

# Q3



# Stable quarterly result and positive trend in asset management

## The quarter in short

- **Comparable operating profit:** EUR 31.5 million, somewhat higher than last year (31.0).
- **Comparable cost/income ratio:** 0.56 (0.55).
- **Comparable return on equity (ROE):** 15.0 (15.8)%; the difference is mainly due to a higher average equity.
- **Net commission income:** 3% higher than last year thanks to higher net income from funds and card operations.
- **Assets under management:** Increased in the quarter, driven by positive net subscriptions and favourable market development.
- **Net interest income:** 7% lower than last year due to the impact of non-standard interest terms for certain corporate accounts and falling interest rates.
- **Net income from life insurance:** Strong development due to good sales, low loss ratio and good investment performance.
- **Comparable operating expenses:** Good cost control despite continued investments in IT.
- **Credit losses:** Provisions decreased compared to last year.
- **The share of assets under management classified as sustainable under Article 8/9** increased to 98.1% from 95.3% last year.

## 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.

(Published: 2 August 2024)

(EUR million)	Q3/2024	Q3/2023	Δ %	1-9/2024	1-9/2023	Δ %	Q2/2024	Δ %	1-12/2023
Net interest income	36.1	38.6	-7%	114.0	102.3	11%	38.8	-7%	140.4
Net commission income	30.9	30.0	3%	91.8	90.6	1%	30.8	0%	120.4
Net income from life insurance	8.9	5.1	74%	23.9	18.0	33%	7.4	21%	24.1
Total operating income	76.1	74.3	2%	230.1	212.9	8%	76.7	-1%	287.4
Operating expenses	-43.1	-40.8	6%	-129.3	-130.1	-1%	-44.8	-4%	-176.6
Impairment of credits and other commitments	-1.8	-2.3	-23%	-6.3	-4.5	39%	-1.8	-3%	-7.0
<b>Operating profit</b>	<b>31.2</b>	<b>31.0</b>	<b>1%</b>	<b>94.6</b>	<b>78.1</b>	<b>21%</b>	<b>30.1</b>	<b>4%</b>	<b>102.6</b>
Comparable operating income <sup>1</sup>	76.1	74.3	2%	230.1	212.7	8%	76.7	-1%	287.2
Comparable operating expenses <sup>1</sup>	-42.8	-40.8	5%	-127.7	-128.7	-1%	-44.1	-3%	-174.2
<b>Comparable operating profit <sup>1</sup></b>	<b>31.5</b>	<b>31.0</b>	<b>2%</b>	<b>96.2</b>	<b>79.2</b>	<b>21%</b>	<b>30.8</b>	<b>2%</b>	<b>104.8</b>
Cost-to-income ratio	0.57	0.55	3%	0.56	0.61	-8%	0.58	-3%	0.61
Comparable cost-to-income ratio <sup>1</sup>	0.56	0.55	3%	0.55	0.61	-8%	0.57	-2%	0.61
Earnings per share (EPS), EUR	0.34	0.33	3%	1.05	0.85	23%	0.33	3%	1.12
Comparable earnings per share (EPS), EUR <sup>1</sup>	0.34	0.33	4%	1.06	0.86	23%	0.34	1%	1.15
Return on equity (ROE), %	14.9	15.8	-0.9 *	15.3	13.7	1.6 *	14.5	0.3 *	13.3
Comparable return on equity (ROE), % <sup>1</sup>	15.0	15.8	-0.8 *	15.6	13.9	1.7 *	14.9	0.1 *	13.6
Common Equity Tier 1 capital ratio (CET1), % <sup>2</sup>	11.9	11.0	0.9 *	11.9	11.0	0.9 *	11.5	0.4 *	11.3

1) Alternative performance measures

2) At the end of the period

\*) The change is calculated in percentage points

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

The Interim report January–September 2024 is a translation of the original Swedish version "Delårsrapport 1.1–30.9.2024". In case of discrepancies, the Swedish version shall prevail.

# CEO's comments

I have said in various contexts that only a company with thriving employees can have genuinely satisfied customers. During the year, we have seen the results of Aktia's employee surveys moving in the right direction. Therefore, it is not surprising – but all the more pleasing – that we have also seen a significant improvement in customer satisfaction.

The very comprehensive EPSI Rating study, published in the third quarter, shows how our customer satisfaction develops and where we stand compared to the sector. Aktia has improved significantly in all the sub-areas covered by the EPSI study, and our overall result is now very close to the “very satisfied” threshold. This year, Aktia was the bank improving the most in the ranking. The study shows that our customers to a large extent are also likely to recommend Aktia.

I am happy and grateful for this feedback and especially for the fact that our customers explicitly feel appreciated and cared for. This is in line with the direct feedback I have received when attending customer meetings: Aktia's customers appreciate personal service and there exists a strong trust. My message regarding both employee and customer satisfaction is the same: we are moving in the right direction, but there is still work to be done. We can become even better, and we need to prove ourselves worthy of our customers' confidence every day.

As an asset manager, customer confidence is of the utmost importance to us in our aim to be the best partner for those who want to increase their wealth over time. We fulfil our purpose, to create wealth, by thinking further with our customers and always making sure that our customers have a good wealth plan. Managing and increasing wealth in a well-planned way is to act responsibly, not only for ourselves, but also for those close to us. It should also be noted that a large part of the wealth in Finland will be transferred to the next generation within a decade, which requires a great deal of planning.

## Continued stable performance

The financial result remained stable in the third quarter. The comparable operating profit of EUR 31.5 million was well in line with the two previous quarters of 2024 and was 2% higher than in the third quarter of 2023, which was the best quarter last year performance-wise. Our comparable return on equity (ROE) was 15% and the comparable cost-to-income ratio was 0.56 – both again at a better level than our long-term objectives of ROE of at least 12% and cost-to-income ratio below 0.60.

The good result was driven by higher net commission income, strong net income from life insurance and continued cost control. On the other hand, the net interest income for the quarter was still partly burdened by the non-standard corporate interest rates announced in July. We

revised the accounts in the third quarter, and the terms for corporate accounts are now up to date.

## Positive net subscriptions and improvement in the housing market

The positive development in asset management continued. I am very pleased that customer assets under management continued to increase and especially that net subscriptions were positive during the quarter. Overall, the inflow into Aktia's own funds has been strong this year and in September, Aktia Fund Management Company was among the best in Finland measured in net subscriptions. The fact that a significant proportion of investments are made in insurance wrappers shows that capitalisation redemption contracts and unit-linked insurance play an important role in our customers' investment solutions. There is a clear confidence in Aktia's investment solutions, and the best recognition we can get is when customers trust us to manage their wealth.

There are also encouraging signs in the housing market, and we have noted a growing trend in the number of loan applications, which started to pick up in the summer. In the third quarter, we already saw growth in the loan book among Premium and Private banking customers, although the total loan book decreased slightly as a result of amortisations.

## Value creation through updated strategy

As I have mentioned earlier, we are currently reviewing the Group's overall strategy and long-term financial objectives. Our current strategy period extends to 2025, and now is the time to reflect and choose our priorities for the coming years. The work is progressing well and we look forward to being able to tell about our strategic priorities in more detail. However, the purpose of our activities remains the same: to create prosperity – for our customers, employees, owners, and society as a whole.



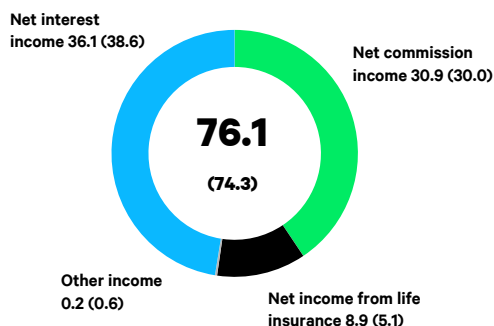
Helsinki, 6 November 2024

**Aleksii Lehtonen**

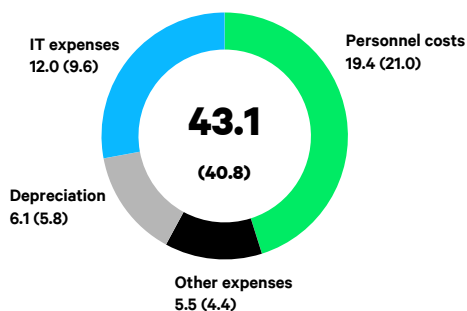
CEO

# Profit and balance

## Operating income Q3/2024 (EUR million)



## Operating expenses Q3/2024 (EUR million)



## Profit Q3/2024

(EUR million)	Q3/2024	Q3/2023	Δ%
Operating profit	31.2	31.0	1%
Items affecting comparability	0.3	—	—
<b>Comparable operating profit</b>	<b>31.5</b>	<b>31.0</b>	<b>2%</b>

## Operating income

(EUR million)	Q3/2024	Q3/2023	Δ%
Net interest income	36.1	38.6	-7%
Dividends	0.1	0.0	779%
Net commission income	30.9	30.0	3%
Net income from life insurance	8.9	5.1	74%
Net income from financial transactions	-0.1	0.5	—
Other operating income	0.2	0.1	87%
<b>Total operating income</b>	<b>76.1</b>	<b>74.3</b>	<b>2%</b>

**Net interest income** decreased by EUR 2.5 million, which is mainly explained by a one-off item in the quarter related to a number of corporate accounts with non-standard interest terms. These accounts have been closed or renegotiated during the third quarter, and the new terms took effect on 1 October 2024.

**Net commission income** was higher than last year due to higher net income from funds and card operations.

**Net income from life insurance** was exceptionally good thanks to good sales, a low loss ratio, declining market interest rates that reduced the loss component for interest-bearing insurance contracts, and a good result from investment activities.

## Operating expenses

(EUR million)	Q3/2024	Q3/2023	Δ%
Personnel costs	19.4	21.0	-8%
IT expenses	12.0	9.6	26%
Depreciation of tangible and intangible assets	6.1	5.8	5%
Other operating expenses	5.5	4.4	27%
<b>Total operating expenses</b>	<b>43.1</b>	<b>40.8</b>	<b>6%</b>

**Comparable personnel costs** decreased by 9% due to lower running costs and reduced accruals for variable remuneration.

**IT expenses** are still at a higher level than in the comparable quarter last year due to continued investments in customer experience, functionality of the banking system, information security, and processes required by regulation.

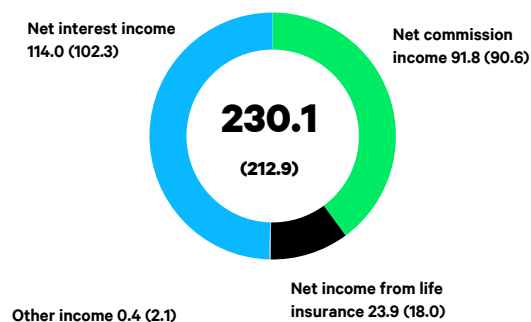
**Other operating expenses** increased mainly due to higher costs for purchased services.

## Other items

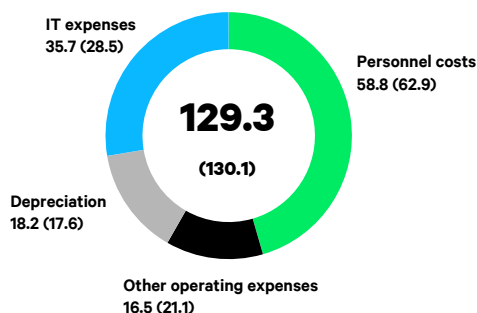
(EUR million)	Q3/2024	Q3/2023	Δ%
Impairment of tangible and intangible assets	—	-0.2	-100%
Impairment of credits and other commitments	-1.8	-2.3	-23%
Share of profit from associated companies	0.0	0.0	—
<b>Total</b>	<b>-1.8</b>	<b>-2.5</b>	<b>-29%</b>

**Impairment of credits and other commitments** decreased thanks to lower model-based ECL impairments compared to the third quarter last year. The individual impairments were EUR 0.4 million higher than last year.

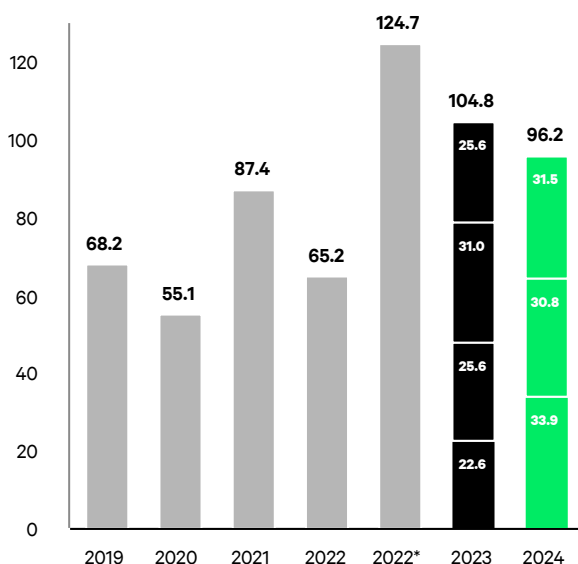
## Operating income January–September 2024 (EUR million)



## Operating expenses January–September 2024 (EUR million)



## Comparable operating profit 2019–2024 (EUR million)



\*) Recalculated according to the accounting standard IFRS 17

## Profit January–September 2024

(EUR million)	Jan–Sep 2024	Jan–Sep 2023	Δ%
Operating profit	94.6	78.1	21%
Items affecting comparability	1.6	1.1	50%
<b>Comparable operating profit</b>	<b>96.2</b>	<b>79.2</b>	<b>21%</b>

## Operating income

(EUR million)	Jan–Sep 2024	Jan–Sep 2023	Δ%
Net interest income	114.0	102.3	11%
Dividends	0.3	0.1	294%
Net commission income	91.8	90.6	1%
Net income from life insurance	23.9	18.0	33%
Net income from financial transactions	-0.5	1.4	—
Other operating income	0.5	0.6	-16%
<b>Total operating income</b>	<b>230.1</b>	<b>212.9</b>	<b>8%</b>

**Net interest income** remained at a good level. The net interest income from lending increased, mainly due to the loan book's higher reference interest rates and improved customer margins. The interest expense from borrowing and senior financing increased due to higher short-term market interest rates. Net interest income from the liquidity portfolio increased by 82% thanks to higher reference interest rates and hedging measures.

**Net income from life insurance** was EUR 5.9 million higher than last year thanks to both a good result from the insurance business and from the investment activities. The positive development in the insurance business is mainly due to good sales and a lower loss ratio than last year.

**Comparable net income from financial transactions** decreased by EUR 1.6 million mainly due to model-based expected credit loss (ECL) impairments of EUR -0.6 (0.6) million on the bank's interest-bearing securities.

## Operating expenses

(EUR million)	Jan–Sep 2024	Jan–Sep 2023	Δ%
Personnel costs	58.8	62.9	-6%
IT expenses	35.7	28.5	25%
Depreciation of tangible and intangible assets	18.2	17.6	3%
Other operating expenses	16.5	21.1	-21%
<b>Total operating expenses</b>	<b>129.3</b>	<b>130.1</b>	<b>-1%</b>

**Comparable personnel costs** decreased by 7% mainly due to a lower running cost level and higher capitalised costs for development projects.

**Comparable IT expenses** increased by 24% following investments in customer experience, functionality of the banking system, information security and processes required by regulation, as well as inflation.

**Other operating expenses** decreased mainly due to no contribution being collected for the stability fund for 2024,

whereas the stability contribution in 2023 was EUR 4.3 million. Expenses from marketing and purchased services were also lower than last year.

#### Other items

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ%
Impairment of tangible and intangible assets	—	-0.2	-100%
Impairment of credits and other commitments	-6.3	-4.5	39%
Impairment of other receivables	—	-0.1	-100%
Share of profit from associated companies	0.1	0.1	1%
<b>Total</b>	<b>-6.2</b>	<b>-4.8</b>	<b>30%</b>

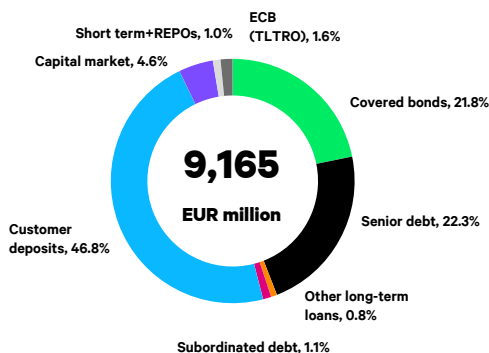
**Impairment of credits and other commitments** remained moderate thanks to the good quality of the loan book. However, individual impairments increased by EUR 2.9 million.

### Balance sheet and off-balance sheet commitments

**The balance sheet total** decreased to EUR 11,975 (12,038) million. Off-balance sheet commitments, consisting of credit limits, other loan promises, and bank guarantees, increased marginally to EUR 624 (617) million.

**The Group's funding** is well balanced between retail and institutional funding sources, and the shares are presented below according to nominal values.

#### The Group's funding structure 30 September 2024



### Borrowing

**Borrowing from the public and public-sector entities (deposits)** decreased by 6% from year-end to EUR 4,278 (4,564) million.

**A covered bond** of EUR 500 million with a maturity of 5.4 years was issued in May. It was oversubscribed approximately four times and was priced competitively despite the competitive market situation.

**New long-term senior preferred loans** of EUR 295 million were issued during the period, carried out to repay matured senior loans of EUR 362 million.

**The covered bond issued for own use** of EUR 300 million and the **TLTRO III loan** of EUR 100 million were repaid during the period.

Aktia Bank issued a new **Tier 2 loan** of EUR 70 million which replaced a Tier 2 loan of an equivalent amount that was repaid on its call date at the end of September. Additionally, during the first quarter, Aktia issued a new Tier 2 loan of EUR 31 million with the aim of strengthening the capital base.

### Lending

**Lending to the public and public-sector entities** decreased marginally from the year-end. New lending to private customers increased to EUR 657 (575) million, while new lending to corporate customers decreased to EUR 417 (637) million.

