BASE PROSPECTUS **2 July 2025**

The Mortgage Society of Finland

as Issuer

Programme for the Issuance of Senior Preferred Notes, Tier 2 Notes and Covered Bonds

2,500,000,000 euros

Under this 2,500,000,000 euros note issuance programme (the "**Programme**"), The Mortgage Society of Finland (hereinafter "**Hypo**" or the "**Issuer**") may from time to time issue senior preferred and unsecured notes ("**Senior Preferred Notes**"), tier 2 notes ("**Tier 2 Notes**") and covered bonds under the Finnish Cover Bond Act (*Laki kiinnitysluottopankeista ja katetuista joukkolainoista* 151/2022, as amended) (the "**CBA**") ("**Covered Bonds**") denominated mainly in euro (the Senior Preferred Notes, the Tier 2 Notes and the Covered Bonds together the "**Notes**"). The Notes are issued as serial bonds (in Finnish: *sarjalaina*) (each a "**Series of Notes**"). The Notes will be subject to a minimum maturity of one (1) year and a minimum denomination of EUR 100,000 per Note. However, the term of the Tier 2 Notes is at least five years. The Programme provides that Notes may be listed on the Helsinki Stock Exchange maintained by Nasdaq Helsinki Ltd (the "**Helsinki Stock Exchange**") as specified in the final terms of the relevant tranche of Notes (the "**Tranche of Notes**") (the "**Final Terms**"). The Issuer may also issue unlisted Notes.

This Base Prospectus (the "**Base Prospectus**") should be read and construed together with any supplement hereto and with any other documents incorporated by reference herein, and, in relation to any Series of Notes and with the Final Terms of the relevant Tranche of Notes. See "*Information Incorporated by Reference*".

This Base Prospectus is valid for a period of twelve (12) months from the date of approval. The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus, which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes. **The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake or inaccuracy does not apply when the Base Prospectus is no longer valid.**

Besides filing this Base Prospectus with the Finnish Financial Supervisory Authority (the "**FIN-FSA**"), neither the Issuer nor the Arranger (as defined below), have taken any action, nor will they take any action, to render the public offer of the Notes or their possession, or the distribution of this Base Prospectus or any other documents relating to the Notes admissible in any other jurisdiction than Finland requiring special measures to be taken for the purpose of a public offer.

Notes issued pursuant to the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the applicable Final Terms. As at the date of this Base Prospectus, the Issuer has long- and short-term issuer credit ratings 'BBB/A-2' by S&P Global Ratings Europe Limited, a division of S&P Global ("**S&P**"). At the date of this Base Prospectus, Covered Bonds issued under the Programme are rated 'AAA' by S&P.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state of the United States. Neither this Base Prospectus nor the Final Terms are to be distributed to the United States or in or to any other jurisdiction where it would be unlawful. The Notes may not be offered, sold, pledged or otherwise transferred, directly or indirectly, within the United States or to, for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (the "**Regulation S**"), except to a person who is not a U.S. Person (as defined in Regulation S) in an offshore transaction pursuant to Regulation S.

Investment in the Notes to be issued under the Programme involves certain risks. Prospective investors should carefully acquaint themselves with such risks before making a decision to invest in the Notes. The principal risk factors that may affect the Issuer's ability to fulfil its obligations under the Notes are discussed under "**Risk Factors**" below.

Arranger

Nordea

IMPORTANT INFORMATION

In this Base Prospectus, the terms "**Hypo**" and the "**Issuer**" refer to The Mortgage Society of Finland and the term "**Hypo Group**" refers to Hypo and its consolidated subsidiaries. In this Base Prospectus, the term "**Arranger**" refers to Nordea Bank Abp in its capacity as the arranger of the Programme and the term Lead Manager(s) refers to any bank acting as arranger in a Series of Notes. Further, the term "**Noteholder**" refers to an investor that has made an investment in the Notes under the Programme and the term "**holder of a Covered Bond**" refers to an investor that has made an investment in the Covered Bonds under the Programme.

The Arranger is acting exclusively for Hypo as an arranger of the Programme and will not be responsible to anyone other than Hypo for providing the protections afforded to their respective clients nor giving investment or other advice in relation to the Programme or the Notes.

This Base Prospectus has been prepared in accordance with the Prospectus Regulation (EU) 2017/1129 (as amended), the Commission Delegated Regulation (EU) 2019/979 (as amended), the Commission Delegated Regulation (EU) 2019/980 (as amended) (annexes 7 and 15), the Finnish Securities Markets Act (*Arvopaperimarkkinalaki* 746/2012, as amended) (the "**Finnish Securities Markets Act**") and the European Securities and Markets Authority. The FIN-FSA, which is the competent authority for the purposes of the Prospectus Regulation in Finland, has approved this Base Prospectus on 2 July 2025 (journal number FIVA/2025/1133). The FIN-FSA has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, but assumes no responsibility for the correctness of the information contained herein. Such approval shall not be considered as an endorsement of the Issuer or of the qualities of the Notes issued under this Base Prospectus.

Hypo does not undertake to supplement this Base Prospectus on a periodic basis (for example, following the announcement of each quarterly interim report by Hypo). However, Hypo will supplement this Base Prospectus when required in accordance with the mandatory provisions of the Prospectus Regulation. Otherwise, neither the delivery of this Base Prospectus nor any sale nor delivery made hereunder shall create any implication that there has been no change in the affairs of Hypo since the date of this Base Prospectus or that the information herein is correct as of any time subsequent to the date of this Base Prospectus. The Arranger expressly does not undertake to review the financial condition or affairs of Hypo during the life of the Programme or to advise any investor in the Notes of any information coming to its attention.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by Hypo, the Arranger or the Lead Manager(s) that any recipient of this Base Prospectus or any other information supplied in connection with the Programme, the Final Terms or any Notes should purchase any Notes. In making an investment decision, each investor should rely on their examination, analysis and enquiry of Hypo and the terms and conditions of the relevant Tranche of Notes, including the risks and merits involved. Neither Hypo, the Arranger, the Lead Manager(s) nor any of their respective affiliated parties nor representatives, is making any representation to any offeree or subscriber of the Notes regarding the legality of the investment by such person. Investors should make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Notes. Investors should also make their own assessment as to the suitability of investing in the Issuer's securities.

Neither the Arranger nor the Lead Manager(s) have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and neither the Arranger nor the Lead Manager(s) accept any responsibility or liability in relation to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by Hypo in connection with the Programme, the Final Terms or the Notes. Notwithstanding the responsibilities and liabilities, if any, which may be imposed on the Arranger or the Lead Manager(s) by Finnish laws or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, the Arranger or the Lead Manager(s) does not accept any responsibility whatsoever for the contents of this Base Prospectus or for any statement made or purported to be made by it, or on its behalf, regarding Hypo, the Final Terms and the Notes. The Arranger and the Lead Manager(s) accordingly disclaim any and all liability whether arising in tort, contract, or otherwise (save as referred to above) which they might otherwise have in respect of this Base Prospectus or any such statement.

No person is or has been authorised by Hypo to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme, the Final Terms or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by Hypo, the Arranger or the Lead Manager(s). Nothing contained in this Base Prospectus is, or shall be relied upon, as a promise or representation by Hypo, the Arranger or the Lead Manager(s) as to the future. Investors are advised to inform themselves of any stock exchange release published by Hypo.

This Base Prospectus has been prepared in English only. In making an investment decision, investors should rely on their own examination of Hypo and the terms and conditions of the Notes, including the merits and risks involved.

The distribution of this Base Prospectus may in certain jurisdictions be restricted by law, and this Base Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Notes, or otherwise to permit a public offering of the Notes, in any jurisdiction outside of Finland. Hypo, the Arranger and the Lead Manager(s) expects persons into whose possession this Base Prospectus comes to inform themselves of and observe all such restrictions. Neither Hypo, the Arranger nor the Lead Manager(s) accepts any legal responsibility for any violation by any person, whether or not a prospective purchaser of the Notes is aware of such restrictions. In particular, this Base Prospectus may not be sent to any person in the United States, Australia, Canada, Japan, Hong Kong, Singapore, South Africa or any other jurisdiction in which it would not be permissible to deliver the Notes and the Notes may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any of these countries. The Notes are governed by Finnish law and any disputes arising in relation to the Notes shall be settled exclusively by Finnish courts in accordance with Finnish law.

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OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and in relation to the terms and conditions of any particular Tranche of Notes and the applicable Final Terms.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980.

This general description of the Programme must be read together with the other information included in this Base Prospectus.

Issuer:	The Mortgage Society of Finland
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under "*Risk Factors*" and include risks relating to general economic conditions and circumstances in the financial market and business, credit, liquidity, operational and market risks affecting the Issuer and its subsidiaries. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "*Risk Factors*" and include certain risks relating to the structure of particular Series of Notes (including certain risks specific to Covered Bonds), certain market risks and risks relating to the illiquidity of the Notes.
Arranger of the Programme:	Nordea Bank Abp.
Lead Manager(s) of Series of Notes and possible other subscription places:	Defined in Final Terms of Series of Notes.
Issuer Agent and Paying Agent:	Defined in Final Terms of Series of Notes.
Maximum amount of the Programme:	2,500,000,000 euros. The Issuer may increase the maximum amount.
Distribution:	Notes may be distributed outside the United States to, or for the account or benefit of, persons other than U.S. Persons (as such terms are defined in Regulation S under the Securities Act 1933, as amended) by way of private placement and in each case on a syndicated or non-syndicated basis.
Final Terms:	Notes issued under the Programme will be issued pursuant to this Base Prospectus and associated Final Terms. The terms and conditions applicable to any particular Tranche of Notes will be the General Terms and Conditions combined with the relevant Final Terms.
Form of the Notes:	The Notes are issued in book-entry form in the book-entry system of Euroclear Finland, in accordance with the Act on the Book-Entry System and Clearing and Settlement (*Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* 348/2017, as amended) and other Finnish legislation governing book-entry system and book-entry accounts.

Note currencies: Euro or such other currency or currencies as may be separately resolved by the Issuer upon each issuance of the Notes under the Programme.

Nominal value: The denomination of each book-entry unit is at least EUR 100,000. Subject thereto, the Notes will be issued in such denominations as specified in the relevant Final Terms.

Status of the Senior Preferred Notes: The Senior Preferred Notes constitute direct, unconditional, unguaranteed, unsubordinated and unsecured obligations of the Issuer that rank *pari passu* without any preference among themselves and (save for certain obligations required to be preferred by law) at least *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer.

Status of the Covered Bonds: The Covered Bonds will be governed by the CBA and will therefore benefit from the Cover Asset Pool. The Covered Bonds rank *pari passu* among themselves and with all other obligations of the Issuer which benefit from the same priority right in accordance with the CBA. In calculating the total value of the Cover Asset Pool, the following limitations apply:

1) at most 80 per cent of the underlying value of the shares or the real estate securing each Housing Loan; and

2) the principal of the other receivables in the Cover Asset Pool.

In respect of the priority of the holders of the Covered Bonds, as at the date of the liquidation or bankruptcy of the Issuer, of the properties or the shares in the property owning companies which stand as collateral for such Housing Loans, these types of assets have a full collateral value despite their calculated collateral value being at most 80 per cent. To the extent that claims of the Noteholders in relation to the Covered Bonds are not fully met out of the assets of the Issuer that are governed by the CBA, the residual claims of the holders of Covered Bonds will rank *pari passu* with the unsecured and unsubordinated obligations of the Issuer.

See also "*Finnish Covered Bond Act*".

Status of the Tier 2 Notes: The Tier 2 Notes constitute direct, unguaranteed, unsecured and subordinated obligations of the Issuer. In the event of liquidation or bankruptcy of the Issuer, the rights and claims (if any) of the Noteholders to payments of the outstanding principal amount and any other amounts in respect of the Tier 2 Notes (including any accrued and unpaid interest amount or damages awarded for breach of any obligations under these General Terms and Conditions, if any are payable) shall:

(i) be subordinated to the claims of all senior creditors of the Issuer;

(ii) rank at least *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms, are expressed to rank *pari passu* with the Tier 2 Notes; and

(iii) rank senior to any common equity tier 1 instruments and any obligations of the Issuer ranking, or expressed to rank, junior to the Tier 2 Notes of the Issuer,

subject, in all cases, to mandatory provisions of Finnish law, including but not limited to the Finnish implementation of Article 48(7) of the Directive (EU) 2014/59 (as amended) ("**BRRD**") in item 6 of Chapter 1, Section 4a, Subsection 1 of the Finnish Act on Credit Institutions (*Laki luottolaitostoiminnasta* 610/2014, as amended) to the effect that claims resulting from items qualifying (whether in whole or in part) as own funds of the Issuer have lower priority ranking than any claim that results from an item which does not qualify (whether in whole or in part) as own funds of the Issuer.

The Tier 2 Notes are intended to be "tier 2 instruments" referred to in Article 63 of the Regulation (EU) 575/2013 (as amended) ("**CRR**"), which are available to count towards the capital requirements applicable to the Issuer provided that the requirements set out in the CRR are fulfilled.

No Noteholder shall be entitled to exercise any right of set-off, netting or counterclaim against moneys owed by the Issuer in respect of any Tier 2 Notes.

Extended Final Maturity Date:

An Extended Final Maturity Date may apply to a Series of Covered Bonds, as specified in the applicable Final Terms.

If "Extended Final Maturity" is specified as applicable in the applicable Final Terms, it enables the Issuer, at the latest on the fifth (5th) Business Day before the Maturity Date, to apply for the approval of the FIN-FSA that the Maturity Date of the Covered Bonds and the date on which the Covered Bonds will be due and repayable for the purposes of these General Terms and Conditions should be extended by the Issuer up to but no later than the Extended Final Maturity Date. The FIN-FSA shall grant the approval for the extension of maturity if the following conditions are met: (i) the Issuer is unable to obtain long-term financing from ordinary sources, (ii) the Issuer is unable to meet the liquidity requirement set out in the CBA if it makes payments towards the principal and interest of the maturing Covered Bonds and (iii) the extension of maturity of the Covered Bonds does not affect the sequence in which the Issuer's Covered Bonds covered by the same Cover Asset Pool are maturing. In the event of a bankruptcy or liquidation of the Issuer, the bankruptcy administrator and the liquidator in the liquidation have, pursuant to the CBA, at the request or with the consent of the administrator, the right to apply for the approval of the FIN-FSA to extend the Maturity Date up to but no later than the Extended Final Maturity Date.

If the FIN-FSA determines that the conditions for extension of the Maturity Date of the Covered Bonds have been fulfilled and it gives its approval to the extension, its resolution shall confirm the extended Maturity Date of the Covered Bonds and the date on which the Covered Bonds will then be due and repayable for the purposes of these General Terms and Conditions. In that event, the Issuer may redeem all or any part of the nominal amount outstanding of the Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Final Maturity Date.

Green Bonds:	The Final Terms relating to any specific Series of Notes may provide that it will be the Issuer's intention to apply the proceeds from an offer of those Notes specifically for financing or re-financing housing company mortgages used for investments that promote climate-friendly housing solutions, such as increased energy efficiency investments in commercial and residential buildings ("**Green Mortgage Projects**" and thereto related Notes, "**Green Bonds**"). At the date of this Base Prospectus, the Issuer has not published any framework, such as a green bond framework, in relation to the use of proceeds of the Green Bonds.
Listing:	The Notes may be applied for listing on the Helsinki Stock Exchange. Also unlisted Notes may be issued.
Term of the Notes:	A minimum of one (1) year.
Interest:	Fixed interest or floating interest tied to a reference interest rate. Notes may also be issued as zero-coupon notes which will be offered and sold at a discount to their nominal amount and will not bear interest. Notes may also be issued as reset notes.
Use of Benchmark:	Amounts payable under the Notes are calculated by reference to EURIBOR, STIBOR, NIBOR or CIBOR to the extent floating rate interest is applicable according to the Final Terms. EURIBOR is provided by the European Money Markets Institute (the "**EMMI**"). As at the date of this Base Prospectus, the EMMI has been authorised as a regulated benchmark administrator pursuant to Article 34 of Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**", the "**BMR**") and appears on the public register of administrators established and maintained by the European Securities and Markets Authority (the "**ESMA**") pursuant to Article 36 of the Benchmarks Regulation. CIBOR is provided by Danish Financial Benchmark Facility ("**DFB**"). At the date of this Base Prospectus, DFB appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of the BMR. NIBOR is provided by Norske Finansielle Referanser AS ("**NFR**"). At the date of this Base Prospectus, NFR appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of BMR.

	STIBOR is provided by Swedish Financial Benchmark Facility ("**SFB**"). At the date of this Base Prospectus, SFB appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of BMR.
Redemption:	The nominal amount of the Notes.
Early redemption:	The applicable Final Terms will indicate either that the relevant Notes may not be redeemed prior to their stated maturity or that such Notes will be redeemable at the option of the Issuer upon giving notice to the Noteholders on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be specified in the applicable Final Terms. In addition, the Tier 2 Notes may be redeemed before their stated Maturity Date at the option of the Issuer to the extent specified in Conditions 4.4 (*Early Redemption of Tier 2 Notes as a result of a Capital Event*), and 4.5 (*Early Redemption of Tier 2 Notes as a result of a Tax Event*), as applicable. Any such redemption is subject to the conditions set out in Condition 4.6 (*Conditions to Redemption and Repurchase*) which conditions include the approval of the relevant supervisory authority or resolution authority (as applicable).
Applicable law:	Finnish law.
Authorisation:	The Programme and the issue of Notes have been duly authorised by a resolution of the Board of Directors of the Issuer dated 16 June 2025.
Credit rating:	As at the date of this Base Prospectus, the Issuer has long- and short-term issuer credit ratings 'BBB/A-2' (S&P). The outlook is stable. A Series of Notes to be issued under the Programme may be rated or unrated. The Covered Bonds are rated 'AAA' (S&P). The outlook is stable. The Issuer is committed to use commercially reasonably efforts to remove or replace its bank account counterparty, if such unrelated counterparty's long-term issuer credit rating from S&P (as defined in S&P's Counterparty Risk Framework: Methodology and Assumptions, published March 8, 2019) is downgraded to below 'BBB', with a higher-rated unrelated counterparty within 90 calendar days. There is no guarantee that the rating of the Issuer assigned by S&P will be maintained following the date of this Base Prospectus or that a rating of the Covered Bonds or any Series of Notes is obtained or maintained, and the Issuer may seek to obtain ratings from other rating agencies. A rating is not a recommendation to buy or sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Up-to-date

information should always be sought by direct reference to the relevant rating agency.

RISK FACTORS

Any investment in the Notes is subject to a number of risks. In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. Prior to investing in the Notes, prospective investors should carefully consider the risk factors associated with any investment in the Notes, the business of the Issuer and the industry in which it operates together with all other information contained in this Base Prospectus, including, in particular the risk factors described below.

Set forth below are risk factors that the Issuer believes are the principal risks involved in an investment in the Notes. However, additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that it currently deems immaterial, may also individually or cumulatively have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances. All investors should make their own evaluations of the risks associated with an investment in the Notes and consult with their own professional advisers, if they consider it necessary.

The risk factors are presented below in the following seven categories:

A. Risks related to Current Macroeconomic Conditions;
B. Risks related to Housing and Residential Property Markets in Finland;
C. Risks related to Hypo Group and its business;
D. Risks related to Financial Position and Financing as well as Regulation risks;
E. Risks related to the Notes;
F. Risks related to the Tier 2 Notes; and
G. Risks related to the Covered Bonds.

Within each category, the most material risk factors are listed in accordance with the requirements of the Prospectus Regulation. Although the order of the categories does not represent any evaluation of the materiality of the risk factors when compared to the risk factors in another category, the most material risk factors within each category are listed in a manner consistent with the requirements of the Prospectus Regulation. The assessment of the materiality of the risk factors is based on the Issuer's evaluation of the probability of their occurrence and the expected magnitude of their impact.

*Capitalised words and expressions in this section shall have the respective meaning defined in the terms and conditions of the Notes (the "**Terms and Conditions**").*

A. Risks related to Current Macroeconomic Conditions

Hypo Group's business and operations are affected by global macroeconomic conditions and the geopolitical environment

Hypo Group's performance is significantly influenced by domestic and global macroeconomic circumstances and development as well as the geopolitical environment. Relevant macroeconomic factors to Hypo Group are, without limitation, housing market development especially in domestic growth centres, domestic unemployment ratio, development of interest rates, development of households' disposable income, consumer confidence and development of global and domestic economic and financial markets. Examples of current geopolitical tensions, that cause uncertainties to the global economy, are the trade tensions between the United States, the European Union, other European nations, China and other countries, the policies of the new U.S. presidential administration, Russia's continuing war of aggression in Ukraine, conflicts in the Middle East, such as the Israeli-Palestinian conflict, confrontations involving Iran and its proxies with Israel and instabilities in Yemen, Syria and Iraq, tensions between India and Pakistan, and China's strained international relations with Taiwan, India, Russia and other neighbours due to for example territorial disputes and historical animosities.

The Middle East conflicts, war in Ukraine and the increasing tensions between Russia and the members of the North Atlantic Treaty Organisation (NATO) and the western countries on the other hand have caused and may also continue to cause disruptions to the global economy, financial markets, and Hypo Group's business environment, particularly, if even stricter sanctions and/or trade restrictions are imposed by the western countries and/or Russia, or, if the war or other geopolitical tensions or conflicts escalate or expand to other countries or regions or there are hybrid warfare operations or sabotage against Finland or affecting the Finnish economy directly or indirectly. Finland became a full member of NATO as of April 2023 and Sweden as of March 2024.

Uncertainty remains in the development of the global economy despite the falling inflation and interest rates. The uncertainty relating to the financial markets may create economic and financial disruptions and even a financial crisis. As the state debt levels remain high and continue to increase in some countries, including Finland, together with the raised expectations of increased cost pressures for European NATO members for military and defence expenditure, it is possible that the global economy will fall back into a recession. These factors may cause negative effects to Hypo's clients and may, therefore, also cause negative effects on Hypo's business and operations.

Furthermore, economic conditions may be affected by various additional events that are beyond Hypo Group's control, such as natural disasters and global pandemics. Additionally, digitalization and unbalanced economic development may accelerate inequalities in societies, which may worsen societal fractures and result in uneven economic recovery from economic shocks, environmental disasters and pandemics. Any future large-scale outbreak of diseases, including the imposition of restrictive containment measures could significantly negatively impact economic growth and business operations and may cause further disruption to Hypo Group which could have a material adverse effect on the Issuer's business, financial condition or results of operations.

The realization of any of the aforementioned risks may have a material adverse effect on the Company's operations and thereby on its business, results of operations and/or financial position and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes

The ongoing and threatening trade disputes as well as increased tariffs could have a material adverse effect on Hypo Group's business and results of operations

The United States and China have been engaged in an ongoing trade war with one another since 2018, and the trade war has led to trade frictions between their economies and negative flow-on consequences on global markets and other nations closely affiliated with these countries. The current political climate has intensified concerns about the ongoing trade war between China and the United States, as each country has imposed tariffs on the other country's products.

In April 2025, the United States expanded its trade war to include various other countries, leading to increased trade frictions and negative impacts as well as uncertainty on global markets. The US has imposed tariffs on imports from multiple countries, including the EU, United Kingdom, Canada and Mexico. These and other import tariffs imposed or potentially imposed by the United States on imports from various regions may significantly weaken global trade, raise prices and potentially result in reciprocal tariffs, which could slow down the global economy. Furthermore, such tariffs may also re-intensify inflationary pressures in Europe and other regions, and among other possible unpredictable consequences, such tariffs could potentially lead to escalated trade wars between various regions, which could have severely negative impacts on the global economy, housing markets, and Hypo Group's operating environment. As at the date of this Prospectus, the US has postponed the imposition of tariffs on all countries, except China, until early July. China and the US agreed, however, to pause reciprocal tariffs until early August. Additionally, the EU has proposed retaliatory tariffs and other countermeasures if there is no progress in negotiations with the US. Should these tariffs be enforced following the suspensions, they may have adverse effects on global trade and economic stability.

If any risk would materialise, it could increase defaults, credit losses and impairments and adversely affect the global economic and financial market conditions, as well as the housing loan market, which may in turn have a negative impact to Hypo Group's financial results and access to financing and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The market for Hypo Group's core business areas has a high level of competition

Hypo Group grants mortgages as well as renovation loans and consumer loans, both secured by residential property collateral. The competition is expected to intensify in Hypo Group's operating environment which is already on a highly competitive level. Market positions in the general banking sector are melting and the competition for urban banking markets is heating significantly with new conventional operators and new types of unconventional competition entering Finnish market. The current competitive situation and operating environment are characterised in particular by regional fragmentation of the market, and increase in mergers and specialisation in the banking industry, as well as uncertainties stemming from escalating geopolitical tensions and conflicts, import tariffs that the US has imposed or may impose on imports from the EU, Canada, China and Mexico or other areas, and potential trade wars between various regions, as well as global development in inflation and interest rate levels. The uncertainty caused by the war in Ukraine and trade disputes and the subsequent contraction in economic activity are not expected to ease the current competitive situation.

Key factors for the competitiveness of market participants are the credit rating of the market participants, their financial position and solvency, the availability of the service, and the reputation, product and service range as well as the successful use of technology and artificial intelligence. If Hypo Group is unable to provide sufficiently competitive pricing or service and product range, Hypo Group may lose market share or suffer losses in some or all of its business areas. Hypo Group's profitability may also decline due to intense competition, which puts pressure on the bank's product and service portfolio. If Hypo Group is unable to respond to the prevailing competitive situation, it may have a material adverse effect on the business of Hypo Group, its financial condition and thereby on the Issuer's ability to fulfil its obligations under the Notes.

Systemic risks may have negative impacts on markets in which Hypo Group operates

Payment defaults, bank runs and other types of financial distress or difficulties in a foreign or domestic bank or other financial institution may lead to a series of liquidity problems and losses as well as payment and other difficulties in other companies operating in the financial sector, due to the interconnectedness of the domestic and global financial systems and capital markets. If one financial institution experiences difficulties it could have spill-over effects on other institutions through, for example, lending, trading, clearing and other linkages between financial institutions. These types of risks are called 'systemic risks' and they can have a significant negative impact on markets in which Hypo Group operates on a daily basis which can, in turn, adversely affect Hypo Group's business, results of operations and financial condition and thereby the Issuer's ability to fulfil its obligations under the Notes. It has been considered that the war in Ukraine and the ongoing trade disputes, including the imposition of tariffs, have increased chances that acute liquidity or other financial problems arise in some part of the financial system.

B. Risks related to Housing and Residential Property Markets in Finland

Hypo Group is exposed to declining values on the housing and residential property collateral supporting residential lending, which is by far the most important form of collateral in Hypo Group's lending

Hypo Group's total lending at the end of the three-month period ended on 31 March 2025 was EUR 2,796.2 million and at 31 December 2024 EUR 2,791.8 million (EUR 2,786.0 million at 31 December 2023), which consisted of loans with housing or residential property collateral to private customers and housing companies in Finland.

Housing and residential property values are affected by a number of factors including interest rates, inflation, economic growth, business environment, availability of credit, property taxation, unemployment rates, demographical factors and construction activity. The European Central Bank has implemented multiple interest rate cuts due to a decrease in inflation throughout 2024 and 2025. As of March 2025, the inflation in Finland stands at 0.5% and the consumer price index at 122.8 points.[1] Despite the recent decline in inflation, inflationary pressure may occur and remain elevated due to, for example, unfavourable macroeconomic development and following monetary policy decisions. Higher levels of inflation and interest rates, as well as economic uncertainty and weak consumer confidence affects adversely the volumes and pricing of housing and residential property transactions in Finland. If the level of interest rates and inflation increase, or, for example, the overall economic situation in the construction industry remains weak, or the unemployment rates in Finland remains high, thus dampening consumer confidence, this may lead to further decreases in volumes and liquidity of the housing and residential property market and also values of housing and residential property. This may, in turn, have a material adverse effect on the business and the value of the collateral of the Issuer.

The value of housing and residential property collateral of the mortgage loans granted by the Issuer may decline rapidly. This may have a material adverse effect on the Issuer's financial condition, results of operations and ability to meet its obligations under the Notes. The value of other collateral, including but not limited to financial status of a guarantor, may change negatively in the course of time. Furthermore, any other negative economic development, political decisions or rapid contraction in the labour market may also adversely affect the Issuer's customers' and possible customers' loan and investment appetite in respect of housing and residential property, for example, due to an increase in unemployment, payment difficulties and/or any other reason.

[1] Statistics Finland, Release 14 April 2025.

The Cover Asset Pool is exposed to a decline in the values of residential property in Finland

Under the CBA, the Covered Bonds shall be covered at all times by a specific pool of qualifying assets. The Issuer has two (2) separate cover asset pools, one for the Covered Bonds issued under this Programme in accordance with the CBA (the "**Cover Asset Pool**") and one for the covered bonds issued under the repealed Finnish Act on Mortgage Credit Bank Activity (*Laki kiinnitysluottopankkitoiminnasta*, 688/2010, as amended) (the "**MCBA**") ("**MCBA Covered Bonds**") (see also "*Risk Factors – The Covered Bonds and any MCBA Covered Bonds may have different priority due to the differences between the CBA and MCBA*"). As the composition of the Cover Asset Pool's assets is dynamic, there can be no assurance that the assets and their aggregate value will remain the same over time, including as at the date of this Base Prospectus or on or after the issue date of any Covered Bonds. The Cover Asset Pool mainly includes loans secured by residential properties located in Finland. Therefore, the development of the Finnish residential properties plays a significant role to the Issuer's business. If the state of Finnish residential property markets declines, and the value of the Issuer's cover asset pools decrease, it may affect the credit quality of borrowers and counterparties as well as the market value of residential properties and ultimately, the recoverability of loans and amounts due from the Issuer's debtors. Consequently, the negative effects on the recoverability of loans and amounts due from the Issuer's debtors could adversely affect the Issuer's results of operations, financial condition and business prospects and its ability to perform its obligations under the Covered Bonds.

C. Risks related to Hypo Group and its business

The Issuer is exposed to increased credit risk due to the prevailing market circumstances

Credit risk is the key risk among the business risks of Hypo Group, as lending is by far its largest business area. Credit risk refers to the risk of loss arising from a counterparty of Hypo Group not being able to meet its agreed payment obligations. In such a situation, the credit risk materialises if the counterparty proves to be insolvent and the possible collateral or other means of reducing the credit are not sufficient to cover Hypo Group company's receivables. The counterparty risk is managed as part of the credit risk. The prevailing market circumstances, including the war in Ukraine, the ongoing trade war and changes in the prevailing interest rate environment, make it difficult to estimate the future increase in the size of credit risk and future loan losses that the Issuer is exposed to. The amount of non-performing loans amounted to 0.44 per cent on 31 March 2025 compared to 0.43 per cent of the loan book on 31 December 2024 (0.19 per cent on 31 December 2023). Furthermore, the amount of expected credit loss amounted to 0.02 per cent of the loan book on 31 March 2025 compared to 0.01 per cent on 31 December 2024 (0.01 per cent on 31 December 2023). The prevailing uncertain market situation may have an increasing effect on the size of credit risk and future non-performing loans that the Issuer is exposed to.

On 4 October 2024, S&P assigned its 'BBB/A-2' long- and short-term issuer credit ratings to the Issuer with a stable outlook.

If realised, the credit risk is ultimately recognised as impairment losses which may have a material adverse effect on the Issuer's financial condition, results of operations and ability to make payments under the Notes.

