Annual Report

2023

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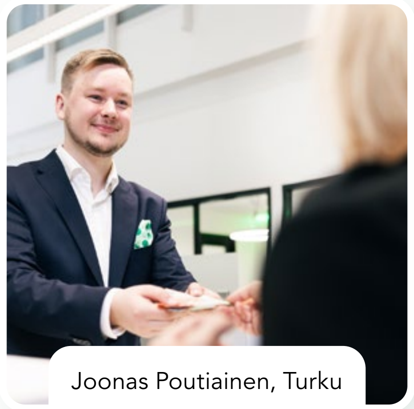
Joonas Poutiainen, Turku

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Ilona Mäkynen, Customer Management

OmaSp in Brief

OmaSp made a record result in 2023

OmaSp's business development continued on the path of strong growth in the financial year 2023. Profit development was boosted by the transaction carried out in the early part of the year and the rise in market interest rates. The unique combination of growth and profitability is reflected in a strong accumulation of equity, which enables owners to achieve record profit distribution as well as investments to enable future success.

Year 2023
Comparable profit before taxes
+89%

The development of net interest income continued throughout the year and the growth was 88% compared to the previous year. The upward trend in fee and commission income and expenses also continued and full-year commission and fee and commission income and expenses increased by 20% compared to the previous year. The development of customer numbers remained at a good level. With the acquisition of Liedon Savings Bank's business, we received about 50,000 new customer relationships and in addition to this, about 1,000 new customer relationships were organically created every month.

Strong business development is reflected in a significant increase in equity. The equity exceeds 500 million for the first time for the full year and was approximately EUR 541 million at the end of the year. The full-year comparable return on equity (ROE%) reached a record level of 25.3%. During the financial year, the comparable cost/income ratio improved further and was 35.1% including authority fees.

The quality of the credit portfolio has remained at the expected level despite the uncertain economic situation. OmaSp continued to prepare for the weakening cyclical situation and additional allowances based on the management's judgement of EUR 8.3 million are for use. We recognised a total of EUR 10.6 million in ECL in profit or loss for the financial year.

For the year 2023, profit before taxes was EUR 138 million. The full-year comparable profit before taxes increased by 89% compared to the comparison period and was EUR 143.6 million. The balance sheet total was EUR 7.6 billion and grew by over EUR 1.7 billion during the financial year.

Year 2023
Comparable cost/income ratio
35.1%

Year 2023
Comparable ROE
25.3%

Pasi Sydänlammi, CEO

Profitable growth continues

OmaSp's constantly strengthening ability to generate profit enables a growing dividend for the owners for the seventh year in a row. A dividend of EUR 1.00 per share is proposed for the spring Annual General Meeting, of which the actual dividend is EUR 0.67 and an additional dividend of EUR 0.33 per share due to the record result and exceptionally strong net interest income.

Profitable growth is expected to continue in the financial year 2024. In addition to organic growth, we will continue to strengthen our market position with the acquisition of Handelsbanken's SME business in Finland in the autumn. At the same time, our operations are expanding in the Helsinki metropolitan area to Vantaa and the economic areas of Kuopio and Vaasa. OmaSp is once again starting the financial year from an excellent starting point.

Warm thanks to all customers, personnel, owners and partners for 2023!

Pasi Sydänlammi
CEO

Investor information

Capital and Risk Management Report 2023

Oma Savings Bank Plc's internal control, risk management and risks are described in more detail in the Capital and Risk Management Report 2023, published as a separate report. The report is available on the company's website **omasp.fi/en/investors**

Share Register

The shares of Oma Savings Bank Plc are maintained by Euroclear Finland Oy. Issues relating to share information are managed by Oma Savings Bank Plc Hanna Sirkiä, Chief Legal Officer, phone +358 20 758 2939.

Calendar 2024

26 March	**29 April**	**29 July**	**28 October**
Annual General Meeting 2024	**Interim Report** January–March 2024	**Interim Report** January–June 2024	**Interim Report** January–September 2024

Annual General Meeting 2024

Oma Savings Bank Plc's Annual General Meeting will be held on Tuesday 26 March 2024 at 12 pm Finnish time at Scandic Helsinki Hub, Annankatu 18, Helsinki.

Shareholder, who is registered in the company's register of shareholders maintained by Euroclear Finland Ltd as at 14 March 2024, has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered in his/her personal Finnish book-entry account, is registered in the shareholder's register of the company.

Shareholders whose shares are registered in their personal Finnish book-entry account are registered in the company's register of shareholders and who wish to participate in the Annual General Meeting must register their intention to attend by 4.00 pm on 21 March 2024, at the latest.

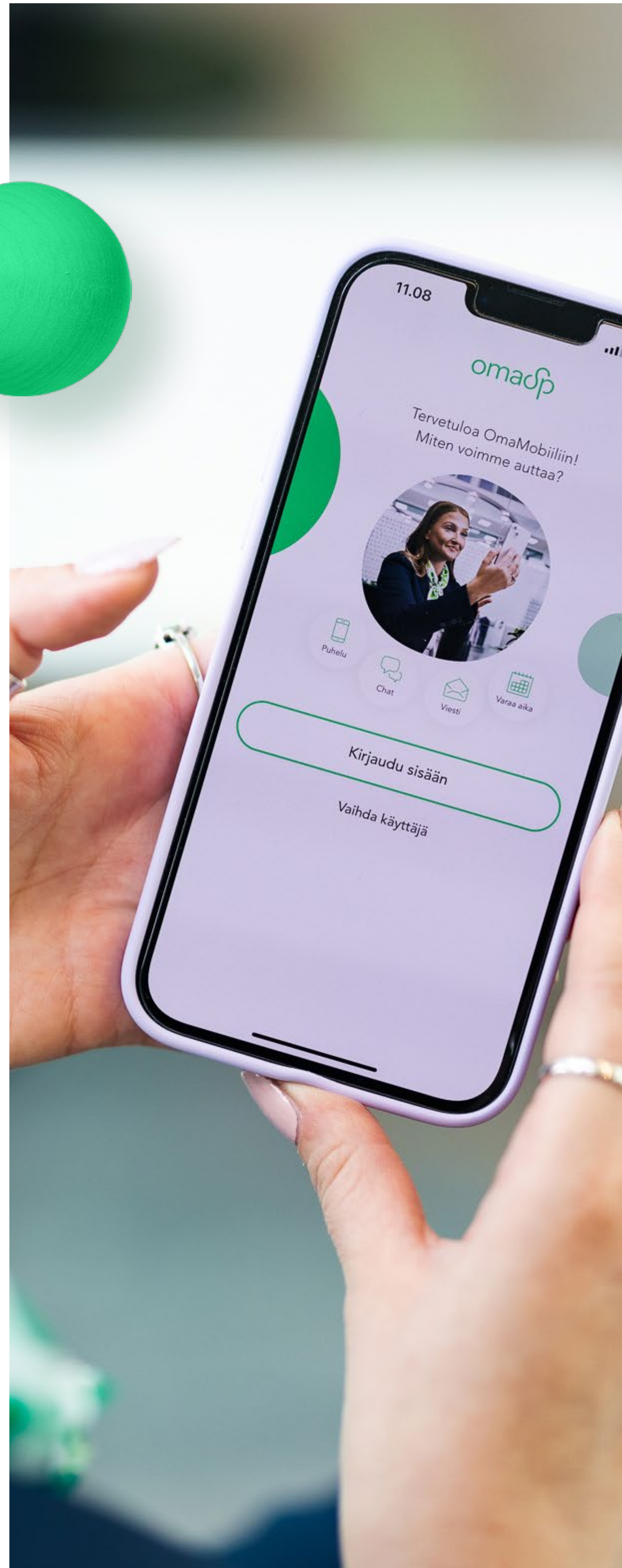
The AGM notice including all resolutions of the AGM, is available on Oma Savings Bank Plc's website at **omasp.fi/en/investors/management-and-corporate-governance/annual-general-meeting/annual-general-meeting-2024**


Maija Koivunen and Leo Schroderus, Turku

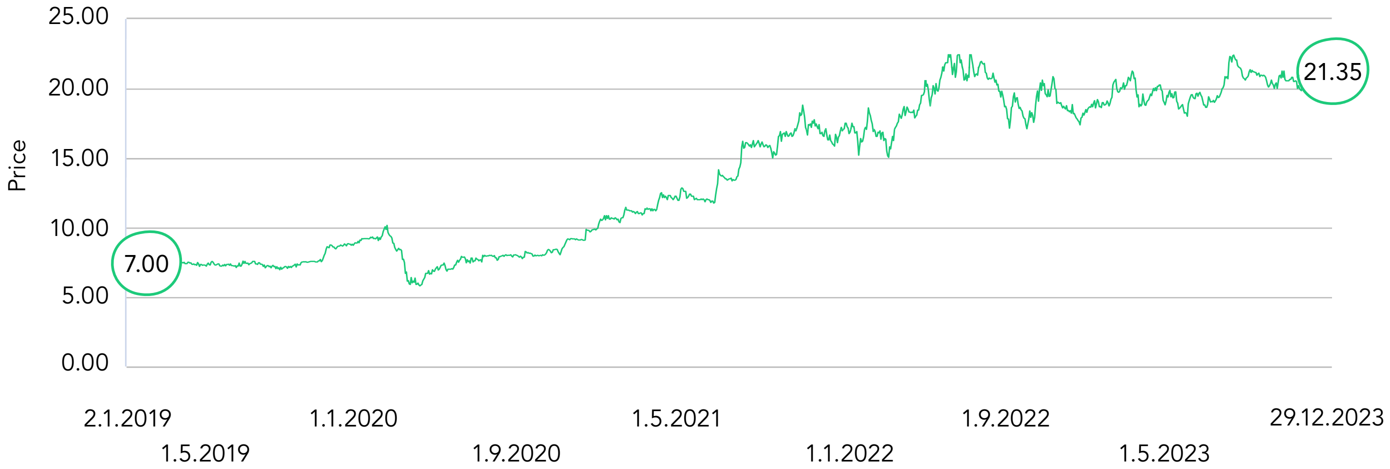
Key figures

Earnings per share (EPS)	3.49 (EUR)	Accounting period 1–12/2023
Net interest income	197 (EUR mill.)	Accounting period 1–12/2023
Comparable ROE	25.3%	Accounting period 1–12/2023
Profit before taxes	138 (EUR mill.)	Accounting period 1–12/2023
Number of employees	445	Average, accounting period 1–12/2023
Comparable profit before taxes	144 (EUR mill.)	Accounting period 1–12/2023
Employee satisfaction	4.5/5	Satisfaction in the company as a whole. *
Comparable cost/income ratio	35.1%	Accounting period 1–12/2023
Customers	>200 000	Private customers 85%, corporate customers 15%
Balance sheet total	7,642.9 (EUR mill.)	Accounting period 1–12/2023
Customer satisfaction	4.3/5	Satisfaction in the company as a whole. **

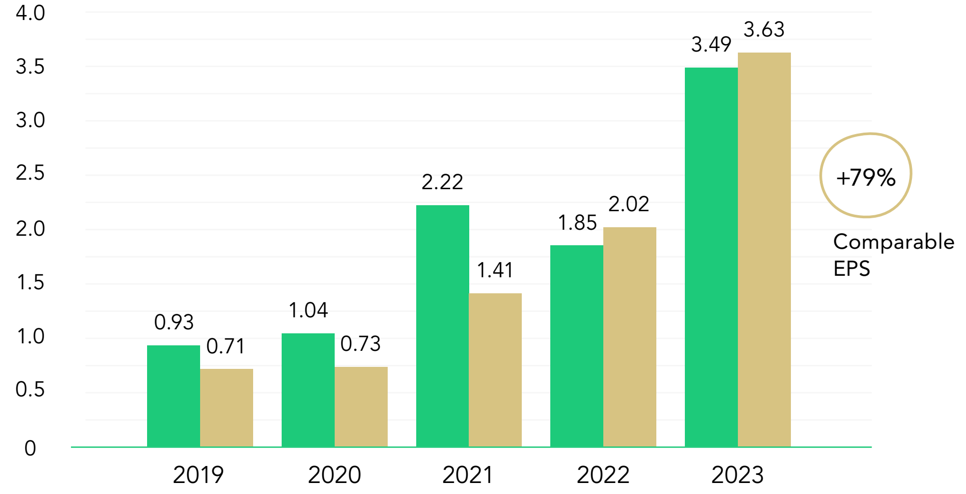
* Personnel survey 12/2023.
** Parasta palvelua 12/2023 -customer survey.



Rate development of Oma Savings Bank Plc share 2 January 2019–29 December 2023



Earnings per share of Oma Savings Bank Plc (EPS)

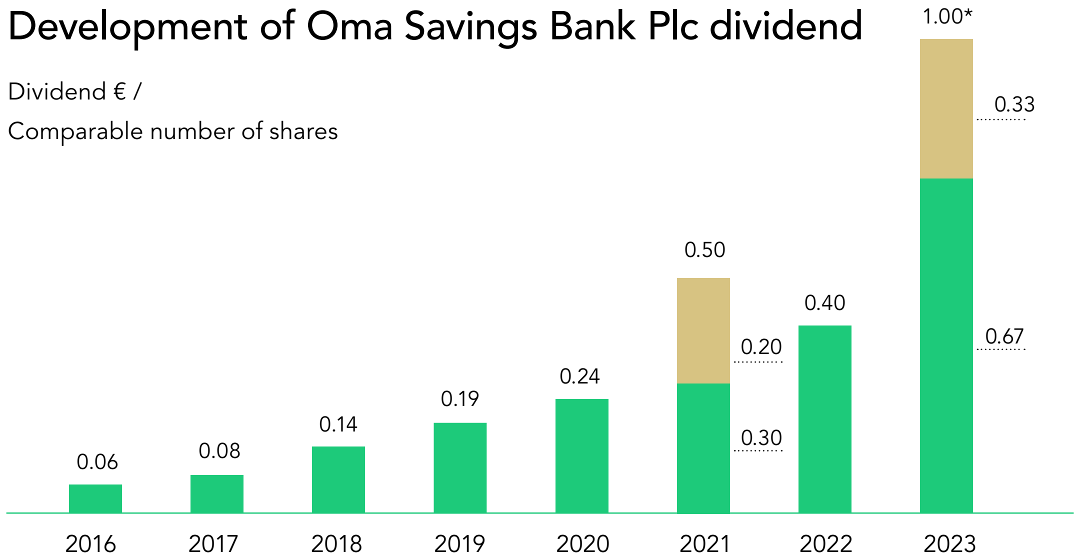


Number of shares outstanding changed following the listing (pcs) in
2019 29,585,000 | **2020** 29,585,000 | **2021** 29,773,517 | **2022** 29,990,687 | **2023** 31,546,596

Comparable EPS   EPS

Development of Oma Savings Bank Plc dividend

Dividend € /
Comparable number of shares



* The Board's proposal for the 2023 dividend

Actual dividend
Additional dividend

Financial goals

10–15%

Growth

10–15% annual growth in total operating income under the current market conditions

<45%

Profitability

Cost/income ratio less than **45%**

>16%

Return on equity (ROE)

Long-term return on equity (ROE) over **16%**

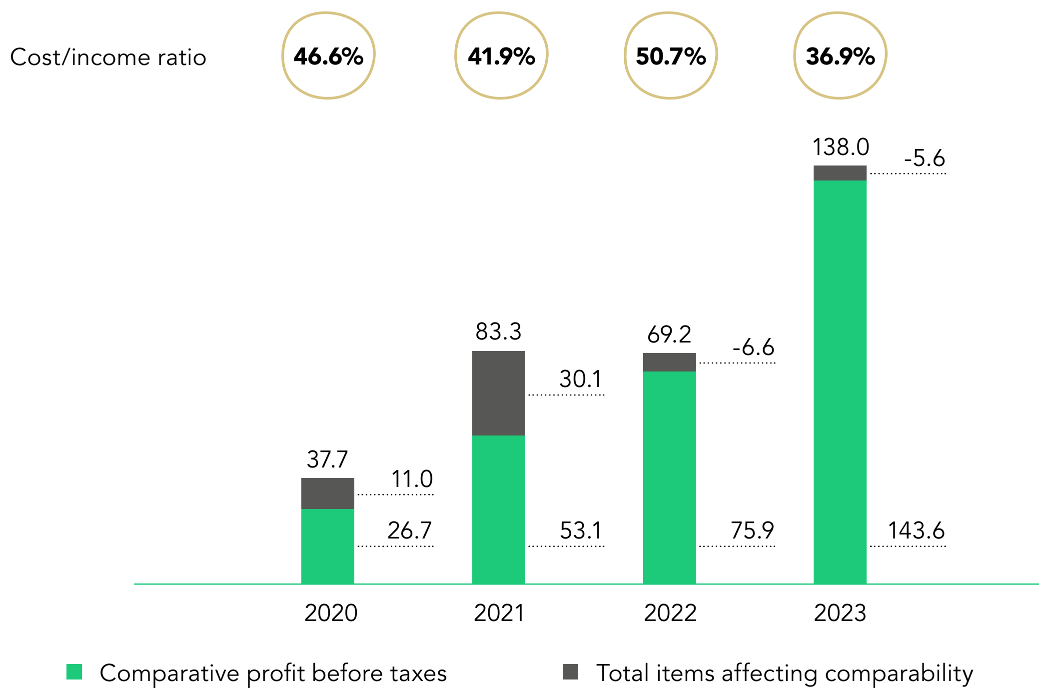
≥2

Capital adequacy

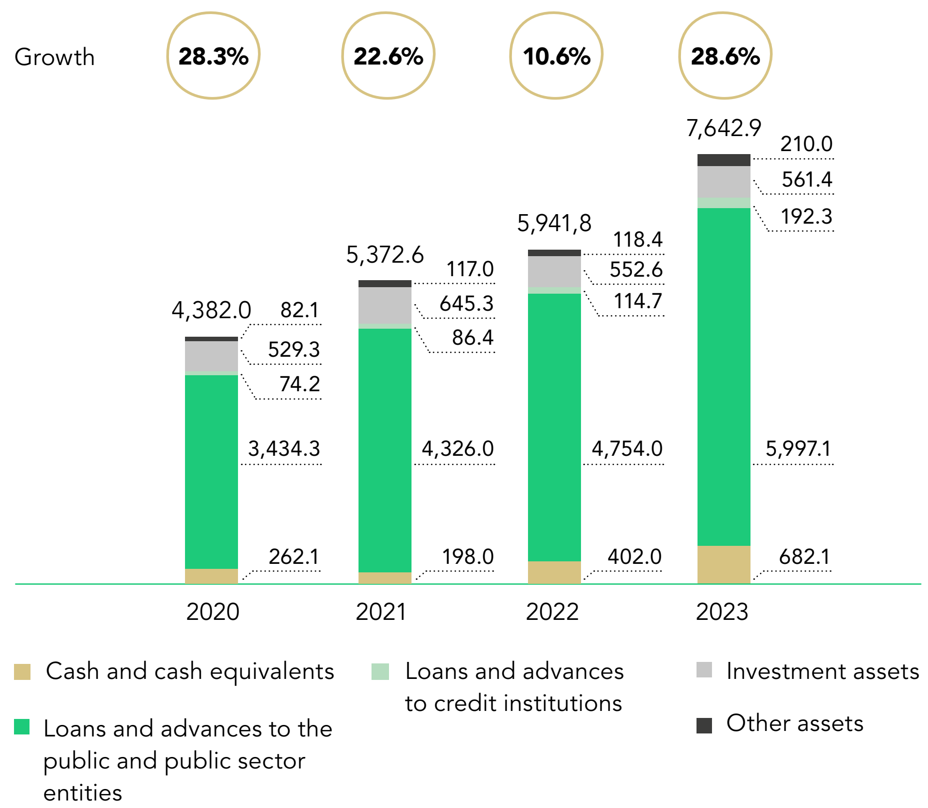
Common equity tier 1 capital (CET1) at least 2%.

A profitably growing Finnish bank

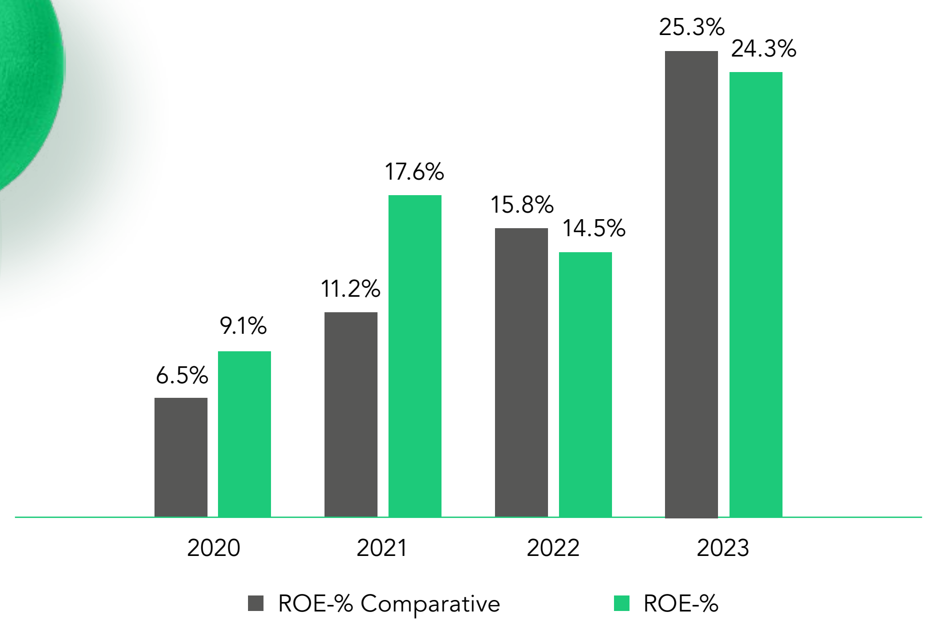
Profit before taxes, EUR mill.



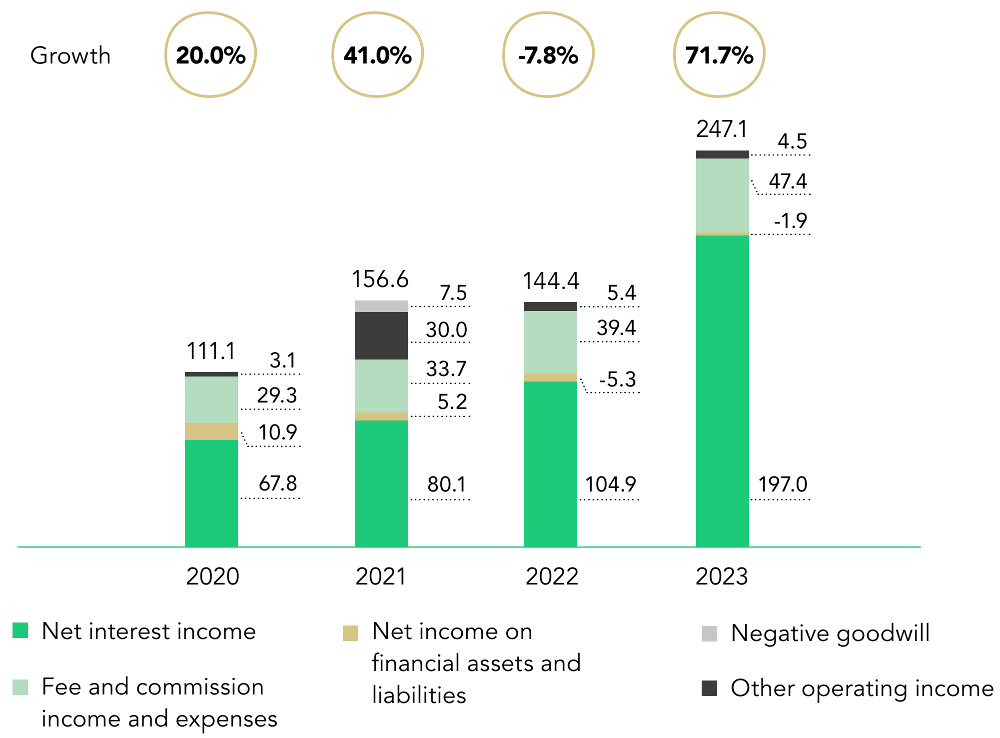
Balance sheet total, EUR mill.



Return on equity (ROE)%

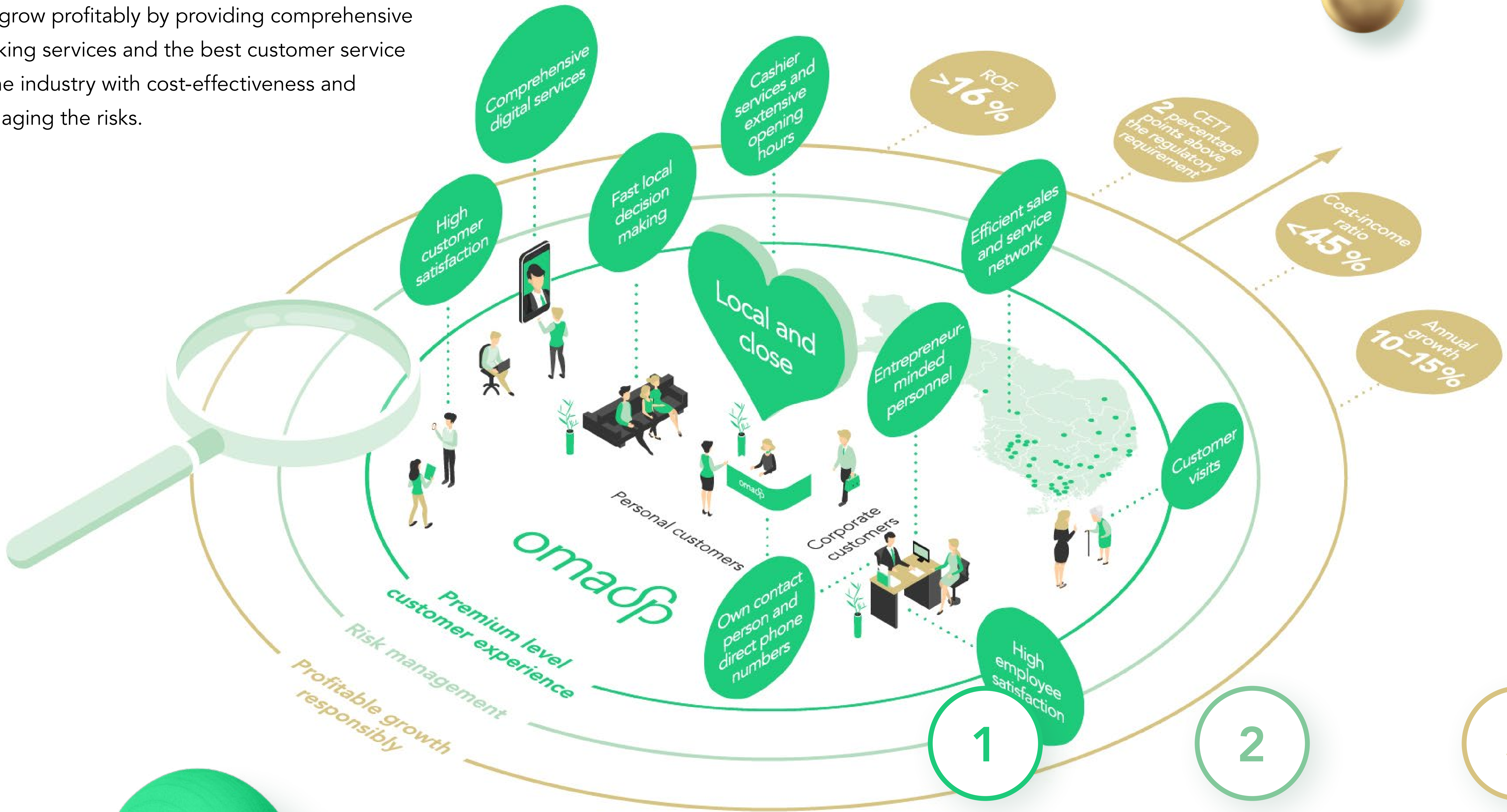


Total operating income, EUR mill.



At the heart of the strategy

We grow profitably by providing comprehensive banking services and the best customer service in the industry with cost-effectiveness and managing the risks.



1

High quality customer experience

Local and close.
Highest customer satisfaction and referral rate in the industry.

2

We control risks

Credit policy, financial soundness, solvency and systematic risk management processes.

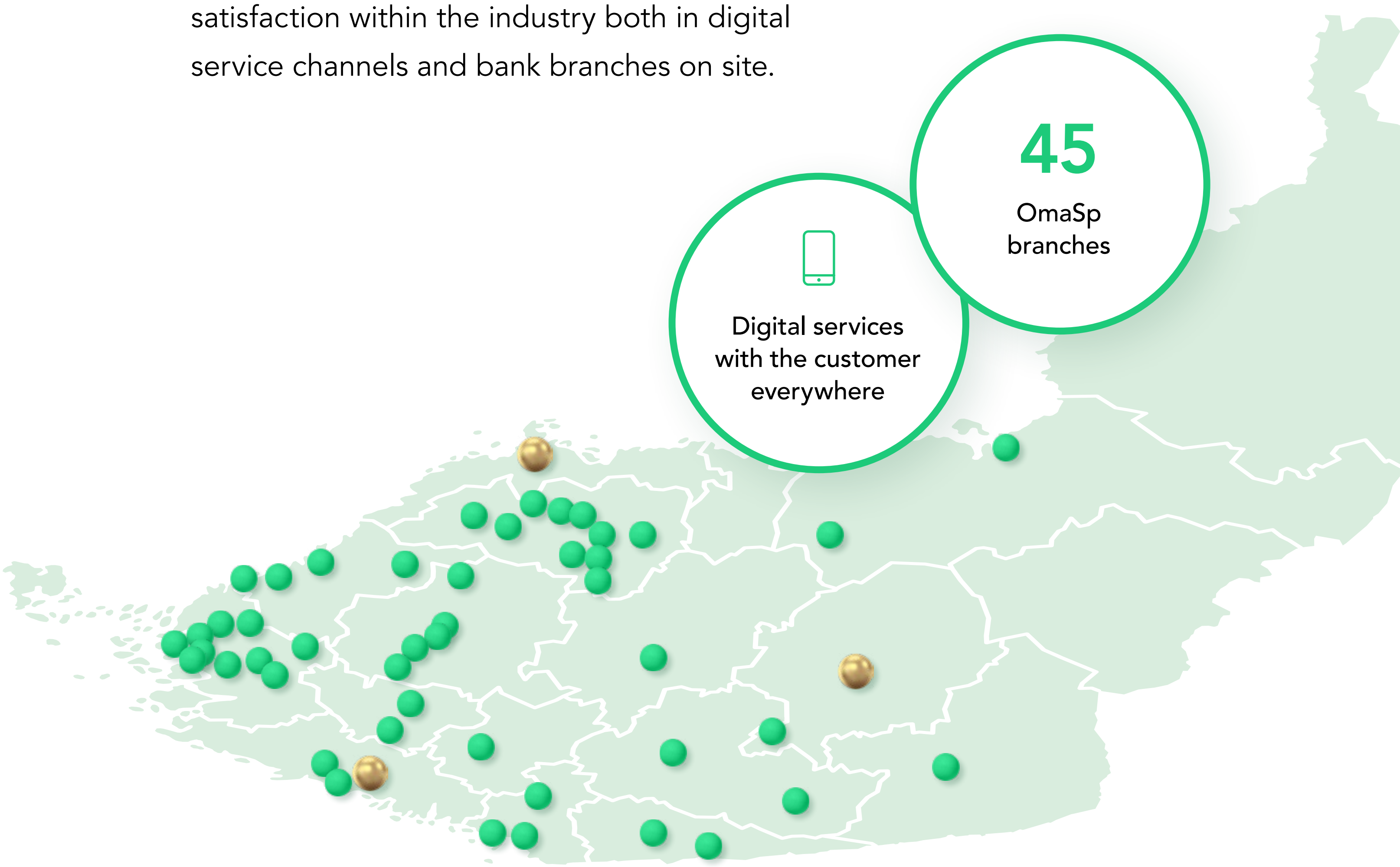
3

We grow profitably

Excellent, flexible customer service and efficiency in all operations..

Efficient sales and service network

Our goal is to offer the best local banking service local and close to you. Our goal is a high level of service experience and the highest customer satisfaction within the industry both in digital service channels and bank branches on site.



45
OmaSp branches

Digital services with the customer everywhere

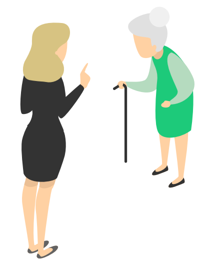
Current branches

Branches in Vantaa, Vaasa and Kuopio to be opened in 2024

Own contact person and direct phone numbers

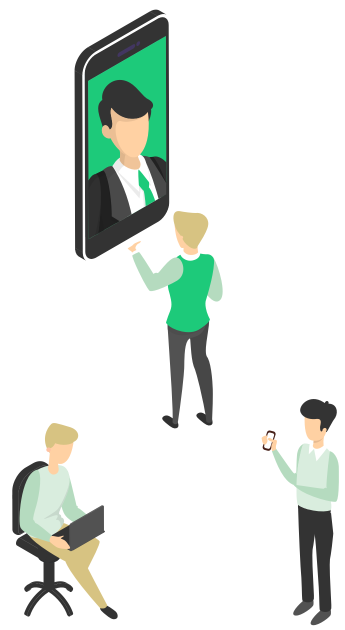
Loan decisions locally

Customer visits



Extensive opening hours in branches

Cash service every weekday



OmaVahvistus & OmaAllekirjoitus mobile applications

Online bank

OmaMobiili mobile bank & OmaVara

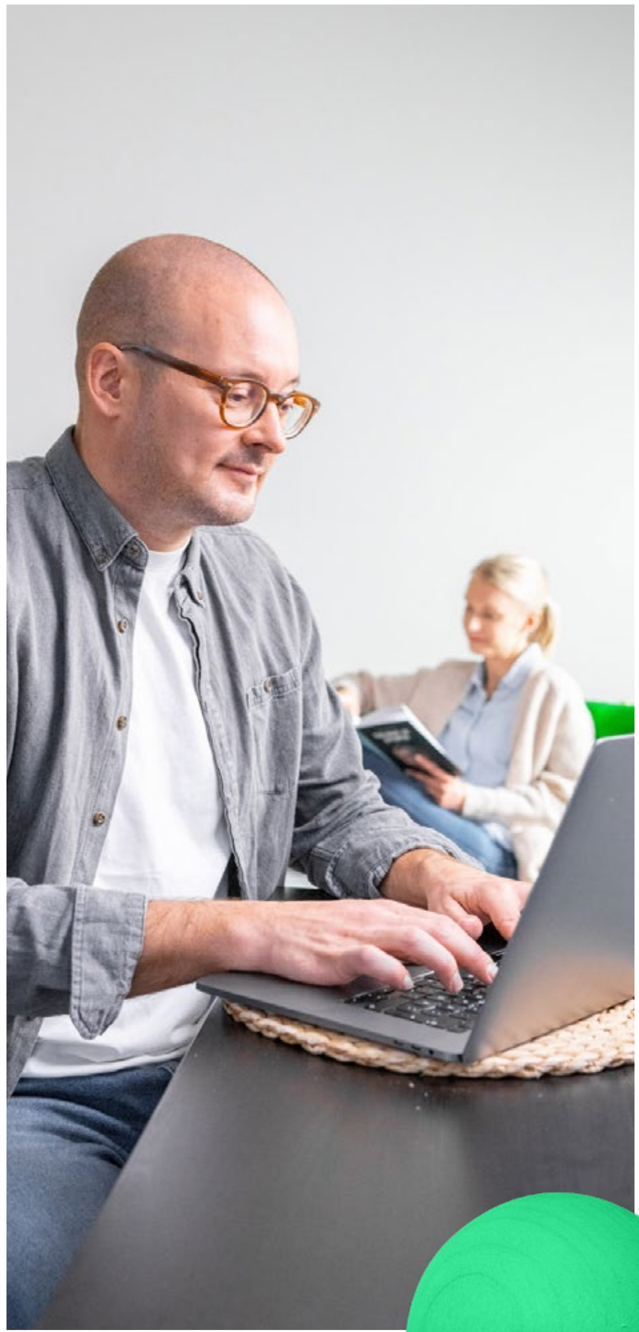
Chat

Customer service, call center

Google Pay & Apple Pay

Online conferencing service

OmaPostilaatikko mailbox

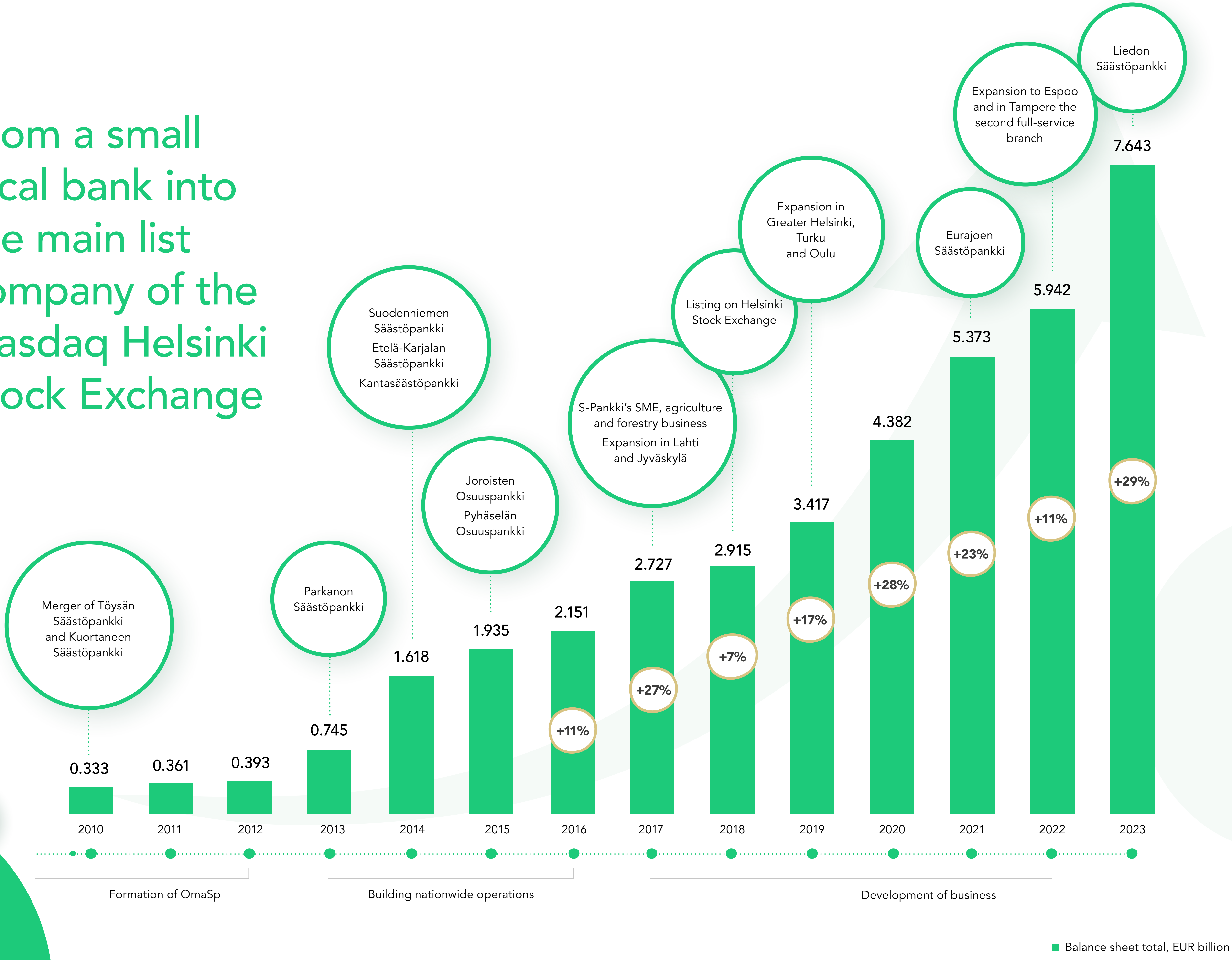


Comprehensive banking services

At the heart of the service are daily banking services and lending designed for private and corporate customers. We also offer financing, savings, investment services, legal and other advisory services.

	Services for private customers	Services for corporate customers
Daily banking	Accounts, payment cards, cashier and payment services, and comprehensive digital services.	Corporate accounts, payment, invoice and payment transaction services, money services, corporate netbank and other digital trading services.
Loans, financing and lending	A broad selection of loans from home loans to consumer credits and payment cards with credit facilities. Guarantee solutions also in collaboration with partners.	Extensive financial services for financing business and investments, bank guarantees as well as commercial guarantee products from the cooperation network.
Saving, investments and asset management	An extensive range of savings products from savings accounts to ASP accounts and time deposits, share basket-linked deposits and various types of insurance savings solutions. Funds and asset management together with Sp-Fund Management Company and Sp-Life Insurance.	An extensive range of savings products from savings accounts to time deposits, share basket-linked deposits and various types of insurance savings solutions. Group pension insurances, capitalization agreements and asset management capitalization in cooperation with Sp-Life Insurance.
Loan insurance	Mortgages and consumer credit, together with Sp-Life Insurance.	To reduce the company's personnel risks.
Legal advisory services	Inheritance and family-related legal matters.	For example establishing a company, taxation and generational handovers.

From a small local bank into the main list company of the Nasdaq Helsinki Stock Exchange



OmaSp's growth story

OmaSp's history

1875

The history of OmaSp begins in 1875, when Lappeenrannan Savings Bank opened its doors for the first time on 13th February in the premises of the town hall of Lappeenranta.

OmaSp's first steps

2008

The first steps in OmaSp's unique story were taken when Töysän Savings Bank started planning its first bank merger in response to the growing regulation of the banking sector and the transformation of the industry. Kuortaneen Savings Bank was found as a partner in the same region. In 2008, Töysän and Kuortaneen Savings Banks agreed to merge. OmaSp, as we know it today, was born in 2009 when banks handed over their business operations to Oma Savings Bank Ltd and operations continued under the name Oma Savings Bank.

OmaSp's expansion through mergers

2013

Parkanon Savings Bank merged with OmaSp.

2014

Kantasäästöpankki, South-Karelian Savings Bank and Suodenniemen Savings Bank joined OmaSp, making it Finland's largest savings bank.

2015

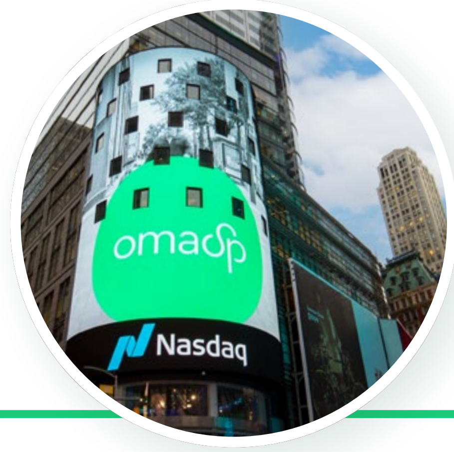
The business operations of Joroisten Osuuspankki and Pyhäselän Paikallisosuuspankki were transferred to OmaSp.

2017

OmaSp acquired S-Pankki's SME, agriculture and forestry business, started mortgage banking operations and opened new branches in Lahti and Jyväskylä.

2018

OmaSp opened branches in Helsinki, Oulu and Turku.



Listing of OmaSp

2018

OmaSp was listed on the main list of Nasdaq Helsinki 30 November 2018.

2019

On 27 November 2019, Nasdaq invited OmaSp to Times Square in New York for a bell-ringing ceremony to celebrate its first year on the Helsinki Stock Exchange and its 10th anniversary.

Recent developments of OmaSp

2021

Eurajoen Savings Bank merged with OmaSp.

2022

A new branch was opened in Espoo and another full-service branch in Lielahti, Tampere.

2023

Liedon Savings Bank merged with OmaSp. OmaSp announced that it will acquire Handelsbanken's SME business in Finland in autumn 2024 and expand OmaSp's operations to Vantaa, Vaasa and Kuopio.

Highlights of the year 2023

Merger of Liedon Savings Bank

The acquisition of Liedon Savings Bank's banking business was completed at the turn of February and March, and OmaSp's service network expanded significantly in the Turku economic area. Lieto's Savings Bank Foundation, established in connection with the merger, continues the long history of Liedon Savings Bank. In the photo left: Pasi Sydänlammi, CEO of OmaSp, and Jouni Niuro, CEO of the Lieto's Savings Bank Foundation.

Photographer: Esko Keski-Oja

Renewed branches

As a result of the expansion of the service network, OmaSp's customer premises in Southwest Finland and elsewhere in Finland were renovated to correspond to the bank's unique service model. The renewals took into account the comfort of customers and staff. Sustainability and OmaSp's brand image are emphasised in the choices.

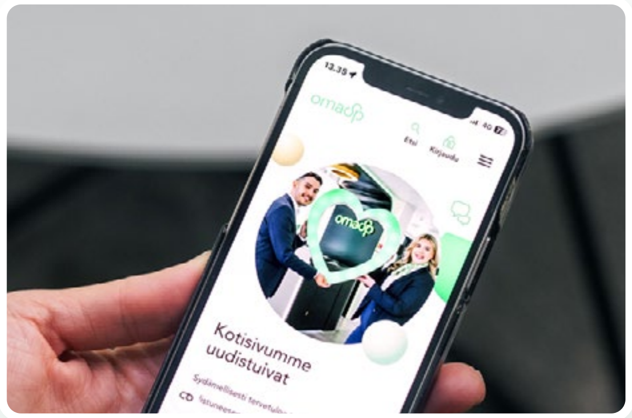
Financial Seminar

The joint Financial Seminar of OmaSp and Lieto's Savings Bank Foundation attracted an audience of several hundred people to hear about current and future entrepreneurship and the opportunities offered by technology. The event was held in Logomo, Turku in March. The event was hosted by news anchor Keijo Leppänen.

Photographer: Heikki Räisänen/Raeven Visual

Bank cards made from 100% recycled plastic

In August, the production of bank cards switched to 100% recycled plastic as part of OmaSp's sustainability goals. Safety, longevity, versatility and accessibility have been taken into account in the manufacture. A circular notch on the card makes it easier to identify the card among other cards and enter it into the payment terminal in the correct direction.



Renewed website

OmaSp's renewed website was published in September 2023. The renewed website offers more comprehensive content, taking into account different target groups.

Nordic Business Forum

OmaSp was the main partner in the most significant business event of the year, Nordic Business Forum at the Helsinki Exhibition and Convention Centre in September.

Photographer: Veikka Hännikäinen/Rulla Media

National Entrepreneur Days

Finland's largest entrepreneur event, the National Entrepreneur Days, was held in Pori in October. OmaSp was the main partner of the event.

Photographer: Jarno Kylmänen/Glad Media

National New Entrepreneurs of the Year 2023

OmaSp is the main partner in the competition of the National New Entrepreneur. The national New Entrepreneur of the Year 2023 was Kimmo Tossavainen, CEO of KX-Treeshears from Äänekoski.

Sustainability

Laura Hakanen, Seinäjoki center

Sustainability report 2023

Sustainability is one of the basic pillars of Oma Savings Bank Plc. It is at the heart of the business and an increasingly important part of the future operations. We have reported on our sustainability since 2019. The sustainability program and the sustainability report have been prepared in accordance with the GRI standards since 2022. With the current reporting, our goal is to deepen and promote our sustainability efforts and proactively meet ever-tightening requirements as well as to prepare for the reporting requirements of the future CSRD regulation.

Our sustainability efforts are based on our company's values and Code of Conduct, stakeholder expectations and megatrends that affect our operations. Based on these, we have determined three key sustainability themes: we are local and close to people, we promote collective well-being and we contribute to sustainable development.

This report is a synthesis of our sustainability efforts in 2023. In the report, we examine the impacts of our operations on the environment, people and society, following the principles of due diligence and materiality.

Determined steps of sustainability

OmaSp is a Finnish bank, which has grown from a small local bank into the main list company of the Nasdaq Helsinki Oy stock exchange during the last decade. OmaSp's history in banking goes back to 1875 and today OmaSp is the fastest growing bank in the Nordic countries and Finland's most profitable bank. We are strongly committed to our customers, personnel and operating environment, contributing to building economically, socially and environmentally sustainable society, providing essential basic services and opportunities for citizens, companies and communities. By providing new jobs outside urban centres and financing local personal and business customers we actively promote and develop local and regional vitality.

OmaSp has reported on sustainability since 2019 and monitored performance against the targets set for the identified sustainability themes through annual sustainability report. Since 2019, OmaSp has supported all of the 17 UN Sustainable Development Goals. Five of these goals - the ones with the most material impact – have been incorporated into our daily management, strategy and operations.

In 2020, the content of our report expanded to cover the assessment of OmaSp's environmental impacts through the carbon footprint in accordance with the GHG Protocol standard. Since 2022, sustainable program and report have been prepared in accordance with the principles of the GRI standards. The reporting of sustainability work has been deepened and advanced to proactively meet ever-tightening requirements of sustainability. The GRI reporting has served as a good preparation for future reporting requirement of the CSRD regulation.

OmaSp's sustainability program is based on values, Code of Conduct, stakeholder expectations and megatrends of the operating environment. Sustainability is also complying with the industry's common practices, legislation and acts as well as the principles of sustainable development.

At the heart of our strategy is a satisfied customer and our goal is to reach the highest customer satisfaction in the industry by being local and close in everyday life of our private and business customers. A key to success is entrepreneurial minded and motivated personnel. The fact that half of the personnel own shares in the bank also tells a lot about OmaSp's corporate culture. We are confident that employee satisfaction and well-being at work will be positively reflected in the customer experience.

Our sustainability aspects can be divided into three themes: we are local and close to people, we promote collective well-being and we contribute to sustainable development. We have identified ten sustainable aspects that are material to us, and which form the basis for our sustainability efforts. We have concluded that we must pay particular attention to the following three:

- Supporting customers in personal finance management and development
- Financing sustainable projects and offering sustainable investment products
- Assessing the climate-related risks of investment activities and portfolios

During 2023, we have supported a local community spirit and well-being at our branch locations and the surrounding areas by organising events and participating in local events.

A significant part of OmaSp's profit is once again put back into communities near our customers and for purposes of general interest through the OmaSp foundations and co-operatives that support well-being, economy and vitality of their catchment areas by distributing grants and subsidies. We have continued to promote the well-being and financial skills of children and young people by participating in various programs that teach financial skills, such as Oma Onni online learning environment for developing young people's financial skills and NYT Yrityskylä, where primary school students learn about the working life, the economy and the society.

OmaSp local and close
– in everyday life
and in dreams.

During 2023, OmaSp has implemented various measures to strengthen its sustainability work, such as

- expanded service network in the Turku region and in the Southwest Finland
- moved to 100 percent recycled plastic in the production of bank cards
- specified the industries to be financed from the perspective of sustainability
- developed the sustainable data collected from the customer's during lending negotiations
- organised training for the entire personnel on sustainability, which covered, among other things, the importance of sustainability for banking, ESG criteria, the effects of climate change and sustainable investing
- prepared a new sustainable development guarantee programme
- continued the investigation for the construction of the Green Bond road map
- renewed the Company's operating model and simplified the organisation in order to improve services provided to the customers and, at the same time, preparing for the transaction of Svenska Handelsbanken AB's SME business operations in autumn 2024

During 2023, OmaSp's sustainability work has progressed with determined steps and the bank has estimated the sustainability factors that are essential for the business in accordance with the conditions specified by the double materiality of CSRD. OmaSp actively strives to move towards sustainability reporting that meets the requirements of the CSRD, and based on the results, we can target plans and actions to the most impactful targets in the future. Data and figures on impacts on sustainability factors will be collected more extensively already during 2024.

Minna Sillanpää
CCO

Minna Sillanpää, Chief Communications Officer

Sustainability in 2023

Key figures and sustainability highlights

We have over
200,000
private and corporate customers

45
branches throughout Finland

Private customers' satisfaction with their own contact person
4.7
on a scale1-5

Corporate customers' satisfaction with their own contact person
4.6
on a scale 1-5

Overall satisfaction of private and corporate customers
4.3
on a scale 1-5

We reached a total of
8,000
children or adolescents to improve their financial literacy

Carbon footprint of our operations
9,062
tCO_2e

Overall employee satisfaction
4.5
on a scale 1-5

A substantial part of personnel
49%
are owners

4.8
training days per employee in 2023

Highlights of the year 2023

Service network expanded in the Southwest Finland. In addition, we have developed our digital services.

Preparation for the reporting requirements of the future CSRD regulation was launched. An assessment was initiated to examine sustainability business-relevant factors under double materiality conditions.

Moved to a 100 percent recyclable plastics in manufacturing bank cards.

The organisation structure was streamlined and simplified. Simultaneously, preparations started for the transaction of Svenska Handelsbanken's SME operations in Finland. The new operating model was introduced on 1 December 2023.

Saara-Sofia Nieminen, Turku

Starting points for sustainability

OmaSp in brief

We are Finland's largest independent savings bank, serving our customers in 45 branches and via comprehensive digital channels throughout Finland. Our operations focus on retail banking, and we have over 200,000 customers.

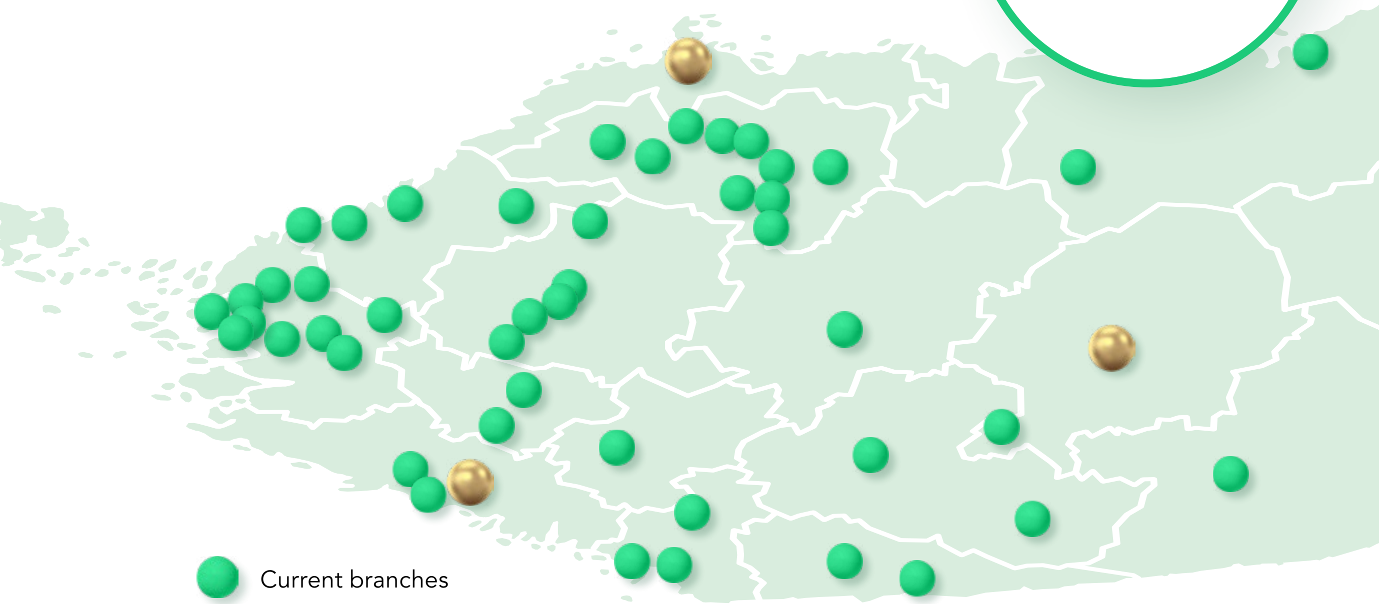
At the heart of our strategy is a satisfied customer, who we aim to reach through a first-rate service experience, sustainable operations and customer orientation, not to mention with our enterprising and motivated personnel. Part of our profit is put back into local communities through our owner foundations and co-operatives, which annually distribute grants and subsidies for non-profit purposes.

Our operations are guided by our values: customer orientation, co-operation, reliability, expertise and results. Our Code of Conduct is based on these values, and they describe the sustainability and ethical foundation of our operations in compliance with regulations and our values.

Over **200,000** customers

Approx. **500** employees

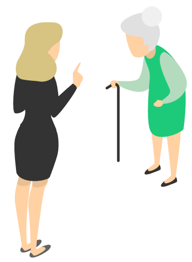
45 branches throughout Finland



Current branches

Branches in Vantaa, Vaasa and Kuopio to be opened in 2024

Our Code of Conduct is based on these values



We take care of the customer's interest

We are committed to confidentiality and take care of privacy protection

We communicate openly

We comply insider and trading rules

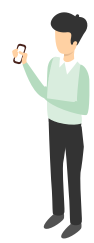
We avoid conflict of interest situations and identify them in advance

We do not accept or give bribes

We follow good governance

We create a successful working community together

We also demand accountability from our stakeholders



Global change drivers

In the financial sector, sustainability is more than what is required by laws and regulations. It is about anticipating global change drivers, meeting stakeholder expectations and creating new ways of operating in response to them. The idea is to bear responsibility for economic and social stability, as well as for the climate and the environment.

We have identified and anticipated how tightening regulation and other global change drivers will shape society and, consequently, our operations in the future. The following six global megatrends have a significant impact on our operations. The impacts and opportunities created by these megatrends form the basis for our operations, including our sustainability efforts.

Climate change and biodiversity

Companies must put more and more effort into responding to climate change and the resulting biodiversity loss. The climate impacts of operations need to be assessed throughout the supply chain and they must also be taken into account in financial solutions and products. Global warming brings business risks and opportunities, to which leaders respond proactively.

