

6 NOVEMBER 2024

Q3 Results

Aleksi Lehtonen, CEO

Karri Varis, Interim CFO

Aktia

Q3 highlights

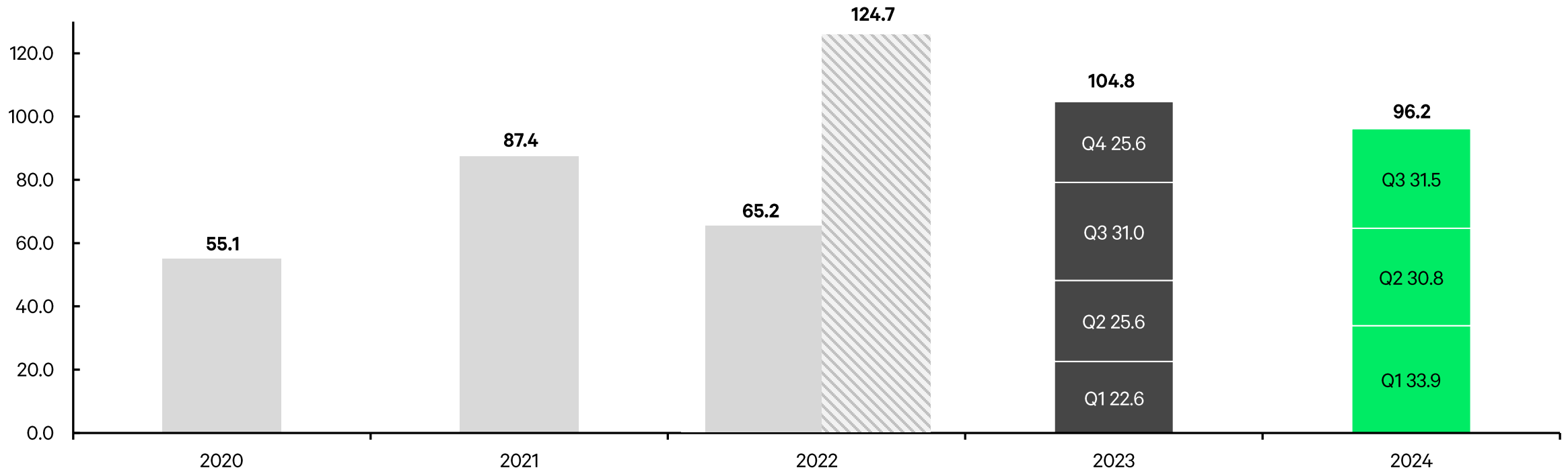
- Financial performance remained stable: comparable operating profit EUR 31.5 million, somewhat higher than last year (31.0).
- Comparable return on equity (ROE) 15.0% and comparable cost/income ratio 0.56.
- Net commission income 3% higher than last year.
- AuM increased approx. EUR 200 million due to positive net sales and favourable market development.
- Net income from life insurance developed strongly due to strong demand, low loss ratio and good investment performance.
- Net interest income 7% lower than last year.
- Cost control continued despite increased investments in IT.
- Credit loss provisions decreased compared to last year.
- More satisfied customers: Aktia increased its customer satisfaction the most in its own peer group (EPSI customer survey 2024).




Solid performance continued

Comparable operating profit 2020–2024

EUR million



 Restated according to the accounting standard IFRS 17

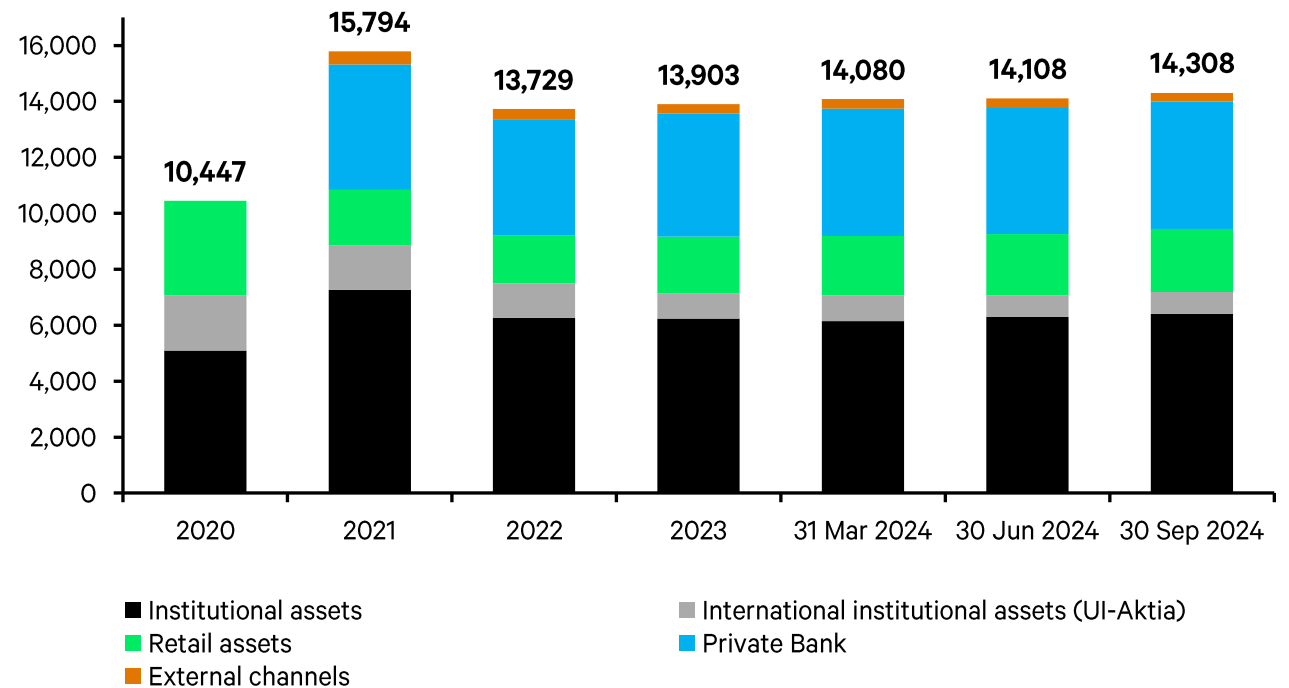
Business areas

Positive trend in asset management

- AuM increased thanks to positive net subscriptions and favourable market development.
- Net subscriptions to institutions remained strongly positive. Private Banking customers' net subscriptions were also positive.
- Strong inflow into Aktia's own funds. In September, Aktia Fund Management Company was among the best in Finland measured in net subscriptions.
- Aktia Debt Fund II, launched in June, raised a total of EUR 37.9 million in investment commitments during the initial subscription period.

