

7 MAY 2025

Aktia Q1 Results

Debt Investor Presentation

Aktia

Q1 highlights

- Financial performance as expected in a lower interest rate environment and a turbulent market.
 - Comparable operating profit slightly better than in Q4/2024, but lower than in Q1/2024 due to lower interest rates.
- AuM slightly lower due to net redemptions, mainly because of changes in individual institutional investors' allocations, and decline in market values.
 - Positive net subscriptions in the last month of the quarter.
- NII decreased as expected due to lower market rates.
- Stable development of net income from life insurance, although the insurance service result was lower than in the strong corresponding quarter last year.
- Good cost control despite continued investments in IT.
- Credit losses increased slightly, which reflects the current market situation.
- Moody's confirmed Aktia's rating and raised the outlook to stable.
- eNPS, measuring employee loyalty, rose significantly from 19 to 32.
- Aktia launched an updated strategic plan with new long-term financial targets.

Comparable operating profit

Q1/2025

28.7

(33.9)

▲ % Q1

-15%

Net commission income

Q1/2025

30.8

(30.1)

▲ % Q1

2%

Comparable return on equity (ROE), %

Q1/2025

13.5

(16.8)

▲ Q1

-3.3 pp

Comparable cost-to-income ratio

Q1/2025

0.57

(0.53)

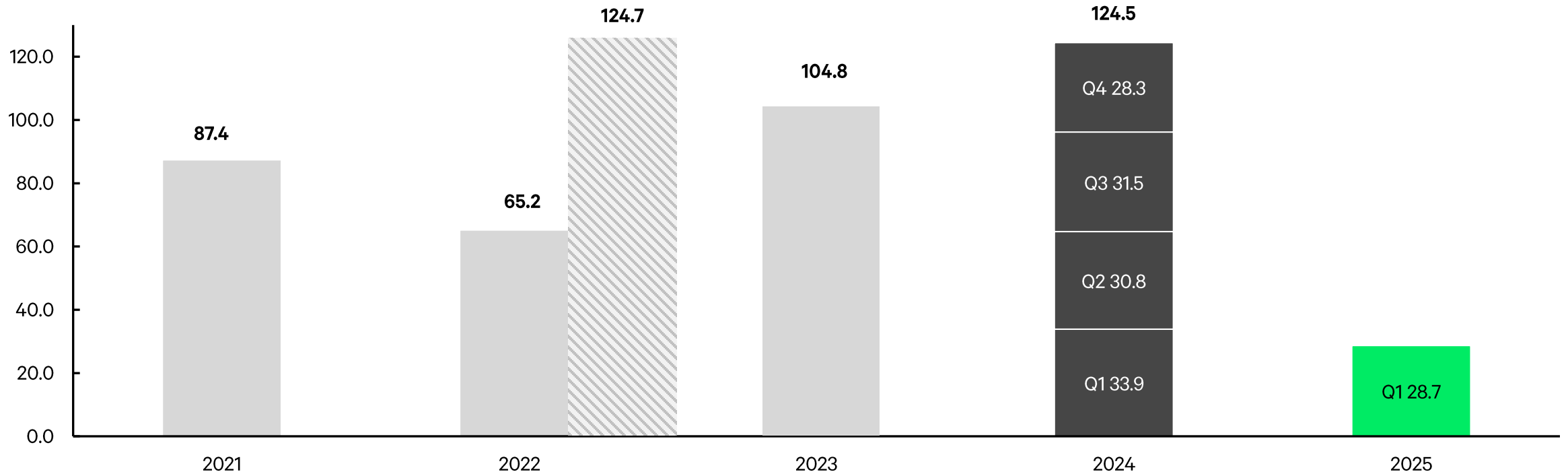
▲ Q1


8%

Stable start to the year despite challenging markets

Comparable operating profit 2021–2025

EUR million



 Restated according to the accounting standard IFRS 17

The updated strategy

VISION:

The leading wealth manager empowered by a strong banking heritage.

MISSION: To democratise private banking services and build wealth for our customers and society.

TRENDS SHAPING OUR OPERATIONS:

Times of unrest

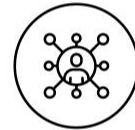
Wealth on the move

Mind and machine

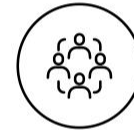
OUR STRATEGIC PRIORITIES



The Aktia Experience



Active Wealth Management



Winning in Strategic Segments

VALUES:

Courageously
Skilfully
Together

SUSTAINABILITY IS ESSENTIAL TO SAFEGUARDING OUR CLIENTS' LONG-TERM INTERESTS

THE STRENGTHS TO BUILD ON

Skilled and committed employees

High customer satisfaction, personalised advisory services, and product quality

Award-winning wealth manager with top-tier expertise

Strong customer base in core segments

Strategy acceleration programme:
Strengthening execution to increase operating profit run rate with 10 focused streams to accelerate current business operations

Business oriented growth initiatives Succeeding in our strategic priorities	Boost Premium Banking	Strengthen the Premium Banking segment as key growth pillar with a dedicated service model & offering
	Grow Private Banking	Strengthen wealth management by improving advisory, outbound sales, efficiency and new offerings
	Focus SME & Corporates growth	Leverage Corp./SME for cross-selling and as feeder into the Wealth Management segment in wealth transfer moments
	Strengthen Asset Management	Driving institutional growth with structured service model. Combining leading investment expertise and inhouse capabilities with high-quality external managers for active wealth management.
	Streamline Retail Model	Efficient retail service model, with enhanced digital servicing, and improved client prospecting
	Enhance insurance sales	Boost insurance value through improved cross-selling and new distribution channels
Other profitability driver	Cost efficiency & Balance sheet optimisation	Enhance profitability by improving the productivity of the operating model and the balance sheet
Enabling initiatives	Profitability Steering & Data	Establish a profitability steering for both customers and products across the Group to steer profitability effectively
	IT	Enhancing IT setup to enable the growth in a scalable way
	Culture	Shape a culture that emphasises performance, collaboration, and strategic alignment, fostering behaviors that support organisational objectives

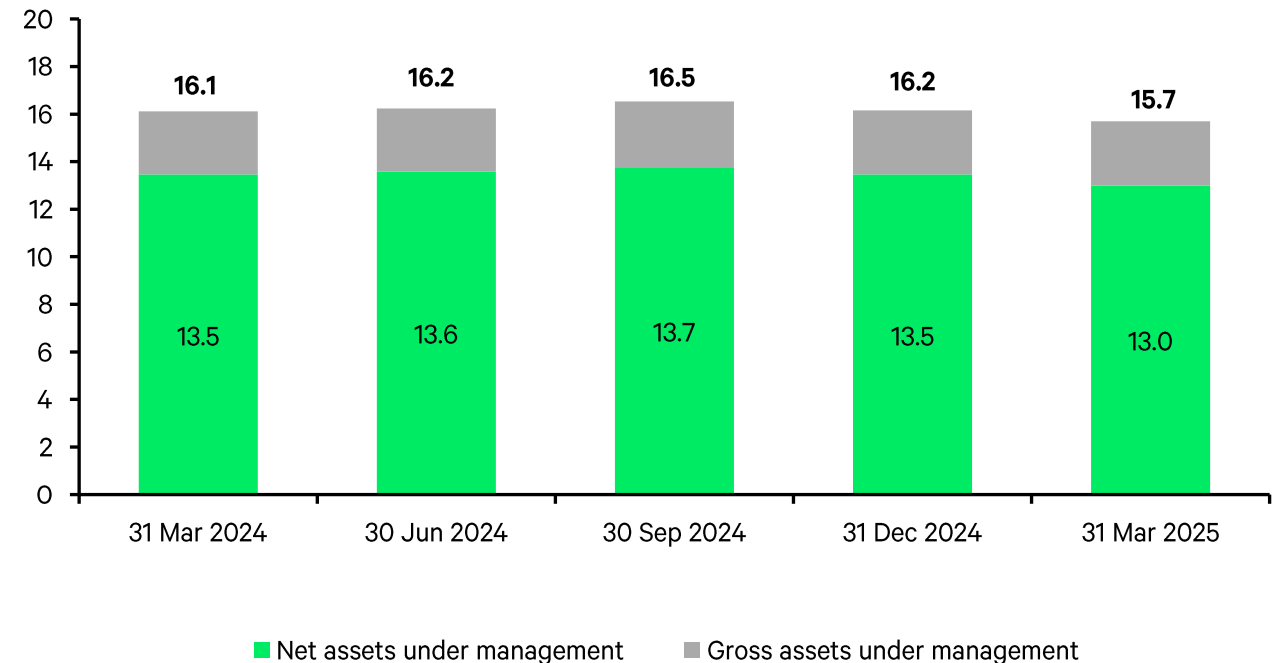
Business areas

Several measures initiated to strengthen our wealth management business

- AuM decreased as a result of unfavourable market developments and changes in individual institutional investors' allocation.
- Positive net subscriptions of EUR 56 million in the last month of the quarter.
- In international sales, the net subscriptions in Aktia's emerging market fixed income funds were strongly positive, EUR 121 million, in Q1.
- We launched the new Aktia Nordic Real Estate Opportunities private equity fund and the funds Aktia Debt Fund II and Aktia SolarWind III were opened for new subscriptions periods.

AuM development

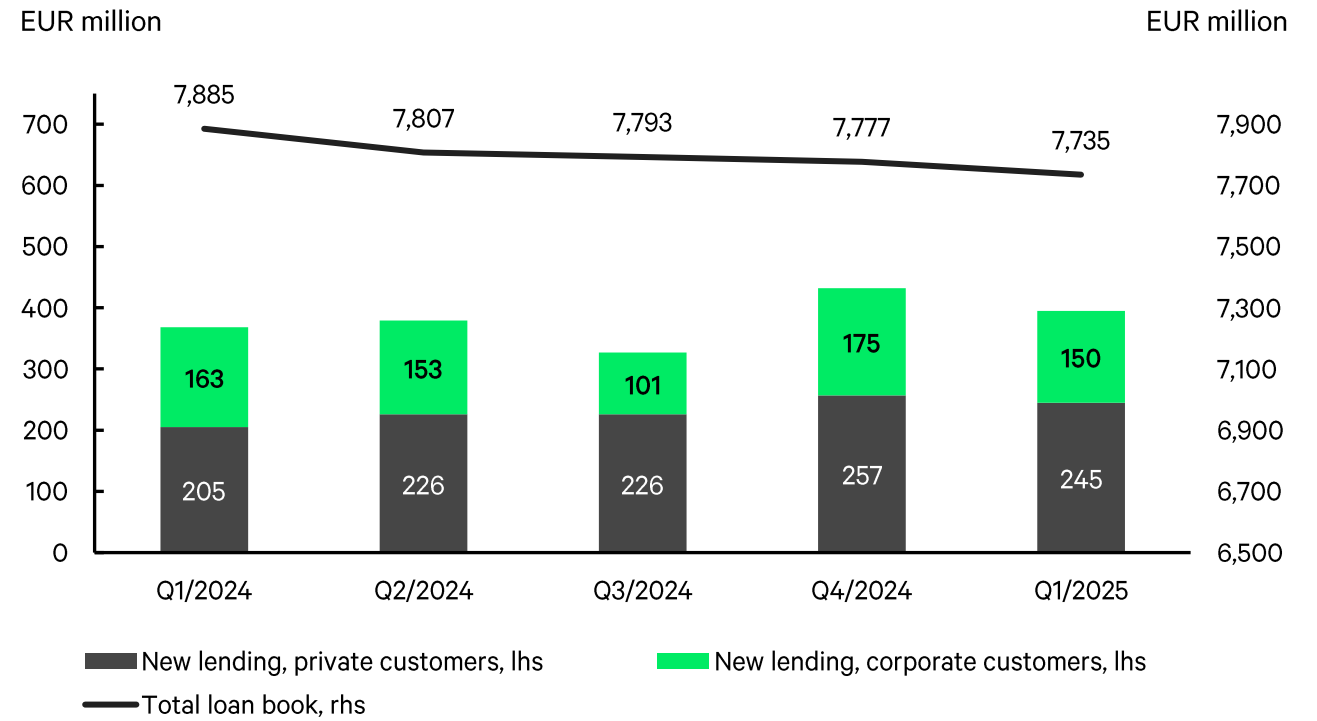
EUR billion



New lending to private customers increased 20% y-o-y

- The loan book remained approximately at the same level as at year-end, the average margin of the loan book continued to grow, and the quality remained good.
- In corporate banking, the growth in hire purchase and leasing financing remained strong.
- The demand for investment solutions remained strong among Premium customers.
- The service level in customer service by phone for private customers was excellent during Q1 and the NPS increased to 60.

