



Disclosure of information on covered bonds

OP Mortgage Bank Q4/2022

Published 8.2.2023

Purpose of the document and contents

- This document discloses the information required by the (Finnish) Act on Mortgage Credit Banks and Covered Bonds (151/2022) Section 36
- Euro Medium Term Covered Bond (Premium) Programme (EMTCB) – slides 3-14
- Euro Medium Term Covered Note Programme (EMTCN) – slides 15-26
- Euro Medium Term Retained Covered Note Programme (EMTRCN) – slides 27-38
- Please note possible supplements to the Base Prospectus

Euro Medium Term Covered Bond (Premium) Programme (EMTCB)

Bonds issued after July 8th 2022

Chapter 8, section 36, subsection 1: The total value of the collateral assets and issued covered bonds (EMTCB)

- Total value of the collateral assets: €1,379 mn
- Total value of issued covered bonds: €1,250 mn

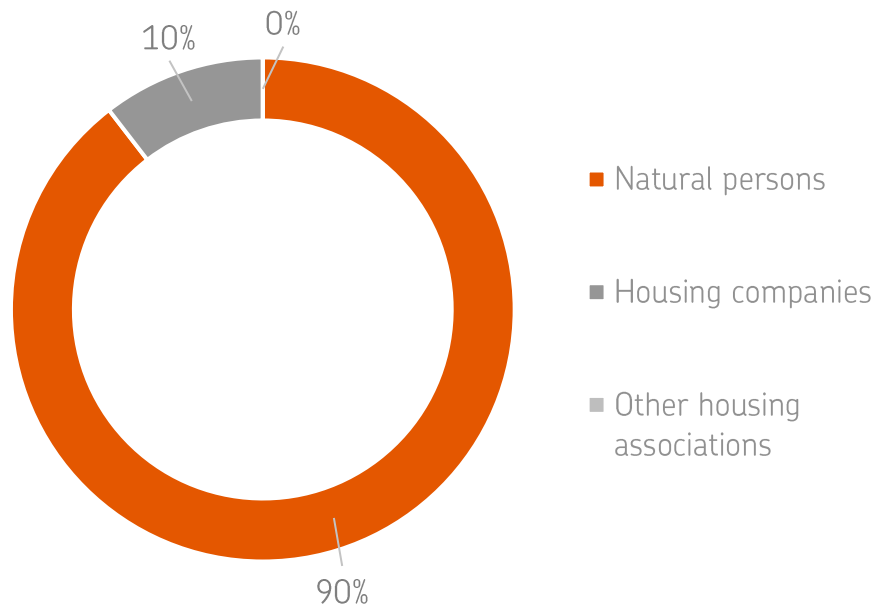
Chapter 8, section 36, subsection 2: ISINs of the covered bonds

(EMTCB)

- XS2558247677 (issue date 22 November 2022)

Chapter 8, section 36, subsection 3: Distribution of collateral assets by type (EMTCB)

All collateral assets are mortgage loans.



Chapter 8, section 36, subsection 4: Geographical distribution of collateral for loan receivables

(EMTCB)

Region	Percentage
Uusimaa	33.9%
North Ostrobothnia	12.0%
Pirkanmaa	10.4%
Southwest Finland	7.6%
North Savo	4.4%
Satakunta	3.6%
Central Finland	3.3%
Pohjanmaa	2.8%
Päijät-Häme	2.7%
Kanta-Häme	2.5%
South Savo	2.5%
Lapland	2.3%
South Karelia	2.3%
North Karelia	2.0%
Kymenlaakso	2.0%
South Ostrobothnia	2.0%
Åland	1.4%
Central Ostrobothnia	1.4%
Kainuu	0.9%