**The housing loan book** decreased by EUR 46 million to EUR 5,221 (5,346) million, of which the share of households was EUR 4,017 (4,094) million.

#### Loan book by sector

(EUR million)	30 Sep 2024	31 Dec 2023	Δ	Share, %
Households	5,080	5,154	-74	65.2%
Corporates	1,467	1,416	51	18.8%
Housing companies	1,170	1,230	-60	15.0%
Non-profit organisations	66	59	7	0.8%
Public sector entities	10	7	3	0.1%
<b>Total</b>	<b>7,793</b>	<b>7,866</b>	<b>-73</b>	<b>100.0%</b>

### Equity

**Equity** increased to EUR 740 (705) million. The fund at fair value increased to EUR -28 (-39) million and the profit for the period amounted to EUR 76 million. Dividend amounting to EUR 51 million was paid to the shareholders in April.

**A directed share issue without payment** of 152,000 shares, which were used for compensation payments as part of the company's share-based incentive programmes, was carried out in February 2024. In May, a total of 79,642 shares were issued as part of the share saving plan AktiaUna. The values of the issued shares were recognised in the unrestricted equity reserve.

## Fund at fair value

(EUR million)	30 Sep 2024	31 Dec 2023	Δ
Interest-bearing securities, Aktia Bank	-20.7	-28.3	7.6
Interest-bearing securities, Aktia Life Insurance	-9.1	-10.0	1.0
Cash flow hedging, Aktia Bank	1.6	-0.7	2.3
<b>Total</b>	<b>-28.1</b>	<b>-39.0</b>	<b>10.9</b>

## Assets under management

**Customer assets** under management comprise managed and brokered mutual funds as well as managed capital.

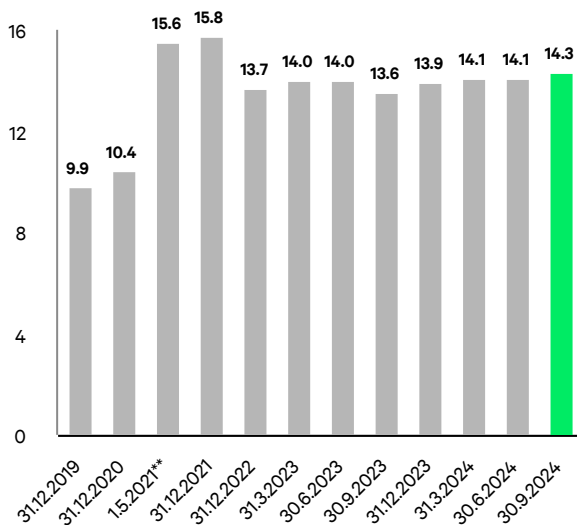
**Group financial assets** include the Bank Group's liquidity portfolio and the life insurance company's investment portfolio.

### Customer and group financial assets

(EUR million)	30 Sep 2024	31 Dec 2023	Δ%
Customer assets under management (AuM)*	14,308	13,903	3%
Group financial assets	2,252	2,397	-6%
<b>Total</b>	<b>16,559</b>	<b>16,300</b>	<b>2%</b>

\*) Excluding fund in funds

### Customer assets under management (AuM) excluding custody assets 2019–2024 (EUR billion)\*

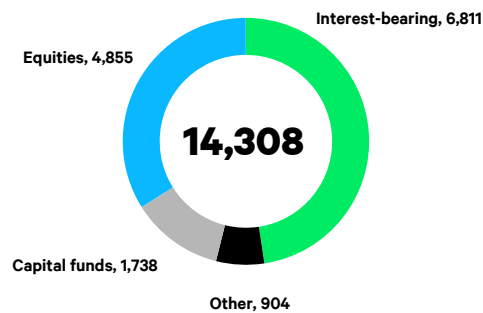


\*) Assets under management presented in the table reflect net volumes, so that assets under management included in multiple companies or funds have been eliminated.

\*\*\*) Following the acquisition of Taaleri's wealth management operations on 1 May 2021, the group's assets under management (AuM) increased by EUR 4.7 billion.

Customer assets under management (AuM) have been extended with some products from 2024. The comparison figures have been recalculated to correspond to the change from 2022.

## Customer assets (AuM) by asset class (EUR million)



# Segment overview

The Group's operations are divided into four reporting business segments: Banking Business, Asset Management, Life Insurance and Group Functions.

## Banking Business

*The segment comprises household and corporate customers of the banking business excluding Private Banking. Aktia's private customers are provided a wide range of financing, insurance, savings as well as investment products and services through various channels. Aktia's corporate business provides services to companies and organisations, from micro-sized companies and associations to listed companies, as well as other banking services than asset management to institutional customers.*

- Aktia's total result in the 2024 EPSI survey increased significantly. The result improved particularly in the areas which we have systematically invested in. We have shortened waiting times and improved accessibility in various communication channels.
- Sales of investment solutions remained strong. Net subscriptions exceeded EUR 15 million.
- The total private customer loan book decreased slightly. However, the loan book increased within the customer groups that are in line with our strategy, in particular Premium and Private Banking customers.
- In corporate banking, the strong growth in hire purchase and leasing financing continued. The total loan book margin continued to increase, and the quality of the loan book remained good. During the third quarter, we also launched corporate credit insurance, expanding the range of working capital solutions.

### Result for Q3/2024

(EUR million)	Q3/2024	Q3/2023	Δ%
Net interest income	34.7	42.7	-19%
Net commission income	14.7	14.8	0%
Other operating income	0.2	0.1	157%
Operating income	49.6	57.5	-14%
Operating expenses	-25.6	-24.3	5%
Impairments	-1.8	-2.3	-23%
<b>Operating profit</b>	<b>22.3</b>	<b>31.0</b>	<b>-28%</b>
<b>Comparable operating profit</b>	<b>22.3</b>	<b>31.0</b>	<b>-28%</b>

**Net interest income** development was negative despite the fact that interest income from lending increased by 4% to EUR 83.8 (80.7) million. Interest expenses for deposits increased more than the income in the quarter due to a one-off item regarding the interest rate corrections in corporate accounts. The interest expense on internal financing was also higher than last year. A large part of the housing loan book is tied to the 12-month Euribor, which was noted at 2.75% at the end of quarter, i.e. 1.48 percentage points lower than at the end of the corresponding quarter last year.

**The loan book** decreased by 2% from year-end to EUR 7,474 (7,631) million.

**Borrowing from the public and public sector entities** decreased by 1% to EUR 3,833 (3,890) million.

**Net commission income** remained at the same level as in the corresponding quarter last year.

**Customer assets under management** increased by 10% from year-end to EUR 2,233 million.

**Operating expenses** were kept under control, although IT costs increased.

**Credit losses** were lower than in the corresponding quarter last year.

## Asset Management

*The segment includes asset management business as well as Private Banking and provides asset management to institutional investors, as well as a wide range of investment products to be distributed in Aktia's and external partners' sales channels.*

- Customer assets under management increased in the third quarter driven by positive net sales and favourable market development.
- Net subscriptions to institutions remained strongly positive, mainly for fixed income funds and discretionary asset management agreements. Private Banking customers' net subscriptions were also positive.
- Aktia Debt Fund II, launched in June, raised a total of EUR 37.9 million in investment commitments during the initial subscription period. Debt Fund II is a fund of funds established in cooperation with Oaktree Capital Management.
- We have purposefully strengthened the service and management model for institutional customers and further developed international business, for example by strengthening the distribution network.



## Result for Q3/2024

(EUR million)	Q3/2024	Q3/2023	Δ%
Net interest income	2.9	4.7	-38%
Net commission income	16.5	15.6	6%
Other operating income	0.0	0.0	-2%
Operating income	19.4	20.3	-4%
Operating expenses	-13.5	-12.9	5%
<b>Operating profit</b>	<b>6.0</b>	<b>7.4</b>	<b>-19%</b>
<b>Comparable operating profit</b>	<b>6.2</b>	<b>7.4</b>	<b>-15%</b>

## Customer assets under management

(EUR million)	30 Sep 2024	31 Dec 2023	Δ%
Customer assets under management*	12,054	11,877	1%
of which institutional assets	7,438	7,872	-6%

\*) Excluding fund in funds

**Net commission income** was higher than last year thanks to higher income from investment funds. Equity funds accounted for the single largest increase and revenues also increased for fixed income and mixed funds. Net commission income was also positively affected by internal income allocations.

**Customer assets under management** increased by EUR 178 million from year-end. Net subscriptions for the quarter totalled EUR 16 million.

**Operating income** decreased due to a lower **net interest income** mainly as a result of a lower deposit stock than in the corresponding quarter last year.

**Comparable operating expenses** increased by EUR 0.3 million. The increase is due to one-off customer compensations and increased allocated IT costs. Personnel costs decreased due to a lower number of employees.

## Life Insurance

*The segment includes the Life Insurance business area, which operates in risk life insurance and manages and sells an extensive range of investment-linked insurance products to be distributed in Aktia's and external partners' sales channels. As security for its customer liabilities, Aktia Life Insurance Ltd has investment assets.*

- Risk life insurance sales remained at a good level.
- Sales of investment-linked insurances were also good, and the result was positively impacted by favourable market development.
- The net investment result, including insurance finance result and income from investment activities, was strong thanks to good investment portfolio returns.

## Result for Q3/2024

(EUR million)	Q3/2024	Q3/2023	Δ%
Insurance service result	5.5	2.8	96%
Result from investment contracts	2.3	2.1	11%
Net investment result	2.4	1.0	144%
Net income from life insurance	10.3	5.9	73%
Operating expenses	-2.6	-2.4	9%
<b>Operating profit</b>	<b>7.7</b>	<b>3.6</b>	<b>116%</b>
<b>Comparable operating profit</b>	<b>7.7</b>	<b>3.6</b>	<b>116%</b>

**The insurance service result** was exceptionally good mainly due to a low loss ratio and a positive result for loss-making interest-bearing insurance contracts as the assumptions for future customer compensations were reduced as a result of falling market rates.

**The investment-linked insurance book**, which includes both investment and insurance contracts, increased by 3% to EUR 1,296 million during the quarter. The increase is driven by good sales as well as favourable market development.

**The contractual service margin (CSM)**, which in liabilities from insurance contracts represents the future profit that the company expects to earn on the insurance contracts, decreased by EUR 11 million during the quarter due to changed assumptions about future risk insurance repurchase agreements.

**The solvency ratio** declined by 4.9 percentage points in the quarter, mainly due to changes in risk insurance repurchase assumptions.

## Group Functions

The Group Functions comprise the Group's centralised functions. The entities oversee the Group's financing and liquidity management and assist the other business segments with sales, IT and product support and development. The Group Functions are also responsible for monitoring and controlling risk and financial follow-up.

### Result for Q3/2024

(EUR million)	Q3/2024	Q3/2023	Δ%
Operating income	-0.6	-6.8	-92%
Operating expenses	-4.2	-3.9	8%
<b>Operating profit</b>	<b>-4.8</b>	<b>-10.9</b>	<b>-56%</b>
<b>Comparable operating profit</b>	<b>-4.8</b>	<b>-10.9</b>	<b>-56%</b>

**Operating income** for the third quarter increased thanks to a higher net interest income than in the corresponding quarter last year. The improvement in net interest income is due to higher interest income from the liquidity portfolio and lower interest expenses on TLTRO loans.

**Operating expenses** are presented as net figures after costs allocated to business segments. Comparable gross expenses increased by 10% to EUR 24.7 (22.4) million, mainly due to higher IT expenses.

## Group's segment reporting

(EUR million)	Banking Business		Asset Management		Life Insurance		Group Functions		Other & eliminations		Total Group	
	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Sep 2024	Jan-Sep 2023
<b>Income statement</b>												
Net interest income	117.5	104.3	10.4	12.6	—	—	-14.7	-15.0	0.7	0.4	114.0	102.3
Net commission income	43.6	44.2	49.9	47.8	—	—	4.4	4.6	-6.1	-6.0	91.8	90.6
Net income from life insurance	—	—	—	—	26.6	20.3	—	—	-2.6	-2.2	23.9	18.0
Other income	0.3	0.4	0.2	0.1	—	—	0.2	2.0	-0.3	-0.5	0.4	2.1
<b>Total operating income</b>	<b>161.4</b>	<b>148.9</b>	<b>60.5</b>	<b>60.5</b>	<b>26.6</b>	<b>20.3</b>	<b>-10.1</b>	<b>-8.4</b>	<b>-8.3</b>	<b>-8.3</b>	<b>230.1</b>	<b>212.9</b>
Personnel costs	-10.9	-13.1	-14.6	-16.3	-1.9	-1.8	-31.4	-31.7	—	0.0	-58.8	-62.9
Other expenses <sup>1</sup>	-65.7	-64.1	-24.9	-23.9	-6.0	-5.4	17.5	18.4	8.5	8.0	-70.4	-67.1
<b>Total operating expenses</b>	<b>-76.6</b>	<b>-77.2</b>	<b>-39.5</b>	<b>-40.2</b>	<b>-7.9</b>	<b>-7.2</b>	<b>-13.9</b>	<b>-13.4</b>	<b>8.5</b>	<b>8.0</b>	<b>-129.3</b>	<b>-130.1</b>
Impairment of tangible and intangible assets	—	—	—	—	—	—	—	-0.2	—	—	—	-0.2
Expected credit losses and impairment of credits and other commitments	-6.3	-4.5	—	—	—	—	—	—	—	—	-6.3	-4.5
Impairment of other receivables	—	—	—	-0.1	—	—	—	—	—	—	—	-0.1
Share of profit from associated companies	—	—	—	—	—	—	—	—	0.1	0.1	0.1	0.1
<b>Operating profit</b>	<b>78.5</b>	<b>67.2</b>	<b>21.0</b>	<b>20.2</b>	<b>18.7</b>	<b>13.1</b>	<b>-23.9</b>	<b>-22.0</b>	<b>0.3</b>	<b>-0.3</b>	<b>94.6</b>	<b>78.1</b>
<b>Comparable operating profit</b>	<b>79.0</b>	<b>67.6</b>	<b>21.9</b>	<b>20.9</b>	<b>18.7</b>	<b>13.1</b>	<b>-23.8</b>	<b>-22.1</b>	<b>0.3</b>	<b>-0.3</b>	<b>96.2</b>	<b>79.2</b>
<b>Balance sheet</b>												
Financial assets measured at fair value	—	—	0.0	0.0	1,666.3	1,497.9	941.7	920.9	0.0	0.0	2,607.9	2,418.7
Cash and balances with central banks	0.4	0.6	—	—	—	—	66.9	91.1	—	0.0	67.3	91.8
Interest-bearing securities measured at amortised cost	—	—	—	—	37.6	37.6	388.2	450.9	—	—	425.8	488.4
Loans and other receivables	7,474.2	7,639.0	374.2	284.7	21.6	26.9	548.6	635.2	-20.0	-23.7	8,398.5	8,562.1
Other assets	67.7	61.9	54.6	53.3	111.9	114.0	325.1	326.4	-84.0	-79.0	475.4	476.7
<b>Total assets</b>	<b>7,542.3</b>	<b>7,701.5</b>	<b>428.8</b>	<b>338.0</b>	<b>1,837.3</b>	<b>1,676.5</b>	<b>2,270.5</b>	<b>2,424.5</b>	<b>-104.0</b>	<b>-102.6</b>	<b>11,974.9</b>	<b>12,037.7</b>
Deposits	3,852.2	3,910.0	472.2	712.4	—	—	178.6	274.0	-20.0	-23.7	4,483.0	4,872.6
Debt securities issued	—	—	—	—	—	—	4,014.0	3,577.3	—	—	4,014.0	3,577.3
Liabilities from insurance business	—	—	—	—	1,666.3	1,529.0	—	—	—	—	1,666.3	1,529.0
Other liabilities	206.2	173.0	53.6	51.6	88.7	81.2	760.0	1,080.5	-37.2	-32.3	1,071.3	1,354.0
<b>Total liabilities</b>	<b>4,058.5</b>	<b>4,083.0</b>	<b>525.8</b>	<b>764.0</b>	<b>1,755.0</b>	<b>1,610.2</b>	<b>4,952.6</b>	<b>4,931.7</b>	<b>-57.2</b>	<b>-56.0</b>	<b>11,234.5</b>	<b>11,332.9</b>

1) The net expenses for central functions are allocated from the Group Functions to the business segments Banking Business, Asset Management and Life Insurance. This cost allocation is included in the segments' other operating expenses.

The quarterly figures for the segments are presented later in the report.

# Capital adequacy and solvency

## Capital adequacy

Aktia Bank Group (Aktia Bank Plc and all its subsidiaries except Aktia Life Insurance) applies internal risk classification (IRB) for the calculation of capital requirement for retail, equity and certain corporate exposures. The standardised approach is used for other exposures.

The Bank Group's Common Equity Tier 1 (CET1) capital ratio increased to 11.9 (11.3)%, which is 3.2 percentage points above the minimum requirement. The increase is due to a higher CET1 capital and lower risk-weighted exposures.

CET1 capital increased by EUR 13.5 million, mainly due to profit for the period and an increase in the fund at fair value.

Risk-weighted assets decreased by EUR 46 million.

Capital adequacy, %	30 Sep 2024	31 Dec 2023
CET1 capital ratio	11.9	11.3
Total capital ratio	16.6	15.0

The leverage ratio (LR) increased slightly due to lower exposures compared to the year-end.

Leverage ratio (EUR million)	30 Sep 2024	31 Dec 2023
Tier 1 capital	457.2	443.1
Total exposures	10,123.4	10,468.9
Leverage ratio	4.5%	4.2%

**Own funds and eligible liabilities (MREL):** Own funds and MREL-eligible liabilities clearly exceeded the minimum requirements. The MREL requirement is 7.90% in relation to the leverage ratio exposures and 21.00% in relation to the total risk exposures. The MREL requirements have been raised twice since the year-end according to decisions by the Financial Stability Board.