Development of the Group's credit portfolio Q-o-Q

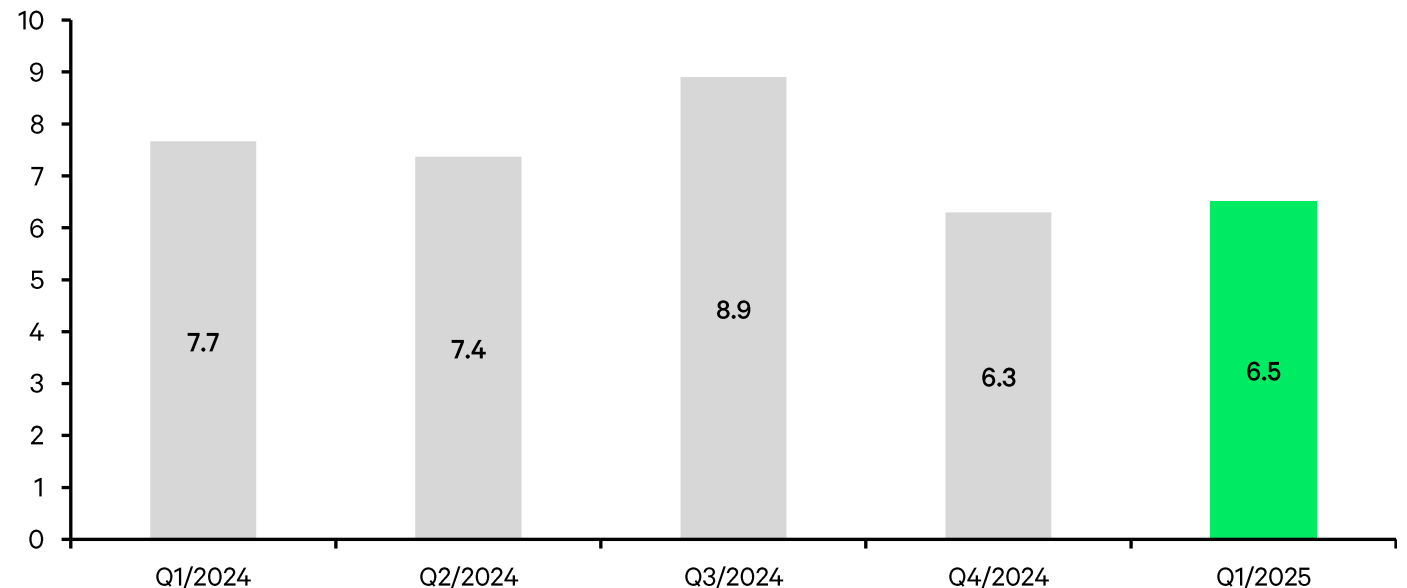


Stable development of net income from life insurance

- The insurance service result was relatively stable thanks to a growing insurance book of profitable risk insurances.
- Sales of investment-linked insurance remained at a good level and the insurance book continued to grow (net sales 17% y-o-y) despite challenging market conditions.
- Unit-linked policies at all time high level over EUR 1.3 billion.
- Solvency ratio decreased by 1.8 percentage points to 182.8% in Q1.

Net income from life insurance, Q-o-Q

EUR million



ESG

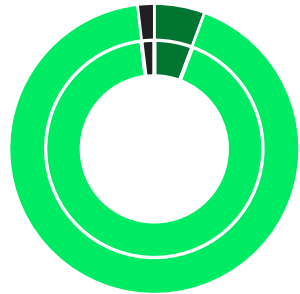
Sustainability-driven success for the leading wealth manager

☑ = 2025 target achieved

Prosperity & Planet

Share of SFDR Article 8 and 9 classified funds

Target: increase the share



Q1/2025 98.2%
(outer circle)



Q4/2024 98.1%
(inner circle)

SFDR Article



Change in the relative carbon footprint of equity and credit portfolios

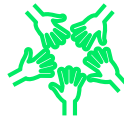
(tonnes of CO₂e/ million euros invested)

Target: 2025 -30% vs. 2019

-55.1%



People



eNPS*

Target 20

Q1/2025

32

Q4/2024

19



SHE Index**

Target: 85

H2/2024

82

H2/2023

74

* Measures the recommendability of the employer from the employees' point of view

** The target was set during the year 2023, after receiving the initial score for Aktia 2023 H2.

eNPS are measured biannually and SHE index annually.

Principles of Governance

Aktia's ESG ratings

Target: reach at least industry average

MSCI



AA

Sustainalytics



Medium Risk

ISS-ESG



C

Positive Net impact ratio



Target: positive net impact based on the Upright Project's model

The background features a dark, almost black, wavy pattern that resembles a liquid surface or a series of overlapping lines. A prominent, glowing green line curves across the right side of the image, starting from the top right and moving towards the bottom right. The overall aesthetic is modern and dynamic.

Financial overview

Aktia

Financial summary

	Q1/2025	Q1/2024	Δ %	Q4/2024	Δ %
Total operating income	73.5	77.3	-5%	78.7	-7%
Net interest income	35.2	39.1	-10%	38.1	-8%
Net commission income	30.8	30.1	<u>2%</u>	32.5	-5%
Net income from life insurance	6.5	7.7	-15%	6.3	4%
Other income	0.9	0.4	129%	1.9	-49%
Total operating expenses	-44.0	-41.4	6%	-49.3	-11%
Impairments of credits and other commitments	-2.9	-2.7	6%	-4.3	-34%
Operating profit	26.6	33.3	-20%	0.1	-
Comparable operating profit**	28.7	33.9	-15%	28.3	<u>1%</u>
Comparable earnings per share (EPS), EUR	0.32	0.38	-16%	0.31	5%
Comparable return on equity (ROE), %	13.5	16.8	-3.0*	13.1	0.4*
Comparable cost-to-income ratio	0.57	0.53	8%	0.59	-3%
Common Equity Tier 1 capital ratio, %	<u>13.0</u>	11.4	1.6*	12.0	1.1

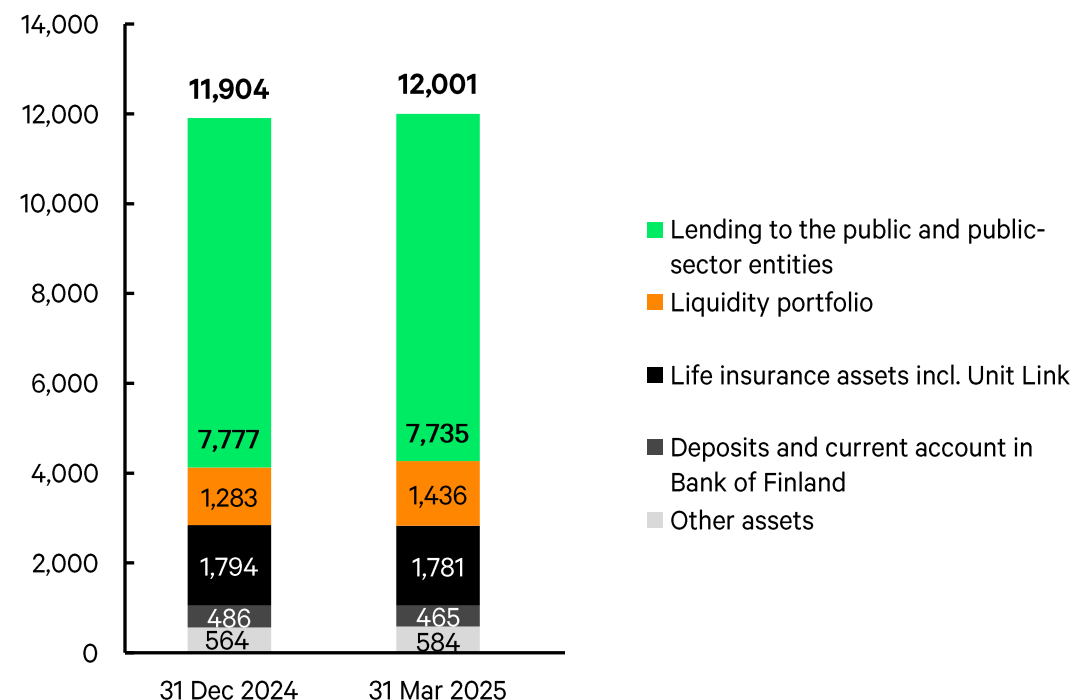
*) The change is calculated in percentage points

