair value, %	-1.2	1.8
Fixed income investments' running yield, %**	3.3	4.1

	31 Mar 2025	31 Dec 2024
Investment portfolio, € million	3,226	3,336
Investments within the investment grade category, %	89	90
At least A-rated receivables, %	48	51
Modified duration	3.9	3.7

* Excluding the separated balance sheets

** Portfolio's market value weighted yield of direct bonds excluding occurrences of default

Group Functions

Key indicators

€ million	Q1/2025	Q1/2024	Change, %	Q1–4/2024
Net interest income	2	-6	—	15
Impairment loss on receivables	0	0	—	-1
Net commissions and	1	1	—	0
Investment income	9	5	84.2	16
Other operating income	224	188	19.5	798
Personnel costs	-73	-65	13.2	-279
Depreciation/ amortisation and impairment loss	-14	-15	-8.4	-61
Other operating expenses*	-126	-112	12.4	-469
Operating profit	23	-5	—	19

* The allocation of OP Financial Group's internal items was changed at the beginning of 2025. Comparative information has been adjusted accordingly.

The Group Functions segment consists of OP Cooperative's functions tasked with the support and assurance of business segments, as well as OP Corporate Bank plc's treasury functions.

At the end of March, the average margin of OP Financial Group's senior and senior non-preferred wholesale funding and covered bonds was 36 basis points (37). During the reporting period, OP Financial Group issued long-term bonds worth EUR 0.6 billion (1.6). The planned amount of long-term wholesale funding for 2025 is at previous years' level, estimated at approximately EUR 4 billion.

OP Financial Group's funding position and liquidity are strong. At the end of the reporting period, the Group's LCR was 202% (193) and NSFR was 129% (129). At the end of the reporting period, OP Financial Group's balance sheet assets included bonds worth EUR 2,008 million (1,520), which are not measured at fair value in accounting. The fair value of these bonds amounted to EUR 2,029 million (1,547) at the end of the reporting period.

Profit for the period

Group Functions operating profit amounted to EUR 23 million (-5). Net interest income was EUR 2 million (-6).

Investment income totalled EUR 9 million (5). Other operating income increased by 19.5% to EUR 224 million. Other operating income mainly includes OP Financial Group's intra-group items.

Personnel costs rose by 13.2% to EUR 73 million. The increase was affected by headcount growth and pay increases. During the reporting period, the number of employees increased in areas such as service development, risk management and compliance. Depreciation/amortisation and impairment loss on PPE and intangible assets decreased by 8.4% to EUR 14 million. Other operating expenses increased by 12.4% to EUR 126 million due to higher ICT costs.

Other information about OP Financial Group

ICT investments

OP Financial Group invests in developing its operations and improving customer experience on an ongoing basis. The central cooperative with its subsidiaries is responsible for the development of OP Financial Group's products and services, digital channels and shared technology, data and cybersecurity capabilities, while safeguarding the high quality, availability and data security of the services. ICT costs make up a significant portion of development costs.

OP Financial Group's development expenditure for the reporting period totalled EUR 115 million (97). This included licence fees, purchased services, other external costs related to projects, and in-house work. Capitalised development expenditure totalled EUR 13 million (14). More detailed information on OP Financial Group's investments can be found in the business segment reports in this Interim Report.

Personnel

At the end of the reporting period, OP Financial Group had 15,046 employees (14,746), of whom 14,322 (14,009) were in active employment. The number of employees averaged 14,928 (14,512). During the reporting period, the number of employees increased in areas such as sales, customer service, service development, risk management and compliance. A total of 64 trainees were selected to the Kiitorata trainee programme that began in March.

Personnel at period end

	31 Mar 2025	31 Mar 2024
Retail Banking	8,716	8,501
Corporate Banking	911	888
Insurance	2,551	2,562
Group Functions	2,868	2,795
Total	**15,046**	**14,746**

As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Comparative information of 2024 has been adjusted accordingly.

Variable remuneration applied by OP Financial Group in 2025 consists of the performance-based bonus scheme covering all personnel, and the personnel fund. Company-specific targets based on the annual plan and the Group-level strategic targets were taken into account in the metrics used in the performance-based bonus scheme and in the personnel fund. In drawing up the remuneration schemes, OP has taken account of the regulations applying to such schemes in the financial sector.

Changes in OP Financial Group's structure

OP Financial Group's consolidated financial statements at the end of the reporting period included the accounts of 79 OP cooperative banks (93) and their subsidiaries, and OP Cooperative Consolidated. The number of OP cooperative banks decreased during the reporting period due to mergers.

Mergers implemented during the reporting period

On 28 February 2025, Savitaipaleen Osuuspankki, Lemin Osuuspankki and Luumäen Osuuspankki merged into Länsi-Kymen Osuuspankki. In connection with the mergers, the business name of Länsi-Kymen Osuuspankki was changed to Osuuspankki Salpa (Andelsbanken Salpa).

On 28 February 2025, Limingan Osuuspankki, Pulkkilan Osuuspankki and Siikalatvan Osuuspankki merged into Raahentienoon Osuuspankki. In connection with the mergers, the business name of Raahentienoon Osuuspankki was changed to Jokirannikon Osuuspankki.

On 31 March 2025, Liperin Osuuspankki, Outokummun Osuuspankki and Vaara-Karjalan Osuuspankki merged into Pohjois-Karjalan Osuuspankki.

On 31 March 2025, Ala-Satakunnan Osuuspankki, Euran Osuuspankki, Osuuspankki Harjuseutu, Lapin Osuuspankki and Yläneen Osuuspankki merged into Nakkila-Luvian

Osuuspankki. In connection with the mergers, the business name of Nakkila-Luvian Osuuspankki was changed to Sataharjun Osuuspankki.

Mergers implemented after the reporting period

On 30 April 2025, Jämsän Seudun Osuuspankki merged into Pohjois-Hämeen Osuuspankki. In connection with the merger, the business name of Pohjois-Hämeen Osuuspankki was changed to Ylä-Hämeen Osuuspankki.

On 30 April 2025, Paltamon Osuuspankki and Ylä-Kainuun Osuuspankki merged into Kainuun Osuuspankki.

Approved merger plans

On 11 September 2024, Tampereen Seudun Osuuspankki and Kangasalan Seudun Osuuspankki approved a merger plan, according to which Kangasalan Seudun Osuuspankki will merge into Tampereen Seudun Osuuspankki. The planned date for the execution of the merger is 31 July 2025. In connection with the merger, the business name of Tampereen Seudun Osuuspankki will change to Pirkanmaan Osuuspankki.

On 1 October 2024, Pohjolan Osuuspankki, Posion Osuuspankki, Sallan Osuuspankki, Tyrnävän Osuuspankki, Utajärven Osuuspankki, Ylitornion Osuuspankki and Hailuodon Osuuspankki approved merger plans, according to which Posion Osuuspankki, Sallan Osuuspankki, Tyrnävän Osuuspankki, Utajärven Osuuspankki, Ylitornion Osuuspankki and Hailuodon Osuuspankki will merge into Pohjolan Osuuspankki. The planned date for the execution of the mergers is 31 July 2025.

On 25 November 2024, Tuusniemen Osuuspankki and Tervon Osuuspankki approved a merger plan, according to which Tervon Osuuspankki will merge into Tuusniemen Osuuspankki. The planned date for the execution of the merger is 31 May 2025. In connection with the merger, the business name of Tuusniemen Osuuspankki will change to Savonmaan Osuuspankki.

On 28 November 2024, Maaningan Osuuspankki, Riistaveden Osuuspankki and Rautalammin Osuuspankki approved merger plans, according to which Riistaveden Osuuspankki and Rautalammin Osuuspankki will merge into Maaningan Osuuspankki. The planned date for the execution of the mergers is 30 September 2025. In connection with the mergers, the business name of Maaningan Osuuspankki will change to Sydän-Savon Osuuspankki.

On 12 December 2024, Sydänmaan Osuuspankki, Alajärven Osuuspankki, Kuortaneen Osuuspankki, Laihian Osuuspankki, Lehtimäen Osuuspankki and Vimpelin Osuuspankki approved merger plans, according to which Alajärven Osuuspankki, Kuortaneen Osuuspankki, Laihian Osuuspankki, Lehtimäen Osuuspankki and Vimpelin Osuuspankki will merge into Sydänmaan Osuuspankki. The planned date for the execution of the mergers is 31 July 2025. Consequently, the business name of Sydänmaan Osuuspankki will change to Järvi-Pohjanmaan Osuuspankki.

On 20 November 2024, Järvi-Hämeen Osuuspankki and, on 15 January 2025, Koitin-Pertunmaan Osuuspankki approved a merger plan, according to which Koitin-Pertunmaan Osuuspankki will merge into Järvi-Hämeen Osuuspankki. The planned date for the execution of the merger is 31 July 2025.

On 6 March 2025, Osuuspankki Vakka-Auranmaa, Lounaisrannikon Osuuspankki, Lounais-Suomen Osuuspankki and Turun Seudun Osuuspankki approved a merger plan, according to which Osuuspankki Vakka-Auranmaa, Lounaisrannikon Osuuspankki and Lounais-Suomen Osuuspankki will merge into Turun Seudun Osuuspankki. The planned date for the execution of the merger is 31 December 2025. In connection with the merger, the business name of Turun Seudun Osuuspankki will change to Varsinais-Suomen Osuuspankki (Egentliga Finlands Andelsbank).

On 3 April 2025, Keski-Pohjanmaan Osuuspankki and Vaasan Osuuspankki approved a merger plan, according to which Vaasan Osuuspankki will merge into Keski-Pohjanmaan Osuuspankki. The planned date for the execution of the merger is 31 December 2025. In connection with the merger, the business name of Keski-Pohjanmaan Osuuspankki will change to Länsirannikon Osuuspankki (Västkustens Andelsbank).

If the published merger projects materialise, there will be 54 OP cooperative banks at the end of 2025. There were 93 OP cooperative banks at the end of 2024.

Governance of OP Cooperative

On 10 December 2024, the Supervisory Council of OP Cooperative (the central cooperative of OP Financial Group) elected the following members to the Board of Directors of OP Cooperative for the term of office from 1 January to 31 December 2025:

Jarna Heinonen (Professor in Entrepreneurship, Turku School of Economics), Matti Kiuru (Managing Director, Länsi-Suomen Osuuspankki), Katja Kuosa-Kaartti (Authorised Public

Accountant, Authorised Sustainability Auditor, Tilintarkastus Kuosa-Kaartti Oy), Kati Levoranta (COO, P2X Solutions Ltd), Pekka Loikkanen (board professional), Tero Ojanperä (entrepreneur, board professional), Riitta Palomäki (board professional), Jaakko Pehkonen (rahoitusneuvos (Finnish honorary title); Professor of Economics, University of Jyväskylä), Timo Ritakallio (President and Group CEO, OP Financial Group) and Petri Sahlström (Professor of Accounting and Finance, University of Oulu). Jaana Reimasto-Heiskanen (kauppaneuvos (Finnish honorary title), Managing Director, Pohjois-Karjalan Osuuspankki) was elected to the Board of Directors as a new member. Olli Tarkkanen's term of office on the Board of Directors ended on 31 December 2024.

In addition, on 4 March 2025, OP Cooperative's Supervisory Council elected Sari Pohjonen (board professional) as a new member to the Board of Directors of OP Cooperative as of 1 April 2025. Riitta Palomäki's term of office on the Board of Directors ended on 31 March 2025.

According to the bylaws of OP Cooperative, the President and Group CEO is a Board member during their term of office.

On 17 December 2024, the Board of Directors elected from among its members the chair and vice chair, and members to the statutory Board Committees for the new term. Jaakko Pehkonen will continue as Chair and Jarna Heinonen as Vice Chair of the Board of Directors.

Events after the reporting period

OP Cooperative's Annual Cooperative Meeting

On 9 April 2025, OP Cooperative held its Annual Cooperative Meeting which elected members of the Supervisory Council, the auditor and the sustainability reporting assurer.

The Supervisory Council comprises 36 members. The Annual Cooperative Meeting re-elected the following members to the Supervisory Council who were due to resign: Managing Director Jouni Hautala, Lawyer Taija Jurmu, Managing Director Pekka Lehtonen, Vicar Toivo Loikkanen, Managing Director Kari Mäkelä, Chair of the Board of Directors Annukka Nikola, Managing Director Ulf Nylund, Managing Director Teemu Sarhemaa and Managing Director Ari Väänänen.

