

A circular illustration of a modern apartment building with a person on a scooter and a bicycle in the foreground. The building is multi-story with balconies and large windows. The person on the scooter is wearing a dark jacket and light pants, and is holding a camera. A bicycle is parked near the entrance of the building. The background shows a blue sky and greenery.

**POP BANK GROUP
BOARD OF DIRECTORS' REPORT
AND CONSOLIDATED IFRS
FINANCIAL STATEMENTS
31 DECEMBER 2025**

POP Bank

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This document is a translation of the original Finnish version "POP Pankki -ryhmä Toimintakertomus ja yhdistelty IFRS-tilinpäätös 31.12.2025".
In case of discrepancies, the Finnish version shall prevail.

CEO'S REVIEW

The POP Bank Group's business operations continued to develop favourably. Despite weaker-than-expected economic growth in Finland, the Group's loan portfolio increased by 2.5 per cent to almost EUR 4.9 billion, while deposits grew by 4.3 per cent to EUR 4.6 billion. The amalgamation's CET 1 capital ratio, 24.5 per cent, is among the strongest in the Finnish retail banking sector.

The POP Bank Group's profit before taxes amounted to EUR 65.6 million, which was EUR 24.2 million lower than in the peak year 2024. Following a rapid increase, market interest rates declined and stabilised at around 2 per cent, which led to an expected decrease in net interest income. The Group's net interest income declined by 11.7 per cent to EUR 165.9 million. We achieved growth in net commission income of 4.8 per cent, and investment operations also

performed well, generating EUR 5.2 million. Total operating expenses increased by 7.3 per cent. The most significant costs were related to the system development work required by the new payments regulation that entered into force in the autumn, as well as the system reform project that is currently in progress within the POP Bank Group.

The impact of global uncertainty on Finland remains mixed. Household purchasing power has returned to a growth path as a result of general wage settlements and easing inflation, but consumers continue to exercise caution in their purchasing decisions due to uncertain economic prospects. The effects of the government's labour market reforms will take time to materialise. While the service and construction sectors are still waiting for a recovery in demand, Finland's maritime and defence industries have succeeded in securing major commercial contracts.

Regional vitality depends on multiple factors, with competence- and production-based clusters playing a key role as drivers of regional development. There is also a need to further develop the operating conditions for agriculture and forestry. The POP Bank Group's role in supporting entrepreneurship and local well-being and prosperity continues to strengthen. Decision-making close to customers and our operating principles – *Focus on the future, Get it right the first time, Together we achieve more and Profitably responsible* – that were clarified in the spring describe the POP Bank Group's way of working to develop solutions that serve the banks' members and customers. Our renewed membership benefits programme supports this overall approach by rewarding the centralisation of services.

The POP Bank Group has been preparing for the introduction of its banking system reform in early 2026. In addition to the necessary customer work, the adoption of this extensive package, which includes the Group's core banking system, reporting to the authorities, data warehousing, and workstation and network solutions, has required major efforts by the entire personnel. Committed employees are at the heart of the POP Bank Group's success, as demonstrated by the Group's consistently high ranking in the banking and finance sector's nationwide EPSI Rating survey that measures customer satisfaction among private and corporate customers.

Forecasts for 2026 indicate signs of an anticipated acceleration in economic growth. At the same time, the pace of change in market conditions remains exceptionally rapid. For households and businesses alike, the challenge is to strike a balance between responsiveness and long-term planning. Our task is to provide financial expertise precisely at these points. I would like to thank our customers, partners and other stakeholders for their valuable cooperation and continued trust in the POP Bank Group.

Jaakko Pulli

CEO
POP Bank Centre coop



POP BANK GROUP'S BOARD OF DIRECTORS' REPORT 1 JANUARY - 31 DECEMBER 2025

POP BANK GROUP AND AMALGAMATION OF POP BANKS

POP Bank Group is a Finnish financial group that offers retail banking services for private customers as well as small and medium-sized companies. POP Banks are cooperative banks owned by their member customers. POP Bank Group's mission is to promote its customers' financial well-being, prosperity and local success.

Structure of the POP Bank Group

The POP Bank Group consists of POP Banks, POP Bank Centre coop and their controlled entities. POP Banks are member credit institutions of POP Bank Centre coop. POP Bank Centre coop and its member credit institutions are mutually liable for their debts and liabilities according to the Act on the Amalgamation of Deposit Banks. POP Banks, POP Bank Centre coop and their controlled service companies constitute the amalgamation of POP Banks.

POP Bank Centre coop is the central institution of the amalgamation of POP Banks and is responsible for steering and supervising POP Bank Group. POP Bank Centre coop has two subsidiaries, Bonum Bank Plc and POP Mortgage Bank Plc, which are also its member credit institutions.

Bonum Bank Plc serves as the central credit institution of the POP Banks and acquires external funding for the Group by issuing unsecured bonds.

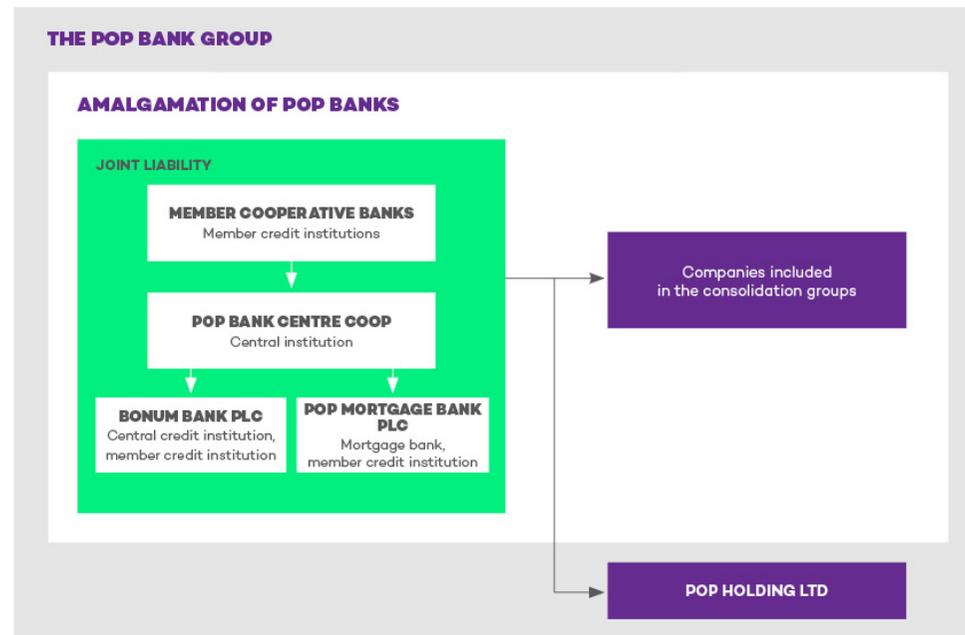
Bonum Bank Plc is also responsible for the POP Banks' card business and the Group's payment transactions and centralised services, in addition to granting credit to retail customers. POP Mortgage Bank Plc is responsible for the Group's mortgage-backed funding, which it acquires by issuing covered bonds.

POP Bank Group also includes POP Holding Ltd owned by POP Banks and POP Bank Centre coop. POP Holding Ltd owns 30 per cent from Finnish

P&C Insurance Ltd which belongs to LocalTapiola Group and uses the auxiliary business name of POP Insurance. POP Holding Ltd is not a member of the amalgamation of POP Banks and is not included in the scope of joint liability.

The following chart presents the structure of the POP Bank Group and the entities included in the amalgamation and scope of joint liability. There were no changes in the structure of the Group during the reporting period.

POP BANK GROUP STRUCTURE



OPERATING ENVIRONMENT

Global economic growth slowed in 2025 compared with the previous year. Regionally, growth was strongest in Asia, while growth in the euro area remained subdued. In the United States, however, economic growth decelerated year on year. Global growth continued to be weighed down by geopolitical tensions as the war in Ukraine continued, although tensions eased somewhat following the ceasefire reached in the conflict between Israel and Hamas.

Exports of goods to the United States picked up in the first half of the year as companies prepared for the introduction of tariffs. Towards the end of the year, growth in global trade slowed as a result of US trade policy, weakening the outlook for exports from the euro area and Finland to the United States. On the other hand, the trade agreement between the EU and the United States reduced trade policy uncertainty, and overall equity market performance in 2025 was positive. Rising global uncertainty also pushed the price of gold to record highs.

Economic growth in the euro area was slightly faster than in the previous year, but households remained largely cautious and saving levels remained elevated. The automotive industry, which is particularly important for the European economy, faced difficulties as households extended replacement cycles for cars, while lower-priced Chinese electric vehicles rapidly increased their market share. The outlook and order books for the defence

industry improved as NATO member states were required to increase investment in maintaining and developing their defence capabilities.

Economic growth in Finland remained weak in 2025. Although household purchasing power improved as a result of tax and wage agreements, consumers were exceptionally cautious in their spending decisions. Cost-cutting measures aimed at halting the growth of public sector debt were felt by many in everyday life, and households were concerned about the ongoing deterioration of public services. In addition, the rise in unemployment made households even more cautious. This was reflected in consumption behaviour and an increase in savings. Major purchases, such as homes or new cars, continued to be made less frequently than the long-term average.

Households were supported by low inflation and the continued decline in short-term interest rates at the beginning of the year. The European Central Bank cut its key interest rates four times in the first half of 2025, in steps of 0.25 percentage points. The decline in short-term Euribor rates ended in the summer at around 2 per cent. Towards the end of the year, the most common reference rate for mortgage loans, the 12-month Euribor, turned slightly upwards, ending the year at around 2.2 per cent. As in the previous year, mortgage loans were taken out at a moderate level, and the housing market was subdued. Prices of existing homes were generally on a downward trend, although increases in selling prices were observed in some areas.

The number of bankruptcies in Finland remained high in 2025, and unemployment continued to rise rapidly. The year was particularly challenging for sectors dependent on household consumption, such as restaurants, renovation services and specialised retail. The financial difficulties of the well-being services counties were reflected as a reduction in the purchase of care services from private providers. Challenges in the construction sector persisted, as sales of new homes remained weak and the number of new residential construction starts was at a low level.

Forestry benefited from strong domestic demand for timber, which was reflected in record-high stumpage earnings. Logging volumes remained high as industrial demand for timber increased and the availability of imported timber was limited. Producer prices in agriculture also rose, with both meat and milk prices increasing compared with the previous year. At the same time, prices of production inputs mostly declined, and the grain harvest was reasonably good.

KEY EVENTS

New membership benefits model

In April 2025, the POP Bank Group launched a new membership benefits model for private customers. It encourages customers to become members of their local cooperative-based POP Bank by offering different levels of centralisation benefits. The reform will streamline pricing at Group level, facilitate marketing and strengthen banks' regional competitiveness.

POP Bank Group's strategy

The POP Bank Group's updated strategy and renewed values were approved by the POP Bank Centre's Board of Directors in April. POP Bank's values are based on extensive groundwork, in which all employees across the Group had the opportunity to participate. POP Bank's values – *Focus on the future, Get it right the first time, Together we achieve more* and *Profitably responsible* – reflect the POP Bank Group's approach to identifying solutions that best serve the banks' members and customers.

The POP Bank Group's strategic priorities focus on value-based profitable growth and in investing in digital solutions to further develop both work processes and customer service. Employees' well-being is also monitored more systematically at Group level. The Group's strategy is updated regularly in response to changes in the operating environment.

POP Bank Group's sustainability goals

The POP Bank Group has defined sustainability goals from the perspectives of environmental responsibility, social responsibility and good governance to support the implementation of the sustainability programme. The sustainability goals guide the Group's sustainability work and support the achievement of the sustainability programme.

The objective of environmental responsibility is to promote the offering of sustainable products and services and to mitigate greenhouse gas emissions by setting emission reduction targets and implementing measures to reduce emissions. The objective of social responsibility is to support the success and financial literacy of customers and local communities, as well as the equality, competence and well-being of personnel. The objective of good governance is to operate ethically and in compliance with good corporate governance practice.

Further information on the sustainability goals and progress towards them is provided in the POP Bank Group's Sustainability Report.

Service development

In December, the POP Bank Group launched a new telephone service for corporate customers. The new service number provides personalised support for companies in their day-to-day banking matters. The aim of the service is to speed up entre-

preneurs' banking and improve access to expert advice.

The number of financial frauds has increased year on year. The POP Bank Group actively works to prevent and combat frauds through a range of measures. In the area of fraud prevention, POP Bank received the highest ratings from private and corporate customers in the 2025 EPSI Rating survey. In December, the POP Bank Group joined a new cooperation model between banks and telecommunications operators, which makes it possible to block fraud websites quickly regardless of the location of the website's server. The aim of the cooperation model is to significantly reduce phishing and other banking frauds and enhance customer security.

Use of AI in business operations

The POP Bank Group has established the foundation and defined management models for the use of AI in business operations. The POP Bank Centre's Board of Directors approved the Group's AI policy, which addresses ethical considerations, data protection, information security and advance risk assessment as part of normal IT and data development. Personnel competence has been strengthened through training.

The POP Bank Group's AI-related development projects focus on the automation of analytics and the development of customer service. Key projects include the analysis of customer service data, utilisation of customer communications and con-

tacts, enrichment of automated data and support of credit decision-making processes using artificial intelligence. In addition, AI agents are being developed for use by banks to support information retrieval, reporting and decision-making.

Payment reforms

Payments in the euro area accelerated significantly when the Instant Payments Regulation under the Single Euro Payments Area (SEPA) entered into force in October. The purpose of the regulation is to improve the efficiency of payments by speeding up payment processing and extending the availability of credit transfers to every day of the year, including weekends and public holidays.

In October, the POP Bank Group also introduced Verification of Payee, which is aimed at improving payment security and preventing payments from being sent to the wrong recipient. If the name of the account holder associated with the recipient's account number does not match the recipient details provided, the customer is notified of the discrepancy before the payment is approved.

System reform project

In addition to its banking system, the POP Bank Group's system reform project covers reporting to the authorities and data warehousing, as well as workstation and network solutions. Some of the new solutions are already in use. The Group

is aiming to introduce the new banking system during the first half of 2026. The project is now focusing on the quality assurance of the new banking system and statutory reporting solutions. The system reform project is temporarily generating overlapping costs for the Group, as preparations for implementing new systems are taking place alongside the operation of current systems.

Supervisor's assessment

During the first half of the year, the Financial Supervisory Authority completed its regularly conducted supervisory assessment, which resulted in a 1.5 per cent additional capital requirement for the amalgamation of POP Banks. The previous additional capital requirement was 1.25 per cent. The new requirement entered into force on 30 September 2025.

CREDIT RATINGS

In December 2025 S&P Global Ratings affirmed Bonum Bank Plc's and POP Mortgage Bank's credit ratings.

Bonum Bank's issuer credit rating is 'BBB' for long-term and 'A-2' for short-term with positive outlook. Bonum Bank's resolution counterparty rating (RCR) is 'BBB+/A-2'.

Credit rating for POP Mortgage Bank's loan program and the issued bonds is 'AAA' with a stable outlook.

POP BANK GROUP'S EARNINGS AND BALANCE SHEET

POP Bank Group's key figures and ratios

Key income figures (EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024	1 Jan - 31 Dec 2023*	1 Jan - 31 Dec 2022*	1 Jan - 31 Dec 2021
Net interest income	165,904	187,933	178,495	93,326	78,338
Net commissions and fees	46,761	44,630	44,016	42,098	36,326
Insurance income	-	-	-	-	13,192
Net investment income	5,228	4,009	-2,355	-602	10,028
Personnel expenses	-61,204	-54,599	-49,204	-43,571	-50,655
Other operating expenses	-74,513	-71,556	-63,703	-58,303	-55,464
Impairment losses on financial assets	-15,269	-22,429	-17,271	-7,738	-10,390
Profit before tax	65,637	89,828	89,326	26,155	44,670
Key balance sheet figures (EUR 1,000)	31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021
Loan portfolio	4,863,173	4,743,620	4,562,254	4,448,480	4,243,829
Deposit portfolio	4,559,386	4,370,412	4,321,022	4,331,041	4,222,364
Insurance contract liabilities	-	-	-	48,241	52,692
Equity capital	806,125	759,486	688,106	566,675	552,809
Balance sheet total	6,186,408	6,256,978	6,074,569	5,774,192	5,357,697
Key ratios	31 Dec 2025	31 Dec 2024	31 Dec 2023*	31 Dec 2022*	31 Dec 2021
Cost to income ratio	64.2%	54.5%	52.9%	76.1%	68.8%
Return on assets, ROA %	0.9%	1.2%	1.2%	0.4%	0.7%
Return on equity, ROE %	6.8%	10.0%	11.4%	3.7%	6.9%
Equity ratio, %	13.0%	12.1%	11.3%	9.8%	10.3%
Common equity Tier 1 capital ratio, (CET1) %	24.5%	21.8%	20.3%	19.4%	19.2%
Capital adequacy ratio, (TC) %	24.5%	21.8%	20.3%	19.4%	19.2%

*POP Bank Group's key figures and ratios for financial year 2022 and 2023 comprise only continuing operations.

POP Bank Group's earnings performance

POP Bank Group's profit before taxes was EUR 65.6 million, compared with EUR 89.8 million in the previous year. Group's profit after taxes was EUR 53.2 (72.6) million.

Total operating income of the Group decreased by EUR 21.4 million to EUR 219.4 million. Net interest income decreased by 11.7 per cent to EUR 165.9 (187.9) million. Interest income from receivables and interest investments totalled EUR 232.9 (271.4) million in the review period, and interest expenses amounted to EUR 69.9 (71.2) million. Hedging derivatives had an impact of EUR +2.9 (-12.3) million to net interest income. Net commission income and expenses increased by 4.8 per cent, amounting to EUR 46.8 (44.6) million.

Net investment income was EUR 5.2 (4.0) million. The net amount of valuation gains and losses recognised during the first half of the year was EUR 2.7 (2.0) million. Other operating income totalled EUR 1.5 (4.3) million. Other operating income includes the reimbursement of the old Deposit Guarantee Fund, which covers the deposit guarantee contribution of the Financial Stability Authority included in other operating expenses. Income decreased, since the amount of deposit guarantee contribution decreased significantly.

Total operating expenses increased 7.3 per cent to EUR 140.8 (131.2) million. Personnel expenses were EUR 61.2 (54.6) million, and other operat-

ing expenses were EUR 74.5 (71.6) million. Other operating expenses were increased by the system reform project, during which the Group will incur temporary overlapping costs in addition to project costs, e.g. licenses and systems of new and old solutions. Depreciation and amortisation were EUR 5.1 (5.0) million.

A total impairment loss of EUR 15.3 (22.4) million was recognised on financial assets. A management provision of EUR 1.0 million related to the change in classification of loan forbearances was recognised for the financial year. In the future, forborne loans will remain in ECL stage 2 for 24 months instead of the previous 12 months. The amount of expected credit losses decreased by EUR 2.3 million compared to an increase of EUR 4.2 million in the comparison period. Credit losses totalled EUR 17.6 (18.2) million. Most of the realised credit losses had already been provisioned for earlier with an allowance for expected credit losses. Impairment loss on loans and receivables was 0.31 (0.46) per cent of the loan portfolio.

POP Bank Group's balance sheet

POP Bank Group's balance sheet totalled EUR 6,186.4 million at the end of the review period (EUR 6,257.0 million at the beginning of the review period). Group's loan portfolio increased under the review period by 2.5 per cent to EUR 4,863.2 (4,743.6) million. Deposits grew by 4.3 per cent to EUR 4,559.4 (4,370.4) million.

The balance sheet value of bonds in issue was EUR 666.5 (940.8) million at the end of the financial year of which covered bonds were EUR 502.6 (756.1) million. The Group's investment assets totalled 733.5 (750.0) million. Investment assets include investments in securities and real estate in banking operations. Securities are mainly fixed income investments.

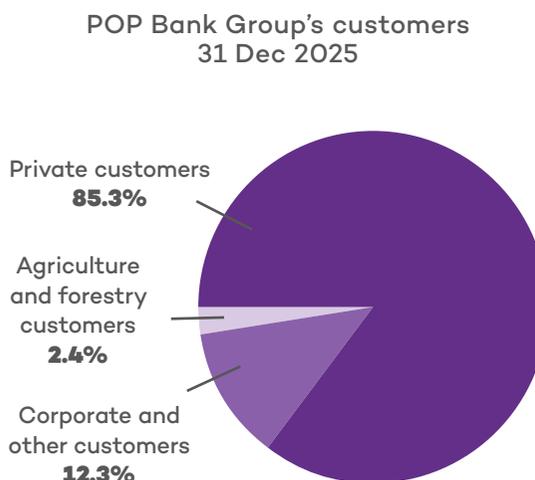
POP Bank Group's equity totalled EUR 806.1 (759.5) million at the end of the review period. The cooperative capital amounted to EUR 68.7 (69.2) million at the end of the review period. Cooperative capital consists of the POP Banks' cooperative contributions of EUR 11.5 (10.8) million and POP Shares of EUR 57.2 (58.4) million. POP Shares are investments in the cooperative bank's equity in accordance with the Co-operatives Act. The POP Banks have paid EUR 2.4 (2.7) million in interest on cooperative capital for the year 2024.

BUSINESS DEVELOPMENT

At the end of the financial year, the POP Bank Group had 248.5 thousand banking customers (253.8 thousand at the beginning of the financial year). Customer orientation is at the core of POP Bank's values, and customer satisfaction is an important indicator of business development. In EPSI Rating's Banking and Finance survey, POP Bank had the most satisfied corporate customers and second most satisfied private customers with a small margin to the first. In the area of fraud prevention, POP Bank received the highest ratings from private and corporate customers. POP Bank also performed well in a sustainability index survey measuring banks' responsibility image.

At the end of the financial year, the POP Banks had 70 branches and service points, including two branches focusing on digital services. At the end of November, branches of Suomen Osuuspankki in Oulu and Oulunsalo merged. In addition to branches and service points, customers have access to mobile and online banking services and online appointments.

The POP Bank Group's customer groups are shown in the diagram.



Between January and December, the Group's loan portfolio rose to EUR 4,863.2 (4,743.6) million with an increase of 2.5 per cent on the end of 2024. The demand for consumer credit has been steady. Corporate lending developed well as a whole. Loans granted to private customers increased by 1.7 per cent year-on-year, while loans to corporate customers and customers in agriculture and forestry grew by 3.7 per cent. The average margin on the entire loan portfolio remained at the previous year's level.

The mortgage loan portfolio increased by 2.2 per cent to EUR 2,500.6 (2,446.0) million at the end of December. Demand for new housing loans was steady throughout the year. New mortgage loan sales amounted to EUR 266.3 (266.0) million. The majority of the mortgage loan portfolio is tied to the 12-month Euribor. The relative share of interest rate hedges on loans granted during 2025 decreased year-on-year. POP Bank Group's reference rate, POP Prime, fell from 3.0 per cent to 2.5 per cent as market interest rates decreased.

Deposits grew by 4.3 per cent to EUR 4,559.4 (4,370.4) million. Demand for fixed term deposits has continued to increase and the share of fixed term deposits increased to 23.1 (22.2) per cent during the financial year. The Group's gross investment sales in funds and savings insurance increased from EUR 57 million of comparison year to EUR 62 million.

POP Banks are owned by their member customers and therefore seek to offer member benefits that reflect the level of customer commitment. At the beginning of April, POP Banks renewed their membership benefits by introducing a new membership benefits model for private custom-

ers. By becoming a member customer, customers receive discounts on basic banking services, and by centralising their banking with POP Bank, they may be eligible for services provided entirely free of charge. POP Banks also provide basic banking services free of charge to member customers under the age of 30.

The Instant Payments Regulation under the Single Euro Payments Area (SEPA) entered into force in October. The purpose of speeding up SEPA instant credit transfers is to improve the efficiency of payments. The reform will allow funds to be transferred between payment service providers operating in the SEPA area within 10 seconds, including weekends and public holidays. As part of the reform, the name of the payment recipient and the name of the account holder associated with the account number are verified, and the customer will be informed of any discrepancies before the payment is approved. The objective is to enhance payment security and prevent payments from being sent to the wrong recipient.

At the beginning of December, a new centralised telephone service for corporate customers was launched, providing fast, personalised service for companies in their day-to-day banking matters. The centralised service will streamline customer contacts and reduce queuing in both corporate and private customer services.

Intangible assets as part of business operations

In its business operations, POP Bank Group utilises intangible assets, which are mainly licenses and information systems. In addition to intangible assets, the intangible resources relevant to POP Bank Group's business operations consist of the POP Pankki (POP Bank) brand, business model and good reputation, as well as skilled and professional personnel. These, combined with strategic partnerships, lay the foundation for successful business operations and are a key part of POP Bank Group's long-term growth strategy.

POP BANK GROUP'S RISK AND CAPITAL ADEQUACY MANAGEMENT AND RISK POSITION

Principles and organization of risk management

POP Bank Group's strategy outlines the Group's risk appetite. Business activities are carried out at a moderate risk level so that the risks can be managed in full. The purpose of the risk management is to ensure that all significant risks are identified, assessed, measured and monitored, and that they are proportionate to the risk-bearing capacity of the amalgamation and the individual member credit institution.

As the central institution, POP Bank Centre coop supervises the sufficiency and functioning of the risk management systems at the level of the member credit institutions and the amalgamation and is liable for the Group's risk and capital adequacy management in accordance with section 17 of the Amalgamation Act. The central institution issues binding instructions concerning risk and capital adequacy management, corporate governance and internal control to the member credit institutions to secure their solvency and capital adequacy. Furthermore, common business risk limits have been established for the member institutions to ensure that the risks taken by an individual member institution are within acceptable limits according to accepted risk appetite.

The central institution supervises that the member credit institutions comply with laws, decrees, instructions and regulations issued by the authorities, their own rules and the internal binding instructions of the amalgamation in its activities. The independent functions within the central institution are formed as the risk control function monitoring the risk position, the compliance function supervising the compliance within the regulations and internal audit.

The purpose of capital adequacy management is to ensure the sufficient amount, quality and efficient use of the capital of the amalgamation of POP Banks. Capital is held to cover the material risks arising from the amalgamation's business strategy and plan and to secure the uninterrupted operation of the amalgamation in case of unexpected losses. The goal is pursued through a documented and systematic capital adequacy management process which is integrally linked to the amalgamation's and member credit institutions' strategy process and business planning and management.

Risk and capital adequacy management is described in more detail in Note 4 to the financial statements. POP Bank Group will deliver the amalgamation's Pillar III information according to EU capital adequacy act to the European Banking Authority (EBA) which will publish the information in a centralised information portal (Pillar 3 data hub). A link to the service will be published in POP Bank Group web page.

Risk position

Credit risk

Impaired exposures of loans and receivables from customers (ECL stage 3) increased to EUR 192.3 (162.1) million as all non-performing receivables were classified to ECL 3 stage during the reporting period. Expected credit losses in ECL stage 3 totalled EUR 46.1 (45.5) million and thus coverage ratio was 23.7 (28.1) per cent of ECL stage 3 exposures. Non-performing receivables remained at same level of EUR 199,5 (208.3) million, which is 4.0 (4.3) per cent of the receivables.

The amount of expected credit losses (ECL) for loans, receivables and investment portfolios was at EUR 56.5 (58.7) million. Realised credit losses incurred during the financial year were EUR 17.6 (18.2) million. Prolonged weak economic operating environment had an impact on the amount of credit losses. A management provision of EUR 1.0 million related to the change in classification of loan forbearances was recognised for the financial year. In the future, forborne loans will remain in ECL stage 2 for 24 months instead of the previous 12 months.

The amalgamation's loan portfolio grew by 2.5 per cent amounting EUR 4,863.2 (4 743.6) million at the end of the accounting period. Industry and customer risks of the amalgamation are diversified. Loans granted to private customers accounted for 62.2 (62.7) per cent, to companies

25.3 (24.9) per cent and to agricultural entrepreneurs 12.5 (12.4) per cent of the loan portfolio. Majority of the lending is associated with low-risk lending to private customers with real estate collaterals. Portion of the loans secured by residential real estate was 61.8 (62.3) per cent of the loan portfolio.

Credit risk management is based on a continuous monitoring of past-due payments, forbearances and non-performing loans as well as the quality of the loan portfolio. Monitoring expected credit losses (ECL) is an essential part of the credit risk management processes. Foreseen problems are to be assessed as early as possible. Key figures of ECL are presented more thoroughly in Note 4 and Note 16.

Liquidity risk

POP Bank Group's liquidity position remained strong during the financial period. Liquidity Coverage ratio (LCR) as the key regulatory indicator for liquidity buffer was 241.9 (315.1) per cent on 31 December 2025, with the requirement being 100 per cent. At the end of the financial year, the amalgamation's LCR-eligible assets before haircuts totalled EUR 771.4 (955.0) million, of which 49.9 (59.5) per cent were cash and balance at the central bank and 48.0 (37.8) per cent were highly liquid Level 1 securities. In addition, outside the amalgamation's LCR portfolio unencumbered securities, available for central bank funding operations totalled to EUR 149.9 (154.1)

million. Mortgage banking enables a broader potential investor base and has thus a substantial impact to the liquidity risk management.

The requirement for stable funding, NSFR, measures the maturity mismatch of assets and liabilities on the balance sheet and is responsible for ensuring that ongoing funding is sufficient to meet funding needs over a one-year period, thus preventing over-reliance on short-term wholesale funding. The amalgamation's NSFR ratio was 136.5 (136.9) per cent while minimum regulatory requirement is 100 per cent.

POP Bank Group's funding position remained also strong during the financial year. The proportion of deposits of the credit portfolio remained high and total deposits increased by 4.3 per cent during the reporting period. At the end of the financial year, the nominal value of issued securities totalled EUR 664.0 (935.0) million.

POP Bank Centre coop, the central institution of POP Banks' amalgamation, applies a permission granted by the Finnish Financial Supervisory Authority to decide that the requirements laid down in the sixth part of the European Union's Capital Requirements Regulation (EU 575/2013) and EU's statutory orders set in the Regulation are not applied to its member credit institutions. According to the permission, the regulatory requirements for liquidity risk (LCR and NSFR) shall only be met at the amalgamation level.

Market risk

Market risks from banking arise from the banking book of member credit institutions, consisting of lending and deposits, wholesale market funding and investment and liquidity portfolios. Management of banking book interest exposure was continued during reporting period by increasing hedging level gradually. The banking book exposure is monitored and limited via both the net present value and income risk models. The impact of a +/- two percentage points change in interest rates for the following 12 months' net interest income stood at EUR +18.4 (+17.0) / -22.9 (-21.2) million. The member credit institutions do not have any trading activities.

The main focus of investing activities is on investments that secure the liquidity position and meet the criteria of the LCR regulation. Market risks arising from investing activities are limited through asset allocation and by diversification into different asset classes and counterparties. Risk limits are in place for different counterparties and asset classes. No currency risk is taken in lending activities. The use of derivatives is limited to hedging the interest rate risk in the banking book.

Operational risks

Operational risks are primarily managed with risk management processes, instructions, tools and risk area-specific mitigating actions (controls and measures) to correct the identified deficien-

cies and errors and to lower the risk level. The most significant operational risk management process in the POP Bank Group, the self-assessment of operational risks must be carried out regularly (risk identification, assessment, determination and implementation of mitigating actions), registration and reporting of realised risk events and near-miss situations, risk appetite statements and metrics for operational risks, and a new product/service approval process. In order to ensure a uniform process and to document risk assessment and monitoring of mitigating actions in POP Bank Group's operational risk management, several risk management tools are used, which also enable systematic and regular monitoring of operational risks.

Efforts have been made to further strengthen the operating model for risk management in money laundering and other financial crime, for example by increasing quality control related to the topic. The central cooperative's binding guidelines on preventing money laundering and other financial crime and compliance with sanctions are updated regularly due to changes in regulations, for example, and investments are also made in providing information on the topic and developing competence at the level of the association. Particular attention has been paid to system development and ensuring that the banking and monitoring systems used support the fulfilment of regulatory and risk management requirements related to the prevention of money laundering and other financial crime and compliance with sanctions as comprehensively as possible.

The compliance function monitors the amalgamations outsourcings, maintains a register of outsourced operations and functions and participates in evaluating the risks involved in outsourcing operations in cooperation with risk control function.

Recovery and resolution plan

In accordance with the bank resolution act for own funds and eligible liabilities, the Financial Stability Authority has set the minimum requirement of own funds and eligible liabilities (MREL-requirement) for the amalgamation of POP Banks. The MREL requirement is 20.34 per cent of total risk-weighted assets (TREA) or 7.75 per cent of the leverage ratio exposures (LRE).

In addition, a MREL-requirement of 16.0 per cent of total risk-weighted assets (TREA) or 6.0 per cent of the leverage ratio exposures (LRE) has been set for POP Mortgage Bank Plc.

The MREL requirement has been covered with own funds and unsecured senior bonds.

Capital adequacy management

At the end of 2025, the capital adequacy of the amalgamation of POP Banks remained at a solid level. The amalgamation's capital adequacy ratio and CET1 capital ratio were both 24.5 (21.8) per cent. The amalgamation does not include the profit for the financial year in own funds. The amalgamation's own funds of EUR 728.6 (668.3)

million are comprised of cooperative contributions, POP Shares, retained earnings and other non-restricted reserves. Issuance of POP Shares is the member credit institutions' primary means for raising capital. The amount of POP Shares outstanding at the end of the financial year was EUR 57.2 (58.4) million.

The amalgamation's own funds requirement is comprised of the following:

- Capital Requirements Regulation minimum of 8.0%
- Additional Pillar 2 capital requirement of 1.5% imposed by Finnish Financial Supervisory Authority
- Systemic risk buffer requirement of 1.0% imposed by Finnish Financial Supervisory Authority
- Credit Institutions Act capital conservation buffer requirement of 2.5%
- Country-specific capital requirements for foreign exposures.

In addition, Finnish Financial Supervisory Authority has imposed a Pillar 2 Guidance of 1.0 per cent for the amalgamation of POP Banks. Pillar 2 Guidance is valid until further notice as of 31 March 2026 and it will replace current Pillar 2 Guidance of 1.25 per cent.

All capital requirements are fully covered with CET1 Capital.

Member credit institutions of the amalgamation have been exempted from the own funds requirements for intragroup items and large exposures limits for exposures between the central credit institution and the member credit institutions based on a permission granted by the FIN-FSA. Similarly, member credit institutions have received exemption from FIN-FSA regarding amalgamation's internal items in leverage ratio reporting.

The leverage ratio of the amalgamation was 11.6 (10.5) per cent in relation to minimum requirement of 3.0 per cent.

Renewed Capital Requirements Regulation EU 575/2013/876 (CRR3), valid from 1 January 2025, had a positive impact on the capital position of the amalgamation.

SUMMARY OF CAPITAL ADEQUACY

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Own funds		
Common Equity Tier 1 capital before deductions	743,055	678,917
Deductions from Common Equity Tier 1 capital	-14,426	-10,601
Total Common Equity Tier 1 capital (CET1)	728,629	668,315
Additional Tier 1 capital before deductions	-	-
Deductions from Additional Tier 1 capital	-	-
Additional Tier 1 capital (AT1)	-	-
Tier 1 capital (T1 = CET1 + AT1)	728,629	668,315
Tier 2 capital before deductions	-	-
Deductions from Tier 2 capital	-	-
Total Tier 2 capital (T2)	-	-
Total capital (TC = T1 + T2)	728,629	668,315
Total risk weighted assets	2,968,417	3,071,786
of which credit risk	2,634,981	2,643,538
of which credit valuation adjustment risk (CVA)	5,291	18,202
of which market risk (foreign exchange risk)	22,855	22,784
of which operational risk	305,290	387,262

(EUR 1,000)	31 Dec 2025	31 Dec 2024
CET1 Capital ratio (CET1-%)	24.5%	21.8%
T1 Capital ratio (T1-%)	24.5%	21.8%
Total capital ratio (TC-%)	24.5%	21.8%
Capital Requirement		
Total capital	728,629	668,315
Capital requirement *	387,533	393,391
Capital buffer	341,096	274,924
Leverage ratio		
Tier 1 capital (T1)	728,629	668,315
Leverage ratio exposure	6,307,385	6,351,193
Leverage ratio, %	11.6%	10.5%

*The capital requirement is comprised of the statutory minimum requirement (8.0%), the additional Pillar 2 requirement (1.5%) and the systemic risk buffer (1.0%) imposed by FIN-FSA, the capital conservation buffer (2.5%) of the Credit Institutions Act and country-specific countercyclical capital requirement for foreign exposures.

DEPOSITOR AND INVESTOR PROTECTION

Provisions on deposit insurance are laid down in the Act on the Financial Stability Authority. According to the act the Financial Stability Authority is responsible for offering deposit protection. Its financial stability fund consists of a crisis resolution fund and deposit guarantee fund. The deposit guarantee fund covers the eligible deposits of a depositor in a single deposit bank up to a maximum of EUR 100,000. During the financial year, payments to the Deposit Guarantee Fund were made using funds from the VTS Fund (Old Deposit Guarantee Fund).

The deposit banks that are members of the amalgamation of deposit banks are considered to be a single deposit bank in terms of deposit guarantee. Therefore, the deposit guarantee concerning a depositor's deposits in all member credit institutions of the amalgamation of POP Banks (POP Banks and Bonum Bank Plc) totals EUR 100,000.

Furthermore, in accordance with the legislation on the investors' compensation fund, the member credit institutions of the amalgamation of POP Banks are considered to be a single bank in terms of investor protection. A maximum amount of EUR 20,000 is compensated from the compensation fund.

ADMINISTRATION OF POP BANK CENTRE COOP

The 18 member cooperative banks (POP Banks), Bonum Bank Plc and POP Mortgage Bank Plc are members of POP Bank Centre coop. The member cooperative banks exercise their statutory voting rights in the cooperative meeting of POP Bank Centre coop, which elects the Supervisory Board. In accordance with the rules, Bonum Bank Plc and POP Mortgage Bank Plc have no voting rights in the cooperative meetings as a subsidiary of the POP Bank Centre coop.

In accordance with the rules, the Supervisory Board of POP Bank Centre coop consists of a minimum of three (3) and a maximum of thirty-four (34) members elected by the general meeting of the cooperative so that one (1) member shall be elected from each member credit institution; however, not from a subsidiary of the central institution that acts as a member credit institution.

In 2025, the Supervisory Board consisted of the total of 18 members so that one (1) member represented each member credit institution, with the exception of Bonum Bank and POP Mortgage Bank. Only the Chairman of the Board of Directors or the Supervisory Board of a member credit institution can be elected as the Chairman or Vice Chairman of the Supervisory Board. The Chairman of the Supervisory Board was Harri Takala (Chairman of the Board of Pohjanmaan

Osuuspankki) and the Vice Chairman of the Supervisory Board was Ari Voutilainen (Chairman of the Board of Järvi-Suomen Osuuspankki).

The Board of Directors of POP Bank Centre coop consists of a minimum of five (5) and a maximum of eight (8) members elected by the Supervisory Board. At least half of the Board members must be elected from persons employed by a member credit institution. The term of office of the Board members is three (3) years from the conclusion of the meeting that decided on the election of the Supervisory Board until the conclusion of the next Supervisory Board meeting that decides on the election. Of these members, annually the number closest to one-third resign based on the term of office. The Board of Directors elects the Chairman and Vice Chairman from among its members.

During year 2025, the Board of Directors met in total 23 times and the Supervisory Board five times.

The following persons acted as members of the Board of Directors of POP Bank Centre coop:

Timo Kalliomäki

Managing Director, Suomen Osuuspankki
Member of the Board, Chairman

Mikko Seppänen

Managing Director, Lammin Osuuspankki
Member of the Board, Vice Chairman

Jatta Heikkilä

Managing Director, Konneveden Osuuspankki
Member of the Board

Ilkka Lähteenmäki

Research Fellow, Aalto University, Oulu University,
Hanken School of Economics
Member of the Board

Marja Pajulahti

Managing Director, Live Foundation
Member of the Board

Matti Vainionpää

Master of Laws
Member of the Board

The CEO of POP Bank Centre coop is **Jaakko Pulli** and CEO's deputy is **Arvi Helenius**.

The auditor of POP Bank Centre coop is KPMG Oy Ab, an accounting firm, with **Henrik Snellman**, APA, as the auditor-in-charge.

Remuneration

Remuneration scheme refers to the decisions, contracts, policies and procedures followed in rewarding the management and personnel.

Remuneration is divided into fixed and variable remuneration. Fixed remuneration refers to salaries tied to a specific period of time and variable remuneration refers to remuneration tied to the beneficiary's performance or financial factors. The

variable remuneration includes both short- and long-term remuneration. In short-term remuneration, the earning period is the calendar year and the reward is paid in cash. In long-term remuneration, the earning period is 3-5 years.

In the POP Bank Group, variable remuneration is company-specific. POP Bank Group does not have a uniform remuneration scheme. Remuneration schemes are based on the business strategy, objectives and values of each member credit institution or company, and they are aligned with the company's long-term interests. The remuneration schemes are in harmony with the bank's proper and effective risk management and risk-bearing capacity. Remuneration does not encourage risk-taking that would exceed the risk level defined on the basis of the risk-bearing capacity of the member credit institutions or the company or otherwise sustainable risk level.

The member credit institution- and company-specific remuneration schemes are based on EU legislation, national legislation and the regulations and guidelines issued by the Financial Supervisory Authority.

EVENTS AFTER THE CLOSING DATE

POP Bank Centre coop's Board of Directors is not aware of events having taken place after the closing date that would have a material impact on the information presented in the financial statements of the POP Bank Group.

OUTLOOK FOR 2026

Finland's economy has long been expected to return to growth, but despite positive signals, the turnaround has been delayed. Despite a recovery in exports, economic development continues to be constrained by low levels of domestic consumption and investment. Uncertainty related to the value of household assets has supported saving and increased deposits to record levels. No significant change is expected until the housing market normalises and economic growth picks up. Geopolitical instability complicates the outlook for global markets, which is also reflected in the uncertainty surrounding Finland's economic outlook.

Markets expect a cautious increase in interest rates, which would support the POP Bank Group's earnings performance. The Group's result for the 2026 financial year is expected to be at the same level as, or slightly lower than, in the 2025 financial year. Earnings performance is subject to uncertainty arising from changes in market interest rates and investment markets, as well as developments in credit losses.

All the forecasts and estimates presented in the financial statements are based on the management's current view on economic development, and the actual results may be significantly different because of the many factors affecting the operating environment.

FORMULAS FOR KEY FIGURES

Alternative Performance Measures (APMs) are key figures other than those specified in the accounting standards or other regulation and are used to describe the company's financial position and development. The key figures presented by the POP Bank Group are based on IFRS Financial Statement Reporting standards, except for the operating expenses ratio and the combined expense ratio for insurance operations. The calculation formulas for the key figures included in the annual report are described below.

Total operating income

Net interest income, net commissions and fees, net investment income, other operating income

Total operating expenses

Personnel expenses, other operating expenses, depreciation, amortisation and impairment of property, plant and equipment and intangible assets

Non-performing exposure

Non-performing exposure consists of receivables over 90 days in arrears as well as other receivables with uncertainty in payments caused by customer's financial difficulties. Non-performing exposure includes also impaired receivables that have not been over 90 days in arrears.

$$\text{Cost-income ratio, \%} = \frac{\text{Total operating expenses}}{\text{Total operating income}} \times 100$$

$$\text{Return on equity (ROE), \%} = \frac{\text{Profit for the financial year}}{\text{Equity capital and non-controlling interest (average of the beginning and end of period)}} \times 100$$

$$\text{Return on assets (ROA), \%} = \frac{\text{Profit for the financial year}}{\text{Balance sheet total (average of the beginning and the end of the period)}} \times 100$$

$$\text{Equity ratio, \%} = \frac{\text{Equity capital and non-controlling interest}}{\text{Balance sheet total}} \times 100$$

$$\text{Common Equity Tier 1 capital ratio (CET1), \%} = \frac{\text{Common Equity Tier 1 capital (CET1)}}{\text{Risk weighted assets}} \times 100$$

$$\text{Tier 1 capital ratio (T1), \%} = \frac{\text{Tier 1 capital (T1)}}{\text{Risk weighted assets}} \times 100$$

$$\text{Capital adequacy ratio (TC), \%} = \frac{\text{Total capital (TC)}}{\text{Risk weighted assets}} \times 100$$

$$\text{Leverage ratio, \%} = \frac{\text{Tier 1 capital (T1)}}{\text{Leverage ratio exposure}} \times 100$$

$$\text{Liquidity coverage ratio (LCR), \%} = \frac{\text{Liquid assets}}{\text{Liquidity outflows - liquidity inflows under stressed conditions}} \times 100$$

$$\text{Net stable funding ratio (NSFR), \%} = \frac{\text{Stable funding}}{\text{Required amount of stable funding}} \times 100$$

POP BANK GROUP'S SUSTAINABILITY REPORT 2025

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1 ESRS 2 GENERAL DISCLOSURES

1.1 Basis for preparation

General basis for preparation of the Sustainability Report (BP-1)

The POP Bank Group is a Finnish financial group that offers retail banking services for private customers and small and medium-sized enterprises. The POP Bank Group consists of 18 cooperative POP Banks owned by their member customers, the POP Bank Centre coop, which is the central institution of the amalgamation of POP Banks, central credit institution Bonum Bank Plc, mortgage bank POP Mortgage Bank Plc, POP Holding Ltd and the companies belonging to their consolidation groups. POP Bank Group's Sustainability Report has been prepared in accordance with the Accounting Act (1336/1997), the European Sustainability Reporting Standards (ESRS (EU) 2023/2772) and the EU Delegated Regulation on Taxonomy Reporting (EU/2021/2178). The report has been prepared at the POP Bank Group level, unless otherwise indicated in the data reported. In accordance with the application provisions of the Accounting Act, Bonum Bank Plc and POP Mortgage Bank Plc do not prepare separate sustainability reports, as the sustainability information of these companies is included in the Group-level Sustainability Report.

The POP Bank Group's Sustainability Report takes into account not only its own operations, but also its value chain. The Sustainability Report covers

the entire value chain, which is further explained in section *SBM-1 Strategy, business model and value chain of ESRS2 General Disclosures*.

In the Sustainability Report the option has not been used to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation, or matters currently under negotiation or otherwise incomplete.

Disclosures in relation to specific circumstances (BP-2)

The POP Bank Group's Sustainability Report provides information on specific circumstances together with the information to which this refers to. This information may include deviations from the time horizons specified in ESRS 1, any estimates of the value chain used in the metrics, the sources used in the estimations and the uncertainty of the result, or information based on other legislation or generally accepted sustainability reporting provisions.

Changes have been made to the sustainability targets compared with the previous reporting period. The metric for the personnel-related target has been revised and the Net Promoter Score (NPS) monitored through the employee survey has been updated to align with the revised strategy. The updated target NPS for the employee survey is at least 20. In addition, the target related to a more comprehensive biodiversity assessment has

been removed, as biodiversity did not emerge as a material topic in the 2025 update of the double materiality assessment.

As a result of ongoing development of greenhouse gas emissions calculation methodologies, inaccuracies were identified in the 2024 calculations. The findings concerned the emissions calculations for listed equities and corporate bonds. The figures for the comparison period have been restated to correspond to the results produced using the 2025 calculation methodology. The total impact of the refinement of calculation methodologies was -2,962 metric tonnes of CO₂eq. The restated figures are presented in more detail in section E1-6.

All information in accordance with the ESRS standards has been included in the sustainability report, and no information has been incorporated by reference.

Transitional provisions have been used for the following datapoints or disclosure requirements:

- ESRS2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model, datapoint 48e
- E1 E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
- S1 S1-7 Characteristics of non-employee workers in the undertaking's own workforce

- S1 S1-13 – Training and skills development metrics
- S1 S1-14 Health and safety metrics, datapoints 88d and 88e and datapoints for non-employees

The metrics presented in the Sustainability Report have not been validated by an external body other than the provider of assurance services.

1.2 Governance

The role of the administrative, management and supervisory bodies (GOV-1)

The Board of Directors of POP Bank Centre coop manages POP Bank Centre coop in accordance with the business principles it has defined. The Board's duties in relation to business conduct include:

- to be responsible for the appropriate and reliable organisation of the POP Bank Centre coop's administration and operations;
- to ensure the appropriate organisation of the control of the POP Bank Centre coop's accounting and asset management;
- to approve the POP Bank Group's strategy;
- to ensure that the strategy, principles and goals of the POP Bank Centre coop are monitored reliably;
- to decide on the POP Bank Centre coop's organisational structure and on the powers conferred upon the CEO, the members of the Executive Board and other employees;

- to elect and dismiss the members of the Executive Board and the director responsible for audit activities, and determine their salary and other benefits;
- to decide on the main lines of the salary development and remuneration policy of the POP Bank Centre coop's employees and the remuneration schemes to be implemented at the POP Bank Centre coop, and to monitor and evaluate the effectiveness and impact of the remuneration schemes and compliance with them;
- to decide and approve the general internal guidelines governing the POP Bank Centre coop's functions and supervise compliance with them;
- to regularly assess the effectiveness of the POP Bank Centre coop's corporate governance systems and take the necessary measures to remedy any shortcomings;
- to decide on changing the POP Prime rate;
- to decide on convening a cooperative meeting;
- to decide on the persons entitled to sign for a company;
- to represent the POP Bank Centre coop and sign for it;
- to process audit reports, risk assessments, reports and observations on the activities of the POP Bank Centre coop and monitor the implementation of the measures required by them;
- to prepare and make proposals on matters to be decided by the Supervisory Board and cooperative meeting;

- to supervise compliance with legislation, the instructions and orders issued by the authorities and the POP Bank Centre coop's bylaws, as well as the implementation of the instructions and objectives issued by the POP Bank Centre coop's bodies and the implementation and observance of decisions.

At the end of 2025, the Board of Directors of POP Bank Centre coop consisted of six members elected by the Supervisory Board. Half of the members of the Board of Directors have an employment relationship or service contract with a member credit institution of the POP Bank Group. No member of the Board of Directors is an executive member of the POP Bank Centre coop. In terms of its duties, the Board has sufficient and diverse expertise and experience in the bank's business operations and the related risks. The diversity of the Board is considered to be a key factor that has a positive impact on the bank's efficiency, competitiveness and risk management and promotes highly competent Board work. At the end of 2025, there were two women and four men on the Board. Thus, the proportion of women on the Board was 33% and the proportion of men was 67%. The Board also evaluates the independence of its members and, at the end of 2025, 50% of the members of the Board were independent.

The Executive Board of the POP Bank Centre coop shall mean the CEO and the employees directly subordinate to the CEO who, in addition

to the CEO, effectively manage the operations of the POP Bank Centre coop. The role of the Executive Board is to assist the CEO.

At the end of 2025, the POP Bank Centre coop's Executive Board consisted of six members appointed by the POP Bank Centre coop's Board of Directors. All members of the Executive Board participate in the executive management of the POP Bank Centre. The Executive Board does not have any representation of employees in an employment relationship or other workers. In terms of its duties, the Executive Board must have sufficient and diverse expertise and experience in the bank's business operations and the related risks. At the end of 2025, there was one woman and five men on the Executive Board.

In the POP Bank Group, the POP Bank Centre coop's Board of Directors and the Executive Board are responsible for identifying, monitoring and supervising the identification of the impacts, risks and opportunities of sustainability factors.

The Board of Directors of the POP Bank Centre coop approves the POP Bank Group's sustainability goals. Progress and achievement of the goals are reported to the Board of Directors.

During 2025, the Board has discussed and approved the impacts, risks and opportunities identified in the updated double materiality assessment. The Board of Directors of the POP Bank Centre coop shall discuss and, if necessary, update the identified impacts, risks and opportu-

nities at least annually and, if necessary, whenever there are material changes in the operating environment that may have an impact on the material impacts, risks and opportunities.

The CEO, together with the Executive Board, reports to the Board on material sustainability-related impacts, risks and opportunities and changes that have taken place in them. The Executive Board has a responsible person who regularly informs the Executive Board and the Board of Directors about the sustainability-related material impacts, risks and opportunities and the identified needs for change. An ESG Steering Group has been established as a preparatory body subject to the Executive Board. The ESG Steering Group makes proposals for decisions related to sustainability to the Executive Board, where necessary.

The same control procedures are used to manage the impacts, risks and opportunities as those used in the POP Bank Group's other operations. Supervision is implemented as part of internal controls and controls carried out by risk management, compliance and internal audit.

The Board of Directors of POP Bank Centre coop sets targets relating to material impacts, risks and opportunities and discusses their achievement at least annually. The Executive Board monitors the achievement of the targets set at least annually and reports on them to the Board of Directors.