Demographic shift and urbanisation

The financial sector plays a central role in safeguarding well-being in a demographic shift, as general prosperity and the elderly population grow, and urbanisation continues. As the elderly population grows and users age, opportunities for personal service must be ensured. It will be increasingly important to offer services outside urban centres, which also enhances the vitality of growth centres.

Sustainability expanding

Companies are actively looking for ways to increase the positive impacts of their operations, not just to minimise the negative impacts. International supervision and regulation are increasing, and the sector is expected to react quickly, adapt and display international service knowhow. As economic thinking evolves and environmental awareness increases, new economic metrics, such as ecosystem accounting and genuine progress indicators, are met with growing interest.

Labour market transformation

The transformation of the labour market means that working life is in a constant state of change. In working life, workers of different ages and different ways of working must be taken into account. As remote and hybrid work increases, it is possible to rethink the organisation and decentralisation of work. Problems with matching workers with jobs increase when there is no skilled labour available for the jobs on offer. The importance of personal competence development is growing, not to mention the importance of knowing how to stand out as an employer.

New ways of operating enabled by technology

Operating models are evolving thanks to rapid advances in technology. Automation and decentralisation of operations are all the rage. With advances in technology, the amount of data also increases, which, in addition to technical capabilities, entails a growing need for technological understanding. It is also important to remember that our digitalising world is more vulnerable than ever.

Unexpected situations

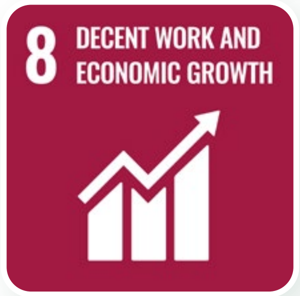
Unexpected situations, such as pandemics, political crises and war, affect the operations and the competitive arena. Active monitoring of the political and economic situation and forecasting of situations and risks rise to the forefront. The financial sector must reinforce solvency, the financial structure and liquidity in order to balance the economy.

UN Sustainable Development Goals

In 2015, UN member countries committed to the Sustainable Development Goals (SDG) programme and goals, which set the agenda for sustainable development for 2016–2023. We are committed to contributing to all these goals and have identified five goals that are the most material to us and which we can promote through our operations.

Goal 3: Ensure healthy lives and promote well-being for all at all ages. We promote the health and well-being of our customers by ensuring the availability of banking and financial services in an economically sustainable way. In addition to personnel's physical well-being, we also strive to promote their mental health.

Goal 4: Guarantee everyone open, equal and quality education, as well as life-long learning opportunities. We support the career development of our employees through continuous competence development and training. In addition, we promote the well-being and financial literacy of children and adolescents through our involvement in various programmes that teach financial literacy.



Goal 8: Contribute to sustainable economic growth, full and productive employment and decent work for everyone. We contribute to sustainable economic growth and productive employment by employing people throughout Finland. We offer training and summer jobs, and we participate in, e.g., the Responsible Summer Job campaign.

Goal 9: Build resilient infrastructure, promote sustainable industrialisation and foster innovation. We take part in building resilient infrastructure and in promoting sustainable industry and innovation by operating as a partner to various entrepreneurs. We improve the position of small companies as well as their opportunities on the market.

Goal 17: Revitalise the global partnership for sustainable development. We take part in reinforcing the implementation of sustainable development by working in co-operation with various actors to achieve a more sustainable Finland. We work with, e.g., Economy and Youth TAT on the Yrityskylä programme, and with the Sedu vocational education and training organisation on Oma Onni.

Stakeholder co-operation

We know that when it comes to responsible and sustainable operations, taking stakeholders into account brings a considerable competitive advantage. Open dialogue with our stakeholders is thus important to us. Well-functioning stakeholder co-operation increases transparency and the common understanding of our operations and how we develop them. Consequently, it is one of the basic pillars of our sustainability efforts.

Our six key stakeholders are customers, personnel, authorities, co-operation partners and media, and owners and investors. We communicate with these stakeholders on a daily basis and develop our operations based on their insights and wishes.

Personnel

We employ approx. 500 experts in different parts of Finland. Our personnel expect a stable and attractive workplace where they enjoy working. Our employees are highly enterprising people. Opportunities for personal development and to influence as well as an appreciation of expertise are considered important. Our employees also expect fair and equal treatment.

Customers

At the heart of our service offering are daily banking services intended for private and corporate customers. Customers expect from us good, continuous and personal service in all our service channels, as well as competitive products. Diverse service channels, good accessibility and confidentiality are considered important.

Partners and media

We collaborate with different partners, subcontractors and the media. Importance is placed on a safe partnership with shared values. The media, for its part, expects open communication and active dialogue.

Authorities

We engage in active dialogue with various authorities. The authorities expect us to comply with the legislation and requirements and to react to any changes. Due to tightening requirements, the importance of sustainability reporting is also growing.

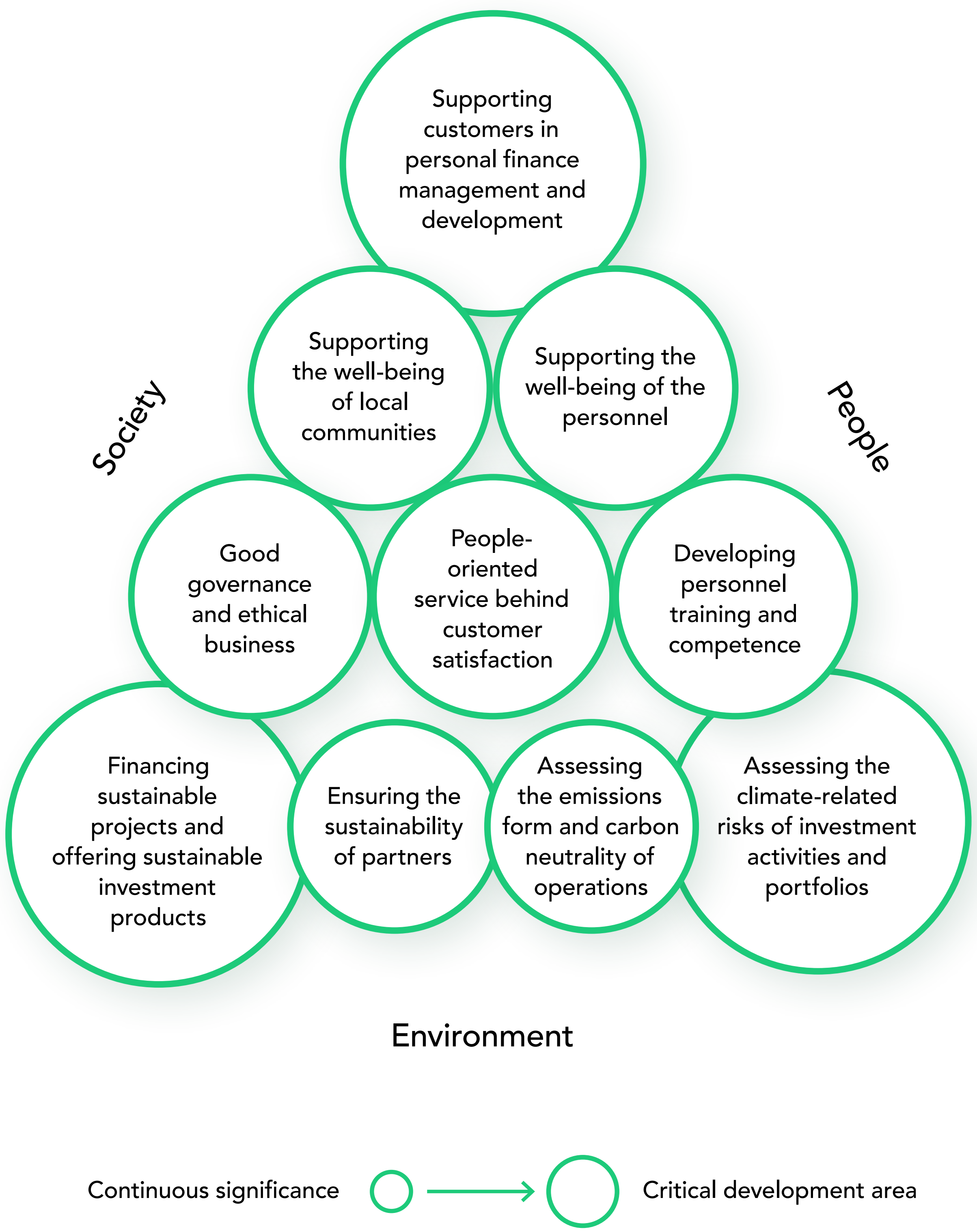
Owners and investors

Our owners and investors expect our operations to provide good shareholder value and to generate a sufficient return on investments. They also place importance on open and active dialogue, clear communication and end-to-end sustainability. In recent times, owners' expectations of sustainability have tightened and the importance of sustainable financial and investment products is growing. Approximately 75% of Oma Savings Bank's shares belong to non-profit organisations. The largest individual owner is South Karelia's Savings Bank Foundation, with a roughly 26% stake. In 2018, we were listed on the Nasdaq Helsinki Oy stock exchange The bank now has more than 10,000 shareholders.

We work closely with the following associations and organisations:

- NYT Yrityskylä
- The Federation of Finnish Enterprises
- The Finnish Enterprise Agencies

Main sustainability aspects



As part of updating our sustainability programme, we have identified the sustainability aspects that are the most significant for us in the short term. These aspects have been identified based on the global change drivers that shape society and thus our operations and tightening regulation and evolving stakeholder expectations.

We have identified ten material sustainability aspects which form the basis for our sustainability efforts. These sustainability aspects have been identified considering our entire value chain, following the principle of due diligence. We have also assessed the impacts of our operations under the principle of materiality; in addition to the negative footprint of our operations, we have identified our handprint, i.e. our positive impact on people, the environment and society.

The continuous development and assessment of these aspects are at the core of our sustainability efforts. All of the identified aspects are important for our work. However, we have further identified the specific aspects we will need to pay particular attention to when it comes to developing our operations going forward.

Sustainability roadmap

Sustainability themes

To bring more clarity to our sustainability efforts, we have divided the main sustainability aspects into three themes that form the essence of our sustainability efforts:

we are local and close to people,

we promote collective well-being and

we contribute to sustainable development.

We have prepared a roadmap for these sustainability themes, outlining the goals of our sustainability efforts for the coming years. We monitor the implementation of the roadmap annually through the sustainability report.

We are local and close to people

We want to be local and close to people. **Personal customer service** is our key to customer satisfaction. We regularly monitor customer satisfaction and listen to our customers. We also want to continuously support **all aspects of our personnel's well-being** and enable **the development of our personnel's competence.**

We promote collective well-being

We have an important task **to support customers in the management and development of their personal finances**, in addition to which **we support the well-being of local communities** by employing and financing local players. **We ascertain good governance and ethical business** and also ensure **the sustainability of our partners.**

We contribute to sustainable development

We have the opportunity to positively impact the challenges arising from climate change **by providing sustainable financial and investment solutions** to our customers. **Assessing the climate-related risks of investment activities and portfolios** is important. We also regularly calculate the **emissions from our own operations**, with the goal of reaching carbon neutrality.

Highlights of our sustainability goals

Goal: customer satisfied with the service

- Annual overall score in customer survey 4.3/5
- Accessibility 4.3/5
- Satisfaction with the customer's own contact person 4.7/5

Goal: maintain personnel's well-being and competence

- Personnel satisfaction on a par with the previous years
- Encouraging personnel to seek out training
- Developing sustainability competence

Goal: offer sustainable financial and investment solutions

- Highlighting sustainability aspects in all new product descriptions
- Process and system changes to create a green aspect
- Roadmap for a green framework in fundraising
- Green-based market financing and financing solutions

Goal: identify climate-related risks of investment activities and portfolios

- Current situation analysis of framework for collecting sustainability data
- Reporting and communication on climate impacts of investments
- Scenario analysis for climate change risks of investments and financing

Goal: reach carbon neutrality in our own operations

- Measuring the carbon footprint annually
- Creating a carbon neutrality roadmap
- Committing to the Paris Agreement

Goal: support the well-being of local communities

- Well-functioning services and sharing of information for entrepreneurs
- Collaboration with foundations and co-operatives

Goal: support people in managing and developing their finances

- Several webinars and training events for customers annually
- Annual monitoring of customer satisfaction regarding financial planning
- Regular collaboration to develop the financial literacy of children and adolescents

Goal: good governance and ethical business throughout the supply chain

- Partner selection criteria and process for ESG verification
- Avoiding breaches of the Code of Conduct

Sustainability management

The operational management of sustainability matters in part of our daily business. Our sustainability activities and their management are guided by the sustainability programme for 2023-2025, which was updated in 2023.

The accompanying sustainability governance model lays down the structures and obligations in managing our sustainability efforts. Sustainability matters are addressed regularly throughout the organisation.

A more detailed description of OmaSp's corporate governance and key management practices can be found **www.omasp.fi/en/investors/management-and-corporate-governance**

Sustainability governance model at OmaSp

Board of Directors

The Board of Directors monitors sustainability management and performance, and risk management

↑

CEO and Management Team

The Chief Communications Officer prepares and guides sustainability reporting

↑

Sustainability working group

The sustainability working group coordinates and develops sustainability efforts

↑

Personnel

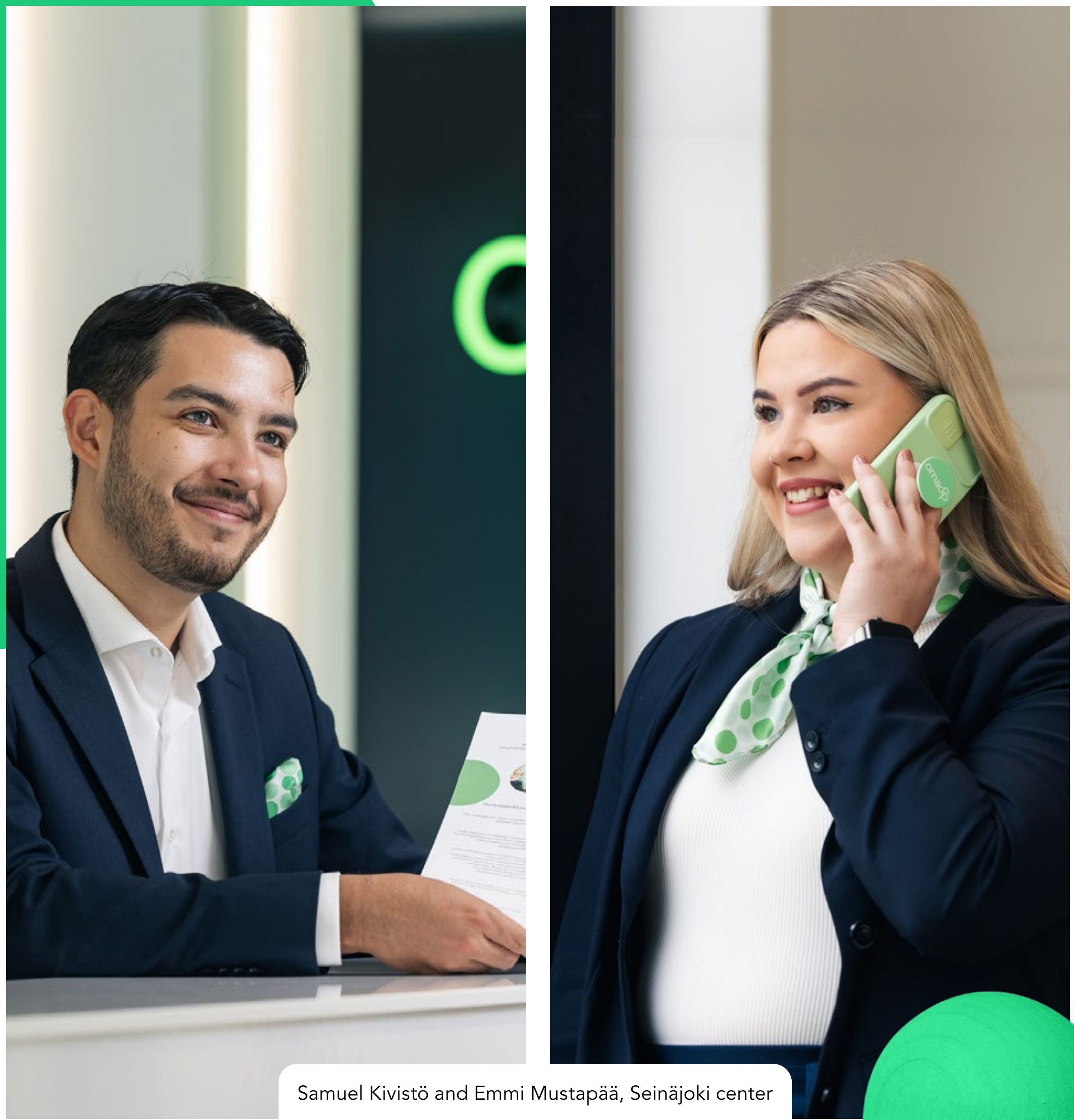
Personnel are responsible for sustainability efforts in practice and help in identifying risks

The sustainability management practices are based on, in addition to OmaSp's strategy, the UN Sustainable Development Goals and supplementing internal guidelines and commitments.

Management systems and guiding principles and policies

The sustainability roadmap will be communicated and put into practice through multiple channels reaching out to existing and potential customers, employees and the various stakeholders. OmaSp's website was revamped in 2023, and with the reform, sustainability can be seen more clearly in the contents for different target groups.

Aspect		Definitions and boundaries	Key guiding principles and policies
We are local and close to people	People-oriented customer service Personnel's well-being Developing personnel's competence	We monitor customer satisfaction based on a survey We monitor personnel's job satisfaction, sick leave and accidents We monitor personnel's training hours, degrees and development conversations	• Sustainability programme and related goals • Principles of good business conduct • Processing of customer complaints and feedback • Personnel policy • Work community development plan • Equality and equal opportunity plan • Occupational health and safety programme • Occupational healthcare action plan • Remuneration principles and remuneration policy • Reporting of breaches • Early support model
We promote collective well-being	Supporting people in managing and developing their personal finances Supporting the well-being of local communities Good governance and ethical business Sustainability of partners	We monitor in the customer satisfaction survey whether customers have been presented with opportunities for prospering and whether their future plans have been discussed We monitor the local events organised by our branches We monitor the implementation of the Code of Conduct and cases of misconduct We monitor our partners' sustainability performance	• Sustainability programme and related goals • Principles of reliable governance and internal control • Principles of good business conduct • Conflict management principles • Reporting of breaches • Insider register • Trading guidelines for personnel • Compliance function's operating principles and • annual plan • Risk management function's operating principles and • annual plan • Politics of preventing money laundering and terrorist financing
We respond to the challenges arising from climate change	Sustainable financial and investment solutions Climate-related risks of investment activities and portfolios Emissions from and carbon neutrality of own operations	We monitor customers' sustainability preferences in investment products. We monitor that the bank's own investment decisions are in line with the bank's other sustainable development goals We monitor the carbon dioxide emissions from our own operations and measures to reduce emissions	• Credit policy • Sustainability programme and related goals • Survey of opportunities and risks related to climate change • Principles for responsible investment • UN Sustainable Development Goals



Samuel Kivistö and Emmi Mustapää, Seinäjoki center

We are local and close to people

We want to be local and close to people. Personal customer service, customer satisfaction and personnel's overall well-being are important things to us.

Our goals for 2024

- We are easily accessible
- We know our customers personally
- We achieve the highest rating in customer satisfaction in the sector
- We focus on the accessibility of our services and on our service channels
- We achieve the highest rating in job satisfaction in the sector
- We implement annual work well-being plans and related targets
- We continuously develop our personnel's competence and professional skills
- Every APV graduate can also take the APV ESG exam
- We keep track of the annual hours and days of training
- Over the years, there are no cases of harassment or bullying
- Introducing a new platform for onboarding and competence development
- Utilising the potential of AI in day-to-day operations

Our goals for 2026

Our goal is for our customers to be satisfied with our services:

- We will review all our services and eliminate any unnecessary ones
- The accessibility of our services is given a score of 4.3/5 in the annual survey
- Satisfaction with the customer's own contact person is given a score of 4.7/5 in the annual survey
- Overall satisfaction with the bank's operations in the customer satisfaction survey is at least 4.3/5

Our goal is to maintain personnel's well-being and competence:

- We maintain benefits that increase well-being at work (physical activity, cultural and well-being benefit)
- We ensure every year that the workspaces are practical and that the working conditions and ergonomics are in order
- Annual absences due to illness remain on the level of the previous years
- We monitor the number of recruitments and make sure that new employees receive thorough orientation
- Employees evaluate their satisfaction with their supervisor in an annual survey
- Overall satisfaction with the employer is evaluated in an annual survey
- We monitor personnel's training days and the euro amounts spent on training annually
- We encourage our personnel to participate in training and monitor the number of completed degrees
- We develop our personnel's sustainability competence and organise related training

Personal customer service

We are present in the day-to-day lives of our customers in our 45 branches around Finland, in addition to which we serve our customers via our digital channels – at any time and anywhere in the world. Our broad network of branches and comprehensive digital services ensure that **services are conveniently and personally accessible** in the form that suits the customer.

Each one of our branches is the bank's flagship in their area. **In recent years, we have strengthened our position in key growth centres in accordance with our strategy.** Thanks to our broad network of branches, we know the local market and, in addition to this, we have a strong confidence and knowledge of our customer base.

To ensure that our customer service is flexibly available, **we also continuously develop our digital channels.** In addition to online banking, we offer OmaMobiili, OmaVahvistus, OmaPostilaatikko and enable digital buying and selling of homes and web conferencing. The objective of these services is to ensure that our customers can take care of banking matters together with their dedicated expert, regardless of where they are, by using a smartphone, tablet or computer.

OmaSp
MOST SUSTAINABLE ACCORDING TO THE CUSTOMERS
BANKING
2023
EPSI

45
branches throughout Finland

We have over
200,000
private and corporate customers

OmaMobiili, OmaVahvistus and OmaVara

Online bank

Customer visits

OmaPostilaatikko

Customer service, call center and chat

In the beginning of March, we completed the largest-ever corporate restructuring with Liedon Savings Bank. With the business arrangement, our service network and market position strengthened significantly in the Turku economic area and in the Southwest Finland through expansion of nine branches. We focus on even better accessibility and expert service throughout Finland.

In addition to the expanded service network, we have comprehensively developed our digital services. We developed, among other things, a document signing process. By this, 82% of loans were signed digitally and for corporate customers, balance certificate as self-service is enabled. In early fall, we renewed the omasp.fi website. With the reform, the content diversified, and it now notes the needs of various target groups. The renewed webpages also takes especially mobile usage into account. Accessibility is a constant consideration in our development work as well.

On 1 December 2023, we renewed our operating model; the organisation structure was straightened out and simplified. At the same time, we wanted to prepare for the transaction of Svenska Handelsbanken AB's SME enterprise business in autumn 2024. We strengthened and we will furthermore strengthen our resources on corporate bank throughout the organisation and all over Finland to ensure expert and high-level service experience for both private and corporate customers.

Corporate customers' satisfaction with their own contact person

4.6

on a scale of 1-5

Private customers' satisfaction with their own contact person

4.7

on a scale of 1-5

Overall customer satisfaction

4.3

on a scale of 1-5

We offer retail banking services to households, housing companies, SMEs and agricultural and forestry entrepreneurs. We offer each customer a dedicated expert and we also serve our customers in the evenings on weekdays and on Saturdays. The same dedicated expert can serve a customer in their private banking needs and their company's financial matters.

Continuously improving the customer experience is a matter of the heart for us. Our goal every year is to achieve the highest rating in both customer satisfaction and customer service in the sector. According to the Parasta Palvelua (i.e. Best Service) survey conducted at the end of 2023, the results largely followed the previous excellent results and **customer satisfaction has remained very high. The customers also experience, that it is easy to do business in the bank.** Over 11,000 voluntary customers participated in the survey. The number of participants increased by almost 5,000 and once again, we received a large number of open feedback. The expansion of the Company's service network in the Southwest Finland is shown as growing number of the participants, so there are also many new customers among the participants.

Entrepreneurs and their businesses represent a significant part of our growing customer base. We assist our corporate customers in all practical financial matters and financing needs. We also provide tips on establishing a company and drawing up a business plan. For the second time, EPSI Rating published the EPSI Sustainable Index in Finnish banking industry as a separate research, which describes customers' experience of the sustainability work among banks. OmaSp reached the first place among corporate customers and local sustainability was experienced as the most important factor.

Through national collaboration with the Finnish Enterprise Agencies, we support early-stage entrepreneurs. We also cooperate with the Federation of Finnish Enterprises. Our objective is long-term goal-driven collaboration to guarantee Finnish SMEs opportunities and tools for financial success and for promoting their well-being. Through the collaboration, the members of the Federation of Finnish Enterprises enjoy benefits concerning OmaSp's services.

Personnel's well-being

We employ roughly 500 motivated and enterprising experts in various parts of Finland. A significant proportion of our personnel, 49%, are the bank's shareholders, which contributes to their commitment and work motivation. It is important to us to promote and maintain the diversity of our work community by recruiting experts of all ages.

Our personnel is our most important resource in implementing our strategy of ensuring first-rate service and customer satisfaction. **That is why we want to take care of our employees' satisfaction, both physical and mental well-being.** Thriving personnel and, as a result, satisfied customers lay the foundation for our bank's progress and success also in the future. We have added, among other things, low threshold services for occupational health care services. In 2023, we invested around EUR 1,040 per person in occupational health care.

Overall employee satisfaction

4.5

on a scale 1–5

We monitor our employees' well-being, satisfaction and satisfaction with the employer through annual personnel satisfaction surveys. We also monitor absences and the number of occupational accidents. We continuously work to prevent bullying at the workplace. Our annual goal is to achieve the highest rating in job satisfaction in the sector.

The number of respondents to the employee survey carried out in 2023 was once again a record-high 383, resulting in a response rate of 88%. The results show our long-term efforts to develop our work community. The overall employee satisfaction has remained at a record-high level, and supervisory work has remained at a great level as a whole.

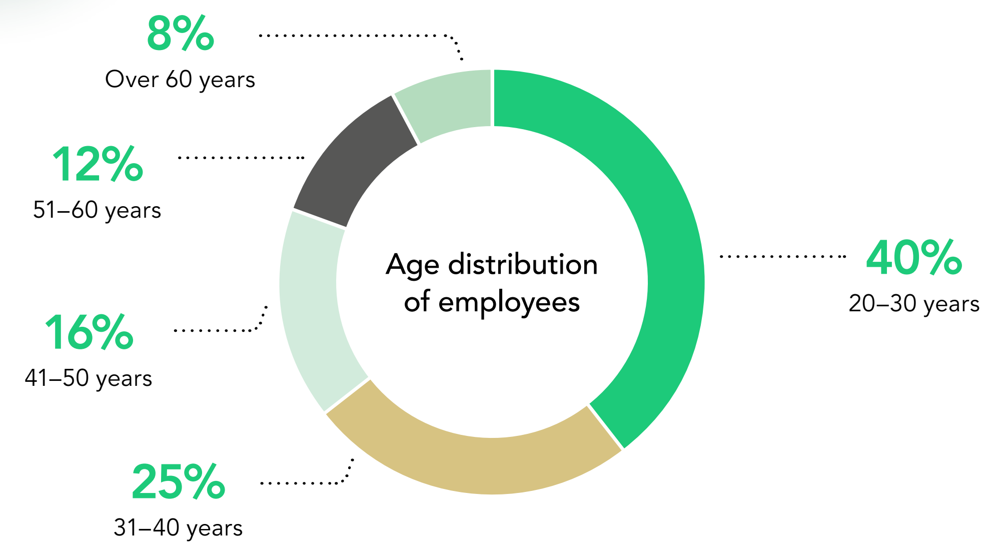
Training opportunities

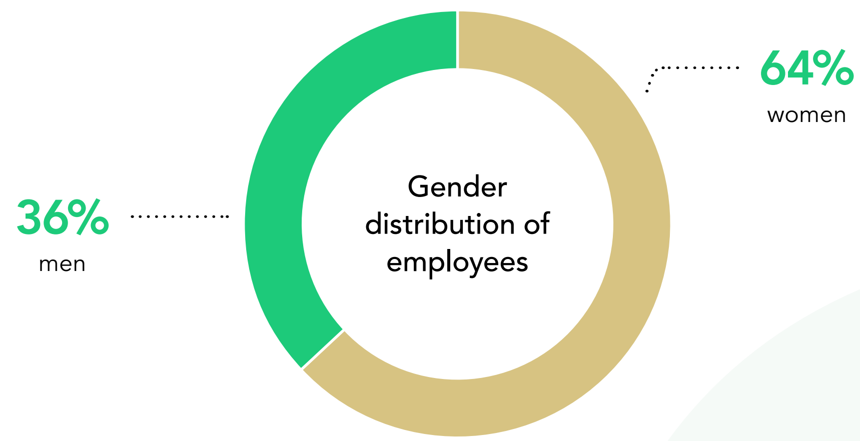
Extensive occupational health care

Exercise and meal benefits

Workplace health promotion events and WHP days

Personnel figures in year 2023





36.8
Average age of employees

6
Number of occupational accident

8.5
Days of absence

Developing personnel's competence

For our personnel, expertise and diverse competence go hand in hand. Our employees are highly enterprising and skilled people who are committed to the people-oriented service at the heart of the bank's strategy.

Every employee has a clear role in the bank's organisation as well as adequate responsibilities and tasks. **A learning work community where employees can develop themselves in the manner of their choosing is important to us.** The competence of our personnel is also a key competitive factor and therefore, we continuously work to improve it. We have a tailored OmaSp Master training programme, which is implemented in collaboration with the University of Tampere. The programme is intended for the bank's experts and supervisors.

In addition, we organise training weeks targeted at the entire personnel with the aim to develop our personnel's professional skills. In addition to ongoing and regular training, we offer supervisors and experts the opportunity to complete e.g., APV1, APV2, APV ESG and licensed real estate agent (LKV) qualification. We annually monitor the personnel's training hours.

In recent years, our bank has especially developed the supervisory work in a long-term and goal-oriented manner, which is also reflected in the personnel survey as extremely high scores. High quality supervisory work enables the basic for developing teams and individual success. In addition, the applicant experience and orientation to work is continued to develop.

Training days per employee

4.8

in 2023

Company bicycle benefits

124

in use during 2023

Completed APV qualifications

23

during 2023

"During 2023, we have especially put effort on circulation of work and development of expertise. It has been nice to notice how great career paths we have enabled once again and offer career development to our experts in different fields. Career stories have also been made more and more visible, e.g. through videos."

Sarianna Liiri, Director of OmaSp, HR and Finance

We are involved in the Responsible employer campaign. The organisations involved in the campaign are committed to promoting the six principles of the campaign: non-discrimination, flexibility and working life balance, investment in supervisory work, content and meaningfulness of work, remuneration in line with the demands of the job and good applicant experience.

We promote collective well-being

We support our customers in managing and developing their personal finances. We also support the well-being of local communities and ascertain good governance and ethical business throughout the value chain.

Our goals by 2024

- We continue our efforts to support SMEs operating outside urban centres
- We create new jobs within the limits of growth
- We report on our tax footprint and on our financial figures
- Over the years, there is not a single breach of the Code of Conduct
- We continue implementing Yrityskylä and Oma Onni
- We maintain communication on financial management aimed at adolescents and children

Our goals by 2026

Our goal is to support people in managing and developing their personal finances:

- Every year, we organise several webinars and training events related to personal financial management
- We continue regular collaboration to develop the financial literacy of children and adolescents
- We monitor our customers' satisfaction with financial planning together with their contact person
- We ensure that our experts are interested in supporting the customer financially also in difficult situations

Our goal is to support the well-being of local communities:

- We create opportunities for companies and families by offering well-functioning services and information sharing also to entrepreneurs
- We continue collaborating with foundations and co-operatives to support regional well-being

Our goal is to ensure good governance and ethical business throughout the supply chain:

- We comply with general requirements and regulations
- We commit to implementing the sustainability programme
- We choose our co-operation partners with sustainability aspects in mind
- We avoid breaches of the Code of Conduct in all our operations
- We establish procurement criteria and a process for ESG verification to ascertain the sustainability performance of our partners

Joona Rinta-Jouppi, Corporate Bank

Supporting people in managing and developing their personal finances

Supporting people in managing and developing their personal finances is an important part of our operations. We facilitate personal financial management for people of all ages through various partnerships, webinars, training events and learning environments.

In 2023, we organised numerous open webinars and training days related to, for example, investing, saving and financial management. The events were open for all and free of charge. We also continued close collaboration with educational institutions to promote the financial literacy of children and adolescents.

We continued close collaboration with educational institutions to promote the financial literacy of children and adolescents:

Oma Onni is a web-based learning environment for developing young people's financial literacy. During the school year 2023–2024, more than 3,070 students in 28 secondary schools in 13 towns and cities across Finland will study within the Oma Onni programme. Six foundations that own Oma Savings Bank and six providers of upper secondary education are involved.

pääOma is an e-learning environment for personal finance management in Sedu's Moodle. Its target group includes students that are entering working life and starting to take more responsibility for their own finances. Content for the learning environment is produced by Sedu's students and teachers of shared qualification modules (YTO). YTO teachers use the pääOma material in their own teaching. pääOma is being developed together with the Oma Onni programme.

We reached over

8,000

children or adolescents to improve their financial skills

NYT Yrityskylä is a Finnish learning environment, which has awarded as the worlds's best learning innovation. It offers positive experience about working live, finance, entrepreneurship and society for sixth- and ninth-graders. Up to 90% of all sixth-graders and 88% of ninth-graders participate in the activity of NYT in Finland. We participated in the operation of NYT Yrityskylä in Southeast Finland. It reached over 5,000 sixth- and ninth-graders in the year 2023.

Training highlights

- During the year, we organised five webinars related to different contents, for example family and inheritance law, sustainable investing, investing for young people and for corporates under the theme Maksimoi menestys – taklaa tappiot (Maximise your success - tackle your losses). The listeners of the webinars were both online and onsite at events organised by the branches.
- Together with IT-support students at training centre SEDU, branches in Seinäjoki Hyllykallio, Alavus Centre, Tuuri, Alajärvi and Ähtäri organised digital support events attended by 120 people.

Supporting the well-being of local communities

We are committed to working for the well-being of Finnish society. We actively promote and develop the vitality of local and regional communities by offering jobs outside urban areas and by financing local private and SME customers.

We annually organise or are involved in local events aimed at enhancing local community spirit and well-being. In addition, our owner foundations and co-operatives distribute grants and subsidies for non-profit purposes every year. These purposes include, for example, economic education, research, children's sports, youth work, culture and nature conservation.

It is important to us to promote the vitality of local communities in Finland and the success of entrepreneurs living outside urban centres. Our cooperation with the Nordic Investment Bank (NIB) and the European Investment Fund (EIF) continues. Among other things, the loan agreement of NIF provides us to allocate euros for improving the competitiveness and success of Finnish SMEs. In addition, for small and micro enterprises there is a preparation of a new guarantee programme on sustainable development, which can be used also for sustainable development projects in housing associations in the future.

It is possible to get financing guarantees for financing for companies at different life cycle stages via OmaSp. This can be, for example, financing the start-up phase of a company, investments, working capital financing or a business acquisition.

Event highlights 2023

- In March, together with Lieto's Savings Bank Foundation we organized a Financial Seminar, which involved nearly 400 participants to hear about current topics and future researcher, Ilkka Halava's visions for future working life
- OmaSp was the main partner of Nordic Business Forum 2023 event and the Valtakunnalliset Yrittäjäpäivät 2023 event
- During summer, Seinäjoki Hyllykallio branch together with the foundation organised seven outdoor workouts open to all and free of charge, with approximately 50 participants each time
- Hauho's and Renko's Savings Bank Foundations, together with 4H made possible for nearly 200 young people to get a summer job through the IkiOmaTyö – campaign.
- Free Christmas concerts were organised in eight localities together with the foundations

Grants and subsidy highlights

- South Karelia's Savings Bank Foundation donated, among other things, EUR 500,000 to LUT University for professorship in "System technology and applications in renewable electricity generation", and EUR 212,000 to South Karelian Foundation for Recreation Areas for Hiitolanjoki nature management and recreational service
- Kuortane's Savings Bank Foundation donated, among other things, EUR 70,000 to Seinäjoki Siirtolapuutarhayhdistys ry for the establishing of electricity and sewer network
- Töysä's Savings Bank Foundation donated, among other things, approx. EUR 30,000 to Sydänliitto for the purchasing of defibrillators in the operating area of the foundation
- Lieto's Savings Bank Foundation supported, among other things, by EUR 100,000 to the University of Turku for new installation of the food technology degree programme and by EUR 100,000 for dissertation research in the field of commercial sciences as well as approx. by EUR 30,000 to Turku University of Applied Sciences for promoting entrepreneurship
- Parkano's Savings Bank Foundation donated EUR 150,000 to Suomen Mielenterveysseura Mieli ry (The Association for Mental Health in Finland) for children's and youth's mental health work

Good governance and ethical business throughout the supply chain

We are committed to promoting sustainable economic growth and productive employment. In addition to actively promoting local and regional vitality, we contribute to society through indirect economic impacts by, for example, paying taxes. These proceeds are used to safeguard the basic functions of society and build well-being. Furthermore, the salaries and social benefits paid to personnel have a positive effect on employees and on the surrounding communities.

Our business is guided by our Code of Conduct. In 2023, there were no reports on breaches of our Code of Conduct.

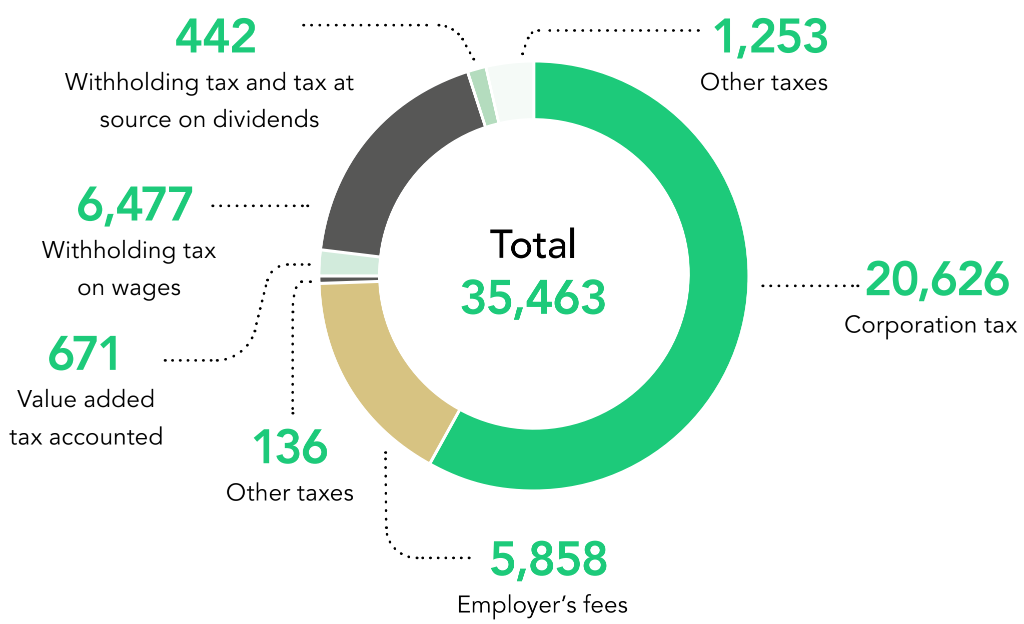
Our goal is to monitor even more closely the sustainability performance of our partners.

In June 2023, Talouselämä magazine published a research of the most profitable banks in Finland. According to the research, OmaSp was Finland's most profitable bank.

We enjoy collaborating with educational institutions, and we offer several training and thesis opportunities on a range of educational levels. We are involved in the national Responsible Summer Job campaign. We commit to following the campaign's good summer job principles that help make summer jobs a good experience for both the summer worker and the employer.

In 2023, we employed a total of 67 summer workers in a range of positions in our branches and administration. According to summer workers, the best thing about working with us is the good team spirit and co-workers.

Oma Savings Bank Plc's tax footprint 2023 (1,000 euros)



Taxes payable (1,000 euros)	OmaSp
Corporation tax	20,626
Employer's fees	5,858
Other taxes	136

Taxes to be collected and accounted (1,000 euros)	OmaSp
Value added tax accounted	671
Withholding tax on wages	6,477
Withholding tax and tax at source on dividends	442
Others	1,253
Total	**35,463**

We contribute to sustainable development

We positively impact climate change challenges through sustainable financing and investment solutions. We regularly assess the emissions from our own operations.

Our goals by 2024

- We comply with the principles of sustainable financing in all our operations
- We improve young people's knowledge of sustainable financial management
- We survey our carbon footprint and other environmental impacts
- We minimise travel in our internal operations
- We devise the necessary process and system changes to assess the energy efficiency of our customers' collaterals
- We complete the Green Bond road map report
- We offer new sustainable development financing solutions

Our goals by 2026

Our goal is to offer sustainable financial and investment solutions:

- We highlight sustainability aspects in all new product descriptions
- We devise process and system changes to create a green aspect (green bonds/instruments)
- We create a roadmap for OmaSp's green development in fundraising and design an impact assessment for the bank's other operations. The bank seeks green market financing after the completion of the green framework

Our goal is to identify climate-related risks of investment activities and portfolios:

- We create a current situation analysis on the identified framework for collecting sustainability data and initiate concrete measures
- We monitor and report on the climate impact of investments
- We create a scenario analysis for the climate change risks of investments and financing

Our goal is to reach carbon neutrality in our own operations:

- We measure the carbon footprint of our operations annually
- We create a carbon neutrality roadmap
- We commit to the Paris Agreement

Sustainable financing and investment solutions

We know that the financial sector plays a major role in promoting sustainable development in society. It is one of the guiding aspects in our financing decisions. We want to help our customers transition towards a climate-resilient economy. For us, it means considering and integrating sustainability aspects in all our investment and financing decisions and allocating funds to where they have the biggest impact on the well-being of the environment, climate and people.

Through our financing decisions we can thus promote **the development of environmentally sustainable products and services through these companies**. We collaborate with, for example, Finnvera and the European Investment Fund on financial solutions aimed at the green transition. In addition, we have a refinancing partnership with the Nordic Investment Bank, in which the projects to be financed must meet the NIB's environmental mandate.

In the suitability assessment of the investment advisory services, we take into account the existing or potential customer's sustainability preferences in choosing the recommended financial instruments. This means surveying and taking into account the EU Taxonomy, the EU disclosure regulation and principal adverse impacts. Before making a product recommendation based on the investment advisory service's suitability assessment, we review the sustainability risks and their likely impact on the return on the financial instruments together with the customer. The suitability assessment means a procedure of collecting information about the customer and assessing the suitability of a specific investment service or financial instrument for the customer. No financial instruments are recommended to customers that are against their sustainability preferences.

Our goal is to create a green framework roadmap for fundraising. We also want to highlight sustainability aspects in all new product descriptions and devise process and system changes for green bonds and instruments.

Sustainable financial and investment solutions

We primarily focus on granting secured loans to solvent customers.

We work to compat the increase in short-term loans and we teach people of all ages personal financial management.

We evaluate whether a project to be funded meets the environmental requirements.

We consider environmental, social and good governance issues (ESG factors) in our investment operations.

Where possible, we aim to increase our customers' awareness of the state of the environment. OmaSp is involved in the operation The Unique Archipelago Sea. Its goal is a clean and healthy future for the Archipelago Sea, increasing its recognition and appreciation among citizens and decision-makers.

We want to contribute to enhancing biodiversity, and our largest owner, South Karelia's Savings Bank Foundation, has been the key in supporting the conversation of Lake Saimaa's waters for many years.

Through our owner foundations and cooperatives, we also participate in sizeable projects to promote the well-being of the environment and society.

Risks and opportunities related to climate change

An essential aspect of promoting sustainable development is the management of risks arising from climate change and the mitigation of climate emissions. Climate change calls for new practices to limit the rise in global average temperature to 2°C in accordance with the Paris Agreement.

We want to participate in efforts to combat climate change, which is why we have identified the risks and opportunities arising from climate change for our operations at the various stages of the value chain. Almost all of the risks affecting the company are transition risks, which arise as economic operators reduce their emissions and decarbonise their operations.

Transition risks also bring with them numerous business opportunities, including the renewal of the product portfolio and increase in digital services. The company's investment strategy can influence how assets are allocated to companies, projects and households in need of financing. Sustainable development is one of the guiding aspects in our financing decisions.

Risk		Description	How do we respond to risks?
Transition risks	Change in markets	Markets change and demand for climate-friendly products increases, which leads to the renewal of product portfolios. Assets are increasingly, and at a lower cost, invested in projects which aim to advance sustainability, and investments with negative impacts are avoided.	• We generate value for customers sustainably by continuously developing new services and sustainable solutions (e.g. online housing transactions, changes in payment methods, climate-related credit products or home mortgages, offsetting the carbon footprint in the investment of assets). • We develop our personnel's ways of working and ensure climate-friendly operations by assessing the carbon footprint of OmaSp's operations and creating a roadmap to reduce emissions. • We increase and develop interaction and service and make sure that a personal contact is available in remote services. • We develop customer communications by reporting on, for example, the financing of environmentally sustainable projects together with the European Investment Fund. We provide the Oma Onni and Yrityskylä services with material on climate and sustainability. • We follow Finance Finland's common climate targets. Our goal is to monitor and report on the climate impact of investments following TCFD's reporting recommendations, as applicable. A further goal is to create a scenario analysis for the climate change risks of investments and financing
	Changes in policy measures and legislation	Legislation and other regulations tighten, which causes changes in daily work. Companies are expected to establish hands-on targets for climate-change related work.	
	Technological development	Technology changes and the demand for digital services and service channels increases.	
	Reputational risk	Stakeholder demands relating to sustainability change (e.g. green bonds), and more attention is paid to the origin of assets (climate and environmental aspects). Reputational risk arises if the markets do not meet demand as consumer expectations change. The importance of climate change abatement and other sustainability work is also highlighted in communication.	
Physical risks	Extreme weather events and pandemics	Rising temperature, extreme weather events and global pandemics may indirectly interfere with repayment capacity.	

In 2023

63%

lower emissions intensity per employee (scopes 1 and 2) compared to 2018

The compensation for the emission amount of scopes 1-2 corresponds to

EUR 38,200

in the EU's emission trading

Climate impacts of our operations

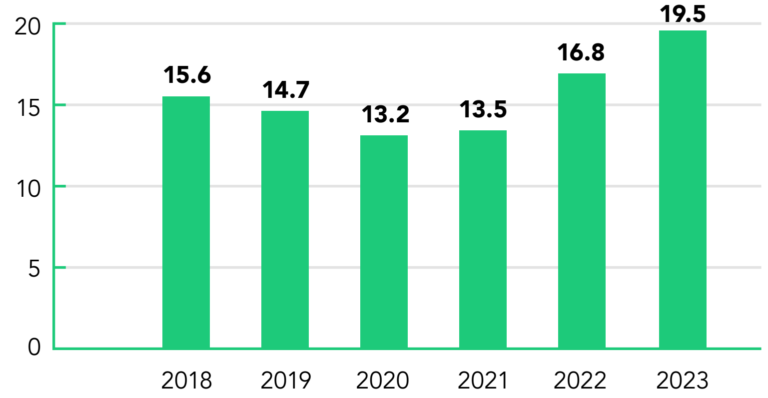
We build a sustainable economy and promote climate change mitigation and adaptation. We continuously develop our services so that they encourage customers to take sustainable and environmentally friendly action. We also aim to design our own operations to be as environmentally friendly as possible.

We have identified the main environmental and climate impacts of our operations and the preliminary measures that help us minimise these impacts. We have assessed our environmental impacts through the carbon footprint since 2020. The carbon footprint measures the environmental impacts of our operations through the climate impact. The calculation is based on the GHG Protocol standard. Read more about our carbon footprint in a separate report.

Tightening stakeholder expectations encourage us to actively reduce our climate emissions. OmaSp is moving towards CSRD-compliant sustainability reporting. Information and figures regarding the effects on sustainability factors will be collected even more widely already during 2024.

Our total carbon footprint in 2023 was 9,062 tCO_2e. The carbon footprint grew from the previous years, which can be explained by the company's strong focus on growth and accessibility. Under 1% of the total emissions consist of direct emissions, i.e. the use of company cars. The bulk of the emissions, 94%, consists of other indirect emissions from the supply chain. We can influence these mainly by setting different requirements on our partners' sustainability performance. This is one of our sustainability goals for the upcoming years.

Emission intensity (tCO_2e/employee) in 2018–2023, scopes 1-3



Scope 1:
Emissions from company cars
38 tCO_2e (under 1%)

Scope 2:
Emissions from energy consumption
374 tCO_2e (4%)

Scope 3: Other indirect emissions (purchases and work-related travel)
8,650 tCO_2e (94%)

OmaSp's carbon footprint 2023

Reporting principles

This OmaSp's sustainability report describes the company's economic, social and environmental impacts for the accounting period 1 January–31 December 2023. The material sustainability themes and aspects addressed in the report are based on a materiality analysis in line with the GRI standards, which is presented in the new sustainability programme. This report describes the new sustainability programme with its targets and the sustainability measures carried out in 2023.

The report is based on the Global Reporting Initiative Standard. At least one indicator for each material main aspect has been reported. The report also follows the Finnish Government's guidelines on corporate social responsibility reporting and the ISO 26000 social responsibility standard. The previous sustainability report was published in 2022. We will also publish sustainability data annually in the future.

The report was implemented in co-operation with EcoReal. The report has not been assured. For more information about Oma Savings Bank Plc's sustainability report, please contact **minna.sillanpaa@omasp.fi**

The report focuses on matters controlled by OmaSp, i.e. it covers sustainability figures that are directly linked to the company's own operations. The data in the report is from 2023 and the comparison years are 2022 and 2021.

Financial key figures

The key financial figures presented in the sustainability report only cover OmaSp's operations. The figures are directly linked to the company's own operations are based on accounting and the financial statements. The figures are audited.

Social key figures

The calculation of personnel key figures follows the general guidelines. The number of personnel means the number of personnel at the end of the accounting period. This report also indicates the average number of personnel during the accounting period.

Personnel training is monitored through average training days, which are converted into average training hours by multiplying them with the daily working hours, 7.5 h. The training days per employee are calculated for the number of personnel at the end of the accounting period.

Sick leave rate means absences caused by an employee's illness or accident. Sick leave includes, in addition to sick leave prescribed by occupational health care, self-reported absences of 1–3 days due to illness. The average sick leave rate is calculated for the number of personnel at the end of the accounting period.

Accidents include accidents leading to at least one day's absence from work.

The job satisfaction level is based on the overall score given in the annual personnel survey on a scale of 1–5. The survey is conducted by an external provider.

Customer satisfaction is tracked on a scale of 1–5 through the annual 'Best Service' customer survey. The survey is conducted by an external provider.

Environmental key figures

Energy consumption

The reported nominal consumption of thermal energy is weather-corrected (normalised) with the heating demand factor.

The comparison year is 2022 and comparisons have also been made against 2021, 2020 and 2018.

The reported total energy consumption is described, in accordance with the GRI standards' recommendations, divided into direct and indirect energy consumption.

All energy consumption is indirect energy consumption consisting of purchased electricity and district heating.

Carbon dioxide emissions

The bulk of OmaSp's emissions comes from purchased products and services.

OmaSp's carbon dioxide emissions are calculated in accordance with the GRI standards' recommendations following GHG Protocol's guidelines. In line with the guidelines, the emissions in the report are divided into direct and indirect emissions (scopes 1–3). The main input data used in the calculation is indicated in the figure.

More information can be found in a separate carbon footprint report.

Emissions are calculated by using following input data:

Scope 1 emissions: The number of kilometres driven with the company's own or leased vehicles based on the paid per-kilometre allowances. It is assumed, that all drives are made with a gasoline-powered car. Emission factors VTT's Lipasto database.

Scope 2 emissions: For electricity, the consumption figures are based on paid amounts and, where unavailable, an estimate of the average nominal consumption of electricity in office properties. For district heating and cooling, the consumption figures are based on an estimate of the average nominal consumption of district heating in office properties.

Location-based: The calculation uses country-specific average emission factors. The emission factors for electricity are based on Statistic Finland's electricity generation data in Finland in 2019-2021, where co-production is divided by the energy method. The emission factors for district heating are based on district heating statistics for 2019-2021, where co-production is divided by the energy method. The emission factors for district cooling Energiateollisuus / Bionova.

Market-based: For the 2021-2023 figures, green electricity purchased has been taken into account. For the 2020, starting from 1 July 2020, purchased green energy has been taken into account. The rest is calculated using the residual mix. Emission factors for electricity Ecoinvent / Bionova. Emission factors for district heating are based on years 2019-2021 district heating statistics. Emission factors of district cooling for 2019-2022 Energiateollisuus / Bionova. In the year 2023, OpenCO$_2$net.

Scope 3 emissions: Purchased products and services: the input data on purchased goods and services and leased goods was collected in euros using accounting. Emission factors DEFRA / Bionova, ADEME / OpenCO$_2$net, ENVIMAT / OpenCO$_2$net.

Work-related travel: Work-related travel of employees during working hours using public transport based on travel compensation and receipts. Emission factors VTT's Lipasto database.

Sustainability in figures

Data as tables: Economic responsibility

Financial key figures

(EUR 1,000)	2023	2022	2021
Net interest income	197,045	104,930	80,130
Total operating income	247,067	144,392	156,565
Total operating expenses	-90,550	-73,062	-65,294
Cost/income ratio (%)	36.9%	50.7%	41.9%
Impairment losses on financial assets, net	-17,126	-1,747	-7,294
Profit before taxes	138,048	69,226	83,271
Profit/loss for the accounting period	110,051	55,379	66,252
Balance sheet total	7,642,906	5,941,766	5,372,633
Equity	541,052	364,961	401,294
Total return on assets, ROA %	1.6%	1.0%	1.4%
Return on equity, ROE %	24.3%	14.5%	17.6%
Earnings per share (EPS), euros	3.49	1.85	2.22
Equity ratio	7.1%	6.1%	7.5%
Total capital, %	16.5%	14.9%	15.6%

Direct economic value generated and distributed

Stakeholders	Cashflows 2023	Cashflows 2022	Cashflows 2021
Direct economic value generated			
a. Total operating income	247,067,000	144,392,000	156,565,000
Economic value distributed			
b. Personnel expenses	29,611,000	24,316,000	20,631,000
c. IT expenses (included in Other operating expenses)			
d. Depreciation and amortisation on tangible and intangible assets	8,422,000	7,543,000	10,267,000
e. Other operating expenses	52,617,000	41,203,000	34,396,000

Tax footprint

Summary (EUR 1,000)	2023	2022	2021
Taxes payable for the accounting period	26,620	11,330	16,450
Taxes to be collected and accounted for the accounting period	8,843	7,439	4,670
Total tax footprint	35,463	18,769	21,120
Taxes payable (EUR 1,000)	2023	2022	2021
Corporation tax	20,626	6,829	12,848
Employer's tax	5,858	4,482	3,572
Other taxes	136	19	30
Taxes to be collected and accounted	2023	2022	2021
Value added tax accounted	671	423	404
Withholding tax on wages	6,477	6,106	3,745
Withholding tax and tax at source on dividends	442	547	461
Other taxes	1,253	363	60

Data as tables: Social responsibility

Number and structure of personnel

	2023	2022	2021
Number of personnel at the end of the accounting period	**464**	**357**	**333**
Men	162	131	113
Women	302	226	220
Other or information missing			
Average number of personnel	**389**	**350**	**307**
Men	138	129	104
Women	251	221	203
Other or information missing			
Number of permanent employment contracts	**395**	**296**	**284**
Men	131	100	91
Women	264	196	193
Other or information missing			
Number of fixed-term employment contracts	**69**	**61**	**49**
Men	31	31	22
Women	38	30	27
Other or information missing			
Number of zero-hour employment contracts			
Men	0	0	0
Women	0	0	0
Other or information missing			

	2023	2022	2021
Number of part-time employees	**40**	**25**	**23**
Men	16	14	10
Women	24	11	13
Other or information missing			
Number of full-time employment contracts	**423**	**332**	**310**
Men	137	117	103
Women	286	215	207
Other or information missing			
Personnel turnover, incoming employees	**26.0%**	**28.0%**	**21%**
Personnel turnover, outgoing employees	**20.0%**	**19.3%**	**20%**
Average age of personnel	**37 years**	**36 years**	**38 years**
Number of retiring employees	**5**	**4**	**3**
Number of terminated employment contracts	**0**	**0**	**0**
Number of personnel laid off and average duration	**0**	**0**	**0**

Number of persons employed outside the organisation and employment type

	2023	2022	2021
Persons employed outside the organisation	-	-	-

Collective bargaining agreements

	2023	2022	2021
Number of employees covered by collective bargaining agreements	96.0%	96.1%	96.6%
Employees not covered by collective bargaining agreements	4.0%	3.9%	3.4%

Gender distribution of personnel and administration

	2023 Men	2023 Women	2022 Men	2022 Women	2021 Men	2021 Women
Board of Directors	6	2	5	2	5	3
Executive management	4	3	4	3	4	3
Managers	25	28	27	21	24	22
Salaried employees	133	271	100	202	85	195
Total	**168**	**304**	**136**	**228**	**118**	**223**

Employment relationships

	2023	2022	2021
Employment relationships started (persons)			
Women under 30 years	43	38	24
Women 30-50 years	18	11	11
Women over 50 years	2	0	5
Men under 30 years	33	32	20
Men 30-50 years	11	10	9
Men over 50 years	1	0	1
Employment relationships ended (persons)			
Women under 30 years	15	11	15
Women 30-50 years	23	16	18
Women over 50 years	12	12	10
Men under 30 years	13	13	10
Men 30-50 years	16	11	8
Men over 50 years	3	1	5

Distribution of personnel's education at the end of the accounting period

	2023		2022		2021	
	persons	%	persons	%	persons	%
Higher university degree	108	23	75	21	62	19
Lower university degree	10	2	10	3	7	2
Polytechnic or equivalent	151	33	112	31	88	26
Vocational college or equivalent	128	28	103	29	84	25
Other education	67	14	57	16	92	28

Education

	2023	2022	2021
Training days (days)	4.8	11.7	8.4
Personnel covered by development discussions (100%)	100%	100%	100%

Occupational well-being indicators

	2023	2022	2021
Occupational accidents leading to absence	6	2	1
Work-related deaths	0	0	0
Sick days	3,018	2,188	1,441
of which men	685	421	
of which women	2,333	1,767	
Sick days on average per person	8.5	6.1	4.3
Sick leave rate	3.1	2.8	2.0
Number of harassment and bullying cases	1	3	2
Personnel's job satisfaction	4.5	4.5	4.5

Annual total compensation ratio

	2023	2022	2021
Annual total compensation paid to the highest-paid individual in the organisation (EUR)	EUR 1,461,000	EUR 1,938,916	EUR 600,460
Median annual total compensation paid to the organisation's employees (excluding the highest-paid individual)	EUR 35,000	EUR 35,743	EUR 33,502

Customer-related key figures

	2023	2022	2021
Number of customers (approx.)	200,000	160,000	150,000
Customers' satisfaction with their own contact person	4.6	4.7	4.7
Overall customer satisfaction	4.3	4.3	4.4

Data as tables: Environmental responsibility

Total energy consumption, MWh

	2023	2022	2021
Purchased electricity	2,235	1,781	1,244
Purchased district heating	2,369	1,846	1,537
Total	**4,604**	**3,627**	**2,781**

OmaSp's carbon dioxide emissions, tCO_2e

	2018	2019	2020	2021	2022	2023
Scope 1. Direct emissions, tCO_2e						
Category 1: Emissions from company cars	10.4	7.3	2.2	4.2	1.5	37.9
Scope 2. Indirect emissions, market-based, tCO_2e						
Category 1: Purchased electricity	422.7	360.4	177.3	0	0	0
Category 2: Purchased district heating	248.1	261.2	216.9	208.0	252.6	374.3
Category 3: Purchased district cooling	17.9	17.9	17.9	15.0	6.8	0
Scope 2. Indirect emissions, local-based*, tCO_2e						
Category 1: Purchased electricity	208.4	232.4	200.0	206.0	161.0	172.1
Category 2: Purchased district heating	248.1	261.2	216.9	208.0	252.6	374.3
Category 3: Purchased district cooling	17.9	17.9	17.9	15.0	6.8	10.3
Scope 3. Other indirect emissions, tCO_2e						
Category 1: Purchased products/services	3,467.5	3,407.5	3,169.6	3,728.4	5,208.1	8,470.2
Category 2: Leased products	325.9	351.9	365.1	293.0	393.0	109.5
Category 3: Work-related travel	13.4	8.4	2.7	2.7	7.7	69.9
Total emissions, tCO_2e	**4,506**	**4,415**	**3,952**	**4,251**	**5,870**	**9,062**
Emissions intensity (scopes 1-2), tCO_2e/employee	**2.4**	**2.2**	**1.4**	**0.7**	**0.7**	**0.9**
Emissions intensity (scopes 1-3), tCO_2e/employee	**15.6**	**14.7**	**13.2**	**13.5**	**16.8**	**19.5**

* Calculated as a reference in accordance with the GHG Protocol guidelines. The total emissions are based on the market-based figure.