New Supervisory Council members elected were entrepreneur Erkki Haavisto, Managing Director Sanna Metsänranta, Managing Director Pertti Purola, Product Manager Sanna Tefke, Director of Rural Administration Hannu Tölli and Managing Director Mikko Vepsäläinen.

At its reorganising meeting on 9 April 2025, the Supervisory Council elected the Chairs of the Supervisory Council. Chair of the Board of Directors Annukka Nikola was elected as Chair and Lawyer Taija Jurmu and Managing Director Ari Väänänen as Vice Chairs of the Supervisory Council.

The Annual Cooperative Meeting elected PricewaterhouseCoopers Oy, an audit firm, to act as auditor for the financial year 2025, with APA Lauri Kallaskari as the chief auditor.

The Annual Cooperative Meeting elected PricewaterhouseCoopers Oy, a sustainability audit firm, to assure OP Financial Group's sustainability reporting for the financial year 2025, with Tiina Puukkoniemi, ASA, acting as the chief authorised sustainability auditor.

Outlook

The global economic outlook has weakened due to increased tariffs and a higher level of uncertainty. The Finnish economy is likely to grow less than previously expected and the outlook is exceptionally uncertain. The escalation of geopolitical crises or a rise in trade barriers may affect capital markets and the economic environment of OP Financial Group and its customers.

OP Financial Group's operating profit for 2025 is expected to be at a good level but lower than that for 2023 and 2024.

The most significant uncertainties affecting OP Financial Group's earnings performance are associated with developments in the business environment, changes in the interest rate and investment environment, and developments in impairment loss on receivables. Forward-looking statements in this Interim Report expressing the management's expectations, beliefs, estimates, forecasts, projections and assumptions are based on the current view on developments in the economy, and actual results may differ materially from those expressed in the forward-looking statements.

Formulas for key figures and ratios

The Alternative Performance Measures are presented to illustrate the financial performance of business operations and to improve comparability between reporting periods. The formulas for the used Alternative Performance Measures are presented below. Because the formulas for the key figures and ratios can be derived from the figures shown, separate reconciliation statements for the Alternative Performance Measures are not presented.

Alternative Performance Measures

Key figure or ratio	Formula		Description
Return on equity (ROE), %	Profit for the period x (days of financial year/days of reporting period) / Equity (average at beginning and end of period)	x 100	The ratio describes how much return is generated on equity capital as a percentage of equity during the reporting period.
Return on equity (ROE) excluding OP bonuses, %	(Profit for the period + OP bonuses after tax) x (days of financial year/days of reporting period) / Equity (average at beginning and end of period)	x 100	The ratio describes how much return is generated on equity capital as a percentage of equity during the reporting period, excluding OP bonuses paid to owner-customers that are charged to expenses.
Return on assets (ROA), %	Profit for the period x (days of financial year/days of reporting period) / Average balance sheet total (average at beginning and end of financial year)	x 100	The ratio describes how much return is generated on capital tied up on business during the reporting period.
Return on assets (ROA) excluding OP bonuses, %	(Profit for the period + OP bonuses after tax) x (days of financial year/days of reporting period) / Average balance sheet total (average at beginning and end of financial year)	x 100	The ratio describes how much return is generated on capital tied up in business during the reporting period, excluding OP bonuses paid to owner-customers that are charged to expenses.
Cost/income ratio, %	Total expenses / Total income	x 100	The ratio describes the ratio of expenses to income. The lower that ratio, the better.

Total income	Net interest income + Net commissions and fees + Insurance service result + Investment income + Other operating income + Transfers to insurance service result		The figure describes the development of all income.
Total expenses	Personnel costs + Depreciation/amortisation and impairment loss + Other operating expenses		The figure describes the development of all expenses.
Investment income	Net insurance finance income + Net interest income from financial assets held for trading + Net investment income		The figure describes the development of all income related to investment.
Loan portfolio	Loans and loss allowance included in the balance sheet item Receivables from customers. The loan portfolio does not include interest not received or valuation items related to derivatives.		Total amount of loans granted to customers.
Ratio of impairment loss on receivables to loan and guarantee portfolio, %	$\frac{\text{Impairment loss on receivables x (days of financial year/days of reporting period)}}{\text{Loan and guarantee portfolio at period end}}$	x 100	The ratio describes the ratio of impairment loss on receivables entered in the income statement to the loan and guarantee portfolio. The lower that ratio, the better.
Deposits	Deposits included in balance sheet item Liabilities to customers. Deposits do not include unpaid interest or valuation items related to derivatives.		Total amount of deposits by customers.
Coverage ratio, %	$\frac{\text{Loss allowance}}{\text{Balance sheet items involving credit risk + Credit equivalent of off-balance-sheet items}}$	x 100	The ratio describes how much the amount of expected losses covers the amount of the liability.
Default capture rate, %	$\frac{\text{New defaulted contracts in stage 2 a year ago}}{\text{New defaulted contracts during the reporting period}}$	x 100	The ratio describes the effectiveness of the SICR model (significant increase in credit risk), in other words how many contracts were in stage 2 before moving to stage 3.
Income from customer business	Net interest income + insurance service result + net commissions and fees		Income from customer business describes the development of net interest income, insurance service result and net commissions and fees. Income directly from customers is presented mainly under these items.

Non-life insurance:

Combined ratio, %	Risk ratio + Cost ratio		The combined ratio is a key indicator of efficiency for non-life insurance companies. The ratio describes whether the insurance revenue is sufficient to cover the company's expenses during the reporting period.
Risk ratio, %	$\frac{\text{Claims incurred, net}}{\text{Net insurance revenue}}$	x 100	The ratio describes how much of the insurance revenue is spent on claims paid. Claims incurred (net) are calculated by deducting operating expenses and reinsurers' share from insurance service expenses.
Cost ratio, %	$\frac{\text{Operating expenses, net}}{\text{Net insurance revenue}}$	x 100	The ratio describes the ratio of the company's costs (acquisition, management, administration and claims settlement expenses) to its insurance revenue.

Key indicators based on a separate calculation

Capital adequacy ratio, %	$\frac{\text{Total own funds}}{\text{Total risk exposure amount}}$	x 100	The ratio describes a credit institution's capital adequacy and shows the ratio of own funds to the total risk exposure amount.
Tier 1 ratio, %	$\frac{\text{Tier 1 capital}}{\text{Total risk exposure amount}}$	x 100	The ratio describes a credit institution's capital adequacy and shows the ratio of Tier 1 capital to the total risk exposure amount.
Common Equity Tier 1 (CET1) capital ratio, %	$\frac{\text{CET1 capital}}{\text{Total risk exposure amount}}$	x 100	The ratio describes a credit institution's capital adequacy and shows the ratio of CET1 capital to the total risk exposure amount.
Solvency ratio, %	$\frac{\text{Own funds}}{\text{Solvency capital requirement (SCR)}}$	x 100	The ratio describes an insurance company's solvency and shows the ratio of own funds to the total risk exposure amount.
Leverage ratio, %	$\frac{\text{Tier 1 capital (T1)}}{\text{Exposure amount}}$	x 100	The ratio describes a credit institution's indebtedness and shows the ratio of Tier 1 capital to the total risk exposure amount.
Liquidity coverage requirement (LCR), %	$\frac{\text{Liquid assets}}{\text{Liquidity outflows – Liquidity inflows under stressed conditions}}$	x 100	The ratio describes short-term funding liquidity risk that requires the bank to have sufficient, high-quality liquid assets to get through an acute 30-day stress scenario.

Net stable funding ratio (NSFR), %	$\frac{\text{Available stable funding}}{\text{Required stable funding}}$	x 100	The ratio describes a long-term liquidity risk that requires the bank to have a sufficient amount of stable funding sources in relation to items requiring stable funding sources. The objective is to secure the sustainable maturity structure of assets and liabilities applying a 12-month time horizon and to restrict excessive resort to short-term wholesale funding.
Capital adequacy ratio under the Act on the Supervision of Financial and Insurance Conglomerates*	$\frac{\text{Conglomerate's total own funds}}{\text{Conglomerate's total own funds requirement}}$	x 100	The ratio describes the capital adequacy of the financial conglomerate and shows the ratio of own funds to the minimum amount of own funds.
Non-performing exposures % of exposures	$\frac{\text{Non-performing exposures (gross)}}{\text{Exposures at period end}}$	x 100	The ratio describes the ratio of customers with severe payment difficulties to the entire exposure portfolio. Non-performing exposures refer to receivables that are more than 90 days past due and other receivables classified as risky as well as forborne exposures related to such receivables due to the customer's financial difficulties. Forbearance measures consist of concessions, agreed on the customer's initiative, regarding the original repayment plan to enable the customer to surmount temporary payment difficulties. Non-performing exposures are presented in gross terms; expected credit losses have not been deducted from them.
Ratio of doubtful receivables to exposures, %	$\frac{\text{Doubtful receivables (gross)}}{\text{Exposures at period end}}$	x 100	The ratio describes the ratio of customers with payment difficulties to the entire exposure portfolio. Doubtful receivables refer to receivables that are more than 90 days past due and other receivables classified as risky, as well as forbearance related to such receivables or to performing receivables due to the customer's financial difficulties. Forbearance measures consist of concessions, agreed on the customer's initiative, regarding the original repayment plan to enable the customer to surmount temporary payment difficulties. In addition to non-performing forborne exposures, doubtful receivables include non-performing exposures reclassified as performing ones during their probation period or forbearance measures made into a performing agreement. Loan modifications due to reasons other than the customer's financial difficulties are not classified as doubtful receivables. Doubtful receivables are presented in gross terms; expected credit losses have not been deducted from them.

* Transitional provisions have been taken into account in the FiCo solvency.

Ratio of performing forborne exposures to exposures, %	Performing forborne exposures (gross) / Exposures at period end	x 100	The ratio describes the ratio of forborne exposures to the entire exposure portfolio. Performing forborne exposures include forborne exposures reclassified as performing ones during their probation period or forbearance measures made into a performing agreement. Loan modifications due to reasons other than the customer's financial difficulties are not classified as forborne exposures.
Ratio of performing forborne exposures to doubtful receivables, %	Performing forborne exposures (gross) / Doubtful receivables at period end	x 100	The ratio describes the ratio of performing forborne exposures to doubtful receivables that include non-performing exposures as well as performing forborne exposures. Performing forborne exposures include forborne exposures reclassified as performing ones during their probation period or forbearance measures made into a performing agreement. Loan modifications due to reasons other than the customer's financial difficulties are not classified as forborne exposures.
Ratio of loss allowance (receivables from customers) to doubtful receivables, %	Loss allowance for receivables from customers in the balance sheet / Doubtful receivables at period end	x 100	The ratio describes the ratio of expected losses to all doubtful receivables. Doubtful receivables include non-performing exposures and performing forborne exposures.
Loan and guarantee portfolio	Loan portfolio + guarantee portfolio		The indicator describes the total amount of loans and guarantees given.
Exposures	Loan and guarantee portfolio + interest receivables + unused standby credit facilities		The sum of the loan and guarantee portfolio, interest receivables and unused standby credit facilities (undrawn loans and limits) is used as the basis for proportioning doubtful receivables and non-performing exposures.
Other exposures	Interest receivables + unused standby credit facilities		In addition to the loan and guarantee portfolio, exposures come from interest receivables and unused standby credit facilities (undrawn loans and limits).

