

A scenic view of a rocky coastline with the sea in the background. The foreground is dominated by large, light-colored, textured rocks. In the background, the sea stretches to the horizon under a soft, hazy sky. The overall mood is serene and natural.

Interim Report January-March 2026

April 28, 2026



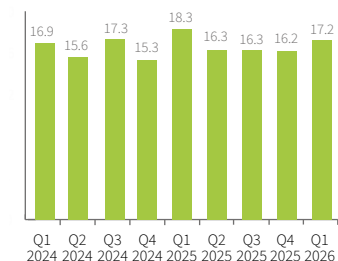
In brief

January-March 2026

Compared to January–March 2025

- Net operating profit decreased by 6 per cent and amounted to EUR 17.2 M (18.3).
- Core income in the form of net interest income, net commission income and IT income increased by 1 per cent to EUR 54.1 M (53.8).
- Other income increased by 25 per cent to EUR 2.7 M (2.2).
- Total expenses increased by 4 per cent to EUR 39.4 M (37.7).
- Net impairment losses on financial assets (including recoveries) totalled EUR 0.3 M (recovery of 0.1), equivalent to a loan loss level of 0.04 per cent (-0.01).
- Return on equity after taxes (ROE) decreased to 17.7 per cent (19.5).
- Earnings per share decreased by 4 per cent to EUR 0.91 (0.95).
- The common equity Tier 1 capital ratio increased to 12.9 per cent (12.7 on December 31, 2025).
- Unchanged future outlook: The Bank of Åland expects its return on equity after taxes (ROE) to continue to exceed its long-term financial target of 15 per cent during 2026.

Net operating profit by quarter
EUR M

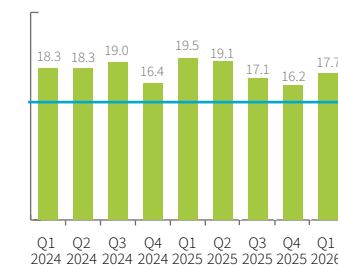


Core income by quarter
EUR M



Return on equity after taxes (ROE)

Per cent



— Target: To exceed 15 per cent over time



Stable development in a more uncertain operating environment

“In the first quarter, the Bank of Åland delivered good results in a world marked by rising geopolitical turbulence and increasing uncertainty. Operating profit amounted to EUR 17.2 million (18.3) with a return on equity of 17.7 per cent (19.5), continuing to be above our long-term financial target and higher in both respects compared to the fourth quarter of 2025.

“During the quarter, our core income increased, with higher commission income within investment operations helping offset lower net interest income. Cost trends were overall according to plan and credit quality remained good.

“Developments in the capital markets was more volatile than for the comparable period during the previous year, which had a negative effect on the value of customer investment portfolios. Despite this volatility, we see a continued net inflow for our investment products.

“Our investment fund Ålandsbanken Global Aktie was awarded a fund mandate in the world’s largest fund procurement process within the Swedish premium pension system.

“Within IT operations, Crosskey signed an agreement with Handelsbanken regarding its remaining business in Finland, which further strengthens our position as a provider of key banking solutions.

“The Bank of Åland continues its long-term work in close contact with our customers, and we are well-equipped to do so independent of the uncertain global situation.”

Peter Wiklöf
Managing Director and Chief Executive



Peter Wiklöf, Managing Director and Chief Executive.



Table of contents

Financial overview

Financial overview..... 5

Comments

Macro situation.....7

Important events.....7

Earnings for January-March 2026.....7

Operating segments7

Business volumes8

Credit quality8

Liquidity and borrowing.....8

Rating.....8

Equity and capital adequacy8

Sustainability.....9

Important events after close of report period9

Risks and uncertainties9

Unchanged future outlook9

Financial statements

Summary income statement 10

Summary statement of other comprehensive income 11

Income statement by quarter 12

Summary balance sheet 13

Statement of changes in equity capital 14

Summary cash flow statement 15

Notes to the financial statements

1. Corporate information 16

2. Basis for preparation of the Interim Report and essential accounting principles 16

3. Segment report.....17

4. Net interest income..... 19

5. Net commission income..... 19

6. Net income from financial items at fair value..... 19

7. Net impairment losses on financial assets 20

8. Lending to the public by purpose 20

9. Lending to the public by stage 21

10. Debt securities issued 22

11. Derivative instruments..... 22

12. Financial instruments measured at fair value 23

13. Off-balance sheet commitments 24

14. Assets pledged 24

15. Capital adequacy 25

16. Share-related information..... 28

Sustainability

Sustainability..... 29

Definitions

Definitions 30

Auditor's report

Auditor's report..... 31

Financial calendar

Interim reports 2026:

- Half-Year Financial Report for January-June July 17, 2026
- Interim Report for January-September October 23, 2026

Interim Reports and the Annual Report are published on the Bank's website: www.alandsbanken.fi

Interim Reports and the Annual Report can be ordered from:

info@alandsbanken.fi

or

Bank of Åland Plc, Secretariat, P.O. Box 3,
AX-22101 Mariehamn, Åland, Finland.

Cover photo: Anton Sucksdorff



Financial overview

Group	Q1 2026	Q4 2025	%	Q1 2025	%
EUR M					
Income					
Net interest income	23.3	23.7	-2	23.8	-2
Net commission income	22.5	23.0	-2	21.4	5
IT income	8.3	8.9	-7	8.6	-3
Other income	2.7	0.8		2.2	25
Total income	56.9	56.4	1	56.0	2
Expenses					
Staff costs	-24.7	-25.1	-2	-23.4	6
Other expenses	-11.4	-11.2	2	-11.3	0
Depreciation/amortisation	-3.3	-3.1	7	-3.0	11
Total expenses	-39.4	-39.4	-0	-37.7	4
Profit before impairment losses	17.5	17.0	3	18.3	-4
Impairment losses on financial assets, net	-0.3	-0.8	-61	0.1	
Net operating profit	17.2	16.2	6	18.3	-6
Income taxes	-3.1	-3.3	-5	-3.7	-17
Profit for the period	14.1	12.9	9	14.6	-4
Volumes					
Lending to the public	3,791	3,762	1	3,552	7
Deposits from the public	3,653	3,760	-3	3,573	2
Actively managed assets	11,799	12,119	-3	10,662	11
Managed mortgage loans	3,621	3,593	1	3,335	9
Equity capital	327	386	-15	315	4
Balance sheet total	5,167	5,173	-0	5,011	3
Risk exposure amount	1,884	1,888	-0	1,766	7

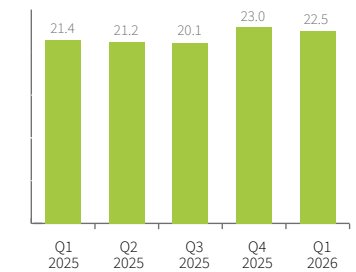
Net interest income

EUR M



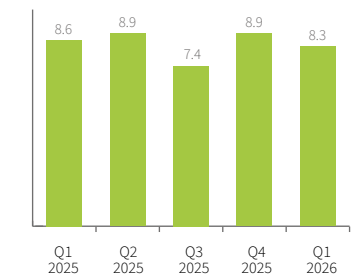
Net commission income

EUR M



IT income

EUR M

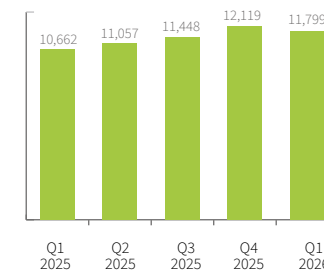




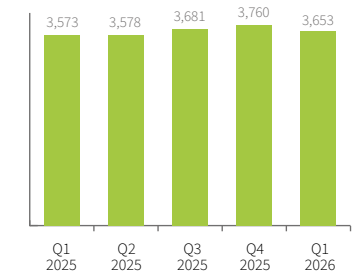
Group	Q1 2026	Q4 2025	%	Q1 2025	%
Profitability					
Return on equity after taxes, % (ROE)	17.7	16.2		19.5	
Capital strength					
Common equity Tier 1 capital ratio, %	12.9	12.7		13.0	
Common equity Tier 1 capital ratio, surplus compared to minimum requirement, %	3.8	3.6		3.9	
Leverage ratio, %	5.2	5.7		5.0	
Liquidity and funding					
Liquidity coverage ratio (LCR), %	151	153		181	
Net stable funding ratio (NSFR), %	116	114		119	
Lending/deposit ratio, %	104	100		99	
Credit quality					
Loan loss level, %	0.04	0.08		-0.01	
Gross share of loans in Stage 3, %	1.76	1.58		1.88	
Employees					
Working hours re-calculated to full-time equivalent positions	1,005	1,000	0	1,001	0
Temperature index	7.8	7.7		7.6	
Leadership index	8.1	8.1		8.0	
Customers					
Customer Satisfaction Index (CSI), Finland	2	2		1	
Net Promoter Score (NPS)	55	55		53	
Data on Bank of Åland shares					
Earnings per share, EUR	0.91	0.84	9	0.95	-4
Earnings per share, EUR, moving 12-month average to end of report period	3.51	3.55	-1	3.47	1
Equity capital per share, EUR	19.17	21.16	-9	18.56	3

Actively managed assets

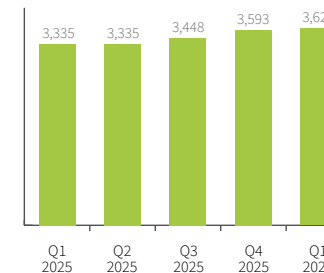
EUR M

**Deposits from the public**

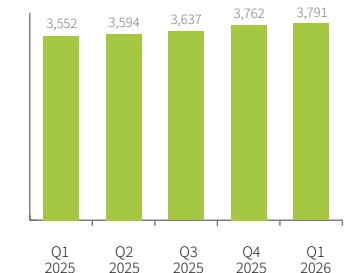
EUR M

**Managed mortgage loans**

EUR M

**Lending to the public**

EUR M



For definitions of financial ratios, see page 30, "Definitions".



