

FINAL TERMS

ÅLANDSBANKEN ABP

**Issue of EUR 300,000,000 Covered Bonds due 22 July 2027
under the EUR 2,000,000,000
Senior Preferred Note, Covered Bond, Tier 2 Note and AT1 Note Programme**

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 (as amended or as replaced) (**MiFID II**); (ii) a customer within the meaning of Directive 2016/97 (as amended or as replaced), 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 or as replaced) (the **Prospectus Regulation**). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended or as replaced) (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 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 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 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 target market assessment) and determining appropriate distribution channels.

This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the base prospectus regarding the programme for the issuance of notes by Ålandsbanken Abp (the **Issuer**) dated 22 February 2023 and the supplements to it dated 6 March 2023, 11 May 2023, 24 July 2023 and 30 October 2023 (the **Base Prospectus**) (the **Programme**) which together constitute a base prospectus for the purposes of the Prospectus Regulation, including but not limited to, the General Terms and Conditions of the Notes (the **Conditions**) set forth in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions.

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The Base Prospectus and the supplements to it dated 6 March 2023, 11 May 2023, 24 July 2023 and 30 October 2023 and the Final Terms are available at the website of the Issuer at <https://www.alandsbanken.com/about-us/debt-investors/debt-programme> and upon request from the Issuer or at the subscription places specified herein.

Issuer:	Ålandsbanken Abp
Type of Notes:	Covered Bonds
Series number:	1/2024
Tranche number:	1
Date on which the Notes will be consolidated and form a single Series:	Not Applicable
Dealer(s)	Danske Bank A/S Holmens Kanal, 1092 Copenhagen K, Denmark Dekabank Deutsche Girozentrale Mainzer Landstraße 16 60325 Frankfurt am Main, Germany and Erste Group Bank AG Am Belvedere 1 1100 Vienna, Austria
Subscription place(s)	Not Applicable
Issuer Agent	Danske Bank A/S, Finland Branch Televisiokatu 1 00240 Helsinki
Paying Agent	Danske Bank A/S, Finland Branch Televisiokatu 1 00240 Helsinki
Calculation Agent	The Issuer acts as the Calculation Agent
Currency:	EUR
Aggregate nominal amount:	
(a) Series:	EUR 300,000,000
(b) Tranche:	EUR 300,000,000
Denomination of each book-entry unit:	EUR 100,000
Number of book-entry units:	3,000

Form of the Notes:	Book-entry securities of Euroclear Finland's Infinity book-entry system
Minimum subscription amount:	EUR 100,000
Subscription fee:	The Dealer(s) do not charge the costs relating to the issue and offering to the Noteholders
Payment of subscription:	Subscriptions shall be paid for as instructed in connection with the subscription
Issue price:	The issue price is fixed and is 99.675 per cent of the aggregate nominal amount
Issue Date:	22 January 2024
Commencement of first Interest Period:	Issue Date
Rate of interest:	Fixed interest rate 3.000 per cent If the Notes are not redeemed in full on the Maturity Date, the Extended Maturity interest provisions will apply. From, and including, the Maturity Date to, but excluding, the earlier of (i) the date on which the Notes are redeemed in full and (ii) the Extended Maturity Date, the Rate of Interest will be 1 month EURIBOR + 0.45 per cent. per annum. (further particulars specified below)
Change of rate of interest:	If the Notes are not redeemed in full on the Maturity Date, the Maturity Date
Redemption amount:	The Notes will be redeemed at 100 per cent of their aggregate nominal amount
Manner of redemption:	The Notes will be redeemed in one instalment.
Substitution and variation:	Not Applicable
Maturity Date:	22 July 2027
(a) Extended Maturity:	Applicable
(b) Extended Maturity Date:	22 July 2028

In accordance with Condition 6.9, if the Issuer, at the latest on the fifth (5th) Business Day before the Maturity Date, applies 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 the Conditions is extended up to but no later than the Extended Maturity Date due to the reason that (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 from 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, 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 the 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 Maturity Date, all in accordance with Condition 6.9.

Delivery of book-entry securities:

The time when the book-entry securities are recorded in the book-entry accounts specified by the subscribers is estimated to be 22 January 2024.

ISIN code of the Series of Notes:

FI4000566351

Registrar:

Euroclear Finland Ltd

PROVISIONS RELATING TO INTEREST

Fixed interest rate provisions:

Applicable

(a) Interest Payment Date(s):

On 22 July each year in arrears, commencing on 22 July 2024 up to and including the Maturity Date

(b) Day Count Fraction:

Actual/Actual (ICMA)

(c) Business Day Convention:

Following Business Day Convention

Floating interest rate provisions:

Not Applicable

Extended Maturity interest provisions:

Applicable from (and including) the Maturity Date to (but excluding) the Extended Maturity Date

(a) Rate of interest:

Floating interest rate 1 month EURIBOR + margin of 0.45 per cent

(b) Interest Payment Date(s):

On 22nd day of each month in arrears, commencing from and excluding the Maturity Date to and including the Extended Maturity Date

(c) Minimum rate of interest:

Not Applicable

(d) Maximum rate of interest:

Not Applicable

(e) Day Count Fraction: Actual/360

(f) Business Day Convention: Modified Following Business Day Convention

PROVISIONS RELATING TO REDEMPTION

Early Redemption for tax reasons: Applicable

Early Redemption Amount: Nominal amount of the Notes

Issuer Call: Not Applicable

Early redemption amount: Not Applicable

First Call Date: Not Applicable

OTHER INFORMATION

Decisions and authority pursuant to which the Notes are issued: Based on the resolution of the Issuer's Board of Directors dated 22 February 2023

Subscription period: 15 January 2024

Conditions for issue: Not Applicable

Indication of yield (fixed interest rate Notes with fixed issue price only): 3.103 per cent per annum

The yield is calculated on the Issue Date based on the issue price. It is not an indication of future yield.

Europeisk säkerställd obligation (premium) /
Eurooppalainen katettu joukkolaina (premium) /
European Covered Bond (Premium): Yes

Credit rating: The Notes are expected to be rated AAA by S&P

Listing: The Issuer will apply for the Notes to be listed on the Helsinki Stock Exchange

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.

Estimated time of listing: January 2024


Estimate of total expenses related to listing: EUR 5,000

Interests of natural and legal persons involved in the issue

Save for any fees payable to the Dealer(s), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue. The Dealer(s) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

In Helsinki, on 16 January 2024

ÅLANDSBANKEN ABP



Jan-Gunnar Eurell