**) Excl. items affecting comparability

Balance sheet total EUR 12,001 million

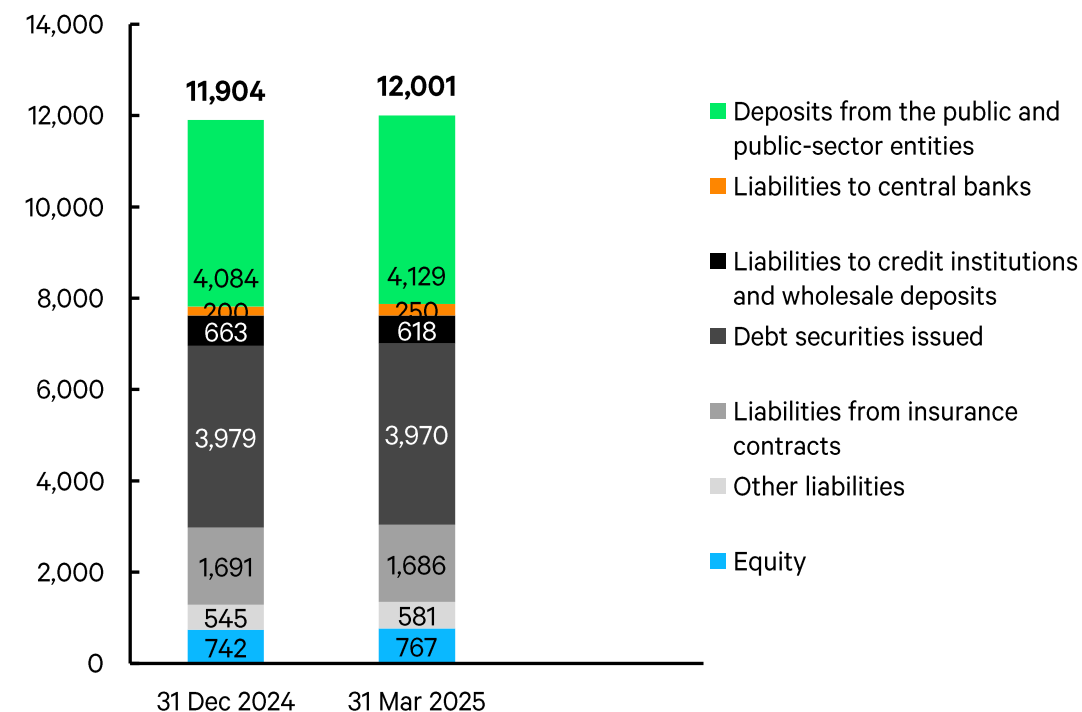
Total assets

EUR million



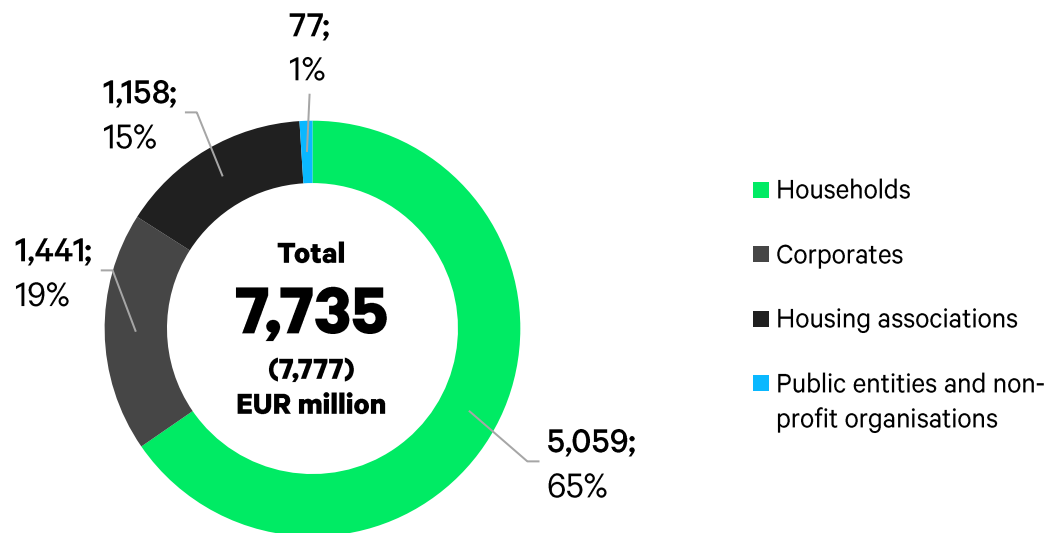
Total liabilities and equity

EUR million

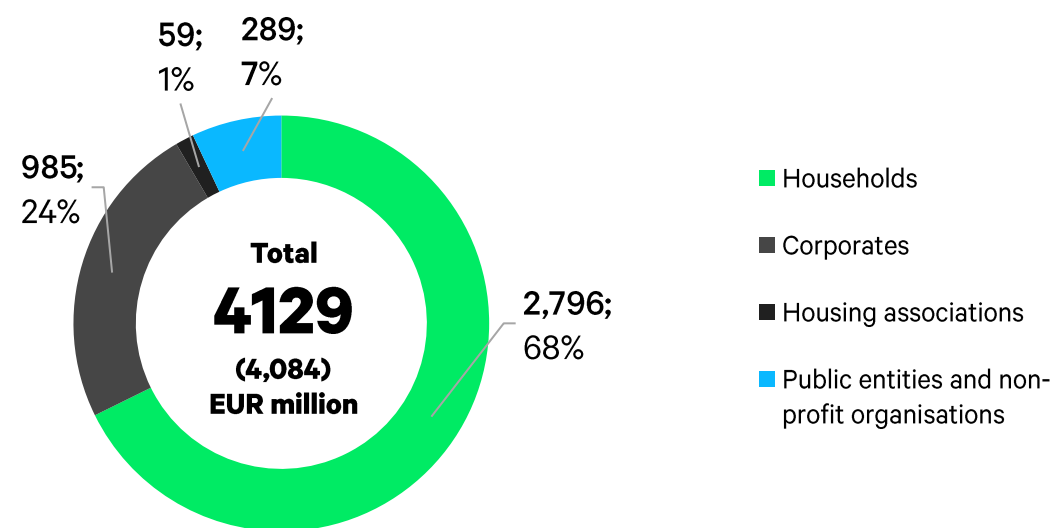


Households account for the majority of lending and deposits

Lending to the public and public sector entities



Deposits from the public and public sector entities



Good cost control despite continued investments in IT

- Comparable personnel costs increased somewhat mainly due to an increased FTE, compared to Q1/2024.
- IT expenses increased by 16% from last year due to continued investments in IT infrastructure, increased expenses in data-security, and due to inflation.
- Depreciations decreased by EUR 2.0 million mainly due to impairments made in the fourth quarter of 2024.

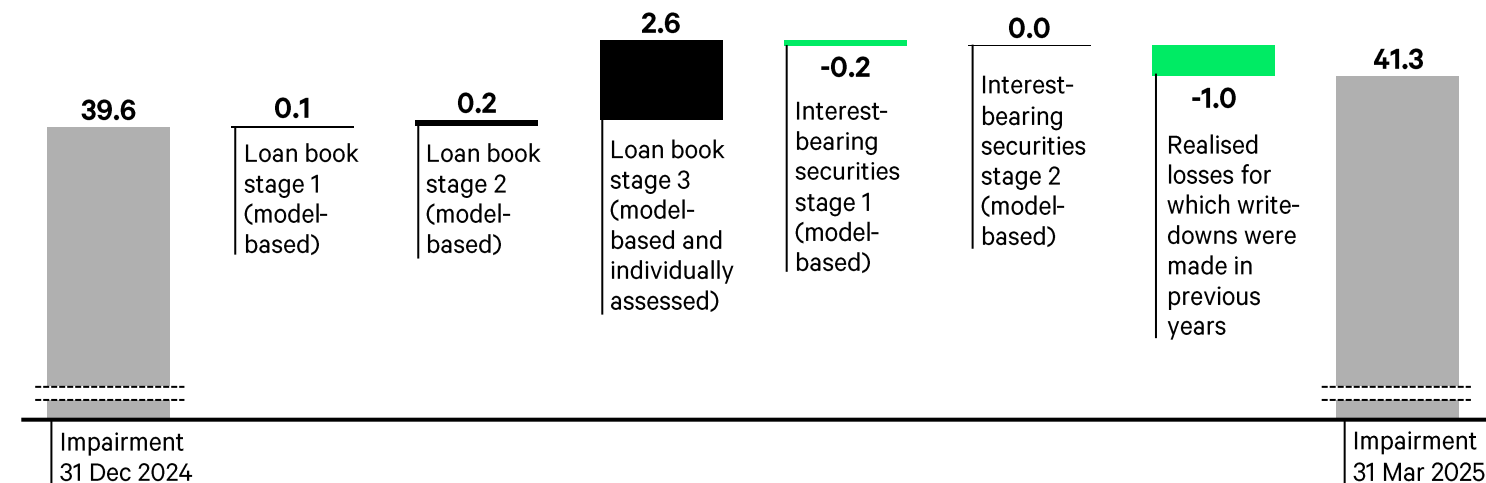
Comparable operating expenses Q1/2025 vs Q1/2024
EUR million



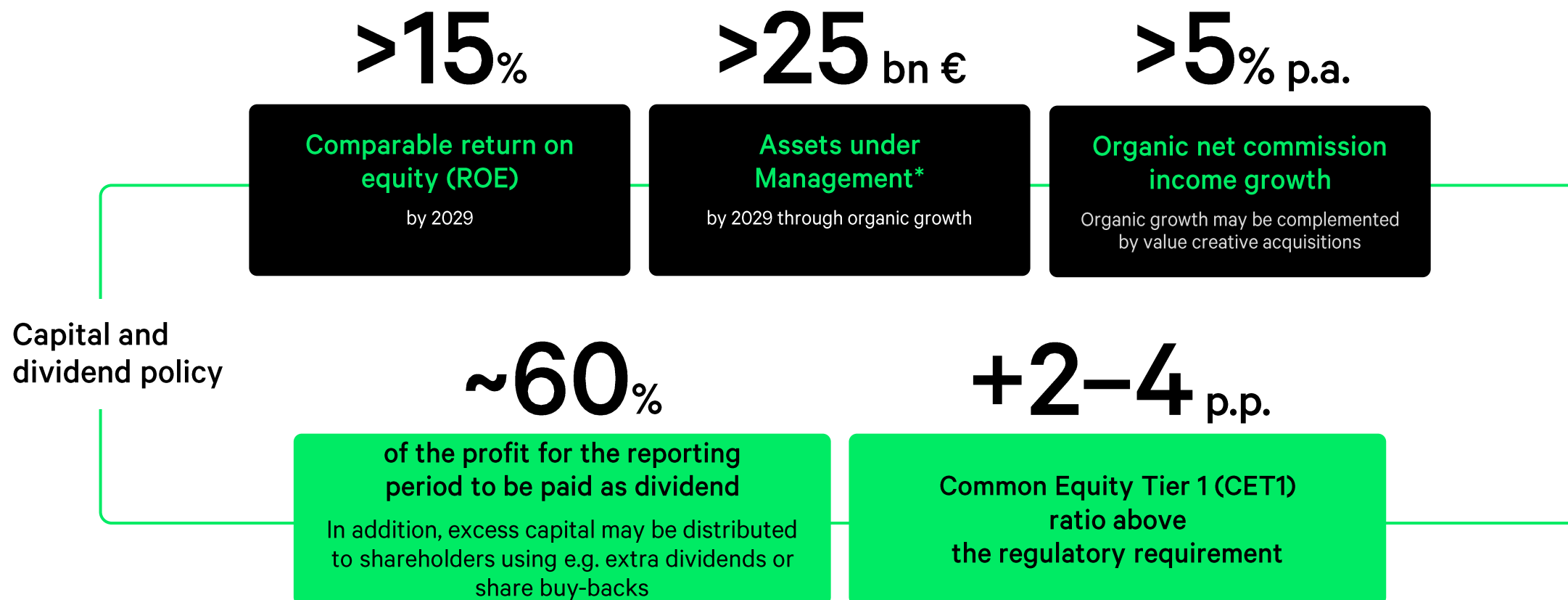
Credit loss provisions were EUR 2.9 million

- For the major part, our loan book consists of loans to households supported by residential or real estate collaterals.
- Credit losses increased slightly, mainly due to impairments in the corporate loan book, reflecting the current market situation.
- Annualised net credit losses 14 bps.

Change in expected credit losses (ECL) 1–3/2025
EUR million



Our long-term financial targets



*This figure reflects gross AuM, which includes all AUM for which Aktia receives fee income prom. From Q1/2025 onwards, Aktia will report gross AuM, in addition to the current net AuM reporting.