The Board has appointed a responsible person from among its members, who is responsible for ensuring that the Board receives sufficient background knowledge of sustainability matters and that the Board has appropriate competence and expertise on sustainability. In addition, the Board's up-to-date knowledge and skills on sustainability matters is supplemented with regular reports regarding the progress of sustainability issues provided to the Board by the Chief Legal Officer and Sustainability Specialist of POP Bank Centre coop. The Chief Legal Officer together with the Sustainability Specialist ensure that the Executive Board and the ESG Steering Group that is subordinate to the Executive Board have adequate background knowledge of sustainability matters and that they have appropriate knowledge and expertise on sustainability. Material impacts, risks and opportunities have been identified from the perspective of the POP Bank Group and its value chain. The administrative, management and supervisory bodies have and have at their disposal experts with excellent knowledge and experience of the sector. Being appointed to a credit institution's administrative, management and supervisory bodies is subject to regulatory requirements relating to qualifications. These requirements, together with our own internal selection process, ensure that those selected for the roles have sufficient expertise in matters related to business conduct.

Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies (GOV-2)

The management system approved by the Board of Directors of POP Bank Centre coop defines who is responsible for and how often the administrative, management and supervisory bodies receive information on material impacts, risks and opportunities and on the implementation of the due diligence process.

The Board of Directors of POP Bank Centre coop receives information on material impacts, risks and opportunities through the Executive Board in the context of a regular annual review of impacts, risks and opportunities, as well as on a case-by-case basis when there are changes in the operating environment that may have an impact on material impacts, risks and opportunities and as part of regular business reporting, for example, as part of the introduction of new products and services, changes to existing processes and the selection of partners.

The Board of Directors receives information on the implementation of the due diligence process on a regular basis, and at least annually, through the Executive Board as part of the material impacts, risks and opportunities process. The Board of Directors is also informed of any shortcomings in compliance with or the adequacy of the measures to manage impacts, risks and opportunities, based on an assessment by the Executive Board in the context of the ongoing

monitoring process. Based on the shortcomings, measures to remedy the situation are developed, the effectiveness and efficiency of the due diligence process is assessed and measures are developed to prevent a recurrence. If, despite the management measures, a material actual adverse impact materialises, the matter is immediately brought to the attention of the Board of Directors of POP Bank Centre coop. The Board of Directors of the POP Bank Centre coop decides on the appropriate remedies for the materialised actual impact on a case-by-case basis.

The Executive Board discusses similar information as the Board on material impacts, risks and opportunities and the implementation of the due diligence process and the related actions. The Board of Directors and the Executive Board of POP Bank Centre coop discuss the current status and results of the sustainability targets. The Executive Board receives information through the ESG Steering Group and directly from the Chief Legal Officer and the Sustainability Specialist.

Impacts, risks and opportunities are taken into account in internal processes when launching new products and services and selecting new partners. The related findings are taken into account in the decision-making of the administrative, management and supervisory bodies. In addition, existing products, services and partnerships are continuously monitored as part of normal business operations. Any shortcomings identified in these are reported to the administrative, management and supervisory bodies as part of the risk manage-

ment process. The impacts, risks and opportunities identified in the double materiality assessment have not yet been taken into account by the administrative, management and supervisory bodies in their oversight of the strategy.

During the 2025 financial year, the Board meetings and the Executive Board meetings have discussed the following sustainability topics:

- Update of the double materiality assessment
- Sustainability goals
- Monitoring of sustainability regulation
- Stakeholder and employee surveys
- Policies related to sustainability and their updates
- ESG risk assessment

Integration of sustainability-related performance in incentive schemes (GOV-3)

In the POP Bank group, each entity decides on its own remuneration. All Group entities follow the POP Bank Group's common remuneration principles. The principles state that the remuneration scheme must be consistent with the amalgamation's and member credit institution's business objectives and risk strategy, and with goals related to environmental, social and governance risks, and with its corporate culture and values, and risk culture and with the amalgamation's and member credit institution's long-term interests, and in tune with measures taken to avoid conflicts of interest.

There is no consistent policy within the POP Bank Group on whether sustainability-related performance and incentive schemes are offered to members of the administrative, management and supervisory bodies, or whether and how climate-related considerations are factored into the remuneration of members of the administrative, management and supervisory bodies. Members of POP Bank Centre's administrative, management and supervisory bodies do not have incentive schemes linked to sustainability matters.

Statement on due diligence (GOV-4)

Core elements of due diligence	Paragraphs in the sustainability report
Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-1 ESRS 2 GOV-2
Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 SBM-2 ESRS 2 IRO-1 G1-1
Identifying and assessing adverse impacts	ESRS 2 IRO-1 ESRS 2 SBM-3
Taking actions to address those adverse impacts	ESRS 2 GOV-2 S1-3 S4-3 G1-1 G1-3
Tracking the effectiveness of these efforts and communicating	ESRS 2 GOV-1 ESRS 2 GOV-2 E1-4 S1-5 S4-5 G1-3 Targets related to governance (G1)

Risk management and internal controls over sustainability reporting (GOV-5)

POP Bank Group's sustainability reporting is implemented in such a way that the principles and processes comply with the requirements of statutory reporting, risk management and internal control. There is no separate process or system of risk management and internal control for sustainability reporting in the POP Bank Group.

Sustainability reporting involves a broad range of qualitative and quantitative data that is collected from different levels of the organisation, from internal operations and the value chain. Given the complexity of data sources, the most material risks regarding sustainability reporting relate to the correctness of the data, which more specifically includes the accuracy of the data, the availability of the data and up-to-dateness of the data.

The POP Bank Group has addressed the risk related to the correctness of data by defining roles for the internal functions that participate in reporting. The main internal functions of POP Bank Centre coop that participate in reporting are Finance, HR, Risk Control, Business and Compliance. The characteristics of the data produced for sustainability reporting differ according to the reporting requirements, which means that the different functions have different data collection processes. Data collection models and controls that are suitable for each function have been defined for each sub-area to ensure the correctness of the data reported. Responsibility for the accuracy of

the content of the information and responsibility for meeting reporting deadlines and submitting reports for reporting rests with the internal functions defined in the division of responsibilities.

The risk assessment models, prioritisation methodologies and processes of sustainability reporting are currently in the developmental stage from the perspective of monitoring and control.

A Sustainability Specialist has been appointed to coordinate the preparation of the POP Bank Group's Sustainability Report, with the task of monitoring and guiding the reporting process. Roles and responsibilities for the sub-areas of sustainability reporting have been specified in the POP Bank Group. The requirements and findings of sustainability reporting are discussed in the ESG Steering Group which consists mainly of Executive Board. The most significant topic areas in terms of reporting are submitted to the POP Bank Centre coop's Executive Board and Board of Directors for decision-making.

There is also active discussion with the authorised sustainability auditor on the information to be reported. The aim of this approach is to identify the material factors affecting the accuracy of the report up front and to continuously improve the reporting process. Overall, the sustainability reporting process has been designed to make it possible for an independent party to verify the origin of the data and the calculation methods afterwards. A significant part of ensuring the verifiability of data is that the measures and calcu-

lation methodology used to collect the data are adequately documented and described.

1.3 Strategy

Strategy, business model and value chain (SBM-1)

Strategy and sustainability themes

At the core of the POP Bank Group's business and strategy are its customers and local focus. Sustainability is linked to the Group's mission, which is to promote the financial well-being and success of its customers. The POP Bank Group's strategy was updated in 2025. In line with the updated strategy, the Group aims, from the perspective of sustainability matters, to create customer value through responsible business and to increase employee satisfaction and develop competence. In addition, the Group's sustainability programme has been identified as a key programme of measures for the strategy.

The POP Bank Group offers its products and services to private and corporate customers in Finland. The POP Bank Group's main products and services include loans, investment products, accounts, cards, insurance, payment services and online services such as online and mobile banking. There have been no changes in significant groups of products or services offered, in significant markets or in customer groups served during the reporting period.

At the end of 2025, the POP Bank Group had 888 employees in an employment relationship who all worked in Finland.

The POP Bank Group has set sustainability targets for the period 2025–2027. The targets have been set from three different perspectives; environmental responsibility, social responsibility and good governance. The targets have been set taking into account the product and service groups and the different stakeholders and their expectations. The POP Bank Group's sustainability-related targets cover the Group's most significant customer groups, which are private and corporate customers. The sustainability targets also take into account the products and services offered by the Group, such as the Vihreä laina green loan product, sustainable investment products and the POP Taloushetki financial advice service.

The sustainability targets were modified during 2025 following the renewal of the strategy and the update of the double materiality assessment. The Group's NPS score, monitored with the job satisfaction survey, has been amended to correspond to the strategic target and the target concerning a more comprehensive biodiversity assessment was removed as biodiversity was not identified as a material topic in the 2025 update of the double materiality assessment.

Top-level target

Environmental responsibility goals

We will promote the selection of sustainable products and services

We contribute to our climate impact by offering our customers sustainable loan and investment products and by developing our product selection.

Target

1. We are increasing the share of green lending of total loans granted
2. We will add sustainable investments to the product portfolio

Metric

We will grant green loans amounting to at least EUR 10 million in 2025 and EUR 15 million in 2026.
New sustainable funds will be added to the product range for customers by the end of 2027.

We will mitigate greenhouse gas (GHG) emissions

We identify GHG reduction measures to be implemented in our operations and value chain and set targets for the timeline of these measures and reduction of emissions.

1. We set emission reduction targets and measures to reduce emissions

Emission targets have been set and a plan of measures developed for 2025.

Social responsibility goals

We support the success and financial competence of our customers and local communities

We promote the financial well-being and prosperity of our customers and ensure a high level of customer satisfaction. We educate our customers on themes related to finance and secure banking. We actively cooperate with local communities and support local vitality.

1. We increase our corporate customers' understanding of sustainability themes through customer encounters and by training employees
2. We support our customers' financial well-being and skills

A sustainability guide for corporate customers will be produced by the end of 2026.
Employees have been trained and sustainability themes have been discussed in meetings with corporate customers.
The aim is to make training and discussions part of our approaches by 2027.

We offer personal financial advice to our customers through the POP Taloushetki service. We aim to achieve a minimum NPS score of 75 in the NPS survey on the Taloushetki service.

In terms of customer satisfaction, we aim for a minimum NPS score of 33 for private customers and 31 for business customers. *

NPS figures are monitored annually.

* NPS figures based on the EPSI Rating study

We promote employee well-being

We develop employee well-being and provide opportunities to maintain and develop professional skills. We do not discriminate and we treat our employees equally.

1. We promote the equality, skills and well-being at work of our employees

We aim for a minimum NPS score of 20 in the Group's job satisfaction survey.

NPS figures are monitored annually.

Good governance goals

We operate in accordance with good governance

We operate in accordance with regulations and our Code of Conduct. We have zero tolerance for corruption and bribery. We know our customers and prevent money laundering.

1. We operate in accordance with good governance and our Code of Conduct.

At least 95% of our employees have completed courses on good governance and the Code of Conduct.

Training completion percentage rates are monitored annually.

Business model and value chain

As a financial institution, the POP Bank Group plays a societal role in promoting financial well-being and supporting local communities. The Group promotes economic growth and financial well-being by providing day-to-day banking services, savings and investment services and lending to households and businesses. POP Banks support regional development by financing local projects and supporting local communities.

The POP Bank Group's Sustainability Report covers the upstream value chain, the Group's own operations and the downstream value chain. In the POP Bank Group's upstream value chain, the focus is on funding and suppliers and partners. Funding consists mainly of deposits, bonds and other financing and investor relation management. Adequate financial capital is a prerequisite for the Group's business operations. POP Bank Group's key suppliers include suppliers of information systems, of statutory and risk reporting, and of financial management functions. The Group also acts as an agent for several product companies in fund brokerage and insurance. Other external stakeholders include, for example, public authorities, as well as interest groups.

In the value chain, the key functions in terms of the Group's own operations are governance and management, business operations, own workforce, risk management and control, compliance, and financial management. Governance and management lay the foundations for good governance,

long-term, efficient and systematic operations and supervision of operations. The purpose of the business is to create value for customers. For example, value creation takes place as part of the day-to-day customer service provided by banks, in understanding customer needs, in product development and in the management of service channels and systems. Product development is carried out internally within the Group and in collaboration with a network of partners. A defined product management process ensures that the Group's product development is of high quality and in line with targets and values. Key factors regarding the own workforce are the maintenance and development of skills, well-being at work and ensuring adequate human resources. In the bank's operations, risk management and compliance are emphasised. The functions include, for example, the management of capital adequacy, credit risks and operational risks, internal control, information security and data protection, and prevention of money laundering. Financial management includes, for example, financial data management and financial reporting.

In the POP Bank Group's downstream value chain are private, corporate and member customers, who are offered daily banking services, lending, saving and investment services from a comprehensive range of products and services through both digital and physical service channels. For customers, a key part of the value chain is the Group's loan portfolio. The POP Bank Group's loan portfolio consists mainly of loans secured by residential and real estate collaterals, consumer credits and corporate loans. The downstream value chain also includes

the Group's strategy-driven local influence, which is reflected as supporting the vitality, well-being and financial skills of customers and local communities. This takes the form of partnerships with educational institutes, sponsorships and donations, as well as a physical presence in the form of branches and service points. In addition, the POP Bank Group's investments are part of the Group's downstream value chain.

Interests and views of stakeholders (SBM-2)

POP Bank Group's key stakeholders are its customers, employees, service providers and partners, investors, the authorities, credit rating agencies, local communities and interest groups. The POP Bank Group engages with all its key stakeholders. Engagement occurs in different ways and through different channels, as illustrated by the examples in the table below. The purpose of the engagement is to identify the impacts, risks and opportunities of the POP Bank Group's operations and the needs and wishes of stakeholders. The results of the stakeholder engagement are taken into account in the development of the POP Bank Group's operations, and the aim is to respond to stakeholders' views and requirements and to manage risks and opportunities. Stakeholder views are used, for example, in developing customer experience, in product development, in developing the Group's workplace communities and in drafting the sustainability programme and targets. Examples of the results of stakeholder are described in more detail in section S4-2 of *S4 Consumers and end-users* and section S1-2 of *S1 Own workforce*.

Stakeholder	Stakeholder engagement
Customers	Customer feedback and contact forms Digital customer communication channels and meetings at the branches Customer satisfaction surveys Cooperative meetings and the Supervisory Board
Employees	Employee survey Cooperation with employee representatives Whistleblowing channel Internal communications Training courses Occupational health and safety
Service providers and partners	Meetings Product development
Authorities	Meetings Surveys and reporting
Local communities (educational institutions, students, local residents and associations)	Events and visits Meetings Cooperation projects
Investors	Meetings Stock exchange releases
Credit rating agencies	Meetings
Interest group	Working groups

Employees were extensively involved in the update of the POP Bank Group’s strategy published in 2025. The strategy includes employee satisfaction, which is measured through an annual survey. In addition, staff skills have been made a strategic priority. In addition to employee surveys, employees’ views are surveyed, for example in dialogue with employees in accordance with the Co-operation Act. Employees are also offered the opportunity to report suspected violations and concerns through a dedicated whistleblowing channel.

The POP Bank Group’s customers are at the core of its strategy and business model, and the Group observes banking secrecy, the confidentiality of customer information and the secrecy obligation regarding contracts in all its operations. The views of consumers and end-users are gathered, for example through customer feedback, customer satisfaction surveys.

The POP Bank Group’s double materiality assessments have created an understanding of the interests and views of stakeholders using surveys and interviews, as described in more detail in sec-

tion *IRO-1 of ESRS 2 General Disclosures*. Social themes such as local influence, personal service, employee well-being and equality and customers’ data protection were highlighted in the double materiality assessment. Stakeholders also had expectations in terms of environmental responsibility, such as the supply of sustainable products and its development and climate change mitigation. In terms of good governance, issues such as financial stability, transparency in business operations, and the prevention of the grey economy and money laundering were highlighted in stakeholders’ views.

Based on the double materiality assessment and stakeholders’ views, the POP Bank Group set sustainability goals and metrics for the 2025–2027 period during 2024. More detail on the actions to be taken in line with the goals can be found in section *SBM-1 of ESRS2 General Information*. Achieving the goals may improve stakeholders’ views of the POP Bank Group’s operations and sustainability. For example, the goals may improve customer and employee engagement. On the other hand, measures and resources are required to achieve the goals and this may lead to increased costs, which may also have an impact on stakeholders.

The views and interests of the affected stakeholders are communicated to the POP Bank Centre coop’s administrative, management and supervisory bodies, for example by reporting on the results of sustainability-related stakeholder surveys and materiality assessments.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

The results of the POP Bank Group’s double materiality analysis are presented at the level of material sustainability topics in the table below.

Topic	Sub-topic
E - Environmental	
E1 Climate Change	Climate change mitigation
	Energy
S – Social responsibility	
S1 Own workforce	Working conditions
	Equal treatment and equal opportunities for all
S4 Consumers and end-users	Information-related impacts for consumers and/or end-users
	Personal safety of consumers and/or end-users
G - Governance	
G1 Business conduct	Corporate culture
	Protection of whistleblowers
	Corruption and bribery
Entity-specific disclosures	
-	Local influence
-	Financial stability

The material impacts, risks and opportunities are described in separate tables at the beginning of each topical standard, which include a description of where the material impacts, risks and opportunities are focused on the Group's business model, its own operations and upstream and downstream value chain. The material impacts presented in the tables also include an explanation of their actual or potential impacts on people and the environment and whether the impact is positive or negative, and the reasonably expected time horizon for these impacts. The material impacts, risks and opportunities are largely concentrated in the POP Bank Group's own operations and, through business and customer relationships, also in the downstream value chain. Impacts for climate change in particular arise in the downstream value chain due to the POP Bank Group's customer financing, i.e. the Group's loan portfolio. The Group's operating area means that the value chain is concentrated in Finland. The impacts, risks and opportunities associated with partners and the POP Bank Group's funding also extend to the upstream value chain.

Stakeholder expectations and the sustainability matters identified in the double materiality assessment have anticipated and current impacts on the Group's business model and decision-making. For many of the material impacts, risks and opportunities, the POP Bank Group has existing practices, policies and approaches, which are described in more detail in the topical standards. The Group's sustainability goals have also been defined based on the material sustainabil-

ity topics. The POP Bank Group's strategy, which was updated in 2025, considers sustainability matters at a general level, and the sustainability programme was identified as a key programme of measures for the strategy, but no changes were made to the strategy at the level of material impacts, risks and opportunities. The review of guidelines, actions and goals will be continued and efforts will be made to further develop sustainability-related data and understanding.

The impacts of material sustainability issues on people and the environment largely arise from the POP Bank Group's business model and strategy, particularly in social responsibility and governance. The impacts related to climate change are, for the most part, indirectly linked to the group's strategy and business model, as impacts on the environment and people arise, for example, through the Group's financing.

Impacts are focused on the Group's own operations and on customer relationships, i.e. in the downstream value chain. Impacts related to climate change mainly arise through customer financing. The impacts on social responsibility issues, regarding customers and employees, arise mainly through the Group's own operations. The POP Bank Group also has a number of partners and suppliers, for example regarding information systems, products and services, so the impacts on people and the environment are generated through these business relationships, i.e. in the upstream value chain.

During 2025, the POP Bank Group's material risks and opportunities have not had financial effects on its financial position, financial performance or cash flows. The POP Bank Group has also not identified any material risks or opportunities that present a significant risk that a material adjustment to the carrying amounts of assets and liabilities disclosed in the financial statements will be required in the next financial year.

The resilience of the POP Bank Group's strategy and business model regarding its capacity to address its material impacts and risks and to take advantage of its material opportunities is currently assessed as being generally good. Resilience has been assessed by means of an Executive Board questionnaire, which assessed resilience on a scale of 1 to 5 for each of the material sustainability matters and their impacts, risks and opportunities. The assessment has also taken into account the time horizons defined for these sustainability matters in question. For all material sustainability matters, the average resilience score was at least level 4 (good).

The POP Bank Group has identified material topics outside the ESRS disclosure requirements that are reported on an entity-specific basis. These material topics concern local influence (Paragraph 3.3) and financial stability (Paragraph 4.2), and their material impacts, risks and opportunities.

1.4 Management of sustainability impacts, risks and opportunities

Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)

The impacts, risks and opportunities related to the sustainability of the POP Bank Group have been identified as part of the double materiality assessment. The aim of the assessment is to identify the Group's actual and potential impacts on the environment and people, as well as sustainability-related risks and opportunities that have or may have financial effects for the Group. The first double materiality assessment was carried out between 2023 and 2024, and the assessment was updated in 2025.

In addition to the double materiality assessment, the POP Bank Group identifies and assesses sustainability-related impacts, risks and opportunities as part of business processes, such as the product management procedure, as part of loan approval, and in the selection of partners and suppliers.

The POP Bank Group's double materiality assessment was carried out for the first time between 2023 and 2024, and it was based on a stakeholder questionnaire carried out in 2022 and in-depth stakeholder reviews carried out in 2023. The stakeholder questionnaire's respondents and interviewees were the POP Bank Group's customers, employees, members of the administration and management and partners. In addition to stake-

holder engagement, the POP Group's other internal materials and external sources, such as the European Central Bank's material, were also used for the double materiality assessment.

Based on stakeholders' views, internal materials and an initial questionnaire conducted on the management, material sustainability themes and their impacts, risks and opportunities were defined. Some of the identified sustainability themes were identified as non-material in the initial questionnaire on the management and these themes were no longer included separately in the materiality scoring. Based on the questionnaire, the sustainability matter concerning resource use and the circular economy was not identified as a material theme. The impact assessment did not focus on specific actions, business relationships or geographical areas that could increase the risk of adverse impacts. The prioritisation of sustainability matters took into account certain functions in the business model that have material impacts on stakeholders, such as information security and data protection.

Impacts in which the POP Bank Group participates through its own operations or business relationships had been taken into consideration in the assessment. The consideration of these impacts is based on knowledge of our own operations and business relationships, internal materials and the results of stakeholder interviews. Material sustainability topics were prioritised in a workshop for experts from management and personnel. In the workshop, an assessment was conducted from

a double materiality perspective, i.e. the assessment considered the POP Bank Group's impacts on the environment and people and the sustainability topics' financial risks and opportunities for the POP Bank Group. The assessment identified that impacts on people and the environment, and dependencies on, for example, natural resources or human resources, may also pose financial risks and opportunities. The identified impacts, risks and opportunities were discussed in a workshop and their materiality was assessed in the same context.

Sustainability related impacts, risks and possibilities were assessed on the basis of severity and likelihood, using a rating scale of 1 to 3 (1-limited, 2-moderate, 3-significant). The assessment of the severity of the impacts considered the scale and scope of the impacts and, for negative impacts, the remediability. The assessment of the severity of the risks and opportunities considered the magnitude of the financial effects. The time horizons of the impacts of the material sustainability topics were also assessed as part of the double materiality assessment. The time horizons were defined as short-term (less than one year), medium-term (1–5 years) and long-term (more than 5 years).

Based on the scores generated from the assessment of the sustainability topics, a significance score was derived for each sustainability matter, which determined the materiality of the sustainability matter. Significance scores were considered on a scale of low, moderate and high. The rating for the significance of materiality was assessed separately for impacts on people and the environment

and for financial effects. Scores for both negative and positive impacts were taken into account when selecting the overall materiality significance rating. If the overall materiality was rated high, the topic was considered material for the POP Bank Group. If the overall materiality rating was low, the topic was assessed to be non-material to the Group. Topics that were given a low rating, which were not assessed to be material, were working conditions and rights of value chain workers, water resources and pollution. Topics with a moderate rating were considered to be potentially material and were further assessed in the workshop. In the assessment it was separately verified that no material negative or positive impact was dropped out due to the calculation method used for the scores.

After the workshop assessment, the final results of the double materiality assessment were specified to correspond with the topics and sub-topics of the ESRS. In addition, the time horizons of the material impacts were completed.

In 2024, the final results of the double materiality assessment and the additions made to them were discussed and approved by the POP Bank Centre coop's Executive Board and Board of Directors.

Updates to the double materiality assessment in 2025

The first double materiality assessment, conducted in 2023–2024, was updated during 2025. The update was based on the existing assessment,

as no significant changes were identified in the operating environment or the business model.

As part of the update, sustainability-related impacts, risks and opportunities were reviewed and, where necessary, further specified and adjusted. Experts on each sub-topic assessed and scored the impacts, risks and opportunities using the same assessment scale as in the initial double materiality assessment (scale 1–3). Compared with the previous period, the scoring was carried out at a more granular level, taking into account different components of impact effectiveness and severity (scale, scope, remediability and human rights impacts). For risks and opportunities, both the magnitude of the financial effects and likelihood of occurrence were addressed. Time horizons were also defined for impacts, risks and opportunities.

Following the expert scoring, a workshop was held with the Executive Board of POP Bank Centre coop to review those impacts, risks and opportunities that were identified as material based on the assessment, as well as those that could potentially be material but did not directly meet the materiality threshold based on scoring alone. During the workshop, adjustments were made to the materiality of certain impacts, risks and opportunities where the scoring did not fully reflect the significance of the sustainability topic. For example, the materiality of impacts and risks related to information security and data protection, whistleblower protection, corruption and bribery, and consumers' access to high-quality information was increased during the workshop.

In contrast to the 2024 double materiality assessment, biodiversity and ecosystems and the community-specific topic of sustainable products did not exceed the materiality threshold based on either the scoring or the Executive Board's workshop. However, impacts and opportunities related to sustainable products were included under the sub-topic of climate change mitigation. In addition, the sub-topics of climate change adaptation, social inclusion of consumers and/or end-users and relationships with suppliers of goods and services did not exceed the materiality threshold. Corporate culture was identified as a new material sub-topic as part of good governance.

The sustainability topics and sub-topics identified as material in the double materiality assessment are presented in a consolidated manner in section SBM-3 – *Material impacts, risks and opportunities and their interaction with the strategy and business model*. The POP Bank Group's updated double materiality assessment was approved by the POP Bank Centre coop's Executive Board and Board of Directors in 2025.

The POP Bank Group will review the final results of the assessment annually and conduct a more comprehensive update if there are significant changes in strategic or operational activities, the operating environment, products or other corresponding areas.

Sustainability matters in risk management and management processes

The POP Bank Group does not currently prioritise sustainability risks over other risks. The double materiality assessment and its annual review is part of the POP Bank Group's overall risk management and thus contributes to the overall risk profile and the assessment of risk management processes.

The POP Bank Centre coop's Board of Directors and the Executive Board shall discuss and, if necessary, update the identified impacts, risks and opportunities and the means to manage them at least annually and, if necessary, whenever there are material changes in the operating environment that may have an impact on the material impacts, risks and opportunities.

Description of the process to identify and assess climate-related impacts, risks and opportunities

In the POP Bank Group's double materiality assessment, the identification and assessment of material impacts related to climate change adaptation and mitigation and energy has been based on the views of stakeholders, carbon footprint and the review of the financing targets in the Group's loan portfolio.

Impacts on climate change

As part of its calculation of GHG emissions, the POP Bank Group has reviewed its operations and value chain to identify the sources of GHG emissions and their impact on climate change. The emission sources were assessed through the GHG Protocol emission categories.

The emission categories and climate change impacts were classified and identified in an internal workshop focusing on value chain emissions (Scope 3 – GHG emissions). GHG emissions and their calculation methods are described in more detail in section *E1-6 of E1 Climate Change*.

Description of the process of identifying climate-related physical and transitional risks

In the double materiality assessment, climate change was identified as a material topic for the Group due to the greenhouse gas emissions generated by the Group's activities.

The value chain's physical and transition risks have been identified and assessed as an expert judgement, primarily regarding the loan portfolio. The material sectors have been assessed for the loan portfolio on the basis of their magnitude from the perspective of capital adequacy. For the material sectors, a more detailed assessment of the potential physical and transitional risks focusing on these sectors has been carried out. For potential risks, the likelihoods and the magnitude of the impact have been assessed.

The assessment took into account the impact of material physical and transition risks on credit risk, taking into account the diversification of the loan portfolio across sectors and the diversification of the physical locations of credits and their collateral. The materiality of the credit risk in relation to the POP Bank Group's own funds has then been assessed.

Climate scenarios have been used to assess the materiality of the physical and transitional risks of the loan portfolio in broad terms. Due to the lack of more detailed data, there is uncertainty in the assessment. The climate scenarios focusing on northern Europe have been examined from the perspective of what risks could arise in the future also in Finland as a result of climate change. For the time being, the study of the scenarios has focused, in terms of physical risks, on the scenario in which global warming is limited to 4.5°C. In terms of transition risks, the focus is on a scenario where global warming is limited to 1.5°C. The 4.5°C climate scenario for physical risks takes into account the most material climate-related factors, such as an increase in precipitation and the temperature, as described in the IPCC's Sixth Assessment Report.

Climate scenarios have been used to assess the likelihood of credit losses due to climate change that, if realised, would jeopardise the capital adequacy of the POP Bank Group. The scenarios were used as the basis for an expert judgement of the likelihood of occurrence of losses which, given the diversified nature of the portfolio, could

lead to credit losses that could jeopardise capital adequacy.

No other assessment has been made of physical or transitional risks to the investment portfolio, as the bulk of the Group's investment activity consists of a liquidity buffer that is used to meet industry regulatory requirements for liquidity risk management. Investment activities, which can be influenced by active sustainability criteria, represent only a marginal part of the POP Bank Group's balance sheet.

The physical risks to the POP Bank Group's own sites and assets have not been assessed in any other way, as it has not been deemed necessary to maintain a risk identification process for these due to their low significance. The transition risks to the POP Bank Group's own operations have been assessed at the top level by considering the GHG emissions generated by the Group and mirroring them against the scenario where global warming is limited to 1.5°C. This scenario has been used to assess the risks that would arise if the POP Bank Group were to fail to meet the emission reduction targets of the Paris Agreement.

The process to identify and assess material impacts, risks and opportunities related to the environment

Impacts, risks and opportunities related to biodiversity have been assessed following the approval of the 2024 double materiality assessment. No

material impacts, risks or opportunities related to biodiversity have been identified in connection with the POP Bank Group's own operations, as biodiversity and ecosystems are not considered to have a direct link to credit institution operations carried out in branches or online, and the Group's premises are located in the built environment. As a financial services provider, the POP Bank Group's impacts, risks and opportunities related to biodiversity are indirect in nature. The Group finances counterparties across a range of sectors, through which impacts and risks related to biodiversity may arise in connection with financing in the agriculture, forestry and construction sectors. To date, no material customers or customer segments related to biodiversity have been identified that, individually or collectively, would pose a significant risk to the Group's capital adequacy position. The sectors represented in the loan portfolio are diversified, which mitigates the impact on the amalgamation's risk position and capital adequacy position. The POP Bank Group has not assessed biodiversity-related systemic risks or dependencies. As part of a broader stakeholder survey, stakeholders were able to assess the relevance of biodiversity in the POP Bank Group's operations; however, stakeholders were not otherwise involved in the assessment.

Basis on the information currently available, the POP Bank Group has not identified a need to implement mitigation measures related to biodiversity. The POP Bank Group has recognised the need to monitor developments in the state of biodiversity and ecosystems, as well as the availabil-

ity of related data, and to take these into account in future assessments.

No material impacts, risks or opportunities related to pollution, water and marine resources or the circular economy have been identified in connection with the POP Bank Group's own operations, as these topics are not considered to have a direct link to credit institution operations carried out in branches or online, and the Group's premises are located in the built environment. Any potential impacts are indirect through the value chain; however, no material impacts, risks or opportunities have been identified. The Group has not conducted consultations with affected communities.

Disclosure Requirements in ESRS covered by the company's Sustainability Report (IRO-2)

List of Disclosure Requirements complied with

Disclosure Requirement	Page number in the Sustainability Report
ESRS2 General Disclosures	
ESRS 2 BP-1 General basis for preparation of sustainability statements	23
ESRS 2 BP-2 Disclosures in relation to specific circumstances	23
ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies	24
ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	26
ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes	26
ESRS 2 GOV-4 Statement on due diligence	27
ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting	28
ESRS 2 SBM-1 Strategy, business model and value chain	28
ESRS 2 SBM-2 Interests and views of stakeholders	31
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	33
ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	35
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ESRS E1-4 Targets related to climate change mitigation and adaptation	74
ESRS E1-5 Energy consumption and mix	76
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ESRS E1-7 GHG removals and GHG mitigation projects financed through carbon credits	87

Disclosure Requirement	Page number in the Sustainability Report
Social information: S1 Own workforce	
ESRS S1 ESRS 2 SMB-3 Material impacts, risks and opportunities and their interaction with strategy and business model	89
ESRS S1-1 Policies related to own workforce	89
ESRS S1-2 Processes for engaging with own workers and workers' representatives about impacts	91
ESRS S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	91
ESRS S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	92
ESRS S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	93
ESRS S1-6 Characteristics of the undertaking's employees	95
ESRS S1-9 Diversity metrics	96
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ESRS S1-14 Health and safety metrics	97
ESRS S1-15 Work-life balance metrics	97
ESRS S1-16 Compensation metrics (pay gap and total compensation)	97
ESRS S1-17 Incidents, complaints and severe human rights impacts	98
Social information: S4 Consumers and end-users	
ESRS S4 ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	100
ESRS S4-1 Policies related to consumers and end-users	100
ESRS S4-2 Processes for engaging with consumers and end-users about impacts	102
ESRS S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	102
ESRS S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and endusers, and effectiveness of those actions	103
ESRS S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	105
Governance information: G1 Business Conduct	
ESRS G1-1 Business conduct policies and corporate culture	111
ESRS G1-3 Prevention and detection of corruption and bribery	113
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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number in the sustainability report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		24
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		24
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				27
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	No response referring to ESRS E1-1 paragraph 17
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		No response referring to ESRS E1-1 paragraph 17
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		75
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not material
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				76
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		78

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number in the sustainability report
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		79
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	87
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Transitional provision
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Transitional provision
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).					
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Transitional provision
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Transitional provision
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number in the sustainability report
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				89
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				89
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				90
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		90
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				90
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				90
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				92
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		97
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Transitional provision
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		97
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				97
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				98
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		98
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number in the sustainability report
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				100
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		101
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				103
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Not applicable
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Not applicable
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		114
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				114

2 ENVIRONMENTAL INFORMATION

2.1 Information in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

The EU taxonomy for sustainable finance (Taxonomy Regulation EU/2020/852) that entered into force in 2021 is a classification system that defines environmentally sustainable economic activities regarding financing and investment. Six environmental objectives have been set for taxonomy-eligible activities. These objectives are related to climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. Taxonomy-aligned activities must contribute significantly to at least one environmental objective, without causing significant harm to any of the environmental objectives and meet the minimum social safeguards.

For the 2025 financial year, the POP Bank Group will publish information on how and to what extent the POP Bank Group's operations are related to economic activities considered environmentally sustainable under the Taxonomy Regulation. As a credit institution, POP Bank carries out taxonomy reporting in accordance with the sector guidelines that supplement the reporting prescribed in EU/2021/2178.

Commission Delegated Regulation (EU) 2026/73 provides the option to apply, in the sustainability reporting for the 2025 financial year, the same EU Taxonomy regulations that were applied in the 2024 sustainability reporting. These regulations include Commission Delegated Regulation (EU) 2021/2139, the supplementary Climate Delegated Act (Commission Delegated Regulation (EU) 2022/1214), the Environmental Delegated Act (Commission Delegated Regulation (EU) 2023/2486), and the amendments to the Climate Delegated Act (Commission Delegated Regulation (EU) 2023/2485). This option has been applied in the taxonomy reporting for the 2025 financial year.

In an assessment of the taxonomy eligibility and alignment of the loan portfolio, the most significant criteria were the granting of loans to private or corporate customers, product information about the loan and information about its purpose of use, as well as information about collateral. Among the categories in the taxonomy table, the POP Bank Group identified taxonomy-eligible assets related to households. Among loans to households, all residential mortgage loans and loans for housing renovation and energy efficiency improvements, as well as motor vehicle loans taken out after 1 January 2021, were included in taxonomy-eligible liabilities.

The POP Bank Group uses data from the energy performance certificate register of the Housing

Finance and Development Centre of Finland (Ara) to assess the climate change mitigation criteria of households' mortgages, which are related to the energy efficiency of the properties to be financed. Energy performance certificate data are linked to mortgages based on the collateral data, and the assessment is carried out by comparing the properties' data with the taxonomy's country-specific thresholds. However, an energy performance certificate is not available for some properties used as collateral for mortgage loans, for example because it is not required by law due to the year of construction. In these cases, the sites do not meet the criteria for significant advancing. Based on the method presented above, some of the loans to households meet the criteria for significant contribution, but compliance with all the 'do no significant harm' criteria could not be verified based on the data available, so they have not been reported as being taxonomy-aligned.

The POP Bank Group's corporate lending was classified as non-NFRD based on customer data and the bank's own assessment. Because of the non-NFRD classification, no taxonomy-eligible assets were identified in terms of corporate lending.

For assessing the taxonomy eligibility and taxonomy alignment of the Group's investments, data was obtained from Suomen Sijoitustutkimus Oy (hereinafter 'Sijoitustutkimus') and MSCI

ESG Research LLC (hereinafter 'MSCI'). The NACE classification of economic activities published by the EU was used as the starting point in the taxonomy classification of investments. The Group's investments have been divided into categories in accordance with the taxonomy table by combining the industry categories based on the EU taxonomy with the investment-specific NACE codes obtained from Sijoitustutkimus and MSCI. The classification into NFRD and non-NFRD categories is based on NFRD data obtained from MSCI. The taxonomy data of both the investments' taxonomy indicators and the NFRD (Non-Financial Reporting Directive) are based on the figures reported by companies in the previous year. MSCI has collected and reported the data as they have been reported by companies in their previous year's reporting.

In addition, investments are divided into equity instruments and debt securities in accordance with the accounting classification. The calculation of taxonomy-eligible and taxonomy-aligned proportions is based on the investment-specific taxonomy turnover % and taxonomy CapEx % figures obtained from MSCI. Taxonomy-eligible and taxonomy-aligned proportions for each investment on the Group's balance sheet have been calculated through key figures and investment-specific book values. When examining the GAR (green asset ratio) of investments, it is worth noting that the Group has a large number of bond investments in public sector entities, which are not taxonomy-eligible.

Under the Delegated Regulation (EU/2022/1214), financial institutions are required to report taxonomy-related information on financial activities linked to, among other things, nuclear energy and natural gas. In 2025, the POP Bank Group invested in companies that reported key performance indicators related to these activities for the financial year 2024. The Group discloses the EU Taxonomy tables for natural gas and nuclear energy for these items in accordance with the Regulation. The data presented in the taxonomy tables are limited by possible inaccuracies in the data obtained through MSCI and in the NACE codes reported by companies. Inaccuracies may distort the totals presented in the tables and the breakdown by sector.

For 2025, the POP Bank Group's GAR based on turnover was 0.30% (0.25%) and based on CapEx it was 0.38% (0.33%). The GARs are significantly affected by the fact that the POP Bank Group has not yet been able to assess the taxonomy alignment of residential mortgage loans and housing renovation loans in accordance with the technical screening criteria. As required by the regulation, the GAR indicator means the share of taxonomy-aligned activities of the total assets of the POP Bank Group.

The POP Bank Group is monitoring the development of the Taxonomy Regulation and its impact on the Group and its customers. Going forward, the POP Bank Group aims to support its customers and counterparties in achieving their sustain-

ability goals and to develop a set of criteria and monitoring for responsible lending. So far, the POP Bank Group has not set targets in its strategy for financing or investing under the Taxonomy Regulation.

O. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	16.7	0.30%	0.38%	89.90%	39.7%	10.1%

		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	5.2	0.61%	0.77%	13.64%	45.02%	
	Trading book*	-	-	-			
	Financial guarantees	-	-	-			
	Assets under management	-	-	-			
	Fees and commissions income**	-	-	-			

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

** Fees and commissions income from services other than lending and AuM

Institutions shall disclose forward-looking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

*** % of assets covered by the KPI over banks' total assets

**** Based on the Turnover KPI of the counterparty

***** Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

Note 1: Across the reporting templates: cells shaded in grey should not be reported.

1.Assets for the calculation of GAR - Turnover

Million EUR	Total (gross) carrying amount	2025																															
		Climate Change Mitigation			Climate Change Adaptation			Water and marine resources			Circular economy			Pollution			Biodiversity and Ecosystems			TOTAL													
		Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹													
		Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²													
			Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling										
GAR - Covered assets in both numerator and denominator																																	
Loans and advances, debt securities and equity instruments not HLT eligible for GAR calculation	3,382.1	2,486.4	15.1	-	4.2	4.9	0.4	0.2	0.0	0.1	0.0	-	-	-	4.2	-	-	-	1.4	-	-	-	0.0	-	-	-	2,496.1	16.7	-	4.2	5.8		
Financial undertakings	226.6	28.1	3.0	-	0.6	0.7	0.1	0.0	0.0	0.0	0.0	-	-	-	0.4	-	-	-	0.1	-	-	-	0.0	-	-	-	29.4	3.1	-	0.6	0.7		
Credit institutions	129.4	18.9	1.9	-	0.2	0.6	0.0	0.0	0.0	0.0	0.0	-	-	-	0.3	-	-	-	0.0	-	-	-	0.0	-	-	-	19.9	1.9	-	0.2	0.6		
Loans and advances	43.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP	84.6	18.6	1.7	-	0.2	0.5	0.0	0.0	-	0.0	0.0	-	-	-	0.2	-	-	-	0.0	-	-	-	-	-	-	-	19.4	1.8	-	0.2	0.5		
Equity instruments	1.7	0.3	0.1	-	0.0	0.1	0.0	0.0	-	0.0	0.0	-	-	-	0.2	-	-	-	0.0	-	-	-	0.0	-	-	-	0.5	0.2	-	0.0	0.1		
Other financial corporations	97.2	9.2	1.1	-	0.4	0.1	0.0	0.0	-	0.0	0.0	-	-	-	0.1	-	-	-	0.0	-	-	-	0.0	-	-	-	9.5	1.1	-	0.4	0.1		
of which investment firms	50.7	2.5	0.3	-	0.0	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	2.6	0.3	-	0.0	0.0		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	50.6	2.4	0.3	-	0.0	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	2.5	0.3	-	0.0	0.0		
Equity instruments	0.1	0.1	0.0	-	0.0	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.1	0.0	-	0.0	0.0		
of which management companies	18.6	6.6	0.7	-	0.4	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	6.6	0.7	-	0.4	0.0		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	18.4	6.6	0.7	-	0.4	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	6.6	0.7	-	0.4	0.0		
Equity instruments	0.3	0.0	0.0	-	0.0	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	0.0	-	0.0	0.0		
of which insurance undertakings	27.9	0.2	0.1	-	0.0	0.1	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.3	0.1	-	0.0	0.1		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	0.8	0.1	0.0	-	0.0	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.1	0.0	-	0.0	0.0		
Equity instruments	27.1	0.1	0.0	-	0.0	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.0	-	-	-	0.1	0.0	-	0.0	0.0		
Non-financial undertakings	110.4	35.2	12.1	-	3.6	4.3	0.3	0.2	0.0	0.1	0.0	-	-	-	3.8	-	-	-	1.4	-	-	-	0.0	-	-	-	43.6	13.6	-	3.6	5.1		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	103.8	33.9	11.6	-	3.6	4.0	0.3	0.1	0.0	0.1	0.0	-	-	-	3.2	-	-	-	1.2	-	-	-	0.0	-	-	-	41.5	13.0	-	3.6	4.8		
Equity instruments	6.6	1.2	0.5	-	0.1	0.2	0.1	0.0	0.0	0.0	0.0	-	-	-	0.6	-	-	-	0.2	-	-	-	0.0	-	-	-	2.0	0.6	-	0.1	0.3		
Households	3,045.0	2,423.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,423.0	-	-	-	-		
of which loans collateralised by residential immovable property	2,321.7	2,321.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,321.7	-	-	-	-		
of which building renovation loans	95.2	95.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95.2	-	-	-	-		
of which motor vehicle loans	6.1	6.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.1	-	-	-	-		
Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Assets excluded from the numerator for GAR calculation (covered in the denominator)	2,228.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Financial and Non-financial undertakings	2,057.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	2,051.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	1,872.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which loans collateralised by commercial immovable property	309.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which building renovation loans	19.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities	141.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	37.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-EU country counterparties not subject to NFRD disclosure obligations ³	6.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	5.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	1.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Derivatives	18.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
On demand interbank loans	6.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cash and cash-related assets	9.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other categories of assets (e.g. Goodwill, commodities etc.)	136.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total GAR assets	5,610.9	2,486.4	15.1	-	4.2	4.9	0.4	0.2	0.0	0.1	0.0	-	-	-	4.2	-	-	-	1.4	-	-	-	0.0	-	-	-	2,496.1	16.7	-	4.2	5.8		
Assets not covered for GAR calculation	630.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Central governments and Supranational issuers	254.6	-																															

1.Assets for the calculation of GAR - Turnover

Million EUR	Total (gross) carrying amount	2024																													
		Climate Change Mitigation			Climate Change Adaptation			Water and marine resources			Circular economy			Pollution			Biodiversity and Ecosystems			TOTAL											
		Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which towards taxonomy relevant sectors (Taxonomy-eligible) ¹											
		Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²			Of which environmentally sustainable (Taxonomy-aligned) ²											
			Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling								
GAR - Covered assets in both numerator and denominator																															
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	3,214.5	2,394.1	12.6	0.0	4.1	3.4	0.4	0.2	0.0	0.2	0.0	-	-	-	4.3	-	-	-	0.2	-	-	-	0.0	-	-	-	2,405.1	13.6	0.0	4.1	3.7
Financial undertakings	153.2	29.4	0.8	0.0	0.1	0.0	0.0	-	-	-	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	29.7	0.8	0.0	0.1	0.0
Credit institutions	127.5	29.4	0.8	0.0	0.1	0.0	0.0	-	-	-	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	29.6	0.8	0.0	0.1	0.0
Loans and advances	40.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	87.0	29.4	0.8	0.0	0.1	0.0	0.0	-	-	-	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	29.5	0.8	0.0	0.1	0.0
Equity instruments	0.1	0.0	0.0	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	0.0	0.0
Other financial corporations	25.7	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.0	-	-
of which investment firms	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which management companies	0.1	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	0.1	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which insurance undertakings	25.5	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	0.0	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	0.9	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	0.0	-	-
Equity instruments	24.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial undertakings	66.2	18.9	11.8	0.0	4.0	3.4	0.4	0.2	0.0	0.2	0.0	-	-	-	4.3	-	-	-	0.2	-	-	-	0.0	-	-	-	29.6	12.7	0.0	4.0	3.6
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	64.1	18.5	11.6	0.0	3.9	3.3	0.4	0.2	0.0	0.2	0.0	-	-	-	4.1	-	-	-	0.1	-	-	-	0.0	-	-	-	28.8	12.6	0.0	3.9	3.6
Equity instruments	2.1	0.4	0.2	-	0.1	0.1	-	-	-	-	-	-	-	-	0.2	-	-	-	0.0	-	-	-	-	-	-	-	0.8	0.2	-	0.1	0.1
Households	2,995.0	2,345.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,345.6	-	-	-	-
of which loans collateralised by residential immovable property	2,240.4	2,240.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,240.4	-	-	-	-
of which building renovation loans	99.5	99.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99.5	-	-	-	-
of which motor vehicle loans	5.9	5.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.9	-	-	-	-
Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets excluded from the numerator for GAR calculation (covered in the denominator)	2,266.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial and Non-financial undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-EU country counterparties not subject to NFRD disclosure obligations ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
On demand interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash-related assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total GAR assets	5,480.9	2,394.1	12.6	0.0	4.1	3.4	0.4	0.2	0.0	0.2	0.0	-	-	-	4.3	-	-	-	0.2	-	-	-	0.0	-	-	-	2,405.1	13.6	0.0	4.1	3.7
Assets not covered for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central governments and Supranational issuers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central banks exposure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading book	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	6,313.3	2,394.1	12.6	0.0	4.1	3																									

1.Assets for the calculation of GAR - CapEx

Million EUR	Total (gross) carrying amount	2024																															
		Climate Change Mitigation				Climate Change Adaptation				Water and marine resources				Circular economy				Pollution				Biodiversity and Ecosystems				TOTAL							
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)							
		Of which environmentally sustainable (Taxonomy-aligned) ²				Of which environmentally sustainable (Taxonomy-aligned) ²				Of which environmentally sustainable (Taxonomy-aligned) ²				Of which environmentally sustainable (Taxonomy-aligned) ²				Of which environmentally sustainable (Taxonomy-aligned) ²				Of which environmentally sustainable (Taxonomy-aligned) ²				Of which environmentally sustainable (Taxonomy-aligned) ²							
		Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling								
GAR - Covered assets in both numerator and denominator																																	
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	3,214.5	2,398.8	16.8	0.0	4.0	4.1	3.0	2.7	0.2	0.7	0.1	-	-	-	3.2	-	-	-	0.1	-	-	-	0.0	-	-	-	2,409.7	18.0	-	4.0	4.2		
Financial undertakings	153.2	29.6	0.9	0.0	0.1	0.1	0.0	0.0	-	0.0	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	29.9	0.9	-	0.1	0.1		
Credit institutions	127.5	29.6	0.9	0.0	0.1	0.1	0.0	0.0	-	0.0	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	29.7	0.9	-	0.1	0.1		
Loans and advances	40.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP	87.0	29.5	0.9	0.0	0.1	0.1	0.0	0.0	-	0.0	-	-	-	-	0.0	-	-	-	0.0	-	-	-	-	-	-	-	29.7	0.9	-	0.1	0.1		
Equity instruments	0.1	0.0	0.0	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	0.0	0.0		
Other financial corporations	25.7	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	0.0	0.0		
of which investment firms	0.1	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	0.0	0.0		
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities, including UoP	0.1	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	0.0	0.0		
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
of which management companies	0.1	0.0	0.0	-	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	0.1	0.0	0.0	-	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which insurance undertakings	25.5	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	0.9	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-
Equity instruments	24.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial undertakings	66.2	23.3	15.9	0.0	3.9	4.0	3.0	2.7	0.2	0.7	0.1	-	-	-	3.2	-	-	-	0.1	-	-	-	0.0	-	-	-	34.1	17.1	-	3.9	4.1	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	64.1	22.7	15.7	0.0	3.9	4.0	2.9	2.7	0.2	0.7	0.1	-	-	-	3.0	-	-	-	0.1	-	-	-	0.0	-	-	-	33.2	16.9	-	3.9	4.1	-	-
Equity instruments	2.1	0.6	0.2	-	0.1	0.1	0.0	0.0	-	-	-	-	-	-	0.2	-	-	-	0.0	-	-	-	-	-	-	-	0.9	0.2	-	0.1	0.1	-	-
Households	2,995.0	2,345.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,345.8	-	-	-	-	-	-
of which loans collateralised by residential immovable property	2,240.4	2,240.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,240.4	-	-	-	-	-	-
of which building renovation loans	99.5	99.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99.5	-	-	-	-	-	-
of which motor vehicle loans	5.9	5.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.9	-	-	-	-	-	-
Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets excluded from the numerator for GAR calculation (covered in the denominator)	2,266.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial and Non-financial undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
On demand interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash-related assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total GAR assets	5,480.9	2,398.8	16.8	0.0	4.0	4.1	3.0	2.7	0.2	0.7	0.1	-	-	-	3.2	-	-	-	0.1	-	-	-	0.0	-	-	-	2,409.7	18.0	-	4.0	4.2	-	
Assets not covered for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Central governments and Supranational issuers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central banks exposure	-	-	-	-	-</																												

2. GAR sector information - Turnover²

Breakdown by sector - NACE 4 digits level (code and label) ¹	2025															
	Climate Change Mitigation		Climate Change Adaptation		Water and marine resources		Circular economy		Pollution		Biodiversity and Ecosystems		TOTAL			
	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD		
	[Gross] carrying amount	[Gross] carrying amount														
Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	
C17.12 - Manufacture of paper and paperboard	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	
C21.20 - Manufacture of pharmaceutical preparations	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	0.3	0.0	
C22.29 - Manufacture of other plastic products	0.0	0.0	-	-	-	-	-	0.0	-	-	-	-	-	0.9	0.0	
C24.10 - Manufacture of basic iron and steel and of ferro-alloys	0.2	0.0	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0	
C24.42 - Aluminium production	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	
C26.11 - Manufacture of electronic components	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	
C26.30 - Manufacture of communication equipment	0.0	-	-	-	-	-	-	0.1	-	-	-	-	-	1.7	0.1	
C26.51 - Manufacture of instruments and appliances for measuring, testing and navigation	0.0	0.0	-	-	-	-	-	0.0	-	-	-	-	-	0.1	0.0	
C27.51 - Manufacture of electric domestic appliances	0.2	0.0	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0	
C28.11 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.5	0.5	-	-	-	-	-	-	-	-	-	-	-	0.5	0.5	
C28.15 - Manufacture of bearings, gears, gearing and driving elements	0.1	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	
C28.22 - Manufacture of lifting and handling equipment	0.3	0.3	-	-	-	-	-	0.3	-	-	-	-	-	0.6	0.6	
C28.95 - Manufacture of machinery for paper and paperboard production	0.1	0.0	-	-	-	-	-	0.3	-	-	-	-	-	0.4	0.3	
C28.99 - Manufacture of other special-purpose machinery n.e.c.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	
C29.10 - Manufacture of motor vehicles	0.5	0.0	-	-	-	-	-	0.0	-	-	-	-	-	0.5	0.0	
D35.11 - Production of electricity	4.5	4.4	0.0	0.0	0.0	-	0.0	-	-	0.1	-	-	-	4.6	4.5	
D35.12 - Transmission of electricity	1.0	1.0	-	-	-	-	-	-	-	-	-	-	-	1.0	1.0	
D35.13 - Distribution of electricity	1.8	1.6	-	-	-	-	-	-	-	-	-	-	-	1.8	1.6	
E38.22 - Treatment and disposal of hazardous waste	0.0	0.0	0.0	0.0	-	-	-	0.0	-	0.0	-	-	-	0.1	0.1	
F41.20 - Construction of residential and non-residential buildings	1.6	0.1	0.0	-	-	-	-	-	-	-	-	-	-	1.6	0.1	
F42.99 - Construction of other civil engineering projects n.e.c.	1.5	0.4	0.0	0.0	0.0	-	0.0	-	-	-	-	-	-	1.5	0.4	
H49.10 - Passenger rail transport, interurban	0.8	0.5	-	-	-	-	-	-	-	-	-	-	-	0.8	0.5	
H50.20 - Sea and coastal freight water transport	0.8	0.1	-	-	-	-	-	-	-	-	-	-	-	0.8	0.1	
H51.10 - Passenger air transport	0.3	0.0	-	-	-	-	-	-	-	-	-	-	-	1.0	0.0	
H53.10 - Postal activities under universal service obligation	0.1	0.0	-	-	-	-	-	0.0	-	-	-	-	-	0.1	0.0	
J61.20 - Wireless telecommunications activities	0.0	0.0	0.1	0.1	0.0	-	0.0	-	-	-	-	-	-	0.2	0.1	
L68.10 - Buying and selling of own real estate	0.2	0.1	-	-	-	-	-	-	-	-	-	-	-	0.2	0.1	
L68.20 - Renting and operating of own or leased real estate	3.2	0.8	0.1	0.0	3.2	-	-	-	-	-	-	-	-	3.4	0.8	
N77.11 - Renting and leasing of cars and light motor vehicles	0.1	0.0	0.0	-	-	-	-	0.0	-	-	-	-	-	0.1	0.0	
N80.20 - Security systems service activities	0.1	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	

(1) The breakdown is based on the company's main industry classification under the NACE system.
 (2) Sectors with a total share of taxonomy-eligible activities of less than 0.1 mEUR are not reported in the table.