The Group's Assets under Management, excluding custody

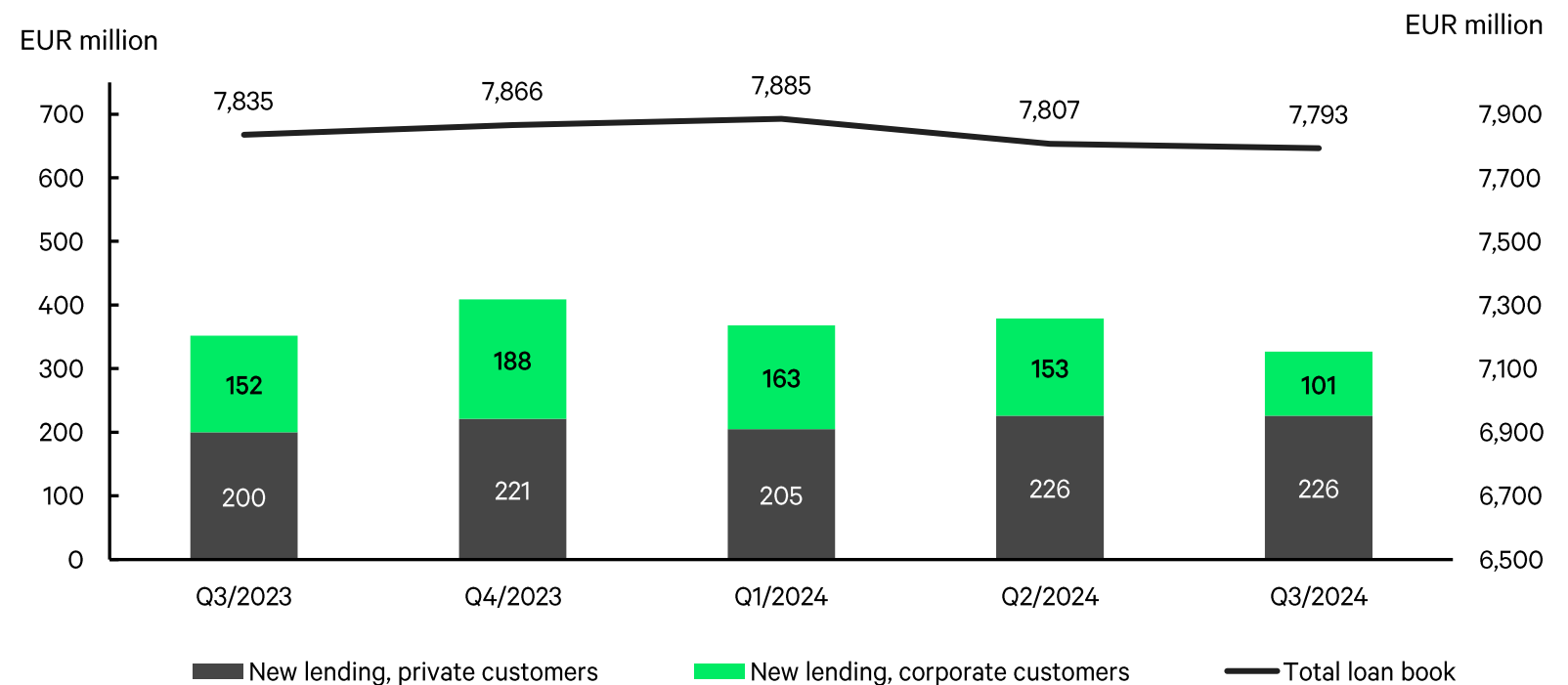
EUR million



Strong demand for investment solutions, and encouraging signs in the housing market

- Sales of investment solutions remained strong among Premium customers.
- Loan book grew among Premium and Private Banking customers.
- NII was 7% lower than last year largely due to the impact of non-standard interest terms for certain corporate accounts (as mentioned in Q2 report).

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

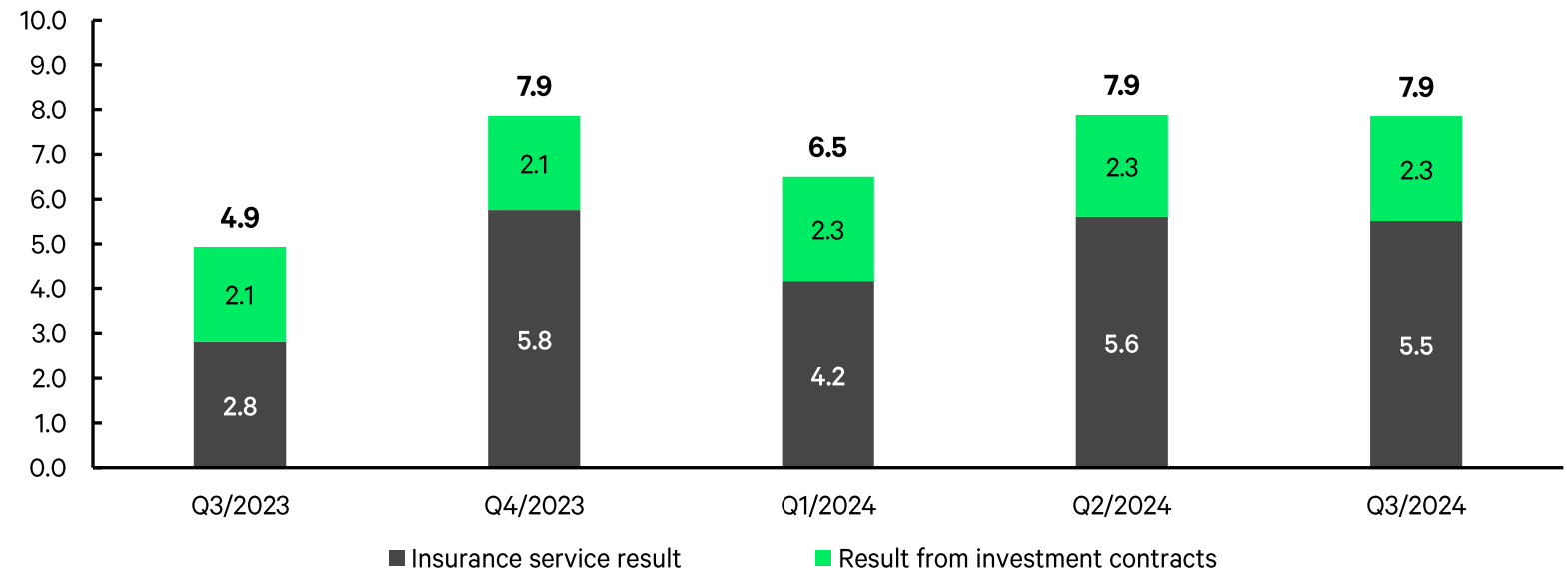


Aktia Life Insurance again delivered a strong result

- Demand for risk life insurance policies and investment-linked insurances remained strong.
- Favourable market development had a positive impact on the Unit Linked portfolio.
- The solvency ratio declined by 4.9 percentage points to 182.5% in Q3, mainly due to changes in lapse estimates.

Development of the actuarially calculated result Q-o-Q

EUR million



Sustainability-driven success for the leading wealth manager bank

☑ = 2025 target achieved

Prosperity & Planet

Share of SFDR Article 8 and 9 classified funds

Target: increase the share



Q3/2024 98.1%

(outer circle)

Q3/2023 95.3%

(inner circle)

SFDR Article



Change in the relative carbon footprint of equity and credit portfolios

-43.5% ☑

(tonnes of CO2e/ million euros invested)

Target: 2025 -30% vs. 2019

People



Signi Flame Index*

Target: 80

Q3/2024

75

Q3/2023

72



eNPS**

Target 20

Q3/2024

18

Q3/2023

-4



SHE Index***

Target: 85

H2/2024

79

H2/2023

74

*The Flame Index is the average of how the five most significant factors according to the employee are realised at the workplace. Scale 0-100