The Debt Investment case

Credit ratings

Moody's: A2 / P-1, stable, Covered Bonds: Aaa
S&P: A- / A-2, stable

Aktia

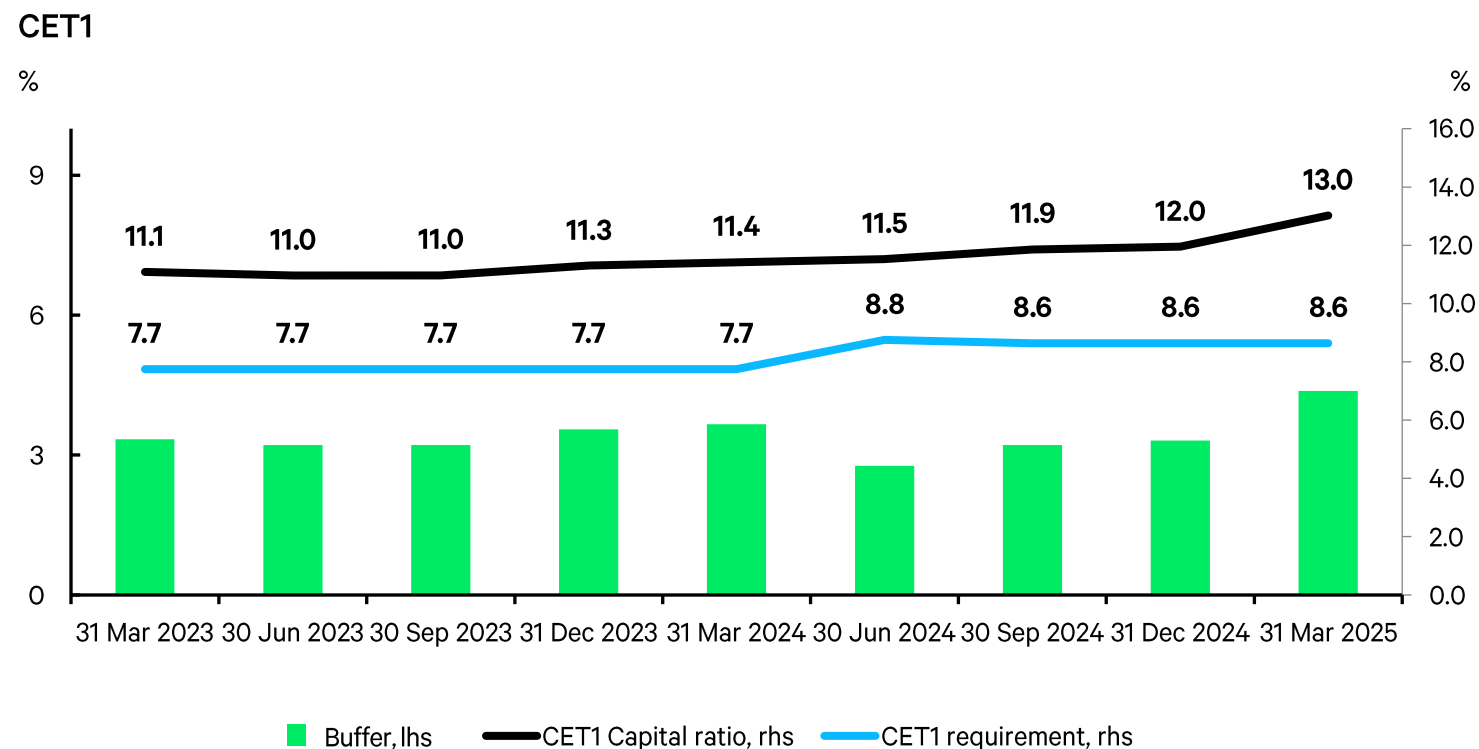
Rating & funding activities

- On 26 February 2025, Moody's Investors Service upgraded the long-term outlook on Aktia's credit ratings for short-term and long-term funding from negative to stable. At the same time, Moody's confirmed Aktia's short-term funding rating at A2/P-1 and long-term funding rating at A2.
- The liquidity situation at Aktia remained strong (LCR 161% at the end of Q1 2025) and hence the funding activities were subdued during the period.
- In January, Aktia issued two senior preferred private placement transactions for total of EUR 100 million.
- Aktia is monitoring the senior preferred private placement EUR market during Q2 2025 to refinance redeeming debt, but the volumes of new transactions will be limited.



CET1 ratio increased, but mainly only temporarily

- CET1 ratio was 13.0% and 4.4 percentage points above the regulatory requirement.
- The CET1 ratio increased mainly as a result of the new CRR3 Capital Requirement Regulation.
- In the third quarter Aktia intends to switch from the F-IRB approach to the standardised approach for corporate exposures, which will have a negative impact on the CET1 ratio.



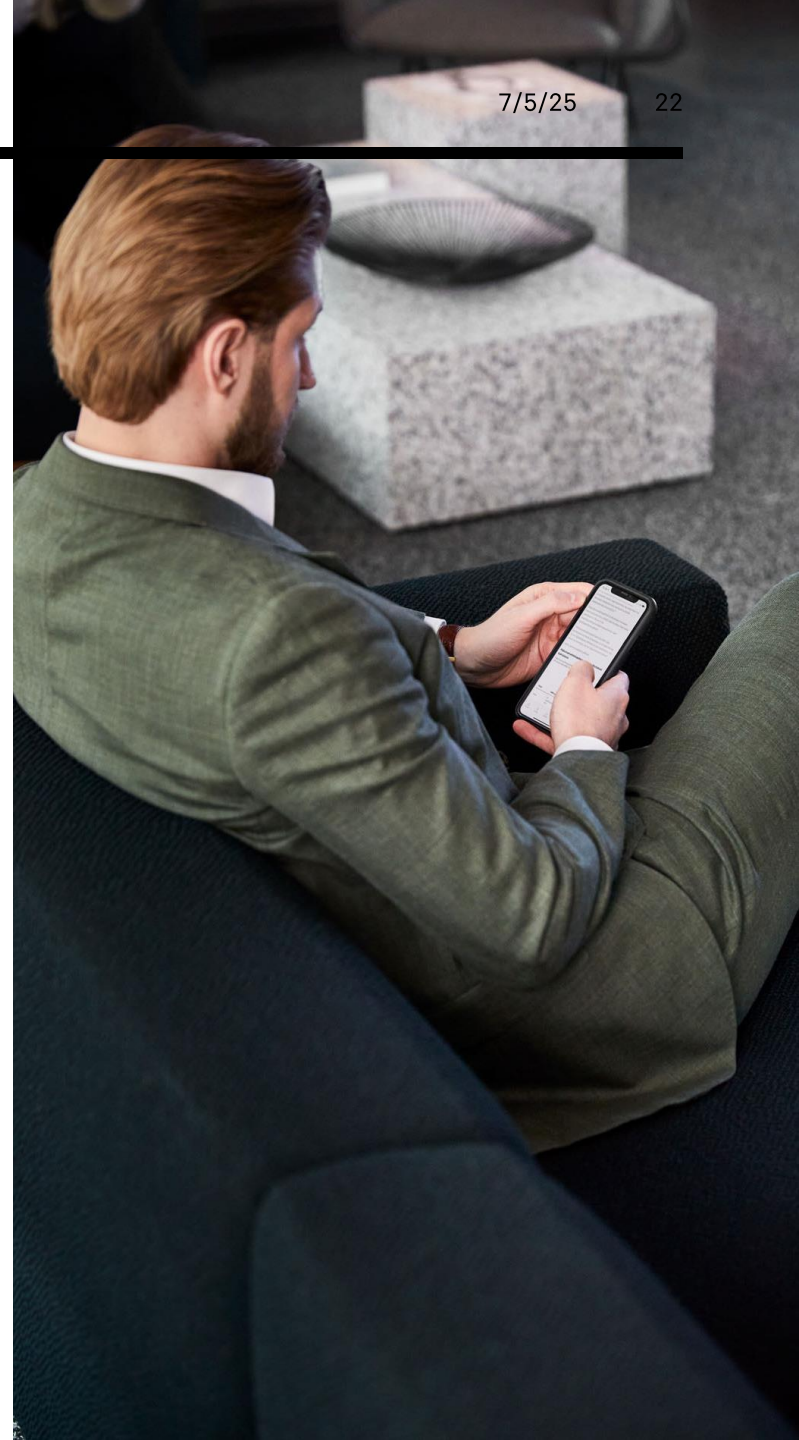
Other regulative requirements

Aktia Bank Group's leverage ratio was 4.5% (Q4/2024 4.6%) as of 31 March 2025.

- Tier 1 capital EUR 455.1 million
- Total exposures EUR 10,140.7 million

On 25 March 2025 the Finnish Financial Stability Authority has updated the MREL requirement for Aktia Bank to MREL LRE: 7.83% (7.90%) and MREL TREA: 20.50% (21.00%).

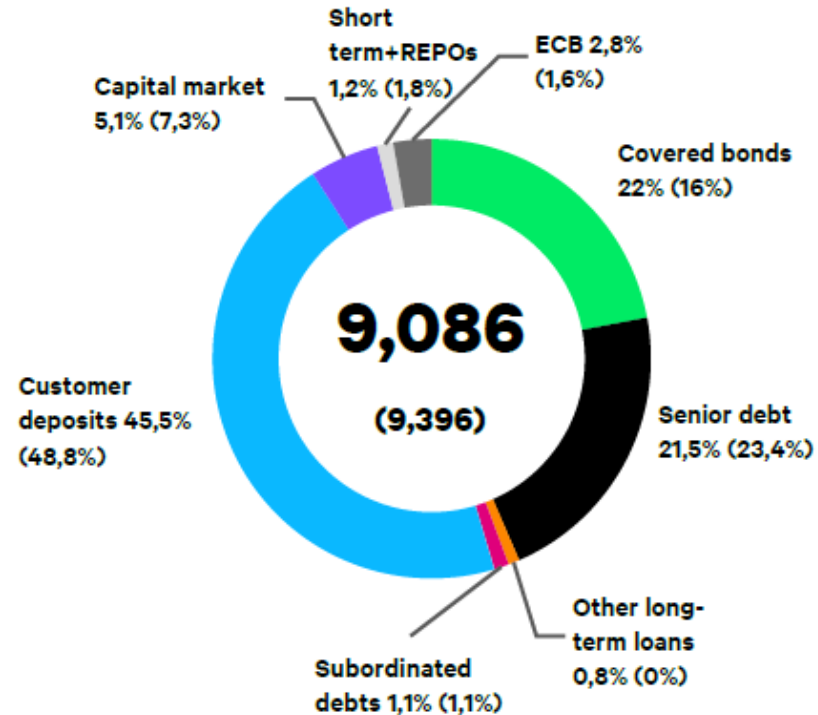
- Combined MREL requirement EUR 794 million
- Own funds and eligible liabilities EUR 1,713.2 million



Sound funding profile

- Borrowing from the public and public-sector entities was at EUR 4,189 (4,084) million.
- The value of bonds issued by Aktia Bank totalled EUR 3,937.3 (Q4/2023: 3,580.7) million.
- Aktia has EMTCN program of EUR 5 billion. All market-based funding is based on that documentation. Program is updated on 8 August 2024.

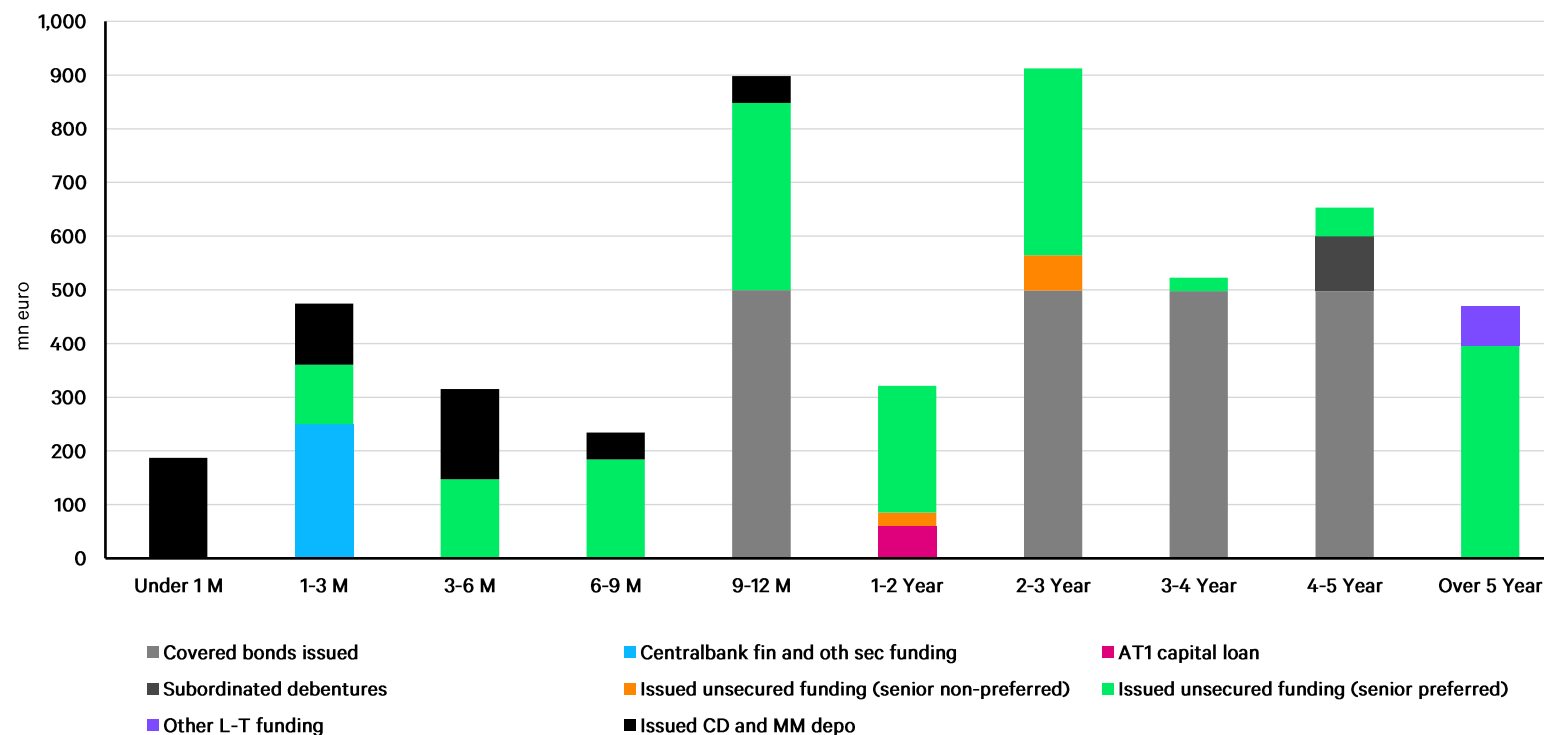
The Group's funding structure 31 March 2025 (EUR million)



Redemption schedule

- Year 2025 does not include major redemptions of issued bonds
- Maturing SEK bond issues will be financed predominantly by corresponding new issues.
- Next benchmark covered bond issue redeems in March 2026.