2. GAR sector information - CapEx²

Breakdown by sector - NACE 4 digits level (code and label) ⁽¹⁾	2025																	
	Climate Change Mitigation		Climate Change Adaptation		Water and marine resources		Circular economy		Pollution		Biodiversity and Ecosystems		TOTAL					
	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD				
	[Gross] carrying amount	[Gross] carrying amount																
Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable	Mn EUR	Of which environmentally sustainable					
C17.12 - Manufacture of paper and paperboard	0.5	0.3	-	-	-	-	-	-	-	-	-	-	-	0.5	0.3	-	-	
C17.21 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	0.2	0.2	-	-	-	-	0.1	-	-	-	-	-	-	0.3	0.2	-	-	
C21.20 - Manufacture of pharmaceutical preparations	0.0	0.0	0.0	0.0	0.0	-	-	-	-	0.1	-	-	-	0.2	0.0	-	-	
C22.29 - Manufacture of other plastic products	0.0	0.0	0.0	-	-	-	-	0.0	-	-	-	-	-	0.8	0.0	-	-	
C24.10 - Manufacture of basic iron and steel and of ferro-alloys	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	-	
C24.42 - Aluminium production	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	-	
C26.11 - Manufacture of electronic components	0.1	0.0	-	-	-	-	-	0.0	-	-	-	-	-	0.1	0.0	-	-	
C26.30 - Manufacture of communication equipment	0.2	0.0	-	-	-	-	-	1.0	-	-	-	-	-	1.2	0.0	-	-	
C26.51 - Manufacture of instruments and appliances for measuring, testing and navigation	0.0	0.0	0.0	-	0.0	-	-	0.0	-	-	-	-	-	0.1	0.0	-	-	
C27.51 - Manufacture of electric domestic appliances	0.2	0.0	-	-	-	-	-	0.2	-	-	-	-	-	0.2	0.0	-	-	
C27.90 - Manufacture of other electrical equipment	0.1	0.0	-	-	-	-	-	0.0	-	-	-	-	-	0.1	0.0	-	-	
C28.11 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.5	0.5	-	-	-	-	-	0.0	-	-	-	-	-	0.5	0.5	-	-	
C28.15 - Manufacture of bearings, gears, gearing and driving elements	0.1	-	-	-	-	-	-	0.0	-	-	-	-	-	0.1	-	-	-	
C28.22 - Manufacture of lifting and handling equipment	0.1	0.1	-	-	-	-	-	0.4	-	-	-	-	-	0.6	0.5	-	-	
C28.92 - Manufacture of machinery for mining, quarrying and construction	0.2	0.0	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0	-	-	
C28.95 - Manufacture of machinery for paper and paperboard production	0.0	0.0	-	-	-	-	-	0.2	-	-	-	-	-	0.2	0.2	-	-	
C28.99 - Manufacture of other special-purpose machinery n.e.c.	0.0	0.0	0.0	-	-	-	-	0.0	-	-	-	-	-	0.1	0.0	-	-	
C29.10 - Manufacture of motor vehicles	0.5	0.2	-	-	-	-	-	-	-	-	-	-	-	0.5	0.2	-	-	
C29.32 - Manufacture of other parts and accessories for motor vehicles	0.1	0.0	-	-	-	-	-	-	-	0.0	-	-	-	0.1	0.0	-	-	
D35.11 - Production of electricity	5.3	5.2	0.0	0.0	0.0	-	-	0.0	-	0.1	-	-	-	5.4	5.4	-	-	
D35.12 - Transmission of electricity	1.0	1.0	-	-	-	-	-	-	-	-	-	-	-	1.1	1.0	-	-	
D35.13 - Distribution of electricity	3.2	3.0	-	0.0	-	-	-	-	-	-	-	-	-	3.2	3.1	-	-	
E38.22 - Treatment and disposal of hazardous waste	0.0	0.0	0.0	0.0	-	-	-	0.0	-	0.1	-	-	-	0.1	0.1	-	-	
E38.32 - Recovery of sorted materials	0.0	0.0	-	-	0.0	-	-	0.0	-	0.0	-	-	-	0.1	0.0	-	-	
F41.20 - Construction of residential and non-residential buildings	1.7	0.1	0.0	-	-	-	-	0.0	-	-	-	-	-	1.8	0.1	-	-	
F42.99 - Construction of other civil engineering projects n.e.c.	1.2	0.2	0.0	0.0	0.0	-	-	0.0	-	-	-	-	-	1.2	0.2	-	-	
G47.11 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	1.2	0.2	0.0	-	-	-	-	0.0	-	-	-	-	-	1.2	0.2	-	-	
G47.19 - Other retail sale in non-specialised stores	0.4	-	-	-	-	-	-	-	-	-	-	-	-	0.4	-	-	-	
G47.63 - Retail sale of music and video recordings in specialised stores	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	-	
G47.73 - Dispensing chemist in specialised stores	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	
H49.10 - Passenger rail transport, interurban	0.8	0.6	-	-	-	-	-	0.0	-	-	-	-	-	0.8	0.6	-	-	
H50.20 - Sea and coastal freight water transport	0.7	0.2	-	-	-	-	-	-	-	-	-	-	-	0.7	0.2	-	-	
H51.10 - Passenger air transport	0.3	0.0	0.0	-	-	-	-	-	-	-	-	-	-	1.0	0.0	-	-	
H53.10 - Postal activities under universal service obligation	0.1	0.0	0.0	0.0	-	-	-	0.0	-	-	-	-	-	0.1	0.0	-	-	
J61.20 - Wireless telecommunications activities	0.1	0.0	0.0	0.0	-	-	-	0.0	-	-	-	-	-	0.1	0.1	-	-	
J62.01 - Computer programming activities	0.0	0.0	-	-	-	-	-	0.0	-	-	-	-	-	0.1	0.0	-	-	
L68.10 - Buying and selling of own real estate	0.2	0.1	-	-	-	-	-	-	-	-	-	-	-	0.2	0.1	-	-	
L68.20 - Renting and operating of own or leased real estate	3.2	1.2	0.5	0.0	-	-	-	0.1	-	0.0	-	-	-	3.3	1.2	-	-	
L68.32 - Management of real estate on a fee or contract basis	0.2	-	-	-	-	-	-	-	-	-	-	-	-	0.2	-	-	-	
N77.11 - Renting and leasing of cars and light motor vehicles	0.1	0.0	0.0	-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	-	
N80.20 - Security systems service activities	0.1	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	

(1) The breakdown is based on the company's main industry classification under the NACE system.
 (2) Sectors with a total share of taxonomy-eligible activities of less than 0.1 mEUR are not reported in the table.

3. GAR KPI stock - Revenue

	2025																														
	Climate Change Mitigation				Climate Change Adaptation				Water and marine resources				Circular economy				Pollution				Biodiversity and Ecosystems				TOTAL						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²						
% (compared to total covered assets in the denominator)	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered						
																										Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator																															
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	73.5%	0.4%	-	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	73.8%	0.5%	-	0.1%	0.2%	54.2%
Financial undertakings	12.4%	1.3%	-	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	0.2%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	13.0%	1.3%	-	0.3%	0.3%	3.6%
Credit institutions	14.6%	1.4%	-	0.2%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	0.3%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	15.4%	1.5%	-	0.2%	0.5%	2.1%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7%
Debt securities, including UoP	22.0%	2.0%	-	0.2%	0.6%	0.0%	0.0%	-	0.0%	0.0%	-	-	-	0.2%	-	-	-	0.0%	-	-	-	-	-	-	-	22.9%	2.1%	-	0.2%	0.6%	1.4%
Equity instruments	16.7%	8.3%	-	0.3%	4.0%	0.3%	0.0%	-	0.0%	0.1%	-	-	-	9.5%	-	-	-	1.9%	-	-	-	0.0%	-	-	-	29.8%	10.5%	-	0.3%	5.7%	0.0%
Other financial corporations	9.5%	1.1%	-	0.4%	0.1%	0.0%	0.0%	-	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	9.8%	1.2%	-	0.4%	0.1%	1.6%
of which investment firms	4.9%	0.7%	-	0.0%	0.1%	0.0%	0.0%	-	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	5.1%	0.7%	-	0.0%	0.1%	0.8%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	4.7%	0.6%	-	0.0%	0.1%	0.0%	0.0%	-	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	-	-	-	-	5.0%	0.6%	-	0.0%	0.1%	0.8%
Equity instruments	54.8%	13.4%	-	5.5%	7.8%	0.0%	0.0%	-	-	-	-	-	-	0.5%	-	-	-	5.7%	-	-	-	-	-	-	-	62.5%	13.5%	-	5.5%	7.8%	0.0%
of which management companies	35.3%	3.6%	-	2.1%	0.1%	0.1%	0.1%	-	0.1%	0.0%	-	-	-	0.1%	-	-	-	-	-	-	-	-	-	-	-	35.7%	3.7%	-	2.1%	0.2%	0.3%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	35.8%	3.6%	-	2.2%	0.1%	0.1%	0.1%	-	0.1%	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	36.1%	3.8%	-	2.2%	0.2%	0.3%
Equity instruments	2.9%	0.8%	-	0.1%	0.7%	0.9%	-	-	-	-	-	-	-	2.6%	-	-	-	-	-	-	-	-	-	-	-	6.5%	0.9%	-	0.1%	0.9%	0.0%
of which insurance undertakings	0.6%	0.3%	-	0.0%	0.2%	0.0%	0.0%	-	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	1.0%	0.3%	-	0.0%	0.2%	0.4%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	14.1%	4.4%	-	0.1%	1.9%	1.0%	1.0%	-	1.0%	0.0%	-	-	-	0.5%	-	-	-	1.8%	-	-	-	-	-	-	-	19.3%	5.6%	-	0.1%	3.0%	0.0%
Equity instruments	0.2%	0.2%	-	0.0%	0.1%	0.0%	-	-	-	-	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	0.5%	0.2%	-	0.0%	0.1%	0.4%
Non-financial undertakings	31.9%	11.0%	-	3.3%	3.9%	0.3%	0.1%	0.0%	0.1%	0.0%	-	-	-	3.4%	-	-	-	1.3%	-	-	-	0.0%	-	-	-	39.5%	12.3%	-	3.3%	4.6%	1.8%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	32.7%	11.2%	-	3.4%	3.9%	0.3%	0.1%	0.0%	0.1%	0.0%	-	-	-	3.1%	-	-	-	1.2%	-	-	-	0.0%	-	-	-	40.0%	12.6%	-	3.4%	4.6%	1.7%
Equity instruments	18.9%	7.0%	-	0.8%	3.4%	1.2%	0.5%	-	0.1%	0.0%	-	-	-	8.8%	-	-	-	2.6%	-	-	-	0.0%	-	-	-	31.0%	8.9%	-	0.8%	4.1%	0.1%
Households	79.6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79.6%	-	-	-	-	-	48.8%
of which loans collateralised by residential immovable property	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	-	37.2%
of which building renovation loans	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	-	1.5%
of which motor vehicle loans	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1%
Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total GAR assets	44.3%	0.3%	-	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	44.5%	0.3%	-	0.1%	0.1%	89.9%

(1) The amount of GAR-based taxonomy eligibility is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.
 (2) The amount of GAR-based taxonomy alignment is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.

3. GAR KPI stock - Revenue

% (compared to total covered assets in the denominator)	2024																																			
	Climate Change Mitigation					Climate Change Adaptation					Water and marine resources					Circular economy					Pollution					Biodiversity and Ecosystems					TOTAL					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered								
GAR - Covered assets in both numerator and denominator																																				
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	74.5%	0.4%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	74.8%	0.4%	0.0%	0.1%	0.1%	58.6%
Financial undertakings	19.2%	0.5%	0.0%	0.0%	0.0%	0.0%	-	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	19.4%	0.5%	0.0%	0.0%	0.0%	2.8%
Credit institutions	23.0%	0.7%	0.0%	0.0%	0.0%	0.0%	-	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	23.2%	0.7%	0.0%	0.0%	0.0%	2.3%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7%
Debt securities, including UoP	33.7%	1.0%	0.0%	0.1%	0.0%	0.0%	-	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	33.9%	1.0%	0.0%	0.1%	0.0%	1.6%
Equity instruments	40.7%	2.0%	0.1%	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43.4%	2.0%	0.1%	0.0%	-	0.0%
Other financial corporations	0.1%	0.0%	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.4%	0.0%	0.0%	-	-	0.5%
of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which management companies	32.0%	5.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.0%	5.0%	-	-	-	0.0%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	32.0%	5.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.0%	5.0%	-	-	-	0.0%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which insurance undertakings	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3%	-	0.0%	-	-	0.5%
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.6%	-	0.0%	-	-	0.0%
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5%
Non-financial undertakings	28.6%	17.8%	0.0%	6.1%	5.1%	0.6%	0.4%	0.0%	0.3%	0.1%	-	-	-	6.5%	-	-	-	0.2%	-	-	-	0.0%	-	-	-	-	-	-	-	44.7%	19.2%	0.0%	6.1%	5.5%	1.2%	
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	28.9%	18.1%	0.0%	6.1%	5.2%	0.6%	0.4%	0.0%	0.3%	0.1%	-	-	-	6.4%	-	-	-	0.2%	-	-	-	0.0%	-	-	-	-	-	-	-	44.9%	19.6%	0.0%	6.1%	5.6%	1.2%	
Equity instruments	19.0%	8.4%	-	4.3%	2.7%	-	-	-	-	-	-	-	-	11.3%	-	-	-	1.5%	-	-	-	-	-	-	-	-	-	-	-	-	37.6%	8.9%	-	4.3%	2.7%	0.0%
Households	78.3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78.3%	-	-	-	-	54.6%	
of which loans collateralised by residential immovable property	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	40.9%	
of which building renovation loans	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	1.8%
of which motor vehicle loans	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1%
Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total GAR assets	43.7%	0.2%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	43.9%	0.2%	0.0%	0.1%	0.1%	86.8%	

(1) The amount of GAR-based taxonomy eligibility is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.
 (2) The amount of GAR-based taxonomy alignment is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.

3. GAR KPI stock - CapEx

		2024																																				
		Climate Change Mitigation					Climate Change Adaptation					Water and marine resources					Circular economy					Pollution					Biodiversity and Ecosystems					TOTAL						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²						
% (compared to total covered assets in the denominator)		Of which Use of Proceeds			Of which transitional		Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which enabling		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹			Of which enabling	
		Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator																																						
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation		74.6%	0.5%	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	75.0%	0.6%	-	0.1%	0.1%	58.6%		
Financial undertakings		19.3%	0.6%	0.0%	0.1%	0.0%	0.0%	0.0%	-	0.0%	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	19.5%	0.6%	-	0.1%	0.0%	2.8%			
Credit institutions		23.2%	0.7%	0.0%	0.1%	0.0%	0.0%	0.0%	-	0.0%	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	23.3%	0.7%	-	0.1%	0.0%	2.3%			
Loans and advances		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7%		
Debt securities, including UoP		33.9%	1.1%	0.0%	0.1%	0.1%	0.0%	0.0%	-	0.0%	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	-	-	-	34.1%	1.1%	-	0.1%	0.1%	1.6%			
Equity instruments		40.7%	2.0%	-	0.0%	0.0%	0.1%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43.6%	2.0%	-	0.0%	0.0%	0.0%			
Other financial corporations		0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.4%	0.0%	-	0.0%	0.0%	0.5%			
of which investment firms		6.2%	0.1%	0.4%	0.1%	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.2%	0.1%	-	0.1%	0.0%	0.0%				
Loans and advances		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP		6.2%	0.1%	0.4%	0.1%	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.2%	0.1%	-	0.1%	0.0%	0.0%				
Equity instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
of which management companies		32.0%	5.0%	-	-	-	1.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33.0%	5.0%	-	-	-	-	0.0%			
Loans and advances		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP		32.0%	5.0%	-	-	-	1.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33.0%	5.0%	-	-	-	-	0.0%			
Equity instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
of which insurance undertakings		-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3%	-	-	-	-	-	0.5%			
Loans and advances		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP		-	-	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.6%	-	-	-	-	-	0.0%			
Equity instruments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5%		
Non-financial undertakings		35.3%	24.0%	0.0%	5.9%	6.1%	4.5%	4.1%	0.2%	1.0%	0.1%	-	-	-	4.8%	-	-	-	0.2%	-	-	-	0.0%	-	-	-	-	51.5%	25.8%	-	5.9%	6.2%	1.2%					
Loans and advances		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt securities, including UoP		35.5%	24.5%	0.0%	6.0%	6.2%	4.6%	4.3%	0.2%	1.0%	0.1%	-	-	-	4.7%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	-	51.7%	26.3%	-	6.0%	6.3%	1.2%					
Equity instruments		29.0%	9.5%	-	3.0%	2.8%	0.8%	0.0%	-	-	0.0%	-	-	-	9.0%	-	-	-	1.1%	-	-	-	-	-	-	-	-	44.1%	10.1%	-	3.0%	2.8%	0.0%					
Households		78.3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78.3%	-	-	-	-	-	54.6%				
of which loans collateralised by residential immovable property		100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	-	40.9%				
of which building renovation loans		100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	-	1.8%				
of which motor vehicle loans		100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1%				
Local governments financing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Housing financing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Other local government financing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Collateral obtained by taking possession: residential and commercial immovable properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total GAR assets		43.8%	0.3%	0.0%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	44.0%	0.3%	-	0.1%	0.1%	0.1%	86.8%					

(1) The amount of GAR-based taxonomy eligibility is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.
 (2) The amount of GAR-based taxonomy alignment is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.

4. GAR KPI flow - Turnover

% (compared to flow of total eligible assets)		2025																																																									
		Climate Change Mitigation					Climate Change Adaptation					Water and marine resources					Circular economy					Pollution					Biodiversity and Ecosystems					TOTAL																											
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹																											
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²																											
Of which Use of Proceeds					Of which transitional					Of which enabling					Of which Use of Proceeds					Of which transitional					Of which enabling					Of which Use of Proceeds					Of which transitional					Of which enabling					Of which Use of Proceeds					Of which transitional					Of which enabling				
GAR - Covered assets in both numerator and denominator																																																											
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation																																																											
77.1% 0.01 - 0.1% 0.5% 0.0% 0.0% - 0.0% 0.0% - - - 0.3% - - - 0.2% - - - - - 77.1% 1.1% - 0.1% 0.6% 55.0%																																																											
Financial undertakings																																																											
28.9% 4.2% - 0.1% 1.5% 0.0% - - - - - 0.2% - - - 0.0% - - - - - 12.9% 4.2% - 0.1% 1.5% 2.4%																																																											
Credit institutions																																																											
24.2% 4.0% - 0.1% 2.1% - - - - - - - - - - - - - - - 4.0% - 0.1% 2.1% 1.6%																																																											
Loans and advances																																																											
Debt securities, including UoP																																																											
24.3% 4.0% - 0.1% 2.1% 0.1% - - - - - - - - - 1.0% - - - - - 27.0% 4.0% - 0.1% 2.1% 1.6%																																																											
Equity instruments																																																											
- - - - - - - - - - - 57.3% - - - - - 58.5% - - - - - 0.0%																																																											
Other financial corporations																																																											
38.4% 4.7% - 0.1% 0.4% 0.1% - - - - - 0.6% - - - 0.1% - - - - - 39.3% 4.8% - 0.1% 0.4% 0.8%																																																											
of which investment firms																																																											
36.2% 5.1% - 0.2% 0.4% - - - - - 0.8% - - - 0.1% - - - - - 37.1% 5.2% - 0.2% 0.5% 0.6%																																																											
Loans and advances																																																											
Debt securities, including UoP																																																											
36.3% 5.1% - 0.2% 0.4% - - - - - 0.8% - - - - - 37.1% 5.2% - 0.2% 0.5% 0.6%																																																											
Equity instruments																																																											
2.9% 2.9% - - 2.9% - - - - - - - - - 42.1% - - - - - 45.0% 2.9% - - 2.9% 0.0%																																																											
of which management companies																																																											
43.3% 3.9% - - 0.2% 0.2% - - - - - 0.3% - - - - - 44.0% 3.9% - - 0.2% 0.3%																																																											
Loans and advances																																																											
Debt securities, including UoP																																																											
45.0% 4.0% - - 0.1% 0.1% - - - - - - - - - - - 45.4% 4.0% - - 0.1% 0.2%																																																											
Equity instruments																																																											
2.0% 1.5% - - 1.4% 2.7% - - - - - 7.7% - - - - - 12.5% 2.0% - - 1.8% 0.0%																																																											
of which insurance undertakings																																																											
Loans and advances																																																											
Debt securities, including UoP																																																											
Equity instruments																																																											
Non-financial undertakings																																																											
34.0% 11.8% - 1.2% 6.6% 0.2% 0.1% - 0.1% 0.0% - - - 5.0% - - - 2.8% - - - - - 45.6% 13.7% - 1.2% 7.7% 3.7%																																																											
Loans and advances																																																											
Debt securities, including UoP																																																											
34.8% 12.1% - 1.3% 6.8% 0.2% 0.1% - 0.1% 0.0% - - - 4.9% - - - 2.7% - - - - - 46.3% 14.1% - 1.3% 7.9% 3.6%																																																											
Equity instruments																																																											
10.1% 4.3% - 0.3% 2.2% 0.7% 0.3% - 0.3% - - - 8.1% - - - 4.3% - - - - - 25.7% 5.0% - 0.3% 2.7% 0.1%																																																											
Households																																																											
82.8% - - - - - - - - - - - - - - - 82.8% - - - - - 48.8%																																																											
of which loans collateralised by residential immovable property																																																											
100.0% - - - - - - - - - - - - - - - 100.0% - - - - - 39.0%																																																											
of which building renovation loans																																																											
100.0% - - - - - - - - - - - - - - - 100.0% - - - - - 1.4%																																																											
of which motor vehicle loans																																																											
Local governments financing																																																											
Housing financing																																																											
Other local government financing																																																											
Collateral obtained by taking possession: residential and commercial immovable properties																																																											
Total GAR assets																																																											
42.4% 0.5% - 0.0% 0.3% 0.0% 0.0% - 0.0% 0.0% - - - 0.2% - - - 0.1% - - - - - 42.4% 1% - 0.0% 0.3% 13.6%																																																											

(1) The amount of GAR-based taxonomy eligibility is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.
 (2) The amount of GAR-based taxonomy alignment is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.

4. GAR KPI flow - CapEx

% (compared to flow of total eligible assets)		2025																													
		Climate Change Mitigation				Climate Change Adaptation				Water and marine resources				Circular economy				Pollution				Biodiversity and Ecosystems				TOTAL					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) ¹					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) ²					
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered					
GAR - Covered assets in both numerator and denominator																															
Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation		77.6%	1.3%	-	0.1%	0.7%	0.1%	0.0%	-	0.0%	0.0%	-	-	-	0.2%	-	-	-	0.0%	-	-	-	-	-	-	77.4%	1.4%	-	0.1%	0.8%	55.0%
Financial undertakings		31.0%	5.1%	-	0.1%	1.9%	0.0%	-	-	-	-	-	-	-	0.1%	-	-	-	0.0%	-	-	-	-	-	-	13.0%	5.1%	-	0.1%	1.9%	2.4%
Credit institutions		27.2%	5.3%	-	0.1%	2.8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.3%	-	0.1%	2.8%	1.6%
Loans and advances																															
Debt securities, including UoP		27.2%	5.3%	-	0.1%	2.8%	0.6%	-	-	-	-	-	-	-	0.8%	-	-	-	-	-	-	-	-	-	-	30.3%	5.3%	-	0.1%	2.8%	1.6%
Equity instruments		13.4%	-	-	-	-	-	-	-	-	-	-	-	-	56.1%	-	-	-	-	-	-	-	-	-	-	72.5%	-	-	-	-	0.0%
Other financial corporations		38.7%	4.7%	-	0.1%	0.2%	0.2%	-	-	-	-	-	-	-	0.4%	-	-	-	0.0%	-	-	-	-	-	-	39.4%	4.7%	-	0.1%	0.2%	0.8%
of which investment firms		36.4%	5.0%	-	0.1%	0.2%	-	-	-	-	-	-	-	-	0.4%	-	-	-	0.0%	-	-	-	-	-	-	36.9%	5.0%	-	0.1%	0.2%	0.6%
Loans and advances																															
Debt securities, including UoP		36.4%	5.0%	-	0.1%	0.1%	-	-	-	-	-	-	-	-	0.4%	-	-	-	-	-	-	-	-	-	-	36.8%	5.0%	-	0.1%	0.1%	0.6%
Equity instruments		34.5%	24.4%	-	-	23.2%	-	-	-	-	-	-	-	-	-	-	-	-	6.7%	-	-	-	-	-	-	41.3%	24.4%	-	23.2%	0.0%	
of which management companies		43.9%	4.1%	-	0.1%	0.2%	0.5%	-	-	-	-	-	-	-	0.2%	-	-	-	-	-	-	-	-	-	-	44.9%	4.1%	-	0.1%	0.2%	0.3%
Loans and advances																															
Debt securities, including UoP		45.5%	4.1%	-	0.1%	0.1%	0.2%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45.8%	4.1%	-	0.1%	0.1%	0.2%
Equity instruments		5.4%	3.8%	-	-	2.2%	7.4%	-	-	-	-	-	-	-	4.5%	-	-	-	-	-	-	-	-	-	-	22.4%	3.8%	-	2.2%	0.0%	
of which insurance undertakings																															
Loans and advances																															
Debt securities, including UoP																															
Equity instruments																															
Non-financial undertakings		40.2%	15.8%	-	1.2%	9.8%	1.0%	0.0%	-	0.0%	0.0%	-	-	-	3.5%	-	-	-	0.5%	-	-	-	-	-	-	49.9%	17.4%	-	1.2%	10.4%	3.7%
Loans and advances																															
Debt securities, including UoP		40.6%	16.0%	-	1.2%	9.9%	1.0%	0.0%	-	0.0%	0.0%	-	-	-	3.4%	-	-	-	0.5%	-	-	-	-	-	-	50.3%	17.6%	-	1.2%	10.6%	3.6%
Equity instruments		29.2%	12.3%	-	0.6%	5.7%	1.9%	0.1%	-	0.1%	-	-	-	4.3%	-	-	-	1.9%	-	-	-	-	-	-	-	40.2%	12.5%	-	0.6%	5.8%	0.1%
Households		82.8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82.8%	-	-	-	-	48.8%
of which loans collateralised by residential immovable property		100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	39.0%
of which building renovation loans		100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	-	-	-	-	1.4%
of which motor vehicle loans																															
Local governments financing																															
Housing financing																															
Other local government financing																															
Collateral obtained by taking possession: residential and commercial immovable properties																															
Total GAR assets		42.7%	0.7%	-	0.0%	0.4%	0.0%	0.0%	-	0.0%	0.0%	-	-	-	0.1%	-	-	-	0.0%	-	-	-	-	-	-	42.6%	0.8%	-	0.0%	0.4%	13.6%

(1) The amount of GAR-based taxonomy eligibility is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.
 (2) The amount of GAR-based taxonomy alignment is calculated based on the ownership share or loan receivable, multiplied by the percentage share of each company's reported taxonomy ratio based on revenue data.

5. KPI off-balance sheet exposures - Turnover

		2025																					
		Climate Change Mitigation			Climate Change Adaptation			Water and marine resources			Circular economy			Pollution		Biodiversity and Ecosystems		TOTAL					
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling		
1	Financial guarantees (FinGuar KPI) ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI) ²	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) The POP Bank Group has no financial collaterals towards NFRD companies.
 (2) The POP Bank Group has no assets under management (AuM).

5. KPI off-balance sheet exposures - CapEx

		2025																					
		Climate Change Mitigation			Climate Change Adaptation			Water and marine resources			Circular economy			Pollution		Biodiversity and Ecosystems		TOTAL					
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling		
1	Financial guarantees (FinGuar KPI) ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI) ²	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) The POP Bank Group has no financial collaterals towards NFRD companies.
 (2) The POP Bank Group has no assets under management (AuM).

TEMPLATE 1 NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

2025

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes

Row	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

2024

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Row	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

2025 - Taxonomy-aligned economic activities (denominator) - revenue

Row	Economic activities	Climate change mitigation + Climate change adaptation		Climate change mitigation		Climate change adaptation	
		(EURm)	(%)	(EURm)	(%)	(EURm)	(%)
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.1	0.00	2.1	0.00	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.0	0.00	1.0	0.00	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	13.6	0.00	12.0	0.00	0.2	0.00
8	Total applicable KPI	16.7	0.00	15.1	0.00	0.2	0.00

2025 - Taxonomy-aligned economic activities (denominator) - capex

Row	Economic activities	Climate change mitigation + Climate change adaptation		Climate change mitigation		Climate change adaptation	
		(EURm)	(%)	(EURm)	(%)	(EURm)	(%)
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.5	0.00	0.5	0.00	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.5	0.00	2.5	0.00	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	18.4	0.00	16.8	0.00	0.1	0.00
8	Total applicable KPI	21.3	0.00	19.8	0.00	0.1	0.00

2025 - Taxonomy-aligned economic activities (numerator) - revenue

Row	Economic activities	Climate change mitigation + Climate change adaptation		Climate change mitigation		Climate change adaptation	
		(EURm)	(%)	(EURm)	(%)	(EURm)	(%)
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2.2	0.13	2.2	0.13	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1.3	0.08	1.3	0.08	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	13.3	0.79	11.6	0.70	0.2	0.01
8	Total applicable KPI	16.7	1.00	15.1	0.90	0.2	0.01

2025 - Taxonomy-aligned economic activities (numerator) - capex

Row	Economic activities	Climate change mitigation + Climate change adaptation		Climate change mitigation		Climate change adaptation	
		(EURm)	(%)	(EURm)	(%)	(EURm)	(%)
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.5	0.02	0.5	0.02	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2.6	0.12	2.6	0.12	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	-	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	18.3	0.86	16.7	0.79	0.1	0.0
8	Total applicable KPI	21.3	1.00	19.8	0.93	0.1	0.0

2025 - Taxonomy-eligible but not taxonomy-aligned economic activities - revenue

Row	Economic activities	Climate change mitigation + Climate change adaptation		Climate change mitigation		Climate change adaptation	
		(EURm)	(%)	(EURm)	(%)	(EURm)	(%)
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2,496.0	0.44	2,486.3	0.44	0.4	0.00
8	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	2,496.1	0.44	2,486.4	0.44	0.4	0.00

2025 - Taxonomy-eligible but not taxonomy-aligned economic activities - capex

Row	Economic activities	Climate change mitigation + Climate change adaptation		Climate change mitigation		Climate change adaptation	
		(EURm)	(%)	(EURm)	(%)	(EURm)	(%)
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	0.0	0.00
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00	0.0	0.00	-	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2,501.6	0.45	2,492.5	0.44	1.1	0.00
8	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	2,501.6	0.45	2,492.5	0.44	1.1	0.00

2025 - Taxonomy non-eligible economic activities - revenue

Row	Economic activities	(EURm)	(%)
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	3,114.9	0.56
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	3,114.9	0.56

2025 - Taxonomy non-eligible economic activities - capex

Row	Economic activities	(EURm)	(%)
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	3,109.3	0.55
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	3,109.3	0.55

2.2 E1 Climate Change

Material impacts, risks and opportunities

The POP Bank Group's climate-related material impacts, risks and opportunities have been identified as part of the double materiality assessment, which is described in more detail in section *IRO-1* of ESRS2 General *Disclosures*. Impacts, risks and opportunities are identified and managed, for example, as part of lending, banks' investment operations, calculating GHG emissions and selecting partners.

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Climate change mitigation	Negative impact: The POP Bank Group and its value chain generate greenhouse gases. The Group's most significant greenhouse gas emissions occur through the value chain, particularly in connection with customer financing and the investment portfolio.	Short, medium and long term	Own operations, upstream and downstream
	Positive impact: Products that advance sustainable development channel financing to responsible projects and create a positive impact on people and the environment.	Medium and long term	Downstream
	Risk: Stakeholders are demanding a reduction in greenhouse emissions, and if the POP Bank Group does not commit to this it could negatively impact the POP Bank Group's customer and partner relationships and funding. Financing high carbon intensity sectors can also affect the incentives of investors or other partners.	Long term	Own operations, upstream and downstream
	Opportunity: The growing demand for sustainable products and the green transition can create opportunities, for example in product development and financing activities.	Medium and long term	Own operations

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Energy	Negative impact: The POP Bank Group and its value chain consume energy, which generates negative environmental impacts, (e.g. GHG emissions, waste and water acidification). These impacts are likely to diminish over the long term as a result of the increasingly renewable and environmentally friendly energy transition.	Short, medium and long term	Own operations, upstream and downstream

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The table in the *Material impacts, risks and opportunities* section of *E1 Climate change* presents the material impacts, risks and opportunities related to climate change identified in the double materiality assessment. Risks related to climate change mitigation identified in the assessment are considered transition risks.

Physical and transitional risks were assessed separately from the perspective of capital adequacy. The assessment has been carried out as an expert judgement, and due to the lack of more detailed data, there is uncertainty related to the outcome. With regard to climate change impacts and extreme weather-related events, the potential physical risks identified in the loan portfolio are river floods, which may affect real estate and buildings. However, these physical risks are not expected to affect capital adequacy in the short term, but risks may materialise in the long term. No material transition risks regarding the loan portfolio have been identified in the short and medium term. For the POP Bank Group's own operations, the achievement of the emission reduction goals under the Paris Agreement was identified as a transition risk. During 2025, the Group set targets for Scope 1 and Scope 2 emissions, and it will continue setting reduction targets for Scope 3 emissions in 2026.

The POP Bank Group has conducted a climate-related resilience analysis as an expert judgement

with the aim of identifying the climate resilience of the company's strategy and business model. The resilience analysis is limited to the loan portfolio for the value chain, and in particular to mortgages and real estate, and construction projects. Physical and transitional risks were assessed for the loan portfolio. The resilience analysis also looked at the company's own operations in terms of transition risks. Physical risks have not been taken into account for own operations, as these risks have not been assessed as material. The resilience analysis was conducted during 2024 and based on the ESG risk assessment updated in 2025, no need to update the resilience analysis has been identified.

Climate scenarios were not used in the resilience analysis. A 4.5°C climate scenario has been used to identify physical climate risks and a 1.5°C climate scenario has been used to identify transition risks, and the identified risks have been taken into account in the resilience analysis.

The POP Bank Group's resilience analysis did not assess how the transition to a lower-carbon and resilient economy will affect its surrounding macroeconomic trends, energy consumption and mix, and technology deployment assumptions. The assessment of the risks' financial impacts and the assessment of their impacts on the POP Bank Group's operations has taken into account current regulation and anticipated regulatory amendments and political changes. Examples include building permit practices and subsidy systems for different sectors, which are seen to mitigate risks. The resilience analysis focuses mainly on the short and

medium term, as there is uncertainty in the long-term assessment of risks.

From the perspective of the implementation of the POP Bank Group's strategy, the identified climate-related physical or transition risks have not been identified as having an impact the ability to conduct the core banking operations in its current form, in line with the strategy. The Group's current strategy is based on local focus, including the financing of local business, corporate and agricultural activities. The sustainability of the strategy is supported by the structure of the loan portfolio, in which financing for corporate and agricultural customers only makes up part of the loan portfolio, as the main focus is on housing finance. Corporate and agricultural customers are similarly diversified in terms of their sector or type of production and from a geographical perspective, which reduces the impacts of climate change. Mortgage lending to private customers forms the bulk of the loan portfolio, which is also geographically dispersed.

In the long term, climate-related risks may materialise if various extreme weather-related events cause an increase in widespread damage to real estate. Material transition risks have not yet been identified for the short or medium term, but the Group has identified that the assessment of transition risks is challenging regarding the long term due to potential rapid changes.

Based on the resilience analysis carried out by the POP Bank Group, climate-related risks were not considered to have financial effects on the

POP Bank Group's capital adequacy in the short or medium term. The POP Bank Group considers it possible that climate-related will materialise in the long term, but it is challenging to estimate their financial effects on the POP Bank Group on the basis of the data used in the resilience analysis. So far, the POP Bank Group has not separately assessed its ability to adapt its strategy and business model to climate change in the short, medium and long term.

Transition plan for climate change mitigation (E1-1)

The POP Bank Group does not currently have a transition plan for climate change mitigation that covers its value chain. During 2025, the Group set emission reduction targets for Scope 1 and Scope 2 emissions from its own sites, taking into account the requirements of a transition plan. These emission reduction targets are described in Section E1-4 of the *E1 Climate Change* standard. The Group intends to continue setting reduction targets for Scope 3 emissions in 2026, after which the development of a transition plan could become feasible in the medium term.

Policies related to climate change mitigation and adaptation (E1-2)

The POP Bank Group aims to identify its impacts on climate and mitigate climate change in its own operations and value chain. In terms of climate change mitigation, the POP Bank Group's key policies are internal guidelines related to lending and

investment activities, the Code of Conduct for suppliers and partners and the responsible procurement policy. The responsible procurement policy also provides instructions related to energy efficiency and the use of renewable energy.

In the POP Bank Group, the assessment of environmental and climate factors in lending is guided by the corporate lending policy. In addition, the corporate lending process evaluates the borrower's business from the perspectives of sustainability and good governance. The private customer lending policy provides instructions on the principles of environmentally sustainable lending. The Group's lending-related policies are applied consistently across all member credit institutions and are monitored locally by the member credit institutions as part of normal internal business control, as well as centrally by the POP Bank Centre coop's independent functions. The Executive Board of POP Bank Centre coop approves the policy on lending.

The guidelines on member credit institutions' investment activities set out key principles for responsible investment and provide recommendations for applying defined sustainability criteria to the POP Banks' direct and indirect investments. External asset managers are required to sign the UN Principles for Responsible Investment, and, when making indirect and direct investments, the guidance is to prefer investments that consider sustainability characteristics. All investment activities are subject to broad limits, which direct the main focus of investment activities towards assets that support the liquidity position in accordance

with regulatory criteria for the sector. The selection of investments that secure the liquidity position is not guided by sustainability criteria, but by regulatory requirements related to liquidity risk management in the sector and the risk appetite determined on that basis. The majority of the Group's investment activities are in investments that secure its liquidity position. The guidelines governing member credit institutions' investing activities are approved by the Board of Directors of POP Bank Centre coop and are applied in all entities of the POP Bank Group. The Board of Directors is responsible for ensuring compliance with the guidelines.

Supplier and partner selections for the entire POP Bank Group are negotiated at POP Bank Centre coop. The aim of the Code of Conduct for partners and suppliers and responsible procurement policy approved by the Executive Board of POP Bank Centre coop is to manage environmental risks and negative impacts on the environment related to partners and the supply chain. In accordance with the Code of Conduct for suppliers and partners, the POP Bank Group's suppliers must comply with environmental legislation, identify their own impacts on the environment and avoid causing negative impacts on the environment. POP Bank Centre takes the Code of Conduct into account as part of contract negotiations, with the aim of incorporating the principles into contracts. The responsible procurement policy provides guidance on how to take environmental perspectives into account in procurement, such as checking the supplier's environmental commitments, if any, and giv-

ing preference to lower-emission and energy-efficient products or services. The Code of Conduct for suppliers and the responsible procurement policy apply to POP Bank Centre coop and the use of this document is also recommended in the Group's other entities. POP Bank Centre coop's sustainability function is responsible for the implementation of the principles.

Actions and resources in relation to climate change policies (E1-3)

To achieve objectives of the POP Bank Group's climate-related policies, actions are taken as part of the lending process, by providing financing for climate change mitigation investments and taking environmental factors into account in procurement.

The granting of loans and the related assessment of environmental factors and risks are part of the banks' normal business activities carried out in accordance with regulatory requirements. Guidance on the assessment of environmental and climate factors is provided in the lending and collateral policy. The internal guidelines for lending include criteria for assessing environmental and climate factors. A project for the continuous development of more detailed sustainable financing guidelines was started at the POP Bank Group in 2024. The aim of the project is to enable to Group to make higher quality lending decisions in terms of sustainability. During 2025, the POP Bank Group has diversified the qualitative data sources on sustainability and integrated the data gained

from these sources into the lending process. A more precise qualitative assessment will enable the Group's member credit institutions to assess the climate impact of their financing targets more accurately. The aim is to develop and improve the Group's climate impact reporting capabilities at the same time.

The POP Bank Group aims to reduce negative impacts on the environment and people by providing financing to its customers for investments that support climate change mitigation and by offering investments that support sustainable development, and by informing customers about the related opportunities. Product management procedures and active cooperation with product and service suppliers aim to ensure that customers have a sufficient range of products to choose from, also from a sustainability perspective.

The POP Bank Group has offered the Vihreä laina green loan product since 2021, and a guarantee granted by the European Investment Fund was added to this product in 2024. The green loan product (Vihreä laina) is suitable not only for private customers' investments into climate change mitigation or energy efficiency improvements, but following the product update, also for businesses and housing company customers. By granting Vihreä laina loans it is possible to improve energy efficiency and reduce GHG emissions in the downstream value chain, through customer lending.

The POP Bank Group assesses customers' sustainability preferences in line with the sustainable

finance regulation as part of investment advice. Regarding sustainability preferences, customers are asked about their preferred minimum percentage of sustainable investments and taxonomy-aligned investments. Customers are also asked whether they only want to be recommended investment solutions that take into account the principal adverse impacts on sustainability.

The plan is to include The Code of Conduct for suppliers and partners as an annex to each new contract with the POP Bank Centre coop. An online course on procurement is available for the employees of POP Bank Centre and Bonum Bank Plc who participate in procurement. The content of the course also includes guidelines on responsible procurement and taking environmental factors into consideration in procurement. Taking environmental responsibility into account in procurement can have a mitigating effect on climate change, but so far it is not possible to assess the impact of actions, for example on selecting a suitable partner.

Some of the POP Bank Group's sites are part of the WWF's Green Office programme and aiming to reduce the climate impact of their site. Bonum Bank Plc's both offices in Espoo and Vaasa and POP Bank Centre coop's office in Espoo have been granted Green Office certification. POP Bank Lannevesi is also part of the Green Office programme and seeks certification. Green Office provides a model for creating an environmental management system aimed at reducing the carbon footprint of an office.

During 2025, the POP Bank Group set Scope 1 and Scope 2 greenhouse gas emission reduction targets extending until 2030, and in line with these targets, the Group aims to reduce greenhouse gas emissions by transitioning to the use of renewable energy. The measures related to the use of renewable energy apply to the POP Bank Group's sites. During 2025, some sites achieved emission reductions, for example by introducing district heating generated with renewable energy or renewable heating oil, or by replacing company cars with electric or hybrid cars.

The POP Bank Group is not yet able to disaggregate the scope 3 GHG emission reductions achieved as a result of the actions. The POP Bank Group has not yet undertaken or planned any climate-related actions that would require significant amounts of CapEx or OpEx.

Targets related to climate change mitigation and adaptation (E1-4)

The POP Bank Group has set sustainability targets for 2024, and the targets cover the period 2025–2027. Targets have been set for climate change mitigation and energy efficiency.

The results of the double materiality assessment and the views of stakeholders determined in connection with the double materiality assessment, were used in the setting of the targets. A workshop on the targets was organised and POP Bank Centre coop's Executive Board and experts from the POP Bank Centre coop and Bonum Bank Plc participated. The targets have been approved by the Board of Directors of the POP Bank Centre coop. Progress towards the targets is reported as part of the Sustainability Report.

Increasing the share of green lending will have an impact on reducing GHG emissions and energy

efficiency through lending. Depending on the target of the green loan, the investment may be aimed at reducing emissions or improving energy efficiency or both. For example, a green loan can be used to finance energy renovations in buildings that reduce emissions and improve energy efficiency, or the purchase of lower-emission vehicles or machinery.

The overall target for GHG mitigation for 2025 is to set emission reduction targets and to develop an action plan to reduce emissions.

The climate-related targets are as follows:

Top-level target	Target	Metric
We will promote the selection of sustainable products and services We contribute to our climate impact by offering our customers sustainable loan and investment products and by developing our product selection.	1. We are increasing the share of green lending of total loans granted	We will grant green loans amounting to at least EUR 10 million in 2025 and EUR 15 million in 2026.
	2. We will add sustainable investments to the product portfolio	New sustainable funds will be added to the product range for customers by the end of 2027.
We will mitigate greenhouse gas (GHG) emissions We identify GHG reduction measures to be implemented in our operations and value chain and set targets for the timeline of these measures and reduction of emissions.	1. We set emission reduction targets and measures to reduce emissions	Emission targets have been set and a plan of measures developed for 2025.

The Vihreä laina green loan product included in the Pop Bank Group's product selection can be used to finance, for example, buildings' energy renovations that reduce emissions and improve energy efficiency, or the purchase of lower-emission vehicles or machinery. The 2025 target was not achieved for the green loans granted, with a total of EUR 0.13 million green loans granted. The slower-than-expected increase in demand for green loans delayed the achievement of the target. Although the 2025 target was not achieved as planned, the POP Bank Group aims to increase customer awareness of green loans during 2026.

The POP Bank Group's sustainability target is to introduce new sustainable funds to its product range by the end of 2027. New investment products should comply with Article 8 or 9 to meet the target; for Article 8 investment products, a separate examination is carried out to determine whether they include sustainability-related features. During 2025, no new funds for customers were added to the product portfolio. Progress towards the target will continue as planned, and new sustainable funds are expected to be available before the 2027 deadline.

Most of the funds offered through the POP Bank Group's investment advice have a Morningstar sustainability rating. In 2025, the average sustainability rating of these funds was 3.7 (3.6) measured on a scale of 1–5. The Morningstar sustainability rating describes the sustainability of those companies included in the fund, in rela-

tion to the holdings of other funds in the same comparison category, as determined by Morningstar. A mutual fund is issued with a sustainability rating, if at least 50 per cent of its assets are invested in companies for which Sustainalytics has determined a company-specific sustainability rating.

The funds offered by the POP Bank Group are classified into three different categories, or articles, in terms of sustainability. Articles 6, 8 and 9 describe the level of sustainability of the investment. The main objective of 'dark green' Article 9 investment products is to make sustainable investments. The main objective of 'light green' Article 8 investment product is to promote environmental and social characteristics. 'Grey' Article 6 investment products do not actively promote environmental and social characteristics.

Of the funds offered through the POP Bank Group's investment advice, 9 (9) % were compliant with Article 6, 86 (86) % were compliant with Article 8 and 5 (5) % were compliant with Article 9 at the end of 2025.

During 2025, the POP Bank Group set emission reduction targets and actions for Scope 1 and Scope 2 emissions. A decision was made to postpone the setting of Scope 3 emission reduction targets until 2026. The Scope 1 and Scope 2 emission reduction targets that were set apply to emissions from electricity consumption, district heating, oil heating and company cars at the POP Bank Group's sites.

The POP Bank Group's Scope 1 and Scope 2 greenhouse gas reduction targets have been set in line with the Paris Agreement and science-based targets. In line with the criteria for emission reduction targets based on a cross-sector (ACA) reductions pathway, the Group aims to reduce its Scope 1 and Scope 2 greenhouse gas emissions by 42% in the short term. The Group has used the criteria of the Science Based Targets initiative (SBTi) to set its emission reduction targets.

The base year for the Scope 1 and Scope 2 emission reduction targets is 2024, and the aim is for the target emission reductions to be achieved by 2030. The target emission reductions are presented as absolute values in the table below.

	GHG emissions (tCO₂e) in the base year 2024	Targeted reduction in GHG emissions by 2030 (tCO₂e)	GHG emissions in 2030 (tCO₂e)
Scope 1 and scope 2 GHG emissions	1334	560	774

The Scope 1 and Scope 2 emission reduction targets have been set in combination. In the 2024 base year, Scope 1 emissions amounted to 114 tCO₂e and Scope 2 emissions to 1220 tCO₂e. The Scope 2 emissions included in the target have been calculated on a market-based basis.

To achieve the Scope 1 and Scope 2 emission reductions, the POP Bank Group has identified a transition to the use of renewable energy, particularly with regard to electricity consumption, as a key measure.

The targets have not been verified by an external party other than the authorised sustainability auditor.

Energy consumption and mix (E1-5)

The Pop Bank Group's total energy consumption in 2025 was 7,487 (7,040) MWh. Of energy consumption, 56% (54%) came from renewable sources, 33% (33%) from fossil sources and 11% (8%) from nuclear.

Energy consumption data have been retrieved for the period 1 January – 31 October 2025, and the data for the rest of the year have been estimated based on the monthly average of the previous year.

Energy consumption and mix	2025	2024
Total fossil energy consumption (MWh)	2,478	2353
Share of fossil sources in total energy consumption (%)	33%	33%
Consumption from nuclear sources (MWh)	793	581
Share of consumption from nuclear sources in total energy consumption (%)	11%	8%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	7	8
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	4,166	3819
The consumption of self-generated non-fuel renewable energy (MWh)	42	0
Total renewable energy consumption (MWh)	4,215	3827
Share of renewable sources in total energy consumption (%)	56%	54%
Energy consumption from other sources (MWh)	0	279
Share of consumption from other sources in total energy consumption (%)	0%	5%
Total energy consumption (MWh)	7,487	7040

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

The POP Bank Group strives to identify the climate and environmental impacts of its operations and to promote sustainable development with its operations. The calculation of emissions helps to identify and assess the Group's impact on climate change, which makes it possible to plan the reduction of GHG emissions and negative climate impacts. The POP Bank Group's GHG emissions are not covered by an emission trading scheme and the Group does not operate in an emission-intensive sector.

In 2025, the POP Bank Group's market-based total GHG emissions were 119,724 (149,460) metric tonnes of CO₂eq and location-based total GHG emissions were 119,255 (149,048) metric tonnes of CO₂eq. The Group's market-based GHG intensity based on net revenue was 411.2 (454.0) metric tonnes of CO₂eq per EUR million in 2025.

The POP Bank Group's GHG emissions were calculated in accordance with the international GHG Protocol. The quality requirements for the data were set in line with the GHG Protocol and the aim was to use as much of the primary data available from operations as possible. Estimated data were used for emission sources for which no primary data were available. The emission factors were chosen in accordance with the principles of conservatism and prudence. In addition, the calculation of the loan portfolio and the

investment portfolio coming under Scope 3 value chain emissions was carried out in accordance with the methodologies of the Partnership Carbon Accounting Financials (PCAF).