** 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.

Signi and eNPS are measured biannually and SHE index annually

Principles of Governance

Aktia's ESG ratings

Target: reach at least industry average

MSCI

☑ AA

Sustainalytics

☑ Low Risk

ISS-ESG

☑ D+

Positive Net impact ratio ☑

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

Performance vs financial targets 2025

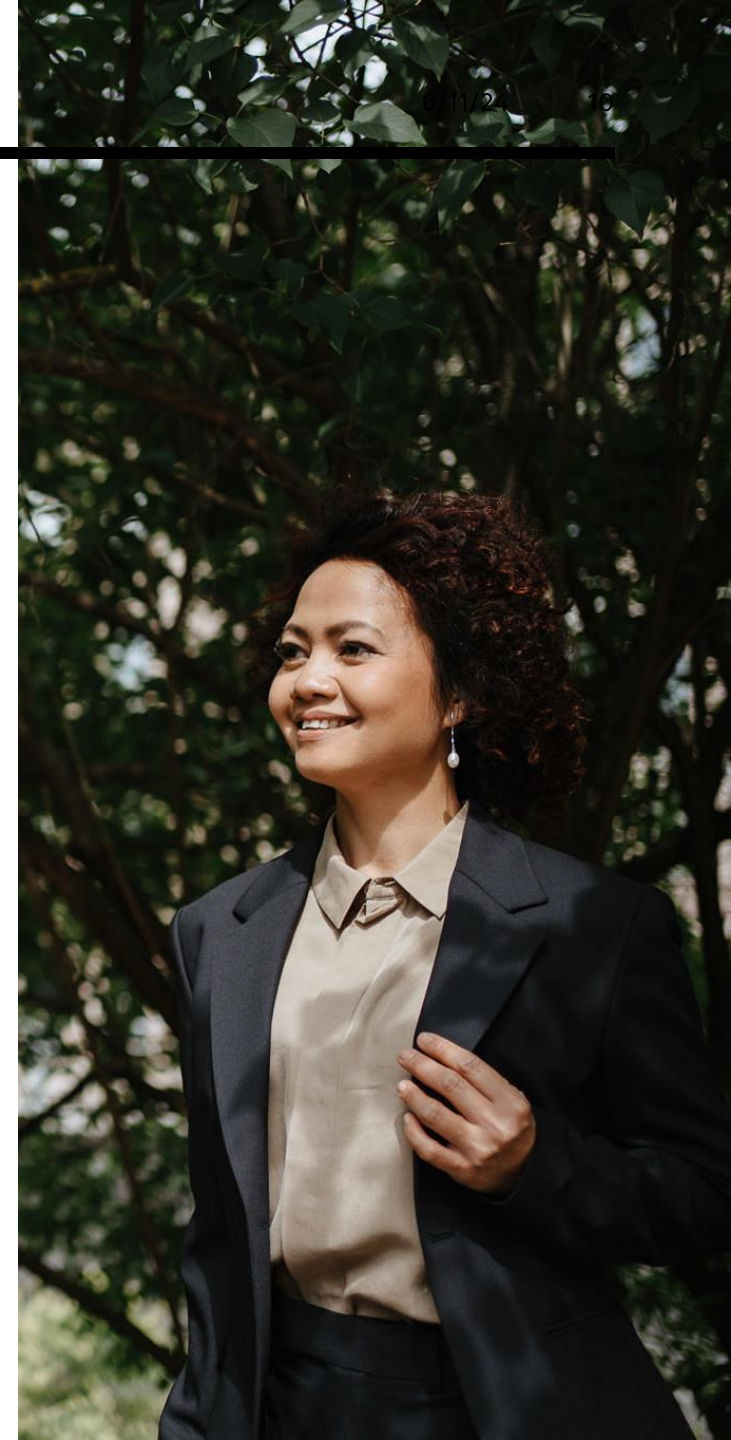
<p>Comparable operating profit above EUR 120 million</p> <p>1-9/2024: EUR 96.2 million</p> <p>1-12/2023: EUR 104.8 million</p>	<p>Comparable return on equity (ROE) above 12%</p> <p>30 September 2024: 15.6%</p> <p>31 December 2023: 13.6%</p>	<p>Comparable cost-to-income ratio under 0.60</p> <p>1-9/2024: 0.55</p> <p>1-12/2023: 0.61</p>	<p>Common Equity Tier 1 capital ratio (CET1) above 1.5 percentage points over the regulatory requirement</p> <p>30 September 2024: 3.2 percentage points over the regulatory requirement of 8.64%</p>
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Outlook 2024 (unchanged)

Aktia's comparable operating profit for 2024 is expected to be higher than the EUR 104.8 million reported for 2023

The outlook has been prepared based on the following expectations:

- Despite market uncertainty and a probable decline in interest rates, the net interest income is expected to be higher than in 2023.
- Net commission income is expected to be somewhat higher than in 2023, provided that the market conditions are favourable.
- The life insurance business is expected to develop steadily. However, the result may be affected by changes in market values.
- Total operating expenses are expected to remain on approximately the same level as in 2023, given the absence of stability contribution offset by higher expected IT expenses.
- Impairments and provisions for credit losses are expected to increase slightly compared to the 2023 level, given the current market situation.





Financial overview

Karri Varis, Interim CFO

Aktia

Financial summary

EUR million	Q3/2024	Q3/2023	Δ %	Q2/2024	Δ %
Total operating income	76.1	74.3	2%	76.7	-1%
Net interest income	36.1	38.6	-7%	38.8	-7%
Net commission income	30.9	30.0	3%	30.8	0%
Net income from life insurance	8.9	5.1	74%	7.4	21%
Other income	0.2	0.6	-58%	-0.3	-180%
Total operating expenses	-43.1	-40.8	6%	-44.8	-4%
Impairments of credits and other commitments	-1.8	-2.3	-23%	-1.8	-3%
Operating profit	31.2	31.0	1%	30.1	4%
Comparable operating profit**	31.5	31.0	2%	30.8	2%
Comparable earnings per share (EPS), EUR	0.34	0.33	4%	0.34	1%
Comparable return on equity (ROE), %	15.0	15.8	-0.8*	14.9	0.1*
Comparable cost-to-income ratio	0.56	0.55	3%	0.57	-2%
Common Equity Tier 1 capital ratio, %	11.9	11.0	0.9*	11.5	0.4*

*) The change is calculated in percentage points

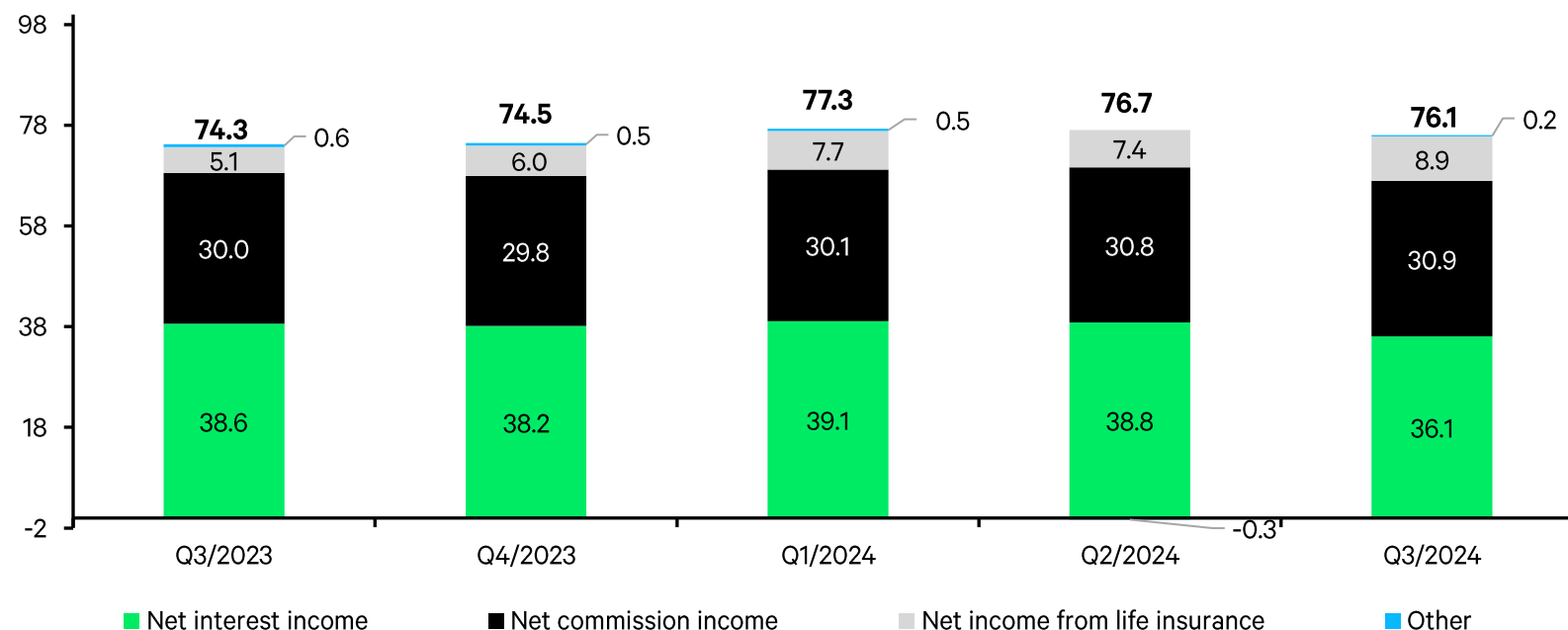
**) Excl. items affecting comparability

Stable operating income

- Net commission income was 3% higher than last year thanks to a higher net income from funds and card operations.
- Net income from life insurance was exceptionally good due to strong demand, low loss ratio and good investment performance.
- NII was 7% lower than last year due to the impact of differing corporate account rates and falling interest rates.