Chapter 8, section 36, subsection 4: Description of the assessment methods

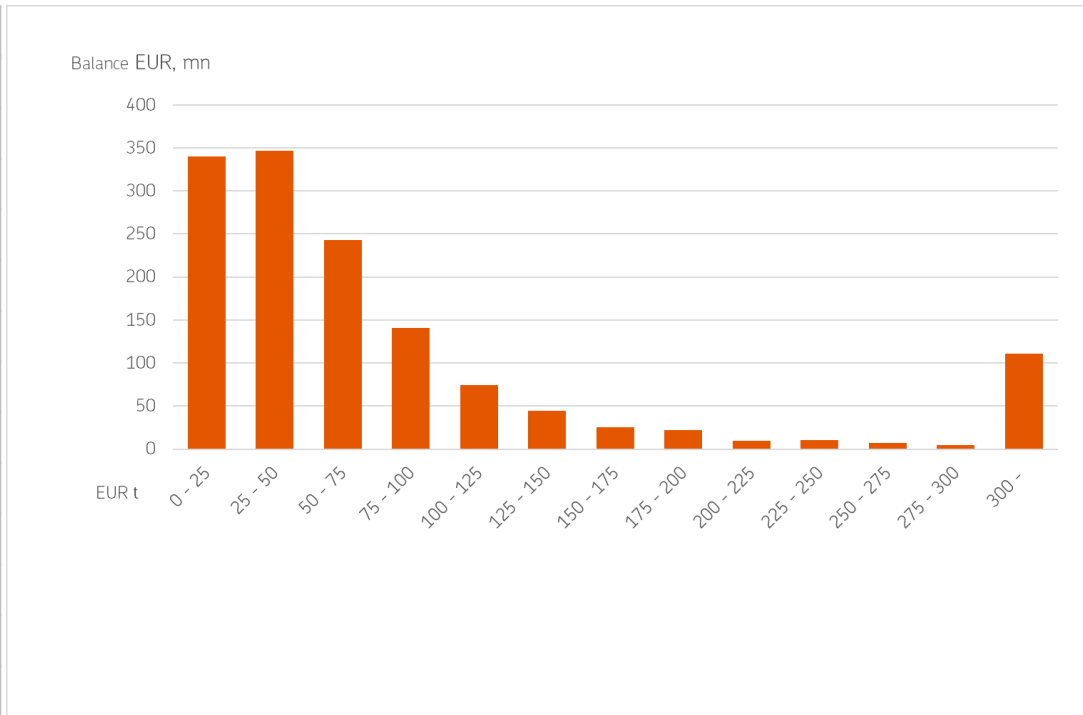
(EMTCB)

The collateral evaluation is predominantly based on the following methods:

- Loan origination of mortgages: valuation of collateral is based on the purchase price.
- Loan servicing: re-evaluation of collateral is based on an internal data tool and/or external valuation.
- Quarterly indexing of collateral portfolio: postal code related data received from Statistics Finland on a quarterly basis.

Chapter 8, section 36, subsection 4: Information on the credit amounts of loan receivables (EMTCB)

Loan Size (EUR t)	Balance EUR	Pcs
0 - 25	339,986,379	37,893
25 - 50	346,336,057	9,769
50 - 75	242,942,056	3,984
75 - 100	140,802,757	1,640
100 - 125	74,049,893	665
125 - 150	44,795,116	329
150 - 175	25,178,936	156
175 - 200	22,092,206	119
200 - 225	9,932,394	47
225 - 250	10,034,087	42
250 - 275	7,340,357	28
275 - 300	4,872,085	17
300 -	110,741,374	133



Chapter 8, section 36, subsection 5: Information on the market risks associated with the covered bonds, including interest rate risk and currency risk (EMTCB)

- OP MB's most significant risks are related to the quality of collateral and to the structural liquidity and interest rate risks on the balance sheet for which limits have been set in the Risk Policy of Banking. The key credit risk indicators in use show that OP MB's credit risk exposure is stable.
- Information on the market risks associated with covered bonds:
 - Interest rate risks
 - Interest rate risks arise when interest rate fixing periods or interest rate bases for assets and liabilities are mismatched. Although the Issuer enters into customised interest rate Derivative Contracts with the aim of reducing interest rate risks, the Issuer's exposure to interest rate risks is not expected to be zero. A failure to manage this risk effectively could adversely affect the Issuer's business, results of operations and financial condition.
 - Currency risks
 - The Issuer will pay principal and interest on the Bonds in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the Investor's Currency) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency-equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Chapter 8, section 36, subsection 5: Information on the credit risks and liquidity risks

(EMTCB)

