

Research Update:

Aktia Bank PLC Outlook Revised To Negative On Significant Leadership Turnover; 'A-/A-2' Ratings Affirmed

September 18, 2025

Overview

- On Sept. 15, 2025, Finland-based Aktia Bank PLC (Aktia) announced that incoming CEO Carl Haglund will not be assuming the role.
- This follows the resignation of former CEO Aleksii Lehtonen in June 2025, after less than a year in the position, and recurring changes of top executive roles over the past two years.
- In our base case we assume that Aktia will maintain business continuity without any negative franchise spillover, we however think that there is a risk that these episodes may indicate a larger divide that could negatively affect the bank's business or risk position.
- Therefore, we revised our outlook on Aktia to negative from stable and affirmed our 'A-/A-2' long- and short-term issuer credit ratings.
- The negative outlook reflects that we could lower the ratings on Aktia if the high turnover of key leadership positions persisted, or if we saw tangible evidence of a negative spillover on the bank's franchise, strategic execution, or governance.

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Rating Action

On Sept. 18, 2025, S&P Global Ratings revised its outlook on Aktia Bank PLC to negative from stable and affirmed its 'A-/A-2' long- and short-term issuer credit ratings.

Rationale

The negative outlook reflects our view that the high leadership turnover could negatively affect Aktia's business or risk position. On Sept. 15, 2025, Aktia announced that incoming CEO Carl Haglund will not be assuming the role. This follows the resignation of former CEO Aleksii Lehtonen in June 2025, after less than a year at the position. We also note a material turnover within the bank's executive team, including within the wealth and asset management arm--which

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has seen four different presidents in the past five years--a still open chief risk officer position (CRO) and a recent change of CFO.

We have not yet observed any negative spillover on the bank's franchise or financial performance and in our base case we assume that Aktia will maintain business continuity.

Nonetheless, we see an increased risk that these episodes may be indicative of a larger divide that, over time, could negatively affect the bank's risk position or business volumes given Aktia's focus on more confidence sensitive asset and wealth management business with affluent individuals and institutions. In this regard, we expect more clarity over the next 12-24 months.

Aktia announced its updated strategy in early 2025. The change in leadership comes at a time when the bank has embarked on its 2025-2029 strategy, announced in February, which may slow execution. The acceleration program "Momentum" targets growth in private and premium banking, and asset management, and a sharpened focus on small and mid-sized enterprises. By 2029, the bank aims to increase its assets under management to €25 billion (€15.9 billion as of June 30, 2025), raise net commission income by 5% annually, and reach a comparable return on equity (ROE) of 15% by 2029.

The bank continues to deliver stable financial performance. In first-half 2025, Aktia reported annualized ROE of 11.9%, above its 2020-2024 average of 10.6%. In our base case, we forecast net income of €72 million-€78 million (€76 million in 2024) with ROE of 9%-11% which is higher than our expectation for its domestic peers. Similar to peers, Aktia's net interest income has weakened with lower interest rates and declined by 10% year on year as of second-quarter 2025. Still, we expect the bank's sound revenue diversification with asset management and insurance income of approximately 40%, alongside contained cost inflation including cost of risk, should continue to support its earnings generation.

We expect that Aktia will maintain strong risk-adjusted capitalization and additional loss-absorbing buffers. We forecast our risk-adjusted capital ratio will be about 12.5%-13.5% over 2025-2027, compared with 12.2% as of Dec. 31, 2024. This assumes annual dividends of 60% of net income and risk-weighted asset (RWA) growth of 1%-2% in 2025 and 3%-5% in 2026-2027, largely aligned with our loan growth forecast. We also expect that Aktia will maintain a sufficient buffer of bail-inable instruments above 4% of S&P Global Ratings' RWAs, including an adjustment for maturity concentration.

We now view governance factors as a moderately negative consideration in our credit rating analysis of Aktia bank. This is compared with our previous view of neutral because leadership turnover could negatively affect the bank's business or risk position.

Outlook

The negative outlook reflects significant turnover of leading executive positions at Aktia which, in a downside scenario, could negatively affect the bank's governance or customer franchise.

Even so, in our base case for the next 12-24 months, we anticipate that business stability will prevail, that the bank will remain profitable and well-capitalized, without any undue negative spillover from recent episodes.

Downside scenario

We could downgrade Aktia if high turnover of key leadership positions persisted, or if we saw tangible evidence of a negative effect on the bank's business and risk position. This could

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materialize, for example, if business volumes materially lowered or if we saw indications of an impaired capacity to diligently manage risks.

We could also lower the rating if we saw a lower likelihood that Aktia would sustain its additional loss-absorbing capacity above our adjusted 4% threshold.

Upside scenario

We could revise the outlook to stable if the recent turbulence proved temporary and Aktia maintained an intact business franchise and sound financial position.

Rating Component Scores

	To	From
Issuer Credit Rating	A-/Negative/A-2	A-/Stable/A-2
SACP	bbb+	bbb+
Anchor	a-	a-
Business position	Moderate (-1)	Moderate (-1)
Capital and earnings	Strong (1)	Strong (1)
Risk position	Moderate (-1)	Moderate (-1)
Funding and liquidity	Adequate and Adequate (0)	Adequate and Adequate (0)
Comparable ratings analysis	0	0
Support	1	1
ALAC support	1	1
GRE support	0	0
Group support	0	0
Sovereign support	0	0
Additional factors	0	0

SACP--Stand-alone credit profile. ALAC—Additional loss-absorbing capacity. GRE—Government-related entity.

Environmental, social, and governance (ESG) credit factors for this change in credit rating/outlook and/or CreditWatch status:

- Governance - other governance factors

Related Criteria

- [General Criteria: Hybrid Capital: Methodology And Assumptions](#), Feb. 10, 2025
- [Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology](#), April 30, 2024
- [Criteria | Financial Institutions | General: Financial Institutions Rating Methodology](#), Dec. 9, 2021
- [Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions](#), Dec. 9, 2021
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021

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- [General Criteria: Group Rating Methodology](#), July 1, 2019
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7, 2017
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

- [Banking Industry Country Risk Assessment Update: August 2025](#), Aug. 27, 2025
- [The Top Trends Shaping European Bank Ratings In 2025: Solid Positions, Growing Ambitions](#), Jan. 27, 2025
- [Banking Industry Country Risk Assessment: Finland](#), Nov. 7, 2024
- [Aktia Bank PLC](#), June 28, 2024
- [Finland-Based Aktia Bank PLC 'A-/A-2' Ratings Affirmed On Ongoing Buildup Of Bail-In-Able Buffers; Outlook Stable](#), Nov. 8, 2022

Ratings List

Ratings List

Ratings Affirmed; Outlook Action

	To	From
Aktia Bank PLC		
Issuer Credit Rating	A-/Negative/A-2	A-/Stable/A-2

Ratings Affirmed

Aktia Bank PLC		
Resolution Counterparty Rating	A/--/A-1	

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceid/504352>. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

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