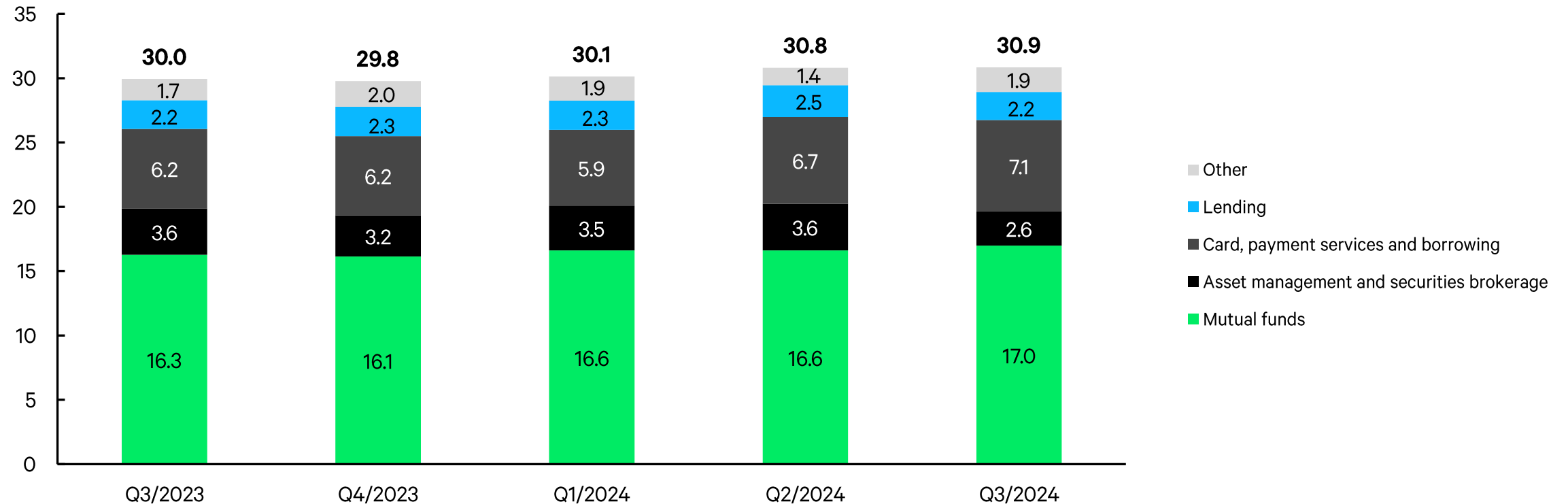
Comparable operating income, Q-o-Q

EUR million



Net commission income grew from last year

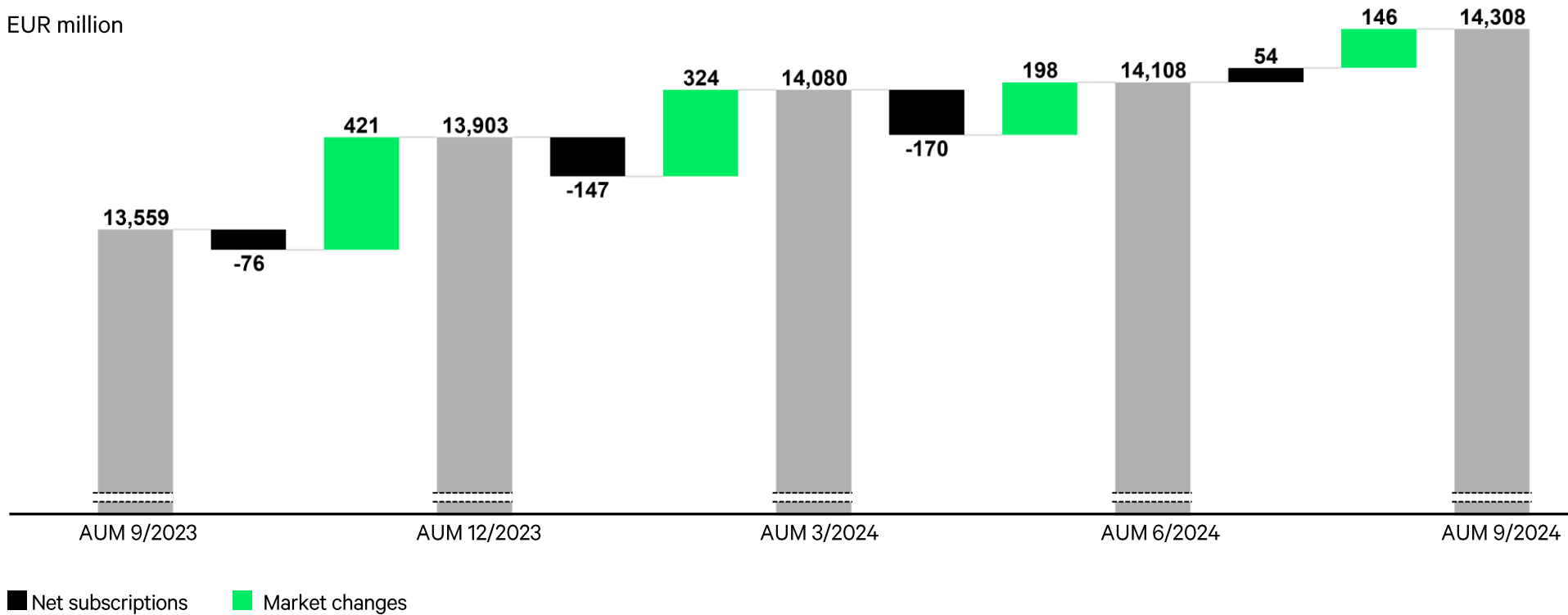
EUR million



AuM: net subscriptions and market changes

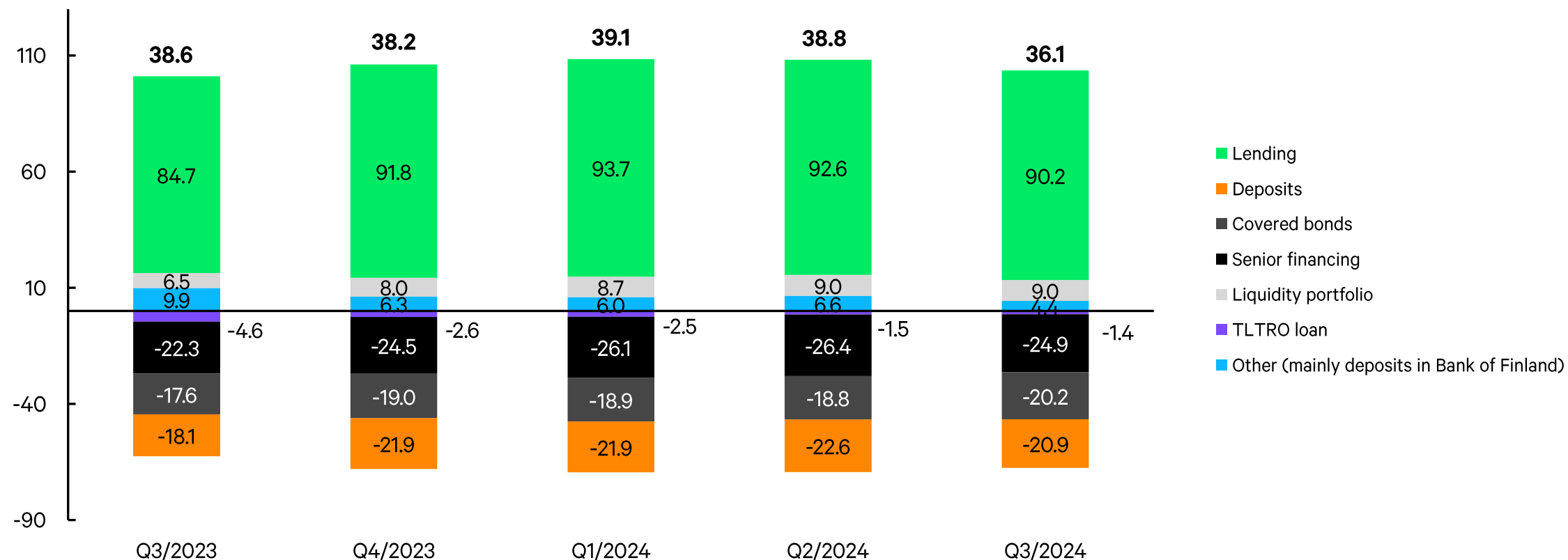
Total AuM, Q-o-Q

EUR million



Composition of the Group net interest income

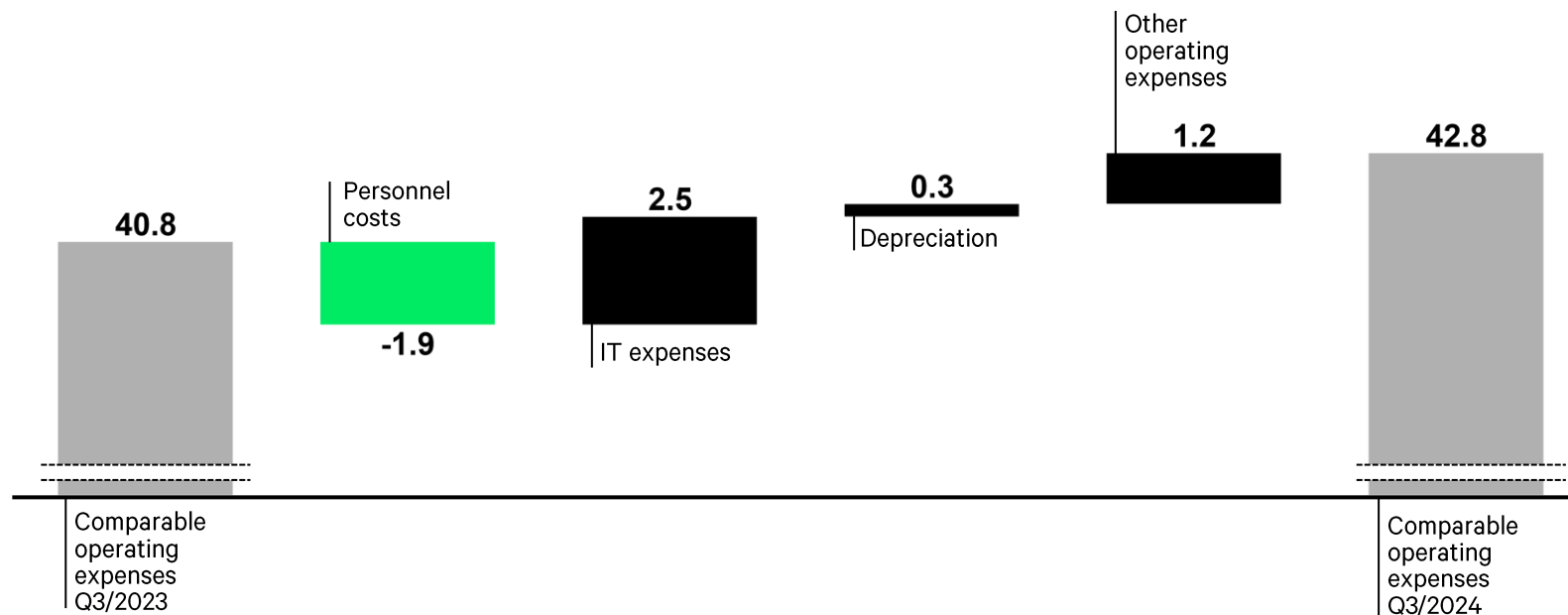
EUR million



Higher IT expenses, but lower personnel costs