- Credit risks
 - As the Issuer's financial performance is affected by the credit quality of debtors and counterparties in Derivative Contracts, credit risk arises from the credit quality of the abovementioned parties. The recoverability of the loans granted by the Issuer or the Originators is an inherent part of the Issuer's business and therefore the control of credit risk is significant within the business of the Issuer as well as in OP Financial Group. Uncertainties related to pricing of credit risk and realization value and timing of the collateral could realize impairment (expected credit losses and final credit losses according to IFRS9 calculation) in the credit portfolio and weaken the profitability and financial position of the Issuer or OP Financial Group. In addition, expected credit losses do not necessarily correspond to the amount of realized credit losses. If the estimates made turn out to be inaccurate or insufficient, it could have a material adverse effect on the Issuer's or OP Financial Group's business, results of operations or financial condition. The credit risk management system of the Issuer is steered, examined, audited, and evaluated as a part of credit risk management of OP Financial Group. The credit risk management system applies both to the Issuer and to the Originators which grant the Mortgage Loans within the rules and regulations of OP Financial Group.
- Liquidity risks
 - Liquidity risk means the risk of the Issuer being unable to meet its payment obligations and to refinance its loans when they fall due, and to meet its obligations as a debtor. The risk could materialise, for example, because of a decline in the liquidity of markets or downgrading of the Issuer's credit rating or the Issuer being unable to maintain adequate liquidity. A decline in the Issuer's liquidity or a substantial downgrading of the Issuer's credit rating may adversely affect the availability and price of the Issuer's funding and, as a consequence, weaken the Issuer's results of operations and financial condition.
 - The wholesale funding markets (including the international debt capital markets) have experienced disruptions from time to time which have continued to a varying degree. Such disruptions have increased the funding costs and reduced the availability of the wholesale market funding across the financial services sector. The business of the Issuer and its respective ability to access sources of liquidity has been constrained as a result. If the wholesale funding markets deteriorate, it may have a material adverse effect on the liquidity and funding of all Finnish financial services institutions including the Issuer.
- For further information please see "Risk factors" starting from page 17 of [EMTCB Base Prospectus, 11 October 2022](#)

Chapter 8, section 36, subsection 6: Information on the maturity of covered bonds, including any requirements for extending the maturity of a bond as well as the legal and any other effects of extending maturity
(EMTCB)

- For maturities of covered bonds please see final terms of the covered bonds: [EMTCB Programme Documentation and Issues](#)
- Requirements for extending the maturity of covered bonds and legal and other effects are as defined in section 5.2 (starting from page 77) of [EMTCB Base Prospectus, 11 October 2022](#)

Chapter 8, section 36, subsection 7: The available collateral and minimum collateral level, including the minimum level laid down in legislation for overcollateralisation, overcollateralisation required under the terms of a bond or bond programme as well as the total value of the cover pool in excess of these (EMTCB)

Over-collateralisation (OC)	Legal / Programme	Actual OC	Actual OC - Legal OC
OC (%)	2.0%	10.33%	8.33%
OC (€ mn)	25.0	129.1	104.1

Chapter 8, section 36, subsection 8: The share in the cover pool of loan receivables that either fulfil the requirements laid down in Article 178 of the EU's Capital Requirements Regulation or the matured capital or interest of which has otherwise remained unpaid for at minimum 90 days
(EMTCB)

- OPMB does not have loan receivables in the cover pool that would be in default as set out in Capital Requirements Regulation Article 178 or the matured capital or interest of which has otherwise remained unpaid for at minimum 90 days.

Euro Medium Term Covered Note Programme (EMTCN)

Bonds issued before July 8th 2022

Chapter 8, section 36, subsection 1: The total value of the collateral assets and issued covered bonds (EMTCN)

- Total value of the collateral assets: €16,185 mn
- Total value of issued covered bonds: €13,915 mn out of which €1,750 mn is green