Materialised liquidity risk would cause inability to meet payment obligations

Liquidity risk refers to the probability of Hypo Group not being able to meet its payment obligations due to the weakening of its financial position. If liquidity risk materialises, it may jeopardise the continuity of Hypo Group's business operations. Hypo Group's liquidity risks consist of various funding risks related to the whole of its operations, that is, its banking book, including off-balance sheet items. These risks are identified, measured and assessed by reviewing the mutual structure and distribution of the interest-bearing items on the balance sheet. Turbulence in the global financial markets and economy may adversely affect Hypo Group's liquidity and the willingness of certain counterparties and customers to do business with Hypo Group, which may result in a material adverse effect on Hypo Group's business and results of operations.

Hypo Group's liquidity risk is both long-term and short-term. The long-term funding risk, also known as the structural financing risk, on the balance sheet refers to the temporal imbalance that is related to the funding of long-term lending and results from funding on market terms. If the risk is materialised, it jeopardises the continuance of growth-orientated lending as well as the Hypo Group's funding position. Short-term liquidity risk refers to a quantitative and temporal imbalance of Hypo Group's short-term cash flow. If the risk is materialised, it means that Hypo Group will not be able to meet its payment obligations. The risk is managed by maintaining sufficient liquidity in relation to payment obligations, regulatory minimum amounts and capital needs by distributing the liquidity investments in liquid assets in accordance with the confirmed country and counterparty limits.

Hypo Group's minimum requirement for liquidity management is that it meets the minimum reserve requirement of the central bank, the Liquidity Coverage Ratio (the "**LCR**") -requirement as well as the Net Stable Funding Ratio (the "**NSFR**") -requirement set by the authorities. The LCR requirement was implemented in 2015, pursuant to which the liquidity buffer comprised of high-quality liquid assets must amount to at least 100 per cent of the stress-tested amount of monthly net cash outflows from 1 January 2018. At the end of the three-month period ended on 31 March 2025, Hypo Group's LCR ratio was 142.5 per cent compared to 183.7 per cent at the end of the financial year ended on 31 December 2024 (326.4 per cent on 31 December 2023). The NSFR requirement refers to medium-term liquidity risk and it aims to ensure that a company has an acceptable amount of stable funding to support its assets and activities over a one-year horizon. According to the NSFR requirement the available stable funding must amount to at least 100 per cent of the required stable funding. At the end of the three-month period ended on 31 March 2025, Hypo Group's NSFR ratio was 109.9 per cent compared to 115.1 per cent on 31 December 2024 (112.0 per cent on 31 December 2023).

Hypo Group may incur additional liquidity risk due to bank- or market-specific issues, which include a withdrawal of deposits; and increase in Hypo Group's collateral requirements; an increase in Hypo Group's own funding costs; and a decrease in securities' mark-to-market prices in the liquidity portfolio due to a weakened market environment. Failure to manage liquidity risks may materially increase Hypo Group's funding costs or otherwise have a material adverse effect on Hypo Group's business, results of operations and financial condition and thereby on the Issuer's ability to fulfil its obligations under the Notes.

Hypo Group is exposed to risks relating to the outflow of deposits

Suomen Asuntohypopankki Oy ("**Asuntohypopankki**"), a wholly owned subsidiary of the Issuer, is a deposit bank that offers its customers deposit products and trustee services. At the end of the three-month period ended on 31 March 2025, deposits accounted for 47.9 per cent of Hypo Group's funding compared to 48.0 per cent as at 31 December 2024 (46.9 per cent as at 31 December 2023). Hypo Group's funding totalled EUR 3,230.0 million as at 31 March 2025 compared to EUR 3,230.0 million as at 31 December 2024 (EUR 3,335.0 million as at 31 December 2023). Acting as a deposit bank, Asuntohypopankki also pays deposit guarantee contributions to the Deposit Guarantee Fund managed by the Finnish Financial Stability Authority (in Finnish: *Rahoitusvakausvirasto*, the "**Stability Authority**"). A potential bank run at Asuntohypopankki would mean that especially the share exceeding the deposit guarantee limit of deposits payable on demand by Asuntohypopankki would be withdrawn over a short period of time. Should Hypo Group encounter a significant outflow of deposits, Hypo Group's funding structure would change substantially, and its average cost of funding could increase. Furthermore, this might jeopardise Hypo Group's liquidity, and Hypo Group could be unable to meet its current and future cash flow and collateral needs, both expected and unexpected. The outflow of deposits could have a material adverse effect on Hypo Group's average cost of funding, liquidity position, business, financial condition and results of operations.

Credit ratings assigned to Hypo or to the Notes may not be accurate

The Issuer's credit ratings do not always mirror the risk related to individual Notes under the Programme. A Series of Notes to be issued under the Programme may be rated or unrated. Where a Series of Notes is rated, the applicable rating(s) or, as the case may be, the expected rating, will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating(s) assigned to the Issuer or to Notes already issued. As at the date of this Base Prospectus, the Issuer has long- and short-term issuer credit ratings 'BBB/A-2' with a stable outlook by S&P and Covered Bonds issued under the Programme are rated 'AAA' by S&P. There are no guarantees that such ratings will be assigned or maintained. Any external credit assessment institution may lower its ratings or withdraw the rating if, in the sole judgement of the credit rating agency, the credit quality of the Notes has declined or is questionable. In addition, a credit rating agency may at any time revise its relevant rating methodology resulting in, among other things, any rating previously assigned to the Notes being lowered or withdrawn. If any of the ratings assigned to the Notes is lowered or withdrawn, the market value of the Notes may be reduced. Furthermore, the ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. Accordingly, a credit rating is not a recommendation to buy, sell or hold securities (including the Notes) and may be revised or withdrawn by the rating agency at any time.

One or more external credit assessment institution may also assign credit ratings to the Notes and specifically to the Covered Bonds, which may not necessarily be the same ratings as the Issuer rating described in this Base Prospectus or any rating(s) assigned to other Notes. Such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A security rating is not a recommendation to buy, sell or hold securities or to keep the investment and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In addition, real or anticipated changes in the Issuer's credit ratings generally will affect the market value of the Notes.

Exposure to strategic risks

Hypo Group is exposed to strategic risks which refers to the risk of loss caused by unforeseen changes in Hypo Group's operational environment. Changes may occur due to environmental changes, market fluctuations, actions of the authorities or wrong strategic choices. Possible weakening of Hypo Group's reputation is also considered a strategic risk. Strategic risks may materialise due to macroeconomic shifts affecting the operating environment and therefore, for example, the availability of funding. Additionally, disruptions in the operations of the key information system supplier, increased competition, changes in the regulatory and supervisory environment of credit institutions which are implemented in a short period of time or a decline in public visibility or reputational standing may have a material negative effect on Issuer's operations, financial condition and results of operations.

Operational risks, such as, insufficient or failed processes may have a negative effect on Hypo Group's business and reputation

Hypo Group's operational risk refers to the risk of loss due to insufficient or failed internal processes, employees, information systems or external factors. In addition, operational risks include legal risks. Operational risks also include risks related to information technology and telecommunications that may threaten Hypo's data security, operational continuity, and the reliability of information systems, data protection as part of cybersecurity, and prevention of money laundering and terrorist financing, along with the specific risk management obligations associated with them.

The renewal of Hypo Group's core banking system was initiated in 2019 with successful deployment during 2022 and final post deliveries were implemented during 2024. In this context, Hypo Group's information systems are subject to increasing regulatory attention. For example, the Digital Operational Resilience Act (EU) 2022/2554 (the "**DORA**") entered into force on 16 January 2023 and has been applicable since 17 January 2025. In addition to previous and in some respects overlapping regulation, the DORA sets requirements for Hypo Group to comply with, including, among other things, requirement related to ICT risk management, managing and reporting ICT-related incidents, digital operational resilience testing, risk management and oversight of critical ICT third-party providers and information sharing on cyber threats.

Operational risks, if realised, could lead to impairment or other losses or increased costs or expenses or deterioration in Hypo Group's reputation and its esteems and trustworthiness in the eyes of the public, which might have a material adverse effect on the Issuer's financial condition, results of operations and its ability to make payments under the Notes.

Hypo Group collects and processes personal data as part of its daily business and the leakage of such data could result in fines, loss of reputation and customers

In the ordinary course of operations, Hypo Group collects, stores and uses data that is protected by data protection laws. The protection of customer, employee and company data is critical to the Issuer and it is subject to increasing data security requirements. The EU General Data Protection Regulation (EU 2016/679, the "**GDPR**") entered into force 25 May 2018. The GDPR applies to all processing of personal data, meaning any operation performed upon identifiable information of an individual (data subject) within the EU. In addition, the GDPR applies to the offering of goods and services in the EU and to the monitoring of data subjects' behaviour within the EU, regardless of the location of the company. Breaches of the GDPR could result in fines of up to 20 million euro, or 4 per cent of the worldwide annual revenue, whichever amount is higher.

Although in the view of Hypo's management it has, as of the date of this Base Prospectus, arranged the handling of personal data within its organisation in a manner that fulfils the requirements of data protection legislation in force, it is possible that the personal data systems are misused. Further, Hypo Group may fail to protect personal data in accordance with the privacy requirements provided under applicable laws, and certain customer data may be used inappropriately either intentionally or unintentionally, or leaked as a result of human error or technological failure.

The GDPR may limit Hypo Group's possibility to use customer data for example to develop its service offerings or for other purposes. Violation of data protection laws by Hypo Group or one of its partners or suppliers, or any leakage of customer data may result in fines and reputational harm and could have a material adverse effect on Hypo Group's business, financial condition and results of operations.

Hypo Group could fail to attract or retain senior management or other key employees

Hypo Group's performance is, to a large extent, dependent on the talents and efforts of highly skilled individuals, and the continued ability of Hypo Group to compete effectively and implement its strategy depends on its ability to attract new employees and retain and motivate existing employees. Competition for key employees is intense both from within the financial services industry, including from other financial institutions, as well as from businesses outside the financial services industry. Any loss of key employees, particularly to competitors, or the inability to attract and retain highly skilled personnel in the future, could have a material adverse effect on Hypo Group's business.

Environmental, Social and Governance (ESG) related risks

Climate and environmental risks refer to structural changes in the economy and financial system resulting from climate change and the deterioration of the environment. These risks can be physical or transition risks, arising directly or indirectly from the transition to a low-carbon and environmentally sustainably economy. They can become financial risks to Hypo's business through different channels and impact chains targeting different risk areas. Materiality analysis of climate and environmental risks relevant to Hypo's operations was completed in spring 2024, and preliminary results of the double materiality analysis which are the basis of sustainability reporting have been obtained. Over the coming years, these results will be refined and sustainability goals set, which will then be integrated into the bank's business operations, risk and capital management, principles, guidelines, and reporting.

The geographical concentration of Hypo Group's business in Finland exposes it mainly to local damages caused by extreme weather events, such as heavy rainfall and storms, which may pose a threat to individual collateral properties and the collateral value. Also, Hypo Group's funding is dependent on the behaviour of both domestic and foreign investors. Investor expectations for considering climate and environmental factors, as well as other aspect of sustainability, in business operations are growing. If Hypo Group fails to analyse the impact of climate and environmental risks in its business or fails to meet investor expectations and/or the increasing regulatory and reporting requirements related to sustainability, it could have an adverse effect on Hypo Group's business, financial condition, results of operations and future prospects.

Hypo Group could fail in its sustainability related reporting and managing ESG risks

The EU has made significant efforts in recent years to develop common rules for assessing sustainability. A key regulation in this area is the Taxonomy Regulation, which establishes a unified set of criteria for environmentally sustainable economic activities. The goal is to direct an increasing share of capital flows toward sustainable investments. The classification framework set in the Taxonomy Regulation also serves as the foundation for the EU's Corporate Sustainability Reporting Directive (the "**CSRD**"), which creates common frameworks for sustainability reporting and assessment. However, in February 2025 the European Commission adopted the first packages intended to simplify EU legislation in the field of sustainability and investment ("the **Omnibus packages**"). In April 2025, as part of these packages, the European Council adopted Directive 2025/794/EU (the "**Stop-the-clock Directive**") that postpones by two years the entry into application of the CSRD requirements. Hypo Group will start sustainability reporting in line with the Taxonomy Regulation and CSRD, and will apply the International Financial Reporting Standards ("**IFRS**") sustainability disclosure standards when mandated by EU regulation.

The EU's Capital Requirements Regulation defines ESG risks and imposes reporting and disclosure obligations that banks must comply with in risk management, regulatory reporting, and financial statement disclosures. Generally, the Regulation (EU) 2024/1623 (the "**CRR III**") has been applicable since 1 January 2025, but the application of market risk rules and the Fundamental Review of the Trading Book (FRTB), affecting the calculation of the own funds requirement for market risk, have been postponed by one year to 1 January 2026. Additional requirements for managing ESG risks will also be introduced through the EU's Capital Requirements Directive, as its new requirements are implemented into national legislation by 10 January 2026.

In case Hypo Group would fail to fully comply with the Taxonomy Regulation, CSRD or IFRS sustainability disclosures when applicable, or the requirements set out in CRR III and the Directive (EU) 2024/1619, (the "**CRD VI**") amending the Directive (EU) 2013/36 (as amended) (the "**CRD**"), it could result in administrative sanctions, operational restrictions, enhanced supervision, damage Hypo's reputation, and undermine the confidence of Hypo's customers and other stakeholders. The realisation of above risks could have an adverse effect on Hypo Group's business, financial condition, results of operations and future prospects.

D. Risks related to Financial Position and Financing as well as Regulation risks

Hypo Group may not receive financing at competitive terms or at all and may fail in repaying its existing debt

Uncertainty in the financial market or tightening regulation of banks could mean that the price of financing needed to carry out Hypo Group's business, in particular Hypo Group's growth strategy, will increase and that such financing will be less readily available. The Issuer currently has outstanding notes in the domestic bond market and may issue further notes due to which Hypo Group is exposed to future adverse changes in debt capital markets. Hypo Group's financial profile may also affect its ability to refinance its existing debt, which, in turn, could also affect its competitiveness and limit its ability to react to market conditions and economic downturns. However, there is no assurance that Hypo Group may not have difficulty in raising new debt or in repaying its existing debt. Any failure to repay the principal or pay interest in respect of Hypo Group's existing debt, the inability to refinance existing debt, or to raise new debt at corresponding or more favourable financial and other terms than currently in force, could have a material adverse effect on Hypo Group's business, financial condition, results of operations and future prospects.

The regime under the BRRD directive enables authorities to take a range of actions in relation to financial institutions, which actions or any contemplation thereof may result in Noteholders losing some or all of their investment

The Notes could be subject to the bail-in power and the Tier 2 Notes could be subject to the statutory write-down and conversion power. The determination that all or a part of the principal amount of the Notes will be subject to bail-in, or in the case of Tier 2 Notes, statutory write-down and/or conversion, is likely to be inherently unpredictable and may depend on a number of factors which may be outside of the Hypo Group's control. The application of the bail-in tool with respect to the Notes, or in the case of Tier 2 Notes, exercise of the statutory write-down and/or conversion power, may result in the cancellation of all or a portion of the principal amount of, or interest on, the Notes (however, in the case of Covered Bonds, only to the extent that claims in relation to the Covered Bonds are not met out of the assets comprising the Cover Asset Pool) and/or the conversion of all, or a portion, of the principal amount of, or outstanding amount payable in respect of, or interest on, the Notes (however, in the case of Covered Bonds, only to the extent that claims in relation to the Covered Bonds are not met out of the assets comprising the Cover Asset Pool) into ordinary shares or other common equity tier 1 instruments of the Issuer or another person, including by means of a variation to the terms of the Notes to give effect to such application of the bail-in tool and/or the statutory write-down and/or conversion power (as the case may be). Accordingly, potential investors in the Notes should consider the risk that the bail-in tool and/or the statutory write-down and/or conversion power (as the case may be) may be applied in such a manner as to result in holders of the Notes losing all or a part of the value of their investment in the Notes or receiving a different security than the Notes, which may be worth significantly less than the Notes and which may have significantly fewer protections than those typically afforded to debt securities. Moreover, the resolution authority may exercise its authority to apply the bail-in tool and/or the statutory write-down and/or conversion power (as the case may be) without providing any advance notice to the holders of the Notes. Holders of the Notes may also have limited or no rights to challenge any decision of the resolution authority to exercise the bail-in power and/or the statutory write-down and/or conversion power (as the case may be) or to have that decision reviewed by a judicial or administrative process or otherwise.

Any Tier 2 Notes determined as Green Bonds will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments and will be subject to the bail-in tool and to write down and conversion powers and, in general, to the powers that may be exercised by the resolution authority, to the same extent and with the same ranking as any other equivalent Notes which are not determined as Green Bonds. Furthermore, the proceeds of issue of any Tier 2 Notes will be fully available to cover any and all losses arising on the balance sheet of the Issuer regardless of their "green", "environmental", "sustainable" or other similar label and of whether the losses stem "green", "environmental", "sustainable" assets or other assets of the Issuer without any such label.

The bail-in power contains a specific safeguard ("**NCWOL**") with the aim that shareholders and creditors do not receive a less favourable treatment than they would have received in ordinary insolvency proceedings. However, even in circumstances where a claim for compensation is established under the NCWOL safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by the Noteholders in the resolution and there can be no assurances that Noteholders would recover such compensation promptly.

In addition to the bail-in power and the statutory write-down and conversion power, the BRRD provides resolution authorities with broader powers to implement other resolution measures with respect to distressed banks, which may include (without limitation): (i) directing the sale of the bank or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transferring all or part of the business of the bank to a 'bridge institution' (a publicly controlled entity), (iii) transferring all or part of the assets of the bank, including impaired or problem assets, to an asset management vehicle to allow them to be managed and worked out over time, (iv) replacing or substituting the bank as obligor in respect of debt instruments, (v) modifying the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), and/or (vi) discontinuing the listing and admission to trading of financial instruments. The resolution authorities will likely allow the use of financial public support only as a last resort after having assessed and exploited, to the maximum extent practicable, the resolution tools, including the bail-in tool and/or the statutory write-down and/or conversion powers.

Despite the fact that the Stability Authority considers that Hypo Group would not be subject to resolution measures and that the Stability Authority has on 28 November 2024 deemed that Hypo Group could be declared bankrupt, or its operations wound down in normal insolvency proceedings, there is no guarantee that the Stability Authority would not re-assess its analysis on critical functions and financial stability so that it would implement resolution measures for Hypo Group in the future. The exercise of any actions contemplated in the BRRD or any suggestion of such exercise will likely materially adversely affect the price or value of an investment in Notes and/or the ability of the Issuer to satisfy its obligations under such Notes and could lead to the holders of the Notes losing some or all of their investment in the Notes (however, in the case of Covered Bonds, only to the extent that claims in relation to the Covered Bonds are not met out of the assets comprising the Cover Asset Pool).

Minimum requirement for own funds and eligible liabilities

Items eligible for inclusion in minimum requirement for own funds and eligible liabilities ("**MREL**") include institution's own funds (within the meaning of CRD V), along with "Eligible Liabilities", meaning liabilities which inter alia, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year), and do not arise from derivatives. The MREL requirement may also have to be met partially through the issuance of contractual bail-in instruments, being instruments that are effectively subordinated to other eligible liabilities in a bail-in or insolvency of the relevant institution.

The Stability Authority made a decision on 25 April 2023 of setting a minimum requirement of own funds and eligible liabilities for the Issuer consisting of the loss absorption amount (LAA) set out in Chapter 8, Section 7, Subsection 2, Paragraph 1 of the Resolution Act. The requirement is based on the Banking Reform Package (as defined in section "*Regulatory Environment – Resolution Laws*"), which amended the provisions of the BRRD and the SRM Regulation. On 27 November 2024, the Finnish Act on Credit Institutions (Laki luottolaitosten ja sijoituspalveluyritysten kriisinratkaisusta 1194/2014, as amended) (the "**Resolution Act**") was amended so that the Stability Authority is no longer required to impose an MREL requirement to institutions that according to the resolution plan would be placed into liquidation or bankruptcy, or that is not an entity subject to resolution and to which the write-down and conversion powers would not be applied in the resolution plan of the group subject to resolution. However, the Stability Authority may set an MREL requirement for forementioned institutions if it deems it justified taking into account the potential adverse effects of the institution's failure on financial stability, other institutions or the financial system, and the deposit guarantee fund. Following the legislative change on 28 November 2024, the Stability Authority repealed its decision to set a minimum requirement of own funds and eligible liabilities for the Issuer and, as at the date of this Base Prospectus, no MREL requirement applies to the Issuer.

The applicable regulations in respect of the MREL requirement may be revised or the Stability Authority may revise its interpretations of the applicable regulations or its decision on the Hypo Group's MREL requirement so that an MREL requirement is set for the Issuer. If an MREL requirement would be set for Hypo Group, it could increase Hypo Group's dependence on market-based funding and/or if Hypo Group were to experience difficulties in raising MREL eligible liabilities, it may have to reduce its lending or investments in other business operations.

Hypo Group's business performance could be affected if its capital adequacy ratios are reduced or perceived to be inadequate

Hypo Group is required to maintain certain capital adequacy ratios pursuant to European and Finnish legislation. As of 1 January 2015, the capital requirements included a 2.5 per cent capital conservation buffer of Common Equity Tier 1 as provided in the Act on Credit Institutions. The FIN-FSA is also authorised to set a countercyclical buffer of zero to 2.5 per cent based on macroprudential analysis, although it has not imposed such buffer so far. The regulator, debt and equity investors, analysts and other market professionals may, nevertheless, require higher capital buffers than those required under current or proposed future regulations due to, among other things, the continued general uncertainty involving the financial services industry and the concerns over global and local economic conditions. Any such market perception, or any concern regarding compliance with future capital adequacy requirements, could increase Hypo Group's borrowing costs or limit its access to capital markets, which could have a material adverse effect on its results of operations, financial condition and liquidity. If Hypo Group were to experience an unexpected reduction in its capital adequacy ratios, and could not raise further capital, it would have to reduce its lending or investments in other operations.

In the beginning of 2018, the Act on Credit Institutions was updated to include a new macroprudential measure, Systemic Risk Buffer ("**SyRB**"). The FIN-FSA may impose measures or requirements under the SyRB on the basis of the structural characteristics of the financial system. On 6 April 2020, the FIN-FSA announced that the board of the FIN-FSA decided to remove the systemic risk buffer requirement, which previously was additional capital requirement of 1.0 per cent for the Issuer. The decision entered into force immediately. The aim of the FIN-FSA's decision was to mitigate the negative effects of the Covid-19 on the stability of financial markets and on credit institutions' ability to finance the economy. On 27 June 2022, the FIN-FSA reconfirmed that credit institutions will not be subject to a systemic buffer requirement due to the impacts of, inter alia, Russia's war in Ukraine. However, on 30 March 2023, the FIN-FSA announced that the board of the FIN-FSA decided on 29 March 2023 to impose a requirement on credit institutions to maintain a systemic risk buffer amounting to 1.0 per cent. The decision applies also to Hypo Group and entered into force on 1 April 2024. If capital or other prudential requirements are tightened in the future, it may adversely affect the Issuer. The FIN-FSA or the Stability Authority, as applicable, may also restrict the Issuer's ability to make "discretionary payments" if capital requirements and/or the minimum requirement for own funds and eligible liabilities have not been met. If such restrictions are imposed, this could have an adverse impact on the Issuer's ability to raise, and the cost of, any form of capital or funding.

On 24 August 2022 the FIN-FSA set Hypo Group a discretionary additional capital requirement of 0.75 per cent (Pillar 2 requirement) so that at least three quarters must be Tier 1 capital (T1), of which at least three quarters must be CET1 capital. The new requirement took effect on 31 December 2022 and remains in force until further notice, however not longer than until 31 December 2025. On 23 May 2025, the FIN-FSA set a new discretionary additional capital requirement of 1.25 percent for Hypo Group, which will take effect on 31 December 2025 and remain valid until 31 December 2028 at the latest. The current discretionary additional capital requirement of 0.75 percent remains in force until 31 December 2025, as outlined above. On 23 October 2023 the FIN-FSA set an indicative additional capital recommendation of 0.75 per cent of total risk. The indicative additional capital recommendation should be covered with CET1 capital as stated in the Act on Credit Institutions Chapter 11, Section 6c, Subsection 1. The recommendation entered into force on 31 March 2024 and is in force until further notice.

Under the CRR, financial institutions are mandated to maintain a minimum total capital ratio of 8%. This ratio is a critical measure of a bank's financial strength and stability, calculated as the proportion of total capital (comprising Tier 1 and Tier 2 capital) to risk-weighted assets. At the end of the three-month period ended on 31 March 2025, Hypo's total capital ratio was 21.5 per cent compared to 14.3 per cent on 31 December 2024 (14.2 per cent on 31 December 2023).

The imbalance between the maturity of receivables and the maturity of liabilities may increase the refinancing costs and have a material adverse effect on Hypo Group's liquidity

Refinancing risk – caused by the maturity imbalance between receivables and liabilities on the balance sheet – is the risk of an increase in the refinancing costs. Repayments of certain funding agreements are linked to changes in the corresponding portion of the lending portfolio in which case no maturity imbalance arises with regard to the balance sheet items in question. Premature repayment of loans in relation to the original repayment plans of mortgage loan customers causes the imbalance between receivables and liabilities on the balance sheet to be slighter in reality than when the loans were granted. Any imbalance between the maturity of receivable and the maturity of liabilities may increase the refinancing costs and have a material adverse effect on Hypo Group's liquidity.

Hypo Group is exposed to market risk

The market risk refers to the risk of loss arising from the fluctuation of market prices. The subtypes of market risk are interest rate, economic value, credit spread, currency, stock and commodity risk. Market risk also includes the possibility of loss caused by changes in various risk factors (e.g. volatility or correlation). A change in the market value of interest-bearing contracts related to Hypo Group's business operations may result from a change in the general interest rate level, a change in the credit risk related to the counterparty, limited supply of an instrument on the market (lack of liquidity) or a combination of these. Future valuations of the assets for which Hypo Group has already recorded or estimated write-downs, which will reflect the then-prevailing market conditions, may result in significant changes in the fair values of these assets. Further, the value of certain financial instruments held by Hypo Group, such as debt securities and interest rate derivatives, are recorded at fair value, which is determined by using market prices from active capital markets that are inherently uncertain and which may change over time or may ultimately be inaccurate. Any of these factors could require Hypo Group to recognise further write-downs or realise impairment charges, which may have a material adverse effect on Hypo Group's business, financial condition and results of operations.

Fluctuations in interest rates may adversely affect Hypo Group's financial position

Interest rate risk refers to a decreasing effect in the annual net interest income (net interest income risk) and the economic value of interest rate-sensitive balance sheet items (economic value risk) caused by variation in the amounts, reference rates and interest rate fixing dates of interest-bearing receivables and liabilities.

The net interest income risk and economic value risk are measured by calculating the impact of, for example, a parallel interest rate shift of one (1) percentage points on Hypo Group's net interest income over one year or in interest rates on the economic value of interest rate-sensitive balance sheet items, respectively.

Hypo Group is exposed to interest rate risk, which can have an adverse effect in its net interest income and the economic value of its interest-sensitive balance sheet items. Increased sensitivity to interest rate fluctuations could cause volatility in the Group's net interest income, negatively affecting profitability. A mismatch between interest-sensitive assets and liabilities could result in a decline in the economic value of Hypo Group's balance sheet items. A decrease in the market value of interest-rate derivatives during their term could reduce the Issuer's own funds and comprehensive income until the hedging instrument is recognised through profit or loss. Additionally, a decrease in the market value of interest rate derivatives would be reflected in the income statement, potentially leading to lower reported earnings. Additionally, ineffective use of derivatives for hedging interest rate risks could result in inadequate protection against interest rate fluctuations, leading to increased exposure and potential financial losses. Realisation of interest rate risk, despite of derivative contracts or other management methods in use, might have an adverse effect on Hypo Group's financial position.

Risks related to ownership of housing units and residential land

The book value of the housing units and residential land, excluding premises in Hypo Group's own use, was about EUR 78.6 million as per 31 March 2025 and EUR 76.7 million as per 31 December 2024 (EUR 57.3 million as per 31 December 2023). Hypo Group's residential land holdings and shares in housing companies are exposed to impairment, return and damage risks as well as risks related to the concentration of ownership.

Impairment risk

Hypo Group makes long-term investments in housing and residential land holdings, which consist of lease-out sites. Most of these sites are distributed across Finland's largest growth centers, mainly in the Helsinki Metropolitan Area, and sites located abroad are not acquired. The value of housing units and residential land on the balance sheet corresponds to the actual value of the investments or the value that will at least be obtained for them when sold. The fair value of housing unit holdings is verified annually by making use of statistics and the certified housing property expertise of Hypo's employees and, whenever necessary, with the help of an external appraisal.

Hypo Group makes use of its balance sheet by offering diverse housing solutions for its customers. Sales and acquisitions of sites are always adjusted to the prevailing market situation, and Hypo Group strives to avoid selling at a loss. The impairment risk is materialised if the fair value of residential land or shares in housing companies permanently decreases below the acquisition price. The impairment risk may also materialise when a site is sold. If the fair value of residential land or shares in housing companies permanently decreases below acquisition price, or if a site is sold at a loss, this could have an adverse effect on the Issuer's financial condition and results of operations.

Return risk and risk of damage

Return risks refer to decreases in the returns on holdings. The return risk is materialised if the occupancy rate of sites decreases or the level of returns generally decreases on the rental market. Housing units and land may also be affected by other kinds of losses which decrease their value and thereby may cause losses to Hypo Group.

Concentration of location of secured properties may adversely affect Hypo Group's business

Hypo Group's housing and residential land investments are distributed across several sites in growth centres. Despite of that, there are few concentrations of holdings at individual sites.

The value of residential property collateral of the mortgage loans granted by the Issuer may decline rapidly in the event of a general downturn in the value of property in Finland. Such downturn may hence have a material adverse effect on the Issuer's financial condition, results of operations and ability to make payment under the Notes (for more information on the risk on decline of value of residential property collaterals, see risk factor "*Hypo Group is exposed to declining values on the housing and residential property collateral supporting residential lending, which is by far the most important form of collateral in Hypo Group's lending*").

Hypo Group is exposed to regulation and oversight risks

Hypo Group operates within a highly regulated industry and its activities are subject to extensive supervisory and regulatory regimes including, in particular, regulation in Finland and in the European Union. Hypo Group must meet the requirements set forth in the regulations regarding, inter alia, minimum capital and capital adequacy, reporting with respect to financial information and financial condition, marketing and selling practices, advertising, terms of business and permitted investments and liabilities. In addition, certain decisions made by Hypo Group may require approval or notification to the relevant authorities in advance.

On 16 April 2019 the European Parliament made legislative resolutions on a directive amending the CRD IV (Directive (EU) 2019/878, the "**CRD V**"), a regulation amending the CRR (Regulation (EU) 2019/876, the "**CRR II**"), a regulation amending the regulation (EU) No 806/2014 (the "**SRM Regulation**") and a directive amending the BRRD (the BRRD as amended, the "**BRRD II**", and all proposals together the "**Banking Reform Package**"). The Banking Reform Package includes, for example, a leverage ratio requirement for all institutions, a new market risk framework for reporting purposes and a new moratorium power for the resolution authority. Most of the new rules have applied since mid-2021.