	Base year	Retrospective			Milestones and target years*			Annual% target / Base year
		2025	2024	% 2024 / 2024-2025	2025	2030	2050	
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO2eq)	114	132	114	15.8	n/a	n/a	n/a	n/a
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	n/a	0%	0%	n/a	n/a	n/a	n/a	n/a
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO2eq)	n/a	538	808	-33.4	n/a	n/a	n/a	n/a
Gross market-based Scope 2 GHG emissions (tCO2eq)	1220	1,007	1,220	-17.5	n/a	n/a	n/a	n/a
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	n/a	118,585	148,126	-19.9	n/a	n/a	n/a	n/a
1 Purchased goods and services	n/a	6,694	7,055	-5.1	n/a	n/a	n/a	n/a
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	n/a	223	147	51.7	n/a	n/a	n/a	n/a
4 Upstream transportation and distribution	n/a	128	92	39.1	n/a	n/a	n/a	n/a
5 Waste generated in operations	n/a	8	9	-11.1	n/a	n/a	n/a	n/a
6 Business traveling	n/a	94	78	20.5	n/a	n/a	n/a	n/a
7 Employee commuting	n/a	747	770	-3.0	n/a	n/a	n/a	n/a
8 Upstream leased assets	n/a	247	167	47.9	n/a	n/a	n/a	n/a
15 Investments	n/a	110,444	139,808	-21.0	n/a	n/a	n/a	n/a
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)	n/a	119,255	149,048	-20.0	n/a	n/a	n/a	n/a
Total GHG emissions (market-based) (tCO2eq)	n/a	119,724	149,460	-19.9	n/a	n/a	n/a	n/a

* The Scope 1 and Scope 2 emission-reduction targets have been set as a combined target and are presented in section E1-4.

Biogenic emissions

Biogenic emissions of CO2 separately from the Scope 1 and 2 GHG emissions	2025	2024
Scope 1 (tCO2eq-bio)	3	6
Scope 2 (tCO2eq-bio)	784	783
Total (tCO2e-bio)	787	789

Revenue-based GHG intensity

GHG intensity per net revenue	2025	2024
Total GHG emissions (location-based) per net revenue* (tCO2eq/Monetary unit)	409.6 tCO2-ekv. / m€	452.7 tCO2-ekv. / m€
Total GHG emissions (market-based) per net revenue* (tCO2eq/Monetary unit)	411.2 tCO2-ekv. / m€	454.0 tCO2-ekv. / m€

* The POP Bank Group's net revenue includes interest income, commission income, net investment income and other operating income in total.

Connectivity of GHG intensity based on revenue with financial reporting information

	2025	2024
Net revenue used to calculate GHG intensity*	291,2 m€	329,2 m€
Net revenue (other)	-	-
Total net revenue (in financial statements)	291,2 m€	329,2 m€

* The POP Bank Group's net revenue includes interest income, commission income, net investment income and other operating income in total.

Calculation methodology for direct (Scope 1) and indirect (Scope 2) emissions from own operations

Scope 1 and 2 emissions include direct and indirect emissions from own operations. The calculation of POP Bank Group's Scope 1 and 2 emissions includes the sites of the banks, POP Bank Centre coop and Bonum Bank Plc, and the data used in the calculation were collected from each site using a questionnaire. The data used on the calculation of Scope 1 and 2 emissions in 2025 were collected over the period 1 January – 31 October 2025. The data for November and December were estimated for each site, based on the monthly average of the previous year.

Scope 1 emissions

Direct emissions from POP Bank Group's own operations, i.e., Scope 1 emissions, include emissions from the fuels used in company vehicles and emissions from energy production, such as oil heating, at own sites.

In the calculation of the emissions of vehicles and own energy production, the fuel-specific emission conversion factors according to DESNZ and DEFRA were used. Average biofuel blends have been assumed for petrol and diesel.

Scope 2 emissions

Indirect GHG emissions from POP Bank Group's own operations, i.e., Scope 2 emissions, include

consumption of purchased electricity and heating of own sites. District cooling was not in use in the POP Bank Group's sites. The data required for the calculation were collected for each site, and the data collected are based partly on measured and partly on estimated electricity and heat consumption.

In the market-based methodology, contract specific emission factors have been used for purchased electricity and heating. If the origin of the electricity was unknown, the average production mix or the residual distribution of Finnish electricity production has been used. Average emission factors for electricity and heating consumed in Finland have been used for the location-based method.

Energy consumption has been estimated for some sites based on the floor area data. The assessment uses specific consumption data for office buildings published by Motiva and Finnish Energy. The use of estimated data introduces uncertainty into the results.

GHG emission factors were used in the Scope 2 calculations, as data enabling a breakdown of different greenhouse gases was not available.

Scope 3 emission inventories

The calculation of the value chain emissions, i.e., Scope 3 emissions, has included an emission inventory, which determines the POP Bank Group's material emission categories. The determination

of the Group's material emission categories was carried out through workshop session in 2024. The workshop was attended by experts from POP Bank Centre coop, Bonum Bank Plc and a member cooperative bank. The basic data used in the workshop were data from accounting and other sources. All 15 categories of Scope 3 emissions were discussed at the workshop. For each category, an assessment was made of the significance of the category and the potential sources of emissions associated with it. During the workshop, the significant categories identified for Scope 3 were upstream purchased goods and services, indirect emissions from fuel production and electricity transmission, transportation and distribution, waste generated in operations, business travelling, employee commuting and leased assets, and downstream investments, which include the POP Bank Group's loan portfolio, investment portfolio and investment properties.

Scope 3 calculation methods

The calculation of the POP Bank Group's Scope 3 emissions has been carried out for the material categories in the emission inventory.

An attempt has been made to collect measured data for the Scope 3 emissions calculation, but for many categories measured data has not been available. In these cases, sector-specific emission conversion factors have been used to estimate emissions in the calculation. Estimates have been used especially in the calculation of the loan and investment portfolio due to the lack of meas-

ured data. The calculation of emissions for the loan portfolio and government bonds is fully estimated, but most of the data for listed equity and corporate bonds were based on the emissions reported by the investee companies. The calculation method for the loan and investment portfolio is described in more detail under *Category 15 Investments*.

The high percentage share of estimated emissions introduces uncertainty into the results. The POP Bank Group is working on improving the quality of the data in order to improve the quality of the results.

Category 1 Purchased goods and services

The calculation of purchased goods and services takes into account the cost of purchases, the data on material consumption for postage paper and bank cards and the cost of maintaining investment property. The calculation was carried out by retrieving the purchase expense accounts from the accounting and allocating the expenses to different emission categories. The categories to be calculated are as follows: ICT and development costs, financial and payment services, expert and HR services, office overheads and maintenance, marketing and communication, employee-related overheads, property maintenance, information logistics, security and insurance costs, health care and training. Regarding the purchased goods and services, it is important to consider the structure of the POP Bank Group and the fact that there is no central procurement unit, which means that there are no clearly identifiable individual large suppliers of the

purchased goods and services, and that purchases are spread out among a large number of small partners.

The accounting data used in the calculation were obtained for the period 1 January – 31 October 2025. To estimate the costs for the rest of the year, the monthly average costs for the period 1 January – 31 October 2025 were used. Estimation was done separately for each category.

Purchased services were calculated on a cost basis, and euro-based emission conversion factors were retrieved from the DEFRA database according to the type of service purchased. Emission conversion factors based on euro-denominated consumption were chosen due to the lack of product-based data. There tends to be more uncertainty related to emission conversion factors based on consumption and in the use of sector-specific averages so they may be less representative. Emission conversion factors for the bank card plastic and postage paper were obtained from the Ecoinvent 3.11 source.

Category 3 Fuel- and energy-related indirect emissions

The calculation of indirect emissions related to fuels and energy is based on the calculation of the location-based Scope 1 and 2 emissions. Supplier-specific data and the same emission factor sources as those used in Scope 1 and Scope 2 calculations have been applied in the calculations. Losses related to electricity trans-

mission and distribution have been calculated by multiplying country-specific loss percentages by electricity emission factors. A transmission loss of 5% has been assumed for district heating.

Category 4 Upstream transportation and distribution

Emissions from transportation and distribution were calculated using emissions data reported by suppliers, volume- and distance-based data and costs in euros. For transportation and distribution, 9 (12)% of emissions are based on data reported by suppliers. The figures from suppliers were obtained for the period 1 January – 31 October 2024. Monthly averages were used to estimate the figures for November – December, using the period 1 January – 31 October 2025 to calculate the averages.

For volume- and distance-based calculations, emission factors from DESNZ and DEFRA have been used. The emission conversion factors for the cost-based calculations were retrieved from the DEFRA database. There tends to be more uncertainty related to emission conversion factors based on consumption so they may be less representative.

Category 5 Waste generated in operations

The basic data used in the calculation of waste emissions is the amount of waste measured and reported in the POP Bank Centre coop's Green Office programme. Waste volumes were esti-

mated for a large share of the sites based on the POP Bank Centre coop's waste volumes, taking into account the number of employees and office days per bank. In addition, for some individual sites, data on the amount of waste were measured using a questionnaire, so no estimate was used for these.

The waste volumes of the POP Bank Centre coop and the individual sites were collected for the period 1 January – 31 October 2025. The waste volumes for November – December were estimated by calculating monthly averages for the period 1 January – 31 October 2025.

Waste-specific emission conversion values retrieved from Ecoinvent 3.11 source were used in the calculation.

Category 6 Business travelling

The POP Bank Group's emissions from business travelling mainly arise from four components: business travel by private car, hotel services used during business travel, business travel by train and business travel by air. The data used for the calculation consisted mainly of kilometres driven by car, accommodation, and, to a lesser extent, public transport. No accurate data has been available for air travel, so this has been excluded from the calculation. The POP Bank Group's travel costs are low, which means that air travel is not considered to make up a significant part of the emission calculation.

The data used for the calculation of business travelling were collected for the period 1 January – 31 October 2025. The business travelling figures for November – December were estimated by calculating monthly averages for the period 1 January – 31 October 2025.

The emission conversion factors from DESNZ and DEFRA were used for the calculation of the business travelling car trips covered by the kilometre allowance. Emissions from hotel accommodation were calculated using data from the Greenview Hotel Footprinting Tool. Public transport data were assumed to represent train travel, and the related emission data were obtained from VR.

Category 7 Employee commuting

The data used for calculating the employee commuting emissions of the POP Bank Group were collected through an employee survey conducted in 2025. The survey gathered information on the number of days worked on site, distances, modes of transport, and, where applicable, fuel type. Based on the survey responses, the commuting emissions for the entire POP Bank Group were estimated. The calculation applied emission factors from the DESNZ and DEFRA databases, as well as emissions reported by VR.

Category 8 Upstream leased assets

Leased assets and their emissions were calculated on the basis of equipment records obtained from the POP Bank Group's partner. Emissions

have been calculated using manufacturer-specific emission data. The share of the calculated manufacturing emissions per piece of equipment have been divided by an average lease term of 3 years.

Category 15 Investments

Category 15 of the POP Bank Group's Scope 3 emissions calculation includes emissions from the loan and investment portfolio and from investment properties. The POP Bank Group joined the Partnership Carbon Accounting Financials (PCAF) initiative in 2023. The initiative aims to develop and implement a consistent way for the financial sector to measure and report GHG emissions from loans and investments. The calculation of Scope 3 GHG emissions indirectly caused by the financial activities of the POP Bank Group observes the methodologies of PCAF and those published in the GHG Protocol standard.

Category 15 emissions are calculated according to the classes defined by PCAF, except for investment properties. The calculation according to the PCAF methodology was performed for the classes of loans collateralised by residential and commercial immovable property, corporate loans, listed equity and corporate bonds and government bonds. Of the classes defined by PCAF, project finance and motor vehicle loans were excluded from the calculation, as the necessary data have not yet been disaggregated. For investment properties, the calculation was performed according to the GHG protocol.

Measured emissions data for the loan portfolio and government bonds are not available, so estimates were used in the calculation, which introduces significant uncertainty into the results. For listed equity and corporate bonds, the data reported by the companies has been used. In the calculation of emissions from investment properties, both estimates and measured data have been used.

The POP Bank Group's category 15 emissions were calculated as of 31 October 2025 due to scheduling reasons. No material changes have occurred in the loan portfolio or investment assets during the latter part of the year.

Loan portfolio

The calculation of the POP Bank Group's loan portfolio includes loans collateralised by residential and commercial immovable property and corporate loans. The calculation and loan-to-value ratio of loans collateralised by residential and commercial immovable property and corporate loans was performed and defined at the customer level due to the available data, which means that it has not been possible to fully adhere to all PCAF principles in every situation.

Calculation method for loans collateralised by residential and commercial immovable property

	Financed emissions, Scope 1 and 2 tCO ₂ eq, year 2025	Scope 1 and 2 emissions intensity (tCO ₂ eq / EUR million in loan receivables), year 2025	Coverage (%)		Financed emissions, Scope 1 and 2 tCO ₂ eq, year 2024	Scope 1 and 2 emissions intensity (tCO ₂ eq / EUR million in loan receivables), year 2024	Coverage (%)
Mortgages and loans collateralised by residential immovable property	30,223	12.47	99.5%	Mortgages and loans collateralised by residential immovable property	54,775	20.93	99%
Loans for commercial real estate and premises	5,205	57.38	100%	Loans for commercial real estate and premises	4,214	57.86	73%
Loans to housing companies and real estate companies	1,749	12.02	99.6%	Loans to housing companies and real estate companies	2,589	27.68	35%

The calculation of the emissions of the POP Bank Group's loans collateralised by immovable property takes into consideration residential real estate, housing company shares, secondary residences, commercial real estate, housing companies and real estate companies. The emission estimates of the immovable properties used to calculate emissions from loans collateralised by immovable property are based on the collateral's surface area in square metres and energy performance certificates, where available. In the absence of an energy performance certificate, PCAF estimates are used in the calculation for properties that do not have an energy performance certificate. The emission conversion factors were obtained from the PCAF database. Option 2 in the PCAF standard's methodology was used for the calculation.

According to the PCAF standard, the calculation of real estate collateral includes the properties' Scope 1 and Scope 2 emissions according to the properties' loan-to-value ratio. In 2025, the calculation methodology changed compared with the previous period, as collateral coverage has been applied more comprehensively in the calculation of the loan-to-value ratio. As a result of the change in the methodology, greenhouse gas emissions from the loan portfolio for 2024 and 2025 are not comparable. The PCAF emission factors have also been updated, and the updates to the factors have resulted in a reduction in greenhouse gas emissions for 2025.

Emissions are presented at the portfolio level based on the collateral-specific data. The emissions intensity was calculated by dividing the

financed emissions by the amount of loan receivables in EUR millions.

According to PCAF's scale that measures data quality, properties and apartments for which energy performance certificates were used in the calculation receive the score 3. Sites with no energy performance certificates available are rated 4. Sites with incomplete data have been excluded from the calculation.

Calculation method for corporate loans

Main line of business	2025			Main line of business	2024		
	Financed emissions, Scope 1 and 2 tCO ₂ eq, year 2025	Financed emissions, Scope 3 tCO ₂ eq, year 2025	Scope 1 and 2 emission intensity (tCO ₂ eq / EUR million in loan receivables), year 2025		Financed emissions, Scope 1 and 2 tCO ₂ eq, year 2024	Financed emissions, Scope 3 tCO ₂ eq, year 2024	Scope 1 and 2 emission intensity (tCO ₂ eq / EUR million in loan receivables), year 2024
Construction	3,890	26,722	64.15	Construction	4,613	31,690	60.04
Electrical & machinery	125	1,861	19.46	Electrical & machinery	102	1,521	22.41
Electricity, gas & water	1,090	515	396.50	Electricity, gas & water	1,109	340	446.78
Financial intermediation & business activity	1,985	7,918	9.50	Financial intermediation & business activity	2,935	10,792	13.97
Food production, beverages & tobacco	1,114	5,750	92.68	Food production, beverages & tobacco	1,240	6550	95.86
Manufacturing & recycling	1,316	6,355	90.12	Manufacturing & recycling	1,295	6,214	90.04
Metal & metal products	825	6,367	78.60	Metal & metal products	814	6,278	71.98
Mining & quarrying	630	561	476.59	Mining & quarrying	436	445	356.97
Petroleum, chemicals & non-metallic mineral products	850	2,832	187.89	Petroleum, chemicals & non-metallic mineral products	904	2,788	193.28
Post & telecommunications	2	60	10.36	Post & telecommunications	2	41	8.24
Public administration	642	3,685	27.56	Public administration	714	4,420	21.04
Sale, maintenance & repair of vehicles	2,830	26,756	54.34	Sale, maintenance & repair of vehicles	3,116	29,600	50.77
Textiles, leather & wearing apparel	36	494	23.04	Textiles, leather & wearing apparel	51	687	20.16
Transport	5,156	7,149	287.83	Transport	5,221	7,434	279.48
Transport equipment	0	4	2.99	Transport equipment	19	222	24.35
Wood, paper & publishing	683	2,550	104.24	Wood, paper & publishing	616	2,467	65.6
Total	21,176	99,580	50.02	Total	23,186	111,490	49.82

The calculation of corporate loan emissions is based on information on the nature and scale of the business of the customer companies. This information includes the company's sector, turnover, amount of equity and balance sheet total. In addition to data received from customers, companies' business information has been obtained from Suomen Asiakastieto Oy for the purpose of the calculation. The emissions calculated on the basis of the scope of business operations concern the corporate loans' Scope 1, Scope 2 and Scope 3 emissions. Presented amounts of the category 15 in the main table in the beginning of the paragraph E1-6 does not include scope 3 emissions of companies of the corporate loans. PCAF instructs reporting entities to report the scope 3 emissions of investee companies separately.

The emission conversion factors from the PCAF database and Option 3 of the PCAF standard methodology were used in the calculation. The geographical area of the PCAF's emission conversion factors used in the calculation of the corporate loans emissions was Finland. The corporate loan emissions attributable to the POP Bank Group were calculated using a factor, which is calculated as the share of loans granted from the company's balance sheet total. If the loan amount was greater than the company's total balance sheet value, all the Scope 1 and 2 emissions caused by the counterparty were included in the emissions attributable to the POP Bank Group.

Not all of the corporate customer sectors defined in the POP Bank Group's loan portfolio correspond

directly to the sectors defined by PCAF and their emission conversion factors, so in these cases the corporate customer sector is defined as the closest corresponding sector class in PCAF. The sample excludes customers whose main business is solely property management, as the turnover arising from the property management fee would not give a true picture of the emissions arising from the business. For these cases, the calculation was carried out as part of the calculation of loans collateralised by immovable property.

The change made in 2025 to the emissions calculation for loans collateralised by immovable property also affects the calculation for corporate loans; accordingly, emissions from corporate loans for 2024 and 2025 are not comparable. The emissions intensity was calculated by dividing the financed emissions by the amount of loan receivables in EUR millions.

Overall, the quality of the corporate loan data is rated 4 on the PCAF scale.

The coverage of the calculation of emissions from corporate loans is 74% (70%). The corporate loan coverage includes the share calculated on the basis of data on business operations, plus the share calculated on the basis of companies' loans collateralised by immovable property. Excluded from the calculation are loans for which the information on debtors is insufficient to carry out the calculation and sectors for which no suitable emission factors can be found.

Investments

The calculation of POP Bank Group's investments includes listed equity and corporate bonds and government bonds, which come under the PCAF classes, and investment properties, which do not come under the PCAF classes. In accordance with the PCAF's guidelines, no emissions are calculated for central bank deposits.

Calculation method for listed equity and corporate bonds

Investment	Financed emissions, Scope 1 and 2 tCO ₂ eq, year 2025	Scope 1 and 2 emissions intensity (tCO ₂ eq / EUR million invested), year 2025	Financed emissions, Scope 1 and 2 tCO ₂ eq, year 2024	Scope 1 and 2 emissions intensity (tCO ₂ eq / EUR million invested), year 2024
Bonds	6,338	51.99	4,330	36.04
Investment funds	5,362	44.49	5,567	46.24
Shares	157	68.33	246	72.00
Total	11,857	48.45	10,143	41.58

The POP Bank Group's financed emissions from investments were estimated in accordance with the PCAF's guidelines by adding up the POP Bank Group's share of ownership in the investments to produce the share of emissions. The calculation of Scope 1 and Scope 2 emissions for listed equity and corporate bonds was performed according to Option 1 of the PCAF methodology. Financed Scope 3 emissions were not calculated due to lack of data.

Non-UCITS funds calculate and report their own emissions, and this information was obtained from the separate funds for the calculation. In the calculation of the POP Bank Group's financed emissions, the fund's emissions intensity factor was used as the factor to calculate the emissions from the funds for which the POP Bank Group is responsible. The reporting methods of non-UCITS funds vary, so for some of the funds, the emissions intensity was calculated by the POP Bank Group in order to harmonise the figures. Non-UCITS funds that do not report their emissions were excluded from the calculation, as it was not possible to estimate the emissions with sufficient accuracy.

For other mutual funds, the emissions intensity figures were obtained from MSCI ESG Research LLC and the figures were used as the basis for the calculation of the POP Bank Group's financed emissions.

Data on total emissions and Enterprise Value Including Cash (EVIC) values for listed equity were obtained from MSCI ESG Research LLC. In the calculation, the factor determining the POP Bank Group's share was obtained by comparing the market value of the investment at the time of the calculation with the EVIC of the counterparty. The POP Bank Group's financed emissions were obtained by multiplying the factor determining the Group's share by the total emissions of the counterparty.

Emissions intensity was calculated by dividing emissions by the total value of investments.

Overall, the most common data quality score is 2 on the PCAF scale.

For some investments, no emissions factor is available, so these investments were excluded from the calculation. The coverage of the calculation of emissions from listed equity and corporate bonds was 64% (63%).

Calculation method for government bonds

Government bonds	Financed emissions, Scope 1 tCO2eq, year 2025	Scope 1 emission intensity (tCO2eq / EUR million invested), year 2025	Financed emissions, Scope 1 tCO2eq, year 2024	Scope 1 emission intensity (tCO2eq / EUR million invested), year 2024
Total	39,354	157.87	44,104	159.39

The POP Bank Group's calculation of the financed emissions from government bonds is based on the value of the bonds divided by the target country's total GDP adjusted by the country's purchasing power parity (PPP) after which the total emissions of the target country are obtained by multiplying with the respective ratio. The source of the PPP-adjusted GDP is the World Bank, and country-specific emission estimates are taken from the PCAF database. Financed Scope 1 emissions were calculated for government bonds. Due to a lack of up-to-date data, the calculation of financed Scope

2 and Scope 3 emissions for government bonds has not yet been performed.

The emissions intensity was calculated by dividing the financed emissions by the total value of the investments.

The calculated emissions received a data quality score of 4 on the PCAF scale. The coverage of the calculation of emissions of corporate bonds is 86% (90%).

Calculation method for investment properties

Investment properties	Scope 1 and 2 emissions (location-based), tCO2eq, year 2025	Scope 1 and 2 emissions (location-based), tCO2eq, year 2024
Total	880	797

The calculation of emissions from investment properties was carried out in accordance with the GHG protocol. Data on the investment properties' electricity and heat consumption and floor areas were used to calculate the emissions of the POP Bank Group's investment properties. For those sites where only the floor area was known, electricity and heat consumption was estimated based on the average energy consumption of the office building reported by Motiva. The Scope 2 emissions of the sites were calculated using location-based country-specific averages for electricity and heat emissions.

Sites for which no data on energy consumption or surface area could be found were excluded from the calculation. The calculation covered 60% (43%) of investment properties in relation to the number of properties.

GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

The POP Bank Group has not yet purchased any carbon credits or undertaken any GHG removals or storage that would have been a result of the mitigation projects identified by the Group. Therefore, the total amount of GHG removal and storage and the total amount of carbon credits outside the value chain in metric tonnes of CO2eq is 0.

3 SOCIAL INFORMATION

3.1 S1 Own workforce

Material impacts, risks and opportunities

The POP Bank Group's material impacts, risks and opportunities related to own workforce have been identified as part of the double materiality assessment, which is described in more detail in section *IRO-1 of ESRS2 General Disclosures*. Impacts, risks and opportunities are also identified and managed, for example, through employee surveys, training, cooperation with occupational health care services and early support practices.

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Working conditions	Negative impact: A potential weakening of work-life balance and inflexible working time have a negative impact on the recovery, coping at work and mental wellbeing of the POP Bank Group's own workforce.	Short and medium term	Own operations
	Positive impact: The POP Bank Group offers jobs in several locations in Finland.	Short, medium and long term	Own operations
	Risk: Increasing employee turnover and a reduced ability to attract new workforce may slow down operational activities, affect the level of customer service and weaken the productivity of the POP Bank Group's operations.	Short and medium term	Own operations
Equal treatment and opportunities for all	Negative impact: If employees do not perceive the working environment and the opportunities it offers as being equal, this has a negative impact on well-being at work, job motivation and job satisfaction.	Short and medium term	Own operations
	Risk: Unequal treatment and large gender pay gaps negatively affect the reputation or stakeholders' perception of the POP Bank Group.	Medium term	Own operations

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The actual and potential impacts on the own workforce identified in the double materiality assessment are related to the POP Bank Group's strategy and business model. The impacts and risks have emerged through an examination of the POP Bank Group's own operations, workforce and nature of work. In the POP Bank Group, the nature of the work is office and knowledge work, which has been taken into account in the assessment of impacts, risks and opportunities. Material impacts and risks have been identified through stakeholder interviews and surveys and a management workshop, as described in more detail in section *IRO-1 of ESRS2 General Disclosures*. The identified material impacts and risks are reflected in the POP Bank Group's strategy and business model, for example through the incorporation of employee satisfaction and competence into the strategy. A skilled workforce is a prerequisite for the implementation of strategy and business model.

All persons belonging to the POP Bank Group's workforce are covered by the information reported in accordance with ESRS2 General Disclosures. Own workforce includes employees in an employment relationship as well as people employed through service-sector companies, such as workers hired through employment agencies or consultants. Consultants and employment agency workers are not included in the numerical data

reported due to the scope of the standard, but they are taken into account in the identification of impacts and risks.

The potential material risks and opportunities arising from the impacts and dependencies on the POP Bank Group's own workforce relate to its entire own workforce and not to specific groups of people. The double materiality assessment has not been used to gain an insight into how workers, who have particular characteristics or who work in particular contexts or perform particular activities, are at greater risk of suffering from harm. The material negative impacts identified by the POP Bank Group are related to individual incidents.

The POP Bank Group operates across multiple locations throughout Finland and employed 888 people at the end of 2025. Providing jobs across different regions of Finland has been identified as a positive impact.

All material risks for the company arising from impacts on its own workforce and dependencies on its own workforce are described in the table presented in the previous section.

The POP Bank Group has not yet drawn up any transition plans related to the climate and environment, so therefore it has not been possible to identify any potential material impacts arising from the transition plans on the POP Bank Group's own workforce. The established Scope 1 and Scope 2 emission reduction targets do not have material impacts on the own workforce.

The POP Bank Group's operations are not associated with material risks related to forced or child labour, which is due to the type of operations or the geographical areas in which the operations are carried out, as the POP Bank Group operates in Finland.

Policies related to own workforce (S1-1)

The material impacts and risks associated with the POP Bank Group's own workforce are managed through the POP Bank Group's Code of Conduct, HR policy, and guidelines of its early support practices. The above-mentioned common Group policies cover the own workforce of the entire Group.

In the POP Bank Group, each entity in the Group is an independent operator, which as a member of the Group is committed to the shared values, policies and guidelines. The Group's entities may also have their own internal guidelines. For example, a plan to promote equality, a health and safety action plan and a workplace community development plan are created at the entity level.

In addition to the Code of Conduct and other internal guidelines, the POP Bank Group complies with the regulations that are in force and the collective agreement for the financial sector.

The Code of Conduct approved by the Board of Directors of POP Bank Centre coop describes the minimum requirements according to which the employees, executive management and

administration of the POP Bank Group must operate. The Code of Conduct sets requirements for equal treatment and opportunities for employees. In the POP Bank Group, respectful and fair behaviour is expected and no one is discriminated against on the basis of gender, age, ethnic background, religion, sexual orientation or any other personal characteristic. The Code of Conduct is available internally on the POP Bank Group's intranet and publicly on the website. An online course on the Code of Conduct has been developed for employees and management, and completion of the course is monitored at the Group level.

The POP Bank Group's HR policy, which has been approved by the Board of Directors of POP Bank Centre coop, is intended to guide the creation of a sustainable working environment where employees can develop and thrive. The policy covers issues such as equal treatment and non-discrimination, development of wellbeing and skills, leadership, safety of the work environment, communication in the workplace community and employee involvement. The policy aims to manage negative impacts and risks related to working conditions and equal treatment. The HR policy is available internally on the POP Bank Group's intranet.

The purpose of the guidelines of the early support practices, approved by the POP Bank Centre coop's Executive Board, is to ensure that any factors that impair work, safety or wellbeing at work are addressed at a sufficiently early stage in the workplace. The guidelines aim to manage negative impacts and risks related to working conditions

and equal treatment. The guidelines have been made into a template for use by the Group's entities, and is available internally on the POP Bank Group's intranet.

The process for monitoring the policies related to own workforce includes tracking the results of the employee survey and employee reporting.

As part of its Code of Conduct, the POP Bank Group is committed to respecting the Fundamental Principles and Rights at Work defined in the International Labour Organization (ILO) Declaration and the principles of the UN Universal Declaration of Human Rights. Furthermore, the POP Bank Group operates in Finland, which is strongly committed to the protection and promotion of human rights through national legislation and international cooperation. The POP Bank Group has not conducted a policy-specific comparison to determine whether its workforce-related policies align with internationally recognized instruments, including the UN Guiding Principles on Business and Human Rights. Compliance with human and labour rights is monitored through the whistleblowing channel. The Group ensures there is regular dialogue with employees and their representatives in accordance with the Co-operation Act. Topical issues related to employees are discussed under the leadership of the employer's representatives responsible for personnel matters at the regular meetings of working groups. Potential human rights impacts are dealt with on a case-by-case basis in the same way as other breaches of regulations or internal guidelines.

Remedial action is determined on a case-by-case basis. Processing and remedial action may include the development of processes and approaches, as well as potential employment or other legal consequences.

The POP Bank Group complies with national legislation and is committed to respecting the fundamental principles and rights at work defined in the International Labour Organization (ILO) Declaration and the principles of the UN Universal Declaration of Human Rights, which prohibits human trafficking, forced labour and child labour.

The POP Bank Group has not established a Group-wide workplace accident prevention policy or management system. Each entity in the POP Bank Group is independently responsible for ensuring that health and safety is arranged appropriately. The Group complies with the Occupational Health Care Act and develops and monitors accident prevention measures at the entity level in cooperation with occupational health care and insurance providers. Health and safety organisations operate locally and are responsible for addressing issues that promote health and safety in their entities.

In line with the POP Bank Group's HR policy, the Group promotes diversity and non-discrimination in all personnel matters and ensures equality and inclusiveness for all employees regardless of gender, age, ethnic background, religion, sexual orientation or other personal characteristics. The Group's Code of Conduct also prohibits discrimi-

nation and describes how to promote equal treatment. Where required by regulation, the Group's entities shall draw up an entity-specific plan to promote equality, which includes an action plan to promote equality. In addition, the Group's entities may have separate policies on, for example, prevention of and intervention into harassment.

The Pop Bank Group does not yet have a specific policy commitments related to inclusion or positive action for people from groups at particular risk of vulnerability in its own workforce.

Discrimination is prohibited in the POP Bank Group as stated in the POP Bank Group's Code of Conduct, which employees are required to review annually in the form of an online course. A report of possible discrimination or harassment can be made to the supervisor, HR or any representative of the employer, and the employer will intervene in the situation immediately. The Code of Conduct has guidelines on the promotion of diversity and inclusion and on taking diversity and inclusion into account in recruitment, career development and remuneration, for example.

Processes for engaging with own workers and workers' representatives about impacts (S1-2)

The POP Bank Group consists of independent entities and therefore communication regarding employee-related impacts is largely organised at the entity level.

In the Group's entities that apply the Co-operation Act, engage in regular dialogue with their employees in accordance with the Co-operation Act. In addition, entities with more than 20 employees have a health and safety committee, which deals with matters concerning employees and develops activities to improve working conditions and work capacity.

The POP Bank Group ensures there is active internal communication, for example by providing communication on current issues on the intranet or in internal meetings. Internal communication is conducted both at the Group level and at the level of the Group's entities. Quarterly briefings are also organised for all Group employees on upcoming issues that have an impact on either banks or customers and which employees should be aware of.

Employees' views, satisfaction and wellbeing are regularly assessed through employee surveys. The results of the POP Bank Group's employee survey are reported to all the employees and the results are discussed at different levels of the organisation and with shop stewards. Any grievances that emerge from the surveys are addressed and improvements are sought together with employees. Any development measures will be implemented on a unit-by-unit basis.

Employees' views have also been studied as part of the double materiality assessment. The results of the double materiality assessment have identified material sustainability topics and the results

of the assessment have also been used as background material for setting the POP Bank Group's sustainability goals.

In the POP Bank Group, no person has been specified on the Group level that has operational responsibility for ensuring that engagement happens and that the results inform the company's approach.

Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)

The POP Bank Group consists of independent entities that are committed to a common HR policy, but they define their own detailed processes. Grievances are addressed and corrected on a case-by-case basis. Depending on the impact, remedies for negative impacts and grievances may include occupational health care services, early support practices, mediation with HR or an external workplace coach, and discussion and training on matters in the workplace community. In addition, a development plan can be drawn up at the level of the Group or individual entity to remedy negative impacts or grievances, if necessary. Each entity is responsible for ensuring that practices are in place to remedy adverse impacts and that they are properly reported in accordance with the regulations.

The POP Bank Group is committed to ensuring that its employees can easily raise concerns and that these contacts are processed. The employ-

ees can raise their concerns with the health and safety representative, shop stewards, HR, supervisors and management. In addition, employees can submit potential grievances for processing by the whistleblowing channel established the POP Bank Group. If an employee raises a concern with, for example, HR or a supervisor, the issue will be treated confidentially. The remedy is determined on a case-by-case basis.

The whistleblowing channel is a grievance handling mechanism used by the POP Bank Group. The whistleblowing channel is available to all employees, and instructions on how to submit a report to the whistleblowing channel are available on the POP Bank Group intranet and in internal online training. Reports submitted to the whistleblowing channel are received by the Compliance Officer and internal audit's Audit Director. Recipients are responsible for the proper investigation of the reports and for taking the necessary measures. If the report is found to require action, it is reported to the Board of Directors of the member credit institution and the POP Bank Centre coop. The processing of whistleblowing reports and the protection of whistleblowers from retaliation are described in more detail in section *G1-1* of *G1 Business Conduct*.

Currently, the POP Bank Group does not separately assess the awareness of its own workforce on the processes for reporting concerns. However, the POP Bank Centre coop's Compliance Officer and the Audit Director monitor the

number of reports received through the channel and report on this annually to the POP Bank Centre coop's Board of Directors.

Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches (S1-4)

Due to the organisational structure of the POP Bank Group, actions are taken to manage material impacts and risks at both the Group and the entity level. The Group's entities are committed to common policies and guidelines that ensure the equality and competence of employees are taken care of and to promote wellbeing at work within the POP Bank Group. In addition to the principles and Group-level actions, the Group's entities may have their own actions and initiatives to develop personnel matters.

Material impacts and risks related to the POP Bank Group's own workforce are managed at both the Group level and the entity level, for example through occupational health services, employee surveys, ensuring adequate resourcing, training and the use of early support practices.

The results of the employee survey, whistleblowing reports and reports received through other channels are used to identify negative impacts of actions related to own workforce. The processing of the reports and results helps to identify the actions needed, either at the Group or at the

entity level. There is also active cooperation with the occupational health service, and action plans are drawn up locally with the occupational health care service.

The POP Bank Group seeks to ensure compliance through dialogue between employees and the employer and by working in accordance with shared policies, that the individual practices of the Group's entities do not have negative impacts on employees. In the Group's entities that apply the Co-operation Act, the need for change negotiations is assessed separately.

During 2025, the management of the POP Bank Centre coop has not been made aware of any actual material impacts on its own workforce that would have required significant remedial action.

Each entity in the POP Bank Group is responsible for ensuring that it has sufficient resources to comply with the common policies. At the Group level, material impacts are monitored by the POP Bank Centre coop's HR department. The Board has the ultimate responsibility for managing material impacts.

Working conditions

At the POP Bank Group, all employees and their capabilities are valued.

Negative impacts on work-life balance and wellbeing at work are prevented through early support practices, training for supervisors, proper

resourcing and by promoting employee wellbeing, for example by providing occupational health care services and various flexibilities that improve the work-life balance, such as the opportunity to work remotely. As part of the early support practice, the supervisor has a one-to-one discussion with the employee about any factors that may impair working capacity, if the need arises. As a result of the discussion, solutions are sought to improve the situation.

The POP Bank Group has a role-based training programme, with specific training requirements for different roles. The aim of the training programme is to develop the skills of the Group's employees.

In relation to employee turnover and wellbeing, risks are mitigated by developing practices that enhance wellbeing and motivation at work. To maintain and develop wellbeing and motivation at work, the POP Bank Group focuses on supervisory work by training supervisors, providing occupational health care services and employee benefits, conducting regular performance and pay reviews, and maintaining employee skills through a role-based training programme.

The effectiveness of the actions is monitored and assessed by monitoring the results of employee surveys, the amount of sickness absences at the entity level and by consulting employees on their views, for example in various working groups.

Equal treatment

The POP Bank Group respects the diverse nature of the workplace community and people's individual characteristics. All employees are treated equally, regardless of gender, age, origin, convictions, health, sexual orientation or other personal characteristics.

Efforts are made to prevent negative impacts related to equal treatment through training and pay salary and recruitment practices. Information is provided on the POP Bank Group's policies and practices, for example, in connection with the mandatory online course on the Group's Code of Conduct. The Group also offers voluntary online courses on its training platform on equality, non-discrimination and inclusiveness. To promote transparency in recruitment, job vacancies are published on the POP Bank Group's website and are open to all employees. The person best suited to the vacant role will be selected on the basis of their skills, potential for development and performance.

The effectiveness of the actions is monitored and assessed by monitoring the results of employee surveys and by consulting employees on their views, for example in various working groups.

In relation to equal treatment and pay, risks are mitigated, for example by observing equal pay criteria and carrying out regular pay reviews, where qualification and performance are assessed in accordance with the pay discussion model set out in the collective agreement.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

The POP Bank Group has set sustainability targets for 2024, and the targets cover the period 2025–2027. Concerning own workforce, a target was set to promote equality, skills and wellbeing at work. The achievement of this target will be measured with the results of the employee survey and its NPS score that measures employee satisfaction. The purpose of the development of employee equality, wellbeing and skills is to reduce the material negative impacts and promote the positive impacts on our own workforce, while managing risks and opportunities.

The results of the double materiality assessment and the views of stakeholders, including employees, determined in connection with the double materiality assessment, and the results of the employee survey were used in the setting of these targets. A workshop in which the targets were discussed was organised, and POP Bank Centre coop's Executive Board and experts from the POP Bank Centre coop and Bonum Bank Plc participated. The targets were approved by the Board of Directors of the POP Bank Centre coop. During 2025, the NPS metric for the POP Bank Group's personnel target was revised to align with the strategy. In accordance with the strategy, the target NPS from the employee survey is 20. The setting of the targets is reported as part of the Sustainability Report and the goals have been published on the POP Bank Group website.

The targets and metrics related to our own work-force are as follows:

Top-level target	Target	Metric
<p>We promote employee well-being We develop employee well-being and provide opportunities to maintain and develop professional skills. We do not discriminate and we treat our employees equally.</p>	<p>1. We promote the equality, skills and well-being at work of our employees</p>	<p>We aim for a minimum NPS score of 20 in the Group's job satisfaction survey.</p>

The POP Bank Group's employee survey NPS score was 13 in 2025, which is below the set target. This result partly reflects the impact of the ongoing system renewal project, which has intro-

duced changes to employees' daily work. The transition phase may have affected employees' experiences and, consequently, the NPS outcome.

Characteristics of the undertaking's employees (S1-6)

Gender	Number of employees (head count) 2025	Number of employees (head count) 2024
Male	225	202
Female	663	628
Other	-	-
Not reported	-	-
Total Employees	888	830

2025

Female	Male	Other*	Not disclosed	Total
Number of employees (FTE)				
596.49	191.74	-	-	788.23
Number of permanent employees (FTE)				
570.28	183.32	-	-	753.60
Number of temporary employees (FTE)				
26.21	8.42	-	-	34.63
Number of non-guaranteed hours employees (FTE)				
1.68	0.54	-	-	2.22
Number of full-time employees (FTE)				
562.59	180.84	-	-	743.43
Number of part-time employees (FTE)				
32.22	10.36	-	-	42.58

*Gender as specified by the employees themselves.

2024

Female	Male	Other*	Not disclosed	Total
Number of employees (FTE)				
588.9	181.83	-	-	770.73
Number of permanent employees (FTE)				
553.11	170.78	-	-	723.89
Number of temporary employees (FTE)				
35.79	11.05	-	-	46.84
Number of non-guaranteed hours employees (FTE)				
3.28	1.01	-	-	4.29
Number of full-time employees (FTE)				
545.32	168.37	-	-	713.69
Number of part-time employees (FTE)				
40.31	12.44	-	-	52.75

*Gender as specified by the employees themselves.

Employee turnover (headcount)	2025	2024
Total new employment relationships started during the year	230	193
Permanent	134	116
Temporary	96	77
Total employment relationships terminated during the year	158	116
Permanent	89	65
Temporary	69	51
Number of employees	888	830
Employee turnover (%)	18%	14%
New hire rate (%)	28%	26%

The data has been collected from the POP Bank Group's HR system.

The data on the number of employees and employee turnover expressed in head count are provided on the situation at the end of the reporting period.

Fixed-term employment contracts are used for example for project work, deputyships or to provide internships for students.

The head count disclosed as full-time equivalent (FTE) is calculated as person-workyears. For monthly-paid employees, the figure is calculated by multiplying the head count with the percentage of working time. For hourly-paid workers, the figure is calculated by setting the number of hours worked in proportion to the monthly salary. In the figures for full-time equivalence, absences have not been deducted, so absences are calculated in accordance with the normal working time percentage for the workforce. The full-time equivalent figure is calculated as an average for the different months.

Diversity metrics (S1-9)

Diversity	Headcount 2025	%	Headcount 2024	%
Age distribution of employees				
Under 30 years old	197	22%	178	21%
30-50 years old	462	52%	432	52%
Over 50 years old	229	26%	220	27%
Gender distribution of top management*				
Female	38	51%	44	58%
Male	36	49%	32	42%

*Senior executive management = CEOs and Executive Board members

Data on the age distribution of employees has been retrieved from the POP Bank Group's HR system. The figures are reported as the head count as at the end of the reporting period, and the percentage is calculated as a proportion of the number of employees in the Group. The reported data includes all employees in an employment relationship as well as employees with a valid employment contract who are on long-term leaves.

Data on senior executive management and its gender distribution was obtained through a survey sent to the Group's entities.

Persons with disabilities (S1-12)

The percentage of persons with disabilities among the POP Bank Group's employees cannot be reported due to legal restrictions on data collection.

Health and safety metrics (S1-14)

In the POP Bank Group, 100% of employees are covered by at least statutory occupational health care services. No fatalities resulting from work-related injuries or work-related ill health have occurred in the POP Bank Group during 2025. During 2025, the Group recorded 14 injuries which occurred while commuting or work-related injuries, and the rate of work-related injuries is 9.6.

The data has been collected from the POP Bank Group's entities using a survey, as the banks are independent units that are responsible for organising their own occupational health care services and insurance cover. The rate of work-related injuries is calculated by dividing the number of work-related injuries by the number of total hours worked by employees in its own workforce and multiplying this by 1,000,000. The number of total hours worked is estimated on the basis of normal hours of work, taking into account entitlements to periods of paid leave of absence from work.

Health and safety metrics	2025	2024
Number of fatalities as a result of work-related injuries and work-related ill health	0	0
Share of work-related injuries	14	8
Number of injuries which occurred while commuting or work-related injuries	9.6	5.9

Work-life balance metrics (S1-15)

Of POP Bank Group's employees 100% are entitled to family leave.

Employees that took family-related leave	2025	2024
Employees that took family-related leave (%)	7%	6%
Female (%)	5%	5%
Male (%)	2%	1%

The figures reported include employees in an employment relationship who have declared that they are on family leave. The report also includes those persons whose family leave started before the start of the reporting period, but whose leave has continued during the reporting period. The data has been collected from the POP Bank Group's HR system.

Remuneration metrics (pay gap and total remuneration) (S1-16)

Gender pay gap	2025	2024
Employees (%)	0%	0%
Senior Employees (%)	8%	11%
Employees in an employment relationship (%)	24%	25%

Total remuneration Ratio	2025	2024
The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for employees (excluding the highest-paid individual)	7.6	8.5

The data related to pay gaps and total remuneration has been retrieved from the POP Bank Group's HR system. In the calculation of the gender pay gap, the hourly pay of employees paid monthly is calculated by dividing the monthly pay by the hourly pay divisor in the collective agreement. For hourly-paid workers, the data on hourly pay as at the end of the reporting period has been used. The average hourly pay of men and women is used to calculate the pay gap. The gender pay gap refers to differences in pay compared to the average salary level of male employees.

Factors such as differences in job roles, work experience, and the number of years in employment can influence the pay gap between women and men. In the calculation of the rate of total remuneration, the annual total remuneration of the highest paid individual has been compared to the median annual remuneration of employees in an employment relationship.

Incidents, complaints and severe human rights impacts (S1-17)

POP Bank Group has received two incidents of discrimination or harassment during 2025. The information has been collected through a questionnaire sent to the Group’s entity and through the whistleblowing channel.

The Whistleblowing channel has not received complaints during 2025. The number of complaints received through other channels used by members of our own workforce has not been separately collected.

The POP Bank Group did not incur any fines, penalties or compensation payments related to discrimination or harassment reports of complaints in 2025.

No severe human rights incidents related to the POP Bank Group’s workforce have arisen during 2025, and the Group has not received fines or penalties or paid compensation for damages regarding human rights incidents. The information has been collected through a questionnaire sent to the Group’s entity and through the whistleblowing channel.

Incidents, complaints and severe human rights impacts	2025	2024
Reports of discrimination or harassment	2	1
Number of complaints	0	2
Fines, penalties or compensation payments related to discrimination or harassment reports or complaints	0	0
Number of severe human rights cases	0	0
Fines, penalties or compensation payments related to severe human rights cases	0	0

3.2 S4 Consumers and end-users

Material impacts, risks and opportunities

The POP Bank Group's material impacts, risks and opportunities related to consumers and end-users have been identified as part of the double materiality assessment, which is described in more detail in section *IRO-1 of ESRS2 General Disclosures*. Impacts, risks and opportunities are identified and managed also as part of normal activities, for example in the product management procedure and when selecting partners.

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Information-related impacts for consumers and/or end-users	Negative impact: For complex products and services, such as interest rate hedges or investment products, particular care should be taken to ensure that the customer has understood the nature of the product, the terms and conditions and any other factors that may influence the decision. If a customer makes a decision based on inadequate information, it can have an impact on their finances.	Short and medium term	Downstream
	Positive impact: By offering courses and training and through the planning of their finances with a bank advisor, customers' skills can be improved.	Short, medium and long term	Downstream
	Risk: Providing customers with inadequate information, for example about an investment product, could lead to sanctions and exposure to reputational risk.	Short, medium and long term	Own operations and downstream
Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Personal safety of consumers and/or end-users	Negative impact: Information security vulnerabilities or deficiencies in the handling of personal data may expose the POP Bank Group to, among other things, data leaks, identity thefts and denial of service attacks, which may have a negative impact on customers.	Short and medium term	Downstream
	Risk: Cyberattacks, denial of service attacks and/or banking fraud may result in financial losses for the POP Bank Group, either directly or through reputational risk.	Short and medium term	Own operations
	Risk: Deficiencies in information security and data protection practices could lead to significant legal penalties and reputational damage.	Medium term	Own operations

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The actual and potential impacts on consumers and end-users identified in the double materiality assessment are related to the POP Bank Group's strategy and business model. The Group's range of products and services, as well as secure banking services, are closely linked to the POP Bank Group's strategy and business model, and through these, material impacts and risks related to consumers and end-users have been identified. The identified material impacts and risks can be found in the POP Bank Group's strategy and business model, for example, in the fact that the POP Bank Group aims to achieve the highest level of customer satisfaction in its sector and the Group's mission is to promote its customers' financial well-being.

According to the POP Bank Group's definition, the Group's private and corporate customers come under consumers and end-users. All the POP Bank Group's consumers and end-users come under the information reported in accordance with *ESRS2 General Disclosures*.

The POP Bank Group does not offer consumers or end-users products that are inherently harmful to people or that increase risks for chronic disease. The POP Bank Group does not offer consumers and end-users services that may have adverse impacts on their privacy protection, personal data protection, freedom of expression and non-dis-

crimination, excluding any potential information security and data protection risks. Of the POP Bank Group's consumers and end-users, there may be a greater need for underage, elderly and financially vulnerable persons and persons with disabilities in particular, to have accurate and easily accessible product or service information in order to avoid potentially harmful use of the product or service. These consumers and end-users may also be particularly vulnerable to impacts on privacy and marketing and sales strategies.

The material risks potentially arising from impacts and dependencies on the POP Bank Group's consumers and end-users relate to all its consumers and end-users and not to specific groups of consumers and end-users. The risks may, however, have different impacts on different groups of consumers or end-users. The double materiality assessment was not used explicitly to gain an understanding of how consumers or end-users with certain features or who use certain products or services may be at greater risk of harm than others.

The material negative impacts identified by the POP Bank Group are not systemic and relate to individual cases.

The actions related to the material positive impacts identified by the POP Bank Group include offering the Taloushetki financial advice service to customers, organising customer webinars and events and providing a personal service advisor to customers. The material positive impacts identified

by the POP Bank Group cover all its consumers and end-users.

Material risks and opportunities that the business operations face from the impacts and dependencies on consumers and end-users are described in the table presented in the *Material impacts, risks and opportunities* section of *S4 Consumers and end-users*.

Policies related to consumers and end-users (S4-1)

The material impacts and risks related to the POP Bank Group's consumers and end-users are managed through a number of policies, the most relevant of which are the POP Bank Group's Code of Conduct the information and communication policy the product management policy and the data protection and information security policy. The aim of these policies is to ensure access to high-quality information, up-to-date communication practices, and compliance with data protection and information security practices.

The policies are available to employees on the POP Bank Group's intranet and they apply to all groups of consumers and end-users. In addition to the above-mentioned policies, the POP Bank Group's customer business is conducted in compliance with the applicable regulation, good banking practice and other internal guidelines of the Group, such as those related to lending and investment services.

The POP Bank Group's policies regarding consumers and end-users are in line with the POP Bank Group's Code of Conduct. In accordance with its Code of Conduct, the POP Bank Group complies in all its operations with the national legislation it is obliged to comply with and is committed to respecting the fundamental principles and rights at work defined in the International Labour Organization (ILO) Declaration and the principles of the UN Universal Declaration of Human Rights. The POP Bank Group operates in Finland, which is a country that is strongly committed to the protection and promotion of human rights through national legislation and international cooperation. The POP Bank Group has not been made aware of any incidents that took place in 2025 related to consumers or end-users regarding non-compliance with the UN's Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.

Information-related impacts for consumers and end-users

The POP Bank Group's product management policy is applied to all new products and services and when making significant changes to products or systems. The product management procedure ensures that all key issues and factors are taken into account before decisions are made on products or services. In line with the product management policy, customer interests, targets and characteristics are taken into account throughout

the product life cycle. The procedure takes into account issues such as sustainability matters, a product's distribution channels, marketing materials, data protection and information security, and the target market. The POP Bank Group's product management procedure ensures that customers have sufficient and high-quality information available on products and services. The POP Bank Group complies with the applicable regulatory disclosure obligations regarding information provided to customers. The development of new products and service processes takes into account regulatory requirements, internal guidelines, the business strategy, the business plan, capital adequacy management and the premises of risk management.

The banks are responsible for their compliance with the approval procedure for a new product or service. The product management policy is approved by the Board of Directors of the POP Bank Centre coop and the policy is applied in all entities of the POP Bank Group.

The POP Bank Group's information and communication policy describes the key principles according to which the Group communicates with its stakeholders, such as customers. The policy describes the different communication channels and their purpose. For example, an important communication channel regarding customers is the website, which provides up-to-date information on the POP Bank Group's products and services, as well as related price lists, terms and conditions, obligations and rules. The informa-

tion and communication policy is approved by the POP Bank Centre coop's Board of Directors and all entities within the Group comply with the policy.