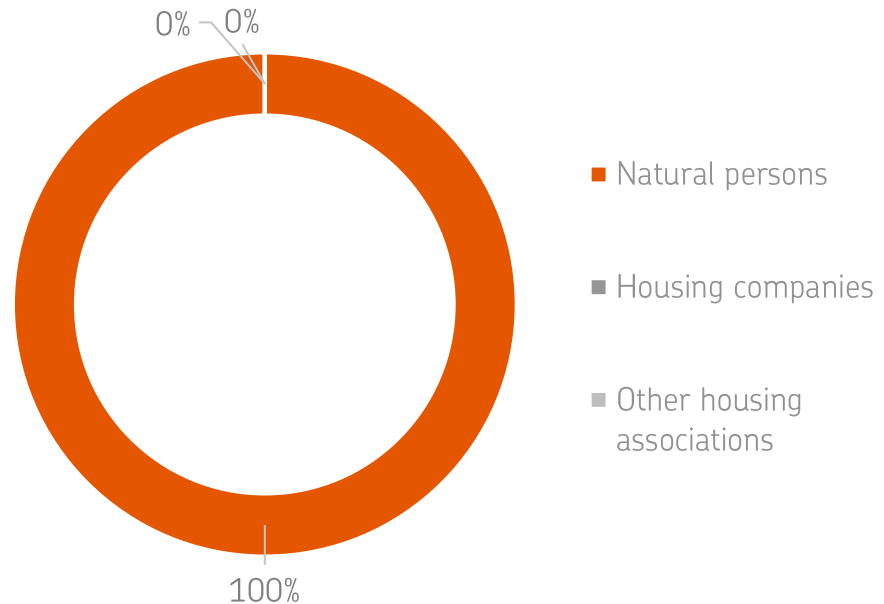
Chapter 8, section 36, subsection 2: ISINs of the covered bonds

(EMTCN)

- XS1144844583 (issue date 28 November 2014)
- XS1408380803 (issue date 11 May 2016)
- XS1576693110 (issue date 13 March 2017)
- XS1626141698 (issue date 7 June 2017)
- XS1721478011 (issue date 22 November 2017)
- XS1829345427 (issue date 1 June 2018)
- XS1951927158 (issue date 15 February 2019)
- XS2081168358 (issue date 19 November 2019)
- XS2105779719 (issue date 21 January 2020)
- XS2158878715 (issue date 21 April 2020)
- XS2260183285 (issue date 19 November 2020)
- XS2324321368 (issue date 25 March 2021)
- XS2465142755 (issue date 5 April 2022)
- XS2490807133 (issue date 13 June 2022)
- Namensschuldverschreibung (NSV1-6) (issue date 12.11.2012)
 - XFCA00H07705
 - XFCA00H07713
 - XFCA00H07721
 - XFCA00H07739
 - XFCA00H07747
 - XFCA00H07754

Chapter 8, section 36, subsection 3: Distribution of collateral assets by type (EMTCN)

All collateral assets are mortgage loans.



Chapter 8, section 36, subsection 4: Geographical distribution of collateral for loan receivables

(EMTCN)

Region	Percentage
Uusimaa	34.4%
Pirkanmaa	11.3%
Southwest Finland	10.1%
North Ostrobothnia	8.3%
North Savo	4.3%
Central Finland	4.2%
Satakunta	4.0%
Kanta-Häme	3.3%
Päijät-Häme	2.8%
Lapland	2.5%
Kymenlaakso	2.4%
North Karelia	2.2%
South Karelia	2.0%
Pohjanmaa	2.0%
South Savo	1.9%
South Ostrobothnia	1.7%
Central Ostrobothnia	1.2%
Kainuu	0.9%
Åland	0.4%