Comments

Macro situation

The geopolitical situation worsened further beginning in 2026, as war broke out in the Middle East on February 28. The war has led to increasing oil and gas prices, volatile stock prices, rising market interest rates, changes in currency exchange rates, rising inflation as well as increased uncertainty about the future.

Benchmark interest rates, quarterly averages, per cent

	Q1 2026	Q4 2025	Q1 2025
Euribor 3 mo	2.05	2.04	2.56
Euribor 12 mo	2.34	2.22	2.44
Stibor 3 mo	2.01	1.91	2.36

During the first quarter of the year, stock prices on the Helsinki Stock Exchange (OMXHPI) increased by 1 per cent, while those of the Stockholm Stock Exchange decreased by 2 per cent.

The value of the Swedish krona (SEK) in relation to the euro (EUR) was on average 5 per cent higher compared with the corresponding quarter of the previous year. At the end of the quarter, the exchange rate was 1 per cent lower than at the end of 2025. When converting the income statement of the Bank's Swedish operations into euros, the average exchange rate for the period has been used, while the balance sheet has been converted at the exchange rate prevailing on the closing day of the reporting period.

Important events

The Ålandsbanken Global Aktie investment fund was one of 14 funds, of a total of 99 funds applying, awarded a prestigious fund agreement with the Swedish premium pension fund

platform, following an extremely rigorous procurement process. The procurement involved an asset management volume of some SEK 200 billion.

Crosskey signed an agreement with Handelsbanken to take IT responsibility over from Samlink for Handelsbanken's remaining operations in Finland.

The Bank of Åland issued 33,223 B shares to fulfil the Bank's commitments within the framework of the employee incentive programme and share savings programme.

At the Annual General Meeting on March 30, it was decided a dividend for financial year 2025 would be disbursed of EUR 2.75 per share. This corresponds to EUR 42.4 million. A further decision was made that from 2026 and onwards, a half-year dividend would be disbursed. The half-year dividend will be based on a maximum of 50 per cent of profits for the first six months of the financial year and be disbursed following publication of the half-year financial report. The remaining dividend will be disbursed following the General Annual Meeting.

At the Annual General Meeting, Ander Å. Karlsson was honoured for his 14 years of service on the Board of Directors for the Bank of Åland. Tony Karlström was elected as a new Board member. Board members Nils Lampi, Mirel Leino-Haltia, Malin Lombardi, Christoffer Taxell, Ulrika Valassi and Anders Wiklöf were re-elected. At the statutory meeting of the Board on the same day, Nils Lampi was elected as Chairman and Christoffer Taxell as Deputy Chairman of the Board.

Earnings for January–March 2026

Net operating profit decreased by EUR 1.2 M or 6 per cent to EUR 17.2 M (18.3).

Profit for the period attributable to shareholders decreased

by EUR 0.6 M or 4 per cent to EUR 14.1 M (14.6).

Return on equity after taxes (ROE) decreased to 17.7 (19.5) per cent.

Core income in the form of net interest income, net commission income and IT income increased by EUR 0.3 M or 1 per cent to EUR 54.1 M (53.8).

Net interest income fell by EUR 0.5 M or 2 per cent to EUR 23.3 M (23.8). Lower market interest rates were the main reason.

Net commission income rose by EUR 1.1 M or 5 per cent and amounted to EUR 22.5 M (21.4). Higher fund and management fees were the main reason.

Information Technology (IT) income fell by EUR 0.2 M or 3 per cent to EUR 8.3 M (8.6), due to lower project income.

Other income, including net income on financial items, increased by EUR 0.6 M or 25 per cent to EUR 2.7 M (2.2). The increase was mainly driven by positive effects from associated companies.

Total expenses increased by EUR 1.7 M or 4 per cent and amounted to EUR 39.4 M (37.7). The main reason was higher staff costs.

Net impairment losses on financial assets amounted to EUR 0.3 M (recovery of 0.1), equivalent to a loan loss level of 0.04 (-0.01) per cent.

Tax expenses amounted to EUR 3.1 M (3.7), equivalent to an effective tax rate of 18.0 (20.2) per cent.

Operating segments

The Group's decrease of EUR 1.2 M in net operating profit to EUR 17.2 M was allocated as follows:

- **Private Banking EUR +0.5M** (higher income)



- **Premium Banking EUR –2.0 M**
(lower income, higher expenses)
- **IT EUR +1.0 M**
(higher Group internal income)
- **Corporate Units & Eliminations EUR –0.6 M**

Business volumes

Actively managed assets on behalf of customers decreased by EUR 320 M or 3 per cent compared to year-end 2025 and amounted to EUR 11,799 M (12,119). Negative market effects was the reason for the decrease.

Deposits from the public decreased by EUR 107 M or 3 per cent compared to year-end 2025 and amounted to EUR 3,653 M (3,760).

Lending to the public increased by EUR 30 M or 1 per cent compared to year-end 2025 and totalled EUR 3,791 M (3,762).

Managed mortgage loans increased by EUR 28 M or 1 per cent compared to year-end 2025 and totalled EUR 3,621 M (3,593).

Credit quality

Lending to private individuals comprised 71 per cent of the loan portfolio. Home mortgage loans accounted for 74 per cent of this. The corporate portfolio has a close affinity with the retail portfolio, since many of the companies are owned by customers who, as individuals, are also Private Banking customers.

The Bank of Åland had EUR 9.0 M in impairment loss provisions on March 31, 2026 (8.9 on December 31, 2025), of which EUR 1.0 M (1.0) in Stage 1, EUR 0.7 M (0.9) in Stage 2 and EUR 7.4 M (7.0) in Stage 3.

Stage 3 loans as a share of gross lending to the public totalled 1.76 per cent (1.58). The level of provisions for Stage 3 loans amounted to 11 (12) per cent. Most of these loans have good collateral.

Liquidity and borrowing

In February, the Bank of Åland issued a new covered bond of

EUR 300 million with a five-year maturity, with the largest order book in the Bank's history. In March, a EUR 250 million covered bond matured.

The Bank of Åland's liquidity reserve in the form of cash and deposits with central banks, account balances and investments with other banks and liquid interest-bearing securities amounted to EUR 1,050 M on March 31, 2026 (1,114 on December 31, 2025). This was equivalent to 20 (22) per cent of total assets and 28 (30) per cent of lending to the public. In addition to the liquidity reserve, there was EUR 200 M (200) consisting of holdings of unencumbered covered bonds issued by the Bank.

The loan/deposit ratio amounted to 104 (100) per cent.

Of the Bank of Åland's external funding sources aside from equity capital, deposits from the public accounted for 79 (82) per cent and covered bonds issued accounted for 13 (12) per cent.

The liquidity coverage ratio (LCR) amounted to 151 (153) per cent and the net stable funding ratio (NSFR) amounted to 116 (114) per cent, which exceeded regulatory requirements by a solid margin.

On March 31 2026, the average remaining maturity of the Bank of Åland's bonds outstanding was about 3.2 (0.9) years.

Rating

The rating agency Moody's has given the Bank a long-term deposit rating of A3 and a long-term issuer rating of Baa1 with a positive outlook, as well as a short-term deposit rating of P-2 and a short-term issuer rating of P-2.

The Bank of Åland's covered bonds have a credit rating of Aaa.

Equity and capital adequacy

On March 31, 2026, equity capital amounted to EUR 327.1 M (386.4). Changes in equity capital during the reporting period:

- Profit for the period, EUR +14.1 M
- Other comprehensive income, EUR -1.7 M

- Repayment of additional Tier 1 capital, EUR -29.4 M
- Issuance of new shares, incentive programme, EUR +0.7 M
- Share savings programme, EUR +0.1 M
- Dividend of EUR -42.4 M distributed to shareholders
- Dividends of EUR -0.8 M distributed to holders of additional Tier 1 capital instruments.

Other comprehensive income was affected by a weaker Swedish krona on the balance sheet date and increased interest rates.

Common equity Tier 1 capital increased by EUR 3.0 M since the start of the year and totalled EUR 242.2 M.(239.2).

The risk exposure amount decreased by EUR 3 M or 0 per cent since the start of the year and totalled EUR 1,884 M (1,888). The credit risk exposure amount fell by EUR 25 M or 2 per cent. The operational risk exposure amount rose by EUR 20 M or 6 per cent due to the Bank's increased income. The creditworthiness adjustment risk exposure amount rose by EUR 1 M or 39 per cent.