All POP Bank Group employees are provided with induction on their duties. In accordance with the Code of Conduct and standards of good business conduct, customers must be known and their activities understood to the extent and in the manner required by regulation and the customer relationship. This allows customers to be offered suitable products and services. In addition, in line with good business practice, employees must comply with the guidelines related to their work and ensure their skills are up to date. The Code of Conduct is approved by the POP Bank Centre's coop's Board of Directors and all entities within the Group comply with the policy.

Personal safety of consumers and end-users

The POP Bank Group continuously develops the security of its banking services and ensures the protection of privacy. Banking secrecy, the confidentiality of customer data and the secrecy obligation regarding contracts are observed in all operations.

The POP Bank Group's information security policy describes the key principles observed by the POP Bank Group to protect and ensure the confidentiality, availability, authenticity and integrity of customer data and services. The POP Bank Group implements information security risk management

and information security checks in accordance with the information security policy. The information security policy and its underlying information security principles are approved by the Board of Directors of POP Bank Centre coop and apply to all entities within the Group. The aim of the POP Bank Group's data protection policy is to ensure that in the Group the personal data of customers and other persons are processed in accordance with the regulation on personal data protection and that personal data are sufficiently protected by appropriate measures throughout the life cycle of the personal data processing. The data protection policy is approved by the POP Bank Centre coop's Board of Directors and the policy applies to all entities within the Group.

Processes for engaging with consumers and end-users about impacts (S4-2)

The POP Bank Group communicates with its customers regarding current products and services, as well as matters related to information security and data protection, through a number of channels as part of its normal business activities. Such channels include online and mobile banking, emails, mailing, websites and meetings with customers. Communication takes place directly with the consumer or end-user or, where appropriate, through a guardian. At the Group level, operational responsibility for communication lies with the Chief Operating Officer of the POP Bank Centre coop.

The POP Bank Group's customer service and communication channels are used to inform custom-

ers about issues related to products and services, possible disruptions and service interruptions, changes in terms and conditions, fraud attempts targeted at customers, and possible changes in the processing of personal data or derogations in data protection.

The views of consumers and end-users are ascertained through customer meetings, customer satisfaction surveys and by involving customers, where appropriate, in product development, by receiving customer feedback and complaints, and as part of a double materiality assessment. For example, the POP Bank Group participates annually in the EPSI Rating customer survey, which examines customer experience and satisfaction. In addition, feedback surveys are sent to customers after each session of POP Bank's Taloushetki financial advice service.

The views of consumers and end-users are processed by the banks and, where appropriate, by the POP Bank Centre coop. These views are taken into account in decisions and actions, for example when drawing up development measures and in annual business planning. The results of the double materiality assessment have, for example, been used to specify the POP Bank Group's material sustainability topics and in setting the POP Bank Group's sustainability goals. Customer views were also taken into account when defining the features of the loan guarantee product. In addition, the POP Bank Group's entities may have varying practices for taking the views of consumers and end-users into account in their decisions and actions.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

The POP Bank Group is committed to ensuring that consumers and end-users can raise their concerns and that these are addressed and, where appropriate, directed to the right person. Consumers and end-users can raise their concerns or needs for processing through the channels set up by the POP Bank Group, for example by using the contact form on the website, by email or by contacting their own bank, for example using messages sent through online banking. Customers and other stakeholders can access the contact form on the POP Bank Group's website. Consumers and end-users can raise their concerns or needs to alternative dispute resolution channels maintained by third parties, such as the Finnish Financial Ombudsman Bureau or the Consumer Disputes Board.

Consumers also have the opportunity to submit customer complaints. Information on how to submit customer complaints and on the process is provided on the POP Bank Group website. Customers are instructed to make any complaints either by online banking message or by letter. The bank will process the complaint and respond within 15 working days of receipt of the complaint, and a final response to the complaint will be issued within 35 working days of receipt of the complaint. The bank will keep the customer informed of the progress of the complaint. If the bank issues a solution to the complaint that does

not fully meet the demands of the customer who submitted the complaint, the bank will provide a written explanation of its stance and inform the customer of the option to refer the matter for processing by an alternative dispute resolution body. The banks and the POP Bank Centre coop handle customer complaints to identify and address recurring and systematic errors and potential legal and operational risks. The executive management and the Boards of Directors of the banks and the POP Bank Centre coop monitor and process customer complaints.

Consumers and end-users have the possibility to submit questions and concerns related to data protection, processing of personal data and information security to the dedicated email addresses set up for these topics or directly to the bank.

The POP Bank Group supports the accessibility of the channels for reporting concerns by offering the contact form on the website, email accounts dedicated to data protection and information security, and by providing customers direct channels for contacting their own bank.

The POP Bank Group does not currently separately assess consumers' awareness of the existence of reporting channels and their processes, but information on contact methods and channels is openly communicated on the website and at customer meetings. There is no separate policy in place regarding the protection of individuals against retaliation for using the processes for consumers and end-users to raise their concerns.

These reports are treated confidentially and in accordance with banking secrecy.

If the POP Bank Group has caused a material adverse impact on consumers or end-users, the matter is immediately brought to the attention of the POP Bank Group's Board of Directors. The Board of Directors of the POP Bank Centre coop decides on the appropriate remedies for the actual impact caused on a case-by-case basis.

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions (S4-4)

The POP Bank Group has identified the actual and potential negative impacts on consumers and end-users as part of its double materiality assessment. In addition, impacts are identified as part of normal business activities, for example in conjunction with the product management procedure. Negative impacts and risks related to the availability of high-quality information are managed through product management procedures and staff skills development. Negative impacts and risks related to data protection are managed through data protection processes and assessments, guidance on data protection, staff training and monitoring compliance with guidance and processes. Negative impacts and risks related to information security are managed by maintaining and developing the information security manage-

ment system. These measures are ongoing and focus on the downstream value chain to the customers.

The banks' responses to the annual product management survey will be used to specify the actions related to consumers and end-users in terms of the impacts. The survey gauges customer feedback on products and services, customer feedback and complaints, as well as other notifications and contacts related to, for example, data protection and information security.

The product management procedure and survey processes, as well as the handling of notifications in accordance with appropriate responsibilities ensure that remedial action is also taken for negative impacts. During 2025, the POP Bank Group was not made aware of any actual material impacts on consumers and end-users that would have required significant remedial action.

In terms of material impacts and risks, the effectiveness of the actions is monitored and evaluated by addressing feedback from POP Banks as part of the product management survey, feedback and complaints from customers, and any contacts from the authorities or other independent operators.

The POP Bank Group has not been notified of any serious human rights issues or cases of human rights incidents related to consumers and end-users in 2025.

Information-related impacts for consumers and end-users

Consumers and end-users must be given sufficient information on products and services so that they can make appropriate decisions. Material risks and negative impacts on consumers and end-users related to adequate product information are prevented and mitigated through the POP Bank Group's product management procedure and by training employees who interact with customers. The product management procedure ensures, among other things, that the information on the products and services is high quality and easy to understand, the target audience of the product or service and the legality of the marketing material before the product or service is offered to customers.

Employees are offered training in the form of online courses, as training organised by product owners and as training organised by product companies. In addition, risks are mitigated by making information about products and services as widely available as possible to customers through various channels, such as websites. In customer meetings, efforts are also made to actively inform customers about the products that are suitable for their situation and the range of sustainable products available.

The POP Bank Group provides customers with the Taloushetki financial planning service, which is designed to review a customer's current financial situation and targets together with a bank advi-

sor, and to explore financial solutions for achieving these targets. As part of the service, the customer's current banking services and potential needs for updates are reviewed. Advice on the use of services is also available within Taloushetki. The Taloushetki service is offered to both private and corporate customers, and satisfaction with the service is monitored through feedback surveys.

Resources have been allocated, depending on the impact, from the POP Bank Centre coop's business unit to manage the impact on consumers and end-users related to data. Resources include business unit team leaders, product owners and the marketing, communications team and compliance.

Personal safety of consumers and end-users

Taking information security into account is an integral part of all POP Bank Group's activities. Information security is continuously developed in line with best practices, and secure operating models are an integral part of the development processes. The Group maintains and continuously develops an information security management system that includes management methods to ensure the confidentiality, integrity and availability of services and data. Risk events are reported and processed centrally. In the processing, the root causes of the incident are analysed, and measures are defined to prevent similar incidents from happening again. The implementation of the measures is monitored and controlled by the risk

control function. Potential personal data breaches are handled through a documented process, with a data protection officer overseeing compliance with the process.

Negative impacts and risks related to information security and data protection are mitigated and prevented through employee training and internal communication. In the POP Bank Group, employees must attend regular training on data protection and the rights of data subjects, as well as other training on data protection intended for the entire personnel or targeted at different groups of employees. With regard to information security, employees must regularly participate in information security training in accordance with the training plan. In addition to the training, security awareness is maintained by providing information on topical issues regarding information security on the intranet. The POP Bank Group's employees, customers and external parties can report any fraudulent activities they have detected in relation to POP Bank to the e-mail address dedicated to security matters. All reports are read and measures are taken on a case-by-case basis.

The POP Bank Group communicates actively to customers about secure banking and fraud attempts. The Group has also participated in Finance Finland's campaigns against fraud, by sharing campaign-related content. In addition to information provided through online channels, during 2025 the POP Bank Group organised a webinar on how to identify fraud attempts and banks held customer events related to the topic.

Resources from both the POP Bank Centre coop and the banks have been designated to manage impacts on the personal safety of consumers. With regard to data protection, the POP Bank Group has a designated data protection officer who, among other things, monitors compliance with data protection regulation throughout the amalgamation, provides information on obligations under data protection regulation and acts as a point of contact for authorities and data subjects. In addition, each bank is responsible for the implementation of data protection in its own operations, and the banks have a designated data protection contact person and deputy. POP Bank Centre coop and Bonum Bank Plc have appointed a dedicated privacy officer, who is responsible, among other things, for preparing operational guidance on data protection.

Regarding information security, the POP Bank Centre coop's Head of Information Security is responsible, among other things, for the coordination of the information security management system and the continuous monitoring of the situation regarding information security and the related reporting to the management and other internal stakeholders. The POP Bank Centre coop's IT unit and business development unit are responsible for the security processes related to the acquisition, maintenance and development of the POP Bank Group's shared systems, as well as the secure practices in the management of external suppliers. At the banks, the CEO has overall responsibility for information security, and banks have also appointed an information security officer.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

The POP Bank Group set sustainability targets during 2024, and the targets cover the period 2025–2027. In terms of positive impacts and opportunities regarding consumers and end-users, targets were set in relation to a sustainable product range, customer success and customers' financial literacy.

The results of the double materiality assessment and the views of stakeholders, including customers, determined in connection with the double materiality assessment, were used in the setting of the targets. A workshop on the targets was organised and POP Bank Centre coop's Executive Board and experts from the POP Bank Centre coop and Bonum Bank Plc participated. The targets have been approved by the Board of Directors of the POP Bank Centre coop. The setting of the targets is reported as part of the Sustainability Report.

The targets and metrics related to consumers and end-users are as follows:

Target	Metric
We increase our corporate customers' understanding of sustainability themes through customer encounters and by training employees	<p>A sustainability guide for corporate customers will be produced by the end of 2026.</p> <p>Employees have been trained and sustainability themes have been discussed in meetings with corporate customers.</p>
We support our customers' financial well-being and skills	<p>We offer personal financial advice to our customers through the Taloushetki service. We aim to achieve a minimum NPS score of 75 in the NPS survey on the Taloushetki service.</p> <p>In terms of customer satisfaction, we aim for a minimum NPS score of 33 for private customers and 31 for business customers.*</p> <p>* NPS figures based on the EPSI Rating study</p>

During 2025, the target to increase understanding of sustainability themes among corporate customers has been advanced through staff training. The Group's lending guidelines have been updated to include assessment of sustainability factors and bank employees working in corporate funding and services have received training on the topic. In addition, sustainability themes have been addressed in a targeted manner from the perspective of agricultural entrepreneurship in a training session. Monitoring the discussion of sustainability themes in corporate customer meetings is still at the planning stage, and no metric is being monitored yet. In 2026, staff training will be continued and a sustainability guide will be used to further increase corporate customers' understanding of sustainability themes.

The POP Bank Group participates annually in the EPSI Rating customer survey, which measures customer satisfaction and expectations. The results of the survey are also monitored through the NPS metric included in the sustainability targets, which measures customers' willingness to recommend the Group. In the 2025 survey, the POP Bank Group achieved an NPS of 48 for private customers and 49 for corporate customers. The target NPS values were based on the results of the 2023 EPSI Rating survey, and compared with 2023, the POP Bank Group had improved its NPS and thereby achieved the target. In the 2025 EPSI Rating survey, the POP Bank Group had the most satisfied corporate customers in the banking sector in Finland. Private customers ranked the POP Bank Group second in satisfaction

among banks in the same comparison. In terms of service quality, product quality and expectations, the POP Bank Group ranked first in the bank comparison by private customers.

The POP Bank Group collects feedback from customers of the Taloushetki financial advice service and monitors the service's NPS figure. The NPS set in the sustainability targets is based on the average NPS figure for 2023. In 2025, the NPS was 82.5, which was an improvement on the 2023 level.

3.3 Local influence

In the POP Bank Group, local influence is identified as entity-specific information that is not covered by the topical standards. Material impacts, risks and opportunities related to the Group's local influence have been identified as part of the double materiality assessment described in section *IRO-1 of ESRS2 General Disclosures*. The positive impacts and opportunities related to local influence are taken into consideration at Group level and locally in the banks. Local focus plays a material role in the Group's strategy, and this is also reflected in the physical presence of the banks in several localities. Banks actively work with local communities. In addition, at the Group level, local influence is exercised by participating in national campaigns or events, for example. Risks are managed by continuously developing digital services for customers, so that the customer can choose the channel that is most appropriate for them.

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Local influence	Positive impact: POP Bank Group plays a significant role as a local service provider in many, especially small, localities in Finland where financial services might otherwise be limited. This also gives people in these communities the opportunity to visit a physical bank branch in their own locality.	Short, medium and long term	Downstream
	Positive impact: Local influence increases the positive impact on people in the communities where POP Banks provide their services and this revitalises these areas. Examples of regional positive impacts include supporting local vitality and well-being, such as educating older people about banking services, supporting school children and associations in various events, promoting financial literacy in local communities and supporting local entrepreneurs.	Short, medium and long term	Downstream
	Positive impact: POP Bank Group pays taxes in Finland. The corporation taxes paid by POP Banks on their profits are distributed to the state and partly to local authorities, thus also benefiting local communities.	Short, medium and long term	Downstream
	Risk: Urbanisation means that migration flows are concentrated in larger localities. This could potentially weaken the significance of local focus among customers and thus the POP Bank Group's competitive advantage as a 'local bank' could be weakened if, for example, other service models, such as digitalisation, are not invested in. Competition for customers who have moved to larger localities is also growing.	Medium and long term	Own operations and downstream
	Opportunity: POP Banks' strong position as a local bank promotes more personalised customer relationships, which helps to build customer loyalty.	Short, medium and long term	Own operations and downstream

Actions related to local influence

The POP Bank Group's strategy is centred around its customers and local focus. The POP Bank Group plays an active role in the local business of its operating regions, by strengthening companies, jobs and the housing markets. Customer insight and regional knowledge help to make quick decisions, for example when financing customer projects and investments.

The POP Banks are cooperative banks owned by their member customers that implement their owners' intent, which is founded on the Group's mission to promote its customers' financial well-being and prosperity, as well as local success. POP Bank membership entitles each member, according to the rules of POP Bank, to either participate in the bank's decision-making at cooperative meetings or participate in electing the members of the representative council, which has the highest decision-making power.

The POP Bank Group consists of 18 member cooperative banks. POP Banks had a total of 70 branches at the end of 2025, of which two were branches focusing on digital banking. In line with the vision of the POP Bank Group's strategy, POP Banks combine personal and digital service. Customers are able to visit physical bank branches in several locations and digital services and channels are also provided and continuously developed. The number of customers using the POP Bank Group's digital channels has contin-

ued to grow, and digital channels have increasingly become the main channels for customers. In 2025, the focus of digital channel development has continued on channel modernisation. The POP Mobile mobile bank, online bank and PIN application will be updated as part of the project to update the core banking system. The aim of the updates is to create digital channels that are easy to use, encourage self-service and are accessible.

Many POP Banks have been operating for more than 100 years, during which time they have contributed to developing the vitality of their region in a variety of ways, including by financing job-creating businesses and supporting the well-being of the local community in other ways. Because the areas of operation are different, the support needed by local communities is also individual. The local POP Banks have also carried out extensive cooperation with educational institutions over several years and have helped various sports and cultural organisations to promote the well-being of children and young people in particular.

During 2025, several POP Banks granted operating subsidies to associations, clubs and other entities within their operating areas and visited schools, associations and various events to speak on topics related to banking services and financial literacy. During these visits and events, the banks addressed themes such as safe and secure transactions, saving and personal financial man-

agement, and continuing power of attorney mandates. POP Banks have cooperated with educational institutions, for example by offering internships, participating in career projects and distributing scholarships.

In June 2025, the POP Bank Group began a one-year collaboration with the Finnish 4H Federation, serving as one of the partners in the 4H entrepreneurship programme. The 4H Federation's youth entrepreneurship model supports young entrepreneurs in establishing and running their own businesses. Since 2022, the POP Bank Group has also been part of the partner network of the Support the Farmer project of the Farmers' Social Insurance Institution (Mela). The project aims to identify farmers' exhaustion and need for help and provide them with guidance on access to expert help. In addition, the POP Bank Group participated in the 2025 EtätET virtual work experience event, presenting the work of POP Bank's Service Centre. POP Banks' summer employees have shared their experiences about working in Finance Finland's Instagram campaign.

As Finnish company, POP Bank Group has also been granted the Key Flag symbol of the Association for Finnish Work.

The POP Bank Group does not yet have a policy on local influence, but local focus is a strong aspect of the Group's strategy. No action plans, indicators or targets regarding local influence have been set at the Group level.

Tax footprint

The POP Bank Group operates in Finland, and therefore the Group pays taxes in accordance with Finnish laws and regulations. Corporate taxes paid by the POP Banks on their profits are distributed to the state and partly to the municipalities, thus also benefiting the banks' customer areas, which also benefits local communities. The POP Bank Group's income taxes for taxable profit for 2025 were EUR 12.5 (14.1) million and effective tax rate with deferred taxes included 19.0 (19.2) per cent.

Other direct taxes include property taxes and parafiscal charges that are included in the operating expenses. The POP Bank Group's tax footprint for 2025 was EUR 50.0 (45.9) million.

The POP Bank Group pays value added tax (VAT) as indirect tax. Sales and brokerage of financial services are not subject to VAT, which is why VAT for purchases related to these services cannot be deducted. For other activities, the Group is liable for VAT. As a result, the VAT included in purchases mainly remains as an expense of the Group. The tax included in purchases is not included in tax footprint. The Group also pays the State of Finland taxes collected on payments, such as withholding tax on wages paid to employees and tax at source on interest paid on customer deposits.

The Group does not actively seek to affect the effective tax rate by the structure of the Group. Efforts are made to ensure the appropriateness of the payment of taxes by preparing tax returns carefully. Operational tasks related to income tax returns have been outsourced to Figure Financial Management Ltd. The Group does not have a separate tax function. Group taxation responsibilities are included in the financial management organisation and customer and product-related tax matters in legal organisation. The POP Bank Group discusses openly with tax authorities. Possible tax risks are reported to the Management Team and the Board of Directors of POP Bank Centre coop.

(EUR 1,000)	2025	2024
Taxes payable		
Income tax	12,488	14,126
Real estate tax	137	167
Employers' social security and pension fees	12,658	11,572
Other taxes	67	71
Total taxes payable	25,350	25,936
Taxes collected		
Value added tax	200	336
Withholding tax on wages	14,656	11,912
Tax at source	9,789	7,737
Total taxes collected	24,645	19,985
Total tax footprint*	49,995	45,921

* The calculation of the tax footprint is based on accounting figures and is accrual-based.

4 GOVERNANCE INFORMATION

4.1 G1 Business conduct

Material impacts, risks and opportunities

The POP Bank Group's material impacts, risks and opportunities related to business conduct have been identified as part of the double materiality assessment, which is described in more detail in section *IRO-1 of ESRS2 General Disclosures*.

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Corporate culture	Negative impact: Misconduct occurring within POP Bank or its value chain could cause financial harm to customers, owners and/or other stakeholders.	Short and medium term	Own operations, upstream and downstream
	Positive impact: Through operations based on cooperative values and ethical conduct, the POP Bank Group supports the well-being and economic stability of local communities and promotes trust among stakeholders.	Short, medium and long term	Own operations, upstream and downstream
	Risk: Poor governance or unethical conduct undermines trust, creates reputational risk and increases the risk of misconduct.	Short, medium and long term	Own operations

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Protection of whistleblowers	Negative impact: If the identity of whistleblowers were not protected by law, whistleblowers could face negative consequences.	Short term	Own operations
	Risk: If whistleblowers are not protected, this could result in sanctions and reputational damage.	Short and medium term	Own operations

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Corruption and bribery	Negative impact: Corruption, the shadow economy and money laundering can lead to various serious negative impacts, such as environmental degradation, a deterioration in services and living conditions, increased unfair competition, and a reduction in public tax revenues.	Short, medium and long term	Own operations, upstream and downstream
	Risk: Corruption and bribery within an organisation and poor anti-money laundering practices can lead to long-term damage to reputation and to trust, which can have long-term and significant financial effects.	Short, medium and long term	Own operations

Corporate culture and business conduct policies (G1-1)

POP Bank Group's business conduct is guided by the Group's values and strategy, applicable laws, regulations, instructions and orders issued by the authorities, industry practices, as well as own rules and internally binding guidelines. In terms of material impacts, risks and opportunities related to business conduct, the key policies include the Code of Conduct, the anti-bribery and anti-corruption policy, the whistleblowing policy, the preventing money laundering and other financial crime policy and the compliance with sanctions policy and sustainability policy.

The POP Bank Group's corporate culture is based on internally binding guidelines. In addition to the policies mentioned above, the general policies regarding corporate culture are set out in the POP Bank Group's HR policy, which is described in more detail in section *S1-1* of *S1 Own Workforce*.

The Code of Conduct that covers the Group's employees, management and administration sets requirements for good business practices. To ensure compliance with the Code of Conduct, an annual online training has been created for employees. The Code of Conduct and HR policy are approved and implemented by the Board of Directors of POP Bank Centre coop. In 2025, the sustainability policy approved by the Board of Directors of POP Bank Centre coop sets out the POP Bank Group's principles and focus areas for sustainability, as well as how sustainability is

governed within the Group. The policy serves as a guiding principle for integrating sustainability into business operations. The POP Bank Group is made up of independent entities that may have their own particular characteristics related to corporate culture.

Training programmes on business conduct have been created for the employees of the POP Bank Group, and the content of these training programmes varies depending on the training programme role. The POP Bank Group's training programme takes into account the training needs of employees and the diversity of the employees in different roles. The training programme role defines the training requirements for the role, the mandatory nature of the training, the duration of the training, the renewal cycle and the monitoring of the fulfilment of the training requirements. Completion of the training is documented. Compliance with training requirements may be monitored as part of the independent functions of the Centre coop, with any findings reported to the POP Bank Centre coop and the relevant bank's Executive Board or Board of Directors, as appropriate.

Anti-bribery and anti-corruption policies

The POP Bank Group has zero tolerance to bribery, corruption and other unethical means of influence. The Group's policies on anti-bribery and anti-corruption cover employees, the executive management and members of the administration. The POP Bank Group's policies on anti-bribery

and anti-corruption comply with international and national regulations and guidelines applicable to the sector.

The anti-bribery and anti-corruption policies aim to identify and prevent any risks related to corruption and bribery. The policies set out the approaches for receiving and giving gifts and hospitality, the register of gifts and the participation in and organisation of representation events. The policies state that employees must not seek personal gain by exploiting their own position, or the bank's assets, knowledge or business opportunities. Furthermore, they aim to prevent potential conflicts of interest by avoiding high-risk combinations of duties in operations through the separation of supervisory tasks related to operational and risk management, for example, at all organisational levels within the Group. The anti-bribery and anti-corruption policies are approved and implemented by the Board of Directors of POP Bank Centre coop.

Among the POP Bank Group's internal functions, management and those functions working at the customer interface, making credit decisions or working on preventing money laundering and financial crime, are considered to be the most vulnerable to corruption and bribery.

Whistleblowing and protection of whistleblowers

In the POP Bank Group, it is possible to report suspected misconduct confidentially by using a whistleblowing channel designated for this pur-

pose. The purpose of the whistleblowing channel is to help ensure that the POP Bank Group adheres to the principles of sound corporate governance and maintains a healthy corporate culture. The channel is internally accessible to all employees. The implementation of an external whistleblowing channel has been assessed during 2025.

Whistleblowing reports are submitted informally through the whistleblowing channel, and whistleblowers do not need specific evidence to support the suspected violation, as a justifiable suspicion is sufficient. The recipient of the reports is responsible for ensuring that the reports submitted are appropriately and impartially investigated and the necessary measures are taken as a result. Reports are received by the POP Bank Centre coop's Compliance Officer and internal audit's Audit Director. All known and suspected violations are investigated. The compliance function may ask the POP Bank Centre coop's internal audit to conduct a more detailed investigation, if this is necessary, based on the significance of the violation under investigation. If necessary, the report will be sent directly to the Board of Directors of the POP Bank Centre coop, which will decide on the necessary further action. The aim is to inform the whistleblower of the progress of the process within one month of receipt of the report.

In the POP Bank Group, whistleblowing reports are submitted by email. The confidentiality of the report is guaranteed by ensuring that the identity of the whistleblower is not disclosed to the

recipients of the report. The competence of the employees who receive whistleblowing reports is based on the required qualifications for the roles of these employees.

The POP Bank Group ensures that people who report suspected violations are protected and that they are not subject to retaliatory measures, discrimination or other improper behaviour as a result of submitting a whistleblowing report. A whistleblower can submit a whistleblowing report if they feel they have been subjected to discrimination or improper behaviour as a result of their report. The identity of the whistleblower and the personal data of the person who is the subject of the report may be disclosed only to persons to whom the information is necessary for the purpose of the inquiry or for whom the right of to obtain information is established by law.

Instructions for submitting whistleblowing reports are available on the POP Bank Group intranet. An online course on submitting whistleblowing reports is available for employees. In addition, the compliance function regularly trains employees on submitting whistleblowing reports.

In addition to the whistleblowing channel, the central institution's compliance function and internal audit carry out regular audits on the operators in the amalgamation. These audits aim to identify any non-compliance with regulations or guidelines, and to ensure that the amalgamation is operating in accordance with the regulations and guidelines. Further investigation and

remedial action is taken as necessary based on the findings of the audits. In addition, the POP Bank Centre coop's risk control unit monitors the risks and capital adequacy of the amalgamation's banks. Continuous monitoring can identify any changes in a bank's risk position, for example, caused by non-compliance with regulations or guidelines.

Policies related to preventing money laundering and other financial crime and compliance with sanctions

The POP Bank Group's common policies on preventing money laundering and other financial crime and on compliance with sanctions provide general guidelines for the POP Bank Group's ability to detect potential money laundering or other criminal activity as effectively as possible and its ability to deal with it appropriately. The policies related to preventing money laundering and other financial crime and compliance with sanctions are approved and enforced by the Board of Directors of POP Bank Centre coop. An essential aspect of the effective prevention of money laundering and other financial crime is, among other things, that every POP Bank Group employee knows their responsibilities and obligations in the prevention of crime. This is reflected in the policies and more detailed instructions on operations and procedures, for example by defining principles for adequate training of all employees on topics related to preventing money laundering and other financial crime. Employees are regularly provided with relevant training on a theme according to their job descrip-

tion, for example through a range of online courses and training.

The policy related to preventing money laundering and other financial crime also includes a high-level description of the mechanisms for detecting, the appropriate reporting to the authorities and addressing any transactions carried out by customers that may indicate money laundering, terrorist financing or violation of sanctions. In addition to the policy's high-level description, more detailed modes of operation and procedures have been developed to put the measures into practice.

Prevention and detection of corruption bribery and money laundering (G1-3)

Prevention of corruption and bribery

The POP Bank Group does not tolerate direct or indirect corruption, bribery or unethical influencing in any form. The anti-bribery and anti-corruption policy apply to all employees, executive management and administration. The policies are available to employees on the POP Bank Group intranet and the executive management is responsible for ensuring that familiarity with the policies is sufficient to enable compliance with them. Every employee is responsible for ensuring compliance with the policy.

The POP Bank Group's entities maintain gift registers which have the aim of promoting transparency and an anti-bribery operating culture. The entities have a separately designated per-

son responsible for the gift register who provides written approval for the giving or receiving of significant gifts and hospitality entered in the register. Gifts and hospitality that cost more than a certain amount of euros are recorded in the gift registers. A gift register and a summary of compliance with the anti-bribery and anti-corruption policies, and any findings and deviations are discussed at least once a year by the Board.

The POP Bank Group conducts risk assessments to identify and minimise potential corruption and bribery risks. In addition, the risk of corruption and bribery is prevented, for example by training employees, maintaining a gift register and including due diligence reports in the selection of service providers.

The POP Bank Group has established confidential reporting channels through which employees, customers and partners can report suspected cases of corruption or bribery. Observations can be reported through the whistleblowing channel or by contacting the person responsible for the gift register or the central institution's compliance function.

The POP Bank Group has established processes to deal with allegations of corruption and bribery. All cases are processed confidentially, protecting the rights of both suspect and informant. Cases are handled by persons other than those suspected or involved. Any potential violation of the policy are reported immediately to the com-

pany's CEO and the Board of Directors, and the Board of Directors decides on remedial action. Remedial actions may include, for example, labour law actions or other legal penalties.

The Group provides regular training for employees on how to identify and prevent corruption and bribery. The training programmes include both online courses and online training, and they are regularly updated. The POP Bank Group's employees and management must complete an online course on preventing corruption and bribery every two years. The online course covers the concepts of corruption and bribery, the harmful effects of corruption and the actions that companies are expected to take to prevent corruption.

The training programme covers 100% of the POP Bank Group's employees and managers. The training programme covers 0% of the Board Members. In 2025, members of the governing bodies were provided with dedicated training on anti-corruption and anti-bribery.

Preventing money laundering and other financial crime

The approaches to preventing money laundering and other financial crime are described at the top level in the policies and guidelines that are directly binding on each POP Bank Group entity, covering, among other things, know your customer procedures, identification and reporting of suspicious transactions and compliance with finan-

cial sanctions. In addition, to support compliance with the top-level policies and guidelines, more detailed instructions on procedures and processes have been compiled, which describe in more detail the measures required to implement the different requirements in practice. The guidelines, policies and instructions on procedures are available to staff on the POP Bank Group's intranet, and responsible parties and persons have been defined to ensure that they are always up-to-date.

The POP Bank Group is constantly developing practical tools and methods for preventing money laundering and other financial crime. Activities aimed at detecting events potentially related to money laundering or financial crime are largely system-based and automated, and the performance of the systems in use is actively monitored. During 2025, new systems were developed to support the detection and prevention of money laundering and other financial crime. Non-automated processes are also monitored and developed to improve their effectiveness. Activities aimed at preventing money laundering and other financial crime are partly centralised at the POP Bank Centre coop and the central credit institution Bonum Bank Plc. For example, systems for automated monitoring of

transactions are being developed centrally across the POP Bank Group to ensure that operations are as efficient and risk-based as possible. In addition, the centralisation of activities has the advantage that some measures and policies to prevent money laundering and other financial crime can be implemented directly by a party independent of the individual member credit institution's own business, so that decision-making can take better account of risk factors specifically related to money laundering.

In the POP Bank Group, the management receives regular reports on the risks of money laundering and other financial crime and the status of risk management. Reporting is carried out for the executive management and the Board of Directors of the POP Bank Centre coop, POP Banks and Bonum Bank Plc and the reporting also covers, where appropriate, recommended measures by independent functions to better manage risks.

Training in the prevention of money laundering and other financial crime is offered to all POP Bank Group employees and managers. The content and scope of the training depends on the person's work duties, and the most comprehensive training in this topic area is offered to experts in the prevention of money laundering and other financial crime at the POP Bank Centre coop, Bonum Bank Plc and POP Banks, among others. Training is compulsory and must be renewed at regular intervals.

Incidents of corruption or bribery (G1-4)

No incidents of corruption or bribery were identified in the POP Bank Group in 2025. POP Bank Group was not convicted or fined in corruption or bribery incidents during 2025. No action to address violations was carried out as no incidents were detected.

Incidents of corruption and bribery	2025	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0
Amount of the fines issued for violation of corruption and anti-bribery laws (EUR)	0	0

Targets related to governance

The POP Bank Group set sustainability targets during 2024, and they cover the period 2025–2027. With regard to governance, targets have been set for mandatory staff training related to business conduct and ethical business practices.

The results of the double materiality assessment and the views of stakeholders, including customers, determined in connection with the double materiality assessment, were used in the setting of the targets. A workshop on the targets was organised and POP Bank Centre coop’s Executive Board and experts from the POP Bank Centre coop and Bonum Bank Plc participated. The targets have been approved by the Board of Directors of the POP Bank Centre coop. The setting of the targets is reported as part of the Sustainability Report.

The governance-related target and metric are as follows:

Target	Metric
We operate in accordance with good governance and our Code of Conduct.	At least 95% of our employees have completed courses on good governance and the Code of Conduct.

The training courses monitored under the metric cover the POP Bank Group’s ethical business principles, data protection, information security, anti-corruption and anti-bribery, whistleblowing, and anti-money laundering.

In 2025, the completion rate for the training courses monitored ranged from 69% to 87%. Measures to achieve the target will be continued, for example through internal communications.

4.2 Financial stability

In the POP Bank Group, financial stability is identified as entity-specific information that is not covered by the topical standards. Material

impacts, risks and opportunities related to the Group’s financial stability have been identified as part of the double materiality assessment, which is described in more detail in section *IRO-1* of *ESRS2 General Disclosures*. Financial stability is controlled through capital adequacy management processes, for which the sector regulator has established quantitative and qualitative criteria regarding available capital and liquidity, as well as the related governance processes.

Material sub-topic	Impact/Risk/Opportunity	Time horizon	Value chain
Financial stability	Positive impact: Bank group with strong capital adequacy is more resilient to economic fluctuations, so economic fluctuations also have less impact on customers.	Medium term	Downstream
	Negative impact: A significant change in capital adequacy could have negative impacts on customers and stakeholders due to a deterioration of the Group’s financial position.	Medium term	Downstream and upstream
	Risk: A significant change in capital adequacy could have significant financial effects, affecting solvency, resulting in loss of customers, partners and investors, and cause reputational risk and the potential risk of sanctions required by the supervisory authority.	Short, medium and long term	Own operations, upstream and downstream
	Possibility: Bank group with strong capital adequacy is more resilient to economic fluctuations, which gives it flexibility and the ability to retain stability in difficult circumstances.	Short and medium term	Own operations
	Possibility: Bank group with strong capital adequacy has a better chance of achieving higher credit ratings, thus contributing to the ability to raise funds from the market at low cost, lowering the cost of funding.	Medium term	Own operations and upstream

Capital adequacy means that a bank has sufficient capital to cover potential losses, which is important for customers, depositors and other stakeholders, as well as for the wider economy. Strong capital adequacy protects customers by reducing the risk of bank failure and insolvency. Capital adequacy reinforces public confidence in the banking system and reduces the risk of financial instability. POP Banks' comprehensive capital adequacy management process supports the POP Bank Group's ability to meet its financial obligations in different market situations, thus linking the capital adequacy management process to sustainability.

The POP Bank Group's capital adequacy management includes the comprehensive identification of risks, taking into account the business strategy and possible changes in the external environment. The objective of capital adequacy management is to ensure that the amalgamation and its member credit institutions have sufficient capital buffers to cover risks at all times, both under normal conditions and in the event of potential unexpected stressed conditions. Capital adequacy management aims to comprehensively identify material risks and assess their magnitude and the capital requirements they require.

The risk appetite set by the Board of Directors of POP Bank Centre coop defines the target for the capital adequacy position and other risk-taking. Based on this, more detailed risk limits are established, which guide the risk-taking activities to be undertaken. In addition, regulatory requirements mandate stress testing of the risk position, which

is used to assess the risk-bearing capacity of each risk category under various adverse scenarios.

The POP Bank Group's strategic choice to maintain a capital adequacy target that clearly exceeds regulatory requirements reflects its cooperative values and long-term approach to operations. A high level of capital adequacy supports lending, as strong capital and a stable financial position strengthen the Group's ability to meet customers' financing needs.

POP BANK GROUP FINANCIAL STATEMENTS 31 DECEMBER 2025 (IFRS)

POP BANK GROUP'S INCOME STATEMENT

(EUR 1,000)	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Interest income		232,015	271,043
Interest expenses		-66,111	-83,110
Net interest income	5	165,904	187,933
Net commissions and fees	6	46,761	44,630
Net investment income	7	5,228	4,009
Other operating income	8	1,535	4,288
Total operating income		219,427	240,860
Personnel expenses	9	-61,204	-54,599
Other operating expenses	10	-74,513	-71,556
Depreciation and amortisation	11	-5,060	-5,007
Total operating expenses		-140,777	-131,161
Impairment losses on financial assets	16	-15,269	-22,429
Associate's share of profits	20	2,256	2,558
Profit before taxes		65,637	89,828
Income tax expense	12	-12,465	-17,222
Profit for the period		53,173	72,605

POP BANK GROUP'S STATEMENT OF OTHER COMPREHENSIVE INCOME

(EUR 1,000)	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Profit for the financial year		53,173	72,605
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gains/(losses) arising from remeasurement of defined benefit plans	33	-403	-15
Net changes in fair value of equity instruments	29	124	211
Capital gains and losses for equity instruments	29	9	23
Deferred taxes	29,33	54	-44
Total		-216	175
Items that may be reclassified to profit or loss			
Cash flow hedges	27	-5,005	-468
Movement in fair value reserve for liability instruments	29	1,704	4,968
Deferred taxes	27,30	660	-900
Total		-2,641	3,600
Other comprehensive income items total		-2,857	3,775
Comprehensive income for the financial year		50,315	76,380

POP BANK GROUP'S BALANCE SHEET

(EUR 1,000)	Note	31 Dec 2025	31 Dec 2024	(EUR 1,000)	Note	31 Dec 2025	31 Dec 2024
Assets				Liabilities			
Liquid assets	17	384,953	567,900	Liabilities to credit institutions	14,15,25	35,287	52,614
Loans and receivables from credit institutions	14,15,18	49,598	44,751	Liabilities to customers	14,15,25	4,560,865	4,384,387
Loans and receivables from customers	14,15,18	4,863,173	4,743,620	Derivatives	26,30	8,024	2,636
Derivatives	26,30	18,863	29,267	Debt securities issued to the public	27	666,520	940,776
Investment assets	14,19	706,590	725,289	Other liabilities	28	75,671	82,908
Investments in associates	20	26,937	24,680	Tax liabilities	24	33,917	34,172
Intangible assets	21	15,197	8,884	Total liabilities		5,380,283	5,497,492
Property, plant and equipment	22	24,063	25,422	Equity capital			
Other assets	23	90,715	81,099	Cooperative capital			
Tax assets	24	6,319	6,066	Cooperative contributions		11,507	10,792
Total assets		6,186,408	6,256,978	POP Shares		57,153	58,388
				Total cooperative capital	29	68,661	69,180
				Reserves	29	163,604	163,725
				Retained earnings	29	573,861	526,581
				Total equity capital		806,125	759,486
				Total liabilities and equity capital		6,186,408	6,256,978

STATEMENT OF CHANGES IN THE POP BANK GROUP'S EQUITY CAPITAL

(EUR 1,000)	Cooperative capital	Fair value reserve	Other reserves	Retained earnings	Total equity capital
Balance 1 Jan 2025	69,180	-858	164,583	526,582	759,486
Comprehensive income					
Profit for the financial year	-	-	-	53,173	53,173
Other comprehensive income	-	-2,535	-	-322	-2,857
Total comprehensive income	-	-2,535	-	52,850	50,315
Transactions with shareholders					
Change in cooperative capital	-1,005	-	-	-	-1,005
Profit distribution	-	-	-	-2,686	-2,686
Transfer of reserves	486	-	2,413	-2,899	-
Total transactions with shareholders	-519	-	2,413	-5,585	-3,691
Other changes	-	-	-	15	15
Other changes total	-	-	-	15	15
Balance 31 Dec 2025	68,661	-3,392	166,996	573,861	806,125

(EUR 1,000)	Cooperative capital	Fair value reserve	Other reserves	Retained earnings	Total equity capital
Balance 1 Jan 2024	71,105	-4,645	162,440	459,206	688,106
Comprehensive income					
Profit for the financial year	-	-	-	72,605	72,605
Other comprehensive income	-	3,787	-	-12	3,775
Total comprehensive income	-	3,787	-	72,593	76,380
Transactions with shareholders					
Change in cooperative capital	-1,925	-	-	-	-1,925
Profit distribution	-	-	-	-3,069	-3,069
Transfer of reserves	-	-	2,146	-2,146	-
Total transactions with shareholders	-1,925	-	2,146	-5,214	-4,994
Other changes	-	-	-3	-3	-6
Other changes total	-	-	-3	-3	-6
Balance 31 Dec 2024	69,180	-858	164,583	526,582	759,486

Details of equity are presented in more detail in Note 29. The fair value reserve includes a hedge accounting reserve, which is presented in more detail in Note 26.

POP BANK GROUP'S CASH FLOW STATEMENT

(EUR 1,000)	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Cash flow from operating activities			
Profit for the financial year		53,173	72,605
Adjustments to profit for the financial year		26,514	34,966
Increase (-) or decrease (+) in operating assets		-127,966	-123,419
Loans and receivables from credit institutions	18	-2,659	409
Loans and receivables from customers	18	-135,325	-203,041
Investment assets	19	19,873	72,899
Other assets	23	-9,855	6,314
Increase (+) or decrease (-) in operating liabilities		152,481	-63,862
Liabilities to credit institutions	25	-17,327	-78,530
Liabilities to customers	25	188,559	49,130
Other liabilities	28	-6,479	-14,349
Income tax paid		-12,272	-20,113
Total cash flow from operating activities		104,203	-79,709
Cash flow from investing activities			
Changes in investments		-182	-10
Purchase of PPE and intangible assets		-9,273	-8,365
Proceeds from sales of PPE and intangible assets		876	419
Total cash flow from investing activities		-8,578	-7,956
Cash flow from financing activities			
Change in cooperative capital, net	29	-1,005	-1,925
Interests paid on cooperative capital and other profit distribution		-2,686	-3,095
Debt securities issued, increase	27	13,781	336,016
Debt securities issued, decrease	27	-284,695	-185,526
Payment of lease liabilities	34	-1,778	-1,890
Total cash flow from financing activities		-276,384	143,579

(EUR 1,000)	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Change in cash and cash equivalents			
Cash and cash equivalents at period-start		572,249	516,334
Cash and cash equivalents at the end of the period		391,490	572,249
Net change in cash and cash equivalents		-180,759	55,915
Cash and cash equivalents			
Liquid assets	17	9,370	567,900
Receivables from credit institutions payable on demand	17,18	382,120	4,349
Total		391,490	572,249

Additional information of the cash flow statement

Interest received		237,725	275,724
Interest paid		74,745	80,184
Dividends received		2,257	2,934
Adjustments to profit for the financial year			
Non-cash items and other adjustments			
Impairment losses on receivables		15,269	25,190
Depreciations		6,197	6,352
Other		5,048	3,425
Adjustments to profit for the financial year total		26,514	34,966

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NOTES CONCERNING THE PREPARATION OF THE FINANCIAL STATEMENTS

NOTE 1 POP BANK GROUP

POP Bank Group (hereinafter also referred to as the “Group”) is a financial group comprising POP Banks and POP Bank Centre coop and their subsidiaries and jointly controlled entities that operates in Finland. POP Banks are independent, regionally and locally operating cooperative banks. POP Bank Centre coop functions as the central institution of the Group. POP Bank Group offers retail banking services to retail customers, small and medium-sized enterprises as well as non-life insurance services to retail customers.

The member credit institutions of POP Bank Centre coop include 18 cooperative banks, Bonum Bank Plc, which serves as the central credit institution for the member cooperative banks and POP Mortgage Bank, which is a mortgage bank. The amalgamation of POP Banks is an economic entity referred to in the Act on the Amalgamation of Deposit Banks (599/2010) (hereinafter referred to as the “Amalgamation Act”) the members of which and the central institution are jointly liable for each other’s debts and commitments. The amalgamation of POP Banks consists of POP Bank Centre coop, which is the central institution, and its member credit institutions and the companies included in their consolidation groups, as well as credit institutions, financial institutions and service companies in which entities belonging to the amalgamation jointly hold more than 50 per cent of the votes. The companies included

in the consolidation groups of the member credit institutions are primarily real estate companies.

POP Bank Group also includes POP Holding Ltd owned by POP Banks and POP Bank Centre coop. POP Holding Ltd owns 30 per cent from Finnish P&C Insurance Ltd which belongs to LocalTapiola Group and uses the auxiliary business name of POP Insurance. POP Holding Ltd is not a member of the amalgamation of POP Banks and is not included in the scope of joint liability.

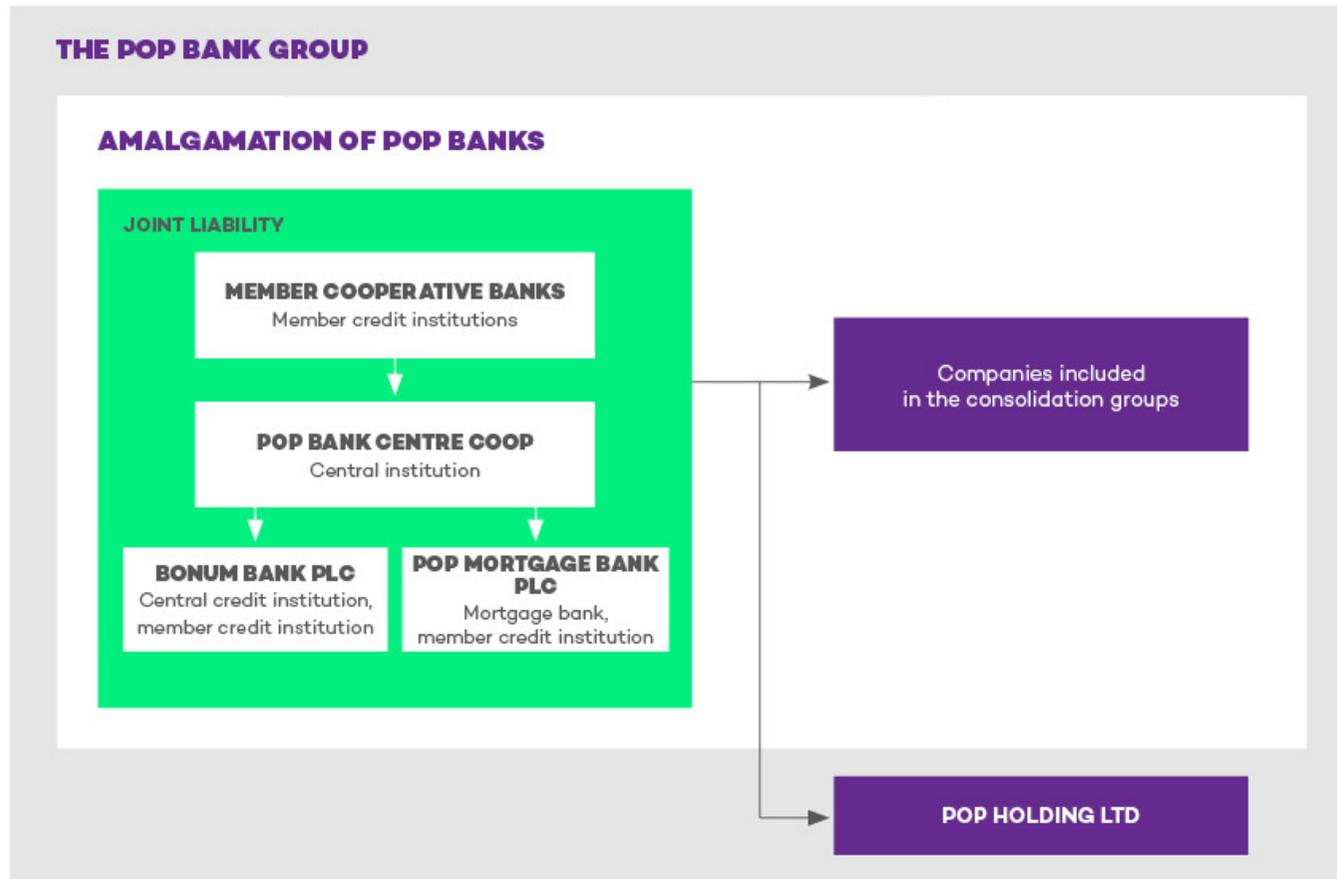
In accordance with the Amalgamation Act, the central institution shall prepare financial statements as a combination of the financial statements or the consolidated financial statements of the central institution and its member credit institutions in accordance with the International Financial Reporting Standards (IFRS).

POP Bank Group does not form a group of companies referred to in the Accounting Act (1336/1997) or a consolidation group referred to in the Act on Credit Institutions (610/2014). POP Bank Centre coop or its member cooperative banks do not exercise control pursuant to IFRS accounting standards on each other, and therefore no parent company can be determined for the Group. In accordance with the Amalgamation Act, Board of Directors has ratified the Group’s accounting policies suitable for this structure to

the extent that the IFRS accounting standards do not acknowledge the Group’s structure. The accounting policies that include a description of the technical parent company consisting of the member cooperative banks are presented in Note 2. The member cooperative banks and other Group companies consolidated in the IFRS financial statements included in the technical parent company are listed in Note 35.

The following chart presents the structure of POP Bank Group and the entities included in the amalgamation and scope of joint liability. There were no changes in the structure of the Group during the reporting period.

POP BANK GROUP STRUCTURE



POP Bank Centre coop acts as the central institution responsible for group steering and supervision of the POP Bank Group in accordance with the Amalgamation Act. POP Bank Centre coop's registered office is Helsinki and its address is Hevosenkä 3, FI-02600 Espoo, Finland. POP Bank Centre coop has prepared the POP Bank Group's consolidated IFRS financial statements in accordance with the Act on the Amalgamation of Deposit Banks. The Board of Directors of POP Bank Centre coop has adopted the report and consolidated financial statements on 13 February 2026. The financial statements will be distributed to the general meeting of POP Bank Centre coop cooperative on 27 March 2026. Copies of the financial statements and the financial statements release of the POP Bank Group are available at the office of the central institution, address Hevosenkä 3, FI-02600 Espoo, Finland, and online at www.poppankki.fi.

NOTE 2 ACCOUNTING POLICIES

1. Basis of preparation

The consolidated financial statements of the POP Bank Group (hereinafter also referred to as the “Group”) have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the related interpretations (IFRIC) approved for use in the EU and valid on 31 December 2025. The applicable Finnish accounting and corporate legislation and regulatory requirements have also been taken into account when preparing the notes to the financial statements.

The obligation of the POP Bank Group to prepare financial statements in accordance with IFRS is based on the Act on the Amalgamation of Deposit Banks (599/2010; hereinafter referred to as the “Amalgamation Act”). Figures in the consolidated financial statements of the POP Bank Group are presented in thousand euros, unless otherwise stated. Figures in the notes are rounded, whereby the sum total of individual figures may deviate from the sum total presented in the calculations and tables.

Assets and liabilities denominated in currencies other than euro have been translated into euro at the exchange rate of the balance sheet date. Exchange rate differences resulting from measurement have been recognised in net investment income in the income statement with the exception of financial instruments measured at

fair value through other comprehensive income. The operating currency of all of the companies belonging to the POP Bank Group is euro.

The consolidated financial statements of the POP Bank Group are based on original cost, with the exception of financial assets and financial liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income, hedged items in fair value hedging (with respect to the hedged risk) and hedging derivatives used in fair value hedging, that are measured at fair value.

Information concerning risks specified in the EU Capital Requirements Regulation (EU 2019/876) is disclosed in a separate Pillar III report. Reported information will be delivered to European Banking Authority (EBA) which is publishing Pillar III information in its common web portal (pillar 3 data hub). Link to service will be published in POP Bank Group web page.

2. The effect of climate change on financial reporting

The main environmental impacts of the POP Bank Group's own business are related to the financing of customers' investments and other activities, as well as the Group's investment activities. The goal of POP Banks is to reduce the risk caused by environmental impacts and climate change by offering customers financing for investments that

support climate change mitigation and adaptation, as well as by offering investment targets that support sustainable development and by informing customers about opportunities related to these.

Sustainability is explained more detail in Sustainability report included in POP Bank Group's Board of Directors' report.

