

# Bank of Åland Plc: Notice to convene the Annual General Meeting

05.03.2021

Bank of Åland Plc  
Notice to convene general meeting  
March 5, 2021, 5.30 p.m.

## **Notice to convene the Annual General Meeting**

Notice is hereby given to the shareholders of the Bank of Åland Plc (Ålandsbanken Abp) of the Annual General Meeting (AGM) to be held at 10.00 a.m. Finnish time on Tuesday, March 30 at the Bank's Head Office, Nygatan 2, Mariehamn, Åland, Finland. Shareholders and their authorised representatives may participate in the AGM and exercise their shareholder rights only by voting in advance and by presenting counterproposals or asking questions in advance. Instructions for shareholders are found in this notice under the heading "C. Instructions for participants in the Annual General Meeting".

The Board of Directors has decided on an exceptional AGM procedure in compliance with the temporary act to limit the spread of the COVID-19 pandemic (677/2020) approved by the Finnish Parliament on September 15, 2020, which entered into force on October 3, 2020 (the "Temporary Act"). The Board has decided to take actions enabled by the Temporary Act in order to hold the AGM in a predictable manner, taking into account the health and safety of the Bank's shareholders, employees and other stakeholders.

All shareholders are invited to participate in a virtual shareholders' event after the AGM beginning at 3.00 p.m. during which the shareholders can follow the presentation of the Managing Director. After that the participants can ask questions via the webcast on the Bank's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) in Swedish.

Shareholders are asked to bear in mind that questions asked during the shareholder event are not questions pursuant to Chapter 5, Section 25 of the Finnish Companies Act. Questions pursuant to Chapter 5, Section 25 of the Finnish Companies Act should be asked separately in advance of the AGM.

For further instructions on how shareholders can participate in the shareholders' event and how they can ask questions pursuant to Chapter 5, Section 25 of the Finnish Companies Act, see the text under the heading "C. Instructions for participants in the Annual General Meeting".

## **A. Matters on the agenda of the Annual General Meeting**

### **1. Opening of the Meeting**

### **2. Calling the Meeting to order**

Daniel Widman, Attorney at Law, will serve as Chairman of the AGM. In case Daniel Widman is unable for compelling reasons to serve as Chairman, the Board of Directors shall appoint a person that the Board considers best suited for the task of Chairman.

### **3. Election of persons to check the minutes and to supervise the counting of votes**

Hanna Bromels, Chief Legal Counsel, Bank of Åland, will perform the tasks of checking the minutes

and supervising the counting of votes. In case Hanna Bromels is unable for compelling reasons to check the minutes and supervise the counting of votes, the Board of Directors shall appoint a person that the Board considers best suited to perform these tasks.

#### **4. Verification of the legality of the Meeting**

#### **5. Verification of attendance at the Meeting and adoption of the voting list**

Those shareholders who have voted in advance during the course of the advance voting period and who are entitled to participate in the AGM pursuant to Chapter 5, Section 6 and 6a of the Finnish Companies Act are counted as attending the Meeting. The voting list shall be adopted on the basis of the information provided by Euroclear Finland Oy.

#### **6. Presentation of the financial statements, the Report of the Directors and the Auditors' Report for 2020**

Since it is only possible to participate in the AGM by voting in advance, the financial statements, the Report of the Directors and the Auditors' Report that were published on February 26, 2021 and that are accessible on the Bank's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) shall be regarded as having been presented to the AGM. The Managing Director's review will be published no later than the day of the AGM on the Bank's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) in Swedish and will be presented to the shareholders at the virtual shareholders' event that will be held after the AGM.

#### **7. Adoption of the financial statements**

The Board of Directors proposes that the AGM shall adopt the financial statements. The Company's auditor has recommended the adoption of the financial statements.

#### **8. Decision on allocation of the profit shown in the balance sheet and dividend distribution**

The Board of Directors proposes that a dividend of EUR 1.00 per share shall be paid for the financial year January 1 – December 31, 2020, that the record date for dividend payment shall be Thursday, April 1, 2021 and that the payment date shall be Monday, April 12, 2021.