- Comparable operating expenses increased by 5% due to increased IT investments.
- IT expenses increased due to continued investments in customer experience, banking system functionality, information security and regulatory processes.
- Personnel costs are under control and decreased.

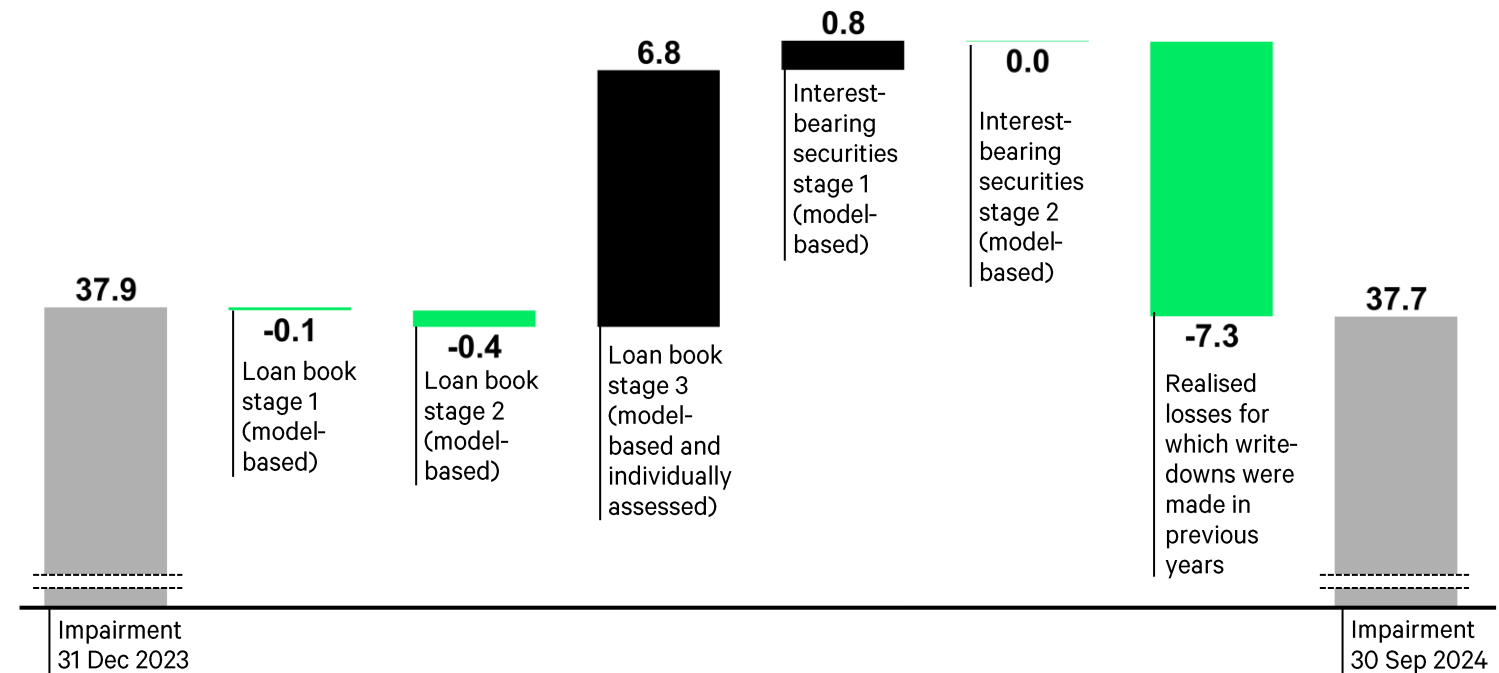
Comparable operating expenses Q3/2024 vs Q3/2023
EUR million



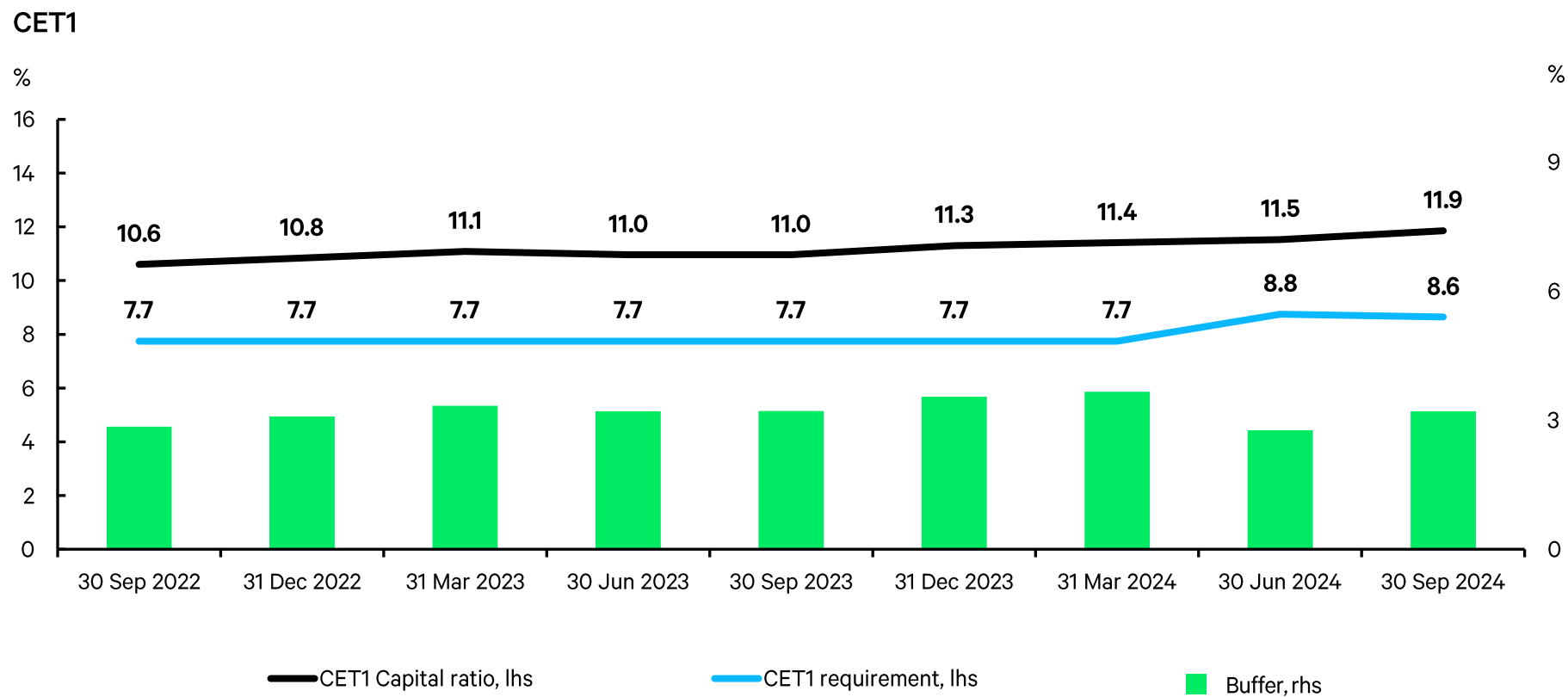
Credit loss provisions were EUR 1.8 million