3. Consolidation principles

3.1 Technical parent company

In accordance with the Amalgamation Act, the consolidated financial statements of the POP Bank Group shall be prepared as a combination of the financial statements or consolidated financial statements of the central institution POP Bank Centre coop and its member credit institutions. The consolidated financial statements also include entities in which the entities referred to above have joint control.

POP Bank Centre coop or its member cooperative banks do not exercise control on each other, and therefore no parent company can be determined for the Group. In the IFRS financial statements, a “technical parent” company has been formed for the POP Bank Group from the member cooperative banks. The member cooperative banks and the central institution have individually or jointly control over the other entities combined in the

Group's IFRS financial statements. Within the technical parent company, intra-group holdings, transactions, receivables and liabilities, distribution of profit and margins are eliminated. Cooperative capital comprises such cooperative contributions paid by members of cooperative banks which the member banks have an unconditional right to refuse the redemption.

3.2 Subsidiaries, associates and joint arrangements

POP Bank Group's financial statements include the financial statements of the technical parent company, its subsidiaries and associates. Companies over which the Group exercises control are considered to be subsidiaries. The POP Bank Group has control over an entity if it has control over the company and is exposed, or has rights to, the variable returns of the company and the ability to affect those returns through its power over the company. The Group's control is based on voting rights.

POP Bank Group's intra-group holdings have been eliminated using the acquisition method. All intra-group transactions, receivables and liabilities, unrealised earnings and distribution of profit are eliminated in the Group's consolidated financial statements.

Associated companies are companies over which the Group exercises significant influence on business management and financing. Significant

influence is based on voting rights. Associates are consolidated using the equity method.

A joint operation is a joint arrangement over which two or more parties exercise joint control and have rights concerning assets related to the arrangement and obligations related to liabilities. Mutual real estate companies are consolidated in the Group's financial statements as joint operations. Their income statement items, assets and liabilities are combined in accordance with the Group's holding.

4. Accounting policies requiring management judgement and uncertainties related to estimates

The application of IFRS requires the management's assessments and assumptions concerning the future. These affect the reported amounts in the financial statements and the information included in the notes. The management's main estimates concern the future and the key uncertainties related to the amounts at the balance sheet date. In particular, they are related to fair value assessment and impairment of financial assets. The management's estimates and assumptions are based on the best view at the balance sheet date, which may differ from the actual result. Due to the uncertainty of projecting the development of economy, the fair values and impairments of financial assets are subject to greater uncertainty than usual.

These estimates and assumptions, as well as the related uncertainty, are presented in more detail at financial statement item level in the sections 4.1–4.3.

4.1 Impairment of financial assets

Calculation of the expected credit losses includes parameters requiring management's consideration. Management has to determine the method of taking macroeconomic information into consideration in the calculations, the principles of evaluating significant increases in the credit risk, the assessment of loss in default and the credit conversion factors applied to credit cards.

The policies on impairment of financial assets have been presented in detail in chapter 6.5 Impairment of financial assets.

4.2 Determining fair value

Determining the fair value of unquoted investments requires the management's judgement and estimates of several factors used in the estimates, which can differ from the actual outcomes, thereby leading to a significant change in the value of the available-for-sale investment and equity capital.

The management must assess whether the markets for financial instruments are active or not. Furthermore, the management must assess whether an individual financial instrument is sub-

ject to active trading and whether the price information obtained from the market is a reliable indication of the instrument's fair value.

When the fair value of financial instruments is determined using a valuation technique, the management's judgement is needed in the choice of the valuation technique to be applied. As far as there is no market input available for the techniques, management must evaluate how other data can be used for the valuation. The principles for determining fair value are presented in more detail in sections 6.3 Determining fair value and 8. Property, plant and equipment and investment properties.

4.3 Lease periods of contracts classified as leases

Determining the lease periods of leases in effect until further notice requires discretion from the management, which requires the assessment of the economic life of the asset when it is reasonably certain that the leases have been made for a period longer than the term of notice. The assessment must take into account the conditions in which the leased asset will be used.

5. Changes in accounting policies

5.1 Adoption of new IFRS standards, amendments to standards and interpretations

The standard amendments and interpretations that entered into force in 2025 had no effect on the POP Bank group's financial statements.

5.2 Adoption of new IFRS standards, amendments to standards and interpretations in future financial years

The standard amendments approved for application in the financial year beginning 1 January 2026 are not estimated to have an impact on POP Bank Group's financial statements.

POP Bank Group intends to adopt IFRS 18 Presentation and Disclosures standard for the financial year commencing 1 January 2027, if the standard has been approved for application in the EU. The Standard shall be applied in periods beginning on or after 1 January 2027, but its earlier application is permitted. IFRS 18 supersedes IAS 1 Presentation of Financial Statements. The adoption of the standard will have an impact on the presentation of POP Bank Group's financial statements. The POP Bank Group will continue to assess the impact of the standard during the financial year 2026.

Other standard amendments to be adopted later are not expected to have a material impact on POP Bank Group's financial statements.

6. Financial instruments

6.1 Classification and recognition of financial assets

Classification

Financial assets are classified on initial recognition into following measurement categories based on the business model followed in their management and the debt instruments' cash flow characteristics:

- Financial assets at amortised cost
- Financial assets at value through other comprehensive income
- Financial assets recognized at fair value through profit and loss.

In accordance with the IFRS 9 Financial instruments, Financial liabilities are classified on initial recognition into following measurement categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss

Recognition

On initial recognition, all financial assets and financial liabilities are recognised at fair value. Transaction costs related to financial assets and financial liabilities at fair value through profit or loss are recognised on the income statement on

the date of acquisition. Transaction costs from other financial instruments are included in the acquisition cost.

Purchases and sales of financial instruments are recognised on the settlement date. Loans granted are recognised in the balance sheet on the date when the customer draws down the loan. Instruments issued are recognised in the balance sheet at the latest on the date when the customer makes the subscription.

Financial assets and financial liabilities are offset in the balance sheet if POP Bank Group currently has a legally enforceable right of set-off in the normal course of business and in the event of default, insolvency or bankruptcy, and it has the intention and ability to settle the asset and liability on a net basis. POP Bank Group has not offset the financial assets and financial liabilities on the balance sheet.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the rights have been transferred to another party so that substantially all the risks and rewards of ownership of the financial asset are transferred. In addition, an agreement included in financial assets is derecognised on the balance sheet if the rights to cash flows that are based on the agreement are transferred to another party or if the agreement includes an obligation to pay the cash flows in

question to one or several recipients. If a consideration is received, but all the risks and rewards of ownership of the transferred asset are substantially retained, the transferred asset is recognised in its entirety and a financial liability is recognised for the consideration received.

Impaired financial assets are derecognised when no further payments are expected and the actual final loss can be determined. In connection to derecognition, the previously recognised expected credit loss is cancelled and the realised credit loss is recognised. Payments on derecognised receivables received later are recognised in the income statement as an adjustment of impairment losses.

Financial liabilities are derecognised when the related obligations have been fulfilled and they have been extinguished. An exchange of a debt instrument with substantially different terms or substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

6.2 Business models for managing financial assets and measurement

According to IFRS 9, an entity's business model refers to how an entity manages its financial assets in order to generate cash flows. That is, entity's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The busi-

ness model is determined at a level that reflects how financial asset groups are managed together to achieve a particular business objective.

In POP Bank Group, financial assets are managed according to three business models:

1. Financial assets held (objective to collect contractual cash flows)
2. Combination of financial assets held and sold (objective to collect contractual cash flows and sale)
3. Other long-term investments

Financial assets held -business model includes loans and receivables and debt instruments held to maturity, which pass the SPPI-test (Solely Payments of Principal and Interest) for their cash flow characteristics. In the SPPI-test, it is determined whether the asset's contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

Combination-business model includes debt instruments with contractual cash flows being solely payments of principal and interest, held to maturity or close to maturity. Sales may be executed in predetermined situations, for example to reach the targets of the investment strategy.

Other long-term investments -business model includes shares and other instruments, whose cash flows do not consist solely on payments of principal and interest.

POP Bank Group does not actively trade financial assets. The purpose of POP Bank Group's investment activities is to invest surplus with long-term objective and to maintain investment portfolio for liquidity purposes.

Financial assets measured at amortised cost

Financial assets measured at amortised cost includes loans and receivables and the debt instruments, which are, according to the investment policy, intended to be held to maturity with terms of regular payments of interest and principal either in part or entirety (SPPI-test). In addition, liquid assets held to maintain liquidity, which are held until the maturity and can basically only be sold due to a deterioration in credit risk or a liquidity crisis, can also be classified to this measurement class. Assets classified to category consist from liquidity portfolio investments.

Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income includes debt instruments, which are, according to the investment policy, intended to be held in order to collect contractual cash flows or sold, if necessary, for reaching the objectives of the business model (combination-business model). Classification requires, that the contractual terms of the instrument include regular payments of interest and principal either in part or in entirety (SPPI-test).

Among other things, investments which can be sold to cover liquidity needs, for example, and liquid assets which have to be tested on regular sales in order to demonstrate the liquidity of those assets are classified to this measurement class.

Changes in financial instrument's fair value is recognised in items of other comprehensive income. The increase and decrease of expected credit losses are recognised in the income statement and in items of other comprehensive income. When sold, the change in fair value is recognised from other comprehensive income to net investment income in the income statement and expected credit loss in impairment losses on financial assets in the income statement.

Financial assets measured at fair value through profit or loss

Financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. Financial assets measured at fair value through profit or loss include shares and participations and debt instruments, which do not meet the SPPI-test. An exception is made with regards to shares which are measured at fair value through other comprehensive income.

Hedging derivatives are recorded at fair value through profit or loss.

POP Bank Group does not have financial assets held for trading purposes.

Changes in fair value are recognised in the net investment income in the income statement.

Equity instrument assets measured at fair value through other comprehensive income

POP Bank Group has adopted the exception in IFRS 9, according to which changes in the fair value of investments in shares may be recognised in other comprehensive income. The exception is adopted to investments in shares regarded strategic to POP Bank Group's business operations.

Changes in fair value are recognised in other comprehensive income. In case such an investment is subsequently sold, the result of the sale is recognised in equity. The election can be made only at initial recognition and it is irrevocable.

Financial liabilities measured at amortised cost

POP Bank Group's financial liabilities covering deposits and debt securities issued to the public, liabilities to credit institutions as well as other financial liabilities, are measured at amortised cost according to the effective interest rate method.

Financial liabilities measured at fair value

Derivative contracts are recognised in financial liabilities at fair value through profit or loss. The POP Bank Group has no other financial liabilities measured at fair value through profit or loss.

Changes in fair value of the financial instrument are recognised in the investment income in the income statement.

6.3 Determining fair value

Fair value is the price that would be attained if the asset was sold or would be paid to transfer the liability from one market party to another in a standard business transaction taking place on a valuation day.

A financial instrument's fair value is based on price quotations obtained from active markets or, if active markets do not exist, via company's own valuation methods. A market is considered active if price quotations are readily and regularly available and if they reflect real and regularly occurring arm's-length market transactions.

Current bid price is used as the quoted market price of financial assets.

If the market has a well-established valuation technique for a financial instrument for which there is no direct market price available, the fair value is based on the commonly used valuation model and on the market quotations of the input data used in the model.

If there is no well-established valuation technique in the market, fair value is determined based on a specific valuation model created for the product in question. The valuation models are based on widely used measuring techniques, incorporat-

ing all the factors that market participants would consider when setting a price. The valuation prices used include market transaction prices, the discounted cash flow method, as well as the fair value of another substantially similar instrument at the reporting date. The valuation methods take into account an estimate of the credit risk, applicable discount rates, early repayment options, and other such factors that may impact reliable determination of the fair value of the financial instrument.

The fair values of financial instruments are divided into three hierarchical levels depending on how the fair value is defined:

- Fair values quoted in the active markets for identical assets or liabilities (Level 1)
- Fair values that are determined using other input data than the quoted prices at Level 1, which are observable for the assets or liabilities either directly (e.g. prices) or indirectly (e.g. derived from prices) (Level 2)
- Fair values determined by the input data, which is essentially not based on the observable market data (Level 3).

The fair value hierarchy level into which an item measured at fair value is fully classified is determined by the input data, which is at the lowest level and is significant in respect to the whole item. The significance of the input data is evaluated considering the whole item, which is valued at fair value. Level 2 and 3 valuation models are also described more in detail in Note 16 to the financial statements.

6.4 Derivative contracts and hedge accounting

The POP Bank Group hedges its interest rate risk using derivatives. The objective of hedge accounting is to ensure that changes in the cash flows or fair value of the hedging instrument fully or substantially offset the equivalent changes in the hedged item. The relationship between the hedging and hedged instruments is defined in a formalized manner. This formal designation means that the hedging relationship and risk management objectives between the derivative and the hedged item are documented prior to the application of hedge accounting. If there is sufficient correlation between the value changes of the hedging derivative and the hedged item or cash flows, the hedge is deemed effective.

The POP Bank Group applies IFRS 9 Financial Instruments to all hedging relationships, except for fixed-rate funding, where the carve-out model under IAS 39 is applied. The carve-out model allows hedging of assets and liabilities as a group with similar risk profiles (known as macro hedging), including deposits as hedged items.

The fair value hedge targets fixed-rate deposits and fixed-rate bonds issued.

Positive fair values of derivatives are presented as assets under Derivatives, while negative fair values are presented as liabilities under Derivatives. Changes in the fair value of derivatives under hedge accounting are recognized in the

income statement under Net income from hedge accounting. The interest from hedging derivatives is recorded on a net basis, where interest on derivatives hedging assets is presented under interest income, and interest on derivatives hedging liabilities is presented under interest expenses. Interest on derivatives is presented on the balance sheet as a net amount either under Other assets or Other liabilities, depending on the interest payment situation at the review date.

The cash flow hedge targets the floating-rate loan portfolio of member cooperative banks, with interest rate options as the hedging instruments. The hedging addresses interest rate risk arising from changes in the reference rate of the floating-rate loan portfolio.

For the hedged item, the position is open, meaning that during the contract period, new loan agreements are added, and old agreements are removed from the hedged position. Consequently, the open position comprises a continuous series of closed positions, which are evaluated continuously for risk management purposes over the hedging period. The hedged item is based on forecasts indicating that member banks have layers of future floating cash flows over the derivative's maturity period, which these hedging instruments protect. The currency, maturity, and reference rate of the interest rate options fully match the characteristics of the hedged item, ensuring no ineffectiveness arises.

The accounting treatment of derivatives under cash flow hedging corresponds to that of fair value

derivatives, except that changes in the fair value of the effective portion of the hedge are recognized in Other comprehensive income. Fair value changes recognized in equity are transferred to profit or loss during the period in which the cash flows of the hedged item occur. If the cash flows are no longer expected to occur, amounts accumulated in equity are reclassified to Net investment income in the income statement. The premiums for the hedging options are amortized over the maturity of the hedging contract as an adjustment to interest income in the income statement.

6.5 Impairment of financial assets

A loss allowance on financial assets measured at amortised cost or fair value through other comprehensive income and off-balance sheet credit commitments is recognised on the basis of expected credit losses. The expected credit loss of a financial instrument is determined as the difference between the contractual cash flows that the entity is entitled to receive under the contract and the cash flows expected to be received by the entity at the original effective interest rate at the time of reporting.

To determine expected credit losses, financial instruments are classified in stages from 1 to 3. Stage 1 represents financial instruments whose credit risk has not increased significantly since the initial recognition. Expected credit losses are determined for such financial instruments based on expected loan losses for 12 months. Stage 2 represents financial instruments whose credit risk has

increased significantly after the initial recognition on the basis of qualitative or quantitative criteria and, for stage 3, financial instruments whose counterparty has been declared as default. Expected credit losses are determined for financial instruments classified in Stage 2 and 3 based on the expected credit losses over the entire life of the instrument.

The calculation of expected credit losses in POP Bank Group is based on four main segments:

- Private customers (excl. agricultural customers)
- Corporate customers (excl. agricultural customers)
- Agricultural customers
- Investment portfolio

The calculation of expected credit losses is based on the Probability of Default (PD), the loss ratio (LGD, Loss Given Default) and the Exposure at Default (EAD) for each segment.

The probability of default (PD) is measured by the historical credit rating model. The credit rating models are defined for the four main segments described above. Credit rating models constructed using statistical methods are used to estimate the PD of private and corporate customers. The credit rating model for agricultural customers is constructed by an expert and is based on the customers' financial ratios. Management estimates have been used to set PDs for agricultural customers, as there are few cases of default in the segment for statistical modelling.

Loss given default (LGD) refers to the expected portion of the loan loss on the remaining capital if the counterparty is classified as default. The parameters for calculating loss shares in the POP Bank Group are determined on the basis of expert estimates. Industry-specific LGD data from the Finnish market have been used to determine LGD values.

The exposure at default (EAD) is calculated for each loan and off-balance sheet item separately on the basis of repayments under the terms of the contract, with the exception of contracts without maturity whose lifecycle is determined on the basis of expert judgment. In the EAD calculation of off-balance sheet items, CCF coefficients shall be applied in accordance with the standardised credit risk standard for the credit risk calculation, with the exception of card credits for which a credit equivalent value (CCF) has been determined on the basis of expert judgment.

Expected credit losses are estimated using future information available with reasonable ease. For the purpose of calculating expected credit losses, the POP Bank Group has developed a model based on three macroeconomic scenarios and related implementation probabilities to correct the parameters used in the calculation when estimating expected credit losses. The macroeconomic scenarios are based on the projected growth rate of Finland's Gross Domestic Product over the next three years.

In the measurement of expected credit losses, a transition will be made from the recognition

of expected credit losses over 12 months to the recognition of expected credit losses throughout the lifetime of the contract as the credit risk increases significantly after the initial recognition, after which the contract is transferred from stage 1 to stage 2. The credit risk is considered to have increased significantly, when the contract is in a trial period of the forbearance measures, contract has been overdue for more than 30 days, or another qualitative risk factor has been identified in the customer's situation such as a significant change in the customer's business that is not yet reflected in the payment delay. In addition, the credit risk is considered significantly increased if the counterparty credit rating has deteriorated significantly. The threshold value determined by expert estimation of significant impairment is based on the change in PD value between the time of reporting and the time of the contract origination.

POP Bank Group applies the definition of default in accordance with Article 178 of Regulation 575/2013 of the European Parliament and of the Council when calculating expected credit losses. Liabilities are classified in stage 3 when they meet the definition criteria. For non-retail customers, which are customers with a turnover of more than EUR 50 million and liabilities of more than EUR 1 million, the definition of default applies at customer level and to retail customers at contract level. However, all receivables from a retail customer are recorded as defaulted (customer-level default) if the amount of the customer's liabilities exceeds 20 per cent of the customer's total liabilities.

The contract is considered defaulted at the latest when the liability under the default criteria has been continuously delayed for more than 90 days. In addition, a customer is considered defaulted when repayment is considered unlikely for example if the customer has been declared bankrupt or similar proceedings, or if the customer has forbearance measures that causes a change in the present value of the liability of more than 1 per cent. The contract or customer is considered defaulted for a period of 90 days after the conditions for default have ceased to exist. All non-performing receivables are classified into stage 3. Non-performing exposures are receivables over 90 days in arrears as well as other receivables with uncertainty in payments caused by customer's financial difficulties. Non-performing exposure includes also impaired receivables that have not been over 90 days in arrears.

POP Banks do not have contracts that are originated as impaired.

If the customer has not fulfilled the criteria for default for at least 3 months, the customer's liability will return to either stage 2 or stage 1, depending on whether the exposures meet a significant increase in the credit risk criteria at the time of return. The contract will return from stage 2 to stage 1 without a separate trial period if the contract no longer meets the criteria for significant credit risk growth.

POP Bank Group applies an exception of IFRS 9 standard to financial assets at fair value through

profit or loss, in which all instruments with a low credit risk are classified in stage 1 and instruments with higher credit risk are classified in stage 2.

A loss allowance on financial assets recognised at amortised cost and fair value through other comprehensive income and for off-balance sheet items is recognised in the income statement. Loss allowance in the income statement consists of the expected credit loss calculated for the financial asset, where the expected credit losses previously recognised have been deducted. A loss allowance is cancelled if a realised credit loss is recognised for the financial asset. The loss allowance on financial assets recognised at amortised cost reduces the carrying amount of the financial assets. The loss allowance for financial assets at fair value through other comprehensive income is recognised in the statement of comprehensive income. The loss allowance on off-balance sheet commitments is recognised as a provision in other provisions and liabilities.

7. Intangible assets

The most significant intangible assets of the POP Bank Group are comprised of banking and insurance information systems and licenses. An intangible asset is recognised in the balance sheet at acquisition cost if it is probable that the expected economic benefits associated with the asset will flow to the POP Bank Group and the acquisition cost of the asset can be measured reliably. Acquisition cost includes all costs that

are directly attributable to bringing the asset to its working condition for its intended use. POP Bank Group has capitalised also internally produced intangible assets. The capitalised expenditures for internally produced intangible assets includes, for example, license fees, purchased services, in-house work and other external costs related to projects.

POP Bank Group has started a system reform project at the beginning of 2022, which will renew the core banking system used by the banking segment, the customer information system, the authority reporting solution, the data storage and reporting solution and the office infrastructure. Part of the costs of the system reform project are capitalised as an intangible asset.

All of the Group's intangible assets have a limited useful life. The acquisition cost of intangible assets is amortised in the income statement on the basis of the estimated useful lives of assets. The estimated useful life is 3–5 years for information systems and licenses and 3–4 years for other intangible assets. The estimated useful life of the basic banking and insurance systems may be longer, but not more than 10 years.

Amortization of the acquisition costs of intangible assets begins when the asset is ready for use. Indications of impairment for intangible assets are reviewed annually, and the carrying value of unfinished intangible assets is tested annually for potential impairments. An impairment test may also be conducted at other times if there

are indications that the asset's value may have decreased, such as due to technological obsolescence.

In an impairment test, the recoverable amount of the asset is determined, which is either the fair value less costs to sell or the value in use of the asset. Primarily, the recoverable amount is determined through the net selling price of the asset. If the selling price cannot be determined due to the nature of the asset, the value in use is calculated. The value in use is defined through estimated cost savings or other operational benefits. The anticipated savings are discounted to their present value using an appropriate discount rate, which reflects the market-based interest rate and the risk profile associated with the POP Bank Group's operations and the specific asset.

If the carrying amount of an intangible asset exceeds its recoverable amount, an impairment loss is recognized. The impairment is recorded immediately in the income statement. The impairment loss is reversed if there is a change in circumstances and the recoverable amount of the asset increases from the time of the impairment recognition. However, the reversal of an impairment loss cannot exceed the original carrying value of the asset.

Configuration costs related to Software as a Service (SaaS) cloud service agreements are recognized mainly as expenses and customisation costs as prepayments or expenses, depending on whether the customisation services are distinct

from the actual cloud service agreement. In the cloud service arrangement, the software is controlled by a third party, and the software's configuration and customisation functions are not capitalised as an intangible asset. The prepayment recognised under the cloud service agreement is released as an expense during the agreement period from the time the asset is ready for use.

8. Property, plant and equipment and investment properties

The properties owned by the POP Bank Group are divided into owner-occupied properties and the investment properties. Owner-occupied properties are recognised under property, plant and equipment and investment properties under investment assets on the balance sheet.

The purpose of investment properties is to yield rental revenue or increase in value on capital. If a property is used both by the Group and for investment purposes, the parts are presented separately only if they can be divested separately. In this case, the division is based on the floor area of the properties. If the parts cannot be divested separately, the property is considered to be an investment property only when only a small part of it is used by the owner.

Both owner-occupied properties and investment properties are measured at acquisition cost less depreciation and impairment. Machinery and equipment as well as other property, plant and

equipment are similarly also measured at acquisition cost less depreciation and impairment. Depreciation is based on the useful life of the assets. The average useful life for buildings is 30–40 years. The useful life for technical equipment, renovations and machinery and equipment is 3–10 years. Land is not subject to depreciation.

Indications of impairment of property, plant and equipment and investment properties are assessed on each balance sheet date. If such indications exist, the recoverable amount from the asset will be estimated. These indications are, for example, significant decrease in the market value of the property or evidence of physical damage. If the future generated income is expected to be lower than the acquisition cost without depreciation, the resulting difference will be recorded as impairment loss and charged to expenses.

Depreciation and impairment on property, plant and equipment are recognised in the income statement under depreciation, amortisation and impairment. Depreciation on investment properties is recognised in the income statement under net investment income. Capital gains and losses are determined as the difference between the income received and balance sheet values. Proceeds from the sale of owner-occupied properties are recognised under other operating income and losses under other operating expenses. Proceeds and losses from the sale of investment properties are recognised in net investment income.

9. Leases

9.1 The POP Bank Group as the lessor

POP Bank Group leases properties it owns or parts thereof by way of operating leases. In the leases, the essential risks and benefits of ownership remain with the lessor. The Group has classified all its leases as operative leases. Investment properties are recognised as investment assets on the balance sheet, and other properties are recognised as property, plant and equipment. Rental revenue from investment properties is recognised in net investment income and from other properties in other operating income.

9.2 The POP Bank Group as the lessee

POP Bank Group has obtained mostly commercial premises, office equipment and company cars for employees through contracts classified as leases. At the time of establishing a contract, POP Bank Group assesses whether the contract is a lease or includes a lease. A contract is a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

POP Bank Group as a lessee is required to recognise on its balance sheet a right-of-use asset and a lease liability arising from a lease. Lease liabilities are presented under other liabilities and the related interest expenses under net interest income. The right-of-use asset is presented

under property, plant and equipment and depreciation is presented under depreciation and impairment losses. POP Bank Group has applied the exemptions included in the standard, according to which leases with a term of 12 months or less, or leases where the underlying asset is of low value, need not be recognised on the balance sheet. The expenses arising from these leases are recognised under other operating income.

A right-of-use asset is initially measured at acquisition cost. After the beginning of the contract, right-of-use assets are measured at acquisition cost less accumulated depreciation and impairment losses. Depreciation on a right-of-use asset is recognised using the straight-line method. Depreciation period for commercial premises with lease valid until further notice is generally 2 years. For fixed-term contracts, the depreciation period is in principle the contractual period. Depreciation times for office equipment vary from 2 to 5 years.

A lease liability is initially measured at the present value of the lease payments remaining unpaid at the beginning of the contract. The incremental borrowing rate of interest is used in the calculation of lease liabilities. The interest rate used for additional credit is the interest rate determined by the central credit institution of the amalgamation of POP Banks for credits granted within the group.

The economic lifetime of a leased asset is taken into consideration when determining the lease

period. The management's estimates are significant, particularly when determining the lease period for contracts valid until further notice and the incremental borrowing rate of interest. Contracts valid until further notice are assigned a lease period based on the management's estimate in cases when it is reasonably certain that they are entered into for a period that exceeds their notice period.

10. Provisions

A provision is recognised when a legal or factual obligation has emerged to the POP Bank Group due to a previous event and the fulfilment of the obligation is likely. A provision is recognised when the Group can reliably assess the amount of the obligation. Any remuneration paid by a third party is recognised as a separate item when receiving the remuneration is considered practically certain. The provision is measured at the present value of the amounts paid to fulfil the obligation.

11. Employee benefits

The Group's employee benefits consist mainly of short-term employee benefits, such as holiday pay and bonus payments, which are expected to be paid in connection with the work performance they are related to or within the following 12 months.

Benefits related to the termination of employment consist of severance payments.

Post-employment benefits consist of pensions and other benefits paid out after the termination of employment. Statutory pension cover is arranged through external pension insurance companies. Most of the Group's pension arrangements are defined contribution plans. Defined benefit plans are contracts that include additional pension cover.

Expenses from defined contribution plans are recognised in personnel expenses in the period during which they are charged by the insurance company. The asset or liability recognised in respect of a defined benefit plan is the present value of the obligation on the closing date less the fair value of plan assets. The present value of the pension obligation has been calculated by discounting the estimated cash flows using the discount rate based on the market yield of high-quality bonds issued by companies.

The amount of the pension liability is calculated annually by independent actuaries. The obligation is calculated using the projected unit credit method.

Pension costs are charged to expenses over the employees' working lives and recognised in personnel expenses. Items resulting from remeasurements of the net defined benefit liability are recognised in other comprehensive income in the period they occur. These items will not be reclassified to the income statement in later financial periods.

12. Principles for recognising income and expenses

12.1 Interest income and expenses

Interest income and expenses are amortised over the maturity of the contract using the effective interest rate method, in proportion to the remaining carrying amount in the balance sheet. Interest income and expenses are recognised in net interest income. Interest income on impaired receivables (receivables registered on stage 3) is calculated for net amount where expected credit loss is deducted.

Negative interest income on financial assets is recognised in interest expenses and positive interest costs on financial liabilities in interest income.

12.2 Commission income and expenses

Fee income is recognized to the extent that the Group expects to be entitled to the fee in exchange for services rendered to the customer. The treatment of fees is carried out in accordance with IFRS 15 Revenue from Contracts with Customers. Fee income is recognized either at a point in time or over time. Fees that are considered an integral part of the effective interest rate of a financial instrument are treated as adjustments to the effective interest rate in accordance with IFRS 9 Financial Instruments.

Fee income is divided into fees from retail and corporate customers. Within the POP Bank Group, the most significant fee income streams consist of daily banking fees, loan origination and administration fees, and fund management fees. In addition, fee income is earned from legal advisory services, the sale of third-party products, and other banking-related services. The amount of fees is determined individually based on the listed price or contractual agreements. Most fees are charged immediately after the service is rendered or, for continuous services, on a monthly basis.

Fee expenses primarily arise from payment transaction service costs and other banking service expenses.

12.3 Dividends

Dividends are primarily recognised when the General Meeting of Shareholders of the distributing entity has made a decision on dividend pay-out and the right to receive dividends has emerged. Dividend income is recognised in net investment income.

12.4 Presentation of income statement items

Income statement items are presented in the financial statements using the principles below.

Net interest income	Interest income and expenses on financial assets and liabilities, the amount of amortisation on the difference between the nominal and acquisition values, interest on interest-rate derivatives and fees that are accounted as part of the financial asset's effective interest.
Commission income and expenses	Commission income from lending, deposits and legal tasks, products transmitted, such as funds and insurances, commission income and expenses from payments, commission income from securities.
Net investment income	Net income from available-for-sale financial assets (realised capital gains and losses, impairment losses, dividends), net income from investment property (rental and dividend income, capital gains and losses and maintenance charges and expenses related to investment property, depreciation and impairment losses).
Other operating income	Rental and dividend income and capital gains from owner-occupied properties, other operating income.
Personnel expenses	Wages and salaries, social expenses and pension expenses.
Other operating expenses	Other administrative expenses, expenses related to low-value and short-term leases, sales losses from owner-occupied properties, charges to financial authorities, other expenses related to business operations
Impairment losses on financial assets	Impairment losses on financial assets, expected credit losses and realised credit losses and cancellations of credit losses

13. Income tax

Income tax expense shown in the income statement includes current tax, based on the taxable income of the POP Bank Group companies for the financial year, adjustments for income tax for prior financial years and change in deferred taxes. Tax expenses are recognised in the income statement except when they are directly linked to items entered into equity capital or other items in the statement of comprehensive income, in which case the tax effect is also included in these items.

Deferred tax liabilities and assets are calculated on taxable and deductible temporary differences between the carrying amount and the tax basis. Deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply at the time when the temporary difference is reversed.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that future taxable profit will be probable and unused tax credits can be utilised.

NOTE 3 GOVERNANCE AND MANAGEMENT

The structure of the POP Bank Group and amalgamation of POP Banks is presented in Note 1.

The operations of the amalgamation of POP Banks are regulated by the European Union's regulations, national legislation and regulations issued by the authorities. The key national acts are the Act on Credit Institutions (610/2014; hereinafter referred to as the "Credit Institutions Act"), Act on the Amalgamation of Deposit Banks (599/2010; hereinafter referred to as the "Amalgamation Act"), Co-operatives Act (421/2013), Act on Co-operative Banks and Other Credit Institutions in the Form of a Cooperative (423/2013), Limited Liability Companies Act (624/2006) and Act on Insurance Companies (521/2008). In addition, the amalgamation complies with good banking practice and policies concerning the processing of personal data in its operations.

The scope of consolidation of the POP Bank Group differs from the scope of consolidation of the amalgamation of POP Banks. The POP Bank Group consists of the amalgamation of POP Banks and entities over which the entities included in the amalgamation exercise control as referred to in the Accounting Act (1336/1997).

The POP Bank Group entities not included in the amalgamation are entities other than credit and financial institutions or service companies. Most significant of them is POP Holding Ltd, which owns 30 per cent of Finnish P&C Insurance Ltd.

1. Entities included in the amalgamation of POP Banks

1.1 Central institution POP Bank Centre coop

POP Bank Centre coop is the central institution of the amalgamation of POP Banks, and it is licensed as the central institution of an amalgamation of deposit banks. POP Bank Centre coop is owned by its member cooperative banks; they use their voting rights in a cooperative meeting of POP Bank Centre coop.

1.2 POP Banks

POP Banks are member credit institutions of POP Bank Centre coop with deposit bank licenses. POP Banks are co-operatives (cooperative banks) in terms of company form. The cooperative meeting of the members of the bank or an elected representatives' meeting is the supreme decision-making body of POP Banks. The cooperative meeting or representatives' meeting elects a Supervisory Board for the bank, which elects the Board of Directors. The Managing Director is appointed by the Supervisory Board or the Board of Directors, depending on the bank's rules.

1.3 Central credit institution Bonum Bank Plc

Bonum Bank Ltd is a member credit institution and subsidiary of POP Bank Centre coop. Bonum Bank Plc is licensed as a deposit bank. As a member

credit institution and subsidiary of POP Bank Centre coop, Bonum Bank Plc is included in the scope of both the member credit institutions of the central institution and group management. Bonum Bank Plc operates as the central credit institution of POP Banks, and it can also engage in other banking operations besides central credit institution operations.

1.4 Mortgage bank POP Mortgage Bank Plc

POP Mortgage Bank Plc is a member credit institution and subsidiary of POP Bank Centre coop. POP Mortgage Bank Plc has authorisation to engage in mortgage banking operations. As a member credit institution and subsidiary of POP Bank Centre coop, POP Mortgage Bank Plc is included in the scope of both the member credit institutions of the central institution and group management. POP Mortgage Bank Plc operates as the mortgage bank of POP Banks, and is responsible for acquiring external funding by issuing secured bonds for the amalgamation in cooperation with Bonum Bank Plc.

1.5 Other entities in the amalgamation

Other entities belonging to the amalgamation include the companies included in the consolidation groups of the member co-operative banks and the central institution, and they are primarily real estate companies. In addition, the amalgamation includes those credit institutions, finan-

cial institutions and service companies in which entities included in the amalgamation jointly hold over 50 per cent of the votes.

2. Administrative organs of the central institution of the amalgamation of POP Banks

2.1 Cooperative meeting of POP Bank Centre coop

The cooperative meeting is the supreme decision-making body of POP Bank Centre coop. The cooperative meeting confirms the rules and adopts the financial statements and balance sheet of the central institution and elects the members of the Supervisory Board and the auditor. One member shall be elected to the Supervisory Board from each member credit institution; however, not from a subsidiary of the central institution acting as a member credit institution.

2.2 Supervisory Board of POP Bank Centre coop

It is a key task of the Supervisory Board of POP Bank Centre coop to supervise that the operations of the central institution are managed with expertise and care in compliance with the legislation, guidelines and the members' interests and that the ratified guidelines and decisions by the cooperative meeting are followed. The Supervisory Board gives a statement to the Board of Directors for POP Bank Group's strategy and a statement to the spring cooperative meeting for

the POP Bank Centre coop financial statements, consolidated financial statements and report of the Board of Directors. The Supervisory Board also processes other issues presented by the Board of Directors.

The Supervisory Board elects and discharges the members of the Board of Directors, the Managing Director and elects Managing Director's deputy as well as decides on the fees of Board of Directors.

The Supervisory Board elects an executive and nomination committee from among its number to prepare matters related to the appointment and salaries and remuneration of the Supervisory Board and Board members, the Managing Director and his deputy. The Supervisory Board elects an audit committee from among its number to take care of the supervisory duties for which the Supervisory Board is responsible.

2.3 Board of Directors of POP Bank Centre coop

The Board of Directors of the central institution manages the central institution professionally in accordance with sound and prudent business practice. The Board of Directors is responsible for the appropriate and reliable organisation of governance and operations of the central institution.

The Board of Directors of the central institution confirms the POP Bank Group's strategy after hearing the Supervisory Board. The Board of Directors ratifies the amalgamation's risk

level and risk appetite based on business plans and approves the plan concerning the maintenance of capital adequacy proportioned to the risk level. The Board of Directors sets the target level for capital adequacy and confirms the level and structure of capital required by the risk profile. The Board of Directors is also responsible for proactive capital planning and adapting the capital adequacy management planning and proactive capital planning into reliable governance and guidance. The Board of Directors annually estimates the suitability, comprehensiveness and credibility of the capital adequacy management, and confirms the capital adequacy management plan of the amalgamation.

The Board of Directors is responsible for the sufficiency of the risk management system at the amalgamation level. It is the task of the Board of Directors to guide the operation of the amalgamation and issue binding guidelines based on the Amalgamation Act 17 § to its member credit institutions concerning their risk management, reliable governance and internal control to secure their solvency and capital adequacy. The Board of Directors supervises that the companies belonging to the amalgamation operate in compliance with the laws, decrees, regulations and instructions issued by the authorities, their own rules and the binding guidelines of the amalgamation. Moreover, it is the duty of the Board of Directors to oversee the functioning and sufficiency of internal control and risk management, approve the principles and guidelines of risk management and the risk category-specific strategies.

The assessment of reliability, suitability and professional skills of the Board member candidates is carried out following pre-defined and neutral selection grounds. A diverse composition of the Board of Directors aims at the optimum ability to develop and manage the efficiency, competitiveness and risk management of the central institution and amalgamation. In planning the composition of the Board of Directors, it is ensured that the required competence is represented at each time. Regional representation is also part of the assessment of diversity. Equal representation of both genders in the Board of Directors is an important aspect of diversity. The Board of Directors approves the objective of equal representation of genders and prepares the operating principles with which the objective is achieved and maintained.

The Board of Directors annually reviews its work and the knowledge and skills, experience and diverse collectively necessary for its work and the job description of new members.

The members of the Board of Directors shall have the preconditions for successfully taking care of their duties and sufficient time for it. A Board member and member of the executive management must have sufficient expertise in the amalgamation's business, related key risks and managerial work.

At least half of the Board members must be elected from persons who are employed by a member credit institution of the amalgamation.

Board members must be reliable persons with a good reputation. The reliability, suitability and professional skills of persons elected as Board members are assessed in connection with their election and at regular intervals thereafter. The Board of Directors of the central institution has specified a maximum number of board memberships of a Board member. A member of the Board of Directors may be a member of a maximum of four other boards of directors. When calculating the number of board memberships, memberships of the boards of directors within the POP Bank Group or those related to the Group's cooperative relationships or membership in the administrative organs of entities with no commercial purposes, such as non-profit or charity organisations and housing associations can be excluded.

2.4 Managing Director of POP Bank Centre coop

The central institution is led by a Managing Director or CEO responsible for the day-to-day management and administration of the central institution in accordance with the instructions and orders issued by the Board of Directors.

The Managing Director prepares the matters presented to the Board of Directors and assists the Board of Directors in the preparation of matters presented to the Supervisory Board and the cooperative meeting. The CEO is required to seek the approval of the Board of Directors for any secondary jobs.

3. Control and risk and capital adequacy management of the amalgamation of POP Banks

In accordance with the Amalgamation Act, POP Bank Centre coop, the central institution of the amalgamation of POP Banks, is responsible for supervising the operations of the member credit institutions and issuing them binding guidelines concerning risk management, reliable governance and internal control to secure their liquidity coverage ratio and capital adequacy and for issuing instructions concerning the preparation of the consolidated financial statements of the amalgamation for the purpose of compliance of harmonised accounting policies. Moreover, the central institution can confirm general operating principles for its member credit institutions to follow in their operations significant from the point of view of the amalgamation as specified in its rules.

The central institution supervises that the entities included in the amalgamation comply with laws, decrees, instructions and regulations issued by the authorities, their own rules and the Group's internal binding guidelines in their activities.

The central institution issues instructions to member credit institutions and, if necessary, interferes in the operations of the member credit institution in accordance with separately agreed principles and procedures. The Board of Directors of the central institution decides on the use of the necessary control methods.

The member credit institutions, within limits set by confirmed business risk thresholds, carry their business risks independently and are liable for their capital adequacy. A member credit institution of the amalgamation may not take such high risk in its operations that it causes essential risks to the combined liquidity coverage ratio or capital adequacy of the entities included in the amalgamation.

The capital adequacy, liquidity coverage ratio and customer risks of the entities included in the amalgamation of POP Banks are supervised at the consolidated amalgamation level in accordance with the Amalgamation Act. The entities included in the amalgamation must have the minimum combined own funds sufficient for covering the consolidated risks of companies included in the amalgamation specified in more detail in the Act on Credit Institutions. In addition, the combined own funds of the entities included in the amalgamation must be sufficient in relation to the combined customer risks and combined significant holdings of the entities included in the amalgamation.

The central institution has reliable governance that enables the effective risk management of the amalgamation and sufficient internal control and risk management systems considering the operations of the amalgamation.

In accordance with the Amalgamation Act, the Financial Supervisory Authority may grant the central institution a permit to decide on granting

certain exceptions related to capital adequacy and liquidity to its member credit institutions. On the reporting date, the central institution has exempted the member credit institutions from own funds requirement for intra-group exposures, large exposure limitation for exposures between the central credit institution and member credit institutions, amalgamation's internal items are exempted from leverage ratio measurements both liquidity coverage ratio (LCR) and net stable Funding Ratio (NSFR) requirements. Bonum Bank Plc manages both LCR and NSFR at amalgamation level.

The principles followed in the risk management of the amalgamation of POP Banks are described in more detail in Note 4 on risk management.

4. Joining and resigning from the amalgamation of POP Banks

Credit institutions whose rules or Articles of Association are compliant with the provisions of the Amalgamation Act and whose rules or Articles of Association the central institution has approved can be members of the central institution of the amalgamation of POP Banks. The central institution's Supervisory Board decides on acceptance as a member based on a written application.

A member credit institution has the right to resign from the central institution in accordance with the rules of the central institution and the provisions of the Co-operatives Act and Amalgamation Act when the conditions laid down by them are met.

The combined amount of the own funds of the companies included in the amalgamation must remain at the level required by the Amalgamation Act in spite of the resignation of a member credit institution.

A member credit institution can be dismissed from the central institution in accordance with the rules of the central institution and the Co-operatives Act if the member credit institution has neglected its duties arising from its membership. Furthermore, a member credit institution can be dismissed from the central institution if it has, in spite of a warning issued by the Supervisory Board, neglected compliance with the instructions issued by the central institution under section 17 of the Amalgamation Act in a way that significantly threatens the joint liquidity coverage or the application of principles concerning the capital adequacy management or the preparation of financial statements or the supervision of compliance with them in the amalgamation. A member credit institution can also be dismissed if the member credit institution has otherwise acted essentially in violation of the general operating principles of the amalgamation ratified by the central institution or the interests of the central institution or the POP Bank Group. The decision on dismissing a member credit institution is made by a cooperative meeting of the central institution at the proposal of the Supervisory Board.

The provisions of the Amalgamation Act on the liability to pay off a member credit institution are also applied to a credit institution that has

resigned or has been dismissed from the central institution if less than five years has passed since the end of the calendar year in which the member credit institution resigned or was dismissed when the demand concerning liability to pay is made to the member credit institution.

5. Central institution's liability for debt and joint liability of member credit institutions

The central institution of the amalgamation of POP Banks is liable for the debt and commitments of its member credit institutions in accordance with the Amalgamation Act. As a support measure referred to in the Amalgamation Act, the central institution is liable to pay any of its member credit institutions an amount that is necessary to prevent the credit institution from being placed in liquidation. The central institution is liable for the debts of a member credit institution, which cannot be paid using the member credit institution's capital.

Each member credit institution is liable to pay a proportion of the amount, which the central institution has paid either to another member credit institution as part of support action or to a creditor of such member credit institution in payment of an amount overdue which the creditor has not received from the member credit institution. Furthermore, in the case of the central institution's default, a member credit institution has unlimited refinancing liability for the central cooperative's debts as referred to in the Co-operatives Act.

Each member credit institution's liability for the amount the central institution has paid to the creditor on behalf of a member credit institution is divided between the member credit institutions in proportion to their last adopted balance sheets. The combined annual amount collected from each member credit institution in order to prevent liquidation of one of the member credit institutions may in each financial year account for a maximum of 0.5 per cent of the last confirmed balance sheet of each member credit institution.

6. Supervision of the amalgamation of POP Banks

The Financial Supervisory Authority supervises the central institution in accordance with the Amalgamation Act. The member credit institutions are supervised by the Financial Supervisory Authority and the central institution. The resolution authority of the amalgamation is the Financial Stability Authority.

The Financial Supervisory Authority supervises that the central institution controls and supervises the operations of the member credit institutions in accordance with the provisions of the Amalgamation Act and that the entities included in the amalgamation meet their statutory requirements.

The central institution supervises that the companies belonging to the amalgamation operate

in compliance with the legislation and decrees on the financial market, regulations issued by the authorities, their own rules and Articles of Association and the instructions issued by the central institution in accordance with section 17 of the Amalgamation Act. Furthermore, the central institution supervises the financial position of the companies belonging to the amalgamation.

The internal audit unit of the amalgamation's central institution is responsible for organising the internal audit in the central institution and member credit institutions, and it controls organising the internal audit in other companies belonging to the amalgamation.

7. Protection by the deposit guarantee fund and the investors' compensation fund

According to the legislation concerning the Deposit Guarantee Fund, the deposit banks belonging to the amalgamation of POP Banks are considered to constitute a single bank in respect of deposit insurance.

The Deposit Guarantee Fund reimburses a maximum total of EUR 100,000 to an individual account holder who has receivables from deposit banks belonging to the amalgamation of POP Banks. The Financial Stability Board administers the Deposit Guarantee Fund and carries out duties related to deposit protection.

Furthermore, in accordance with the legislation on the investors' compensation fund, the amalgamation of POP Banks is considered to constitute a single bank in terms of deposit insurance. The Investors' Compensation Fund reimburses a maximum total of EUR 20,000 to an investor who has receivables from entities belonging to the amalgamation of POP Banks.

8. Financial statements and audit of the POP Bank Group

In accordance with the Amalgamation Act, the financial statements of the POP Bank Group shall be prepared in compliance with the International Financial Reporting Standards (IFRS) referred to in the Accounting Act. In accordance with IFRS; other significant entities included in the POP Bank Group must also be consolidated in the financial statements. The accounting policies are described in Note 2.

In accordance with the Amalgamation Act, the central institution is liable to issue instructions to the member credit institutions for the purpose of harmonising the accounting policies applied in preparing the financial statements of the POP Bank Group. The member credit institutions are liable to provide the central institution of the POP Bank Group the information required for consolidating the financial statements.

The central institution has one auditor that must be a firm of Authorised Public Accountants. The auditor is elected by the cooperative meeting.

The auditor's term of office is a calendar year. The auditor also audits the consolidated financial statements referred to in the Amalgamation Act. The central institution and its auditors have the right to receive a copy of the documents concerning the audit of a member credit institution for the purpose of auditing the consolidated financial statements of the POP Bank Group.

A member credit institution is not obliged to publish interim reports pursuant to Chapter 12, section 12 of the Act on Credit Institutions, or the capital adequacy information pursuant to the EU's Capital Requirements Regulation ("Pillar III disclosures"). Information pursuant to Capital Requirements Regulation is disclosed in a separate report of the amalgamation of POP Banks. Reported information will be delivered to European Banking Authority (EBA) which is publishing Pillar III information in its common web portal (pillar 3 data hub). Link to service will be published in POP Bank Group web page.

9. Remuneration

Remuneration scheme refers to the decisions, contracts, policies and procedures followed in rewarding the management and personnel.

Remuneration is divided into fixed and variable remuneration. Fixed remuneration refers to salaries tied to a specific period of time and variable remuneration refers to remuneration tied to the beneficiary's performance or financial factors.

The variable remuneration includes both short- and long-term remuneration. In short-term remuneration, the earning period is the calendar year and the reward is paid in cash.

In the POP Bank Group, variable remuneration is company-specific. POP Bank Group does not have a uniform remuneration scheme. Remuneration schemes are based on the business strategy, objectives and values of each member credit institution or company, and they are aligned with the company's long-term interests. The remuneration schemes are in harmony with the bank's proper and effective risk management and risk-bearing capacity. Remuneration does not encourage risk-taking that would exceed the risk level defined on the basis of the risk-bearing capacity of the member credit institutions or the company or otherwise sustainable risk level.

The member credit institution- and company-specific remuneration schemes are based on EU legislation, national legislation and the regulations, guidelines and opinions issued by the Financial Supervisory Authority and European Banking Authority.

The amalgamation of POP Banks follows the Act on Credit Institutions, with the exceptions mentioned below, when deciding on the remuneration scheme of the executive management and employees of the member credit institutions.

The remuneration principles at the member credit institutions are confirmed by each

member credit institution's Board of Directors, which also monitors and supervises compliance with the remuneration schemes and regularly assesses their functionality. The executive management is responsible for the implementation of remuneration in accordance with the confirmed remuneration principles. The amalgamation of POP Banks bank does not have a joint remuneration committee for the management of the remuneration scheme. It has not been deemed necessary as each entity belonging to the amalgamation makes decisions on remuneration independently.

The internal audit function of the amalgamation conducts a centralised, independent assessment of the amalgamation's remuneration scheme and practices once a year. The internal audit reports the assessment results to the Board of Directors of the amalgamation annually.

The remuneration of control functions independent from business operations is not dependent on the earnings of the supervised business unit at the amalgamation of POP Banks.

The member credit institutions in which variable remuneration is in use have different remuneration schemes. The systems differ with regard to, inter alia, the personnel included in their scope, the amount of remuneration and the remuneration criteria.

The member credit institution may decide not to pay any variable remuneration either partially or

at all by way of a decision of the Board of Directors, for example in the event the member credit institution's capital adequacy is below the level specified for it.

The payment criteria for severance pay or other comparable remuneration that is paid to a beneficiary if employment terminates prematurely are laid down so that compensation is not paid for failed performance. Provisions on the payment of variable remuneration are laid down in the Act on Credit Institutions.

If the variable remuneration exceeds EUR 50,000 during the earning period and the remuneration corresponds to more than a third of the total annual amount of the beneficiary, chapter 8 sections 11§ and 12§ of the Act on Credit Institutions on deferring and paying variable remuneration in other than cash shall be followed.

The amalgamation of POP Banks has identified significant risk-takers who can impact the risk profile of the amalgamation or a member credit institution or through their actions cause considerable financial risk to the amalgamation or member credit institution. The persons affecting the risk profile of the Amalgamation include the Managing Directors and other people participating in the management and decision-making in the member credit institutions, central institution or other companies along with other people with a major impact on the company's risk exposure and people associated with functions independent of business operations. Each group

member is responsible for keeping its own information accurate and up to date.

The member credit institutions publish a report on compliance with the provisions of the Act on Credit Institutions regarding remuneration on their websites. Salaries and bonuses for the financial year are presented in Note 11. The information required by the EU Capital Requirements Regulation No 575/2013 article 450 on the remuneration of people who influence the POP Bank Group's risk exposure is presented in a Pillar III report separate to the financial statements and board of directors' report. Reported information will be delivered to European Banking Authority (EBA) which is publishing Pillar III information in its common web portal (pillar 3 data hub). Link to service will be published in POP Bank Group web page.

NOTE 4 RISK MANAGEMENT IN THE POP BANK GROUP

1. Objectives and principles of risk and capital adequacy management in banking

The strategic objectives of risk management in the POP Bank Group are to ensure the risk-bearing capacity in all circumstances and to keep the amalgamation's and its member credit institutions' risks at a moderate level in relation their risk-bearing capacity, thus ensuring business continuity. Risk-bearing capacity is built upon risk management proportionated to the scope and complexity of the institution and sufficient capitalisation based on profitable business operations. The purpose of the risk management is to ensure that all significant risks resulting from business activities are identified, assessed, measured and monitored on a regular basis and that they are proportionate to the risk-bearing capacity of the amalgamation and the individual member credit institutions.

The purpose of capital adequacy management is to ensure the sufficient amount, quality and efficient use of the capital. Capital is held to cover the material risks arising from the amalgamation's business strategy and plan and to secure the uninterrupted operations of the amalgamation in case of unexpected losses. The goal is pursued through a documented and systematic capital adequacy management process which is integrally linked to the amalgamation's and member credit institutions' strategy process and business planning and management.