On 27 October 2021, the European Commission adopted a review of EU banking rules, i.e. the European Commission's Banking Package by which the final elements of the Basel III framework (i.e., credit valuation adjustment (CVA), output floor, credit risk, market risk and operational risk) (the "**Basel IV**") will be implemented into EU law. The Basel IV package was published in the Official Journal of the European Union on 19 June 2024. The Basel IV sets a minimum leverage ratio buffer for large and systemically important institutions, and introduces changes in other key areas such as fit and proper assessments, third country branches and environmental, social and governance risks (ESG). The Basel IV package also encompasses the implementation of directive amending the CRD, the **CRD VI**, a regulation amending the CRR, the CRR III, and a separate regulation to amend the CRR in the area of resolution (Regulation (EU) 2022/2036, the so-called "daisy chain" regulation). Both CRD VI and CRR III came into force on 9 July 2024. CRR III has been generally applicable from 1 January 2025. CRD VI must be transposed into national law by Member States by 10 January 2026. In general, it will be applicable from 11 January 2026 apart from provisions on third country branches being applicable one year later, from 11 January 2027. As part of Basel IV package, the European Banking Authority has received mandates to develop new regulatory products such as Implementing/Regulatory Technical Standards (ITS/RTS) and guidelines. For more information, see *"Regulatory Environment – Single Supervisory Mechanism"* and *"Regulatory Environment – Capital Requirements and Standards"*.

Other areas where regulatory changes could have an impact include, *inter alia*:

- changes in the monetary economy, the interest rate and the policies of central banks or regulatory authorities;
- general changes in government policy or regulatory policy which may have a material impact on investor decisions in specific markets in which Hypo Group operates;
- changes in the maximum loan-to-value ratio for housing loans (loan cap);
- changes in the competitive environment and pricing; and

- changes in the financial statements framework.

Hypo Group faces the risk that regulators may find it has failed to comply with applicable regulations or has not undertaken corrective actions as required. It is not possible to predict all the potential impacts of regulatory changes may have on the business of credit institutions. Regulatory changes may increase costs related to governance and information technology as well as slow the market launch of special product and service packages and therefore affect the competitiveness of Hypo Group. Regulatory proceedings could result in adverse publicity for, or negative perceptions regarding Hypo Group, as well as diverting management's attention away from the day-to-day management of the business. A significant regulatory action against Hypo Group could have a material adverse effect on its business, its results of operations and/or financial condition. This may affect the ability of the Issuer to meet its obligations under the Notes.

Any of the risks detailed above, if realised, could have a material adverse effect on refinancing opportunities, capital adequacy, business operations, financial standing, business results, prospects and payment capabilities of the Issuer.

Risks associated with abuse of the financial system

In global terms, the risk that banks may become the subject of or be exploited for the purposes of money laundering or the financing of terrorism has increased. The risk of future incidents involving money laundering or financing of terrorism is always in the background for financial institutions. In addition, financial institutions, such as Hypo Group, are subject to various legal regimes and requirements that concern trade regulation and sanctions adherence. After Russia's invasion of Ukraine, international sanctions have expanded rapidly and repeatedly, sometimes with very short lead times. At the date of this Base Prospectus, Hypo Group observes the sanctions regimes of Finland, the European Union, the United Kingdom, the United Nations and the Office of Foreign Assets Control (OFAC) of the United States. Any breach of trade regulations or sanctions regimes, or rules that aim to prevent the illegal exploitation of the financial system or even the suspicion of such infringements could have grave legal consequences for the Hypo Group and/or its reputation, or result in significant penalty payments, or jeopardise Hypo Group's access to capital markets or international payment systems which, in turn, could have a significant adverse effect on the Issuer's business operations, its performance or its financial position.

E. Risks related to the Notes

Modification of the General Terms and Conditions and/or the Final Terms of the Notes bind all Noteholders

Provisions regarding Noteholders' meetings are included in the General Terms and Conditions. A meeting may be summoned in order to discuss matters concerning the benefits of the Noteholders. Noteholders with a qualified majority described in the General Terms and Conditions are able to make decisions that affect all Noteholders regardless of whether a Noteholder was present at the meeting, participated in the voting or voted against the majority. Modifications of the General Terms and Conditions and other resolutions made at the Noteholders' Meetings may not be in all Noteholders' interest.

No security is given in respect of the Senior Preferred Notes or the Tier 2 Notes

There is no security on the Senior Preferred Notes or the Tier 2 Notes. In the event of insolvency of Hypo, the Senior Preferred Notes rank *pari passu* with other unsecured and unsubordinated obligations of Hypo in respect of Hypo's remaining assets. In the event of insolvency of Hypo, and due to the fact that no security on the Senior Preferred Notes and the Tier 2 Notes is given, the investor may lose the invested principal and/or the interest either partly or wholly.

The reset of the interest rate of Reset Notes could affect their market value

Reset Notes will initially bear interest at the Initial Rate of Interest until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the First Reset Rate of Interest or Subsequent Reset Rate of Interest (as applicable) as determined by the Calculation Agent on the relevant Reset Determination Date (each as determined in the relevant Final Terms). The First Reset Rate of Interest or the Subsequent Reset Rate of Interest for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Reset Notes.

An optional early redemption feature of the Notes is likely to limit their market value

If the Final Terms specifies that the Notes are redeemable at the Issuer's option, the Issuer may choose to redeem the Notes pursuant to Condition 4.3 (*Redemption at the option of the Issuer (Issuer Call)*) at times when prevailing interest rates may be relatively low. At those times, a Noteholder generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the relevant Notes being redeemed and may only be able to do so at a significantly lower rate. In addition to a redemption pursuant to Condition 4.3 (*Redemption at the option of the Issuer (Issuer Call)*), any Tier 2 Notes may be redeemed prior to their stated maturity in certain circumstances. See "*The Tier 2 Notes may be redeemed prior to maturity due to a Capital Event or a Tax Event*".

The value of the Notes may be adversely affected by movements in market interest rates

Investing in fixed-interest Notes involves a risk that subsequent changes in the market interest rates may decrease the market value of the Notes.

Risks related to floating interest rate Notes (should such an instrument be issued by the Issuer) involves a risk that subsequent changes in the market interest rates may decrease the market value of the Notes until the date of the ongoing interest period in question.

Active secondary market for the Notes may not develop

An application for listing of the Notes on the Helsinki Stock Exchange may be made in case such listing has been provided for in the Final Terms of such Tranche of Notes and the amount of the subscribed Notes in such Series of Notes is at least 200,000 euros. However, a daily secondary market for the Notes is not necessarily formed during the term of the Notes. Selling of a Note prior to its due date may result in capital gains or loss. This may result from changes in the interest level or low supply of the Notes on the secondary market (lack of liquidity) or a combination of such factors.

The assets comprising the Cover Asset Pool do not form part of the general assets of the Issuer that would be available to holders of Senior Preferred Notes or Tier 2 Notes in the case of bankruptcy or liquidation of the Issuer

In the event of a liquidation or bankruptcy of the Issuer, the holders of Covered Bonds (along with counterparties to related Derivative Transactions and creditors of management and settlement costs and, with immediate lower priority, providers of Bankruptcy Liquidity Loans) have the benefit of priority (fully or up to a certain portion) of the assets in the relevant Cover Asset Pool (See risk factor "*The Cover Asset Pool may not fully cover all claims of the holders of Covered Bonds*" below). In the event of a liquidation or bankruptcy of the Issuer, the holders of MCBA Covered Bonds (along with counterparties to related derivative transactions and providers of bankruptcy liquidity loans) have the benefit of priority (fully or up to a certain portion) of the assets in the relevant Cover Asset Pool. Holders of Senior Preferred Notes and Tier 2 Notes do not have the same benefit. In the bankruptcy or liquidation of the Issuer, holders of Senior Preferred Notes and Tier 2 Notes will therefore be subordinated in right of payment to holders of Covered Bonds or MCBA Covered Bonds.

In respect of any Notes issued with a specific use of proceeds, such as a Green Bond, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the proceeds from an offer of those Notes specifically for financing or re-financing housing company mortgages used for investments that promote climate-friendly housing solutions, such as increased energy efficiency investments in commercial and residential buildings ("**Green Mortgage Projects**" and thereto related Notes, "**Green Bonds**") (see also "*Use of Proceeds*").

No assurance can be given by the Issuer, the Arranger, any Lead Manager or any other person that any projects or uses the subject of, or related to, any Green Mortgage Projects will meet or continue to meet on an ongoing basis any or all investor expectations regarding such "green", "sustainable", "social" or other similar labels including those set out in Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment. Any Green Bonds also will not constitute EU Green Bonds in accordance with Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds. The classification of the Tier 2 Notes as "green", "environmental", "sustainable" does not affect the status of such Notes in terms of subordination, loss absorbency features and regulatory classification as own funds or eligible liabilities instruments. Furthermore, the payments of principal amount of, or interest on Tier 2 Notes considered as Green Bonds will not depend on the performance or the completion of Green Mortgage Projects.

In the event that any such Notes are listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), it is uncertain that, whether in whole or in part, such listing or admission satisfies any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Mortgage Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given by the Issuer, the Arranger, any Lead Manager or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply the proceeds of any Notes so specified for Green Mortgage Projects in, or substantially in, the manner described in the relevant Final Terms, it is uncertain whether the relevant project(s) or use(s) the subject of, or related to, any Green Mortgage Projects will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such Green Mortgage Projects. It is also uncertain whether such Green Mortgage Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default or an enforcement event under the Notes. In addition, a failure by the Issuer to provide or publish any reporting, any (impact) assessment or to obtain any (third) opinion, certification or label will not constitute an Event of Default or an enforcement event under the Notes.

Any such event or failure to apply the proceeds of any issue of Notes for any Green Mortgage Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Green Mortgage Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

The regulation, reform and discontinuation of “benchmarks” may adversely affect the value of the Notes linked to such “benchmarks”

The Euro Interbank Offered Rate (“**EURIBOR**”) and other rates and indices which are deemed to be “benchmarks” are the subject of EU, international and other regulatory guidance and proposals for reform, including the Benchmarks Regulation (see “*Regulatory environment – Benchmarks regulation*”). Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently from the past or disappear entirely or have other consequences that cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a “benchmark”.

Any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements.

Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to such “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmarks” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international, national or other proposals for reform or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to a “benchmark”.

The Issuer has no gross-up obligation under the Notes

The Issuer has no obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of any Notes. Accordingly, if any such withholding or deduction were to apply to any payments of principal or interest under any Notes, such Noteholders would, upon repayment or redemption of such Notes or payment of interest, be entitled to receive only the net amount of such redemption, repayment or interest proceeds after deduction of the amount required to be withheld. Therefore, Noteholders may receive less than the full amount due under such Notes, and the market value of such Notes may be adversely affected as a result.

The Notes do not contain covenants on the Issuer's financial standing or operations and do not limit the Issuer's ability to merge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders

The General Terms and Conditions do not contain any covenants concerning the Issuer's financial standing or operations, which grant the Noteholders the right of repayment (or demand repayment) of the Notes. The General Terms and Conditions do not restrict the Issuer's ability to enter into a merger as a receiving entity, partial demerger, asset sale or other significant transaction that could materially alter the Issuer's existence, legal structure of organization or regulatory regime and/or its composition and business. If the Issuer was to enter into such a transaction, Noteholders could be negatively impacted.

F. Risks related to the Tier 2 Notes

Enforcement events in relation to Tier 2 Notes are severely limited

Enforcement events in respect of the Tier 2 Notes are set out in Condition 13.2 (*Enforcement events relating to Tier 2 Notes*) of the General Terms and Conditions. If an enforcement event in respect of a Tier 2 Note has occurred in accordance with Condition 13.2 (*Enforcement events relating to Tier 2 Notes*), any holder of such a Tier 2 Note may, to the extent permitted by applicable law, institute such steps, including the obtaining of a judgement against the Issuer for any amount due in respect of the relevant Tier 2 Note, as it thinks desirable with a view to having the Issuer put into liquidation (in Finnish: *selvitystila*) (except for the purpose of a merger, reconstruction or amalgamation under which any continuing entity effectively assumes the entire obligations of the Issuer under the Notes) or have the Issuer declared bankrupt (in Finnish: *konkurssi*) but not otherwise and, consequently, if an enforcement event in respect of the Tier 2 Notes occurs pursuant to Condition 13.2 (*Enforcement events relating to Tier 2 Notes*), the Issuer shall only be required to make such payment after it has been declared bankrupt or put into liquidation.

Tier 2 Notes have a lower priority in relation to other debts of the Issuer

In the event of liquidation or bankruptcy of the Issuer, the rights and claims (if any) of the Noteholders to payments of the outstanding principal amount and any other amounts in respect of the Tier 2 Notes (including any accrued and unpaid interest amount or damages awarded for breach of any obligations under these General Terms and Conditions, if any are payable) shall (i) be subordinated to the claims of all senior creditors of the Issuer; (ii) rank at least pari passu with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms, are expressed to rank pari passu with the Tier 2 Notes; and (iii) rank senior to any common equity tier 1 instruments and any obligations of the Issuer ranking, or expressed to rank, junior to the Tier 2 Notes of the Issuer, subject, in all cases, to mandatory provisions of Finnish law, including but not limited to the Finnish implementation of Article 48(7) of the BRRD in item 6 of Chapter 1, Section 4a, Subsection 1 of the Finnish Act on Credit Institutions to the effect that claims resulting from items qualifying (whether in whole or in part) as own funds of the Issuer have lower priority ranking than any claim that results from an item which does not qualify (whether in whole or in part) as own funds of the Issuer. Further, the Tier 2 Notes are intended to be "tier 2 instruments" referred to in Article 63 of CRR, which are available to count towards the capital requirements applicable to the Issuer provided that the requirements set out in the CRR are fulfilled. The investor may lose part of or the entire invested amount.

If the European Commission's CMDI Proposal is adopted, the Senior Preferred Notes would rank junior to all depositors of Hypo Group

Holders of Senior Preferred Notes currently rank *pari passu* with depositors of the Hypo Group, mainly Asuntohypopankki, (other than in respect of preferred and covered deposits). If the CMDI Proposal (as defined below) is implemented as proposed, one element of the CMDI Proposal would mean that Senior Preferred Notes will no longer rank pari passu with any deposits of Hypo Group; instead, the Senior Preferred Notes would rank junior in right of payment to the claims of all depositors. As such, the CMDI Proposal presents an increased risk of an investor in Senior Preferred Notes losing all or some of their investment in the event of winding-up, insolvency, or bankruptcy, where there are sufficient assets to enable the Issuer to pay the claims of the depositors and other more senior-ranking creditors in full but insufficient assets to enable the Issuer to pay claims arising under its obligations in respect of the Senior Preferred Notes and all other claims that rank pari passu with the Senior Preferred Notes. The CMDI Proposal, if implemented, may also lead to a rating downgrade for Senior Preferred Notes.

The Issuer is not prohibited from issuing further debt, which may rank pari passu with or senior to the Tier 2 Notes

There is no restriction on the amount of debt that the Issuer may issue that ranks senior to the Tier 2 Notes or on the amount of securities that it may issue that rank *pari passu* with the Tier 2 Notes. The issue of any such debt or securities may reduce the amount recoverable by Noteholders in the event of voluntary or involuntary liquidation or bankruptcy of the Issuer.

The Tier 2 Notes may be redeemed prior to maturity due to a Capital Event or a Tax Event

The Tier 2 Notes contain provisions entitling the Issuer to redeem such Notes at any time if a Capital Event (as defined in Condition 4.4) or a Tax Event (as defined in Condition 4.5) occurs. Any such early redemption is subject to the conditions set out in Condition 4.6 (*Conditions to Redemption and Repurchase*). It is not possible to predict whether or not any further change in the applicable laws or regulations or the application or interpretation thereof, or any of the other events referred to above, will occur and so lead to the circumstances in which the Issuer is able to elect to redeem the Tier 2 Notes and if so whether or not the Issuer will elect to exercise such option to redeem such Notes or, in the case where any prior permission of the FIN-FSA or the Stability Authority, as applicable, for such redemption is required, whether such permission will be given. There can be no assurances that, in the event of any such early redemption, the Noteholders will be able to reinvest the proceeds at a rate that is equal to the return on the Tier 2 Notes. See also "*An optional early redemption feature of the Notes is likely to limit their market value*".

Early redemption features are also likely to limit the market value of the Tier 2 Notes. During any period when the Issuer can redeem such Notes, or during which there is an actual or perceived increased likelihood that the Issuer may elect to redeem such Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period if the market believes that the Notes may become eligible for redemption in the near term. The Issuer may elect to redeem any Notes (if it is entitled pursuant to the relevant terms and conditions) when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Call options may not be exercised

Tier 2 Notes may contain provisions allowing the Issuer to call them after a minimum period of, for example, five years. To exercise such a call option the Issuer must obtain the prior consent of the FIN-FSA in the case of Tier 2 Notes. Holders of such Notes have no rights to call for the redemption of such Notes and should not invest in such Notes in the expectation that such a call will be exercised by the Issuer. Even if the Issuer is given prior consent by the FIN-FSA in the case of Tier 2 Notes, any decision by the Issuer as to whether it will exercise calls in respect of such Notes will be taken at the absolute discretion of the Issuer with regard to factors such as the economic impact of exercising such calls, regulatory capital requirements and prevailing market conditions. Holders of such Notes should be aware that they may be required to bear the financial risks of an investment in such Notes for a period of time in excess of the minimum period.

The Issuer could, in certain circumstances, substitute or vary the terms of the Tier 2 Notes

To the extent that any Series of Notes contains provisions relating to the substitution or variation of the Notes, in certain circumstances, such as if a Capital Event or a Tax Event has occurred and is continuing, or in order to ensure the effectiveness of Condition 15 (*Acknowledgement of loss absorption powers*), the Issuer may, in accordance with Applicable Banking Regulations and without the consent or approval of the Noteholders, substitute the Tier 2 Notes or vary the terms and conditions of the Tier 2 Notes in order to ensure such substituted or varied Tier 2 Notes continue to qualify as, or, as applicable, become tier 2 capital or in order to ensure the effectiveness of Condition 15 (*Acknowledgement of loss absorption powers*). While the Issuer cannot make changes to the terms of the Tier 2 Notes that are materially less favourable to a Noteholder of such Tier 2 Notes (save to the extent that such prejudice is solely attributable to the effectiveness and enforceability of Condition 15 (*Acknowledgement of loss absorption powers*)), there can be no assurances as to whether any of these changes will negatively affect any particular Noteholder. In addition, there is no certainty to the tax consequences of such substitution or variation. Substitution or variation could impose negative tax consequences to a Noteholder.

G. Risks related to the Covered Bonds

The Cover Asset Pool may not fully cover all claims of the holders of Covered Bonds

Any covered bonds of the Issuer are issued as covered notes (in Finnish: *katetut joukkolainat.*) The Covered Bonds are governed by the CBA.

Under the CBA noteholders of a covered bond are given a statutory priority in the liquidation or bankruptcy of the issuer in relation to the assets entered into the register of covered bonds that the issuer is required to maintain in respect of the covered bonds (the "**Register**"). In calculating the total value of the Cover Asset Pool, the following limitations apply under the CBA: 1) at most 80 per cent of the underlying value of the shares or the real estate securing each Housing Loan; and 2) the principal of other receivables in the Cover Asset Pool.

Notwithstanding that the Issuer has entered into liquidation or bankruptcy proceedings, Noteholders have the right to receive payment before all other claims against the Issuer out of the proceeds of the Cover Asset Pool covering the Covered Bonds. To the extent that claims of the Noteholders in respect of the Covered Bonds are not met out of the Cover Asset Pool, the residual claims of the Noteholders will rank pari passu with the unsecured and unsubordinated obligations of the Issuer. Noteholders will not have any preferential right to the Issuer's assets other than those entered into the Register and/or Cover Asset Pool as collateral in respect of the Covered Bonds. Under Section 44 of the CBA, providers of liquidity loans and Bankruptcy Liquidity Loans have a right to receive payment after the receivables specified in Section 20 of the CBA, i.e. principal and interest of the Covered Bonds, obligations deriving from Derivative Transactions related to the Covered Bonds as well as administration and liquidation costs, and before the remaining counterparties.

The funds accruing from the assets entered in the Cover Asset Pool of the Covered Bonds after the commencement of liquidation or bankruptcy proceedings are entered into the Register and/or Cover Asset Pool as collateral until the Noteholders, counterparties to Derivative Transactions, creditors of management and settlement costs and providers of Bankruptcy Liquidity Loans are repaid in accordance with the terms and conditions thereof. Such provision of the CBA shall also be applied to the funds accrued to the Issuer after the commencement of the liquidation or bankruptcy proceedings on the basis of derivative transactions entered into the Register in respect of the Covered Bonds or assets entered into the Register as collateral in respect of the Covered Bonds.

The Covered Bonds and any MCBA Covered Bonds may have different priority due to the differences between the CBA and MCBA

The Issuer has issued MCBA Covered Bonds in accordance with the MCBA. For this purpose, the Issuer has, at the date of this Base Prospectus, two different cover asset pools – one in accordance with the CBA and one in accordance with the MCBA – due to the differences between the laws. The Cover Asset Pool under the CBA does not operate as a cover asset pool for the MCBA Covered Bonds and the cover asset pool under the MCBA does not operate as a cover asset pool for the Covered Bonds. The MCBA Covered Bonds under the MCBA and the Covered Bonds under the CBA are treated differently in respect of their priority, liquidity requirements and the extension of maturity depending on the applicable legislation. The co-existence of two sets of covered notes and two cover asset pools that are subject to differing regulatory treatment may increase ambiguity for investors in terms of treatment and status of the Noteholder in the Issuer's insolvency.

No events of default in Covered Bonds

The terms and conditions of the Covered Bonds do not include any events of default relating to the Issuer and therefore the terms and conditions of the Covered Bonds do not entitle holders to accelerate the Covered Bonds. As such, it is envisaged that holders will only be paid the scheduled interest payments under the Covered Bonds as and when they fall due under the terms and conditions of the Covered Bonds.

In the event of a failure of the Cover Asset Pool to meet the matching requirements, holders of the Covered Bonds may receive payments according to a schedule that is different from that contemplated by the terms of the relevant Covered Bond

The Issuer is required under the CBA to comply with certain matching requirements as long as there is any Covered Bond outstanding. Under the CBA, if the assets in the Cover Asset Pool do not fulfil the requirements provided for in the CBA, the FIN-FSA may set a time limit within which the Issuer shall place more collateral in compliance with the CBA and the conditions of the relevant Covered Bonds. If these requirements are not complied with, the Issuer's license for mortgage bank activities may be withdrawn. If the Issuer is placed in liquidation or declared bankrupt, and the requirements for the total amount of collateral of the Covered Bonds are not fulfilled, a supervisor appointed by the FIN-FSA may demand that the Issuer's bankruptcy administrator declare the Covered Bonds due and payable and sell the assets in the Cover Asset Pool. This could result in the holders of Covered Bonds receiving payment according to a schedule that is different from that contemplated by the terms of the Covered Bonds (with accelerations as well as delays) or that the holders of Covered Bonds are not paid in full.

Default of the assets in the Cover Asset Pool may jeopardise payment on the Covered Bonds

Default of the Issuer's assets in the Cover Asset Pool could jeopardise the Issuer's ability to make payments on the Covered Bonds in full or on a timely manner. Over-collateralisation must have a value of at least two per cent. If the requirements set out in Article 129, Paragraph 3 a, Subparagraph 3 of the CRR are not met, over-collateralisation must have a value of at least five (5) per cent. The over-collateralisation shall also cover the estimated costs in relation to the winding-down of the Covered Bonds. In case of defaults of the Issuer's assets in the Cover Asset Pool, the Issuer must supplement the Cover Asset Pool to comply with the statutory requirements and if the net present value or nominal value (whichever is lower) of the total amount of the Cover Asset Pool does not continuously exceed the net present value or nominal value (whichever is lower) of the combined payment obligations resulting from the Covered Bonds by at least two (2) per cent (or five (5) per cent, respectively), the FIN-FSA may withdraw the Issuer's license for mortgage bank activities and the assets in the Cover Asset Pool may not fully cover the payments on the Covered Bonds. To the extent that claims of the Noteholders in respect of the Covered Bonds are not met out of the Cover Asset Pool, the residual claims of the Noteholders will rank *pari passu* with the unsecured and unsubordinated obligations of the Issuer. The Issuer will substitute assets that are, for any reason, no longer eligible for collateral with eligible assets in accordance with the CBA.

Liquidity post Issuer bankruptcy

It is believed that neither an insolvent issuer nor its bankruptcy estate would have the ability to issue Covered Bonds. Under the CBA, the bankruptcy administrator (upon the demand or the consent of a supervisor appointed by the FIN-FSA) may, however, raise liquidity through the sale of mortgage loans and other assets in the Cover Asset Pool to fulfil the obligations relating to the relevant Covered Bonds. Further, the bankruptcy administrator (upon the demand or the consent of the supervisor appointed by the FIN-FSA) may take out Bankruptcy Liquidity Loans and enter into other agreements for the purpose of securing the liquidity of the Cover Asset Pool. Under the CBA, the holders of the Covered Bonds and counterparties in existing Derivative Transactions entered into the cover asset pool as well as creditors or management and settlement costs enjoy the first priority position. However, there is no assurance as to the actual ability of the bankruptcy estate to raise post-bankruptcy liquidity, which may result in a failure by the Issuer to make full and timely payments to holders of Covered Bonds and existing derivative counterparties registered in the Cover Asset Pool.

Defaults under the mortgage loans and defaults by borrowers may result in the Issuer's license for mortgage bank activity to be withdrawn

The mortgage loans which secure the Covered Bonds will comprise loans secured on property. A borrower may default on its obligation under such mortgage loan. The Issuer will substitute assets that are, for any reason, no longer eligible for collateral with eligible assets in accordance with the CBA. If the relevant cover asset pool does not have sufficient eligible assets, the Issuer would breach its statutory obligations and the FIN-FSA may set a time limit within which the Issuer shall place more collateral in compliance with the CBA and the conditions of the relevant covered bonds. If these requirements are not complied with, the Issuer's license for mortgage bank activities may be withdrawn.

Defaults may occur for a variety of reasons. Defaults under mortgage loans are subject to credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic or housing conditions, changes in tax laws, interest rates, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Other factors in borrowers' individual, personal or financial circumstances may affect the ability of the borrowers to repay the mortgage loans. Loss of earnings, unemployment, illness, divorce, weakening of financial conditions or results of business operations and other similar factors may lead to an increase in delinquencies by and bankruptcies of borrowers, and could ultimately have an adverse impact on the ability of borrowers to repay the mortgage loans. In addition, the ability of a borrower to sell a property given as security for a mortgage loan at a price sufficient to repay the amounts outstanding under that mortgage loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

No due diligence has or will be undertaken in relation to the Cover Asset Pool

No investigations, searches or other actions in respect of any assets contained or to be contained in the Cover Asset Pool has or will be performed by the Arranger nor any Lead Manager. Instead, they will rely on the obligations of the Issuer under applicable Finnish law.

Limited information is available to holders of Covered Bonds, especially in relation to the assets in the Cover Asset Pool

Investors will not receive detailed statistics or information in relation to the mortgage loans, the location of the properties securing the mortgage loans or other assets included in the Cover Asset Pool and it is expected that the composition of the Cover Asset Pool will change from time to time through the repayment of the mortgage loans by borrowers or new mortgage loans and/or other eligible assets being added to the Cover Asset Pool. The assets contained in the Cover Asset Pool will change over time reflecting repayments and new credits granted and, therefore, there are no assurances that the regional diversification, risk profile or credit quality of the assets in the Cover Asset Pool will remain the same as on or after the issue date of any Covered Bonds. The Issuer will maintain a separate register for the Cover Asset Pool in accordance with the CBA and inform the Noteholders of the composition of the Cover Asset Pool on its website at https://www.hypo.fi/en/hypo-investor-relation/ on a quarterly basis in connection with the issuance of its financial statements and interim financial statements as set out in Section 36 of the CBA. The Issuer is subject to the disclosure obligations as set out in the MAR, the Finnish Securities Markets Act, in the regulations and guidelines of the FIN-FSA as well as in the rules of the Helsinki Stock Exchange, and this disclosure obligation may include matters relating to the requirements set for the cover asset pool in accordance with the CBA where such information is of precise nature and likely to have a significant effect on the prices of the covered bonds.

Reliance on Swap Providers

To provide a hedge against possible variances in the rates of interest receivable on the mortgage loans and other assets from time to time held by the Issuer (which may, for instance, include variable rates of interest, discounted rates of interest, fixed rates of interest or rates of interest which track a base rate) and the interest rate(s) under the Covered Bonds, the Issuer may from time to time enter into interest rate swap agreements (see "*Derivative Transactions related to the Covered Bonds*").

If any swap counterparty defaults on its obligations to make payments under the relevant interest rate swap agreement, the Issuer will be exposed to future changes in the relevant rates of interest. Unless such interest rate swap agreements are replaced, the Issuer may not have sufficient funds to make payments under the Covered Bonds.

Obligations may be extended

Pursuant to Section 32 of the CBA, the terms and conditions of a covered note may include a provision that enables the issuer to extend the maturity of a covered note subject to certain conditions, including the approval of the FIN-FSA. In addition, the conditions for extension of maturity include, among others, that the issuer is unable to obtain long-term financing from ordinary sources, the issuer is unable to meet the liquidity requirement set out in the CBA if it makes payments towards the principal and interest of the maturing covered note and that the extension of maturity does not affect the sequence in which the issuer's covered notes from the same Cover Asset Pool are maturing. If the FIN-FSA's determines that the conditions for extension have been fulfilled and it gives its approval to the extension, its resolution shall indicate the applied extended maturity date of such covered notes which shall be a date on or before the final extended maturity date specified in the General Terms and Conditions.

If "Extended Final Maturity" if specified as being applicable in respect of a Series of Covered Bonds, the maturity date of the relevant Covered Bonds may be extended subject to certain conditions, including approval of the FIN-FSA, specified in Condition 4.2 (*Extension of Maturity up to Extended Final Maturity Date*) of the General Terms and Conditions. In the event of such extension, the Issuer may redeem all or any part of the nominal amount outstanding of the Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Final Maturity Date. The extension of the maturity of the outstanding principal amount of the Covered Bonds to a date falling after the Maturity Date will not result in any right of the holders of Covered Bonds to accelerate payments on such Covered Bonds and no payment will be payable to the holders of Covered Bonds in that event other than as set out in the General Terms and Conditions.

GENERAL INFORMATION

Issuer

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Arranger

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Finland

Auditor of the Issuer

Ernst &Young Oy
Authorised Public Accountants
Korkeavuorenkatu 32-34
FI-00130 Helsinki
Finland
Responsible auditor Miikka Hietala, Authorised Public Accountant

Responsibility Statement

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best knowledge of the Issuer, the information contained in the Base Prospectus is in accordance with the facts, and the Base Prospectus makes no omission likely to affect its import.

Auditors

The audited financial statement of Hypo Group for the financial year ended 31 December 2023 incorporated in this Base Prospectus by reference has been audited by PricewaterhouseCoopers Oy. Authorized Public Accountant Jukka Paunonen acted as the principal auditor in the financial year ended 31 December 2023. Jukka Paunonen is registered in the register of auditors referred in Section 9 Chapter 6 of the Finnish Auditing Act (1141/2015, as amended). The audited financial statement of Hypo Group for the financial year ended 31 December 2024 incorporated in this Base Prospectus by reference has been audited by Ernst & Young Oy. Authorized Public Accountant Miikka Hietala acted as the principal auditor in the financial year ended 31 December 2024. Miikka Hietala is registered in the register of auditors referred in Section 9 Chapter 6 of the Finnish Auditing Act (1141/2015, as amended).

The Annual General Meeting of the Issuer held on 21 March 2025 re-elected Ernst & Young Oy as auditor with Miikka Hietala, Authorised Public Accountant, as the auditor in-charge. Miikka Hietala is registered in the register of auditors referred in Section 9 Chapter 6 of the Finnish Auditing Act (1141/2015, as amended). Ernst & Young Oy was selected as authorized sustainability audit firm with Miikka Hietala, ASA, as authorized sustainability auditor, on condition that sustainability reporting regulations applies to The Mortgage Society of Finland.