Maturity profile, 31.3.2025



High-quality liquidity reserve

The Liquidity Coverage ratio (LCR) was 161%

- The unencumbered assets in the liquidity portfolio, which can be used as a liquidity reserve, including cash and balances with central banks, had a market value of EUR 1,472 million on 31 March 2025 (Q4/2024: EUR 1,330 million).
- LCR eligible reserve market value was 1,279 EUR million in March.
- Aktia Bank has also undrawn intraday credit limit from the Central Bank of EUR 100 million

Unencumbered Liquidity reserve, market value		
EUR million	31 Mar 2025	31 Dec 2024
Cash and holdings in central banks	488	520
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	196	197
Securities issued or guaranteed by municipalities or Public sector entities	36	20
Covered bonds	560	593
Securities issued by credit institution	149	0
Securities issued by financial corporates (commercial papers)	0	0
Total	1,472	1,330

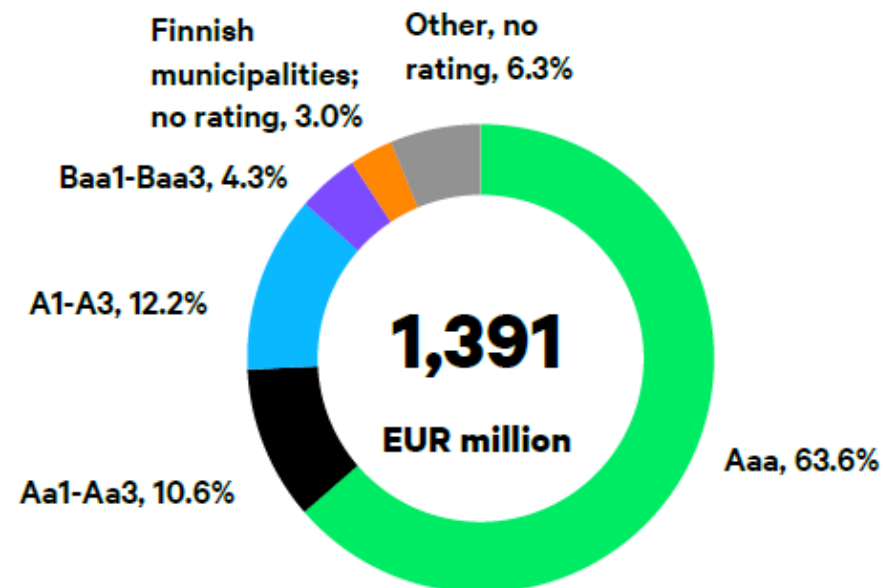
Low risk liquidity portfolio

The liquidity portfolio consists of high-quality assets that can be used to meet liquidity requirements in stressed situations.

Assets are:

- LCR and ECB eligible covered and SSA notes
- Commercial or Municipalities issued short term papers
- Securities issued by credit institutions

Rating distribution 31 March 2025



Aktia Bank as covered bond issuer

Aktia Bank is issuing the Covered bonds as mortgage bank under the Finnish Covered bond legislation that came into effect on 8 July 2022 (Act on Mortgage Credit Banks and Covered Bonds (151/2022)). (Pool 1)

The legislation complies with the Directive (EU)2019/2162 and the regulation (EU) 2019/2160 of the European Parliament and of the Council.

Pool 2 consists the issues that have been issued under the former legislation (Act on Mortgage Credit Bank Operations, MCBA 688/2010) and

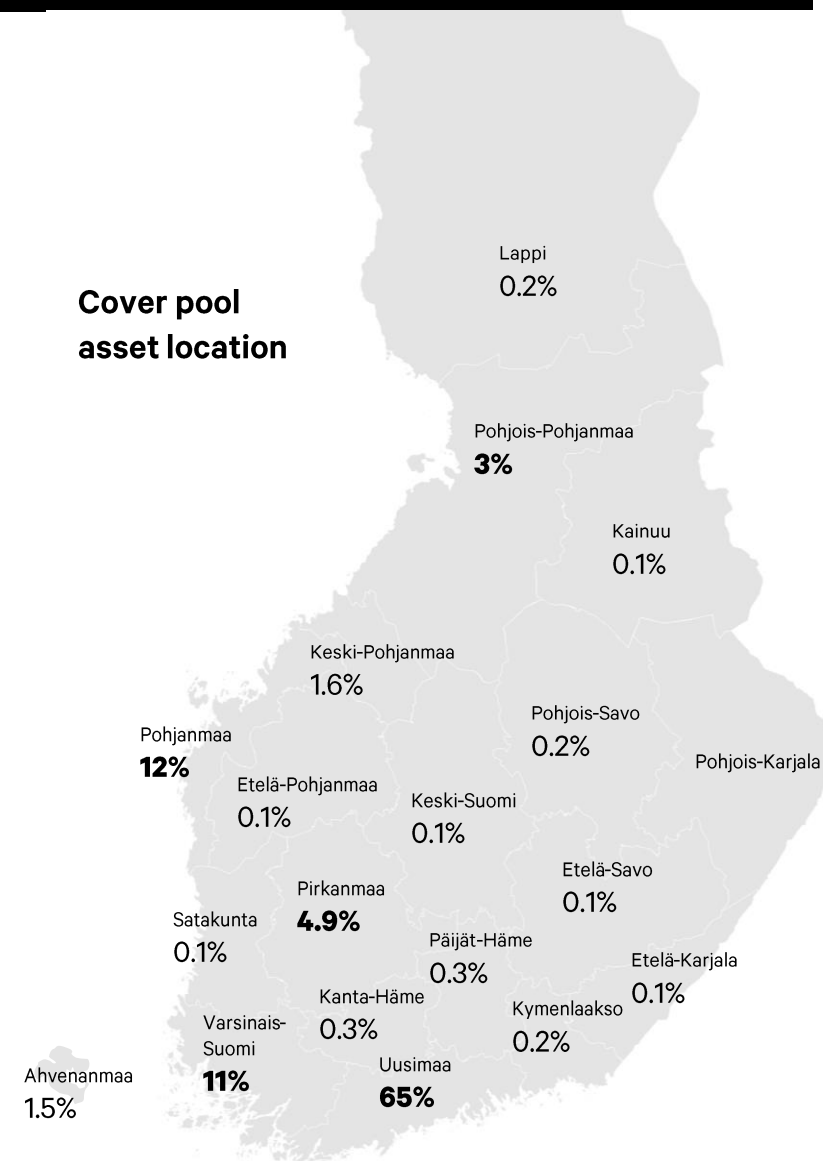
The covered bonds are issued directly from the bank's balance sheet.

- Aktia Bank issued the first EUR denominated covered bond in 2004
- The Aktia Bank mortgage loan portfolio is of very high quality:
 - Prime residential mortgage loans and loans to Housing Companies
 - Collateral located in Finland
 - Low average LTV
- Aktia Bank covered bonds issued before 8 July 2022 are CRR & UCITS, ECB repo eligible and any covered bond issued thereafter will meet the “European Covered Bond (premium)” label requirements
- Bank aims to comply with the ECBC covered bond label transparency initiative which meets the requirements of the updated legislation
- Stable access to the covered bond market is in high priority
- Aktia Bank will focus on EUR 500 million public benchmark Covered Bond issues with selective private placement offerings
- Bank has used retained Covered Bonds as collateral in ECB

Aktia Cover pool

1Q 2025	Pool 1 (2023-)	Pool 2 (2014-2022)
Asset Pool Balance	EUR 1,153 bln. (no substitute assets)	EUR 1,210.4 bln. (no substitute assets)
No of loans / average loan balance	13,353/ EUR 86,342	17,386/ EUR 69,619
Types of loans	First ranking residential mortgages and pledges of shares in housing companies	First ranking residential mortgages, pledges of shares in housing companies and loans for housing companies
Asset types in cover pool	96% Residential, 4% Housing Company Loans	92% Residential, 8% Housing Company Loans
Geography	Finland only, well diversified with concentration on growth areas	Finland only, well diversified with concentration on growth areas
Non-performing loans (> 90 days in arrears)	0,0	0,0
WA indexed LTV	48.74%	46,63%
Maximum LTV	Covered Bond refinancing max LTV limit: 80% Loans exceeding LTV 80 haircut at LTV 80%	Covered Bond refinancing max LTV limit: 70% Loans exceeding LTV 70 haircut at LTV 70%
Interest rate	floating 99%, fixed 1%	floating 91%, fixed 9%
WA seasoning	76 months	81,48 months
Overcollateralisation (%)	15,29%	21,04%
Committed OC (Nominal)	5.00%	10.00%
OC Calculation: Legal Minimum	2.00%	2.00%