Carbon footprint report 2023

Oma Savings Bank Plc builds sustainable economy and promotes mitigating and adapting to climate change. The company's products and services are developed so that they encourage customers to take sustainable and environmentally friendly action. The company aims to plan its operations to be as low carbon as possible in order to reduce the total carbon footprint.

This report brings together Oma Savings Bank Plc's carbon footprint from year 2023. The calculation has been made at the organizational level identifying the main sources of emissions from the activity. The report deals with the calculation methods used as well as the calculation score.

Date of calculation 16 February 2024
Calculation and report was made by EcoReal Oy.

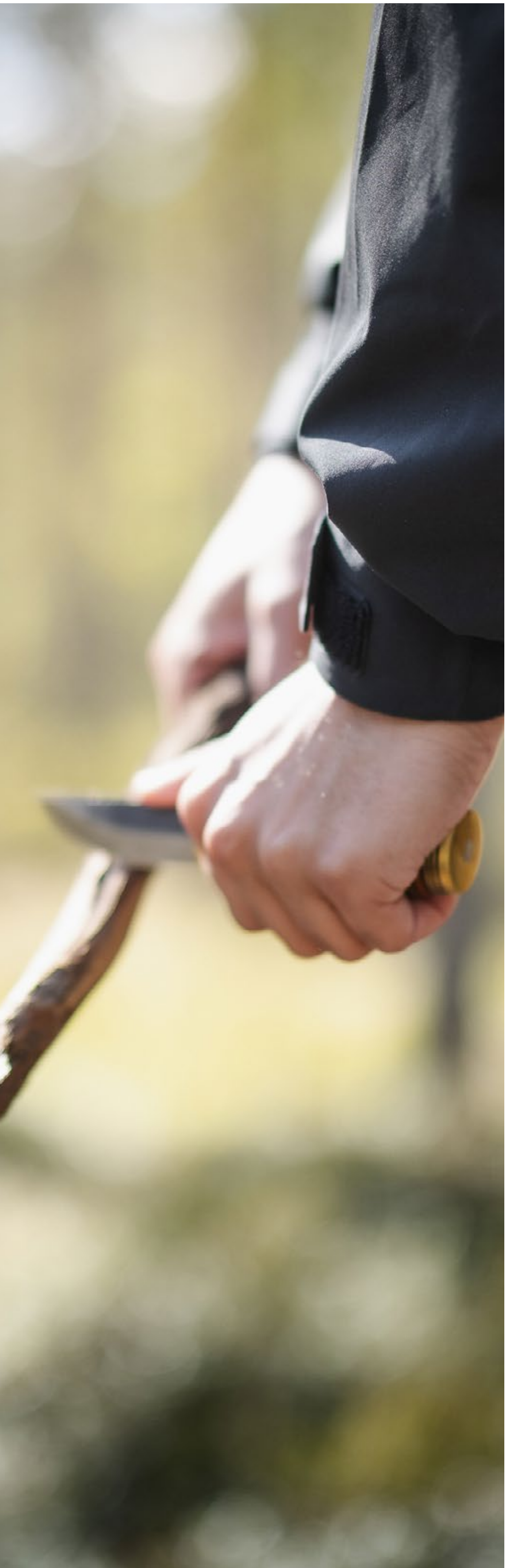
What is a carbon footprint?

The carbon footprint refers to the climate emissions that are generated as a result of human actions and deeds in a certain period. A company's carbon footprint maps the greenhouse gas emissions arising through its activities. Carbon footprint formation depends on the company's actions. That's why a company's carbon footprint is always calculated on a case-by-case basis. In the calculation the emissions are reported as carbon dioxide equivalents, of which the abbreviation CO_2 equivalent (CO_2e) is used. It reflects different greenhouse gases modified for global warming effect corresponding the effect of carbon dioxide in the atmosphere.

Calculation is based on GHG Protocol standard

The carbon footprint calculation method used in this work is based on GHG Protocol standard which allows companies to calculate their operations greenhouse gas emissions. According to the instructions the emissions are sorted into three different dimension:

- **Scope 1:** Emissions resulting directly from the company's operations, such as your own energy production.
- **Scope 2:** Indirect emission from the company's operations arising from the production of purchased energy, such as district heating and electricity.
- **Scope 3:** Other emissions resulting indirectly from the company's indirect value chain, such as water consumption, wastewater handling and waste.



OmaSp's carbon footprint formation

OmaSp has identified the main climate impacts of its operations and defined the preliminary measures that will help the company to minimise its climate impacts.

Climate emissions are mainly indirect emissions that we cannot directly influence. These include purchased products and services, business travel and employee business travel. Indirect emissions also include emissions from investments such as finance, funds and investments. OmaSp's goal is to increase the transparency of responsible investment in its funds and, through this, promote sustainable economy and minimise the carbon footprint of its investments.

OmaSp's climate emissions can be divided into three different scopes:

OmaSp's carbon footprint

Scope 1: direct emissions

Direct emissions are generated by journeys made with company-owned or leased vehicles, and emissions from refrigeration equipment in some few premises.

Scope 2: indirect purchasing energy emissions

OmaSp has premises where electricity, district heating and district cooling are purchased. The emissions generated by these purchasing energies fall under this scope. OmaSp is able to indirectly influence purchasing energy emissions through its energy choices. In practice, the company has the potential to influence only the purchase of energy.

Scope 3: indirect value chain emissions

OmaSp's indirect value chain emissions arise indirectly during the entire chain of operations of the company. The most essential emissions arise from purchased products and services, business travel and commuting, and waste generated. In addition, emissions from investments such as finance, funds and real estate investments fall into this category.

Baseline data, assumptions and limitations

The calculation of the carbon footprint was included the actual business of the company. After reviewing the operating environment and identifying the greatest climate impacts of the operation, calculation limits were defined to determine the carbon footprint. It was decided to include in the calculation:

- **Scope 1:** Emissions from company-owned or leased car journeys
- **Scope 2:** Emissions from purchasing energy of premises, i.e., electricity, district heating and district cooling
- **Scope 3:** Products and services purchased, leased products and employee business travel

Assumptions

The area of the real estate portfolio was 22,610m² in year 2023. The area increased by 17% from 2022. The number of personnel was approximately 445 in the financing year 2023. The number of personnel increased by 26% from 2022.

Tommi Hakala, Seinäjoki center

The calculation applies to 2023. The starting year of the carbon footprint calculation in 2018 and the previous year 2022 have been used as comparison.

Scope 2 emissions have been calculated on the basis of location and procurement according to the guidance of the GHG Protocol standard. The aggregate emissions have taken advantage of procurement-based value.

A more detailed specification of the input data is summarized in the appendix to the carbon footprint report "Data Sources".

Raisa Lahti, Jyväskylä

Calculation limitations

The following things were excluded from the calculation due to irrelevance or challenging access to data:

- **Scope 1:** emissions from refrigeration equipment located in individual premises
- **Scope 3:** employees commute between home and workplace, as well as investment emissions

Emissions have been calculated using following input data:

Scope 1 emissions

Kilometers driven by the company's own or leased vehicles based on paid mileage allowances. It is assumed that all trips are made by gasoline vehicles. Emission factors VTT Lipasto Database.

Scope 2 emissions

In the case of electricity, consumption is based on payments figures and, to a lesser extent, an estimate of the average specific consumption of electricity in office buildings. For district heating and cooling, consumption is based on an estimate of the average district heating specific consumption in office properties.

Location-based: Country-specific average emission factors are used in the calculation. Electricity emission factors are based on Statistics Finland's electricity production data for 2019–2021, where co-production is divided with energy method. Emission factors of district heating are based on district heating statistics for 2019-2021, where co-production is divided with energy method. Emission factors of district cooling Energiateollisuus / Bionova.

Market-based: For figures for 2021-2023, purchased green electricity has been taken into account. For 2020 figures, purchased green electricity has been taken into account from 1 July 2020, other share is calculated using residual distribution. Power emission factors Ecoinvent / Bionova. District heating emission factors are based on district heating statistics for 2019–2021. District cooling emission factors for 2019-2022 Energiateollisuus / Bionova. In year 2023 OpenCO$_2$net.

Scope 3 emissions

Purchased products and services: Input data on purchased goods and services and leased goods were collected at the euro level using the accounts. Emission factors DEFRA / Bionova, ADEME / OpenCO$_2$net, ENVIMAT, OpenCO$_2$net.

Business Travel: During employee working hours business trips by public transport were collected using the accounts at a level denominated in euro. Emission factors VTT Lipasto Database.

Total carbon footprint

According to the calculation OmaSp's total carbon footprint was 9,072 tons CO_2e in 2023 (5,870 tons CO_2e in 2022). The carbon footprint increased by almost 54% from the previous year, which means about 3,192 tons more emissions compared to 2022. The increase was due to a strong increase in the use of computer programming and consultancy services, which in turn is the result of OmaSp's investments in growth and accessibility. The number of offices increased by eight and the number of employees increased by 26% compared to the year 2022.

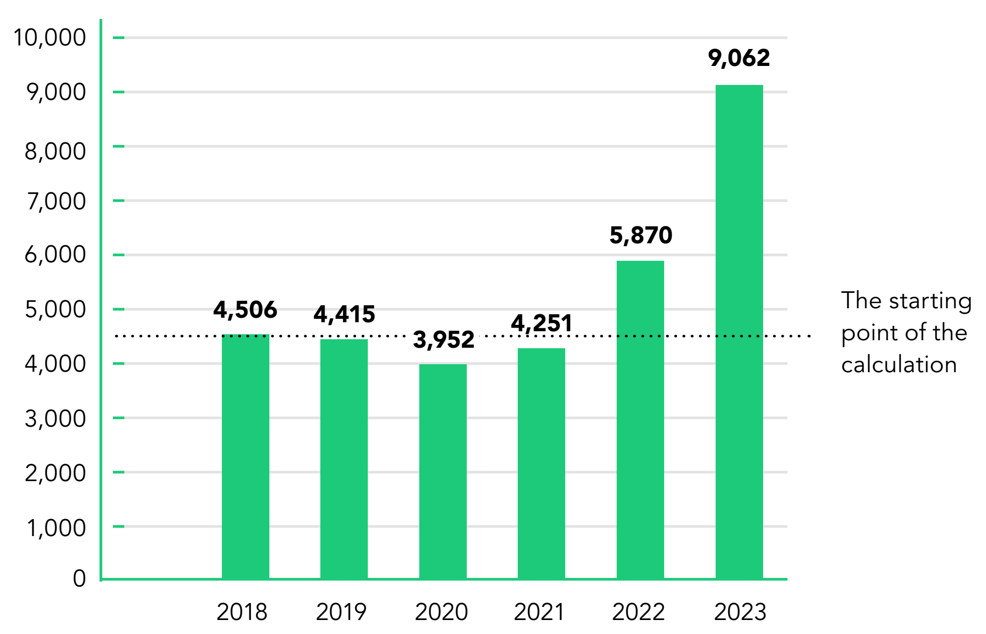
Almost all emissions, i.e., 94% (96%) of CO_2 emissions consist of purchased or leased products and services. This is typical for a company that provides services. About 4% (4%) of total emissions come from energy consumption of offices. Emissions from mobility, i.e., dimensions 1 and 3 account for 1% (under 1%) of the company's total emissions. The carbon footprint distributed very similarly the previous year.

In 2023
3,192
tons more emissions due to investments in growth compared to 2022

In 2023 number of offices
+8
compared to 2022

In 2023 number of employees
+26%
compared to 2022

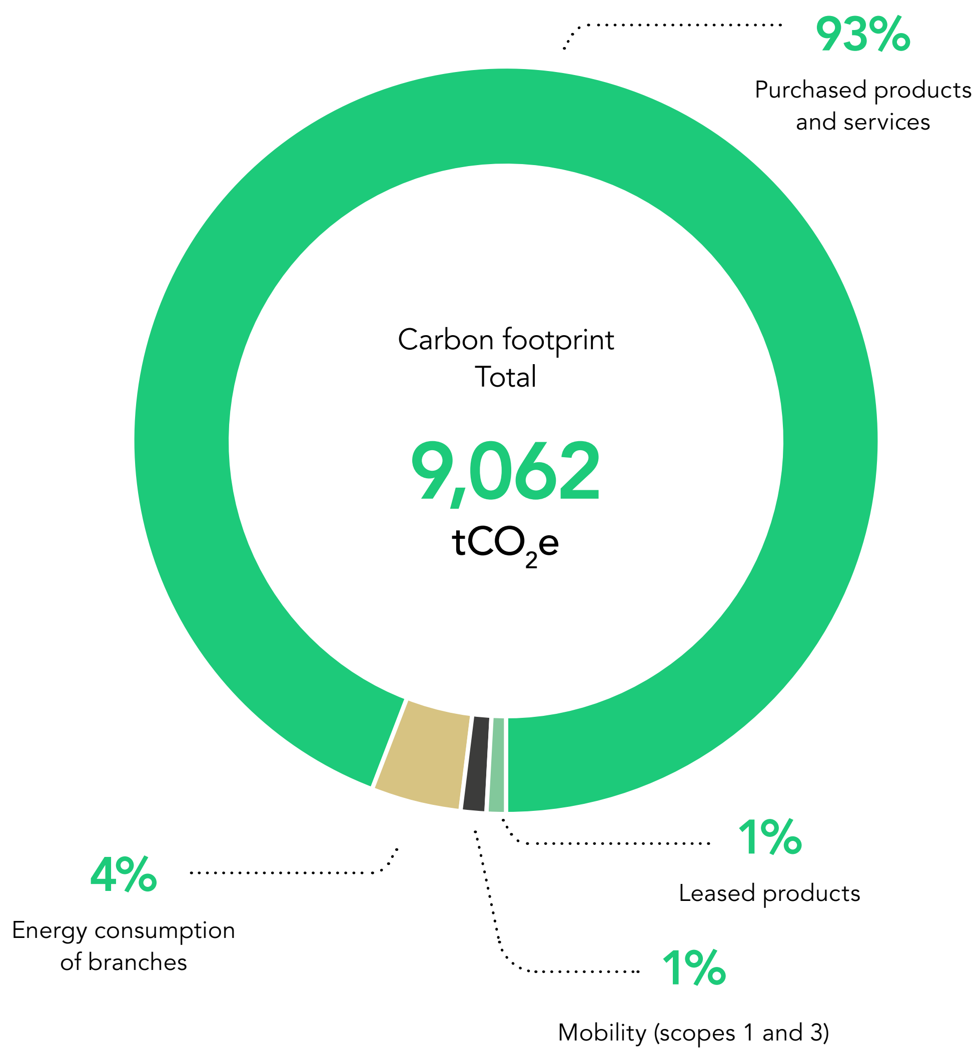
Total carbon footprint, (tCO_2e)



Key figures of carbon footprint 2018-2023

	2018	2019	2020	2021	2022	2023	vs. 2022	vs. 2018
Total carbon footprint (tCO_2e)	4,506	4,415	3,952	4,251	5,870	9,062	+54%	+101%
Number of employees	288	300	299	315	350	445	+26%	+55%
Emission intensity (tCO_2e/employee)	15.6	14.7	13.2	13.5	16.8	20.3	+22%	+30%

Carbon footprint distribution, %



OmaSp's carbon footprint distribution to direct and indirect emission (scopes) according to GHG Protocol guidelines are presented in the figure and table. As previously stated, the most significant emissions are from scope 3, i.e., purchased products and services and leased products. Business travel has quite little impact on emissions. If only the direct emissions (scope 1) of the company were taken into account, they were approximately 38 tons CO_2e in total and about 0.42% of total emissions in year 2023.

Oma Savings Bank's carbon dioxide emissions (tCO_2e)	2018	2019	2020	2021	2022	2023
Scope 1. Direct emissions, tCO_2e						
Category 1: Emissions from company cars	10.4	7.3	2.2	4.2	1.5	37.9
Scope 2. Indirect emissions, purchase-based, tCO2e						
Category 1: Purchased electricity	422.7	360.4	177.3	0	0	0
Category 2: Purchased district heating	248.1	261.2	216.9	208.0	252.6	374.3
Category 3: Purchased district cooling	17.9	17.9	17.9	15.0	6.8	0
Scope 2. Indirect emissions, location-based*, tCO_2e						
Category 1: Purchased electricity	208.4	232.4	200.0	206.0	161.0	172.1
Category 2: Purchased district heating	248.1	261.2	216.9	208.0	252.6	374.3
Category 3: Purchased district cooling	7.9	17.9	17.9	15.0	6.8	10.3
Scope 3. Other indirect emissions, tCO_2e						
Category 1: Purchased products/services	3,467.5	3,407.5	3,169.6	3,728.4	5,208.1	8,470.2
Category 2: Leased products	325.9	351.9	365.1	293.0	393.0	109.5
Category 3: Business travel	13.4	8.4	2.7	2.7	7.7	69.9
Total emissions, tCO_2e	**4,506**	**4,415**	**3,952**	**4,251**	**5,870**	**9,062**
Emission intensity (scopes 1-2), tCO_2e/employee	**2.4**	**2.2**	**1.4**	**0.7**	**0.7**	**0.9**
Emission intensity (scopes 1-3), tCO_2e/employee	**15.6**	**14.7**	**13.2**	**13.5**	**16.8**	**19.5**

*Calculated as a reference according to GHG Protocol guidelines. Purchase-based figures are used for total emissions.

Scope 1:
Emissions from company cars
Total 38 tCO_2e 0,1 tCO_2e/employee

Scope 2:
Emissions from energy consumption
Total 374 tCO_2e 0,8 tCO_2e/employee

Scope 3:
Other indirect emissions
(procurement and business travel)
Total 8,650 tCO_2e 19,4 tCO_2e/employee

OmaSp's carbon footprint 2023

100%

of the purchased electricity renewable from 1 July 2020

Carbon footprint by emission source

Purchasing energy emissions are caused by district heating

OmaSp's purchasing energy emissions are made up of electricity, district heating and district cooling production at premises. In 2023, purchasing energy emissions have decreased by 46% from 2018, although the property mass has increased considerably. It is significant that in July 2020 OmaSp switched to renewable green energy in all its premises, so in 2021-2023 no electricity emissions were generated. In 2023, thermal energy emissions increased by 46% compared to the previous year due to the growing of the premises.

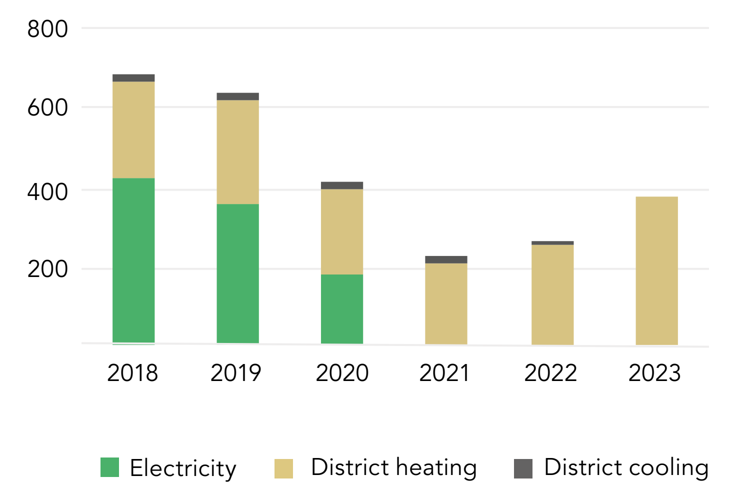
Emissions from movement have increased significantly

Emissions from work-related travel have increased strongly in 2023, The biggest single factor is long-haul flights related to the 2023 study trip, which did not exist at all in previous years. Another significant factor is the increased use of own gasoline-powered passenger cars. After the exceptional period caused by the pandemic, there has been a shift to a more normal workday and, for example, and trainings of personnel have been organised as a physical presence. However, it is worth noting that a large part of the journeys made by own cars were carried out by electric cars. In addition, train travel is always recommended as a priority for business travel, if possible.

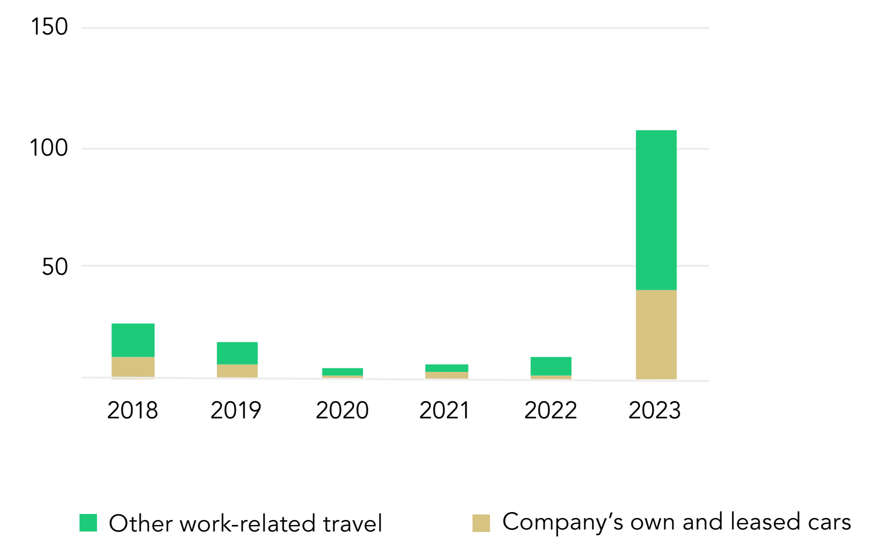
Key figures of movement 2018-2023

	2018	2019	2020	2021	2022	2023	vs. 2022	vs. 2018
Emissions from movement (tCO_2e)	24	16	5	7	9	108	+1,100%	+350%
Number of employees	288	300	299	315	352	445	+26%	+55%
Emission intensity (tCO_2e/person)	0.08	0.05	0.02	0.03	0.03	0.24	+700%	+200%

Purchasing energy emissions (tCO_2e)



Emissions from movement (tCO_2e)



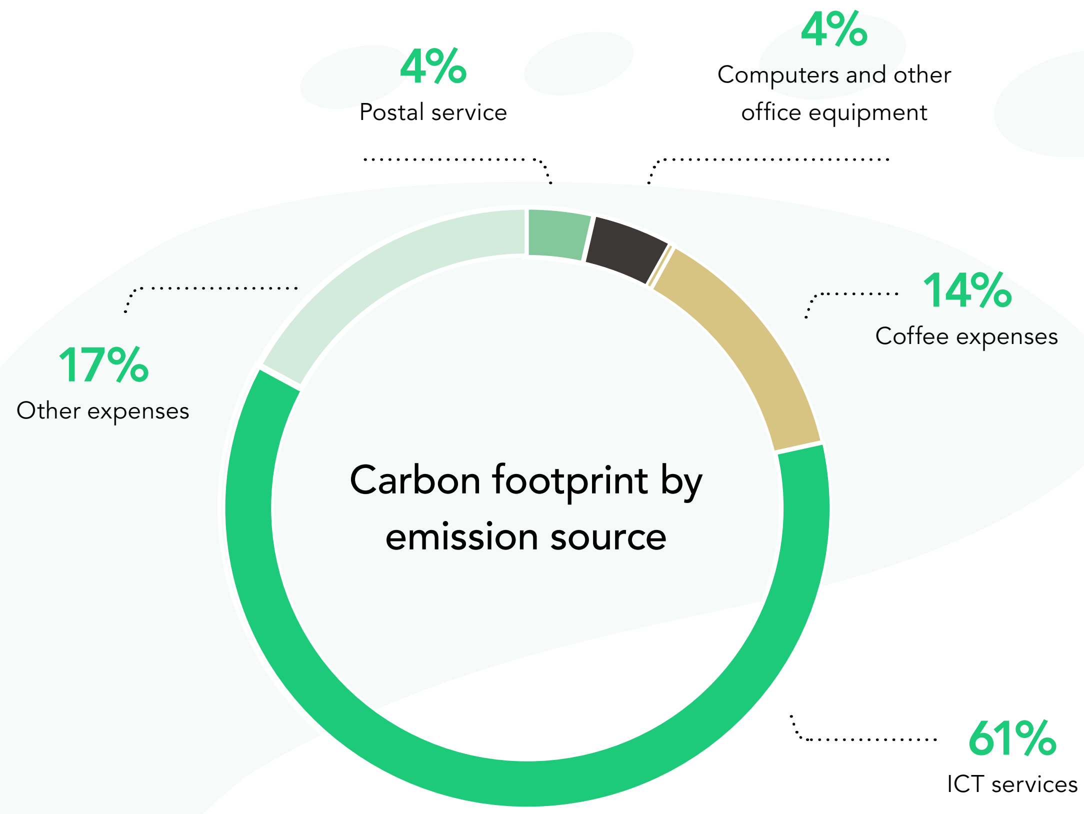
Highest emissions from purchased services

OmaSp's emissions from purchases have been increasing in recent years. In 2023, the emissions from purchases increased by 63% compared to 2022. In the previous year, the emissions increased by 40% compared to 2021. Most significant emissions consist of services purchased outside the company.

Largest sources of emissions from purchases formed as follows:

- 61% of the emissions consist of ICT services also including computer programming and consultancy services (61%)
- 14% of coffee expenses (5%).

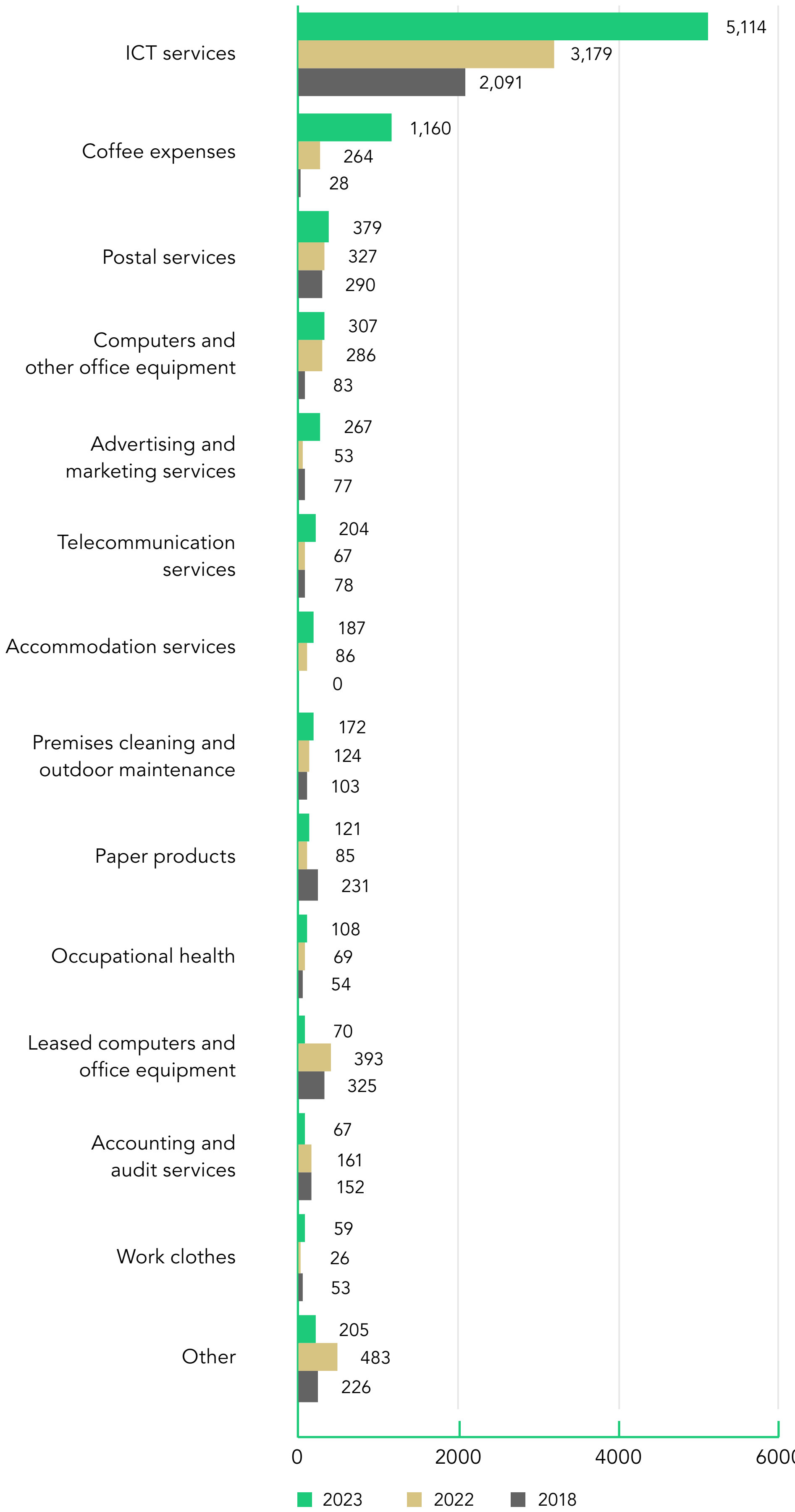
Other major sources of emissions are postal services as well as computers and other office equipment. The biggest change in purchases has been in emissions from ICT services. These emissions have increased by 1,935 tons i.e., 61% compared to the year 2022, as OmaSp has invested in growth and the development of digital services. In addition, the emissions of coffee expenses have increased by 896 tons. These emissions include also food products.



Key figures from purchases 2018-2023

	2018	2019	2020	2021	2022	2023	vs. 2022	vs. 2018
Emissions from purchases (tCO_2e)	3,468	3,408	3,170	3,728	5,208	8,740	+63%	+144%
Number of personnel	288	300	299	315	352	445	+26%	+55%
Emission intensity (tCO_2e/person)	12.0	11.4	10.6	11.8	14.8	19.0	+28%	+58%

CO_2 emissions from purchases (tCO_2e)



OmaSp Stadion

Carbon footprint comparison

Emissions still below industry average

Based on the carbon footprint calculation, OmaSp's greenhouse gas emissions (scopes 1–2) are quite typical among the industry. Emissions per employee is around 0.9 tCO_2e/employee. In the previous year, the emission intensity was 0.7 tCO_2e/employee. Compared to 2018 the emission intensity has decreased by 63%. The result has been most affected by the transition to renewal electrical energy.

The emission intensity in scopes 1–2 has been an average of 0.8 tCO_2e/employee in the industry in previous years. In 2023 OmaSp's emission intensity per employee (scopes 1 and 2) was the same as the industry average. The comparison of emissions is indicative, as the results of the calculation are influenced by differences in the calculation methods. The comparison made is based on public reports in the field.

If the emissions of scopes 1–2 (in total 412 tCO_2e) would be compensated it would currently mean a cost of around 38,200 euros in the EU emissions trading system. In proportion to the number of employees the compensation would cost 86 euros per employee. Compensation for emissions of scopes 1–3 would cost around 841,044 euros or 1,890 euros per employee. Comparing the emission intensity of scopes 1–3 with the average of other companies in the field is not meaningful as the calculations of emissions of scope 3 is just becoming common. The results of emission calculations in scope 3 is very significantly influenced by calculation limits and differences in calculation methods.

In 2023

63%

lower emission intensity per employee (scopes 1 and 2) compared to the year 2018

In 2023

0.6%

long-haul flights of total emissions

Benchmarks

Oma Savings Bank Plc's carbon footprint **9,062 tCO_2e** in 2023.

=

This corresponds to approx. **879 Finns'** annual carbon footprint[1].

=

The same amount of emissions corresponds to **63 million kilometer** drive[2].

Emissions per employee (scopes 1-2) was about **0.9 tCO_2e/person** in 2023.

cf.

Compensation for emissions of scopes 1-2 costs around **38,200 e = 86 e/person** in the EU emissions trading system[3].

=

The same amount of emissions per employee is generated from **5 return flighs** from Helsinki to Oulu[4].

1) Sitra 2018, 2) Traficom, 3) Trading Economics 1/2023, 4) VTT's Lipasto

Corporate Governance

Effective corporate governance and transparent organizational model

We comply with the Finnish Corporate Governance Code approved by the Securities Market Association and valid at any given time. In accordance with the Corporate Governance Code, we have published the report Corporate Governance Statement for the financial year 2023. The CG Statement is available on the company's webpage at **omasp.fi/en/investors/management-and-corporate-governance**. We refer to the content of the completed CG Statement in the Corporate Governance.

The Corporate Governance Code is available in its entirety on the Securities Markets Association's website at **https://www.cgfinland.fi/en**

In its decision-making and governance, the Company complies with the with existing legislation, OmaSp's Articles of Association, the charters of OmaSp's Board of Directors and its committees and the rules and guidelines of Nasdaq Helsinki Ltd.

Efficient management of insider issues of a publicly listed Company requires that insider administration is arranged in a consistent and reliable manner. The obligations concerning the arrangement of insider administration are binding to publicly listed companies. OmaSp complies with the insider guidelines of Nasdaq Helsinki Ltd (Helsinki Stock Exchange). In addition, the Company has internal Insider Guidelines approved by the Board of Directors based on the guidelines of Helsinki Stock Exchange. Compliance with the insider guideline, monitoring the notification obligation, and maintaining the insider registers are the responsibility of OmaSp's Chief Legal Officer.

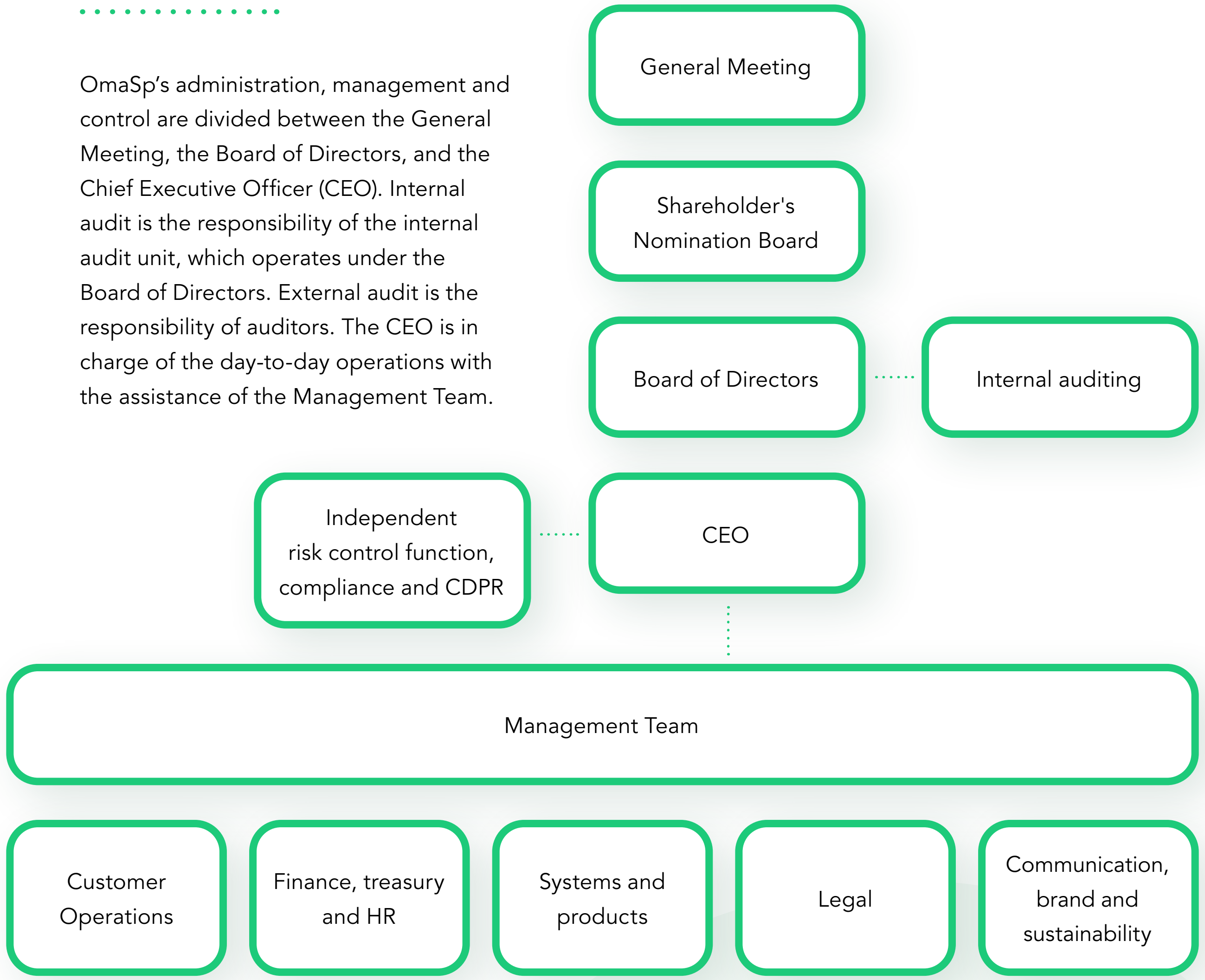
Group structure

The Group's parent company is Oma Savings Bank Plc, whose domicile is in Seinäjoki. Oma Savings Bank Group comprises the parent company Oma Savings Bank Plc, and its subsidiary Real estate company Lappeenrannan Säästökeskus (100% holding). In addition, the Group has associated companies GT Invest Oy (48.7% holding) and City Kauppapaikat Oy (43.3% holding) as well as joint ventures and joint operations SAV-Rahoitus Oyj (48.2% holding), Figure Taloushallinto Oy (25% holding), Deleway Projects Oy (49% holding) and Housing company Seinäjoen Oma Savings Bank house (30.5% holding).

Elina Näsänen, Lieto

Governance structure

OmaSp's administration, management and control are divided between the General Meeting, the Board of Directors, and the Chief Executive Officer (CEO). Internal audit is the responsibility of the internal audit unit, which operates under the Board of Directors. External audit is the responsibility of auditors. The CEO is in charge of the day-to-day operations with the assistance of the Management Team.



General Meeting

OmaSp's highest decision-making body is the General Meeting of Shareholders. The Annual General Meeting is held once a year before the end of June on a day specified by the Board of Directors.

The Annual General Meeting makes decisions pertaining to, among other things, the election of the Board members, the auditor and deputy auditor, remuneration paid to these, validating the financial statements and consolidated financial statements, discharging from liability the Board members and the CEO, and the use of the profit shown on the balance sheet. Other matters to be discussed at the Annual General Meeting according to the Limited Liability Companies Act or matters requested to be addressed by a shareholder in accordance with the Finnish Companies Act may also be discussed at the meeting. An Extraordinary General Meeting is held when the Board of Directors considers it necessary, or when it must be held pursuant to the law. In order to ensure interaction between shareholders and the Company's governing bodies and to implement the shareholders' right to request information, the CEO, and the chairman and the members of the Board of Directors will attend the General Meetings. Board member candidate must attend the General Meeting that decides on the election. Each Company share entitles to one vote at a General Meeting.

The notice to the Annual General Meeting shall be published on OmaSp' s website and, if the Board of Directors so decides, in one or more national newspapers and/or in writing to shareholders, no earlier than three (3) months before the record date of the Annual General Meeting and no later than three weeks before the Annual General Meeting, however always at least nine (9) days before the record date of the Annual General Meeting referred to in the Companies Act. The Annual General Meeting documents are kept on OmaSp' s website for at least five years from the date of the Annual General Meeting.

The Annual General Meeting of the Company was held on 30 March 2023. After an exceptional period, the meeting was held in Helsinki, where the shareholders were present.

Board of Directors

Under the Articles of Association, the Board of Directors of OmaSp has a minimum of five and a maximum of eight regular members and a maximum of two deputy members. The General Meeting decides on the number of members on the Board of Directors, elects the Board members, and decides on their remuneration based on the proposal of the Nomination Committee, which consists of representatives of the shareholders. The term of office of the members of the Board of Directors begins at the closing of the Annual General Meeting and ends at the closing of the next Annual General Meeting. The Board elects a chairman and deputy chairman from among its members.

According to the Board of Directors, all members of the Company's Board of Directors with the exception of one member are independent of the Company and all members of the Board are independent of the Company's significant shareholders. None of the Board members are and have not been an employee of the Company.

Members of the Board of Directors of OmaSp and executive directors meet the trustworthiness and qualification requirements laid down in Chapter 7, Section 4, of the Credit Institutions Act.

The Board of Directors of OmaSp

Board of Directors 2023:

Chairman	Jarmo Salmi
Deputy chairman	Jyrki Mäkynen
Member	Aila Hemminki
Member	Aki Jaskari
Member	Timo Kokkala
Member	Jaakko Ossa from 30 March 2023
Member	Jarmo Partanen until 30 March 2023
Member	Jaana Sandström

Composition of the Board of Directors starting from the Annual General Meeting as of 30 March 2023:

Name	Education	Main occupation	Position in the Board
Jarmo Salmi b. 1963	Master of Laws	Asianajotoimisto Jarmo Salmi Oy, CEO	Chairman

Jarmo Salmi has been the Chairman of the board of OmaSp since 2019 and a member of OmaSp's Board of Directors since 2014. Salmi has served as the CEO of Asianajotoimisto Jarmo Salmi Oy since 2014, and as a lawyer and responsible partner at Asianajotoimisto Lasse Salmi ky 1991–2014. In addition, Salmi has served as the Chairman of the Board of Kiinteistö Oy Kosken-Keskus since 2014 and as a member of the Board of the Finnish Bar Association in 2012–2015.

Name	Education	Main occupation	Position in the Board
Jyrki Mäkynen b. 1964	M.Sc. (Economics)	Oy HM Profiili Ab, entrepreneur	Deputy Chairman

Jyrki Mäkynen has been the Vice Chairman of OmaSp's Board of Directors since 2014 and served as the Chairman of the Board in 2009-2014. Mäkynen has been an entrepreneur at Oy HM Profiili Ab since 1992 and as Sales Director of Oy HM Profiili Ab in 1992–2002 and as CEO since 2003. Mäkynen has been a member of the Board of Fennia Insurance since 2017 and as Vice Chairman of the Board since 2021. In addition, Mäkynen has been a member of the Bank of Finland's Payment Council in the years 2014–2022, Mäkynen has been the Chairman of the Board of the Federation of Finnish Enterprises in 2014–2020 and the President of the Council in 2020–2022, the Vice Chairman of the Board of SMEunited in 2014–2020, the Chairman of the Board of the Southern Ostrobothnia University Foundation in 2010–2021 and as a Vice Chairman of the Board of Seinäjoki Joint Municipal Authority for Education Sedu in 2017–2021, as a member of the Board of Seinäjoki University of Applied Sciences 2013–2021, as a member of the Seinäjoki City Council in 2004–2021 and as a member of the city's Board in 2009–2012.

Name	Education	Main occupation	Position in the Board
Aila Hemminki b. 1966	M.Sc. (Business and Administration)	Seinäjoki University of Applied Sciences, expert, RDI	Member

Aila Hemminki has been a member of OmaSp's Board of Directors since 2017. Hemminki has been an expert in business projects in Seinäjoki University of Applied Sciences, RDI since September 2021. In addition, Hemminki has been a board member of Talotekniikka Koivuluoma Oy since 2022. Hemminki has worked as a Change of Ownership Specialist for the Regional Organization of South Ostrobothnian Entrepreneurs in 2018–2021. Hemminki established the Vauvatarvike Huvikumpu ky (today Hevihill ky) in 1990 and worked as a shop trader until 2008. Since then, entrepreneurship has included management of rental properties. Aila Hemminki has held various positions at the Savings Bank Foundation of Kuortane during 2009–2017. She has been a deputy member of the Board of Hemimotors Oy since 1999 and a member of the Board of Into Seinäjoki in 2017–2021.

Name	Education	Main occupation	Position in the Board
Aki Jaskari b. 1961	M.Sc. (Business and Administration)	Nerkoon Höyläämö Oy, CEO	Member

Aki Jaskari has been a member of OmaSp's Board of Directors since 2014. Jaskari has served as the CEO of Nerkoon Höyläämö Oy since 1995. In addition, Jaskari has been a member of the Advisory Board of Leppäkosken Sähkö Group Oy since 2001, a member of the Regional Advisory Committee of Pohjola Insurance Oy in 2001–2015 and as a member of the Board of the Parkano Savings Bank in 2010–2013.

Name	Education	Main occupation	Position in the Board
Timo Kokkala b. 1960	M.Sc. (Agriculture and Forestry)	Farmer	Member

Timo Kokkala has been a member of OmaSp's Board of Directors since 2014. Kokkala has been a farm operator since 1989. In addition, Kokkala has served as the Chairman of the Board of Hauho Savings Bank in 1998–2008 and of Kantasäästöpankki Oy in 2009–2014 and as a member of the Supervisory Board in the Savings Bank Union in 2012–2014.

Name	Education	Main occupation	Position in the Board
Jaakko Ossa b. 1965	Doctor of Laws	Ossa Partners Oy, CEO	Member

Jaakko Ossa has been a member of OmaSp's Board of Directors since 2023. Jaakko Ossa has been a professor of financial law at the University of Turku since 1998. Ossa has an extensive written production, particularly in the field of corporate taxation and investment taxation. Along with his academic career, Ossa has held expert positions at Asianajotoimisto Astrea Oy for around 20 years and currently at Ossa Partners Oy, a family company. Ossa has been as a member of the Board of several companies, including Liedon Savings Bank, Sp-Fund Management Company and the Savings Bank Association. In addition, he is currently the Chairman of the delegation of Taxpayers Association of Finland (TAF) and the inspector of the Satakuntalais-Hämäläinen Student Nation (osakunta) of the University of Turku.

Name	Education	Main occupation	Position in the Board
Jaana Sandström b. 1963	D.Sc. (Tech.)	Lappeenranta University, Professor of Accounting	Member

Jaana Sandström has been a member of OmaSp's Board of Directors since 2019. Sandström is a Professor of Strategic Accounting at LUT University and she will begin her third term as the Vice Rector for education at LUT University in early 2023. Before her terms as Vice Rector, she was the Dean of LUT University School of Economics in 2009–2014. In the years 1991–2008, Sandström worked at LUT University as a lecturer and as a temporary assistant to the professorship. Prior to her academic career, Sandström worked in the forest industry from 1987 to 1991 at Enso Gutzeit Oy and Ekono Oy. Among the current key positions of trust are the Second Vice-Chairmanship of the Board of Directors and the Chairmanship of the Committee on Scholarships of the Foundation for Economic Education. Sandström has served as a member of the Board of the South Karelian Cooperative in 2013–2019 and as a member of EPAS Accreditation Board of the European Foundation for Management Development (EFMD) in 2013–2019. In academic positions of trust, Sandström has worked as an opponent, as an evaluator of scientific articles and conferences, as well as an expert in the field of professorships since 2000.

Diversity of the Board of Directors

OmaSp's Board of Directors has approved the diversity principles for the Board. OmaSp's aim is to promote the election of the most qualified members of the Board of Directors while ensuring equal opportunities for candidates of both genders to be elected. Both genders are represented in the Board of Directors, and candidates for Board membership are appointed in accordance with this equality goal so that, in the election, attention is paid to the added value brought by the members to the composition of the Board in terms of maintaining and developing sufficient diversity, among other aspects. Diversity is maintained and developed by ensuring broad competence and experience, regional representation and sufficient representation of both genders and different age groups among the nominees.

Women make up 28.5 percent of Board members.

Duties of the Board of Directors

The Board of Directors represents the Company and takes care of the administration of the Company and the trustworthy and appropriate organisation of its operations. The Board of Directors ensures that the Company has business strategies, operating principles and an appropriate organisational structure, and an authorisation system and that the executive directors of the Company are competent, trustworthy and suitable to their tasks.

The Board shall see to it that the Company has sufficient risk management systems and ensure that business risks are identified and evaluated. The Board of Directors shall approve risk-taking principles, establish the procedures used to mitigate risks, and oversee compliance with these. The Board shall ensure that internal control and internal audit are appropriately organised. In its activities, the Board complies with the charter it has approved. In the charter, the tasks of the Board of Directors, its chairperson and members, organising the meetings, and evaluation of the Board of Directors' work are described in more detailed. The charter of the Board of Directors is accessible on the Company's website at **omasp.fi/en/investors/mangement-and-corporate-governance/board-directors**

Meetings of the Board of Directors

The Board held 16 meetings during the financial year, of which 5 were email meetings.

Notifications by executives of the Company

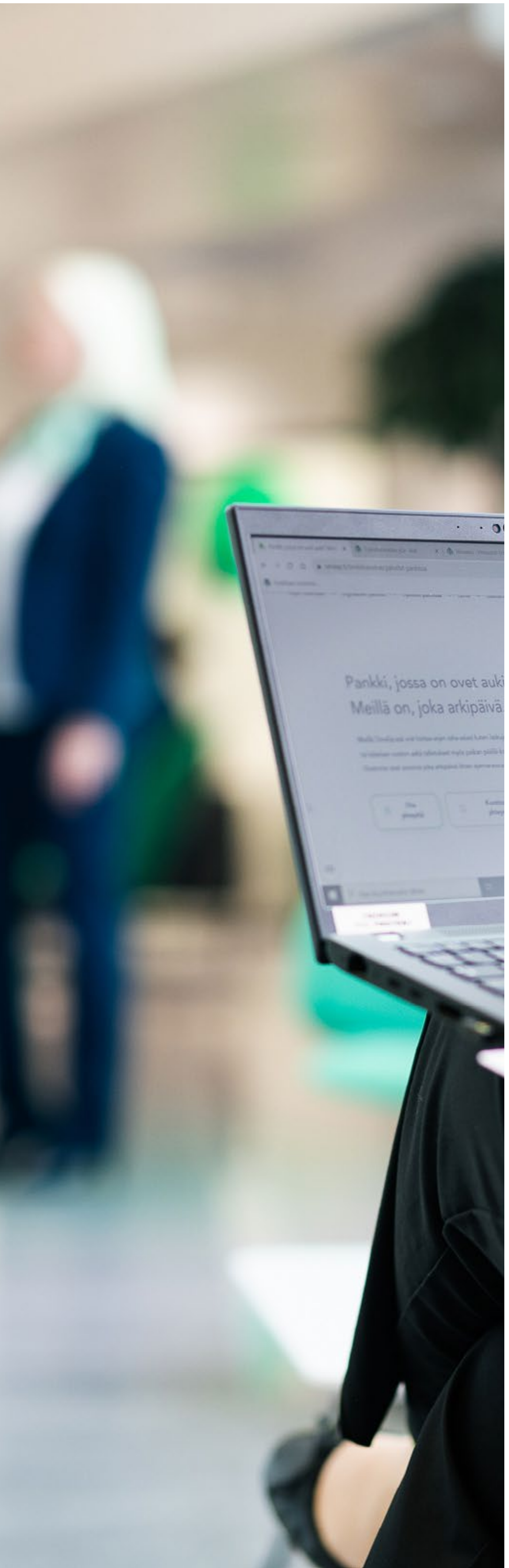
The Company maintains a list of executives and their related parties. The Company's executives shall inform the Company of their related parties upon taking on their responsibilities and of any changes in their related parties immediately and no later than three days from the change.

The Company executives and their related parties are subject to trading restrictions applying to Company shares, and the executives' and their related parties' notification obligations concerning such transactions are described in the Company's Insider Guidelines.

Shareholdings of the Board

Oma Savings Bank Plc's shares owned by the Board members and their controlling companies on 31 December 2023

Name	Shares
Jarmo Salmi	4,998
Jyrki Mäkynen	17,519
Aila Hemminki	8,699
Aki Jaskari	8,886
Timo Kokkala	15,250
Jaakko Ossa	1,300
Jaana Sandström	3,100



Board of Directors' Committees

Audit Committee

The Company does not have an appointed audit committee. The Company's Board of Directors performs the duties of the Audit Committee according to regulations.

Remuneration Committee

The Board has a Remuneration Committee. The Remuneration Committee is composed of a minimum of three members, which are elected by the Board among its members annually. The Board specifies the Remuneration Committee's duties in its adopted charter. The duties of the Remuneration Committee include preparing matters pertaining to the remuneration and other financial benefits of the CEO and other management members, preparing matters pertaining to reward schemes, assessment of the remuneration of the CEO and other management members, attending to the appropriateness of the reward schemes, preparing matters pertaining to the appointment of the CEO and other management members and identifying their potential successors, and the development of the remuneration of other personnel and the organisation.

The members of the Remuneration Committee were Jarmo Salmi, Jyrki Mäkynen and Aila Hemminki. The Remuneration Committee met two times during the financial year 2023.

Shareholders' Nomination Committee

The Nomination Committee's duty is to prepare proposals pertaining to the appointment and remuneration of the members of the Board of Directors for the next Annual General Meeting or, when necessary, an Extraordinary General Meeting.

Each of the five largest shareholders of the Company is entitled to appoint a representative to the Nomination Committee. If a shareholder does not wish to exercise its right to nominate a member, the right will be transferred to the next largest shareholder who would not otherwise have a nomination right. The Company's largest shareholders are determined since the registered holdings in the Company's list of shareholders on the 1st of June preceding the Annual General Meeting. The Nomination Committee shall submit its proposals on the members of the Board of Directors and their remuneration to the Company's Board of Directors by the end of the January preceding the Annual General Meeting. The Nomination Committee's proposals for an Extraordinary General Meeting shall be submitted in a similar manner well ahead of the General Meeting and taking into account the relevant regulations.

The Nomination Committee's meetings are convened by the chairman of the Board of Directors, who also attends the meetings in his/her role as an expert. In its work, the Nomination Committee complies with the Charter approved by the Annual General Meeting

Composition of the Shareholders' Nomination Committee
Raimo Härmä (Etelä-Karjala's Savings Bank Foundation)
Ari Lamminmäki (Parkano's Savings Bank Foundation)
Jouni Niuro (Lieto's Savings Bank Foundation)
Aino Lamminmäki (Töysä's Savings Bank Foundation)
Simo Haarajärvi (Kuortane's Savings Bank Foundation)

The Shareholders' Nomination Committee convened five times during the financial year.

Pasi Sydänlammi, CEO

CEO and his/her responsibilities

The CEO is appointed by the Board of Directors. Pasi Sydänlammi has been the Company's CEO since 2009. The CEO manages the Company, develops its business and is in charge of operative administration in accordance with the Board of Directors' instructions. The CEO presents matters to be dealt with and reports to the Board of Directors. The CEO oversees the Company's day-to-day administration in line with the Board of Directors' guidelines and sees to it that the accounts of the Company are in compliance with the law and that its financial affairs have been arranged in a reliable manner. If the CEO is prevented from carrying out his/her tasks, he/she is deputised by a person appointed by the Board of Directors. The CEO's deputy is Pasi Turtio, Head of Corporate Customer Business.