MREL requirement (EUR million)	30 Sep 2024	31 Dec 2023
Total risk exposures (TREA)	3,365.2	3,411.2
of which MREL requirement	706.7	677.5
Leverage ratio exposures (LRE)	10,123.4	10,468.9
of which MREL requirement	799.7	618.7
<b>MREL requirement</b>	<b>799.7</b>	<b>677.5</b>
CET1 capital	399.0	385.5
AT 1 instruments	58.3	57.7
Tier 2 instruments	100.3	69.6
Other liabilities	1,613.2	1,654.8
<b>Total</b>	<b>2,170.8</b>	<b>2,167.6</b>

## Total capital requirement

30 September 2024 (%)	Pillar 1 requirement	Pillar 2 requirement	Buffer requirements				Total
			Capital Conservation	Counter-cyclical	Norwegian exposures	Systemic risk	
CET1 capital	4.50%	0.56%	2.50%	0.05%	0.03%	1.00%	8.64%
AT1 capital	1.50%	0.19%	—%	—%	—%	—%	1.69%
Tier 2 capital	2.00%	0.25%	—%	—%	—%	—%	2.25%
<b>Total</b>	<b>8.00%</b>	<b>1.00%</b>	<b>2.50%</b>	<b>0.05%</b>	<b>0.03%</b>	<b>1.00%</b>	<b>12.58%</b>

The buffer to the CET1 requirement improved significantly as the buffer requirement for Aktia decreased by 0.25 percentage points to 1.00% during the third quarter. The buffer increased by EUR 13.2 million, from 1.27% of the risk-weighted assets (RWA) to 1.71%. Similarly, the buffer for the regulatory CET1 minimum requirement increased by EUR 13.2 million, from 2.77% of the RWA to 3.21%.

## Solvency

The life insurance business follows the Solvency II directive, in which calculations for insurance liabilities are measured at market value. In line with Solvency II, the company calculates its Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR) and identifies its available solvency capital. Aktia Life Insurance Ltd applies the standard formula for SCR, with consideration of the transitional measure for the insurance liability, in accordance with the permission granted by the Financial Supervisory Authority.

The solvency ratio decreased by 4.9 percentage points during the quarter and by 9.2 percentage points from the year-end.

Both the capital requirement and the level of eligible capital have increased since year-end. The requirement has proportionally increased somewhat more than the capital, which reduced the solvency ratio.

The investment-linked portfolio continues to grow, both due to good new sales and strong development of the equity market in the third quarter.

### Solvency II

(EUR million)	With transitional rules		Without transitional rules	
	30 Sep 2024	31 Dec 2023	30 Sep 2024	31 Dec 2023
MCR	25.0	23.5	26.7	23.1
SCR	100.1	93.9	106.8	101.9
Eligible capital	182.6	180.1	158.7	152.1
<b>Solvency ratio, %</b>	<b>182.5%</b>	<b>191.7%</b>	<b>148.6%</b>	<b>149.3%</b>

# The Group's risks

The Group's main risk areas are credit, interest rate and liquidity risks in the banking business, as well as interest rate and other market risks and actuarial risks within the life insurance business. All these operations are exposed to business and operational risks.

Definitions and general principles for asset and risk management are presented in note G2, The Group's risk management, in Aktia Bank Plc's Financial Review 2023 and in Aktia Bank Plc's Pillar III Report, published on the Group's website [www.aktia.com](http://www.aktia.com).

## Banking and asset management business

### Credit risks

Aktia's credit portfolio mainly consists of loans to households and private persons with residential or real estate collaterals. The loan-to-value (LTV) ratio is at an adequate level.

The repayment capacity among some private customers remains weakened. Defaulted exposures have increased during the quarter, mostly due to an increased number of unlikely-to-pay loans. Defaulted loans increased by EUR 14.5 million for households and by EUR 3.4 million for corporates. Loans with instalment-free periods continued to decrease during the quarter, whereas loans with forbearances have continued to increase. The current economic situation is expected to remain challenging for individual customers, which is expected to have a negative impact on customers' repayment capacity.

During the second quarter, the bank updated the classification in the PD table (to the right), whereby some exposures from the category other have been moved to the household category.

For corporate exposures, loans to corporate business has increased, while loans to housing cooperatives and housing cooperatives under construction has decreased.

#### Distribution of secured loans according to LTV at 30 September 2024

Under 50%	84%
50-70%	13%
70-80%	3%
Over 90%	1%

The percentage describes the relevant share of the exposure, not the total exposure.

### Gross loans past due by time overdue and ECL stages

(EUR million)	30 September 2024			
Days	Stage 1	Stage 2	Stage 3	Total
≤ 30	29.6	27.4	9.6	66.6
of which households	19.3	25.7	8.6	53.6
> 30 ≤ 90	—	10.8	12.9	23.7
of which households	—	8.8	10.7	19.6
> 90	0.3	0.3	70.0	70.6
of which households	0.3	0.3	58.2	58.9

(EUR million)	31 December 2023			
Days	Stage 1	Stage 2	Stage 3	Total
≤ 30	38.5	24.7	8.2	71.3
of which households	29.5	20.5	7.2	57.2
> 30 ≤ 90	—	37.9	12.5	50.5
of which households	—	30.0	12.1	42.1
> 90	—	—	54.7	54.7
of which households	—	—	45.6	45.6

### Credit exposures (incl. off-balance sheet commitments) per probability of default (PD)

(EUR million)	30 Sep 2024	31 Dec 2023
<b>Corporate</b>		
PD grades A	2,434.5	2,449.4
PD grades B	89.3	75.6
PD grades C	12.1	15.9
Default	22.7	21.7
Book value before ECL provisions	2,558.6	2,562.7
Loss allowance (ECL)	-12.2	-13.2
<b>Carrying amount</b>	<b>2,546.4</b>	<b>2,549.5</b>
<b>Households</b>		
PD grades A	4,321.7	4,208.1
PD grades B	814.1	821.1
PD grades C	199.3	324.0
Default	133.9	110.0
Book value before ECL provisions	5,469.0	5,463.2
Loss allowance (ECL)	-23.7	-23.4
<b>Carrying amount</b>	<b>5,445.3</b>	<b>5,439.8</b>
<b>Other</b>		
PD grades A	415.9	489.3
PD grades B	1.1	8.4
PD grades C	—	14.6
Default	0.0	1.0
Book value before ECL provisions	417.0	513.2
Loss allowance (ECL)	-0.5	-0.7
<b>Carrying amount</b>	<b>416.6</b>	<b>512.5</b>

Reporting of PD classes A, B and C divided according to the credit classification models in the bank. Corporate and household exposures are classified with the IRB-approach. Defaulted exposures have a PD of 100%.

## Operational risks

During the third quarter, Aktia's operational risks exceeded the risk appetite but remained within the risk tolerance due, among other things, to the following:

- An error in the interest calculation for a number of corporate accounts.
- A number of significant IT incidents. The IT incidents were resolved quickly and the impact on customers was minor.

The risk level of information security is still considered to be elevated and to exceed the risk appetite due to the international cyber threats against the financial sector. However, the risk level is still considered to be within the risk tolerance.

Aktia works actively to mitigate potential cyber threats and financial crime (AML/CFT). The impacts of these have so far been insignificant.

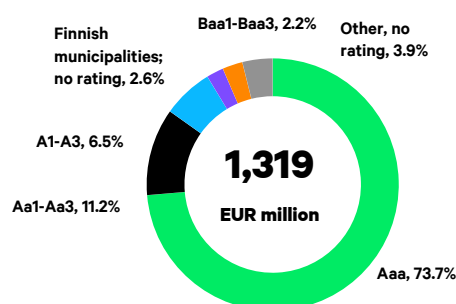
## Market risks

Market risk includes interest rate risk, credit spread risk, currency risk, equity risk and real estate risk. The main market risk in the liquidity portfolio is credit spread risk, while the main market risk in the banking book is interest rate risk.

Credit spread risk is the most significant risk component in the bank's internal market risk model, which measures the fair value risk of instruments in the liquidity portfolio that are measured at fair value through other comprehensive income.

For several quarters, the bank has hedged the liquidity portfolios against rising interest rates, resulting in a very low interest rate risk in the liquidity portfolio. During the past quarter, the interest rate risk of the liquidity portfolio has slightly decreased, as the maturity of the portfolio excluding interest derivatives has decreased. In relation to the given limit, the interest rate risk still is still at a low level.

### Rating distribution for the banking business's liquidity portfolio 30 Sep 2024



No equity trading is carried out within the banking business and no real estate investments are made for yield purposes.

Equity investments attributable to the business amounted to EUR 9 (9) million and the total currency exposures to EUR 6 (6) million. The banking business has no real estate holdings.

## Liquidity reserve and measurement of liquidity risk

The liquidity reserve remained at a good level. All bonds met the criteria for refinancing in the central bank.

### Liquidity reserve, market value

(EUR million)	30 Sep 2024	31 Dec 2023
Cash and balances with central banks	482	597
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	205	191
Securities issued or guaranteed by municipalities or the public sector	42	72
Covered Bonds	772	957
Securities issued by credit institutions	0	—
<b>Total</b>	<b>1,501</b>	<b>1,817</b>
of which LCR-qualified	1,501	1,817
<b>Other liquidity-generating measures</b>		
Intraday credit limit from central bank (undrawn)	100	100
<b>Total liquidity reserve and other liquidity generating measures</b>	<b>1,601</b>	<b>1,917</b>

The liquidity risk is monitored, among other things, through the liquidity coverage ratio (LCR), which is used to measure the short-term liquidity risk, and the net stable funding ratio (NSFR), which is used to measure the long-term liquidity risk.

Liquidity coverage ratio (LCR)	30 Sep 2024	31 Dec 2023
LCR %	230%	221%
NSFR %	123%	122%

During the second quarter, the bank implemented a new system for LCR calculation which enabled a detailed cash flow analysis, which also affected LCR favourably. In addition, the parameters for pledged securities regarding high-quality liquid assets (HQLA) were specified, which also positively affected the LCR.

## Life Insurance Business

### Investment portfolio of the life insurance business

The market value of the life insurance business' total investment portfolio was on the same level as at year-end. The properties in the portfolio are located in the Helsinki metropolitan area and other growth centres in southern Finland and have mainly tenants with long-term leases.

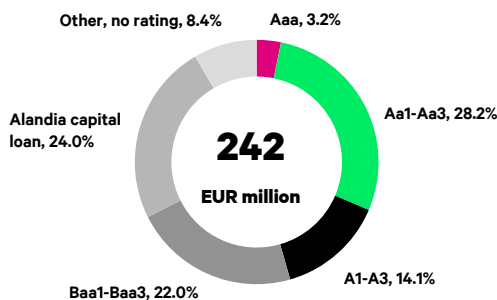
#### Aktia Life Insurance, allocation of investment portfolio

(EUR million)	30 Sep 2024		31 Dec 2023	
<b>Equities</b>	<b>11.3</b>	<b>2.3%</b>	<b>10.1</b>	<b>2.1%</b>
Europe	1.5	0.3%	1.5	0.3%
Finland	0.6	0.1%	0.5	0.1%
USA	7.9	1.6%	6.9	1.4%
Japan	0.6	0.1%	0.6	0.1%
Emerging markets	0.7	0.1%	0.6	0.1%
<b>Fixed income investments</b>	<b>304.4</b>	<b>62.4%</b>	<b>316.7</b>	<b>65.1%</b>
Government bonds	88.0	18.1%	88.7	18.2%
Financial bonds	26.2	5.4%	29.4	6.0%
Other corporate bonds <sup>1</sup>	131.5	27.0%	139.7	28.7%
Emerging Markets (mtl. funds)	34.8	7.1%	34.1	7.0%
High yield (mtl. funds)	23.1	4.7%	22.8	4.7%
Other funds	0.7	0.2%	2.1	0.9%
<b>Alternative investments</b>	<b>27.5</b>	<b>5.6%</b>	<b>27.1</b>	<b>5.9%</b>
Private Equity etc.	22.2	4.6%	22.6	4.6%
Infrastructure funds	5.2	1.1%	4.6	1.5%
<b>Real estates</b>	<b>95.8</b>	<b>19.6%</b>	<b>91.9</b>	<b>14.9%</b>
Directly owned	78.0	16.0%	72.7	10.0%
Real estate funds	17.7	3.6%	19.2	4.9%
<b>Money Market</b>	<b>36.5</b>	<b>7.5%</b>	<b>25.8</b>	<b>11.3%</b>
<b>Derivatives</b>	<b>-9.6</b>	<b>-2.0%</b>	<b>-12.2</b>	<b>-4.9%</b>
<b>Cash and bank</b>	<b>21.6</b>	<b>4.4%</b>	<b>26.8</b>	<b>5.5%</b>
<b>Total</b>	<b>487.5</b>	<b>100.0%</b>	<b>486.3</b>	<b>100.0%</b>

<sup>1</sup> Includes capital loan to Alandia

#### Rating distribution for the life insurance business' direct interest-bearing investments 30 September 2024

(excluding investments in fixed income funds, real estates, equities and alternative investments)



### Life insurance business' market risk

The interest rate risk is the most significant market risk for the liabilities from the life insurance business' insurance contracts, as other market risks are of marginal significance. Through its investment portfolio, Aktia Life Insurance is also exposed to credit spread risk, equity risk, real estate risk, as well as currency and concentration risk.

In the Group's internal capital calculation, the company's largest market risk exposure is equity risk, arising from a potential reduction in the value of the company's equity holdings, as well as through the share of risk in the customers' holdings in investment-linked insurance portfolios attributed to the company. The risks arising from decreasing real estate prices or an increase in credit margins (spreads) are also considerable.

The risk exposure in the internal model is calculated under a stress scenario describing a historical 99.5th percentile of the different risk factors.

The table below describes the risk sensitivity of the investment portfolio and the liabilities from insurance business. After summing up the risks and diversification effect, the internal comparison figure is EUR 77.9 (82.1) million compared to the allowed limit of EUR 95 (100) million.

### Life insurance business' operational risks

The life insurance business' methodology for managing operational risks follows the Group's general model. The risk level in the third quarter was estimated to be within risk appetite.



Life insurance business (EUR million)	Investment portfolio			Liabilities from insurance business			Total		
	30 Sep 2024	31 Dec 2023	Δ	30 Sep 2024	31 Dec 2023	Δ	30 Sep 2024	31 Dec 2023	Δ
<b>Market value</b>	<b>1,761.8</b>	<b>1,593.0</b>	<b>168.8</b>	<b>-1,591.5</b>	<b>-1,438.0</b>	<b>-153.5</b>	<b>170.3</b>	<b>161.1</b>	<b>9.2</b>
Interest rate risk up	92.4	133.0	-40.6	-84.8	-109.8	25.0	7.6	23.1	-15.6
Interest rate risk down	-121.9	-132.7	10.7	121.9	126.7	-4.7	0.0	-6.0	6.0
Credit spread risk	60.6	61.5	-0.9	-39.3	-38.5	-0.8	21.3	23.0	-1.7
FX risk	164.1	153.0	11.1	-144.5	-130.8	-13.7	19.5	22.2	-2.7
Equity risk	448.8	337.1	111.7	-406.5	-301.9	-104.6	42.3	35.2	7.1
Real estate risk	<b>32.5</b>	<b>31.4</b>	<b>1.1</b>	<b>-5.8</b>	<b>-5.5</b>	<b>-0.3</b>	<b>26.7</b>	<b>25.9</b>	<b>0.8</b>
Direct sum of risks	<b>798.2</b>	<b>761.6</b>	<b>36.7</b>	<b>-680.9</b>	<b>-641.1</b>	<b>-39.8</b>	<b>117.3</b>	<b>120.5</b>	<b>-3.2</b>
Diversification	—	—	—	—	—	—	-20.0	-17.9	-2.1
<b>Correlated sum</b>	—	—	—	—	—	—	<b>97.4</b>	<b>102.6</b>	<b>-5.3</b>
<b>Internal comparison metric (95 EUR million limit)</b>	—	—	—	—	—	—	<b>77.9</b>	<b>82.1</b>	<b>-4.2</b>

# Main events

## **SEB initiated coverage of Aktia and published initiation analysis**

Aktia entered into an agreement with SEB regarding equity research on Aktia, and on 16 September 2024 SEB published its initiation analysis. This means that the number of analyst firms covering Aktia increased to three. Aktia endeavours to meet investors' need for professional equity research, and therefore it has been an objective to increase the number of analysts covering Aktia. This also contributes to increasing awareness of Aktia among investors, both in Finland and abroad.

## **Aktia revised the reporting for 2023 due to technical error in interest calculation for a limited number of corporate accounts**

Aktia announced on 4 July 2024 that the reported net interest income for 2023 was revised due to a correction of the credit interest of a number of corporate accounts. For further information, see Note 11. Correction of previously reported figures in 2023.

## **Aktia and Swedbank entered into strategic partnership**

Aktia and Swedbank signed on 23 May 2024 a strategic partnership agreement to collaborate long-term with the aim to better serve both banks' corporate customers.

## **The Pillar 2 requirement for Aktia decreased by 0.25 percentage points to 1.00%**

The Finnish Financial Supervisory Authority imposed on 25 April 2024 a discretionary additional capital requirement (Pillar 2) of 1.00% for Aktia Bank Plc Group. The requirement is valid until further notice as of 30 September 2024 but not longer than until 30 September 2027.

## **Aktia updated its dividend policy**

Updated dividend policy (as of 28 February 2024): Aktia intends to pay out a dividend of approximately 60 per cent of the profit for the reporting period to its shareholders.

Previous dividend policy (until 28 February 2024): Aktia's goal is to pay out a dividend of 60–80 per cent of the profit for the reporting period.

## **Aktia clarified its strategic priorities and targets – employee experience added as part of the strategy**

After the change, Aktia's strategic priorities are the following: "Excellent customer experience", "Empowering employee experience", "Win in wealth management", and "Growth among customers who are willing to increase their wealth".

Aktia's long-term financial objectives will be reviewed.

## **Aktia's emerging market fund was awarded the best in Europe**

Aktia Emerging Market Local Currency Bond+ received the first prize in the Refinitiv Lipper Fund Awards comparison.

## **Changes in the Executive Committee**

Aktia's CEO Aleksi Lehtonen started in his position on 1 June 2024. At the same time, Juha Hammarén was appointed Senior Advisor.