The proposed dividend is equivalent to 85.67 per cent of the Parent Company's profit for the year 2020.

#### **9. Decision on granting discharge from liability to the members of the Board of Directors and the Managing Director for the financial year January 1, 2020 – December 31, 2020.**

#### **10. Presentation and adoption of the compensation report**

Since it is only possible to participate in the AGM by voting in advance, the Bank of Åland's compensation report, which describes the application of the Bank's compensation policy and presents the compensation to the Bank's governing bodies during the financial year 2020 – which was published as a stock market release on Friday, February 26, 2021 and is accessible on the Bank's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) – shall be regarded as having been presented to the AGM. The Board of Directors proposes that the AGM shall approve the compensation report. The AGM's decision regarding approval of the compensation report is advisory.

#### **11. Decision on the number of members on the Board of Directors**

It is proposed that the number of Board members shall be set at six.

#### **12. Decision on fees for the members of the Board**

The Board of Directors proposes that the annual fee for its Chairman be increased from EUR 30,000 to EUR 35,000, for the Deputy Chairman from EUR 28,000 to EUR 30,000 and for each other Board member from EUR 26,000 to EUR 28,000. The Board also proposes an unchanged fee per meeting

attended for the Chairman (EUR 1,000) and for each other Board member (EUR 750).

It shall be noted that the fee per meeting for Board members' attendance at meetings of the committees appointed by the Board is EUR 750 per Board member and EUR 1,000 for the committee Chairman.

### **13. Election of Board members**

The Board proposes the re-election of Board members Åsa Ceder, Anders Å Karlsson, Nils Lampi, Christoffer Taxell, Ulrika Valassi and Anders Wiklöf for a term of office that will run until the end of the next AGM. All the persons proposed have agreed to being elected.

### **14. Decision on the auditors' fees**

The Board of Directors proposes that the auditors' fees be paid as invoiced.

### **15. Decision on the number of auditors**

The Board of Directors proposes that the number of auditors shall be unchanged, that is, three auditors and one deputy auditor.

### **16. Election of auditors**

The Board of Directors proposes the re-election of Marcus Tötterman and Fredrik Westerholm, Authorised Public Accountants (KHT), as auditors for a term of office that shall run until the end of the next AGM. The Board proposes the election of Henry Maarala, Authorised Public Accountant (KHT), for a term of office that shall run until the end of the next AGM.

The Board further proposes the re-election of KPMG Oy Ab as deputy auditor for a term of office that shall run until the end of the next AGM.

### **17. Authorisation for the Board to make decisions on acquisitions of the Company's own shares**

The Board of Directors proposes that the AGM authorise the Board to approve acquisitions of the Bank of Åland's Series B shares as follows:

The number of Series B shares that may be acquired on the basis of this authorisation may total no more than 1,500,000, which is equivalent to about 10 per cent of all shares in the Company and about 16.4 per cent of all Series B shares in the Company. The Company's own shares may be acquired on the basis of this authorisation, other than in relation to shareholders' holdings (targeted acquisition) in case there are compelling reasons. The shares may be acquired using unrestricted equity capital at the price established in public trading on Nasdaq Helsinki Oy on the day of the acquisition.. The shares may be acquired in one or more rounds.

The Bank's own shares may be acquired in order to change the Company's capital structure, to be used as consideration in acquisitions of companies or sectoral reorganisations or as part of the Company's incentive programmes and may otherwise be transferred onward, be kept by the Company or be annulled.

The Board shall decide on all other conditions for the acquisition of the Bank's own shares. This authorisation will be in force until the end of the next AGM, but no longer than until September 30, 2022.

### **18. Closing of the Meeting**

#### **B. General Meeting documents**

The above-mentioned proposals by the Board of Directors, this notice convening the Annual General Meeting (AGM) and other documents that shall be available as provided by the Finnish Companies Act are found on the website of the Bank of Åland Plc, [www.alandsbanken.fi](http://www.alandsbanken.fi).

The Board's proposals and the accounting documents are also available at the Company's head office.