Capital adequacy

Capital adequacy for credit institutions

Own funds

€ million	31 Mar 2025	31 Dec 2024
OP Financial Group's equity capital	18,246	18,110
Excluding the effect of insurance companies on the Group's equity	-1,396	-1,611
Fair value reserve, cash flow hedge	130	140
Common Equity Tier 1 (CET1) before deductions	**16,980**	**16,638**
Intangible assets	-327	-320
Excess funding of pension liability and valuation adjustments	-254	-243
Cooperative capital deducted from own funds	-5	-185
Planned profit distribution and unpaid profit distribution for previous financial year	-270	-176
Insufficient coverage for non-performing exposures	-374	-264
CET1 capital	**15,752**	**15,451**
Tier 1 capital (T1)	**15,752**	**15,451**
Debenture loans	1,788	1,288
Debentures to which transition rules apply	13	22
General credit risk adjustments	65	83
Tier 2 capital (T2)	**1,867**	**1,393**
Total own funds	**17,619**	**16,844**

Total risk exposure amount

€ million	31 Mar 2025	31 Dec 2024
Credit and counterparty risk	**68,593**	**63,330**
Standardised Approach (SA)	68,593	63,330
Central government and central bank exposure	484	502
Credit institution exposure	640	525
Corporate exposure	23,046	25,656
Retail exposure	16,638	9,960
Mortgage-backed and real estate development exposure	21,110	19,078
Defaulted exposure	2,090	2,026
Items of especially high risk		1,442
Investments in subordinated debt instruments	595	
Covered bonds	700	697
Collective investment undertakings (CIU)	143	142
Equity investments	2,213	2,384
Other	933	918
Risks of the CCP's default fund	**1**	**1**
Securitisations	**27**	**27**
Market and settlement risk (Standardised Approach)	**986**	**944**
Operational risk	**6,572**	**4,936**
Valuation adjustment (CVA)	**261**	**210**
Other risks*	**2,394**	**2,309**
Total risk exposure amount	**78,835**	**71,756**

* Risks not otherwise covered.

The changes in the EU Capital Requirements Regulation (CRR3), which entered into force on 1 January 2025, particularly affected the calculation of credit risk and total operational risk exposure amount. The figures for the comparative period have been calculated based on the regulation in force in 2024.

Ratios

Ratios, %	31 Mar 2025	31 Dec 2024
CET1 capital ratio	20.0	21.5
Tier 1 capital ratio	20.0	21.5
Capital adequacy ratio	22.3	23.5

Ratios, fully loaded

Ratios, %	31 Mar 2025	31 Dec 2024
CET1 capital ratio	20.0	21.5
Tier 1 capital ratio	20.0	21.5
Capital adequacy ratio	22.3	23.4

Capital requirement

Capital requirement, € million	31 Mar 2025	31 Dec 2024
Own funds	17,619	16,844
Capital requirement	12,147	11,052
Buffer for capital requirements	5,471	5,791

The capital requirement of 15.4% comprises the minimum requirement of 8%, the capital conservation buffer requirement of 2.5%, the O-SII buffer requirement of 1.5%, the systemic risk buffer requirement of 1.0%, the minimum requirement (P2R) of 2.25% set by the ECB, and the country-specific countercyclical capital buffers for foreign exposures. Transitional provisions regarding Tier 2 capital included in capital adequacy for credit institutions have been taken into account in the figures.

Leverage

Leverage, € million	31 Mar 2025	31 Dec 2024
Tier 1 capital (T1)	15,752	15,451
Total exposure	147,866	147,674
Leverage ratio, %	10.7	10.5

The leverage ratio describes indebtedness. The minimum requirement for the leverage ratio is 3%.

OP Financial Group's capital adequacy under the Act on the Supervision of Financial and Insurance Conglomerates

€ million	31 Mar 2025	31 Dec 2024
OP Financial Group's equity capital	18,246	18,110
Other items included in Banking's Tier 1 and Tier 2 capital	1,867	1,393
Other sector-specific items excluded from own funds	-561	-636
Goodwill and intangible assets	-967	-968
Insurance business valuation differences*	707	740
Planned profit distribution and unpaid profit distribution for previous period	-270	-176
Items under IFRS deducted from own funds**	-78	-66
Conglomerate's total own funds	**18,945**	**18,397**
Regulatory own funds requirement for credit institutions***	11,763	10,697
Regulatory own funds requirement for insurance operations*	1,699	1,706
Conglomerate's total own funds requirement	**13,462**	**12,403**
Conglomerate's capital adequacy	**5,483**	**5,994**
Conglomerate's capital adequacy ratio (capital base/ minimum of capital base) (%)	**141**	**148**

* Differences between fair values and carrying amounts based on the solvency of insurance companies and an estimate of SCR

** Excess funding of pension liability, portion of cash flow hedge of fair value reserve

*** Total risk exposure amount x 15.4%

Transitional provisions regarding Tier 2 capital included in capital adequacy for credit institutions have been taken into account in the figures.

TABLES

Income statement

€ million	Note	Q1/2025	Adjusted Q1/2024
Interest income calculated using the effective interest method		1,286	1,573
Interest expenses		-655	-864
Net interest income	3	631	709
Impairment loss on receivables	4	24	-39
Commission income		238	238
Commission expenses		-32	-32
Net commissions and fees	5	206	205
Insurance revenue		518	523
Insurance service expenses		-495	-512
Net income from reinsurance contracts		-21	-21
Insurance service result	6	2	-10
Net finance income (+)/expenses (–) related to insurance		228	-250
Net finance income (+)/expenses (–) related to reinsurance		1	0
Net insurance finance income (+)/expenses (–)	7	229	-250
Net income from financial assets held for trading	8	53	8
Net investment income	9	-264	393
Other operating income		-11	9
Personnel costs		-280	-256
Depreciation/amortisation and impairment loss		-32	-33
Other operating expenses	10	-278	-248
Transfers to insurance service result		142	129
Operating expenses		-448	-407
Operating profit		**423**	**618**
Earnings before tax		**423**	**618**
Income tax		-85	-125
Profit for the period		**338**	**492**
Attributable to:			
Profit for the period attributable to owners		335	491
Profit for the period attributable to non-controlling interest		3	2
Total		**338**	**492**

OP Financial Group changed the official income statement format of the financial statements during the second and fourth quarters of 2024. The present income statement and balance sheet format describes the Group's operations better. Comparative information of Q1/2024 has been adjusted accordingly. For more detailed information on the change, see Note 1 to the Half-year Financial Report 1 January–30 June 2024 and to the Financial Statements Bulletin 1 January–31 December 2024, Accounting policies and changes in accounting policies and presentation.

Statement of comprehensive income

€ million	Note	Q1/2025	Q1/2024
Profit for the period		338	492
Items that will not be reclassified to profit or loss			
Gains/(losses) arising from remeasurement of defined benefit plans		0	25
Changes in own credit risk on liabilities measured at fair value		-1	
Items that may be subsequently reclassified to profit or loss			
Change in fair value reserve			
On fair value measurement	15	18	16
On cash flow hedging	15	13	-6
Income tax			
On items not reclassified to profit or loss			
On gains/(losses) arising from remeasurement of defined benefit plans		0	-5
Changes in own credit risk on liabilities measured at fair value		0	
On items that may be subsequently reclassified to profit or loss			
On fair value measurement	15	-4	-3
On cash flow hedging	15	-3	1
Other comprehensive income items		24	17
Total comprehensive income for the reporting period		362	509
Comprehensive income for the reporting period attributable to:			
Comprehensive income for the reporting period attributable to owners		359	508
Comprehensive income for the reporting period attributable to non-controlling interests		3	2
Total		362	509

Balance sheet

€ million	Note	31 Mar 2025	31 Dec 2024
Cash and deposits with central banks	11	18,194	18,110
Receivables from credit institutions	11	728	808
Receivables from customers	11	98,927	98,629
Derivative contracts	11, 18	2,402	2,497
Investment assets		24,520	23,537
Assets covering unit-linked contracts	11	13,920	14,172
Reinsurance contract assets	12	118	102
Intangible assets		1,017	1,022
Property, plant and equipment		406	392
Other assets		1,725	1,780
Income tax assets		29	42
Deferred tax assets		77	77
Total assets		**162,063**	**161,168**
Liabilities to credit institutions	11	66	91
Liabilities to customers	11	81,394	80,455
Derivative contracts	11, 18	2,360	2,324
Insurance contract liabilities	13	11,616	11,796
Investment contract liabilities	11	9,069	9,140
Debt securities issued to the public	14	32,473	33,198
Provisions and other liabilities		3,823	3,526
Income tax liabilities		33	55
Deferred tax liabilities		1,011	1,027
Subordinated liabilities		1,972	1,444
Total liabilities		**143,817**	**143,058**
Equity capital			
Capital and reserves attributable to OP Financial Group owners			
Cooperative capital			
Membership shares		219	222
Profit Shares		3,094	3,255
Fair value reserve	15	-225	-249
Other reserves		2,172	2,172
Retained earnings		12,859	12,569
Non-controlling interests		127	141
Total equity		**18,246**	**18,110**
Total liabilities and equity		**162,063**	**161,168**

Statement of changes in equity

€ million	Cooperative capital	Fair value reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to owners						
Equity capital 1 January 2024	3,554	-290	2,172	10,703	**16,139**	124	**16,262**
Total comprehensive income for the reporting period		8		499	**508**	2	**509**
Profit for the period				491	**491**	2	**492**
Other comprehensive income items		8		9	**17**		**17**
Profit distribution				-75	**-75**	-1	**-76**
Changes in membership and profit shares	-161				**-161**		**-161**
Other				0	**0**	8	**8**
Equity capital 31 March 2024	**3,393**	**-282**	**2,172**	**11,128**	**16,411**	**133**	**16,543**

€ million	Cooperative capital	Fair value reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to owners						
Equity capital 1 January 2025	3,477	-249	2,172	12,569	**17,969**	141	**18,110**
Total comprehensive income for the reporting period		24		335	**359**	3	**362**
Profit for the period				335	**335**	3	**338**
Other comprehensive income items		24		0	**24**		**24**
Profit distribution				-46	**-46**	-5	**-51**
Changes in membership and profit shares	-163				**-163**		**-163**
Other				1	**1**	-12	**-11**
Equity capital 31 March 2025	**3,313**	**-225**	**2,172**	**12,859**	**18,119**	**127**	**18,246**

Cash flow statement

€ million	Q1/2025	Adjusted Q1/2024
Cash flow from operating activities		
Profit for the period	338	492
Adjustments to profit for the period	679	-46
Increase (-) or decrease (+) in operating assets	**-1,398**	**-679**
Receivables from credit institutions	110	-51
Receivables from customers	-268	360
Derivative contracts	-79	32
Investment assets	-1,090	-766
Assets covering unit-linked contracts	-106	-58
Reinsurance contract assets	-16	-5
Other assets	52	-192
Increase (+) or decrease (–) in operating liabilities	**1,036**	**-940**
Liabilities to credit institutions	-26	10
Liabilities to customers	953	-1,437
Derivative contracts	11	78
Insurance contract liabilities	-179	315
Reinsurance contract liabilities	-1	0
Investment contract liabilities	0	0
Provisions and other liabilities	278	93
Income tax paid	-118	-220
Dividends received	15	15
A. Net cash from operating activities	**553**	**-1,379**

€ million	Q1/2025	Adjusted Q1/2024
Cash flow from investing activities		
Purchase of PPE and intangible assets	-35	-24
Proceeds from sale of PPE and intangible assets	5	2
B. Net cash used in investing activities	-30	-22
Cash flow from financing activities		
Subordinated liabilities, change	521	-13
Debt securities issued to the public, change	-816	-2,223
Increases in cooperative and share capital	18	32
Decreases in cooperative and share capital	-183	-193
Dividends paid and interest on cooperative capital	0	0
Lease liabilities	-9	-9
C. Net cash used in financing activities	-468	-2,406
Net change in cash and cash equivalents (A+B+C)	54	-3,806
Cash and cash equivalents at period start	18,277	19,947
Effects of changes in foreign exchange rates	67	-18
Cash and cash equivalents at period end	18,398	16,122
Interest received	1,712	2,630
Interest paid	-1,522	-2,138
Cash and cash equivalents		
Cash and deposits with central banks	18,194	15,839
Receivables from credit institutions payable on demand	204	284
Total	18,398	16,122

Notes

Note 1. Accounting policies and highlights

Accounting policies

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and with the accounting policies presented in the financial statements 2024. The changes in accounting policies and presentation are described in a separate section.

The Interim Report is based on unaudited figures. Given that all figures in the Interim Report have been rounded off, the sum total of individual figures may deviate from the presented sums.

The Interim Report is available in Finnish, English and Swedish. The Finnish version of the Report is official and will be used if there is any discrepancy between the language versions.

Critical accounting judgements

The preparation of the Interim Report requires making estimates and assumptions about the future, and the actual results may differ from these estimates and assumptions. It also requires the management to exercise its judgement in the process of applying the accounting policies. In preparing the Interim Report, management judgement has been used especially in the calculation of expected credit losses.

Expected credit losses

The determination of the measurement models for expected credit losses (ECL) involves management judgement.

The actual measurement of ECL figures is performed using the ECL models based on the use of observable input data, except if it is mainly the question of a large corporate exposure in stage 2 or 3 and on the watch list, in which case the ECL is calculated using the cash flow based ECL method based on expert judgement.

