

**SUPPLEMENT NUMBER 2 DATED 23 MARCH 2022 TO THE BASE PROSPECTUS
DATED 17 DECEMBER 2021**



OP CORPORATE BANK PLC

(incorporated with limited liability in the Republic of Finland)

EUR 20,000,000,000 Programme for the Issuance of Debt Instruments

This supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the Base Prospectus dated 17 December 2021, as supplemented by the supplemental prospectus dated 16 February 2022 (together, the "**Base Prospectus**") prepared by OP Corporate Bank plc (the "**Bank**" or "**OP Corporate Bank**") in connection with its Programme for the Issuance of Debt Instruments (the "**Programme**") for the issuance of up to EUR 20,000,000,000 in aggregate principal amount of instruments (the "**Instruments**"). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland (the "**CBI**"), as competent authority under the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), as a base prospectus supplement for the purposes of Article 23 of 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 Bank as an issuer nor as an endorsement of the quality of the Instruments by the CBI. Investors should make their own assessment as to the suitability of investing in the Instruments.

IMPORTANT NOTICES

OP Corporate Bank accepts responsibility for the information contained in this Supplement and declares that the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

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 into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Instruments issued under the Programme has arisen or been noted, as the case may be, since publication of the Base Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

OP Corporate Bank's audited consolidated financial statements in respect of the year ended 31 December 2021 (the "**2021 Audited Financial Statements**") have been filed with the CBI and shall be deemed to be incorporated by reference in, and form part of, this Supplement and the Base Prospectus, except for the section entitled "*Outlook for 2022*" on page 22 of the 2021 Audited Financial Statements, which is not incorporated in and does not form part of this Supplement and the Base Prospectus.

Any information contained in the 2021 Audited Financial Statements which is not incorporated by reference in this Supplement is either not relevant to investors or is covered elsewhere in the Base Prospectus or this Supplement.

If the 2021 Audited Financial Statements incorporated by reference in this Supplement itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement.

A copy of the 2021 Audited Financial Statements can be obtained, free of charge, from the registered office of the Bank (Gebhardinaukio 1, FI-00510 Helsinki, Finland) or the Bank's website:

https://www.op.fi/documents/209474/38211408/OP_Corporate_Bank_Report_by_the_BoD_and+Financial_Statements_2021.pdf/bf9724f6-59d4-ae6c-dc4c-cd3ae7400489.

CHANGES TO RISK FACTORS

In the section "*Risk Factors*" on pages 7-32 of the Base Prospectus, the risk factor "*Business Conditions and General Economy Risks*" on page 8 of the Base Prospectus in the subsection "*Risks Relating to the Operations of the Bank*" is deleted and replaced with the following:

"Business Conditions and General Economy Risks

The profitability of the Bank's operations is affected by several factors, the most important being the general economic conditions in Finland or globally, level and volatility of interest rates and equity prices, changes in exchange rates, and the competitive situation. Factors such as the development of public finances, inflation and development of household income and employment as well as the development of companies' operating environment, companies' willingness to invest and the savings level of households may affect the volume and performance of the Bank's business as well as its financial condition. An economic downturn in Finland or globally (for example, as a result of decrease in foreign trade or increase of raw material prices due a global geopolitical crisis) could adversely affect the Bank's business, results of operations, cash flows and financial condition.

The Finnish economy has recovered relatively quickly from the recession caused by the Covid-19 pandemic. There is still uncertainty caused by the Covid-19 pandemic and some areas of the economy may still face difficulties due to the lagged impact of the economic downturn or due to the ending of some economic policy measures. The Finnish economy is also expected to be affected adversely by a decline in foreign trade with Russia and an increase in inflation following rising raw material prices, after the invasion of Ukraine by Russia in February 2022 and subsequent implementation of sanctions and export controls by, among others, the United States and the European Union, as well as measures adopted in response by Russia. Wider sanctions could be imposed and other actions taken should the conflict further escalate.

Currently is not possible to assess all the effects of the ongoing geopolitical crisis, which is increasing economic uncertainty, but economic growth is likely to be slower and inflation higher, which may weaken the economic situation of some corporates and households.