Copies of these documents and of this notice convening the AGM will be sent to shareholders upon request. The minutes of the Meeting will be available for viewing on the Company's website no later than April 2, 2020 in Swedish and Finnish.

### **C. Instruction for participants in the Annual General Meeting**

For the purpose of limiting the spread of the COVID-19 pandemic, the AGM is being organised in such a way that shareholders and their authorised representatives cannot attend the AGM in person. Nor can shareholders and their authorised representatives participate in the AGM through a broadcast in real time using technical aids. Shareholders and their authorised representatives may participate in the AGM and exercise their shareholder rights only by voting in advance and by presenting counterproposals or asking questions in advance according to the instructions below.

#### **1. Right to participate and registration**

Shareholders who were listed on March 18, 2021 (the record date for the AGM) in the Company's shareholder register, which is maintained by Euroclear Finland Ab, are entitled to participate in the AGM. A shareholder whose shares are registered in his or her Finnish personal book-entry securities account is listed in the Company's shareholder register. Shareholders may not participate in the AGM in any other way than by voting in advance according to the instructions below and by presenting counterproposals or asking questions in advance.

#### **2. Registration and voting in advance**

Registration and voting in advance will begin at 12.00 noon Finnish time on Monday, March 15, 2021 when the deadline for submitting such counterproposals to be presented for voting has expired. Shareholders listed in the shareholder register and wishing to participate in the AGM through voting in advance must register and vote in advance no later than 4.00 p.m. Finnish time on Wednesday, March 24, 2021, by which time registration and votes should have been received.

When registering, please state the shareholder's name, personal identity code or business ID number, telephone number and the name of any assistant or authorised representative and the representative's personal identity code. The personal data that shareholders transmit to Euroclear Finland Ab will be used only for purposes attributable to the AGM and for processing of registrations related to this.

Shareholders who have a Finnish book-entry securities account may register and vote in advance regarding certain points on the agenda during the period from 12 noon on Monday, March 15, 2021 until 4.00 p.m. on Wednesday, March 24, 2021 in the following ways:

##### **a. On the Bank's website, [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma)**

For shareholders who are natural persons, electronic voting in advance requires strong electronic authentication and shareholders may register and vote by logging in with their Finnish internet bank codes or mobile certificate.

For shareholders that are legal persons, no strong electronic authentication is required, but such shareholders should register their book-entry securities account number as well as other requested information.

The conditions and instructions for electronic voting in advance are found on the Bank's website, [www.alandsbanken.fi/bolasstamma](http://www.alandsbanken.fi/bolasstamma) in Swedish and Finnish.

##### **b. By post or email**

Shareholders may send the advance voting form that is found on the Company's website, [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) to Euroclear Finland Ab by post at the following address: Euroclear Finland Ab, Yhtiökokous, PB 1110, 00101 Helsinki, Finland

or

by email at the following address: [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu).

The voting form will be accessible on the Bank's website by no later than 12 noon on Monday, March 15, 2021.

When sending in the advance voting form, shareholders' authorised representatives should display a dated power of attorney or should be able to show in some other reliable manner that they are entitled to represent a shareholder at the AGM.

In case a shareholder participates in the AGM by submitting advance votes to Euroclear Finland Ab, this is counted as registration for the AGM.

The conditions and instructions for voting by post or email are found on the Bank's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) in Swedish and Finnish.

### **3. Authorised representatives and powers of attorney**

Shareholders may participate in the AGM and exercise their rights through authorised representatives. A shareholder's authorised representative should also vote in advance according to the instructions presented in this notice.

A shareholder's authorised representative must be able to show a dated power of attorney or otherwise prove in a reliable manner that he or she is authorised to represent the shareholder. If a shareholder is represented at the AGM by more than one authorised representative in connection with shares that are kept in different book-entry securities accounts, at the time of registration the shareholder must state on the basis of which shares each authorised representative is representing the shareholder.

Submission of a power of attorney and advance votes to Euroclear Finland Ab before the expiration of the period for advance voting shall be counted as registration for the AGM, provided that the power of attorney and voting material include the information mentioned above under point C.2. as being required for registration.

