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OP MORTGAGE BANK

(incorporated with limited liability in the Republic of Finland)

€15,000,000,000

Euro Medium Term Covered Note Programme

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

This Supplement (the “**Supplement**”), to the base prospectus (the “**Base Prospectus**”) dated 23 February 2018 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 and the supplements to the Base Prospectus dated 2 March 2018, 8 May 2018 and 14 June 2018 issued by the Issuer (“**Supplement No. 1**”, “**Supplement No. 2**” and “**Supplement 3**” respectively, or together the “**Supplements**”).

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 – June 2018’ for the six months ended 30 June 2018 (the “**Interim Report**”);
- (b) update certain information in relation to OP Financial Group in the Prospectus;
- (c) update certain information in relation to the Board of Directors;
- (d) following publication of the Interim Report, 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.

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 2) 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/subsidiaries-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 2, 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.

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.

Update of information in relation to OP Financial Group

The following paragraph should be inserted at the end of the section entitled “Recent Events” commencing on page 85 of the Base Prospectus:

“OP Financial Group plans to transfer its statutory pension insurance to a mutual pension insurance company

The Board of Trustees of OP Bank Group Pension Fund, which manages statutory earnings-related pension for OP Financial Group, decided to transfer the management of its pension liability worth around EUR 1.1 billion to Ilmarinen Mutual Pension Insurance Company. This pension insurance portfolio accounts for approximately 90 per cent. of OP Bank Group Pension Fund's total pension liability.

The Representative Assembly of OP Bank Group Pension Fund approved the transfer on 31 July 2018, but the transfer still requires regulatory approval. The transfer is expected to take place by the end of 2018. It is expected that the remaining pension liability will be transferred to Ilmarinen Mutual Pension Insurance Company at a later date, but no earlier than the end of 2020. The portion of OP Bank Group Pension Fund's total pension liability remaining primarily consists of OP Insurance's pension liabilities transferred from Ilmarinen Mutual Pension Insurance Company to OP Bank Group Pension Fund on 31 December 2015.

If implemented, the transfer would improve OP Financial Group's CET1 ratio by an estimated 0.4 percentage points. The transfer of the pension portfolio will result in a non-recurring item shown in OP Financial Group's financial statements. According to the present-day estimate, the non-recurring item would improve OP Financial Group's 2018 earnings by EUR 240 million. Interest rate changes used in discounting pension liabilities will have a major effect on the final size of the item shown in the income statement, and the final amount to be recognised may significantly differ from the amount mentioned above. A 0.1 percentage point increase in

the discount rate reduces the defined benefit pension net liability to be recognised by an estimated EUR 20–30 million.”

Amendments to the section entitled “Board of Directors”

On page 77 of the Base Prospectus, the first sentence immediately following the list of members of the Board of Directors, shall be amended to read as follows:

“Mr Lauri Iloniemi has served, and is still serving, as Managing Director of the Issuer since 4 May 2007. Mr Hanno Hirvinen served as Substitute of Managing Director, and was replaced by Mrs. Sanna Erikson who serves as Substitute of Managing Director as from 3 July 2018.”

Statement of No Significant Change or Material Change

There has been no significant change in the financial or trading position of the Issuer since 30 June 2018 and there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2017.

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 dated 23 February 2018 (as supplemented by the Supplements).