The common equity Tier 1 (CET1) capital ratio increased to 12.9 (12.7) per cent. The Tier 1 (T1) capital ratio decreased to 14.5 (15.9) per cent. The total capital ratio decreased to 16.2 (17.6) per cent.

In addition to the basic capital requirement, various buffer requirements apply. These are mainly imposed by national regulatory authorities. The capital conservation buffer requirement, 2.5 per cent of common equity Tier 1 capital, applies in all European Union countries. The countercyclical capital buffer requirement may vary between 0-2.5 per cent. For Finnish exposures, the requirement remains 0.0 per cent. For Swedish exposures, the amount of the countercyclical buffer is 2.0 per cent. In Finland, a systemic risk buffer of 1.0 per cent applies to the Bank of Åland. The Bank's Pillar 2-related buffer requirement amounts to 1.0 per cent.

The minimum levels according to the Financial Supervisory Authority currently applicable to the Bank of Åland as of March 31, 2026 were:

- Common equity Tier 1 capital ratio 9.1 per cent



•Tier 1 capital ratio	10.8 per cent
•Total capital ratio	13.0 per cent

In relation to the above buffer requirements, the Bank of Åland has an ample capital surplus:

• Common equity Tier 1 capital ratio	+3.8 percentage points
• Tier 1 capital ratio	+3.7 percentage points
• Total capital ratio	+3.2 percentage points

The Bank of Åland is subject to an indicative additional capital requirement (Pillar 2 guidance, P2G) of 0.75 per cent. This indicative additional capital requirement is not included in minimum levels but is instead included as a subset in the Bank of Åland's capital surplus, where the Bank's long-term financial target is that its common equity Tier 1 capital ratio shall exceed FIN-FSA's minimum requirement by 1.75-3.0 percentage points.

Sustainability

The Bank of Åland has deep roots in the Åland community and takes responsibility for sustainable growth in its home market. In its role as a significant employer and through engagement in culture, sports and studies, the Bank contributes to a vital local community.

During the fourth quarter, the Bank of Åland continued to strengthen awareness of responsible lending. An increasing number of business customers in Åland chose to acknowledge climate ambitions and establish company-specific sustainability plans. These documents ensure a shared climate ambition, whereby the Bank of Åland and its customers aim to reduce their carbon footprints by at least 50 per cent by 2030. Within responsible investments, efforts continued to develop and refine tools and processes to identify and measure the extent to which the activities of our portfolio companies are aligned with the Paris Agreement.

The total greenhouse gas emissions for business operations in the first quarter amounted to 942 tonnes CO₂e, which was a decrease of 14 per cent compared to the previous quarter. The decrease is found in the category of purchased goods and

business travel, with fewer new automobiles purchased and less travel.

Aside from information on emissions from its own business operations, the Bank is also providing information about indirect downstream Scope 3 Category 15 emissions, which means carbon dioxide emissions from our customers' financial investments, our lending and our Treasury operations. As of March 31, 2026, emissions totalled 4,569,081 tonnes of carbon dioxide equivalent (CO₂e), which was an increase of 6 per cent compared to the same period of last year. According to the current method of calculation. Historical figures are recalculated.

Important events after close of report period

The rating agency Moody's has upgraded the Bank of Åland's long-term deposit rating to A2 from A3 and changed the outlook to stable from positive. The short-term deposit rating has also been raised, to P-1 from P-2.

The higher ratings reflect the Bank of Åland's strong and diversified income, stable asset quality and robust capital buffers above the regulatory requirements.

The Bank of Åland's long-term issuer rating remains at Baa1, now with a stable outlook, and the short-term issuer rating remains at P-2. These ratings have been affected by the EU's Crisis Management and Deposit Insurance (CMDI) legislative package, which was adopted in March 2026.

Risks and uncertainties

The geopolitical situation remains extremely volatile.

The Bank of Åland's earnings are affected by external changes that the Company itself cannot control. Among other things, the Group's trend of earnings is affected by macroeconomic changes and by movements in general interest rates and bond yields, share prices and exchange rates, along with higher expenses due to regulatory decisions and directives as well as by the competitive situation.

The Group aims at achieving operations with reasonable and

carefully considered risks. The Group is exposed to credit risk, liquidity risk, market risk, operational risk and business risk. The Bank does not engage in trading for its own account.

Unchanged future outlook

The Bank of Åland expects its return on equity after taxes (ROE) to continue to exceed its long-term financial target of 15 per cent during 2026.

The Bank is especially dependent on the performance of the fixed income and stock markets. There are concerns about economic developments in a number of important markets. For this reason, there is some uncertainty about the Bank's current forecast.

Mariehamn, April 28, 2026

THE BOARD OF DIRECTORS

This Interim Report is unaudited.



Summary income statement

Group	Note	Q1 2026	Q4 2025	%	Q1 2025	%
EUR M						
Net interest income	4	23.3	23.7	-2	23.8	-2
Net commission income	5	22.5	23.0	-2	21.4	5
IT income		8.3	8.9	-7	8.6	-3
Net income from financial items at fair value	6	0.7	0.3		1.9	-64
Other operating income		2.1	0.5		0.3	
Total income		56.9	56.4	1	56.0	2
Staff costs		-24.7	-25.1	-2	-23.4	6
Other expenses		-11.4	-11.2	2	-11.3	0
Depreciation/amortisation		-3.3	-3.1	7	-3.0	11
Total expenses		-39.4	-39.4	-0	-37.7	4
Profit before impairment losses		17.5	17.0	3	18.3	-4
Impairment losses on financial assets, net	7	-0.3	-0.8	-61	0.1	
Net operating profit		17.2	16.2	6	18.3	-6
Income taxes		-3.1	-3.3	-5	-3.7	-17
Profit for the period		14.1	12.9	9	14.6	-4
Attributable to:						
Non-controlling interests		-0.0	-0.0	-97	-0.0	-93
Shareholders in Bank of Åland Plc		14.1	12.9	9	14.6	-4
Earnings per share, EUR		0.91	0.84	9	0.95	-4
Earnings per share, EUR, moving 12-month average to end of report period		3.51	3.55	-1	3.47	1



Summary statement of other comprehensive income

Group	Q1 2026	Q4 2025	%	Q1 2025	%
EUR M					
Profit for the period	14.1	12.9	9	14.6	-4
Cash flow hedges					
Changes in valuation at fair value	-0.3	-0.3	-3	-0.1	
Assets available for sale					
Changes in valuation at fair value	-2.5	0.1		0.5	
Realised change in value	-0.0				
Transferred to the income statement	-0.1	-0.3	-65	-0.3	-57
Translation differences					
Gains/losses arising during the period	-0.7	1.4		3.4	
Taxes on items that have been or may be reclassified to the income statement	0.6	0.1		-0.0	
<i>of which cash flow hedges</i>	<i>0.1</i>	<i>0.1</i>	<i>-3</i>	<i>0.0</i>	
<i>of which assets measured via other comprehensive income</i>	<i>0.5</i>	<i>0.0</i>		<i>-0.1</i>	
Items that have been or may be reclassified to the income statement	-3.0	1.0		3.5	
Changes in value of equity instruments	-0.3	0.3		1.2	
Translation differences	1.5	1.4	12	1.8	-16
Re-measurements of defined benefit pension plans	0.3	0.8	-70	0.6	-60
Taxes on items that may not be reclassified to the income statement	-0.1	-0.4	-67	-0.7	-80
<i>of which changes in value of equity instruments</i>	<i>0.1</i>	<i>-0.1</i>		<i>-0.2</i>	
<i>of which translation differences</i>	<i>-0.3</i>	<i>-0.3</i>	<i>12</i>	<i>-0.4</i>	<i>-16</i>
<i>of which re-measurements of defined-benefit pension plans</i>	<i>-0.1</i>	<i>-0.2</i>	<i>-70</i>	<i>-0.1</i>	<i>-60</i>
<i>of which taxes on dividends to holders of T1 capital instruments</i>	<i>0.2</i>	<i>0.1</i>	<i>38</i>	<i>0.1</i>	<i>91</i>
Items that may not be reclassified to the income statement	1.3	2.2	-38	3.0	-56
Other comprehensive income for the period	-1.7	3.1		6.5	
Total comprehensive income for the period	12.4	16.1	-23	21.1	-41
Attributable to:					
Non-controlling interests	-0.0	-0.0	-97	-0.0	-93
Shareholders in Bank of Åland Plc	12.4	16.1	-23	21.1	-41