Cover pool asset location

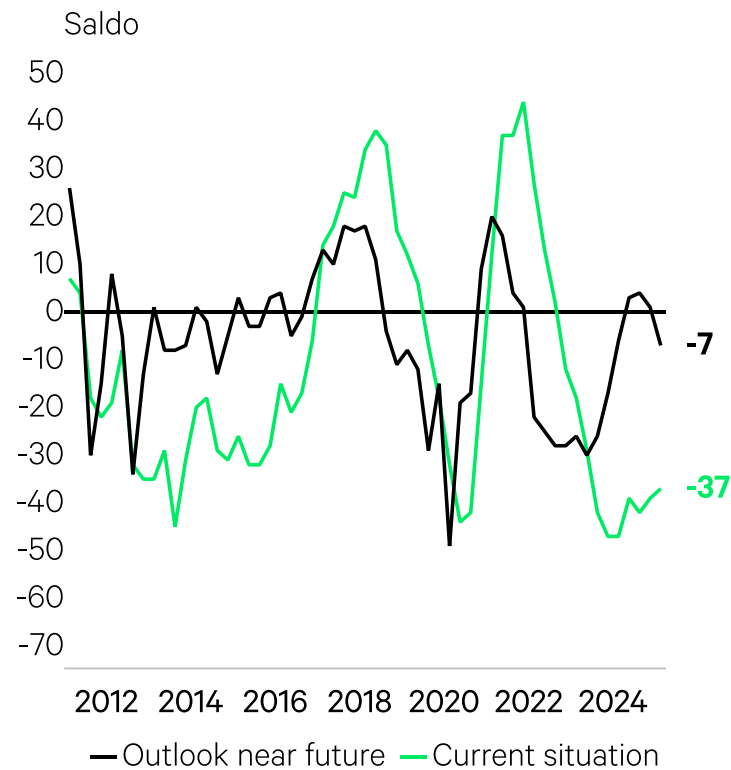


Finland Macro and Housing market update

Aktia

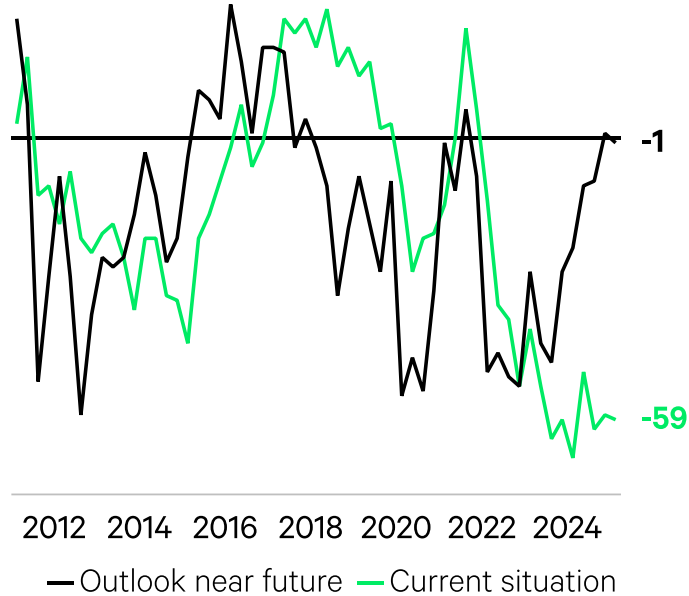
Economic sentiment

Manufacturing industry



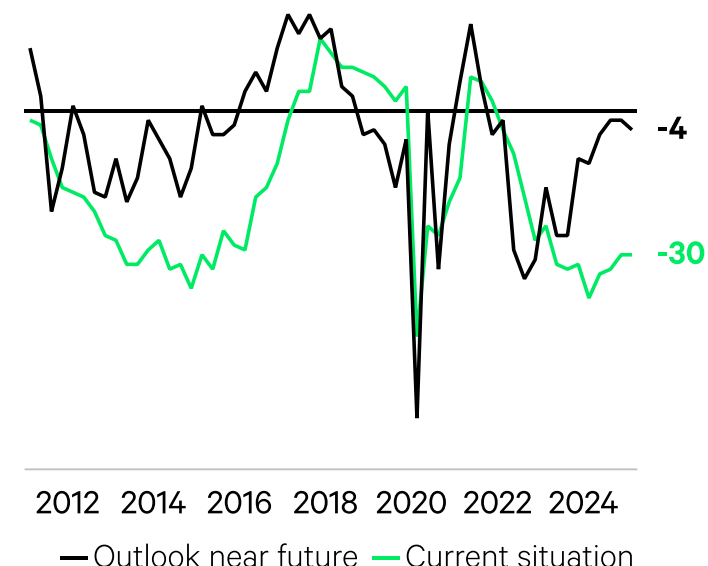
Aktia, Macrobond, Confederation of Finnish Industries (EK).

Construction



Aktia, Macrobond, Confederation of Finnish Industries (EK).

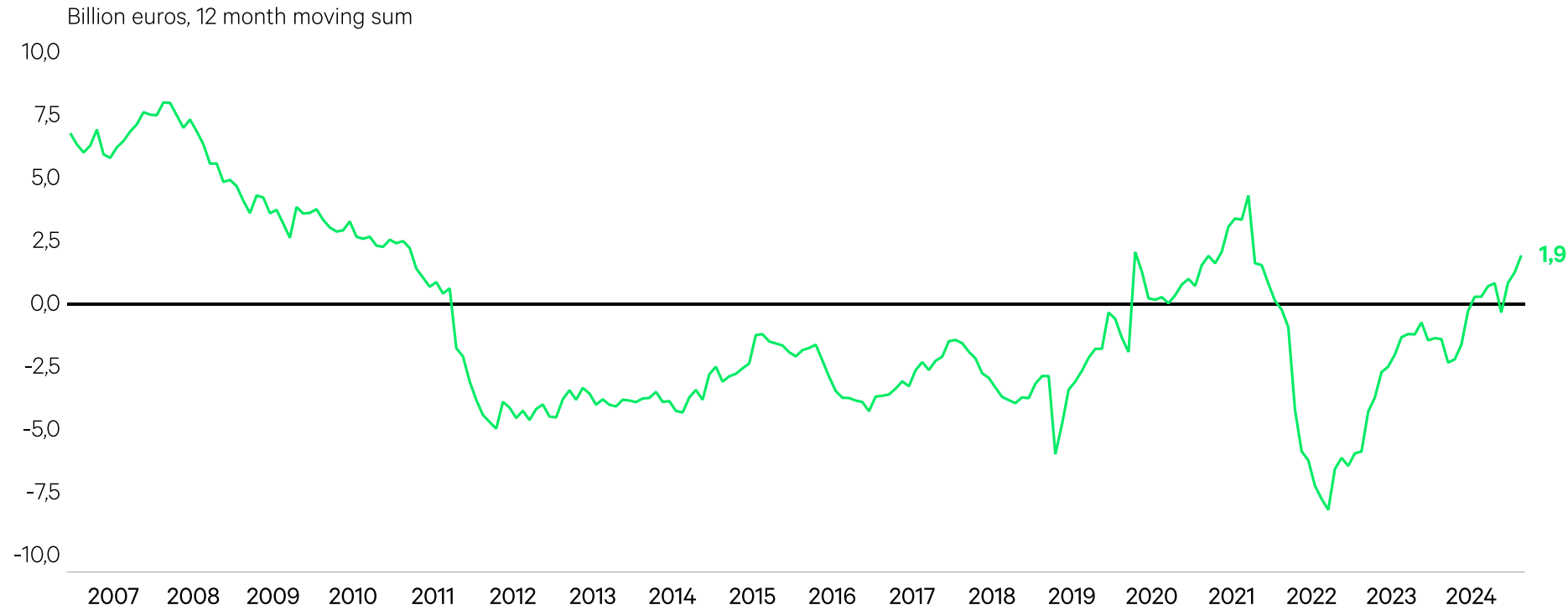
Services



Aktia, Macrobond, Confederation of Finnish Industries (EK).

Current account has improved

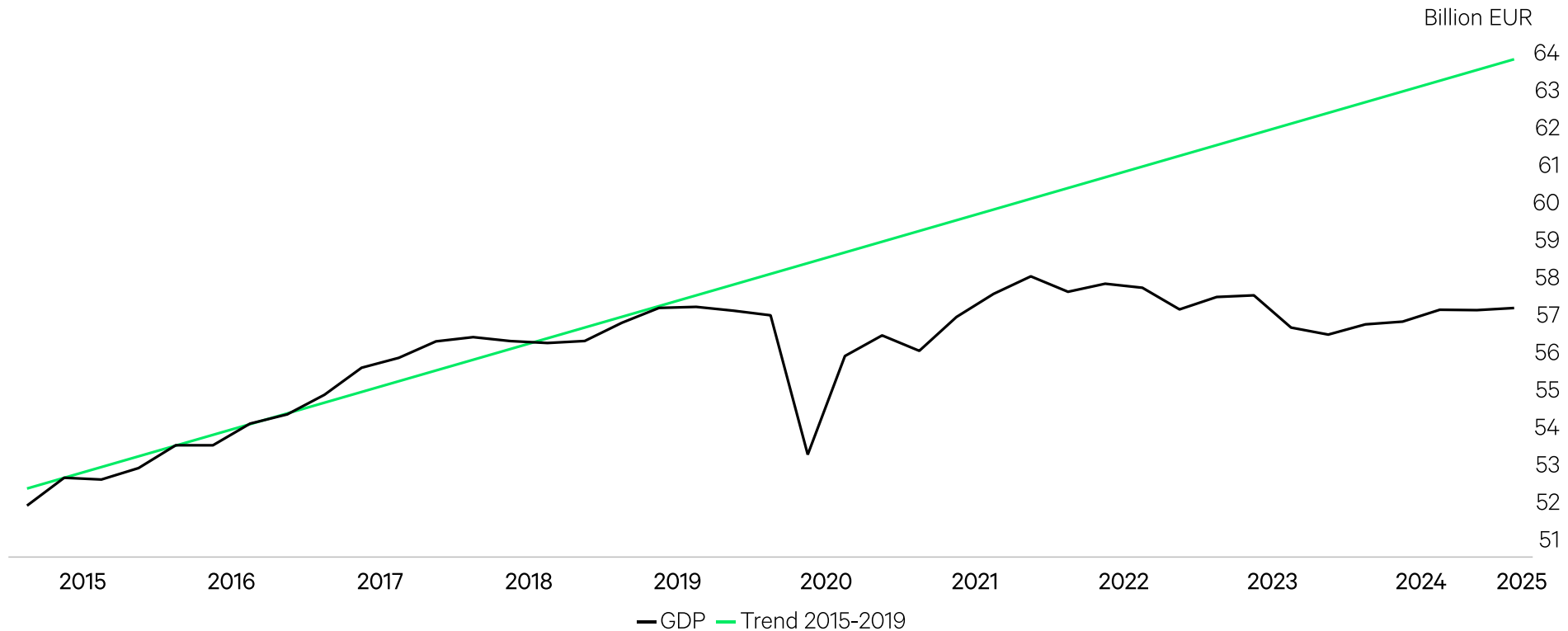
Current account, Finland



Aktia, Macrobond, Statistics Finland.