The Management Team

The Management Team is a decision-making body, whose areas of responsibility include operative administration, financial administration, ICT functions, business development, product and service entities, communications and control issues. The Management Team shall convene approximately every two weeks as summoned by the CEO. Minutes shall be kept of the meetings. The role of the Management Team is to assist the CEO. The Management Team comprises the CEO and other members appointed by the Board of Directors.

Shareholdings of the Management Team

Oma Savings Bank Plc's shares owned by the Management Team and companies controlled by them on 31 December 2023

Name	Shares
Pasi Sydänlammi	121,435
Pasi Turtio	77,445
Sarianna Liiri	38,295
Pekka Pykäri	0
Ville Rissanen	19,055
Minna Sillanpää	27,043
Hanna Sirkiä	28

The Management Team 2023:

CEO	Pasi Sydänlammi
Deputy CEO	Pasi Turtio
Chief Legal Officer	Helena Juutilainen until 31 March 2023
Chief Financial and Administrative Officer	Sarianna Liiri
Chief Risk Officer	Pekka Pykäri from 1 December 2023
Chief Information Officer	Ville Rissanen
Chief Communications Officer	Minna Sillanpää
Chief Legal Officer	Hanna Sirkiä from 1 April 2023
Chief Risk Officer	Kimmo Tapionsalo until 30 November 2023

The Management Team of OmaSp

Composition of the Management Team on 31 Dec 2023

Name	Education	Duty
Pasi Sydänlammi b. 1974	M.Sc. (Admin), MBA, Harvard Business School Executive Education Advanced Management	CEO

Sydänlammi has been the CEO of Oma Savings Bank since 2009. Sydänlammi has served as a representative of Töysän Savings Bank Foundation since 2009 and what before he was the CEO of Töysän Savings Bank 2007–2009. Previously he was the CEO of Lappajärven Osuuspankki 2005–2007, Bank Manager of Lammin Osuuspankki 2004–2005, Business Development Manager at Savings Banks' Union Coop 2002–2003, Management Consultant and Project Manager at Talent Partner Group 2001–2002 and Auditor at KPMG Oy Ab 2000–2001.

Name	Education	Duty
Pasi Turtio b. 1974	Diploma in Agriculture	Deputy CEO, Head of Corporate Customer Business

Turtio has been OmaSp's Deputy CEO since 2009 and Head of Corporate Customer Business since December 2023. Turtio has served as OmaSp's Director of Customer Business in 2018–2023, Regional Director in 2014–2017 and Director in 2008–2014. Turtio has been the Managing Director of Kuortane Savings Bank Foundation since 2018, before which he acted as an agent for Kuortane Savings Bank Foundation 2017–2018. Previously, he was the bank manager of Lammin Osuuspankki from 2005 to 2006 and the Branch Manager from 2001 to 2005.

Name	Education	Duty
Sarianna Liiri b. 1981	M.Sc. (Business and Administration), eMBA	Chief Financial and Administrative Officer

Liiri has been the Chief Financial and Administrative Officer of Oma Savings Bank since 2018, prior to which she was the Administrative Officer 2015–2018 and Development Manager 2014–2015. Previously she was the Account Manager of South-Karelian Savings Bank 2006–2014.

Name	Education	Duty
Pekka Pykäri b. 1987	M.Sc. (Business and Administration)	Chief Risk Officer

Pykäri has been OmaSp's Chief Risk Officer since December 2023. Pykäri has worked as the CEO of Advisense Finland's companies (previously FCG Risk & Compliance) 2019–2023, as the Chief Risk Officer in POP Bank Group 2017–2019 and as Risk Manager 2016–2017 in POP Bank Group. He has also served as Supervisor of Regulatory Reporting in Nordea 2015–2016 and in a wide range of specialist positions in Nordea during 2011–2015.

Name	Education	Duty
Ville Rissanen b. 1971	M.Sc. (Business and Administration)	Chief Information Officer

Rissanen has been OmaSp's Chief Digital Information Officer since 2019. Rissanen has worked as IT Director at Aktia Bank Ltd 2004–2019 and as IT Director at Gyllenberg Private Bank Oy 2001–2004.

Name	Education	Duty
Minna Sillanpää b. 1970	MBA, Industrie- und Aussenhandels-assistent, Gross- und Aussenhandels-kaufmann and college degree in foreign trade, CBM	Chief Communications Officer

Sillanpää has been the Chief Communications Officer of Oma Savings Bank since 2017. Sillanpää was the CEO of the Regional Organization of Enterprises in South Ostrobothnia 2009–2017, CEO of E-P:n Yrittäjien Palvelu Oy 2009–2017, Deputy Director of South Ostrobothnia Chamber of Commerce 2007–2009, Division Manager at Berner Oy 2000–2007, and Export Manager/ Division Manager at Berner Oy 1996–2000.

Name	Education	Duty
Hanna Sirkiä b. 1972	Master's degree in law, Master of Laws, trained on the bench	Chief Legal Officer

Sirkiä has been OmaSp's Chief Legal Officer since April 2023. Sirkiä has worked since 2008 in legal affairs and risk control positions in the financial sector, since 2006 in a legal office as a Lawyer and Partner, and since 2000 as a Government Official in various expert and legal positions.

Main features of the internal control and risk management systems connected with the financial reporting process

Internal control refers to measures that ensure the achievement of strategic objectives, the efficiency of resources, the smooth running of information and the reliability of information. Internal control ensures that risk management is continuously adequate in various areas. Compliance with regulations and risk awareness are reflected in all decision-making and are part of corporate culture and responsible operations. Internal control also extends to ensuring compliance with business principles.

The Company's Board of Directors has overall responsibility for arranging internal control, and the Board regularly evaluates the effectiveness and efficiency of internal control based on the reporting of the compliance function, the independent risk assessment function and the internal audit. The principles of internal control approved by the Board of Directors outline the totality and objectives of the control system. The control principles are supplemented by function-specific control descriptions and guidelines.

Financial reporting

In terms of financial reporting, the principles for internal control are clear roles and responsibilities within the organisation. As regards internal control, clear responsibilities between the Company and service providers and efficient procedures for monitoring processes are key. OmaSp has drawn up reporting practices for the implementation of financial reporting. In order to ensure the accuracy of financial reporting, internal control processes have been established.

The unit of Financial Administration is responsible for the financial reporting of the Oma Savings Bank Group as a whole and for external and internal accounting. Financial Administration is responsible for, among other things, the Group's financial reporting, the Group's accounting principles and maintenance thereof, drawing up and updating the Group's forecasting models, and the Company's internal financial reporting and its monitoring. The Group's reporting is centralised to Financial Administration.

The bookkeeping of OmaSp is handled by Figure Taloushallinto Oy, which is partly owned by the Company. Purchased services include basic bookkeeping, drawing up the consolidated financial statements according to IFRS along with producing the numeric content for the notes to the financial statements, securities ledger and purchase ledger accounting, and fixed assets bookkeeping. Services are produced in accordance with service agreements, and they comply with the guidelines and regulations of the Finnish Financial Supervisory Authority and other authorities. The Company holds regular meetings with the service providers to develop the collaboration and monitor their operations. OmaSp's Management Team and the Board of Directors receive regular management reports, which cover reports for the period, forecasts, and analyses of deviations by earnings item and balance sheet item. The reporting framework also includes key figures that are to be reported.

Controllers involved in the Group's financial reporting do not participate in business activities or making business decisions. Controllers report to OmaSp's CFO, who is a member of the Management Team.

Functions independent of business operations

The Company has arranged functions that are independent of business operations to ensure efficient and comprehensive internal control as follows:

- Independent risk control function
- Compliance function
- Internal audit function
- Credit risk assessment function

The Company's Board of Directors has appointed the persons in charge of these functions. In this way, the Board of Directors has ensured that the risk control function, compliance function, credit risk evaluation function and internal audit function have adequate and competent personnel resources with respect to the nature, scope and diversity of the Company's operations.

Risk control

Risk control function is an essential part of internal control. The purpose of function is to ensure that risks arising from the Company's business are identified, assessed and quantified, and that the risks are monitored as part of day-to-day business management.

The Board of Directors approves the operating principles of the function, and the function reports on its activities to the Board of Directors and executive management. The Company maintains and develops risk control functions to ensure that all new, previously unidentified essential risks will be covered by risk management.

Compliance

The compliance function assists the Board of Directors and executive management in managing risks related to non-compliance. The Board of Directors has adopted the goals and responsibilities of the function by approving its operating principles and confirming its annual plan each year.

The compliance function supervises and regularly assesses the adequacy and efficiency of all business areas' activities and procedures through which the Company ensures compliance with regulations. The function assesses and ensures that the procedures and instructions are appropriate with respect to legislation and the requirements arising from other regulations. The function evaluates the adequacy of the measures taken to rectify the deficiencies identified as regards compliance with regulations and the implementation of equal treatment of customers. The function works in co-operation with the internal audit and risk control functions and monitors the execution of the recommendations based on internal audit's observations.

The Compliance function reports to the Board of Directors on its observations biannually.

Internal audit

Internal audit refers to evaluation and assurance activities that are objective and independent of business operations.

The Board of Directors decides annually on the operating principles of the internal audit and the audit plan. The internal audit reports at least annually and, if necessary, more frequently on its most important findings, the follow-up of measures and the implementation of the audit plan directly to the Board.

Related party information

Related parties refer to key management personnel in OmaSp and their family members, subsidiaries, associates and joint ventures, joint operations, and companies in which the key management personnel have control or significant influence and entities that have significant influence in OmaSp. The key personnel are the members of the Board of Directors, the CEO and the Deputy CEO, and the rest of the Management Team. Loans and guarantees granted to related parties are granted on terms and conditions that apply to similar customer loans and guarantees. Employee benefits are respected for related parties working in OmaSp. Transactions with related parties are part of the Company's normal business operations and are carried out in accordance with the agreed decision-making procedure and taking into account possible conflicts of interest. Related party transactions are reported in the notes to the financial statements (G31).

Auditors

According to the Articles of Association, at minimum one (1) and at maximum two (2) auditors shall be elected for the Company. The auditors shall be Authorised Public Accountants approved by Finland Chamber of Commerce. If only one auditor is elected and this is not from an authorised public accountants firm approved by Finland Chamber of Commerce, a deputy auditor shall also be elected. The auditor of OmaSp is the auditing firm KPMG Oy Ab (business ID 1805485-9), with Tuomas Ilveskoski, M.Sc., APA, as the auditor in charge in accordance with the decision of the Annual General Meeting in 2023. The auditor's term of office begins at the close of the Annual General Meeting and continues until the end of the next Annual General Meeting. The Company discloses the fees payable to the firm of auditors in the notes to the financial statements (G22).

Report of Board of Directors

Salla Kakko, Olli Suominen and Karoliina Lipponen, Turku

Report of Board of Directors

Year 2023 Report of Board of Directors and Financial Statements is a translation of the original Finnish version "Vuoden 2023 hallituksen toimintakertomus ja tilinpäätös". If discrepancies occur, the Finnish version is dominant.

Strategy and financial goals

Oma Savings Bank Plc is nowadays the fastest growing in the Nordic countries and Finland's most profitable bank. Business focuses on retail banking and customers are provided with a broad range of banking services both through its own balance sheet as well as by acting as an intermediary for its partners' products. In addition, the Company engages in mortgage banking. Intermediated products include among other things credit, investment and loan insurance products.

Key customer groups are private customers, small and medium-sized companies as well as agricultural and forestry entrepreneurs. The goal is to strengthen the market position in the entire business area and among all the above-mentioned customer groups. Growth is sought in business areas where growth is possible to be achieved while meeting the goals related to profitability and risk management. The Company has been one of the most profitable and effective banks in Finland already for years, and the aim is to maintain this position in the future as well. The development of business volumes is based on organic growth, but in line with its strategy, the Company is also open to business arrangements. The core idea is to provide personal service and to be local and close to its customers, both in digital and traditional channels. The goal is a first-class customer experience through easy accessibility.

Special attention is paid to cost efficiency as well as comprehensive risk management. The business profile is stable as the Company focuses on retail banking in Finland. The aim is to keep individual customer and investment risk concentrations limited and organizational structure simple and transparent. The Company has defined precise risk management processes, risk taking limits and guidelines to stay within the set limits.

The personnel is committed and the aim is to support career development through versatile tasks and continuous development. About half of the personnel also own shares in the Company.

The Company's operation

The Company offers its private and corporate customers a full range of retail banking services and serves its customers through its branch network as well as through its comprehensive digital service channels. The offering to private customers covers daily banking services, various financing solutions, saving services, financial services, insurance, as well as inheritance and family law matters. The range of services to corporate customers covers payment services and other day-to-day banking and financial services for corporates, corporate pension insurance, investment services and legal and other advisory services. Own service offering has been complemented with services provided by partner companies.

Savings and investment product range includes, in addition to own products, such as accounts and Debenture loans, as well as the investment and savings products of the partners Sp-Fund Management Company Ltd and Sp-Life Insurance Ltd. At the end of 2023, the customers had EUR 942 million in fund and insurance savings brokered by the Company.

Own financial services are complemented by partner products such as loan insurances and various guarantees. Partners in offering these financial products include Sp-Life Insurance Ltd and Garantia Insurance Company Ltd. The Company operates as an independent issuer of Visa cards and finances the cards from its balance sheet.

Acquisition of Liedon Savings Bank's business

At the turn of February and March, the Company carried out the acquisition of Liedon Savings Bank's banking business. The acquisition increased the Company's balance sheet by a total of EUR 1,448.0 million and the number of customers grew to more than 200,000 customers. The acquisition of the business is estimated to have a significant positive impact on the Company's annual profitability, and it is expected to increase the Company's profit before taxes by approximately EUR 15-20 million annually over the next few years. In the longer turn, business in the Turku economic area is expected to significantly increase the Company's earnings. The Company's branch network strengthened with nine new units located in the city of Turku and in Southwest Finland.

Acquisition of Handelsbanken's SME enterprise operations in Finland

In May, the Oma Savings Bank Plc and Svenska Handelsbanken AB agreed on an arrangement whereby the Company will acquire Handelsbanken's SME enterprise operations in Finland. The transaction is expected to be finalized during the second half of 2024. The exact date will be specified later. As part of the purchase of the SME enterprise operations, entrepreneurs' private banking services will also be transferred to the Company, excluding asset management and investment services. The SME enterprise operations to be purchased are geographically located all over Finland.

The size of the deposit base transferred to the Company is approximately EUR 1.2 billion and the lending volume is approximately EUR 460 million in the situation on 31 March 2023. The target of the business transaction is in total approximately 14,000 SME customers.

In addition, personal banking services of entrepreneurs will be transferred, which are not included in the above figures. At the same time, around 40 people from Handelsbanken will be transferred to the Company as old employees.

With the arrangement the banks' market position will strengthen among SMEs in Finland. The growing business volumes will further improve the Company's cost efficiency and business profitability, and substantially strengthen the annual profit-making ability. The transferring deposit base will strengthen the Company's liquidity position, and there is no separate financing need for the business arrangement. The business deal has no material effect on the Company's capital adequacy. The purchase price is the net value of the balance sheet items to be transferred at closing plus EUR 15 million. The purchase price will be paid in cash, so the transaction has no impact on the number of Company's shares outstanding. Authority approval for the transaction was received on 24 July 2023.

Investments in customer experience development

The Company's key aim is to serve its customers personally and to be local and close in both digital and traditional service channels. In line with the Company's strategy, the presence in growth centers is key. The investments continued to develop the service network and digital channels to ensure future competitiveness. With the expansion of the service network, customer premises in Southwest Finland and elsewhere in Finland were renovated to match the service model of the bank.

Progress of key projects

The Company's project of transitioning to the application of the IRB approach is progressing. In the first stage, the Company applies permission to apply an internal risk classification under the IRB approach to calculate capital requirements for retail credit risk liabilities. Later, the Company will apply for a similar permit for corporate liabilities as well as renewable retail liabilities. In February 2022, the Company has applied to the Finnish Financial Supervisory Authority (FIN-FSA) for the application of the IRB approach in capital adequacy, after which the application process has progressed on the basis of dialogue with the supervisor.

In addition, the Company has reform projects ongoing regarding regulatory reporting.

Focus on investing in personnel competence is key

Personnel development and raising the level of competence are one of the Company's key focus areas. During the recent years, the Company has had an extensive training program going on, which aim is to clarify the Company's strategy and the organisational culture as well as to develop the work of the supervisors in a long-term and goal-oriented manner. In addition, continuous and regular training has been arranged to maintain competence level. In addition to regular trainings, the Company offers supervisors and experts the opportunity to complete e.g. APV1-, APV2-, APV ESG- and licensed real estate agent (LKV) qualification to improve their expertise. Investing in young employees continued also during the year 2023. Internships for university and vocational college students in different units were offered and several Bachelor's and Master's theses were prepared as part of various development projects. The Company was involved in the 2023 Responsible Summer Job campaign and offered 67 young people summer job opportunities.

Issuance of bonds

The Company issued three bonds during the year. In February, a covered bond of EUR 350 million was issued, and a covered bond increase (tap issue) of EUR 250 million in April. A covered bond of EUR 250 million matured in April. In November, the Company issued a covered bond of EUR 500 million for the first time.

Operating environment

Finland's economy is in recession and, according to the Bank of Finland's forecast, the economy will only start to recover at the end of the year 2024. High interest rates and elevated prices as well as the uncertainty about the future are slowing down the growth. The notable reduction in investments also affects the recovery of the economy. [1] The year-on-year change in consumer prices calculated by Statistics Finland was 3.6% in December. The rise in inflation compared to a year ago was influenced, among other things, by the rise in the average interest rate on mortgages and the rise of interest rates on consumer loans. [3]

Inflation has slowed down in recent months, but it is likely to pick up again temporarily in the near term. The European Central Bank is determined to ensure that inflation returns to its 2% medium-term target in a timely manner. In December, the ECB decided to keep all the three key interest rates unchanged. Throughout the year, the ECB has raised the key interest rates by 1.0 percentage points. [2] Financial conditions in Finland have tightened during 2023 and, after the rise of the interest rates in the beginning of the year, the interest rates have turned to a slight decline at the end of the year. During January-December, the quotation of the 12-month Euribor rate has risen approximately by 0.2 percentage points. [11]

Along with the rise in interest rates, the tightening of monetary policy, the rise in prices and weak export demand have influenced the economic growth in Finland. According to the preliminary calculations of the Bank of Finland, the GDP is predicted to decrease by 0.5% in 2023 and by 0.2% in 2024. In 2025, economic growth is projected to pick up to 1.5% and to 1.3% in 2026. [1]

In July-September, the seasonally adjusted savings rate of households increased by 3.4% compared to the previous quarter. In the third quarter, the disposable income of households grew compared to the previous quarter and consumption expenditure remained at the level of the previous quarter. The disposable income of households grew by 8.5% and adjusted by price changes, income increased by 4.1% compared to the previous quarter one year ago.

The investment rate decreased slightly from the previous quarter and was 11.8%. Majority of the investments of households is directed in housing investments. The corporate investment rate remained at the level of the previous quarter and was 29.8%. [4]

According to Statistics Finland, the number of employed people aged 15 to 74 was almost the same in December as one year ago and the number of unemployed persons was 12,000 higher than a year ago. In December 2023, the employment rate was 77.1% (20 to 64 years) and the average unemployment rate was 7.1%. [5]

Consumer confidence indicator remained negative in December 2023, but rose slightly from the previous year. The components of the consumer confidence indicator are assessment of one's own economy now, expectations of one's own and Finland's economy 12 months from now, and intentions to spend money on durable goods in the next 12 months. Expectations about the current state of the consumer's own economy continued to weaken compared to a year ago, but expectations concerning current state of Finland's economy improved slightly. [12]

According to Statistics Finland's preliminary data, prices of old dwellings in housing companies decreased in the whole country by 6.4% in 2023 from the previous year. Prices of old dwellings in housing companies fell most in Helsinki and Vantaa, where prices went down by 8.0% and in the rest of Finland by 4.8% compared to the previous year. At the same time, the number of sales of old dwellings in blocks of flats and terraced houses made through real estate agents decreased by 23% from the comparison period. [6]

In December, mortgage withdrawals were made in total of EUR 1.3 billion, which is EUR 270 million more than in the previous year. [7] The demand for housing loans may have been positively affected by the government's decision to change the real estate transfer taxation law. [8] In December, the medium interest rate of new mortgages was 4.42%. In December 2023, the annual growth of all loans for households decreased by 1.3%. The volume of corporate loans rose 1.2% over the same period. Over the 12-month period, the number of household deposits reduced by a total of 2.8%. [7]

In January-December 2023, the number of bankruptcies filed increased by 24.9% compared to the previous year. The number of bankruptcies has been increasing for several months and during 2023 enterprises that have filed for bankruptcy are more than during the financial crisis in 2009. [9]

In September-November, the number of new building permits granted decreased by 17% compared to the previous year and was 6.6 million cubic meters. [10]

The Company has continued its preparations for uncertainties of the economic operating environment by increasing buffers from both capital and liquidity and by increasing hedging operations among other things.

1) Bank of Finland, Finland's economy is in recession and the recovery will be slow. Published on 19 December 2023.
2) Bank of Finland, ECB monetary policy decisions. Published on 14 December 2023.
3) Statistics Finland, Inflation 3.6% in December 2023. Published on 15 January 2024.
4) Statistics Finland, Households' saving rate positive in the third quarter of 2023. Published on 18 December 2023.
5) Statistics Finland, Almost as many employed and more unemployed persons in December 2023 compared to one year ago. Published on 25 January 2024.
6) Statistics Finland, Prices of old dwellings in housing companies fell in the whole country in 2023. Published on 26 January 2024.
7) Bank of Finland, MFI balance sheet (loans and deposits) and interest rates, Amount of non-performing loans in the construction sector has grown further. Published on 31 January 2024.
8) Bank of Finland, MFI balance sheet (loans and deposits) and interest rates, Housing loan drawdowns increased from a year earlier in November. Published on 4 January 2024.
9) Statistics Finland, In December 2023 more bankruptcies that during the financial crisis 2009. Published on 17 January 2024.
10) Statistics Finland, Cubic volume of building permits granted decreased in September to November 2023 by 17% year-on-year. Published on 23 January 2024.
11) Bank of Finland, Euribor interest rates tables. Published on 5 January 2024.
12) Statistic Finland, Consumer confidence low in December 2023 – concern for own financial situation and unemployment. Published on 27 December 2023.

Oma Savings Bank Group's key figures

(1,000 euros)	1-12/2023	1-12/2022	Δ %
Net interest income	197,045	104,930	88%
Total operating income	247,067	144,392	71%
Total operating expenses	-90,550	-73,062	24%
[1] Cost/income ratio, %	36.9 %	50.7 %	-27%
Impairment losses on financial assets, net	-17,126	-1,747	881%
Profit before taxes	138,048	69,226	99%
Profit/loss for the accounting period	110,051	55,379	99%
Balance sheet total	7,642,906	5,941,766	29%
Equity	541,052	364,961	48%
[1] Return on assets (ROA) %	1.6 %	1.0 %	62%
[1] Return on equity (ROE) %	24.3 %	14.5 %	68%
[1] Earnings per share (EPS), EUR	3.49	1.85	89%
[1] Equity ratio %	7.1%	6.1%	15%
[1] Total capital (TC) ratio %	16.5%	14.9%	11%
[1] Common Equity Tier 1 (CET1) capital ratio %	14.9%	13.3%	12%
[1] Tier 1 (T1) capital ratio %	14.9%	13.3%	12%
[1] [2] Liquidity coverage ratio (LCR) %	248.9%	159.9%	56%
[1] [3] Net Stable Funding Ratio (NSFR) %	117.8%	114.3%	3%
Average number of employees	445	352	26%
Employees at the end of the period	464	357	30%
Alternative performance measures excluding items affecting comparability:			
[1] Comparable profit before taxes	143,609	75,850	89%
[1] Comparable cost/income ratio, %	35.1%	48.0%	-27%
[1] Comparable earnings per share (EPS), EUR	3.63	2.02	79%
[1] Comparable return on equity (ROE) %	25.3%	15.8%	60%

1) The calculation principles of the key figures are presented in Note G37 of the Financial Statements. Comparable profit is presented in the Income Statement.

2) LCR calculation adjusted retrospectively as of 31 December 2022.
3) NSFR calculation adjusted retrospectively as of 31 December 2023.

Sini Ojala, Helsinki

Result 1–12 / 2023

The Group's profit before taxes for January-December was EUR 138.0 (69.2) million and the profit for the period was EUR 110.1 (55.4) million. The cost/income ratio was 36.9 (50.7)%.

Comparable profit before taxes in January-December amounted to EUR 143.6 (75.9) million and the comparable cost/income ratio was 35.1 (48.0)%. The comparable profit before taxes has been adjusted for the net income on financial assets and liabilities as well as one-off items related to the acquisitions and the change negotiations.

Income

Total operating income was EUR 247.1 (144.4) million. Total operating income increased 71.1% year-on-year. The increase can be explained by the strong growth of net interest income and fee and commission income.

Comparable total operating income was EUR 248.9 (149.7) million and the increase of comparable total operating income was 66.3%.

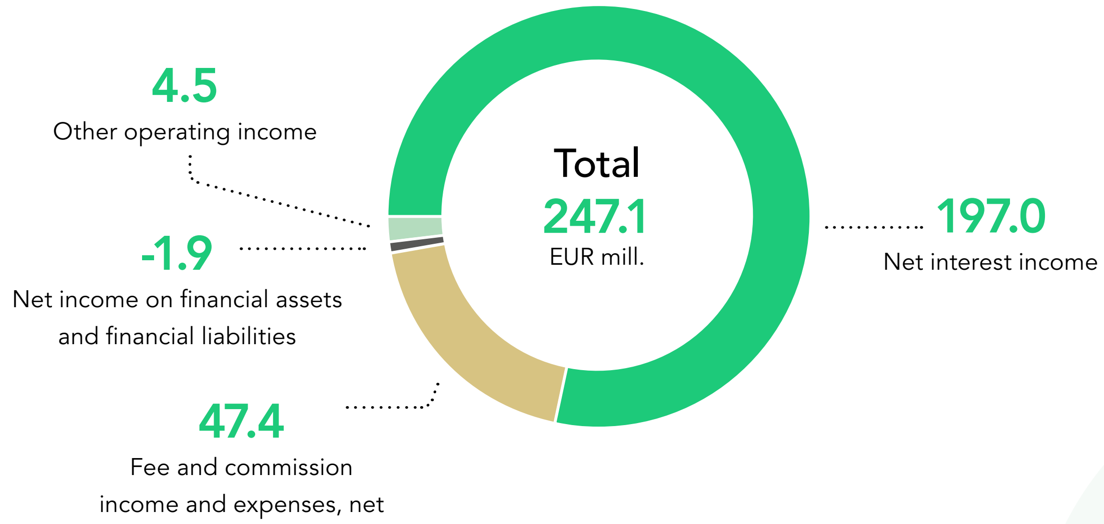
During the reporting period, net income on financial assets and liabilities of EUR -1.9 (-5.3) million has been eliminated from operating income as an item affecting comparability.

Net interest income grew 87.8%, totalling EUR 197.0 (104.9) million. During the reporting period, interest income grew 164.6% and was EUR 322.5 (121.9) million. The significant increase in interest income is explained by the impact of rising market interest rates and by the increased loan portfolio due to the acquisition of Liedon Savings Bank in March. Hedges to manage interest rate risk have also boosted interest income, the impact of these on interest income was EUR 37.6 (7.0) million. During the period, the average margin of the loan portfolio has remained almost unchanged.

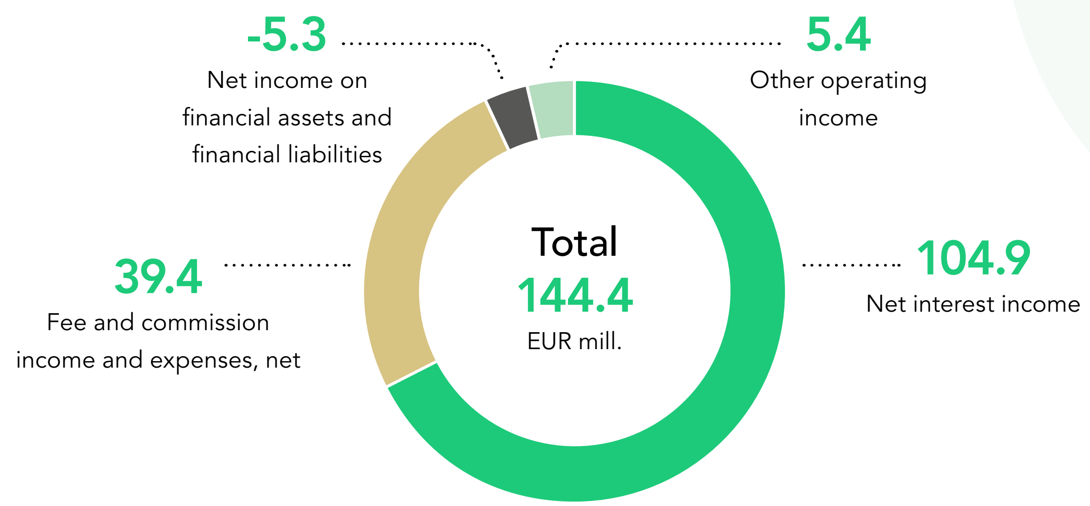
Interest expenses increased significantly compared to the previous year to EUR 125.5 (16.9) million. The increase in interest expenses has been influenced by higher interest on issued bonds, due to the increase in the interest rate. Interest expenses have also been increased by the hedges related to the management of interest rate risk and their impact on interest expenses was EUR -41.7 (-2.7) million. The average interest on deposits paid to the Company's customers was 0.87% (0.20%) at the end of the period.

Fee and commission income and expenses (net) increased by 20.4% and was EUR 47.4 (39.4) million. The total amount of fee and commission income was EUR 56.6 (46.3) million.

Operating income 1–12/2023, EUR mill.



Operating income 1–12/2022, EUR mill.



Commissions from cards and payment transactions net grew 37.9% compared to the comparison year and amounted to EUR 34.0 (24.4) million. The increase is mainly explained by volume growth. The amount of commission income on lending was EUR 10.2 (11.9) million. Commissions on lending decreased in the reporting period as new lending slowed down. Uncertainty in the economic environment has weakened credit demand in the market overall.

The net income on financial assets and liabilities was EUR -1.9 (-5.3) million during the period.

Other operating income was EUR 4.5 (5.4) million. Other operating income includes a deposit guarantee fee recorded during the reporting period of EUR 2.7 million and EUR 0.7 million from the revaluation of joint debt recorded in connection with the Eurajoen Savings Bank's business transaction. In the comparison period, EUR 1.3 million from the revaluation of the joint debt recognised in connection with the Eurajoen Savings Bank's business transaction was recorded in other operating income as well as a positive impact EUR 0.4. million caused by the change in the Group structure.

Expenses

Operating expenses increased 23.9% compared to the previous year's corresponding period. Operating expenses came to a total of EUR 90.5 (73.1) million. For the reporting period, expenses affecting comparability have been recorded in relation to the acquisition of the Liedon Savings Bank's business and the acquisition to be acquired from Handelsbanken in total EUR 3.3 million. In the comparison period, operating expenses included costs of EUR 1.3 million arising from the acquisition of Liedon Savings Bank's business. Comparable operating expenses were EUR 86.9 (71.7) million. The increase of comparable operating expenses was 21.1%.

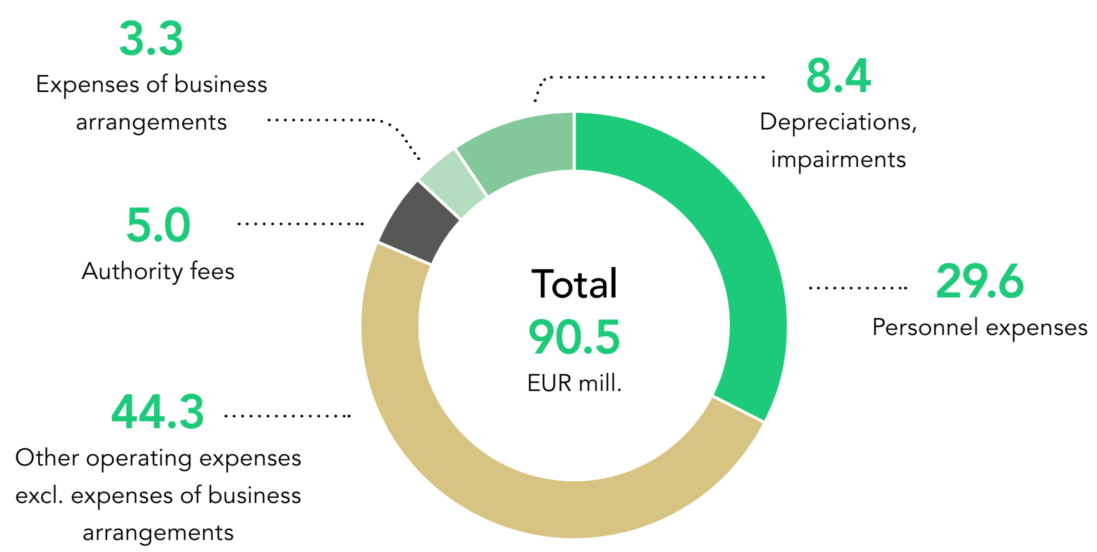
Personnel expenses increased 21.8%, totalling EUR 29.6 (24.3) million. The increase in personnel costs was impacted by the increased number of personnel as a result of the business arrangement with Liedon Savings Bank. The number of employees at the end of the period was 464 (357), of which 69 (62) were fixed-term.

Other operating expenses increased 27.5% to EUR 52.5 (41.2) million. Part of the increase in expenses is explained by the increase in authority fees due to the Company's growth. Other operating expenses item includes authority fees, office, IT, PR and marketing costs and those stemming from the business premises in own use. The increase in expenses compared to the comparison period was influenced by the increase in the number of personnel as well as the project costs related to business arrangements.

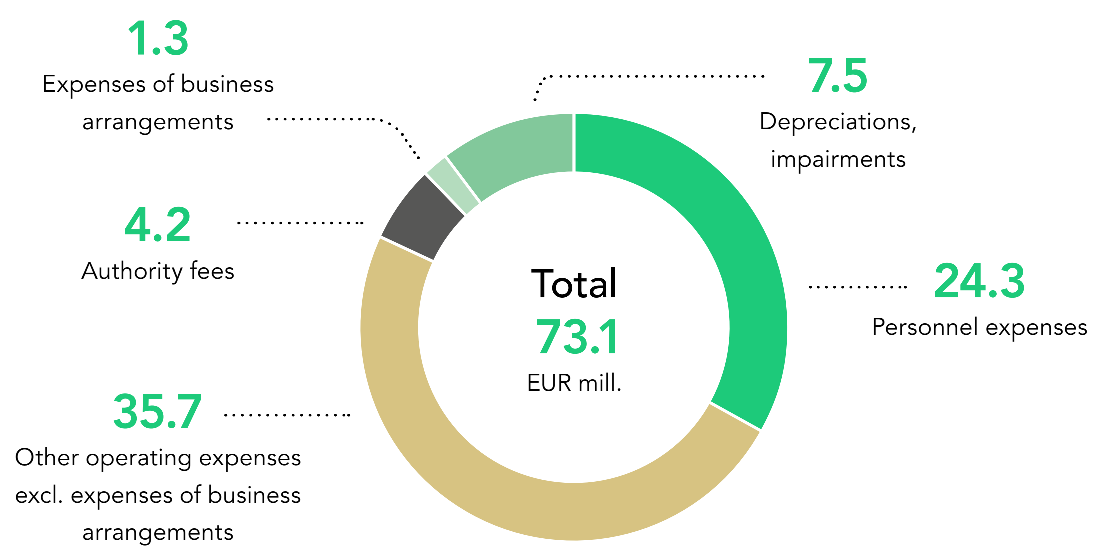
During the reporting period, a total of EUR 2.2 million has been recorded as a stabilization fee and a total of EUR 2.7 million as a deposit guarantee fee. The deposit guarantee fee will be covered by refunds from the old deposit guarantee fund. A total of EUR 5.0 (4.2) million was recorded as authority fees.

Depreciation, amortisation and impairment on tangible and intangible assets were EUR 8.4 (7.5) million.

Operating expenses 1–12/2023, EUR mill.



Operating expenses 1–12/2022, EUR mill.



Impairment losses on financial assets

Impairment losses of financial assets increased compared to the comparison year and were EUR -17.1 million, while the impairment losses of financial assets recorded in the comparison period were EUR -1.7 million. The growth was affected by the Company's preparedness for the uncertainty of the general economic situation and in advance made write-downs, of which the profit impact of an individual customer was EUR 5 million.

During January-December, the amount of expected credit losses decreased EUR 1.9 million targeting receivables from customers and off-balance sheet items. During the reporting period, expected credit losses amounted to EUR 10.6 million and an additional allowance of EUR 12.5 million based on management's judgement towards an individual customer was cancelled from the allowance as planned in connection with the final credit loss recognition. The net amount of realised credit losses increased compared to the comparison year and was EUR 19.0 (3.8) million in January-December. Of the realised credit losses, an individual customer accounted for EUR 13.8 million and the profit impact for the period was EUR -1.3 million.

During the reporting period, the Company updated its expected credit loss (ECL) calculation models, which had an impact of EUR 0.8 million. During the comparison period in 2022, the amount of expected credit losses as a result of model development decreased by EUR 2.6 million.

Based on the Company's assessment, the effects of the Russian invasion war remained limited on the Company's credit base, which is why the Company released EUR 0.9 million of the additional loss allowances related to the corona pandemic and the Russian invasion war during the first quarter.

In the first quarter, the receivables transferred in connection with the acquisition of Liedon Savings Bank's business were valued at fair value at the time of acquisition. EUR 8.0 million was recorded as a fair value adjustment based on the management's judgement. In the second quarter, the Company allocated a fair value adjustment of EUR 0.7 million to the receivables of the loans transferred in the business transaction. At the time of reporting, the Company has available EUR 7.3 million of fair value adjustment made to the receivable base.

In the last quarter, an additional allowance of EUR 1.0 million based on the management's judgement was recorded with which the Company continued to prepare for the uncertainty of the economic environment. At the end of the reporting period, based on the management's judgement, the Company has additional loss allowances and fair value adjustments recognised in the balance sheet in total EUR 8.3 million. The additional allowances are targeted to stage 2.

Balance sheet

The Group's balance sheet total grew to EUR 7,642.9 (5,941.8) million during January-December 2023. The growth was 28.6%. Of the growth, EUR 1,448.0 million came from the acquisition of Liedon Savings Bank's business.

Loans and other receivables

In total, loans and other receivables grew 27.1% to EUR 6,189.4 (4,868.7) million in January-December. The acquisition of Liedon Savings Bank's banking business increased loans and receivables by EUR 1,399.8 million.

The average size of loans issued over the past 12 months has been approximately EUR 128 thousand.

Loan portfolio by customer group (excl. credit institutions), before the expected credit losses

Credit balance (1,000 euros)	31 Dec 2023	31 Dec 2022
Private customers	3,585,722	2,858,099
Business customers	1,255,520	1,093,700
Housing associations	736,068	461,339
Agricultural customers	300,447	271,112
Other	154,776	94,618
Total	**6,032,533**	**4,778,869**

Investment assets

The Group's investment assets increased 1.6% during the period, totalling EUR 561.4 (552.6) million. The primary purpose of managing investment assets is securing the Company's liquidity position.

Intangible assets and goodwill

At the end of the year, intangible assets and goodwill recorded in the balance sheet totalled EUR 13.6 (8.6) million. Goodwill was recognised from the acquisition of Liedon Savings Bank's banking business of EUR 4.4 million.

Liabilities to credit institutions and to the public and public sector entities

During the period, liabilities to credit institutions and to the public and public sector entities grew by 17.5% to EUR 3,943.6 (3,355.0) million.

The item consists mostly of deposits received from the public, which came to EUR 3,733.3 (3,113.9) million at the end of December. The impact of the acquisition of Liedon Savings Bank's banking business on the growth of the deposit portfolio was EUR 907.7 million.

Liabilities to the credit institutions were EUR 165.3 million (242.5 million).

Debt securities issued to the public

Total debt securities issued to the public grew during the period by 40.4% to EUR 2,930.1 (2,087.0) million. The Company issued a covered bond of EUR 350 million in February and EUR 500 million in November. In addition to these, a EUR 250 million bond increase (tap issue) was issued in April. A covered bond of EUR 250 million matured in April. Debt securities issued to the public are shown in more detail in Note G13.

Covered bonds are secured by loans to the value of EUR 3,024.0 (2,100.1) million.

Equity

The Group's equity EUR 541.1 (365.0) million increased by 48.2% during the period. The change in equity is mainly explained by the strong result of the period, the change in the fair value reserve, the payment of dividends and the directed share issue.

In the first quarter, the Company carried out a paid directed share issue to Liedon Savings Bank. In the targeted issue, 3,125,049 shares were subscribed. A weighty reason for the directed issue was the development and expansion of the Company's banking operations into a new area through a business transaction. Share issue EUR 65.0 million was recorded in the Reserve for invested non-restricted equity.

Own shares

On 31 December 2023, the number of own shares held by Oma Savings Bank Plc was 201,386. In March, the Company transferred 29,461 shares held by the Company to persons entitled to the remuneration of the 2023 reward installment of the share incentive scheme 2020–2021.

Based on the authorisation given by the Annual General Meeting on 30 March 2023, the Company carried out a repurchase program related to the repurchase of its own shares in September-November. Shares were purchased to implement the share-based incentive scheme for key persons.

Share capital	31 Dec 2023	31 Dec 2022
Average number of shares (excluding own shares)	31,546,596	29,990,687
Number of shares at the end of the year (excluding own shares)	33,073,851	30,019,341
Number of own shares	201,386	130,847
Share capital (1,000 euros)	24,000	24,000

Off-balance-sheet commitments

Off-balance-sheet commitments included commitments given to a third party on behalf of a customer and irrevocable commitments given to a customer. Commitments given to a third party on behalf of a customer, EUR 41.9 (34.8) million, were mostly made up of bank guarantees and other guarantees. Irrevocable commitments given to a customer, which totalled EUR 330.6 (291.2) million at the end of December, consisted mainly of undrawn credit facilities.

Petri Grönroos, Wealth Management

Deposit Guarantee Fund and Investors' Compensation Fund

The deposit guarantee is regulated by the Act on the Financial Stability Authority. The Financial Stability Authority is responsible for the guarantee. The Deposit Guarantee Fund protects the deposit maker's eligible receivables up to EUR 100,000.

The Investors' Compensation Fund covers compensation from Oma Savings Bank Plc to non-professional investors of a maximum of EUR 20,000.

The Group's capital adequacy and risk management

Capital adequacy management

Oma Savings Bank Plc has introduced a capital adequacy management process, whose objective is to secure the Company's risk-bearing capacity relative to all substantial operational risks. To achieve this goal, the Company comprehensively identifies and evaluates the risks related to its operations and measures its risk-bearing capacity to correspond to the Company's total risks. To secure its capital adequacy, the Company sets risk-based equity objectives and creates an equity plan to reach those objectives. The objective of the capital adequacy management process is also to maintain and develop high-quality risk management operations.

The internal capital needs, which are determined through the capital adequacy management process, are based on the capital requirements of solvency regulations, Pillar I, and its external risks, such as the interest rate risk of the financial account, the market risk of the investment portfolio and business risk.

In its internal evaluation process, the Company estimates the amount of capital sufficient to cover any unexpected losses emerging from risks that are external to Pillar I.

The Company's Board of Directors confirms the general requirements for the capital adequacy measurement and evaluation processes as well as general principles for the structuring of the capital adequacy management process. The Board confirms risk strategies and defines target levels for capital, which covers all essential risks emerging from business operations and changes in the external operating environment. The Company operates according to its strategy in retail banking. By restricting its operations to this sector alone, the Company is able to keep the risks involved in its operations manageable and small in terms of operational quality. The Company's Board of Directors is responsible for managing the Company's capital adequacy, which also defines the risk limits related to operations. Annually, the Board of Directors reviews the Company's capital adequacy management risks, the capital plans as well as the limits set for the risks.

Capital adequacy position and own funds

The total capital (TC) ratio of Oma Savings Bank Group increased and was 16.5 (14.9)% at the end of the period. The Common Equity Tier 1 capital (CET1) ratio was 14.9 (13.3)%. The Company has confirmed a target level for the Common Equity Tier 1 capital ratio at least 2 percentage points above regulatory requirement in the medium-term. Risk-weighted assets grew 29.6% to EUR 3,300.0 (2,546.5) million. Risk-weighted assets grew most significantly due to the acquisition of Liedon Savings Bank's business.

Oma Savings Bank Group applies in the capital requirement calculation for credit risk calculation the standardised approach and for operational risk the basic indicator approach. The capital requirement for market risk is calculated using the basic method for the currency position. The Company's project to transition to the application of the IRB approach is progressing as planned.

At the end of the review period, the capital structure of Oma Savings Bank Group was strong and consisted mostly of Common Equity Tier 1 capital (CET1). The Group's own funds (TC) EUR 544.5 (379.0) million exceeded by EUR 148.1 million the total capital requirement for own funds of EUR 396.5 (305.8) million. Tier 1 capital (T1) was EUR 490.9 (339.5) million consisting entirely of Common Equity Tier 1 capital (CET1) and Tier 2 capital (T2) was EUR 53.6 (39.5) million consisted of debenture loans. Own funds were most significantly increased by directed share issue of EUR 65.0 million to Liedon Savings Bank as well as retained earnings for the financial year 2023, which have been included in the Common Equity Tier 1 capital with the permission granted by the Finnish Financial Supervisory Authority (FIN-FSA) and the total of EUR 20 million debenture loan issued in February. Increase in fair value reserve EUR 14.7 million increased own funds.

Oma Savings Bank Group's main items in the capital adequacy calculation

(1,000 euros)	31 Dec 2023	31 Dec 2022
Common Equity Tier 1 capital before regulatory adjustments	505,611	348,692
Regulatory adjustments on Common Equity Tier 1	-14,663	-9,204
Common Equity Tier 1 (CET1) capital, total	**490,948**	**339,488**
Additional Tier 1 capital before regulatory adjustments	-	-
Regulatory adjustments on additional Tier 1 capital	-	-
Additional Tier 1 (AT1) capital, total	-	-
Tier 1 capital (T1 = CET1 + AT1), total	**490,948**	**339,488**
Tier 2 capital before regulatory adjustments	53,571	40,000
Regulatory adjustments on Tier 2 capital	-	-500
Tier 2 (T2) capital, total	**53,571**	**39,500**
Total capital (TC = T1 + T2) / Total own funds	**544,519**	**378,988**
Risk-weighted assets		
Credit and counterparty risk	2,926,776	2,281,829
Credit valuation adjustment risk (CVA)	50,949	31,658
Operational risk	322,280	233,043
Risk-weighted assets, total	**3,300,005**	**2,546,530**
Common Equity Tier 1 (CET1) capital ratio, %	**14.88%**	**13.33%**
Tier 1 (T1) capital ratio, %	**14.88%**	**13.33%**
Total capital (TC) ratio, %	**16.50%**	**14.88%**

The total capital requirement for banks' own funds consists of the Pillar I minimum capital requirement (8.0%) and various buffer requirements. Buffer requirements are among others the capital conservation buffer set by the Credit Institution Act (2.5%), the discretionary SREP requirement according to Pillar II, the countercyclical buffer requirement, and the systematic risk buffer.

In its decision on 27 February 2023, the Finnish Financial Supervisory Authority (FIN-FSA) maintained the SREP requirement for Oma Savings Bank Plc based on the supervisory authority's estimate at 1.5% unchanged. The decision is valid until further notice from 30 June 2023, but no later than 30 June 2026. SREP requirement is possible to be partially covered by Tier 1 capital and Tier 2 capital in addition to Common Equity Tier 1. According to the overall assessment based on risk indicators, there are no grounds for applying a countercyclical buffer, and thus the Finnish Financial Supervisory Authority (FIN-FSA) maintained the requirement of countercyclical buffer at its basic level of 0%.

On 30 March 2023, the Finnish Financial Supervisory Authority (FIN-FSA) imposed a systemic risk buffer requirement of 1.0% for Finnish credit institutions in order to strengthen the risk-bearing capacity of the banking sector. The decision enters into force after a transitional period on 1 April 2024 and shall be covered by Consolidated Common Equity. In October 2023, the Finnish Financial Supervisory Authority (FIN-FSA) set Oma Savings Bank Plc an indicative additional capital recommendation for own funds based on the Finnish Act on Credit Institutions. The indicative additional capital recommendation of 1.0% must be covered by Common Equity Tier 1 capital and the recommendation is valid until further notice as of 31 March 2024.

Group`s total capital requirement

31 Dec 2023
(1,000 euros)

			Buffer requirements					
Capital	Pillar I minimum capital requirement*	Pillar II (SREP) capital requirement*	Capital conservation buffer	Countercyclical buffer**	O-SII	Systemic risk buffer	Total capital requirement	
CET1	4.50%	0.84%	2.50%	0.01%	0.00%	0.00%	7.86%	259,299
AT1	1.50%	0.28%					1.78%	58,781
T2	2.00%	0.38%					2.38%	78,375
Total	**8.00%**	**1.50%**	**2.50%**	**0.01%**	**0.00%**	**0.00%**	**12.01%**	**396,455**

* AT1 and T2 capital requirements are possible to fill with CET1 capital
**Taking into account the geographical distribution of the Group's exposures

Kati Ketola, Masku and Mynämäki

Leverage ratio

At the end of the review period, Oma Savings Bank Group's leverage ratio was 6.3 (5.6)% while the binding requirement of the capital adequacy regulation was 3%. The leverage ratio is calculated based on valid regulations and describes the ratio of the company's Tier 1 capital to the total exposures. The Company monitors excessive leverage as part of its capital adequacy management process. An internal minimum target level has been set for the Group's leverage ratio as part of risk budgeting included in the overall risk strategy.

In October 2023, the Finnish Financial Supervisory Authority (FIN-FSA) set Oma Savings Bank Plc an indicative additional capital requirement based on the Finnish Act on Credit Institutions. The discretionary additional capital requirement of 0.25% for the leverage ratio (Pillar II) must be covered by Tier 1 capital and the requirement is valid until further notice as of 31 March 2024, but no later than 31 March 2026.

Leverage ratio (1, 000 euros)	31 Dec 2023	31 Dec 2022
Tier 1 capital	490,948	339,488
Total amount of exposures	7,749,639	6,093,644
Leverage ratio, %	6,34%	5,57%

Liquidity coverage ratio and net stable funding ratio

The Group's liquidity coverage ratio (LCR) remained good, coming to 248.9 (159.9)% at the end of the period, when the minimum LCR is 100%.

The invasion war against Ukraine, initiated by Russia in 2022, has led to global sanctions against Russia and Belarus and increased tensions between the major powers. The inflation that started in 2021 and accelerated due to the sanctions of the invasion war has forced the central bank to raise its key interest rate, whereby the interest rate has remained at a high level until the end of 2023. However, in the last quarter of the year, market interest rates turned downwards as inflation expectations eased. However, inflationary pressures will remain at a higher level than normal as a result of low unemployment and increased wage levels, so interest rates will likely continue to fluctuate widely during 2024. Prolonged inflation and high interest rates are reflected in increased uncertainty, especially in the refinancing market. The increased interest rate, on the other hand, can be seen as increasing costs of market-based financing. Despite the increasing costs, the availability of financing has remained at a good level.

The Company's liquidity has remained at a stable level despite the overall uncertainty of the economy. In addition, issued covered bonds have strengthened the Company's liquidity and decreased the risk of refinancing. The issuance of the bonds took place under the Company's EUR 3 billion bond program.

LCR & NSFR	31 Dec 2023	31 Dec 2022
LCR*	248.9%	159.9%
NSFR*	117.8%	114.3%

*LCR and NSFR calculation retrospectively adjusted as of 31 December 2022

The net stable funding ratio (NSFR) was 117.8 (114.3)% at the end of the period with a minimum requirement of 100%. The NSFR key figure has risen with new issues. In addition, the Company's financial plan for the coming years will also support NSFR's development in the future.

Resolution plan

Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms was implemented in Finland as of 1 January 2015 (Act on the Resolution of Credit Institutions and Investment Firms). For the implementation of this Act, the Financial Stability Authority was established (Act on the Financial Stability Authority 1195/2014), which approved the Company's resolution plan for the first time in December 2017.

The Financial Stability Authority has issued a decision to Oma Savings Bank Plc on the Minimum Requirement for Own Funds and Eligible Liabilities requirement (MREL) within the meaning of Chapter 8, Section 7 of the Resolution Act (1194/2014) on 6 April 2022. The requirement under the decision consists of an overall risk-based requirement (9.5%) and a requirement based on the total amount of liabilities used to calculate the leverage ratio (3%). MREL requirements must be fully met as of 30 June 2022. On 31 December 2023, Oma Savings Bank Plc meets the set requirement with own funds.

Risk management

The objective of risk management is to ensure that the risks stemming from the Company's operations have been identified, evaluated and scaled to an acceptable level, that the risks are monitored and that they are commensurate with the Company's ability to bear risk. The essential areas of risk management are credit risks, market risks including interest rate and price risks, financing risks, property risks as well as strategic and operational risks. The Company monitors the interdependence of various risks on a risk map. Oma Savings Bank Plc complies with its disclosure obligation by publishing information of risks, their management and capital adequacy in its financial statements. In addition, the Company publishes a Capital and Risk Management Report as a separate document to the Financial Statements.

Principles and organisation

Risk management means the identification, assessment, measurement, restriction and monitoring of risks resulting from and closely related to business operations. Through risk management, the Company attempts to minimise the likelihood of unexpected losses and threats to the Company's reputation. Risk management perspectives are also involved in business decisions when assessing new business opportunities and areas and the ratio of risk to return. Oma Savings Bank Plc's risk management strategy is based on the goal and business strategy approved by the Board of Directors for the Company, the risk appetite, the risk management policy and instructions, the authorisation system and the risk and incident reporting generated from the most important business areas. In accordance with its strategy, the Company operates in the low-risk area of retail banking activities. The Company does not have too much customer or investment risk concentrations in relation to its financial capacity, nor does the Company take them in accordance with its strategy.

The Company's Board sets the level of risk appetite by approving risk area-specific risk strategies and the necessary risk limits and monitoring limits. The realisation of the risk strategy is monitored through the control of risk limits and monitoring limits and reporting, which are performed independently of business operations. The Company maintains its capital adequacy at a safe level. The Company's capital adequacy and risk bearing ability are fortified with profitable operations. The Board is regularly provided with information about the various risks to the Company as well as an assessment of the level of each risk. The Board also accepts authorisations and frameworks for risk-taking by determining the approved levels of credit and market risks.

Within the limits of authorisation, the responsibility for the daily risk monitoring and surveillance belongs to the executive management. The executive management utilises system-produced reports on the various areas of risk. Systems and policies intended for risk reporting and monitoring meet the requirements set for risk management, taking into consideration the character and extent of the Company's operations.

The Company has established independent operations to ensure efficient and comprehensive internal control.

Independent operations:

- Independent risk control
- Ensuring compliance with regulations (compliance function)
- Internal audit

Risk management and compliance arrangements

Risk control and independent monitoring of compliance with regulations are performed by the risk control function and the Company's compliance function. The risk control function maintains the operating principles and framework of risk management and promotes a healthy risk culture by supporting the business in its risk management. The purpose of independent risk control is to ensure and monitor that the Company's risk management is conducted on a sufficient level in terms of the quality, extent, diversity and risks of the Company's business operations. In addition, all new and essential previously unknown risks will be included in the Company's risk management.

The compliance function ensures that the Company complies with laws, regulations and internal guidelines in all its operations. The compliance function also ensures that the practices followed, and the Company's internal instructions are coordinated with the requirements of legislation and other regulations. The goal of the compliance function is to promote the Company's compliance culture. The risk control function and the compliance function report directly to the CEO.

Oma Savings Bank Plc's internal audit is an independent and objective assessment and assurance activity, the task of which is to check the adequacy, functionality and efficiency of the internal control system, risk management and management and governance processes in the Company's various units and functions.

Internal audit supports the Company's top management and the organization in achieving its goals by providing a systematic approach to the organisation's processes and providing added value to Oma Savings Bank Plc and improving its operational reliability.

Credit ratings

S&P Global Ratings confirmed a credit rating of BBB+ for Oma Savings Bank Plc's long-term borrowing in June 2023, as well as a rating of A-2 for short-term borrowing. The long-term credit rating outlook has been confirmed as stable. In addition, S&P Global Ratings has confirmed the AAA rating for the Company's bond program.

Pillar III publication principles

In accordance with Regulation (EU) No 575/2013 of the European Parliament and the Council, Oma Savings Bank Group publishes information on capital adequacy and risk management listed in Part 8 and its Supplementary Regulation (EU) 2019/876 annually in Capital and Risk Management Report. In connection with the half-year report, the information according to Pillar III is published as a separate report in essential parts. The Company's independent operations evaluate and authenticate the relevance of the published information. The Company's Board of Directors assesses, on the proposal of independent operations, whether the published information provides market participants with a comprehensive understanding of the Company's risk profile.

Resolutions of the Annual General Meeting

Oma Savings Bank Plc’s Annual General Meeting was held on 30 March 2023. The AGM confirmed the Company's Financial Statements and Consolidated Financial Statements for the 2022 financial year, granted discharge to the members of the Company's Board of Directors and CEO from liability, and approved the Company's remuneration report. In addition, the AGM decided on the following matters:

Use of the profit shown on balance sheet and payment of dividend

In accordance with the Board's proposal, the AGM decided to pay an actual dividend of EUR 0.40 per share for each share entitled to a dividend for the financial year 2022. The dividend shall be paid to shareholders registered in the register of shareholders of the Company maintained by Euroclear Finland Ltd on the record date of 3 April 2023.