Income statement by quarter

Group	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
EUR M					
Net interest income	23.3	23.7	23.6	24.1	23.8
Net commission income	22.5	23.0	20.1	21.2	21.4
IT income	8.3	8.9	7.4	8.9	8.6
Net income from financial items at fair value	0.7	0.3	0.4	-3.1	1.9
Other operating income	2.1	0.5	0.5	4.9	0.3
Total income	56.9	56.4	52.0	55.9	56.0
Staff costs	-24.7	-25.1	-22.5	-24.8	-23.4
Other expenses	-11.4	-11.2	-10.3	-11.1	-11.3
Depreciation/amortisation	-3.3	-3.1	-3.0	-3.0	-3.0
Total expenses	-39.4	-39.4	-35.8	-38.8	-37.7
Profit before impairment losses	17.5	17.0	16.2	17.1	18.3
Impairment losses on financial assets, net	-0.3	-0.8	0.1	-0.8	0.1
Net operating profit	17.2	16.2	16.3	16.3	18.3
Income taxes	-3.1	-3.3	-3.3	-2.4	-3.7
Profit for the period	14.1	12.9	13.1	13.9	14.6
Attributable to:					
Non-controlling interests	-0.0	-0.0	0.0	0.0	-0.0
Shareholders in Bank of Åland Plc	14.1	12.9	13.1	13.9	14.6



Summary balance sheet

Group	Note	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
EURM						
Assets						
Cash and balances with central banks		134	215	-38	384	-65
Debt securities		835	882	-5	785	6
Lending to credit institutions		141	67		32	
Lending to the public	8, 9	3,791	3,762	1	3,552	7
Shares and participations		39	39	-1	38	3
Participations in associated companies		31	29	7	8	
Derivative instruments	11	16	26	-37	33	-51
Intangible assets		24	24	2	21	13
Tangible assets		48	48	0	45	5
Investment properties		0	0	-16	0	-18
Current tax assets		6	5	16	2	
Deferred tax assets		8	7	10	7	25
Other assets		54	31	71	54	-1
Accrued income and prepayments		40	39	1	50	-21
Total assets		5,167	5,173	-0	5,011	3

	Note	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
Liabilities						
Liabilities to credit institutions		165	154	7	55	
Deposits from the public		3,653	3,760	-3	3,573	2
Debt securities issued	10	783	691	13	804	-3
Derivative instruments	11	9	7	35	12	-23
Current tax liabilities		0	0	-19		
Deferred tax liabilities		33	33	0	32	4
Other liabilities		113	53		134	-15
Provisions		1	1	8	3	-71
Accrued expenses and prepaid income		49	54	-9	50	-2
Subordinated liabilities		32	32	-1	32	-1
Total liabilities		4,840	4,787	1	4,696	3
Equity capital and non-controlling interests						
Share capital		42	42		42	
Share premium account		33	33		33	
Reserve fund		25	25		25	
Fair value reserve		-18	-16	12	-16	13
Unrestricted equity capital fund		33	33	2	33	2
Retained earnings		181	209	-14	169	7
Shareholders' portion of equity capital		295	325	-9	285	3
Non-controlling interests' portion of equity capital						
Non-controlling interests' portion of equity capital		0	0	-1	0	15
Additional Tier 1 capital holders		32	61	-48	29	7
Total equity capital		327	386	-15	315	4
Total liabilities and equity capital		5,167	5,173	-0	5,011	3



Statement of changes in equity capital

Group												
EUR M	Share capital	Share premium account	Reserve fund	Hedge accounting	Fair value reserve	Translation difference	Unrestricted equity capital fund	Retained earnings	Shareholders' portion of equity capital	Non-controlling interests' portion of equity capital	Additional Tier 1 capital holders	Total
Equity capital, Dec 31, 2024	42.0	32.7	25.1	0.8	-9.4	-13.5	32.1	196.6	306.5	0.0	29.4	336.0
Profit for the period								14.6	14.6	-0.0		14.6
Other comprehensive income				-0.1	1.2	4.8		0.6	6.5			6.5
Transactions with owners												
Tier 1 capital instrument dividends								-0.4	-0.4			-0.4
Dividends paid								-42.3	-42.3			-42.3
Incentive programme							0.4		0.4			0.4
Share savings programme								0.1	0.1			0.1
Equity capital, Mar 31, 2025	42.0	32.7	25.1	0.7	-8.2	-8.7	32.5	169.2	285.5	0.0	29.4	314.9
Profit for the period								39.9	39.9	0.0		39.9
Other comprehensive income				-0.8	-0.2	0.9		0.9	0.8			0.8
Transactions with owners												
Issuance of Additional Tier 1 capital											31.6	31.6
Tier 1 capital instrument dividends								-1.3	-1.3			-1.3
Share savings programme								0.4	0.4			0.4
Equity capital, Dec 31, 2025	42.0	32.7	25.1	-0.1	-8.4	-7.8	32.5	209.2	325.4	0.0	61.0	386.4
Profit for the period								14.1	14.1	-0.0		14.1
Other comprehensive income				-0.2	-2.4	0.6		0.4	-1.7			-1.7
Transactions with owners												
Repayment of Additional Tier 1 capital											-29.4	-29.4
Tier 1 capital instrument dividends								-0.8	-0.8			-0.8
Dividends paid								-42.4	-42.4			-42.4
Incentive programme							0.7		0.7			0.7
Share savings programme								0.1	0.1			0.1
Equity capital, Mar 31, 2026	42.0	32.7	25.1	-0.3	-10.8	-7.2	33.2	180.6	295.5	0.0	31.6	327.1



Summary cash flow statement

Group	Jan-Mar 2026	Jan-Dec 2025	Jan-Mar 2025
EUR M			
Operating activities			
Net operating profit	17.2	67.2	18.3
Adjustment for net operating profit items not affecting cash flow	5.1	18.2	3.5
Income taxes paid	-4.0	-14.9	-1.8
Changes in assets and liabilities from operating activities	-0.6	-73.8	78.5
Cash flow from operating activities	17.6	-3.3	98.5
Investing activities			
Changes in shares	-0.1	-17.7	-0.2
Changes in tangible assets	-0.5	-4.2	-1.6
Changes in intangible assets	-1.3	-5.3	-0.6
Cash flow from investing activities	-1.9	-27.2	-2.5
Funding activities			
Share issue	0.7	0.4	0.4
Issuance of additional Tier 1 capital		31.6	
Repayment of other Tier 1 capital	-29.4		
Payment of principal on lease liability	-1.5	-5.4	-1.3
Tier 1 capital instrument dividends	-0.8	-1.7	-0.4
Dividends paid		-42.3	
Cash flow from financing activities	-31.0	-17.4	-1.3
Cash and cash equivalents at beginning of period	244.3	285.7	285.7
Cash flow during the period	-15.3	-47.9	94.7
Exchange rate differences in cash and cash equivalents	-1.4	6.5	6.2
Cash and cash equivalents at end of period	227.6	244.3	386.6
Cash and cash equivalents consisted of the following items:			
Cash and deposits with central banks	100.7	180.8	354.7
Lending to credit institutions that is repayable on demand	126.9	63.6	31.9
Total cash and cash equivalents	227.6	244.3	386.6



Notes to the consolidated Interim Report

1. Corporate information

The Bank of Åland is a Finnish public limited liability company with its Head Office in Mariehamn. The Bank was founded in 1919 and has been listed on the Nasdaq Helsinki Oy (Helsinki Stock Exchange) since 1942. The shares of the Bank of Åland Plc are traded on the Nasdaq Helsinki Oy (Helsinki Stock Exchange).

The Bank of Åland is a commercial bank with strong customer relationships and personalised service.

The Bank has extensive financial investment expertise and at the same time can offer good financing services. The Bank has a total of 11 offices: two offices in the Åland Islands, six offices elsewhere in Finland and three offices in Sweden.

Through its subsidiary Crosskey Banking Solutions Ab Ltd, the Bank of Åland Group is a supplier of modern banking computer systems for small and medium-sized banks.

The Group also includes the asset management company Ålandsbanken Fondbolag Ab and its wholly owned subsidiaries.

The Head Office of the Parent Company has the following registered address:
Bank of Åland Plc, Nygatan 2, AX-22100 Mariehamn, Åland, Finland

This Interim Report for the accounting period January 1–March 31, 2026 was approved by the Board of Directors on April 27, 2026.

2. Basis for preparation of the Interim Report and essential accounting principles

Basis for preparation Interim Report

This Interim Report for the period January 1–March 31, 2026 has been prepared in compliance with the International Financial Reporting Standards (IFRSs) and International Accounting Standard 34 (IAS 34), “Interim financial reporting”, which have been adopted by the European Union. The Interim Report does not contain all information and all notes required in annual financial statements and should be read together with the consolidated financial statements for the year ending December 31, 2025.

Tables and comparative numbers show correct rounded-off figures on each line, but this does not mean that rounded-off figures add up to the correct total. In cases where rounded-off figures add up to zero, they are shown as “0” in the tables, while a lack of figures is shown as an empty space.

Essential accounting principles

The essential accounting principles used in preparing the Interim Report are the same as those used in preparing the financial statements for the year ending December 31, 2025.

Changes in accounting principles

Changes in accounting principles that came into effect on January 1, 2026 have not had a significant impact on the Group's financial position, earnings, cash flows or disclosures.

Published accounting standards not yet applied

The International Accounting Standards Board (IASB) has published IFRS 18, “Presentation and disclosures in financial reports”, which has not yet been applied by the Bank of Åland. The standard, which replaces IAS 1, will be applied starting on January 1, 2027 and primarily introduces new requirements for the structure of the income statement as well as disclosures concerning certain performance measures. The impact on the Group's financial reports is currently being evaluated. The new requirements on presentations and reporting are not expected to have any significant impact on the Bank.