Outi Henriksson left her duties as Aktia's CFO on 31 August 2024. Karri Varis was appointed as interim CFO and started in his position on 1 September 2024.

Kaapro Kanto left his duties as Chief Information Officer at Aktia on 13 March 2024. Oskari Kurki was appointed EVP, Chief Information Officer and assumed his duties at Aktia on 5 August 2024.

Aktia's interim EVP, Asset Management Uki Lammi stepped down from his duties on 11 January 2024. Kati Eriksson assumed the position of EVP, Asset Management on 26 January 2024.

# Other information

## Rating

Moody's Investors Service maintained in its analysis on 9 May 2024 the long-term outlook on Aktia's credit ratings for short-term and long-term funding as negative. At the same time, Moody's confirmed Aktia's short-term funding rating at P-1 and long-term funding rating at A2. Moody's Investors Service's rating for Aktia Bank's long-term Covered Bonds is Aaa.

Standard & Poor's (S&P) outlook for the creditworthiness of Aktia Bank Plc has been stable since the latest update on 22 January 2021. The rating is A- for long-term borrowing and A2 for short-term borrowing. The rating was affirmed on 28 June 2024.

	Long-term borrowing	Short-term borrowing	Outlook	Covered Bonds
Moody's Investor Service	A2	P-1	negative	Aaa
Standard & Poor's	A-	A-2	stable	—

## Events concerning related parties

Related parties include Aktia's subsidiaries and associated companies, shareholders with significant influence and key persons in management positions and close family members, as well as companies where a key person in a management position has a controlling influence. Aktia Group's key persons are the members of the Board of Directors, the CEO, the Deputy CEO and other members of the Executive Committee.

Further information on events concerning related parties is described in notes G43 and P43 in the Financial statements 2023.

## Personnel

The number of full-time employees at the end of September amounted to 847 (31 Dec 2023; 833). The average number of full-time employees amounted to 846 (1 Jan–30 Sep 2023; 862).

## Aktia Bank Plc's incentive programme 2024–2025

### Share Savings Plan

AktiaUna, a long-term share savings plan for the employees of the Aktia Group, was launched in 2018 to support the implementation of Aktia's strategy.

The objective of the share savings plan is to motivate Aktia's employees to invest in Aktia shares and to own shares in Aktia. The objective is also to align the interests of the employees and shareholders and commit the employees to work for a good value development and increased shareholder value in the long term.

The share savings plan offers approximately 850 Aktia employees the opportunity to save 2–6% of their salaries (the members of the Group's Executive Committee up to 12% and selected key employees up to 7%) and with this savings amount regularly acquire Aktia shares at a 10% discount. Furthermore, the participants are granted free matching shares against shares acquired in AktiaUna share savings plan after approximately two years.

### Executive and key employee incentive plan 2024

The objective of the incentive plan for the Group's CEO, Executive Committee and key employees is to support the company's strategy by motivating the key employees to achieve financial and strategic targets set for the Group.

The plan includes one 1-year performance period, calendar year 2024. During the performance period 2024, the reward from the plan is based on the Group's comparable operating profit, cost/income ratio and strategic metrics decided by the Board, as well as the participants' individual performance. Participation in the programme requires participation in the AktiaUna share savings plan.

Half of the reward earned based on the performance period will be converted into Aktia shares after the performance period and will be paid in five instalments in 2025, 2026, 2027, 2028 and 2029, partly in Aktia shares and partly in cash.

At the target level, the maximum value of the reward based on the performance period is 2,330,000 euros in total upon the launch of the plan. The final cost of the plan depends on the achievement of the targets of the performance criteria for the performance period and on the conversion price of the share after the end of the performance period. During the performance period 2024, approximately 20 key employees belong to the target group of the plan.

## Decisions of Aktia Bank Plc's Annual General Meeting 2024

The Annual General Meeting of Aktia Bank Plc, held on 3 April 2024, adopted the financial statements of the parent company and the consolidated financial statements and discharged the members of the Board of Directors, the CEO and his deputy from liability.

In accordance with the proposal by the Board of Directors, the Annual General Meeting decided on the payment of a dividend of 0.70 euros per share for the accounting period 1 January – 31 December 2023.

The Annual General Meeting confirmed the number of board members as nine. Ann Grevelius, Carl Haglund, Maria Jerhamre Engström, Harri Lauslahti, Sari Pohjonen, Johannes Schulman and Lasse Svens were re-elected as Board members. Joakim Frimodig and Matts Rosenberg were elected as new members of the Board of Directors. The Board of Directors, which convened after the General Meeting, elected Lasse Svens as chair and Joakim Frimodig as vice chair. In the same meeting, the Board of Directors also decided on the composition of the Board's Audit Committee, Risk Committee, as well as the Remuneration and Corporate Governance Committee. Sari Pohjonen was elected as chair and Ann Grevelius, Matts Rosenberg and Johannes Schulman as members of the Audit Committee. Maria Jerhamre Engström was elected as chair and Joakim Frimodig, Harri Lauslahti and Lasse Svens as members of the Risk Committee. Joakim Frimodig was elected as chair and Carl Haglund, Matts Rosenberg and Lasse Svens as members of the Remuneration and Corporate Governance Committee.

In accordance with the proposal by the Board of Directors, the Annual General Meeting decided to approve the remuneration report and the remuneration policy of the governing bodies of Aktia Bank Plc and the remuneration of the Board of Directors.

The Annual General Meeting determined that the number of auditors shall be one, and re-elected APA firm KPMG Oy Ab as auditor with Marcus Tötterman, M.Sc. (Econ.), APA, as auditor-in-charge. KPMG Oy Ab was elected also as sustainability auditor, with Marcus Tötterman, M.Sc. (Econ.), Authorised Sustainability Auditor (ASA), as sustainability auditor-in-charge.

The Annual General Meeting adopted the proposal of the Board of Directors regarding a resolution for a share issue authorisation for up to 7,279,000 shares or securities entitling to shares, authorisation to acquire up to 500,000 of the company's own shares for use in the company's share-based scheme and/or the remuneration of members of the company's Board of Directors, for further transfer, retention, or cancellation, and authorisation to divest up to 500,000 of the company's own shares.

All proposals mentioned above are published on the website [www.aktia.com](http://www.aktia.com) under Investors > Corporate governance > Annual General Meeting > Annual General Meeting 2024.

## Share capital and number of shares

Aktia Bank Plc's share capital amounts to EUR 170 million. At the end of September 2024, the number of Aktia shares was 72,876,529. The total number of registered holders amounted to 41,515 (30 September 2023; 40,080). 7.14% of the shares were in foreign ownership. On 30 September 2024, the Group held 71,490 (30 September 2023; 160,346) Aktia shares.

Aktia Bank Plc's market value on 30 September 2024, the last trading day of the period, was approximately EUR 678 million. The closing price for the share on 30 September 2024 was EUR 9.30. The highest price for the share during the period was EUR 10.28 and the lowest EUR 8.85.

The average daily turnover of the share during January–September 2024 was EUR 550,987 or 58,581 shares.

(EUR million)	Number of shares	Share capital	Unrestricted equity reserve
<b>1 Jan 2023</b>	<b>72,385,072</b>	<b>169.7</b>	<b>141.5</b>
Share issue 30 Jan 2023	80,000	—	0.9
Share issue 25 May 2023	92,793	—	0.8
Share issue 22 Nov 2023	87,022	—	0.7
Other changes	—	—	0.4
<b>31 Dec 2023</b>	<b>72,644,887</b>	<b>169.7</b>	<b>144.2</b>
Share issue 8 Feb 2024	152,000	—	1.4
Share issue 3 May 2024	79,642	—	0.7
Other changes	—	—	0.9
<b>30 Sep 2024</b>	<b>72,876,529</b>	<b>169.7</b>	<b>147.1</b>

## Sustainability

Sustainability is an essential part of Aktia's strategy and supports value creation for its stakeholders. For Aktia, sustainability means both corporate responsibility and the integration of ESG into business operations. The high-level targets of Aktia's sustainability programme are to enable sustainable prosperity, competent and well-being employees who can influence their work and feel that their work is meaningful, ensure reliable and transparent operations and work towards achieving carbon-neutrality.

Climate change, its mitigation and adaptation to it have an important role in Aktia's sustainability work. At Aktia, the mitigation of climate change is guided by Aktia's climate strategy. The strategy considers all of Aktia's operations and sets emission reduction targets for our own operations as well as for our investment and loan portfolios. Our goal in asset management is carbon neutrality in the investment portfolios by 2050. The interim target for 2025, to reduce the relative carbon footprint of our equity and corporate bond portfolios by 30%, was already achieved by the end of 2023. In 2024, the development has continued in the right direction and at the end of the third quarter the relative carbon footprint had decreased by 43.5% compared to the reference year. This indicates that we are well on the way towards our next target to reduce the relative carbon footprint of our equity and corporate bond portfolios by 50% by 2030.

In addition to Aktia's annual reporting, some of the sustainability indicators in Aktia's sustainability programme are reported on a quarterly or biannual basis. The results of these indicators are presented in the table to the right.

Indicator (target for year 2025)		Q3/2024	Q3/2023
Share of Article 8/9 classified funds (increase)		98.1%	95.3%
Siqni flame Index (80) **		75	72
eNPS, Employee Net Promoter Score measures employees' willingness to recommend the organization (20) **		18	-8
Aktia's ESG ratings (at least industry average)	MSCI	AA	A
	Sustainalytics	Low risk	Low risk
	ISS	D+	D+
Aktia Bank's net impact ratio according to Upright's model (positive)		21%	21%
<b>Interim objectives of the climate strategy</b>			
Change in the relative carbon footprint of equity and credit portfolios* (tonnes of CO <sub>2</sub> e/ million euros invested) (2025 -30% vs. 2019) *		-43.5%	-6.5%

\*) Equity funds: Capital, Nordic, Nordic Small Cap, Nordic Micro Cap, Europa, Europe Small Cap, America, Global, Micro Rhein, Rhein Value, Micro Markka and Europa Dividend.

Credit funds: Corporate Bond +, Short-Term Corporate Bond +, European High Yield Bond +, Nordic High Yield and UI Aktia Sustainable Corporate Bond.

Includes also the mixed funds Secura and Solida as well as Aktia Treasury's and Aktia Life Insurance's investment portfolios.

\*\*) Siqni flame index and eNPS are measured biannually.

# Tables and notes to the interim report

## Key figures

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ %	Q3/ 2024	Q2/ 2024	Q1/ 2024	Q4/ 2023	Q3/ 2023	Jan-Dec 2023
Earnings per share (EPS), EUR	1.05	0.85	23%	0.34	0.33	0.38	0.27	0.33	1.12
Total earnings per share, EUR	1.20	0.95	26%	0.39	0.39	0.41	0.32	0.36	1.27
Equity per share (NAV), EUR <sup>**1</sup>	9.35	8.57	9%	9.35	8.96	9.28	8.90	8.57	8.90
Average number of shares (excl. treasury shares), million <sup>2</sup>	72.7	72.3	1%	72.7	72.7	72.6	72.3	72.3	72.3
Number of shares at the end of the period (excl. treasury shares), million <sup>1</sup>	72.8	72.4	1%	72.8	72.8	72.7	72.5	72.4	72.5
Return on equity (ROE), % <sup>**</sup>	15.3	13.7	1,6*	14.9	14.5	16.5	12.5	15.8	13.3
Return on assets (ROA), % <sup>**</sup>	0.84	0.67	0,2*	0.81	0.79	0.90	0.66	0.79	0.67
Cost-to-income ratio <sup>**</sup>	0.56	0.61	-8%	0.57	0.58	0.54	0.62	0.55	0.61
Common Equity Tier 1 capital ratio, CET1 (Bank Group), % <sup>1</sup>	11.9	11.0	0,9*	11.9	11.5	11.4	11.3	11.0	11.3
Tier 1 capital ratio (Bank Group), % <sup>1</sup>	13.6	12.8	0,8*	13.6	13.2	13.1	13.0	12.8	13.0
Capital adequacy ratio (Bank Group), % <sup>1</sup>	16.6	14.9	1,7*	16.6	16.2	16.1	15.0	14.9	15.0
Risk-weighted exposures (Bank Group) <sup>1</sup>	3,365.2	3,257.3	3%	3,365.2	3,425.6	3,436.7	3,411.2	3,257.3	3,411.2
Capital adequacy ratio (finance and insurance conglomerate), % <sup>1</sup>	132.0	136.2	-4,2*	132.0	129.6	137.2	135.9	136.2	135.9
Equity ratio, % <sup>**1</sup>	6.2	5.6	0,6*	6.2	5.8	6.1	5.8	5.6	5.8
Group financial assets <sup>**1</sup>	2,252	2,254	0%	2,252	2,610	2,344	2,397	2,254	2,397
Assets under management <sup>**1</sup>	14,308	13,559	6%	14,308	14,108	14,080	13,903	13,559	13,903
Borrowing from the public <sup>1</sup>	4,278	4,679	-9%	4,278	4,478	4,575	4,564	4,679	4,564
Lending to the public <sup>1</sup>	7,793	7,835	-1%	7,793	7,807	7,885	7,866	7,835	7,866
Premiums written before reinsurers' share (Aktia Life Insurance Ltd)*	151.2	116.3	30%	44.8	51.1	55.3	33.6	31.0	149.9
Expense ratio, % (Aktia Life Insurance Ltd) <sup>2</sup>	129.5	110.5	19,0*	129.5	134.1	131.4	111.3	110.5	111.3
Solvency ratio (Aktia Life Insurance Ltd), %	182.5	201.4	-18,9*	182.5	187.5	184.4	191.7	201.4	191.7
Eligible capital (Aktia Life Insurance Ltd)	182.6	170.0	7%	182.6	184.1	182.5	180.1	170.0	180.1
Investments at fair value (Aktia Life Insurance Ltd) <sup>**1</sup>	1,761	1,539	14%	1,761	1,723	1,681	1,597	1,539	1,597
Liabilities from insurance contracts <sup>1</sup>	453	458	-1%	453	453	470	475	458	475
Liabilities from investment contracts <sup>1</sup>	1,213	993	22%	1,213	1,175	1,128	1,054	993	1,054
Group's personnel (FTEs), average number of employees	846	862	-2%	877	835	820	834	855	855
Group's personnel (FTEs), at the end of the period <sup>1</sup>	847	839	1%	847	891	819	833	839	833
<b>Alternative performance measures excluding items affecting comparability:</b>									
Comparable cost-to-income ratio <sup>**</sup>	0.55	0.61	-8%	0.56	0.57	0.53	0.61	0.55	0.61
Comparable earnings per share (EPS), EUR <sup>**</sup>	1.06	0.86	23%	0.34	0.34	0.38	0.28	0.33	1.15
Comparable return on equity (ROE), % <sup>**</sup>	15.6	13.9	1,7*	15.0	14.9	16.8	13.0	15.8	13.6

\*) The change is calculated in percentage points.

\*\*) Aktia has defined the alternative performance measures to be presented in the Group's financial reports in accordance with the guidelines for Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA). The Alternative Performance Measures (APMs) are financial measures that have not been defined in the IFRS rules, the capital requirements regulation (CRD/CRR) or in the Solvency II framework (SII). Therefore, the APMs shall not be regarded as substitutes for financial measures in accordance with IFRS. The APMs make comparison of different periods easier and gives users of financial reports useful further information. Aktia presents a number of APMs, from which items affecting comparability are excluded. Items affecting comparability are not associated with day-to-day business, and such items are income and expenses attributable to restructuring, divestment of operations as well as impairment of assets departing from day-to-day business. The items affecting comparability are shown in the table under the Group's income statement and comprehensive income.

1) At the end of the period.

2) Cumulative from the beginning of the year.

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

Formulas for the key figures are available in Aktia Bank Plc's Consolidated Financial Statement 2023.