- For the major part, our loan book consists of loans to households supported by residential or real estate securities.
- Credit loss provisions in Q3 (EUR 1.8 million) decreased compared to last year.
- Annualised net credit losses (8 bps) remained at a moderate level.

Change in expected credit losses (ECL) 1–9/2024
EUR million



CET1 ratio improved to 11.9%



Funding activities

- In September, Aktia successfully refinanced a callable Tier 2 EUR 70 million note with new EUR 70 million Tier 2 issue. The active investor work contributed to finding 35 investors predominantly from UK/Ireland, Nordics and France. The issue was 1.7 times oversubscribed.
- The liquidity situation at Aktia remained very strong (LCR 230% at the end of Q3).
- Aktia is monitoring the senior preferred private placement EUR market during Q4 to refinance redeeming debt including the last tranche of TLTRO in December.





Building wealth for our customers and society

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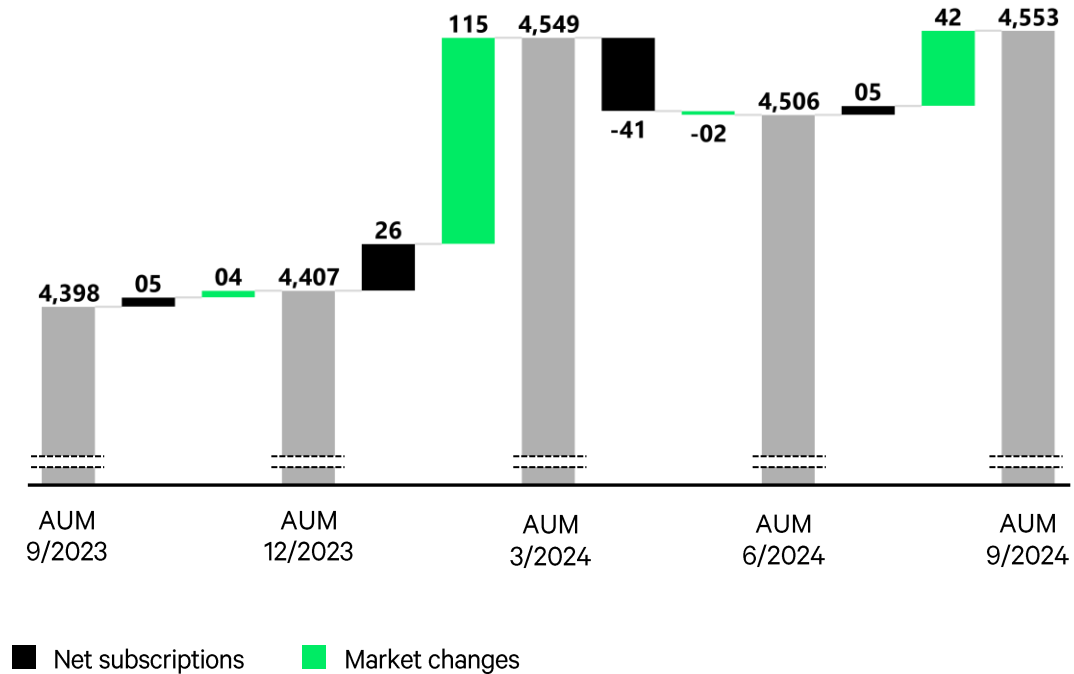
Aktia