The central institution is responsible for the risk and capital adequacy management of the Group. The central institution provides guidance to the member credit institutions to ensure risk management and supervises that the member institutions operate in accordance with regulation, their own rules, guidelines issued by the central institution and in accordance with appropriate and ethically acceptable procedures. The member credit institutions of the amalgamation, within limits set by confirmed business risk thresholds, carry their business risks independently in their operations and are liable for their capital adequacy. The capital adequacy, liquidity coverage ratio and customer risks of the entities included in the amalgamation of POP Banks are supervised both at the level of individual member institutions and at the consolidated amalgamation level. Violations of the risk management principles are addressed in accordance with the agreed operating models.

Risk and capital adequacy management is regulated by EU legislation, Act on Credit Institutions (610/2014), Act on the Amalgamation of Deposit Banks (24.6.2010/599; hereinafter referred to as the "Amalgamation Act") and the standards, regulations and guidelines issued by the Financial Supervisory Authority and European Banking Authority.

Most significant risks of the amalgamation consist of credit, liquidity, market and operational risk. Credit risk is mitigated careful evaluation of customer repayment capacity and by diversification

and collateral. Liquidity risk is mitigated by maintaining a sufficient liquidity reserve and by diversification of funding with regard to timing and counterparty. The most significant subtypes of market risk are the interest rate risk in the banking book and risks stemming from investment activities. Asset and liability management and interest rate derivatives are used to mitigate the interest rate risk. Investment risk is mitigated through diversification and investment counterparty and allocation limits. Operational risk is managed through clear processes and training of personnel, guidelines and control mechanisms.

The business of the amalgamation of POP Banks is focused on the low-risk part of retail banking in accordance with its strategy. The amalgamation does not have excessively large customer or investment risk concentrations with regard to its financial risk-taking ability.

The risk control function reports regularly to the Board of Directors of the central institution on the risks position by the amalgamation and member credit institutions. Systems and practices intended for reporting and monitoring of risks meet the requirements set for risk management, taking the nature and scope of the amalgamation's operations into account. The amalgamation's corporate governance, internal control and risk management comply with the requirements of legislation and the requirements of the authorities.

Risk management is an essential part of the internal controls of the amalgamation. The purpose of internal controls is to ensure that the institution complies with regulations, carries out comprehensive risk management and operates efficiently and reliably. Moreover, internal controls serve to ensure that the objectives and goals set for different levels of the amalgamation are achieved in accordance with internal guidelines.

2. Organisation of risk and capital adequacy management

The role of the Supervisory Board and the Board of Directors in amalgamation's risk management has been described in the Note 3 Governance and management.

2.1 Executive management

The amalgamation's executive management is responsible for the practical implementation, continuous monitoring, supervision and reporting of capital adequacy and risk management to the Board of Directors of the amalgamation. The executive management also ensures that the responsibilities, authorisations, processes and reporting relationships related to risk management have been clearly defined and sufficiently described and that the employees are familiar with risk management and the related processes and methods to the extent required by their duties.

2.2 Risk control function

The task of the central institution's independent risk control function is to supervise the risks and capital adequacy of the member credit institutions. Its task is to form a comprehensive view of the risks associated with the business operations of the amalgamation and member credit institutions, develop risk management methodologies and operating models for identifying, measuring and controlling risks and coordinate and develop the capital adequacy management process, risk control and reporting.

The risk control function prepares instructions for the Board of Directors of the central institution to decide on. It also supports, advises and educates the member credit institutions in the organisation and development of risk and capital adequacy management. The risk control function monitors the development of the risk exposures of the member credit institutions and gives feedback to the member credit institutions on them and the adequacy of the own funds in proportion to the risk exposures. The control function's duty is also to ensure that the risk measurement methods are appropriately and sufficiently accurate and reliable and to monitor that the risk management guidelines, business risk thresholds and risk strategies approved by the Board of Directors are followed.

The risk control function regularly reports a summary of the activities of the risk control function and the observations made by it and risk situation to the Board of Directors. The risk control function

ensures that the combined effect of the significant risks taken by all member credit institutions in their business operations on earnings and the own funds is reported to the Board of Directors as part of internal capital adequacy assessment process.

2.3 Compliance function

The compliance function monitors the amalgamation's and its member credit institutions' compliance with the applicable laws, statutory guidelines and orders, market self-regulation and the amalgamation's internal guidelines. The compliance function is also responsible for keeping the central institution's and its member credit institutions senior and operative management aware of any significant changes to key regulations and the implications of such changes. The compliance function prepares guidelines for applying the regulations.

The compliance function reports regularly on its activities and findings to the central institution's operating management, the Board of Directors and the Audit Committee of the Supervisory Board. The Compliance function has been centralised for all member credit institutions of the amalgamation of POP Banks.

The compliance risk is managed by monitoring developments in legislation; by providing business operations with guidelines, training and advice on operating methods that comply with the regulations; and by monitoring the compliance of procedures.

2.4 Internal audit

Internal audit is an independent and objective assessment and securing activity. The purpose of the activity is to support the Supervisory Board, Board of Directors and Executive management of the central institution in reaching the objectives by offering a systematic approach to the assessment and development of the organisation's control, management and governance processes and the effectiveness of risk management.

The internal audit unit of the amalgamation's central institution is responsible for organising the internal audit in the central institution and member credit institutions, and it controls organising the internal audit in other companies belonging to the amalgamation. The head of audit is responsible for the operation of the internal audit unit. Internal audit acts functionally under the Board of Directors of the central institution and administratively under the Managing Director. The Board of Directors of the central institution confirms the operating principles of internal audit.

Internal audit assesses the coverage and reliability of the amalgamation's capital adequacy management process and the sufficiency and effectiveness of the control procedures. Internal audit reports its key audit observations and the recommendations related to the capital adequacy management process it has issued to the Board of Directors of the central institution and the Audit Committee of the Supervisory Board at least annually. Significant deviations with regard

to the capital adequacy management observed in the audit are reported immediately to the central institution's Board of Directors and the Audit Committee of the Supervisory Board.

2.5 Member credit institutions

The amalgamation's member credit institutions, member cooperative banks and Bonum Bank Plc, comply with the risk and capital adequacy management principles specified by the central institution.

Except for the central credit institution, the member credit institutions of the amalgamation are engaged in retail banking in line with their strategy. By operating only in this business area, the member credit institutions are able to keep the business operations risks at a manageable and low level.

At POP Banks, the highest administrative organ is the cooperative meeting or representatives' meeting, which elects the members of the Supervisory Board. The Supervisory Board elects the members of the Board of Directors. At Bonum Bank Plc, the Annual General Meeting elects the members of the Board of Directors. The Supervisory Board elects an Audit Committee from among its number, which assists the Supervisory Board in implementing its control obligation.

The Board of Directors of the member credit institution confirms, inter alia, internal guidelines concerning internal control and risk manage-

ment, business objectives, risk limits concerning different risk categories and capital adequacy management plan. Furthermore, the Board of Directors is responsible for the adequacy of risk management and supervises the business operations, risk exposure and adequacy of risk-bearing capacity of the bank. In the capital adequacy management process, the member credit institution prepares, among other things, result, growth and capital adequacy estimates. Based on the forecasts, the member credit institution maps the necessary measures by means of which the capital adequacy objective in accordance with the business strategy can be achieved.

The executive management of the member credit institution is responsible for the implementation of internal control and risk management and reports regularly to the Board of Directors on the business operations, risk-bearing capacity and risk exposure of the member credit institution.

The central institution's independent risk control function and Compliance function guides the supervision of the amalgamation's risks. In addition to this, the largest member credit institutions have their own independent persons in charge of risk control, who is responsible for the implementation of risk control at the member credit institution as instructed by the central institution. The other member credit institutions have a contact person responsible for the function.

Primary responsibility, control responsibility and assessment responsibility have been specified for

the duties of risk management and distribution of responsibilities. The member credit institution responsible for business operations has the primary responsibility for the implementation of

internal control and practical risk management measures, and it is also responsible for compliance with the risk management guidelines and procedures.

The central institution's risk control function supervises risk management in the amalgamation, and the Compliance function supervises the compliance of the operations. Internal Audit, which operates within the central institution, conducts independent audit and assurance tasks to ensure the adequacy and efficiency of the control procedures.

ORGANISATION OF RISK MANAGEMENT AND INTERNAL CONTROL

I LINE OF DEFENCE

MEMBER CREDIT INSTITUTIONS

- Day-to-day risk management
- Supervisor control
- The executive management and Board of Directors of the member credit institution have the primary responsibility for control

II LINE OF DEFENCE

INDEPENDENT RISK CONTROL AND COMPLIANCE OF THE CENTRAL INSTITUTION

- Control
- Instruction
- Support, processes, tools

III LINE OF DEFENCE

CENTRAL INSTITUTION'S INTERNAL AUDIT

- Independent assessment of control based on risk-based audit activity

3. Capital adequacy management

The objective of capital adequacy management is to ensure that the amalgamation of POP Banks and its member credit institutions have an adequate capital buffer to achieve their business strategy and to cover the material risks arising from them in all circumstances. The capital adequacy position is managed in accordance with the risk appetite framework and related limits set by the amalgamation.

Monitoring and controlling of capital adequacy are implemented by setting limits for both the amalgamations' and the member credit institutions' capital adequacy. The limits are set both for the capital adequacy ratio calculated in accordance with the Capital Requirements Regulation (EU 2019/876) (hereinafter the EU Capital Requirements Regulation) and for the economic capital requirement which is based on an internal risk assessment (Pillar 2).

As part of the capital adequacy management process the aim is to identify all material risks and assess their magnitude and required capital requirements. Under the supervision of the central institution, the member credit institutions of the amalgamation prepare their own capital plans and stress tests on an annual basis using harmonised principles defined by the central institution. Based on the capital plans of the member credit institutions, the capital plan of the amalgamation is prepared, which includes a summary of the development of the capital and exposures of the amalgamation in different scenarios. The process ensures that the amalgamation's growth, profitability and risk-bearing capacity objectives are appropriate and consistent. The baseline scenario of the capital plan forms the basis for budgeting for member credit institutions and the amalgamation.

The key figures, capital requirements and main items of capital adequacy calculations of the amalgamation are presented in the Board of Directors' report in the financial statements. More detailed information is presented in a separate Pillar III report in accordance with Part Eight of the EU capital Requirements Regulation. Reported information will be delivered to European Banking Authority (EBA) which is publishing Pillar III information in its common web portal (pillar 3 data hub). Link to service will be published in POP Bank Group web page.

3.1 Pillar I capital adequacy ratio

The amalgamation's most significant Pillar I capital requirements are comprised of exposures secured by real estate and both corporate and retail receivables. The amalgamation applies the standardised approach for the calculation of the capital requirement for credit risk, and the basic indicator approach for calculating the capital requirement for operational risk. Member credit institutions of the amalgamation do not engage in trading activities, so the capital requirement for market risk is only calculated for foreign exchange risk.

Own funds of the amalgamation are comprised of cooperative contributions, POP Shares, retained earnings and reserves less the deductions pursuant to the EU Capital Requirements Regulation. Profit for the financial year is not included in the own funds.

4. Banking risks

4.1 Credit risk

The most significant risk of the amalgamation is the credit and counterparty risk. Credit risk refers to a situation in which a counterparty cannot fulfil its contractual obligations. The most significant source of credit risk is loans, but credit risk can also arise from other kinds of receivables, such as debt securities, and off-balance-sheet commitments, such as unused credit facilities and overdraft limits and guarantees.

4.1.1 Management of credit risk

The Board of Directors of the central institution controls the credit risk management of the member credit institutions, the methods used in it and the control and reporting of credit risk. The Board of Directors of the central institution approves the credit risk strategy specifying the target risk level and the principles concerning guidelines on risk-taking, customer selection and collateral. Credit risk management aims at limiting the effects of credit risks resulting from lending activities on profit and balance sheet to an acceptable level. The Board of Directors of the central institution approves the customer group and industry division principles and risk and monitoring limits of the credit portfolio used in the monitoring the quality of the credit portfolio. The credit risk strategy is supplemented by credit risk and collateral management guidelines, which lay the foundation for the management of credit risk by the member credit institutions. The central institution's risk control function is responsible for the preparation and maintenance of the credit risk strategy. The credit risk strategy is updated at least annually or whenever there are essential changes in the operating environment or business model of the amalgamation, legislation or regulatory requirements.

Credit strategy approved in central institution's Board of Directors forms directly credit strategy at individual member credit institution. Credit risk strategy and other operative credit risk guidelines specify the maximum limits for risk con-

centrations and act as guidelines for the targeting of lending by customer sector, industry and credit grade.

Credit decisions are based on the customer's credit worthiness and ability to pay and the fulfilment of the other credit criteria, such as requirements for collateral. The main principle is decision making by two persons having lending authorization. The lending decisions are made within the decision-making authorizations confirmed by the Board of Directors of each member credit institution and within the risk guidelines approved by the Central institution's Board of Directors. Member credit institutions primarily grant loans and guarantees in their own operating areas. This ensures local and sufficiently thorough knowledge of the customer.

To ensure the repayment of exposures, exposures should primarily be secured by collateral. Collaterals are valued prudently at fair value, and the development of market values is monitored regularly utilizing both statistical models and good knowledge of the operating area. The collateral valuation coefficients used for valuating collaterals are harmonized in the member credit institutions of the amalgamation.

Monitoring expected credit losses (ECL) is an essential part of the credit risk management. Principles of impairment and calculation of expected credit losses are described in Note 2. Impairment losses on loans and receivables, off-balance sheet items and changes during the financial year are presented in Note 16.

Exposures of customers and non-performing receivables are reported monthly to the Boards of Directors of the member credit institutions. The reports include, amongst other things, the amount and development of credit risk by customer group, industry sector and credit grade category. The risk control function reports to the central institution's Board of Directors on the development of credit risks, risk position, non-performing receivables, forbearance and expected credit losses on a quarterly basis or more often if deemed necessary.

The assessment of the credit worthiness of a customer is based on a good customer knowledge, the customer's occupation and income data, ability to pay and surplus calculation and credit rating models. Private and corporate customers with open exposures are scored with the behaviour scoring model based on payment behaviour. Agricultural customers with exposures are scored regularly using a credit rating model. New customers who are applying for a loan are scored with application scoring. The purpose of the scoring is to group the customers according to their risk.

Loans and receivables are categorised in rating categories 1–8 by probability of default (PD) of the receivable. Rating category 1 represents the receivables of the lowest risk and risk category 8 represents the receivables of the highest risk. Both the customer and the receivable are categorised as defaulted (rating category 8), if a default criteria described in accounting policies is met. Receivables categorised as defaulted are classified in stage 3 as per IFRS 9 in the calculation of

excepted credit losses. Receivables with a significant increase in credit risk are classified in stage 2. Other receivables are classified in stage 1. The principles for calculating expected credit losses are described more in detail in Note 2.

Loans and receivables, debt securities and off-balance sheet items in the highest-risk rating category 8 totalled EUR 193 382 (162,408) thousand in gross value at the end of reporting period.

Receivables by rating category and by ECL stage

Loans and receivables from customers by rating category and by ECL stage

(EUR 1,000) Rating category	PD value		31 Dec 2025				31 Dec 2024
	Lower	Upper	Stage 1	Stage 2	Stage 3	Total	Total
1-4	0.00	1.50	3,664,538	13,314	-	3,677,852	3,514,675
5	1.50	5.00	765,995	18,890	-	784,885	786,421
6	5.00	25.00	140,641	64,320	-	204,961	258,710
7	25.00	100.00	549	59,872	-	60,422	81,595
8	100.00	100.00	-	-	189,678	189,678	158,447
Gross value			4,571,723	156,396	189,678	4,917,798	4,799,847
ECL			6,502	3,948	44,174	54,624	56,227
Net value			4,565,221	152,448	145,504	4,863,173	4,743,620

Off balance-sheet commitments by rating category and by ECL stage

(EUR 1,000) Rating category	PD value		31 Dec 2025				31 Dec 2024
	Lower	Upper	Stage 1	Stage 2	Stage 3	Total	Total
1-4	0.00	1.50	334,038	1,572	-	335,610	301,977
5	1.50	5.00	30,880	273	-	31,153	33,498
6	5.00	25.00	3,042	727	-	3,770	5,251
7	25.00	100.00	16	250	-	267	132
8	100.00	100.00	-	-	2,565	2,565	3,846
Gross value			367,976	2,822	2,565	373,364	344,704
ECL			414	49	552	1,016	1,413
Net value			367,562	2,773	2,013	372,348	343,291

Debt securities by rating category and by ECL stage

(EUR 1,000) Rating category	PD value		31 Dec 2025				31 Dec 2024
	Lower	Upper	Stage 1	Stage 2	Stage 3	Total	Total
1-4	0.00	1.50	551,260	31	-	551,291	562,290
5	1.50	5.00	1,632	-	-	1,632	3,719
6	5.00	25.00	-	-	10	10	1,205
7	25.00	100.00	-	-	-	-	73
8	100.00	100.00	-	-	1,128	1,128	300
Gross value			552,892	31	1,139	554,062	567,586
ECL			51	-	-	51	55
Net value			552,841	31	1,139	554,010	567,531

Expected credit losses from debt securities measured at fair value through other comprehensive income totalled EUR 846 (1,010) thousand, of which EUR 84 thousand is in Stage 1, EUR 30 thousand in Stage 2 and EUR 762 thousand in Stage 3.

4.1.2 Breakdown of loans by customer groups

The amalgamation's key customer groups are private customers, agricultural customers and small companies. The amalgamation's loan portfolio totalled EUR 4,863,173 (4,743,620) thousand at the end of 2025.

Breakdown of loans by customer groups

(EUR 1,000, net value)	31 Dec 2025	31 Dec 2024	Change, %	Main collateral type
Private customers	3,025,167	2,974,896	1.7%	Residential real estate
Corporate customers	1,231,368	1,181,068	4.3%	Other real estate
Agricultural customers	606,638	587,656	3.2%	Other real estate
Total	4,863,173	4,743,620	2.5%	

The primary target groups of the non-retail lending are micro and small companies, self-employed persons and agriculture and forestry customers operating in the operating area of the member credit institution. In lending to corporate customers, the basis for granting a loan are the customer's financial position, debt servicing capacity, analysis of financial statements, coverage of the collateral offered and the customer's credit rating.

Corporate lending by industry

(EUR 1,000)	31 Dec 2025		31 Dec 2024	
	Net value	%	Net value	%
Real estate	517,343	42.0%	478,262	39.5%
Construction	163,571	13.3%	158,182	14.1%
Wholesale and retail trade	95,826	7.8%	89,749	8.4%
Industry	87,019	7.1%	85,517	8.1%
Professional, scientific and technical activities	49,147	4.0%	47,738	4.5%
Other industries	318,462	25.9%	321,842	25.4%
Total	1,231,368	100.0%	1,181,068	100.0%

4.1.3 Loan portfolio by collateral and stages

Lending to private customers is mainly secured by residential real estate collateral. Other collateral is used according to need. A majority, 61.8 (62.3) per cent of the amalgamation's loans has been granted against residential collateral. The loans to private customers are booked in the balance sheets of POP Banks, whereas Visa credit cards and unsecured digital consumer credits are booked in the balance sheet of the central credit institution. The table below shows the amount exposed to credit risk by collateral and stages.

Loan book by collateral type and by ECL stage 31 Dec 2025

(EUR 1,000, net value)	Stage 1	Stage 2	Stage 3	Total
Residential real estate	2,862,588	79,591	61,949	3,004,128
Other real estate	1,268,968	61,255	68,196	1,398,420
Non-collateralized	250,220	6,071	8,541	264,832
Other collateral	69,637	2,702	3,863	76,203
Financial collateral	84,300	718	815	85,833
Guarantee	29,507	2,110	2,140	33,757
Total	4,565,221	152,448	145,504	4,863,173

Loan book by collateral type and by ECL stage 31 Dec 2024

(EUR 1,000, net value)	Stage 1	Stage 2	Stage 3	Total
Residential real estate	2,798,615	107,344	47,735	2,953,694
Other real estate	1,181,488	93,470	48,756	1,323,713
Non-collateralized	238,145	7,527	11,570	257,242
Other collateral	67,314	8,004	2,740	78,058
Financial collateral	91,271	1,873	318	93,462
Guarantee	33,025	2,105	2,321	37,451
Total	4,409,859	220,321	113,440	4,743,620

4.1.4. Concentration risk

Credit risk concentration arises when the counterparties are financially dependent on each other and operate in a similar operating environment, in which case individual events can have effects on a significant number of counterparties at the same time. Similar concentration risk may also arise when similar collateral is held for credit facilities.

The total amount of loans granted by the amalgamation or an individual member credit institution to a single customer and/or customer group cannot exceed the maximum amounts confirmed in the EU's Capital Requirements Regulation, or the regulations and guidelines provided by the Finnish Financial Supervisory Authority or other supervisory authorities. At the amalgamation level, the maximum concentration risk limit has been defined for customer groups and risk industries as well as a euro-dominated limit for individual customer entities. In addition, a euro-denominated limit has been specified at the amalgamation level with new credit exceeding the limit the Central institution's Risk Control to be informed prior to the granting of the credit. There were no credit concentrations risks arising from lending in the amalgamation or at individual member credit institution at the end of the year.

4.1.5. Doubtful receivables, forbearances and impairment losses

The monitoring of credit risk is based on the continuous monitoring of doubtful receivables and past-due payments, forbearances and the quality as well as the composition of the loan portfolio. Problems that can be foreseen are addressed as early as possible. The main principals for managing doubtful receivables and problematic customers are defined in guidelines issued by the Central institution. The main principle of the guidelines is an active management of the receivables in arrears. Bank's risk position can be enhanced by contacting the customer in an early stage of arrears and timely actions for collections. Lengthened arrears affect the ECL staging as well as internal and authority reporting as problem loan.

Past due exposures

(EUR 1,000)	31 Dec 2025		31 Dec 2024	
	Net value	% of loan portfolio	Net value	% of loan portfolio
Exposures 30-90 days past due	41,947	0.86%	25,448	0.54%
Exposures over 90 days past due	51,242	1.05%	53,177	1.12%
Exposures 90-180 days past due	13,016	0.27%	15,955	0.34%
Exposures 180 days - 1 year past due	14,446	0.30%	14,430	0.30%
Exposures over 1 year past due	23,779	0.49%	22,792	0.48%

Doubtful receivables are being followed and reported by criteria that are similar to the definitions of ECL stage 3 and forbearance. In addition to these criteria a single receivable or customer's all receivables can be classified as doubtful receivables by using bank's own consideration.

Forbearance is a temporary concession to contract terms due to customer's financial difficulties. Purpose of forbearance measures is to secure the customer's ability to pay and limit the credit risk of the receivables. Receivables that are more than 90 days past due with forbearance measures are included in stage 3. Non-performing exposures with forbearance measures are included in stage 3 and other exposures with forbearance measures in stage 2.

Doubtful receivables and forbearance

(EUR 1,000, gross value)	31.12.2025	31.12.2024
Receivables in stage 3	189,678	158,262
of which forbearance receivables	86,475	63,176
Receivables in stage 2	156,396	224,722
of which forbearance receivables	83,432	137,260

Receivables in stage 3 are covered mainly by residential real estate or other real estate. Significant receivables that are in stage 2 or 3 are being evaluated monthly. In the survey actions for securing the receivable, valuation of the collateral, change in the credit classification and possible credit loss are being considered. Loans categorized in stage 3 increased by 19.7 (2.8) per cent during the financial year.

Loan book in stage 3 by the primary collateral type 31 Dec 2025

(EUR 1,000)	Gross value	Eligible collateral*	ECL	Open credit risk**
Other real estate	90,217	85,144	22,021	-
Residential real estate	74,425	70,899	12,476	-
Non-collateralized	13,694	-	5,153	8,541
Other collateral	6,175	1,789	2,312	2,074
Financial collateral	1,674	275	860	540
Guarantee	3,492	-	1,352	2,140
Total	189,678	158,107	44,174	13,295

Loan book in stage 3 by the primary collateral type 31 Dec 2024

(EUR 1,000)	Gross value	Eligible collateral*	ECL	Open credit risk**
Other real estate	70,665	66,005	21,910	-
Residential real estate	59,382	55,041	11,646	-
Non-collateralized	19,017	-	7,446	11,570
Other collateral	5,151	327	2,411	2,413
Financial collateral	401	125	83	193
Guarantee	3,646	-	1,325	2,321
Total	158,262	121,497	44,822	16,497

*The tables only show the effect of eligible collateral arrangements for capital adequacy purposes. Receivables are also subject to non-secured collateral arrangements.

**Open credit risk after ECL and collaterals.

Expected credit losses (ECL) decreased by 2.9 (increased 6.4) per cent to EUR 54.6 (56.2) million during the financial year.

The accounting policies for impairment on loans and other receivables are defined in Note 2 of the financial statements, and more detailed information about changes in expected credit losses is presented in Note 16.

4.2 Market risk

Market risk refers to the possibility of losses caused by changes in interest rates and market prices. The market risk types are interest rate, currency, equity and commodity risk. Interest rate risk of the banking book is the most significant market risk in the POP Bank Group's banking business. Interest rate risks arise from the banking book of member credit institutions, consisting of lending and deposits, wholesale market funding and investment and liquidity portfolios. In investment activities, a change in interest rates results in market risk through a change in the market prices of the securities. Currency risk refers to the effect of changes in foreign exchange rates on earnings or own funds. Equity risk refers to effects on earnings due to changes in the market prices of, for example, public equities and fund units.

4.2.1 Management of market risk

The objective of market risk management is to identify and assess market risks related to the business operations, mitigate the risks to an acceptable level and report regularly on them. The Board of Directors of the POP Bank Amalgamation's central institution confirms the market risk strategy and market risk management guidelines, which create the foundation for market risk management at the member credit institutions.

The Boards of Directors of the member credit institutions confirm market risk management guidelines in accordance with the market risk

strategy of the central institution. The process for managing a member credit institution's capital adequacy is a key part of the process for determining the risk capacity and appetite related to investing activities. The taking of market risk has been limited within the amalgamation with regard to trading, interest rate risk, equity risk, currency risk, derivative contracts, structured products and commodity risk. Taking commodity risk is not allowed. The member credit institutions of the amalgamation do not engage in trading for own or customers' account, and the member credit institutions do not have a separate trading book.

The currency risk related to the Group's operations is low. Currency risk is not taken at all in lending; all loans are granted in euros. Currency risk may arise to a small extent mainly from mutual fund holdings in the investment portfolio and covering transactions related to the central credit institution's international payments. The use of derivatives is limited to hedging purposes only.

4.2.2 Interest rate risk in the banking book

Interest rate risk in the banking book refers to the negative effect of changes in interest rates on the market value of the amalgamation's balance sheet items and off-balance sheet items or net interest income. Banking book interest rate risk arises from differences in the interest terms of receivables and liabilities and mismatches in interest rate repricing and maturity dates.

Interest rate risk in the amalgamation and its member credit institutions is monitored using the net present value method and the net interest income model. The net present value method measures how changes in interest rates change the calculated market value of balance sheet items. In the net present value method, the market values of each balance sheet item are expected to be formed as the present value of the cash flows generated by the instrument in question. The net interest income model predicts the future net interest income as market interest rates change. The net interest income forecast is calculated at the reporting date using forward interest rates available in the market for the following four years. The amount of interest rate risk taken is assessed with the effect of diverse interest rate shocks on the net interest income and net present value. The effect of early loan prepayments and the behaviour of non-maturity deposits have been considered in the analysis.

The amalgamation's interest rate risk is managed by applying the risk limits issued by the central institution's Board of Directors for net interest income and changes in the present value of the balance sheet.

Primary tool to manage amalgamation interest rate risk is planning balances balance sheet structure such as assets and liabilities maturity and interest rate fixing structure. During the reporting period open banking book interest exposure was decreased gradually with hedging derivatives. Note 26 includes more detailed information for used instruments and volume.

The interest rate sensitivity analysis of the banking book

Impact to interest margin (EUR 1,000)	Change	31 Dec 2025 1-12 mo.	31 Dec 2024 1-12 mo.
Interest rate risk	+2%-point	18,356	16,963
Interest rate risk	-2%-point	-22,867	-21,222

The interest rate risk calculations present the interest rate sensitivity concerning the impact of a change of 2 per cent at the time of reporting on net interest income for the following financial year.

4.2.3 Investment and liquidity portfolio

The investment portfolio of the amalgamation consists primary of securities included in liquidity portfolio and other investments. Investment activity is focusing investments which can be included to liquidity portfolio under LCR regulation. Market risk emerges in these investment activities, consisting of counterparty, interest rate, currency and general market price risks.

Member credit institutions can invest their liquidity surplus after the internal target limit of the liquidity buffer has been reached. The member credit institutions' objective in investing in securities is to obtain a competitive return on investment in terms of yield/risk ratio on a long-term perspective.

Risks arising from the investment and liquidity portfolio are managed by limits defined for the amalgamation, which ensures the diversification

of investments in terms of timing, asset category, risk type and counterparty. Investment risks are also monitored through sensitivity analysis. The purpose of the limitation is that the price volatility of investment portfolio will not threaten the capital adequacy or profitability of the member credit institution or the entire amalgamation.

Risk appetite in the investment portfolio is assessed in relation to the earnings and own funds of the amalgamation. The breakdown and sensitivity analysis of investment assets at Group level are described in Note 19.

4.3 Liquidity risks

Liquidity risk refers to the capability of the POP Banks' amalgamation and its individual member credit institution to meet their commitments. Liquidity risk can be divided into short-term liquidity risk and long-term structural funding risk. Short-term liquidity risk refers to a situation in which an entity cannot without difficulty fulfil its liabilities to pay. Structural funding risk is a risk related to the availability and price of refinancing which arises when the maturities of receivables and liabilities differ from each other. Funding risk also arises if receivables and liabilities are concentrated on individual counterparties to too high a degree.

4.3.1 Management of liquidity risk

The executive management of the central institution prepares the amalgamation's strategy, princi-

ples and limits of liquidity management, which are determined based on the member credit institutions' liquidity needs and amalgamation-level risk appetite. The central institution's Board of Directors approves the liquidity strategy and the principles of liquidity management. In addition, the Board of Directors approves the funding plan and the liquidity contingency plan made by the central credit institution. The risk control function plans, develops and tests methods used in liquidity risk management and is responsible for risk reporting to the Board of Directors of the central institution. The central credit institution and its executive management assist the risk control function in this process. The Board of Directors of the central institution's approves the liquidity strategy and the methods used in implementing the principles of liquidity management.

The executive management of the central credit institution is responsible for coordinating the implementation of the liquidity strategy at the amalgamation level, and it monitors and supervises the liquidity strategy implemented by the member credit institutions. The central credit institution coordinates the payment transactions of the member credit institutions and the acquisition and balancing of liquidity in the amalgamation. The task of the amalgamation's independent risk control function is to supervise and monitor the liquidity risk.

The central credit institution reports on the liquidity situation to the Board of Directors of the central credit institution and is responsible for the planning

of the liquidity position and funding of the amalgamation. The Board of Directors of the central credit institution is responsible for monitoring the implementation of the liquidity strategy at the central credit institution.

4.3.2 Short-term liquidity risk

The liquidity management of the amalgamation follows the principles set out in the liquidity strategy, which aims to limit risk through a diversified financial structure. The most important means of securing a good liquidity position are maintaining a sufficient and high-quality liquidity reserve and diversifying funding sources. Intra-day liquidity, liquidity reserve and liquidity coverage ratio are the key means to limit and measure the liquidity risk of the amalgamation. The internal limits and controls of the amalgamation limits the liquidity risk associated with the business activities of the amalgamation and the member credit institutions and ensure that the regulatory requirements related to liquidity risk are met.

The key ratios for measuring short-term liquidity risk are the liquidity coverage ratio (LCR), specified in the EU's Capital Requirements Regulation and The Net Stable Funding Ratio (NSFR). LCR measures short-term liquidity risk and is responsible for ensuring that the liquidity reserve, consisting of good quality assets under LCR regulation, is sufficient to cover outflow net cash flows in stress situations for 30 days. The NSFR measures the reconciliation of assets and liabilities on the bal-

ance sheet with maturity more than one year and is responsible for ensuring that long-term lending is adequately funded by long-term funding.

Liquidity Coverage Ratio and Net Stable Funding Ratio

(per cent)	31 Dec 2025	31 Dec 2024
LCR	241.9	315.1
NSFR	136.5	136.9

The central institution of amalgamation applies a permission by the Finnish Financial Supervisory Authority to decide that the requirements laid down in the sixth part of the EU Capital Requirements Regulation and EU's statutory orders based on the Regulation are not applied to its member credit institutions. According to the permission, the regulatory requirements for liquidity risk (LCR and NSFR) are met at the amalgamation level only. The central credit institution is responsible for meeting the regulatory requirements.

The liquidity reserve of the amalgamation consists of high-quality assets in accordance with the EU Capital Requirements Regulation, which can meet the liquidity need in stress situations either by selling the securities or by pledging them as collateral for central bank funding. At the end of 2025, the non-pledged financial assets and cash included in the primary liquidity reserve were in total of EUR 970.6 (1,153.6) million.

Liquidity reserve, market value

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Cash and deposits with central banks	384,953	567,900
Government bonds	203,997	211,450
Debt securities issued or guaranteed by municipalities or the public sector	112,266	98,936
Covered bonds	62,775	63,760
Debt securities issued by financial institutions or corporates	155,623	165,422
Other liquid assets*	50,983	46,089
Total	970,596	1,153,557

*Item includes deposit repayable on demand EUR 6 214 (4,084) thousand and minimum reserve deposit EUR 43,061 (40,402) thousand.

In addition to the liquidity reserve, the member credit institutions of the amalgamation have various investment securities as other instruments, such as funds and debt securities in the amount of EUR 82.8 (88.2) million. These investment assets are not included in the primary liquidity reserve due to their liquidity in stressed situations involves uncertainty.

The amalgamation's central credit institution supervises the intra-day liquidity coverage by monitoring the balances of the payment accounts of the member credit institutions. The member credit institutions follow continuously their intra-day liquidity position.

4.3.3 Structural funding risk

The funding risk arising through the maturity transformation of lending and borrowing is an essential part of the amalgamation's business operations. The business operations are based on deposits received by the member credit institutions from their customers, which are used to finance the member credit institutions' lending to customers.

The table below shows the maturities of the amalgamation's liabilities. Current deposits are assumed to mature immediately.

Maturity of financial liabilities 31 Dec 2025

(EUR 1,000)	less than 3 months	3-12 months	1-5 years	over 5 years	Total
Liabilities to credit institutions	28,414	5,000	1,873	-	35,287
Liabilities to customers	3,748,584	695,069	117,107	105	4,560,865
Derivatives	-	-	2,784	5,240	8,024
Debt securities issued	8,984	4,939	652,597	-	666,520
Lease liabilities	398	1,175	2,031	182	3,786
Total	3,786,380	706,183	776,391	5,527	5,274,481

Maturity of financial liabilities 31 Dec 2024

(EUR 1,000)	less than 3 months	3-12 months	1-5 years	over 5 years	Total
Liabilities to credit institutions	44,762	6,000	1,852	-	52,614
Liabilities to customers	3,678,987	608,234	97,166	-	4,384,387
Derivatives	-	587	319	1,730	2,636
Debt securities issued	-	264,108	676,667	-	940,776
Lease liabilities	394	1,123	2,127	328	3,973
Total	3,724,144	880,053	778,130	2,058	5,384,385

4.4 Real estate risk

Real estate risk refers to impairment, income or loss risk related to real estate property. Real estate investments are not included in the core business of the amalgamation's banking operations. The properties owned by the amalgamation of POP Banks are divided into owner-occupied properties and the investment properties.

Owner-occupied properties are recognized under property, plant and equipment and investment properties under investment assets on the balance sheet. Both properties used by member credit institutions of the amalgamation and investment properties are measured at acquisition cost less depreciation and impairment in the financial statements. The value of real estate assets is moderate compared to the balance sheet and own funds of the amalgamation. The balance sheet value of investment properties accounted for 0.4 (0.4) per cent of the balance sheet.

4.5 Operational risks

Operational risk refers to the risk of financial loss caused by inadequate or failed internal processes, personnel, systems and external factors. For example, operational risks are included in all main and support business processes as well as outsourced functions and services.

The Board of Directors of the central institution approves the operational risk management guidelines and also the principles to be followed in busi-

ness continuity management. All member credit institutions accept operational risk management guidelines and business continuity management principles for their own operations. The amalgamation's overall operational risk level appetite is moderate. Capital is reserved for operational risks in the amalgamation's capital adequacy management process.

Operational risks are primarily managed with risk management processes, instructions and risk area-specific mitigating actions (controls and measures) to correct the identified deficiencies and errors and to lower the risk level. Controls and measures of risk management include e.g. instructions and their continuous updating, review and monitoring, technical controls preventing improper and unauthorized use of systems, personnel-related and IT backup arrangements, identify and access management (IAM), business continuity plan, outsourcing agreement, insurance coverage, reporting, training and increasing competence.

Most relevant operational risk management processes in the POP Bank Group include regular self-assessment of operational risks (risk identification, assessment, determination and implementation of mitigating actions), registration and reporting of realized risk events and near-miss situations, risk appetite statements and metrics for operational risks, and a new product/service approval process.

The risk level of all risk areas that are part of POP Bank Group's operational risk framework is reg-

ularly assessed and reviewed by central community's risk control function, and the risk status is monitored in the operational risk assessment report submitted to the Board of Directors of the central institution on a quarterly basis.

The operational risks related to the key products, services, functions, processes and systems are identified in the assessment process concerning a new product or service carried out by the business function and reviewed by the central community's risk control and compliance function.

4.6 Strategic risk

Strategic risk arises from choosing a wrong strategy, unsuccessful implementation of strategy, changes in the competitive environment or responding too slowly to changes.

Strategic risks are minimized by means of regular updates of strategic and annual plans. Analyses of the condition and development of the POP Bank Group, as well as other analyses and estimates concerning the development of the sector, competition and financial operating environment are utilized in the planning.

NOTES TO INCOME STATEMENT

NOTE 5 NET INTEREST INCOME

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Interest income		
Loans and receivables from credit institutions	12,697	15,052
Loans and receivables from customers	202,284	237,358
Debt securities		
At amortised cost	10,050	10,052
At fair value through profit or loss	73	137
At fair value through other comprehensive income	5,666	6,860
Hedging derivatives	-870	-386
Other interest income	2,115	1,970
Total interest income	232,015	271,043
Interest expenses		
Liabilities to credit institutions	-1,018	-2,025
Liabilities to customers	-40,358	-40,010
Debt securities issued to the public	-28,322	-29,058
Hedging derivatives	3,761	-11,871
Other interest expenses	-173	-146
Total interest expenses	-66,111	-83,110
of which negative interest income	-6	-8
Net interest income	165,904	187,933
Interest income from financial assets impaired due to credit risk (stage 3)	9,912	8,956

NOTE 6 NET COMMISSIONS AND FEES

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Commissions and fees		
Lending	9,971	9,326
Deposits	135	142
Payment transfers	29,965	28,388
Legal services	2,673	2,686
Intermediated services	3,460	3,507
Issuing guarantees	687	664
Funds	4,352	4,050
Other commission income	1,137	1,124
Total commissions and fees	52,380	49,889
Commissions expenses		
Payment transfers	-5,605	-5,001
Other commission expenses	-14	-257
Total commission expenses	-5,619	-5,258
Net commissions and fees	46,761	44,630

Income and expenses recognised by valuation techniques are presented in Note 13.

NOTE 7 NET INVESTMENT INCOME

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024	(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
At fair value through profit or loss			Net income from investment property		
Debt securities			Rental income	2,621	2,694
Capital gains and losses	-87	-456	Capital gains and losses	-135	133
Fair value gains and losses	-141	350	Other income from investment property	151	100
Shares and participations			Maintenance charges and expenses	-1,829	-2,273
Dividend income	2,238	2,926	Depreciations and amortisation of investment property	-1,137	-1,345
Capital gains and losses	3	28	Other income and expenses from investment property	-7	-13
Fair value gains and losses	2,826	1,659	Total	-337	-703
Total	4,840	4,507	Total net investment income	5,228	4,009
At fair value through other comprehensive income					
Debt securities					
Capital gains and losses	450	134			
Transferred from fair value reserve to the income statement	-458	-287			
Shares and participations					
Dividend income	19	8			
Total	12	-145			
At amortised cost					
Debt securities					
Capital gains and losses	-6	-			
Total	-6	-			
Net income from foreign exchange trading	215	194			
Net income from hedge accounting					
Change in hedging instruments' fair value	-15,503	8,502			
Change in hedged items' fair value	16,008	-8,345			
Total	505	157			

Net investment income includes net income from financial instruments except interest income from bonds recognised in net interest income.

NOTE 8 OTHER OPERATING INCOME

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Rental income from owner-occupied properties	41	35
Recognition of Deposit Guarantee Fund contribution and previously paid bank tax	452	3,161
Other income	1,042	1,092
Total other operating income	1,535	4,288

The fee collected by the Financial Stability Authority for deposit guarantee purposes is covered by the fees accumulated in the old deposit guarantee fund in accordance with the old Credit Institutions Act. Support fees paid into the old fund are recognized as income when the old fund transfers funds to the new fund, and an equal support fee is recorded as other operating expenses.

NOTE 9 PERSONNEL EXPENSES

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Wages and salaries	-50,750	-45,893
Indirect personnel expenses	-1,591	-1,027
Pension expenses	-8,864	-7,679
Total personnel expenses	-61,204	-54,599

The information concerning the remuneration of key management personnel is presented in Note 36. Other information regarding remuneration is provided in Note 3.

NOTE 10 OTHER OPERATING EXPENSES

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Other operating expenses		
Other personnel expenses	-4,972	-4,361
Office expenses	-2,953	-3,050
Purchased services	-8,700	-8,721
ICT expenses	-37,069	-31,200
Telecommunications	-3,556	-3,350
Entertainment and marketing expenses	-2,824	-2,996
Rental expenses	-1,808	-2,016
Expenses arising from owner-occupied properties	-3,718	-4,151
Insurance and security expenses	-1,522	-4,116
Government charges and member fees	-892	-752
Audit fees	-621	-560
Other operating expenses	-5,877	-6,284
Total other operating expenses	-74,513	-71,556
Audit fees		
Audit services	-521	-383
Audit-related services according to Auditing Act 1.1,2 §	-29	-82
Tax advisory	-45	-24
Other services	-26	-71
Total audit fees	-621	-560

Rental expenses include the expenses of short-term and low-value leases.

Insurance and security expenses include EUR 452 (3,161) thousand of contribution collected by the Financial Stability Board for the deposit guarantee fund, which is fully covered by payments accounted for from the old Deposit Guarantee Fund. There was no stability contribution charged for the financial period. Contributions from the old Deposit Guarantee Fund is recognised as income and presented in other operating income.

Other than audit services from KPMG Oy Ab to companies in POP Bank Group totalled EUR 78 (91) thousand during the financial year 2025.

NOTE 11 DEPRECIATION, AMORTISATION AND IMPAIRMENT

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Depreciation and amortisation		
Buildings	-3,123	-3,072
Machinery and equipment	-615	-579
Intangible assets	-406	-1,165
Other	-2	-4
Total	-4,147	-4,820
Impairment		
Buildings	-914	-187
Total	-914	-187
Total depreciation, amortisation and impairment	-5,060	-5,007

More detailed information about right-off-use assets is provided in Note 34.

NOTE 12 INCOME TAX

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Current tax	-12,488	-14,126
Tax for prior financial years	-24	24
Other taxes	-6	-6
Change in deferred taxes	53	-3,114
Total income tax expense	-12,465	-17,222

Reconciliation between tax expense in the income statement and tax expense calculated using the applicable tax rate

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Profit before tax	65,637	89,828
Income tax rate	20%	20%
Tax calculated at the tax rate	-13,127	-17,966
Tax-exempt income	476	643
Non-deductible expenses	-93	-120
Deductible expenses not included in the profit	16	77
Use of tax losses carried forward from previous years	288	127
Deferred tax assets not recognised on losses	-1	-7
Tax for prior financial years	-24	24
Tax expense in the income statement	-12,465	-17,222

NOTE 13 NET INCOME AND EXPENSES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY MEASUREMENT CATEGORY

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024	(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Financial assets			Financial liabilities		
At fair value through profit or loss			At amortised cost		
Interest income	73	137	Interest expenses	-69,698	-71,094
Fair value gains and losses	2,685	2,009	Total	-69,698	-71,094
Dividend income	2,238	2,926	Net income from foreign exchange operation	215	194
Capital gains and losses	-84	-428			
Total	4,913	4,644	Derivatives and hedge accounting		
At fair value through other comprehensive income			Fair value gains and losses	505	157
Interest income and expenses	5,660	6,860	Interest income and expenses	2,890	-12,257
Transferred from fair value reserve to the income statement	-458	-287	Total	3,395	-12,100
Dividend income	19	8	Total	164,358	179,768
Capital gains and losses	450	134			
Expected credit loss	164	-376			
Total	5,835	6,339			
At amortised cost					
Interest income and expenses	225,030	264,370			
Other income	10,106	9,468			
Expected credit loss	2,121	-3,833			
Capital gains and losses					
Final credit losses	-17,553	-18,220			
Total	219,698	251,785			

NOTES TO ASSETS

NOTE 14 CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets 31 Dec 2025

(EUR 1,000)	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Hedging derivatives	Expected credit loss	Total carrying amount
Liquid assets	384,953	-	-	-	-	384,953
Loans and receivables from credit institutions	49,598	-	-	-	0	49,598
Loans and receivables from customers	4,917,798	-	-	-	-54,624	4,863,173
Derivatives	-	-	-	18,863	-	18,863
Debt securities*	369,499	3,998	184,563	-	-51	558,008
Shares and participations	-	122,537	1,530	-	-	124,068
Financial assets total	5,721,847	126,536	186,093	18,863	-54,676	5,998,664
Other assets						187,745
Total assets						6,186,408

*Expected credit loss of EUR 846 thousand from debt securities have been recorded in the fair value reserve.

Financial assets 31 Dec 2024

(EUR 1,000)	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Hedging derivatives	Expected credit loss	Total carrying amount
Liquid assets	567,900	-	-	-	-	567,900
Loans and receivables from credit institutions	44,752	-	-	-	0	44,751
Loans and receivables from customers	4,799,847	-	-	-	-56,227	4,743,620
Derivatives	-	-	-	16,165	-	29,267
Debt securities*	358,205	4,535	209,381	-	-55	572,066
Shares and participations	-	126,572	1,210	-	-	127,782
Financial assets total	5,770,704	131,107	210,591	16,165	-56,283	6,085,386
Other assets						171,593
Total assets						6,256,978

*Expected credit loss of EUR 1,009 thousand from debt securities have been recorded in the fair value reserve.

Financial liabilities 31 Dec 2025

(EUR 1,000)	At amortised cost	Hedging derivatives	Total carrying amount
Liabilities to credit institutions	35,287	-	35,287
Liabilities to customers*	4,560,865	-	4,560,865
Derivatives	-	8,024	8,024
Debt securities issued to the public*	666,520	-	666,520
Financial liabilities total	5,262,671	8,024	5,270,695
Other liabilities			109,588
Total liabilities			5,380,283

*The balance sheet item "Liabilities to customers" includes hedge adjustments of EUR +1,026 thousand and "Debt securities issued to the public" of EUR +3,806 thousand. The hedged items are presented in more detail in Note 26.

Financial liabilities 31 Dec 2024

(EUR 1,000)	At amortised cost	Hedging derivatives	Total carrying amount
Liabilities to credit institutions	52,614	-	52,614
Liabilities to customers*	4,384,387	-	4,384,387
Derivatives	-	2,636	2,636
Debt securities issued to the public*	940,776	-	940,776
Financial liabilities total	5,377,777	2,636	5,380,412
Other liabilities			117,080
Total liabilities			5,497,492

*The balance sheet item "Liabilities to customers" includes hedge adjustments of EUR +13,107 thousand and "Debt securities issued to the public" of EUR +7,734 thousand. The hedged items are presented in more detail in Note 26.

Financial assets are detailed in Notes 18 and 19. Financial liabilities are detailed in Notes 25, 26 and 27.

NOTE 15 FAIR VALUES AND VALUATION TECHNIQUES OF FINANCIAL ASSETS, FINANCIAL LIABILITIES AND INVESTMENT ASSET

Fair value hierarchy levels of items recurrently recognised at fair value

Assets recurrently measured at fair value 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
At fair value through profit or loss				
Shares and participations	118,709	-	3,828	122,537
Debt securities	1,836	-	2,162	3,998
Derivatives	-	18,863	-	18,863
At fair value through other comprehensive income				
Shares and participations	-	-	1,530	1,530
Debt securities	183,552	-	1,011	184,563
Total	304,097	18,863	8,532	331,492

Liabilities recurrently measured at fair value 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
Derivatives	-	8,024	-	8,024
Total	-	8,024	-	8,024

Assets recurrently measured at fair value 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
At fair value through profit or loss				
Shares and participations	122,403	-	4,168	126,572
Debt securities	2,068	-	2,467	4,535
Derivatives	-	29,267	-	29,267
At fair value through other comprehensive income				
Shares and participations	-	-	1,210	1,210
Debt securities	198,365	9,968	1,049	209,381
Total	322,836	39,235	8,894	370,965

Liabilities recurrently measured at fair value 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
Derivatives	-	2,636	-	2,636
Total	-	2,636	-	2,636

Fair value hierarchy levels of items recognised at amortised cost

Assets measured at amortised cost 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Loans and advances to credit institutions	-	49,598	-	49,598	49,598
Loans and advances to customers	-	4,880,534	-	4,880,534	4,863,173
Debt securities	-	371,643	-	371,643	369,447
Investment property*	-	-	34,140	34,140	24,514
Total	-	5,301,775	34,140	5,335,915	5,306,733

*The fair value of investment properties is essentially based on the sales comparison approach

Liabilities measured at amortised cost 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Liabilities to credit institutions	-	35,216	-	35,216	35,287
Liabilities to customers	-	4,563,027	-	4,563,027	4,560,865
Debt securities issued to the public	-	668,872	-	668,872	666,520
Total	-	5,267,115	-	5,267,115	5,262,671

Debt securities issued to the public and liabilities to customers contain items subject to hedge accounting, for which the change in fair value has been recorded as an adjustment of the relevant balance sheet item.

Assets measured at amortised cost 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Loans and advances to credit institutions	-	44,751	-	44,751	44,751
Loans and advances to customers	-	4,757,875	-	4,757,875	4,743,620
Debt securities	-	361,088	-	361,088	358,150
Investment property*	-	-	34,753	34,753	25,442
Total	-	5,163,714	34,753	5,198,468	5,171,962

*The fair value of investment properties is essentially based on the sales comparison approach

Liabilities measured at amortised cost 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Liabilities to credit institutions	-	52,515	-	52,515	52,614
Liabilities to customers	-	4,388,236	-	4,388,236	4,384,387
Debt securities issued to the public	-	943,307	-	943,307	940,776
Total	-	5,384,058	-	5,384,058	5,377,777

Fair value determination of financial assets and financial liabilities

Financial assets are recorded in the balance sheet either at fair value or at amortized cost. The classification and measurement of financial instruments is described in more detail in POP Bank Group's IFRS financial statements Note 2. Investment properties are recognised in amortised cost.

Fair value hierarchies

Level 1 includes financial instruments that are measured on the basis of quotations obtained from liquid markets. A market is considered as liquid if quotations are regularly available. This group included all securities with publicly quoted prices.

Level 2 includes financial instruments measured using generally approved measurement techniques or models which are based on assumptions made on the basis of observable market prices. For example, the fair value of a financial instrument allocated to level 2 may be based on the value derived from the market quotation of components of an instrument. This group includes, among other things, interest rate derivatives, including interest rate swaps, as well as other instruments not traded in liquid markets. Publicly available valuation curves are used for the valuation of interest rate derivatives.

Level 3 includes financial instruments and other assets and liabilities that are not measured using market quotations or values determined on the basis of observable market prices using measurement techniques or models. The assumptions applied in the measurement techniques often involve insecurity. The fair value of assets allocated to level 3 is often based on price information obtained from a third party. This group includes unlisted shares and funds and investment properties.

Transfers between fair value hierarchies

Transfers between hierarchy levels are considered to have taken place on the date of the occurrence of the event that caused the transfer or the date when the circumstances changed.

There were no transfers between hierarchy levels during the reporting period. On comparison period, EUR 602 thousand of debt securities were transferred from hierarchy level 1 and 2 to level 3 based on the trading volumes and EUR 221 thousand from hierarchy level 3 to levels 1 and 2.

