

ÅLANDSBANKEN

ÅLANDSBANKEN ABP

(incorporated with limited liability in the Republic of Finland)

EUR 750,000,000 Euro Domestic Certificate of Deposit Programme

IMPORTANT INFORMATION

This Information Memorandum (together with information incorporated herein by reference, the “**Information Memorandum**”) contains summary information provided by Ålandsbanken Abp (the “**Issuer**”) in connection with a euro domestic certificate of deposit programme (the “**Programme**”) under which the Issuer may issue and have outstanding at any time certificates of deposit (the “**Certificates**”) to a maximum aggregate amount of EUR 750,000,000.

The Issuer hereby confirms as at the date hereof that the information contained or incorporated by reference in the Information Memorandum is true and accurate in all material respects and not misleading and that there are no other facts the of omission of which makes the Information Memorandum as a whole or any such information contained or incorporated by reference herein misleading in any material respect.

The Issuer does not accept any responsibility, express or implied, for updating this Information Memorandum and neither the delivery of this Information Memorandum nor any offer or sale made on the basis of the information in this Information Memorandum shall under any circumstances create any implication that this Information Memorandum is accurate at any time subsequent to the date hereof or that there has been no change in the business, financial condition or affairs of the Issuer since the date hereof.

This Information Memorandum is valid as of the date hereof until further notice.

Information contained in the Information Memorandum is not and should not be construed as a recommendation by the Issuer that any recipient should purchase Certificates. Each such recipient must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Programme as it may deem necessary and must base any investment decision upon such independent assessment and investigation and not on the Information Memorandum alone.

No person or party is authorized by the Issuer to give any information or to make any representation not contained in this Information Memorandum.

No comment is made, and no advice is given by the Issuer in respect of taxation matters relating to the Certificates and each investor is advised to consult its own professional adviser.

DESCRIPTION OF THE ISSUER

Legal Name: Ålandsbanken plc
Business ID: 0145019-3
LEI: 7437006WYM821IJ3MN73
Domicile: Mariehamn, Finland
Registered office: Nygatan 2
22100 Mariehamn
Åland, Finland
Telephone: +358 (0)18 29 011
Website: <https://www.alandsbanken.com/>

A description of the Issuer and its business activities including the annual report and interim reports are available on its website <https://www.alandsbanken.com>. The annual report and interim reports shall be deemed to be incorporated in, and to form a part of, this Information Memorandum. The annual report and interim reports are also available directly from the Issuer upon request. The Issuer is solely responsible for the rightfulness of the annual or interim reports and the information regarding the Issuer's financial status.

The Issuer has been assigned a long-term debt credit rating of A3 and a short-term debt credit rating of P-2 by Moody's Investors Services (Nordics) AB. ("**Moody's**"). There is no guarantee that the rating of the Issuer assigned by Moody's will be maintained following the date of this Information Memorandum. **A 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 credit rating agency.**

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OVERVIEW OF THE PROGRAMME

Issuer:	Ålandsbanken plc
Name of the Programme:	Ålandsbanken plc Euro Domestic Certificate of Deposit Programme
Description:	A Programme under which the Issuer may issue, and have outstanding at any time, Certificates.
Programme Amount:	The aggregate principal amount of the Certificates outstanding at any time shall not exceed EUR 750,000,000.
Purpose of the Programme:	General financing and corporate purposes
Form of Certificates:	The Notes will be issued in book-entry form in the Infinity book-entry system of Euroclear Finland.
Currency:	Euro (“EUR”)
Maturity of the Certificates:	The term of the Certificates shall be no less than one (1) day and no more than three hundred and sixty-four (364) days from and including the date of issue.
Minimum Denomination of the Certificates:	The initial minimum denomination of each Certificate will be EUR 100,000.
Status:	The Certificates will constitute unsecured and unsubordinated obligations of the Issuer and rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by mandatory law) equally with all other unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.
Pricing:	The pricing is subject to prevailing interest rate levels and market conditions.
Interest:	Instruments may be interest-bearing or non-interest-bearing. The interest rate of the issued Certificates is defined by prevailing market conditions.
Issue Price:	The Issue Price is calculated according to the following formula: $\frac{n}{1 + \frac{p}{100} \times \frac{t}{360}}$ where n = nominal amount of the Certificate(s) p = interest rate t = term of the Certificate(s) in actual days
Redemption Amount at Maturity:	100 per cent. of the Nominal Amount of each Certificate.

Optional Early Redemption:	The Issuer has the right to repurchase the Certificates in whole or in part at any time prior to the Maturity Date at a price to be separately agreed upon. The early redemption is at the sole discretion of the Issuer and the Issuer does not have any obligation to redeem any Certificate before the relevant Maturity Date. The investor or any other party does not have the right to require early redemption.
Listing:	The Certificates will not be listed on any stock exchange.
Rating:	The Programme will not be rated.
Target Market:	Professional investors and Eligible Counterparties only target market. Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Certificates to be issued under this programme has led to the conclusion that: (i) the target market for the Certificates is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “ MiFID II ”); and (ii) all channels for distribution of the Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Certificates (a distributor) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.
Selling Restrictions:	The Issuer represents and agrees that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver Certificates and it will not directly or indirectly offer, sell, resell, re-offer or deliver Certificates or distribute the Information Memorandum or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.
Taxation:	All payments under the Certificates will be made without deduction for or on account of any withholding tax.
Governing Law:	The Certificates and any non-contractual obligations arising out of or in connection with the Certificates will be governed by, and shall be construed in accordance with, Finnish law.