No incorporation of website information

The Base Prospectus and Final Terms are available at Hypo’s website https://www.hypo.fi/en/hypo-investor-relation/ and also upon request from Hypo or from the subscription places mentioned in the Final Terms. However, the contents of Hypo’s website (excluding the Base Prospectus, any supplements thereto, Final Terms and the information incorporated by reference) or any other website do not form a part of this Base Prospectus, and prospective investors should not rely on such information in making their decision to invest in the Notes.

GENERAL TERMS AND CONDITIONS OF THE PROGRAMME

The following General Terms and Conditions of the Programme must be read in their entirety together with the relevant Final Terms for the relevant Notes.

1. Notes, status and their form

The notes are issued by The Mortgage Society of Finland (the "**Issuer**"). The Notes are issued as serial bonds (in Finnish: *sarjalaina*) (each a "**Series of Notes**"). Each Series of Notes may comprise one or more tranches (each a "**Tranche of Notes**") of Notes. The terms and conditions of a Tranche of Notes are formed by combining these general terms and conditions (the "**General Terms and Conditions**" and each clause a "**Condition**") and a document specific to such Tranche of Notes called final terms ("**Final Terms**").

Notes may be issued:

(a) as senior notes which constitute direct, unconditional, unguaranteed, unsubordinated and unsecured obligations of the Issuer that rank *pari passu* without any preference among themselves and (save for certain obligations required to be preferred by law) at least *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer (the "**Senior Preferred Notes**");

(b) as tier 2 notes which constitute direct, unguaranteed, unsecured and subordinated obligations of the Issuer (the "**Tier 2 Notes**"). In the event of liquidation or bankruptcy of the Issuer, the rights and claims (if any) of the Noteholders to payments of the outstanding principal amount and any other amounts in respect of the Tier 2 Notes (including any accrued and unpaid interest amount or damages awarded for breach of any obligations under these General Terms and Conditions, if any are payable) shall:

(i) be subordinated to the claims of all senior creditors of the Issuer;

(ii) rank at least *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms, are expressed to rank *pari passu* with the Tier 2 Notes; and

(iii) rank senior to any common equity tier 1 instruments and any obligations of the Issuer ranking, or expressed to rank, junior to the Tier 2 Notes of the Issuer,

subject, in all cases, to mandatory provisions of Finnish law, including but not limited to the Finnish implementation of Article 48(7) of the BRRD in item 6 of Chapter 1, Section 4a, Subsection 1 of the Finnish Act on Credit Institutions (*Laki luottolaitostoiminnasta* 610/2014, as amended) to the effect that claims resulting from items qualifying (whether in whole or in part) as own funds of the Issuer have lower priority ranking than any claim that results from an item which does not qualify (whether in whole or in part) as own funds of the Issuer.

The Tier 2 Notes may be calculated into the tier 2 capital as set out in Article 63 of Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013 (as amended or replaced from time to time, the "**CRR**"), provided that the requirements set out in the CRR are fulfilled; or

(c) as covered notes (in Finnish: *katetut joukkolainat*) (the "**Covered Bonds**"), governed by the Finnish Covered Bond Act (*Laki kiinnitysluottopankeista* ja katetuista joukkolainoista 151/2022, as amended) (the "**CBA**"). The Covered Bonds are direct, unconditional and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and with all other obligations of the Issuer which benefit from the same priority right in respect of the statutory security in accordance with the CBA, including on the date hereof the obligations of the Issuer in respect of mortgage-backed notes governed by the CBA (including pursuant to Sections 20 and 40 of the CBA) as well as all derivative transactions entered into by the Issuer to hedge against risks relating to the Covered Bonds or their underlying collateral and recorded in the register of the Covered Bonds in accordance with Section 26 of the Covered Bond Act (the "**Derivative Transactions**") as well as management and settlement costs.

In respect of the priority of the holders of the Covered Bonds, as at the date of the liquidation or bankruptcy of the Issuer, of the properties or the shares in the property owning companies which stand as collateral for such Housing Loans, these types of assets have a full collateral value despite their calculated collateral value being at 80 per cent. To the extent that claims of the Noteholders in relation to the Covered Bonds are not fully met out of the assets of the Issuer that are governed by the CBA, the residual claims of the holders of Covered Bonds will rank pari passu with the unsecured and unsubordinated obligations of the Issuer.

No Noteholder shall be entitled to exercise any right of set-off, netting or counterclaim against moneys owed by the Issuer in respect of any Tier 2 Note or any accrued but unpaid interest thereon and any additional or other amounts whatsoever accrued or due or which would otherwise be payable on or in respect of Tier 2 Notes. Each Noteholder shall, by virtue of his holding of any Tier 2 Note, be deemed to have waived all such rights of set-off, netting and counterclaim.

No Noteholder shall in the liquidation or bankruptcy of the Issuer be entitled to exercise any right of set-off, netting or counterclaim against moneys owed under assets that are subject to the priority set out in Section 20 of the CBA in respect of any Covered Bond. Notes may be issued to be subscribed for by professional clients listed in points (1) to (4) of Section I of Annex II to MiFID II, and persons or entities who are, on request, treated as professional clients in accordance with Section II of that Annex, or recognised as eligible counterparties in accordance with Article 30 of MiFID II. No Notes may be issued to retail clients referred to in Article 4(1)(11) of MiFID II. The minimum subscription amount is at least EUR 100,000 and the denomination of a book-entry unit is at least EUR 100,000.

The Notes will be issued in the book-entry securities system of Euroclear Finland Oy incorporated in Finland with Reg. No. 1061446-0, address Itämerenkatu 25, FI-00101 Helsinki, Finland, ("**Euroclear Finland**") (or any system replacing or substituting the book-entry securities system in accordance with the Finnish laws, regulations and operating procedures applicable to and/or issued by Euroclear Finland for the time being (the "**Euroclear Finland Rules**")), in accordance with the Act on the Book-Entry System and Clearing and Settlement (*Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* 348/2017, as amended) and other Finnish legislation governing book-entry system and book-entry accounts as well as the Euroclear Finland Rules. The registrar in respect of the Notes will be Euroclear Finland.

The issuer agent (in Finnish: *liikkeeseenlaskijan asiamies*) for a Series of Notes referred to in the Euroclear Finland Rules as well as the issuer and paying agent of the Notes (the "**Issuer Agent**" and/or where applicable, the "**Paying Agent**") are defined in the Final Terms. The Issuer may appoint one or more Lead Manager (the "**Lead Managers**") for a Tranche of Notes as specified in the Final Terms. The Issuer may appoint a calculation agent ("**Calculation Agent**") for a Tranche of Notes or the Issuer may act as the calculation agent, in each case as specified in the Final Terms.

Notes subscribed and paid for shall be entered to the respective book-entry accounts of the subscriber(s) on a date set out in the Final Terms in accordance with the Finnish legislation governing the book-entry system and book-entry accounts as well as the Euroclear Finland Rules. Each Note is freely transferable after it has been registered into the respective book-entry account.

In these General Terms and Conditions, "**Hypo Group**" means the group consisting of the Issuer and its subsidiaries within the meaning of Chapter 1, Section 6 of the Finnish Accounting Act (*Kirjanpitolaki* 1336/1997, as amended) and any reference to "**Noteholders**" or holders in relation to any Notes shall mean the holders of the Notes.

2. Nominal value

The denomination of each book-entry unit is at least EUR 100,000. Subject thereto, the Notes will be issued in such denominations as specified in the relevant Final Terms.

3. Maximum amount of the Programme and note principal as well as currency

The total equivalent value of unamortized Notes issued at one time may be a maximum of two and a half billion (2,500,000,000) euros. The Issuer may decide on raising or lowering the maximum amount.

The principal and the currency (euro or other relevant currency) of a Series of Notes and the specific Tranche of Notes are defined in the Final Terms. The Issuer may decide on raising or lowering the issued aggregate principal of each Series and Tranche of Notes during the subscription period. Notice of any decision to raise or lower the issued aggregate principal of each Tranche of Notes during the subscription period is available at the subscription places and on the website at https://www.hypo.fi/en/hypo-investor-relation/ as soon as practicable after any such decision is made.

Each Series of Notes is numbered annually in numerical order. Each Tranche of Notes under each Series of Notes is numbered in numerical order.

4. The term of the Notes, redemption and extension of maturity

4.1 The term of the Notes and redemption

The term of the Notes is at least one year. However, the term of the Tier 2 Notes is at least five years. The principal of the Notes is to be repaid on the Maturity Date as defined in the Final Terms or on the Extended Final Maturity Date if an Extended Final Maturity Date has been specified in the applicable Final Terms and the maturity of the Notes has been extended in accordance with Condition 4.2 (*Extension of Maturity up to Extended Final Maturity Date*). The principal of the Notes is to be repaid in instalments if so defined in the Final Terms. The business day convention defined in Final Terms is applicable to the Maturity Date and the Extended Final Maturity Date. The redemption amount is the nominal amount of the principal.

4.2 Extension of Maturity up to Extended Final Maturity Date

An Extended Final Maturity Date may apply to a Series of Covered Bonds, as specified in the applicable Final Terms.

If "Extended Final Maturity" is specified as applicable in the applicable Final Terms, it enables the Issuer, at the latest on the fifth (5^{th}) Business Day before the Maturity Date, to apply for the approval of the FIN-FSA that the Maturity Date of the Covered Bonds and the date on which the Covered Bonds will be due and repayable for the purposes of these General Terms and Conditions should be extended by the Issuer up to but no later than the Extended Final Maturity Date. The FIN-FSA shall grant the approval for the extension of maturity if (i) the Issuer is unable to obtain long-term financing from ordinary sources, (ii) the Issuer is unable to meet the liquidity requirement set out in the CBA if it makes payments towards the principal and interest of the maturing Covered Bonds and (iii) the extension of maturity of the Covered Bonds does not affect the sequence in which the Issuer's Covered Bonds covered by the same Cover Asset Pool are maturing. In the event of a bankruptcy or liquidation of the Issuer, the bankruptcy administrator and the liquidator in the liquidation have, pursuant to the CBA, at the request or with the consent of the administrator, the right to apply for the approval of the FIN-FSA to extend the Maturity Date up to but no later than the Extended Final Maturity Date.

If the FIN-FSA determines that the conditions for extension of the Maturity Date of the Covered Bonds have been fulfilled and it gives its approval to the extension, its resolution shall confirm the extended Maturity Date of the Covered Bonds and the date on which the Covered Bonds will then be due and repayable for the purposes of these General Terms and Conditions. In that event, the Issuer may redeem all or any part of the nominal amount outstanding of the Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Final Maturity Date.

The Issuer shall give notice to the Noteholders (in accordance with Condition 21 (*Notices*)) of (a) any resolution of the FIN-FSA to so extend the maturity of the Covered Bonds as soon as practicable after any such resolution having been made and (b) its intention to redeem all or any of the nominal amount outstanding of the Covered Bonds in full at least three (3) Business Days prior to (i) the Maturity Date, where practicable for the Issuer to do so and otherwise as soon as practicable after the relevant decision to redeem the Covered Bonds (if any) is made or, as applicable (ii) the relevant Interest Payment Date or, as applicable (iii) the Extended Final Maturity

Date. Any failure by the Issuer to so notify such persons shall not affect the validity or effectiveness of any such extension of the maturity of the Notes or, as applicable, redemption by the Issuer on the Maturity Date or, as applicable, the relevant Interest Payment Date or, as applicable, the Extended Final Maturity Date or give rise to any such person having any rights in respect of any such redemption but such failure may result in a delay in payment being received by a Noteholder through Euroclear Finland (including on the Maturity Date where at least three Business Days' notice of such redemption is not given to the Noteholders (in accordance with Condition 21 (*Notices*))) and Noteholders shall not be entitled to further interest or any other payment in respect of such delay.

In the case of Notes which are zero coupon notes up to (and including) the Maturity Date and for which an Extended Final Maturity Date is specified in the applicable Final Terms, for the purposes of this Condition 4.2, the nominal amount outstanding shall be the total amount otherwise payable by the Issuer on the Maturity Date less any payments made by the Issuer in respect of such amount in accordance with these General Terms and Conditions.

Any extension of the maturity of the Notes under this Condition 4.2 shall be irrevocable. Where this Condition 4.2 applies, any failure to redeem the Notes on the Maturity Date or any extension of the maturity of the Notes under this Condition 4.2 shall not constitute an event of default for any purpose or give any Noteholder any right to receive any payment of interest, principal or otherwise on the relevant Notes other than as expressly set out in these General Terms and Conditions.

In the event of the extension of the maturity of the Notes under this Condition 4.2, interest rates, interest periods and interest payment dates on the Notes from (and including) the Maturity Date to (but excluding) the Extended Final Maturity Date shall be determined in accordance with the applicable Final Terms.

If the Issuer redeems part and not all of the principal amount outstanding of the Notes on an Interest Payment Date falling in any month after the Maturity Date, the redemption proceeds shall be applied rateably across the Notes and the nominal amount outstanding on the Notes shall be reduced by the level of that redemption.

If the maturity of the Notes is extended up to the Extended Final Maturity Date in accordance with this Condition 4.2, subject to as otherwise provided in the applicable Final Terms, for so long as any of the Notes remains outstanding, the Issuer shall not issue any further Notes, unless the proceeds of issue of such further Notes are applied by the Issuer on issue in redeeming in whole or in part the relevant Notes the maturity of which has been extended in accordance with this Condition 4.2.

This Condition 4.2 shall only apply to Notes for which "Extended Final Maturity" is specified as applicable in the applicable Final Terms and if the Issuer does not redeem those Notes in full on the Maturity Date (or within two Business Days thereafter) and if the FIN-FSA determines that the conditions for extension of the Maturity Date of the Covered Bonds have been fulfilled and it gives its approval to the extension.

4.3 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 21 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In case of a partial redemption of the Notes, the nominal amount outstanding of each Note shall be reduced *pro rata*.

4.4 Early Redemption of Tier 2 Notes as a result of a Capital Event

Upon the occurrence of a Capital Event, the Issuer may, at its option and subject to the Conditions to Redemption set out in Condition 4.6 (*Conditions to Redemption and Repurchase*), having given not less than 30 days' notice to the Noteholders in accordance with Condition 21 (*Notices*), redeem all (but not some only) of the Tier 2 Notes at their outstanding principal amount, together with interest accrued to (but excluding) the date of redemption.

For the purposes of these General Terms and Conditions:

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or any minimum requirement for own funds and eligible liabilities then in effect in Finland including, without limitation to the generality of the foregoing, the laws and regulations implementing the Directive (EU) 2013/36 (as amended) (the "**CRD**"), the CRR, the BRRD and those regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or any minimum requirement for own funds and eligible liabilities adopted by the Finnish Financial Supervisory Authority (in Finnish: *Finanssivalvonta*) (the "**FIN-FSA**") or the Finnish Financial Stability Authority (in Finnish: *Rahoitusvakausvirasto*) (the "**Stability Authority**"), from time to time, and then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or to the Hypo Group); and

"**Capital Event**" means the determination by the Issuer, after consulting with the FIN-FSA, that as a result of a change in Finnish law or Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the Notes, which change was not reasonably foreseeable by the Issuer as at the Issue Date of the first relevant Series of Notes, the aggregate outstanding nominal amount of the Notes is fully or, to the extent permitted by the Applicable Banking Regulations, partially excluded from inclusion in the tier 2 capital of the Issuer and/or the Hypo Group (other than as a result of any applicable limitation on the amount of such capital as applicable to the Issuer and/or the Hypo Group).

4.5 Early Redemption of Tier 2 Notes as a result of a Tax Event

Upon the occurrence of a Tax Event, the Issuer may, at its option and subject to the Conditions to Redemption set out in Condition 4.6 (*Conditions to Redemption and Repurchase*), having given not less than 30 days' notice to the Noteholders in accordance with Condition 21 (*Notices*), redeem all (but not some only) of the Tier 2 Notes at their outstanding principal amount, together with interest accrued to (but excluding) the date of redemption.

For the purposes of these General Terms and Conditions:

"**Tax Event**" means the receipt by the Issuer of an opinion of counsel in the relevant Tax Jurisdiction (as defined below) experienced in such matters to the effect that, as a result of:

(i) any amendment to, or change in, the laws or treaties (or any regulations thereunder) of the Tax Jurisdiction affecting taxation;

(ii) any governmental action in the Tax Jurisdiction; or

(iii) any amendment to, or change in, the official position or the interpretation of such law, treaty (or regulations thereunder) or governmental action or any interpretation, decision or pronouncement that provides for a position with respect to such law, treaty (or regulations thereunder) or governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body in the Tax Jurisdiction, irrespective of the manner in which such amendment, change, action, pronouncement, interpretation or decision is made known, which amendment or change is effective or such governmental action, pronouncement, interpretation or decision is announced, on or after the issue date of the Tier 2 Notes:

  (A) the Issuer is, or will be, subject to additional taxes, duties or other governmental charges with respect to the Tier 2 Notes, as applicable, or is not, or will not be, entitled to claim a deduction in respect of payments in respect of the Tier 2 Notes, as applicable, in computing its taxation liabilities (or the value of such deduction would be materially reduced); or

  (B) the treatment of any of the Issuer's items of income or expense with respect to the Tier 2 Notes as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by the taxing authority in the Tax Jurisdiction, which subjects the Issuer to additional taxes, duties or other governmental charges,

provided that such change is material and was not reasonably foreseeable at the time of issuance of the respective Notes.

"**Tax Jurisdiction**" means the Republic of Finland or any political subdivision or any authority thereof or therein having power to tax.

4.6 Conditions to Redemption and Repurchase

Other than a redemption at maturity in accordance with Condition 4.1 (The term of the Notes and redemption), the Issuer may redeem or repurchase (and give notice thereof to the Noteholders) any Tier 2 Notes only if such redemption or repurchase is in accordance with the Applicable Banking Regulations and it has been granted the permission of the FIN-FSA, in each such case, if such permission is then required under the Applicable Banking Regulations, and in addition:

(i) before or at the same time as such redemption or repurchase of the Notes, the Issuer replaces the Notes with own funds instruments of an equal or higher quality on terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the FIN-FSA that its own funds and eligible liabilities would, following such redemption or repurchase, exceed the requirements under the Applicable Banking Regulations by a margin that FIN-FSA considers necessary; or

(iii) in the case of redemption or repurchase before five years after the issue date of the Tier 2 Notes:

(A) only the conditions listed in paragraphs (i) or (ii) above are met; and

(B) in the case of redemption due to the occurrence of a Capital Event, (i) the FIN-FSA considers such change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the FIN-FSA that the Capital Event was not reasonably foreseeable at the time of the issuance of the Notes; or

(C) in the case of redemption due to the occurrence of a Tax Event, the Issuer demonstrates to the satisfaction of the FIN-FSA that such Tax Event is material and was not reasonably foreseeable at the time of issuance of the Notes; or

(D) before or at the same time of such redemption or repurchase, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the FIN-FSA has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(E) the Tier 2 Notes are repurchased for market making purposes,

(the "**Conditions to Redemption**").

Any refusal by the FIN-FSA to grant its approval as described above will not constitute an event of default under the terms and conditions of any Notes.

5. Subscription of Notes

5.1 Subscription manner and subscription price and the payment of subscriptions

Each Series of Notes is offered for subscription during the subscription period at the subscription places defined in the Final Terms of each Tranche of Notes. The Issuer may decide on shortening or lengthening the subscription period.

The subscription amount is the nominal value of the subscription multiplied by the issue price of the moment of subscription. When subscription takes place after the issue date, the accrued interest in accordance with the Final Terms for the subscribed amount for the period between the issue date and the payment date of the subscription must also be paid (except in case of zero coupon notes).

When Notes are subscribed for on any other day than on an interest payment day but after the first interest payment day, the subscriber must pay the accrued interest for the period between the beginning of the current interest period and the subscription payment day.

The Issuer does not charge the costs related to the issue or offering of the Notes from the Noteholders. The Lead Manager(s) and eventual other subscription places may charge such costs, which are based on the agreement between the Noteholder and the Lead Manager(s) or the eventual other subscription place. The eventual fees related to subscription are further determined in the Final Terms.

Approved subscriptions are confirmed after the termination of the subscription period. Subscriptions are to be paid in a manner informed in the Final Terms. Subscriptions shall be paid for as instructed in connection with the subscription or at the time of the subscription, in each case as stipulated in the relevant Final Terms of a Tranche of Notes.

5.2 Measures in oversubscription and under-subscription situations

The Issuer has the right to determine separately on the measures in a situation of oversubscription and under-subscription of a Series of Notes. In the event of oversubscription, such measures may include, for example, reducing subscriptions in part or in whole. In case the minimum amount of subscriptions is not fulfilled (undersubscription), the issue of the Series of Notes may be cancelled. It may be stipulated in the Final Terms of a Tranche of Notes that the issue of a certain Series of Notes requires a defined minimum amount of subscriptions or fulfilment of another condition.

The Issuer has the right to raise the amount of offered Notes of a Series of Notes during the subscription period or to discontinue the subscription of Notes.

Notice of cancellation of the issue or suspension of the subscription due to oversubscription is available at the subscription places and on the website at https://www.hypo.fi/en/hypo-investor-relation/.

If the issue is cancelled or the subscriptions are decreased due to oversubscription, the Issuer shall refund the price paid to the account notified by the subscriber within five (5) Business days from the date of the decision concerning the cancellation or decrease.

5.3 Issue price

The issue price of the Notes is fixed or floating and is determined in the Final Terms. In case the issue price is floating, the Issuer will determine the issue price on a daily basis throughout the subscription period. In case of a floating issue price, the maximum issue price will be determined in the Final Terms.

5.4 Subscriber's cancellation right and discontinuance of acceptance of subscriptions in certain cases

If the Issuer, during the subscription period of Notes, or before the Notes have been admitted for public trading, supplements the Base Prospectus due to an error, deficiency or material new information in it or publishes a completely updated Base Prospectus during the above-mentioned period, or if the final offer price of the Notes to be offered to the public is not included in the Final Terms, a subscriber, who has made a subscription in an offer of securities to the public before the publication of a supplement or before the publication of the updated base prospectus or the final offer price, respectively, has the right, according to Article 17 or 23(2) of Regulation (EU) 2017/1129 (as amended) (the "**Prospectus Regulation**"), to cancel his subscription within at least three (3) Business Days from the publication of the supplement, the update or the final offer price, respectively. However, in case the Base prospectus is supplemented or updated, the cancellation right only exists if the error, deficiency or material new information arose or was noted before the delivery of the Notes to the subscribers in accordance with Condition 6 *(Delivery of Notes)*. The supplemented Base Prospectus or a completely updated prospectus or the final offer price and information on the time limit for cancellation and the procedure relating to it are available at subscription places and on the Issuer's website https://www.hypo.fi/en/hypo-investor-relation/.

The Issuer has the right to discontinue the acceptance of subscriptions immediately when a need to supplement the Base Prospectus has become evident. The discontinuance will be announced in the subscription places.

6. Delivery of Notes

Book-entries are registered in the book-entry account informed by the subscriber in a manner announced in connection with the subscription and during the time period defined in the Final Terms in accordance with legislation regarding the book-entry system and book-entry accounts and the Euroclear Finland Rules.

7. Security and guarantee

7.1 Tier 2 Notes

No security or guarantee of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the Noteholders under any Tier 2 Notes.

7.2 Senior Preferred Notes

No security or guarantee is provided by the Issuer securing rights of the Noteholders under any Senior Preferred Notes.

7.3 Covered Bonds

The Covered Bonds are covered by the assets that comprise a qualifying cover asset pool maintained by the Issuer and entered into the register of Covered Bonds in accordance with the CBA.

7.4 No negative pledge

No Notes shall include a negative pledge provision.

8. Interest

Either a fixed rate or floating rate interest based on a reference rate is paid from time to time on the unamortized principal of the Notes. Interest is paid on due dates of payment of interest defined in the Final Terms.

Notes may also be issued as zero coupon notes which will be offered and sold at a discount to their nominal amount and will not bear interest.

8.1 Fixed rate interest

Annual interest, specified in the Final Terms, is paid on a note to which this provision is applicable according to the Final Terms.

8.2 Floating reference rate interest

Floating interest, which consists of a floating reference rate interest and a margin, is paid on a note to which this provision is applicable according to the Final Terms.

The floating reference rate interest may be EURIBOR or other relevant reference rate, such as STIBOR, NIBOR or CIBOR ("**OTHER**") if the issuance has been made in other currency than EUR.

The floating reference interest rate (being either EURIBOR, NIBOR, CIBOR or STIBOR, as specified in the applicable Final Terms) (the "**Reference Rate**") which appears or appear, as the case may be, on the relevant screen page of a designated distributor (currently [London Stock Exchange Group plc (LSEG)]) (the "**Relevant Screen Page**"), or such replacement page on a service which displays the information, as at 11.00 a.m. (Brussels time in the case of EURIBOR, Oslo time in the case of NIBOR, Copenhagen time in the case of

CIBOR or Stockholm time in the case of STIBOR) two applicable Business Days (as specified in the applicable Final Terms) prior to the beginning of the interest period. If the interest period does not correspond to any time period provided on the designated distributor's page, the interest is calculated by straight-line linear interpolation by reference to two reference interest rates closest to the above-mentioned interest period, between which the interest period settles.

8.3 Reset Note Provisions

This Condition 8.3 is applicable to the Notes only if the Reset Note provisions are specified in the relevant Final Terms as being applicable. Such Notes shall bear interest on their outstanding principal amount:

A. from (and including) the Interest Commencement Date (as specified in the relevant Final Terms) until (but excluding) the First Reset Date (as specified in the relevant Final Terms) at the rate per annum equal to the Initial Rate of Interest as specified in the relevant Final Terms;

B. from (and including) the First Reset Date until (but excluding) the Second Reset Date (as specified in the relevant Final Terms, the "**First Reset Period**") or, if no such Second Reset Date is specified in the relevant Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest (as specified in the relevant Final Terms); and

C. if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) (each a "**Subsequent Reset Period**") at the rate per annum equal to the relevant Subsequent Reset Rate of Interest (as specified in the relevant Final Terms),

   (each "**Rate of Interest**") payable, in each case, in arrear on the Interest Payment Date(s) so specified in the relevant Final Terms and on the Maturity Date. The Rate of Interest shall be determined by the Calculation Agent at or as soon as practicable after each time at which the Rate of Interest is to be determined.

For the purposes of this Condition 8.3:

"**First Reset Rate of Interest**" means either (A) an annual fixed interest rate or (B) the sum of the First Margin and the Floating Reference Rate for the First Reset Period, as specified in the Final Terms;

"**Reset Note**" means a Note on which interest is calculated at reset rates payable in arrear on a fixed date or dates in each year and/or at intervals of one, two, three, six or 12 months or at such other date or intervals as may be agreed between the Issuer and the relevant Lead Manager(s) (as indicated in the relevant Final Terms);

"**Reset Period**" means the First Reset Period or any Subsequent Reset Period, as the case may be; and

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period, either (A) an annual fixed interest rate or (B) the sum of the First Margin or Subsequent Margin (as applicable) and the Floating Reference Rate for the relevant Subsequent Reset Period, as specified in the relevant Final Terms.

8.4 Benchmark replacement

Notwithstanding Condition 8.2 (*Floating reference rate interest*) above, if the Issuer (in consultation, to the extent practicable, with the Calculation Agent) determines that a Benchmark Event has occurred, then the following provisions shall apply:

(i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine a Successor Rate or, alternatively, if the Independent Adviser determines that there is no Successor Rate, an Alternative Reference Rate no later than three (3) Business Days prior to the relevant interest determination date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") for purposes of determining the Rate of Interest applicable to the Notes for all future interest periods (subject to the subsequent operation of this Condition 8.4);

(ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date in accordance with sub-paragraph (i) above, then the Issuer (in consultation, to the extent practicable, with the Calculation Agent and acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if the Issuer determines that there is no Successor Rate, an Alternative Reference Rate for the purposes of determining the Rate of Interest applicable to the Notes for all future interest periods (subject to the subsequent operation of this Condition 8.4; *provided, however, that* if this sub-paragraph (ii) applies and the Issuer is unable to determine a Successor Rate or an Alternative Reference Rate prior to the interest determination date (as referred to in the relevant final terms) relating to the next succeeding Interest Period in accordance with this sub-paragraph (ii), the Rate of Interest applicable to such Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of a preceding Interest Period (though substituting, where a different margin is to be applied to the relevant Interest Period from that which applied to the last preceding interest period, the margin relating to the relevant Interest Period, in place of the margin relating to that last preceding Interest Period);

(iii) if a Successor Rate or an Alternative Reference Rate is determined in accordance with the preceding provisions, such Successor Rate or Alternative Reference Rate shall be the Reference Rate for all future interest periods (subject to the subsequent operation of this Condition 8.4);

(iv) if the Independent Adviser (in consultation with the Issuer) or (if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine whether an Adjustment Spread should be applied) the Issuer (acting in good faith and in a commercially reasonable manner) determines (A) that an Adjustment Spread should be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Rate or Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine, prior to the interest determination date relating to the next succeeding Interest Period, the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;

(v) if the Independent Adviser or the Issuer (as the case may be) determines a Successor Rate or an Alternative Reference Rate or, in each case, any Adjustment Spread in accordance with the above provisions, the Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be), may also, following consultation, to the extent practicable, with the Calculation Agent, specify changes to the Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Relevant Screen Page, Relevant Time, Relevant Financial Centre, Reference Banks and/or the definition of Reference Rate or Adjustment Spread applicable to the Notes (and, in each case, related provisions and definitions), and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to such Successor Rate or Alternative Reference Rate (as applicable), which changes shall apply to the Notes for all future interest periods (as applicable) (subject to the subsequent operation of this Condition 8.4). An Independent Adviser appointed pursuant to this Condition 8.4 shall (in the absence of bad faith, gross negligence and wilful misconduct) have no liability whatsoever to the Issuer, the Calculation Agent or Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 8.4. No Noteholder consent shall be required in connection with effecting the Successor Rate or the Alternative Reference Rate (as applicable), any Adjustment Spread or such other changes, including for the execution of any documents, amendments or other steps by the Issuer;

(vi) a Calculation Agent appointed for a Tranche of Notes shall (in the absence of bad faith, gross negligence and wilful misconduct) have no liability whatsoever to the Issuer, the Independent Adviser or Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 8.4; and

(vii) the Issuer shall promptly following the determination of any Successor Rate, Alternative Reference Rate or Adjustment Spread give notice thereof and of any changes pursuant to sub-paragraph (v) above to the Calculation Agent and the Noteholders.

For the purposes of this Condition 8.4:

"**Adjustment Spread**" means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines should be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable), as a result of the replacement of the relevant Reference Rate with the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable), and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage for the purposes of determining floating rates of interest in respect of bonds denominated in the Specified Currency, where such rate has been replaced by such Successor Rate or Alternative Reference Rate (as applicable); or

(iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser in its discretion (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) in its discretion (as applicable) determines is most comparable to the relevant Reference Rate;

"**Alternative Reference Rate**" means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage for the purposes of determining floating rates of interest in respect of bonds denominated in the Specified Currency or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser in its discretion (in consultation with the Issuer) or the Issuer (acting in good faith and in a commercially reasonable manner) in its discretion (as applicable) determines is most comparable to the relevant Reference Rate;

"**Benchmark Event**" means: the relevant Reference Rate

(i) has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(ii) a public statement by the administrator of the relevant Reference Rate that it will cease publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or

(iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or

(v) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (including, without limitation, under Regulation (EU) 2016/1011, if applicable);

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser of recognised standing with relevant experience in the international capital markets, in each case appointed by the Issuer at its own expense;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these terms and conditions and/or the relevant Final Terms;

“**Relevant Nominating Body**” means, in respect of a reference rate:

(i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which such reference rate relates, or any other central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, (d) the International Swaps and Derivatives Association, Inc. or any part thereof, or (e) the Financial Stability Board or any part thereof; and

“**Successor Rate**” means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser or (acting in good faith and in a commercially reasonable manner) the Issuer (as applicable) determines is a successor to or replacement of the relevant Reference Rate (for the avoidance of doubt, whether or not such Reference Rate has ceased to be available) which is recommended by any Relevant Nominating Body.