### **4. Holders of nominee-registered shares**

A holder of nominee-registered shares is entitled to participate in the AGM on the basis of the shares he or she would be entitled to list on the AGM record date, March 18, 2021, in the Shareholder Register maintained by Euroclear Finland Ab. Participation also requires that on the basis of these shares, the shareholder has been listed no later than 10.00 a.m. on March 25, 2021 in the temporary shareholder register maintained by Euroclear Finland Ab. In the case of nominee-registered shares, this shall be counted as registration for the AGM.

An owner of nominee-registered shares is urged to request instructions well in advance from his or her asset manager regarding entry into the temporary shareholder register, issuance of powers of attorney and registration for the AGM. The asset manager's account administrator shall, no later than the above-mentioned date, record holders of nominee-registered shares wishing to participate in the AGM in the temporary shareholder register. In addition, the asset manager's account administrator should ensure that advance voting occurs on behalf of the nominee-registered shareholder within the AGM registration period that applies to nominee-registered shares.

### **5. Virtual shareholder event after the AGM**

All shareholders are invited to attend a virtual shareholder event that will be held after the meeting beginning at 3.00 p.m. Finnish time. Shareholders are welcome to follow the presentations via a webcast at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma).

At the virtual event the decisions of the AGM will be presented, along with an overview of the financial year 2020. After this presentation, participants may ask questions via the webcast.

Shareholders are asked to bear in mind that questions asked during the shareholder event are not questions pursuant to Chapter 5, Section 25 of the Finnish Companies Act. Questions pursuant to Chapter 5, Section 25 of the Finnish Companies Act should be asked separately in advance of the AGM in accordance with the instructions below.

A recording of the event will be posted on the Bank's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) after the event.

## **6. Other instructions and information**

Shareholders that hold at least one hundredth of all Company shares are entitled to present counterproposals to the proposed decisions that are presented in the agenda of the AGM. Such counterproposals should be submitted to the Company by email at [bolagsstamma@alandsbanken.fi](mailto:bolagsstamma@alandsbanken.fi) no later than 4.00 p.m. Finnish time on Friday, March 12, 2021. Shareholders that submit counterproposals should be able to show evidence of their shareholding at the time they submit the counterproposals. A counterproposal shall be presented at the AGM only if the shareholder is entitled to participate in the AGM and if the shareholder, on the record date, holds at least one hundredth of all the shares in the Company. In case a counterproposal is not presented at the AGM, the votes in favour of the proposal are not counted. The Company will publish any counterproposals that will be presented for voting on the Company's website at [www.alandsbanken.fi](http://www.alandsbanken.fi) no later than Monday, March 15, 2021.

Shareholders may ask questions concerning matters being dealt with at the Meeting, pursuant to Chapter 5, Section 25 of the Finnish Companies Act, until Friday, March 19, 2021, by sending these by email to [bolagsstamma@alandsbanken.fi](mailto:bolagsstamma@alandsbanken.fi). Questions from shareholders, the Company's answers to these questions and any counterproposals other than those presented for voting will be accessible on the Company's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) no later than Monday, March 22, 2021. To be able to ask questions and submit counterproposals, the shareholder must be able to show adequate evidence of his/her shareholding.

Information regarding to AGM that is required pursuant to the Finnish Companies Act and the Securities Markets Act is accessible on the Company's website at [www.alandsbanken.fi/bolagsstamma](http://www.alandsbanken.fi/bolagsstamma) in Swedish and Finnish.

On the date of this Notice convening the Annual General Meeting, the number of shares in the Bank of Åland Plc totals 6,476,138 Series A shares, which represent 129,522,760 votes and 9,126,165 Series B shares, which represent 9,126,165 votes, or 15,602,303 shares and 138,637,960 votes in all. Each Series A share has 20 votes at the Meeting and each Series B share has one vote, but subject to the limitation on voting rights stipulated in the Articles of Association, Section 7.

Mariehamn, March 5, 2021

Board of Directors