RISK FACTORS

A number of risk factors can affect the performance of the Certificates issued under the Programme and may impact whether an investor receives repayment of the nominal amount of a Certificate at maturity. Such risks may stem from the Issuer's operational activities or be inherent to the nature of certificates in general.

The responsibility for the assessment and outcome of an investment in Certificates rests with the investor. Each investor must, considering their own financial situation, assess the suitability of an investment in Certificates, and in case of uncertainty, consult a financial advisor. The below is only a brief and non-exhaustive account of certain risk factors associated with Certificates issued under the bank certificate program and is not intended to form the basis for a decision or a recommendation to invest in Certificates issued under the bank certificate program.

Risks related to the Issuer's operations

The Issuer's operations involve various risks, primarily credit and market risks, but also include operational and liquidity risks. These risks are significant for investors in Certificates, as they inherently carry a credit risk on the Issuer. The Issuer's ongoing financial health, influenced by the factors outlined below, is crucial for ensuring the repayment of the Certificate's nominal amount at maturity.

Market Risk

Market risk refers to the potential losses due to changes in interest rates, foreign exchange rates, and equity prices. The Issuer's market risk is mainly represented by interest rate risk, which arises from differences in the interest rate repricing periods and repricing dates between its lending and funding. The Issuer does not trade for its own account. Adverse movements in interest rates or other market prices could have a material adverse effect on the Issuer's results of operations.

Credit Risk

Credit risk is the risk of losses due to borrowers' inability to meet their obligations. The Issuer's credit risk primarily involves claims against private individuals, with significant exposure to individuals and households. Economic downturns in core markets, such as Finland and Sweden, could adversely affect the Issuer's home loans portfolio and generate increases in impairment losses. The Issuer also faces credit concentration risks due to large exposures to individual customers and specific sectors like real estate and shipping.

Liquidity Risk

Liquidity risk is the risk of not being able to meet obligations as they fall due or only being able to meet them at an increased cost. The Issuer's liquidity and funding requirements are mainly met through customer deposits and wholesale lending markets. A significant outflow of deposits could change the Issuer's funding structure and increase its average cost of funding. The Issuer maintains a liquidity

reserve and a well-diversified instrument and maturity structure to ensure access to liquidity even during periods without external borrowing opportunities.

Operational Risk

Operational risk involves the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. The Issuer depends on information technology to manage critical business processes, and disruptions or failures in IT systems could cause errors and losses. The Issuer has implemented risk controls and taken actions to mitigate exposures, but there can be no assurance that such procedures will be effective. The Issuer also faces risks related to losing key personnel and the potential for reputational damage.

Risks related to certificates in general

Risks associated with certificates in general and factors beyond the Issuer's control include, among other things, the availability of an effective secondary market, the stability and reliability of the current clearing and settlement systems, as well as the overall economic conditions and developments in the Nordic region and globally. Geopolitical events, such as Russia's invasion of Ukraine, can have negative consequences on the global economy, such as increased energy and raw material prices as well as increased global inflation and interest rate pressure, which can significantly impact the Issuer's operations and financial performance. These events can lead to increased energy and raw material prices, heightened global inflation, and rising interest rates. Such external and geopolitical risks can adversely affect the economic situation of the Issuer's customers, potentially hindering their ability to fulfill their obligations to the Issuer.

Investors have no security in the Issuer's assets and would be unsecured creditors in the event of the Issuer's bankruptcy.

MISCELLANEOUS

Delivery of Certificates

Certificates shall be entered into the respective book-entry accounts of the subscribers in the Infinity book-entry system of Euroclear Finland upon issuance. No physical securities will be delivered. The issuer undertakes to comply with the rules and regulations of Euroclear Finland Oy in force from time to time (the “**Euroclear Rules**”) as well as the decisions issued on the basis thereof.

Right to Information

Notwithstanding any secrecy obligation, the Issuer shall, subject to the Euroclear Rules and applicable laws, be entitled to obtain information of the holders of Certificates from Euroclear Finland, and Euroclear Finland shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to the Euroclear Rules and applicable laws, be entitled to acquire from Euroclear Finland a list of holders of Certificates, provided that it is technically possible for Euroclear Finland to maintain such a list.

Limitation of Liability and Force Majeure

Please note that Certificates might be available for purchase by various parties and/or through various channels (together “**Other Parties and Means**”). However, the Issuer has no responsibility whatsoever of Other Parties and Means which are solely responsible for their own actions.

The Issuer shall not be liable for any damage caused by force majeure or any other reason that causes unreasonable difficulties in the Issuer's operations. The Issuer shall not be held responsible for any loss arising from:

- (a) an act of an authority, war or threat of war, revolt, civil disturbance, or any act of terror;
- (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, subscription place or account operator;
- (c) interruption or delay of action or measure of the Issuer, subscription place or account operator that is caused by fire or equivalent accident;
- (d) strike or other industrial action which has an essential impact to the operations of the Issuer, subscription place or account operator, even when it only affects part of the personnel of the aforementioned entities and irrespective of whether the aforementioned 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, subscription place or account operator.

Governing Law and Jurisdiction

The Information Memorandum, Programme, Certificates and any non-contractual obligations arising out of or in connection with them will be governed by and construed in accordance with the laws of Finland, excluding the choice of law provisions.

Any dispute, controversy or claim arising out of or relating to this Information Memorandum, Programme, and Certificates, out of or relating to this Programme, Information Memorandum and Certificates, or the breach, termination or validity thereof, shall be settled in the first instance at the District Court of Helsinki (Fi. *Helsingin käräjäoikeus*).

In Helsinki, 9 December 2024

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