8.5 Minimum and/or the maximum amount of interest

A minimum or a maximum amount or both for the interest mentioned in Condition 8.2 (*Floating reference rate interest*), may be determined in the Final Terms.

9. Interest period

Interest period means each period of time, for which the interest is calculated. The first interest period begins on the issue date or on any other date as specified in the applicable Final Terms and ends on the following interest payment date specified in the Final Terms. Each following interest period begins on the previous interest payment date and ends on the following interest payment date. Interest accrues for each interest period including the first day of the interest period and excluding the last day of the interest period.

10. The Day Count Fraction

The Day Count Fraction applied to the Notes is defined in the Final Terms and it may be:

(a) “**Actual/Actual (ICMA)**”, where the actual days of the interest period are divided by the number which is received by multiplying the actual days of the interest period with the amount of interest periods included in a year (possible irregular interest periods form an exception);

(b) “**Actual/Actual (ISDA)**”, where the actual days of the interest period are divided on other years than leap years by 365 and on leap years by 366. If the interest period is only partially extended to a leap year, the interest period is divided into two parts, to which the previously explained principles will be applied and the total amount of interests are combined;

(c) “**Actual/365**”, where the actual days of an interest period are divided by 365;

(d) “**Actual/360**”, when the actual days of an interest period are divided by 360;

(e) “**30E/360**” or “Eurobond rule”, where the interest year is combined of 12 30 day months (however so, that when the last day of the last interest period is the last day of February, February is not changed to a 30 day month), which are divided by 360; or

(f) “**30/360**”, where the interest year has 360 days and the interest month has 30 days.

11. Business Day Convention

The Business Day convention is defined in the Final Terms, according to which the interest payment date will be postponed if it is not a Business Day, by choosing one of the following:

(a) "**Following**", where the interest payment date is the nearest following Business Day;

(b) "**Modified Following**", where the interest payment date is the nearest following Business Day, except if the following Business Day is in the next calendar month, then the interest payment date is the previous Business Day; or

(c) "**Preceding**", where the interest payment date is the previous Business Day.

The change of the payment date of the interest of a fixed interest note does not affect the amount of interest to be paid on the share of the note.

The change of the payment date a floating rate interest influences the length of the interest period and, by implication, the amount of the interest to be paid on the share of the note.

"**Business Day"** means a day when

(a) commercial banks and foreign exchange markets settle payments and are open for general business in Finland and the Trans-European Automated Real-Time Gross Settlement Express (TARGET 2) System is open, and

(b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business in the principal financial centre of the country of the relevant currency.

12. Payment of interest

Interest is paid on the days which are defined in the in the Final Terms. The payment is to be paid according to legislation regarding the book-entry system and book-entry accounts and according to the rules and decisions of Euroclear Finland to the Noteholder, who is entitled to receive the payment according to the book-entry account information.

13. Events of Default and enforcement events

13.1 Events of Default relating to Senior Preferred Notes

This Condition 13.1 applies only to Senior Preferred Notes and references to **Notes** in this Condition 13.1 shall be construed accordingly. For the avoidance of doubt, this Condition 13.1 does not apply to any Covered Bonds or Tier 2 Notes.

If an Event of Default (as defined below) occurs, any Noteholder of the relevant Series of Notes may by a written notice to the Issuer declare the principal amount of such Note together with the interest then accrued on such Note to be due and payable at the earliest on the 10th day from the date such claim was presented provided that an Event of Default exists on the date of receipt of the notice and on the specified early maturity date specified in such claim.

Each of the following events shall constitute an Event of Default for the purposes of this Condition 13.1 in relation to any relevant Series of Notes:

(a) **Non-Payment**: Any amount of interest on or principal of a Series of Notes has not been paid within 7 Business Days from the relevant due date, unless the failure to pay is caused by a reason referred to in Condition 17 (*Force Majeure*).

(b) **Cross Default**: (Any outstanding Indebtedness is declared due or repayable prematurely by reason of an event of default (howsoever described); (i) the Issuer fails to make any payment in respect of Indebtedness on the relevant due date as extended by any originally applicable grace period; (ii) any security given by the Issuer in respect of such Indebtedness becomes enforceable by reason of default; (iii) the Issuer defaults in making any payment when due (as extended by any applicable grace period) under any guarantee in relation to such Indebtedness. However, no Event of Default will occur under (i)-(iii) above if the aggregate amount of such payment or Indebtedness is less than ten million (10,000,000) euros or its equivalent in foreign currency.

"**Indebtedness**" means for the purposes of these General Terms and Conditions, indebtedness (whether being principal, premium, interest or other amounts) in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance or acceptance credit of the Issuer.

A Noteholder shall not be entitled to demand repayment under this sub-condition (b) if the Issuer has bona fide disputed the existence of the occurrence of an Event of Default under this sub-condition (b) in the relevant court or in arbitration as long as such dispute has not been finally and adversely adjudicated against the Issuer.

(c) **Cessation of Business:** The Issuer ceases to carry on its current business in its entirety.

(d) **Winding-up:** An order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer.

(e) **Insolvency: (i)** The Issuer becomes insolvent or is unable to pay its debts as they fall due; (ii) the Issuer makes a general assignment or an arrangement or composition with or for the benefit of its creditors; or (iii) an application is filed for it being subject to bankruptcy or re-organisation proceedings, or for the appointment of an administrator or liquidator of any of the Issuer's assets and such application is not discharged within 45 days.

13.2 Enforcement events relating to Tier 2 Notes

This Condition 13.2 applies only to Tier 2 Notes, and references to **Notes** in this Condition 13.2 shall be construed accordingly. For the avoidance of doubt, this Condition 13.2 does not apply to any Covered Bonds or Senior Preferred Notes.

In the event that:

(a) the Issuer shall in respect of any Tier 2 Notes, default for a period of 7 days in the payment of any amount that has become due and payable in accordance with the relevant terms and conditions; or

(b) an order is made or an effective resolution is passed for the liquidation (in Finnish: *selvitystila*) of the Issuer (except for the purpose of a merger, reconstruction or amalgamation under which any continuing entity effectively assumes the entire obligations of the Issuer under the Notes) or the Issuer is otherwise declared bankrupt (in Finnish: *konkurssi*) or put into liquidation (in Finnish. *selvitystila*), in each case, by a court or agency or supervisory authority in Finland or elsewhere having jurisdiction in respect of the same,

then the Noteholder may, to the extent permitted by applicable law:

(i) (in the case of (a) above) institute proceedings for the Issuer to be declared bankrupt (in Finnish: *konkurssi*) or put into liquidation (in Finnish: *selvitystila*) in each case, in Finland and not elsewhere, and prove or claim in the bankruptcy (in Finnish: *konkurssi*) or liquidation (in Finnish: *selvitystila*) of the Issuer; and/or

(ii) (in the case of (b) above) prove or claim in the bankruptcy (in Finnish: *konkurssi*) or liquidation (in Finnish: *selvitystila*) of the Issuer, whether in Finland or elsewhere and instituted by the Issuer itself or by a third party,

but (in either case) the Noteholder may claim payment in respect of the Tier 2 Notes only in the bankruptcy (in Finnish: *konkurssi*) or liquidation (in Finnish: *selvitystila*) of the Issuer. For the avoidance of doubt, a Noteholder may not claim payment in respect of the Tier 2 Notes in the resolution or moratorium under the national laws implementing BRRD.

In any of the events or circumstances described in (b) above, the holder of the Tier 2 Notes may, by notice to the Issuer, declare such Tier 2 Notes to be due and payable, and such Tier 2 Notes shall accordingly become due and payable at its prevailing outstanding amount, but subject to such Noteholder only being able to claim payment in respect of the Tier 2 Notes in the bankruptcy (in Finnish: *konkurssi*) or liquidation (in Finnish: *selvitystila*) of the Issuer.

The holder of any Tier 2 Notes may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Tier 2 Notes (other than, without prejudice to the above, any obligation for the payment of any principal or interest in respect of the Tier 2 Notes) provided that the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it, except with the prior approval of the FIN-FSA. No remedy against the Issuer, other than as provided above shall be available to the holders of the Tier 2 Notes, whether for the recovery of amounts owing in respect of the Tier 2 Notes or in respect of any breach by the Issuer of any of its obligations or undertakings with respect to the Tier 2 Notes. For the avoidance of doubt, the failure to pay any amount that has become due and payable in respect of the Tier 2 Notes in accordance with the applicable terms and conditions shall not constitute an event of default.

14. Noteholders' Meeting and Procedure in Writing

The Issuer may convene a meeting of Noteholders (hereinafter "**Noteholders' Meeting**") or request a procedure in writing among the Noteholders (a "**Procedure in Writing**") to decide on amendments of these General Terms and Conditions or other matters as specified below. Euroclear Finland must be notified of the Noteholders' Meeting or a Procedure in Writing by the Issuer in accordance with the Euroclear Finland Rules. Any modification or waiver of terms and conditions which affects Tier 2 Notes will be effected in accordance with Applicable Banking Regulations.

Notice of a Noteholders' Meeting and the initiation of a Procedure in Writing shall be provided to the Noteholders in accordance with Condition 21 (*Notices*) at least ten (10) Business Days prior to the Noteholders' Meeting or the last day for replies in the Procedure in Writing, and shall include information on the date, place and agenda of the Noteholders' Meeting or the last day and address for replies in the Procedure in Writing (or if the voting is to be made electronically, instructions for such voting) as well as instructions as to any action required on the part of a Noteholder to attend the Noteholders' Meeting or to participate in the Procedure in Writing.

Only those who, according to the register kept by Euroclear Finland in respect of the Notes, were registered as Noteholders on the fifth (5th) Business Day prior to the Noteholders' Meeting or the last day for replies in the Procedure in Writing on the list of Noteholders to be provided by Euroclear Finland in accordance with Condition 21 *(Notices)*, or proxies authorised by such Noteholders, shall, if holding any of the principal amount of the relevant Series of Notes at the time of the Noteholders' Meeting or the last day for replies in the Procedure in Writing, be entitled to vote at the Noteholders' Meeting or in the Procedure in Writing and shall be recorded in the list of the Noteholders present in the Noteholders' Meeting or participating in the Procedure in Writing.

The Noteholders' Meeting must be held in Helsinki and the chairman of the meeting shall be appointed by the Board of Directors of the Issuer.

A Noteholders' Meeting or a Procedure in Writing shall constitute quorum only if two or more persons present hold or represent at least fifty (50) per cent or one (1) Noteholder holding one hundred (100) per cent of the principal amount of the Series of Notes for the time being outstanding attends the Noteholders' Meeting or provides replies in the Procedure in Writing.

If, within thirty (30) minutes after the time specified for the start of a Noteholders' Meeting, a quorum is not present, any consideration of the matters to be dealt with at the meeting may, at the request of the Issuer, be adjourned for consideration at a meeting to be convened on a date no earlier than fourteen (14) calendar days and no later than twenty-eight (28) calendar days after the original meeting, at a place to be determined by the Issuer. Correspondingly, if by the last day to reply to the Procedure in Writing constitutes no quorum, the time for replies may be extended as determined by the Issuer.

The quorum for an adjourned Noteholders' Meeting or the extended Procedure in Writing will be at least twenty-five (25) per cent of the principal amount of the Series of Notes for the time being outstanding.

Notice of an adjourned Noteholders' Meeting or in the Procedure in Writing, information regarding the extended time for replies, shall be given in the same manner as notice of the original Noteholders' Meeting or the Procedure in Writing. The notice shall also state the requirements for the constitution of a quorum.

Voting rights of Noteholders shall be determined according to the principal amount of the Notes held.

The Issuer and any companies belonging to Hypo Group shall not hold voting rights at any Noteholders' Meeting or Procedure in Writing. Resolutions shall be carried by a majority of fifty (50) per cent of the votes cast. In the event of a tied vote, the chairman of the Noteholders' Meeting shall have the casting vote. A representative of the Issuer and a person authorised to act for the Issuer may attend and speak at a Noteholders' Meeting.

A Noteholders' Meeting or a Procedure in Writing is entitled to make the following decisions that are binding on all Noteholders:

(a) to change the terms and conditions of the Notes, including to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any of the Final Terms or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;

(b) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes;

provided, however, that consent of at least seventy-five (75) per cent of the aggregate principal amount of the Series of Notes for the time being outstanding is required to:

(c) decrease the principal amount of or interest on Series of Notes;

(d) extend the term of Notes;

(e) amend the requirements for the constitution of a quorum at a Noteholders' Meeting or Procedure in Writing; or

(f) amend the majority requirements of the Noteholders' Meeting or Procedure in Writing.

The consents may be given at a Noteholders' Meeting, in the Procedure in Writing or by other verifiable means in writing.

The Noteholders' Meeting and the Procedure in Writing may authorise a named person to take necessary action to enforce the decisions of the Noteholders' Meeting or of the Procedure in Writing.

Resolutions passed at a Noteholders' Meeting or in the Procedure in Writing shall be binding on all Noteholders of the relevant Series of Notes irrespective of whether they have been present at the Noteholders Meeting or participated in the Procedure in Writing. A Noteholder is considered to have become aware of a resolution of a Noteholders' Meeting and a Procedure in Writing when a decision has been recorded on the issue account of the Notes. In addition, Noteholders are obligated to inform subsequent transferees of Notes of resolutions made at a Noteholders' Meeting and a Procedure in Writing. A Noteholders' Meeting's or Procedure in Writing's resolutions must also be informed to Euroclear Finland in accordance with Euroclear Finland Rules. For the sake of clarity, any resolution at a Noteholders' Meeting or in a Procedure in Writing, which extends or increases the obligations of the Issuer, or limits, reduces or extinguishes the rights or benefits of the Issuer, shall be subject to the consent of the Issuer.

15. Acknowledgement of loss absorption powers

Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Noteholder (which, for the purposes of this Condition 15, includes each holder of a beneficial interest in the Notes), by its acquisition of any Note, each Noteholder acknowledges, accepts and consents that the Notes and any liability arising under the Notes may be subject to the exercise of Statutory Loss Absorption Powers by the Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

(i) the effect of the exercise of any Statutory Loss Absorption Powers by the Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:

(A) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes (which may be a reduction to zero);

(B) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes;

(C) the cancellation of the Notes or the Relevant Amounts in respect of the Notes; and

(D) the amendment or alteration of the term of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of the terms of the Notes, as deemed necessary by the Resolution Authority, to give effect to the exercise of any Statutory Loss Absorption Powers by the Resolution Authority.

For the purposes of this Condition 15:

"**Statutory Loss Absorption Powers**" means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Finland, relating to (i) the transposition into Finnish law of BRRD as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period);

"**Relevant Amounts**" means the outstanding principal amount of the Notes, together with any accrued but unpaid interest thereon and any additional or other amounts whatsoever accrued or due or which would otherwise be payable on or in respect of the Notes. References to such amounts will include (but not be limited to) amounts that have become due and payable, but which have not been paid, prior to the exercise of any Statutory Loss Absorption Powers by the Resolution Authority; and

"**Resolution Authority**" means the Stability Authority and/or any other resolution authority with the ability to exercise any Statutory Loss Absorption Powers in relation to the Issuer or any Notes.

16. Repurchases

The Issuer or any of its subsidiary may at any time purchase Notes at any price in the open market or otherwise. Such Notes may be held, reissued, resold or cancelled. However, Tier 2 Notes may only be repurchased subject to the Conditions to Redemption set out in Condition 4.6 (*Conditions to Redemption and Repurchase*). If, notwithstanding the preceding sentence, any Noteholder receives payment for any Tier 2 Note by virtue of a repurchase which is not in accordance with the Conditions to Redemption set out in Condition 4.6 (*Conditions to Redemption and Repurchase*), it shall hold the same on behalf of the Issuer and shall pay the amount thereof to the Issuer or, in the event of liquidation (in Finnish: *selvitystila*) or bankruptcy (in Finnish: *konkurssi*) of the Issuer, to the liquidator or bankruptcy estate of the Issuer. Any refusal by the FIN-FSA to grant its approval will not constitute an event of default under the Tier 2 Notes.

17. Force majeure

Neither the Issuer, the subscription place, the Issuer Agent, the Paying Agent nor the account operator is responsible for any damage arising out of:

(a) an act of an authority, war or threat of war, revolt, civil disturbance, or any act of terror or any pandemic or global disease;

(b) disturbance in postal or telephone traffic, electronic communication, or supply of electricity that is beyond the control of and that has an essential impact on the operations of the Issuer, other subscription place, the Issuer/Paying Agent, Euroclear Finland, the Helsinki Stock Exchange or the account operator;

(c) interruption or delay of action or measure of the Issuer, other subscription place, the Issuer/Paying Agent, Euroclear Finland, the Helsinki Stock Exchange or the account operator that is caused by fire of equivalent accident;

(d) strike or other industrial action which has an essential impact to the operations of the Issuer, other subscription place, the Issuer/Paying Agent, Euroclear Finland, the Helsinki Stock Exchange or the account operator, even when it only concerns a part of the personnel of the above-mentioned entities and irrespective of whether the above-mentioned entities are involved in it or not;

(e) an act of God (such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods); or

(f) other equivalent force majeure or any similar reason that causes unreasonable difficulty for the operations of the Issuer, other subscription place, the Issuer/Paying Agent, Euroclear Finland, the Helsinki Stock Exchange or the account operator.

18. Statute of limitations

If a payment due and payable has not been demanded to be paid within three (3) years of its due date, the right to receive payment has lapsed.

19. Further issues

The Issuer may from time to time, without the consent of and notice to the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in respects except for the first payment of interest on them, the issue price and/or the minimum subscription amount thereof) so as to form a single series with the Notes of such Series or otherwise provided that the date on which the Notes become fungible is set out in the Final Terms of such further notes.

20. Substitution and variation

This Condition 20 is applicable in relation to Notes specified in the applicable Final Terms as Tier 2 Notes and references to **Notes** in this Condition 20 shall be construed accordingly.

If substitution and variation is specified as applicable in the applicable Final Terms, at any time following the occurrence of a Capital Event or a Tax Event or to ensure the effectiveness or enforceability of Condition 15 (*Acknowledgement of loss absorption powers*), the Issuer may, subject to the Applicable Banking Regulations and permission of the FIN-FSA (without any requirement for the consent or approval of the Noteholders) and having given not less than 30 days' notice to the Noteholders in accordance with Condition 21 (*Notices*) (which notice shall be irrevocable), at any time, either:

(a) substitute all (but not some only) of the relevant Notes for new Notes, which are Qualifying Securities, or

(b) vary the terms of the relevant Notes so that they remain or, as appropriate, become, Qualifying Securities,

provided that, in each case, (i) such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities and (ii) such variation or substitution would not itself directly lead to a downgrade in any of the credit ratings (if any) of the relevant Notes as assigned to such Notes by any credit rating agency immediately prior to such variation or substitution (unless any such downgrade is solely attributable to the effectiveness and enforceability of Condition 15 (*Acknowledgement of loss absorption powers*)) and (iii) such variation or substitution is not materially less favourable to holders (unless any such prejudice is solely attributable to the effectiveness and enforceability of Condition 15 (*Acknowledgement of loss absorption powers*)). For the avoidance of doubt, any such substitution or variation shall not be deemed to be a modification or amendment for the purposes of Condition 14 (*Noteholders' Meeting and Procedure in Writing*).

Any refusal by the FIN-FSA to grant its approval as described above will not constitute an event of default under the terms and conditions of any Notes.

For the purposes of this Condition 20:

A variation or substitution shall be "**materially less favourable to Noteholders**" if such varied or substituted securities do not:

(i) include a ranking at least equal to that of the relevant Notes pursuant to paragraph (a) of Condition 1 or paragraph (b) of Condition 1, as applicable;

(ii) have the same interest rate and the same interest payment dates as those from time to time applying to the relevant Notes;

(iii) have equivalent redemption rights as the relevant Notes;

(iv) have the same currency of payment, maturity, denomination and original aggregate outstanding nominal amount as the relevant Notes prior to such variation or substitution;

(v) preserve any existing rights under the relevant Notes to any accrued interest which has not been paid in respect of the period from (and including) the interest payment date last preceding the date of substitution or variation; or

(vi) have a listing on a recognised stock exchange if the relevant Notes were listed immediately prior to such variation or substitution; and

"**Qualifying Securities**" means securities issued directly or indirectly by the Issuer that contain terms which at such time result in such securities being eligible to qualify towards the Issuer's and/or the Hypo Group's or tier 2 capital, in each case for the purposes of, and in accordance with, the relevant Applicable Banking Regulations, (in the case of a variation or substitution due to Capital Event or a Tax Event) to at least the same extent as the Notes prior to the relevant Capital Event or Tax Event.

21. Notices

Noteholders shall be advised of matters relating to the Notes by a stock-exchange release, a notice published on the official website of the Issuer or a notice published in Helsingin Sanomat or any other major Finnish national daily newspaper selected by the Issuer. The Issuer may deliver notices on the Notes in writing directly to the Noteholders at the address appearing on the list of the Noteholders provided by Euroclear Finland in accordance with the below paragraph (or e.g. through Euroclear Finland's book-entry system or account operators of the book-entry system). Any such notice shall be deemed to have been received by the Noteholders when published in the manner specified in this Condition 21. Any disclosures required by the Market Abuse Regulation (EU) No 596/2014 ("**MAR**") shall be made by means of a stock exchange release.

The address for notices to the Issuer is as follows:

The Mortgage Society of Finland

P.O. Box 509, 00101 Helsinki, Finland

22. Other provisions

The Issuer is entitled to, without the consent of a Noteholders' Meeting or Procedure in Writing under Condition 14 (*Noteholders' Meeting and Procedure in Writing*) of these General Terms and Conditions, make appropriate changes to the Final Terms if such changes do not weaken the position of the Noteholders. The Issuer must notify the Noteholders of the amendments to the Notes in accordance with Condition 21 (*Notices*).

Such changes may be for example:

(a) changes resulting from the development of the book-entry system; or

(b) correcting minor typing errors.

23. Right to receive knowledge

Notwithstanding any secrecy obligation, the Issuer shall, subject to the Euroclear Finland Rules and applicable laws, be entitled to obtain information of the Noteholders from Euroclear Finland and Euroclear Finland shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to the Euroclear Finland Rules and applicable laws, be entitled to acquire from Euroclear Finland a list of the Noteholders and the Issuer may pass on such information to the Issuer Agent. Further, the Issuer may provide the FIN-FSA or the Stability Authority with the information of the Noteholders, if required by applicable laws.

24. Applicable law and jurisdiction

The Notes and any non-contractual obligations arising out of or in connection herewith, are governed by, and will be construed in accordance with, Finnish law.

Any disputes relating to the Notes shall be settled in the first instance at the District Court of Helsinki (in Finnish: *Helsingin käräjäoikeus*).

FORM OF FINAL TERMS

The Mortgage Society of Finland

EUR [●] [Senior Preferred Notes / Tier 2 Notes / Covered Bonds] Due [●]

under the EUR 2,500,000,000 Programme for the Issuance of

Senior Preferred Notes, Tier 2 Notes and Covered Bonds

Terms and Conditions

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in point e) of Article 2 of Regulation (EU) 2017/1129 (as amended) (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS:** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[**MIFID II product governance / Professional investors and ECPs only target market –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate [and (iii) the negative target market for the Notes is clients that seek full capital protection or full repayment of the amount invested, are fully risk averse/have no risk tolerance or need a fully guaranteed income or fully predictable return profile]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the Lead Manager(s) target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the Lead Manager(s) target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR product governance / Professional investors and ECPs only target market –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); or (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market]. Any [person subsequently offering, selling or recommending the Notes (a "**distributor**")/distributor] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

These Final Terms have been drawn in accordance with the Prospectus Regulation (EU) 2017/1129 and they are to be read together with the Base Prospectus regarding programme for the Issuance of Notes by The Mortgage Society of Finland (the "**Issuer**") dated [●] [and the supplement[s] to it dated [●] and [●]] (the "**Base Prospectus**") (the "**Programme**"). Unless otherwise stated in these Final Terms, the General Terms and Conditions of the Programme shall apply.

The complete information regarding the Issuer and the Notes may be found in the Base Prospectus, including documents incorporated into it by reference, and in these Final Terms.

The Base Prospectus [, the supplement[s] dated [●] and [●]] and the Final Terms are available at the web page of The Mortgage Society of Finland at https://www.hypo.fi/en/hypo-investor-relation/ and at request from The Mortgage Society of Finland or at the subscription places mentioned in the Final Terms.

[EVEN THOUGH THE AMOUNT TO BE REPAID IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE NOTES IS THE NOMINAL VALUE OF THE NOTES, THE INVESTOR MAY LOSE PART OF THE SUBSCRIPTION PRICE, IF THE NOTES ARE SUBSCRIBED ABOVE NOMINAL VALUE AND THE AMOUNT OF THE SUBSCRIPTION FEE, IF APPLICABLE.]

Name and number of the Series of Notes:	[●]
Tranche number:	[●] / [Not applicable]
Status of the Notes:	[Covered Bonds][Senior Preferred Notes][Tier 2 Notes]
[Date on which the Notes become fungible:	[Not applicable]/[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the Tranche [ ] on [insert date]]
Lead Manager(s):	[Name and Address]
Subscription place(s) of this Series of Notes:	[Name and Address / Not applicable]
Issuer Agent and Paying Agent:	[Name and Address]
Calculation Agent:	[Name and Address] / [The Issuer acts as the calculation agent]
Interests of the Arranger/Lead Manager(s)/other subscription place/other parties taking part in the issue:	[The customary sector connected commercial interest / possible other interest]
Principal and currency of the Notes:	[EUR] [●] / [EUR] [●]. Final Principal is to be confirmed by the Issuer]
Number of book-entry units:	[●]
Form of the Notes:	Book-entry securities of Euroclear Finland's book-entry security system
Denomination of book-entry unit:	[●]
The minimum amount of Notes to be offered for subscription:	[●]/ [Not applicable]
Subscription fee:	[The Lead Manager(s) [and potential other subscription places] do not charge the costs related to issuing the Notes from the Noteholders / [●] charges [●] from the Noteholders as a cost related to offering the Notes]

Payment of subscription:	[Subscriptions shall be paid for as instructed in connection with the subscription] / [The subscription shall be paid at the time of the subscription]
Issue date:	[●]
Issue price:	[The issue price is fixed: [●]] / [The issue price is floating and will not exceed [●]]
Amount and manner of redemption:	The nominal amount of principal of the Note [The Notes will be repaid in one instalment.] [The Notes will be repaid in several instalments [define the amounts of the instalments].]
Substitution and variation:	[Applicable/Not Applicable]
Issuer Call:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
i) [Optional Redemption Date(s):]	[●]
ii) [Optional Redemption Amount:]	[●]
iii) [If redeemable in part:	
a) Minimum Redemption Amount:	[●]
b) Maximum Redemption Amount:]	[●]
iv) [Notice periods:]	[Minimum period: [●] days Maximum period: [●] days]
Maturity Date:	[●]
Extended Final Maturity:	[Applicable/Not applicable]
[Extended Final Maturity Date:]	[Insert Extended Final Maturity Date] [In accordance with Condition 4, if the Issuer applies for the approval of the FIN-FSA at the latest on the fifth (5th) Business Day before the Maturity Date that the Maturity Date of the Notes and the date on which the Covered Bonds will be due and repayable should be extended by the Issuer up to but no later than the Extended Final Maturity Date. The FIN-FSA shall grant the approval for the extension of maturity if (i) the Issuer is unable to obtain long-term financing from ordinary sources, (ii) the Issuer is unable to meet the liquidity requirement set out in the Covered Bond Act if it makes payments towards the principal and interest of the maturing Covered Bonds and (iii) the extension of maturity of the Covered Bonds does not affect the sequence in which the Issuer's Covered Bonds covered by the same Cover Asset Pool are maturing, and if the FIN-FSA determines that the conditions for extension of the Maturity Date of the Covered Bonds have been fulfilled and it gives its approval to the extension, the resolution of the FIN-FSA

	shall confirm the extended Maturity Date of the Covered Bonds and the date on which the Covered Bonds will then be due and repayable. In that event, the Issuer may redeem all or any part of the nominal amount outstanding of the Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Final Maturity Date, all in accordance with Condition 4.2.]
Interest:	[Define here, if the Notes are so-called zero-coupon Notes, or which general note terms, either Condition 8.1 (Fixed interest rate) or Condition 8.2 (Floating reference interest rate), is applied and include required details as follows:] [Condition 8.1 (Fixed interest rate):] [Interest rate] [●] [The date when the first interest period starts, if not the same as the issue date] [Interest payment date(s): [●] each year commencing on [●] until the Maturity] [Condition 8.2 (Floating reference interest rate):] [EURIBOR] [OTHER: STIBOR/CIBOR/NIBOR] of [●] months [Margin] [●] [Regarding OTHER: for each interest period the OTHER interest will be defined two (2) [●] Business Days before the start of the interest period in question.] [The date when the first interest period starts, if not the same as the issue date] [Interest payment date(s): [●] each year commencing on [●] until the Maturity]
Reset Note provisions:	[Applicable / Not Applicable] (*If not applicable, delete the remaining sub paragraphs of this paragraph*)
i) [Initial Rate of Interest:]	[[●] per cent per annum payable in arrear [on each Interest Payment Date]]
ii) [First Margin:]	[[±][●] per cent per annum]
iii) [Subsequent Margin:]	[[±][●] per cent per annum / Not Applicable]
iv) [Interest Commencement Date:]	[●]
v) [Interest Payment Date(s):]	[[●] [and [●]] in each year up to and including the Maturity Date [[in each case,] subject to adjustment in accordance with item x]]

vi) [First Reset Date:]	[●] [subject to adjustment in accordance with item x]
vii) [Second Reset Date:]	[Not Applicable /] [●] [subject to adjustment in accordance with item x]
viii) [First Reset Rate of Interest:]	[●]
ix) [Subsequent Reset Rate of Interest:]	[Not Applicable /] [either (A) an annual fixed interest rate or (B) the sum of the First Margin or Subsequent Margin (as applicable) and the Floating Reference Rate for the relevant Subsequent Reset Period]
x) [Subsequent Reset Period:]	[Not Applicable /] [●]
xi) [Subsequent Reset Date(s):]	[Not Applicable /] [●] [and [●]]
xii) [Floating Reference Rate:]	[●]
xiii) [Relevant Screen Page:]	[●]
xiv) [Day Count Fraction:]	[Actual/Actual (ICMA / ISDA); Actual/365; Actual/360, Eurobond rule or 30/360]
xv) [Other terms relating to Reset Notes:]	[Not Applicable /] [●]
Day Count Fraction	[Actual/Actual (ICMA / ISDA); Actual/365; Actual/360, Eurobond rule or 30/360]
Minimum/maximum amount of interest:	[Applicable / Not applicable. If applicable, define minimum/maximum amount]
Business Day convention:	[Following / Modified Following / Preceding], [adjusted]/[unadjusted]
Business Day:	Helsinki and [TARGET 2 / insert financial centre of the currency]
Delivery of book-entry securities:	The time when the book-entry securities are recorded in the book-entry security accounts specified by the subscribers is estimated to be [●]
Relevant benchmarks:	[[CIBOR]/[EURIBOR]/[NIBOR]/[STIBOR] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation]]/[Not Applicable]
LEI code of the Issuer:	5493009ZDBVG2CO1O689
ISIN code of the Series of the Notes:	[●]
Extended Final Maturity Interest Provisions:	[Applicable (from and including) the Maturity Date to (but excluding) the Extended Final Maturity Date / Not Applicable]
a) Fixed Rate Provisions:	(*If not applicable, delete the remaining subparagraphs*)

	[Applicable / Not Applicable]
i) [Rate of interest:]	(If not applicable, delete the remaining subparagraphs)
ii) [Interest Payment Dates:]	[●] day of each month, commencing on [●]
iii) [Day Count Fraction:]	[[Actual/Actual (ICMA / ISDA); Actual/365; Actual/360, Eurobond rule or 30/360]]
iv)	
v) [Minimum/maximum amount of interest:]	[Applicable / Not applicable. If applicable, define minimum/maximum amount]
vi)	
vii) [Business Day Convention:]	[Following / Modified Following / Preceding], [adjusted] / [unadjusted]

b) Floating Rate Provisions:	[Applicable / Not Applicable]
	(*If not applicable, delete the remaining subparagraphs*)
i) [Rate of interest:]	[EURIBOR] [OTHER: STIBOR/CIBOR/NIBOR] [of [●] months]
	[Margin [●]]
	[Regarding OTHER: for each interest period the OTHER interest will be defined two (2) [●] Business Days before the start of the interest period in question.]
	[ ]
ii) [Interest Payment Dates:]	[ ]
iii) [Day Count Fraction:]	[[Actual/Actual (ICMA / ISDA); Actual/365; Actual/360, Eurobond rule or 30/360] / [Not applicable]]
iv) [Minimum/maximum amount of interest:]	[Applicable / Not applicable. If applicable, define minimum/maximum amount]
v) [Business Day Convention:]	[Following / Modified Following / Preceding], [adjusted] / [unadjusted]

Other Information

This information of the Tranche of the Notes is presented in connection with the issue of each Tranche of Notes.