Estimates and judgements

Preparation of this Interim Financial Report in compliance with IFRSs requires the Company's Executive Team to make assessments, estimates and assumptions that affect the application of accounting principles and the recognised amounts of assets and liabilities, income and expenses as well as disclosures about commitments. Although these estimates are based on the best knowledge of the Executive Team on current events and measures, the actual outcome may diverge from the estimates.

The substantial accounting assessments that have been made when applying the Group's accounting principles are primarily related to the application of the impairment model in compliance with IFRS 9 and accounting of financial instruments. The Bank of Åland employs expert adjustments to account for

circumstances that are not fully captured by the risk models, and these can be made at both the exposure and portfolio levels.

As for the recognition of leases in compliance with IFRS 16, estimates have been made in establishing the leasing period and the choice of discount rate.



3. Segment report

The Bank of Åland Group reports operating segments in compliance with IFRS 8, which means that operating segments reflect the information that the Group's Executive Team receives.

“Private Banking” encompasses Private Banking operations in Åland, on the Finnish mainland and in Sweden as well as Asset Management (Ålandsbanken Fondbolag Ab and its wholly owned subsidiaries).

“Premium Banking” encompasses operations in all customer segments excluding private banking in Åland, on the Finnish mainland, in Sweden and Asset Management. “IT” encompasses the subsidiary Crosskey Banking Solutions Ab Ltd and S-Crosskey Ab. “Corporate and Other” encompasses all central corporate units in the Group including Treasury and external partner collaboration.

Group	Jan-Mar 2026					
EUR M	Private Banking	Premium Banking	IT	Corporate and Other	Eliminations	Total
Earnings						
Net interest income	9.3	12.7	-0.0	1.4	-0.0	23.3
Net commission income	16.3	4.3	-0.0	1.8	0.1	22.5
IT income			14.4	0.5	-6.5	8.3
Net income from financial items at fair value	-0.0	-0.0	-0.0	0.7	0.0	0.7
Other income	0.0	0.0	0.1	2.3	-0.4	2.1
Total income	25.6	17.0	14.4	6.6	-6.8	56.9
Expenses						
Staff costs	-5.9	-2.2	-8.6	-8.0		-24.7
Other expenses	-2.8	-1.3	-5.1	-7.1	5.0	-11.4
Depreciation/amortisation	-0.1	-0.0	-1.0	-3.0	0.9	-3.3
Internal allocation of expenses	-7.0	-8.0		15.0		0.0
Total expenses	-15.9	-11.5	-14.6	-3.2	5.8	-39.4
Profit before impairment losses	9.7	5.5	-0.2	3.4	-0.9	17.5
Impairment losses on financial assets, net	-0.0	-0.2		-0.0	-0.0	-0.3
Net operating profit	9.7	5.2	-0.2	3.4	-0.9	17.2
Income taxes	-2.0	-1.1	0.0	-0.1		-3.1
Profit for the period attributable to shareholders in Bank of Åland Plc	7.7	4.2	-0.2	3.3	-0.9	14.1

	Jan-Mar 2026					
	Private Banking	Premium Banking	IT	Corporate and Other	Eliminations	Total
Business volumes						
Lending to the public	1,646	2,149		-3	-1	3,791
Deposits from the public	1,621	2,039		19	-26	3,653
Actively managed assets	10,923	876				11,799
Managed mortgage loans				3,621		3,621
Risk exposure amount	755	639	75	416		1,884
Equity capital	103	103	30	90		327
Financial ratios						
Return on equity after taxes, % (ROE)	33.8	18.4	-2.4	11.9		17.7
Expense/income ratio	0.62	0.68	1.01	0.48		0.69



Group	Jan-Mar 2025					
EUR M	Private Banking	Premium Banking	IT	Corporate and Other	Eliminations	Total
Earnings						
Net interest income	9.5	13.4	-0.0	0.9	-0.0	23.8
Net commission income	15.2	4.3	-0.0	1.9	0.1	21.4
IT income			13.1	0.6	-5.1	8.6
Net income from financial items at fair value	-0.0	-0.0	-0.1	2.0	-0.0	1.9
Other income	0.0	0.0	0.2	0.5	-0.4	0.3
Total income	24.7	17.7	13.1	6.0	-5.4	56.0
Expenses						
Staff costs	-5.6	-2.0	-8.1	-7.7		-23.4
Other expenses	-2.8	-1.1	-5.1	-6.8	4.5	-11.3
Depreciation/amortisation	-0.1	-0.0	-1.0	-2.4	0.6	-3.0
Internal allocation of expenses	-6.8	-7.0		13.9		0.0
Total expenses	-15.3	-10.2	-14.2	-3.1	5.1	-37.7
Profit before impairment losses	9.4	7.5	-1.2	2.9	-0.3	18.3
Impairment losses on financial assets, net	-0.1	-0.3		0.5	-0.0	0.1
Net operating profit	9.2	7.2	-1.2	3.4	-0.3	18.3
Income taxes	-1.9	-1.5	0.2	-0.6		-3.7
Profit for the period attributable to shareholders in Bank of Åland Plc	7.3	5.7	-0.9	2.8	-0.3	14.6

	Jan-Mar 2025					
	Private Banking	Premium Banking	IT	Corporate and Other	Eliminations	Total
Business volumes						
Lending to the public	1,584	1,971		-2	-1	3,552
Deposits from the public	1,557	1,968		66	-18	3,573
Actively managed assets	9,728	923		11		10,662
Managed mortgage loans				3,335		3,335
Risk exposure amount	734	628	75	328		1,766
Equity capital	108	100	29	77		315
Financial ratios						
Return on equity after taxes, % (ROE)	30.7	27.2	-13.8	11.9		19.5
Expense/income ratio	0.62	0.57	1.09	0.52		0.67

**4. Net interest income**

Group	Q1 2026	Q4 2025	%	Q1 2025	%
EUR M					
Total interest income	36.9	38.2	-3	41.1	-10
<i>of which interest income according to the effective interest method</i>	36.7	37.9	-3	40.9	-10
Total interest expenses	13.6	14.5	-6	17.3	-21
<i>of which interest expenses according to the effective interest method</i>	13.6	14.4	-6	17.2	-21
Net interest income	23.3	23.7	-2	23.8	-2
Interest margin, %	1.83	1.85		2.03	
Investment margin, %	1.80	1.85		1.97	

5. Net commission income

Group	Q1 2026	Q4 2025	%	Q1 2025	%
EUR M					
Banking commissions	2.5	2.9	-13	3.1	-19
Asset management commissions	18.5	18.7	-1	17.0	9
Other commissions	1.5	1.5	3	1.4	9
Net commission income	22.5	23.0	-2	21.4	5

6. Net income from financial items at fair value

Group	Q1 2026	Q4 2025	%	Q1 2025	%
EUR M					
Measurement category fair value via the income statement ("profit and loss")					
Shares	0.0	0.0	47	-0.0	
Derivatives	-0.0	-0.0	-78	-0.0	-99
Other financial items				1.7	-100
Total, measurement category fair value via the income statement ("profit and loss")	-0.0	-0.0	-86	1.6	-100
Valuation category fair value via other comprehensive income					
Realised changes in value	0.1	0.3	-65	0.3	-57
Expected loan losses	0.0	-0.0		0.0	-98
Total, measurement category fair value via other comprehensive income	0.1	0.3	-64	0.3	-59
Hedge accounting					
<i>of which hedging instruments</i>	-5.3	-0.7		-1.0	
<i>of which hedged item</i>	6.2	0.7		1.2	
Hedge accounting	1.0	-0.0		0.2	
Measurement category accrued cost					
Loans	0.0	-0.0		-0.0	
Debt securities		-0.0	-100	-0.0	-100
Total, measurement category accrued cost	0.0	-0.0	0	-0.0	0
Foreign currency revaluation	-0.4	0.0		-0.2	77
Total	0.7	0.3		1.9	-64



7. Net impairment losses on financial assets

Group	Q1 2026	Q4 2025	%	Q1 2025	%
EUR M					
Impairment losses, Stage 1	-0.1	0.2		0.2	
Impairment losses, Stage 2	-0.3	0.3		-0.2	65
Net impairment losses, Stages 1-2	-0.3	0.5		0.0	
Impairment losses, Stage 3					
New and increased individual provisions	1.1	1.0	13	1.2	-9
Recovered from previous provisions	-0.4	-0.6	-34	-1.3	-68
Utilised for actual loan losses	-0.3	-0.1		-0.1	
Actual loan losses	0.3	0.2	81	0.1	
Recoveries of actual loan losses	-0.1	-0.1	-24	-0.0	53
Net impairment losses, Stage 3	0.7	0.4	83	-0.1	
Total impairment losses	0.3	0.8	-61	-0.1	
<i>of which lending to the public</i>	<i>0.4</i>	<i>0.7</i>	<i>-50</i>	<i>-0.1</i>	
<i>of which off-balance sheet commitments</i>	<i>-0.0</i>	<i>0.1</i>		<i>0.0</i>	
<i>of which debt securities at amortised cost</i>	<i>0.0</i>	<i>-0.0</i>		<i>-0.0</i>	
Loan loss level, %	0.04	0.08		-0.01	