## Consolidated income statement

EUR million	Note	Jan-Sep 2024	Jan-Sep 2023	Δ%	Jan-Dec 2023
Net interest income	3	114.0	102.3	11%	140.4
Dividends		0.3	0.1	294%	0.1
Commission income		104.0	101.0	3%	134.6
Commission expenses		-12.2	-10.4	17%	-14.3
Net commission income		91.8	90.6	1%	120.4
Insurance service result		15.3	12.2	25%	18.0
Result from investment contracts		7.0	6.3	10%	8.4
Net investment result		1.7	-0.5	—	-2.4
Net income from life insurance	4	23.9	18.0	33%	24.1
Net income from financial transactions	5	-0.5	1.4	—	1.7
Other operating income		0.5	0.6	-16%	0.7
<b>Total operating income</b>		<b>230.1</b>	<b>212.9</b>	<b>8%</b>	<b>287.4</b>
Personnel costs		-58.8	-62.9	-6%	-84.5
IT expenses		-35.7	-28.5	25%	-41.1
Depreciation of tangible and intangible assets		-18.2	-17.6	3%	-23.5
Other operating expenses		-16.5	-21.1	-21%	-27.5
<b>Total operating expenses</b>		<b>-129.3</b>	<b>-130.1</b>	<b>-1%</b>	<b>-176.6</b>
Impairment of tangible and intangible assets		—	-0.2	-100%	-1.3
Impairment of credits and other commitments	7	-6.3	-4.5	39%	-7.0
Impairment of other receivables		—	-0.1	-100%	-0.1
Share of profit from associated companies		0.1	0.1	1%	0.1
<b>Operating profit</b>		<b>94.6</b>	<b>78.1</b>	<b>21%</b>	<b>102.6</b>
Taxes		-18.5	-16.5	12%	-21.3
<b>Profit for the period</b>		<b>76.1</b>	<b>61.6</b>	<b>24%</b>	<b>81.3</b>
<b>Attributable to:</b>					
Shareholders in Aktia Bank Plc		76.1	61.6	24%	81.3
<b>Total</b>		<b>76.1</b>	<b>61.6</b>	<b>24%</b>	<b>81.3</b>
Earnings per share (EPS), EUR		1.05	0.85	23%	1.12
Earnings per share (EPS) after dilution, EUR		1.05	0.85	23%	1.12
<b>Operating profit excluding items affecting comparability:</b>					
Operating profit		94.6	78.1	21%	102.6
Operating income:					
Additional income from divestment of Visa Europe to Visa Inc		—	-0.3	-100%	-0.3
Operating expenses:					
Costs for restructuring		1.6	1.4	19%	2.4
<b>Comparable operating profit</b>		<b>96.2</b>	<b>79.2</b>	<b>21%</b>	<b>104.8</b>

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

## Consolidated statement of comprehensive income

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ%	Jan-Dec 2023
Profit for the period	76.1	61.6	24%	81.3
<b>Other comprehensive income after taxes:</b>				
Change in fair value for financial assets	8.4	7.5	12%	11.9
Change in fair value for cash flow hedging	2.3	-0.2	—	-0.6
Transferred to the income statement for financial assets	0.1	0.0	—	-0.4
Comprehensive income from items which can be transferred to the income statement	10.9	7.3	49%	10.9
Defined benefit plan pensions	—	—	—	0.0
Comprehensive income from items which can not be transferred to the income statement	—	—	—	0.0
<b>Total comprehensive income for the period</b>	<b>87.0</b>	<b>68.9</b>	<b>26%</b>	<b>92.2</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders in Aktia Bank plc	87.0	68.9	26%	92.2
<b>Total</b>	<b>87.0</b>	<b>68.9</b>	<b>26%</b>	<b>92.2</b>
Total earnings per share, EUR	1.20	0.95	26%	1.27
Total earnings per share, EUR, after dilution	1.20	0.95	26%	1.27
<b>Total comprehensive income excluding items affecting comparability:</b>				
Total comprehensive income	87.0	68.9	26%	92.2
Additional income from divestment of Visa Europe to Visa Inc	—	-0.2	-100%	-0.2
Costs for restructuring	1.3	1.1	19%	1.9
<b>Comparable total comprehensive income</b>	<b>88.3</b>	<b>69.7</b>	<b>-55%</b>	<b>93.9</b>

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

## Items affecting consolidated income statement and comprehensive income

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ%	Jan-Dec 2023
Net income from financial transactions	—	0.3	-100%	0.3
<b>Total operating income</b>	<b>—</b>	<b>0.3</b>	<b>-100%</b>	<b>0.3</b>
Personnel costs	-1.3	-1.4	-1%	-2.4
IT expenses	-0.3	—	—	—
Other operating expenses	—	0.0	-100%	-0.1
<b>Total operating expenses</b>	<b>-1.6</b>	<b>-1.4</b>	<b>19%</b>	<b>-2.4</b>
<b>Operating profit</b>	<b>-1.6</b>	<b>-1.1</b>	<b>50%</b>	<b>-2.1</b>
Taxes	0.3	0.2	50%	0.4
<b>Total comprehensive income for the period</b>	<b>-1.3</b>	<b>-0.9</b>	<b>50%</b>	<b>-1.7</b>



## Consolidated balance sheet

(EUR million)	Note	30 Sep 2024	31 Dec 2023	Δ%	30 Sep 2023
Interest-bearing securities		75.4	73.8	2%	68.1
Shares and participations		176.9	162.3	9%	151.6
Investments for unit-linked investments		1,296.2	1,133.6	14%	1,066.8
Financial assets measured at fair value through income statement	8	1,548.5	1,369.7	13%	1,286.5
Interest-bearing securities		1,059.4	1,049.0	1%	982.1
Financial assets measured at fair value through other comprehensive income	8	1,059.4	1,049.0	1%	982.1
Interest-bearing securities	7,8	425.8	488.4	-13%	499.8
Lending to Bank of Finland and credit institutions	7,8	606.0	696.2	-13%	717.2
Lending to the public and public sector entities	7,8	7,792.6	7,865.9	-1%	7,835.3
Cash and balances with central banks	8	67.3	91.8	-27%	114.8
Financial assets measured at amortised cost		8,891.6	9,142.3	-3%	9,167.0
Derivative instruments	6,8	74.4	81.9	-9%	79.1
Investments in associated companies and joint ventures		2.8	2.9	-4%	2.8
Intangible assets and goodwill		174.7	168.2	4%	167.3
Right-of-use assets		20.4	21.3	-5%	20.8
Investment properties		62.1	62.3	0%	48.7
Other tangible assets		8.1	8.6	-6%	9.0
Tangible and intangible assets		265.2	260.5	2%	245.9
Other assets		113.8	105.5	8%	155.8
Income tax receivables		0.0	0.0	-67%	1.3
Deferred tax receivables		19.1	25.9	-26%	29.3
Tax receivables		19.1	25.9	-26%	30.6
<b>Total assets</b>		<b>11,974.9</b>	<b>12,037.7</b>	<b>-1%</b>	<b>11,949.9</b>
<b>Liabilities</b>					
Liabilities to central banks (TLTRO loan)		150.0	250.0	-40%	250.0
Liabilities to credit institutions		54.7	58.4	-6%	43.6
Liabilities to the public and public sector entities		4,278.3	4,564.2	-6%	4,678.7
Deposits	8	4,483.0	4,872.6	-8%	4,972.3
Derivative instruments	6,8	182.1	223.7	-19%	317.9
Debt securities issued		4,014.0	3,577.3	12%	3,415.0
Subordinated liabilities		153.5	121.4	27%	119.4
Other liabilities to credit institutions		75.0	—	—	1.4
Other liabilities to the public and public sector entities		420.0	781.0	-46%	799.0
Other financial liabilities	8	4,662.5	4,479.6	4%	4,334.8
Liabilities from insurance contracts		453.0	475.3	-5%	458.5
Liabilities from investment contracts		1,213.3	1,053.6	15%	992.7
Liabilities from insurance business	4	1,666.3	1,529.0	9%	1,451.2
Other liabilities		182.7	168.3	9%	132.3
Provisions		1.1	1.2	-12%	1.2
Income tax liabilities		2.6	4.6	-44%	4.6
Deferred tax liabilities		54.4	53.9	1%	55.8
Tax liabilities		56.9	58.5	-3%	60.4
<b>Total liabilities</b>		<b>11,234.5</b>	<b>11,332.9</b>	<b>-1%</b>	<b>11,270.1</b>
<b>Equity</b>					
Restricted equity		141.6	130.7	8%	127.1
Unrestricted equity		539.3	514.7	5%	493.1
Shareholders' share of equity		681.0	645.4	6%	620.3
Holders of Additional Tier 1 capital		59.5	59.5	0%	59.5
<b>Total equity</b>		<b>740.4</b>	<b>704.8</b>	<b>5%</b>	<b>679.7</b>
<b>Total liabilities and equity</b>		<b>11,974.9</b>	<b>12,037.7</b>	<b>-1%</b>	<b>11,949.9</b>

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

## Consolidated off-balance-sheet commitments

(EUR million)	30 Sep 2024	31 Dec 2023	Δ%	30 Sep 2023
Guarantees	60.4	59.2	2%	36.6
Other commitments provided to a third party	1.7	2.3	-24%	2.4
Unused credit arrangements	557.3	546.0	2%	568.5
Other irrevocable commitments	4.2	10.0	-58%	13.5
<b>Total</b>	<b>623.7</b>	<b>617.5</b>	<b>1%</b>	<b>620.9</b>

## Consolidated statement of changes in equity

(EUR million)	Share capital	Fund at fair value	Fund for share-based payments	Un-restricted equity reserve	Retained earnings	Share-holders' share of equity	Additional Tier 1 capital holders	Total equity
<b>Equity as at 1 January 2023</b>	<b>169.7</b>	<b>-49.9</b>	<b>5.7</b>	<b>141.5</b>	<b>313.4</b>	<b>580.4</b>	<b>59.5</b>	<b>639.8</b>
Share issue				2.4		2.4		2.4
Acquisition of treasury shares					-0.9	-0.9		-0.9
Divestment of treasury shares				0.4	1.2	1.5		1.5
Dividend to shareholders					-31.1	-31.1		-31.1
Profit for the period					81.3	81.3		81.3
Change in fair value for financial assets		11.9				11.9		11.9
Change in fair value for cash flow hedging		-0.6				-0.6		-0.6
Transferred to the income statement for financial assets		-0.4				-0.4		-0.4
Comprehensive income from items which can be transferred to the income statement		10.9				10.9		10.9
Defined benefit plan pensions					0.0	0.0		0.0
Comprehensive income from items which can not be transferred to the income statement					0.0	0.0		0.0
Total comprehensive income for the period		10.9			81.3	92.2	—	92.2
Paid interest on Additional Tier 1 (AT1) capital, after taxes					-1.9	-1.9		-1.9
Change in share-based payments (IFRS 2)			2.1		0.7	2.7		2.7
<b>Equity as at 31 December 2023</b>	<b>169.7</b>	<b>-39.0</b>	<b>7.7</b>	<b>144.2</b>	<b>362.7</b>	<b>645.4</b>	<b>59.5</b>	<b>704.8</b>

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(EUR million)	Share capital	Fund at fair value	Fund for share-based payments	Un-restricted equity reserve	Retained earnings	Share-holders' share of equity	Additional Tier 1 capital holders	Total equity
<b>Equity as at 1 January 2024</b>	<b>169.7</b>	<b>-39.0</b>	<b>7.7</b>	<b>144.2</b>	<b>362.7</b>	<b>645.4</b>	<b>59.5</b>	<b>704.8</b>
Share issue				2.0		2.0		2.0
Acquisition of treasury shares					-1.4	-1.4		-1.4
Divestment of treasury shares				0.9	1.4	2.3		2.3
Dividend to shareholders					-50.9	-50.9		-50.9
Profit for the period					76.1	76.1		76.1
Change in fair value for financial assets		8.4				8.4		8.4
Change in fair value for cash flow hedging		2.3				2.3		2.3
Transferred to the income statement for financial assets		0.1				0.1		0.1
Comprehensive income from items which can be transferred to the income statement		10.9				10.9		10.9
Total comprehensive income for the period		10.9			76.1	87.0		87.0
Paid interest on Additional Tier 1 (AT1) capital, after taxes					-1.9	-1.9		-1.9
Change in share-based payments (IFRS 2)			-1.6			-1.6		-1.6
<b>Equity as at 30 September 2024</b>	<b>169.7</b>	<b>-28.1</b>	<b>6.1</b>	<b>147.1</b>	<b>386.1</b>	<b>681.0</b>	<b>59.5</b>	<b>740.4</b>

(EUR million)	Share capital	Fund at fair value	Fund for share-based payments	Un-restricted equity reserve	Retained earnings	Shareholders' share of equity	Additional Tier 1 capital holders	Total equity
<b>Equity as at 1 January 2023</b>	<b>169.7</b>	<b>-49.9</b>	<b>5.7</b>	<b>141.5</b>	<b>313.4</b>	<b>580.4</b>	<b>59.5</b>	<b>639.8</b>
Share issue				1.6	—	1.6		1.6
Acquisition of treasury shares					-0.9	-0.9		-0.9
Divestment of treasury shares				0.4	1.2	1.5		1.5
Dividend to shareholders					-31.1	-31.1		-31.1
Profit for the period					61.6	61.6		61.6
Change in fair value for financial assets		7.5				7.5		7.5
Change in fair value for cash flow hedging		-0.2				-0.2		-0.2
Transferred to the income statement for financial assets		0.0				0.0		0.0
Comprehensive income from items which can be transferred to the income statement		7.3				7.3		7.3
<b>Total comprehensive income for the period</b>		<b>7.3</b>			<b>61.6</b>	<b>68.9</b>		<b>68.9</b>
Paid interest on Additional Tier 1 (AT1) capital, after taxes					-1.9	-1.9		-1.9
Change in share-based payments (IFRS 2)			1.1		0.5	1.6		1.6
<b>Equity as at 30 September 2023</b>	<b>169.7</b>	<b>-42.6</b>	<b>6.8</b>	<b>143.5</b>	<b>342.8</b>	<b>620.3</b>	<b>59.5</b>	<b>679.7</b>

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

## Consolidated cash flow statement

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ%	Jan-Dec 2023
<b>Cash flow from operating activities</b>				
Operating profit	94.6	78.1	21%	102.6
Adjustment items not included in cash flow	30.7	55.5	-45%	31.6
Paid income taxes	-15.5	-14.1	9%	-17.0
<b>Cash flow from operating activities before change in receivables and liabilities</b>	<b>109.8</b>	<b>119.4</b>	<b>-8%</b>	<b>117.2</b>
Increase (-) or decrease (+) in receivables from operating activities <sup>1</sup>	79.9	462.8	-83%	388.9
Increase (+) or decrease (-) in liabilities from operating activities	-163.8	-534.8	-69%	-481.2
<b>Total cash flow from operating activities</b>	<b>25.8</b>	<b>47.5</b>	<b>-46%</b>	<b>24.8</b>
<b>Cash flow from investing activities</b>				
Investment in investment properties	—	-7.0	-100%	-21.6
Investment in tangible and intangible assets	-20.9	-15.6	34%	-22.0
Acquisition of and capital loan to associated companies	—	—	—	-0.5
Dividend from associated companies	0.2	0.4	-50%	0.4
<b>Total cash flow from investing activities</b>	<b>-20.8</b>	<b>-22.2</b>	<b>-7%</b>	<b>-43.7</b>
<b>Cash flow from financing activities</b>				
Subordinated liabilities	31.3	—	—	—
Paid interest on Additional Tier 1 (AT1) capital	-2.3	-2.3	0%	-2.3
Divestment of treasury shares	2.3	1.5	48%	1.5
Paid dividends	-50.9	-31.1	64%	-31.1
<b>Total cash flow from financing activities</b>	<b>-19.7</b>	<b>-31.9</b>	<b>-38%</b>	<b>-31.9</b>
<b>Change in cash and cash equivalents</b>	<b>-14.6</b>	<b>-6.6</b>	<b>121%</b>	<b>-50.8</b>
Cash and cash equivalents at the beginning of the year	93.7	144.4	-35%	144.4
Cash and cash equivalents at the end of the period	79.1	137.8	-43%	93.7
<b>Cash and cash equivalents in the cash flow statement consist of the following items:</b>				
Cash in hand	0.4	0.5	-25%	0.6
Bank of Finland current account excl. the minimum reserve deposit in Bank of Finland	14.3	54.7	-74%	33.0
Repayable on demand claims on credit institutions	64.4	82.6	-22%	60.0
<b>Total</b>	<b>79.1</b>	<b>137.8</b>	<b>-43%</b>	<b>93.7</b>
<b>Adjustment items not included in cash flow consist of:</b>				
Impairment of interest-bearing securities	0.8	-0.7	—	-0.9
Unrealised change in value for financial assets measured at fair value through income statement	-7.3	6.0	—	5.6
Impairment of credits and other commitments	6.3	4.5	39%	7.0
Change in fair values	15.9	27.3	-42%	-6.7
Depreciation and impairment of tangible and intangible assets	15.0	14.5	3%	20.5
Unwound fair value hedging	1.6	-0.5	—	-0.5
Change in fair values of investment properties	0.2	3.0	-94%	3.9
Change in share-based payments	-1.7	1.1	—	1.9
Other adjustments	0.0	0.3	-97%	1.0
<b>Total</b>	<b>30.7</b>	<b>55.5</b>	<b>-45%</b>	<b>31.6</b>

<sup>1</sup> Includes change in deposits at the Bank of Finland of EUR -98 (Jan-Sep 2023: -555, Jan-Dec 2024: -511) million, which has a positive impact on the cash flow.