Remuneration of the Board of Directors

The AGM decided, in accordance with the proposal of the Shareholders' Nomination Committee, to keep the remuneration of the members of the Board of Directors unchanged. The members of the Board of Directors are paid the following annual fees for the term ending at the AGM of 2024: EUR 55,000 per year for the Chairman of the Board of Directors, EUR 41,250 per year for the Vice Chairman and EUR 27,500 per year for the other members. In addition, a meeting fees of EUR 1,000 is paid for each Board meeting and EUR 500 for each single-issue email meeting and committee meeting.

A condition for obtaining and paying a fixed annual fee is that the Board Member commits to purchase Oma Savings Bank Plc shares amounting to 40% of the fixed annual remuneration on the regulated market (Nasdaq Helsinki Ltd) at a price determined by trading. The recommendation is that a member of the Board of Directors shall not transfer the shares awarded as annual remuneration until the membership in the Board has expired.

Number and election of the Board of Directors

The number of members of the Board of Directors was confirmed to be seven. Aila Hemminki, Aki Jaskari, Timo Kokkala, Jyrki Mäkynen, Jarmo Salmi and Jaana Sandström were re-elected as Board members and Jaakko Ossa was elected as a new member for a term ending at the end of the 2024 AGM.

Election and remuneration of the auditor

KPMG Oy Ab, a firm of authorised public accountants, was elected to continue as auditor for a term ending at the AGM 2024. M.Sc (Econ.), APA Tuomas Ilveskoski continues as responsible auditor. The auditor's remuneration is paid against an invoice approved by the Company.

Authorisation of the Board of Directors to resolve on a share issue, the transfer of own shares and the issuance of special rights entitling to shares

The AGM decided, in accordance with the Board of Directors' proposal, to authorise the Board of Directors to resolve on the issuance of shares or transfer of the Company's shares and the issuance of special rights entitled to shares as referred to in Chapter 10, Section 1 of the Finnish Companies Act, subject to the following conditions:

- Shares and special rights can be issued or disposed of in one or more instalments, either in return for payment or free of charge.
- The total number of shares to be issued under the authorisation, including shares acquired on the basis of special rights, cannot exceed 4,000,000 shares, which corresponds to approximately 12 percent of the Company's total shares on the day of the AGM.
- The Board of Directors decides on all terms and conditions related to the issuance of shares. The authorisation concerns both the issuance of new shares and the transfer of own shares.

The authorisation is valid until the end of the next AGM, but not later than 30 June 2024 and revokes previous authorisations given by the AGM to decide on a share issue, as well as the option rights and the issuance of special rights entitling to shares.

Authorising the Board of Directors to decide on the repurchase of own shares

The AGM decided, in accordance with the Board of Directors' proposal, to authorise the Board of Directors to decide on the repurchase of the Company's own shares with funds belonging to the Company's free equity under the following conditions:

- Maximum number of 1,000,000 own shares may be repurchased, representing approximately 3 percent of the Company's total shares according to the situation on the date of the notice of the meeting, however, that the number of own shares held by the Company does not exceed 10 percent of the Company's total shares of the Company at any time. This amount includes the own shares held by the Company itself and its subsidiaries within the meaning of Chapter 15,Section 11 (1) of the Finnish Companies Act.
- The Board of Directors is authorised to decide how to acquire own shares.

The authorisation is valid until the closing of the next AGM, but not later than 30 June 2024.

Board of Directors

Oma Savings Bank Plc's Board of Directors consists of seven members. The Board of Directors convened 16 times during the year, of which five were email meetings.

Members of the Board:
Chairman of the Board Jarmo Salmi
Vice Chairman Jyrki Mäkynen
Member Aila Hemminki
Member Aki Jaskari
Member Timo Kokkala
Member Jaakko Ossa from 30 March 2023
Member Jarmo Partanen until 30 March 2023
Member Jaana Sandström

Administration and personnel

Oma Savings Bank Plc Group employed an average of 445 people in 2023. The goal of the Company is that every employee has a clear role in the organisation as well as adequate responsibilities and tasks.

The Company invests extensively in developing the skills and abilities of its personnel. The training and development of personnel with various themes in the form of training sessions, webinars and online trainings are the Company's continuous development of competence and professional skills.

The Company's personnel is generally very satisfied and committed. A significant portion of the Company's personnel own Company shares. Personnel satisfaction is a key indicator for the Company's operations and success. The Company monitors personnel satisfaction through an annual personnel survey. The overall satisfaction was at an excellent level of 4.5/5 in December 2023.

Corporate governance

The Company's corporate governance principles are described in a separate document 'Oma Savings Bank Plc's Corporate Governance Statement', approved by the Board, which can be found on the Company's website.

Reward schemes

The Company complies with the requirements on reward schemes laid down in Section 8 of the Act on Credit Institutions. The Company's Board of Directors has approved the general principles concerning the reward schemes and supervises and assesses their functioning and compliance with them regularly.

The reward scheme is aligned with the Company's business strategy, goals and values, and the Company's long-term benefit. The goal of the reward scheme is to assist the Company in achieving its strategic and operative targets by keeping the personnel motivated and committed. Remuneration also impacts work satisfaction, work well-being and commitment. The reward scheme is also in line with the Company's good and efficient risk management and risk-bearing capacity and promotes these.

One of the forms of reward is the personnel fund. The personnel fund means a fund owned and managed by the Company's personnel, the purpose of which is to manage earnings and profit bonuses paid into it by the company and other assets in accordance with the Act on Personnel Funds. The purpose of the personnel fund is to reward the whole personnel for achieving goals, improve the Company's productivity and competitiveness and promote co-operation between the employer and the personnel and financial participation of the personnel. The Company's Board of Directors decides annually on the amount of the profit-sharing bonus to be distributed to the personnel fund and the objectives behind the distribution. All employees that have been working at Oma Savings Bank for six months, excluding the CEO and the members of the management team, become members of the personnel fund. The personnel fund rules determine how the bonus gets distributed to the personnel fund members. The operation of the personnel fund is regulated by the Act on Personnel Funds.

During the financial year, the Company had a performance period of the share-based incentive scheme for the years 2022-2023. The aim of the scheme is to combine the interests of owners and key persons in order to increase the value of the Company in the long term, and to commit the key persons to implement the Company's strategy, objectives and long-term interest and to provide them with competitive earnings of the Company's shares and a remuneration scheme based on accrual. The terms of the share-based incentive system follow the principles of variable remuneration presented in the Company's remuneration policy. The persons belonging to the systems do not have other variable remuneration reward systems during the earning period.

The system's target group includes a maximum of 30 key personnel, including the ompany's CEO and members of the management team. The fees payable under the scheme corresponds to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash.

The share incentive scheme established in February 2020 (2020-2021) had one two-year earning period. In February 2023, the Company's Board of Directors approved 29,461 shares for payment from the incentive system, including the portion to be paid in cash. The system's target group included 10 key personnel.

Salaries and rewards for the financial year are presented in Note G21 Personnel expenses. The Company publishes the Remuneration Report alongside the Financial Statements.

Auditors

As of 29 March 2019, Oma Savings Bank's auditor has been the auditing firm KPMG Oy Ab. M.Sc., APA Tuomas Ilveskoski, has acted as the chief auditor during the financial year.

Corporate social responsibility and sustainability

The Company has reported on sustainability since 2019. In 2020, reporting expanded and included the review of the Company's environmental impacts through its carbon footprint in accordance with the GHG Protocol standard. Since 2022, the sustainability program and report have been prepared in accordance with the principles of GRI standards. The current reporting will deepen and promote sustainability work to meet the increasingly stringent sustainability requirements in advance and prepare for the reporting requirements of future CSRD regulation.

The Company's sustainability work is based on values and business principles, stakeholder expectations and megatrends that affect operations, on the basis of which the three most important sustainability themes have been defined we are close and present to the people, we promote shared well-being and we promote sustainable development.

The Company builds sustainable economy and promotes mitigating and adapting to climate change. The Company's products and services are developed to encourage customers to take sustainable and environmentally friendly action. The Company aims to plan its operations to be as low carbon as possible in order to reduce the total carbon footprint of the Company.

The corporate sustainability report is published as part of the Company's annual report and also includes a survey of the effects and risks of climate change and a carbon footprint result of the company's actual operations. The report examines the impact of activities on the environment, people and society in accordance with the duty of care and materiality.

Significant events after the period

In January, the Company's Shareholders' Nomination Committee proposes the Annual General Meeting the number of Board members to be further confirmed at seven. The Shareholders' Nomination Committee proposes that the Board members Aila Hemminki, Aki Jaskari, Jyrki Mäkynen, Jaakko Ossa, Jarmo Salmi and Jaana Sandström to be re-elected and as a new member Essi Kautonen.

Other events following the end of the reporting period that would require the presentation of additional information or that would materially affect the Company's financial position are unknown.

Outlook for 2024

The Company's profitable growth will continue, driven by investments in customer experience and service network. The SME customer business to be acquired from Handelsbanken will improve the Company's profitability from the second half of 2024 onwards.

Oma Savings Bank Plc provides earnings guidance on comparable profit before taxes for 2024. A verbal description is used to make a comparison with the comparative period. Earnings guidance is based on the forecast for the entire year, which takes into account the current market and business situation. Forecasts are based on the management's insight into the Group's business development.

We estimate the Group's comparable profit before taxes to remain at the current excellent level in the financial year 2024 (comparable profit before taxes was EUR 143.6 million in financial year 2023).

Financial goals

Oma Savings Bank's Board of Directors has approved the following financial goals:

- **Growth**: 10–15 percent annual growth in total operating income under the current market conditions
- **Profitability**: Cost/income ratio less than 45 percent
- **Return on equity (ROE)**: Long-term return on equity (ROE) over 16 percent.
- **Capital adequacy**: Common Equity Tier 1 (CET1) capital ratio at least 2 percentage points above regulatory requirement.

Dividend policy

The Company aims to pay a steady and growing dividend, at least 20 percent of net income. The Company's Board of Directors assesses the balance between the dividend or capital return to be distributed and the amount of own funds required by the Company's solvency requirements and target on an annual basis and makes a proposal on the amount of dividend or capital return to be distributed.

Board of Directors' proposal for the distribution of profit to AGM

The Board of Directors proposes that, based on the Financial Statements to be approved for 2023, an actual dividend of EUR 0.67 and an additional dividend of EUR 0.33, i.e. total of EUR 1.00 to be paid from the Parent Company's distributable profits for each share entitled to a dividend for 2023. The actual dividend is in line with the Company's dividend policy and an additional dividend is proposed due to the record result for the financial year 2023 and exceptionally strong Net interest income. The proposed record date for dividends would be 28 March 2024 and payment date 8 April 2024.

No significant changes took place in the Company's financial position after the financial year. The Company's liquidity is good, and the proposed profit distribution does not compromise the Company's liquidity according to the Board of Directors' insight.

General Meeting

Oma Savings Bank Plc's Annual General Meeting will be held on 26 March 2024. The Company's Board of Directors will convene the Annual General Meeting separately.

Financial Statements

Year 2023 Report of Board of Directors and Financial Statements is a translation of the original Finnish version "Vuoden 2023 hallituksen toimintakertomus ja tilinpäätös". If discrepancies occur, the Finnish version is dominant.

This is not the ESEF Financial Statements, the official ESEF Financial Statements can be read on the Company's website.

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Consolidated income statement

Note	(1,000 euros)	1-12/2023	1-12/2022
	Interest income	322,506	121,876
	Interest expenses	-125,461	-16,946
G17	**Net interest income**	**197,045**	**104,930**
	Fee and commission income	56,621	46,270
	Fee and commission expenses	-9,200	-6,873
G18	**Fee and commission income and expenses, net**	**47,421**	**39,396**
G19	Net income on financial assets and financial liabilities	-1,875	-5,306
G20	Other operating income	4,476	5,371
	Total operating income	**247,067**	**144,392**
G21	Personnel expenses	-29,611	-24,316
G22	Other operating expenses	-52,517	-41,203
G23	Depreciation, amortisations and impairment losses on tangible and intangible assets	-8,422	-7,543
	Total operating expenses	**-90,550**	**-73,062**
G24	Impairment losses on financial assets, net	-17,126	-1,747
	Share of profit of equity accounted entities	-1,344	-357
	Profit before taxes	**138,048**	**69,226**
G25	Income taxes	-27,997	-13,847
	Profit for the accounting period	**110,051**	**55,379**
	Of which:		
	Shareholders of Oma Savings Bank Plc	110,051	55,382
	Non-controlling interest	-	-2
	Total	**110,051**	**55,379**
	Earnings per share (EPS), EUR	**3.49**	**1.85**
	Earnings per share (EPS) after dilution, EUR	**3.47**	**1.83**

Profit before taxes excluding items affecting comparability

(1,000 euros)	1-12/2023	1-12/2022
Profit before taxes	**138,048**	**69,226**
Operating income:		
Net income on financial assets and liabilities	1,875	5,306
Operating expenses		
Costs relating to business combinations	3,292	1,318
Expenses from the change negotiations	394	-
Comparable profit before taxes	**143,609**	**75,850**
Income taxes in income statement	-27,997	-13,847
Change of deferred taxes	-1,112	-1,325
Comparable profit/loss for the accounting period	**114,500**	**60,679**

Consolidated statement of comprehensive income

Note	(1,000 euros)	1-12/2023	1-12/2022
	Profit for the accounting period	**110,051**	**55,379**
	Other comprehensive income before taxes		
	Items that will not be reclassified through profit or loss		
G28	Gains and losses on remeasurements from defined benefit pension plans	191	364
	Items that may later be reclassified through profit or loss		
G16	Measured at fair value	18,012	-94,917
G16	Transferred to Income Statement as a reclassification change	422	-97
	Other comprehensive income before taxes	**18,624**	**-94,650**
	Income taxes		
	For items that will not be reclassified to profit or loss		
	Gains and losses on remeasurements from defined benefit pension plans	-38	-73
	Items that may later be reclassified to profit or loss		
	Measured at fair value	-3,687	19,003
G11	**Income taxes**	**-3,725**	**18,930**
	Other comprehensive income for the accounting period after taxes	**14,899**	**-75,720**
	Comprehensive income for the accounting period	**124,950**	**-20,340**
	Attributable to:		
	Shareholders of Oma Savings Bank Plc	124,950	-20,338
	Non-controlling interest	-	-2
	Total	**124,950**	**-20,340**

Consolidated balance sheet

Note	Assets (1,000 euros)	31 Dec 2023	31 Dec 2022
G4	Cash and cash equivalents	682,117	402,030
G5	Loans and receivables from credit institutions	192,305	114,655
G5	Loans and receivables from public and public sector entities	5,997,074	4,754,036
G6	Financial derivatives	44,924	1,931
G7	Investment assets	561,414	552,633
G34	Equity accounted entities	24,131	25,351
G8	Intangible assets	8,801	8,174
G8	Goodwill	4,837	454
G9	Tangible assets	34,594	28,799
G10	Other assets	75,097	31,778
G11	Deferred tax assets	17,610	21,924
	Total assets	**7,642,906**	**5,941,766**

Note	Liabilities (1,000 euros)	31 Dec 2023	31 Dec 2022
G12	Liabilities to credit institutions	165,255	242,543
G12	Liabilities to the public and public sector entities	3,778,310	3,112,464
G6	Financial derivatives	9,455	4,184
G13	Debt securities issued to the public	2,930,058	2,086,950
G14	Subordinated liabilities	60,000	40,000
G15	Provisions and other liabilities	113,297	54,111
G11	Deferred tax liabilities	42,899	36,072
G11	Current income tax liabilities	2,580	482
	Total liabilities	**7,101,854**	**5,576,806**

G16	Equity	31 Dec 2023	31 Dec 2022
	Share capital	24,000	24,000
	Reserves	148,822	68,822
	Retained earnings	368,230	272,139
	Shareholders of Oma Savings Bank Plc	**541,052**	**364,961**
	Shareholders of Oma Savings Bank Plc	541,052	364,961
	Equity, total	**541,052**	**364,961**
	Total liabilities and equity	**7,642,906**	**5,941,766**

Group's off-balance sheet commitments (1,000 euros)	31 Dec 2023	31 Dec 2022
Off-balance sheet commitments		
Guarantees and pledges	41,926	34,774
Commitments given to a third party on behalf of a customer	**41,926**	**34,774**
Undrawn credit facilities	330,599	291,184
Irrevocable commitments given in favour of a customer	**330,599**	**291,184**
Group's off-balance sheet commitments, total	**372,525**	**325,958**

Consolidated statement of changes in equity

(1,000 euros)	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
Equity, 1 January 2023	**24,000**	**-76,503**	**145,324**	**68,822**	**272,139**	**364,961**	**-**	**364,961**
Comprehensive income								
Profit for the accounting period	-	-	-	-	110,051	110,051	-	110,051
Other comprehensive income	-	14,747	-	14,747	153	14,899	-	14,899
Total comprehensive income	**-**	**14,747**	**-**	**14,747**	**110,204**	**124,950**	**-**	**124,950**
Transactions with owners								
Share issue	-	-	65,001	65,001	-	65,001	-	65,001
Repurchase of own shares	-	-	-	-	-1,556	-1,556	-	-1,556
Distribution of dividends	-	-	-	-	-13,270	-13,270	-	-13,270
Share-based incentive scheme	-	-	-	-	552	552	-	552
Other changes	-	-	252	252	162	414	-	414
Transactions with owners, total	**-**	**-**	**65,253**	**65,253**	**-14,112**	**51,141**	**-**	**51,141**
Equity total, 31 December 2023	**24,000**	**-61,756**	**210,578**	**148,822**	**368,230**	**541,052**	**-**	**541,052**

(1,000 euros)	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
Equity, 1 January 2022	**24,000**	**-492**	**145,324**	**144,833**	**231,939**	**400,772**	**522**	**401,294**
Comprehensive income								
Profit for the accounting period	-	-	-	-	55,382	55,382	-2	55,379
Other comprehensive income	-	-76,011	-	-76,011	291	-75,720	-	-75,720
Total comprehensive income	**-**	**-76,011**	**-**	**-76,011**	**55,673**	**-20,338**	**-2**	**-20,340**
Transactions with owners								
Share issue	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	880	880	-	880
Distribution of dividends	-	-	-	-	-15,010	-15,010	-	-15,010
Share-based incentive scheme	-	-	-	-	-1,381	-1,381	-	-1,381
Other changes	-	-	-	-	37	37	-520	-482
Transactions with owners, total	**-**	**-**	**-**	**-**	**-15,473**	**-15,473**	**-520**	**-15,993**
Equity total, 31 December 2022	**24,000**	**-76,503**	**145,324**	**68,822**	**272,139**	**364,961**	**-**	**364,961**

Consolidated cash flow statement

(1,000 euros)	1-12/2023	1-12/2022
Cash flow from operating activities		
Profit/loss for the accounting period	110,051	55,379
Changes in fair value	2,104	414
Share of profit of equity accounted entities	1,344	357
Depreciation and impairment losses on investment properties	59	41
Depreciation, amortisation and impairment losses on tangible and intangible assets	8,422	7,543
Gains and losses on sales of tangible and intangible assets	-	-273
Impairment and expected credit losses	17,126	1,747
Income taxes	27,997	13,847
Other adjustments	9,446	-21,329
Adjustments to the profit/loss of the accounting period	66,498	2,346
Cash flow from operations before changes in receivables and liabilities	**176,549**	**57,725**
Increase (-) or decrease (+) in operating assets		
Debt securities	58,741	-17,330
Loans and receivables from credit institutions	45,052	-1,391
Loans and receivables from customers	-254,038	-460,913
Derivatives, in hedge accounting	246	114
Investment assets	-758	10,463
Other assets	-37,101	14,502
Total	**-187,859**	**-454,556**
Increase (+) or decrease (-) in operating liabilities		
Liabilities to credit institutions	-288,103	57,953
Deposits	-289,309	218,242
Provisions and other liabilities	28,639	11,131
Total	**-548,773**	**287,326**
Paid income taxes	**-17,796**	**-15,679**
Total cash flow from operating activities	**-577,879**	**-125,184**
Cash flow from investments		
Investments in tangible and intangible assets	-6,559	-3,554
Proceeds from sales of tangible and intangible assets	-	742
Acquisition of associated companies and joint ventures	-3,270	-1,500
Changes in other investments	-	246
Total cash flow from investments	**-9,829**	**-4,066**
Cash flows from financing activities		
Other cash increases in equity items	252	-
Repurchase of own shares	-2,054	-367
Subordinated liabilities, changes	20,000	25,000
Debt securities issued to the public	832,413	353,049
Acquisition of businesses less cash at the time of acquisition	143,071	-28
Payments of lease liabilities	-3,442	-2,517
Dividends paid	-13,270	-15,010
Total cash flows from financing activities	**976,971**	**360,128**
Net change in cash and cash equivalents	**389,262**	**230,878**
Cash and cash equivalents at the beginning of the accounting period	**484,660**	**253,782**
Cash and cash equivalents at the end of the accounting period	**873,923**	**484,660**
Cash and cash equivalents are formed by the following items		
Cash and cash equivalents	682,117	402,030
Receivables from credit institutions repayable on demand	191,805	82,630
Total	**873,923**	**484,660**
Received interest	**290,255**	**110,342**
Paid interest	**-101,834**	**-10,848**
Dividends received	**179**	**449**

Notes to the Consolidated Financial Statements

G1 Accounting principles for the Consolidated Financial Statement

1. About the accounting principles

Oma Savings Bank Plc is a Finnish public limited Company, whose domicile is in Seinäjoki and head office in Lappeenranta, Valtakatu 32, 53100 Lappeenranta. The Group's parent company is Oma Savings Bank Plc. Copies of the Financial Statements and Interim Reports are available on the Bank's website www.omasp.fi.

The Board of Directors has approved the Operating Report and Financial Statements for the period from 1 January to 31 December 2023 at its meeting 29 February 2024, and the Annual General Meeting will approve them on 26 March 2024.

Oma Savings Bank Group is formed as follows:

Subsidiary
- Real estate company Lappeenrannan Säästökeskus holding 100%

Associated companies
- GT Invest Oy holding 48.7%
- City Kauppapaikat Oy holding 43.3%

Joint ventures
- Figure Taloushallinto Oy holding 25%
- Deleway Projects Oy holding 49%
- SAV-Rahoitus Oyj holding 48.2%

Joint operations
- Housing company Seinäjoen Oma Savings Bank house holding 30.5%

The Consolidated Financial Statements of Oma Savings Bank Plc (hereinafter Company) have been prepared in compliance with the International Financial Reporting Standards (IFRS), and in accordance with SIC and IFRIC interpretations. The preparation of the Notes to the Financial Statements took into account also the Finnish accounting and entity legislation and the supplementary requirements of authorities' requirements.

The Consolidated Financial Statements (hereinafter Group) are presented in thousands of euros unless otherwise specified. The figures in the notes are rounded off, so the combined sum of single figures may deviate from the grand total presented in a table or a calculation. The accounting and functional currency of the Group and its companies is the euro. The Consolidated Financial Statements can also be signed electronically.

The Group's Consolidated Financial Statements have been prepared on a historical cost basis, except for financial assets recognised at fair value through profit or loss, financial assets held for trading, fair value hedges (for hedged risk) and hedging derivatives used in fair value or cash flow hedges that are recognised at fair value.

1.1 New and revised standards and interpretations applied

The Company has applied the standard amendments and interpretations concerning the Company that came into force during the financial year. The changes that took effect in 2023 have not had a material effect on the Group's result for the financial year, financial position or presentation of Financial Statements.

2. Consolidation principles

2.1. Subsidiaries

The Group's Consolidated Financial Statements include the parent company and its subsidiaries in which the bank has control. Control arises when the Group, by participating in an entity, is exposed to, or is entitled to a variable return on an investee and is able to exercise that return by exercising its power over the investee.

Mutual ownership in the Group has been eliminated using the acquisition method. The consideration transferred, the identifiable assets of the acquired entity and liabilities taken for liability are valued at fair value at the time of acquisition. Any goodwill shall be recorded in the amount by which the cost exceeds the Group's share of the fair value of acquired assets and liabilities at the time of acquisition. The costs related to the acquisition have been recorded as expenses. The non-controlling owners share is valued at an amount equal to the non-controlling owners´ share of the identifiable net assets of the subject of the acquisition. If the consideration given undercuts identifiable assets and liabilities taken for liability, negative goodwill arises due to low-cost trading, recorded in the Income Statement under Other operating income.

The acquired subsidiaries are included in the Consolidated Financial Statements from the moment that the Group gains control over them and the sold subsidiaries are included until control ceases. Internal transactions, receivables and liabilities, unrealised profits and internal profit distribution in the Group have been eliminated in the Consolidated Financial Statements.

Unrealised losses are not eliminated if the loss is due to impairment. The distribution of profit or loss for the period to the controlling and non-controlling interests of the parent company is disclosed separately in the income statement. The distribution of comprehensive income for the period to the controlling and non-controlling interests of the parent company is presented in the statement of comprehensive income. Profit or loss for the period and comprehensive income are allocated to the controlling and non-controlling interests of the parent company, even if this were to result in the non-controlling interest becoming negative. The share of equity belonging to non-controlling interest is presented as a separate item in the balance sheet, as part of equity.

2.2. Joint ventures and associated companies

Joint ventures are defined as joint arrangements in which the bank has joint control together with other parties to the arrangement and the arrangement brings the bank the right to the arrangement's net assets. Joint ventures and associated companies have been consolidated using the equity method. The investment is initially recognised at cost, after which the Group's share of the profit of the joint venture for the period is consolidated in the income statement. Similarly, the potential Group's share of other comprehensive income of the joint venture or associate company is recognised in the Group's comprehensive income. If the Group's share of the losses exceeds the book value of the investment to be consolidated using the equity method, any losses exceeding the book value will be consolidated with the Group if the Group is committed to meeting the obligations of the associated companies.

A joint venture is an arrangement in which the Group has rights to the arrangement of net assets, while in a joint operation, the Group has rights to the assets and liabilities of arrangement. Mutual real estate companies are joint operations from which the Group has combined its own assets, liabilities, income and expenses and its own share of common assets, liabilities, income and expenses.

3. Goodwill

Goodwill arising from the combination of business operations is recognised in the amount by which the combined amount of transferred consideration, non-controlling interest in the acquired item and the previously owned share exceeds the fair value of the acquired net assets. The difference in the fair value of the acquired net assets is recognised as goodwill or negative goodwill. Goodwill is recorded in the balance sheet under intangible assets, while negative goodwill is recognised directly as income.

No depreciation is recognised in goodwill, but it is tested in case of impairment at least on every reporting day and whenever there is any indication that the value may have decreased. Goodwill is valued at the initial acquisition value less impairment.

4. Financial instruments

4.1. Classification and valuation of financial assets
On initial recognition, the item belonging to financial assets is valued at fair value in accordance with IFRS 9. If the financial asset is an item not recognised at fair value through profit or loss, the incremental direct transaction costs from the acquisition of the assets are added to it or deducted from it.

Financial assets are classified in one of the three following classes when they are initially recognised:
- valued at amortised cost,
- valued at fair value through other comprehensive income or
- financial assets valued at fair value through profit or loss.

Immediately subsequent to the initial recognition, a loss allowance concerning expected credit losses (ECL) is recognised on the financial assets, if the financial asset is valued at amortised cost or at fair value through other comprehensive income. Impairments of financial assets are assessed for each receivable and receivable category. Impairments that cannot be allocated to individual receivables are recognised as impairments of a receivable category.

The classification and valuation of financial assets is based on the Company's business model and the nature of contractual cash flows. Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

4.1.1 Financial assets valued at amortised cost
Financial assets are valued at amortised cost when the contractual cash flows only include capital repayments and interest payments, and the Company holds them as part of a business model whose objective is to collect contractual cash flows over the life of the contract. Financial assets valued at amortised cost include receivables from customers and credit institutions, as well as cash assets.

4.1.2 Financial assets valued at fair value through other comprehensive income
Financial assets are valued at fair value through other comprehensive income when the contractual cash flows consist only of capital repayments and interest payments and the Company holds the financial asset as part of a business model whose objective is both collecting contractual cash flows and possibly selling the financial assets before the maturity date. The Company has classified some of its debt instruments to be valued at fair value through other comprehensive income.

4.1.3 Financial assets valued at fair value through profit or loss
Financial assets are valued at fair value through profit or loss unless they are valued at amortised cost or at fair value through other comprehensive income. Items that do not meet the SPPI test are also recognised at fair value through profit or loss. Mainly financial assets whose business model is to trade actively, and which have been acquired to generate earnings in the short term, are recognised at fair value through profit or loss. The Company has classified some of its debt securities in this class.

4.2 Equity instruments
Equity instruments are recognised at fair value through profit or loss unless the Company makes an irrevocable choice at the time of acquisition to measure the investment at fair value through other comprehensive income.

The Group does not have equity investments valued at fair value through other comprehensive income. All equity instruments recognised according to IFRS 9 are recognised at fair value through profit and loss.

4.2.1 Assessment of business models
The Company specifies the business model objective for each portfolio according to how business operations are managed and reported to the management. The objectives are specified on the basis of the investment and lending policy approved by the Company.

The business model describes a portfolio-specific earnings model with the purpose of collecting only contractual cash flows, collecting contractual cash flows and cash flows from sales of financial assets or collecting cash flows from trading in financial assets.

4.2.2 Cash flow testing
If the business model is other than trading, the Company assesses whether the contractual cash flows are based solely on payment of principal and interest (the so called SPPI test). If the cash flow criterion is not met, the financial asset is recognised at fair value through profit or loss.

In assessing whether contractual cash flows are solely payments of principal and interest, the Company will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of cash flows so that it does not meet the SPPI contractual cash flow characteristics test requirements.

The retail bank and corporate loans granted by the Company contain a prepayment feature. This feature does meet the cash flow testing criteria as, in connection with a prematurely repaid loan, the Company is entitled to collect reasonable compensation for the premature termination of the contract.

4.3 Changes in contractual cash flows
Whenever a change is made to a financial asset or liability valued at amortised cost without removing the asset or liability from the balance sheet any profit or loss must be recognised. The profit or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the contractual interest rate. An example of a situation of this kind are changes made to the amortisation plan for a loan granted to the customer or granting amortisation suspension. Changes due to a deterioration in the customers solvency are treated as a significant growth in credit risk.

In connection with significant loan term changes, the loan is derecognised from the balance sheet and a new loan is recognised in its place. If the credit risk of the loan derecognised from the balance sheet has grown significantly, the new loan is recognised in the balance sheet as credit-impaired.

4.4 Derecognition
The Group derecognises a financial asset when the contractual rights to cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group does not retain control of the financial assets.

4.5 Impairment of financial assets
The impairment estimate, the expected credit loss (ECL), is recognised on all debt instruments belonging to financial assets valued at amortised cost and valued at fair value through the fair value reserve and on off-balance sheet loan commitments and guarantee contracts.

For financial assets valued at amortised cost, a loss allowance for the expected credit loss is recognised in a separate account as a reduction in the carrying amount. The expected credit loss on the financial assets valued at fair value through other comprehensive income is recognised in the fair value reserve through other comprehensive income. For off-balance-sheet items, the expected credit loss is recognised as a provision.

The expected credit losses are measured at an amount equal to lifetime of the financial asset when, on the date of reporting, the credit risk related to the financial asset has significantly increased since its initial recognition (stage 2) or when the contract is credit-impaired (stage 3). Otherwise, the expected credit loss is calculated based on the assessment that default event will occur within 12 months of the date of reporting.

The expected credit losses are recognised for each date of reporting, and they describe:
- an unbiased and probability-weighted monetary amount that is determined by evaluating a range of possible outcomes,
- the time value of money and
- reasonable and justifiable information that is available on the date of reporting without any excessive costs or efforts and which applies to past events, current circumstances and forecasts of the economic environment.

The financial assets used in the calculations are classified into three stages, which describe the weakening of the quality of the financial assets compared to the initial recognition.

Stage 1: Contracts whose credit risk has not grown since the initial recognition and for which a 12-month ECL is calculated.
Stage 2: Contracts whose credit risk has grown significantly since the initial recognition and for which a lifetime ECL is calculated.
Stage 3: Credit-impaired contracts (contract has been classified as being in default) for which a lifetime ECL is calculated.

4.5.1 Significant increase in credit risk
In assessing whether the credit risk related to a financial instrument has increased significantly, the change in the risk of a default occurring over the expected life of the financial instrument shall be observed. When carrying out this assessment, the risk of default occurring over the expected life of the instrument at the reporting date is compared with the risk of default at the date of initial recognition. A significant increase in credit risk leads to the transfer of the loan from stage 1 to stage 2. The Company uses both quantitative and qualitative indicators in credit risk assessment.

As indicators to assess a significant increase in credit risk, the Company uses, among other things, changes in the rating of customers. In addition to classifications, the Company uses certain qualitative indicators, such as forbearance marking, as well as a delay of at least 30 days of contractual payments. This review is automated in the calculation.

Loan-specific stage allocations are monitored monthly. The loan can improve at most one step per calculation date. Loans from stage 2 are transferred to stage 1 only after a delay period. With a loan at stage 2, improvement to stage 1 requires at least two consecutive months in which the loan does not meet the criteria of stage 2 or 3. This means that the loan is always at least two months in stage 2, regardless of whether it is a loan improved from stage 3, which has not met the stage 2 or 3 criteria at any stage after improvement, or which has met the criteria for stage 2 or initially in stage 2 been a loan that would be entering stage 1.

4.5.2 Definition of default
The Company has determined that the default under IFRS 9 (stage 3) occurred when the debtor's contract has been defaulted. The definition corresponds with the definition of default used by the Group in its regulatory reporting and is consistent with the definition of customer default. A debtor is default when the aggregate amount of its overdue credit obligations exceeds both of the thresholds listed below. All receivables due at the overall level are taken into account, regardless of maturity.

- Absolute threshold of EUR 100 / EUR 500: The total amount of receivables due to the Group is at least EUR 100 for retail exposures or at least EUR 500 for all other "non-retail" receivables.
- Relative 1% threshold: The total amount of payments due to the Group in relation to the total amount of each debtor's liabilities is at least 1% of the total receivables

Once both thresholds have been met for 90 consecutive days, the customer is classified as defaulted. The other criterion of uncertain repayment may also result in customer default if it is likely that the customer will not repay their credit obligation in full without resorting to collateral liquidation.

In assessing when a debtor is in a state of default, the Company takes into account qualitative indicators such as violations of loan terms or covenants and quantitative indicators such as the number of days past due date, by using internal and external sources to collect information on the debtor's financial position.

4.5.3 Expected credit loss – Model input
The calculation of the expected credit losses is based on portfolio-specific calculation rules. The Group's loan portfolio has been divided into the following calculation portfolios:

- Private customers
- SME customers
- Other housing company
- Other agricultural entrepreneurs
- Other customers

The calculation of the expected credit loss for each portfolio is based on the Exposure at Default (EAD), Probability of Default (PD) and the Loss Given Default (LGD). As a basis for determining the parameters, the Company uses customers' historical payment behavior and customer data, as well as liability and collateral values. In the forward-looking determination on values of the PD variables and the LGD variables, Finland's macroeconomic forecasts of changes regarding the future development of the economy, i.e. the change in GDP, the development of housing price and the number of employees, have been used.

The portfolios of private customers and SME customers make up the two clearly largest calculation portfolios. Private customers' portfolio includes liabilities for which the PD value has been modeled using the private customer classification method included in the IRB license application. The portfolio of SME customers includes all corporate liabilities for which the PD value is modeled using the SME classification method. If the PD value cannot be calculated for the liability using the two methods mentioned above, the portfolio of the liability is determined according to the customer's sector and industry code.

For other agricultural entrepreneurs, the PD value is determined by the average default frequency calculated from the history of the agribusiness counterparties. For other housing companies, the principle of calculation is similar. The remaining counterparties go to the "Other" portfolio and use values calculated from the average PDs of Phase 1 and 2 of the SME counterparties.

Certain financial instruments include both a loan principal and an undrawn portion of a loan commitment. The undrawn portion of a loan is taken into account in the exposures for the total limit granted. With credit card receivables, EAD calculation applies the so-called CCF coefficient when taking into account undrawn limits. The Exposure at Default (EAD) of LGD describes expected share of credit loss from the loan capital at the time of default.

For debt security investments, the Group determines the allowance for credit loss using the formula EAD*PD*LGD. Instrument-specific material from the market database is used as the source for calculating PDs. In addition, the low credit risk exemption is applied for debt security investments with a credit rating of at least investment grade at the reporting date. The investment grade level is the highest possible rating level that debt security investments can receive from credit rating agencies and therefore the low credit risk exemption may apply to such investments. In these cases, the allowance for credit loss will be measured at an amount equal to the 12-month expected credit losses.

The management of the Company monitors the development of an allowance for credit loss to ensure that the model properly reflects the amount of expected credit loss. If necessary, the management refines the calculation parameters.

4.6 Recognising final credit losses
Financial assets are derecognised from the balance sheet when it is expected that payment on the loans will no longer be received and the final credit loss can be calculated. The previously recognised expected credit loss is reversed at the same time as the item is removed from the balance sheet and the final credit loss is recognised.

The loans are removed from the balance sheet when their enforcement activities have been finished or when the loan terms are changed significantly, for example in connection with refinancing. After derecognition, payments allocated to recoveries of amounts previously written off are recognised through profit or loss in the item 'Impairment losses on financial assets, net'.

4.7 Classification and valuation of financial liabilities
At the time of the initial recognition, financial liabilities are classified in one of the following classes:

- financial assets valued at amortised cost, or
- recognised at fair value through profit and loss.

Financing liabilities are originally recognised at fair value. Consequently, financial liabilities, with the exception of liabilities recognised at fair value through profit and loss, are valued at amortised cost using the effective interest method. Transaction costs are included in the original carrying value of financial liabilities valued at amortised cost. Transaction costs related to financial liabilities that are recognised at fair value through profit or loss are recognised as expenses.

Financial liabilities valued at fair value through profit or loss comprise derivative instruments. At the reporting date, the Group does not have derivative instruments valued at fair value through profit or loss. In addition, joint debts included in other liabilities in connection with the acquisitions of the Group's businesses, are recognised at fair value through profit or loss.

Liabilities to credit institutions, liabilities to the public and general government as well as debt securities issued to the public are recognised in other financial liabilities valued at amortised cost.

Financial liabilities are not reclassified subsequent to their initial recognition.

4.8 Offsetting financial assets and liabilities
Financial assets have not been netted in the Group's financial statements.

4.9 Items denominated in foreign currencies
Assets and liabilities denominated in foreign currencies outside of the euro zone have been translated into to euros as per the European Central Bank's average rate on the reporting date. On the income statement, foreign currency differencies that arising from during valuation have been recognised in net gains from investment operations.

4.10 Cash and cash equivalents
Cash and cash equivalents consist of cash, bank receivables and short-term deposits of less than three months.

4.11 Determining the fair value
Fair value is the price that would be received for the sale of an asset or that would be paid for assuming a liability between market participants in a common transaction occurring on the valuation date.

The fair value of a financial instrument is determined either utilising quoted prices obtained from active markets or, if active markets do not exist, utilising an established valuation method. Markets are considered to be active if price quotes are easily and regularly available and if they reflect real and regularly reoccurring market transactions between parties that are independent of each other. The current bid price is used as the quoted market price of financial assets.

If there is an established valuation method in the markets for financial instruments for which a market price cannot be directly acquired, the fair value is based on the generally used calculation model of market price and on the input quotes used by the model.

If the valuation method is not well-established in the markets, a specific widely recognised valuation model for the product in question is used to determine the market value. Valuation models are based on widely utilized calculation methods and they cover all factors that market participants would take into consideration when calculating prices. When determining the fair value, uses observable prices of market transactions, discounted cash flows and the fair value at the time of financial statements of another, essentially similar instrument. Valuation methods take into account credit risk assessments, used discount rates, the possibility of prepayments and other factors that impact the valuation of the financial instrument's fair value.

The fair value determination according to the IFRS 13 standard is applied to the determination of the fair value of financial instruments. The fair values of financial instruments are divided in three hierarchies according to how the fair value is determined:
Level 1: Fair values quoted in active markets for identical assets or liabilities.
Level 2: Fair values that have been determined by the use of input information other than quoted in Level 1 prices, that are verifiable for assets or liabilities either directly (e.g. as prices) or indirectly (e.g. derived from prices).
Level 3: Fair values that have been determined for assets or liabilities using inputs that are not essentially based on verifiable market prices.

The hierarchy levels of fair values are determined based on the lowest level of input that is significant for the investee. The significance of an input is assessed against the item valued at fair value in its entirety. Transfers between fair value hierarchy levels are determined to have occurred on the date when the event or change in circumstances occurs.

5. Derivatives and hedge accounting

The Company hedges the interest rate risk of changes in the value of debt certificates and fixed-rate deposit stock with interest rate derivatives and applies hedge accounting to them. In hedge accounting documentation, hedge accounting is defined as fair value hedge. The Company follows the hedge accounting specifications and monitors the effectiveness of hedges and changes in fair values on a regular basis. In addition, at the balance sheet date, the Company has share derivatives to hedge deposits whose return is tied to a change in the value of the shares.

The change in the value of debt certificates and their impact on the fair value reserve of the Company are protected by interest rate swaps. The hedge accounting follows the provision of IFRS 9, which allows continued application of the portfolio hedge accounting in accordance with IAS 39.

Interest rate swaps are used to hedge fixed-rate deposit stocks and stock derivatives have been used to hedge deposits, whose yield is tied to changes in stock value. For hedge accounting, the hedge is subject to the IAS 39 'carve out' method. The individual terms of the ISDA/CSA collateral methods are applied to the counterparties of the interest rate swaps.

In determining the fair values of derivative contracts, the Company follows hierarchy levels 2 and 3 of the fair values of financial instruments presented in section 4.11 Determining the fair value. Derivative contracts are valued at fair value and changes in value are recorded in profit or loss or if hedge accounting is applied to other comprehensive income items. The positive fair values of derivative contracts are presented in the assets of the balance sheet under the item 'Derivatives'. The counterparty's credit risk adjustment (CVA) is taken into account when valuing the assets.

The negative fair values of derivative contracts are presented in the balance sheet's liabilities under the 'Derivative contracts' item. The debit valuation adjustment (DVA) is taken into account in the valuation. Derivative contracts are valued at fair value and hedge accounting is applied to them. The changes in the fair value of hedged items and hedging instruments designated for hedging the fair value are entered in the income statement item 'Net income on financial assets and liabilities' and in the balance sheet as an adjustment of the item in question. The interest expenses of hedge derivatives are presented under interest expenses and the income under interest income.

The fair values of discontinued hedging calculation derivatives are amortised over the period to the original maturity.

Derivatives are not held for the purpose of trading. Before beginning hedge accounting, the connection between hedging derivatives and instruments to be hedged (economic hedge relationship) and the effectiveness of hedging are documented.

6. Intangible assets

The most significant intangible assets in the Consolidated Financial Statements are the information systems used in the banking operations and intangible assets related to customer relationships recognised in the balance sheet in connection with acquisitions.

Intangible assets are recognised in the balance sheet if it is likely that the expected economic benefits associated with the asset will flow to the Group and the acquisition cost of the asset can be measured reliably.

The acquisition cost comprises the purchase price including expenditure that are direct results of preparing the asset for its intended purpose. Internal development work related directly to the information system project is also in the carrying amount of the asset. Expenses related to the use of the asset and the training of personnel are not included in the acquisition cost, nor are administrative expenses or other general expenses. After initial recognition, the intangible asset is measured at cost less amortisation and impairments.

Intangible assets are recognised in the balance sheet under 'Intangible assets' and any amortisation is recognised on the income statement under 'Depreciation, amortisation and impairment losses on tangible and intangible assets'.

The acquisition cost of intangible assets is recognised as depreciation in accordance with useful life. Depreciations of intangible assets are commenced at the moment when the asset is ready for use. The useful life of intangible assets is reviewed annually.

The estimated useful lives are as follows:

- Information systems: 3 – 10 years
- Customer relationships related to deposits: 6 years
- Other intangible assets: 3 – 5 years

The accounting for cloud computing arrangements depends on whether cloud-based software is classified as a software intangible asset or a service contract. Those arrangements where the Company does not have control over the underlying software are accounted as service contracts providing the Company the right to access the cloud provider's application software over the contract period. The ongoing licensing fees to the application software, together with related configuration or customisation cost incurred, are recognised under Other operating expenses when the services are received. Prepayments paid to the cloud vendor customizing services which are not distinct are recognised over the contract period.

7. Tangible assets and investment properties

Based on the purpose of use, the Group's properties are divided into properties in own use and investment properties. The purpose of investment properties is to generate rental income or increases in capital value. If a property is both in own and investment use, the assets are presented separately only if they can be sold separately. In these cases, the division is based on the ratio of square meters in different uses.

If these parts could be sold separately, they are processed separately in bookkeeping by the purpose of use. If the parts cannot be sold separately, the property is treated as investment property only if merely a small portion of the property is in own or the personnel's use. If the parts cannot be sold separately, the premises are classified as per the purpose of use of the larger area in use.

Property, plant and equipment are recognised in the balance sheet under 'Tangible assets' and investment properties are recognised under 'Investment assets'. On the income statement, income related to properties in own use is recognised under 'Other operating income' and the related expenses are recognised under 'Other operating expenses'. Depreciation and impairment losses from all property, plant and equipment are recognised under 'Depreciation, amortisation and impairment losses from tangible and intangible assets'. Net income from investment properties, including accumulated depreciation, amortisation and impairment, are included in 'Net income from investment activities'. Gains or losses arising from disposal or retirement are recognised as a difference between received income and balance sheet value.

Property, plant and equipment as well as investment properties are valued at acquisition cost less depreciation and impairment. Depreciations are based on estimates on the assets' useful lives. Depreciations are not made for land areas. Subsequent expenditure on asset is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates, or the economic life is extended. The estimated useful lives are primarily as follows:

- Buildings: 10 – 40 years
- Machines and equipment: 3 – 8 years
- Other tangible assets: 3 – 10 years

8. Lease agreements

Leases in which the Group functions as a lessee are recognised in the balance sheet as lease liability and as a right-of-use asset. The right-of-use assets recognised in the Group's balance sheet are related to the leases on properties, flats and machines and equipment.

At the commencement date of the lease, the right-of-use asset is valued at acquisition cost, which includes an initial amount of lease liability and any initial direct costs and an estimate of costs to dismantle and any rents paid by the commencement date of the lease, minus received incentives. The lease term of a lease agreement is defined as a period during which the agreement cannot be terminated. A period including a possible extension or termination option is added to the lease term, if it is relatively certain that the Group will exercise the extension option or not use the termination option. The leases of the Company's branches are valid until further notice and have a duration of approximately five years. Lease terms for lease agreements, other than those valid until further notice, are between 3 to 15 years.

After the start of the agreement, the Group values the fixed asset in accordance with the acquisition cost model. Depreciation and interest expenses related to lease liabilities are recognised in the fixed asset item. Depreciation is recognised in the period between the date of commencement of the contract and the end of the economic life of the fixed asset or the end of the lease term.

The lease liability is initially measured at the present value the rents to be paid during the lease term, which have not yet been paid. Leases are discounted at using the interest rate implicit in the lease or the Group's incremental borrowing rate. When a variable lease is based on the index or price, these are taken into account in determining the lease liability. Subsequently the lease liability is measured using the effective interest method. Rents consist of fixed payments and variable lease payments, which depend on the index. The lease liability is remeasured when a change occurs in future leases, which results from a change in the index or price level used to determine the payment in question or a change occurs in the expected amounts paid based on the residual value guarantee. Also changes in estimates concerning the purchase option or extension or termination option of the underlying asset can lead to a reassessment of the lease liability. The amount resulting from the remeasurement of the lease liability is used to adjust the carrying amount of the right-of-use asset, or if the value of the right-of-use asset is zero, it is recognised in profit or loss. The Group applies the recognition exemptions under IFRS 16 for leases of no more than 12 months and low value assets. These are not recognised as assets and their related liabilities in the balance sheet.

As a lessor, Oma Savings Bank Group does not have any contracts that are classified as finance leases. Leases classified as operating leases are recognised on a straight-line basis over the lease term in the income statement item 'Net income from investment assets' or 'Other operating income'. Some fixed-term leases include extension options, the effect of which is taken into account in the calculation if it can be assumed with reasonable certainty that the option in the agreement will be exercised.

9. Provisions

Provisions are recognised when the Group has a legal or an actual obligation resulting from a previous event, the fulfilment of the obligation is likely, and the management can evaluate the amount of the obligation in a reliable manner. If it is certain that partial compensation for the obligation will be received from a third party, the compensation is recognised as a separate item. Provisions are reviewed annually on the date of reporting and adjusted if necessary. Provisions are valued at the current value of the amount that is expected in order to fulfil the obligation.

10. Employee benefits and share-based arrangements

The Group's employee benefits as per the IAS 19 Employee Benefits standard comprise short-term employee benefits, benefits related to the termination of employment and benefits after the employment has been terminated.

Short-term employee benefits are, for example, salaries and benefits in kind, annual holidays, performance rewards and additional insurance that are expected to be paid in full within 12 months from the end of the accounting period during which the employees perform the work in question. Benefits based on the termination of employment comprise severance payments. Pension plans related to benefits after the employment has been terminated are classified as defined benefit plans and defined contribution plans. Defined benefits plans are, for the most part, agreements that include additional pension schemes.

In terms of defined contribution plans, the Group makes fixed pension insurance payments to pension insurance companies and there is no legal or actual obligation to make additional payments if the pension insurance company is unable to make payments on such benefits. Expenses are recognised as expenses during the relevant accounting period.

In terms of defined benefit plans, the Group has obligations after making payments during the accounting period. For defined benefit plans, liability is presented as the current value of obligations resulting from the plans on the date of reporting less the fair value of funds in the plans. The Group uses an external actuary to define the obligations resulting from benefits after employment has been terminated.

Oma Savings Bank Plc's Board of Directors has decided on a share-based incentive scheme for the Group's key personnel, in which payments are made partly in the form of equity instruments and partly in cash. The purpose of the cash contribution is to cover taxes and tax-like payments incurred to the key personnel. Benefits under the plan are valued at fair value at the time they are granted and are recognised as an expense in the income statement during the period of entitlement. The amount recognised as an expense is based on an estimate of the number of shares to which are expected to be entitled. The fees are fully recognised as a share-based arrangement payable in equity and the expense is amortised for the entire entitlement period and the expense effect is presented in the income statement under personnel expenses. The Group revises the expected number of shares that are expected to be ultimately exercised at each Financial Statements date. Changes in estimates are recognised in the income statement. The amount recognised as an expense is subsequently adjusted to reflect the number of shares finally issued. The requirements of IFRS 2 Share-based Payment apply to the incentive scheme.

11. Revenue recognition principles

11.1 Interest income and expenses

Interest income and expenses are recognised over the duration of the contract. Interest income and expenses are recognised on the income statement under 'Net interest income'.

Significant arrangement and transaction fees are recognised using the effective interest method based on the average expected maturity of the loan rather than recognising the income as a one-off gain. The clarification of recognition principles relates to credit issued to corporates and housing companies.

11.2 Fee and commission income and expenses

Income from services offered to customers related to, for instance, payment transactions and lending, and fee and commission income related to funds are recognised in fee and commission income. The income is recognised when control of the performance obligation has transferred to the customer in the amount that the Group considers itself entitled to against services rendered. For fees and commissions spanning several years, the portion related to the accounting period is entered.

Fee and commission expenses mainly include fees and commissions related to card and payment transactions as well as costs related to obtaining financing.

On the basis of the exemption allowed by the IFRS 15 standard, information is not presented for the transaction prices allocated to the remaining performance obligations, which transaction prices are part of an agreement whose original expected duration is no more than one year, or if the Group is entitled to invoice the customer for a consideration, the cash amount of which directly corresponds with the value of the performance provided by the Group to the customer by the moment of review.

11.3 Net income on financial assets and financial liabilities

The following are recognised in net income on financial assets and liabilities: gains and losses from sales, valuation gains and losses, dividend income from financial instruments recognised at fair value in profit and loss, including equity instruments and net income from financial assets held for trading and net income from investment properties. Dividend income has been recognised when an entitlement to dividend exists.

Additionally, net income from currency exchanges as well as net income from fair value hedge accounting are recognised under the same item.

12. Income taxes

Result-based taxes of the accounting period for companies in the Group, adjustments to taxes for previous accounting periods and changes in deferred taxes are recognised in the Group's income statement. Taxes are recognised in the income statement except for items that are directly related to equity or other items recognised in the comprehensive income statement. In these cases, the tax is also recognised under these items. Income taxes are recognised based on the estimated taxable income for the year.

Deferred taxes are calculated on the taxable temporary and deductible differences between bookkeeping and taxation. Deferred tax assets are recognised up to the amount for which there is likely to be future taxable income, against which the temporary difference can be applied. Deferred tax assets based on unused losses verified in taxation are recognised if the accumulation of taxable income is likely and the asset can be utilised.

13. Operating segments

The Company's banking operations form a segment as per the definition in the IFRS 8 Operating Segments standard. Based on the Company's business model and the nature of operations, the entire Group is treated as a reportable segment. The Group conducts business only in Finland.

14. Accounting principles for the financial statements requiring management's judgement and factors of uncertainty related to estimates

Preparing Financial Statements in compliance with the IFRS standards has required the Group's management to make certain estimates and assumptions that impact the amounts of items presented in the financial statements and the information included in the accompanying notes. The essential estimates by the management relate to the future and the material factors of uncertainty in terms of the date of reporting. They are closely related to, for example, the determination of fair value and the impairment of financial assets, loans and other receivables as well as tangible and intangible assets. Even though the estimates are based on management's best current perception, it is possible that the outcome will deviate from the estimates used in the financial statements.

The application of the impairment losses on financial assets model under IFRS 9 requires the management to make judgemental decisions regarding estimates and assumptions about whether the credit risk associated with the financial instrument has increased significantly since the initial recognition and requires forward-looking information to be taken into account in the recognition of on-demand credit losses. The Company's management has assessed the effects of the Russian invasion war and the subsequent rise in inflation and interest rates on an industry-by-industry basis and released previously made discretionary additional group-specified allowances for certain risk industries in the corporate loan portfolio. Further details of the impact of the uncertainty of the environment on the Company's risk position are provided in Note G2.

14.1 Impairment of financial assets

The model for impairment of financial assets brought by IFRS 9 requires management to make decisions, estimates and assumptions especially on the following topics:

- Selecting and defining calculation models,
- Assessing whether the credit risk related to a financial instrument has increased significantly after initial recognition and
- Taking into account forward-looking information in the recognition of expected credit losses.

Calculation models and parameters for different portfolios have been selected based on their business significance and criticality. More complex models and parameters are defined for portfolios that are the largest in euro and customer numbers. The Company has emphasized the model most suitable for each type of loan in its ECL model choices, as well as considering the company's size using the principle of proportionality.

In ECL calculation, the Company notes information based on future prospects. The Company uses adjustments to the PD parameter for loan portfolio liabilities. The adjustments are based on projections of the macroeconomic environment development and adjustments to the LGD parameter, which are based on different scenarios of the value development of real estate collateral in the future. PD values are adjusted from the moment of calculation to the next three years based on projections of Finland's GDP developments and the scenarios generated from these. Four scenarios and related realisation probabilities have been defined: a baseline scenario (40%), a negative scenario (30%) a recession scenario (10%), and a positive scenario (20%). The weight of the negative scenario is relatively high due to continuing uncertainty in the economy.

14.2 Evaluation of fair value

The management's judgement is also used in cases where the fair value of a financial instrument is determined through valuation methods. If no verifiable market inputs exist on which the used valuation methods can be based, the management team has to assess which other inputs to use to determine fair value. The principles used to determine fair value are described in more detail in the section 'Determining the fair value'.

Management assesses when it considers that the market for financial instruments is not functioning. Such a situation could arise as a result of widespread disruption to the global economy. Additionally, it must be evaluated whether a single financial instrument is the object of active trading and whether the price information received from the market is a reliable indicator of the fair value of the financial instrument.

14.3 Impairment of tangible and intangible assets

In connection with the financial statements, the management reviews the impairment of tangible and intangible assets. Impairment tests require the management team's discretion and assessment of the amount of money accrued by the asset in the future, its financial useful life and used discount rate.

14.4 Business combinations

In business consolidation, the determination of fair values requires consideration from the Company's management regarding the recognition and valuation at fair value of the consideration given and identifiable assets, liabilities and

The receivables transferred in connection with the acquisition of Liedon Savings Bank's business were valued at fair value at acquisition. The fair value adjustment based on management's judgement is in total EUR 7.3 million at the time of reporting. In addition, in connection with the acquisition, the Company recognised a liability of EUR 15.0 million at fair value through profit or loss for the five-year periodic concerning the liability of Liedon Savings Bank as a credit institution member leaving the consortium of Savings Banks. The amount of the liability at fair value through profit and loss is unchanged in the review period. During the reporting period, the amount of liability at fair value through profit and loss in connection with Eurajoen Savings Bank's business transaction has been reassessed and the amount of debt has been reduced by EUR 0.7 million. At the time of closing the accounts, the value of the debt is EUR 4.6 million.

15. IFRS standards and interpretations not yet in effect

New and amended standards and interpretations published by IASB by 31 December 2023 are not expected to have a significant impact on the Company's consolidated financial statements.

G2 Risk management notes

Oma Savings Bank Plc focuses on retail banking operations and provides its customers with a broad range of banking services both through its own balance sheet as well as by acting as an intermediary for its partners' products. The intermediated products include credit, investment and loan insurance products.
The Company is also engaged in mortgage banking operations. The Company's key risk types are credit risk, operational risk, market risk and liquidity risk.