8. Lending to the public by purpose

Group	Mar 31, 2026		Dec 31, 2025		% Mar 31, 2025	% Dec 31, 2025
	Lending before provisions	Provisions	Lending after provisions	Lending after provisions		
EUR M						
Private individuals						
Home loans	1,993	-1	1,992	1,979	1	1,933 3
Securities and other investments	315	-0	315	312	1	310 2
Other household purposes	342	-3	339	348	-3	319 6
Business operations	58	-1	57	58	-1	55 4
Total, private individuals	2,708	-5	2,703	2,697	0	2,616 3
Companies						
Housing operations	283	-0	283	288	-2	269 5
Financial and insurance operations	234	-0	234	253	-8	213 10
Housing association	189	-1	188	173	9	146 29
Construction	64	-0	64	38	70	23
Activities in the area of law, economics, science and technology	62	-0	62	60	3	55 13
Trade	43	-0	43	35	24	38 13
Manufacturing	37	-1	36	38	-6	7
Transport	36	-0	36	36	-2	21
Accommodation and food service activities	33	-0	33	33	-2	29 14
Other service activities	85	-1	84	84	-0	98 -15
Total, companies	1,065	-4	1,061	1,038	2	898 18
Public sector and non-profit organisations	27	-0	27	27	2	38 -29
Total, public sector and non-profit organisations	27	-0	27	27	2	38 -29
Total	3,800	-9	3,791	3,762	1	3,552 7

The comparative period Mar 31, 2025 has been recalculated in accordance with the new industry classification standard.



9. Lending to the public by stage

Group	Jan 1, 2026 - Mar 31, 2026				Jan 1, 2025 - Mar 31, 2025	
	Stage 1	Stage 2	Stage 3	Total	Total	
EUR M						
Carrying amount, gross						
Opening balance, January 1	3,480.9	230.0	59.7	3,770.7	3,588.1	
Closing balance, March 31	3,505.0	228.4	66.9	3,800.3	3,564.1	
Provisions for expected losses						
Opening balance, January 1	1.0	0.9	7.0	8.9	12.5	
Increases due to issuances and acquisitions	0.0	0.0	0.0	0.1	0.6	
Decrease due to write-offs	-0.0	-0.0	-0.3	-0.3	-0.5	
Transfer to Stage 1	0.1	-0.1	-0.0	0.0	-0.0	
Transfer to Stage 2	-0.1	0.1	-0.1	0.0	0.0	
Transfer to Stage 3	-0.0	-0.0	0.1	0.0	0.0	
Net changes due to changed credit risk	-0.1	-0.3	0.7	0.3	-0.1	
Net changes due to changed estimation method				0.0	-0.1	
Exchange rate differences and other adjustments	-0.0	0.0	-0.0	-0.0	0.0	
Closing balance, March 31	1.0	0.7	7.4	9.0	12.4	
Carrying amount, net						
Opening balance, January 1	3,479.9	229.1	52.7	3,761.8	3,575.6	
Closing balance, March 31	3,504.0	227.7	59.5	3,791.3	3,551.7	

Financial ratios	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Total provision ratio, lending to the public, %	0.24	0.24	0.35
Provision ratio, Stage 1, lending to the public, %	0.03	0.03	0.02
Provision ratio, Stage 2, lending to the public, %	0.29	0.40	0.42
Provision ratio, Stage 3, lending to the public, %	11.07	11.75	15.63
Share of lending to the public in Stage 3, %	1.76	1.58	1.88



10. Debt securities issued

Group	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
EUR M					
Certificates of deposit	190	140	36	249	-24
Covered bonds	593	552	7	555	7
Total	783	691	13	804	-3

11. Derivative instruments

Group	Mar 31, 2026						Dec 31, 2025		
	Nominal amount/maturity			Nominal amount	Positive market values	Negative market values	Nominal amount	Positive market values	Negative market values
EUR M	Under 1 yr	1-5 yrs	over 5 yrs						
Derivatives for trading									
Interest-related contracts									
Interest rate swaps			15	15	0	0	6	0	0
Currency-related contracts									
Currency forward contracts	561			561	4	4	610	5	5
Total	561	0	15	576	4	4	616	5	5
Derivatives for fair value hedge									
Interest-related contracts									
Interest rate swaps	42	416	353	811	9	5	790	13	2
Total	42	416	353	811	9	5	790	13	2
Derivatives for cash flow hedge									
Interest-related contracts									
Interest rate swaps	391	100		491	2	0	642	7	0
Total	391	100	0	491	2	0	642	7	0
Total derivative instruments	994	516	369	1,879	16	9	2,048	26	7
<i>of which cleared</i>	<i>433</i>	<i>516</i>	<i>366</i>	<i>1,315</i>	<i>12</i>	<i>6</i>	<i>1,435</i>	<i>20</i>	<i>2</i>



12. Financial instruments measured at fair value

Group					Mar 31, 2026			
EUR M	Instruments with quoted prices (Level 1)	Measurement techniques based on observable market data (Level 2)	Measurement techniques based on non-observable market data (Level 3)	Total				
Debt securities	553			553				
Lending to the public		149		149				
Shares and participations	1		38	39				
Derivative instruments		16		16				
Other assets			3	3				
Total financial assets	554	166	41	761				
Debt securities issued		593		593				
Derivative instruments		9		9				
Total financial liabilities	0	603	0	603				

Dec 31, 2025								
EUR M	Instruments with quoted prices (Level 1)	Measurement techniques based on observable market data (Level 2)	Measurement techniques based on non-observable market data (Level 3)	Total				
Debt securities	580			580				
Lending to the public		148		148				
Shares and participations	1		39	39				
Derivative instruments		26		26				
Other assets			2	2				
Total financial assets	581	174	41	796				
Debt securities issued		552		552				
Derivative instruments		7		7				
Total financial liabilities	0	559	0	559				

Changes in Level 3 holdings			Jan-Mar 2026	Jan-Dec 2025
EUR M		Shares and participations	Shares and participations	
Carrying amount on January 1		38.6		35.4
New purchases/reclassifications		0.1		2.0
Change in value recognised in "Other comprehensive income"		-0.3		1.1
Carrying amount at end of period		38.3		38.6

Financial instruments for which there is price information that is easily available and that represent actual and frequently occurring transactions are measured at current market price. For financial assets, the current purchase price is used. For financial liabilities, the current sale price is used. The current market price of groups of financial instruments that are managed on the basis of the Bank's net exposure to market risk equals the current market price that would be received or paid if the net position were divested.

In the case of financial assets for which reliable market price information is not available, fair value is determined with the help of measurement models. Such models may, for example, be based on price comparisons, present value estimates or option valuation theory, depending on the nature of the instrument. The models use incoming data in the form of market prices and other variables that are deemed to influence pricing. The models and incoming data on which the measurements are based are validated regularly to ensure that they are consistent with market practices and generally accepted financial theory.

The measurement hierarchy

Financial instruments that are measured according to quoted prices in an active market for identical assets/liabilities are categorised as Level 1. Financial instruments that are measured using measurement models that are, in all essential respects, based on market data are categorised as Level 2. Financial instruments that are measured with the help of models based on incoming data that cannot be verified with external market information are categorised in Level 3. These holdings essentially consist of unlisted shares related to strategic shareholdings. In order to estimate the non-observable price, different methods are used depending on the type of data available. The primary method is based on the Bank's portion of the net asset value of the company, or based on completed transactions, for example in the form of new share issues, or prices of similar listed shares. If liquid price quotations are not available for shares at this level, the valuation is determined using significant input from the Bank of Åland's own internal assumptions. Unlisted shares are valued at fair value in "Other comprehensive income".

In the tables on this page, financial instruments measured at fair value have been classified with regard to how they have been measured and the degree of market data used in this measurement on closing day. If the classification on closing day has changed, compared to the classification at the end of the previous year, the instrument has been moved between the levels in the table. During the period, no instruments were moved between Levels 1 and 2. Changes in Level 3 are presented in a separate table above.



13. Off-balance sheet commitments

Group	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
EUR M					
Guarantees	24	25	-1	17	44
Unutilised overdraft limits	322	327	-2	363	-11
Unutilised credit card limits	81	89	-9	89	-9
Lines of credit	131	119	10	87	50
Other commitments	2	3	-41	3	-37
Total	559	562	-0	558	0
Provision for off-balance sheet commitments	0	0	-8	0	36

14. Assets pledged

Group	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
EUR M					
Lending to credit institutions	5	3	77	2	
Debt securities	41	41	0	33	27
Loan receivables constituting collateral (cover pool) for covered bonds	1,030	1,000	3	1,000	3
Other assets pledged	5	5	-2	4	7
Total	1,081	1,049	3	1,039	4

During the report period, no major changes took place regarding the quantity of financial assets and liabilities that were subject to offsetting, netting agreements or the like. Information about this type of agreements is included in the Annual Report of the Bank of Åland, Note G46.