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## Quarterly trends in the Group

(EUR million)								
Income statement	Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net interest income	36.1	38.8	39.1	38.2	38.6	114.0	102.3	140.4
Dividends	0.1	0.0	0.2	0.1	0.0	0.3	0.1	0.1
Net commission income	30.9	30.8	30.1	29.8	30.0	91.8	90.6	120.4
Net income from life insurance	8.9	7.4	7.7	6.0	5.1	23.9	18.0	24.1
Net income from financial transactions	-0.1	-0.5	0.1	0.3	0.5	-0.5	1.4	1.7
Other operating income	0.2	0.2	0.1	0.1	0.1	0.5	0.6	0.7
<b>Total operating income</b>	<b>76.1</b>	<b>76.7</b>	<b>77.3</b>	<b>74.5</b>	<b>74.3</b>	<b>230.1</b>	<b>212.9</b>	<b>287.4</b>
Personnel costs	-19.4	-20.1	-19.3	-21.6	-21.0	-58.8	-62.9	-84.5
IT expenses	-12.0	-12.7	-11.0	-12.6	-9.6	-35.7	-28.5	-41.1
Depreciation of tangible and intangible assets	-6.1	-6.1	-6.0	-5.9	-5.8	-18.2	-17.6	-23.5
Other operating expenses	-5.5	-5.9	-5.1	-6.4	-4.4	-16.5	-21.1	-27.5
<b>Total operating expenses</b>	<b>-43.1</b>	<b>-44.8</b>	<b>-41.4</b>	<b>-46.5</b>	<b>-40.8</b>	<b>-129.3</b>	<b>-130.1</b>	<b>-176.6</b>
Impairment of tangible and intangible assets	—	—	—	-1.1	-0.2	—	-0.2	-1.3
Impairment of credits and other commitments	-1.8	-1.8	-2.7	-2.4	-2.3	-6.3	-4.5	-7.0
Impairment of other receivables	—	—	—	—	—	—	-0.1	-0.1
Share of profit from associated companies	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1
<b>Operating profit</b>	<b>31.2</b>	<b>30.1</b>	<b>33.3</b>	<b>24.5</b>	<b>31.0</b>	<b>94.6</b>	<b>78.1</b>	<b>102.6</b>
Taxes	-6.4	-6.0	-6.0	-4.7	-7.1	-18.5	-16.5	-21.3
<b>Profit for the period</b>	<b>24.7</b>	<b>24.1</b>	<b>27.2</b>	<b>19.8</b>	<b>23.9</b>	<b>76.1</b>	<b>61.6</b>	<b>81.3</b>
Attributable to:								
Shareholders in Aktia Bank plc	24.7	24.1	27.2	19.8	23.9	76.1	61.6	81.3
<b>Total</b>	<b>24.7</b>	<b>24.1</b>	<b>27.2</b>	<b>19.8</b>	<b>23.9</b>	<b>76.1</b>	<b>61.6</b>	<b>81.3</b>
Earnings per share (EPS), EUR	0.34	0.33	0.38	0.27	0.33	1.05	0.85	1.12
Earnings per share (EPS), EUR, after dilution	0.34	0.33	0.38	0.27	0.33	1.05	0.85	1.12
<b>Operating profit excluding items affecting comparability:</b>	<b>Q3/2024</b>	<b>Q2/2024</b>	<b>Q1/2024</b>	<b>Q4/2023</b>	<b>Q3/2023</b>	<b>Jan-Sep 2024</b>	<b>Jan-Sep 2023</b>	<b>Jan-Dec 2023</b>
Operating profit	31.2	30.1	33.3	24.5	31.0	94.6	78.1	102.6
Operating income:								
Additional income from divestment of Visa Europe to Visa Inc	—	—	—	—	—	—	-0.3	-0.3
Operating expenses:								
Costs for restructuring	0.3	0.7	0.6	1.1	—	1.6	1.4	2.4
<b>Comparable operating profit</b>	<b>31.5</b>	<b>30.8</b>	<b>33.9</b>	<b>25.6</b>	<b>31.0</b>	<b>96.2</b>	<b>79.2</b>	<b>104.8</b>

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(EUR million)						Jan-Sep	Jan-Sep	Jan-Dec
Comprehensive income	Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023	2024	2023	2023
<b>Profit for the period</b>	<b>24.7</b>	<b>24.1</b>	<b>27.2</b>	<b>19.8</b>	<b>23.9</b>	<b>76.1</b>	<b>61.6</b>	<b>81.3</b>
<b>Other comprehensive income after taxes:</b>								
Change in fair value for financial assets	3.6	2.7	2.1	4.4	1.3	8.4	7.5	11.9
Change in fair value for cash flow hedging	-0.2	1.9	0.7	-0.4	0.8	2.3	-0.2	-0.6
Transferred to the income statement for financial assets	0.1	0.0	0.0	-0.4	0.0	0.1	0.0	-0.4
Comprehensive income from items which can be transferred to the income statement	3.5	4.6	2.8	3.6	2.1	10.9	7.3	10.9
Defined benefit plan pensions	—	—	0.0	—	—	—	—	0.0
Comprehensive income from items which can not be transferred to the income statement	—	—	0.0	—	—	—	—	0.0
<b>Total comprehensive income for the period</b>	<b>28.2</b>	<b>28.7</b>	<b>30.1</b>	<b>23.3</b>	<b>26.1</b>	<b>87.0</b>	<b>68.9</b>	<b>92.2</b>
<b>Total comprehensive income attributable to:</b>								
Shareholders in Aktia Bank plc	28.2	28.7	30.1	23.3	26.1	87.0	68.9	92.2
<b>Total</b>	<b>28.2</b>	<b>28.7</b>	<b>30.1</b>	<b>23.3</b>	<b>26.1</b>	<b>87.0</b>	<b>68.9</b>	<b>92.2</b>
Total earnings per share, EUR	0.39	0.39	0.41	0.32	0.36	1.20	0.95	1.27
Total earnings per share, EUR, after dilution	0.39	0.39	0.41	0.32	0.36	1.20	0.95	1.27
<b>Total comprehensive income excluding items affecting comparability:</b>	<b>Q3/2024</b>	<b>Q2/2024</b>	<b>Q1/2024</b>	<b>Q4/2023</b>	<b>Q3/2023</b>	<b>Jan-Sep 2024</b>	<b>Jan-Sep 2023</b>	<b>Jan-Dec 2023</b>
<b>Total comprehensive income</b>	<b>28.2</b>	<b>28.7</b>	<b>30.1</b>	<b>23.3</b>	<b>26.1</b>	<b>87.0</b>	<b>68.9</b>	<b>92.2</b>
Additional income from divestment of Visa Europe to Visa Inc	—	—	—	—	—	—	-0.2	-0.2
Costs for restructuring	0.2	0.4	0.5	0.8	—	1.1	1.1	1.9
IT expenses	—	0.2	—	—	—	0.2	—	—
<b>Comparable total comprehensive income</b>	<b>28.4</b>	<b>29.3</b>	<b>30.6</b>	<b>24.2</b>	<b>26.1</b>	<b>88.3</b>	<b>69.7</b>	<b>93.9</b>

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## Quarterly trends in the segments

(EUR million)	Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Banking Business</b>								
Net interest income	34.7	37.9	44.8	43.9	42.7	117.5	104.3	148.2
Net commission income	14.7	15.2	13.6	13.9	14.8	43.6	44.2	58.2
Other income	0.2	0.1	0.1	0.0	0.1	0.3	0.4	0.5
<b>Total operating income</b>	<b>49.6</b>	<b>53.2</b>	<b>58.5</b>	<b>57.9</b>	<b>57.5</b>	<b>161.4</b>	<b>148.9</b>	<b>206.8</b>
Personnel costs	-4.2	-4.4	-2.4	-4.7	-4.4	-10.9	-13.1	-17.8
Other expenses <sup>1</sup>	-21.4	-22.6	-21.6	-23.1	-19.8	-65.7	-64.1	-87.2
<b>Total operating expenses</b>	<b>-25.6</b>	<b>-27.0</b>	<b>-24.0</b>	<b>-27.8</b>	<b>-24.3</b>	<b>-76.6</b>	<b>-77.2</b>	<b>-105.0</b>
Impairment of tangible and intangible assets	—	—	—	-1.0	—	—	—	-1.0
Impairment of credits and other commitments	-1.8	-1.8	-2.7	-2.4	-2.3	-6.3	-4.5	-7.0
<b>Operating profit</b>	<b>22.3</b>	<b>24.4</b>	<b>31.8</b>	<b>26.7</b>	<b>31.0</b>	<b>78.5</b>	<b>67.2</b>	<b>93.8</b>
<b>Comparable operating profit</b>	<b>22.3</b>	<b>24.8</b>	<b>31.9</b>	<b>26.8</b>	<b>31.0</b>	<b>79.0</b>	<b>67.6</b>	<b>94.4</b>

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(EUR million)	Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
<b>Asset Management</b>								
Net interest income	2.9	3.7	3.9	5.6	4.7	10.4	12.6	18.2
Net commission income	16.5	16.6	16.8	16.2	15.6	49.9	47.8	64.0
Other income	0.0	0.1	0.0	0.0	0.0	0.2	0.1	0.1
<b>Total operating income</b>	<b>19.4</b>	<b>20.3</b>	<b>20.7</b>	<b>21.8</b>	<b>20.3</b>	<b>60.5</b>	<b>60.5</b>	<b>82.3</b>
Personnel costs	-5.0	-4.2	-5.5	-6.4	-5.5	-14.6	-16.3	-22.6
Other expenses <sup>1</sup>	-8.5	-8.4	-7.9	-8.0	-7.4	-24.9	-23.9	-31.9
<b>Total operating expenses</b>	<b>-13.5</b>	<b>-12.6</b>	<b>-13.4</b>	<b>-14.4</b>	<b>-12.9</b>	<b>-39.5</b>	<b>-40.2</b>	<b>-54.6</b>
Impairment of tangible and intangible assets	—	—	—	-0.1	—	—	—	-0.1
Impairment of other receivables	—	—	—	—	—	—	-0.1	-0.1
<b>Operating profit</b>	<b>6.0</b>	<b>7.7</b>	<b>7.3</b>	<b>7.3</b>	<b>7.4</b>	<b>21.0</b>	<b>20.2</b>	<b>27.5</b>
<b>Comparable operating profit</b>	<b>6.2</b>	<b>7.9</b>	<b>7.8</b>	<b>8.3</b>	<b>7.4</b>	<b>21.9</b>	<b>20.9</b>	<b>29.2</b>

(EUR million)	Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
<b>Life Insurance</b>								
Insurance service result	5.5	5.6	4.2	5.8	2.8	15.3	12.2	18.0
Result from investment contracts	2.3	2.3	2.3	2.1	2.1	7.0	6.3	8.4
Net investment result	2.4	0.1	1.8	-1.1	1.0	4.3	1.7	0.6
<b>Net income from life insurance</b>	<b>10.3</b>	<b>8.0</b>	<b>8.3</b>	<b>6.7</b>	<b>5.9</b>	<b>26.6</b>	<b>20.3</b>	<b>27.0</b>
Personnel costs	-0.6	-0.7	-0.6	-0.6	-0.6	-1.9	-1.8	-2.4
Other expenses <sup>1</sup>	-2.0	-2.0	-2.0	-1.9	-1.7	-6.0	-5.4	-7.3
<b>Total operating expenses</b>	<b>-2.6</b>	<b>-2.7</b>	<b>-2.6</b>	<b>-2.5</b>	<b>-2.4</b>	<b>-7.9</b>	<b>-7.2</b>	<b>-9.7</b>
<b>Operating profit</b>	<b>7.7</b>	<b>5.3</b>	<b>5.7</b>	<b>4.2</b>	<b>3.6</b>	<b>18.7</b>	<b>13.1</b>	<b>17.3</b>
<b>Comparable operating profit</b>	<b>7.7</b>	<b>5.3</b>	<b>5.7</b>	<b>4.2</b>	<b>3.6</b>	<b>18.7</b>	<b>13.1</b>	<b>17.3</b>

(EUR million) Group Functions	Q3/2024	Q2/2024	Q1/2024	Q4/2023	Q3/2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Net interest income	-2.3	-2.7	-9.6	-11.4	-9.0	-14.7	-15.0	-26.4
Net commission income	1.7	1.0	1.7	1.5	1.6	4.4	4.6	6.1
Other income	0.1	-0.4	0.5	0.5	0.5	0.2	2.0	2.6
<b>Total operating income</b>	<b>-0.6</b>	<b>-2.1</b>	<b>-7.4</b>	<b>-9.4</b>	<b>-6.8</b>	<b>-10.1</b>	<b>-8.4</b>	<b>-17.8</b>
Personnel costs	-9.7	-10.8	-10.9	-9.9	-10.5	-31.4	-31.7	-41.7
Other expenses <sup>1</sup>	5.5	5.2	6.9	5.5	6.5	17.5	18.4	23.8
<b>Total operating expenses</b>	<b>-4.2</b>	<b>-5.7</b>	<b>-4.0</b>	<b>-4.4</b>	<b>-3.9</b>	<b>-13.9</b>	<b>-13.4</b>	<b>-17.8</b>
Impairment of tangible and intangible assets	—	—	—	—	-0.2	—	-0.2	-0.2
<b>Operating profit</b>	<b>-4.8</b>	<b>-7.8</b>	<b>-11.4</b>	<b>-13.8</b>	<b>-10.9</b>	<b>-23.9</b>	<b>-22.0</b>	<b>-35.8</b>
<b>Comparable operating profit</b>	<b>-4.8</b>	<b>-7.7</b>	<b>-11.3</b>	<b>-13.8</b>	<b>-10.9</b>	<b>-23.8</b>	<b>-22.1</b>	<b>-35.9</b>

1) The net expenses for central functions are allocated from the Group Functions to the business segment's Banking Business, Asset Management and Life Insurance. This cost allocation is included in the segments' other operating expenses.



## Note 1. Basis for preparing the interim report and significant accounting principles

### Basis for preparing the interim report

Aktia Bank Plc's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU.

The interim report for the period 1 January–30 September 2024 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report does not contain all the information required for financial statements and should therefore be read together with Aktia Group's Financial Statement 2023 and other supplementary reports (mainly Financial Review 2023 and Pillar III Report 2023).

The figures in the tables are presented in millions of euros with one decimal place and are rounded, therefore the sum of individual amounts and percentage changes may differ from the presented total.

The interim report for the period 1 January–30 September 2024 was approved by the Board of Directors on 6 November 2024.

### Significant accounting principles

In preparing the interim report, the Group has followed the accounting principles applied in the annual consolidated financial statements on 31 December 2023.

The Group assesses that new or revised IFRS standards issued by the IASB or IFRIC (International Financial Reporting Interpretations Committee) interpretations that became effective 1 January 2024 have no significant impact on the Group's future results, financial position or disclosures. New and revised standards issued by the IASB that are not yet effective are not expected to have any significant impact on the Group's financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements, was published by the IASB in April 2024 but has not yet been endorsed by the EU. IFRS 18 establishes the requirements for presentation and disclosures in financial statements and replaces IAS 1, Presentation of Financial Statements. The new standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The standard must be applied retroactively for comparative periods and mainly focuses on presentation and disclosures in the financial statements, with particular emphasis on the income statement and the reporting of financial performance. Aktia is evaluating the impact of IFRS 18 on its consolidated financial statements but since it does not change the recognition and measurement principles, it is not expected to have significant impact beyond the presentation of financial information.

The Group's Assets under management (AuM) have been extended with some products from 1 January 2024. The comparison figures have been recalculated to correspond to the change from 1 January 2022.

### Comparable performance measures

Aktia presents a number of Alternative Performance Measures (APMs), from which items affecting comparability are excluded. Items affecting comparability are not associated with day-to-day business, and such items are income and expenses attributable to restructuring, divestment of operations as well as impairment of assets departing from day-to-day business. The items affecting comparability are shown in a table under the Group's income statement and comprehensive income.

### Correction of previously reported figures in 2023

In accordance with IAS 8 Accounting principles, changes in estimates and assessments and also errors, Aktia Bank Plc's reported net interest income and thus the result for 2023 have been recalculated retroactively. This is due to a technical error in the calculation of interest for a limited number of corporate accounts.

The correction of the net interest income for 2023 amounted to EUR -3.6 million. The total correction as of 31 December 2023 decreased retained earnings by EUR 3.1 million as the deferred tax and the credit interest attributable to 2022 is taken into account.

For more information, see note 11, Correction of previously reported figures in 2023.

## Note 2. Group's risk exposure

### The Bank Group's capital adequacy

The Bank Group includes Aktia Bank Plc and all its subsidiaries except for Aktia Life Insurance Ltd, and forms a consolidated group in accordance with the capital adequacy regulations.

(EUR million)	30 September 2024		31 December 2023	
	Group	Bank Group	Group	Bank Group
<b>Calculation of the Bank Group's capital base</b>				
<b>Total assets</b>	<b>11,974.9</b>	<b>10,208.7</b>	<b>12,036.9</b>	<b>10,431.7</b>
of which intangible assets	174.7	167.2	168.2	165.3
<b>Total liabilities</b>	<b>11,234.5</b>	<b>9,504.4</b>	<b>11,329.0</b>	<b>9,743.8</b>
of which subordinated liabilities	153.5	100.3	121.4	69.6
Share capital	169.7	169.7	169.7	169.7
Fund at fair value	-28.1	-19.1	-39.0	-29.0
Restricted equity	141.6	150.7	130.7	140.7
Unrestricted equity reserve and other funds	153.3	153.1	151.9	151.8
Retained earnings	310.0	280.1	281.7	259.0
Profit for the period	76.1	61.0	84.2	76.9
Unrestricted equity	539.3	494.1	517.8	487.7
Shareholders' share of equity	681.0	644.8	648.5	628.5
Holders of other Tier 1 capital	59.5	59.5	59.5	59.5
<b>Equity</b>	<b>740.4</b>	<b>704.3</b>	<b>708.0</b>	<b>687.9</b>
<b>Total liabilities and equity</b>	<b>11,974.9</b>	<b>10,208.7</b>	<b>12,036.9</b>	<b>10,431.7</b>
<b>Off-balance sheet commitments</b>	<b>623.7</b>	<b>619.4</b>	<b>617.5</b>	<b>607.5</b>
<b>The Bank Group's equity</b>		<b>704.3</b>		<b>687.9</b>
Provision for dividends to shareholders <sup>1</sup>		-45.7		-50.7
Intangible assets		-154.1		-149.8
Debentures		100.3		69.6
Additional expected losses according to IRB		-27.6		-26.1
Deduction for significant holdings in financial sector entities		-7.4		-8.8
Other incl. unpaid dividend		-12.2		-9.5
<b>Total capital base (CET1 + AT1 + T2)</b>		<b>557.5</b>		<b>512.8</b>

1) Based on the CRR regulation

(EUR million)	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
<b>The Bank Group's capital adequacy</b>					
Common Equity Tier 1 Capital before regulatory adjustments	590.0	582.6	575.3	568.5	548.0
Common Equity Tier 1 Capital regulatory adjustments	-191.0	-187.8	-183.0	-183.0	-190.8
<b>Common Equity Tier 1 Capital (CET1)</b>	<b>399.0</b>	<b>394.8</b>	<b>392.3</b>	<b>385.5</b>	<b>357.2</b>
Additional Tier 1 capital before regulatory adjustments	58.3	58.8	59.4	57.7	58.3
<b>Additional Tier 1 capital (AT1)</b>	<b>58.3</b>	<b>58.8</b>	<b>59.4</b>	<b>57.7</b>	<b>58.3</b>
<b>Total Tier 1 capital (T1 = CET1 + AT1)</b>	<b>457.2</b>	<b>453.6</b>	<b>451.7</b>	<b>443.1</b>	<b>415.5</b>
Tier 2 capital before regulatory adjustments	100.3	101.3	100.0	69.6	69.6
<b>Total Tier 2 capital (T2)</b>	<b>100.3</b>	<b>101.3</b>	<b>100.0</b>	<b>69.6</b>	<b>69.6</b>
<b>Total own funds (TC = T1 + T2)</b>	<b>557.5</b>	<b>554.9</b>	<b>551.7</b>	<b>512.8</b>	<b>485.1</b>
<b>Risk weighted exposures</b>	<b>3,365.2</b>	<b>3,425.6</b>	<b>3,436.7</b>	<b>3,411.2</b>	<b>3,257.3</b>
of which credit risk, the standardised model	787.2	787.9	759.4	734.8	712.9
of which credit risk, the IRB model	2,094.3	2,156.8	2,192.0	2,191.9	2,100.7
of which CVA risk	15.3	12.4	14.5	13.8	12.4
of which operational risk	468.4	468.4	470.7	470.7	431.4
Own funds requirement (8 %)	269.2	274.0	274.9	272.9	260.6
Own funds buffer	288.3	280.8	276.8	239.9	224.5
CET1 Capital ratio	11.9%	11.5%	11.4%	11.3%	11.0%
T1 Capital ratio	13.6%	13.2%	13.1%	13.0%	12.8%
Total capital ratio	16.6%	16.2%	16.1%	15.0%	14.9%
<b>Own funds floor (CRR article 500)</b>					
Own funds	557.5	554.9	551.7	512.8	485.1
Own funds floor <sup>1</sup>	262.8	264.3	263.4	260.9	254.0
Own funds buffer	294.8	290.6	288.2	251.9	231.1

1) 80% of the capital requirement based on standardised approach (8%).

