

EXPLANATION OF THE MANAGEMENT BOARD

Pursuant to Section 345 (1) of the Commercial Code, the management board shall provide a written explanation to the shareholders in advance as to why it is necessary to bar the pre-emptive subscription right and shall also justify the issue price of shares.

The share option programme (hereinafter "Option Programme") for the period 2020-2022 was approved by the resolution of the 08 November 2019 general meeting of Coop Pank AS (hereinafter "Bank"), pursuant to which the Bank has entered/will enter into option agreements with the persons named in the option programme ("Option Holders").

In order to execute the Option Programme, it is necessary to exclude the pre-emptive subscription rights of the existing shareholders for the shares issued to Option Holders in accordance with section 3.3.5 of the Articles of Association.

The maturity of the options is three years from the moment the options are granted. The issue price of new shares, that the Option Holder undertakes to pay upon subscription of the shares, is the share's book value at the time of issuing the the options.

The table below summarizes the number and price of the shares represented by the issued option.

Issue date	Number of shares	Share price
April 2020	770 000	1,010 euros
April 2021	745 000	1,100 euros
April 2022	695 100	1,255 euros
Total	2 210 100	

Sincerely,



Margus Rink

Chairman of the Management Board
of Coop Pank AS