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SUPPLEMENTARY PROSPECTUS DATED 9 May 2019



OP MORTGAGE BANK

(incorporated with limited liability in the Republic of Finland)

€20,000,000,000

Euro Medium Term Covered Note Programme

(under the Finnish Covered Bond Act (Laki kiinnitysluottopankkitoiminnasta 688/2010))

This Supplement (the “**Supplement**”) to the base prospectus dated 12 December 2018 as supplemented on 7 February 2019, 28 February 2019 and 21 March 2019 (the “**Base Prospectus**”) constitutes a supplementary prospectus for the purposes of Article 16 of Directive 2003/71/EC, as amended including Directive 2010/73/EU (the “**Prospectus Directive**”). This Supplement is prepared in connection with the Euro Medium Term 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 Directive. The CBI only approves this Supplement as meeting the requirements imposed under Irish and European Union law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) 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 to:

- (a) incorporate by reference the Issuer’s unaudited non-consolidated interim financial statements titled “OP Mortgage Bank: Interim Report for January – March 2019” for the three months ended 31 March 2019 (the “**Interim Report**”);
- (b) update certain information in relation to OP Financial Group in the Prospectus;
- (c) following publication of the Interim Report, update the statement of no significant change in respect of the Issuer; and
- (d) confirm that there has been no material adverse change in the financial position or prospects of the Issuer.

A copy of the published Interim Report has been filed with the CBI and by virtue of this Supplement, the Interim Report (excluding the section entitled “Outlook” on page 3 thereof) is incorporated in, and forms part of, 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 offices of the Paying Agents for the time being in London and Luxembourg 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/debt-programme-documentation>.

Incorporation of Information by Reference into the Base Prospectus

By virtue of this Supplement, the Interim Report, excluding the section entitled “Outlook” on page 3, shall form 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.

Update of information relating to OP Financial Group

Under the section headed “Recent Events” commencing on page 90 of the Base Prospectus, the final sentence of the second paragraph is to be deleted, and the following paragraphs should be inserted directly after the second paragraph:

On 25 April 2019, the ECB issued OP Financial Group with a decision on retail exposures as part of the TRIM project (Targeted Review of Internal Models). The decision, which took immediate effect, increases the risk weights of home loans applied in OP Financial Group's capital adequacy measurement from their current level of 6% to approximately 12%. These risk weight increases will be valid until further notice, until the qualitative requirements set out in the decision have been met.

The decision has no effect on OP Financial Group's capital adequacy in the current situation where both the IRBA risk weight floor set previously by the ECB and the 15% risk weight floor on home mortgages set by the Finnish Financial Supervisory Authority are in force.

As a result of the increase in risk weights on home loans, the CET1 ratio of the Issuer will decrease to approximately 60% (from 136.4% as at 31 December 2018). Even after the ECB decision, the Issuer's capital adequacy remains very strong.

Under the section headed “Recent Events” commencing on page 90 of the Base Prospectus, the following paragraphs should be inserted directly after the current final paragraph:

Changes in OP Cooperative's Governance Structure

The Annual Cooperative Meeting of 20 March 2019 decided to alter OP Cooperative's bylaws. The purpose of the alteration of the OP Cooperative's bylaws is to adopt a three-tier governance structure (President and Group Executive Chair as CEO – Board of Directors – Supervisory Board). This means that, instead of the current internal Executive Board, OP Cooperative will have a Board of Directors consisting of members who are not directors of OP Cooperative. In the new structure, the Board of Directors will be responsible for OP Cooperative's decision-making, except for decisions of principle which are significant to the entire OP Financial Group and defined in the OP Cooperative's bylaws as requiring the Supervisory Board's approval. The Board of Directors will also be responsible for supervising OP Cooperative and the current Supervisory Board committees

(Risk Management Committee, Audit Committee and Remuneration Committee) will become Board committees. These adopted bylaws and the new governance structure will enter into force on 1 January 2020.

Under the section headed “Litigation” commencing on page 114 of the Base Prospectus, the second paragraph shall be deleted in its entirety and replaced with the following:

Without qualifying the statement in the previous paragraph, the Finnish Competition and Consumer Authority (FCCA) investigated OP Financial Group's market position in retail banking services and the pricing of non-life insurance products. On 11 February 2019, the FCCA completed its extensive investigation related to OP Financial Group's customer benefits scheme. The FCCA concluded that OP Financial Group operates in compliance with the Finnish Competition Act and OP's bonus scheme is not contrary to the Finnish Competition Act.

Statement of No Significant Change or Material Change

There has been no significant change in the financial or trading position of the Issuer since 31 March 2019 and there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2018.

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.