In special situations where the ECL models are not sufficiently able to take account of an unpredictable event or circumstances, management overlays are directly used for ECL figures (post model adjustments). In them, judgment is involved especially when selecting the used scenario. Management overlays are intended only for temporary use until an unpredictable event caused by the overlay provision or circumstance could have been taken into account in the ECL models.

Management judgment and estimates included in the calculation of expected credit losses, other than those presented above, are included in the 2024 financial statements.

Note 4 to this Interim Report, Impairment loss on receivables, describes management judgement made in the preparation of the Interim Report.

Changes in accounting policies and presentation

Change in segment reporting

As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Previously, these companies have been reported as part of the Corporate Banking segment. Comparative information is reported according to the new segment structure.

Highlights of the reporting period

Additional benefits for owner-customers

OP Financial Group allocates part of its profitability improvement to provide additional benefits to owner-customers. OP Financial Group increased the OP bonuses to be earned by owner-customers for 2025 by 40% compared to the normal level of 2022. Owner-customers earned a total of EUR 81 million (75) in OP bonuses during the reporting period. In addition, owner-customers will get daily banking services free of monthly charges until the end of 2025. The estimated total value of this benefit will be EUR 90 million for 2025.

Note 2. Segment reporting

Segment information

As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Previously, these companies have been reported as part of the Corporate Banking segment. Comparative information is reported according to the new segment structure. In addition, the allocation of OP Financial Group's internal items between other operating income and expenses was changed at the beginning of 2025. Comparative information has been adjusted accordingly.

Q1 earnings 2025, € million	Retail Banking	Corporate Banking	Insurance	Group Functions	Eliminations	OP Financial Group
Interest income calculated using the effective interest method	883	489	0	573	-660	1,286
Interest expenses	-420	-324	0	-571	659	-655
Net interest income	464	165	0	2	0	631
of which inter-segment items		-66		66		
Impairment loss on receivables	26	-1		0	0	24
Commission income	219	35	20	6	-41	238
Commission expenses	-29	-14	-8	-5	24	-32
Net commissions and fees	190	21	12	1	-18	206
Insurance revenue			518			518
Insurance service expenses			-495			-495
Net income from reinsurance contracts			-21			-21
Insurance service result			2			2
Net finance income (+)/expenses (–) related to insurance			228			228
Net finance income (+)/expenses (–) related to reinsurance			1			1
Net insurance finance income (+)/expenses (–)			229			229
Net income from financial assets held for trading	1	22	0	9	21	53
Net investment income	-3	0	-246	0	-14	-264
Other operating income	15	9	1	224	-259	-11
Personnel costs	-152	-21	-47	-73	13	-280
Depreciation/amortisation and impairment loss	-9	0	-9	-14	0	-32
Other operating expenses	-240	-50	-98	-126	236	-278
Transfers to insurance service result			142			142
Operating expenses	-401	-71	-12	-213	249	-448
Operating profit (loss)	**291**	**145**	**-14**	**23**	**-21**	**423**
Earnings before tax	**291**	**145**	**-14**	**23**	**-21**	**423**

The calculated ineffectiveness of fair value hedges arising from the elimination of internal items is presented in eliminations.

Q1 earnings 2024, € million	Retail Banking	Corporate Banking	Insurance	Group Functions	Eliminations	OP Financial Group
Interest income calculated using the effective interest method	1,093	569	1	899	-989	1,573
Interest expenses	-535	-403	0	-904	979	-864
Net interest income	558	166	1	-6	-10	709
of which inter-segment items		-100		100		
Impairment loss on receivables	-27	-12		0	0	-39
Commission income	217	37	18	6	-40	238
Commission expenses	-30	-14	-8	-5	24	-32
Net commissions and fees	187	23	10	1	-15	205
Insurance revenue			523		0	523
Insurance service expenses			-512			-512
Net income from reinsurance contracts			-21		0	-21
Insurance service result			-10		0	-10
Net finance income (+)/expenses (–) related to insurance			-250			-250
Net finance income (+)/expenses (–) related to reinsurance			0		0	0
Net insurance finance income (+)/expenses (–)			-250			-250
Net income from financial assets held for trading	0	10	0	5	-8	8
Net investment income	-1	0	379	0	16	393
Other operating income	13	9	0	188	-201	9
Personnel costs	-137	-20	-45	-65	11	-256
Depreciation/amortisation and impairment loss	-8	0	-10	-15	0	-33
Other operating expenses	-205	-47	-86	-112	203	-248
Transfers to insurance service result			129		0	129
Operating expenses	-351	-67	-11	-192	215	-407
Operating profit (loss)	**379**	**129**	**118**	**-5**	**-3**	**618**
Earnings before tax	**379**	**129**	**118**	**-5**	**-3**	**618**

Balance sheet 31 March 2025, € million	Retail Banking	Corporate Banking	Insurance	Group Functions	Eliminations	OP Financial Group
Cash and deposits with central banks	39	128		18,027	0	18,194
Receivables from credit institutions	25,737	198	660	12,098	-37,966	728
Receivables from customers	70,808	28,378		-14	-246	98,927
Derivative contracts	785	3,179	54	43	-1,660	2,402
Investment assets	1,410	579	9,341	18,862	-5,671	24,520
Assets covering unit-linked contracts			13,920			13,920
Reinsurance contract assets			118			118
Intangible assets	175	13	587	179	62	1,017
Property, plant and equipment	263	2	3	143	-4	406
Other assets	305	137	510	870	-97	1,725
Income tax assets	9		20		0	29
Deferred tax assets	23	0	15	6	33	77
Total assets	**99,553**	**32,616**	**25,228**	**50,216**	**-45,550**	**162,063**
Liabilities to credit institutions	9,256	4	45	26,278	-35,517	66
Liabilities to customers	64,095	14,009		5,800	-2,510	81,394
Derivative contracts	870	2,985	32	134	-1,660	2,360
Insurance contract liabilities			11,616			11,616
Investment contract liabilities			9,069			9,069
Debt securities issued to the public	14,445	2,028		16,585	-585	32,473
Provisions and other liabilities	942	1,172	368	1,370	-30	3,823
Income tax liabilities	6	1	10	15	0	33
Deferred tax liabilities	456	0	200	349	7	1,011
Subordinated liabilities	0		380	1,972	-380	1,972
Total liabilities	**90,070**	**20,198**	**21,720**	**52,504**	**-40,676**	**143,817**
Equity capital						**18,246**

Balance sheet 31 December 2024, € million	Retail Banking	Corporate Banking	Insurance	Group Functions	Eliminations	OP Financial Group
Cash and deposits with central banks	39	188		17,883	0	18,110
Receivables from credit institutions	25,348	148	609	12,268	-37,565	808
Receivables from customers	70,505	28,399		-13	-261	98,629
Derivative contracts	820	3,276	39	108	-1,745	2,497
Investment assets	1,420	515	9,531	17,748	-5,678	23,537
Assets covering unit-linked contracts			14,172			14,172
Reinsurance contract assets			102			102
Intangible assets	176	13	595	175	62	1,022
Property, plant and equipment	253	3	3	138	-5	392
Other assets	336	91	562	884	-93	1,780
Income tax assets	22		20			42
Deferred tax assets	23	0	13	6	35	77
Total assets	**98,942**	**32,633**	**25,646**	**49,197**	**-45,251**	**161,168**
Liabilities to credit institutions	9,399	32	46	25,891	-35,276	91
Liabilities to customers	63,428	15,281		4,121	-2,374	80,455
Derivative contracts	893	3,009	28	140	-1,745	2,324
Insurance contract liabilities			11,795		1	11,796
Investment contract liabilities			9,140			9,140
Debt securities issued to the public	14,462	2,160		17,167	-590	33,198
Provisions and other liabilities	804	867	297	1,565	-7	3,526
Income tax liabilities	15	2	15	24	0	55
Deferred tax liabilities	455	0	220	345	7	1,027
Subordinated liabilities	0		380	1,444	-380	1,444
Liabilities	**89,454**	**21,351**	**21,920**	**50,697**	**-40,365**	**143,058**
Equity capital						**18,110**

Note 3. Net interest income

€ million	Q1/2025	Adjusted Q1/2024
Interest income calculated using the effective interest method		
Interest income on receivables from credit institutions	123	175
Interest income on loans to customers	995	1,178
Interest income on finance lease receivables	23	26
Interest income on notes and bonds measured at amortised cost	13	8
Interest income on liabilities to customers	0	2
Interest income on notes and bonds measured at fair value through other comprehensive income	46	39
Interest income on derivative contracts, fair value hedges	137	278
Interest income on derivative contracts, cash flow hedges	-20	-34
Interest income on loans to customers, fair value adjustments in hedge accounting	0	-12
Interest income on notes and bonds, fair value adjustments in hedge accounting	-8	-71
Interest income on loans to customers, OP bonuses to owner-customers	-33	-35
Other interest income	9	17
Total	1,286	1,573

€ million	Q1/2025	Adjusted Q1/2024
Interest expenses		
Liabilities to credit institutions		
Interest expenses for deposits to credit institutions	0	0
Interest expenses for liabilities to credit institutions	0	0
Interest expenses for liabilities to credit institutions, fair value adjustments in hedge accounting	-20	43
Liabilities to customers		
Interest expenses for deposits to customers	-255	-322
Interest expenses for liabilities to customers, OP bonuses to owner-customers	-22	-19
Debt securities issued to the public		
Interest expenses on debt securities issued to the public	-150	-181
Interest expenses on debt securities issued to the public, fair value adjustments in hedge accounting	-39	104
Subordinated liabilities		
Interest expenses for perpetual and debenture loans	-10	-8
Interest expenses for subordinated liabilities, fair value adjustments in hedge accounting	-7	-1
Derivative contracts		
Interest expenses for derivative contracts, fair value hedges	-153	-474
Interest expenses for derivative contracts, cash flow hedges	4	7
Interest expenses for other derivative contracts		0
Other interest expenses	-12	-22
Total	**-655**	**-864**
Total net interest income	**631**	**709**

Note 4. Impairment loss on receivables

€ million	Q1/2025	Q1/2024
Receivables written down as loan and guarantee losses	-20	-18
Recoveries of receivables written down	4	6
Expected credit losses (ECL) on receivables from customers and off-balance-sheet items	40	-28
Expected credit losses (ECL) on notes and bonds		0
Total impairment loss on receivables	**24**	**-39**

Credit risk exposures and related loss allowance

Exposures within the scope of accounting for expected credit losses (ECL) by impairment stage.

The tables below describe exposures that fall within the scope of ECL accounting. The off-balance-sheet exposure was adjusted using the credit conversion factor (CCF).

Exposures	Stage 1	Stage 2			Stage 3	
31 March 2025, € million		Not more than 30 DPD	More than 30 DPD	Total		Total exposures
Receivables from customers (gross)						
Retail Banking	58,363	8,636	71	8,708	2,089	69,160
Corporate Banking	25,338	2,575	417	2,992	528	28,858
Total receivables from customers	83,701	11,211	488	11,700	2,617	98,017
Off-balance-sheet limits						
Retail Banking	2,006	126	0	126	11	2,143
Corporate Banking	4,023	53	10	63	9	4,095
Total limits	6,029	179	10	189	20	6,238
Other off-balance-sheet						
Retail Banking	989	25		25	14	1,028
Corporate Banking	2,629	285		285	33	2,947
Total other off-balance-sheet commitments	3,619	310		310	47	3,975
Notes and bonds						
Group Functions	14,659	110		110	3	14,771
Total notes and bonds	14,659	110		110	3	14,771
Total exposures within the scope of accounting for expected credit losses	108,007	11,810	498	12,308	2,687	123,002

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Loss allowance by impairment stage

On-balance-sheet exposures and related off-balance-sheet limits*	Stage 1	Stage 2			Stage 3	
31 March 2025, € million		Not more than 30 DPD	More than 30 DPD	Total		Total loss allowance
Receivables from customers						
Retail Banking	-32	-122	-5	-126	-320	-478
Corporate Banking	-36	-66	-9	-75	-148	-259
Total receivables from customers	-68	-188	-13	-201	-468	-737
Off-balance-sheet commitments**						
Retail Banking	-1	-1		-1	-5	-6
Corporate Banking	-2	-14		-14	-21	-36
Total off-balance-sheet commitments	-3	-14		-14	-26	-43
Notes and bonds***						
Group Functions	-1	-1		-1	-2	-4
Total notes and bonds	-1	-1		-1	-2	-4
Total	-71	-203	-13	-217	-496	-784

* Loss allowance is recognised as one component to deduct from the balance sheet item.