Appendices

AuM: net subscriptions and market changes

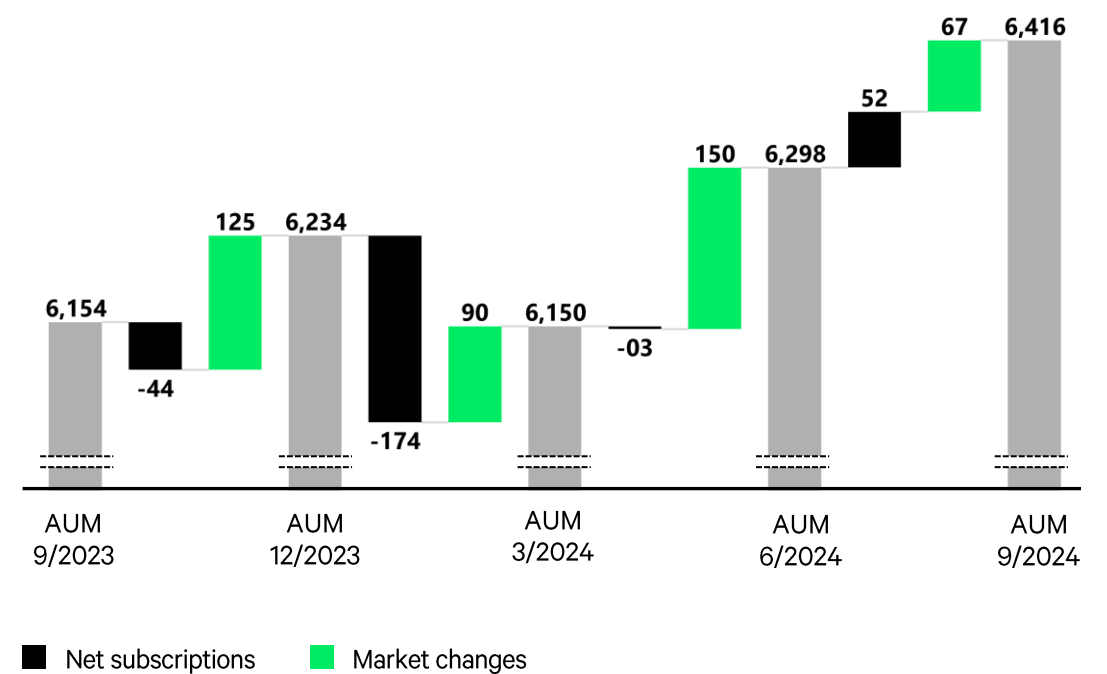
Asset Management, Private Banking Q-o-Q

EUR million



Asset Management, Domestic institutions Q-o-Q

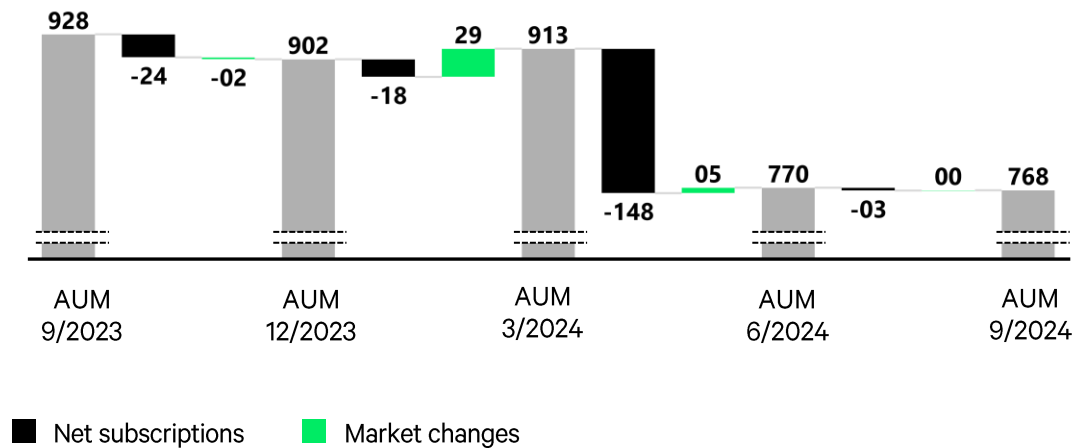
EUR million



AuM: net subscriptions and market changes

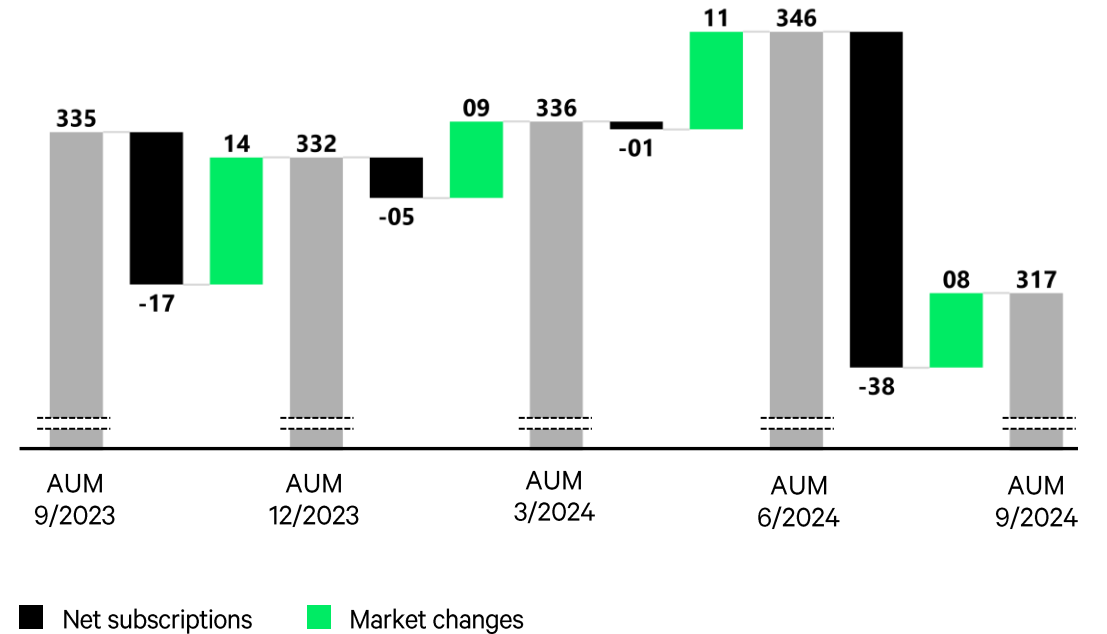
Asset Management, Aktia UI Q-o-Q

EUR million



Asset Management, External channels Q-o-Q

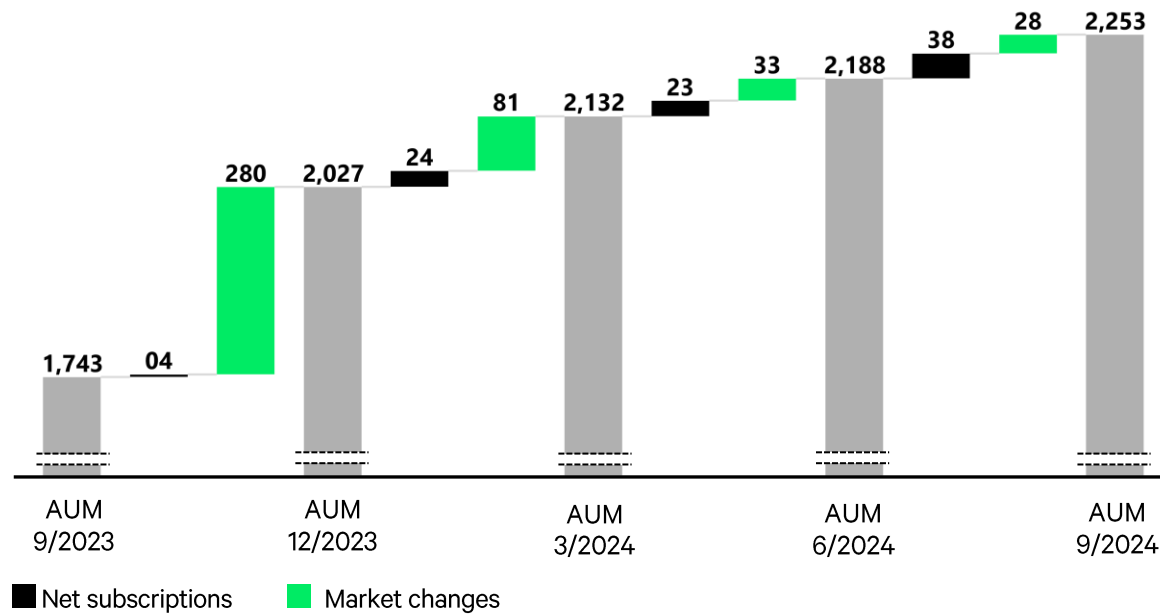
EUR million



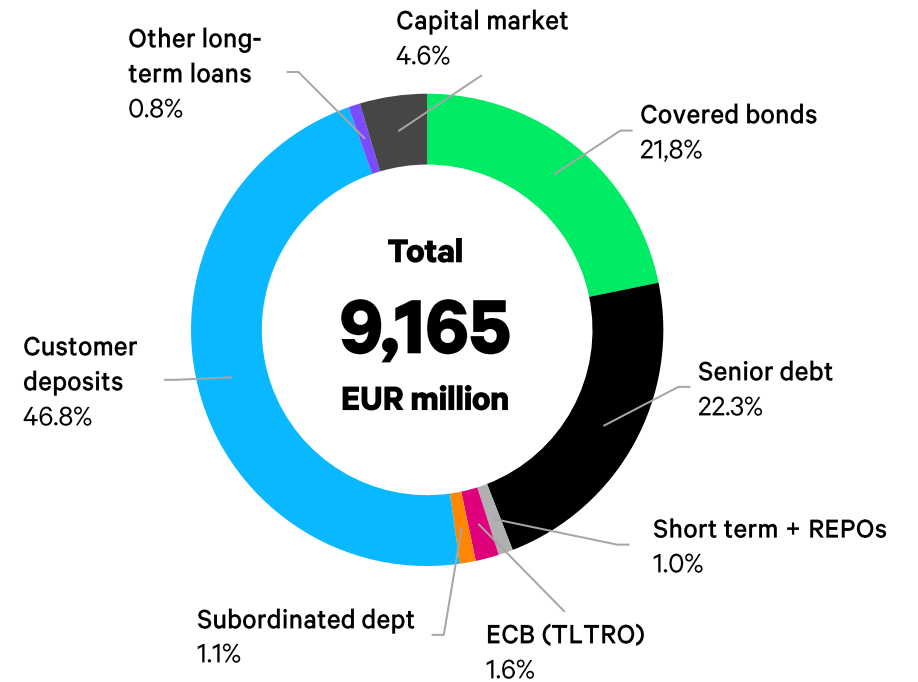
AuM: net subscriptions and market changes