Chapter 8, section 36, subsection 4: Description of the assessment methods

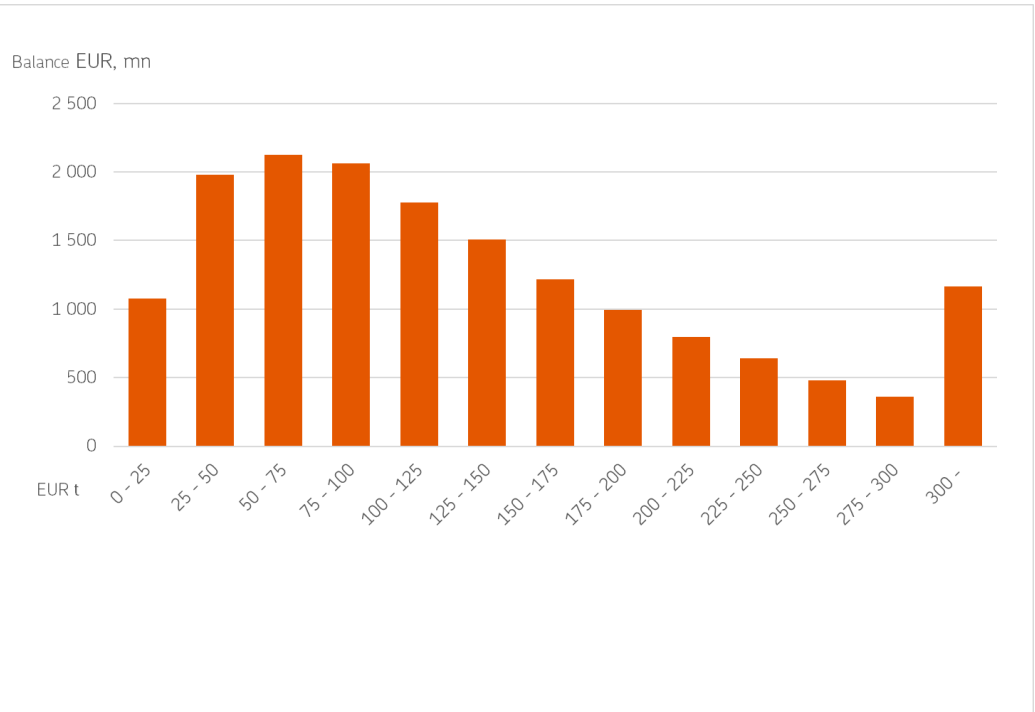
(EMTCN)

The collateral evaluation is predominantly based on the following methods:

- Loan origination of mortgages: valuation of collateral is based on the purchase price.
- Loan servicing: re-evaluation of collateral is based on an internal data tool and/or external valuation.
- Quarterly indexing of collateral portfolio: postal code related data received from Statistics Finland on a quarterly basis.

Chapter 8, section 36, subsection 4: Information on the credit amounts of loan receivables (EMTCN)

Loan Size (EUR t)	Balance EUR	Pcs
0 - 25	1,075,175,744	87,278
25 - 50	1,980,735,848	54,248
50 - 75	2,124,283,250	34,432
75 - 100	2,060,846,186	23,746
100 - 125	1,779,888,329	15,919
125 - 150	1,510,061,881	11,051
150 - 175	1,219,346,889	7,536
175 - 200	991,758,630	5,305
200 - 225	794,983,835	3,752
225 - 250	641,091,091	2,706
250 - 275	481,233,914	1,840
275 - 300	358,738,620	1,251
300 -	1,166,880,166	3,055



Chapter 8, section 36, subsection 5: Information on the market risks associated with the covered bonds, including interest rate risk and currency risk (EMTCN)

- OP MB's most significant risks are related to the quality of collateral and to the structural liquidity and interest rate risks on the balance sheet for which limits have been set in the Risk Policy of Banking. The key credit risk indicators in use show that OP MB's credit risk exposure is stable.
- Information on the market risks associated with covered bonds:
 - Interest rate risks
 - Interest rate risks arise when interest rate fixing periods or interest rate bases for assets and liabilities are mismatched. Although the Issuer enters into customised interest rate Derivative Transactions with the aim of reducing interest rate risks, the Issuer's exposure to interest rate risks are not expected to be zero. A failure to manage this risk effectively could adversely affect the Issuer's business, results of operations and financial condition.
 - Currency risks
 - The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the Investor's Currency) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Chapter 8, section 36, subsection 5: Information on the credit risks and liquidity risks

(EMTCN)