** Loss allowance is recognised in provisions and other liabilities in the balance sheet.

*** Loss allowance is recognised in the fair value reserve in other comprehensive income.

Summary and key indicators 31 March 2025

€ million	Stage 1	Stage 2			Stage 3	
		Not more than 30 DPD	More than 30 DPD	Total		Total
Receivables from customers; on-balance-sheet and off-balance-sheet items						
Retail Banking	61,359	8,787	72	**8,858**	2,114	**72,331**
Corporate Banking	31,990	2,913	427	**3,340**	570	**35,900**
Loss allowance						
Retail Banking	-33	-122	-5	**-127**	-325	**-484**
Corporate Banking	-38	-80	-9	**-88**	-169	**-295**
Coverage ratio, %						
Retail Banking	-0.1	-1.4	-6.4	**-1.5**	-15.4	**-0.7**
Corporate Banking	-0.1	-2.7	-2.0	**-2.9**	-29.7	**-0.8**
Receivables from customers; total on-balance-sheet and off-balance-sheet items	**93,349**	**11,700**	**498**	**12,198**	**2,684**	**108,231**
Total loss allowance	**-70**	**-202**	**-13**	**-215**	**-494**	**-780**
Total coverage ratio, %	**-0.1**	**-1.8**	**-3.3**	**-1.9**	**-18.1**	**-0.8**
Carrying amount, notes and bonds						
Group Functions	14,659	110		**110**	3	**14,771**
Loss allowance						
Group Functions	-1	-1		**-1**	-2	**-4**
Coverage ratio, %						
Group Functions	0.0	-1.0		**-1.0**	-62.0	**0.0**
Total notes and bonds	**14,659**	**110**		**110**	**3**	**14,771**
Total loss allowance	**-1**	**-1**		**-1**	**-2**	**-4**
Total coverage ratio, %	**0.0**	**-1.0**		**-1.0**	**-62.0**	**0.0**

The table below shows the change in exposures within the scope of ECL calculation by impairment stage, resulting from the effect of the following factors:

Receivables from customers and off-balance-sheet items, € million	Stage 1	Stage 2	Stage 3	Total
Receivables from customers; on-balance-sheet and off-balance-sheet items 1 January 2025	**92,335**	**12,310**	**2,843**	**107,488**
Transfers from Stage 1 to Stage 2, incl. repayments	-1,800	1,730		-70
Transfers from Stage 1 to Stage 3, incl. repayments	-45		42	-3
Transfers from Stage 2 to Stage 1, incl. repayments	1,458	-1,508		-50
Transfers from Stage 2 to Stage 3, incl. repayments		-148	144	-4
Transfers from Stage 3 to Stage 1, incl. repayments	27		-27	-1
Transfers from Stage 3 to Stage 2, incl. repayments		146	-150	-3
Increases due to origination and acquisition	3,599	60	37	3,697
Decreases due to derecognition	-2,861	-268	-120	-3,248
Unchanged Stage, incl. repayments	636	-125	-73	438
Recognised as final credit loss	1	0	-13	-12
Receivables from customers; on-balance-sheet and off-balance-sheet items 31 March 2025	**93,349**	**12,198**	**2,684**	**108,231**

The table below shows the change in loss allowance by impairment stage:

Receivables from customers and off-balance-sheet items, € million	Stage 1 12 months	Stage 2 Lifetime	Stage 3 Lifetime	Total
Loss allowance 1 January 2025	**79**	**228**	**514**	**820**
Transfers from Stage 1 to Stage 2	-4	23		19
Transfers from Stage 1 to Stage 3	0		5	5
Transfers from Stage 2 to Stage 1	3	-22		-19
Transfers from Stage 2 to Stage 3		-6	16	10
Transfers from Stage 3 to Stage 1	0		-3	-3
Transfers from Stage 3 to Stage 2		4	-14	-10
Increases due to origination and acquisition	3	2	8	13
Decreases due to derecognition	-6	-5	-25	-36
Changes in risk parameters (net)	-5	-9	-3	-16
Decrease in allowance account due to write-offs			-4	-4
Net change in expected credit losses	**-8**	**-13**	**-20**	**-40**
Loss allowance 31 March 2025	**70**	**215**	**494**	**780**

The rating model for OP Financial Group's retail customers was updated in Q1/2025, which lowered the expected credit loss (ECL) by EUR 8.3 million.

Assumptions used for calculating management overlays

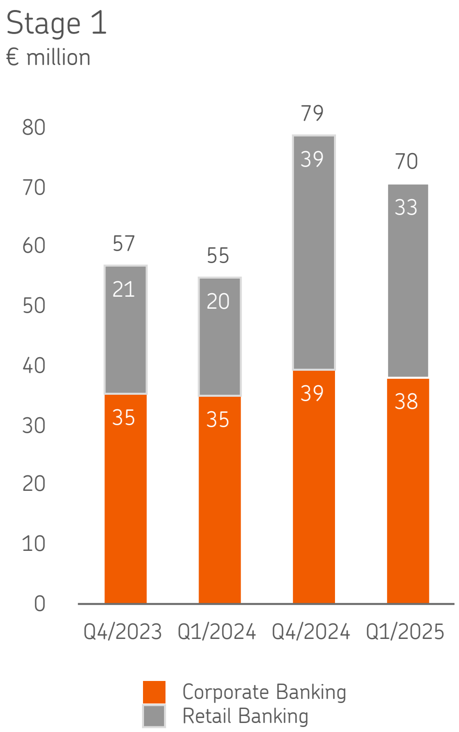
The management overlay provision made in 2022 in the construction industry, of which EUR 7.1 million remained in Q4/2024, was fully reversed in Q1/2025 because the events it covered had already realised.

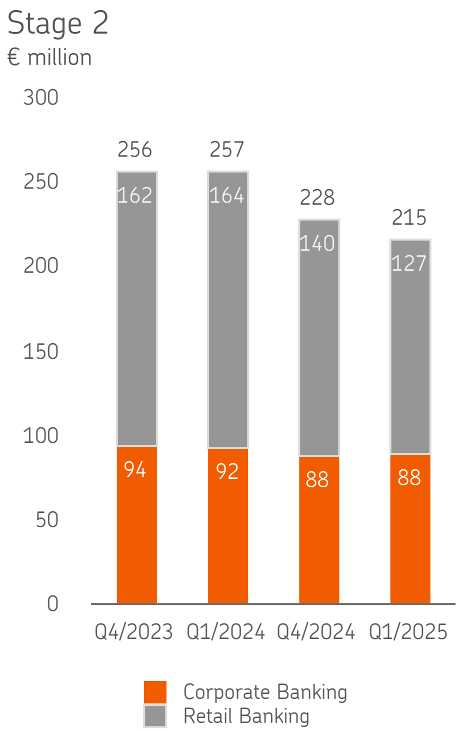
At the end of 2021, OP Financial Group made an ECL management overlay of EUR 34 million concerning CRE backed loans. The overlay anticipated growth in ECLs and probable defaults after the collateral assessment of the riskiest commercial real estate holdings was updated. In Q1/2025, the remaining overlay totalled EUR 6 million.

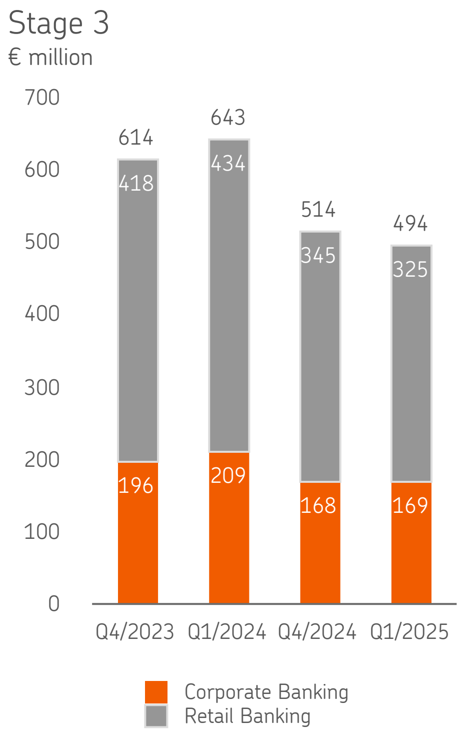
In Q4/2023, OP Financial Group made a management overlay for the improvement of processes related to the early warning system (EWS) and groups of connected clients, to be implemented in 2025. The process improvement is expected to increase expected credit losses by roughly EUR 14.1 million in the Retail Banking segment. In Q2/2024, the overlay was extended to OP Corporate Bank, due to which the overlay in OP Financial Group grew by EUR 5.1 million to EUR 19.2 million.

In Q3/2024, OP Financial Group made a management overlay of EUR 2.2 million for recognising the higher credit risk of bullet and balloon loans in ECL calculation. It was updated to EUR 2.4 million in Q1/2025. The parameter-specific management overlay of EUR 36.1 million made in Q4/2024, to account for the recent increase in non-performing exposures and the higher probability of default observed as a result, was reduced to EUR 26.2 million. The management overlay of originally EUR 4.0 million to address climate and environmental risks was reduced to EUR 3.7 million. These overlays are intended to be reversed during 2025 when the new post-model adjustments at the parameter level are adopted.

The following graphs illustrate the trend in the expected credit losses of customer receivables by impairment stage during the last few years.







The macroeconomic factors used for ECL measurement are updated quarterly. The ECL is calculated as a weighted average of three scenarios. Scenario weights have been applied at the normal level: downside 20%, baseline 60% and upside 20%. The macroeconomic forecast update in Q1/2025 increased expected credit losses slightly.

The following tables illustrate two of the macroeconomic forecasts used in the models: GDP and the unemployment rate.

GDP growth, %	Q1/2025	Q1/2026	Q1/2027	Q1/2028	Q1/2029
Baseline	1.7	1.5	1.3	1.3	1.3
Upside	3.6	3.0	2.7	2.7	2.7
Downside	-0.6	-0.3	-0.5	-0.5	-0.5

Unemployment, %	Q1/2025	Q1/2026	Q1/2027	Q1/2028	Q1/2029
Baseline	8.4	8.1	7.5	6.7	6.5
Upside	8.2	7.6	6.9	6.0	5.7
Downside	9.2	8.8	8.3	8.2	8.0

The table below shows the loss allowance before the management overlays, the management overlays described above, and the total loss allowance reported.

Loss allowance 31 March 2025	Retail Banking	Corporate Banking	Total
Loss allowance before management overlays	439	284	722
Management overlays			
Collateral valuation of CRE backed loans	6		6
Bullet and balloon loans	0	2	2
Improvement to the identification processes for EWS and connected clients	14	5	19
Climate and environmental risks	3	1	4
Increase in non-performing exposures and higher probability of default	22	4	26
Total management overlays	46	12	58
Total reported loss allowance	485	295	780

Notes and bonds, € million	Stage 1 12 months	Stage 2 Lifetime	Stage 3 Lifetime	Total
Loss allowance 1 January 2025	1	1	2	4
Transfers from Stage 2 to Stage 1	0	0		0
Increases due to origination and acquisition	0			0
Decreases due to derecognition	0	0		0
Changes in risk parameters (net)	0	0		0
Net change in expected credit losses	0	0		0
Loss allowance 31 March 2025	1	1	2	4

Exposures within the scope of accounting for expected credit losses by impairment stage in the comparative period.

Exposures	Stage 1	Stage 2			Stage 3*	
31 December 2024, € million		Not more than 30 DPD	More than 30 DPD	Total		Total exposures
Receivables from customers (gross)						
Retail Banking	57,631	8,987	80	9,067	2,215	68,913
Corporate Banking	25,463	2,536	289	2,825	556	28,844
Total receivables from customers	83,094	11,523	370	11,892	2,771	97,758
Off-balance-sheet limits						
Retail Banking	1,905	201	1	203	16	2,123
Corporate Banking	3,542	54	0	55	10	3,607
Total limits	5,447	256	2	258	25	5,730
Other off-balance-sheet commitments						
Retail Banking	1,155	26		26	14	1,196
Corporate Banking	2,638	134		134	32	2,804
Total other off-balance-sheet commitments	3,793	160		160	47	4,000
Notes and bonds						
Group Functions	13,710	124		124	3	13,837
Total notes and bonds	13,710	124		124	3	13,837
Total exposures within the scope of accounting for expected credit losses	106,044	12,063	371	12,434	2,846	121,324

* A total of EUR 184 million of Stage 3 exposures are purchased or originated credit-impaired financial assets (POCI).