Banking Business, Retail Q-o-Q

EUR million



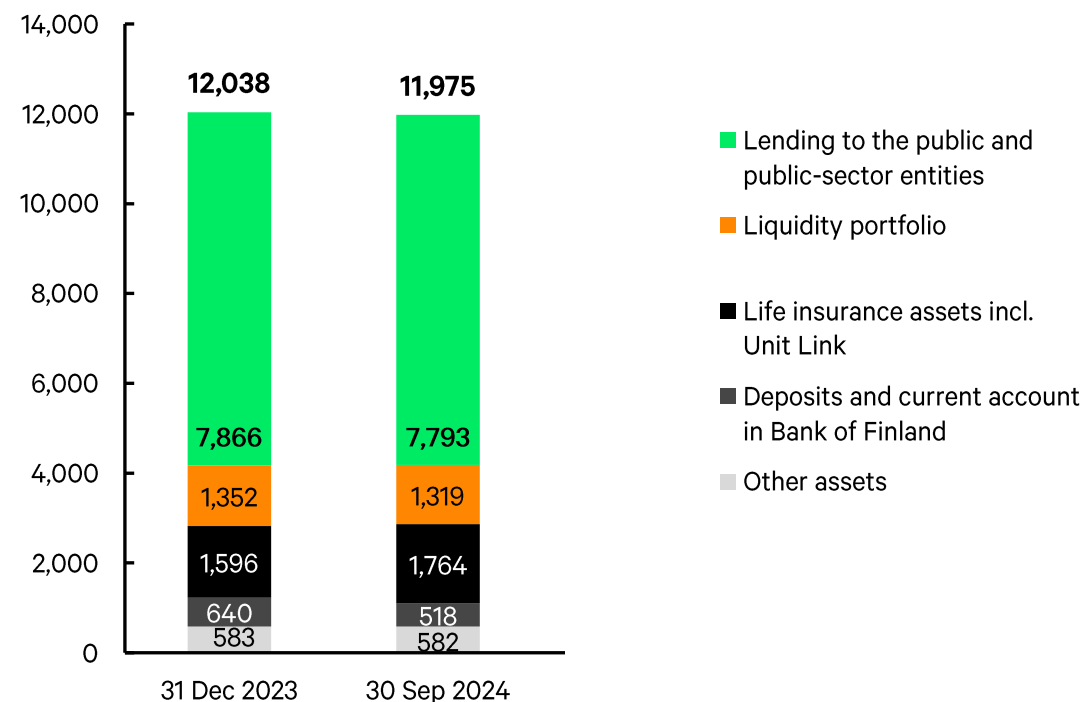
Sound funding profile



Balance sheet total EUR 11,975 million

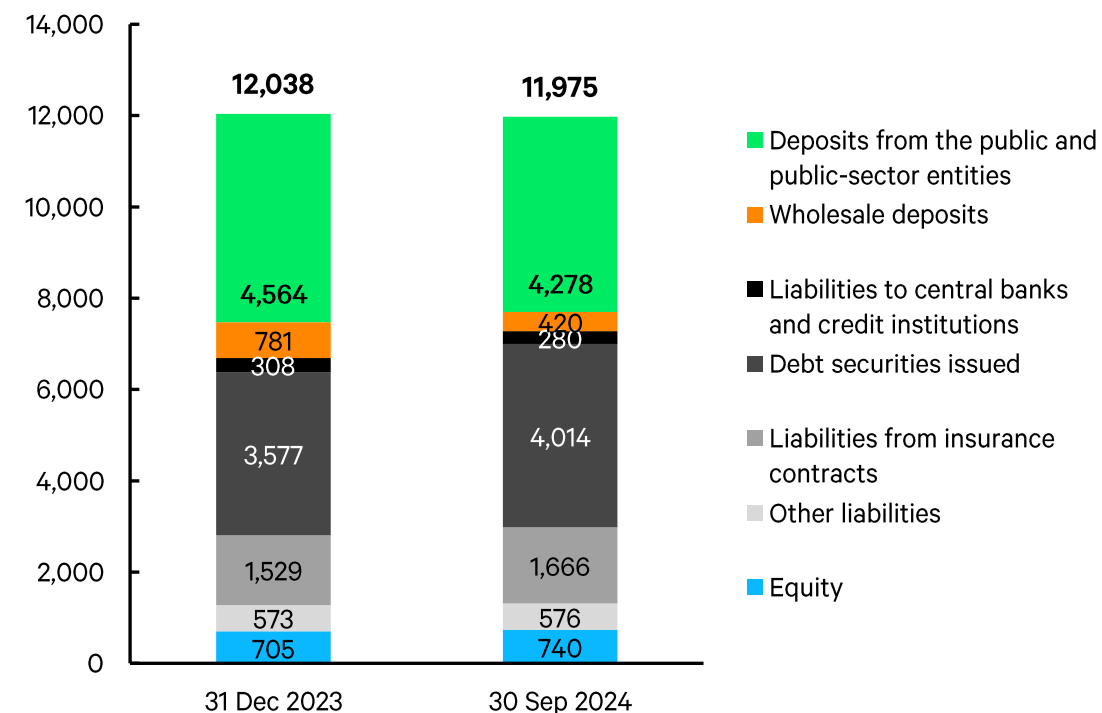
Total assets

EUR million



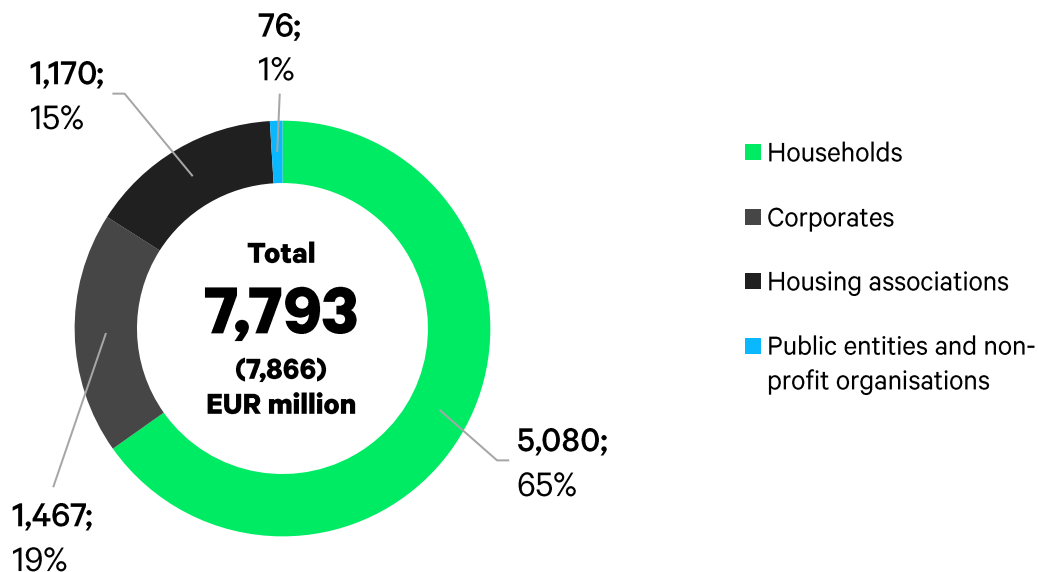
Total liabilities and equity

EUR million

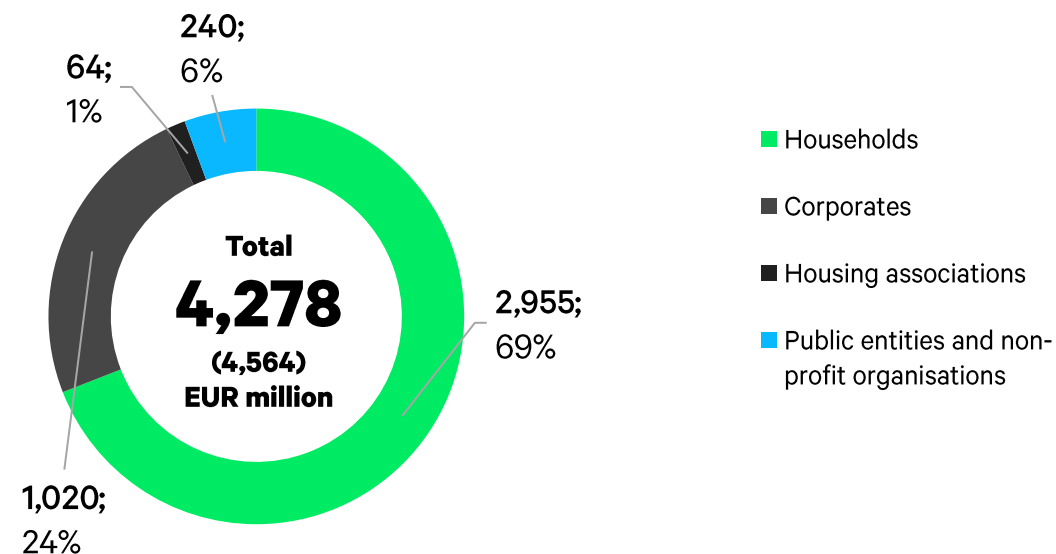


Households account for the majority of lending and deposits

Lending to the public and public sector entities



Deposits from the public and public sector entities



Aktia