The Group's internal control, risks and risk management and disclosure requirements of CRR, Part 8, (Pillar III) are discussed in more detail in the Capital and Risk Management Report, which is released as a separate report alongside the Financial Statements.

1. Organising risk management

Risk management is an essential part of the bank's business and internal control. The Company's risk management principles are defined by the risk management policy approved by the Board of Directors. The purpose of the Company's risk management is to ensure that the Company's significant risks are identified, assessed and quantified, and that the risks are monitored and controlled as part of day-to-day business management. The Company's risks are evaluated regularly, and the Board of Directors regularly assesses the Company's risk management strategy, risk appetite, risk-bearing ability and approach towards risk-taking. Risk surveys and measures taken based on the surveys, systematic monitoring and the analysis of the operating environment and market are used to control risks. Functions independent of business operations have been arranged to ensure efficient and comprehensive risk management and internal control as follows:

- Risk control function
- Compliance function
- Internal audit function

It is the task of the Board of Directors to ensure that the risk control function, compliance function and internal audit function have adequate and competent personnel resources with respect to the nature, scope and diversity of the Company's operations. The goal of the risk control function is to develop systematic and preemptive risk management, through which the Company's business can be developed safely. In the Company's organisation the risk control function reports directly to the CEO and reports to the Board of Directors, the CEO and other executive management.

Risk management has three lines of defence

The framework for the Company's risk management function is based on a principle of three defence lines, which are

1st line of defence: Business units.
The entire Company's personnel, both the customer interface and those working with other tasks, must comply in their daily work with the Company's Code of Conduct and risk management principles.

2nd line of defence: Risk management and compliance function.
The risk control function monitors and ensures that the Company's operations comply with the set strategies and limits. The function carries out continuous monitoring and ensures that the practices develop over time. The compliance function monitors compliance with regulations.

3rd line of defence: Internal audit.
Internal audit assesses and ensures the sufficiency, functioning and efficiency of internal control in the Company's different units, functions and subsidiaries.

2. Capital adequacy management

The development of capital adequacy is reported to the Board of Directors every month. The reporting monitors the total capital ratio and Common Equity Tier 1 capital. The Company's Board of Directors has confirmed a minimum Common Equity Tier 1 (CET1) capital ratio at least 2 percentage points above regulatory requirement for the medium-term. The goal is to ensure capital adequacy even when business cycles weaken.

More detailed information on the Group's capital adequacy is available in the Report of Board of Directors and the Capital and Risk Management Report.

3. Credit risk

Credit risk refers to the possibility that a counterparty fails to meet its obligations in accordance with agreed terms and conditions. The Company's credit risk largely consists of granted loans. The Company has continued to develop the credit rating models introduced during 2021 in accordance with IRB requirements.

Counterparty risk is defined as a risk of loss or a negative valuation difference resulting from a weakening of the counterparty's credit rating. Credit risk and counterparty risk also result from other receivables, such as bonds in the company's investment portfolio, debt securities and derivative contracts and off-balance sheet commitments, such as undrawn credit facilities and limits, guarantees and letters of credit.

Oma Savings Bank Plc's credit risk primarily consists of exposures secured by immovable property, retail exposures and business loans. On 31 December 2023, the share of exposures secured by immovable property of the credit risks was 46.8% (48.9%), the share of retail exposures 16.1% (17.6%) and exposures to corporates 23.9% (24.6%). Credit risk exposures are well-diversified geographically and sector-wise, which reduces the Company's concentration risk. The Company uses the definition of non-performing loans according to EBA/GL/2016/07. Non-performing loans accounted for 2.1% of the loan portfolio.

The goal of credit risk management is to limit the profit and loss and capital adequacy effects of risks resulting from customer exposures to an acceptable level. Credit and counterparty risk are measured by estimating expected credit losses. Expected credit losses are estimated using the ECL model, in accordance with IFRS 9.

3.1 Loan relief granted by the Company

At the end of the financial year, the total grace periods of the loans from the entire loan stock amounted to EUR 525.1 million. All grace periods in force at the end of the financial year, regardless of the reason or start date, have been included in the capital.

3.2 Calculation of expected credit losses

The calculation of Expected Credit Loss (ECL) is carried out monthly for each loan. In ECL calculation, the expected credit loss for each month is calculated for each loan, based on the Probability of Default (PD) and the Loss Given Default (LGD).

The Company's loan portfolio is classified into different clusters based on customers' different risk characteristics. In assessing whether the credit risk related to a financial instrument has increased significantly, the change in the risk of a default occurring over the expected life of the financial instrument shall be observed. When carrying out this assessment, the risk of default occurring over the expected life of the instrument at the reporting date is compared with the risk of default at the date of initial recognition. A significant increase in credit risk leads to the transfer of the loan from stage 1 to stage 2.

The Company's loan portfolio has grown strongly during the financial year. The quality of the loan portfolio has remained at a good level. Matured and non-performing receivables from the loan portfolio grew from 2.2 percent to 2.9 percent. However, the general economic situation is deteriorating, which is why the quality of the credit portfolio may deteriorate in the future.

During 2020 and 2021, the Company made additional loss allowance based on management's judgement related to the corona pandemic and the Russian invasion war in total EUR 5.9 million. These allowances have been fully released during the financial year. The Company made additional allowances of EUR 1.0 million based on the management's judgement during the financial year. The allowances anticipate the effects of uncertainties related to the economic operating environment affecting the Company's loan portfolio. The aim is to cover possible credit losses to the extent that the expected credit loss calculation model does not recognise them. At the end of the year, the future-looking variables of the model were updated due to the updated forecasts of Finland's economic situation.

Customers, especially the watchlist customers, have been monitored intensively due to the uncertainty in the economic environment. In the transition from 1 to 2, significant growth in credit risk is identified. Stage 3 of the ECL calculation classifies all loans that the company considers to meet the definition of default. Category criteria for stage 3 include, for example, delays in contractual payments by 90 days, customer debt renovation or bankruptcy, or loan transfer to debt collection. The calculation of expected credit losses is described in more detail in Note G1 Accounting principles for the Consolidated financial Statements.

Loan portfolio and expected credit losses per customer group

(1,000 euros)	31 Dec 2023	31 Dec 2022
Private customer	3,585,722	2,858,099
-Expected credit losses	-19,481	-9,883
Corporate customers	1,255,520	1,093,700
-Expected credit losses	-11,801	-13,817
Housing companies	736,068	461,339
-Expected credit losses	-447	-254
Agricultural customers	300,447	271,112
-Expected credit losses	-3,130	-820
Others	154,776	94,618
-Expected credit losses	-600	-59
Total	**6,032,533**	**4,778,869**
Total expected credit losses	**-35,458**	**-24,833**

Matured and non-performing exposures and forbearances

(1,000 euros)	31 Dec 2023	% of credit portfolio	31 Dec 2022	% of credit portfolio
Matured exposures, 30-90 days	31,253	0.5%	18,509	0.4%
Non-matured or matured less than 90 days, non-repayment likely	89,842	1.5%	47,497	1.0%
Non-performing exposures, 90-180 days	16,950	0.3%	5,635	0.1%
Non-performing exposures, 181 days - 1 year	14,374	0.2%	6,186	0.1%
Non-performing esposures, > 1 year	21,882	0.4%	28,252	0.6%
Matured and non-performing exposures total	**174,301**	**2.9%**	**106,080**	**2.2%**
Performing exposures and matured exposures with forbearances	74,099	1.2%	62,011	1.3%
Non-performing exposures with forbearances	57,593	1.0%	33,376	0.7%
Forbearances total	**131,692**	**2.2%**	**95,387**	**2.0%**

Figures include interest due on items.

3.3 Watchlist loans

The Company's credit risk management guidelines define the operating models for monitoring watchlist customers and watchlist loans. Watchlist customers are customers whose credit rating is weak or has weakened, and they are therefore transferred to enhanced monitoring.

In addition, customers whose credit rating has weakened but who do not yet meet the definition of a watchlist customer, are taken to enhanced monitoring.

In addition to these definitions, the customer can be classified as a watchlist customer in deviation to these criteria by using discretion.

The review performed in the case of these commitments on, for example, the securing of the receivable, changing the customer's credit rating and recognising credit losses. The purpose of monitoring is to identify watchlist loans or loans that are becoming watchlist loans as early as possible. Watchlist customers and liabilities are monitored by branch and in relation to the loan portfolio's size. An action plan is drawn up for each watchlist customer, when the limits defined in the credit guidelines are exceeded.

During the third quarter of the year the Company updated its internal credit risk models and due to this the comparison is not fully comparable. The update has increased the number of risk grades for private and corporate customers. Risk grades have not been calculated retroactively for the customers and due to this the comparison figures are not updated. Comparison figures per risk rating are the same as has been previously reported.

Credit ratings for private customers

Credit ratings (1,000 euros)	31 Dec 2023	%	31 Dec 2022	%
AAA	1,394,580	38.9%	343,766	12.0%
AA	1,012,406	28.2%	1,127,696	39.5%
A+	389,876	10.9%	-	0.0%
A	248,292	6.9%	801,822	28.1%
B+	325,429	9.1%	-	0.0%
B	52,768	1.5%	367,027	12.8%
C	77,754	2.2%	116,123	4.1%
D	23,458	0.7%	69,493	2.4%
Not rated	248	0.0%	1,067	0.0%
Defaulted	60,911	1.7%	31,106	1.1%
Private customers	**3,585,722**	**100.0%**	**2,858,099**	**100.0%**

Credit ratings for corporates and housing companies

Credit ratings (1,000 euros)	31 Dec 2023	%	31 Dec 2022	%
AAA	1,080,143	54.2%	720,465	46.3%
AA	352,148	17.7%	353,818	22.8%
A+	278,902	14.0%	236,596	15.2%
A	156,222	7.8%	137,138	8.8%
B+	42,880	2.2%	-	0.0%
B	17,757	0.9%	59,353	3.8%
C	8,092	0.4%	8,101	0.5%
Not rated	122	0.0%	-	0.0%
Defaulted	55,322	2.8%	39,568	2.5%
Corporates and housing companies	**1,991,588**	**100.0%**	**1,555,040**	**100.0%**

3.4 Distribution by risk class

The Company classifies its customers into risk classes based on information available on the counterparty. External credit rating data or an internal assessment is used for credit rating. Monitoring is continuous and can lead to a transfer from one risk class to another.

In lending, a risk concentration is born or can be born, for example when the loan portfolio includes large amounts of loans and other liabilities:

- to a single counterparty
- to groups that are made up of individual counterparties or entities tied to them
- to specific sectors
- against specific collateral
- whose maturity is the same or
- whose product/instrument is the same

Distribution of financial assets by risk class and credit risk concentrations

Risk rating 1: Low-risk items are considered to include the Company's internal credit rating of AAA level private, corporate, housing companies and AAA-AA+ level agricultural customers.

Risk rating 2: Reasonable risk items include the Company's internal credit rating of AA-B+ level private customers, AA-A+ level corporate and housing companies and AA-A level agricultural customers.

Risk rating 3: Increased risk items include the Company's internal credit rating of B-C-level private customers and A-B-level corporate and housing companies, as well as B+-B-level agricultural customers.

Risk rating 4: The highest risk items are considered to be the Company's internal credit rating of D-level private customers, C-level corporate and housing companies, C-D-level agricultural customers and defaulted customers.

Other customers are based on the Company's internal assessment of the risk rating.

The 'No rating' item includes loans and debt securities for which the Company has not defined credit ratings or for which there are no external credit ratings available.

During the third quarter of the year the Company updated its internal credit risk models and due to this the comparison is not fully comparable. The update has increased the number of risk grades for private and corporate customers which is why the risk ratings shown in the below tables have been redefined. Risk grades have not been calculated retroactively for the customers and due to this the comparison figures are not updated. Comparison figures per risk rating are the same as has been previously reported.

Private customers

Loans and receivables and off-balance sheet commitments	31 Dec 2023	31 Dec 2022
Risk rating 1	1,491,431	1,562,267
Risk rating 2	2,040,053	1,206,970
Risk rating 3	132,059	117,572
Risk rating 4	84,935	101,218
No rating	2,671	4,130
Capital items by risk category, total	**3,751,150**	**2,992,157**
Loss allowance	19,495	10,102
Total	**3,731,655**	**2,982,055**

Corporates

Loans and receivables and off-balance sheet commitments	31 Dec 2023	31 Dec 2022
Risk rating 1	479,239	432,174
Risk rating 2	614,543	535,879
Risk rating 3	196,319	124,924
Risk rating 4	60,964	104,505
No rating	405	-
Capital items by risk category, total	**1,351,470**	**1,197,482**
Loss allowance	11,964	13,882
Total	**1,339,506**	**1,183,601**

Housing companies

Loans and receivables and off-balance sheet commitments	31 Dec 2023	31 Dec 2022
Risk rating 1	651,897	328,309
Risk rating 2	73,089	125,284
Risk rating 3	29,462	20,208
Risk rating 4	2,817	6,934
Capital items by risk category, total	**757,264**	**480,734**
Loss allowance	449	255
Total	**756,815**	**480,480**

Agricultural customers

Loans and receivables and off-balance sheet commitments	31 Dec 2023	31 Dec 2022
Risk rating 1	109,179	55,670
Risk rating 2	159,145	162,555
Risk rating 3	22,332	50,930
Risk rating 4	17,331	10,024
No rating	6,454	157
Capital items by risk category, total	**314,442**	**279,336**
Loss allowance	3,146	824
Total	**311,296**	**278,512**

Others

Loans and receivables and off-balance sheet commitments	31 Dec 2023	31 Dec 2022
Risk rating 1	96,123	73,979
Risk rating 2	76,829	29,146
Risk rating 3	932	1,157
Risk rating 4	42	22
Capital items by risk category, total	**173,926**	**104,304**
Loss allowance	674	68
Total	**173,252**	**104,236**

Debt securities	31 Dec 2023	31 Dec 2022
Risk rating 1	476,133	471,772
Risk rating 2	1,366	371
Risk rating 3	252	-
Risk rating 4	-	83
No rating	68,425	68,055
Capital items by risk category, total	**546,177**	**540,281**
Loss allowance	478	438
Total	**545,699**	**539,843**

Loans and receivables and off-balance sheet commitments by industry	Risk rating 1	Risk rating 2	Risk rating 3	Risk rating 4	No rating	31 Dec 2023	31 Dec 2022
Enterprises	1,150,587	726,995	223,868	63,856	6,406	**2,171,713**	**1,708,929**
Real estate	789,653	321,255	124,932	15,127	-	**1,250,967**	**888,856**
Agriculture	2,341	50,673	1,323	1,268	6,002	**61,607**	**48,015**
Construction	61,997	42,817	14,809	6,022	-	**125,645**	**120,465**
Accommodation and food service activities	25,546	37,440	17,813	3,956	-	**84,755**	**74,663**
Wholesale and retail	80,829	76,636	19,660	5,570	-	**182,695**	**188,307**
Finance and insurance	16,143	24,115	4,230	12	-	**44,500**	**55,607**
Others	174,078	174,058	41,101	31,901	405	**421,542**	**333,016**
Public sector entities	1,276	15,209	-	-	-	**16,486**	**3,617**
Non-profit communities	15,929	18,812	91	-	-	**34,832**	**29,383**
Financial and insurance institutions	60,460	42,633	842	42	-	**103,977**	**70,918**
Households	1,599,617	2,160,010	156,304	102,191	3,124	**4,021,245**	**3,241,167**
Total 31.12.	**2,827,870**	**2,963,659**	**381,105**	**166,089**	**9,530**	**6,348,252**	**5,054,014**

3.5 Collaterals

Credit risk is managed through collaterals and covenants. Collaterals are taken for exposures to secure repayment. As a general rule, loans must have a secure collateral position, a collateral shortfall can be accepted in the best credit categories. In corporate loans, risk is often hedged by agreeing with the customer on a covenant, which enables the company to renegotiate the terms linked to the loan if the customer's risk position changes.

Loan collateral is included in the expected credit loss models as an item reducing the loss allowance. The collateral value is affected by the type of collateral, such as residential or commercial apartment or real estate.

The Company is engaged in mortgage banking and, as a result, it monitors the development of the amount of eligible loans to secure refinancing through covered bonds.

Mortgage Bank's LTV distribution

LTV	31 Dec 2023	31 Dec 2022
0-50%	25.1%	23.4%
50-60%	13.0%	15.1%
60-70%	17.6%	19.9%
70-80%	17.3%	16.1%
80-90%	13.7%	13.0%
90-100%	13.4%	12.5%
Total	**100.0%**	**100.0%**

The table shows the LTV distributions of loans secured at the time of reporting, based on the regulations of the Mortgage Bank. In table categories, the total loan amount is displayed in the LTV category to which its highest LTV value belongs. For example, a loan of EUR 55,000 secured by a property of EUR 100,000 is calculated in the LTV category at 50-60%.

Impact of collaterals and other arrangements improving the quality of loans

Amount exposed to credit risk covered by collateral (1,000 euros)	31 Dec 2023	31 Dec 2022	Description of collateral held
Home mortgages	3,110,044	2,447,825	Mostly residential real estate collateral
Corporate loans	1,898,331	1,465,838	Mostly property collateral
Consumer credits	360,312	324,335	Mostly residential real estate collateral
Other	602,614	495,780	Mostly property collateral
Loans and receivables from public and public sector	**5,971,301**	**4,733,778**	

4. Liquidity risk

Liquidity risk can be defined as the difference in the balance between incoming and outgoing cash flows. The risk may materialise if the Company cannot meet its maturing payment obligations, or an acceptable balance is not achieved within the limits of tolerable costs. The Company's greatest liquidity risks arise from the difference in maturity of borrowing and lending and from the refinancing of greater bonds.

During 2023, the Company's liquidity has remained at a stable level despite the general uncertainty, and in addition to which bonds issued by the Company have strengthened its liquidity position and reduced refinancing risk. Prolonged inflation and high interest rates in the market are reflected as an increase in uncertainty, especially in the refinancing markets. The increased level of interest rates, in turn, can be seen as an increase in the cost of market-based financing. Despite the increase in costs, the availability of funding has remained at a good level.

During 2023, strongly rising interest rates turned to decline in the last quarter of the year. However, inflationary pressures will remain at a higher level than normal as a result of low unemployment and higher wage levels, when interest rates will presumably continue to show large swings during 2024. The new interest rate environment is also reflected in the competitive bidding of deposits, as banks offer an even higher deposit rate. At the same time, the general development of deposits in Finland is in a downward direction, as vast majority of available funds go to consumption instead of saving as a result of the i

increased cost of living for consumption. Despite the general uncertainty in the economy, the Company's liquidity has remained stable thanks to a broad financing base. The Company further strengthened its liquidity by issuing a covered bond in November 2023. With the issuance, the Company will refinance the EUR 300 million covered bond maturing at the beginning of April 2024.

The management of Oma Savings Bank Plc's liquidity risk is based on the Company's ability to procure sufficient cash that is competitive in price in both the short and long term. A key component of liquidity risk management is the planning of the liquidity position in both the short and long term. Additionally, by planning the liquidity reserve, the bank can prepare for weakening economic trends on the markets and for any changes to legislation. The goal of the Company's liquidity reserve is to cover one month's outflows.

Liquidity risk management is supported by active risk management, monitoring of the balance sheet and cash flows and internal calculation models. The continuous monitoring of the liquidity situation is important so that the Company can manage outgoing cash flows.

The Company's liquidity risk is also managed by monitoring and forecasting changes in market factors and market development. If forecasts show that market liquidity is falling, the Company can set tighter internal limits for liquidity risk management. Liquidity risk management also includes liquidity reserve management. This ensures that the Company has sufficient amounts of liquid securities available to cover the collateral requirements of different business activities.

Maturity distribution of financial assets and liabilities

Financial assets	31 Dec 2023				
(1,000 euros)	less than 3 months	3 - 12 months	1 - 5 years	over 5 years	Total
Debt securities eligible for refinancing with central banks	61,028	15,084	228,827	207,411	512,350
Loans and receivables to credit institutions	191,805	500	-	-	192,305
Loans and receivables to the public and public sector entities	782,390	416,030	1,546,985	3,251,669	5,997,074
Debt securities	3,730	2,528	27,333	787	34,379
Derivative contracts	-	-	16,384	28,540	44,924
Total	**1,038,953**	**434,142**	**1,819,530**	**3,488,408**	**6,781,033**

Financial assets	31 Dec 2022				
(1,000 euros)	less than 3 months	3 - 12 months	1 - 5 years	over 5 years	Total
Debt securities eligible for refinancing with central banks	7,380	12,348	228,359	253,927	502,013
Loans and receivables from credit institutions	114,155	500	-	-	114,655
Loans and receivables from public and public sector entities	266,049	387,665	1,465,511	2,634,811	4,754,036
Debt securities	1,923	3,054	25,361	8,352	38,689
Derivative contracts	15	36	144	1,736	1,931
Total	**389,522**	**403,602**	**1,719,374**	**2,898,825**	**5,411,324**

Financial liabilities	31 Dec 2023				
(1,000 euros)	less than 3 months	3 - 12 months	1 - 5 years	over 5 years	Total
Liabilities to credit institutions and central banks	78,170	-	24,435	62,649	165,255
Liabilities to the public and public sector entities	3,389,603	340,108	48,599	-	3,778,310
Debt securities issued to the public	154,464	521,584	1,757,162	496,848	2,930,058
Subordinated debts	-	-	60,000	-	60,000
Derivatives and other liabilities held for trading	-	-	1,556	7,899	9,455
Total	**3,622,237**	**861,692**	**1,891,752**	**567,396**	**6,943,077**

Financial liabilities	31 Dec 2022				
(1,000 euros)	less than 3 months	3 - 12 months	1 - 5 years	over 5 years	Total
Liabilities to credit institutions and central banks	4,765	150,000	23,324	64,453	242,543
Liabilities to the public and public sector entities	2,869,454	197,722	45,288	-	3,112,464
Debt securities issued to the public	133,777	261,787	1,691,386	-	2,086,950
Subordinated debts	-	-	-	40,000	40,000
Derivatives and other liabilities held for trading	73	-	2,935	1,175	4,184
Total	**3,008,070**	**609,508**	**1,762,933**	**105,629**	**5,486,141**

Liquidity risk is measured through a liquidity buffer requirement (LCR) and a long-term funding minimum requirement (NSFR). The Group's liquidity requirement (LCR) remained at a good level, being 248.9 (159.9)% at the end of 2023. Net stable funding ratio (NSFR) was 117.8 (114.3)% in year 2023. The NSFR key figure has risen moderately with new issues. The Company's financial plan for the coming years supports the development of NSFR.

LCR & NSFR Development by Quarter

	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
LCR, %	249%	154%	150%	126%
NSFR, %	118%	115%	120%	117%

LCR and NSFR figures are unaudited. LCR calculation on 31 December 2022 and the NSFR calculation adjusted for the comparison periods retrospectively.

5. Market risk

5.1. Equity risk

The strong rise in market interest rates that occurred in 2023 is seen as a fall in value across the entire bond market. The effects are also transmitted to the Company's investment portfolio, which mainly consists of fixed-rate bonds. The Company has implemented hedging measures during 2022, which balanced the effect of the rise in market interest rates. During 2023, the size of the investment portfolio has remained stable. The Company's investments are mainly in well-rated government bonds and covered bonds, whose reactions to negative news were, for example, more moderate than in the corporate bond market. Taking into account the market changes that took place during the year, the development of the entire investment portfolio has remained in line with expectations.

Distribution of investment assets total

(1,000 euros)	31 Dec 2023		31 Dec 2022	
	Fair value	%	Fair value	%
Shares and other equity instruments	13,519	2.4%	10,604	1.9%
Debt securities	546,729	97.4%	540,702	97.8%
Investment properties	1,167	0.2%	1,431	0.3%
Investment assets total	**561,414**	**100%**	**552,737**	**100%**

Market risk is managed, for example, by diversifying the contents of the investment portfolio sufficiently. Diversifying the portfolio reduces the concentration risk resulting from individual investments. The Company monitors monthly the market values of securities acquired for investment purposes and the cash flows related to their transactions. Regular reports are made to the Board of Directors on the contents and balance sheet position of the securities portfolio. Market risk contained in the securities portfolio is assessed in relation to the Company's result and own funds. Limits and monitoring limits have been set for measuring and monitoring market risks.

Oma Savings Bank Plc does not trade in shares for trading purposes. A sensitivity analysis of share price risk has not been presented as it does not have a material effect on the Group's financial position.

5.2 Interest rate risk

The interest rate risk in the banking book forms the majority of the Company's interest rate risk. The interest rate risk results from differences in the interest rate levels and maturities of assets and liabilities. In addition, market interest rates affect the market prices of the securities in the investment portfolio. The amount of interest rate risk is reported regularly to the Board of Directors, which has set an upper limit for the interest rate risk.

The inflation that started in 2021 and accelerated due to the sanctions of the Russian invasion war has forced the central bank to raise its key interest rate, whereby the interest rate has remained at a high level until the end of 2023. However, in the last quarter of the year, market interest rates turned down as inflation expectations eased. This has increased the volatility and affected the Company's interest rate sensitivities. Due to the structure of the Company's balance sheet, net interest income increases as interest rates rise. The Company has continued to implement balance sheet protections as planned. With them, the effect of interest rate sensitivity can be managed. The Company monitors interest rate sensitivities constantly and, where necessary, for managing interest rates, the Company has the possibility to increase hedging measures to limit the effects.

In accordance with the Company's interest rate risk policy, the Company may use derivatives to manage interest rate risk. For covered bonds, the Company may make derivatives to hedge risk. In accordance with the Company's policy, interest rate swaps can be used mainly for hedging. The Company's goal is to balance the interest rate bases for assets and liabilities and reduce unexpected changes in the net interest income. The pricing of lending and borrowing is the key in terms of the development of the Company's net interest income.

Interest rate risk sensitivity to 1% change in interest rate

(1, 000 euros)	31 Dec 2023		31 Dec 2022	
	-1% change	+1% change	-1% change	+1% change
Change 1-12 months	-13,063	13,585	-12,333	12,372
Change 13-24 months	-30,595	31,142	-26,422	26,516

6. Operational risk

Operational risk means a consequence or risk of loss resulting from inadequate or deficient internal processes, systems or people or external factors. Reputational risk, legal risks, compliance risk, information security risks and risks related to money laundering and the funding of terrorism are also included in operational risks. Outsourced functions also generate operational risk. Realised operational risks can lead to financial losses or a loss of reputation for the Company.

Operational risk forms a significant risk area for Oma Savings Bank Plc. It is typical for operational risk that potential losses resulting from the risk are not always easy to measure. Reasons for this may include the delayed realisation of the risk or that the risks, when they are realised, cannot be quantified as concrete financial losses.

Oma Savings Bank Plc's main source of operational risk is cyber risks. The operating environment has changed with the Russian invasion war, and the probability of a cyberattack has increased. The IT-risk is protected with many different methods and protection against cyberattacks applies not only to the IT environment but also to the entire personnel.

Oma Savings Bank Plc calculates the operational risk in accordance with Pilar I using the basic indicator approach for capital adequacy. This amount on 31 December 2023 was EUR 322.3 million, of which the own funds requirement was EUR 25.8 million. The increase is due to a significant increase in net interest income and fee and commission income.

Operational risk

(1, 000 euros)	2023	2022	2021
Gross income	248,531	144,889	122,229
The revenue indicator	37,280	21,733	18,334

Requirement for own funds of operational risk	25,782
Risk-weighted amount of operational risk	**322,280**

The Company's Board of Directors annually approves the operational risk management principles. In managing operational risk, the Company's main objective is to manage reputation risk and to ensure the continuity of business activities and compliance with regulations in the short and long term. Operational risk management ensures that the values and strategy of the Company are achieved throughout the business activities. Operational risk management covers all material risks related to business activities.

Operational risk management is applied in all the Company's business units by identifying, measuring, monitoring and assessing the operational risks linked to the units. The business units also assess the likelihood of the risks and their impacts if the risks materialise. The company-wide process allows the management to assess the extent of any losses stemming from operational risk if the risk were to materialise. The risk assessment process is updated at least once a year and always when the business's operational environment changes. Operational risk management focuses on risk and control assessment as well as continuity and change management processes.

As part of operational risk management, the Company aims to reduce the likelihood of operational risk through its internal code of conduct and by training personnel. The control points defined for the processes are also a key component of preventing operational risk. The Company reduces the impact of operational risk also by maintaining insurance for real estate and the fixed assets it owns. Each employee is responsible for managing operational risk in their own job role. Realised operational risks are reported to the management of the business unit.

New products, services, and outsourced service providers are approved separately through a separate Company approval process prior to deployment. The approval process ensures that the risks associated with new products and services are properly identified and assessed. The same approval process also applies when developing existing products.

G3 Classification of financial assets and liabilities

Assets (1,000 euros) 31 Dec 2023	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Booking value, total	Fair value
Cash and cash equivalents	682,117	-	-	-	682,117	682,117
Loans and receivables from credit institutions	192,305	-	-	-	192,305	192,305
Loans and receivables from customers	5,997,074	-	-	-	5,997,074	5,997,074
Derivatives, hedge accounting	-	-	-	44,924	44,924	44,924
Debt instruments	-	545,699	1,030	-	546,729	546,729
Equity instruments	-	-	13,519	-	13,519	13,519
Financial assets, total	**6,871,497**	**545,699**	**14,549**	**44,924**	**7,476,669**	**7,476,669**
Investments in associated companies	-	-	-	-	24,131	24,131
Investment properties	-	-	-	-	1,167	1,167
Other assets	-	-	-	-	140,939	140,939
Assets, total	**6,871,497**	**545,699**	**14,549**	**44,924**	**7,642,906**	**7,642,906**

Liabilities (1,000 euros) 31 Dec 2023	Other liabilities	Hedging derivatives	Booking value, total	Fair value
Liabilities to credit institutions	165,255	-	165,255	165,255
Liabilities to customers	3,778,310	-	3,778,310	3,778,310
Derivatives, hedge accounting	-	9,455	9,455	9,455
Debt securities issued to the public	2,930,058	-	2,930,058	2,930,058
Subordinated liabilities	60,000	-	60,000	60,000
Financial liabilities, total	**6,933,623**	**9,455**	**6,943,078**	**6,943,078**
Non-financial liabilities	-	-	158,776	158,776
Liabilities, total	**6,933,623**	**9,455**	**7,101,854**	**7,101,854**

Assets (1,000 euros) 31 Dec 2022	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Booking value, total	Fair value
Cash and cash equivalents	402,030	-	-	-	402,030	402,030
Loans and receivables from credit institutions	114,655	-	-	-	114,655	114,655
Loans and receivables from customers	4,754,036	-	-	-	4,754,036	4,754,036
Derivatives, hedge accounting	-	-	-	1,931	1,931	1,931
Debt instruments	-	539,843	859	-	540,702	540,702
Equity instruments	-	-	10,604	-	10,604	10,604
Financial assets, total	**5,270,721**	**539,843**	**11,463**	**1,931**	**5,823,958**	**5,823,958**
Investments in associated companies					25,351	25,351
Investment properties					1,328	1,431
Other assets					91,130	91,130
Assets, total	**5,270,721**	**539,843**	**11,463**	**1,931**	**5,941,766**	**5,941,870**

Liabilities (1,000 euros) 31 Dec 2022	Other liabilities	Hedging derivatives	Booking value, total	Fair value
Liabilities to credit institutions	242,543	-	242,543	242,543
Liabilities to customers	3,112,464	-	3,112,464	3,112,464
Derivatives, hedge accounting	-	4,184	4,184	4,184
Debt securities issued to the public	2,086,950	-	2,086,950	2,086,950
Subordinated liabilities	40,000	-	40,000	40,000
Financial liabilities, total	**5,481,957**	**4,184**	**5,486,141**	**5,486,141**
Non-financial liabilities			90,665	90,665
Liabilities, total	**5,481,957**	**4,184**	**5,576,806**	**5,576,806**

G4 Cash and cash equivalents

(1,000 euros)	31 Dec 2023	31 Dec 2022
Cash in hand	6,698	6,028
Current account in the Bank of Finland	675,420	396,002
Cash and cash equivalents, total	**682,117**	**402,030**

G5 Loans and other receivables

(1,000 euros)	31 Dec 2023	31 Dec 2022
Loans and receivables to credit institutions		
Repayable on demand	191,805	82,630
Other	500	32,026
Loans and receivables from credit institutions, total	**192,305**	**114,655**
Loans and receivables from public and public sector entities		
Loans	5,871,747	4,656,941
Utilised overdraft facilities	65,637	53,670
Loans intermediated through the State's assets	20	29
Credit cards	58,929	43,029
Bank guarantee receivables	741	367
Loans and receivables from public and public sector entities, total	**5,997,074**	**4,754,036**
Loans and receivables, total	**6,189,379**	**4,868,691**

Loans and receivables to credit institutions, item Other includes the minimum reserve deposit with the Bank of Finland. The recording policy for the minimum reserve deposit has been changed, and from 30 June 2023, the deposit will be presented as the amount of the balance requirement on the last day of the reporting period.

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note G24 Impairment losses on financial assets.

G6 Financial derivatives

Assets (1,000 euros)	31 Dec 2023	31 Dec 2022
Fair value hedge		
Interest rate derivatives	44,924	1,929
Other hedging derivatives		
Share and share index derivatives	-	2
Derivative assets, total	**44,924**	**1,931**

Liabilities (1,000 euros)	31 Dec 2023	31 Dec 2022
Fair value hedge		
Interest rate derivatives	9,455	4,184
Share and share index derivatives	-	-
Derivative liabilities, total	**9,455**	**4,184**

Fair value of hedge items on hedge accounting (1,000 euros)	31 Dec 2023		31 Dec 2022	
	Book vaue on hedge items	of which the change in the fair value of the hedged items	Book value of the hedge item	of which the change in the fair value of the hedged item
Fair value portfolio hedge				
Loans and advance to credit	227,523	9,523	218,318	318
Assets, total	227,523	9,523	218,318	318
Liabilities to the public and public sector entities	1,345,014	45,014	408,554	-1,446
Liabilities, total	**1,345,014**	**45,014**	**408,554**	**-1,446**

Nominal values of underlying items and fair values of derivatives (1,000 euros)	Remaining maturity				Fair values	
31 Dec 2023	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	**-**	**891,000**	**627,000**	**1,518,000**	**44,924**	**9,455**
Interest rate swaps	-	891,000	627,000	1,518,000	44,924	9,455
Other hedging derivatives	**12,553**	**-**	**-**	**12,553**	**-**	**-**
Share and share index derivatives	12,553	-	-	12,553	-	-
Derivatives, total	**12,553**	**891,000**	**627,000**	**1,530,553**	**44,924**	**9,455**

Nominal values of underlying items and fair values of derivatives (1,000 euros)	Remaining maturity				Fair values	
31 Dec 2022	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	**10,000**	**291,000**	**327,000**	**628,000**	**1,929**	**4,184**
Interest rate swaps	10,000	291,000	327,000	628,000	1,929	4,184
Other hedging derivatives	**31,328**	**12,553**	**-**	**43,880**	**2**	**-**
Share and share index derivatives	31,328	12,553	-	43,880	2	-
Derivatives, total	**41,328**	**303,553**	**327,000**	**671,880**	**1,931**	**4,184**

G7 Investment assets

Investment assets (1,000 euros)	31 Dec 2023	31 Dec 2022
Measured at fair value through profit or loss		
Debt securities	1,030	859
Shares and other equity instruments	13,519	10,604
Assets measured at fair value through profit or loss, total	**14,549**	**11,463**
Measured at fair value through other comprehensive income		
Debt securities	545,699	539,843
Shares and other equity instruments	-	-
Measured at fair value through other comprehensive income, total	**545,699**	**539,843**
Investment properties	**1,167**	**1,328**
Investment assets, total	**561,414**	**552,633**

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note G24 Impairment losses on financial assets.

Changes in investment properties (1,000 euros)	31 Dec 2023	31 Dec 2022
Cost January 1	**4,199**	**4,544**
+ Increases	22	-
- Decreases	-	-345
+/- Transfers	-163	-
Cost at the end of the period	**4,058**	**4,199**
Accumulated depreciation and impairment losses	**-2,871**	**-2,830**
+/- Accumulated depreciation of decreases and transfers	40	-
- Depreciation	-59	-41
Accumulated depreciation and impairment at the end of the period	**-2,892**	**-2,871**
Opening balance	**1,328**	**1,713**
Closing balance	**1,167**	**1,328**

31 Dec 2023	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	161,872	-	-	161,872	161,872
From others	-	4,214	-	4,214	383,827	115	-	383,942	388,156
Non-quoted									
From others	-	9,305	-	9,305	-	915	-	915	10,220
Total	**-**	**13,519**	**-**	**13,519**	**545,699**	**1,030**	**-**	**546,729**	**560,248**

31 Dec 2022	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	158,567	-	-	158,567	158,567
From others	-	2,375	-	2,375	381,071	115	-	381,186	383,561
Non-quoted									
From others	-	8,229	-	8,229	205	744	-	949	9,178
Total	**-**	**10,604**	**-**	**10,604**	**539,843**	**859**	**-**	**540,702**	**551,306**

G8 Intangible assets and goodwill

(1,000 euros)	31 Dec 2023	31 Dec 2022
Other intangible rights	5,458	6,336
Information systems	5,487	5,912
Customer relationships related to deposits	-29	424
Intangible assets on progress	3,343	1,839
Goodwill	4,837	454
Total intangible assets	**13,638**	**8,628**

Changes in intangible assets 2023	In progress: intangible assets	Other intangible rights	Goodwill
Cost January 1	**1,839**	**16,869**	**454**
+ Increases	1,504	-	4,883
- Decreases	-	-	-500
+/- Transfers	-	2,232	-
Cost December 31	**3,343**	**19,101**	**4,837**
Accumulated amortisation and impairment loss January 1	**-**	**-10,533**	**-**
+/- Accumulated amortisation of decreases and transfers	-	-	-
- Amortisation	-	-3,109	-
- Impairment	-	-	-
+/- Other changes	-	-	-
Accumulated amortisation and impairment loss December 31	**-**	**-13,643**	**-**
Opening balance, January 1	**1,839**	**6,336**	**454**
Closing balance, December 31	**3,343**	**5,458**	**4,837**

Changes in intangible assets	In progress: intangible assets	Other intangible rights	Goodwill
Cost January 1	**4,098**	**12,553**	**1,054**
+ Increases	-2,259	106	-
- Decreases	-	-140	-600
+/- Transfers	-	4,349	-
Cost December 31	**1,839**	**16,869**	**454**
Accumulated amortisation and impairment loss January 1	**-**	**-7,680**	**-**
+/- Accumulated amortisation of decreases and transfers	-	96	-
- Amortisation	-	-2,949	-
- Impairment	-	-	-
+/- Other changes	-	-	-
Accumulated amortisation and impairment loss December 31	**-**	**-10,533**	**-**
Opening balance, January 1	**4,098**	**4,873**	**1,054**
Closing balance, December 31	**1,839**	**6,336**	**454**

Group's goodwill impairment testing

Most of the Group's goodwill is related to goodwill recognised in connection with the Liedon Savings Bank's business transaction. Impairment testing is based on the current value of the projected cash flows based on the assessment of the Company's management. Forecasted cash flows are taken into account in accordance with the internal capital adequacy assessment procedure for the current and the next three years. The growth assumption used to calculate the terminal value after the forecast period is 2% in line with the inflation target of the European Central Bank. The discount rate (WACC) is 7.6%. When estimating the recoverable amount, any reasonably possible change in any of the key variables used would not lead to a situation where the recoverable amount would fall below the carrying amount being tested.

G9 Tangible assets

(1,000 euros)	31 Dec 2023	31 Dec 2022
Properties in own use	21,254	19,242
Land and water areas	1,570	1,357
Buildings	19,683	17,884
Buildings and constructions, right-of-use assets	11,234	7,661
Machinery and equipment	1,265	1,397
Machinery and equipment, right-of-use assets	393	209
Other tangible assets	290	290
Assets under construction	158	-
Tangible assets, total	**34,594**	**28,799**

Changes in tangible assets 2023	Land and water areas	Buildings	Buildings right-of-use assets	Machinery and equipment	Machinery and equipment, right-of-use assets	Other tangible assets	Assets under construction
Cost January 1	**1,370**	**30,480**	**13,884**	**12,418**	**905**	**290**	**-**
+ Increases	-	1,069	7,530	272	400	-	158
- Decreases	-	-134	-1,106	-	-42	-	-
+/- Other changes	213	1,135	-	-	-	-	-
+/- Transfers	-	1,077	-	139	-	-	-
Cost December 31	**1,583**	**33,626**	**20,307**	**12,828**	**1,264**	**290**	**158**
Accumulated depreciation and impairment loss January 1	**-13**	**-12,596**	**-6,223**	**-11,020**	**-696**	**-**	**-**
+/- Accumulated depreciation of decreases and transfers	-	32	445	-	13	-	-
- Depreciation	-	-1,258	-3,295	-542	-188	-	-
- Impairment	-	-46	-	-	-	-	-
+/- Other changes	-	-73	-	-	-	-	-
Accumulated depreciation and impairment loss December 31	**-13**	**-13,942**	**-9,073**	**-11,562**	**-871**	**-**	**-**
Opening balance January 1	**1,357**	**17,884**	**7,661**	**1,397**	**209**	**290**	**-**
Opening balance December 31	**1,570**	**19,684**	**11,234**	**1,265**	**393**	**290**	**158**

Changes in tangible assets 2022	Land and water areas	Buildings	Buildings right-of-use assets	Machinery and equipment	Machinery and equipment, right-of-use assets	Other tangible assets	Assets under construction
Cost January 1	**1,370**	**31,658**	**10,572**	**11,997**	**672**	**293**	**-**
+ Increases	-	153	4,720	405	255	-	-
- Decreases	-	-2,112	-1,408	-57	-22	-3	-
+/- Transfers	-	781	-	72	-	-	-
Cost December 31	**1,370**	**30,480**	**13,884**	**12,418**	**905**	**290**	**-**
Accumulated depreciation and impairment loss January 1	**-13**	**-13,071**	**-4,521**	**-10,536**	**-534**	**-**	**-**
+/- Accumulated depreciation of decreases and transfers	-	276	693	27	13	-	-
- Depreciation	-	-1,239	-2,394	-511	-175	-	-
- Impairment	-	1,438	-	-	-	-	-
Accumulated depreciation and impairment loss December 31	**-13**	**-12,596**	**-6,223**	**-11,020**	**-696**	**-**	**-**
Opening balance January 1	**1,357**	**18,586**	**6,051**	**1,461**	**138**	**293**	**-**
Opening balance December 31	**1,357**	**17,884**	**7,661**	**1,397**	**209**	**290**	**-**

G10 Other assets

(1,000 euros)	31 Dec 2023	31 Dec 2022
Receivables on payment transfers	67	94
Pension funds	82	-
Accrued income	62,614	26,029
Interests	53,691	21,300
Other advance payments	4,155	649
Other accrued income	4,767	4,081
Other	12,335	5,654
Other assets, total	**75,097**	**31,778**

The item Pension assets consists of defined benefit pension plans, which are described in more detail in note G28 Pension liabilities.

G11 Tax assets and liabilities

(1,000 euros)	31 Dec 2023	31 Dec 2022
Tax assets		
Deferred tax assets	17,610	21,924
Tax assets, total	**17,610**	**21,924**
Tax liabilities		
Current income tax liabilities	2,580	482
Deferred tax liabilities	42,899	36,072
Tax liabilities, total	**45,479**	**36,554**

Deferred tax assets 2023 (1,000euros)	1.1.	Recognised through profit or loss	Other comprehensive income	Business acquisitions	31.12.
Assets at fair value through other comprehensive income	19,215	-	-3,658	-	15,557
Tangible assets	347	133	-	-	480
Defined benefit pension plans	41	-3	-38	-	-
Other items	2,284	-754	-	-	1,530
Lease liabilities	1,615	758	-	-	2,372
Deferred tax assets before netting, total	**23,501**	**134**	**-3,697**	**-**	**19,939**
Netting of deferred tax assets and liabilities	-1,577	-751	-	-	-2,328
Deferred tax assets, total	**21,924**	**-617**	**-3,697**	**-**	**17,610**

Deferred tax liabilities 2023 (1,000 euros)	1.1.	Recognised through profit or loss	Other comprehensive income	Business acquisitions	31.12.
On taxable reserves	35,771	6,657	-	-	42,428
Assets at fair value through other comprehensive income	89	-	28	-	118
Defined benefit pension plans	-	16	-	-	16
Liabilities	100	-100	-	-	-
Other items	112	226	-	-	338
Fixed assets items	1,577	751	-	-	2,328
Deferred tax liabilities before netting, total	**37,649**	**7,550**	**28**	**-**	**45,228**
Netting of deferred tax assets and liabilities	-1,577	-751	-	-	-2,328
Deferred tax liabilities, total	**36,072**	**6,799**	**28**	**-**	**42,899**

Deferred tax assets 2022 (1,000 euros)	1.1.	Recognised through profit or loss	Other comprehensive income	Business acquisitions	31.12.
Assets at fair value through other comprehensive income	1,436	-	17,779	-	19,215
Tangible assets	262	84	-	-	347
Defined benefit pension plans	118	-4	-73	-	41
Confirmed losses	217	-46	-170	-	-
Liabilities	1,300	-	-	-1,300	-
Other items	3,716	-809	-624	-	2,284
Lease liabilities	1,267	347	-	-	1,615
Deferred tax assets before netting, total	**8,317**	**-427**	**16,911**	**-1,300**	**23,501**
Netting of deferred tax assets and liabilities	-1,241	-336	-	-	-1,577
Deferred tax assets, total	**7,077**	**-763**	**16,911**	**-1,300**	**21,924**

Deferred tax liabilities 2022 (1,000 euros)	1.1.	Recognised through profit or loss	Other comprehensive income	Business acquisitions	31.12.
On taxable reserves	29,496	6,275	-	-	35,771
Assets at fair value through other comprehensive income	1,314	-	-1,224	-	89
Liabilities	200	-100	-	-	100
Other items	113	78	-79	-	112
Fixed assets items	1,241	336	-	-	1,577
Deferred tax liabilities before netting, total	**32,363**	**6,590**	**-1,303**	**-**	**37,649**
Netting of deferred tax assets and liabilities	-1,241	-336	-	-	-1,577
Deferred tax assets, total	**31,122**	**6,254**	**-1,303**	**-**	**36,072**

G12 Liabilities to the public and public sector entities and liabilities to credit institutions

(1,000 euros)	31 Dec 2023	31 Dec 2022
Liabilities to credit institutions		
Liabilities to Central Banks	30,000	150,000
Repayable on demand	4,420	4,749
Other than repayable on demand	130,835	87,794
Liabilities to credit institutions, total	**165,255**	**242,543**
Liabilities to the public and public sector entities		
Deposits	3,733,280	3,113,883
Repayable on demand	3,160,301	2,817,464
Other	572,979	296,420
Other financial liabilities	16	27
Other than repayable on demand	16	27
Changes in fair value in terms of borrowing	45,014	-1,446
Liabilities to the public and public sector entities, total	**3,778,310**	**3,112,464**
Liabilities to the public and public sector entities and liabilities to credit institutions, total	**3,943,565**	**3,355,007**

The Liabilities to Central Banks item is a secured LTRO credit raised in September 2023. In the comparison periods, the item consisted of TLTRO credit raised in June 2020, which matured on 30 June 2023. The TLTRO credit was treated as a liability in accordance with IFRS 9 and the interest rate on the loan was revised after the loan was due.

G13 Debt securities issued to the public

(1,000 euros)	31 Dec 2023	31 Dec 2022
Bonds	2,758,725	1,941,269
Certificates of deposit	171,333	145,681
Debt securities issued to the public, total	**2,930,058**	**2,086,950**

	Nominal value				Closing balance	
Bond	31 Dec 2023	Interest	Year of issue	Due date	31 Dec 2023	31 Dec 2022
OmaSp Plc 3.4.2024, covered bond	300,000	0.125%/fixed	2019	4/3/2024	299,914	299,579
OmaSp Plc 6.4.2024, covered bond	250,000	0.125%/fixed	2020	4/6/2023	-	249,883
OmaSp Plc 17.1.2024	55,000	0.125%/fixed	2020	1/17/2024	55,000	54,999
OmaSp Plc 25.11.2027, covered bond	650,000	margin 1%/variable	2020-2021	11/25/2027	622,126	403,908
OmaSp Plc 19.5.2025	200,000	0.01%/fixed	2021	5/19/2025	199,782	199,625
OmaSp Plc 18.12.2026, covered bond	600,000	margin 0.2%/variable	2022	12/18/2026	587,613	583,684
OmaSp Plc 26.9.2024	150,000	1.5%/fixed	2022	9/26/2024	149,802	149,591
OmaSp Plc 15.6.2028, covered bond	350 000	3.125%/fixed	2023	6/15/2028	347,641	-
OmaSp Plc 15.1.2029, covered bond	500,000	3.5%/fixed	2023	1/15/2029	496,848	-
					2,758,725	**1,941,269**

Maturity of deposit certificates	Less than 3 months	3-6 months	6-9 months	9-12 months	Closing balance, total
31 Dec 2023	99,464	62,221	-	9,648	**171,333**
31 Dec 2022	133,777	11,904	-	-	**145,681**

G14 Subordinated liabilities

(1,000 euros)	31 Dec 2023	31 Dec 2022
Debentures	60,000	40,000
Subordinated liabilities, total	60,000	40,000

Details of liabilities (1,000 euros)	31 Dec 2023	31 Dec 2022	Interest %	Due date
OmaSp debenture loan I/2022	20,000	20,000	3.00%	1/15/2028
OmaSp debenture loan II/2022	20,000	20,000	3.25%	7/14/2028
OmaSp debenture loan I/2023	20,000	-	3.25%	10/23/2028
Total	**60,000**	**40,000**		

Amount included in own funds (1,000 euros)	31 Dec 2023	31 Dec 2022
OmaSp debenture loan I/2022	16,166	20,000
OmaSp debenture loan II/2022	18,149	20,000
OmaSp debenture loan I/2023	19,255	-
Total	**53,571**	**40,000**

Terms and conditions of prepayment: The Group retains on all loans the right to claim the loan either partially or in full before the due date. However, prepayment is only possible if permitted by the Finnish Financial Supervisory Authority, excluding minor claims that the Company will resell shortly after claiming. In the last quarter, the Company redeemed the OmaSp debenture loan I/2017 before the maturity date of 1 February 2023.

Regulations on loan priorities and potential exchanging of loans for shares: Loans have been issued as a debenture loan in accordance with Article 34 of the Promissory Notes Act (622/47). These loans are subordinated to the issuer's other loans.

G15 Provisions and other liabilities

(1,000 euros)	31 Dec 2023	31 Dec 2022
Provisions		
Pension provisions	-	206
Expected credit loss from irrevocable commitments given in favour of a customer	269	297
Provisions total	**269**	**503**
Other liabilities		
Liabilities on payment transfers	20,616	16,647
Accruals	45,156	18,062
Interest payable	33,954	8,198
Advance interest payments received	619	1,702
Other accruals	10,321	7,992
Advance payments received	261	170
Other	47,256	18,899
Payment liability, consortium of Savings Banks	19,500	5,200
Other liabilities	27,756	13,699
Other liabilities total	**113,028**	**53,608**
Provisions and other liabilities total	**113,297**	**54,111**

Changes in provisions (1,000 euros)	31 Dec 2023	31 Dec 2022
Provisions January 1	**503**	**1,515**
Increase/decrease in defined benefit pension plans	-206	-383
Increase in expected credit loss from irrevocable commitments given in favour of a customer	-28	-629
Provisions December 31	**269**	**503**

The provision item Pension provisions consists of defined benefit pension plans, which are described in more detail in note G28 Pension liabilities.

G16 Equity

(1,000 euros)	31 Dec 2023	31 Dec 2022
Share capital	**24,000**	**24,000**
Other reserves	**148,822**	**68,822**
Fair value reserve	-61,756	-76,503
Measured at fair value	-61,756	-76,503
Reserve for invested non-restricted equity	210,197	145,196
Other reserves	380	128
Retained earnings	**368,230**	**272,139**
Retained earnings (loss)	258,180	216,757
Profit (loss) for the accounting period	110,051	55,382
Equity, total	**541,052**	**364,961**
Shareholders of Oma Savings Bank Plc	541,052	364,961
Equity, total	**541,052**	**364,961**

Movements in the fair value reserve	31 Dec 2023	31 Dec 2022
Fair value reserve January 1	**-76,503**	**-492**
Change in fair value, other financial instruments	18,393	-94,294
Expected credit loss on debt securities	40	-720
Deferred taxes	-3,687	19,003
Fair value reserve December 31	**-61,756**	**-76,503**

Shares and shareholder rights

The number of Oma Savings Bank Plc's shares is 33,275,237 pc, of which 201,386 shares were held in the Company's own possession as of 31 December 2023. The number of votes per share is 1 vote / share. The share has no nominal value. The Company has no different share classes. All shares have equal dividend rights and other rights.

In November, the Company completed a repurchase program related to the acquisition of its own shares, which began in September. During the period, 100,000 shares of own shares were acquired at an average price of EUR 20,5419 per share.

In February, the Company's Board of Directors confirmed the fulfilment of the 2020-2021 share-based incentive scheme's earning criteria and the payment of 331,790 shares, including the amount to be paid in cash. The share rewards will be paid in four installments within three years. During the 2023 financial year, the Company disposed of a total of 57,396 shares to key persons.

In February, the Company's Board of Directors decided on the fulfillment of the years 2022-2023 share-based incentive scheme's earning criteria for the year 2022, and on the reward criteria and target levels for the year 2023. The system's target group includes a maximum of 30 key personnel, including the Company's CEO and members of the Group's Management Team. The fees payable under the scheme correspond to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash.

On 30 March 2023, the Annual General Meeting has authorised the Board to decide on the issue or transfer of the Company's shares, as well as on the issuance of special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act. The number of shares to be issued under the authorisation, including shares to be received on the basis of special rights, may not exceed a total of 4,000,000 shares; and to decide on the repurchase of a maximum of 1,000,000 of the company's own shares with the company's unrestricted equity. The authorisations are valid until the end of the next Annual General Meeting, however, not later than 30 June 2024.

On 22 September 2022, the Board of Directors decided to carry out a paid directed share issue. All new shares of Oma Savings Bank Plc to be issued in the share issue, 3,125,049, were issued to Liedon Savings Bank as consideration for the business to be transferred when the implementation of the transfer of Liedon Savings Bank's business under the acquisition plan is registered in the Trade Register, which is scheduled to take place on 28 February 2023.

Other reserves

Fair value reserve

The fair value reserve includes the change in fair value of financial assets at fair value through other comprehensive income less deferred taxes. The items recognised in the reserve are transferred to the income statement when a security held for trading is sold or when impairment is recognised.

Reserve for invested non-restricted equity

The assets raised in the institutional and public offerings and personnel offerings in 2017–2018 are entered in the reserve for invested non-restricted equity. In addition, the reserve for invested non-restricted equity includes the assets gained from issued shares in connection with reorganisations in previous accounting periods. During the financial period 2023, EUR 65.0 million of directed share issued to Liedon Savings Bank was recorded in the reserve for invested non-restricted equity.

Retained earnings

Retained earnings are earnings accumulated over previous accounting periods that have not been distributed as dividends to owners. Retained earnings also include voluntary reserves included in the separate financial statements and the depreciation difference, minus deferred tax liabilities.

G17 Net interest income

(1,000 euros)	1-12/2023	1-12/2022
Interest income		
Receivables from credit institutions	11,627	1,377
Receivables from public and public sector entities	266,459	108,840
Debt securities	5,102	3,104
Derivatives	37,613	6,947
Other interest income	1,705	1,608
Total interest income	**322,506**	**121,876**
Interest expenses		
Liabilities to credit institutions	-5,099	-1,283
Liabilities to the public and public sector entities	-22,216	-1,524
Debt securities issued to the public	-54,488	-10,907
Subordinated liabilities	-1,754	-354
Derivatives	-40,775	-2,742
Other interest expenses	-1,130	-136
Total interest expenses	**-125,461**	**-16,946**
Net interest income	**197,045**	**104,930**

G18 Fee and commission income and expenses

(1,000 euros)	1-12/2023	1-12/2022
Fee and commission income		
Lending	10,156	11,925
Deposits	107	77
Card and payment transactions	33,713	24,440
Intermediated securities	-	259
Funds	6,517	4,485
Legal services	483	422
Brokered products	2,469	2,025
Granting of guarantees	2,094	1,865
Other fee and commission income	1,082	771
Total fee and commission income	**56,621**	**46,270**
Fee and commission expenses		
Card and payment transactions	-6,653	-5,455
Securities	-1,442	-246
Other fee and commission expenses	-1,105	-1,172
Total fee and commission expenses	**-9,200**	**-6,873**
Fee and commission income and expenses, net	**47,421**	**39,396**

G19 Net income on financial assets and financial liabilities

(1,000 euros)	1-12/2023	1-12/2022
Net income on financial assets measured at fair value through profit or loss		
Debt securities		
Valuation gains and losses	25	-136
Total debt securities	**25**	**-136**
Shares and other equity instruments		
Dividend income	217	449
Capital gains and losses	-	-203
Valuation gains and losses	-2,782	-4,828
Total shares and other equity instruments	**-2,564**	**-4,582**
Net income on financial assets measured at fair value through profit or loss, total	**-2,540**	**-4,718**
Net income on financial assets measured at fair value through other comprehensive income		
Debt securities		
Capital gains and losses	610	-500
Difference in valuation reclassified from the fair value reserve to the income statement	-422	97
Total debt securities	**188**	**-403**
Net income on financial assets measured at fair value through other comprehensive income, total	**188**	**-403**

Net income from investment properties (1,000 euros)	1-12/2023	1-12/2022
Rent and dividend income	235	202
Capital gains and losses	-	-3
Other gains from investment properties	11	7
Maintenance expenses	-90	-53
Depreciation and impairment on investment properties	-59	-41
Rent expenses on investment properties	-10	-10
Net income from investment properties, total	**87**	**103**
Net gains on trading in foreign currencies	**-83**	**130**
Net gains from hedge accounting	**779**	**-414**
Net income from trading	**-306**	**-4**
Net income on financial assets and financial liabilities, total	**-1,875**	**-5,306**

G20 Other operating income

(1,000 euros)	1-12/2023	1-12/2022
Rent income from properties in own use	388	359
Other income from banking operations	4,089	4,736
Other	-	276
Total other operating income	**4,476**	**5,371**

G21 Personnel expenses

(1,000 euros)	1-12/2023	1-12/2022
Salaries and rewards	-26,350	-21,585
Pensions	-3,989	-3,404
Defined contribution plans	-4,087	-3,422
Defined benefit plans	98	19
Share-based incentive scheme payments	1,572	1,298
Other social security expenses	-843	-625
Personnel expenses, total	**-29,611**	**-24,316**

Number of employees December 31	1-12/2023	1-12/2022
Full time	389	294
Part time	6	1
Temporary	69	62
Total	464	357
Average number of employees in accounting period	**445**	**352**

Details about the employment benefits and loans of the related parties are presented in Note G31 Management compensation and related party transactions.