- Credit risks
 - As the Issuer's financial performance is affected by the credit quality of debtors and counterparties in Derivative Transactions, credit risk arises from the credit quality of the abovementioned parties. The recoverability of the loans granted by the Issuer or the Originators is an inherent part of the Issuer's business and therefore the control of credit risk is significant within the business of the Issuer as well as in OP Financial Group.
 - The credit risk management system of the Issuer is steered, examined, audited, and evaluated as a part of credit risk management of OP Financial Group. The credit risk management system applies both to the Issuer and to the Originators which grant the Mortgage Loans within the rules and regulations of OP Financial Group.
- Liquidity risks
 - Liquidity risk means the risk of the Issuer being unable to meet its payment obligations and to refinance its loans when they fall due, and to meet its obligations as a debtor. The risk could materialise, for example, because of a decline in the liquidity of markets or downgrading of the Issuer's credit rating or the Issuer being unable to maintain adequate liquidity. A decline in the Issuer's liquidity or a substantial downgrading of the Issuer's credit rating may adversely affect the availability and price of the Issuer's funding and, as a consequence, weaken the Issuer's results of operations and financial condition.
 - The wholesale funding markets (including the international debt capital markets) have experienced disruptions from time to time which have continued to a varying degree. Such disruptions have increased the funding costs and reduced the availability of the wholesale market funding across the financial services sector. The business of the Issuer and its respective ability to access sources of liquidity has been constrained as a result. If the wholesale funding markets deteriorate, it may have a material adverse effect on the liquidity and funding of all Finnish financial services institutions including the Issuer.
- For further information please see "Risk factors" starting from page 14 of [EMTCN Programme Base Prospectus, 4 November 2021](#)

Chapter 8, section 36, subsection 6: Information on the maturity of covered bonds, including any requirements for extending the maturity of a bond as well as the legal and any other effects of extending maturity
(EMTCN)

- For maturities of covered bonds please see final terms of the covered bonds: [EMTCN Programme Documentation and Issues](#)
- Requirements for extending the maturity of covered bonds and legal and other effects are as defined in section 5.2 (starting from page 72) of [EMTCN Programme Base Prospectus, 4 November 2021](#)

Chapter 8, section 36, subsection 7: The available collateral and minimum collateral level, including the minimum level laid down in legislation for overcollateralisation, overcollateralisation required under the terms of a bond or bond programme as well as the total value of the cover pool in excess of these (EMTCN)

Over-collateralisation (OC)	Legal / Programme	Actual OC	Actual OC - Legal OC
OC (%)	2.0%	16.3%	14.3%
OC (€ mn)	278.3	2,270.0	1,991.7

Chapter 8, section 36, subsection 8: The share in the cover pool of loan receivables that either fulfil the requirements laid down in Article 178 of the EU's Capital Requirements Regulation or the matured capital or interest of which has otherwise remained unpaid for at minimum 90 days
(EMTCN)

- OPMB does not have loan receivables in the cover pool that would be in default as set out in Capital Requirements Regulation Article 178 or the matured capital or interest of which has otherwise remained unpaid for at minimum 90 days.

Euro Medium Term Retained Covered Note Programme (EMTRCN)

Chapter 8, section 36, subsection 1: The total value of the collateral assets and issued covered bonds

(EMTRCN)

- Total value of the collateral assets: €3,484 mn
- Total value of issued covered bonds: €3,000 mn

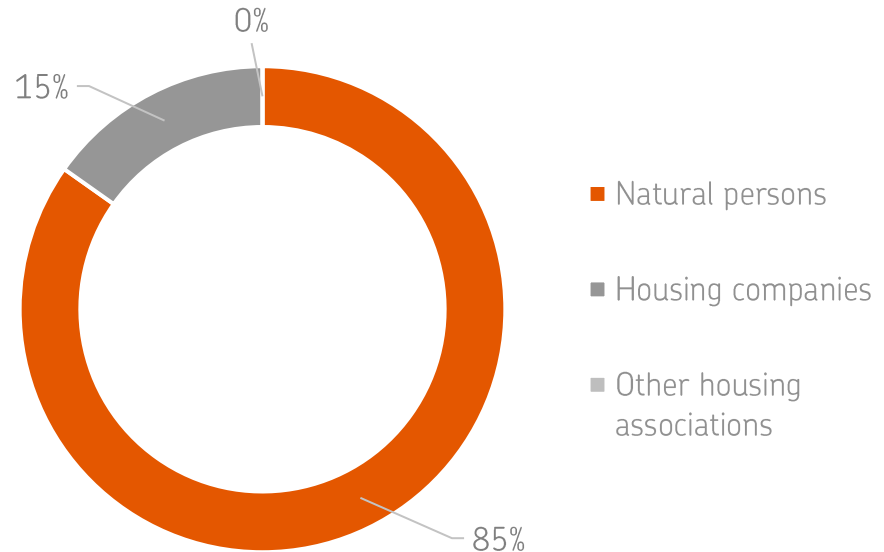
Chapter 8, section 36, subsection 2: ISINs of the covered bonds