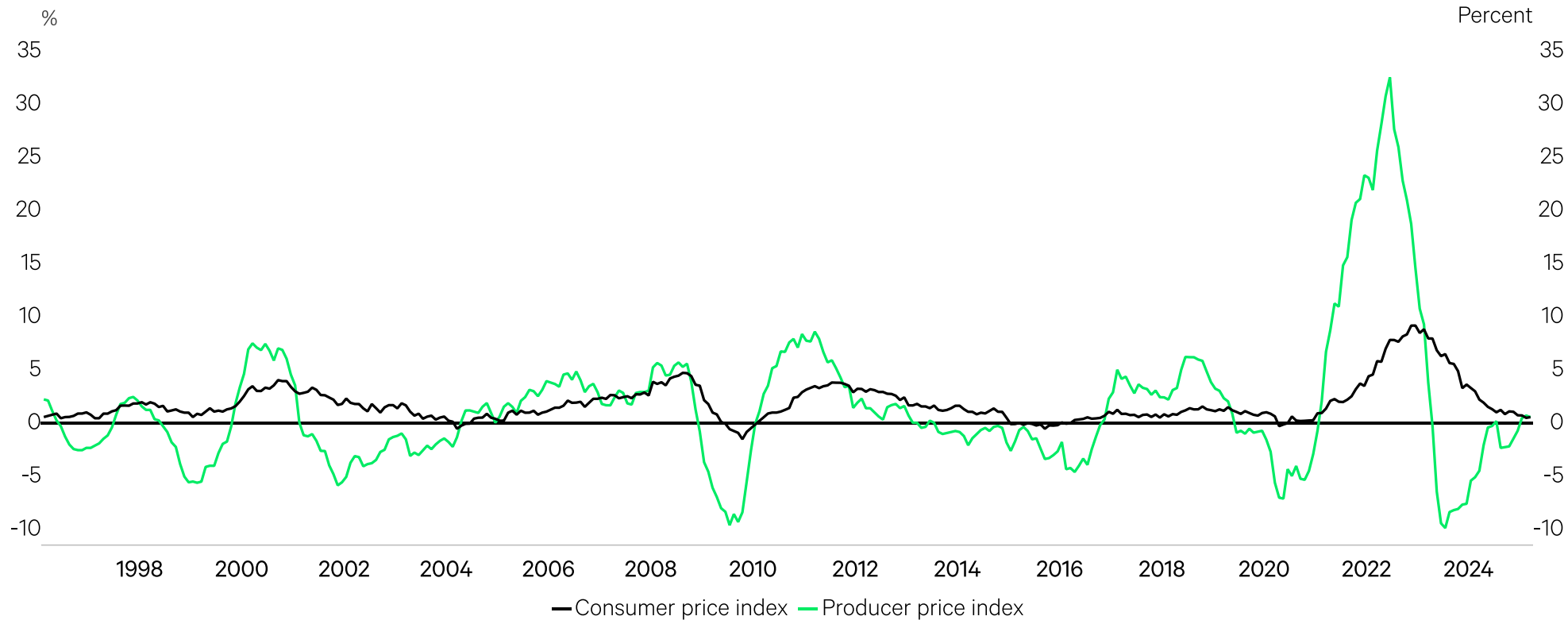
Gross domestic product behind trend

Finland, quarterly gross domestic product, 2015 prices



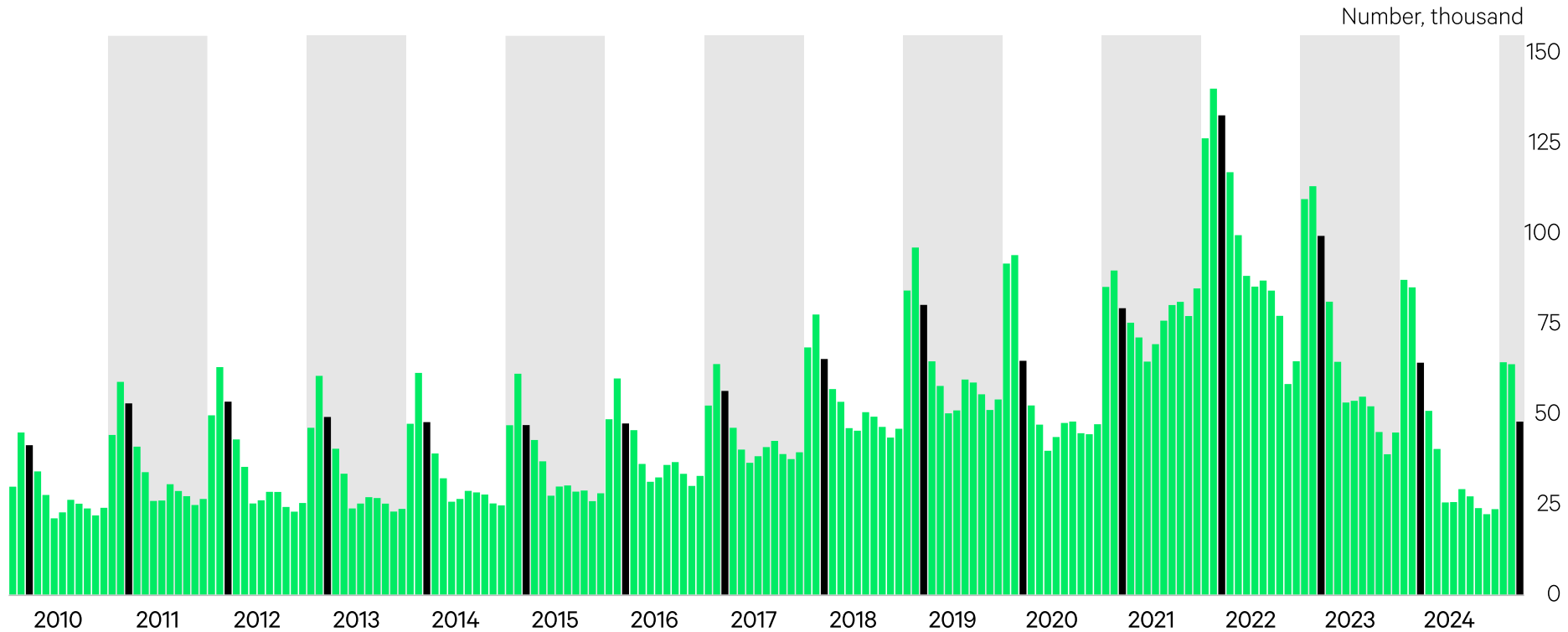
Inflation back into "normal" levels

Finland, annual change in consumer and producer price indecies



Labour market is normalising

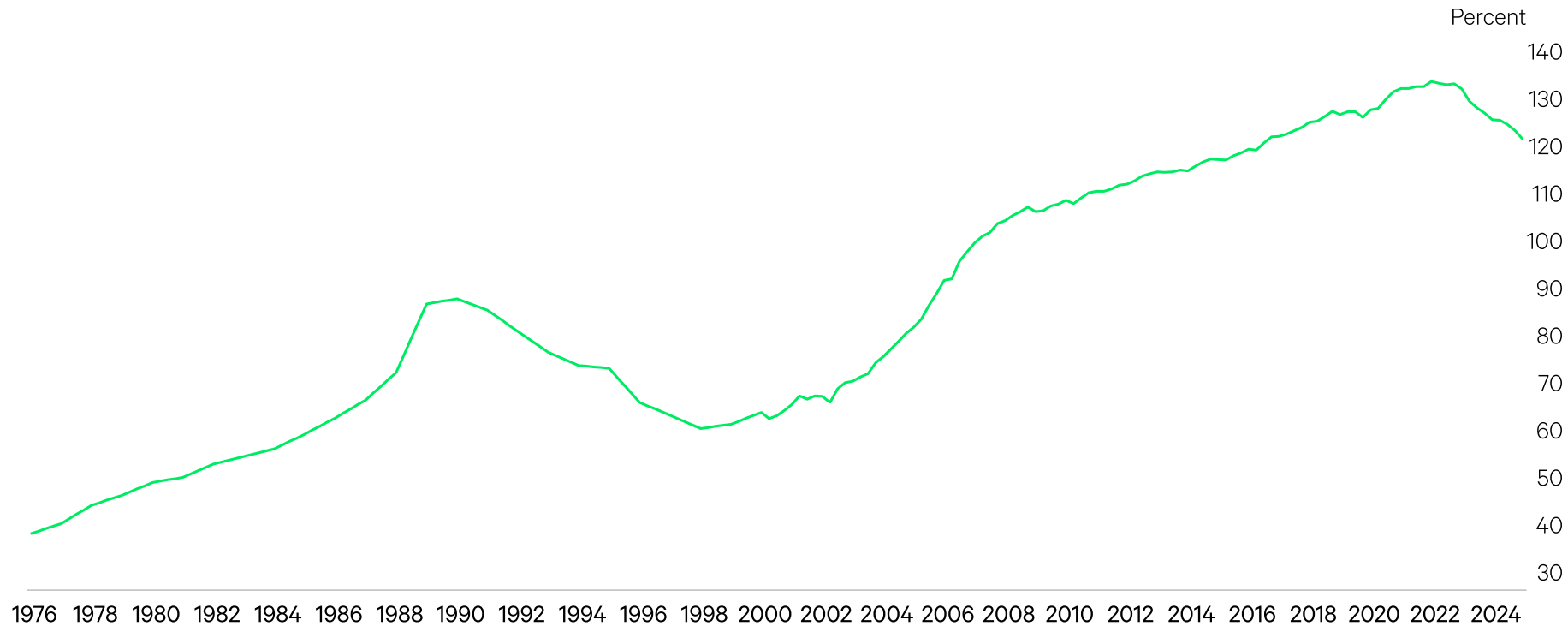
Job openings, latest observation 03/2025



Aktia, Macrobond, Ministry of Economic Affairs & Employment of Finland.

Finnish household indebtedness decreasing

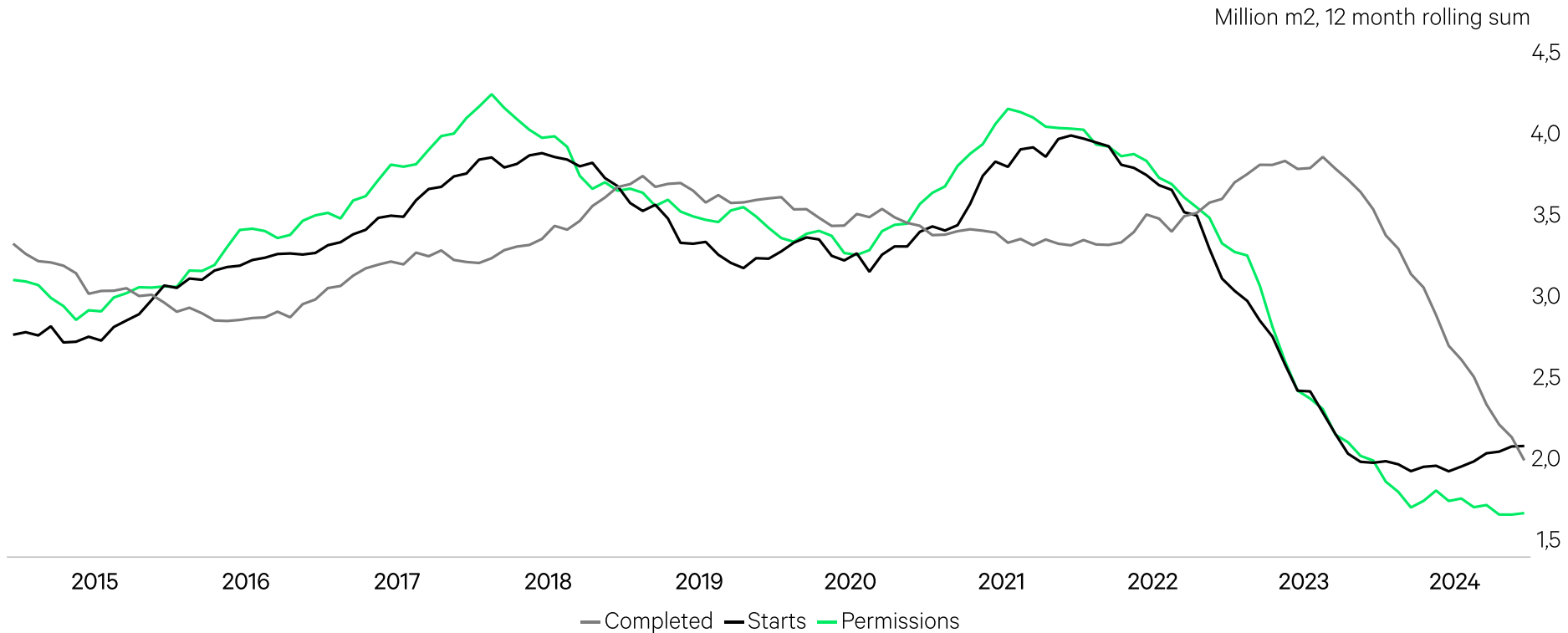
Finnish households' indebtedness rate



Aktia, Macrobond, Statistics Finland.