15. Capital adequacy

Group	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
EUR M					
Equity capital	295.3	325.2	-9	285.5	3
Foreseeable dividend	-11.4	-42.3	-73	-11.8	-4
Common equity Tier 1 capital before deductions	284.0	283.0	0	273.6	4
Intangible assets	-17.9	-18.5	-3	-17.4	3
Deduction for excess value of pension assets	-0.6	-0.4	37		
Non-controlling interests	-0.0	-0.0	-1	-0.0	15
Cash flow hedge	0.3	0.1		-0.7	
Net other items	-0.1	-0.0	54	-0.1	-4
Further adjustments in value	-0.6	-0.7	-5	-0.6	6
Expected losses according to IRB approach beyond recognised losses (deficit)	-22.8	-24.1	-5	-25.4	-10
Common equity Tier 1 capital	242.2	239.2	1	229.4	6
Tier 1 capital instruments	31.6	61.0	-48	29.4	7
Additional Tier 1 capital	31.6	61.0	-48	29.4	7
Tier 1 capital	273.8	300.3	-9	258.8	6
Supplementary capital instruments	31.9	32.3	-1	32.2	-1
Supplementary capital	31.9	32.3	-1	32.2	-1
Total capital base (own funds)	305.7	332.5	-8	291.1	5
Capital requirement for credit risk according to the IRB approach	56.9	59.7	-5	59.3	-4
Capital requirement for credit risk according to standardised approach	66.7	65.9	1	56.5	18
Capital requirement for market risk				0.0	-100
Capital requirement for credit-worthiness adjustment risk	0.3	0.2	39	0.2	42
Capital requirement for operational risk	26.9	25.2	6	25.2	6
Capital requirement	150.8	151.0	-0	141.3	7

	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
Capital ratios					
Common equity Tier 1 capital ratio, %	12.9	12.7		13.0	
Tier 1 capital ratio, %	14.5	15.9		14.7	
Total capital ratio, %	16.2	17.6		16.5	
Risk exposure amount	1,884	1,888	-0	1,766	7
<i>of which % comprising credit risk</i>	82	83		82	
<i>of which % comprising market risk</i>		0		0	
<i>of which % comprising creditworthiness adjustment risk</i>	0			0	
<i>of which % comprising operational risk</i>	18	17		18	

Requirements related to capital buffers, %	Mar 31, 2026	Dec 31, 2025	Mar 31, 2025
Total common equity Tier 1 capital requirements including buffer requirements	9.1	9.1	9.1
<i>of which common equity Pillar 1 capital requirement</i>	4.5	4.5	4.5
<i>of which common equity Pillar 2 capital requirement</i>	0.6	0.6	0.6
<i>of which capital conservation buffer requirement</i>	2.5	2.5	2.5
<i>of which countercyclical capital buffer requirement</i>	0.5	0.5	0.5
<i>of which systemic risk buffer requirement</i>	1.0	1.0	1.0
Common equity Tier 1 capital available to be used as a buffer	12.9	12.7	13.0



Exposure class	Mar 31, 2026				
	Gross exposure	Exposure at default	Risk weight %	Risk exposure amount	Capital requirement
EUR M					
Credit risk according to the IRB approach					
Without own LGD estimates					
Corporate, other large companies	258.9	197.5	45	88.4	7.1
Corporate, small and medium sized companies	287.2	222.7	51	113.2	9.1
Using own LGD estimates					
Retail with property as collateral (not small- and medium-sized companies)	1,772.2	1,763.4	18	312.1	25.0
Retail with property as collateral (small and medium-sized companies)	125.2	124.5	48	60.4	4.8
Retail, other (not small- and medium-sized companies)	245.8	244.0	46	111.8	8.9
Retail, other (small and medium-sized companies)	67.4	66.0	39	25.7	2.1
Total exposures according to IRB approach	2,756.8	2,618.0	27	711.5	56.9

	Mar 31, 2026				
	Gross exposure	Exposure at default	Risk weight %	Risk exposure amount	Capital requirement
Credit risk according to standardised approach					
Central government and central banks	195.9	313.3	1	1.7	0.1
Regional governments or local authorities	29.6	84.9	0	0.0	0.0
Public sector entities	95.7	95.7	0	0.0	0.0
Multilateral development banks	56.6	62.5	2	1.0	0.1
International organisations	0,0	0,0	0	0.0	0.0
Institutions	297.0	247.0	22	55.0	4.4
Covered bonds	580.1	580.0	10	59.9	4.8
Corporates	293.8	57.8	99	57.3	4.6
Retail	395.3	176.0	96	168.3	13.5
Secured by mortgages on immovable property	728.2	727.4	28	206.8	16.5
Exposures in default	15.3	14.1	128	18.2	1.5
Collective investment undertakings	0.8	0.8	137	1.2	0.1
Equity exposures	69.3	69.3	250	173.1	13.9
Other exposures	120.9	120.9	75	91.0	7.3
Total exposures according to standardised approach	2,878.4	2,549.7	33	833.5	66.7
Total risk exposure amount, credit risk	5,635.1	5,167.8	30	1,545.0	123.6



Exposure class	Dec 31, 2025				
	Gross exposure	Exposure at default	Risk weight %	Risk exposure amount	Capital requirement
EUR M					
Credit risk according to the IRB approach					
Without own LGD estimates					
Corporate, other large companies	278.5	224.8	49	109.9	8.8
Corporate, small and medium sized companies	255.0	191.0	50	96.4	7.7
Using own LGD estimates					
Retail with property as collateral (not small- and medium-sized companies)	1,790.4	1,781.2	18	326.2	26.1
Retail with property as collateral (small and medium-sized companies)	131.2	129.7	54	69.6	5.6
Retail, other (not small- and medium-sized companies)	247.6	245.3	47	115.0	9.2
Retail, other (small and medium-sized companies)	71.2	69.8	41	28.7	2.3
Total exposures according to IRB approach	2,774.0	2,641.9	28	745.8	59.7

	Dec 31, 2025				
	Gross exposure	Exposure at default	Risk weight %	Risk exposure amount	Capital requirement
Credit risk according to standardised approach					
Central government and central banks	289.7	370.5	0	0.0	0.0
Regional governments or local authorities	29.9	82.7	0	0.0	0.0
Public sector entities	76.0	76.0	0	0.0	0.0
Multilateral development banks	78.6	86.2	2	1.4	0.1
International organisations	15.4	15.4	0	0.0	0.0
Institutions	227.4	179.8	24	43.1	3.4
Covered bonds	646.0	646.0	10	67.3	5.4
Corporates	247.6	52.9	99	52.3	4.2
Retail	427.3	197.5	96	189.9	15.2
Secured by mortgages on immovable property	695.0	693.0	30	204.9	16.4
Exposures in default	9.7	8.9	112	10.0	0.8
Collective investment undertakings	0.8	0.8	137	1.2	0.1
Equity exposures	67.5	67.5	250	168.8	13.5
Other exposures	97.6	97.6	87	85.0	6.8
Total exposures according to standardised approach	2,908.5	2,574.6	32	823.9	65.9
Total risk exposure amount, credit risk	5,682.5	5,216.5	30	1,569.8	125.6

Leverage ratio	Mar 31,	Dec 31,	%	Mar 31,	%
	2026	2025		2025	
EUR M					
Tier 1 capital	273.8	300.3	-9	258.8	6
Total exposure measure	5,308.4	5,285.8	0	5,162.9	3
<i>of which balance sheet items</i>	5,156.5	5,151.1	0	5,033.6	2
<i>of which off-balance sheet items</i>	152.0	134.7	13	129.2	18
Leverage ratio, %	5.2	5.7		5.0	

The leverage ratio was calculated according to the situation at the end of the period. Tier 1 capital included profit for the period.

**16. Share-related information**

Group	Mar 31, 2026			Dec 31, 2025			Mar 31, 2025	
	A shares	B shares	Total	A shares	B shares	Total	A shares	B shares
thousands								
Number of shares outstanding at beginning of period	6,476	8,901	15,377	6,476	8,891	15,367	6,476	8,891
Number of shares issued		33	33		11	11		11
Total shares outstanding at end of period	6,476	8,935	15,411	6,476	8,901	15,377	6,476	8,901
Total shares outstanding at end of period after dilution	6,476	9,015	15,491	6,476	9,003	15,480	6,476	9,014

	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
Equity capital per share, EUR	19.17	21.16	-9	18.56	3
Closing price per Series A share, EUR	54.00	46.20	17	35.70	51
Closing price per Series B share, EUR	49.80	45.10	10	34.40	45
Market capitalisation, EUR M	795	701	13	537	48
Market capitalisation/shareholders' portion of equity capital, %	269	215		188	

	Q1 2026	Q4 2025	%	Q1 2025	%
thousands					
Average number of shares outstanding	15,381	15,377	0	15,369	0
Average number of shares outstanding after dilution	15,444	15,457	-0	15,458	-0
Earnings per share, EUR	0.91	0.84	9	0.95	-4
Earnings per share after dilution, EUR	0.91	0.84	9	0.95	-4
Earnings per share, rolling 12 months, EUR	3.51	3.55	-1	3.47	1



Sustainability

The Bank of Åland's estimate of greenhouse gas emissions in the form of carbon dioxide equivalents (CO₂e) is compiled in accordance with the Greenhouse Gas Protocol (GHG) and encompasses Scope 1, 2 and 3.