G22 Other operating expenses

(1,000 euros)	1-12/2023	1-12/2022
Other personnel expenses	-2,827	-1,816
Office expenses	-11,820	-3,031
Data administration and IT expenses	-19,936	-18,942
Telephony expenses	-1,682	-1,442
Marketing expenses	-3,410	-2,138
Rent expenses	-532	-1,213
Expenses from properties in own use	-1,758	-1,424
Insurance and security expenses	-5,611	-4,748
Monitoring, control and membership fees	-820	-772
Other	-4,121	-5,677
Other operating expenses, total	**-52,517**	**-41,203**

Auditors' fees

(1,000 euros)	1-12/2023	1-12/2022
KPMG Oy Ab		
Statutory audit	313	305
Services related to auditing	-	11
Services related to acquisitions	10	24
Tax advice	4	2
Other services	33	81
Total	**360**	**423**

The Financial Stability Authority has confirmed payments:		
Deposit Guarantee Fund's payment	-2,743	-2,266
from which paid amount from the old Deposit Guarantee Fund (VTS Fund)	-2,743	-2,266
The Company's estimate of how many years funds can be transferred from VTS Fund concerning Oma Savings Bank Plc.	2	3
Resolution Fund contribution	-2,227	-1,968

G23 Depreciation, amortisation and impairment losses on tangible and intangible assets

(1,000 euros)	1-12/2023	1-12/2022
On buildings	-506	-430
From buildings, right-of-use assets	-3,295	-2,394
Machinery and equipment	-542	-511
From machinery and equipment, right-of-use assets	-188	-175
Intangible assets	-3,891	-3,759
Impairment loss on properties in own use	-	-274
Total depreciation, amortisation and impairment losses	**-8,422**	**-7,543**

G24 Impairment losses on financial assets

(1,000 euros)	1-12/2023	1-12/2022
ECL on receivables from customers and off-balance sheet items	1,926	1,343
ECL from debt instruments	-40	720
Expected credit losses, total	**1,885**	**2,063**
Final credit losses		
Final credit losses	-20,760	-4,348
Refunds on realised credit losses	1,748	538
Recognised credit losses, net	**-19,012**	**-3,810**
Impairment on receivables, total	**-17,126**	**-1,747**

Reconciliations from the opening and closing balances of the expected credit losses have been formed from 1 January 2023 and 31 December 2023 on the basis of changes in euro denominated loan exposures and expected credit losses.

Expected credit losses, loans and receivables

				1-12/2023	1-12/2022
Receivables from credit institutions and from public and public sector entities (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total
Expected credit losses 1 January	**1,300**	**4,974**	**18,558**	**24,833**	**28,599**
Transfer to stage 1	-1	-483	-98	-583	-1,221
Transfer to stage 2	-128	840	-390	321	2,615
Transfer to stage 3	-27	-610	6,110	5,473	2,354
New debt securities	586	1,220	5,689	7,496	1,115
Matured debt securities	-176	-417	8,583	7,990	-2,327
Realised credit losses	-	-	-20,760	-20,760	-4,114
Recoveries on previous realised credit losses	-	-	1,748	1,748	462
Changes in credit risk	369	567	942	1,878	2,291
Changes in calculation model	-597	87	410	-100	-2,338
Changes based on management estimates	328	8,002	-1,169	7,161	-2,603
Expected credit losses period end	**1,655**	**14,180**	**19,624**	**35,458**	**24,833**

The Company's management has assessed the effects of the corona pandemic and the Russian invasion war on an industry-by-industry basis. In the first quarter, an additional ECL allowance based on management's judgement was released by EUR 0.9 million. During the reporting period, an additional allowance of EUR 0.7 million for LGD was released. The fair value adjustment recorded in connection with the acquisition of Liedon Savings Bank based on management's judgement has been allocated in the second quarter of EUR 0.7 million. In the last quarter, the Company updated its ECL calculation models, the change increased the amount of ECL by EUR 0.8 million. In the last quarter, an additional allowance of EUR 1.0 million was recorded, based on management's judgement, to prepare the Company for the uncertainty of the economic environment. At the end of the financial year, additional loss allowances based on the management's judgement remain for the use in total EUR 8.3 million.
During the first quarter, the Company has refined the allocation of expected credit losses between levels using the flow calculation, and this has caused changes to the allocation of the initial balances at the time of reporting between levels 1 and 2. The total amount of expected credit losses has not changed with the change.

				1-12/2023	1-12/2022
Off-balance sheet commitments (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total
Expected credit losses 1 January	**141**	**156**	**-**	**297**	**926**
Transfer to stage 1	-3	159	-	156	-63
Transfer to stage 2	13	66	-	79	160
Transfer to stage 3	-1	-8	-	-9	-3
New debt securities	58	82	-	140	304
Amortisations and matured debt liabilities	-14	79	-	65	-287
Realised credit losses	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-
Changes in credit risk	52	162	-	214	-33
Changes in the ECL model parameters	-172	-554	-	-726	-659
Changes based on management estimates	2	50	-	53	-49
Expected credit losses period end	**78**	**192**	**-**	**269**	**297**

Expected credit losses, investment assets

				1-12/2023	1-12/2022
Debt securities (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total
Expected credit losses 1 January	**415**	**23**	**-**	**438**	**1,158**
Transfer to stage 1	-	-	-	-	-13
Transfer to stage 2	-6	29	-	23	9
Transfer to stage 3	-	-	-	-	-
New debt securities	280	333	-	613	33
Matured debt securities	-296	-333	-	-629	-127
Realised credit losses	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-
Changes in credit risk	38	-4	-	34	-622
Changes in calculation model	-	-	-	-	-
Changes based on management estimates	-	-	-	-	-
Expected credit losses period end	**430**	**48**	**-**	**478**	**438**

G25 Income taxes

(1,000 euros)	1-12/2023	1-12/2022
Income tax for accounting period	-20,626	-6,829
Income tax on primary operations	-20,626	-6,829
Taxes for the previous accounting periods	69	-
Change in deferred tax assets	-665	-763
Change in deferred tax liabilities	-6,775	-6,254
Total income taxes	**-27,997**	**-13,847**
Income tax rate	**20%**	**20%**
Accounting profit before taxes	**138,048**	**69,226**
Proportion of the result in accordance with tax rate	**-27,610**	**-13,845**
+ Tax-exempt income on the income statement	31	142
- Non-deductible expenses on the income statement	-282	-96
+ Deductible expenses not included in the income statement	32	23
- Unrecognised under losses: deferred tax assets	-236	-70
+/- Taxes for previous accounting periods	69	-
Taxes on income statement	**-27,997**	**-13,847**

G26 Collaterals given and received

Collaterals given (1,000 euros)	31 Dec 2023	31 Dec 2022
Given for own liabilities and provisions	3,024,020	2,100,080
Collaterals given, total	**3,024,020**	**2,100,080**

Collaterals given are loan receivables given as collateral for covered bonds.

Nominal value of covered bonds in the balance sheet is EUR 2,400 million on 31 December 2023.

Collaterals received (1,000 euros)	31 Dec 2023	31 Dec 2022
Property collateral	5,391,165	4,265,604
Cash collateral	21,687	13,682
Guarantees received	270,096	236,430
Other	92,445	69,864
Collaterals received, total	**5,775,392**	**4,585,580**

G27 Off-balance sheet commitments

(1,000 euros)	31 Dec 2023	31 Dec 2022
Guarantees	41,926	34,774
Loan commitments	330,599	291,184
Off-balance sheet commitments, total	**372,525**	**325,958**

G28 Pension liability

(1,000 euros)	31 Dec 2023	31 Dec 2022
Expenses on the income statement	11	-
The current service cost	5	9
Net interest	6	6
Settlements gain	-	-15
Expenses on the statement of comprehensive income		
Remeasurements	-191	-364
Comprehensive income for the accounting period	**-180**	**-364**

	31 Dec 2023	31 Dec 2022
Current value of obligation January 1	**2,613**	**3,705**
The current service cost	5	9
Interest expense	95	38
Actuarial gains (-) and losses (+) on experienced changes	39	117
Actuarial gains (-) and losses (+) on changes in financial assumptions	59	-941
Benefits paid	-165	-167
Settlements	-	-149
Current value of obligation December 31	**2,647**	**2,613**

	31 Dec 2023	31 Dec 2022
Fair value of funds under the plan January 1	**2,407**	**3,116**
Interest income	89	32
Return on assets in the plan excl. item belonging in the interest expense/income	289	-460
Benefits paid	-165	-167
Settlements	-	-134
Employer contributions	109	19
Fair value of funds under the plan December 31	**2,729**	**2,407**

	31 Dec 2023	31 Dec 2022
Present value of obligation	2,647	2,613
Fair value of plan assets	2,729	2,407
Liability on the balance sheet December 31	**-82**	**206**

	31 Dec 2023	31 Dec 2022
Liability on the balance sheet January 1	206	589
Expenses on the income statement	11	-
Payments made into the plan	-109	-19
Remeasurements in other comprehensive income items	-191	-364
Liability on the balance sheet December 31	**-82**	**206**

Actuarial assumptions	2023	2022
Discount rate, %	3.30%	3.75%
Wage development, %	2.80%	3.10%
Increase in pension, %	2.55%	2.85%
Inflation, %	2.30%	2.60%

	2023		2022	
Sensitivity Analysis	**Defined Benefit Obligation**		**Defined Benefit Obligation**	
Effect of a change in assumptions used	Increase	Decrease	Increase	Decrease
Discount rate (0,5% change)	-5.90%	6.60%	-5.80%	6.50%
Future pension increase (0,25% change)	2.60%	-2.50%	2.60%	-2.50%

	2023		2022	
Sensitivity Analysis	**Fair Value of Plan Assets**		**Fair Value of Plan Assets**	
Effect of a change in assumptions used	Increase	Decrease	Increase	Decrease
Discount rate (0,5% change)	-6.00%	6.70%	-5.60%	6.20%
Future pension increase (0,25% change)	0.00%	0.00%	0.00%	0.00%

Duration based on weighted average of obligations is 12.2 years.

In 2024, the Group expects to pay approximately 230 thousand euros into its defined benefit pension plans.

In addition to the statutory pension scheme, Oma Savings Bank Plc provides defined benefit pension plans to the management team, key personnel in certain key roles, and employees who were members of Säästöpankkien Eläkekassat (Savings Banks' Pension Fund) when its operation ceased on 31 December 1992. For these plans, the retirement age is 60-65 years and the amount of pension is 60% of the salary eligible for pension.

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 the employment pension index and the effect of changes in the discount rate and pay increases on the net liabilities.

The assets of defined benefit plans managed in insurance companies are part of the insurance companies' investment assets and the investment risk lies with the insurance company.

G29 Offsetting financial assets and financial liabilities

(1,000 euros)

				Monetary amounts not offset in the Balance Sheet but are included in master offset agreements or similar			
Financial assets 31 Dec 2023	**Recorded financial assets, gross**	**Offsetting financial liabilities, gross**	**Accounting value on balance sheet, net**	**Financial instruments**	**Received security collateral**	**Received cash collateral**	**Net amount**
Derivative assets	63,990	-	63,990	18,882	-	43,750	1,359
Other	-	-	-	-	-	-	-
Total financial assets			**63,990**				**1,359**

				Monetary amounts not offset in the Balance Sheet but are included in master offset agreements or similar			
Financial liabilities 31 Dec 2023	**Recorded financial assets, gross**	**Offsetting financial liabilities, gross**	**Accounting value on balance sheet, net**	**Financial instruments**	**Received security collateral**	**Received cash collateral**	**Net amount**
Derivative liabilities	18,882	-	18,882	18,882	-	-	-
Other	-	-	-	-	-	-	-
Total financial liabilities			**18,882**				**-**

				Monetary amounts not offset in the Balance Sheet but are included in master offset agreements or similar			
Financial assets 31 Dec 2022	**Recorded financial assets, gross**	**Offsetting financial liabilities, gross**	**Accounting value on balance sheet, net**	**Financial instruments**	**Received security collateral**	**Received cash collateral**	**Net amount**
Derivative assets	5,719	-	5,719	5,470	-	-	249
Other	-	-	-	-	-	-	-
Total financial assets			**5,719**				**249**

				Monetary amounts not offset in the Balance Sheet but are included in master offset agreements or similar			
Financial liabilities 31 Dec 2022	**Recorded financial assets, gross**	**Offsetting financial liabilities, gross**	**Accounting value on balance sheet, net**	**Financial instruments**	**Received security collateral**	**Received cash collateral**	**Net amount**
Derivative liabilities	6,637	-	6,637	5,470	-	-	1,167
Other	-	-	-	-	-	-	-
Total financial liabilities			**6,637**				**1,167**

G30 Fair values in accordance with the valuation method

The determination of the fair value of financial instruments is set out in Note G1 Accounting principles under "Determining the fair value" of the Financial Statements for the year 2023.

Equity securities recorded to stage 3 include shares in unlisted companies.

Financial assets and liabilities measured at fair value

Financial assets (1,000 euros)	31 Dec 2023 Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Equity securities	4,214	2,439	6,866	**13,519**
Debt securities	685	-	345	**1,030**
Derivatives	-	44,924	-	**44,924**
At fair value through other comprehensive income				
Debt securities	545,465	-	234	545,699
Financial assets, total	**550,364**	**47,363**	**7,445**	**605,172**

Financial liabilities (1,000 euros)	31 Dec 2023 Level 1	Level 2	Level 3	Total
Derivatives	-	9,455	-	9,455
Financial liabilities, total	**-**	**9,455**	**-**	**9,455**

Other liabilities (1,000 euros)	31 Dec 2023 Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Payment liability, consortium of Savings Banks	-	-	19,550	19,550
Total	**-**	**-**	**19,550**	**19,550**

Financial assets (1,000 euros)	31 Dec 2022 Level 1	Level 2	Level 3	Total
Measured at fair value through profit or loss				
Equity securities	2,375	2,018	6,211	**10,604**
Derivatives	-	1931	-	**1,931**
Measured at fair value through other comprehensive income				
Debt securities	539,843	-	-	539,843
Financial assets, total	**542,878**	**3,948**	**6,410**	**553,236**

Financial liabilities (1,000 euros)	31 Dec 2022 Level 1	Level 2	Level 3	Total
Derivatives	-	4,184	-	4,184
Financial liabilities, total	**-**	**4,184**	**-**	**4,184**

Other liabilities (1,000 euros)	31 Dec 2022 Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Payment liability, consortium of Savings Banks	-	-	5,200	5,200
Total	**-**	**-**	**5,200**	**5,200**

Investment transactions, categorised to Level 3

Financial assets at fair value through profit or loss (1,000 euros)	31 Dec 2023 Equity securities	Debt securities	Total	31 Dec 2022 Equity securities	Debt securities	Total
Opening balance	**6,211**	**199**	**6,410**	**7,277**	**269**	**7,546**
+ Acquisitions	743	146	888	-	-	-
- Sales	-	-	-	-1,252	-	-1,252
- Matured during the year	-	-	-	-	-	-
+/- Realised changes in value recognised on the income statement	-	-	-	103	-	103
+/- Unrealised changes in value recognised on the income statement	-88	-	-88	83	-70	13
+ Transfers to Level 3	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-
Closing balance	**6,866**	**345**	**7,211**	**6,211**	**199**	**6,410**

At fair value through other comprehensive income (1,000 euros)	31 Dec 2023 Equity securities	Debt securities	Total	31 Dec 2022 Equity securities	Debt securities	Total
Opening balance	**-**	**-**	**-**	**-**	**-**	**-**
+ Acquisitions	-	-	-	-	-	-
- Sales	-	-	-	-	-	-
- Matured during the year	-	-	-	-	-	-
+/- Realised changes in value recognised on the income statement	-	-	-	-	-	-
+/- Unrealised changes in value recognised on the income statement	-	-	-	-	-	-
+/- Changes in value recognised in other comprehensive income	-	-69	-69	-	-	-
+ Transfers to Level 3	-	303	303	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-
Closing balance	**-**	**234**	**234**	**-**	**-**	**-**

Transactions in other liabilities, categorised to Level 3

Other liabilities at fair value through profit or loss (1,000 euros)	31 Dec 2023 Equity securities	Debt securities	Total	31 Dec 2022 Equity securities	Debt securities	Total
Opening balance	**-**	**5,200**	**5,200**	**-**	**6,500**	**6,500**
+ Acquisitions	-	15,000	15,000	-	-	-
- Sales	-	-	-	-	-	-
- Matured during the year	-	-	-	-	-	-
+/- Realised changes in value recognised on the income statement	-	-	-	-	-	-
+/- Unrealised changes in value recognised on the income statement	-	-650	-650	-	-1,300	-1,300
+ Transfers to Level 3	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-
Closing balance	**-**	**19,550**	**19,550**	**-**	**5,200**	**5,200**

Sensitivity analysis for financial assets on Level 3

(1,000 euros)		31 Dec 2023 Potential impact on equity			31 Dec 2022 Potential impact on equity		
Equity securities	Hypo-thetical change	Market value	Positive	Negative	Market value	Positive	Negative
At fair value through profit or loss	+/- 15%	6,866	1,030	-1,030	6,211	932	-932
At fair value through other comprehensive income	+/- 15 %	-	-	-	-	-	-
Total		**6,866**	**1,030**	**-1,030**	**6,211**	**932**	**-932**

(1,000 euros)		31 Dec 2023 Potential impact on equity			31 Dec 2022 Potential impact on equity		
Debt securities	Hypo-thetical change	Market value	Positive	Negative	Market value	Positive	Negative
At fair value through profit or loss	+/- 15%	345	52	-52	199	30	-30
At fair value through other comprehensive income	+/- 15 %	234	35	-35	-	-	-
Total		**579**	**87**	**-87**	**199**	**30**	**-30**

G31 Management compensation and related party transactions

Related parties refer to key personnel in leading positions at Oma Savings Bank Plc and their close family members, as well as subsidiaries, joint ventures and companies, where key personnel in leading positions have control authority or considerable influence, and entities that have significant influence in Oma Savings Bank Plc. Key personnel include Board members, CEO, Deputy CEO and the rest of the Management Team. Loans and guarantees have been granted with conditions that are applied to similar loans and guarantees granted to customers.

Remuneration received by members of management	Salaries and rewards		Statutory pension costs		Cost for voluntary supplementary pension	
(1,000 euros)	1-12/2023	1-12/2022	1-12/2023	1-12/2022	1-12/2023	1-12/2022
Pasi Sydänlammi, CEO	947	947	165	166	188	188
Pasi Turtio, Deputy CEO	381	381	66	67	56	56
The rest of the Management Team*	872	787	152	138	-	-
Total	**2,200**	**2,115**	**383**	**371**	**244**	**244**

* The rest of the Management Team: Juutilainen Helena until 30 March 2023, Liiri Sarianna, Pykäri Pekka from 1 December 2023, Sillanpää Minna, Sirkiä Hanna from 1 April 2023, Tapionsalo Kimmo until 30 November 2023, Rissanen Ville.

In addition to the short-term employee benefits and voluntary supplementary pensions indicated in the table above, management has not been paid any other post-employment benefits. The Group's Management Team has been part of two share-based incentive schemes in the 2023 financial year. The share based incentive scheme payments recorded for the 2022 financial year amounted to EUR 460 thousand for the 2020-2021 programme and EUR 838 thousand for the 2022-2023 programme. Further information on the share-based incentive scheme is provided in Note G32.

Management employee benefits (1,000 euros)	31 Dec 2023	31 Dec 2022
Salaries and short-term employee benefits	2,200	2,115
Termination benefits	-	-
Post-employment benefits	244	244
Other long-term employee benefits	-	-
Share-based benefits	965	2,413
Total	**3,409**	**4,772**

The CEO and Deputy CEO are entitled to a statutory pension and the retirement age is determined by the statutory earnings-related pension plan. The statutory pension expenditure for the CEO and Deputy CEO in 2023 was altogether EUR 232 thousand (EUR 233 thousand in 2022).

The CEO and Deputy CEO have additionally voluntary pension insurance taken out by the company, based on which old-age pension will be paid upon application based on the insurance terms and conditions when the insured is 60 years and 1 month to 70 years of age. The amount of the pension is calculated on the basis of the calculation criteria, the terms of insurance and the price list of the accumulated insurance savings per insurer. In the event of death or permanent incapacity of the insured, a one-off indemnity of 100 percent of the insured's individual insurance savings will be paid to the beneficiary in accordance with the terms of the insurance. The voluntary pension expenses for the CEO and Deputy CEO in 2023 were altogether EUR 244 thousand (EUR 244 thousand in 2022).

Compensation for Board members	Salaries and rewards		Statutory pension costs		Cost for voluntary supplementary pension	
(1,000 euros)	1-12/2023	1-12/2022	1-12/2023	1-12/2022	1-12/2023	1-12/2022
Salmi Jarmo, Chairman	73	71	-	-	-	-
Mäkynen Jyrki, Vice Chairman	59	57	-	-	-	-
Hemminki Aila	45	44	-	-	-	-
Jaskari Aki	42	43	-	-	-	-
Kokkala Timo	42	43	-	-	-	-
Partanen Jarmo (until 30 March 2023)	4	43	-	-	-	-
Sandström Jaana	42	43	-	-	-	-
Ossa Jaakko (from 30 March 2023)	39	-	-	-	-	-
Total	**344**	**342**	**-**	**-**	**-**	**-**

Related party transactions (1,000 euros)	31 Dec 2023 Key personnel and their family members	31 Dec 2023 Joint ventures and associated companies	31 Dec 2023 Other related parties	31 Dec 2022 Key personnel and their family members	31 Dec 2022 Joint ventures and associated companies	31 Dec 2022 Other related parties
Loans	4,558	23,106	3,322	5,362	25,608	3,116
Deposits	1,036	21	10,988	766	27	8,302
Guarantees	-	-	349	-	-	-
Received interests	159	1,973	187	62	1,441	76
Paid interests	-	-	73	-	-	-
Service fees	5	26	35	6	26	26
Services bought	-	721	-	-	1,021	-
Total	**5,758**	**25,847**	**14,954**	**6,196**	**28,123**	**11,520**

G32 Share-based incentive schemes

As of 31 December 2023, the Company has the following existing share-based incentive programs:

Program 2020-2021
On 17 February 2020, Oma Savings Bank Plc's Board of Directors decided to set up a share-based incentive scheme for the Group's management. The remuneration is based on comparable cost-income ratio, an increase in operating income (in comparable figures) and customer and employee satisfaction. The program includes the earning period 2020-2021 and subsequent commitment periods, during which the shares will be disposed approximately in four installments within three years. The reward is paid partly in shares of the company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme correspond to a total of up to 420,000 Oma Savings Bank Plc shares. The target group of the scheme includes a maximum of 10 persons.

Program 2022-2023
On 24 February 2022, Oma Savings Bank Plc's Board of Directors decided to set up a new share-based incentive scheme for key persons of the Group. The remuneration is based on comparable cost-income ratio, an increase in operating income (in comparable figures) and customer and employee satisfaction. The possible reward is based on a comparable cost-income ratio, an increase in operating income (by comparable figures), and customer and employee satisfaction. The program includes a two-year long earning period, 2022-2023 and subsequent commitment periods, during which the shares will be disposed in approximately six instalments within five years. The reward is paid partly in shares of the company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme corresponds to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash. The target group of the scheme includes a maximum of 30 key persons, including the company's CEO and members of the Group's Management Team.

Share-based incentive scheme	1-12/2023	1-12/2023	1-12/2022
	Program 2022-2023	Program 2020-2021	Program 2020-2021
Maximum estimated number of gross shares at the start of the scheme	400,000	420,000	420,000
Date of issue	1/1/2022	1/1/2020	1/1/2020
Share price at issue, weighted average fair value	16.90	8.79	8.79
Earning period begins	1/1/2022	1/1/2020	1/1/2020
Earning period ends	12/31/2023	12/31/2021	12/31/2021
Persons at the close of the financial year	29	10	11

Events for the financial year (pcs)	1-12/2023	1-12/2023	1-12/2022
2023	Program 2022-2023	Program 2020-2021	Program 2020-2021
Those who were out at the beginning of the period	-	172,190	-
Changes during the period			
Granted during the period	-	-	331,790
Lost during the period	-	-	-
Implemented during the period	-	-57,396	-159,600
Expired during the period	-	-	-
Out at the end of the period	-	**114,794**	**172,190**

G33 Leases

Assets, premises (1,000 euros)	31 Dec 2023	31 Dec 2022
Cost January 1	**13,884**	**10,572**
+ Increases (*	7,530	4,720
- Decreases	-1,106	-1,408
Cost at the end of the period	**20,307**	**13,884**
Accumulated depreciation and impairment losses January 1	**-6,223**	**-4,521**
+/- Accumulated depreciation of decreases and transfers	445	693
- Depreciation	-3,295	-2,394
Accumulated depreciation and impairment losses at the end of the period	**-9,073**	**-6,223**
Opening balance January 1	**7,661**	**6,051**
Closing balance at the end of the period	**11,234**	**7,661**
Refundable at the end of the lease	15	15
	15	**15**

*) The increases in costs is mainly related to the leases of offices and equipment transferred as a result of the acquisition of Liedon Savings Bank's business.

Assets, equipment (1,000 euros)	31 Dec 2023	31 Dec 2022
Cost January 1	**905**	**672**
+ Increases	400	255
- Decreases	-42	-22
Cost at the end of the period	**1,264**	**905**
Accumulated depreciation and impairment losses January 1	**-696**	**-534**
+/- Accumulated depreciation of decreases and transfers	13	13
- Depreciation	-188	-175
Accumulated depreciation and impairment losses at the end of the period	**-871**	**-696**
Opening balance January 1	**209**	**138**
Closing balance at the end of the period	**393**	**209**

Liabilities (1,000 euros)	31 Dec 2023	31 Dec 2022
Lease liabilities at the end of the period	11,964	8,624

Maturity analysis (undiscounted cash flows)	less than 1 year	1–5 years	over 5 years
31 Dec 2023	3,345	7,840	779
31 Dec 2022	2,673	5,740	211

Impact on result (1,000 euros):	31 Dec 2023	31 Dec 2022
Rental income, other operating income	388	359
Rental income, investment properties	235	202
Depreciation		
Premises	-3,295	-2,394
Equipment	-188	-175
Interest expenses	-225	-112
Leases of short-term leases	-160	-23
Leases of low-value assets	-372	-1,190
Lease expenses total	**-3,618**	**-3,334**

Cash flow from leases	31 Dec 2023	31 Dec 2022
	-3,351	-3,169

G34 Entities and changes in the Group structure included in the Consolidated Financial Statements

Subsidiaries and associated companies and joint ventures consolidated in the Oma Savings Bank Group

	Domicile	Type of interest	The Group's share of ownership 31 Dec 2023	31 Dec 2022
Kiinteistö Oy Lappeenrannan Säästökeskus	Lappeenranta	Subsidiary	100.00%	100.00%
GT Invest Oy	Helsinki	Associated company	48.67%	48.67%
City Kauppapaikat Oy	Helsinki	Associated company	43.32%	42.70%
Deleway Projects Oy	Seinäjoki	Joint venture	49.00%	49.00%
Figure Taloushallinto Oy	Espoo	Joint venture	25.00%	25.00%
SAV-Rahoitus Oyj	Helsinki	Joint venture	48.21%	48.21%
Asunto Oy Oma Säästöpankin talo	Seinäjoki	Joint operation	30.46%	25.54%

Changes for the financial year 2023

Oma Savings Bank Plc increased its shareholding in housing company Seinäjoen Oma Savings Bank house by acquiring more space for its businesses. The Company's shareholding increased by 4.9% to 30.5% at the end of the financial year.

Oma Savings Bank Plc increased its holding in City Kauppapaikat Oy through a directed share issue. The Company's holding is 43.3% after the arrangement. The value of the investment in the Group's balance sheet is EUR 15.5 million.

Oma Savings Bank Plc estimated the value of the investments of SAV-Rahoitus Oyj and City Kauppapaikat Oy compiled by the equity method, as well as the receivables from the companies, which have been factually processed as part of a net investment in the associated company.

Changes for the financial year 2022

As of 1 June 2022, as a result of changes in ownership and control of SAV-Rahoitus Oyj, the company will be consolidated into the Group as a joint venture. The Group's shareholding is 48.2%.

Oma Savings Bank Plc participated in City Kauppapaikat Oy's directed share issue during the period and as a result the Company's ownership increased by 0.6% to 42.7% at the end of the financial year.

Investments in significant associates and joint ventures

Value of the investment (1,000 euros)	31 Dec 2023	31 Dec 2022
Figure Taloushallinto Oy	200	200
GT Invest Oy	6,700	5,500
Deleway Projects Oy	2,000	2,000
City Kauppapaikat Oy	17,800	17,800
SAV-Rahoitus Oy	-	1,520
Total balance sheet value	**26,700**	**27,020**

Shares in entities to be consolidated using the equity method:

(1,000 euros)	2023	2022
Opening balance 1 January	25,351	22,884
Increases	3,270	3,021
Share of profit from associated companies	-1,131	-357
Received dividends	-	-197
Impairment losses	-3,359	-
Closing balance 31 December	**24,131**	**25,351**

G35 Business acquisitions

Acquisition of Liedon Savings Bank's business

In September 2022, the Company's Board of Directors decided to acquire the business of Liedon Savings Bank in accordance with the acquisition plan. In accordance with a decision made by the governing body of Liedon Savings Bank, Liedon Savings Bank transferred its entire business to the Company except for the minor assets mentioned in the acquisition plan. The registration date for the implementation of the business transfer was 28 February 2023. The purchase price of the business acquisition was paid partly by issuing shares and partly in cash.

The values of the assets acquired and liabilities taken to bear were at the time of acquisition:

Business combination	EUR million
Loans and receivables to public and credit institutions	1,167.0
Accruals and other assets	45.8
Fixed assets	5.5
Deposits from public and credit institutions	-1,117.8
Accruals and other liabilities	-11.8
Lease liabilities	-5.5
Liability, consortium of Saving banks	-15.0
Acquired net assets	**68.0**
Purchase price, in cash	7.5
Purchase price, equity instruments	65.0
Total cost of combination	**72.5**
Goodwill	**4.4**

As a result of the acquisition, EUR 4.4 million was recognised in goodwill. The acquisition of the business is estimated to have a significant positive impact on the Company's annual profitability and is expected to increase the Company's profit before taxes by approximately EUR 15–20 million annually over the next few years. In the longer term, business in the Turku economic area is expected to significantly increase the Company's earnings. Increasing volumes further improve the Company's cost-effectiveness and business profitability. Goodwill is formed as the difference between the net assets of the acquired business and the purchase price.

In connection with the transitioning of the business, a liability of EUR 15.0 million valued at fair value was recognised in the Company's balance sheet to cover a payment obligation related to the fixed-term liability of Liedon Savings Bank being a credit institution member leaving the consortium of Savings Banks (Act on the Consortium of Deposit Banks 599/2010). The liability is valid for five years.

Assets and liabilities acquired in the business have been measured at fair value. The leases have been valued in accordance with IFRS 16.

The value of the receivables received in the acquisition of the business is approximately EUR 1,167.0 million and a deduction of expected credit losses of EUR 8.0 million has been taken into account for the gross value of the receivables at the time of the acquisition. The effect is presented in Note 12 under "New debt securities".

Cash flow effect of the business acquisition EUR 143.1 million is in the Cash flows from financing activities.

The business income after the acquisition date of the acquired business is included in the Income Statement of the first quarter. According to the management's estimate, Oma Savings Bank Group's operating income would have been EUR 57 million and profit before taxes EUR 27 million in the first quarter of 2023, if the acquired business had been combined in the consolidated financial statements from the beginning of the 2023 financial year.

As part of the acquisition of Liedon Savings Bank's business, the Company carried out the transfer of loans acquired from Sp Mortgage Bank Plc as planned at the beginning of March. The size of the loan portfolio was EUR 233 million. The Company signed an agreement with Sp Mortgage Bank Plc on the transfer of mortgage credit bank loans (mortgage loans) brokered by Liedon Savings Bank in November 2022.

The acquisition increased the Company's balance sheet by approximately EUR 1.4 billion. Approximately 50,000 private and corporate customers transferred in the acquisition of the business. 93 people transferred as old employees. The total costs of the arrangement were EUR 3.2 million, of which EUR 1.3 million was allocated to year 2022 and EUR 1.9 million to the first quarter in 2023.

G36 Significant events after the period

In January, Oma Savings Bank's Shareholders' Nomination Committee proposes the Annual General Meeting the number of Board members to be further confirmed at seven. The Shareholders' Nomination Committee proposes that the Board members Aila Hemminki, Aki Jaskari, Jyrki Mäkynen, Jaakko Ossa, Jarmo Salmi and Jaana Sandström to be re-elected and as a new member Essi Kautonen.

Events following the end of the reporting period that would require the presentation of additional information or that would materially affect the Company's financial position are unknown.

G37 Alternative Performance Measures (APM) and calculation of key figures

Oma Savings Bank Plc's financial reporting presents Alternative Performance Measures (APM) that describe the Company's historical financial result, financial position or cash flows. The APMs are drawn up in line with the guidelines set by the European Securities and Markets Authority (ESMA). APMs are not key figures defined or specified in compliance with IFRS standards, solvency, regulations (CRD/CRR) or Solvency II (SII) regulations. The Company presents APMs as supplementary information to the key figures that are presented in the Group's IFRS-compliant income statement, Group's balance sheets and Group's cash flow statements.

In the Company's view, alternative key figures provide meaningful and useful information to investors, securities market analysts and others concerning Oma Savings Bank Plc's performance, financial position and cash flows. The reconciliation of the comparable result into profit before taxes is presented in connection with the Group's Income Statement.

Oma Savings Bank Plc uses the following Alternative Performance Measures:

- Comparable profit before taxes
- Cost/income ratio, %
- Total return on assets, ROA %
- Return on equity, ROE %
- Equity ratio, %
- Comparable cost/income ratio, %
- Comparable return on equity, ROE %
- Comparable earnings per share (EPS), EUR

Calculation of key figures

Operating income, total

Net interest income, net fee and commission income and expenses, net income on financial assets and liabilities, other operating income

Total operating expenses

Personnel expenses, other operating expenses, depreciation, amortisation and impairment losses on tangible and intangible assets

Liquidity coverage ratio (LCR), %

Minimum liquidity buffer relative to net cash and collateral outflows in a 30-day stress scenario

Net stable funding ratio (NSFR)%

$$\frac{\text{Available amount of stable funding}}{\text{Required amount of stable funding}} \times 100$$

Cost/income ratio, %

$$\frac{\text{Total operating expenses}}{\text{Total operating income + share of profit from joint ventures and associated companies (net)}} \times 100$$

Comparable cost/income ratio, %

$$\frac{\text{Total operating expenses without items affecting comparability}}{\text{Total operating income without items affecting comparability + share of profit from joint ventures and associated companies (net)}} \times 100$$

Comparable profit before taxes

Profit/loss before taxes without items effecting comparability

Return on equity, ROE %

$$\frac{\text{Profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

Comparable return on equity, ROE %

$$\frac{\text{Comparable profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

Total return on assets, ROA %

$$\frac{\text{Profit/loss of the accounting period}}{\text{Average balance sheet total (average of the beginning and the end of the year)}} \times 100$$

Equity ratio, %

$$\frac{\text{Equity}}{\text{Balance sheet total}} \times 100$$

Total capital (TC), %

$$\frac{\text{Own funds total (TC)}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Common Equity Tier 1 (CET1) capital ratio, %

$$\frac{\text{Common Equity Tier 1 (CET1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Tier 1 (T1), capital ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Leverage ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Exposures total}} \times 100$$

Earnings per share (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company owners}}{\text{Average number of shares outstanding}}$$

Earnings per share after dilution (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company}}{\text{Average number of shares outstanding after dilution of share-based rewarding}}$$

Comparable earnings per share (EPS), EUR

$$\frac{\text{Comparable profit/loss – Share of non-controlling interests}}{\text{Average number of shares outstanding}}$$

Oma Savings Bank Plc Parent Company's Financial Statements

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Oma Savings Bank Plc Income statement

Note	(1,000 euros)	1-12/2023	1-12/2022
P26	Interest income	322,718	121,500
P26	Interest expenses	-125,236	-16,812
	Net interest income	**197,482**	**104,688**
P27	Income from equity investments	217	646
P28	Fee and commission income	56,621	45,694
P28	Fee and commission expenses	-9,200	-6,715
P29	Net income from securities trading and foreign currency trading	-2,529	-5,454
P30	Net income from assets at fair value through fair value reserve	188	-403
P31	Net income from investment properties	93	78
P32	Other operating income	4,026	4,264
	Administrative expenses	**-68,496**	**-52,528**
P33	Personnel expenses	-28,659	-24,204
P34	Other administrative expenses	-39,838	-28,324
P35	Depreciation, amortisation and impairment on tangible and intangible assets	-5,227	-4,339
P32	Other operating expenses	-16,458	-15,359
P36	Expected credit losses and impairment from other financial assets	-17,126	-1,321
	Operating profit	**139,590**	**69,249**
	Appropriations	-33,285	-31,376
	Income taxes	-21,218	-7,583
	Profit (loss) from ordinary activities after taxes	**85,088**	**30,290**
	Profit (loss) for the period	**85,088**	**30,290**

Oma Savings Bank Plc Balance sheet

Note	Assets (1,000 euros)	31 Dec 2023	31 Dec 2022
	Cash and cash equivalents	682,117	402,030
	Debt securities eligible for refinancing with central banks	512,350	502,013
P3	Loans and receivables from credit institutions	192,305	114,655
P3	Loans and receivables from public and public sector entities	6,002,465	4,758,917
P4	Debt securities	34,379	38,689
	Public sector entities	9,988	9,949
	From others	24,391	28,741
P5	Shares and other equity	40,278	37,613
P6	Derivative contracts	44,924	1,931
P7	Intangible assets	15,751	11,459
P8	Tangible assets	17,944	16,490
	Investment property and shares and interests in investment property	1,318	1,353
	Other property and shares and interests in property companies	15,104	13,484
	Other tangible assets	1,521	1,654
P10	Other assets	12,386	5,734
P11	Accrued income and prepayments	62,579	25,966
P17	Deferred tax assets	17,681	21,983
	Assets, total	**7,635,160**	**5,937,481**

Note	Liabilities and equity (1,000 euros)	31 Dec 2023	31 Dec 2022
	Liabilities		
P11	Liabilities to credit institutions	165,255	242,526
P11	Liabilities to the public and public sector entities	3,778,337	3,112,489
	Deposits	3,778,321	3,112,463
	Other liabilities	16	27
P12	Debt securities issued to the public	2,930,058	2,086,950
P6	Derivative contracts	9,455	4,184
P13	Other liabilities	56,200	27,699
P14	Accrued expenses and deferred income	47,733	18,540
P14	Subordinated liabilities	60,000	40,000
P16	Deferred tax liabilities	118	89
	Liabilities, total	**7,047,155**	**5,532,477**
	Appropriations		
P13	Voluntary provisions	212,139	178,854
	Appropriations, total	**212,139**	**178,854**
P23	**Equity**		
P24	Share capital	24,000	24,000
	Other restricted reserves		
	Fair value reserve	-61,756	-76,503
	Non-restricted reserves		
	Reserve for invested non-restricted equity	210,289	145,288
	Retained earnings (loss)	118,245	103,075
	Profit (loss) for the period	85,088	30,290
	Equity, total	**375,866**	**226,150**
	Liabilities and equity, total	**7,635,160**	**5,937,481**

Off-balance sheet commitments (1,000 euros)	31 Dec 2023	31 Dec 2022
Commitments given to a third party on behalf of a customer	**41,926**	**34,774**
Guarantees and pledges	41,926	34,774
Irrevocable commitments given in favour of a customer	**330,627**	**291,191**
Undrawn credit facilities	330,627	291,191

Oma Savings Bank Plc Cash flow statement

(1,000 euros)	1-12/2023	1-12/2022
Cash flow from operating activities		
Operating income after taxes	**85,088**	**30,290**
End-of-period adjustments*	**87,786**	**23,674**
Increase (-) or decrease (+) in receivables from operating activities	**-188,191**	**-425,079**
Debt securities	58,741	-17,330
Loans and receivables from credit institutions	45,052	-1,391
Loans and receivables from public and public sector entities	-254,335	-431,372
Shares and other equity	-758	10,463
Other assets	-36,890	14,551
Increase (+) or decrease (-) in liabilities from operating activities	**-547,956**	**259,103**
Liabilities to credit institutions	-288,083	29,841
Liabilities to the public and public sector entities	-288,508	218,254
Other liabilities	28,635	11,008
Paid income taxes	-17,796	-15,679
Cash flow from operating activities, total	**-581,068**	**-127,690**
Cash flow from investing activities		
Investments in shares and other equity, increases	-3,270	-1,500
Investments in shares and other equity, decreases	-	246
Investments in tangible and intangible assets	-6,559	-3,551
Transfers of tangible and intangible assets	-	742
Cash flow from investing activities, total	**-9,829**	**-4,064**
Cash flow from financing activities		
Subordinated liabilities, increases	20,000	40,000
Subordinated liabilities, decreases	-	-15,000
Dividends paid	-13,270	-15,010
Other monetary increases in equity items	-2,054	-367
Debt securities issued to the public	832,413	353,049
Cash flow from financing activities, total	**837,089**	**362,673**
Net change in cash and cash equivalents	**246,192**	**230,919**
Cash and cash equivalents at the beginning of the period	484,660	253,741
Cash and cash equivalents at the end of the period	873,923	484,660
Cash and cash equivalents in the cash flow statement consist of the following items:		
Cash and cash equivalents	682,117	402,030
Receivables from credit institutions repayable on demand	191,805	82,630
Total	**873,923**	**484,660**
Additional information on the cash flow statement		
Received interests	290,463	110,022
Paid interests	101,608	10,655
Dividends received	217	646
***End-of-period adjustments:**		
Appropriations	33,285	31,376
Taxes on income statement	660	2,053
Changes in fair value	2,266	414
Expected credit losses and impairment losses	17,126	1,321
Depreciation, amortisation and impairment loss on intangible and tangible assets	5,238	4,352
Other adjustments	29,211	-15,842
Total	**87,786**	**23,674**

Parent Company's Notes

P1 Accounting principles for the Parent Company

The parent Company Oma Savings Bank Plc draws up separate financial statements in accordance with the provisions of the Accounting Act and Act on Credit Institutions, the Decree of the Ministry of Finance on financial statements and consolidated financial statements of credit institutions (698/2014) and Regulations and Guidelines 2/2016 of the Finnish Financial Supervisory Authority on accounting, financial statements and management reports for the financial sector.

1. Items denominated in foreign currencies

Assets and liabilities tied to items denominated in foreign currencies outside of the euro zone have been converted to euros as per the European Central Bank's closing price on the reporting date. On the income statement, foreign exchange differences that emerged during valuation have been recognised in net gains on trading in foreign currencies.

2. Financial instruments

2.1 Classification and valuation of financial assets

In connection with initial recognition, the item belonging to financial assets is valued at fair value. If the item is an item not recognised at fair value through profit or loss, the transaction costs immediately resulting from the acquisition of the item are added to it or deducted from it.

Immediately subsequent to the initial recognition, a loss allowance concerning expected credit losses (ECL) is recognised on the financial assets, if the financial asset is valued at amortised cost or through a fair value reserve. Impairments of financial assets are assessed for each receivable and receivable category. Impairments that cannot be allocated to individual receivables are recognised as impairments of a receivable category.

Financial assets are classified in one of the three following categories when they are initially recognised:

- valued at amortised cost
- valued through the fair value reserve or
- financial assets valued at fair value through profit or loss.

The classification and valuation of financial assets is based on the Company's business model and nature of contractual cash flows. Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

2.1.1 Financial assets valued at amortised cost

Financial assets are valued at amortised cost when the contractual cash flows only include capital repayments and interest payments, and the Company holds them as part of a business model whose objective is to collect contractual cash flows over the life of the contract. Financial assets valued at amortised cost include receivables from customers and credit institutions and cash assets.

2.1.2 Financial assets valued through the fair value reserve

Financial assets are valued at fair value through the fair value reserve when the contractual cash flows consist only of capital repayments and interest payments and the Company holds the financial asset as part of a business model where the objective is to hold financial assets in order to collect the contractual cash flows, but also possibly sell the financial assets before the maturity date. The Company has classified some of its debt securities in this class.

2.1.3 Financial assets valued at fair value through profit or loss

Financial assets are valued at fair value through profit or loss, unless they are valued at amortised cost or at fair value through the fair value reserve. Mainly financial assets whose business model is to trade actively, and which have been acquired to generate earnings in the short term are recognised at fair value through profit or loss. The Company has classified some of its debt securities in this class.

2.2 Equity instruments

Equity instruments are recognised at fair value through profit or loss, unless the Company irrevocably chooses to measure an individual asset at fair value through the fair value reserve.

The Company does not have equity-based investments valued at fair value through the fair value reserve. All equity instruments recognised according to IFRS 9 are recognised at fair value through profit and loss.

2.2.1 Assessment of business models

The Company specifies the business model objective for each portfolio according to how business operations are managed and reported to the management. The objectives are specified on the basis of the investment and lending policy approved by the Company.

The business model describes a portfolio-specific earnings model with the purpose of collecting only contractual cash flows, collecting contractual cash flows and cash flows from sales of financial assets or collecting cash flows from trading in financial assets.

2.2.2 Cash flow testing

If the business model is other than trading, the Company assesses whether the contractual cash flows are based solely on payment of principal and interest (SPPI test). If the cash flow criterion is not met, the financial asset is recognised at fair value through profit or loss.

In assessing whether contractual cash flows are solely payments of principal and interest, the Company will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of cash flows so that it does not meet the SPPI (solely payments of principal and interest) contractual cash flow characteristics test requirements.

All retail and corporate loans granted by the Company contain a prepayment feature. This feature does meet the cash flow testing criteria as, in connection with a prematurely repaid loan, the Company is entitled to collect reasonable compensation for the premature termination of the contract.

2.3 Derecognition

The Group derecognises financial assets when the contractual rights to cash flows from the financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group does not retain control of the financial assets.

2.4 Impairment of financial assets

The impairment estimate, the expected credit loss (ECL), is recognised on all debt instruments belonging to financial assets valued at amortised cost and valued at fair value through the fair value reserve and on off-balance sheet loan commitments and guarantee contracts.

For financial assets valued at amortised cost, a loss allowance for the expected credit loss is recognised in a separate account as a reduction in the carrying amount. The expected credit loss is recognised on the financial assets valued at fair value through the fair value reserve in the fair value reserve. For off-balance-sheet commitments, the expected credit loss is recognised as a provision.

The expected credit losses are calculated for the entire effective period of the financial asset when, on the date of reporting, the credit risk related to the financial asset has significantly increased since its initial recognition (stage 2) or when the contract is impaired (stage 3). Otherwise, the expected credit loss is calculated based on the assessment that default of payment will occur within 12 months of the date of reporting.

The expected credit losses are recognised for each date of reporting and they describe:

- an unbiased and probability-weighted monetary amount that is determined by evaluating a range of possible outcomes,
- the time value of money and
- reasonable and justifiable information that is available on the date of reporting without any excessive costs or efforts and which applies to past events, current circumstances and forecasts of the economic environment.

The financial assets used in the calculations are classified into three stages, which describe the weakening of the quality of the financial assets compared to the initial recognition.

Stage 1: Contracts whose credit risk has not grown since the initial recognition and for which a 12-month ECL is calculated.
Stage 2: Contracts whose credit risk has grown significantly since the initial recognition and for which a lifetime ECL is calculated.
Stage 3: Credit-impaired contracts (contract has been classified as being in default) for which a lifetime ECL is calculated.

2.4.1 Significant increase in credit risk
In assessing whether the credit risk related to a financial instrument has increased significantly, the change in the risk of a default occurring over the expected life of the financial instrument shall be observed. When carrying out this assessment, the entity shall compare the risk of default occurring over the expected life of the instrument at the reporting date with the risk of default at the date of initial recognition. A significant increase in credit risk leads to the transfer of the loan from stage 1 to stage 2. The Company uses both quantitative and qualitative indicators in credit risk assessment.

As indicators to assess a significant increase in credit risk, the Company uses, among other things, changes in the rating of customers. In addition to classifications, the Company uses certain qualitative indicators, such as forbearance marking, as well as a delay of at least 30 days of contractual payments. This review is automated in the calculation. Loans from stage 2 are transferred to stage 1 only after the delay period.

2.4.2 Definition of default
The Company has defined defaults in accordance with IFRS 9 (step 3) has occurred when the debtor's contract has been declared insolvent. The definition corresponds with the definition of default used by the Company in its regulatory reporting and is consistent with the definition of customer default. In assessing when a debtor is in default, the Company takes into account qualitative indicators such as breaches of loan terms and quantitative indicators such as the number of days past due date by using internal and external sources to collect information on the debtor's financial position.

2.4.3 Expected credit loss – model input
The calculation of the expected credit losses is based on portfolio-specific calculation rules. The loan portfolio has been divided into the following calculation portfolios:

- Private customers
- SME customers
- Other agricultural entrepreneurs
- Other housing associations
- Other customers

Calculation of the expected credit loss on each portfolio is based on the amount of the liability at the time of the Exposure at Default (EAD), the Probability of Default (PD) and the Loss Given Default (LGD). As a basis in the determination of the parameters, the Company uses the historical payment behavior of the customer and customer data as well as the liability and the collateral value. The forward-looking determination on values of the PD variables and the LGD variables makes use of macroeconomic forecasts for the future development of the Finnish economy, i.e. the change in GDP, housing price development and the number of employed.

The portfolios of private customers and the SME customers form clearly largest calculation portfolios. Private customers' portfolio includes liabilities for which the PD value has been modeled using the private customer rating method included in the IRB license application. The portfolio of SME clients includes all corporate liabilities for which the PD value is modeled using the SME rating method. If the PD value cannot be calculated using the two methods mentioned above, the portfolio of liability is determined by the customer's sector and industry code.

The Exposure at Default (EAD) is the amount of exposure at the reporting date. Calculation of the EAD takes into account payments to the loan as stated in the payment plan. However, certain financial instruments include both a loan principal and an undrawn portion of a loan commitment. The undrawn portion of a loan is taken into account in the exposures for the total limit granted. With respect to limit receivables, EAD calculation applies the so-called CCF coefficient when taking into account undrawn limits. Loss Given Default caused by insolvency describes the share of credit losses in the loan capital at the time of insolvency.

For debt security investments, the Company determines the allowance for credit loss using the formula EAD*PD*LGD. Instrument-specific material from the market database is used as the source for calculating PDs. In addition, a low credit risk exception for debt security investments with a credit rating of at least investment grade at the reporting date is used. In these cases, the allowance for credit loss will be measured at an amount equal to the 12-month expected credit losses.

The management of the Company monitors the development of a loss allowance to ensure that the model properly reflects the amount of expected credit loss. If necessary, the management refines the calculation parameters.

2.4.4 Changing contractual cash flows
Whenever a change is made to a financial asset or liability valued at amortised cost without removing the asset or liability from the balance sheet any profit or loss must be recognised. The profit or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the contractual interest rate.

An example of a situation of this kind are changes made to the amortisation plan for a loan granted to the customer or granting deferred amortisation. Changes to the loan terms resulting from a customer's weakened solvency are treated as a significant growth in credit risk.
In connection with significant loan term changes, the loan is removed from the balance sheet and a new loan is recognised in its place. If the credit risk of the loan removed from the balance sheet has grown significantly, the new loan is recognised in the balance sheet as impaired.

2.5 Recognising final credit losses
Financial assets are removed from the balance sheet when it is expected that payment on the loans will no longer be received, and the final credit loss can be calculated. The previously recognised expected credit loss is reversed at the same time as the item is removed from the balance sheet and the final credit loss is recognised.

The loans are removed from the balance sheet when their collection proceedings have been finished or when the loan terms are changed significantly, for example in connection with refinancing. After derecognition, payments allocated to credit loss receivables are recognised through profit or loss in the item 'Expected credit loss from financial assets recognised at amortised cost'.

2.6 Classification and valuation of financial liabilities
At the time of the initial recognition, financial liabilities are classified in one of the following items:

- financial assets valued at amortised cost, or,
- recognised at fair value through profit and loss.

Financing liabilities are originally recognised in the statements at fair value. Later, financial liabilities, with the exception of liabilities recognised at fair value through profit and loss, are valued at amortised cost using the effective interest method. Transaction costs are included in the original bookkeeping value of financial liabilities valued at amortised cost. Transaction costs related to financial liabilities recognised at fair value through profit or loss are recognised as expenditure.

Financial liabilities valued at fair value through profit or loss are formed by derivative liabilities to which hedge accounting is not applied. At the reporting date, the Company does not have derivative liabilities valued at fair value through profit or loss.

Liabilities to credit institutions, liabilities to the public and general government as well as debt securities issued to the public are recognised in other financial liabilities valued at amortised cost.

Financial liabilities are not reclassified subsequent to their initial recognition.

2.7 Offsetting financial assets and liabilities
Financial assets have not been netted in the Company's Financial Statements.

2.8 Items denominated in foreign currencies
Assets and liabilities tied to items denominated in foreign currencies outside of the euro zone have been converted to euros as per the European Central Bank's average rate on the reporting date. On the income statement, foreign exchange differences that emerged during valuation have been recognised in net gains from investment operations.

2.9 Cash and cash equivalents
Cash and cash equivalents consist of cash in hand and at banks as well as short-term deposits of less than three months.

2.10 Determining the fair value
Fair value is the price that could be received for the sale of an asset or that could be paid for assuming a debt between market parties in a common transaction occurring on the valuation date.

The fair value of a financial instrument is determined either by utilising price quotes obtained from active markets or, if active markets do not exist, utilising an established valuation method. Markets are considered to be active if price quotes are easily and regularly available and if they reflect real and regularly reoccurring market transactions between parties that are independent of each other. The current bid price is used as the quoted market price of financial assets.

If there is an established valuation method in the markets for financial instruments for which a market price cannot be directly acquired, the fair value is based on the generally used calculation model of market price and on the input quotes used by the model.

If the valuation method is not well-established in the markets, a specific generally used valuation model for the product in question is used to determine the market value. Valuation models are based on generally utilised calculation methods, and they cover all factors that parties in the markets would take into consideration when calculating prices. When determining fair value, the utilised aspects are the prices of market transactions, discounted cash flows and the fair value at the time of financial statements of another, essentially similar instrument. The valuation methods take into account credit risk assessments, used discount rates, the possibility of prepayments and other factors that impact the valuation of the financial instrument's fair value.

The fair value determination according to the IFRS 13 standard is applied to the determination of the fair value of financial instruments. The fair values of financial instruments are divided in three hierarchies according to how the fair value is determined:

Level 1: Fair values quoted in active markets for identical assets or liabilities.
Level 2: Fair values that have been determined by the use of input information other than quoted Level 1 prices that are verifiable for assets or liabilities either directly (e.g. as prices) or indirectly (e.g. derived from prices).
Level 3: Fair values that have been determined for assets or liabilities using inputs that are not essentially based on verifiable market prices.

The hierarchy levels of fair values are determined based on the lowest level of input that is significant for the investment item. The significance of an input is assessed against the item valued at fair value in its entirety. Transfers between fair value hierarchy levels are determined to have occurred on the date when the event or change in circumstances occurred.

3. Derivatives and hedge accounting

The Company hedges the interest rate risk of changes in the value of debt certificates and fixed-rate deposit stock with interest rate derivatives and applies hedge accounting to them. In hedge accounting documentation, hedge accounting is defined as fair value hedge. The Company follows the hedge accounting specifications and monitors the effectiveness of hedges and changes in fair values on a regular basis. In addition, at the balance sheet date, the Company has share derivatives to hedge deposits whose return is tied to a change in the value of the shares. At the time of the Financial Statements, the Company does not have derivatives that hedge the cash flow.

The change in the value of debt certificates and their impact on the fair value reserve of the Company are protected by interest rate swaps. The hedge accounting follows the provision of IFRS 9, which allows continued application of the portfolio hedge accounting in accordance with IAS 39.

Interest rate swaps are used to hedge fixed-rate deposit stocks and stock derivatives have been used to hedge deposits, whose yield is tied to changes in stock value. For hedge accounting, the hedge is subject to the IAS 39 'carve out' method. The individual terms of the ISDA/CSA collateral methods are applied to the counterparties of the interest rate swaps.