Calculation of capital adequacy is made using ratings from Moody's Investors Services to define risk weight of exposures.

### Bank Group's risk-weighted amount for operational risks

(EUR million)	2021	2022	2023	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
<b>Risk-weighted amount for operational risks</b>								
Gross income	240.5	235.8	273.2					
- average 3 years			249.8					
<b>Capital requirement for operational risk</b>				<b>37.5</b>	<b>37.5</b>	<b>37.7</b>	<b>37.7</b>	<b>34.5</b>
<b>Risk-weighted amount</b>				<b>468.4</b>	<b>468.4</b>	<b>470.7</b>	<b>470.7</b>	<b>431.4</b>

The capital requirement for operational risk is 15% of average gross income for the last three years.  
The risk-weighted amount for operational risk is calculated by dividing the capital requirement by 8%.

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

(EUR million)

30 Sep 2024

The Bank Group's total risk exposures	Contractual exposure	Exposure at default	Risk weight, %	Risk-weighted amount	Capital requirement 8 %
<b>Exposure class</b>					
<b>Credit risk, IRB approach</b>					
Corporates - SME	1,188.1	1,048.9	62%	647.9	51.8
Corporates - Other	693.5	640.2	82%	523.5	41.9
Retail - Secured by immovable property non-SME	4,527.8	4,514.2	15%	692.8	55.4
Retail - Secured by immovable property SME	96.2	95.7	15%	14.1	1.1
Retail - Other non-SME	227.2	212.3	21%	44.7	3.6
Retail - Other SME	15.2	13.9	38%	5.2	0.4
Equity exposures	47.8	47.8	268%	127.9	10.2
Other non credit-obligation assets	74.7	0.0	—%	38.1	3.0
<b>Total exposures, IRB approach</b>	<b>6,870.5</b>	<b>6,572.9</b>	<b>32%</b>	<b>2,094.3</b>	<b>167.5</b>
<b>Credit risk, standardised approach</b>					
States and central banks	662.9	701.4	—%	0.0	0.0
Regional governments and local authorities	67.5	89.1	0%	0.3	0.0
Public sector entities	0.0	16.3	0%	0.0	0.0
Multilateral development banks	9.3	49.7	—%	0.0	0.0
International organisations	32.8	32.8	—%	0.0	0.0
Credit institutions	238.0	211.5	21%	44.5	3.6
Corporates	76.7	52.3	99%	51.5	4.1
Retail exposures	604.4	293.4	71%	208.4	16.7
Secured by immovable property	896.4	878.2	29%	256.9	20.5
Past due items	14.6	10.3	105%	10.9	0.9
Covered bonds	970.2	970.1	10%	98.9	7.9
Other items	157.7	157.7	73%	115.8	9.3
<b>Total exposures, standardised approach</b>	<b>3,730.5</b>	<b>3,462.9</b>	<b>22%</b>	<b>787.2</b>	<b>63.0</b>
<b>Total risk exposures</b>	<b>10,601.0</b>	<b>10,035.8</b>	<b>29%</b>	<b>2,881.5</b>	<b>230.5</b>

(EUR million)

31 December 2023

	Contractual exposure	Exposure at default	Risk weight, %	Risk-weighted amount	Capital requirement 8 %
<b>The Bank Group's total risk exposures</b>					
<b>Exposure class</b>					
<b>Credit risk, IRB approach</b>					
Corporates - SME	1,074.0	977.4	61%	595.1	47.6
Corporates - Other	897.7	841.8	82%	689.9	55.2
Retail - Secured by immovable property non-SME	4,594.6	4,581.5	15%	703.3	56.3
Retail - Secured by immovable property SME	103.6	103.0	17%	17.2	1.4
Retail - Other non-SME	245.0	231.3	23%	53.2	4.3
Retail - Other SME	18.6	16.5	52%	8.5	0.7
Equity exposures	46.5	46.5	268%	124.6	10.0
<b>Total exposures, IRB approach</b>	<b>6,980.0</b>	<b>6,798.0</b>	<b>32%</b>	<b>2,191.9</b>	<b>175.3</b>
<b>Credit risk, standardised approach</b>					
States and central banks	811.8	858.7	—%	0.0	0.0
Regional governments and local authorities	85.7	84.2	0%	0.3	0.0
Multilateral development banks	0.0	41.9	—%	0.0	0.0
International organisations	25.3	25.3	—%	0.0	0.0
Credit institutions	303.5	300.4	21%	62.8	5.0
Corporates	113.6	35.6	81%	29.0	2.3
Retail exposures	586.2	292.4	68%	197.9	15.8
Secured by immovable property	895.9	883.9	29%	259.9	20.8
Past due items	5.5	3.8	121%	4.6	0.4
Covered bonds	961.0	961.0	10%	96.8	7.7
Other items	105.3	105.3	79%	83.6	6.7
<b>Total exposures, standardised approach</b>	<b>3,893.8</b>	<b>3,592.6</b>	<b>20%</b>	<b>734.8</b>	<b>58.8</b>
<b>Total risk exposures</b>	<b>10,873.9</b>	<b>10,390.6</b>	<b>28%</b>	<b>2,926.7</b>	<b>234.1</b>

**The finance and insurance conglomerate's capital adequacy**

(EUR million)	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
<b>Summary</b>					
The Group's equity	740.4	711.5	737.0	708.0	682.3
Sector-specific assets	153.5	157.3	156.0	125.6	125.6
Intangible assets and other reduction items	-219.4	-189.3	-216.9	-174.2	-184.2
<b>Conglomerate's total capital base</b>	<b>674.5</b>	<b>679.4</b>	<b>676.1</b>	<b>659.4</b>	<b>623.7</b>
Capital requirement for the Bank Group	410.8	426.0	393.9	391.4	373.4
Capital requirement for insurance business	100.1	98.2	99.0	93.9	84.4
<b>Minimum amount for capital base</b>	<b>510.9</b>	<b>524.2</b>	<b>492.9</b>	<b>485.4</b>	<b>457.8</b>
<b>Conglomerate's capital adequacy</b>	<b>163.7</b>	<b>155.3</b>	<b>183.2</b>	<b>174.0</b>	<b>165.9</b>
Capital adequacy ratio, %	132.0%	129.6%	137.2%	135.9%	136.2%

The finance and insurance conglomerate's capital adequacy is based on consolidation method and is calculated according to the rules of the Finnish Act on the Supervision of Financial and Insurance Conglomerates and the standards of the Finnish Financial Supervision Authority.

### Note 3. Net interest income

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ%	Q3/2024	Q3/2023	Δ%	Jan-Dec 2023
Lending	276.5	210.6	31%	90.2	84.7	6 %	302.5
Deposits	-65.4	-39.4	66%	-20.9	-18.1	16 %	-61.3
Covered bonds	-57.9	-42.4	37%	-20.2	-17.6	15 %	-61.4
Senior financing	-77.5	-54.3	43%	-24.9	-22.3	12 %	-78.8
Liquidity portfolio	26.8	14.7	82%	9.0	6.5	38 %	22.7
Other	11.6	12.9	-10%	3.0	5.3	-44 %	16.7
of which TLTRO loan	-5.4	-10.8	-50%	-1.4	-4.6	-69 %	-13.4
of Which deposits in the bank of Finland	18.7	22.6	-17%	5.7	9.0	-37 %	27.9
<b>Total</b>	<b>114.0</b>	<b>102.3</b>	<b>11%</b>	<b>36.1</b>	<b>38.6</b>	<b>-7 %</b>	<b>140.4</b>

Borrowing and lending include the covered bonds issued by mortgage bank operations and the interest rate hedging that was made in connection with the issues. Other consists mainly of TLTRO loan, deposits in the Bank of Finland and risk debentures.

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts. For more information, see note 11, Correction of previously reported figures in 2023.

### Note 4. Net income from life insurance and liabilities from insurance contracts

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ%	Q3/2024	Q3/2023	Δ%	Jan-Dec 2023
Insurance service result	15.3	12.2	25%	5.5	2.8	96 %	18.0
Result from investment contracts	7.0	6.3	10%	2.3	2.1	11 %	8.4
Actuarially calculated result	22.2	18.6	20%	7.9	4.9	59 %	26.4
of which change in ECL impairment	-0.1	0.1	—	—	0.1	—	0.3
of which unrealised value changes for shares and participations	7.2	-6.5	—	12.4	-9.0	—	17.1
of which unrealised value changes for investment properties	-0.2	-3.0	-94%	-0.2	-2.0	-90 %	-4.0
Other net investment income	4.4	6.4	-30%	0.9	1.6	-46 %	7.7
Net income from investments	11.4	-3.1	—	13.1	-9.2	—	21.1
Insurance finance result	-9.7	2.5	—	-12.0	9.4	—	-23.5
Net investment result	1.7	-0.5	—	1.0	0.2	440 %	-2.4
<b>Net income from life insurance</b>	<b>23.9</b>	<b>18.0</b>	<b>33%</b>	<b>8.9</b>	<b>5.1</b>	<b>74 %</b>	<b>24.1</b>

Insurance service result includes results from contracts which according to IFRS 17 are defined as insurance contracts. Liabilities from insurance contracts are divided into present value of future expected cash flows, contractual service margin and risk adjustment. Regarding investment contracts insurance premiums received and claims are reported as premiums written, or insurance claims paid in the income statement. Premiums are reported as premiums written when payment is received. Liabilities from investment contracts are measured based on market value for investments that are associated with the insurance policy. Insurance finance result include financial income and expenses from discounting of future cash flows for liabilities from insurance contracts, as well as a possible changes in the actuarial assumptions.

(EUR million)	30 Sep 2024	30 Sep 2023	Δ%	Jan-Dec 2023
Present value of future cash flows (PVCF)	348.8	368.0	-5%	358.6
Contractual service margin (CSM)	62.6	58.9	6%	74.0
Risk adjustment (RA)	41.5	31.7	31%	42.7
Liabilities for insurance contracts	453.0	458.5	-1%	475.3
Liabilities for investment contracts	1,213.3	992.7	22%	1,053.6
<b>Liabilities from insurance business</b>	<b>1,666.3</b>	<b>1,451.2</b>	<b>15%</b>	<b>1,529.0</b>

## Note 5. Net income from financial transactions

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Δ%	Q3/2024	Q3/2023	Δ%	Jan-Dec 2023
Net income from financial assets measured at fair value through income statement	—	0.0	-100%	0.0	0.0	—	0.0
Net income from securities and currency operations	0.1	0.6	-78%	0.0	0.4	—	1.0
of which unrealised value changes for shares and participations	0.0	0.5	-90%	0.0	0.4	—	0.9
Net income from financial assets measured at fair value through other comprehensive income	-0.5	0.7	—	-0.2	0.1	—	0.8
of which change in ECL impairment	-0.5	0.4	—	-0.2	0.1	—	0.5
Net income from interest-bearing securities measured at amortised cost	-0.2	0.1	—	0.2	0.0	546 %	0.1
of which change in ECL impairment	-0.2	0.1	—	0.2	0.0	546 %	0.1
Net income from hedge accounting	0.0	-0.1	—	-0.1	-0.1	11 %	-0.2
<b>Total</b>	<b>-0.5</b>	<b>1.4</b>	<b>—</b>	<b>-0.1</b>	<b>0.5</b>	<b>—</b>	<b>1.7</b>

## Note 6. Derivative instruments

Hedging derivative instruments (EUR million)	30 September 2024		
	Total nominal amount	Assets, fair value	Liabilities, fair value
<b>Fair value hedging</b>			
Interest rate-related	6,127.7	70.3	155.4
<b>Total</b>	<b>6,127.7</b>	<b>70.3</b>	<b>155.4</b>
<b>Cash flow hedging</b>			
Interest rate-related	595.7	4.1	26.7
<b>Total</b>	<b>595.7</b>	<b>4.1</b>	<b>26.7</b>
<b>Derivative instruments measured through the income statement</b>			
Currency-related	4.2	0.0	0.0
<b>Total</b>	<b>4.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Total derivative instruments</b>			
Interest rate-related	6,723.4	74.4	182.1
Currency-related	4.2	0.0	0.0
<b>Total</b>	<b>6,727.5</b>	<b>74.4</b>	<b>182.1</b>
Of which cleared interest rate swaps	1,980.8	19.0	14.3

Hedging derivative instruments (EUR million)	31 December 2023		
	Total nominal amount	Assets, fair value	Liabilities, fair value
<b>Fair value hedging</b>			
Interest rate-related	6,158.1	72.4	202.1
<b>Total</b>	<b>6,158.1</b>	<b>72.4</b>	<b>202.1</b>
<b>Cash flow hedging</b>			
Interest rate-related	611.8	9.4	21.5
<b>Total</b>	<b>611.8</b>	<b>9.4</b>	<b>21.5</b>
<b>Derivative instruments valued through the income statement</b>			
Currency-related	4.7	0.1	0.0
<b>Total</b>	<b>4.7</b>	<b>0.1</b>	<b>0.0</b>
<b>Total derivative instruments</b>			
Interest rate-related	6,769.9	81.9	223.6
Currency-related	4.7	0.1	0.0
<b>Total</b>	<b>6,774.6</b>	<b>81.9</b>	<b>223.7</b>
Of which cleared interest rate swaps	1,759.8	25.2	8.9

## Note 7. Financial assets and impairment by stage

(EUR million)	Stage 1	Stage 2	Stage 3	Total
Book value of financial assets 30 September 2024				
Interest-bearing securities	1,558.2	2.4	—	1,560.6
Lending to the public and public sector entities	7,258.4	406.3	127.9	7,792.6
Off-balance sheet commitments	619.2	2.3	2.2	623.7
<b>Total</b>	<b>9,435.9</b>	<b>411.0</b>	<b>130.0</b>	<b>9,976.9</b>
Book value of financial assets 31 December 2023				
Interest-bearing securities	1,608.8	2.5	—	1,611.3
Lending to the public and public sector entities	7,450.2	311.9	103.8	7,865.9
Off-balance sheet commitments	612.5	2.4	2.6	617.5
<b>Total</b>	<b>9,671.5</b>	<b>316.7</b>	<b>106.4</b>	<b>10,094.7</b>

### Impairment of credits and other commitments

(EUR million)	Stage 1	Stage 2	Stage 3	Total
Impairment of credits and the other commitments 1 January 2024	6.1	6.3	25.0	37.4
Transferred from stage 1 to stage 2	-0.2	1.9	—	1.7
Transferred from stage 1 to stage 3	0.0	—	1.6	1.5
Transferred from stage 2 to stage 1	0.1	-0.7	—	-0.6
Transferred from stage 2 to stage 3	—	-1.1	2.1	1.0
Transferred from stage 3 to stage 1	0.0	—	-0.8	-0.7
Transferred from stage 3 to stage 2	—	0.2	-1.8	-1.6
Increases due to origination and acquisition	1.7	0.0	0.1	1.9
Decreases due to derecognition	-0.7	-0.8	-1.6	-3.2
Decrease in allowance account due to write-offs	—	—	-7.3	-7.3
Other changes	-1.0	0.1	7.2	6.3
<b>Impairment of credits and the other commitments 30 September 2024</b>	<b>6.0</b>	<b>5.9</b>	<b>24.5</b>	<b>36.3</b>
of which provisions	0.9	0.1	0.1	1.1

### Impairment of interest-bearing securities

(EUR million)	Stage 1	Stage 2	Stage 3	Total
Impairment of interest-bearing securities 1 January 2024	0.4	0.1	—	0.6
Decreases due to derecognition	-0.2	—	—	-0.2
Other changes	1.0	0.0	0.0	0.9
<b>Impairment of interest-bearing securities 30 September 2024</b>	<b>1.2</b>	<b>0.1</b>	<b>0.0</b>	<b>1.3</b>



## Note 8. Financial assets and liabilities

### Fair value of financial assets and liabilities

(EUR million)	30 September 2024		31 December 2023	
	Book value	Fair value	Book value	Fair value
<b>Financial assets</b>				
Financial assets measured at fair value through income statement	1,548.5	1,548.5	1,369.7	1,369.7
Financial assets measured at fair value through other comprehensive income	1,059.4	1,059.4	1,049.0	1,049.0
Interest-bearing securities measured at amortised cost	425.8	412.4	488.4	469.5
Lending to Bank of Finland, credit institutions, public and public sector entities	8,398.5	8,447.3	8,562.1	8,581.5
Cash and balances with central banks	67.3	67.3	91.8	91.8
Derivative instruments	74.4	74.4	81.9	81.9
<b>Total</b>	<b>11,574.0</b>	<b>11,609.3</b>	<b>11,642.9</b>	<b>11,643.4</b>
<b>Financial liabilities</b>				
Deposits	4,483.0	4,492.4	4,872.6	4,886.8
Derivative instruments	182.1	182.1	223.7	223.7
Debt securities issued	4,014.0	4,049.5	3,577.3	3,611.0
Subordinated liabilities	153.5	154.9	121.4	118.2
Other liabilities to credit institutions	75.0	78.7	—	—
Other liabilities to the public and public sector entities	420.0	422.6	781.0	781.4
Liabilities for right-of-use assets	22.8	22.8	23.7	23.7
<b>Total</b>	<b>9,350.3</b>	<b>9,402.9</b>	<b>9,599.6</b>	<b>9,644.6</b>

In the table, the fair value and the book value of the financial assets and liabilities, are presented per balance sheet item. The fair values are determined both for agreements with fixed and variable interest rates. The fair values are calculated without accrued interest and without the effect of possible hedging derivatives attributable to the balance sheet item.