OP Financial Group (as defined in the Terms and Conditions) expects to be exposed to the conflict between Russia and Ukraine mainly indirectly, through customers and possible other dependencies, such as the general market situation. Possible negative impacts may arise from factors such as the effects of sanctions and countersanctions on OP Financial Group and/or its customer operations (especially customers with operations in Russia), the availability and price of wholesale funding, possible cyberattacks on OP Financial Group and/or its customers, the impact of the downturn in investment markets on investment and asset management returns and customers' and other stakeholders' perceptions of the responsibility of OP Financial Group's operations.

Sanctions are not expected to adversely affect OP Financial Group directly. Instead, OP Financial Group may be indirectly negatively affected through blocking sanctions imposed directly on customers or their business partners. OP Financial Group may also be indirectly negatively affected because of export and/or import restrictions applied to customers' operations (for example, where there is significant production machinery and equipment situated in an affected geographical area), with the effect of any such possible negative impacts on OP Financial Group dependent on the magnitude of the difficulties arising for customers.

Difficulties arising from the above-mentioned factors may have an effect on the profitability of customers of OP Financial Group and customers' credit ratings, which may in turn have a negative economic impact on OP Financial Group through the possible deterioration in the quality of the credit portfolio. OP Financial Group has evaluated the risks of the ongoing situation and possible impact on its credit portfolio, although as of 23 March 2022, impacts are assessed to be relatively limited.

Wholesale funding market activity can remain weak for a longer period of time due to exceptional circumstances and affect availability of wholesale funding. Margins can also increase and remain elevated for a longer period of time, which may adversely affect OP Financial Group's business, results of operations or financial condition.

In addition, there can be no assurances that the Covid-19 outbreak will not continue to have an adverse effect, which could lead to a tightening of liquidity conditions or funding uncertainty or adversely affect the credit ratings, for example, of the Bank or any other member of OP Financial Group.

Factors such as the liquidity of the global financial markets, level and volatility of equity prices, exchange rates, commodity prices and interest rates, inflation, and availability and cost of credit could materially affect the activity level of the Bank's customers. Higher interest rates could adversely affect the values of balance sheet and off-balance sheet assets of the Bank by increasing the risk that a greater number of its customers would be unable to meet their obligations. However, interest rates rising above zero could increase the interest income of the Bank. Increasing volatility could also lead to losses in the Bank's trading portfolios and increase the magnitude of possible losses. A decrease in market liquidity or market disruptions could hinder the Bank's ability to manage risk or close positions. Financial uncertainty and possible economic fluctuations may result in a decline in the volume of transactions that the Bank executes for its customers and, therefore, lead to a decline in the income it receives from fees and commissions. For example, higher levels of domestic or foreign interest rates or a downturn

in the securities markets could decrease the value of assets under management or impact customers' willingness to invest in risky assets therefore leading to decrease in the fees the Bank earns for managing assets.

In the opinion of the Bank's management, there is unusual uncertainty about economic prospects and the operating environment due to the ongoing Covid-19 pandemic and the current geopolitical crisis. The main risks of the Bank are associated with developments in credit spreads, interest rates, share prices and share price volatility, loan impairments, availability of funding and funding costs, as well as the general operating environment. The Bank's management may be able to mitigate such possibly negative effects on lending, investment and trading by carefully selecting investment assets, diversifying risks, promoting the Bank's personnel's professional skills and carrying out risk management effectively. Nevertheless, developments in the general operating environment are generally beyond the control of the Bank's management. For example, an increase in credit spreads might lead to losses in the Bank's long-term bond investments. A deterioration in the banking market or an economic downturn generally could have a material adverse effect on the Bank's business, results of operations or financial condition."

CHANGES TO DISCLOSURE RELATING TO THE BANK AND OP FINANCIAL GROUP

1. In the section "*Information on OP Corporate Bank plc*" on pages 119-123 of the Base Prospectus, the subsection "*Members of the Board of Directors*" on pages 122-123 is deleted and replaced with the following, to reflect changes to the Board of Directors of the Issuer:

"Members of the Board of Directors

At 23 March 2022, the Chairman and members of the Board of Directors were:

Board of Directors

<u>Name</u>	<u>Function</u>	<u>Significant Outside Activities</u>
Chairman Mr Timo Ritakallio	President and Group Chief Executive Officer, OP Financial Group CEO of OP Cooperative LL.M, MBA, D.Sc. (Tech.) Board member since 2018	Finance Finland (FFI): Chairman of the Board of Directors Securities Market Association: Chairman of the Board Paulo Foundation: Chairman of the Board of Directors Finland Chamber of Commerce, Member of the Board and the Council Confederation of Finnish Industries: Member of the Board of Directors and Executive Committee
Mr Petteri Rinne	Managing Director, OP Turun Seutu (Turku District Co-operative Bank) M.Sc., eMBA Board member since 2022	-
Mr Pasi Sorri	Managing Director, Keski-Suomi Cooperative Bank	-

Name	Function	Significant Outside Activities
	M.Sc. (Econ. & Bus. Adm.) Board member since 2019	
Mr Mikko Timonen	Chief Financial Officer, OP Financial Group M.Sc. (Econ. & Bus. Adm.) Board member since 2022	-
Mr Jarmo Viitanen	Managing Director, Helsinki Area Cooperative Bank M.Sc. (Agric.), eMBA Board member since 2018	Helsinki Region Chamber of Commerce, Member of the Council Finland Chamber of Commerce, Member of the Council OP Koti Helsinki Oy Licensed Real Estate Broker (LKV), chairman of the Board HelsinkiMissio, Member of the Council

The business address of each of the members of the Board of Directors and the Bank is Gebhardinaukio 1, FI-00510 Helsinki, Finland."

- The following is added at the end of the subsection "*OP Cooperative Board of Directors*" on page 130 in the section "*Information on OP Financial Group and OP Cooperative*" on pages 124-133 of the Base Prospectus, to reflect changes to the Board of Directors of OP Cooperative:

"As of 23 March 2022, following changes, the Board of Directors of OP Cooperative consists of: Jaakko Pehkonen (Chair of the Board of Directors), Jarna Heinonen (Vice Chair of the Board of Directors) and Jari Himanen, Kati Levoranta, Olli Tarkkanen, Pekka Loikkanen, Petri Sahlström, Riitta Palomäki, Tero Ojanperä, Timo Ritakallio and Mervi Väisänen."

- The following is added at the end of the subsection "*Recent Events*" commencing on page 131 in the section "*Information on OP Financial Group and OP Cooperative*" on pages 124-133 of the Base Prospectus:

"OP Financial Group will apply an RWA floor

On 1 March 2022, it was announced that OP Financial Group has decided to apply an RWA floor - based on the standardised approach - in the calculation of its capital adequacy ratio, in the second quarter of 2022. This is due to enhanced regulatory requirements and discussions with the European Central Bank on the application of the Internal Ratings-Based Approach ("**IRBA**"). Application of the floor is a temporary capital measure and the impact of the floor will be eliminated in stages over the next few years, as the ECB approves OP Financial Group's development measures regarding the IRBA.

OP Financial Group expects its capital adequacy to remain strong, despite the application of the floor. After the floor has been applied, it is estimated that OP Financial Group's CET1 ratio will exceed the regulatory minimum level by over 5 percentage points, and its FiCo ratio¹ by approximately 20 percentage points. At the

¹ The FiCo ratio is the capital adequacy ratio under the Act on the Supervision of Financial and Insurance Conglomerates (in Finnish: *Laki rahoitus- ja vakuutusryhmittymien valvonnasta*, 699/2004), as amended (known as FiCo).

end of 2021, OP Financial Group's CET1 ratio was 18.2 per cent. and its FiCo ratio to the minimum capital requirement was 146 per cent. 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. At the end of 2021, the Issuer's CET1 ratio was 15.4 per cent. After application of the floor, the Issuer's CET1 ratio will be an estimated 12 per cent.

Change of Chief Financial Officer of OP Financial Group

As disclosed under "*Appointments in Pohjola Insurance Ltd and the Executive Management Team of OP Cooperative*" above, Mikko Timonen took over the role of Chief Financial Officer of OP Financial Group on 1 March 2022."

The disclosure relating to the Bank and OP Financial Group in the Base Prospectus is updated accordingly.

GENERAL INFORMATION

The fifth paragraph of the "*General Information*" section on page 146 of the Base Prospectus, titled "*No Material Adverse Change*", is updated and replaced by the following:

"No Material Adverse Change

4. There has been no material adverse change in the prospects of the Bank since 31 December 2021."