Loss allowance for the comparative period by impairment stage.

On-balance-sheet exposures and related off-balance-sheet limits*	Stage 1	Stage 2			Stage 3	
31 December 2024, € million		Not more than 30 DPD	More than 30 DPD	Total		Total loss allowance
Receivables from customers						
Retail Banking	-38	-133	-6	-139	-341	-518
Corporate Banking	-37	-66	-6	-72	-148	-257
Total receivables from customers	-75	-199	-12	-211	-489	-775
Off-balance-sheet commitments**						
Retail Banking	-1	-1		-1	-5	-7
Corporate Banking	-3	-16		-16	-20	-38
Total off-balance-sheet commitments	-4	-17		-17	-24	-45
Notes and bonds***						
Group Functions	-1	-1		-1	-2	-4
Total notes and bonds	-1	-1		-1	-2	-4
Total	-80	-217	-12	-229	-515	-824

* Loss allowance is recognised as one component to deduct from the balance sheet item.

** Loss allowance is recognised in provisions and other liabilities in the balance sheet.

*** Loss allowance is recognised in the fair value reserve in other comprehensive income.

The table below shows a summary of loss allowance relative to the exposure amount by impairment stage. The coverage ratio describes the ratio of loss allowance to exposure amount.

Summary and key indicators 31 December 2024	Stage 1	Stage 2			Stage 3	
		Not more than 30 DPD	More than 30 DPD	Total		Total
Receivables from customers; on-balance-sheet and off-balance-sheet items						
Retail Banking	60,692	9,215	81	**9,296**	2,245	**72,233**
Corporate Banking	31,643	2,724	290	**3,014**	598	**35,255**
Loss allowance						
Retail Banking	-39	-134	-6	**-140**	-345	**-525**
Corporate Banking	-39	-82	-6	**-88**	-168	**-296**
Coverage ratio, %						
Retail Banking	-0.1	-1.5	-7.4	**-1.5**	-15.4	**-0.7**
Corporate Banking	-0.1	-3.0	-2.2	**-2.9**	-28.1	**-0.8**
Receivables from customers; total on-balance-sheet and off-balance-sheet items	**92,335**	**11,939**	**371**	**12,310**	**2,843**	**107,488**
Total loss allowance	**-79**	**-216**	**-12**	**-228**	**-514**	**-820**
Total coverage ratio, %	**-0.1**	**-1.8**	**-3.3**	**-1.9**	**-18.1**	**-0.8**
Carrying amount, notes and bonds						
Group Functions	13,710	124		**124**	3	**13,837**
Loss allowance						
Group Functions	-1	-1		**-1**	-2	**-4**
Coverage ratio, %						
Group Functions	0.0	-1.0		**-1.0**	-62.0	**0.0**
Total notes and bonds	**13,710**	**124**		**124**	**3**	**13,837**
Total loss allowance	**-1**	**-1**		**-1**	**-2**	**-4**
Total coverage ratio, %	**0.0**	**-1.0**		**-1.0**	**-62.0**	**0.0**

The table below shows, for the comparative period, the change in exposures within the scope of ECL calculation by impairment stage, resulting from the effect of the following factors.

Receivables from customers and off-balance-sheet items, € million	Stage 1	Stage 2	Stage 3	Total
Receivables from customers; on-balance-sheet and off-balance-sheet items 1 January 2024	**89,032**	**15,948**	**3,159**	**108,139**
Transfers from Stage 1 to Stage 2, incl. repayments	-3,672	3,378		-294
Transfers from Stage 1 to Stage 3, incl. repayments	-315		275	-40
Transfers from Stage 2 to Stage 1, incl. repayments	4,241	-4,600		-360
Transfers from Stage 2 to Stage 3, incl. repayments		-683	593	-91
Transfers from Stage 3 to Stage 1, incl. repayments	92		-110	-18
Transfers from Stage 3 to Stage 2, incl. repayments		307	-342	-35
Increases due to origination and acquisition	16,977	475	198	17,650
Decreases due to derecognition	-9,663	-2,175	-608	-12,446
Unchanged Stage, incl. repayments	-4,356	-331	-136	-4,823
Recognised as final credit loss	-2	-7	-186	-195
Receivables from customers; on-balance-sheet and off-balance-sheet items 31 December 2024	**92,335**	**12,310**	**2,843**	**107,488**

Receivables from customers and off-balance-sheet items, € million	Stage 1	Stage 2	Stage 3	
	12 months	Lifetime	Lifetime	Total
Loss allowance 1 January 2024	**57**	**256**	**614**	**927**
Transfers from Stage 1 to Stage 2	-4	41		38
Transfers from Stage 1 to Stage 3	0		31	30
Transfers from Stage 2 to Stage 1	6	-72		-67
Transfers from Stage 2 to Stage 3		-21	73	53
Transfers from Stage 3 to Stage 1	0		-13	-13
Transfers from Stage 3 to Stage 2		10	-33	-23
Increases due to origination and acquisition	15	15	48	78
Decreases due to derecognition	-8	-34	-101	-143
Changes in risk parameters (net)	12	10	25	46
Changes in model assumptions and methodology	2	22	-16	8
Decrease in allowance account due to write-offs	0	0	-115	-115
Net change in expected credit losses	22	-28	-101	-107
Loss allowance 31 December 2024	**79**	**228**	**514**	**820**

The table below shows the loss allowance before the management overlays, the management overlays described above, and the total loss allowance reported.

Loss allowance 31 December 2024	Retail Banking	Corporate Banking	Total
Loss allowance before management overlays	465	279	744
Construction industry	7		7
Collateral valuation of CRE backed loans	6		6
Bullet and balloon loans	1	2	3
Improvement to the identification processes for EWS and connected clients	14	5	19
Climate and environmental risks	4	1	5
Increase in non-performing exposures and higher probability of default	28	8	36
Total management overlays	60	17	77
Total reported loss allowance	525	296	820

The following tables illustrate the changes in forecasts for GDP and the unemployment rate in the comparative period.

GDP growth, %	Q1/2024	Q1/2025	Q1/2026	Q1/2027	Q1/2028
Baseline	-0.3	0.0	1.2	1.2	1.3
Upside	-0.3	3.0	4.1	4.1	3.7
Downside	-0.3	-3.1	-2.1	-2.2	-1.5

Unemployment, %	Q1/2024	Q1/2025	Q1/2026	Q1/2027	Q1/2028
Baseline	7.2	7.5	7.5	7.3	7.0
Upside	7.2	7.2	6.6	5.9	5.1
Downside	7.2	7.9	8.5	8.9	9.3

Notes and bonds, € million	Stage 1 12 months	Stage 2 Lifetime	Stage 3 Lifetime	Total
Loss allowance 1 January 2024	1	1	1	2
Transfers from Stage 1 to Stage 2	0	1		1
Increases due to origination and acquisition	0	0	2	2
Decreases due to derecognition	0	0	-1	-1
Changes in risk parameters (net)	0	0		0
Net change in expected credit losses	0	1	1	2
Loss allowance 31 December 2024	1	1	2	4

Note 5. Net commissions and fees

€ million	Retail Banking		Corporate Banking		Insurance		Group Functions		Eliminations		OP Financial Group	
	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024
Commission income												
Lending	30	30	10	12			0	0	0	0	41	42
Deposits	6	6	1	1					0	0	6	6
Payment transfers	57	55	8	8			5	6	-3	-5	67	63
Securities brokerage	2	2	6	5			0		-2	-2	6	5
Securities issuance	0	0	1	2			0	0	0	0	2	2
Mutual funds*	49	50	0	0	11	9			0	0	60	59
Wealth management	15	14	5	4			0	0	-8	-7	11	11
Legal services	5	5	0	0							5	5
Guarantees	3	3	3	3			0	0	0		6	6
Housing agency	10	13							0	0	10	13
Sales commissions on insurance contracts	31	31			2	2			-19	-18	14	15
Life insurance investment contracts					8	7					8	7
Other	12	9	1	3			0	0	-9	-8	4	5
Total	**219**	**217**	**35**	**37**	**20**	**18**	**6**	**6**	**-41**	**-40**	**238**	**238**

* OP bonuses to owner-customers accrued from mutual funds are deducted from commission income from mutual funds.

€ million	Retail Banking		Corporate Banking		Insurance		Group Functions		Eliminations		OP Financial Group	
	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024	Q1/2025	Q1/2024
Commission expenses												
Lending	0	0	0	0							0	0
Payment transfers	-9	-9	-1	-2	-1	-1	-1	-1	3	4	-9	-8
Securities brokerage	0	-1	0	-1			0	0	0	0	-1	-1
Securities issuance		0	0	0				0		0	0	0
Mutual funds	-14	-15			0	0			0	0	-14	-15
Wealth management	-3	-2	-1	-1	0	0	0	0	2	2	-2	-2
Sales commissions on insurance contracts					-7	-6			6	6	-1	0
Derivatives			-10	-10					10	9	0	-1
Other	-3	-3	-1	0	0	0	-3	-4	2	3	-4	-5
Total	-29	-30	-14	-14	-8	-8	-5	-5	24	24	-32	-32
Total net commissions and fees	190	187	21	23	12	10	1	1	-18	-15	206	205

As of 1 January 2025, OP Asset Management Ltd, OP Fund Management Company Ltd and OP Real Estate Asset Management Ltd, including subsidiaries, are reported as part of the Retail Banking segment. Previously, these companies have been reported as part of the Corporate Banking segment. Comparative information is reported according to the new segment structure.

Note 6. Insurance service result

€ million	Q1/2025	Q1/2024
Non-life insurance		
Expected claims incurred and other directly allocated insurance service expenses	367	358
Changes in risk adjustment for non-financial risk	3	3
Contractual service margin for services provided in the period	48	58
Recognition as revenue of insurance acquisition cash flows	29	28
Other changes in insurance revenue	0	5
Non-life insurance revenue according to the General Measurement Model (GMM), total	447	453
Life insurance		
Expected claims incurred and other directly allocated insurance service expenses	36	35
Changes in risk adjustment for non-financial risk	3	3
Contractual service margin for services provided in the period	14	16
Recognition as revenue of insurance acquisition cash flows	2	3
Other changes in insurance revenue	9	7
Life insurance revenue according to the General Measurement Model (GMM), total	63	63
Expected claims incurred and other directly allocated insurance service expenses	4	4
Changes in risk adjustment for non-financial risk	1	1
Contractual service margin for services provided in the period	2	1
Recognition as revenue of insurance acquisition cash flows	0	0
Other changes in insurance revenue	0	0
Life insurance revenue according to the Variable Fee Approach (VFA), total	8	7
Total life insurance revenue	71	70
Total insurance revenue	518	523

€ million	Q1/2025	Q1/2024
Non-life insurance		
Actual claims incurred and other directly allocated insurance service expenses	-368	-402
Changes that relate to past service - changes arising from claims incurred in past periods	-3	-14
Insurance acquisition costs	-29	-28
Losses on onerous contracts and reversal of those losses	-26	-27
Non-life insurance service expenses according to the General Measurement Model (GMM), total	**-426**	**-471**
Life insurance		
Actual claims incurred and other directly allocated insurance service expenses	-44	-39
Changes that relate to past service - changes arising from claims incurred in past periods	0	0
Insurance acquisition costs	-2	-3
Losses on onerous contracts and reversal of those losses	-12	5
Life insurance service expenses according to the General Measurement Model (GMM), total	-57	-37
Actual claims incurred and other directly allocated insurance service expenses	-8	-8
Changes that relate to past service - changes arising from claims incurred in past periods	-1	0
Losses on onerous contracts and reversal of those losses	-3	4
Life insurance service expenses according to the Variable Fee Approach (VFA), total	-12	-5
Life insurance service expenses, total	**-69**	**-41**
Total insurance service expenses	-495	-512
Net income from non-life reinsurance contracts held	-18	-20
Net income from life reinsurance contracts held	-2	-2
Total net income from reinsurance contracts held	-21	-21
Insurance service result	2	-10