Fair values on investment assets are determined by market prices quoted on the active market. If quoted market prices are not available, the value of the balance sheet items is mainly determined by discounting future cash flow using market interest rates on the day the accounts were closed. In addition to the credit risk profile of current stock, costs for re-financing are considered in the discount rate when determining fair values on loans. For cash and balances with central banks, the nominal value is used as fair value.

For deposits repayable on demand, the nominal value is assumed to be equivalent to the fair value. Deposits with maturity are determined by discounting future cash flows at market interest rates on the day the accounts were closed. The fair value of issued debts is mainly determined based on quotes on the market. In the discount rate for unquoted issued debts and subordinated liabilities, a margin corresponding the seniority of the instrument is applied.

Derivatives are valued at fair value corresponding to quotes on the market.

## Measurement of financial assets at fair value

**Level 1** consists of financial instruments that are valued using prices listed on an active market. In an active market transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis. This category includes listed bonds and other securities, listed equity instruments and derivatives, for which tradable price quotes exist.

**Level 2** consists of financial instruments that do not have directly accessible listed prices from an effective market. The fair value has been determined by using valuation techniques, which are based on assumptions supported by observable market prices. Such market information may include listed interest rates, for example, or prices for closely related instruments. This category includes the majority of OTC derivative instruments, as well as many other instruments that are not traded on an active market. In addition, the Bank makes an independent valuation adjustment to the market value of the outstanding OTC derivatives for the total credit risk component for the counterparty credit risk as well as for the own credit risk.

**Level 3** consists of financial instruments for which the fair value cannot be obtained directly from quoted market prices or indirectly by using valuation techniques or models supported by observable market prices. This category mainly includes unlisted equity instruments and funds, and other unlisted funds and securities where there currently are no fixed prices.

(EUR million)	30 September 2024				31 December 2023			
	Market value classified into				Market value classified into			
Financial instruments measured at fair value	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through income statement</b>								
Investments for unit-linked investments	1,296.2	—	—	1,296.2	1,133.6	—	—	1,133.6
Interest-bearing securities	17.5	57.8	0.0	75.4	16.0	57.8	0.0	73.8
Shares and participations	119.2	—	57.7	176.9	109.6	—	52.8	162.3
<b>Total</b>	<b>1,432.9</b>	<b>57.8</b>	<b>57.7</b>	<b>1,548.5</b>	<b>1,259.2</b>	<b>57.8</b>	<b>52.8</b>	<b>1,369.7</b>
<b>Financial assets measured at fair value through other comprehensive income</b>								
Interest-bearing securities	1,038.0	11.5	10.0	1,059.4	993.8	25.5	29.7	1,049.0
<b>Total</b>	<b>1,038.0</b>	<b>11.5</b>	<b>10.0</b>	<b>1,059.4</b>	<b>993.8</b>	<b>25.5</b>	<b>29.7</b>	<b>1,049.0</b>
Derivative instrument, net	0.0	-107.7	—	-107.6	0.0	-141.8	—	-141.7
<b>Total</b>	<b>0.0</b>	<b>-107.7</b>	<b>—</b>	<b>-107.6</b>	<b>0.0</b>	<b>-141.8</b>	<b>—</b>	<b>-141.7</b>
<b>Total</b>	<b>2,471.0</b>	<b>-38.4</b>	<b>67.7</b>	<b>2,500.3</b>	<b>2,253.1</b>	<b>-58.5</b>	<b>82.5</b>	<b>2,277.0</b>

## Transfers between level 1 and level 2

Transfers between levels may occur when there are indications of changes in market conditions, e.g. when instruments cease to be actively traded. During the period no transfers between level 1 and level 2 occurred.

Aktia Group's Risk control has the responsibility for classifying financial instrument into levels 1, 2 and 3. The valuation process, which is made on an ongoing basis, is the same for financial instruments on all levels. The process determines to which level in the fair value hierarchy a financial instrument will be classified. In cases where internal assumptions have a material impact on fair value, the financial instrument is reported on level 3. The process also includes an evaluation based on the quality of the valuation data if a class of financial instrument is to be transferred between levels.

### Changes within level 3

The following table present the change from year-end regarding level 3 financial assets reported at fair value.

Reconciliation of changes for financial instruments belonging to level 3  (EUR million)	Financial assets measured at fair value through income statement			Financial assets measured at fair value through other comprehensive income			Total		
	Interest bearing securities	Shares and participations	Total	Interest bearing securities	Shares and participations	Total	Interest bearing securities	Shares and participations	Total
Carrying amount 1 January 2024	0.0	52.8	52.8	29.7	—	29.7	29.7	52.8	82.5
New purchases	—	5.7	5.7	—	—	—	—	5.7	5.7
Sales	—	-1.6	-1.6	—	—	—	—	-1.6	-1.6
Matured during the year	—	—	—	-20.0	—	-20.0	-20.0	—	-20.0
Realised value change in the income statement	—	-0.1	-0.1	—	—	—	—	-0.1	-0.1
Unrealised value change in the income statement	—	1.0	1.0	—	—	—	—	1.0	1.0
Value change recognised in total comprehensive income	—	—	—	0.3	—	0.3	0.3	—	0.3
<b>Carrying amount 30 September 2024</b>	<b>0.0</b>	<b>57.7</b>	<b>57.7</b>	<b>10.0</b>	<b>—</b>	<b>10.0</b>	<b>10.0</b>	<b>57.7</b>	<b>67.7</b>

### Set off of financial assets and liabilities

(EUR million)	30 September 2024		31 December 2023	
	Derivatives	Reverse repurchase agreements	Derivatives	Reverse repurchase agreements
<b>Assets</b>				
Financial assets included in general agreements on set off or similar agreements	74.4	—	81.9	—
<b>Carrying amount in the balance sheet</b>	<b>74.4</b>	<b>—</b>	<b>81.9</b>	<b>—</b>
Amount not set off but included in general agreements on set off or similar	33.4	—	41.1	—
Collateral assets	33.9	—	35.8	—
<b>Total amount of sums not set off in the balance sheet</b>	<b>67.4</b>	<b>—</b>	<b>76.9</b>	<b>—</b>
<b>Net amount</b>	<b>7.1</b>	<b>—</b>	<b>5.0</b>	<b>—</b>
<b>Liabilities</b>				
Financial liabilities included in general agreements on set off or similar agreements	182.1	—	223.7	—
<b>Carrying amount in the balance sheet</b>	<b>182.1</b>	<b>—</b>	<b>223.7</b>	<b>—</b>
Amount not set off but included in general agreements on set off or similar	33.4	—	41.1	—
Collateral liabilities	105.9	—	105.2	—
<b>Amount not set off in the balance sheet</b>	<b>139.4</b>	<b>—</b>	<b>146.3</b>	<b>—</b>
<b>Net amount</b>	<b>42.7</b>	<b>—</b>	<b>77.4</b>	<b>—</b>

The table shows financial assets and liabilities that are not set off in the balance sheet, but have potential rights associated with enforceable master set-off arrangements or similar arrangements, such as ISDA Master Agreements, together with related collateral. The net amount shows the exposure in normal business as well as in the event of default or insolvency.

## Note 9. Specification of the Group's funding structure

(EUR million)	30 Sep 2024	31 Dec 2023	30 Sep 2023
Deposits from the public and public sector entities	4,278.3	4,564.2	4,678.7
<b>Short-term liabilities, unsecured debts<sup>1</sup></b>			
Banks	20.7	22.7	28.2
Certificates of deposits issued and Money Market deposits	511.6	901.2	964.9
<b>Total</b>	<b>532.4</b>	<b>923.8</b>	<b>993.1</b>
<b>Short-term liabilities, secured debts (collateralised)<sup>1</sup></b>			
Banks - received cash in accordance with collateral agreements	33.9	35.8	15.4
<b>Total</b>	<b>33.9</b>	<b>35.8</b>	<b>15.4</b>
<b>Total short-term liabilities</b>	<b>566.3</b>	<b>959.6</b>	<b>1,008.5</b>
<b>Long-term liabilities</b>			
<b>Unsecured debts<sup>2</sup></b>			
Issued senior preferred debts	1,911.4	1,994.4	1,901.4
Issued senior non-preferred debts	88.8	91.7	66.6
Other credit institutions	75.0	0.0	1.4
Subordinated debts	100.3	69.6	69.6
AT1 loan (Additional Tier 1 capital)	60.0	60.0	60.0
<b>Total</b>	<b>2,235.5</b>	<b>2,215.8</b>	<b>2,099.0</b>
<b>Secured debts (collateralised)<sup>2</sup></b>			
Central bank and other credit institutions	150.0	250.0	250.0
Issued covered bonds <sup>3</sup>	1,993.1	1,494.6	1,494.2
<b>Total</b>	<b>2,143.1</b>	<b>1,744.6</b>	<b>1,744.2</b>
<b>Accumulated adjustment amount of fair value hedges</b>	<b>-70.9</b>	<b>-123.6</b>	<b>-213.1</b>
<b>Total long-term liabilities</b>	<b>4,307.6</b>	<b>3,836.7</b>	<b>3,630.1</b>
<b>Interest-bearing liabilities in the Bank Group</b>	<b>9,152.2</b>	<b>9,360.5</b>	<b>9,317.3</b>
Technical provisions in the life insurance business	1,666.3	1,529.0	1,451.2
Subordinated debts in the life insurance business	53.2	51.7	49.8
Total other non-interest-bearing liabilities	422.8	447.7	508.6
<b>Total liabilities</b>	<b>11,294.5</b>	<b>11,389.0</b>	<b>11,327.0</b>

1) Short-term liabilities = liabilities which original maturity is under 1 year

2) Long-term liabilities = liabilities which original maturity is over 1 year

3) After netting of an issued retained covered bond to an amount of EUR 0 million on 30 September 2024, EUR 300 million on 31 December 2023 and 30 September 2023

## Note 10. Collateral assets and liabilities

Collateral assets (EUR million)	30 Sep 2024	31 Dec 2023	30 Sep 2023
<b>Collateral for own liabilities</b>			
Securities	198.7	29.6	73.7
Outstanding loans constituting security for covered bonds	2,390.6	2,475.5	2,529.6
<b>Total</b>	<b>2,589.3</b>	<b>2,505.1</b>	<b>2,603.3</b>
<b>Other collateral assets</b>			
Pledged securities <sup>1</sup>	100.3	100.3	1.3
Cash included in pledging agreements and repurchase agreements	105.9	105.2	160.4
<b>Total</b>	<b>206.2</b>	<b>205.5</b>	<b>161.7</b>
<b>Total collateral assets</b>	<b>2,795.5</b>	<b>2,710.6</b>	<b>2,765.0</b>
<b>Collateral above refers to the following liabilities</b>			
Liabilities to credit institutions <sup>2</sup>	150.0	250.0	250.0
Issued covered bonds <sup>3</sup>	1,963.8	1,425.6	1,369.2
Derivatives	105.9	105.2	160.4
<b>Total</b>	<b>2,219.7</b>	<b>1,780.8</b>	<b>1,779.6</b>

1) Refers to securities pledged for the intra day limit. As of 30 September 2024, a surplus of pledged securities amounted to EUR 16.0 (14.2) million.

2) Refers to liabilities to the central bank, the European Investment Bank and to repurchase agreements with standardised GMRA (Global Master Repurchase Agreement) terms and conditions.

3) Own repurchases deducted.

Collateral liabilities (EUR million)	30 Sep 2024	31 Dec 2023	30 Sep 2023
Cash included in pledging agreements <sup>1</sup>	33.9	35.8	15.4
<b>Total</b>	<b>33.9</b>	<b>35.8</b>	<b>15.4</b>

1) Refers to derivative agreements where collaterals were received from the counterparty in accordance with ISDA/CSA agreements.

## Note 11. Correction of previously reported figures in 2023

Aktia Bank Plc has revised the reporting for 2023 due to a technical error in interest calculation for a limited number of corporate accounts.

The revised quarterly and annual results for 2023 are presented in the tables below.

EUR million	Jan-Dec 2023		
	Previously reported	Correction	Recalculated
Net interest income	144.0	-3.6	140.4
<b>Total operating income</b>	<b>291.0</b>	<b>-3.6</b>	<b>287.4</b>
<b>Operating profit</b>	<b>106.2</b>	<b>-3.6</b>	<b>102.6</b>
Taxes	-22.0	0.7	-21.3
<b>Profit for the period</b>	<b>84.2</b>	<b>-2.9</b>	<b>81.3</b>
<b>Comparable operating profit</b>	<b>108.4</b>	<b>-3.6</b>	<b>104.8</b>
Earnings per share (EPS), EUR	1.16	-0.04	1.12
Comparable earnings per share (EPS), EUR	1.19	-0.04	1.15

EUR million	Q1/2023		
	Previously reported	Correction	Recalculated
Net interest income	31.8	-0.9	30.9
<b>Total operating income</b>	<b>70.3</b>	<b>-0.9</b>	<b>69.4</b>
<b>Operating profit</b>	<b>22.2</b>	<b>-0.9</b>	<b>21.3</b>
Taxes	-4.1	0.2	-3.9
<b>Profit for the period</b>	<b>18.1</b>	<b>-0.8</b>	<b>17.3</b>
<b>Comparable operating profit</b>	<b>23.6</b>	<b>-0.9</b>	<b>22.6</b>

EUR million	Q2/2023		
	Previously reported	Correction	Recalculated
Net interest income	33.8	-1.0	32.8
<b>Total operating income</b>	<b>70.3</b>	<b>-1.0</b>	<b>69.3</b>
<b>Operating profit</b>	<b>26.8</b>	<b>-1.0</b>	<b>25.8</b>
Taxes	-5.7	0.2	-5.6
<b>Profit for the period</b>	<b>21.0</b>	<b>-0.8</b>	<b>20.3</b>
<b>Comparable operating profit</b>	<b>26.5</b>	<b>-1.0</b>	<b>25.6</b>

EUR million	Q3/2023		
	Previously reported	Correction	Recalculated
Net interest income	39.5	-1.0	38.6
<b>Total operating income</b>	<b>75.2</b>	<b>-1.0</b>	<b>74.3</b>
<b>Operating profit</b>	<b>32.0</b>	<b>-1.0</b>	<b>31.0</b>
Taxes	-7.3	0.2	-7.1
<b>Profit for the period</b>	<b>24.7</b>	<b>-0.8</b>	<b>23.9</b>
<b>Comparable operating profit</b>	<b>32.0</b>	<b>-1.0</b>	<b>31.0</b>

EUR million	Q4/2023		
	Previously reported	Correction	Recalculated
Net interest income	38.9	-0.7	38.2
<b>Total operating income</b>	<b>75.2</b>	<b>-0.7</b>	<b>74.5</b>
<b>Operating profit</b>	<b>25.2</b>	<b>-0.7</b>	<b>24.5</b>
Taxes	-4.9	0.1	-4.7
<b>Profit for the period</b>	<b>20.4</b>	<b>-0.6</b>	<b>19.8</b>
<b>Comparable operating profit</b>	<b>26.3</b>	<b>-0.7</b>	<b>25.6</b>

EUR million	31 December 2023		
	Previously reported	Correction	Recalculated
Deferred tax receivables	25.1	0.8	25.9
<b>Total assets</b>	<b>12,036.9</b>	<b>0.8</b>	<b>12,037.7</b>
Other liabilities	164.4	3.9	168.3
<b>Total liabilities</b>	<b>11,329.0</b>	<b>3.9</b>	<b>11,332.9</b>
Retained earnings	365.9	-3.1	362.7
<b>Equity</b>	<b>708.0</b>	<b>-3.1</b>	<b>704.8</b>
<b>Liabilities and equity</b>	<b>12,036.9</b>	<b>0.8</b>	<b>12,037.7</b>

EUR million	1 January 2023		
	Previously reported	Correction	Recalculated
Deferred tax receivables	38.2	0.1	38.2
<b>Total assets</b>	<b>12,412.2</b>	<b>0.1</b>	<b>12,412.3</b>
Other liabilities	83.6	0.3	83.9
<b>Total liabilities</b>	<b>11,772.1</b>	<b>0.3</b>	<b>11,772.5</b>
Retained earnings	313.7	-0.3	313.4
<b>Equity</b>	<b>640.1</b>	<b>-0.3</b>	<b>639.8</b>
<b>Liabilities and equity</b>	<b>12,412.2</b>	<b>0.1</b>	<b>12,412.3</b>

# Report on review of the interim report of Aktia Bank plc as of and for the nine months period ending September 30, 2024

## To the Board of Directors of Aktia Bank plc

### Introduction

We have reviewed the balance sheet as of September 30, 2024 and the related income statement, statement of other comprehensive income, statement of changes in equity capital and cash flow statement of Aktia Bank plc Group for the nine-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 6 November 2024

KPMG OY AB

Marcus Tötterman

Authorised Public Accountant,  
KHT



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BIC/S.W.I.F.T: HELSFIHH

## Briefing for analysts, investors and media

Aktia's results briefing for analysts, investors and media will be held in English on Wednesday 6 November 2024 at 10.30 a.m. Aktia's CEO Aleksi Lehtonen and interim CFO Karri Varis will present the results.

The briefing can be viewed live as a webcast or as a recording after the event at <https://aktia.videosync.fi/aktia-pankki-oyj-q3-report-2024>. Questions can be submitted in writing during the live webcast.

The presentation material in English will be available on Aktia's website [www.aktia.com](http://www.aktia.com) before the briefing.

## Financial calendar

Financial Statement Release January–December 2024.....12 February 2025  
Annual General Meeting..... 3 April 2025  
Interim Report January–March 2025 .....7 May 2025  
Half-year Report January–June 2025 ..... 5 August 2025  
Interim Report January–September 2025..... 6 November 2025