(EMTRCN)

- XS2345871706 (issue date 24 May 2021)
- XS2346945533 (issue date 27 May 2021)
- XS2347782935 (issue date 31 May 2021)

Chapter 8, section 36, subsection 3: Distribution of collateral assets by type (EMTRCN)

All collateral assets are mortgage loans.



Chapter 8, section 36, subsection 4: Geographical distribution of collateral for loan receivables

(EMTRCN)

Region	Percentage
Uusimaa	30.5%
Pirkanmaa	10.8%
North Ostrobothnia	9.9%
Southwest Finland	8.9%
North Savo	5.5%
Satakunta	4.2%
Central Finland	4.1%
Päijät-Häme	2.9%
Lapland	2.8%
Kanta-Häme	2.8%
Pohjanmaa	2.7%
North Karelia	2.4%
South Savo	2.3%
Kymenlaakso	2.2%
South Karelia	2.2%
South Ostrobothnia	2.0%
Central Ostrobothnia	1.5%
Kainuu	1.3%
Åland	1.0%

Chapter 8, section 36, subsection 4: Description of the assessment methods

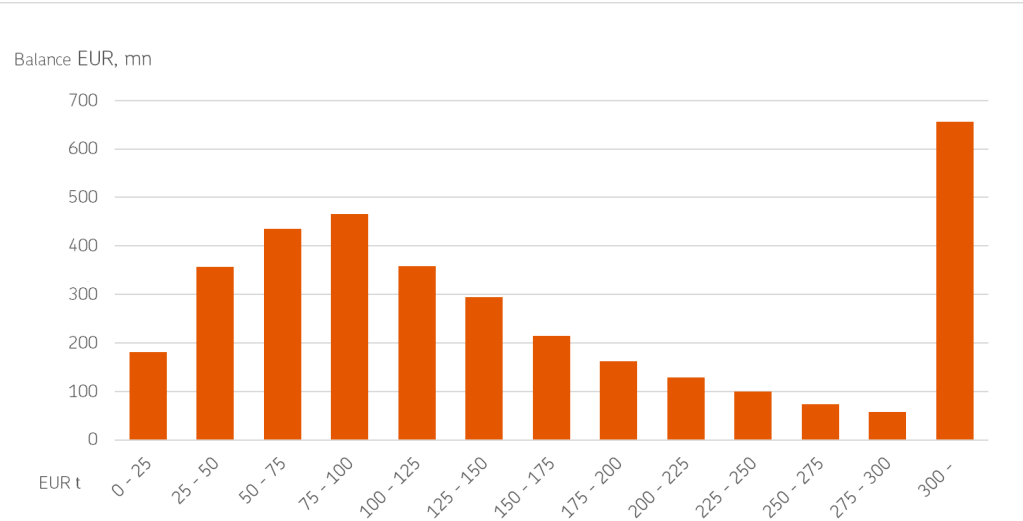
(EMTRCN)

The collateral evaluation is predominantly based on the following methods:

- Loan origination of mortgages: valuation of collateral is based on the purchase price.
- Loan servicing: re-evaluation of collateral is based on an internal data tool and/or external valuation.
- Quarterly indexing of collateral portfolio: postal code related data received from Statistics Finland on a quarterly basis.