Note 7. Net insurance finance income (+)/expenses (–)

€ million	Q1/2025	Q1/2024
Non-life insurance		
Unwinding of discount on insurance contract liabilities	-13	-13
Effect of changes in insurance contracts' interest rates and financial assumptions	59	-3
Exchange rate differences of insurance contracts	2	0
Finance income and expenses related to direct non-life insurance contracts (GMM), total	47	-16
Finance income and expenses related to non-life reinsurance contracts	0	0
Life insurance		
Unwinding of discount on insurance contract liabilities	0	1
Insurance contract net financing items, risk mitigation	23	-2
Effect of changes in insurance contracts' interest rates and financial assumptions	23	-1
Finance income and expenses related to life direct insurance contracts (GMM), total	23	0
Insurance contract net financing items, risk mitigation	23	-2
Effect of changes in insurance contracts' interest rates and financial assumptions		0
Net financing items of changes in the fair value of the underlying assets of insurance contracts	136	-231
Finance income and expenses related to life direct insurance contracts (VFA), total	159	-234
Finance income and expenses related to life reinsurance contracts, total	1	0
Net insurance finance income (+)/expenses (–)	229	-250

Note 8. Net income from financial assets held for trading

Financial assets held for trading

€ million	Q1/2025	Q1/2024
Notes and bonds		
Interest income and expenses	13	3
Fair value gains and losses on notes and bonds	0	-1
Shares and participations		
Fair value gains and losses	10	7
Dividend income and share of profits	0	0
Derivatives		
Interest income and expenses	36	52
Fair value gains and losses	-6	-52
Total	53	8

Note 9. Net investment income

€ million	Q1/2025	Q1/2024
Net income from assets at fair value through other comprehensive income		
Notes and bonds		
Capital gains and losses	0	0
Other income and expenses	0	
Total	0	0

Net income from financial assets recognised at fair value through profit or loss

€ million	Q1/2025	Q1/2024
Financial assets held for trading, insurance business		
Derivatives		
Interest income and expenses	-4	-6
Fair value gains and losses	-53	2
Total	-57	-4
Financial assets designated as at fair value through profit or loss		
Notes and bonds		
Interest income	40	37
Fair value gains and losses	-47	-14
Shares and participations		
Fair value gains and losses	-70	132
Dividend income and share of profits	15	15
Total	-63	170
Income from assets covering unit-linked insurance and investment contracts		
Interest income	7	2
Fair value gains and losses	-335	576
Total	-328	578
Net income from financial assets designated as at fair value through profit or loss, total	-391	748
Total net income from financial assets recognised at fair value through profit or loss	-448	744

€ million	Q1/2025	Q1/2024
Net income from investment property		
Rental income	12	13
Fair value gains and losses	0	-1
Maintenance charges and expenses	-9	-10
Other	0	0
Total net income from investment property	4	2
Net income from loans and receivables recognised at amortised cost		
Interest income	1	2
Interest expenses	0	0
Impairment losses and their reversals	-1	1
Total net income from loans and receivables recognised at amortised cost	1	2
Associates and joint ventures		
Associates accounted for using the fair value method	-3	2
Associates consolidated using the equity method	0	2
Joint ventures	0	0
Total	-4	4
Financial liabilities designated as at fair value through profit or loss		
Premiums written from investment contracts	224	156
Claims paid under investment contracts	-111	-91
Change in investment contract liabilities	70	-424
Total net income from investment contract liabilities	184	-359
Total net investment income	-264	393

Note 10. Other operating expenses

€ million	Q1/2025	Q1/2024
ICT expenses		
Production	-70	-66
Development	-69	-57
Buildings	-13	-13
Charges of financial authorities	-1	-1
Audit fees	-2	-2
Service purchases	-40	-35
Expert services	-12	-11
Telecommunications	-10	-9
Marketing	-9	-9
Donations and sponsorships	-4	-3
Insurance and security costs	-7	-6
Expenses from short-term and low-value leases	-2	-1
Other	-39	-35
Other operating expenses, total	**-278**	**-248**

Development costs

€ million	Q1/2025	Q1/2024
ICT development expenses	-69	-57
Share of own work	-32	-26
Total development expenses in the income statement	**-101**	**-83**
Capitalised ICT costs	-11	-12
Transfer of capitalised costs/personnel costs	-2	-2
Total capitalised development costs	**-13**	**-14**
Total development costs	**-115**	**-97**
Depreciation/amortisation and impairment loss on development costs	-16	-19

Note 11. Classification of financial assets and liabilities

Financial assets 31 March 2025, € million	Amortised cost	Recognised at fair value through other comprehensive income	Recognised at fair value through profit or loss: Financial assets held for trading	Recognised at fair value through profit or loss: Financial assets designated as at fair value through profit or loss	Recognised at fair value through profit or loss: Must be measured at fair value through profit or loss	Hedging derivatives	Carrying amount total
Cash and deposits with central banks	18,194						18,194
Receivables from credit institutions	728						728
Receivables from customers	98,927						98,927
Derivative contracts			1,809			592	2,402
Assets covering unit-linked contracts				13,920			13,920
Notes and bonds	2,009	12,587	280	5,968			20,844
Shares and participations		1	265	2,717	1		2,984
Other financial assets	1,223			8			1,230
Total	**121,081**	**12,588**	**2,354**	**22,612**	**1**	**592**	**159,229**

At the end of the reporting period, OP Financial Group's balance sheet had bonds worth EUR 2,008 million (1,520), which were not measured at market value due to the measurement category. The market value of these bonds amounted to EUR 2,029 million (1,547) at the end of the reporting period.

Financial assets 31 December 2024, € million	Amortised cost	Recognised at fair value through other comprehensive income	Recognised at fair value through profit or loss: Financial assets held for trading	Recognised at fair value through profit or loss: Financial assets designated as at fair value through profit or loss	Recognised at fair value through profit or loss: Must be measured at fair value through profit or loss	Hedging derivatives	Carrying amount total
Cash and deposits with central banks	18,110						18,110
Receivables from credit institutions	808						808
Receivables from customers	98,629						98,629
Derivative contracts			1,816			681	2,497
Assets covering unit-linked contracts				14,172			14,172
Notes and bonds	1,521	12,176	206	6,090			19,994
Shares and participations		0	62	2,757	1		2,820
Other financial assets	1,268			8			1,276
Total	**120,337**	**12,176**	**2,085**	**23,027**	**1**	**681**	**158,306**

Financial liabilities 31 March 2025, € million	Recognised at fair value through profit or loss	At amortised cost	Hedging derivatives	Carrying amount total
Liabilities to credit institutions		66		66
Liabilities to customers		81,394		81,394
Derivative contracts	2,220		102	2,321
Investment contract liabilities	9,069			9,069
Debt securities issued to the public	1,838	30,635		32,473
Subordinated liabilities		1,972		1,972
Other financial liabilities	9	2,364		2,373
Total	**13,136**	**116,431**	**102**	**129,669**

Financial liabilities 31 December 2024, € million	Recognised at fair value through profit or loss	At amortised cost	Hedging derivatives	Carrying amount total
Liabilities to credit institutions		91		91
Liabilities to customers		80,455		80,455
Derivative contracts	2,223		102	2,324
Investment contract liabilities	9,140			9,140
Debt securities issued to the public	1,954	31,244		33,198
Subordinated liabilities		1,444		1,444
Other financial liabilities	2	2,263		2,265
Total	**13,320**	**115,498**	**102**	**128,919**

The fair value of OP Financial Group's senior and senior non-preferred bonds issued to the public and carried at amortised cost at the end of the reporting period was EUR 26,908 million (26,826) and their carrying amount was EUR 27,747 million (27,731). The fair value is based on information available from the market. All subordinated liabilities are measured at amortised cost. Their fair value was EUR 1,973 million (1,448) at the end of the reporting period. Amortised costs of debt securities issued to the public are itemised in Note 14, Debt securities issued to the public.

Note 12. Reinsurance contract assets

€ million	31 Mar 2025	31 Dec 2024
Non-life insurance		
Reinsurance contract assets for the remaining coverage period	-34	-55
Reinsurance contract liability for occurred losses	152	157
Total non-life reinsurance contract assets	**118**	**102**

Note 13. Insurance contract liabilities

€ million	31 Mar 2025	31 Dec 2024
Non-life insurance		
Liabilities for the remaining coverage period, GMM	427	239
Liability for occurred losses, GMM	2,251	2,337
Total non-life insurance contract liabilities	**2,679**	**2,576**
Life insurance		
Liabilities for the remaining coverage period, GMM	2,908	2,980
Liability for occurred losses, GMM	13	12
Liabilities for the remaining coverage period, VFA total	5,974	6,184
Liability for occurred losses (VFA), total	42	43
Total life insurance contract liabilities	**8,938**	**9,219**
Life insurance		
Reinsurance contract liabilities for the remaining coverage period		1
Total life reinsurance contract liabilities		**1**
Total insurance contract liabilities	**11,616**	**11,796**

Note 14. Debt securities issued to the public

€ million	31 Mar 2025	31 Dec 2024
Bonds	10,800	10,897
Subordinated bonds, SNP	3,581	3,566
Covered bonds	14,103	14,114
Certificates of deposit	271	170
Commercial papers	3,719	4,451
Total debt securities issued to the public	**32,473**	**33,198**

Note 15. Fair value reserve after tax

€ million	Notes and bonds	Cash flow hedges	Total
Opening balance 1 January 2024	-78	-212	-290
Fair value changes	17	-40	-23
Capital gains transferred to income statement	-1		-1
Transfers to net interest income		35	35
Deferred tax	-3	1	-2
Closing balance 31 March 2024	-66	-216	-282

€ million	Notes and bonds	Cash flow hedges	Total
Opening balance 1 January 2025	-109	-140	-249
Fair value changes	17	-7	10
Capital gains transferred to income statement	1		1
Transfers to net interest income		20	20
Deferred tax	-4	-3	-6
Closing balance 31 March 2025	-95	-130	-225

The fair value reserve before tax totalled EUR –281 million (–352) and the related deferred tax asset/liability EUR 56 million (70). The loss allowance on notes and bonds recognised at fair value through other comprehensive income totalled EUR 0 million (0) in the fair value reserve during the period.

Note 16. Collateral given and off-balance-sheet commitments

€ million	31 Mar 2025	31 Dec 2024
Given on behalf of own liabilities and commitments		
Pledges	147	151
Loans (as collateral for covered bonds)	16,350	16,333
Other	1,171	1,562
Total collateral given*	**17,668**	**18,046**
Secured derivative liabilities	509	729
Other secured liabilities	707	869
Covered bonds	14,103	14,114
Total	**15,318**	**15,712**

* In addition, bonds with a carrying amount of EUR 1.4 billion have been pledged in the central bank, EUR 1.0 billion of which are intraday settlement collateral. Given that the bonds are available for withdrawal without the central bank's advance permission, they are not presented in the table above.

Off-balance-sheet commitments

€ million	31 Mar 2025	31 Dec 2024
Guarantees	640	550
Guarantee liabilities	2,476	2,549
Loan commitments	13,882	13,219
Commitments related to short-term trade transactions	365	305
Underwritings	638	772
Other	519	521
Total off-balance-sheet commitments	**18,519**	**17,915**

Note 17. Recurring fair value measurements by valuation technique

Fair value of assets 31 March 2025, € million	Level 1	Level 2	Level 3	Total
Financial assets recognised at fair value through profit or loss				
Equity instruments	1,741	457	784	2,983
Debt instruments	5,566	611	78	6,256
Unit-linked contracts	8,861	5,059		13,920
Derivative contracts	0	2,294	107	2,402
Recognised at fair value through other comprehensive income				
Equity instruments	1			1
Debt instruments	11,517	591	478	12,587
Total financial instruments	**27,687**	**9,012**	**1,448**	**38,148**
Investment property			470	470
Total	**27,687**	**9,012**	**1,918**	**38,618**

Fair value of assets 31 December 2024, € million	Level 1	Level 2	Level 3	Total
Financial assets recognised at fair value through profit or loss				
Equity instruments	1,834	337	649	2,819
Debt instruments	5,680	557	68	6,304
Unit-linked contracts	9,013	5,159	0	14,172
Derivative contracts	3	2,397	96	2,497
Recognised at fair value through other comprehensive income				
Debt instruments	4,273	7,297	606	12,176
Total financial instruments	**20,803**	**15,747**	**1,419**	**37,969**
Investment property			500	500
Total	**20,803**	**15,747**	**1,919**	**38,470**

Fair value of liabilities 31 March 2025, € million	Level 1	Level 2	Level 3	Total
Financial liabilities recognised at fair value through profit or loss				
Investment contract liabilities		9,069		9,069
Structured notes			1,838	1,838
Other		9		9
Derivative contracts	1	2,290	68	2,360
Total	1	11,369	1,906	13,276

Fair value of liabilities 31 December 2024, € million	Level 1	Level 2	Level 3	Total
Financial liabilities recognised at fair value through profit or loss				
Investment contract liabilities	5,813	3,327		9,140
Structured notes			1,954	1,954
Other		2		2
Derivative contracts	0	2,250	74	2,324
Total	5,813	5,580	2,029	13,421

Fair value measurement

Derivatives and other financial instruments measured at fair value

The prices of listed derivatives are obtained directly from markets. Models and methods commonly used in markets and most suitable for valuing the specific financial instrument are used to value OTC derivatives. These are needed, for instance, to create yield curves, currency conversion charts and volatility surfaces, as well as for option valuation. The input data of these models can generally be derived from markets. However, for the fair value measurement of certain contracts, it is necessary to use models where the input data are not directly observable in the market and they must be estimated. Such contracts are included in Level 3.