Decisions and authority based on which Notes are issued:	[Based on the authorisation dates [●] of the Issuer's Board of Directors / Based on the resolution of the Issuer's Board of Directors dated on [●]]
Subscription period:	[●]
Condition for executing the issue:	[●] / [Not applicable]

Yield:	[The effective interest yield to the investor on the issue date, when the issue price is 100 per cent, is [●] per cent / [zero coupon]] / [Not applicable]
An estimate of the principal accruing to the Issuer under the Notes:	[●] per cent of the principal of the Notes, at maximum.
Estimated total expenses [in relation to admission to trading]:	[●]
Credit rating of the Notes:	[●] / [Not applicable] / [The Notes are expected to be rated [●] by [●]]
Listing:	[Shall] / [Shall not] be applied for listing on the Helsinki Stock Exchange]
Estimated time of listing:	[●]/ [Not applicable]
Use of proceeds:	[The net proceeds from the issue of the Notes will be applied by the Issuer for its general corporate purposes, which include making a profit.] [The Issuer will apply the net proceeds from this offer of Notes specifically for financing or re-financing housing company mortgages used for investments that promote climate-friendly housing solutions, such as increased energy efficiency investments in commercial and residential buildings ("**Green Mortgage Projects**").][2]
European Covered Bond (Premium)	[Yes] / [No] / [Not applicable]

In Helsinki, on [date]

THE MORTGAGE SOCIETY OF FINLAND

[2] Delete this paragraph unless the Notes are intended to constitute "Green Bonds".

USE OF PROCEEDS

The net proceeds from each issue of the Notes will be applied by the Issuer for its general corporate purposes, which include making a profit, unless otherwise specified in the relevant Final Terms.

In particular, if so specified in the applicable Final Terms, the Issuer will apply the net proceeds from an offer of the Notes specifically for Green Mortgage Projects. Such Notes may also be referred to as "**Green Bonds**". The use of proceeds of Green Bonds will be described in the Issuer's internal policies and/or frameworks from time to time, available at https://www.hypo.fi/en/hypo-investor-relation/, and include, inter alia, financing or re-financing housing company mortgages used for investments that promote climate-friendly housing solutions, such as increased energy efficiency investments in commercial and residential buildings. At the date of this Base Prospectus, the Issuer has not published any framework, such as a green bond framework, in relation to the use of proceeds of the Green Bonds.

FINNISH COVERED BOND ACT

The following is a brief summary of certain features of the CBA, through which the Covered Bond Directive (EU) 2019/2162 is implemented. The CBA repealed the Finnish Act on Mortgage Credit Bank Activity on 8 July 2022. In addition, the summary does not purport to be, and is not, a complete description of all aspects of the Finnish legislative and regulatory framework for covered notes under the CBA. Please also refer to the "Risk Factors". The terms defined in this section apply in the context of this section only.

Background

In November 2019, the European Parliament and the Council adopted the Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 (the "**Covered Bond Directive**") and the Regulation (EU) 2019/2160 of the European Parliament and of the Council of 27 November 2019. The Covered Bond Directive and the aforementioned regulation came into effect on 7 January 2020. The Covered Bond Directive aims to provide for a common definition of Covered Bonds in the EU, defining the structural features of the instrument and identifying those high quality assets that can be considered eligible in the pool backing the debt obligations. The Covered Bond Directive also aims to establish a sound special public supervision for Covered Bonds and sets out the rules allowing the use of the 'European Covered Bonds' label.

In Finland, the CBA started to apply on 8 July 2022, repealing the MCBA.

The CBA enables the issue of covered notes (in Finnish: *katetut joukkolainat*) which are debt instruments secured by the Cover Asset Pool. The CBA regulates which assets can be used as collateral for the covered notes and the quality of such assets. They are issued by credit institutions (such as the Issuer) which are authorised to engage in mortgage banking activity (in Finnish: *kiinnitysluottopankkitoiminta*) (each an **issuer**).

Supervision

The FIN-FSA is responsible for supervising each issuer's compliance with the CBA and may issue regulations for risk management and internal control in respect of mortgage credit business operations. If an issuer does not comply with the provisions of the CBA or the conditions of the license granted by the FIN-FSA, the FIN-FSA shall lay down a period in which the issuer must fulfil any requirements set by the FIN-FSA. If such requirements are not fulfilled within the set period, the FIN-FSA may cancel the issuer's authorisation to engage in mortgage credit business.

Authorisation under the CBA

The issuing of covered notes under the CBA requires that the issuer has a separate license for mortgage banking activity which is applied from the FIN-FSA. Mortgage credit business is a line of banking business which involves the issuing of covered notes collateralised by loans secured by residential property, shares in Finnish housing companies (apartments), commercial real estate or shares in real estate companies as well as claims against public-sector bodies. A credit institution must fulfil certain requirements prescribed in the CBA in order to be able to obtain authorisation from the FIN-FSA to engage in mortgage credit business. The FIN-FSA shall grant the authorisation, if, based on the evidence obtained from the credit institution, it can be assured of, among other things, that the business plan presented by the issuer is sufficiently comprehensive, that the credit institution has in place suitable procedures and instruments for managing the risk entailed in holding the assets in the Cover Asset Pool(s), that mortgage banking activity is being conducted in accordance with the CBA and the regulations given by virtue of it, and that the activity of the credit institution is stable and that its economic position and operational capability are sufficient to secure the repayment of covered notes. Moreover, the FIN-FSA shall be assured that the register of covered notes of the issuer fulfils the statutory requirements, and the issuer must have principles and policies for valuation of collateral and the expertise and professional skill required by mortgage banking activity. Additionally, the FIN-FSA may grant the authorisation only if it is not aware of anything, pursuant to which the liquidity, solvency, or the economic position otherwise or the risk management of the issuer would be jeopardised. In addition to credit institutions authorised separately to engage in mortgage credit business, also mortgage credit banks whose activities are exclusively restricted to carrying out mortgage credit business are entitled to issue covered notes after receiving the authorisation referred to in Section 8 of the CBA.

Register for Covered Bonds

The CBA requires the issuer to maintain a register (the "**Register for Covered Bonds"**) for the covered notes and the collateral which forms the assets in the Cover Asset Pool for the Covered Bonds. The actual entry of the covered notes and relevant derivative contracts in the Register for Covered Bonds is necessary to confer the preferential right in the Cover Asset Pool. Further, only assets entered into the Register for Covered Bonds form part of the Cover Asset Pool.

The Register for Covered Bonds must list, amongst other things, the covered notes issued by the issuer and the assets in the Cover Asset Pool and Derivative Transactions relating thereto along with any Bankruptcy Liquidity Loans entered into on behalf of the issuer. Furthermore, as the issuer is, pursuant to Section 29 of the CBA, entitled to use different Cover Asset Pools for different covered notes, the Register for Covered Bonds must also specify which Cover Asset Pools constitute collateral for which covered notes. In other words, the collateral shall be entered in the Register for Covered Bonds as collateral for specified covered notes. Only the issuer is entitled to provide security to a covered note. Moreover, after the commencement of a bankruptcy or a liquidation of the issuer, the funds accrued on the collateral shall be separated from other assets of the credit institution having given the collateral in question, and they shall be entered into the Register for Covered Bonds.

The FIN-FSA monitors the management of the Register for Covered Bonds, including the due and proper recording of assets. The information in the Register for Covered Bonds must be submitted to the FIN-FSA regularly.

Eligible cover pool assets

The covered notes shall be covered at all times by a specific pool of qualifying assets, the Cover Asset Pool. Eligible assets which are permitted as collateral for covered notes consist of Mortgage Loans, Public-Sector Loans and Substitute Collateral, each as defined in the CBA as follows:

Mortgage Loans are Housing Loans or Commercial Real Estate Loans.

Housing Loans are, provided that the requirements set out in Article 129 of the CRR are met, loans secured by (i) mortgageable property for primarily residential purposes referred to in Chapter 16, Section 1 or Chapter 19, Section 1 of the Finnish Land Code (*Maakaari* 540/1995, as amended); or (ii) shares in a housing company referred to in Chapter 1, Section 2 of the Finnish Act on Housing Companies (*Asunto-osakeyhtiölaki* 1599/2009, as amended) or shares comparable thereto, participations and rights of occupancy; or (iii) collateral comparable to the aforementioned collateral, situated in another State belonging to the European Economic Area.

Commercial Real Estate Loans are, provided that the requirements set out in Article 129 of the CRR are met, loans secured by (i) mortgageable real estate for commercial or office purposes referred to in Chapter 16, Section 1 or Chapter 19, Section 1 of the Finnish Land Code; or (ii) shares of a housing company or a real estate company referred to in Chapter 28, Section 2 of the Finnish Act on Housing Companies entitling the holder to occupancy of the commercial or office premises; or (iii) collateral comparable to the aforementioned collateral, situated in another State belonging to the European Economic Area. For the avoidance of doubt, Hypo does not grant Commercial Real Estate Loans that would be part of the Cover Asset Pool.

Public-Sector Loans are loans (i) which have been granted to a state, municipality, central bank or other public-sector entity provided that such fulfils the requirements prescribed in Article 129, Paragraph 1, Subparagraph (a) or (b) of CRR or (ii) fully collateralised by a guarantee as for its own debt by a public-sector entity referred to in point (i).

At most 10 per cent of the total nominal amount of collateral in a Cover Asset Pool may consist of Commercial Real Estate Loans (unless otherwise agreed in the terms and conditions of the notes) and at most 20 per cent of the total nominal amount of collateral in a Cover Asset Pool may consist of Substitute Collateral. The FIN-FSA may grant an exemption from the requirement in respect of Substitute Collateral.

Substitute Collateral may only be used for fulfilling the liquidity requirement and as collateral for covered notes on a temporary basis and in the circumstances set out in the CBA (see *"Substitute Collateral"* below).

Liquidity buffer constitutes of the funds that are required to cover the maximum cumulative net liquidity outflow over the next 180 days.

Derivative Transactions concluded for hedging against risks related to covered notes or their underlying collateral must be registered in the Register for Covered Bonds and therefore constitute part of the assets in the Cover Asset Pool.

Claims based on insurance indemnity relating to the collateral of mortgage loans.

Quality of the cover pool assets

Mortgage lending limit and valuation

It is not possible to directly record collateral for an individual covered note. Pursuant to the CBA, collateral shall be included in a Cover Asset Pool and each covered note can simultaneously only be collateralised by one Cover Asset Pool. However, an issuer is entitled to cover several covered notes with one Cover Asset Pool.

A Mortgage Loan entered into the Cover Asset Pool as collateral for a covered note may not exceed the current value of the shares, housing property or commercial real estate standing as collateral at the time of recording the asset into the Cover Asset Pool. The **current value** shall be calculated using good property evaluation practice applicable to credit institutions in accordance with provisions on the management of capital adequacy and credit risk of credit institutions issued by the FIN-FSA. Pursuant to Section 16 of the CBA, the Issuer must also make sure that the risks of damages related to the mortgage loans included in the Cover Asset Pool are properly insured. The insurance cover is used in the Cover Asset Pool for the Covered Bonds ("**Insurance Compensation**"). The issuer is not obliged to remove a Mortgage Loan from the Cover Asset Pool of a specific covered note due to the collateral's future performance under the CBA. Pursuant to the preparatory works of the CBA, if the issuer technically executes the evaluation of the whole Cover Asset Pool on a regular basis, the decisive point of time is considered to be the moment when the collateral was first technically recorded in the Cover Asset Pool.

Requirements for matching cover

The CBA seeks to protect covered noteholders by requiring that the outstanding principal amount and net present value of the covered notes must be covered at all times by matching assets in the Cover Asset Pool. This is achieved by Section 24 of the CBA which provides that (a) the total value of Cover Asset Pool must always exceed the liabilities under the covered notes and (b) the net present value of Cover Asset Pool must always be at least 2 per cent above the net present value of the liabilities under the covered notes. Moreover, if the requirements prescribed in Article 129, Paragraph 3 a, Subparagraph 3 of CRR are not fulfilled, the net present value of Cover Asset Pool must be at least 5 per cent above the net present value of the liabilities. If the calculation method based on net present value produces a higher cover pool total value than the method based on the nominal value of obligations incurred from the Covered Bonds, the overcollateralisation shall be determined on the basis of the nominal value. The overcollateralisation shall also cover the estimated costs in relation winding-down of the covered notes. The FIN-FSA has provided further regulations (FIN-FSA regulation and guidelines 2/2024 on Risk management concerning mortgage bank operations, entered into force on 1 January 2025) on the calculation and valuation methods for overcollateralization under Section 24 of the CBA for (i) substitution assets, as referred in Section 18 of the CBA and liquidity buffer, as referred in Section 31 of the CBA and (ii) short-term exposures or short-term deposits, as referred in section 18(1)(2) of the CBA. In calculating the total value of the Cover Asset Pool, the following limitations apply:

1) the unpaid capital amount of any Housing Loan not exceeding 80 per cent of the current value of the shares or housing property placed as collateral for any Housing Loan;
2) an amount not exceeding 60 per cent of the current value of real estate for commercial or office purposes placed as collateral for any Commercial Real Estate Loan; and
3) the principal of the other receivables may be taken into account.

Requirements relating to liquidity

Under Section 31 of the CBA, the issuer shall ensure that the Cover Asset Pool continuously includes such amount of assets fulfilling the requirements prescribed in Section 18, subsections 1 and 2 of the CBA that covers the maximum net outflow connected to covered notes during the upcoming 180-day period (liquidity requirement). In calculating the net outflow connected to the covered notes, the issuer may take into account the extension of the maturity of any covered notes in accordance with Section 32 of the CBA up to the final maturity date. In accordance with FIN-FSA's regulation and guidelines 2/2024, the calculation method of the liquidity buffer under Section 31 of the CBA, applicable to future cash flows from variable rate contracts, shall be documented and the method needs to be approved by the board of directors of the supervised entity.

Determination of requirements under Sections 23 and 31 of the CBA

To determine the **value** of the Cover Asset Pool in order to provide the matching cover required by Sections 23 and 31 of the CBA, the issuer shall only take into account:

(1) the unpaid capital amount of any Housing Loan not exceeding 80 per cent of the current value of the shares or housing property placed as collateral for any Housing Loan;
(2) an amount not exceeding 60 per cent of the current value of real estate for commercial or office purposes placed as collateral for any Commercial Real Estate Loan; and
(3) the principal of the other receivables.

Derivative Transactions concluded in order to hedge the covered notes and any assets provided as collateral for the Derivative Transaction shall be taken into account for the purposes of Sections 23 and 31 of the CBA.

Substitute Collateral and liquidity buffer assets

Up to 20 per cent of the aggregate amount of all assets constituting the statutory security for the covered notes conferred by the CBA may temporarily consist of Substitute Collateral. Similar assets may also be used to fulfil the liquidity requirement, in which case the limit of 20 per cent of Substitute Collateral does not apply pursuant to Section 22 of the CBA. Substitute Collateral and liquidity buffer assets may include: (a) assets qualifying as level 1, level 2A or level 2B assets pursuant to the applicable delegated regulation adopted pursuant to Article 460 of CRR; and (b) short-term exposures to credit institutions that qualify for credit quality step 1 or 2, or short-term deposits to credit institutions that qualify for credit quality step 1, 2 or 3, in accordance with point (c) of Article 129(1) of CRR. However, Substitute Collateral and liquidity buffer assets may not include financial instruments that are issued by the credit institution issuing the Covered Bonds itself, its parent undertaking, other than a public sector entity that is not a credit institution, its subsidiary or another subsidiary of its parent undertaking or by a securitisation special purpose entity with which the credit institution has close links. The use of Substitute Collateral is regarded as temporary provided that (i) Mortgage Loans or Public-Sector Loans have not yet been granted or registered as collateral for the covered notes; or (ii) the total amount of collateral does not fulfil the requirements set out in Chapter 4 of the CBA. The instruments included in Substitute Collateral or liquidity buffer assets shall fulfil the requirements prescribed in Article 129 of CRR both individually and as a whole, among other limitations set on the aggregated amount of credit institution and public sector counterparty risks.

Extension of maturity (*soft bullet*)

Pursuant to Section 32 of the CBA, the terms and conditions of a covered note may include a provision that enables the issuer to extend the maturity of a covered note subject to certain conditions, including the approval of the FIN-FSA. In addition, the conditions for extension of maturity include, among others, that the issuer is unable to obtain long-term financing from ordinary sources, the issuer is unable to meet the liquidity requirement set out in the CBA if it makes payments towards the principal and interest of the maturing covered note and that the extension of maturity does not affect the sequence in which the issuer's covered notes covered by the same Cover Asset Pool are maturing. If the FIN-FSA determines that the conditions for extension have been fulfilled and it gives its approval to the extension, its resolution shall confirm the extended final maturity date of such covered notes applied for by the Issuer, which shall be a date on or before the final extended maturity date specified in the terms and conditions.

Reporting

Chapter 8 of the CBA contains provisions on periodic disclosure obligations regarding covered bonds. In addition to what is prescribed elsewhere in law on the disclosure requirements of an issuer of a security, an issuer must display on its webpage the following information for at least for the current calendar year and for the five preceding calendar years:

1) the total value of collateral and covered bonds issued;
2) international securities identification numbers (ISINs) of covered bonds;
3) the distribution of collateral by type, however in case of housing loans in a way that the information is presented as being separated into loans granted to natural persons, loans granted to housing companies, and other housing association loans;
4) the geographical distribution of the collateral of loan claims, account on valuation methods, and information on loan amounts of the loan claims;
5) a description of the market risks associated with covered bonds, including interest rate risk and exchange rate risk, as well as of credit risks and liquidity risks;
6) information relating to the maturity of covered bonds, including any conditions for extending the maturity of a covered bond and the legal effects and other possible effects associated with the extension of the maturity date;

7) available collateral and the minimum level of collateral, including the minimum level of overcollateral set out in legislation, the overcollateral set out in the terms of a covered bond or a covered bond programme and the total value of a cover pool exceeding these; and

8) the proportion of those loan claims in the cover pool which either meet the requirements set out in Article 178 of the CRR or whose overdue principal or interest has otherwise been unpaid for at least 90 days.

The above information must be published at least quarterly and presented per each cover pool separately.

In addition, an issuer must report to the FIN-FSA on a quarterly basis, and separately at the request of the FIN-FSA, information on issued covered bonds, the cover pool in order to assess that the cover pool complies with the conditions laid down in the CBA, the assessment of collateral for loan claims included in the cover pool, the covered bond register in order to assess that the collateral of the covered bond and items comparable to collateral are entered in the register in the manner laid down in the CBA, the collateral requirements and the calculation of the total amount of collateral, the fulfilment of the liquidity buffer requirement, and the contractual terms concerning the extension of maturity. The FIN-FSA shall issue further regulations on the information content and means of such reporting. On 8 December 2022, the FIN-FSA amended its regulations and guidelines 7/2012 on reporting of mortgage bank operations to include also detailed regulations on the information and content of reporting on covered bonds issued under the CBA. The amended regulations and guidelines became effective on 30 September 2023.

Label

An issuer may use the label "Eurooppalainen katettu joukkolaina (premium)" or "European Covered Bond (Premium)" and its language version translated into the official languages of the European Union only for covered bonds which are issued in accordance with the CBA.

Derivatives

The issuer may enter into Derivative Transactions to hedge against the risks relating to covered notes or their underlying collateral. Details of any such derivatives must be entered in the Register for Covered Bonds.

Set-off

A creditor of the issuer may not, in the event of bankruptcy or liquidation of the issuer, set-off its claim against an issuer included in the Cover Asset Pool.

Prohibition on transfers, pledges, execution and precautionary measures

The issuer may not, without the permission of the FIN-FSA, assign or pledge Mortgage Loans or Public-Sector Loans which are included in the Cover Asset Pool. An assignment or pledge violating such prohibition shall be void.

Collateral entered in the Register for Covered Bonds as collateral for a covered note may not be taken in execution for a debt of the issuer or a credit institution that has granted the respective Mortgage Loan or Public-Sector Loan, nor may precautionary measures be directed at such collateral.

Preferential right in the event of liquidation or bankruptcy

Under Finnish law, *"selvitystila"* (or **liquidation** in English) means either a voluntary winding up of a company or a winding up pursuant to specific provisions of Finnish law and *"konkurssi"* (or **bankruptcy** in English) means the mandatory winding up of a company in the event of its insolvency.

Under Sections 20 and 39 of the CBA, notwithstanding the liquidation or bankruptcy of the issuer, a covered note shall be paid until its maturity in accordance with the terms and conditions of the covered note from the funds accruing on the Cover Asset Pool of the covered note before other claims. The same applies to Derivatives Transactions. The funds accruing from collateral for covered notes after the commencement of liquidation or bankruptcy proceedings against the issuer shall be entered in the Register for Covered Bonds as collateral for such covered notes. In bankruptcy proceedings the bankruptcy administrator must ensure due maintenance of the Register for Covered Bonds. Under Section 43 of the CBA, the bankruptcy administrator in bankruptcy or the liquidator in liquidation have the right, upon demand or approval of the supervisor (defined below), to seek for permission to extend the maturity of the Covered Bond if the terms and conditions provide the possibility for extension of maturity in accordance with Section 32 explained above.

Collateral entered in the Register for Covered Bonds in accordance with the CBA may not be recovered pursuant to the Finnish Act on Recovery of Assets to a Bankruptcy Estate (in Finnish: *Laki takaisinsaannista konkurssipesään* 758/1991, as amended) (the "**Act on Recovery of Assets to a Bankruptcy Estate**").

Pursuant to Section 20 of the CBA, Mortgage Loans are included in the Cover Asset Pool for a covered note for their total value.

What is set out above in respect of Section 20 of the CBA applies *mutatis mutandis* to the counterparties of the Derivative Transactions entered in the Cover Asset Pool and to the providers of any loan securing liquidity for the issuer in liquidation or bankruptcy (each such loan being a "**Bankruptcy Liquidity Loan**"). The parties to the Bankruptcy Liquidity Loans have a right to receive payment after the funds specified in Section 20 of the CBA.

The bankruptcy administrator may, upon the demand or with the consent of the supervisor appointed by the FIN-FSA (see " *– Management of Cover Pool Assets during the liquidation or bankruptcy of the issuer*"), transfer collateral entered in the Cover Asset Pool of the relevant covered notes to the issuer's general bankruptcy estate, if the value and the net present value of the Cover Asset Pool, as provided for in Section 45 of the CBA, considerably exceed the total amount of the covered notes and it is apparent that the collateral to be transferred shall not be necessary to fulfil the obligations in respect of the covered notes, Derivative Transactions and Bankruptcy Liquidity Loans.

Management of Cover Pool Assets during the liquidation or bankruptcy of the issuer

When the issuer has entered into liquidation or bankruptcy proceedings, the FIN-FSA shall, without delay, appoint a supervisor in accordance with Section 29 of the Finnish Act on the Financial Supervisory Authority (*Laki Finanssivalvonnasta* 878/2008, as amended) (the "**Act on the Financial Supervisory Authority**") and in accordance with Section 40 of the CBA to protect the interests of creditors of covered notes and creditor entities comparable to such and to enforce their right to be heard (a **supervisor**). The supervisor shall, in particular, supervise the management of the collateral for the covered notes and their conversion into cash as well as the contractual payments to be made to the holders of the covered notes. The person to be appointed as a supervisor shall have sufficient knowledge of financing and legal issues with regard to the nature and scope of the duties. The remuneration of the supervisor shall be decided by the FIN-FSA, and the issuer is responsible for the payment of the remuneration. The payment of the remuneration is secured by the Cover Asset Pool(s). Should the FIN-FSA pay the remuneration on behalf of the issuer, the right to claim payment of the remuneration would be transferred to the FIN-FSA and the corresponding priority in respect of the Cover Asset Pool would be preserved. The FIN-FSA shall always take steps to appoint an administrator, when the issuer has entered into liquidation or bankruptcy proceedings.

In bankruptcy proceedings the courts will by operation of law appoint a bankruptcy administrator to administer the bankruptcy estate. The Cover Asset Pool will be run by the bankruptcy administrator, but the supervisor will supervise the bankruptcy administrator, acting in the interest of the noteholders. Under Section 44 of the CBA, a bankruptcy administrator shall, upon the demand or with the consent of the supervisor, conclude Derivative Transactions necessary for hedging against risks relating to covered notes and the relevant collateral as well as, where necessary, in accordance with Section 42 of the Covered Bond Act, sell a sufficient amount of collateral for the covered note in order to fulfil the obligations relating to the covered note. In addition, a bankruptcy administrator shall, upon the demand or with the consent of the supervisor, have a right to conclude contractual arrangements to secure liquidity or take out Bankruptcy Liquidity Loans.

Funds which accrue on the collateral of covered notes after the commencement of liquidation or bankruptcy of the issuer and the bank accounts related to the collateral and its income shall be entered in the Register for Covered Bonds. Correspondingly, a Bankruptcy Liquidity Loan taken under Section 44 of the CBA and each bank account into which any such funds are deposited shall be entered in the Register for Covered Bonds.

If the matching cover requirements of the collateral of a covered note cannot be fulfilled due to the issuer being in bankruptcy or liquidation, the bankruptcy administrator and the liquidator in liquidation shall, on the demand or approval of the supervisor, accelerate the covered notes connected thereto as well as sell the funds being collateral for each covered note for their payment. The bankruptcy administrator or the liquidator in liquidation is entitled, upon demand or approval by the supervisor, to apply from the FIN-FSA for a permission to extend the maturity of a covered note, if the covered note includes a condition referred to in Section 32 of the CBA, pursuant to which the issuer can, on the permission granted by the FIN-FSA, extend the maturity of the covered note upon fulfilment of the conditions included in Section 32 of the CBA.

A bankruptcy administrator has the right to terminate or transfer a Derivative Transaction to a third party on the demand or with the consent of the supervisor, provided that the collateral is transferred or converted into cash, or a right to transfer collateral to the counterparty in the Derivative Transaction when the interests of the holder of the covered notes demands such and it is reasonable from the perspective of risk management.

If the requirements for the Cover Asset Pool of the covered notes, as provided for in Sections 23 and 31 of the CBA, cannot be fulfilled, the bankruptcy administrator must, upon the request or approval of the supervisor, accelerate the covered notes and sell the Cover Asset Pool assets in order to pay the covered notes.

REGULATORY ENVIRONMENT

The following is a summarised presentation of certain aspects of the banking regulatory environment in which Hypo Group operates:

Single Supervisory Mechanism

The new Single Supervisory Mechanism (the "**SSM**") commenced its operation in November 2014. The SSM is a system of financial supervision comprising the ECB and the national competent authorities of participating EU countries. The legal basis for the SSM is the Council Regulation (EU) No 1024/2013. The ECB commenced its supervisory role under the SSM on 4 November 2014. Within the SSM, the ECB directly supervises so-called significant credit institutions and has an indirect role in the supervision of less significant credit institutions. Less significant credit institutions continue to be supervised by their national supervisors, in close cooperation with the ECB. In Finland, the supervision of the less significant credit institutions under SSM is primarily carried out by the FIN-FSA. However, under the SSM, the ECB can decide to directly supervise any one of the less significant credit institutions to ensure that high supervisory standards are applied consistently.

One of the most significant reforms with respect to the regulation of banks is the capital adequacy requirements imposed on European banks. The Capital Requirement Directive and Regulation (Capital Requirements Directive/the CRR) were published in the EU Official Journal on 27 June 2013. These rules and regulations implement the Basel III standards within the EU and are aimed, for example, at improving the quality of banks' capital base, reducing the cyclic nature of capital requirements, decreasing banks' indebtedness and setting quantitative limits to liquidity risk.

The changes brought about by the regulation package may have an impact on the business and productivity of banks. The requirements concerning the amount and nature of acceptable capital will have an impact on the amount of equity that will be recognised in capital adequacy calculations and will drive the business of banks towards long-term, low-yield financing arrangements at the expense of short-term ones and towards searching for new ways to obtain financing. In the medium term, therefore, banks must focus on increasing their capital and liquidity, which will reduce dividends and restrict the distribution of profits. Increasing the capital and liquidity of the banks will have an adverse impact on the productivity of banking. It will also have an impact on capital management, the pricing of products and business, the willingness to grant credit and the rearrangement of liabilities.

The changes brought about by the regulation package may have an impact on the financial position and profitability of banks. As the demand for long-term financing increases, the financing available from institutional investors, which are generally aiming to reduce their holdings in the finance sector, may prove to be insufficient. More than before, small banks will face difficulties in obtaining financing and capital that satisfies the requirements, which will enable larger banks to exert control over the market price of financing. Even if the availability of financing could be secured, financing may not be available at a reasonable price and under reasonable terms. As a result, some current business models may no longer be profitable, and some banks may exit the market, which would reduce competition in the banking sector. Major parts of the Capital Requirements Directive governing the capital adequacy and liquidity requirements are already in force in Finland and applicable to Finnish credit institutions.

The package, including the directive amending the CRD IV (Directive (EU) 2019/878, the "**CRD V**"), a regulation amending the CRR (Regulation (EU) 2019/876, the "**CRR II**"), a regulation amending the regulation (EU) No 806/2014 (the "**SRM Regulation**") and a directive amending the BRRD (all proposals together the "**Banking Reform Package**"), was published in the Official Journal on 7 June 2019 and it entered into force on 27 June 2019. The Banking Reform Package includes, for example, a leverage ratio requirement for all institutions, a new market risk framework for reporting purposes and a new moratorium power for the resolution authority. Most of the new rules have applied since mid-2021. However, certain requirements of the Banking Reform Package have not yet taken full effect, as these requirements are intended to enter into force gradually. It is not possible to predict all the potential impacts the Banking Reform Package may have on the business of credit institutions before it has been fully implemented.

The BRRD (including without limitation as amended by the Creditor Hierarchy Directive and by Directive (EU) 2019/879 of 20 May 2019 of the European Parliament and of the Council amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms) sets out the necessary steps and powers for authorities to ensure that bank failures across the EU are managed in a way which mitigates the risk of financial instability and minimises the impact of an institution's failure on the economy and financial system costs for taxpayers. The directive was implemented into Finnish legislation through the Finnish Act on Recovery and Resolution of Credit

Institutions and Investment Firms (*Laki luottolaitosten ja sijoituspalveluyritysten kriisinratkaisusta* 1194/2014, as amended) (the "**Resolution Act**").