See the CSRD- and ESRS-compliant Sustainability Report in the 2025 Annual Report for descriptions of the methodology used in calculations of greenhouse gas emissions for further information. The method for Scope 1 was updated in the first quarter of 2026. Scope 1 and 2 are calculated according to the activity-based method. The spending method is applied to Scope 3 upstream.

Group	Q1 2026	Q4 2025	%	Q1 2025	%
Greenhouse gases, tonnes of CO₂e					
Scope 1					
Emissions from owned or controlled resources	1	2	-20	1	-3
Total Scope 1	1	2	-20	1	-3
Scope 2¹					
Energy-related emissions	15	14	12	15	1
<i>of which from electricity according to the market-based method</i>					
Alternatively, emissions from electricity according to location-based method subtracted from Nordic Average Mix	22	25	-11	23	-6
Total Scope 2 (market-based)	15	14	12	15	1
Scope 3 upstream					
Purchased goods and services	629	682	-8	2,641	-76
Capital goods	13	14	-8	6	
Fuel and energy-related activities	3	3	11	4	-17
Transport and distribution	89	60	47	57	56
Waste generated by own operations	0	0	-18	1	-73
Business travel	163	286	-43	177	-8
Leased assets	28	30	-4	26	8
Total Scope 3 upstream	925	1,075	-14	2,912	-68
Total greenhouse gases, own business operations	942	1,090	-14	2,928	-68

¹ Since the Bank of Åland buys 100 per cent carbon dioxide-free electricity, the electricity purchased is offset to zero CO₂e according to the market-based method. Electricity according to the location-based method is specified on a separate line and is not included in the summary. Historical comparative figures have been recalculated.

	Mar 31, 2026	Dec 31, 2025	%	Mar 31, 2025	%
Scope 3 downstream, current situation on annual basis (tonnes of CO₂e)					
Loan portfolio Scope 1, 2 and 3 ¹	669,579	679,711	-1	659,260	2
Financial investments Scope 1, 2 and 3 ²	3,801,920	4,547,227	-16	3,556,748	7
Treasury portfolio Scope 1, 2 and 3 ³	97,582	95,481	2	90,032	8
Total Scope 3 downstream	4,569,081	5,322,419	-14	4,306,041	6

¹ The Bank of Åland's model provides a rough estimate of the loan portfolio's CO₂e emissions. It comprises lending to private individuals and companies. Exclusions are made for overdrafts, loans without collateral and local authorities. The method of calculation was updated in the first quarter of 2026, which included an updating of historical comparison figures.

² The emission calculations for financial investments include shares, bonds, funds, physical properties and wind farms. Cash and cash equivalents, derivative contracts, commercial paper, residential properties lacking energy certificates and plots of land are excluded from the emission calculations. Emissions in the investments are ownership-weighted per holding on the final banking day of the quarter. In addition, portfolio companies' most recent reported carbon emissions data are used to calculate the share of owned emissions. Reported emission data have primarily been used, and estimated emission data secondarily. From the first quarter of 2026 and onward, the reporting scope for investment's emissions were increased to include the Bank of Åland's own funds as well as discretionary management. Due to the increased scope as well as updated or revised emissions from the underlying portfolio companies, historical figures have been recalculated for corresponding comparison periods. The methodology can be found in the Sustainability Report of the Annual Report 2025.

³ The emission calculations for the Treasury portfolio include cash positions in central banks as well as bonds. The emissions by the issuers of investments are ownership-weighted based on the Bank of Åland's holdings on March 31, 2026. Emission data have been obtained from the issuers' annual and sustainability reports. In cases where emissions data are not available from published sources, Treasury has produced estimates according to PCAF's suggested method, where the estimate is based on economic activity data. Figures for comparative periods have been recalculated in cases where the issuers have revised their emission figures. The methodology can be found in the Sustainability Report in the 2025 Annual Report.

	Q1 2026	Q4 2025	%	Q1 2025	%
Energy consumption, MWh	473	534	-11	502	-6
<i>of which renewable, %</i>	<i>100</i>	<i>100</i>		<i>100</i>	



Definitions

Actively managed assets

Managed assets in the Bank's own mutual funds plus securities custodial accounts with discretionary and advisory asset management agreements and external funds with contractual earnings.

Capital Cover Ratio

Own funds divided by risk exposure amount.

CO₂

Chemical designation for carbon dioxide.

CO₂e

Carbon dioxide equivalents, collective term for the environmental impact of the most common greenhouse gases recalculated into carbon dioxide.

Common equity Tier 1 (CET1) capital

Equity capital excluding proposed dividend, deferred tax and intangible assets and certain other adjustments according to the European Union's Capital Requirements Regulation No. 575/2013 (CRR).

Common equity Tier 1 capital ratio

Common Equity Tier 1 (CET1) capital divided by risk exposure amount.

Customer satisfaction index (CSI)

The customer survey includes various questions that summarise how satisfied customers are with the Bank of Åland's overall service offering. The score shows the overall ranking in the survey, with a low figure corresponding to higher customer satisfaction. A score of 1 means the bank is ranked best in the country. Official scores are not available for the Bank's Swedish operations.

Earnings per share, EUR

Shareholders' portion of earnings for the period divided by the average number of shares.

Equity capital per share, EUR

Shareholders' portion of equity capital divided by number of shares less own shares on closing day.

Expense/income ratio

Total expenses divided by total income.

Gross share of lending to the public in Stage 3

Gross lending to the public in Stage 3, divided by lending to the

public before provisions for impairment losses.

Interest margin

Interest margin is interest on interest-bearing assets divided by the average balance of assets minus interest on interest-bearing liabilities divided by the average balance of liabilities. Average balance is calculated as the average of end-of-month figures for the period in question plus the opening balance for the period.

Investment margin

Investment margin is net interest income divided by the average balance sheet total.

Leadership index

A measure of employees' perception of leadership at the Bank of Åland. Calculated on the basis of questions about trust, cooperation, communication, feedback and support. The Bank's target is to achieve a score above the industry level. The industry level in Q2 2025 is 8.3.

Level of provisions for lending to the public in Stage 3

Provisions for impairment losses in Stage 3 as a percentage of gross lending to the public in Stage 3.

Leverage ratio

The ratio of Tier 1 capital to the balance sheet total plus certain off-balance sheet items recalculated using conversion factors defined in the standardised approach.

Liquidity coverage ratio (LCR)

High-quality liquid assets as a percentage of estimated net liquidity outflow during a 30-day period.

Loan/deposit ratio

Lending to the public divided by deposits from the public.

Loan loss level

Net impairment losses on net financial assets in lending to the public divided by lending to the public at the beginning of the period.

Managed mortgage loans

Total mortgage loan volume in Borgo AB (publ) that the Bank of Åland manages through various services.

Market capitalisation/shareholders' portion of equity

Share price at the end of the reporting period as a percentage of share-

holders' portion of equity capital on closing day.

Net promoter score (NPS)

The propensity to recommend the Bank of Åland. Calculated on a scale from 0-10 where the proportion of negative responses (0-6) is subtracted from the proportion of positive responses (9-10). Our target is more than 50.

Net stable funding ratio (NSFR)

Available stable funding as a percentage of necessary stable funding.

Own funds (replaces capital base concept)

Total of Tier 1 capital and Tier 2 (supplementary) capital.

Return on equity after taxes (ROE)

Profit for the report period attributable to shareholders divided by average shareholder's portion of equity capital.

Risk exposure amount

Assets and off-balance sheet commitments, risk-weighted according to capital adequacy regulations for credit risk and market risk. Operational risks are calculated and expressed as risk exposure.

Temperature Index

A measure of employees' overall engagement and motivation. The index is calculated on the basis of all the standard categories from our measurement tool that describe what employees need in order to remain committed and motivated. The temperature index should be on par with the industry index. The Bank of Åland's target for 2026 is 8.1, which corresponds to the survey tool's index for the financial industry.

Tier 1 capital

Common equity Tier 1 (CET1) capital including certain loss-absorbing subordinated debentures ("additional Tier 1 capital").

Tier 2 (supplementary) capital

Mainly subordinated debentures that do not meet requirements to be included as additional Tier 1 capital.



Translation

Report on review of the interim report Financial Report of Bank of Åland Plc for the accounting period January 1-March 31, 2026

To the Board of Directors of Bank of Åland Plc

Introduction

We have reviewed the summary balance sheet as of March 31, 2026 and the related summary income statement, summary statement of other comprehensive income, statement of changes in equity capital and summary cash flow statement of Bank of Åland Plc group for the three-month period then ended, as well as other explanatory notes to the consolidated financial statements. The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 Interim Financial Reporting and other Finnish rules and regulations governing the preparation of interim reports. We will express our conclusion on the interim report based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and other generally accepted auditing practices and consequently does not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report, in all material respects, is not prepared in accordance with IAS 34 Interim Financial Reporting and other applicable rules and regulations governing interim financial reporting preparation in Finland.

Helsinki, April 28, 2026

KPMG OY AB
Henry Maarala
Authorised Public Accountant, KHT