Middle Office is responsible for the fair value measurement of banking derivatives, including Level 3 hierarchy, and the quality and reliability of market data, valuation curves and volatility surfaces used in them, as part of its daily fair value measurement process. Middle Office regularly compares, at contract level, valuation prices with valuations supplied by CSA counterparties and central counterparties and, whenever necessary, determines any significant valuation differences.

Risk Management Control is responsible for approval of new fair value measurement models and techniques and supervision of the fair value measurement process. Verifying fair values is based, for example, on valuation using alternative sources for market prices and other input data. In this verification process, valuation prices can be compared with prices supplied by CSA counterparties and central counterparties. In addition, it is possible to use valuation services provided by third parties.

The fair value measurement of OTC derivative contracts related to banking takes account of credit risk of the parties to the transaction and credit spreads exceeding the financing costs. Credit risk is adjusted with a Credit Valuation Adjustment (CVA) and with a Debt Valuation Adjustment (DVA). CVAs and DVAs are calculated for each counterparty. This is done by simulating the market values of derivatives and events of default, primarily based on data obtained from markets. In assessing probabilities of default, counterparty rating information, liquid credit risk indices and the CDS sector curves of market data providers are used. The effect of the financing costs of OTC derivatives on fair value measurement is assessed by adjusting discount curves used in the measurement with the statistical differences of credit spreads between credit risk instruments with and without capital.

Fair value hierarchy

Level 1: Quoted prices in active markets

Level 1 includes equities listed on major stock exchanges, quoted debt instruments issued by companies, governments and financial institutions as well as exchange-traded derivatives. The fair value of these instruments is determined based on quotes from active markets.

Level 2: Valuation techniques using observable inputs

Valuation techniques based on observable input parameters. The fair value of instruments included within Level 2 means value derived from the market price of a financial instrument's components or similar financial instruments; or value which can be determined using commonly used valuation models and techniques if the inputs significant to the fair value measurement are based on observable market data. This hierarchy level includes the majority of OP Corporate Bank's OTC derivatives and quoted debt instruments issued by companies, governments and financial institutions which have not been included in Level 1.

Level 3: Valuation techniques using unobservable inputs

Valuation techniques whose input parameters involve special uncertainty. The fair value determination of instruments included within this level contains inputs not based on observable market data (unobservable inputs). Level 3 also includes bonds for which there is little, if any, market activity on the valuation date. This level includes the most complex OTC derivatives and derivatives with a long maturity for which market data had to be extrapolated for value measurement, as well as certain private equity investments, and illiquid bonds, structured notes, including securitised bonds and structured debt securities, property investments and hedge funds.

Transfers between levels of the fair value hierarchy

Transfers between the levels of the fair value hierarchy are considered to take place on the date when an event causes such transfer or when circumstances change. Transfers between the levels are mainly due to the number of available market quotes.

Derivatives relevant to OP Financial Group’s business include interest rate swaps, interest rate options and structured debt securities. Interest rate swaps are measured by deriving valuation curves from the prices of interest rate swaps and other interest rate derivatives observed in the market. Valuation curves are used to forecast future cash flows and determine the net present value of cash flows also through interest rate swaps whose price is not directly observable in the market. The same method applies to the fair value measurement of interest rate options. Volatilities describing the price of interest rate options observed in the market are also used in comparison with interest rate swaps.

In the fair value measurement of complex derivatives or, for example, structured notes or equity structures, a model is used where the development of market prices is simulated and the actual value of the derivative is calculated in each simulation. The price of the derivate or structured note is derived by calculating the average of the simulations.

Level 2 input data include, for example: quoted prices of similar items in active markets, quoted prices of similar items in inactive markets, market interest rates, implied volatilities and credit spreads.

Level 3 input data are input data that are not observable for the item being valued from market prices at the time of valuation. Level 3 input data include, for example: use of historical volatility in the fair value measurement of an option, and long-term interest rates with no corresponding contracts observable in the market.

Real estate investments have no similar daily quoted prices or price sources as in liquid markets. The appraisal process of real estate is based on using external valuers (property value over 1 million euros) or the business's own appraisal methods.

The main sources for the appraisal of direct real estate investments are third-party valuation reports issued by authorised external valuers. The external valuer independently selects the method that best suits the appraisal of each property. The commonly used methods include the transactions value method, income capitalisation approach and replacement value method. The values of real estate funds are obtained from the underlying funds on the date determined by the rules of each underlying fund and according to the standard laid down by the rules. The valuations are mainly based on the combined values of the underlying funds' property units plus the underlying funds' net assets. The values of individual property units are mainly based on third-party valuation reports drawn up by authorised independent valuers.

Valuation techniques whose input parameters involve uncertainty (Level 3)

Breakdown of financial assets and liabilities

Financial assets, € million	Recognised at fair value through profit or loss	Derivative contracts	Recognised at fair value through other comprehensive income	Total assets
Opening balance 1 January 2025	717	96	606	1,419
Total gains/losses in profit or loss	3	11		14
Purchases	11			11
Sales	-47			-47
Repayments	-8			-8
Transfers to Level 3	194		4	198
Transfers from Level 3	-7		-131	-138
Closing balance 31 March 2025	863	107	478	1,448

Financial liabilities, € million	Recognised at fair value through profit or loss	Derivative contracts	Total liabilities
Opening balance 1 January 2025	1,954	74	2,029
Total gains/losses in profit or loss	36	-6	30
Issues	139	0	139
Redemptions and repurchases	-274	0	-274
Other changes	-17		-17
Closing balance 31 March 2025	1,838	68	1,906

Breakdown of net income by income statement item 31 March 2025

€ million	Net interest income	Net investment income	Statement of comprehensive income/ Change in fair value reserve	Net gains/losses on assets and liabilities held at period end
Total net income		-17	0	-17

Changes in the levels of hierarchy

No major changes occurred in valuation techniques in 2025.

Note 18. Derivative contracts

Total derivates 31 March 2025

€ million	31 Mar 2025 Notional values	31 Mar 2025 Fair values, assets	31 Mar 2025 Fair values, liabilities	31 Dec 2024 Notional values	31 Dec 2024 Fair values, assets	31 Dec 2024 Fair values, liabilities
Interest rate derivatives	229,472	1,824	1,811	229,628	1,764	1,661
Cleared by the central counterparty (STM)	152,484	109	106	151,177	33	27
Equity and index-linked derivatives	1,017	87	55	1,172	76	64
Cleared by the central counterparty (STM)						
Currency and gold derivatives	40,838	447	466	44,078	624	571
Cleared by the central counterparty (STM)						
Credit derivatives	140	11	1	280	10	2
Cleared by the central counterparty (STM)	40	0		182	0	0
Commodity derivatives	704	32	27	410	22	26
Cleared by the central counterparty (STM)						
Other derivatives				56		
Cleared by the central counterparty (STM)						
Total derivatives	272,173	2,402	2,360	275,623	2,497	2,324

Note 19. Investment distribution of the Insurance segment

Non-life insurance

	31 Mar 2025		31 Dec 2024	
Investment asset portfolio allocation	Fair value*, € million	%	Fair value*, € million	%
Total money market instruments	312	6.8	260	5.7
Money market investments and deposits**	301	6.5	241	5.3
Derivatives***	10	0.2	18	0.4
Total bonds and fixed income funds	2,944	63.8	2,835	62.0
Governments	452	9.8	476	10.4
Inflation-linked bonds				
Investment Grade	2,095	45.4	2,015	44.0
Emerging markets and High Yield	248	5.4	190	4.2
Structured investments****	149	3.2	154	3.4
Total equities	1,014	22.0	1,106	24.2
Finland	107	2.3	200	4.4
Developed markets	754	16.3	754	16.5
Emerging markets	67	1.4	68	1.5
Fixed assets and unquoted equities	7	0.2	7	0.2
Private equity investments	80	1.7	77	1.7
Total alternative investments	28	0.6	29	0.6
Hedge funds	28	0.6	29	0.6
Total real property investments	319	6.9	345	7.5
Direct property investments	128	2.8	149	3.3
Indirect property investments	191	4.1	196	4.3
Total	**4,618**	**100.0**	**4,575**	**100.0**

* Includes accrued interest income.

** Includes settlement receivables and liabilities and market value of derivatives.

*** Effect of derivatives on the allocation of the asset class (delta equivalent).

**** Includes covered bonds, bond funds and illiquid bonds.

Life insurance

Investment asset portfolio allocation	31 Mar 2025 Fair value*, € million	%	31 Dec 2024 Fair value*, € million	%
Total money market instruments	257	8.0	306	9.2
Money market investments and deposits**	249	7.7	302	9.0
Derivatives***	8	0.3	5	0.1
Total bonds and fixed income funds	2,144	66.5	2,137	64.1
Governments	313	9.7	348	10.4
Inflation-linked bonds				
Investment Grade	1,563	48.5	1,543	46.2
Emerging markets and High Yield	143	4.4	117	3.5
Structured investments****	125	3.9	129	3.9
Total equities	597	18.5	659	19.8
Finland	62	1.9	121	3.6
Developed markets	428	13.3	437	13.1
Emerging markets	31	1.0	32	1.0
Fixed assets and unquoted equities	3	0.1	3	0.1
Private equity investments	72	2.2	67	2.0
Total alternative investments	36	1.1	37	1.1
Hedge funds	36	1.1	37	1.1
Total real property investments	192	6.0	196	5.9
Direct property investments	13	0.4	13	0.4
Indirect property investments	179	5.5	183	5.5
Total	3,226	100.0	3,336	100.0

* Includes accrued interest income.

** Includes settlement receivables and liabilities and market value of derivatives.

*** Effect of derivatives on the allocation of the asset class (delta equivalent).

**** Includes covered bonds, bond funds and illiquid bonds.

Note 20. Related party transactions

OP Financial Group's related parties comprise subsidiaries consolidated into OP Financial Group, associates, key management personnel and their close family members, and other related-party entities. OP Financial Group's key management personnel comprises OP Financial Group's President and Group Chief Executive Officer, members of OP Cooperative's Executive Management Team and directors directly reporting to the President and Group Chief Executive Officer, and the Chair and members of the Board of Directors and members of the Supervisory Council of OP Cooperative. Related parties of the management also include companies over which a key management person or their close family member exercises control. Other entities regarded as related parties include the OP Ryhmän Henkilöstörahasto personnel fund and the OP-Eläkesäätiö pension foundation.

Standard loan terms and conditions are applied to loans granted to related parties. Loans are tied to generally used reference interest rates.

No substantial changes have taken place in related-party transactions since 31 December 2024.

Financial reporting

Schedule for 2025 Interim Reports and Half-year Financial Report:

Half-year Financial Report 1 January–30 June 2025	30 July 2025
Interim Report 1 January–30 September 2025	28 October 2025
OP Amalgamation Pillar 3 Disclosures 31 March 2025	Week 19
OP Amalgamation Pillar 3 Disclosures 30 June 2025	Week 33
OP Amalgamation Pillar 3 Disclosures 30 September 2025	Week 45

Helsinki, 7 May 2025

OP Cooperative

Board of Directors

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