The powers granted to the resolution authorities to apply the resolution tools and exercise the resolution powers set forth in the BRRD include the introduction of a statutory 'write-down and conversion power' with respect to capital instruments and a 'bail-in power', which will give the relevant resolution authority the power to cancel all or a portion of the principal amount of, or interest on, certain eligible liabilities (which could include the Notes (however, in the case of Covered Bonds, only to the extent that claims in relation to the Covered Bonds are not met out of the assets comprising the Cover Asset Pool), of a failing financial institution and/or to convert certain debt claims (which could include the Notes (however, in the case of Covered Bonds, only to the extent that claims in relation to the Covered Bonds are not met out of the assets comprising the Cover Asset Pool)) into another security, including ordinary shares of the surviving group entity, if any, which may itself be written down.

In addition to the bail-in power and the statutory write-down and conversion power, the BRRD provides resolution authorities with broader powers to implement other resolution measures with respect to distressed banks, which may include (without limitation): (i) directing the sale of the bank or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transferring all or part of the business of the bank to a 'bridge institution' (a publicly controlled entity), (iii) transferring all or part of the assets of the bank, including impaired or problem assets, to an asset management vehicle to allow them to be managed and worked out over time, (iv) replacing or substituting the bank as obligor in respect of debt instruments, (v) modifying the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), and/or (vi) discontinuing the listing and admission to trading of financial instruments. The resolution authorities will likely allow the use of financial public support only as a last resort after having assessed and exploited, to the maximum extent practicable, the resolution tools, including the bail-in tool and/or the statutory write-down and/or conversion powers.

The bail-in power can be used to recapitalise an institution that is failing or about to fail, allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring. The write-down and conversion power can be used to ensure that tier 1 and tier 2 capital instruments fully absorb losses at the point of non-viability of an institution (or, if applicable, its group) and before any other resolution action is taken. The Finnish Act on Recovery and Resolution of Credit Institutions and Investment Firms implements the BRRD's order in which the bail-in tool should be applied, reflecting the hierarchy of capital instruments under CRD (as defined in the General Terms and Conditions) and otherwise respecting the hierarchy of claims in an ordinary insolvency.

Capital Requirements and Standards

Hypo Group's minimum requirement for liquidity management is that it meets the minimum reserve requirement of the central bank, the Liquidity Coverage Ratio (the "LCR") -requirement set by the authorities. The LCR requirement was implemented in 2015, pursuant to which the liquidity buffer comprised of high-quality liquid assets must amount to at least 100 per cent of the stress-tested amount of monthly net cash outflows from 1 January 2018. At the end of the three-month period ended on 31 March 2025, Hypo Group's LCR ratio was 142.5 per cent compared to 183.7 per cent at the end of the financial year ended on 31 December 2024 (326.4 per cent on 31 December 2023).

The Banking Reform Package, including the CRR II, introduces binding requirements for a leverage ratio of 3 per cent and a binding requirement for a Net Stable Funding Ratio (NSFR) of 100 per cent. At the end of the three-month period ended on 31 March 2025, Hypo Group's leverage ratio was 4.5 per cent compared to 4.3 per cent on 31 December 2024 (2023: 3.9 per cent). At the end of the three-month period ended on 31 March 2025, Hypo Group's NSFR ratio was 109.9 per cent on 31 March 2025 compared to 115.1 per cent on 31 December 2024 (112.0 per cent on 31 December 2023). CRR II also includes a new standardised method to compute the exposure value of derivatives exposures, calculations for market risk, exposures to central counterparties, exposures to investment undertakings, large exposures and lending to small and medium sized enterprises (SMEs). The updates to the directive (the CRD V) include updates to supervisory measures and capital conservation measures. Among other changes, it updates the rules governing Pillar 2. Specifically, CRD V introduces a split of Pillar 2 add-ons into Pillar 2 Requirements (P2R) and Pillar 2 Guidance (P2G), where the P2R will increase the MDA level (maximum distributable amount) while the P2G does not affect the MDA level. Both the CRR II and the CRD V entered into force on 27 June 2019. The CRR II has generally applied as of 28 June 2021, and the CRD V as of 28 December 2020. The Finnish parliament adopted extensive changes to the Finnish national legislation by implementing the changes relating to the EU's second banking package on 26 March 2021. The main amendments further specify the grounds for setting various capital requirements; lay down provisions concerning the setting on an equity ratio basis of certain capital requirements or asset distribution restrictions; impose a licensing requirement on financial sector holding companies and extend certain aspects of the regulation and monitoring of credit institution activities to cover these holding companies; lay down provisions on a new calculation model for assessing the interest risks of financial accounts; lighten the regulation of credit institutions' remuneration; and partially expand the circle of people covered by the regulation of related party lending. As for resolution, the main amendments supplement the regulation concerning the minimum requirement for own funds and eligible liabilities and lay down provisions on new powers for the resolution authority to restrict the distribution of assets by institutions and suspend the implementation of agreements.

On 27 October 2021, the European Commission adopted a review of EU banking rules, i.e. the European Commission's Banking Package by which the final elements of the Basel III framework (the "**Basel IV**") will be implemented into EU law. The review consists of the following legislative elements: a directive amending the CRD, the CRD VI, a regulation amending the CRR, the CRR III, and a separate regulation to amend the CRR in the area of resolution (Regulation (EU) 2022/2036, the so-called "daisy chain" regulation). These new rules intend to ensure that EU banks become more resilient to potential future economic shocks, while contributing to Europe's recovery from the COVID-19 pandemic and the transition to climate neutrality. The package implements the international Basel III reform (Basel IV), while taking into account the specific features of the EU's banking sector, for example when it comes to low-risk mortgages. On 14 December 2023, the European Commission notified that the Basel IV package has been agreed, endorsed by the Council and Parliament and will be implemented. The Basel IV package was published in the Official Journal of the European Union on 19 June 2024. Both CRR III and CRD VI came into force on 9 July 2024. CRR III has been generally applicable from 1 January 2025. CRD VI must be transposed into national law by Member States by 10 January 2026. In general, it will be applicable from 11 January 2026 apart from provisions on third country branches being applicable one year later, from 11 January 2027. As part of the Basel IV package, the European Banking Authority has received mandates to develop new regulatory products such as Implementing/Regulatory Technical Standards (ITS/RTS) and guidelines. The European Banking Authority has on 9 January 2025 published its final guidelines on the management of ESG risks, particularly on the identification, assessment, management and supervision of said risks.

The scope of CRR III and CRD VI incorporates changes to the standardised approach for credit risk, the internal ratings-based (IRB) approach for credit risk, the calculation of credit valuation adjustment (CVA), the operational risk framework as well as an output floor, limiting the capital benefit from risk models. The European Commission has also incorporated amendments to the market risk framework (FRTB), initially implemented in CRR II. Besides the Basel generated changes, the European Commission has incorporated a number of other developments into the revised rules (CRR) and directive (CRD), among which are amendments to CRR and CRD to incorporate ESG (Environmental, Social, Governance) requirements, and a new framework for regulating and supervising third-country branches (TCBs) in the EU, adjustments to Pillar 2 Requirement (P2R) and the Systemic Risk Buffer (SyRB) accompanying the introduction of the output floor. Moreover, the changes will bring enhanced definitions of entities to be included in the scope of prudential consolidation, capturing FinTech ownership and engagement in financial activities, and the EBA is given authority to centralize the publication of annual, semi-annual and quarterly institutional prudential information for the largest institutions in the EU. The new banking package will also set forth provisions regarding independence of competent authorities and addressing conflicts of interest as well as expansion of supervisory powers to competent authorities in the EU to create a common standard, implementation into law of a requirement to conduct fit and proper assessments of directors to a common standard, and clarification of the interplay between the failing or likely to fail declaration. Furthermore, the package introduces an amendment to the approach of supervisory benchmarking of expected credit risk losses for purposes of calculating own funds requirements. Finally, the so called "daisy chain" regulation concerning the CRR relates to the internal total loss absorbing capacity (TLAC) deduction regime recommended in the EBA draft regulatory technical standard (RTS) and addresses some other resolution-related issues concerning the regulatory treatment of G-SII groups with a multiple point of entry (MPE) resolution strategy.

Under the CRR, financial institutions are mandated to maintain a minimum total capital ratio of 8%. This ratio is a critical measure of a bank's financial strength and stability, calculated as the proportion of total capital (comprising Tier 1 and Tier 2 capital) to risk-weighted assets. At the end of the three-month period ended on 31 March 2025, Hypo's total capital ratio was 21.5 per cent compared to 14.3 per cent on 31 December 2024 (14.2 per cent on 31 December 2023).

As of 1 January 2018, the international accounting regulation IAS 39, "Financial instruments: Recognition and Measurement" was replaced by IFRS 9, "Financial Instruments". Under IFRS 9, banks are required, inter alia, to apply a forward-looking approach to impairments by estimating expected credit losses based on each bank's view of the market. Banks may employ statistical methods to calculate loan loss provisions in respect of essentially all credit risk-bearing assets, thus also including loans that have not yet defaulted. This approach will lead to an increase in provision amounts, which may affect the banks' capital adequacy ratios. For banks that apply IRB and have a substantial surplus of regulatory expected losses to loan loss provisions, the effect on the capital base is limited since the surplus has already been subtracted from the capital base today. On 1 January 2027, the IFRS 18 standard, replacing the IAS 1 (*Presentation of Financial Statements*) will have an impact on Hypo Group's financial statements, above all on the presentation of the income statement, which will be applied retroactively to comparative data.

On 24 August 2022, the FIN-FSA set Hypo Group a new discretionary additional capital requirement of 0.75 per cent (Pillar 2 requirement) so that at least three quarters must be Tier 1 capital (T1), of which at least three quarters must be Common Equity Tier 1 capital (CET1). The new requirement took effect on 31 December 2022 and remains in force until further notice, however not longer than until 31 December 2025. The previous discretionary additional capital requirement 1.25 per cent remained in force until 31 December 2022.

The Board of the FIN-FSA also decided to issue a recommendation that mortgage borrowers' total loan-servicing costs should, as a rule, be no more than 60 per cent of their net income. This constitutes a 'stressed' debt-service-to-income (DSTI) ratio, which is calculated taking into account the servicing costs of all a borrower's loans. In addition, in this calculation, the maturity of the loans should be no more than 25 years and the interest rate no less than 6 per cent, except for loans with long-term interest rate hedges and fixed-rate loans. The recommendation has entered into force on 1 January 2023. The FIN-FSA decided to extend the period of validity of the stricter loan cap, i.e. the maximum loan-to-collateral (LTC) ratio, which entered into force on 1 October 2021. As a result, the loan cap for residential mortgage loans other than first-home loans will remain at 85 per cent.

On 30 March 2023, the FIN-FSA announced that the board of the FIN-FSA decided on 29 March 2023 to impose a requirement on credit institutions to maintain a systemic risk buffer (SyRB) amounting to 1.0 per cent. The decision has applied also to Hypo Group from 1 April 2024 onwards.

On 23 October 2023, the FIN-FSA set an indicative additional capital recommendation of 0.75 per cent of total risk. The indicative additional capital recommendation should be covered with CET1 capital as stated in the Act on Credit Institutions Section 6c, Subsection 1. The recommendation entered into force on 31 March 2024 and is in force until further notice.

On 23 May 2025, the FIN-FSA set a discretionary additional capital requirement of 1.25 per cent (Pillar 2 requirement) for Hypo Group. The new requirement takes effect on 31 December 2025 and remains valid until 31 December 2028 at the latest. The current discretionary additional capital requirement 0.75 percent remains in force until 31 December 2025.**Resolutions Laws**

The European Union Bank Recovery and Resolution Directive (EU) 2014/59 entered into force on 2 July 2014 and it was implemented in Finland with effect as of 1 January 2015 by the Resolution Act, the Act on the Financial Stability Authority (*Laki rahoitusvakausviranomaisesta* 1198/2014, as amended, the "**Authority Act**") and by amending the Credit Institutions Act (jointly, the "**Resolution Laws**"). The Authority Act deals with the operation and powers of the Finnish Financial Stability Authority (the "**Stability Authority**"), being the national resolution authority having counterparts in all EU member states and established for the purposes of the enforcement of the Resolution Act and other regulation relating to recovery and resolution of financial institutions. The Banking Reform Package included a legislative resolution on a directive amending the BRRD which been implemented into national legislation.

Pursuant to the Resolution Act, the Stability Authority shall draw up and adopt a resolution plan for the institutions subject to its powers. The resolution plan is ready for execution in the event that the institution in question has to be placed into a resolution process. The Resolution Act vests the Stability Authority with resolution powers and tools as provided in the BRRD. To be able to use the other resolution tools, the Stability Authority shall first place the institution in a resolution process. During the process, the institution could be subject to a number of resolution tools, including write-down of debts or conversion of debts into equity (bail-in), sale of business, bridge institution and asset separation. To continue the operations of the institution, the Stability Authority has the power to decide upon covering losses of the institution by reducing the value of the institution's share capital or cancelling its shares. The write-down and conversion of capital instruments must be implemented without undue delay in case an institution has been placed into a resolution process.

The aim of the Resolution Laws is to provide authorities with a broad range of powers and instruments to address failing financial institutions in order to safeguard financial stability and minimise taxpayers' exposure to losses. The regime imposes an obligation on the resolution authority and financial institutions to prepare resolution and recovery plans, authorises the resolution authority to assess the resolvability of a financial institution, and to address or remove impediments to resolvability. This obligation is specified through the European Banking Authority (EBA) Guidelines. In the event of a distress of a financial institution, the regime allows competent authorities, being in Finland the Finnish Financial Supervisory Authority (the "**FIN-FSA**"), to intervene and take early intervention measures with respect to any financial institution that the FIN-FSA considers is unlikely to be able to meet the conditions of its authorisation or its other liabilities or infringes its capital adequacy requirements. Such measures include the power to require the financial institution to take measures referred to in its recovery plan and, if necessary, require the institution to convene its general meeting to approve any such measures requested by the FIN-FSA, require the institution to prepare a plan on the reorganisation of its debts as instructed by the FIN-FSA, and to require the institution to change its strategy, legal or administrative structure.

The Stability Authority is vested with the power to implement resolution measures with respect to a financial institution that the Stability Authority considers is failing or likely to fail, and where there is no reasonable prospect that any measures could be taken to prevent the failure of the institution and that the taking of resolution measures is necessary to protect significant public interest. Accordingly, resolution measures are secondary to bankruptcy and liquidation of a failing financial institution and are implemented only if the relevant conditions set out in the Resolution Laws are satisfied.

An institution will be considered as failing or likely to fail when it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances). Neither Hypo nor any of its group companies have, by the FIN-FSA, been classified as a systematically important institution domestically or globally or as otherwise significant credit institution to the financial system in Finland.

The measures available in respect of a financial institution subject to resolution procedures (in Finnish: *kriisihallinto*) include the power and obligation on the resolution authority, to write-down or convert capital instruments into shares or other equity in the institution in order to cover losses of the distressed financial institution. The resolution instruments (in Finnish: *kriisinratkaisuvälineet*) available to the Stability Authority under the Resolution Laws include the powers to:

- enforce bail-in - the Stability Authority has the power to write-down certain claims of unsecured creditors of the distressed financial institution and to convert certain unsecured debt claims to equity (the general bail-in tool, in Finnish: *velkojen arvonalentaminen ja muuntaminen*). Such equity could also be subject to any future write-down. Relevant claims for the purposes of the bail-in tool would include the claims of the holders in respect of any Notes issued under the Programme, although in the case of Covered Bonds, this would only be the case if and to the extent that the amounts payable in respect of the Covered Bonds would exceed the value of the cover pool collateral against which payment of those amounts is secured;

- enforce the sale of the business (assets or shares) of the financial institution as a whole or part on commercial terms without requiring the consent of its shareholders (or holders of other equity instruments) (in Finnish: *liiketoiminnan luovuttaminen*);

- redemption of shares and transfer of shares or assets to another institution – the Stability Authority may transfer all or part of the business of the institution to a "bridge institution" (in Finnish: *väliaikainen laitos*) which is an entity created for this purpose by the resolution authority); and

- transfer all or part of the assets in the distressed financial institution to one or more asset management vehicles (in Finnish: *omaisuudenhoitoyhtiö*) to allow them to be managed with the intention of maximising their value through eventual sale or orderly wind-down.

On 18 April 2023, the European Commission published a proposal to adjust and further strengthen the European Union's existing bank crisis management and deposit insurance (CMDI) framework (the "**CMDI Proposal**"). The CMDI Proposal looks to amend the BRRD, including, among other things, the amendment of the ranking of claims in insolvency to provide for a general depositor preference, pursuant to which the insolvency laws of EU Member States would be required by the BRRD to extend the legal preference of claims in respect of deposits relative to ordinary unsecured claims to all deposits. The implementation of the CMDI Proposal is subject to further legislative procedures but, if it is implemented in its current form, this would mean that Senior Preferred Notes will rank junior to the claims of all depositors, including deposits of large corporates and other deposits that are currently excluded from the above privileged claims. Any such general depositor preference would also impact upon any application of the general bail-in tool, as such application is to be carried out in the order of the hierarchy of claim in normal insolvency proceedings, which may have the corresponding impact of increasing the likelihood of any write-down or conversion of Senior Preferred Notes.

As part of the CMDI package, the Commission also adopted a targeted amendment of the BRRD and of the SRM Regulation as a separate legal instrument (the "Daisy Chains proposal"), as a self-standing legal instrument for the co-legislators to fast-track its adoption ahead of the remainder of the CMDI proposal, to address specific issues on the treatment of internal MREL. On 26 March 2024, the Council of the European Union adopted a directive (EU) 2024/1174 amending Directive 2014/59/EU and Regulation (EU) No 806/2014 as regards certain aspects of the minimum requirement for own funds and eligible liabilities (the "**Daisy Chain II Directive**"), published on the Official Journal of the European Union on 11 April 2024. The new rules introduce a specific MREL treatment for 'liquidation entities', which are defined as entities within a banking group earmarked for winding-up in accordance with normal insolvency proceedings, which would, therefore, not be subject to resolution action (conversion or write-down of MREL instruments). On this basis and as a rule, liquidation entities will not be obliged to comply with an MREL requirement, unless the resolution authority decides otherwise on a case-by-case basis for financial stability protection reasons. The Daisy Chain II Directive was implemented into national law by amending, inter alia, the Resolution Act. The amendments came into force on 27 November 2024. In accordance with the amendments to the Resolution Act, particularly Chapter 8 Section 7i, the Stability Authority shall not impose a minimum requirement for own funds and eligible liabilities on an entity which, according to the resolution plan, would be placed in liquidation or bankruptcy or which is not an entity subject to resolution measures, unless the Stability Authority considers it justified. Such justification takes into account the potential adverse effects on financial stability, other institutions, within the meaning of the act, the financial system and the deposit guarantee fund.

The Stability Authority conducted an assessment of the capabilities of Finnish banks for resolution at the end of 2024. Based on its report, the Stability Authority sees that e.g., Hypo Group is not subject to resolution measures and therefore, would be subject to normal insolvency proceedings. As a result of its assessment and the implementation of Daisy Chain II Directive, the Stability Authority repealed its decision to set a minimum requirement of own funds and eligible liabilities for Hypo Group on 28 November 2024.

Benchmark Regulation

The EURIBOR and other indices which are deemed to be "benchmarks" are the subject of recent EU, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective, such as the Benchmarks Regulation, while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted.

The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016, and it came into force on 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). EURIBOR has been authorised under the Benchmarks Regulation and added to the benchmark register maintained by the ESMA in July 2019.

The Market Abuse Regulation

The MAR establishes a common regulatory framework on insider dealing, the unlawful disclosure of inside information and market manipulation (market abuse) as well as measures to prevent market abuse to ensure the integrity of the financial market in the European Union and to enhance investor protection and confidence in those markets. MAR imposes a range of regulatory requirements for the Issuer in its capacity as an issuer of listed financial instruments and violations of MAR may result in significant adverse consequences, such as penalties or even criminal sanctions. MAR requires the Issuer to inform the public as soon as possible of inside information which directly concerns the Issuer. MAR also contains rules on, among other things, procedures relating to the maintenance of insider lists and the disclosure of managers' transactions.

The Digital Operations Resilience Act

The Digital Operational Resilience Act (EU) 2022/2554 (the "**DORA**"), first published as a draft by the European Commission on 24 September 2020 as part of the digital finance package, aims to enhance the ICT security of financial entities within the remit of the three European Supervisory Authorities (European Banking Authority, ESMA and European Insurance and Occupational Pensions Authority). The digital finance package includes a digital finance strategy, legislative proposals on crypto assets, blockchain technology, digital operational resilience, and a renewed retail payment strategy. The DORA seeks to ensure that the European financial sector remains resilient in the face of severe operational digital disruptions. The regulation entered into force on 1 January 2023 and has been applicable since 17 January 2025.

DORA sets requirement for financial entities, including, among other things, requirements related to ICT risk management, managing and reporting ICT-related incidents, digital operational resilience testing, risk management and oversight of critical ICT third-party providers, and information sharing on cyber threats. These measures are designed to strengthen the overall digital operational resilience of financial entities in Europe.

CHARACTERISTICS OF THE COVER ASSET POOL

The Issuer must ensure that the Cover Asset Pool comprises only of Housing Loans and Substitute Collateral within the limits set by the CBA (as summarised under "*Finnish Covered Bond Act*") and the terms and conditions of the Covered Bonds. The Issuer will substitute assets that are no longer eligible to be included in the Cover Asset Pool in accordance with the requirements of the CBA and such terms and conditions and supplement the Cover Asset Pool with new Housing Loans or Substitute Collateral upon the existing Housing Loans or Substitute Collateral in the Cover Asset Pool being repaid by the relevant borrower in respect of such assets. The Issuer continuously monitors that the current value of the Cover Asset Pool exceeds the combined payment obligations resulting from the Covered Bonds by at least five per cent. Overcollateralisation must have a value of at least two per cent. If the requirements set out in Article 129, Paragraph 3 a, Subparagraph 3 of the CRR are not met, overcollateralisation must have a value of at least five per cent. The over-collateralisation shall also cover the estimated costs in relation to the winding-down of the Covered Bonds. In addition, the Issuer assesses the adequacy of the value and the quality of the Cover Asset Pool by regular stress tests.

The criteria that the Issuer applies in the selection of assets for the Cover Asset Pool and the policies for granting loans are summarised below.

Origination Criteria for the Housing Loans and the Cover Asset Pool

All Housing Loans included in the Cover Asset Pool are originated by the Issuer in Finland in accordance with the applicable lending criteria, which include, but are not limited to the following:

- verifying the identity of the borrower;
- verifying the borrower has legal capacity;
- assessing the creditworthiness of the borrower;
- assessing the borrower has sufficient repayment capability;
- verifying public payment defaults in Suomen Asiakastieto Oy's credit information register; and
- checking the borrowers previous loan payment behaviour in the Issuer's internal register.

The Issuer identifies the Housing Loans that are eligible for inclusion in the Cover Asset Pool according to criteria set by the CBA and the Issuer. These criteria, in summary, include but are not limited to the following:

- the borrower is identified by a Finnish social security number or a Finnish business identity number;
- the borrower is not an employee of The Mortgage Society of Finland;
- the principal amount of the Housing Loan must not exceed the fair value of the collateral securing the Housing Loan, that is, the loan-to-value ratio must be 100 per cent or lower;
- the Housing Loan must be secured by eligible assets located in Finland and must be denominated in euro; and
- the terms and conditions of the pledge relating to the property that constitutes the collateral for the Housing Loan must contain a provision according to which the pledgor undertakes to maintain the fire insurance of the property.
- The Issuer does not grant Commercial Real Estate Loans that would be part of the Cover Asset Pool.

For the avoidance of doubt, Issuer does not grant Commercial Real Estate Loans that would be part of the Cover Asset Pool. All of the abovementioned origination criteria for the Housing Loans, including the applicable lending criteria, and for the Cover Asset Pool have been set out as of the date of this Base Prospectus and might change over time. The composition and characteristics of the Cover Asset Pool will change over time. The Issuer will maintain a separate Register for Covered Bonds for the Cover Asset Pool in accordance with the CBA and inform the Noteholders of the composition of the Cover Asset Pool on its website at https://www.hypo.fi/en/hypo-investor-relation/ on a quarterly basis in connection with the issuance of its financial statements and interim financial statements.

In addition to the Cover Asset Pool, the Issuer also has, at the date of this Base Prospectus, a separate cover asset pool in accordance with the MCBA. See also "*Risk Factors – The Covered Bonds and any MCBA Covered Bonds may have different priority due to the differences between the CBA and MCBA*".

DERIVATIVE TRANSACTIONS RELATED TO THE COVERED BONDS

Permitted Derivative Transactions

The Issuer may from time to time enter into one or more Derivative Transactions in order to hedge against risks relating to Covered Bonds and/or a Series of Covered Bonds or the assets in the Cover Asset Pool. Such Derivative Transactions will be entered into the Register for the Cover Asset Pool.

The Issuer may enter into one or more interest rate swap transactions to hedge the interest rate exposure arising as a result of Mortgages and other assets in the Cover Asset Pool that carry floating rates of interest covering the relevant Covered Bonds that carry a fixed rate payment obligation for the Issuer. The Issuer may also enter into one or more interest rate swap transactions to hedge the interest rate exposure arising as a result of Mortgages and other assets in the Cover Pool that carry fixed rates of interest covering the relevant Covered Bonds that carry a floating rate payment obligation for the Issuer.

Documentation

The Issuer currently anticipates that Derivative Transactions entered into between the Issuer and a swap counterparty will be evidenced by a confirmation and such confirmation will supplement, form part of and be subject to an agreement between the Issuer and such swap counterparty in the form of an ISDA 2002 Master Agreement, as amended and supplemented from time to time, each as published by the International Swaps and Derivatives Association Inc. (ISDA) (each such agreement a Swap Agreement). All such Derivative Transactions will be terminable by a party if an Event of Default (as defined in the relevant Swap Agreement) occurs in respect of the other party or all or a group of Derivative Transactions will be terminable by one or both of the parties if a Termination Event (as defined in the relevant Swap Agreement) occurs.

Upon the early termination of one or more Derivative Transactions, the Issuer or the relevant swap counterparty may be liable to make a payment to the other party reflecting the value of the terminated Derivative Transaction(s).

The Issuer may also at its discretion use other types of instruments and transactions for the purposes described in this section "*Derivative Transactions related to the Covered Bonds*".

Bankruptcy or Liquidation of the Issuer

Under the CBA, obligations arising under a Derivative Transaction entered into the Register for the Cover Asset Pool shall continue to be fulfilled towards the Issuer in accordance with its terms notwithstanding a bankruptcy or liquidation of the Issuer. Counterparties to such Derivative Transactions (along with holders of the Covered Bonds) are given a statutory priority in the liquidation or bankruptcy of the Issuer to the assets in the Cover Asset Pool. Accordingly, such counterparties (and holders of the Covered Bonds and creditors of management and settlement costs) have the statutory right to receive payment from the assets in the Cover Asset Pool before all other holders of claims and this right remains for so long as the Covered Bonds remain outstanding. Pursuant to Section 44 of the CBA, providers of Bankruptcy Liquidity Loans have a right to receive payment after the creditors specified in Section 20 of the CBA and before the remaining counterparties.

Under the CBA, the bankruptcy administrator is, upon the request of the supervisor appointed by the FIN-FSA, entitled to terminate a Derivative Transaction or to transfer a Derivative Transaction and security to a third party if it is deemed to be in the interest of the holders of the Covered Bonds.

OTHER INFORMATION TO SUBSCRIBERS

General

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes should determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Secondary Market of Notes

If the Final Terms indicate that a Series of Notes will be listed, the application for stock exchange listing shall be delivered to the Helsinki Stock Exchange provided that the subscribed amount of the Notes in such Series of Notes is 200,000 euros at minimum. Additional issues of a listed Series of Notes shall be notified as amendments to the amount of the previously issued listed Notes.

Effective Yield of the Notes

The effective interest yield percentage of the Notes shall be notified in the Final Terms. The effective yield of the Notes depends on the current issue rate and the interest paid on the Notes, increasing when the issue rate is decreased and decreasing when the issue rate is increased. The effective yield has been calculated by using the current value method, widely in use in the securities market.

The completion of transactions relating to the Notes is dependent on Euroclear Finland Oy's operations and systems

Notes issued and incorporated into the book-entry system of Euroclear Finland Oy ("**Euroclear Finland**") are in non-certificated form. The Noteholders are dependent on procedures of Euroclear Finland, or as applicable, on procedures of Clearstream or another clearing house taking responsibility for the settlement of the Notes, regarding transfers, payments and information sharing with the Issuer.

The evidence of the Notes issued under the Programme are only account statements provided by Euroclear Finland or its account manager, and no promissory Notes or other documents evidencing ownership are given. Therefore, the ownership of the Notes and any changes in the same appear only in the registers of the book-entry system held by Euroclear Finland or its account managers.

Notice Regarding Forward-Looking Statements

Some statements in this Base Prospectus may be deemed to be forward looking statements. Forward-looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward-looking statements. When used in this Base Prospectus, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in the sections entitled "Risk Factors" and "Information about the Issuer" and other sections of this Base Prospectus. The Issuer has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, if one or more of the risks or uncertainties materialise, including those identified below or which the Issuer has otherwise identified in this Base Prospectus, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, the Issuer's actual results of operation may vary from those expected, estimated or predicted.

Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

Notice to Prospective Investors in The United States, Australia, Canada, Japan, Hong Kong, Singapore, South Africa and Certain Other Jurisdictions

No offering will be made to persons who are residents of the United States, Australia, Canada, Japan, Hong Kong, Singapore or South Africa or in any jurisdiction in which such offering would be unlawful.

Prohibition of sales to UK Retail Investors

Each Lead Manager appointed for each issuance will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms in relation thereto, to any retail investor in the UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

    (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA;

    (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

    (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to EEA Retail Investors

Each Lead Manager appointed for each issuance will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus, as completed by the Final Terms in relation thereto, to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II;

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Prohibition of sales to Russia and Belarus

Pursuant to Article 1 of the Council Decision (CFSP) 578/2022 of 8 April 2022 amending Decision 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine and to Article 1 of the Council Decision (CFSP) 579/2022 of 8 April 2022 amending Decision 2012/642/CFSP concerning restrictive measures in view of the situation in Belarus and the involvement of Belarus in the Russia aggression against Ukraine, it shall be prohibited to sell transferable securities denominated in any official currency of a Member State issued after 12 April 2022 or units in collective investment undertakings providing exposure to such securities to any Russian or Belarusian national or natural person residing in Russia or Belarus or any legal person, entity or body established in Russia or Belarus. The prohibition of sales to Russia and Belarus applies to the Covered Bonds issued under the Programme.

TAXATION IN FINLAND

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, and prospective subscribers of Notes should consult their own tax advisers as to the tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes under the individual circumstances and laws applicable to each subscriber. This summary is based upon the law and/or established tax practice as in effect on the date of this Base Prospectus and is subject to any change in law that may take place also retroactively.

The Issuer shall withhold the Finnish taxes imposed on the interest paid, to the extent required by the relevant tax laws, practices and tax authorities' regulations and instructions in force from time to time.

Finnish Resident Individuals and Estates

Unless otherwise indicated in the following paragraph, a tax at source, in accordance with the Act on Tax at Source of Interest Income (1341/1990, as amended), has to be withheld from the interest paid to natural persons resident in Finland for tax purposes and Finnish estates of deceased persons. The tax at source is currently 30 per cent of the amount of interest paid.

