

ÅLANDSBANKEN

ÅLANDSBANKEN ABP

(incorporated with limited liability in the Republic of Finland)

EUR 2,000,000,000

Senior Preferred Note, Covered Bond, Tier 2 Note and Additional Tier 1 Capital Note Programme

This supplement (the “**Supplement**”) is supplemental to, forms part of and must be read and construed in conjunction with, the Base Prospectus dated 22 February 2023 (the “**Base Prospectus**”) prepared by Ålandsbanken Abp (“**Ålandsbanken**” or the “**Issuer**”) in connection with its EUR 2,000,000,000 senior preferred note, covered bond, tier 2 note and additional tier 1 capital note programme. Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement. The purpose of this Supplement is to (i) incorporate by reference the unaudited interim financial report for the accounting period January 1 – September 30, 2023 of the Issuer into the Base Prospectus and to (ii) confirm that there has been no significant change in the financial position of the Group since 30 September 2023.

1 Information Incorporated by Reference

1.1 A new subclause (m) is added into the list of documents on page 96:

"(m) the auditors' review and the unaudited interim financial report for the period January 1-September 30, 2023."

https://www.alandsbanken.ax/uploads/pdf/resultat/en_resultat_jan-sep_23.pdf

2 Other amendments to the Base Prospectus

2.1 To the chapter “**IMPORTANT NOTICES TO PROSPECTIVE INVESTORS**” following amendments:

2.1.1 The paragraph in section “**Presentation of financial and certain other information**” on page 30 is amended and replaced with the following wording:

"Unless otherwise indicated, the financial information in this Base Prospectus relating to the Issuer has been derived from the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2021 and 31 December 2022, the unaudited interim financial report for the accounting period January 1 - March 31, 2023, the unaudited half-year financial report for the accounting period January 1 - June 30 2023 as well as the unaudited interim financial report for the accounting period January 1 - September 30 2023. The Issuer's financial year ends on 31 December, and references in this Base Prospectus to any specific year are to the 12-month period ended on 31 December of such year. The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU."

2.2 To the chapter ”**DESCRIPTION OF ÅLANDSBANKEN**” following amendments:

2.2.1 Section “*Significant or material change*”

The paragraph on page 68 is amended and replaced with the following wording:

“There has been no significant change in the financial position or financial performance of the Group since 30 September 2023 and there has been no material adverse change in the prospects of the Issuer since 31 December 2022.”

2.2.2 Section “*Recent events*”

A tenth paragraph “*Increase of prime rate*” is added on page 69 with the following wording:

On August 25, 2023, Ålandsbanken decided to increase its prime rate by 0.35 percentage points, from 3.15 per cent to 3.50 per cent. The basis for this decision was rising market interest rates. The change went into effect on September 8, 2023.

An eleventh paragraph ”*Transfer of swedish mortgages*” is added on page 69 with the following wording:

The previously announced second transfer of Swedish home mortgage loans from the Bank of Åland Plc (Ålandsbanken Abp) to Borgo AB was completed on 11 September 2023. The nominal amount of the mortgage portfolio that was transferred is SEK 5.8 billion. The portfolio consists of loans mediated by ICA Banken and Söderberg & Partners Bolån. The transfer will not have any significant effect on the Bank of Åland’s earnings, but it frees up liquidity and capital.

A third transfer to Borgo of a smaller mortgage portfolio is planned to take place during 2024.