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OP MORTGAGE BANK

(incorporated with limited liability in the Republic of Finland)

€10,000,000,000

Euro Medium Term Retained Covered Note Programme

(under the Finnish Act on Mortgage Credit Banks (Laki kiinnitysluottopankkitoiminnasta 688/2010))

This Supplement (the “**Supplement**”) to the base prospectus dated 11 June 2021, as supplemented on 29 July 2021, 28 October 2021 and 9 February 2022 (the “**Base Prospectus**”) constitutes a supplementary prospectus for the purposes of Article 23 of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). This Supplement is prepared in connection with the Euro Medium Term Retained Covered Note Programme (the “**Programme**”) established by OP-Asuntoluottopankki Oyj (the English translation of which is OP Mortgage Bank) (the “**Issuer**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

This Supplement has been approved by the Central Bank of Ireland (the “**CBI**”), as competent authority under the Prospectus Regulation. The CBI only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the Notes that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is:

- (a) to incorporate by reference the Issuer’s audited Financial Statements titled “OP Mortgage Bank’s Report by the Board of Directors and Financial Statements 2021” for the year ended 31 December 2021 (the “**Financial Statements**”);
- (b) update certain information contained in the section entitled “Risk Factors” in the Base Prospectus;
- (c) update certain information contained in the section entitled “Recent Events” in the Base Prospectus;
- (d) following publication of the Financial Statements, to update the statement of no significant change in respect of the Issuer; and
- (e) confirm that there has been no material adverse change in the financial position or prospects of the Issuer or OP Financial Group.

Incorporation of Information by Reference into the Base Prospectus

A copy of the published Financial Statements has been filed with the CBI and by virtue of this Supplement, the Financial Statements, excluding the section entitled “Outlook” on page 9, is incorporated in, and forms part of the Base Prospectus.

In addition, where any sections of the above document which are incorporated by reference into the Base Prospectus by virtue of this Supplement cross-reference other sections of the same document, such cross-referenced information shall not form part of the Base Prospectus, unless otherwise incorporated by reference into the Base Prospectus by virtue of this Supplement. Those parts of the above documents which are not incorporated by reference into the Base Prospectus by virtue of this Supplement are either not relevant for prospective investors or the information is included elsewhere in the Base Prospectus.

Copies of all documents incorporated by reference in the Base Prospectus are available for inspection from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London and will be available for viewing on the website of the Issuer at:

<https://www.op.fi/op-financial-group/publications/op-mortgage-bank-publications> and

<https://www.op.fi/op-financial-group/debt-investors/issuers/op-mortgage-bank/retained-covered-note-programme-documentation-and-issues>

Amendments to the Risk Factor entitled “Business Conditions and General Economy”

The risk factor entitled “Business Conditions and General Economy” on page 8 of the Base Prospectus shall be deleted and replaced with the following:

“Business Conditions and General Economy

The profitability of the Issuer’s operations is affected by several factors, the most important being the general economic conditions in Finland or globally, volatility and level of interest rates, asset prices and exchange rates, and the Issuer’s competitive situation. Factors such as the development of public finances, inflation and development of household income and employment may affect the volume and performance of the Issuer’s business as well as its financial condition. An economic downturn in Finland or globally (for instance as a result of decrease in foreign trade or increase of raw material prices due a global geopolitical crisis or caused by the coronavirus pandemic and measures taken to control the spread of the virus) could adversely affect the Issuer’s business, results of operations, cash flows and financial condition. The exact ramifications of the coronavirus pandemic are highly uncertain and it is difficult to predict the spread or duration of the pandemic. Also the long term consequences of the pandemic on customer behaviour are highly uncertain. For example, retail customers’ needs for mortgages may change geographically and corporate customers’ needs for real estate may change. Both retail customers’ spending habits and corporate customers’ investment needs may change to certain extent permanently due to the pandemic. These long term consequences are still highly uncertain but they may affect the Issuer’s business, results of operations, cash flows and financial condition. The Finnish economy is also set to be affected adversely by the decline in foreign trade with Russia and the increase in inflation following rising raw material prices. Currently is not possible to assess all the effects of the ongoing geopolitical crisis, which is increasing economic uncertainty.

OP Financial Group is expected to be exposed to Russian influence mainly indirectly through customers and possible other dependencies, such as the general market situation. The changes are expected to affect in particular through the following channels:

- the effects of comprehensive sanctions and countersanctions on OP Financial Group and / or customer operations - especially customers with operations in Russia
- availability and price of wholesale funding
- possible cyberattacks on OP Financial Group and / or customers

- the impact of the downturn in investment markets on investment and asset management returns
- customers' and other stakeholders' perceptions of the responsibility of OP Financial Group's operations

A downward trend in the general economy would be likely to lead to growing credit losses as the Issuer's debtors may be unable to meet their payment obligations. The general consumer confidence and consumer spending would also be influenced by the downward trend. As a result, there would be a decline in the demand for loans and other financial services. An economic downturn could therefore adversely affect the Issuer's income level.

Factors such as the liquidity of the global financial markets, the level and volatility of equity prices and interest rates, inflation, and availability and cost of funding could materially affect the activity level of the Issuer. Significantly higher interest rates could adversely affect the values of balance sheet and off-balance sheet assets of the Issuer by increasing the risk that a greater number of its debtors would be unable to meet their obligations.”

Amendments the Recent Events section of the Base Prospectus

A new paragraph shall be included after the final paragraph on page 87 of the Base Prospectus as follows:

“OP Financial Group will apply an RWA floor, based on the standardised approach, in the calculation of its capital adequacy ratio

In the calculation of its capital adequacy ratio, OP Financial Group has decided to apply an RWA floor — based on the standardised approach — in the second quarter of 2022. This is due to enhanced regulatory requirements and discussions with the European Central Bank (ECB) on the application of the Internal Ratings Based Approach (IRBA).

OP Financial Group's capital adequacy will remain strong, despite the application of the floor. After the floor has been applied, it is estimated that the Group's CET1 ratio will exceed the regulatory minimum level by over 5 percentage points, and the financial conglomerate's FiCo ratio by approximately 20 percentage points. Application of the floor will decrease OP Financial Group's CET1 ratio by an estimated 3 percentage points and its FiCo ratio by an estimated 30 percentage points. OP Financial Group's CET1 ratio stood at 18.2% and its FiCo ratio at 146% at the end of 2021.

After application of the floor, OP Mortgage Bank's CET1 ratio will be around 30 per cent. Application of the floor is a temporary capital measure which will not affect OP Financial Group's good risk position. The impact of the floor will be eliminated in stages over the coming years, as the ECB approves the Group's development measures regarding the Internal Ratings Based Approach.

Application of the floor will have no material impact in OP Financial Group's bond issuance plan for 2022.”

Statement of No Significant Change or Material Change

There has been no significant change in the financial position or financial performance of the Issuer or OP Financial Group since 31 December 2021 and there has been no material adverse change in the financial position or prospects of the Issuer or OP Financial Group since 31 December 2021.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

If documents which are incorporated by reference in this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement except where such information or other documents are specifically incorporated by reference or attached to the Supplement.