Residential construction at lows but improving

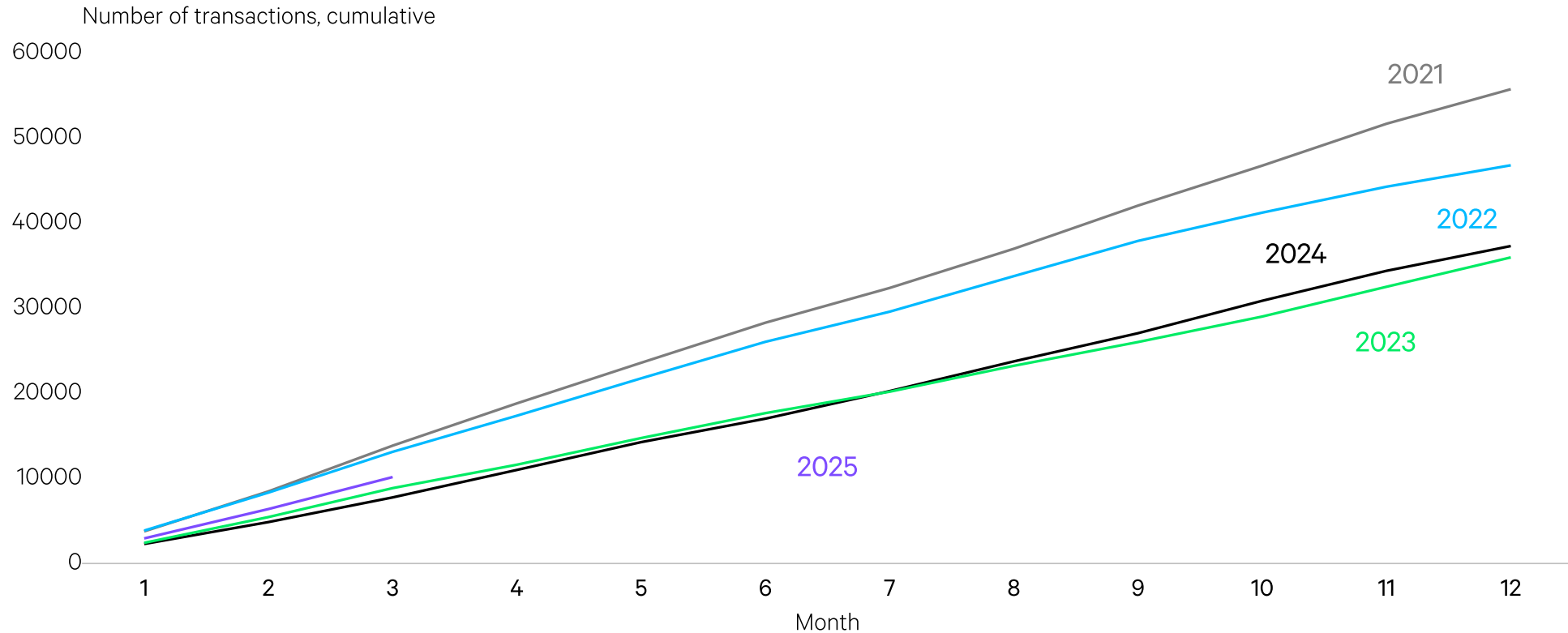
Residential construction activity



Aktia, Macrobond, Statistics Finland.

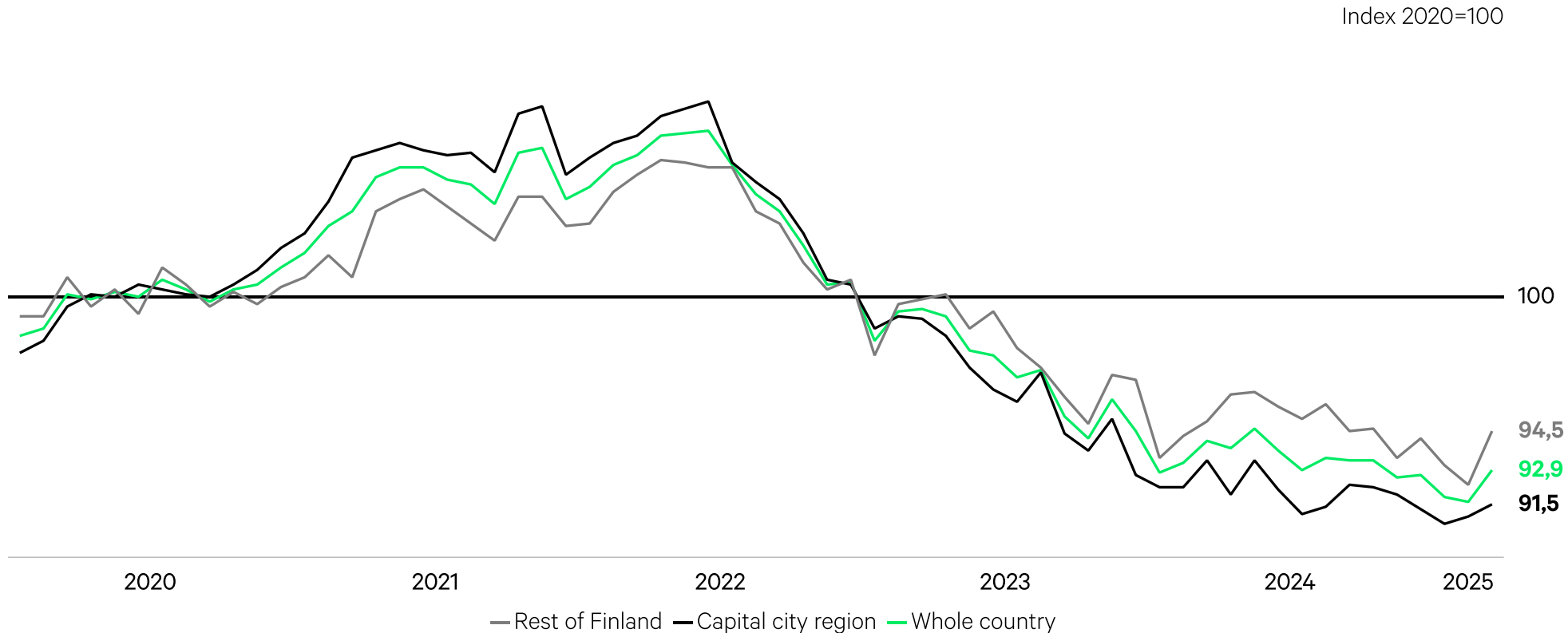
Small pick-up in real estate activity

Number of real estate transactions, apartments



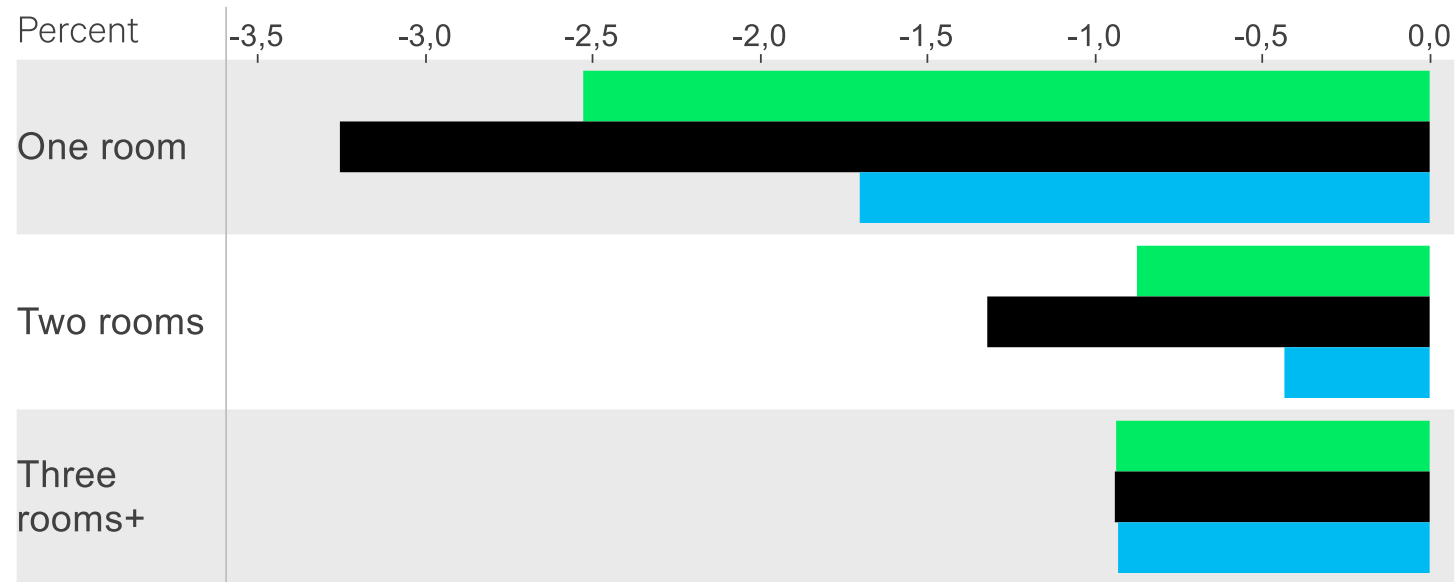
Housing prices still at lows in Helsinki

Price index of old blocks' of flats



Housing market has been challenging

Annual change in prices of apartment blocks, 2025 Q1

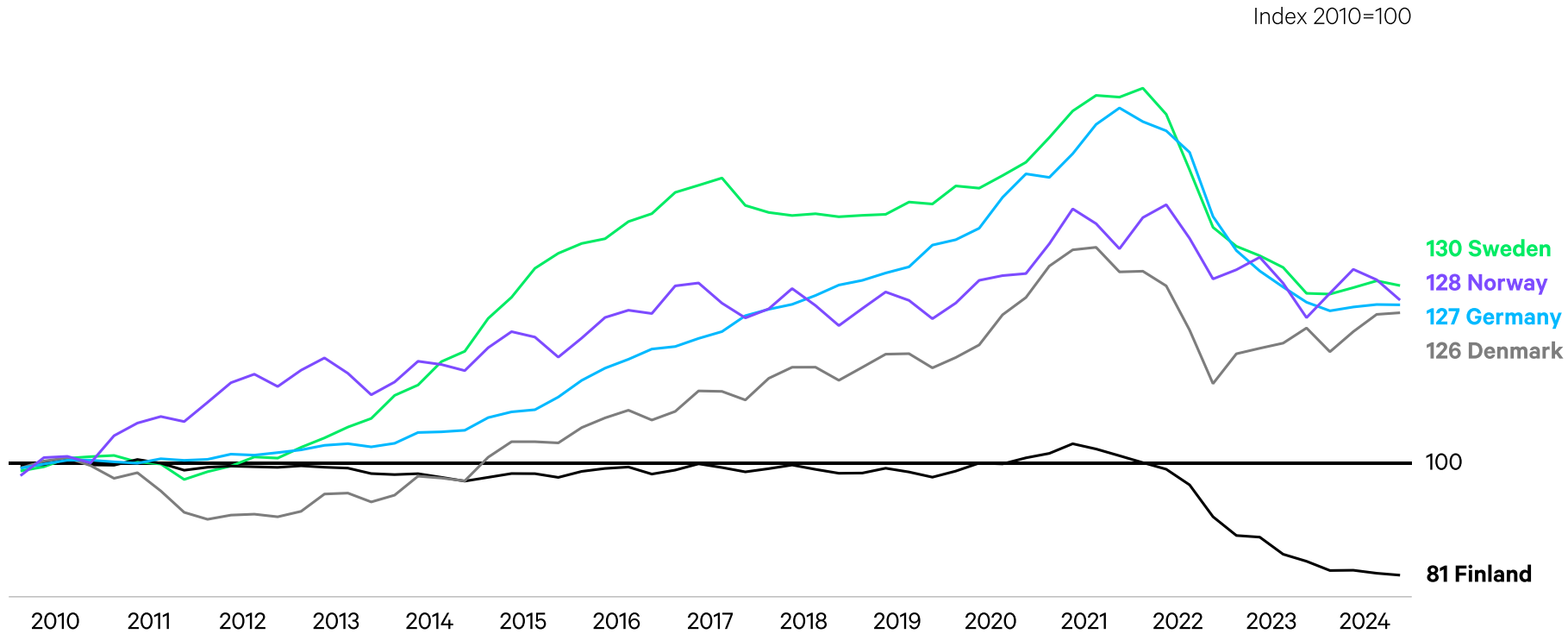


■ Whole country ■ Capital city region ■ Rest of Finland

Source: Aktia, Macrobond, Statistics Finland

Housing market comparison

Real House Prices (Price to income-ratio)



Aktia, Macrobond, BIS (The Bank for International Settlements).



Building wealth for our customers and society

Timo Ruotsalainen, Head of Treasury

+358 10 247 7211

timo.ruotsalainen@aktia.fi

Aktia