Changes in financial assets recurrently measured at fair value classified into level 3

(EUR 1,000)	At fair value through profit or loss	At fair value through other comprehensive income	Total
Carrying amount 1 Jan 2025	6,635	2,259	8,894
Purchases	475	-	475
Sales	-933	-510	-1,443
Matured during the financial year	-73	-	-73
Realised changes in value recognised in income statement	-44	-90	-134
Unrealised changes in value recognised in the income statement	-69	-	-69
Changes in value recognised in other comprehensive income	-	882	882
Carrying amount 31 Dec 2025	5,990	2,541	8,532

(EUR 1,000)	At fair value through profit or loss	At fair value through other comprehensive income	Total
Carrying amount 1 Jan 2024	7,899	1,683	9,583
Sales	-811	-	-811
Matured during the financial year	-261	-	-261
Realised changes in value recognised in income statement	-11	-	-11
Unrealised changes in value recognised in the income statement	40	-	40
Changes in value recognised in other comprehensive income	-	-27	-27
Transfers from levels 1 and 2	-	602	602
Transfers to levels 1 and 2	-221	-	-221
Carrying amount 31 Dec 2024	6,635	2,259	8,894

Sensitivity analysis of financial assets at level 3

31 Dec 2025

(EUR 1,000)	Carrying amount	Possible effect on equity capital	
		Positive	Negative
At fair value through profit or loss	5,990	637	-637
At fair value through other comprehensive income	2,541	250	-250
Total	8,532	887	-887

31 Dec 2024

(EUR 1,000)	Carrying amount	Possible effect on equity capital	
		Positive	Negative
At fair value through profit or loss	6,635	660	-660
At fair value through other comprehensive income	2,259	192	-192
Total	8,894	852	-852

The sensitivity of financial assets recurrently measured at fair value at level 3 has been calculated for interest rate linked investments by assuming a two percentage points change in interest rates and for other investments by assuming the market price of the security to change by 15 per cent.

POP Bank Group does not have assets measured non-recurrently at fair value.

NOTE 16 IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Impairment losses recorded during the reporting period

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Change of ECL due to write-offs	13,769	14,111
Change of ECL, receivables from customers and off-balance sheet items	-11,652	-18,013
Change of ECL, debt securities	167	-307
Final credit losses	-17,553	-18,220
Impairment losses on financial assets total	-15,269	-22,429

During the financial year, EUR 17,553 (18,220) thousand was recognised as credit losses. Recollection measures are attributed to EUR 9,811 (15,945) thousand. Changes were made to the calculation of the ECL provision during the review period by updating the calculation parameters used in the calculation and by classifying non-performing loans with forbearance in stage 3. The change increased the amount of ECL provision by approximately EUR 4.5 million. In addition, loans with forbearance measures will be classified in stage 2 during the forbearance trial period. The change will be implemented in early 2026, and the change has been prepared for by recognising a provision of EUR 1.0 million with management judgement.

Changes in expected credit loss (ECL) during the financial period are presented in the tables below. Stage 1 represents financial instruments whose credit risk has not increased significantly since the initial recognition. Expected

credit losses are determined for such financial instruments based on expected loan losses for 12 months. Stage 2 represents financial instruments whose credit risk has increased significantly after the initial recognition on the basis of qualitative or quantitative criteria and, for stage 3, financial instruments whose counterparty has been declared as default. Expected credit losses are determined for financial instruments classified in Stage 2 and 3 based on the expected credit losses over the entire life of the instrument.

The principles for calculating expected credit losses and determining the probability of default are presented in section 6.5 Impairment of financial assets of Note 2 POP Bank Group's accounting policies.

Receivables from customers

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2025	7,006	4,399	44,822	56,227
Transfers to stage 1	257	-1,593	-2,689	-4,025
Transfers to stage 2	-237	1,639	-1,220	182
Transfers to stage 3	-264	-1,041	13,642	12,337
Increases due to origination	2,088	556	3,469	6,113
Decreases due to derecognition	-1,247	-723	-17,999	-19,969
Changes due to change in credit risk (net)	-1,100	-290	17,917	16,527
Changes due to management estimates	-	1,000	-	1,000
Decreases due to write-offs	-	-	-13,769	-13,769
Total	-504	-451	-648	-1,603
ECL 31 Dec 2025	6,502	3,948	44,174	54,624

The largest change in expected credit losses on receivables from customers comes from decreases due to derecognition, that totalled EUR 19,969 (18,086) thousand. Transfers to stage 3 increased the provision by EUR 12,337 (11,684) thousand. The decreases due to write-offs totalled EUR 13,769 (14,111) thousand. The receivables from customers are subject to a management judgement provision of EUR 1.0 million, which is allocated to forbearance loans in stage 2.

Debt securities

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2025	162	279	624	1,065
Transfers to stage 3	-	-155	155	-
Increases due to origination	27	-	459	486
Decreases due to derecognition	-37	-124	-476	-637
Changes due to change in credit risk (net)	-16	0	-	-16
Total	-26	-279	138	-167
ECL 31 Dec 2025	136	0	762	897

Off-balance sheet commitments

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2025	455	282	676	1,413
Transfers to stage 1	5	-263	-128	-387
Transfers to stage 2	-3	10	0	7
Transfers to stage 3	-8	-3	112	101
Increases due to origination	213	33	23	269
Decreases due to derecognition	-24	-4	-93	-120
Changes due to change in credit risk (net)	-225	-4	-38	-267
Total	-41	-232	-124	-397
ECL 31 Dec 2025	414	49	552	1,016

Total ECL

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2025	7,623	4,960	46,122	58,705
ECL 31 Dec 2025	7,052	3,998	45,488	56,538

Receivables from customers

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2024	5,468	4,784	42,348	52,601
Transfers to stage 1	306	-2,086	-1,854	-3,633
Transfers to stage 2	-205	1,953	-1,432	316
Transfers to stage 3	-309	-598	12,592	11,684
Increases due to origination	2,387	772	2,844	6,003
Decreases due to derecognition	-948	-603	-16,534	-18,086
Changes due to change in credit risk (net)	307	178	20,968	21,453
Decreases due to write-offs	-	-	-14,111	-14,111
Total	1,538	-385	2,474	3,627
ECL 31 Dec 2024	7,006	4,399	44,822	56,227

Debt securities

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2024	202	556	-	758
Transfers to stage 1	45	-236	-	-190
Increases due to origination	32	-	624	656
Decreases due to derecognition	-38	-129	-	-167
Changes due to change in credit risk (net)	-80	87	-	7
Total	-40	-277	624	307
ECL 31 Dec 2024	162	279	624	1,065

Off-balance sheet commitments

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2024	316	147	531	994
Transfers to stage 1	12	-60	-52	-100
Transfers to stage 2	-3	14	-1	10
Transfers to stage 3	-2	-20	206	184
Increases due to origination	205	259	115	578
Decreases due to derecognition	-29	-8	-105	-142
Changes due to change in credit risk (net)	-44	-49	-18	-111
Total	139	135	145	418
ECL 31 Dec 2024	455	282	676	1,413

Total ECL

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2024	5,987	5,487	42,880	54,353
ECL 31 Dec 2024	7,623	4,960	46,122	58,705

Exposure to credit risk by stages 31 Dec 2025

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
Receivables from customers				
Private	2,896,810	73,589	74,616	3,045,015
Corporate	1,129,113	54,266	71,584	1,254,963
Agriculture	545,801	28,541	43,478	617,820
Receivables from customers total	4,571,723	156,396	189,678	4,917,798
ECL 31 Dec 2025	6,502	3,948	44,174	54,624
Coverage ratio	0.1%	2.5%	23.3%	1.1%
Off-balance sheet commitments				
Private	259,617	1,369	856	261,841
Corporate	80,044	921	1,427	82,392
Agriculture	28,316	533	283	29,131
Off-balance sheet commitments total	367,976	2,822	2,565	373,364
ECL 31 Dec 2025	414	49	552	1,016
Coverage ratio	0.1%	1.8%	21.5%	0.3%
Debt securities	552,892	31	1,139	554,062
ECL 31 Dec 2025	162	279	624	897
Coverage ratio	0.0%	902.7%	54.8%	0.2%
Credit risk by stages total	5,492,592	159,250	193,382	5,845,223

Exposure to credit risk by stages 31 Dec 2024

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
Receivables from customers				
Private	2,836,355	98,504	60,158	2,995,016
Corporate	1,063,838	82,871	58,495	1,205,204
Agriculture	516,671	43,347	39,609	599,627
Receivables from customers total	4,416,864	224,722	158,262	4,799,847
ECL 31 Dec 2024	7,006	4,399	44,822	56,227
Coverage ratio	0.2%	2.0%	28.3%	1.2%
Off-balance sheet commitments				
Private	240,461	1,289	590	242,339
Corporate	70,008	1,548	3,021	74,577
Agriculture	24,696	2,856	235	27,788
Off-balance sheet commitments total	335,165	5,693	3,846	344,704
ECL 31 Dec 2024	455	282	676	1,413
Coverage ratio	0.1%	4.9%	17.6%	0.4%
Debt securities	565,978	1,309	300	567,586
ECL 31 Dec 2024	162	279	624	1,065
Coverage ratio	0.0%	21.3%	208.0%	0.2%
Credit risk by stages total	5,318,007	231,724	162,407	5,712,138

The table above summarises the exposure to credit risk and the amount of ECL in relation to the amount of the exposure in stages. The coverage ratio illustrates the relative share of the ECL in the amount of exposure.

NOTE 17 LIQUID ASSETS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Cash	9,370	9,568
Receivables from central banks repayable on demand	375,583	558,332
Total cash and cash equivalents	384,953	567,900

The cash assets mainly consist of deposits at the Bank of Finland.

NOTE 18 LOANS AND RECEIVABLES

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Loans and receivables from credit institutions		
Deposits		
Repayable on demand	6,537	4,349
Other	43,061	40,403
Total loans and receivables from credit institutions	49,598	44,751
Loans and receivables from customers		
Loans	4,755,886	4,639,238
Loans granted from government funds	352	836
Guarantees	211	310
Used overdrafts	48,123	46,580
Credit card receivables	58,601	56,656
Total loans and receivables from customers	4,863,173	4,743,620
Total loans and receivables	4,912,772	4,788,371

NOTE 19 INVESTMENT ASSETS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Measured at amortised cost		
Debt securities	369,447	358,150
At fair value through profit or loss		
Debt securities	3,998	4,535
Shares and participations	122,537	126,572
At fair value through other comprehensive income		
Debt securities	184,563	209,381
Shares and participations	1,530	1,210
Investment properties	24,514	25,442
Investment assets total	706,590	725,289

Investments 31 Dec 2025

(EUR 1,000)	Measured at amortised cost	At fair value through profit or loss		At fair value through other comprehensive income		Total
	Debt securities	Debt securities	Shares and participations	Debt securities	Shares and participations	
Quoted						
Public sector entities	207,725	-	-	34,629	-	242,354
Other	161,773	1,836	118,709	148,731	-	431,049
Other						
Other	-	2,162	3,828	1,203	1,530	8,724
Investments total	369,499	3,998	122,537	184,563	1,530	682,127

Investments 31 Dec 2024

(EUR 1,000)	Measured at amortised cost	At fair value through profit or loss		At fair value through other comprehensive income		Total
	Debt securities	Debt securities	Shares and participations	Debt securities	Shares and participations	
Quoted						
Public sector entities	213,257	-	-	30,301	-	243,558
Other	144,948	1,924	122,403	177,622	-	446,897
Other						
Other	-	2,611	4,168	1,459	1,210	9,448
Investments total	358,205	4,535	126,572	209,381	1,210	699,903

In investments portfolio the most significant market risks are interest rate and credit spread risks. Table below includes a summary of the sensitivity analyses of investments measured at fair value in different market risk scenarios. Analyses below sums impact from market shocks to profit and loss or comprehensive income statement.

Sensitivity analysis

(EUR 1,000)	Stress	31 Dec 2025		31 Dec 2024	
		Effect on profit	Effect on comprehensive income	Effect on profit	Effect on comprehensive income
Change in Risk-free Interest Rate	+100 bp	-1,068	-4,949	-1,196	-4,665
Change in Credit Spreads	+50 bp	-574	-2,851	-646	-2,663
Change in Listed and Unlisted Equities	-10%	-1,831	-	-1,796	-
Foreign Exchange risk	-10%	-19	-101	-10	-83

Changes in investment property

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Acquisition cost 1 Jan	45,637	43,107
Increases	474	3,353
Decreases	-929	-321
Transfers	130	-502
Acquisition cost 31 Dec	45,313	45,637
Accumulated depreciation and impairment 1 Jan	-20,196	-18,906
Accumulated depreciation on decreases and transfers	534	55
Depreciation	-671	-824
Impairment losses	-466	-520
Accumulated depreciation and impairment 31 Dec	-20,799	-20,196
Carrying amount 1 Jan	25,442	24,201
Carrying amount 31 Dec	24,514	25,442

NOTE 20 INVESTMENTS IN ASSOCIATES

Name	Industry	Holding % 31 Dec 2025	Holding % 31 Dec 2024
Figure Financial Management Ltd	Services	25%	25%
Finnish P&C Insurance Ltd	Insurance	30%	30%

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Carrying amount 1 Jan	24,681	22,123
Share of profit for the financial year	2,256	2,558
Carrying amount 31 Dec	26,937	24,681

Figure Financial Management Ltd provides financial management services to companies operating in the financial sector. Finnish P&C Insurance Ltd offers non-life insurances to private customers.

NOTE 21 INTANGIBLE ASSETS

The most significant intangible assets are the information systems of banking, over which POP Bank Group has the control as referred to in IAS 38 Intangible assets. The work in progress intangible assets relate to an ongoing system renewal project within POP Bank Group.

Changes in intangible assets 2025

(EUR 1,000)	IT systems	Intangible assets under development	Total
Acquisition cost 1 Jan	15,926	13,782	29,708
Increases	-	6,719	6,719
Acquisition cost 31 Dec	15,926	20,501	36,427
Accumulated depreciation and impairment 1 Jan	-15,147	-5,675	-20,823
Depreciation	-406	-	-406
Accumulated depreciation and impairment 31 Dec	-15,553	-5,675	-21,229
Carrying amount 1 Jan	779	8,107	8,884
Carrying amount 31 Dec	372	14,826	15,197

Changes in intangible assets 2024

(EUR 1,000)	IT systems	Intangible assets under development	Total
Acquisition cost 1 Jan	15,497	12,147	27,644
Increases	-	3,863	3,863
Decreases	-	-1,800	-1,800
Transfers	429	-429	-
Acquisition cost 31 Dec	15,926	13,782	29,708
Accumulated depreciation and impairment 1 Jan	-13,982	-5,675	-19,658
Depreciation	-1,165	-	-1,165
Accumulated depreciation and impairment 31 Dec	-15,147	-5,675	-20,823
Carrying amount 1 Jan	1,515	6,472	7,986
Carrying amount 31 Dec	779	8,107	8,884

NOTE 22 PROPERTY, PLANT AND EQUIPMENT

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Owner-occupied properties		
Land and water	1,697	1,598
Buildings	19,984	21,228
Machinery and equipment	1,751	1,904
Other tangible assets	630	692
Total property, plant and equipment	24,063	25,422

Changes in property, plant and equipment 2025

(EUR 1,000)	Owner-occupied properties	Machinery and equipment	Other tangible assets	Total
Acquisition cost 1 Jan	61,176	9,585	854	71,614
Increases	3,409	495	-	3,904
Decreases	-260	-226	-60	-545
Transfers	-130	-	-	-130
Acquisition cost 31 Dec	64,194	9,855	794	74,843
Accumulated depreciation and impairment 1 Jan	-38,349	-7,681	-162	-46,192
Accumulated depreciation on decreases and transfers	-127	193	-	66
Depreciation	-3,123	-615	-2	-3,740
Impairment losses	-914	-	-	-914
Accumulated depreciation and impairment 31 Dec	-42,513	-8,103	-164	-50,780
Carrying amount 1 Jan	22,826	1,904	692	25,422
Carrying amount 31 Dec	21,681	1,751	630	24,063

Changes in property, plant and equipment 2024

(EUR 1,000)	Owner-occupied properties	Machinery and equipment	Other tangible assets	Total
Acquisition cost 1 Jan	58,956	8,940	848	68,745
Increases	3,173	888	5	4,067
Decreases	-1,456	-244	-	-1,700
Transfers	502	-	-	502
Acquisition cost 31 Dec	61,176	9,585	854	71,614
Accumulated depreciation and impairment 1 Jan	-36,324	-7,332	-158	-43,814
Accumulated depreciation on decreases and transfers	1,221	230	-	1,451
Depreciation	-3,059	-579	-4	-3,642
Impairment losses	-187	-	-	-187
Accumulated depreciation and impairment 31 Dec	-38,349	-7,681	-162	-46,192
Carrying amount 1 Jan	22,631	1,609	690	24,931
Carrying amount 31 Dec	22,826	1,904	692	25,422

The assets recognized in the balance sheet under operating leases are included in own-use properties and machinery and equipment. Detailed information on the assets under operating leases is provided in Note 34.

NOTE 23 OTHER ASSETS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Payment transfer receivables	550	1,407
Net defined benefit asset*	618	886
Accrued income and prepaid expenses		
Interest	34,586	37,257
Other	4,217	5,504
Advances paid to SaaS services	36,863	24,519
Other assets	13,882	11,527
Total other assets	90,715	81,099

*Defined benefit pension plans and related assets are presented in Note 33.

NOTE 24 DEFERRED TAXES

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Tax assets		
Deferred tax assets	5,563	4,758
Income tax receivables	756	1,308
Total tax assets	6,319	6,066
Tax liabilities		
Deferred tax liabilities	33,024	32,974
Income tax liability	893	1,198
Total tax liabilities	33,917	34,172

Deferred tax assets

(EUR 1,000)	31 Dec 2024	Recognised through profit and loss	Recognised in other comprehensive income	31 Dec 2025
At fair value	832	27	-521	337
Cash flow hedging	94	-	1,001	1,095
Real estate depreciation adjustments	1,992	111	-	2,103
Defined benefit pension plans	8	-8	-	0
Consolidations and other items	1,833	195	-	2,028
Total deferred tax assets	4,758	325	480	5,563

(EUR 1,000)	31 Dec 2023	Recognised through profit and loss	Recognised in other comprehensive income	31 Dec 2024
At fair value	1,600	-	-768	832
Cash flow hedging	-	-	94	94
Real estate depreciation adjustments	1,884	108	-	1,992
Defined benefit pension plans	4	0	4	8
Consolidations and other items	1,868	-35	-	1,833
Total deferred tax assets	5,356	72	-670	4,758

Deferred tax liabilities

(EUR 1,000)	31 Dec 2024	Recognised through profit and loss	Recognised in other comprehensive income	31 Dec 2025
Appropriations	31,496	153	-	31,649
At fair value	50	482	-154	378
Defined benefit pension plans	184	20	-81	124
Consolidations and other items	1,243	-370	-	873
Total deferred tax liabilities	32,974	284	-234	33,024

(EUR 1,000)	31 Dec 2023	Recognised through profit and loss	Recognised in other comprehensive income	31 Dec 2024
Appropriations	28,435	3,061	-	31,496
At fair value	-146	-	197	50
Defined benefit pension plans	-	183	1	184
Consolidation and others	1,168	75	-	1,243
Total deferred tax liabilities	29,457	3,319	198	32,974

The companies belonging to the POP Bank Group have EUR 2,246 (3,313) thousand of losses for which no deferred tax assets have been recognised. The losses will expire in 2026–2033.

Amounts recognised in other comprehensive income and related deferred taxes 2025

(EUR 1,000)	Gross change	Deferred tax	Net change
Fair value reserve	1,837	-367	1,469
Hedging reserve	-5,005	1,001	-4,004
Defined benefit plans	-403	81	-322
Total amounts recognised in other comprehensive income	-3,572	714	-2,857

Amounts recognised in other comprehensive income and related deferred taxes 2024

(EUR 1,000)	Gross change	Deferred tax	Net change
Fair value reserve	5,202	-1,040	4,162
Hedging reserve	-468	94	-374
Defined benefit plans	-15	3	-12
Total amounts recognised in other comprehensive income	4,719	-944	3,775

NOTES TO LIABILITIES AND EQUITY CAPITAL

NOTE 25 LIABILITIES TO CREDIT INSTITUTIONS AND CUSTOMERS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Liabilities to credit institutions		
To other credit institutions		
Repayable on demand	2,309	1,551
Not repayable on demand	32,977	51,063
Total liabilities to credit institutions	35,287	52,614
Liabilities to customers		
Deposits		
Repayable on demand	3,474,163	3,367,876
Not repayable on demand	1,085,223	1,002,536
Other financial liabilities		
Not repayable on demand	453	869
Change in fair value due to hedge accounting	1,026	13,107
Total liabilities to customers	4,560,865	4,384,387
Total liabilities to credit institutions and customers	4,596,152	4,437,001

NOTE 26 DERIVATIVE CONTRACTS AND HEDGE ACCOUNTING

POP Bank Group hedges its interest rate risk with derivative contracts. Hedge accounting is applied to fair value hedging and cash flow hedging. The hedged instruments of fair value hedging are fixed-rate deposits and fixed-rate bonds issued. The object of cash flow hedging is the interest flow of customer receivables.

Derivatives and hedged items covered by hedge accounting

Hedging interest rate derivatives

(EUR 1,000)	Fair value 31 Dec 2025		Fair value 31 Dec 2024	
	Assets	Liabilities	Assets	Liabilities
Derivatives				
Fair value hedging	12,526	8,024	22,644	2,636
Cash flow hedging	6,337	-	6,623	-
Derivatives total	18,863	8,024	29,267	2,636

Effects of hedge accounting on financial position and result

Fair value hedge

(EUR 1,000)	Interest rate risk 31 Dec 2025		Interest rate risk 31 Dec 2024	
	Hedged items	of which accumulated amount of fair value hedge adjustment	Hedged items	of which accumulated amount of fair value hedge adjustment
Macro hedge				
Hedged deposits	730,608	5,708	738,999	11,181
Micro hedge				
Hedged debt securities issued to public	503,806	3,806	756,069	7,734
Liabilities	1,234,415	9,515	1,495,069	18,914

Hedged deposits are included on the balance sheet under “Liabilities to customers”.

The nominal value of the fixed-rate deposits subject to fair value hedging at the end of reporting period was EUR 724,900 (724,900) thousand and the nominal value of the fixed-rate bond subject to fair value hedging at the end of reporting period was EUR 500,000 (750,000) thousand. The nominal values of derivative instruments correspond to the nominal values of the objects to be hedged.

Profits and losses from hedge accounting and hedge ineffectiveness

(EUR 1,000)	Interest rate risk			
	Fair value hedging		Cash flow hedging	
	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Change in the fair value of the derivative contract	-15,511	8,506	-	-
Change in the fair value of the hedged item	16,008	-8,345	-	-
Hedge ineffectiveness recognised in the income statement	497	161	-	-
Change in the fair value of the derivative contract*	-	-	-491	1,089
Change in the fair value of the hedged item	-	-	491	-1,089
Ineffectiveness of the hedge recognised in the income statement through the statement of comprehensive income	-	-	-	-

*For cash flow hedging, the change in the base value of a derivative contract is presented here

Hedge accounting reserve

(EUR 1,000)	Interest rate risk	
	31 Dec 2025	31 Dec 2024
Balance 1 Jan	-374	-
Cash flow hedging		
Hedge profits and losses	-3,856	-82
Deferred taxes	771	16
Portion transferred to the income statement	-1,149	-386
Deferred taxes	230	77
Total	-4,004	-374
Balance 31 Dec	-4,378	-374

Maturity profile of the nominal amount of hedging interest rate risk

31 Dec 2025 (EUR 1,000)	Nominal value / Remaining maturity			
	Less than 1 year	1-5 years	More than 5 years	Total
Instruments hedging interest rate risk	200,000	1,224,900	539,600	1,964,500

31 Dec 2024 (EUR 1,000)	Nominal value / Remaining maturity			
	Less than 1 year	1-5 years	More than 5 years	Total
Instruments hedging interest rate risk	250,000	1,224,900	450,600	1,925,500

NOTE 27 DEBT SECURITIES ISSUED TO THE PUBLIC

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Covered bonds	498,826	748,336
Change in fair value due to hedge accounting	3,806	7,734
Debt securities issued to the public	149,964	169,926
Certificates of deposits	13,923	14,780
Total debt securities issued to the public	666,520	940,776

Debt securities issued to the public

Name	Issue date	Due date	Interest	Nominal (EUR 1,000)	Currency
BONUM 22042027	22 Apr 2022	22 Apr 2027	EB 12 months + 1.25%	50,000	EUR
BONUM 19072028	19 Jul 2023	19 Jul 2028	EB 6 months + 1.11%	50,000	EUR
POPA 26042028	26 Apr 2023	26 Apr 2028	3.625% / fixed	250,000	EUR
BONUM 17042027	10 Apr 2024	17 Apr 2027	EB 3 months + 1.95%	50,000	EUR
POPA15102029	15 Oct 2024	15 Oct 2029	2.875% / fixed	250,000	EUR

Certificates of deposits with a nominal value of EUR 14,000 (15,000) thousand were outstanding on the balance sheet date. Amount of the certificates is 3 with nominal value of EUR 4,000 - 5,000 thousand each and average maturity 8.3 months.

Amounts recognised in statement of cash flows

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Balance 1 Jan	940,776	787,156
Debt securities issued, increase	6	299,006
Certificates of deposits, increase	13,774	37,010
Total increase	13,781	336,016
Debt securities issued, decrease	-270,000	-135,000
Certificates of deposits, decrease	-14,695	-50,526
Total decrease	-284,695	-185,526
Total changes in cash flow	-270,915	150,490
Valuation	-3,341	3,130
Balance at the end of period	666,520	940,776

NOTE 28 PROVISIONS AND OTHER LIABILITIES

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Provisions		
Expected credit losses	1,016	1,413
Other provisions	163	266
Other liabilities		
Payment transfer liabilities	12,634	18,005
Lease liabilities	3,786	3,973
Accrued expenses		
Interest payable	26,312	32,101
Advances received	711	873
Liabilities on card transactions	12,510	12,864
Other accrued expenses	18,539	13,413
Total provisions and other liabilities	75,671	82,908

Other provisions consist of provisions for various contractual liabilities.

Lease liabilities are presented in Note 34.

Change in provisions

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Provisions 1 Jan	1,678	1,259
Change in expected credit losses	-397	418
Increase/ decrease in other provisions	-103	-
Provisions 31 Dec	1,178	1,678

NOTE 29 EQUITY CAPITAL

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Cooperative capital, cooperative contributions	11,507	10,792
of which cancelled cooperative contributions	741	739
Cooperative capital, POP Shares	57,153	58,388
of which cancelled POP Shares	4,881	5,568
Restricted reserves		
Reserve fund	52,494	52,494
Reserves based on the Articles of Association/rules	3,341	3,341
Fair value reserve		
Shares and participations	820	714
Debt securities	166	-1,197
Reserve for hedging instruments	-4,378	-374
Non-restricted reserves		
Other non-restricted reserves	111,161	108,748
Retained earnings		
Profit (loss) for previous financial years	520,689	453,976
Profit (loss) for the financial year	53,173	72,605
Total equity capital	806,125	759,486
Total equity capital attributable to the owners of POP Bank Group	806,125	759,486

Cooperative capital and classification of contributions as capital equity

Cooperative capital of the POP Bank Group consists of cooperative contributions and POP shares.

Cooperative contributions

The capital equity of the POP Bank Group includes the cooperative contributions paid by the members of the member cooperative banks to the member cooperative banks, the payment of interest and refund of capital of which the bank has an unconditional right to refuse. The contribution conveys the member the right to participate in the governance and decision-making of the member cooperative bank.

On 31 December 2025, POP Banks had a total of 94.9 (87.9) thousand members.

POP shares

The POP Bank Group's equity capital also includes investments made by the members of the member cooperative banks in POP Shares issued by the member cooperative banks. In accordance with its' rules, the cooperative bank has an unconditional right to refuse from the payment of interest on POP Shares and refund of capital.

The member banks of the POP Bank Group issued a total of EUR 2,033 (1,327) thousand POP Shares during the financial year 2025. POP Shares totalled to EUR 57,153 (58,388) thousand in 31 December 2025. The targeted interest rate on POP Shares is 1.25 - 4.0 per cent. The interest to be paid is confirmed after the end of the financial year at the cooperative meeting according to the proposal of the Board of Directors. The interest rate objective can change annually. POP Shares do not convey voting rights or other rights to the member.

A cooperative contribution and POP Share may be refunded within 12 months after the end of the financial year when membership terminated or POP Share was cancelled. If the refund of the cooperative contribution or POP Share cannot be made in full based on the provisions of the Co-Operatives Act or the Co-Operative Bank Act, the refund may take place subsequently if it is possible based on the next three financial statements.

Restricted reserves

Restricted reserves include the reserve fund, fair value reserve and other restricted reserves. The reserve fund consists of profits transferred to it during previous periods and of the portion transferred to it from member cooperative banks' revaluation reserves and loan loss provisions. The reserve fund can be used to cover losses for which non-restricted equity is not sufficient.

The fair value reserve includes the cumulative net change in the fair value of equity securities meas-

ured at FVOCI and the cumulative net change in the fair value of debt securities measured at FVOCI. The change in the fair value can be positive or negative. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment. An expected credit loss on debt security is recognised in the income statement and added to the fair value reserve. The fair value reserve also includes changes in the fair value of equity securities recognised in the fair value of comprehensive income, which are not transferred to retained earnings upon later disposal. The fair value reserve also includes a hedge accounting reserve, where the fair value of the cash flow hedging derivative is recorded.

Non-restricted reserves

Other non-restricted reserves consist of retained earnings based on the Articles of Association or other rules, or decisions taken by the general meeting or cooperative meeting.

Retained earnings

Retained earnings consist of the profit or loss for the period and earnings accrued in previous financial years that have not been transferred to equity reserves or distributed. In addition, it includes provisions for credit losses and depreciation differences included in banks' separate financial statements, net of deferred taxes. This item also includes gains and/or losses arising from the reassignment of defined benefit pension plans, less deferred tax.

There are no significant non-controlling interests in the subsidiaries owned by POP Bank Group at the time of the financial statements.

Specification of changes in fair value reserve 2025

(EUR 1,000)	Debt securities	Shares and participations	Total
Fair value reserve 1 Jan	-1,197	714	-483
Fair value change, increases	4,042	1,913	5,955
Fair value change, decreases	-2,633	-1,771	-4,404
Transferred from fair value reserve to the income statement	458	-	458
Transferred from fair value reserve to retained earnings	-	-9	-9
Expected credit loss	-164	-	-164
Deferred taxes	-341	-27	-367
Fair value reserve 31 Dec	166	821	987

Specification of changes in fair value reserve 2024

(EUR 1,000)	Debt securities	Shares and participations	Total
Fair value reserve 1 Jan	-5,171	527	-4,644
Fair value change, increases	9,110	348	9,458
Fair value change, decreases	-4,806	-137	-4,943
Transferred from fair value reserve to the income statement	287	-	287
Transferred from fair value reserve to retained earnings	-	23	23
Expected credit loss	376	-	376
Deferred taxes	-994	-47	-1,040
Fair value reserve 31 Dec	-1,197	714	-483

OTHER NOTES

NOTE 30 OFFSETTING

Offsetting of financial assets and liabilities

The tables below show the items that, in a certain situation, can be made as net payments, even though the items are shown gross in the balance sheet. The netting arrangement is based on a mutually enforceable general netting agreement (ISDA).

(EUR 1,000)	Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements						Net amount
	Carrying amount in balance sheet, gross	Recognised financial liabilities offset in balance sheet, gross	Carrying amount in balance sheet, net	Enforceable master netting arrangement	Financial instruments held as collateral*	Cash held as collateral	
Assets							
Derivatives	32,027	-	32,027	-7,126	-24,901	-	-
Total	32,027	-	32,027	-7,126	-24,901	-	-
Liabilities							
Derivatives	8,024	-	8,024	-7,126	-	-	898
Total	8,024	-	8,024	-7,126	-	-	-

*Cash received as collateral EUR 26,090 thousand. Overcollateralisation is disregarded in offsetting specification.

(EUR 1,000)	Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements						Net amount
	Carrying amount in balance sheet, gross	Recognised financial liabilities offset in balance sheet, gross	Carrying amount in balance sheet, net	Enforceable master netting arrangement	Financial instruments held as collateral*	Cash held as collateral	
Assets							
Derivatives	41,399	-	41,399	-3,458	-38,180	-	-
Total	41,399	-	41,399	-3,458	-38,180	-	-
Liabilities							
Derivatives	3,458	-	3,458	-3,458	-	-	-
Total	3,458	-	3,458	-3,458	-	-	-

The sum of the Net column in the table does not consist of the sum of the previous columns due to differences between the valuation and the time the collateral is reviewed. The collateral has been determined so that the collateral received at the time of review neutralises the counterparty risk in its entirety.

NOTE 31 COLLATERAL GIVEN AND RECEIVED

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Given on behalf of own liabilities and commitments		
Pledges	2,546	2,546
Mortgage-backed loan portfolio*	681,134	1,028,621
Total collateral given	683,679	1,031,167
Collaterals received		
Other	26,090	38,180
Total collaterals received	26,090	38,180

*Mortgage-backed loans pledged as collateral for secured bonds issued under the EUR 1.5 billion issuance programme by POP Mortgage Bank Plc. Nominal values of covered bonds at the end of the reporting period totalled EUR 500,000 (750,000) thousand.

Other collateral relates to derivative contracts and consists of cash collateral given and received.

NOTE 32 OFF-BALANCE SHEET COMMITMENTS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Guarantees	17,466	15,752
Loan commitments	355,898	328,952
Total off-balance sheet commitments	373,364	344,704

The expected credit losses of off-balance-sheet commitments are presented in Note 16.

NOTE 33 DEFINED BENEFIT PENSION

In addition to statutory cover (TyEL), POP Bank Group has defined benefit pension schemes for the management and persons who have been members of OP Bank Group Pension Fund. The retirement age of those covered by these insurance policies varies from 60 to 65 years.

In the pension scheme, the amount of assets describes the part of the obligation for which the insurance company is liable, and it is calculated using the same discount rate as the liability. The assets included in the scheme include 100% acceptable insurance policies. Because the liabilities

have been insured, the company is not liable for significant risks. The company remains primarily liable for increases in pensions tied to employment pension index and the effect of changes in the discount rate and pay increases on the net liabilities.

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Current service cost	10	9
Net interest	-30	-8
Costs recognised in income statement	-20	1
Remeasurements	403	15
Comprehensive income before tax	383	16
Present value of obligation 1 Jan	13,384	14,517
Current service cost	10	10
Interest expense	401	506
Actuarial gains (-)/losses (+) arising from experience adjustment	339	-448
Actuarial gains (-)/losses (+) arising from changes in financial assumptions	-788	122
Benefits paid	-1,103	-1,323
Present value of obligation 31 Dec	12,244	13,384
Fair value of plan assets 1 Jan	14,269	14,497
Interest income	431	514
Return on plan assets excl. items in interest expense/income	-852	-341
Benefits paid	-1,103	-1,323
Contributions paid	115	921
Fair value of plan assets 31 Dec	12,860	14,269

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Present value of obligation	12,244	13,384
Fair value of plan assets	12,860	14,269
Net liability (+) / assets (-) in balance sheet 31 Dec	-618	-886
Net liability (+) / assets (-) in balance sheet 1 Jan	-886	20
Costs recognised in income statement	-20	1
Contributions paid	-115	-921
Remeasurements in comprehensive income statement	403	15
Net liability (+) / assets (-) in balance sheet 31 Dec	-618	-886
Actuarial assumptions		
Discount rate, %	3.79%	3.16%
Rate of salary increase, %	2.00%	2.00%
Annual adjustments to pensions, %	2.19%	2.15%
Rate of inflation, %	1.95%	1.91%

Sensitivity analysis – net liabilities

The table below shows the impact of changes in assumptions on net debt. When calculating sensitivities, it is assumed that other assumptions remain unchanged.

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Change of +0.5% in discount rate	29	45
Change of -0.5% in discount rate	-32	-50
Pay development +0.5%	22	18
Pay development -0.5%	-22	-18
Change of +0.5% in pension increase	627	740
Change of -0.5% in pension increase	-595	-701

The duration based on the weighted average of the liability is 10.8 (11.3) years.

The POP Bank Group estimates to pay approximately EUR 107 (132) thousand towards its defined benefit pension arrangements in 2026.

NOTE 34 LEASING

Group as a lessor

The POP Bank Group has leased out e.g. residential and business premises it owns.

The minimum rents receivable include the minimum rents payable based on irrevocable rental agreements. The non-cancellable portion of leases in effect until further notice is the lease in accordance with the term of notice.

Future minimum lease payments receivable

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Less than one year	232	309
Within 1–5 years	181	244
More than five years	2,347	2,606
Future minimum lease payments receivable total	2,760	3,160

Group as a lessee

The POP Bank Group has leased out e.g. residential and business premises it owns.

Right-of-use assets 31 Dec 2025

(EUR 1,000)	Office Buildings	Machinery and equipment	Total
Acquisition cost 1 Jan	11,528	1,058	12,585
Increases	1,650	142	1,792
Decreases	-197	-226	-423
Acquisition cost 31 Dec	12,981	974	13,955
Accumulated depreciation and impairment 1 Jan	-7,862	-887	-8,749
Accumulated depreciation on decreases and transfers	170	187	357
Depreciation	-1,698	-109	-1,808
Accumulated depreciation and impairment 31 Dec	-9,390	-809	-10,199
Carrying amount 1 Jan	3,666	171	3,837
Carrying amount 31 Dec	3,590	165	3,755

Right-of-use assets 31 Dec 2024

(EUR 1,000)	Office Buildings	Machinery and equipment	Total
Acquisition cost 1 Jan	10,503	1,058	11,561
Increases	1,054	-	1,054
Decreases	-29	-	-29
Acquisition cost 31 Dec	11,528	1,058	12,585
Accumulated depreciation and impairment 1 Jan	-6,217	-754	-6,970
Accumulated depreciation on decreases and transfers	24	-	24
Depreciation	-1,669	-133	-1,802
Accumulated depreciation and impairment 31 Dec	-7,862	-887	-8,749
Carrying amount 1 Jan	4,287	304	4,590
Carrying amount 31 Dec	3,666	171	3,837

Right-of-use assets are presented in Property, plan and equipment.

Liabilities/Lease liabilities

Lease liabilities	31 Dec 2025	31 Dec 2024
Lease liabilities 1 Jan	3,973	4,717
Increases	1,640	1,080
Decreases	-1,826	-1,824
Lease liabilities 31 Dec	3,786	3,973

Lease liabilities are presented in other liabilities.

Amounts recognised in statement of cash flows

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Total cash outflow for leases	-1,778	-1,890

Amounts recognised in profit of loss

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Interest on lease liabilities	-46	-49

Interest is presented in Net interest Income.

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Depreciation		
Office buildings	-1,698	-1,669
Machinery and equipment	-109	-133
Total	-1,808	-1,802

Depreciation is presented in Depreciation and amortisation.

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Expenses relating to short-term leases	268	457
Expenses relating to leases of low-value assets	1,540	1,559
Total	1,808	2,016

Expenses are presented in other operating expenses.

NOTE 35 ENTITIES INCLUDED IN THE POP BANK GROUP'S FINANCIAL STATEMENTS

The structure of the POP Bank Group is described in Note 1.

Technical parent company

The table below presents the member banks comprising the technical parent company of the POP Bank Group and their balance sheet total (FAS).

Name of the bank	Domicile	Balance sheet (EUR 1,000)	
		31 Dec 2025	31 Dec 2024
Honkajoen Osuuspankki	Honkajoki	139,591	127,725
Isojoen Osuuspankki	Isojoki	115,024	114,343
Järvi-Suomen Osuuspankki	Siilinjärvi	673,970	687,619
Kannonkosken Osuuspankki	Kannonkoski	72,041	71,327
Hetki Osuuspankki	Keuruu	270,825	258,686
Konneveden Osuuspankki	Konnevesi	283,048	276,444
Kosken Osuuspankki	Koski TI	219,946	228,216
Kurikan Osuuspankki*	Kurikka	505,216	542,165
Kyrön Seudun Osuuspankki	Pöytyä	179,273	171,006
Kyyjärven Osuuspankki	Kyyjärvi	125,133	122,216
Lakeuden Osuuspankki	Seinäjoki	857,797	873,410
Lammin Osuuspankki	Hämeenlinna	280,921	278,414
Lanneveden Osuuspankki	Saarijärvi	102,336	99,888
Lappajärven Osuuspankki	Lappajärvi	134,269	138,646
Lavian Osuuspankki	Pori	118,186	118,016
Nivalan Järvikylän Osuuspankki	Nivala	174,528	176,941
Pohjanmaan Osuuspankki	Kauhava	864,633	888,777
Suomen Osuuspankki	Kauhajoki	1,726,551	1,756,440

*Kurikan Osuuspankki changed its name to Aalto Osuuspankki 1st January 2026.

Subsidiaries and associates consolidated in the POP Bank Group

	Domicile	Group's holding	
		31 Dec 2025	31 Dec 2024
POP Bank Centre coop (central institution of the Group)	Helsinki	100.0%	100.0%
Bonum Bank Plc (wholly-owned subsidiary of POP Bank Centre coop)	Espoo	100.0%	100.0%
POP Mortgage Bank Plc (wholly-owned subsidiary of POP Bank Centre coop)	Espoo	100.0%	100.0%
POP Holding Ltd	Helsinki	100.0%	100.0%
Finnish P&C Insurance Ltd	Espoo	30.0%	30.0%
Figure Taloushallinto Ltd	Espoo	25.0%	25.0%

Joint arrangements

The group's holdings of less than 100 percent in mutual real estate limited liability companies and housing limited liability companies are treated as joint operations in the POP Bank group's financial statements. Through the companies, both premises for own use and investment properties are managed.

Joint arrangements consolidated in the POP Bank Group (key real estate companies)

	Group's holding	
	31 Dec 2025	31 Dec 2024
Asunto Oy Keuruun Tarhiansuu	36.9%	36.9%
Asunto Oy Tampereen Kauppakatu 14	23.9%	23.9%
Asunto Oy Tampereen Koskilehmus	21.9%	21.9%
Kiinteistö Oy Kosken Pankkitalo	57.0%	57.0%
Kiinteistö Oy Lehto-Center	34.2%	34.2%
Kiinteistö Oy Liedon Torinkulma	42.3%	45.8%
Kiinteistö Oy Riihikuiva	82.7%	82.7%
Kiinteistö Oy Siilinjärven Pankkikeskus	66.5%	66.5%

NOTE 36 RELATED PARTY DISCLOSURES

The related parties of POP Bank Group comprise the companies and associates consolidated in the financial statements, and members of the Board of Directors and Executive Group and members of their immediate families. In addition, related parties include companies in which key management personnel or their immediate family members have control. Intercompany transactions of the POP Bank Group have been eliminated and are not included in the figures below. The group structure is presented in more detail in Note 35.

The related parties of POP Bank Group include the members of the Supervisory Board and Board of Directors of POP Bank Centre coop and their close relatives. Related parties also include the managing director and deputy managing director of POP Bank Centre coop. Other related parties include companies consolidated in the financial statements as well as immediate family members of key management personnel and companies which the above-mentioned persons exercise control.

Transactions with related parties are presented below. POP Banks have granted housing and consumption loans to related parties at ordinary terms. These loans are tied to generally applied reference rates.

Related-party transactions

(EUR 1,000)	Key persons in management		Other related parties	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Assets				
Loans	715	1,068	4,815	8,140
Expected credit loss	2	3	6	6
Liabilities				
Deposits	1,573	1,529	3,081	52,487
Debt securities issued to the public	-	-	-	8,000
Off-balance sheet commitments				
Loan commitments	148	161	208	234
Guarantees	222	312	978	1,110
Investments to other than cooperative contributions	10	10	28	28

(EUR 1,000)	Key persons in management		Other related parties	
	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Income and expenses				
Interest income	24	46	167	236
Interest expenses	-12	-8	-21	-12

Compensation to key persons in management

(EUR 1,000)	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Short-term employee benefits	2,527	2,135
Post-employment benefits	29	52
Compensation to key persons in management total	2,556	2,186

NOTE 37 EVENTS AFTER THE CLOSING DATE

The Board of Directors of POP Bank Centre coop is not aware of any events after the closing date that would have a material impact on the information presented in the financial statements of POP Bank Group.

SIGNATURES

We have adopted the Report of Board of Directors and the Consolidated Financial Statements of the POP Bank Group, referred to in the Act on the Amalgamation of Deposit Banks, for the financial year ended 31 December 2025. The Board of Directors' Report and the Financial Statements will be presented to the general meeting of POP Bank Centre coop on 27 March 2026.

The financial statements prepared in compliance with the applicable financial statement framework give a true and fair view of the assets, liabilities, financial position and profit or loss of the group of companies included in POP Bank Group's consolidated financial statements.

The Board of Directors' report contains an account giving a true view of the business development and performance of the companies included in POP Bank Group's consolidated financial statements, as well as a description of the most significant risks, uncertainties and other relevant aspects of the Group's status.

The sustainability report included in the Board of Directors' report has been prepared in compliance with the reporting standards referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation.

Espoo, 13 February 2026
Board of Directors of POP Bank Centre coop

Timo Kalliomäki
Chairman

Mikko Seppänen
Vice chairman

Jatta Heikkilä
Member of the Board

Ilkka Lähteenmäki
Member of the Board

Marja Pajulahti
Member of the Board

Matti Vainionpää
Member of the Board

Auditor's note

A report on the audit performed has been issued today.
Helsinki, 13 February 2026

KPMG Oy Ab
Audit Firm

Henrik Snellman
Authorised Public Accountant, APA

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

AUDITOR'S REPORT

To the members of POP Bank Centre coop

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of amalgamation POP Bank Group pursuant to the Act on the Amalgamation of Deposit Banks for the year ended 31 December 2025. The financial statements comprise the consolidated balance sheet, income statement, statement of other comprehensive income, statement of changes in equity capital, cash flow statement and notes.

In our opinion the consolidated financial statements give a true and fair view of POP Bank Group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with the additional report submitted to the Board of Directors of POP Bank Centre coop.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described

in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of member institutions within POP Bank Group in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to member institutions within POP Bank Group are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 10 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our

audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

THE KEY AUDIT MATTER**HOW THE MATTER WAS ADDRESSED IN THE AUDIT****Loans and advances to customers – measurement (accounting policies and notes 4, 14, 15, 16 and 18 to financial statements)**

- Advances to customers, totaling EUR 4.9 billion, are the most significant item on the POP Bank Group's consolidated balance sheet representing 79 percent of the total assets.
- The calculation of expected credit losses (ECL) in accordance with IFRS 9 *Financial Instruments* is based on impairment models and expert estimates and involves assumptions, estimates and management judgement in determining, particularly, the probability of expected credit losses, measurement of collaterals and significant increases in credit risk.
- The components of the ECL calculation are updated and refined in the light of actual credit risk developments, the evolution of the calculation process, and regulatory changes and requirements.
- Due to the significance of the carrying amount of advances to customers, the complexity of the measurement methods applied and management judgement involved, the measurement of advances to customers is addressed as a key audit matter.

- We evaluated the appropriateness of the recognition and measurement principles for advances to customers, as well as tested controls over recognition and monitoring of impairment losses and measurement of advances to customers.
- We assessed the impairment models, the underlying key assumptions, as well as tested controls over the ECL calculation process and credit risk models. We involved our own IFRS and financial instruments specialists.
- Auditors of POP Bank Group institutions within POP Bank Group have reported to us based on our instructions, that institutions within POP Bank Group have complied with the instructions provided by POP Bank Centre coop in respect of measurement of advances to customers and determination of expected credit losses under IFRS 9.
- Furthermore, we considered the appropriateness of the notes provided in respect of advances to customers and expected credit losses.

Investment assets (accounting policies and notes 4, 5, 7, 13, 14, 15, 16, 19, 26 and 30 to financial statements)

- The carrying amount of investment assets totals EUR 0.7 billion mainly consisting of investments measured at fair value.
- The derivative assets amount to EUR 19 million and derivative liabilities EUR 8 million comprising contracts held for hedging purposes. Derivatives are measured at fair value in financial statements.
- The fair value of financial instruments is determined using either prices quoted in an active market or POP Bank Group's own valuation techniques where no active market exists. Determining fair values involves management judgements, especially in respect of those instruments for which market-based data is not available.
- In case of illiquid instruments, management judgement is involved in the measurement of investment assets, and the measurement of these items is addressed as a key audit matter.

- We evaluated the appropriateness of the accounting principles applied and the valuation techniques used by POP Bank Group.
- Our audit work included testing controls over the process of measuring financial assets at fair value, among others.
- As part of our year-end audit procedures we compared the fair values used in measurement of investment assets to external price references.
- We involved IFRS and financial instruments and employed by KPMG.
- Furthermore, we considered the appropriateness of the notes on investment assets.

Control environment relating to financial reporting process and IT systems

- In respect of the accuracy of the financial statements of POP Bank Group, the key reporting processes are dependent on technology. Therefore, information technology plays an essential role for business continuity, incident management and the accuracy of financial reporting.
 - The main risks relate to the integrity and confidentiality of information and the continuity of services.
 - Consequently, the IT environment related to the financial reporting process and the application controls of individual IT systems have a significant effect on the selected audit approach.
- We obtained an understanding of the financial reporting information systems and the associated control environment and tested the effectiveness of the related internal controls by using assurance reports from external service organisations, among others.
 - As part of our audit, we also performed substantive procedures and data analyses relating to various aspects in financial reporting process.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU in a manner explained in more detail in the notes to the financial statements and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing POP Bank Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate POP Bank Group, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement,

whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of

POP Bank Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on POP Bank Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause POP Bank Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the POP Bank Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the POP Bank Group as a basis for forming an opinion on the POP Bank Group financial

statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the POP Bank Group audit. We remain solely responsible for our audit opinion.

- Audit of the consolidated financial statements of amalgamation POP Bank Group is based on the financial statements of POP Bank Centre coop and member institutions, as well as the auditors' reports submitted for the audit of POP Bank Group's consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public dis-

closure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Cooperative Meeting of POP Bank Centre coop in 2012 and our appointment represents a total period of uninterrupted engagement of 14 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compli-

ance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 13 February 2026

KPMG OY AB
Audit Firm

Henrik Snellman
Authorised Public Accountant, APA

This document is an English translation of the Finnish Assurance Report on the Sustainability Report. Only the Finnish version of the report is legally binding.

ASSURANCE REPORT ON THE SUSTAINABILITY REPORT

To the Annual General Meeting of POP Bank Centre coop

We have performed a limited assurance engagement on the POP Bank Group sustainability report of POP Bank Centre coop (business identity code 1090961-3) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1.1.–31.12.2025 for the consolidated financial statements of the POP Bank Group as referred to in the Act on the Amalgamation of Deposit Banks.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the POP Bank Group sustainability report does not comply, in all material respects, with

- 1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
- 2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which POP Bank Group has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the POP Bank Group sustainability report with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of requirements for the tagging of sustainability information in the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the POP Bank Group sustainability report as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the *Responsibilities of the Authorized*

Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Authorized POP Bank Group Sustainability Auditor's Independence and Quality Management

We are independent of the member institutions within POP Bank Group in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorized POP Bank Group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorized sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of POP Bank Centre coop are responsible for:

- the POP Bank Group sustainability report and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified,
- the compliance of the POP Bank Group sustainability report with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and for
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a POP Bank Group sustainability report that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Report

Preparing a group sustainability report requires a company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty.

The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors and the numerical values needed to combine emissions of different gases.

When reporting forward-looking information in accordance with ESRS standards, a company's management is required to make assumptions about possible future events, and to disclose the company's possible future actions in relation to those events, as well as to prepare the forward-looking information based on these assumptions. Actual results are likely to differ because forecasted events often do not occur as expected.

Responsibilities of the Authorized POP Bank Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the POP Bank Group sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the POP Bank Group sustainability report.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment

and maintain professional scepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the POP Bank Group sustainability report, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the POP Bank Centre coop or the POP Bank Group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained

in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

by which the company has defined taxonomy eligible and taxonomy aligned activities and assessed the regulatory compliance of the information provided.

Our procedures included for ex. the following:

- We interviewed the company's management and persons responsible for collecting and preparing the information contained in the sustainability report.
- Regarding the double materiality assessment process, we assessed the implementation of the process carried out by the company and the information disclosed on the double materiality assessment process in relation to the requirements of the ESRS standards.
- Through interviews we gained understanding of the key processes related to collecting and consolidating the sustainability information.
- We got acquainted with the internal guidelines and operating principles relevant to the sustainability information disclosed in the sustainability report.
- We got acquainted with the background documentation and documents prepared by the company, as applicable, and assessed whether they support the information included in the sustainability report.
- We assessed the information disclosed on material sustainability matters in the sustainability report in relation to the requirements of the ESRS standards.
- In relation to the EU taxonomy information, we gained understanding about the process

Helsinki 13 February 2026

KPMG OY AB
Authorized Sustainability Audit Firm

Henrik Snellman
Authorized Sustainability Auditor, KRT

POP Bank 