Chapter 8, section 36, subsection 4: Information on the credit amounts of loan receivables (EMTRCN)

Loan Size (EUR t)	Balance EUR	Pcs
0 - 25	181,548,008	13,793
25 - 50	357,371,123	9,724
50 - 75	434,677,575	7,048
75 - 100	465,209,885	5,358
100 - 125	358,522,333	3,222
125 - 150	293,582,158	2,149
150 - 175	214,193,046	1,330
175 - 200	162,154,681	868
200 - 225	128,911,734	610
225 - 250	99,277,769	419
250 - 275	74,090,880	283
275 - 300	57,749,140	202
300 -	656,588,012	805



Chapter 8, section 36, subsection 5: Information on the market risks associated with the covered bonds, including interest rate risk and currency risk

(EMTRCN)

- OP MB's most significant risks are related to the quality of collateral and to the structural liquidity and interest rate risks on the balance sheet for which limits have been set in the Risk Policy of Banking. The key credit risk indicators in use show that OP MB's credit risk exposure is stable.
- Information on the market risks associated with covered bonds:
 - Interest rate risks
 - Interest rate risks arise when interest rate fixing periods or interest rate bases for assets and liabilities are mismatched. Although the Issuer enters into customised interest rate Derivative Transactions with the aim of reducing interest rate risks, the Issuer's exposure to interest rate risks are not expected to be zero. A failure to manage this risk effectively could adversely affect the Issuer's business, results of operations and financial condition.
 - Currency risks
 - The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the Investor's Currency) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Chapter 8, section 36, subsection 5: Information on the credit risks and liquidity risks

(EMTRCN)

- Credit risks
 - As the Issuer's financial performance is affected by the credit quality of debtors and counterparties in Derivative Transactions, credit risk arises from the credit quality of the abovementioned parties. The recoverability of the loans granted by the Issuer or the Originators is an inherent part of the Issuer's business 12 and therefore the control of credit risk is significant within the business of the Issuer as well as in OP Financial Group.
 - The credit risk management system of the Issuer is steered, examined, audited and evaluated as a part of credit risk management of OP Financial Group. The credit risk management system applies both to the Issuer and to the Originators which grant the Mortgage Loans within the rules and regulations of OP Financial Group.
- Liquidity risks
 - Liquidity risk means the risk of the Issuer being unable to meet its payment obligations and to refinance its loans when they fall due, and to meet its obligations as a debtor. The risk could materialise, for example, because of a decline in the liquidity of markets or downgrading of the Issuer's credit rating or the Issuer being unable to maintain adequate liquidity. A decline in the Issuer's liquidity or a substantial downgrading of the Issuer's credit rating may adversely affect the availability and price of the Issuer's funding and, as a consequence, weaken the Issuer's results of operations and financial condition.
 - The wholesale funding markets (including the international debt capital markets) have experienced disruptions from time to time which have continued to a varying degree. Such disruptions have increased the funding costs and reduced the availability of the wholesale market funding across the financial services sector. The business of the Issuer and its respective ability to access sources of liquidity has been constrained as a result. If the wholesale funding markets deteriorate, it may have a material adverse effect on the liquidity and funding of all Finnish financial services institutions including the Issuer. There can be no assurance that the wholesale funding markets will not further deteriorate.
- For further information please see "Risk factors" starting from page 8 of [Base Prospectus dated 11 June 2021](#)

Chapter 8, section 36, subsection 6: Information on the maturity of covered bonds, including any requirements for extending the maturity of a bond as well as the legal and any other effects of extending maturity
(EMTRCN)

- For maturities of covered bonds please see final terms of the covered bonds: [Retained Covered Note Programme Documentation and Issues](#)
- Requirements for extending the maturity of covered bonds and legal and other effects are as defined in section 5.2 (starting from page 64) of [Base Prospectus dated 11 June 2021](#)

Chapter 8, section 36, subsection 7: The available collateral and minimum collateral level, including the minimum level laid down in legislation for overcollateralisation, overcollateralisation required under the terms of a bond or bond programme as well as the total value of the cover pool in excess of these (EMTRCN)

Over-collateralisation (OC)	Legal / Programme	Actual	Actual OC - Legal OC
OC (%)	2.0%	16.1%	14.1%
OC (€ mn)	60.0	483.9	423.9

Chapter 8, section 36, subsection 8: The share in the cover pool of loan receivables that either fulfil the requirements laid down in Article 178 of the EU's Capital Requirements Regulation or the matured capital or interest of which has otherwise remained unpaid for at minimum 90 days
(EMTRCN)

- OPMB does not have loan receivables in the cover pool that would be in default as set out in Capital Requirements Regulation Article 178 or the matured capital or interest of which has otherwise remained unpaid for at minimum 90 days.

Thank you!