The Act on Tax at Source of Interest Income is not applicable, *inter alia*, if a prospectus does not have to be prepared with respect to the notes due to (1) the notes being offered for a consideration of in the minimum EUR 100,000 per investor and for each separate offer or in the denomination of in the minimum of EUR 100,000 per book-entry unit; (2) the offer being addressed solely to qualified investors (as defined in the Finnish Securities Markets Act (746/2012, as amended)); or (3) the offer being addressed in each country belonging to the European Economic Area to a maximum number of under 150 investors who are not qualified investors as defined in the Finnish Securities Markets Act. When the Act on Tax at Source of Interest Income is not applicable, a tax withholding at the current rate of 30 per cent is operated from the interest paid to natural persons resident in Finland for tax purposes and Finnish estates of deceased persons in accordance with the Act on Tax Withholding (1118/1996, as amended). Interests are subject to final taxation as capital income in accordance with the Income Tax Act (1535/1992, as amended). The tax rate applicable to capital income of up to 30,000 euros is 30 per cent and for the amount exceeding this threshold, 34 per cent.

Possible capital gains received from disposal of the Notes are subject to final taxation as capital income in accordance with the Income Tax Act. Capital gains are exempted from tax if the total amount of the sales prices of all assets disposed by a taxpayer does not exceed 1,000 euros in a tax year (excluding tax-exempt disposals and disposals of ordinary household effects or other corresponding assets utilised for the personal use). The possible capital loss is deductible from other capital income the year during which the sale took place and during five subsequent tax years. Capital losses are however not tax deductible if the total amount of the acquisition prices (excluding tax-exempt disposals and disposals of ordinary household effects or other corresponding assets utilised for the personal use) does not exceed 1,000 euros in a tax year.

Taxable capital gains and losses are calculated as the difference between the sales proceeds and the aggregate of the actual acquisition cost and the sales related expenses. When calculating capital gains, Finnish resident individuals and estates may choose to apply the so-called presumptive acquisition cost instead of the actual acquisition cost. The presumptive acquisition cost is 20 per cent of the sales proceeds, or 40 per cent if the Notes have been held by the Finnish resident individual or estate for a period of at least ten years. If the presumptive acquisition cost is applied, sales related expenses are not deductible.

Should Notes be sold prior to maturity, any accrued and unpaid interest (secondary market compensation, in Finnish *jälkimarkkinahyvitys*) is taxable as capital income in accordance with the Income Tax Act. The Issuer or paying agent shall withhold the tax from the secondary market compensation received in accordance with the Act on Tax Withholding as described above concerning interests.

When purchasing notes in the secondary market, the secondary market compensation paid is a deductible item in capital income taxation and, if the deductions exceed the amount of capital income, in earned income taxation to the limited extent allowed in the Income Tax Act.

The Issuer or paying agent reports the secondary market compensation paid to the Finnish tax authorities. Inter alia, credit institutions, investment service companies and account holders generally report to the Finnish tax authorities also the information regarding the sale and other transfers of notes. Information on secondary market compensation received by an investor and information on possible capital gains or losses stated on the investor's pre-completed tax return must be verified and, when necessary, corrected.

Finnish Resident Corporate Bodies

Interest is generally taxable income to corporate bodies and subject to final taxation as corporate income in accordance with the Business Income Tax Act (360/1968, as amended) or the Income Tax Act. The current rate of corporate income tax is 20 per cent.

Capital gains and possible secondary market compensation are also subject to final taxation as corporate income in accordance with the Business Income Tax Act or the Income Tax Act, at the corporate income tax rate of 20 per cent.

The deductibility of capital losses derived from the disposal of the Notes depends on whether they are taxed under the Business Income Tax Act or the Income Tax Act. Generally, limited liability companies are taxed in accordance with the Business Income Tax Act. Capital losses taxable under the Business Income Tax Act are generally deductible from a corporate body's income taxable under the Business Income Tax Act in the same tax year and the ten subsequent tax years, whereas capital losses taxable under the Income Tax Act are only deductible from capital gains taxed under the Income Tax Act on the tax year of the sale and during five subsequent tax years.

Non-residents

Payments made by or on behalf of the Issuer to persons not resident in Finland for tax purposes and who do not engage in trade or business through a permanent establishment or a fixed place of business in Finland are not taxable in Finland, and may be made without tax withholding, provided that the recipient provides the Issuer with clarification on the recipient's limited tax liability status.

Transfer Tax

Generally, a transfer tax amounting to 1.5 per cent is payable on transfers of securities. However, the Notes should not be classified as securities within the meaning of Finnish Transfer Tax Act (931/1996, as amended) (the Finnish Transfer Tax Act) and thus, transfer tax should not be payable, provided that the yield of Notes is not determined by the profit of the Issuer or by the amount of dividend or is not otherwise deemed to entitle to the share of annual profit or surplus of the Issuer.

No transfer tax is generally payable in Finland on transfers or sales of the securities admitted to trading on the regulated market or other multi-lateral trading facility.

INFORMATION ABOUT THE ISSUER

General information on the Issuer

The Mortgage Society of Finland ("**Hypo**", or "**Issuer**", and together with its consolidated subsidiaries "**Hypo Group**" or "**Group**") (business ID 0116931-8) was established on 24 October 1860 in Finland. The domicile and location of the administrative headquarters of Hypo is Helsinki, Finland, and therefore, Finnish legislation applies to the Hypo. Hypo operates nationwide in Finland but its operations focus on Helsinki, the Helsinki metropolitan area, the Uusimaa region and other growth centres. The Issuer's legal entity identifier code (LEI) is 5493009ZDBVG2CO1O689. The Issuer is the parent company of the Group.

Hypo is by its legal form a mortgage society within the meaning of the Act on Mortgage Societies (in Finnish: *Laki hypoteekkiyhdistyksistä*, 936/1978; hereinafter "**Act on Mortgage Societies**"). Businesswise Hypo is a credit institution focusing on home financing and housing products. According to Section 2 of the Hypo's bylaws (hereinafter "**Hypo Bylaws**"), the special purpose of Hypo is to use funds mostly acquired as long-term loans to grant long-term loans mainly against a mortgage or other safeguarding collateral to private persons and entities mainly for residential and other purposes. Hypo carries out this activity in accordance with the Act on Credit Institutions and the Act on Mortgage Societies. Further, Hypo has on 29 January 2016 received from the FIN-FSA a license to engage in mortgage credit bank activity (in Finnish: *kiinnitysluottopankkitoiminta*) in accordance with Section 10 of the MCBA. In addition, Hypo has on 30 June 2022 received from the FIN-FSA a license to engage in mortgage credit bank activity under the CBA in accordance with Section 8 of the CBA and the transitory provisions in Section 52 of the CBA. The FIN-FSA exercises supervisory and regulatory powers over Hypo's operations.

Hypo is a mutual entity governed by its member customers. The member customers are the debtors under the loans which Hypo has granted (excluding debtors that have been granted loans from the state's funds). A member customer is obliged to pay an entry fee to Hypo, the amount of which is determined by the Board of Directors. The member customers are not entitled to any profit or other distribution over Hypo's assets. The member customers of Hypo exercise the ultimate administrative powers at the mortgage society's meeting. According to Chapter 3, Section 13, Paragraph 1 of the Act on Mortgage Societies, each member customer who has no arrears to the mortgage society, shall have one vote at the mortgage society's meeting. Furthermore, according to Paragraph 3 of the same Section 13, where more than one are responsible for a loan, they may use their voting right only jointly or by authorising one of them or another member of the mortgage society to represent them. If the spouses have joint liability for a loan, one of them has the right to represent the other spouse without a proxy.

According to the consolidated balance sheet of Hypo, the total assets were 3.5 billion euros as at 31 March 2025 compared to 3.5 billion euros as at 31 December 2024 (3.6 billion euros as at 31 December 2023). As at 31 March 2025, the loan portfolio was 2,796.2 million euros compared to 2,792.1 million euros as at 31 December 2024 (2,786.3 million euros as at 31 December 2023) and the average Loan to Value ratio of Hypo was 30.8 per cent compared to 31.1 per cent as at 31 December 2024 (30.3 per cent as at 31 December 2023). The consolidated operating profit of Hypo Group before appropriations and taxes was 2.3 million euros as at 31 March 2025 and 8.0 million euros for the financial year 2024 (8.5 million euros for the financial year 2023). The common equity tier 1 (CET1) ratio of the Hypo Group was 21.5 per cent on 31 March 2025 compared to 14.3 per cent on 31 December 2024 (14.2 per cent on 31 December 2023).

Description of operations

Main operating areas and main markets

Hypo Group is an expert organisation specialising in home financing in Finland. Hypo grants mortgages as well as renovation loans and consumer loans, both secured by residential property collateral, for first-time and other homebuyers. The headquarters of Hypo Group are located in Helsinki. In 2022, Hypo deployed a renewed banking system, and the final stages of the system were completed and approved by the end of 2024.

Hypo operates in retail banking in accordance with the credit institution authorisation. The objective of Hypo is to constantly create alternative, customer-focused solutions to home financing and housing products, in addition to its traditional services. In the long term, Hypo Group's aim is steady and profitable growth in its secured loan portfolio and customer relationships while managing risks. Hypo Group's lending focuses on loans granted to household (private customers) and housing companies against residential housing collateral.

Homes and residential land owned and rented out by Hypo enable Hypo Group to offer its customers a more comprehensive selection of housing products and services. Hypo's properties are located in growth centres, mainly in the Helsinki Metropolitan Area, distributed across key residential areas. These properties mainly consist of apartments that have been rented out as well as residential land that has been rented for a long term to housing companies. Customers and collateral are also located in other parts of the Uusimaa region and in regional growth centers where the development of housing prices and population growth are estimated to be sufficient.

Hypo's subsidiary company Suomen Asuntohypopankki Oy is a deposit bank that offers its customers deposit products and trustee services. Acting as deposit bank, Suomen Asuntohypopankki Oy also pays deposit guarantee contributions to the Deposit Guarantee Fund managed by the Financial Stability Authority. The total amount of deposits at the end of financial period ending 31 March 2025 was EUR 1,548.0 million compared to EUR 1,551.3 million as per 31 December 2024 (EUR 1,563.0 as per 31 December 2023).

The book value of the housing units and residential land, excluding premises in Group's own use, was about 78.6 million euros as per 31 March 2025 compared to 76.7 million euros as per 31 December 2024 (57.3 million euros as per 31 December 2023). At the end of 2024, the occupancy rate was 82.2 per cent compared to 83.0 per cent at the end of 2023. The net return on housing and residential land investments, calculated by using book values, was 3.6 per cent for the financial year 2024 compared to 4.6 per cent for the financial year 2023.

During the financial year 2023, Hypo entered the covered bond market one time in a value amounting to 300 million euros to refund maturing contracts and operations in general. In addition, on 10 April 2024, Hypo issued a EUR 300 million covered bond to replace a covered bond maturing on 28 June 2024. On 25 September 2024 the Mortgage Society of Finland paid off its TLTRO III loan, EUR 50 million, and therefore has no longer funding from the ECB. The share of long-term funding of total funding was 51.5 per cent on 31 December 2024 (42.3 per cent on 31 December 2023).

Organisational structure

Hypo is the parent company of Hypo Group. Hypo has two consolidated subsidiaries, Suomen Asuntohypopankki Oy, which is entirely owned by Hypo and acts as its deposit bank, and a housing company Bostadsaktiebolaget Taos, which owns and manages the land and property where Hypo's customer service facilities are located and also rents out office premises from the property. As at 31 March 2025 and 31 December 2024 Hypo owned 54.6 per cent (54.6 per cent as at 31 December 2023) of Bostadsaktiebolaget Taos. Hypo further partly-owns housing companies that are affiliate companies.

Hypo maintains an organisational dependency on Suomen Asuntohypopankki Oy, as it serves as a funding source for Hypo, with deposits representing a substantial portion of Hypo Group's total funding base. At the end of the three-month period ended on 31 March 2025, deposits accounted for 47.9 per cent of Hypo Group's funding compared to 48.0 per cent as at 31 December 2024 (46.9 per cent as at 31 December 2023).

Strategy

In the long term, Hypo Group's aim is steady and profitable growth in its secured loan portfolio and customer relationships while managing risks. Hypo Group's goal is to offer a competitive alternative for financing housing company customers' renovation needs and individual customer's housing solutions to their benefit. Hypo Group continues to strengthen its market position in its core business, which focuses on lending that qualifies for covered bonds. Profits will be used to maintain a high capital adequacy and to improve competitiveness.

In accordance with Group's strategy, the Board of Directors sets business targets for Hypo Group. These targets are confirmed, entered onto scorecard and monitored annually, focusing on the profitability and capital adequacy.

Sustainability

Sustainability (ESG – Environmental, Social, Governance) is reflected in Hypo Group's operations in many ways. Hypo's core business area is housing finance, and concrete actions to mitigate climate change, such as increasing energy efficiency projects and renovation projects aimed at promoting renewable energy sources, present business opportunities for Hypo.

Hypo completed a materiality analysis of climate and environmental risks relevant to its operations in spring 2024, and Hypo has obtained preliminary results of the double materiality analysis, which are the basis of sustainability reporting. In 2025, Hypo will advance the development of a sustainability program and will start setting indicators and targets for its key sustainability topics. Over the coming years, Hypo's sustainability goals will be integrated into its bank's business operations, risk and capital management, principles, guidelines and reporting.

In April 2025, the European Council adopted the Stop-the-clock Directive as part of the Omnibus packages aimed at simplifying EU legislation in the field of sustainability and investment. The directive postpones by two years the entry into application of the CSRD requirements. Consequently, Hypo Group's planned initiatives for sustainability reporting and application of IFRS sustainability disclosure standards will be postponed. Hypo Group remains committed to complying with all relevant regulations and will commence sustainability reporting when mandated by EU regulation.

Future outlook

The description of probable future developments given below has been compiled and prepared on a basis which is comparable with the historical financial information, and consistent with Hypo's accounting policies.

In the Interim Report Q1/2025, the following description of probable future developments has been given:

"Finland's economic growth is weak amid global uncertainty, labor market is still cool and foreign trade stagnates but the outlook for the economy improves towards the end of the year. The construction sector is in a weak phase, construction investments are lower than before, and risks related to real estate funds are elevated. Decreasing inflation and improving wages support consumers' purchasing power. Rising tariffs may, in turn, weaken consumers' purchasing power. The housing market and renovation construction are recovering, inflation is low and interest rates continue to fall.

Housing starts will still remain low, and housing prices are expected to turn upward. Differences between housing market areas and units become more important and urbanization continues supported by the supply of housing, which increases housing sales and the demand for mortgages and housing company loans, especially in Hypo's most important operating areas.

Hypo Group focuses on strengthening its core business and profitability. The Group expects net interest income, net fee and commission income, capital adequacy and liquidity to remain on a stable level.

The Mortgage Society of Finland Group expects its operating profit for year 2025 to be at the same level as operating profit for 2024. The outlook contains considerable uncertainties due to development in economy and interest rates as well as uncertainties related to the wars in Ukraine and in the Middle East and the unstable global situation."

Influence of Hypo's Board of Directors and management on factors affecting the future outlook

The assumptions for the future outlook upon which the Board of Directors and management can influence for their part include the development of Hypo's income and profitability through ordinary managerial measures. Such measures include, among others, decisions concerning pricing, product and service range, amount and allocation of investments and risk management. Other assumptions about factors affecting the outlook are outside the influence of the Board of Directors and management.

Administrative and managing bodies

Hypo is a mutual company governed by its member customers i.e., its lendees. Hypo does not have or issue shares, and individual members do not have any claim on the society's assets or profits. Hypo is an authorised credit institution and the operations of Hypo are regulated by the general laws and regulations regarding operations of credit institutions and the special enactment of the Act on Mortgage Societies. The FIN-FSA monitors the operations of Hypo and the Group. Although Hypo is not a listed company, it issues bonds that are traded publicly. For this reason, it must comply with many of the regulations concerning listed companies. Hypo adheres to the Finnish Corporate Governance Code issued by the Securities Market Association and which came into effect on 1 January 2025 with certain exceptions due to the Act on Mortgage Societies. Hypo publishes a corporate governance statement annually, the latest of which is available at Hypo and its homepage at https://www.hypo.fi/en/hypo-corporate-governance/, for the financial year 2024, approved by the Board of Directors on 27 February 2025. In addition, Hypo publishes annually a remuneration report for governing bodies and other remuneration information. The remuneration policy for governing bodies is updated at least every four years and whenever significant changes occur.

The administrative and managing bodies in Hypo consists of the General Meeting, the Supervisory Board, the Board of Directors, CEO, Deputy CEO and the Management Group and the Committees of Hypo, including the Nomination Committee and the Remuneration Committee. Additionally, the Board of Directors' has a separate Risk Committee and an Audit Committee.

General Meeting, Supervisory Board, Board of Directors of Mortgage Society

Highest decision making authority is exercised by the members of Hypo in the General Meeting. The Supervisory Board is responsible for ensuring that Hypo is governed with appropriate caution and care and in compliance with the laws and regulations and the decisions made by the General Meeting and the Supervisory Board. The Board of Directors governs Hypo in compliance with laws and regulations and the decisions and guidelines issued by the General Meeting and the Supervisory Board. *Chief Executive Officer, Deputy Chief Executive Officer and the Management Group*

The CEO is responsible for ensuring that Hypo's routine administration complies with laws, regulations and orders of the authorities and the guidelines issued by the Supervisory Board and the Board of Directors. The CEO is also responsible for implementing the decisions made by the Board of Directors. The Deputy CEO acts as the deputy to the CEO and manages Hypo's day-to-day administration in accordance with the applicable legislation, the decisions and instructions of the Supervisory Board as well as with the instructions and order given by the Board of Directors and its Vice at each time. The Management Group assists Hypo's CEO, operating under the CEO's supervision and responsibility.

The Committees of Hypo

The Nomination Committee prepares a proposal for the General Meeting for appointments to the Supervisory Board. It also prepares a proposal for the Supervisory Board for appointments to the Board of Directors as well as a proposal for the appointment of the CEO and the Deputy CEO. The Remuneration Committee prepares a proposal for the General Meeting on the remunerations payable to the members of the Supervisory Board and to the auditors. It also prepares a proposal for the Supervisory Board on the remunerations payable to the members of the Board of Directors. The Board of Directors' Risk Committee assists the Board of Directors with the matters concerning risk strategy and risk-taking as well as support the Board of Directors in its work to assess and monitor the risk position. The Board of Directors' Audit Committee assists the boards of directors of group companies in fulfilling their oversight responsibilities regarding financial reporting, audit risk management, sustainability reporting, and the assessment of the functionality and effectiveness of internal audit and control.

Members of Supervisory Board since 21 March 2025

	Principal activity
Hannu Hokka Chair Master of Science (Econ.)	Managing Director, Pharmacy Pension Fund of Finland
Timo Kaisanlahti Vice Chair Doctor of Law, Master of Science (Econ.)	Professor of Practice, University of Helsinki
Timo Aro Doctor of Social Science	Chief Strategy Officer, City of Turku
Elina Bergroth Master of Arts	Lecturer, Oulu University of Applied Sciences
Julianna Borsos Doctor of Science (Econ.)	Founding Partner, Bocap Private Equity Ltd.
Amel Gaily Master of Social Sciences, Master of Science (Econ.)	CEO, Cuckoo Oy
Markus Heino Master of Laws (trained on the bench)	Managing Director, JM Suomi Oy
Timo Hietanen Master of Science (Econ.)	No current positions outside of the Issuer
Hanna Kaleva Master of Science (Econ.)	Managing Director, KTI Property Information Ltd
Tiina Laisi-Puheloinen	Managing Director, Finnish Business Angels Network ry
Juha Metsälä Master of Science (Tech.)	CEO, Pohjola Construction Group PCG Ltd
Elias Oikarinen	Professor, Oulu Business School, University of Oulu

Doctor of Science (Econ.)	
Kallepekka Osara Agrologist	Farmer, private trader
Hannu Saarijärvi Doctor of Science (Econ.)	Professor, Tampere University
Liisa Suvikumpu Ph.D., European history	Managing Director, Association of Finnish Foundations
Maija Urponen Ph.D., Master of Social Science	Entrepreneur, Researcher and Managing Director, Urban Research TA Ltd
Mari Vaattovaara Ph.D in planning geography, M.Sc. in Landscape Architecture	Professor, University of Helsinki
Ira van der Pals Master of Science (Econ.)	Chief Investment Officer, The Church Pension Fund, Ev. Luth. Church of Finland

Members of Board of Directors since 21 March 2025:

	Principal activity	**Positions of responsibility**
Sari Lounasmeri Chair Master of Science (Econ.) Member of the Board since 2011	Finnish Foundation for Share Promotion, Managing Director	Pension fund of The Mortgage Society of Finland, board member Takeover Board of the Securities Market Association, member Financial Services User Group the European Commission, member Stakeholder Group of ESMA, member
Hanna-Maria Heikkinen Master of Science (Econ.) Member of the Board since 2023	Wärtsilä Oyj, Vice President, Head of Investor relations	Director's Institute Finland, board member Solwers Oyj, board member
Harri Hiltunen Master of Science (Econ.) Vice Chair Member of the Board since 2012	The Finnish Real Estate Federation, Managing Director	Talokeskus Yhtiöt Oy/Suomen Talokeskus Oy, vice chair of board of directors International Union of Property Owners (UIPI), member of executive committee
Pasi Holm Ph.D (Political Sciences) Member of the Board since 2015	FCG Finnish Consulting Group, Chief Specialist	Docent, University of Helsinki The Society of Scientists and Parliament Members TUTKAS, board member
Mikko Huopio Master of Laws (trained on bench) Member of the Board since 2017	The Mortgage Society of Finland and Suomen Asuntohypopankki Oy, Deputy to the Chief Executive Officer	Pension fund of The Mortgage Society of Finland, board member
Erika Launonen Master of Science (Econ.) Member of the Board since 2025	Varma Mutual Pension Insurance Company, Chief Audit Executive	Finnish Insurance Association, board member

Ari Pauna Master of Laws Member of the Board since 2006	The Mortgage Society of Finland and Suomen Asuntohypopankki Oy, Chief Executive Officer	Finanssialan keskusliitto, member of the executive board Pension fund of The Mortgage Society of Finland, chair of the board of directors
Salla Seppä Master of Social Sciences Member of the Board since 2023	Nordic Business Forum, Chief Customer Experience Officer, member of the Executive team	Helsinki Events Foundation, board member

Mr Mikko Huopio serves as secretary to the Board.

The working address of the members of the Board of Directors, members of the Supervisory Board and the CEO is Yrjönkatu 9 A, FI-00120 Helsinki (visiting address), and P.O. Box 509, FI-00101 Helsinki (post address).

Members of the Management Group

	Principal activity
Ari Pauna Master of Laws Member since 2002	Chief Executive Officer, The Mortgage Society of Finland
Mikko Huopio Master of Laws (trained on bench) Member since 2010	Deputy to the Chief Executive Officer, The Mortgage Society of Finland
Tiina Helokivi Master of Science (Econ.) Member since 2025	Chief Deposit Officer, Funding, The Mortgage Society of Finland
Juho Pajari Master of Laws (trained on bench) Member since 2025	Fund Director, The Mortgage Society of Finland
Mikke Pietilä Master of Science (Econ.) Member since 2023	Chief Financial Officer, The Mortgage Society of Finland
Elli Reunanen Master of Laws Member since 2023	Chief Risk Officer, The Mortgage Society of Finland
Antti Tolonen Master of Science (Econ.) Member since 2025	Bank Director, The Mortgage Society of Finland
Pekka Turunen Master of Science (Econ.) (Tech.) Member since 2025	Chief Technology Officer, The Mortgage Society of Finland
Outi Wasenius Master of Science (Econ.) Member since 2025	Head of Treasury, The Mortgage Society of Finland

Tom Lönnroth served as the secretary to the Management Group in 2024.

Employer companies of certain persons in administrating and managing organisations are in a customer relationship with Hypo. According to the mandatory special legislation, a person who is not a member i.e., a debtor of Hypo, cannot be appointed as a member of the Supervisory Board. The mandatory special legislation regarding mortgage societies requires that the CEO and his substitute are members of the Board of Directors.

There are no conflicts of interests between the matters handled by these persons in Hypo and their personal benefits or other duties.

Legal Proceedings

During the last 12 months prior to the date of this Base Prospectus, there have not been any administrative or legal proceedings or arbitration that has had or that may have a significant effect on the financial position or profitability of Hypo or Hypo Group. Furthermore, Hypo or the companies of Hypo Group are not aware of any such pending or otherwise threatened proceedings.

No significant changes

There has not been any significant negative change regarding future developments in Hypo or Hypo Group since the date of the most recent audited financial statements incorporated in this Base Prospectus.

There has been no significant change in the financial performance or in the financial position of Hypo Group since the end of the last financial period for which the audited financial statements, unaudited interim financial statements or unaudited financial statements bulletins have been incorporated by reference in this Base Prospectus.

Recent Events

On 23 May 2025, Hypo Group announced that the FIN-FSA has set a discretionary additional capital requirement of 1.25 percent (Pillar 2 requirement) for Hypo Group. The new requirement takes effect on 31 December 2025 and remains valid until 31 December 2028 at the latest. The current discretionary additional capital requirement 0.75 percent remains in force until 31 December 2025.

Absence of Conflicts of Interest

To the knowledge of the Issuer, the members of the Board of Directors, the Supervisory Board and the Chief Executive Officer do not have any conflicts of interest between their duties relating to the Issuer and their private interests and/or their other duties.

Information derived from third party sources

Where certain information contained in this Base Prospectus has been derived from third party sources, such sources have been identified herein. The Issuer confirms that such third-party information has been accurately reproduced herein. In addition, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Agreements outside the ordinary course of business

There are no material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in Hypo or any member of the Hypo Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders.

The interests of the Arranger, Lead Manager(s) and possible other subscription places

Customary business interests in the financial market.

Credit Rating of the Issuer and the Notes

As at the date of this Base Prospectus, the Issuer has long- and short-term issuer credit ratings 'BBB/A-2' by S&P. The outlook is stable. At the date of this Base Prospectus, Covered Bonds issued under the Programme are rated 'AAA' by S&P. The outlook is stable.

Under the S&P's rating definitions for long-term issuer credit ratings, an obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments. Respectively, for a short-term issuer credit rating, an obligor rated 'A-2' has adequate capacity to meet its financial obligations. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

The Issuer is committed to use commercially reasonably efforts to remove or replace its bank account counterparty, if such unrelated counterparty's long-term issuer credit rating from S&P (as defined in S&P's Counterparty Risk Framework: Methodology and Assumptions, published March 8, 2019) is downgraded to below 'BBB', with a higher-rated unrelated counterparty within 90 calendar days.

S&P Global Ratings Europe Limited, a division of S&P Global is established in the EEA and are registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"), and is, as of the date of this Base Prospectus, included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (http://www.esma.europa.eu/page/list-registered-and-certified-CRAs) in accordance with the CRA Regulation.

Notes to be issued under the Programme may be rated or unrated. Where an issue of Notes is rated, the applicable rating will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating(s) assigned to the Issuer or to Notes already issued (if applicable). Whether or not a credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the EEA and registered under the CRA Regulation will be disclosed in the Final Terms.

ESMA is obliged to maintain on its website, http://www.esma.europa.eu/page/list-registered-and-certified-CRAs, a list of credit rating agencies registered and certified in accordance with the CRA Regulation. This list must be updated within five working days of ESMA's adoption of any decision to withdraw the registration of a credit rating agency under the CRA Regulation. Therefore, such list is not conclusive evidence of the status of the relevant rating agency as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Accounting policies

The audited consolidated financial statements of the Issuer for the financial years ended 31 December 2024 and 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) approved in the EU and the related interpretations (IFRIC). The applicable Finnish accounting and corporate legislation and regulatory requirements have also been taken into account when preparing the notes to the financial statements.

AVAILABLE DOCUMENTS

The Hypo Bylaws, Hypo's trade register extract (in Finnish), audited financial statements (parent company and consolidated) and auditor's reports regarding the last two financial years are available during the period of validity of the Base Prospectus at the office of Hypo, Yrjönkatu 9 A, 00120 Helsinki and at the website of the Issuer at https://www.hypo.fi/en/hypo-financial-information/ and https://www.hypo.fi/en/hypo-investor-relation/.

INFORMATION INCORPORATED BY REFERENCE

The following documents have been incorporated by reference to this Base Prospectus. The non-incorporated information in the documents incorporated by reference in this Base Prospectus is not relevant for investors or can be found elsewhere in the Base Prospectus. They are available at Hypo's website at https://www.hypo.fi/en/hypo-financial-information/, https://www.hypo.fi/en/hypo-investor-relation/.

Document	Referred information
Interim Report 1Q2025	Unaudited consolidated Q1 Report for 1 January 2025 to 31 March 2025
Annual Report 2024	Financial statements including audited consolidated and parent company's financial statements 1 January – 31 December 2024, pages 25 – 92
Annual Report 2024	Auditor's Report, pages 93 – 96
Annual Report 2023	Financial statements including audited consolidated and parent company's financial statements 1 January – 31 December 2022, pages 24 – 91.
Annual Report 2023	Auditor's Report, pages 92 – 97
Base Prospectus 2024	General Terms and Conditions and Form of Final Terms included in the Base Prospectus published on 3 September 2024, pages 26 – 53.
Base Prospectus 2023	General Terms and Conditions and Form of Final Terms included in the Base Prospectus published on 3 September 2023, pages 28 – 55.

In addition to the above, any of the following documents shall be incorporated in, and form a part of, this Base Prospectus as and when such document is published on https://www.hypo.fi/en/hypo-financial-information/, https://www.hypo.fi/en/hypo-investor-relation/. The non-incorporated information in the documents that are incorporated by reference is not relevant for investors or can be found elsewhere in the Base Prospectus. The following documents have not been reviewed or approved by the FIN-FSA.

Document	Referred information
Annual Reports	Future Financial Statements (including audited consolidated and parent company's financial statements) and auditor's reports in the Annual Reports as and when published at the Issuer's website at https://www.hypo.fi/en/hypo-financial-information/.
Financial Statements Releases	Future Financial Statements Releases as and when published at the Issuer's website at https://www.hypo.fi/en/hypo-financial-information/.
Interim Reports and Half-Year Reports	Future Interim Financial Statements (including Interim Reports and Half-Year Reports) as and when published at the Issuer's website at https://www.hypo.fi/en/hypo-financial-information/.

GLOSSARY OF DEFINED TERMS

The following glossary contains certain defined key terms in relation to the Covered Bonds.

Bankruptcy Liquidity Loan	A contractual arrangement made by the bankruptcy administrator of the Issuer to secure liquidity or take out liquidity credit in accordance with Section 44 of the CBA.
Cover Asset Pool	The Mortgage Loans, Insurance Compensation, Public-Sector Loans, Substitute Collateral, Derivative Transactions and funds covering the liquidity requirement entered into the Register as statutory security for the Covered Bonds under the CBA.
CBA	The Finnish Covered Bond Act (*Laki kiinnitysluottopankeista ja katetuista joukkolainoista* 151/2022)
Derivative Transactions	Derivative transactions concluded for hedging against risks related to the Covered Bonds and therefore constitute part of the assets in the Cover Asset Pool.
MCBA	The Finnish Act on Mortgage Credit Bank Activity (*Laki kiinnitysluottopankkitoiminnasta* 688/2010)
Register for Covered Bonds	The register of Covered Bonds and the collateral which forms the assets in the Cover Asset Pool for the Covered Bonds, including the Derivative Transactions and Bankruptcy Liquidity Loans, which an issuer of covered notes is required to maintain pursuant to the CBA.

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