The Company follows the fair values of derivative contracts in the determination of section 2.10 Determining the fair value presented by the fair values of the financial instruments, hierarchy levels 2 and 3. Derivative contracts are valued at fair value and changes in value are recorded in the balance sheet and income statement. Positive fair values of derivative contracts are recorded in the corresponding half of the balance sheet under the item 'Derivative contracts'. The valuation of assets takes into account the counterparty's credit risk adjustment (CVA).

The negative fair values of derivative contracts are presented under 'Derivative contracts and other liabilities held for trading' in the balance sheet's liabilities. The debit valuation adjustment (DVA) is taken into account in the valuation.

Derivative contracts are valued at fair value and hedge accounting is applied to them. The changes in the fair value of hedged items and hedging instruments designated for hedging the fair value are entered in the income statement item 'Net income from hedge accounting' and in the balance sheet as an adjustment of the item in question. The interest expenses of hedge derivatives are presented under interest expenses and the income under interest income.
Derivatives are not created for the purpose of trading. The connection between hedging derivatives and instruments to be hedged (hedge relationship) and the effectiveness of hedging are documented.

4. Tangible and intangible assets

Properties and shares in property companies have been divided into properties in the Company's own use and investment properties, based on the purpose of use.

Properties have been recognised in the balance sheet at acquisition cost less planned depreciation. Shares and other equity in investment properties are recognised on the balance sheet at acquisition cost. The Company does not apply the option provided in Section 12, Article 8 of the Credit Institution Act, which allows the valuation of investment properties at fair value.

The balance sheet values of properties in the Company's own use and shares and other equity in property companies are based on the value of the assets relative to the expected income of core business operations.

The difference between the bookkeeping value of investment properties and shares and other equity in property companies, and the permanently lower likely transfer price, if it is significant, is an impairment loss recognised as an expense under 'Net income of investment properties'. Any reversals of impairment are recognised as adjustments in the same item.

The Company's key investment properties have been evaluated by property with the purchase price allocation method or the yield value method. The estimates of the yield value method are based on the amounts of net rent income from the property and the yield requirement of property markets. The fair values of investment properties are listed in Note P8.

5. Appropriations

5.1 Tax-based provisions
Tax-based provisions, such as credit loss provisions, are used in the planning of the Company's Financial Statements and taxes. As such, the amounts of tax-based provisions and their changes do not depict the risks faced by the Company.

In the Company's Financial Statements, appropriations are listed without deducting the deferred tax liability.

6. Off-balance-sheet commitments

Off-balance-sheet commitments are commitments given to a third party on behalf of a customer and irrevocable commitments given in favour of a customer.

Commitments given to a third party on behalf of a customer are, for example, guarantees and guarantee commitments equated to them. Commitments are listed at the maximum amounts of the guarantees or guarantee commitments at the end of the year.

Irrevocable commitments given in favour of a customer are, for example, binding loan commitments, granted undrawn loans as well as unused credit limits. Commitments are listed as the maximum amounts that could be payable at the end of the accounting period.

7. Interest income and expenses

All interest income and expenses derived from interest-bearing assets and liabilities are recognised in 'Interest income and expenses'. Interest is recognised on an accrual basis excluding interest for late payments, which are recognised when payments are received.

Also recognised as interest income or expense is the difference between the acquisition cost and nominal value of receivables and liabilities, which is amortised on the maturity period of the receivable or the liability. The counterpart is recognised as a change in receivable or liability.

Interest income has also been accrued on impaired receivables' remaining balance in the bookkeeping at the original effective interest rate in the contract.

Significant lending transaction and processing fee income is recognised in interest income over time using the effective interest method in accordance with the average expected maturity of the loan rather than recognising the income as a one-off gain. The clarification of the over-time accounting principles concerns new credit issued to companies and housing companies.

8. Impairment of financial assets

The model for impairment of financial assets brought by IFRS 9 requires management to make decisions, estimates and assumptions especially on the following topics:

- Selecting and defining calculation models,
- Assessing whether the credit risk related to a financial instrument has increased significantly after initial recognition, and
- Taking into account forward-looking information in the recognition of expected credit losses.

8.1 Evaluation of fair value
The management team's discretion is also used in cases where the fair value of a financial instrument is determined through valuation methods. If no verifiable market inputs exist on which the used valuation methods can be based, the management team has to assess which other inputs to use to determine fair value. The principles used to determine fair value are described in more detail in the section 'Determining the fair value'.

The management decides when it considers the markets of financial instruments to be inactive. Additionally, it must be evaluated whether a single financial instrument is the object of active trading and whether the price information received from the market is a reliable indicator of the fair value of the financial instrument.

9. Depreciation principles

The acquisition costs of buildings and other wearable tangible and intangible assets are depreciated based on the financial holding time in equal instalments and in accordance with a previously created depreciation plan. The depreciation time is 10–40 years for buildings and 3–8 years for machinery and equipment. Depreciations are not performed for land.

Development expenses and licences of computer software are added under 'Intangible rights' and depreciated within 3–10 years. Long-term expenses are depreciated during their useful life of 3–10 years. According to a pre-established depreciation plan, goodwill is eliminated within 5 years.

10. Income and expenses from other than ordinary activities and statutory provision

The Company has not recognised income or expenses from other than ordinary activities. If the exact sum of a future loss or cost is not known, it must be entered as a statutory provision in the balance sheet.

11. Taxes

Income taxes are recognised in the Company's financial statements based on the calculations of taxable income. Of the positive change in value included in the fair value reserve, deferred tax liabilities are recognised on the balance sheet, and of the negative change in value, deferred tax assets are recognised on the balance sheet. Additionally, of the negative change in value transferred from the fair value reserve to the result, deferred tax assets are recognised. Other deferred taxes have not been recognised at Company level.

P2 Categorisation of financial assets and financial liabilities

31 Dec 2023 Financial assets (1 000 euros)	Amortised cost	Fair value through profit or loss	Fair value through fair value reserve	Book value, total	Fair value
Cash and cash equivalents	682,117	-	-	682,117	682,117
Receivables credit institutions	192,305	-	-	192,305	192,305
Receivables from public and public sector	6,002,465	-	-	6,002,465	6,002,465
Debt securities	-	1,030	545,699	546,729	546,729
Shares and other equity	-	13,519	-	13,519	13,519
Derivatives	-	44,924	-	44,924	44,924
Assets total	**6,876,887**	**59,473**	**545,699**	**7,482,059**	**7,482,059**
Shares, participations and subsidiaries				26,759	26,759
Investment property				1,318	1,318
Non-financial assets				125,023	125,023
Total assets				**7,635,160**	**7,635,160**

31 Dec 2023 Financial liabilities (1 000 euros)	Amortised cost	Fair value through profit or loss	Bookkeeping value, total	Fair value
Liabilities to credit institutions	165,255	-	165,255	165,255
Liabilities to public and public sector entities	3,778,337	-	3,778,337	3,778,337
Subordinated loans	60,000	-	60,000	60,000
Debt securities issued to the public	2,930,058	-	2,930,058	2,930,058
Derivatives	-	9,455	9,455	9,455
Financial liabilities total	**6,933,649**	**9,455**	**6,943,104**	**6,943,104**
Other than financial liabilities			104,051	104,051
Total liabilities			**7,047,155**	**7,047,155**

31 Dec 2022 Financial assets (1,000 euros)	Amortised cost	Fair value through profit or loss	Fair value through fair value reserve	Book value, total	Fair value
Cash and cash equivalents	402,030	-	-	402,030	402,030
Loans to credit institutions	114,655	-	-	114,655	114,655
Loans to the public and public sector entities	4,758,417	500	-	4,758,917	4,758,917
Debt securities	-	859	539,843	540,702	540,702
Shares and other equity	-	10,604	-	10,604	10,604
Derivatives	-	1,931	-	1,931	1,931
Assets total	**5,275,103**	**13,893**	**539,843**	**5,828,839**	**5,828,839**
Shares, participations and subsidiaries				27,010	27,010
Investment property				1,353	1,457
Non-financial assets				80,279	80,279
Total assets				**5,937,481**	**5,937,585**

31 Dec 2022 Financial liabilities (1,000 euros)	Amortised cost	Fair value through profit or loss	Book value, total	Fair value
Loans and receivables to credit institutions	242,526	-	242,526	242,526
Loans to the public and public sector entities	3,112,489	-	3,112,489	3,112,489
Subordinated loans	40,000	-	40,000	40,000
Debt securities issued to the public	2,086,950	-	2,086,950	2,086,950
Derivatives	-	4,184	4,184	4,184
Financial liabilities total	**5,481,966**	**4,184**	**5,486,150**	**5,486,150**
Other than financial liabilities			46,328	46,328
Total liabilities			**5,532,477**	**5,532,477**

P3 Loans and receivables from credit institutions and from public and from public sector entities

Loans and receivables from credit institutions (1,000 euros)	31 Dec 2023	31 Dec 2022
Payable on demand	**191,805**	**82,630**
From the central financial institution	140,664	75,104
From domestic credit institutions	51,142	7,525
Other	**500**	**32,026**
Minimum reserve deposit	-	31,526
From domestic credit institutions	500	500
Total	**192,305**	**114,655**

Loans and receivables from public and from public sector entities (1,000 euros)	31 Dec 2023	31 Dec 2022
Companies and housing associations	2,045,804	1,589,096
Financial and insurance institutions	98,621	64,827
Public sector	14,565	2,545
Households	3,779,062	3,052,882
Non-profit organisations serving households	30,944	27,510
Foreign countries	33,468	22,057
Total	**6,002,465**	**4,758,917**
- of which subordinated receivables	-	500

Non-performing and forbearance receivables (1,000 euros)	31 Dec 2023	31 Dec 2022
over 90 days matured receivables	53,206	40,073
of which likely to be unpaid, which are undue or less than 90 days due	89,842	47,497
Non-performing and forbearance receivables, total	**143,048**	**87,571**
Forbearance receivables, total	**131,692**	**95,387**
Contract residual amount of financial assets that have been written off as final credit losses during the reporting period, and which are further subject to recovery measures	2,828	2,266
Amount of final credit losses recorded on assets for the financial year	20,760	4,117

Loans and receivables and off-balance sheet (1,000 euros)	Stage 1	Stage 2	Stage 3	31 Dec 2023 Total	31 Dec 2022 Total
Expected credit losses 1.1.	**1,442**	**5,130**	**18,558**	**25,130**	**26,743**
Transfer to stage 1	181	-1,581	-272	-1,672	-980
Transfer to stage 2	-213	2,666	-1,069	1,384	1,258
Transfer to stage 3	-35	-658	8,174	7,481	2,644
New debt securities	731	1,505	7,770	10,005	2,118
Matured debt securities	-688	-704	-3,812	-5,205	-4,891
Realised credit losses	-	-23	-11,845	-11,869	-2,708
Recoveries on previous realised credit losses	-	-	-	-	-
Changes in credit risk	210	-38	2,152	2,324	8,819
Changes in the ECL model parameters	-	-	-	-	-
Manual corrections, at credit level	106	8,075	-33	8,148	-7,874
Expected credit losses 31.12.	**1,733**	**14,371**	**19,624**	**35,728**	**25,130**

P4 Debt securities

(1,000 euros)	31 Dec 2023 Total	Of which central bank funding entitling debt securities	Of which government bonds	Other debt securities	31 Dec 2022 Total	Of which central bank funding entitling debt securities	Of which government bonds	Other debt securities
Recognised at fair value through profit and loss	**1,030**	**-**	**-**	**-**	**859**	**-**	**-**	**-**
Publicly quoted	115	-	-	-	115	-	-	-
Other	915	-	-	-	744	-	-	-
Recognised at fair value through fair value reserve	**545,699**	**512,350**	**-**	**512,350**	**539,843**	**502,013**	**-**	**502,013**
Publicly quoted	545,699	512,350	-	512,350	539,638	502,013	-	502,013
Other	-	-	-	-	205	-	-	-
Total	**546,729**	**512,350**	**-**	**512,350**	**540,702**	**502,013**	**-**	**502,013**
of which subordinated receivables	-	-	-	-	302	-	-	-

Debt securities, amortised (1,000 euros)	Stage 1	Stage 2	Stage 3	31 Dec 2023 Total	31 Dec 2022 Total
Expected credit losses 1 January	**415**	**23**	**-**	**438**	**1,158**
Transfer to stage 1	-	-	-	-	-13
Transfer to stage 2	-6	29	-	23	9
Transfer to stage 3	-	-	-	-	-
New debt securities	280	333	-	613	33
Matured debt securities	-296	-333	-	-629	-127
Realised credit losses	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-
Changes in credit risk	38	-4	-	34	-622
Changes in the ECL model parameters	-	-	-	-	-
Changes based on management estimates	-	-	-	-	-
Expected credit losses 31 December	**430**	**48**	**-**	**478**	**438**

P5 Shares and other equity

(1,000 euros)	31 Dec 2023	31 Dec 2022
At fair value through profit or loss		
Publicly quoted	4,214	2,375
Other	9,305	8,229
At fair value through profit or loss, total	**13,519**	**10,604**
Of which in credit institutions	1,523	-
Of which in other companies	11,996	10,604
At amortised cost		
Shares and holdings in participation companies	**26,759**	**27,010**
Of which in credit institutions	-	-
Of which in other companies	26,759	27,010
Of which in other companies	-	-
Total at amortised cost	**26,759**	**27,010**
Total shares	**40,278**	**37,613**

P6 Derivative contracts

Nominal values of derivative contracts

(1,000 euros) Residual maturity	31 Dec 2023 less than 1 year	1-5 years	over 5 years	Total
Hedging derivative contracts	**-**	**891,000**	**627,000**	**1,518,000**
Fair value hedge				
Interest rate derivatives				
Interest rate swaps	-	891,000	627,000	1,518,000
Derivative contracts excluded in hedge accounting	**12,553**	**-**	**-**	**12,553**
Stock derivatives	12,553	-	-	12,553

Nominal values of derivative contracts

(1,000 euros) Residual maturity	31 Dec 2022 less than 1 year	1-5 years	over 5 years	Total
Hedging derivative contracts	**10,000**	**291,000**	**327,000**	**628,000**
Fair value hedge				
Interest rate derivatives				
Interest rate swaps	10,000	291,000	327,000	628,000
Derivative contracts excluded in hedge accounting	**31,328**	**12,553**	**-**	**43,880**
Stock derivatives	31,328	12,553	-	43,880

Fair values of derivative contracts

(1,000 euros)	31 Dec 2023 Assets	Liabilities	31 Dec 2022 Assets	Liabilities
Hedging derivative contracts	**44,924**	**9,455**	**1,926**	**4,184**
Fair value hedge				
Interest rate derivatives	44,924	9,455	1,926	4,184
Derivative contracts excluded in hedge accounting	**-**	**-**	**5**	**-**
Stock derivatives	-	-	5	-
Total	**44,924**	**9,455**	**1,931**	**4,184**

Fair value of hedge items on hedge accounting (1,000 euros)	31 Dec 2023 Book value of the hedge item	of which the change in the fair value of the hedged	31 Dec 2022 Book value of the hedge item	of which the change in the fair value of the hedged
Fair value portfolio hedge				
Debt securities eligible for refinancing with central banks	227,523	9,523	218,318	318
Assets, total	**227,523**	**9,523**	**218,318**	**318**
Liabilities to public and public sector entities	1,345,014	45,014	408,554	-1,446
Liabilities and equity, total	**1,345,014**	**45,014**	**408,554**	**-1,446**

P7 Intangible assets

(1,000 euros)	31 Dec 2023	31 Dec 2022
IT expenses	5,487	5,912
Goodwill	3,527	500
Unfinished intangible assets	3,343	1,839
Other intangible assets	3,394	3,208
Total	**15,751**	**11,459**

Intangible assets	31 Dec 2023	31 Dec 2022
Acquisition cost January 1	**29,212**	**26,197**
+ increases during the accounting period	9,075	3,088
- decreases during the accounting period	-134	-
+ transfers between items	-139	-72
Acquisition cost December 31	**38,014**	**29,212**
Accrued amortisation and impairment January 1	-17,753	-13,950
+/- accrued amortisation on decreases and transfers	72	-
- amortisation during the accounting period	-4,581	-3,804
Accrued amortisation and impairment December 31	-22,263	-17,753
Closing balance December 31	**15,751**	**11,459**
Opening balance January 1	**11,459**	**12,247**

P8 Tangible assets

	31 Dec 2023		31 Dec 2022	
(1,000 euros)	Book value	Fair value	Book value	Fair value
Land and water				
In own use	252	252	252	252
Used for investments	419	419	419	419
Total	**671**	**671**	**671**	**671**
Buildings				
In own use	339	339	272	272
Used for investments	23	23	33	33
Total	**361**	**361**	**305**	**305**
Shares and other equity in property companies				
In own use	14,513	14,513	12,959	12,959
Used for investments	877	877	901	1,004
Total	**15,390**	**15,390**	**13,860**	**13,964**
Other tangible assets	**1,521**		**1,654**	
Tangible assets, total	**17,944**		**16,490**	

Investment properties have been measured at acquisition cost.

	31 Dec 2023			
Changes in tangible assets during the accounting period (1,000 euros)	Investment properties and investment property shares	Other properties and property shares	Other tangible assets	Total
Acquisition cost January 1	**2,035**	**15,087**	**11,877**	**28,999**
+ increases during the accounting period	1,000	718	272	1,990
+/- transfers between items	-1,024	1,024	139	139
Acquisition cost December 31	**2,010**	**16,829**	**12,287**	**31,127**
Accrued depreciation and impairment January 1	**-681**	**-1,604**	**-10,223**	**-12,508**
- depreciation during the accounting period	-11	-41	-542	-594
- impairment during the accounting period	-	-80	-	-80
Accrued depreciation and impairment December 31	-692	-1,725	-10,765	-13,183
Closing Balance December 31	**1,318**	**15,104**	**1,521**	**17,944**
Opening Balance January 1	**1,353**	**13,484**	**1,654**	**16,490**

	31 Dec 2022			
Changes in tangible assets during the accounting period (1,000 euros)	Investment properties and investment property shares	Other properties and property shares	Other tangible assets	Total
Acquisition cost January 1	**2,380**	**17,122**	**11,412**	**30,914**
+ increases during the accounting period	-	76	393	469
- decreases during the accounting period	-345	-2,112	-	-2,457
+/- transfers between items	-	-	72	72
Acquisition cost December 31	**2,035**	**15,087**	**11,877**	**28,999**
Accrued depreciation and impairment January 1	**-670**	**-3,285**	**-9,712**	**-13,668**
+/- accrued depreciation on decreases and transfers	-	1,712	-	1,712
- depreciation during the accounting period	-11	-30	-511	-552
Accrued depreciation and impairment December 31	-681	-1,604	-10,223	-12,508
Closing Balance December 31	**1,353**	**13,484**	**1,654**	**16,490**
Opening Balance January 1	**1,709**	**13,837**	**1,699**	**17,245**

P9 Other assets

(1,000 euros)	31 Dec 2023	31 Dec 2022
Receivables on payment transfers	67	94
Other	12,319	5,639
Total	**12,386**	**5,734**

P10 Accured income and prepayments

(1,000 euros)	31 Dec 2023	31 Dec 2022
Interests	52,837	20,885
Other	9,742	5,081
Total	**62,579**	**25,966**

P11 Liabilities to the public and public sector entities and liabilities to credit institutions

Liabilities to the public and public sector entities

(1,000 euros)	31 Dec 2023	31 Dec 2022
Deposits	**3,778,321**	**3,112,463**
Repayable on demand	3,205,342	2,816,043
Other	572,979	296,420
Other liabilitites	**16**	**27**
Other	16	27
Total	**3,778,337**	**3,112,489**

Liabilities to credit institutions

(1,000 euros)	31 Dec 2023	31 Dec 2022
Liabilities to central banks	30,000	150,000
Repayable on demand	4,420	4,749
Other	130,835	87,777
Total	**165,255**	**242,526**

P12 Debt securities issued to the public

	31 Dec 2023		31 Dec 2022	
(1,000 euros)	Closing balance	Nominal value	Closing balance	Nominal value
Certificates of deposit	171,333	173,000	145,681	146,000
Bonds	2,758,725	2,805,000	1,941,269	1,955,000
Total	**2,930,058**	**2,978,000**	**2,086,950**	**2,101,000**

	Nominal value				Closing balance	
Bond	31.12.2023	Interest	Year of issue	Due date	31 Dec 2023	31 Dec 2022
OmaSp Plc 3.4.2024, covered bond	300,000	0.125%/fixed	2019	4/3/2024	299,914	299,579
OmaSp Plc 6.4.2023, covered bond	250,000	0.125 %/fixed	2020	4/6/2023	-	249,883
OmaSp Plc 17.1.2024	55,000	margin 1%/variable	2020	1/17/2024	55,000	54,999
OmaSp Plc 25.11.2027, covered bond	650,000	0.01%/fixed	2020-2023	11/25/2027	622,126	403,908
OmaSp Plc 19.5.2025	200,000	margin 0.2 %/variable	2021	5/19/2025	199,782	199,625
OmaSp Plc 18.12.2026, covered bond	600,000	1.5%/fixed	2022	12/18/2026	587,613	583,684
OmaSp Plc 26.9.2024	150,000	5%/fixed	2022	9/26/2024	149,802	149,591
OmaSp Plc 15.6.2028, covered bond	350 000	3.125%/fixed	2023	6/15/2028	347,641	-
OmaSp Plc 15.1.2029, covered bond	500,000	3.5%/fixed	2023	1/15/2029	496,848	-
					2,758,725	**1,941,269**

Maturity of deposit certificates	less than 3 months	3-6 months	6-9 months	9-12 months	Closing balance, total
31 Dec 2023	99,464	62,221	-	9,648	**171,333**
31 Dec 2022	133,777	11,904	-	-	**145,681**

P13 Provisions and other liabilities

Provisions

(1,000 euros)	31 Dec 2023	31 Dec 2022
Tax-based credit loss provisions	212,139	178,854
Total	**212,139**	**178,854**

Other liabilities

(1,000 euros)	31 Dec 2023	31 Dec 2022
Liabilities on payment transfers	17,581	14,646
Expected credit loss on loan commitments	269	297
Payment liability, consortium of Savings Banks*	19,550	5,200
Other	18,800	7,556
Total	**56,200**	**27,699**

*Payment liabilities recognised to Oma Savings Bank Plc in the acquisition of Eurajoen Savings Bank's and Liedon Savings Bank's businesses.

P14 Accrued expenses and deferred income

(1,000 euros)	31 Dec 2023	31 Dec 2022
Interests	34,345	9,697
Other	13,388	8,842
Total	**47,733**	**18,540**

P15 Subordinated liabilities

Subordinated liabilities whose bookkeeping value exceeds 10 % of total amount of these liabilities

(1,000 euros)	Bookkeeping value			
Identifying details of liability	31 Dec 2023	31 Dec 2022	Interest %	Due date
Oma Savings Bank Plc's debenture loan I/2022	20,000	20,000	3.00	1/15/2028
Oma Savings Bank Plc's debenture loan II/2022	20,000	20,000	3.25	7/14/2028
Oma Savings Bank Plc's debenture loan I/2023	20,000	-	3.25	10/23/2028
Total	**60,000**	**40,000**		

	Amount included in own funds	
Identifying details of liability	31 Dec 2023	31 Dec 2022
Oma Savings Bank Plc's debenture loan I/2022	16,166	20,000
Oma Savings Bank Plc's debenture loan II/2022	18,149	20,000
Oma Savings Bank Plc's debenture loan I/2023	19,255	-
Total	**53,571**	**40,000**

All listed loans are denominated in euros. In the solvency calculation, the listed loans are included in the credit institution's lower tier 2 capital.

Terms and conditions of prepayment:

The Company retains on all loans the right to claim the loan either partially or in full before the due date. However, prepayment is only possible if permitted by the Financial Supervisory Authority, excluding minor claims that the Company will resell shortly after claiming. In the comparative period, the Company redeemed the OmaSp debenture loan I/2017 before the maturity date 1 February 2023.

Regulations on loan priorities and potential exchanging of loans for shares:

Loans have been issued as a debenture loan in accordance with Article 34 of the Promissory Notes Act (622/47). These loans are subordinated to the issuer's other loans.

P16 Deferred tax liabilities and tax assets

(1,000 euros)	31 Dec 2023	31 Dec 2022
Tax receivables calculated from other temporary differences	2,124	2,768
Amount of deferred tax assets due to fair value reserve	15,557	19,215
Deferred tax assets total	**17,681**	**21,983**
Tax liabilities calculated from other temporary differences	96	88
Amount of deferred tax liabilities due to fair value reserve	22	2
Deferred tax liabilities total	**118**	**89**

Deferred tax liabilities and receivables have been recognised in the fair value reserve for changes of certificates of receivables and equity securities entered in the fair value reserve, expected credit losses, as well as other temporary differences between accounting and taxation.

P17 Maturity distribution of financial assets and liabilities

Financial assets (1,000 euros)	31 Dec 2023 Less than 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Debt securities eligible for refinancing with central banks	61,028	15,084	228,827	207,411	**512,350**
Receivables from credit institutions	191,805	500	-	-	**192,305**
Receivables from public and public sector	782,454	418,081	1,548,411	3,253,519	**6,002,465**
Debt securities	3,730	2,528	27,333	787	**34,379**
Derivative contracts	-	-	16,384	28,540	**44,924**
Total	**1,039,017**	**436,193**	**1,820,955**	**3,490,258**	**6,786,423**

Financial assets (1,000 euros)	31 Dec 2022 Less than 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Debt securities eligible for refinancing with central banks	7,380	12,348	228,359	253,927	**502,013**
Receivables from credit institutions	114,155	500	-	-	**114,655**
Receivables from public and public sector	268,108	386,030	1,466,879	2,637,900	**4,758,917**
Debt securities	1,923	3,054	25,361	8,352	**38,689**
Derivative contracts	15	36	144	1,736	**1,931**
Total	**391,581**	**401,968**	**1,720,743**	**2,901,914**	**5,416,205**

Financial liabilities (1,000 euros)	31 Dec 2023 Less than 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Liabilities to credit institutions and central banks	78,170	-	24,435	62,649	**165,255**
Liabilities to public and public sector entities	3,389,631	340,108	48,599	-	**3,778,337**
Debt securities issued to the public	154,464	521,584	1,757,162	496,848	**2,930,058**
Subordinated debts	-	-	60,000	-	**60,000**
Derivative contracts	-	-	1,556	7,899	**9,455**
Total	**3,622,264**	**861,692**	**1,891,752**	**567,396**	**6,943,104**

Financial liabilities (1,000 euros)	31 Dec 2022 Less than 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Liabilities to credit institutions and central banks	4,749	150,000	23,324	64,453	**242,526**
Liabilities to public and public sector entities	2,869,480	197,722	45,288	-	**3,112,489**
Debt securities issued to the public	133,777	261,787	1,691,386	-	**2,086,950**
Subordinated debts	-	-	-	40,000	**40,000**
Derivative contracts	73	-	2,935	1,175	**4,184**
Total	**3,008,080**	**609,508**	**1,762,933**	**105,629**	**5,486,150**

Receivables from public and public sector entities, repayable on demand:
Other than fixed-term deposits and overdraft accounts are listed in the category of less than 3 months.

P18 Itemisation of assets and liabilities in domestic and foreign denominations

Assets (1,000 euros)	31 Dec 2023 Domestic currency	31 Dec 2023 Foreign currency	31 Dec 2022 Domestic currency	31 Dec 2022 Foreign currency
Debt securities eligible for refinancing with central banks	512,350	-	502,013	-
Loans and receivables to credit institutions	192,305	-	114,655	-
Loans and receivables to the public and public sector entities	6,002,465	-	4,758,917	-
Debt securities	34,379	-	38,689	-
Derivative contracts	44,924	-	1,931	-
Other assets	846,297	2,439	519,259	2,018
Total	**7,632,721**	**2,439**	**5,935,464**	**2,018**

Liabilities (1,000 euros)	31 Dec 2023 Domestic currency	31 Dec 2023 Foreign currency	31 Dec 2022 Domestic currency	31 Dec 2022 Foreign currency
Liabilities to credit institutions and central banks	165,255	-	242,526	-
Liabilities to public and public sector entities	3,778,337	-	3,112,489	-
Debt securities issued to public	2,930,058	-	2,086,950	-
Derivative contracts	9,455	-	4,184	-
Subordinated liabilities	60,000	-	40,000	-
Other liabilities	56,318	-	27,788	-
Accrued expenses and deferred income	47,733	-	18,540	-
Total	**7,047,155**	**-**	**5,532,477**	**-**

P19 Fair values and book values of financial assets and liabilities and fair value hierarchy

The fair values of financial assets have been determined primarily on the basis of the quoted market prices. If a quoted market price was not available, the current value discounted by the market interest rate or another generally accepted valuation model or method was used in the valuation. The book value was used as the fair value for other financial assets. The book value was used as the fair value for financial liabilities.

Financial assets (1,000 euros)	31 Dec 2023 Book value	31 Dec 2023 Fair value	31 Dec 2022 Book value	31 Dec 2022 Fair value
Cash and cash equivalents	682,117	682,117	402,030	402,030
Receivables from credit institutions	192,305	192,305	114,655	114,655
Receivables from public and public sector entities	6,002,465	6,002,465	4,758,917	4,758,917
Debt securities	546,729	546,729	540,702	540,702
Publicly quoted	545,814	545,814	539,753	539,753
Other	915	915	949	949
Shares and other equity	40,278	40,278	37,613	37,613
Publicly quoted	4,214	4,214	2,375	2,375
Other	36,064	36,064	35,239	35,239
Derivative contracts	44,924	44,924	1,931	1,931
Total	**7,508,818**	**7,508,818**	**5,855,849**	**5,855,849**

Financial liabilities (1,000 euros)	31 Dec 2023 Book value	31 Dec 2023 Fair value	31 Dec 2022 Book value	31 Dec 2022 Fair value
Liabilities to credit institutions	165,255	165,255	242,526	242,526
Liabilities to public and public sector entities	3,778,337	3,778,337	3,112,489	3,112,489
Debt securities issued to public	2,930,058	2,930,058	2,086,950	2,086,950
Derivative contracts	9,455	9,455	4,184	4,184
Subordinated liabilities	60,000	60,000	40,000	40,000
Total	**6,943,104**	**6,943,104**	**5,486,150**	**5,486,150**

Financial instruments measured at fair value (1,000 euros)

31 Dec 2023

Financial assets	Level 1	Level 2	Level 3	Total
Debt securities	546,150	-	579	546,729
Shares and other equity	4,214	2,439	6,866	13,519
Derivative contracts	-	44,924	-	44,924
Total	**550,364**	**47,363**	**7,445**	**605,172**

Financial liabilities	Level 1	Level 2	Level 3	Total
Derivative contracts	**-**	**9,455**	**-**	**9,455**

31 Dec 2022

Financial assets	Level 1	Level 2	Level 3	Total
Debt securities	540,503	-	199	540,702
Shares and other equity	2,375	2,018	6,211	10,604
Derivative contracts	-	1,931	-	1,931
Total	542,878	3,948	6,410	553,236

Financial liabilities	Level 1	Level 2	Level 3	Total
Derivative contracts	**-**	**4,184**	**-**	**4,184**

Fair value and changes in value entered directly into the income statement as well as changes, entered into the fair value reserve, from each group of financial instruments measured at fair value (1,000 euros)

31 Dec 2023

	Fair value financial assets	Fair value liabilities	Change in value in income statement	Change in value in fair value reserve
Financial assets at fair value through fair value reserve	318,176	-	-422	-77,673
Financial assets at fair value through profit or loss	286,996	9,455	-2,447	-
Total	**605,172**	**9,455**	**-2,868**	**-77,673**

31 Dec 2022

	Fair value financial assets	Fair value liabilities	Change in value in income statement	Change in value in fair value reserve
Financial assets at fair value through fair value reserve	321,525	-	97	-96,066
Financial assets at fair value through profit or loss	231,711	4,184	-5,381	-
Total	**553,236**	**4,184**	**-5,284**	**-96,066**

P20 Expected credit losses

2023					
Balance sheet item	At amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Expected credit loss	Total
Cash and cash equivalents	682,117	-	-	-	**682,117**
Receivables from credit institutions	192,305	-	-	-	**192,305**
Receivables from public and public sector	6,037,923	-	-	-35,458	**6,002,465**
Debt securities*	-	1,030	545,699	-	**546,729**
Shares and other equity	-	13,519	-	-	**13,519**
Shares and holdings in participation	-	-	26,759	-	**26,759**
Derivative contracts	-	44,924	-	-	**44,924**
Financial assets, total	**6,912,346**	**59,473**	**572,458**	**-35,458**	**7,508,818**
Off-balance sheet items	330,627	-	-	-269	**330,358**
Total	**7,242,973**	**59,473**	**572,458**	**-35,728**	**7,839,176**

* Of debt securities, which are recorded in fair value through comprehensive income items, expected credit losses of EUR -477,951.31 is recognised in fair value reserve.

2022					
Balance sheet item	At amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Expected credit loss	Total
Cash and cash equivalents	402,030	-	-	-	**402,030**
Receivables from credit institutions	114,655	-	-	-	**114,655**
Debt securities*	-	859	539,843	-	**540,702**
Shares and other equity	-	37,613	-	-	**37,613**
Shares and holdings in participation	-	-	27,010	-	**27,010**
Derivative contracts	-	1,931	-	-	**1,931**
Financial assets, total	**516,686**	**40,403**	**566,853**	**-**	**1,123,942**
Off-balance sheet items	291,191	-	-	-297	**290,894**
Total	**807,877**	**40,403**	**566,853**	**-297**	**1,414,836**

* Of debt securities, which are recorded in fair value through comprehensive income items, expected credit losses of EUR -437,592.60 is recognised in fair value reserve.

P21 Distribution of financial assets by risk rating

Risk rating 1: Low-risk items are considered to include the Company's internal credit rating of AAA-AA level private customers, AAA-AA + level corporate, housing companies and agricultural customers.

Risk rating 2: Reasonable risk items include the Company's internal credit rating of A-B level private customers, AA-A + level corporate and housing companies and AA-A level agricultural customers.

Risk rating 3: Increased risk items include the Company's internal credit rating of C-level private customers and A-level corporate and housing companies, as well as B-C-level agricultural customers.

Risk rating 4: The highest risk items are considered to be the Company's internal credit rating of D-level private customers, B-D-level corporate and housing companies, D-level agricultural customers and insolvent customers.

The 'No rating' item includes loans and debt securities for which the Company has not defined credit ratings or for which there are no external credit ratings available.

				31 Dec 2023	31 Dec 2022
Loans and off-balance sheet commitments (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total
Risk rating 1	2,815,108	33,136	-	2,848,243	2,445,011
Risk rating 2	2,699,664	261,317	2,678	2,963,659	2,042,175
Risk rating 3	86,830	288,649	5,626	381,105	310,627
Risk rating 4	3,019	47,661	115,409	166,089	219,654
No rating	9,361	145	24	9,530	4,287
Capital items by risk rating, total	**5,613,982**	**630,907**	**123,737**	**6,368,626**	**5,021,755**
Allowance for credit losses	1,733	6,081	19,624	27,437	**24,230**
Total	**5,612,249**	**624,827**	**104,113**	**6,341,188**	**4,997,524**

				31 Dec 2023	31 Dec 2022
Debt securities (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total
Risk rating 1	470,250	-	-	470,250	490,550
Risk rating 2	400	-	-	400	400
Risk rating 3	-	-	-	-	-
Risk rating 4	-	-	-	-	-
No rating	119,900	8,050	-	127,250	125,500
Capital items by risk rating, total	**589,850**	**8,050**	**-**	**597,900**	**616,450**
Allowance for credit losses	430,182	48	-	478	**438**
Total	**589,420**	**8,002**	**-**	**597,422**	**616,012**

P22 Credit risk concentrations

Risk rating 1: Low-risk items are considered to include the Company's internal credit rating of AAA-AA level private customers, AAA-AA + level corporate, housing company and agricultural customers.

Risk rating 2: Reasonable risk items include the Company's internal credit rating of A-B level private customers, AA-A + level corporate and housing associations and AA-A level agricultural customers.

Risk rating 3: Increased risk items include the Company's internal credit rating of C-level private customers and A-level corporate and housing companies, as well as B-C-level agricultural customers.

Risk rating 4: The highest risk items are considered to be the Company's internal credit rating of D-level private customers, B-D-level corporate and housing companies, D-level agricultural customers and insolvent customers.

The 'No rating' item includes loans and debt securities for which the Company has not defined credit ratings or for which there are no external credit ratings available.

Loans and off-balance sheet commitments by industry	Risk rating 1	Risk rating 2	Risk rating 3	Risk rating 4	No rating	31 Dec 2023 Total	31 Dec 2022 Total
Companies	1,170,961	726,995	223,868	63,856	6,406	**2,192,087**	**1,684,014**
Real estate	810,027	321,255	124,932	15,127	-	1,271,341	907,222
Agriculture	2,341	50,673	1,323	1,268	6,002	61,607	47,902
Construction	61,997	42,817	14,809	6,022	-	125,645	104,667
Accommodation and food service	25,546	37,440	17,813	3,956	-	84,755	72,061
Wholesale and retail	80,829	76,636	19,660	5,570	-	182,695	177,676
Finance and insurance	16,143	24,115	4,230	12	-	44,500	55,607
Others	174,078	174,058	41,101	31,901	405	421,542	318,879
Public sector entities	1,276	15,209	-	-	-	**16,486**	**3,617**
Non-profit organisations	15,929	18,812	91	-	-	**34,832**	**29,383**
Finance and insurance	60,460	42,633	842	42	-	**103,977**	**70,808**
Households	1,599,617	2,160,010	156,304	102,191	3,124	**4,021,245**	**3,233,934**
Total December 31	**2,848,243**	**2,963,659**	**381,105**	**166,089**	**9,530**	**6,368,626**	**5,021,755**

P23 Impact of collaterals and other arrangements improving the quality of loans

Amount exposed to credit risk covered by collateral

(1,000 euros)	31 Dec 2023	31 Dec 2022	Description of collateral held
Home mortgages	3,110,044	2,447,825	Mostly residential real estate collateral
Corporate loans	1,914,011	1,482,828	Mostly property collateral
Consumer credit	360,312	324,335	Mostly residential real estate collateral
Other	602,614	495,780	Mostly property collateral
Loans and receivables from public and public sector entities	**5,986,981**	**4,750,768**	

P24 Changes in equity during the accounting period

(1,000 euros)	At the beginning of the accounting period	Increases	Decreases	At the end of the accounting period
Share capital	20,700	-	-	20,700
Credit loss provisions transferred to share capital	3,300	-	-	3,300
Other restricted reserves	-76,503	327,508	-312,761	-61,756
Fair value reserve	-76,503	327,508	-312,761	-61,756
Measured at fair value	-76,503	327,508	-312,761	-61,756
Non-restricted reserves	145,288	65,001	-	210,289
Reserve for invested non-restricted equity	145,288	65,001	-	210,289
Retained earnings	103,075	30,495	-15,324	118,245
Profit for the period	30,290	85,088	-30,290	85,088
Equity, total	**226,150**	**508,091**	**-358,375**	**375,866**

Changes in fair value reserve during the accounting period

(1,000 euros)	31 Dec 2023 Debt securities	Shares and other equity	Cash flow hedge	Total
Fair value reserve, 1 January 2023	**-76,503**	**-**	**-**	**-76,503**
Increases	47,909	-	-	47,909
Decreases	-29,938	-	-	-29,938
Reclassified from the fair value reserve to the income statement	422	-	-	422
Expected credit losses	40	-	-	40
Changes in fair value reserve 2023, total	**18,433**	**-**	**-**	**18,433**
Fair value reserve December 31, 2022 (gross)	-77,195	-	-	-77,195
Deferred tax assets (+)/ liabilities (-)	15,439	-	-	15,439
Fair value reserve, 31 December 2023	**-61,756**	**-**	**-**	**-61,756**

(1,000 euros)	31 Dec 2022 Debt securities	Shares and other equity	Cash flow hedge	Total
Fair value reserve, 1 January 2022	**-492**	**-**	**-**	**-492**
Increases	24,179	-	-	24,179
Decreases	-99,537	-	-	-99,537
Reclassified from the fair value reserve to the income statement	-78	-	-	-78
Expected credit losses	-576	-	-	-576
Changes in fair value reserve 2022, total	**-76,011**	**-**	**-**	**-76,011**
Fair value reserve December 31, 2021 (gross)	-95,629	-	-	-95,629
Deferred tax assets (+)/ liabilities (-)	19,126	-	-	19,126
Fair value reserve, 31 December 2022	**-76,503**	**-**	**-**	**-76,503**

Calculation of distributable equity (1,000 euros)	31 Dec 2023	31 Dec 2022
Retained earnings	118,245	103,075
Profit for the financial period	85,088	30,290
Invested unrestricted equity fund	210,289	145,288
Fair value reserve	-61,756	-76,503
Capitalized development expenditure	-7,873	-6,100
Total	**343,992**	**196,050**

Other committed reserves

Fair value reserve
The fair value reserve includes the change in fair value of financial assets less deferred taxes. The value of financial assets recognised in the fair value reserve is transferred to the income statement in connection with the sale or impairment of assets.

Non-restricted reserves

Reserve for invested non-restricted equity
The assets raised in the institutional and public offerings and personnel offerings in 2017–2018 are entered in the reserve for invested non-restricted equity. In addition, the reserve for invested non-restricted equity includes the assets gained from issued shares in connection with reorganisations in previous accounting periods. In the financial period 2023, a total of EUR 65 million gained from issued shares directed to Liedon Savings Bank was recognised in the reserve for invested non-restricted equity.

Retained earnings

Retained earnings are earnings accrued over the group's companies' previous accounting periods that have not been distributed as dividends to owners.

P25 Shares and shareholder right

The number of shares is 33,275,237 in total and the number of votes per share is 1 vote / share. The shares do not have a nominal value.

	Ownership 31 December 2023	
	Number of shares	% in shares
South Karelia's Savings Bank Foundation	8,578,759	25.8
Parkano's Savings Bank Foundation	3,300,000	9.9
Lieto's Savings Bank Foundation	3,125,049	9.4
Töysä's Savings Bank Foundation	2,935,000	8.8
Kuortane's Savings Bank Foundation	1,925,000	5.8
Hauho's Savings Bank Foundation	1,649,980	5.0
Renko's Savings Bank Foundation	1,065,661	3.2
Suodenniemi's Savings Bank Foundation	800,000	2.4
Elo Mutual Pension Insurance Company	710,000	2.1
Savolainen Heikki Antero	691,754	2.1
10 largest shareholders	**24,781,203**	**74.5**
Other	8,494,034	25.5
Total	**33,275,237**	**100.0**

	Ownership 31 December 2022	
	Number of shares	% in shares
South Karelia's Savings Bank Foundation	9,078,759	30.1
Parkano's Savings Bank Foundation	3,290,000	10.9
Töysä's Savings Bank Foundation	2,970,000	9.9
Kuortane's Savings Bank Foundation	1,925,000	6.4
Hauho's Savings Bank Foundation	1,649,980	5.5
Renko's Savings Bank Foundation	1,065,661	3.5
Suodenniemi's Savings Bank Foundation	800,000	2.7
Savolainen Heikki Antero	786,254	2.6
Joroinen's Oma Cooperative	689,150	2.3
Elo Mutual Pension Insurance Company	686,997	2.3
10 largest shareholders	**22,941,801**	**76.1**
Other	7,208,387	23.9
Total	**30,150,188**	**100.0**

The Company holds 201,386 shares on 31 December 2023.

The Company has no different share classes. All shares have equal dividend rights and other rights.

In November, the Company completed a repurchase program that had started in September, related to the acquisition of its own shares. During the period, 100,000 shares of own shares were acquired at an average price of EUR 20,5419 per share.
In February, the Company's Board of Directors confirmed the fulfilment of the 2020-2021 share-based incentive scheme's earning criteria and the payment of 331,790 shares, including the amount to be paid in cash. The share rewards will be paid in four installments within three years. During the 2023 financial year, the Company disposed of a total of 57,396 shares to key persons.

In February, the Company's Board of Directors decided on a fulfilment of the 2022-2023 share-based incentive scheme's earning criteria for the year 2022 to its key persons and on the reward criteria and target levels for year 2023. The system's target group includes a maximum of 30 key personnel, including the Company's CEO and members of the Group's Management Team. The fees payable under the scheme correspond to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash.

On 30 March 2023, the Annual General Meeting authorised the Board to decide on the issue or transfer of the Company's shares, as well as on the issuance of special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act. The number of shares to be issued under the authorisation, including shares to be received on the basis of special rights, may not exceed a total of 4,000,000 shares; and to decide on the repurchase of a maximum of 1,000,000 of the Company's own shares with the Company's unrestricted equity. The authorisations are valid until the end of the next Annual General Meeting, however, not later than 30 June 2024.

On 22 September 2022, the Board of Directors decided to carry out a paid directed share issue. All new shares of Oma Savings Bank Plc issued in the share issue, 3,125,049, were issued to Liedon Savings Bank as consideration for the business to be transferred when the implementation of the transfer of Liedon Savings Bank's business under the acquisition plan was registered in the Trade Register on 28 February 2023.

P26 Interest income and expenses

(1,000 euros)	1-12/2023	1-12/2022
Interest income		
Debt securities eligible for refinancing with central banks	4,431	2,570
Receivables to credit institutions	11,627	1,377
Receivables to public and public sector entities	266,671	108,463
On debt securities	671	535
Derivate contracts	37,613	6,910
Negative interest expenses from financial liabilities	801	1,077
Other interest income	905	568
Total	**322,718**	**121,500**
Interest income on financial assets recorded in stage 3	5,585	2,305

(1,000 euros)	1-12/2023	1-12/2022
Interest expenses		
Liabilities to credit institutions	-4,882	-544
Liabilities to the public and public sector entities	-21,964	-1,280
Debt securities issued to public	-54,488	-10,907
Derivative contracts and liabilities held for trading purposes	-40,775	-2,742
Subordinated liabilities	-1,754	-354
Negative interest income from financial assets	-469	-983
Other interest expenses	-904	-2
Total	**-125,236**	**-16,812**

P27 Income from equity investments

(1,000 euros)	1-12/2023	1-12/2022
Dividend income from financial assets at fair value through profit and loss	217	646
Total	**217**	**646**

P28 Fee and commission income and expenses

(1,000 euros)	1-12/2023	1-12/2022
Fee and commission income		
Lending	12,575	13,019
Borrowing	107	77
Payment transactions	31,294	22,837
Asset management	852	898
Brokered products	8,986	6,444
Granting of guarantees	2,094	1,865
Other fee and commission income	714	554
Total	**56,621**	**45,694**
Fee and commission expenses		
Paid delivery fees	-1,966	-1,464
Other	-7,234	-5,251
Total	**-9,200**	**-6,715**

P29 Net income from securities and currency trading

	1-12/2023			1-12/2022		
(1,000 euros)	Capital gain and loss (net)	Fair value change (net)	Total	Capital gain and loss (net)	Fair value change (net)	Total
On debt securities	-	25	25	-	-136	-136
Shares and other equity	-	-2,944	-2,944	-203	-4,828	-5,031
Derivative instruments and other receivables	-	-306	-306	-	-4	-4
Net gains on trading in foreign currencies	-83	-	-83	130	-	130
Total	**-82**	**-3,226**	-3,308	**-73**	**-4,968**	**-5,041**
Changes in fair value of hedge instruments (net)	-	38,071	38,071	-	-3,850	-3,850
Changes in fair value of hedged items (net)	-	-37,292	-37,292	-	3,436	3,436
Net income from hedge accounting	**-**	**779**	779	**-**	**-414**	**-414**
Net income total	**-82**	**-2,447**	-2,529	**-73**	**-5,381**	**-5,454**

P30 Net income from financial assets recognised at fair value through fair value reserve

	1-12/2023			1-12/2022		
(1,000 euros)	Capital gain and loss (net)	Transfers from the fair value reserve	Total	Capital gain and loss (net)	Transfers from the fair value reserve	Total
On debt securities	610	-422	188	-500	97	-403
Total	**610**	**-422**	**188**	**-500**	**97**	**-403**

P31 Net income on investment

(1,000 euros)	1-12/2023	1-12/2022
Rent income	235	196
Rent expenses	-	-1
Depreciation	-11	-14
Capital gain and loss (net)	-	-3
Other income	5	-
Other expenses	-137	-101
Total	**93**	**78**

P32 Other operating income and expenses

(1,000 euros)	1-12/2023	1-12/2022
Other operating income		
Rent income from properties in own use	81	95
Gains on own-occupied real estate assets	11	9
Other income	3,933	4,160
Total	**4,026**	**4,264**

Other operating expenses	1-12/2023	1-12/2022
Rent expenses	-4,040	-2,757
Expenses on properties in own use	-1,866	-1,546
Guarantee Fund expenses	-2,743	-2,266
Other expenses	-7,810	-8,790
Total	**-16,458**	**-15,359**

Expenses arising from the acquisition of Liedon Savings Bank's business were recorded EUR 2.5 million and from acquiring business arrangements of Handelsbanken, EUR 0.8 million for the last two quarters.

Auditor's fees

(1,000 euros)	1-12/2023	1-12/2022
KPMG Oy Ab		
Auditor's fees by assignment group:		
Audit	311	303
Assignments as provided for in Section 1, Sub-section 1, Clause 2 of the Auditing Act	-	11
Acquisition-related expenses	10	24
Tax advisory	4	2
Other services	33	81
Total	**358**	**421**

The Financial Stability Authority has confirmed payments:		
Deposit Guarantee Fund's payment	-2,743	-2,266
from which paid amount from the old Deposit Guarantee Fund (VTS Fund)	-2,743	-2,266
The Company's estimate of how many years funds can be transferred from VTS Fund concerning Oma Savings Bank Plc.	2	3
Resolution Fund contribution	-2,227	-1,968

P33 Personnel expenses

(1,000 euros)	1-12/2023	1-12/2022
Salaries and rewards	-23,729	-20,200
Long-term benefits	-4,930	-4,004
Pensions	-4,087	-3,386
Other long-term benefits	-843	-617
Total	**-28,659**	**-24,204**

Number of employees	31 Dec 2023	31 Dec 2022
Permanent full-time employees	389	294
Permanent part-time employees	6	1
Temporary employees	69	62
Total	**464**	**357**
Average number of employees during the financial year.	**419**	**347**

Pension liabilities
The pension cover of the personnel has been arranged through the pension insurance company Elo and there is no uncovered pension liability.

P34 Other administration expenses

(1,000 euros)	1-12/2023	1-12/2022
Other personnel expenses	-2,827	-1,795
Office expenses	-8,913	-2,817
IT expenses	-22,216	-19,999
Telephony expenses	-1,682	-1,401
Marketing expenses	-3,410	-2,137
Other administrative expenses	-790	-175
Total	**-39,838**	**-28,324**

P35 Depreciation, amortisation and impairment on tangible and intangible assets

(1,000 euros)	1-12/2023	1-12/2022
Depreciation and amortisation	**-5,227**	**-4,339**
Tangible assets	-584	-538
Intangible assets	-4,644	-3,801
Total	**-5,227**	**-4,339**

P36 Expected credit losses on loans and other commitments and other financial assets

(1,000 euros)	1-12/2023				
Expected credit loss on financial assets at amortised cost and guarantees and other off-balance sheet commitments	Expected credit losses, gross	Reversals	Reversals of final credit losses recognised in the income statement	Final credit losses and impairment losses recognised in the income stetement	Total expected and final credit losses
Receivables to credit institutions	-552	-	-	-	-552
Receivables to the public and public sector entities	-9,544	11,869	1,748	-20,760	-16,687
Debt securities	-40	-	-	-	-40
Off-balance sheet commitments	153	-	-	-	153
Total	**-9,984**	**11,869**	**1,748**	**-20,760**	**-17,126**

(1,000 euros)	1-12/2022				
Expected credit loss on financial assets at amortised cost and guarantees and other off-balance sheet commitments	Contractual expected credit losses, gross	Reversals	Reversals of final credit losses recognised in the income statement	Final credit losses recognised in the income stetement	Total expected and final credit losses
Receivables to credit institutions	117	-	-	-	117
Receivables to the public and public sector entities	-1,841	2,708	462	-4,117	-2,787
Debt securities	720	-	-	-	720
Off-balance sheet commitments	629	-	-	-	629
Total	**-375**	**2,708**	**462**	**-4,117**	**-1,321**

P37 Liabilities and off-balance sheet commitments

Rent liabilities
Minimum rent payable based on irrevocable rent agreements.

(1,000 euros)	31 Dec 2023	31 Dec 2022
Within one year	3,345	2,673
Within more than one year and no more than five years	7,840	5,740
Within more than 5 years	779	211
Total	**11,964**	**8,624**

The rental liabilities of the branches and equipment transferred as a result of the acquisition of Liedon Savings Bank's business increased the amount of rental liabilities during the financial year.

Off-balance sheet commitments

(1,000 euros)	31 Dec 2023	31 Dec 2022
Commitments given to a third party on behalf of a customer		
Guarantees	41,926	34,774
Irrevocable commitments given in favour of a customer	330,627	291,191
Off-balance sheet commitments, total	**372,553**	**325,965**

Other off-balance sheet arrangements
The Company belongs to Oy Samlink Ab's value added tax obligation group.

(1,000 euros)	31 Dec 2023	31 Dec 2022
The joint liability amount related to the group registration of value added tax	1,232	231

P38 Related party disclosures

Oma Savings Bank Plc's related party information is presented in Note G31 Management's salaries and related party events. The parent Company's related party essentially corresponds to the Group's related party.

P39 Investment services provided by Oma Savings Bank Plc

Oma Savings Bank Plc offers the following investment services mentioned in Chapter 1, Article 15 of the Act on Investment Services:

- receiving and transmission of orders concerning financial instruments
- execution of orders concerning financial instruments on behalf of a customer
- trading on its own account
- investment advisory services
- arranging the issuance of financial instruments

Oma Savings Bank Plc does not offer the following investment services mentioned in Chapter 1, Article 15 of the Act on Investment Services:

- arranging multilateral trading in financial instruments
- arranging trade in bonds, structured financial products, emission rights or derivative contracts in an organised trading system as provided by the law on trading financial instruments (arranging organised trading)
- managing financial instruments based on a contract made with a customer such that the power to make decisions on investments has been fully or partially given to the recipient of the order (asset management)
- arranging the issuance or sale of financial instruments by providing the related subscription or purchase undertaking (underwriting of financial instruments);

Oma Savings Bank Plc offers the following ancillary services mentioned in Chapter 2, Article 3 of the Act on Investment Services:

- granting loans and other financing related to the investment service to the customer;
- offers custody and management of financial instruments on behalf of the customer, which includes custody services and other related services, except for providing and maintaining securities accounts at the top tier level pursuant to the EU's regulation on improving securities settlement in

Signatures on the Financial Statements and the Annual Report

In Helsinki, 29 February 2024

OMA SAVINGS BANK PLC'S BOARD OF DIRECTORS

Jarmo Salmi
Chairman of the Board

Jyrki Mäkynen
Vice Chairman of the Board

Aila Hemminki

Aki Jaskari

Timo Kokkala

Jaakko Ossa

Jaana Sandström

Pasi Sydänlammi
CEO

Auditor's Note

An audit report has been provided today.
In Helsinki, 29 February 2024

KPMG Oy Ab

APA Tuomas Ilveskoski

The 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 Annual General Meeting of Oma Savings Bank Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Oma Savings Bank Plc (business identity code 2231936-2) for the year ended 31 December, 2023. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion
- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Board of Directors.

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 the parent company and of the group companies 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 the parent company and group companies 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 K22 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 on the audit
Loans and receivables from customers - valuation (Note G1 Accounting principles for the consolidated financial statements and notes G2, G5 and G24 to the consolidated financial statements)	
• Loans and receivables from the public and public sector entities, totalling EUR 5.997 million, is the most significant item on Oma Savings Bank Plc Group's balance sheet, accounting for 78% of the consolidated total assets. • Oma Savings Bank Plc applies IFRS 9 Financial Instruments to recognition of impairment losses on receivables and in calculating expected credit loss (ECL) using models in accordance with the standard. • Calculation of expected credit losses involves assumptions, estimates and management judgment, for example in determining the probability and amount of expected credit losses, value of any collaterals as well as the significant increases in credit risk. • Due to the significance of the carrying amount involved, complexity of the accounting methods used for measurement purposes and management valuation judgements, valuation of loans and receivables to customers are addressed as a key audit matter.	• We evaluated compliance with the lending instructions and assessed the appropriateness of the recognition and measurement principles, as well as tested controls over valuation of loan receivables and collaterals. • We assessed the models and the key assumptions for calculating expected credit losses, as well as tested the related controls over the calculation process. • We considered the impacts of the geopolitical situation on the credit risk position and the accounting for expected credit losses. • Our IFRS and financial instruments specialists were involved in the audit. • Furthermore, we considered the appropriateness of the disclosures provided in respect of receivables and expected credit losses.

Control environment relating to financial reporting process and IT systems

- In respect of the accuracy of the financial statements of Oma Savings Bank Plc, the key reporting processes are dependent on information systems. Therefore, information technology plays an essential role for business continuity, incident management and the accuracy of financial reporting.
- The most significant risks relate to integrity of data, confidentiality and services disruptions.
- 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 IT systems related to financial reporting and the associated control environment and tested the effectiveness of the related internal controls. We also utilised assurance reports received from external service providers.
- As part of our audit we performed substantive procedures and data analyses relating to various aspects in the 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, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland 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 the parent company's and the 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 the parent company or the group or cease operations, 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 the parent company's or the 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 the parent company's or the 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 the parent company or the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 disclosure 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 Annual General Meeting on April 9, 2016, and our appointment represents a total period of uninterrupted engagement of eight 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 and the information included in the Annual Report, but does not include the financial statements or our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date. 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 identified above 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. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

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 accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 29 February 2024

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