

Strategic priorities 2030



Avanza 2030 – maintaining the **strong growth path**

- The Swedish savings and investment market is **large, growing and advanced**
- Avanza is by far the **market leading platform for savings and investments in Sweden** having more than 2 million customers with a total savings capital of close to SEK 1,000 billion. This has been achieved on the back of very strong customer focus and innovation, a superior customer experience, passionate employees and industry-leading cost efficiency
- Avanza's **core business will remain savings and investments in Sweden** with focus on maintaining strong growth
 - Long-term potential for continuous savings capital growth is strong, illustrated by the delta between front-book and back-book market shares
 - Great opportunity in our young customer base and to increase share-of wallet of existing customers
 - Extra efforts will be made to increase growth within Private Banking and occupational pension as well as within the broad do-it-for-me segment
- As always, we will invest to fuel **further strong growth by improving scalability, flexibility and cost efficiency**. This includes cloud migration and further automation of internal processes
- Opportunities and ways **to expand into one or more additional European markets** will be explored and evaluated in-depth with the ambition to have replicated our Swedish success abroad by 2030
- The overall strategic ambition is to **grow savings capital with an average of 15 per cent per year**, reaching a savings capital of SEK 2,000 billion in 2030¹, while keeping annual average cost increase at 8 per cent²

¹Excluding geographical expansion

²Including cloud migration

New 2030 targets to illustrate **growth potential** and **ambition**

- **No. 1 customer satisfaction and high employee engagement with an eNPS of at least 50** – critical to drive shareholder value
- Avanza's strategic priorities will accelerate future growth. The ambition is to **grow savings capital in Sweden with an average of 15% per year**
- **Decreased cost to savings capital ratio over time**
- **Annual average cost increase of 8%¹**. The increase will be higher in the beginning of the period and trending downwards to reach 5% by the end of the period as we increase scalability
- **ROE of at least 35%**
- **Dividend policy of 70 per cent of net profit**, taking into account capital requirements, including Pillar 2 requirements and guidance, as well as the internal buffer requirement

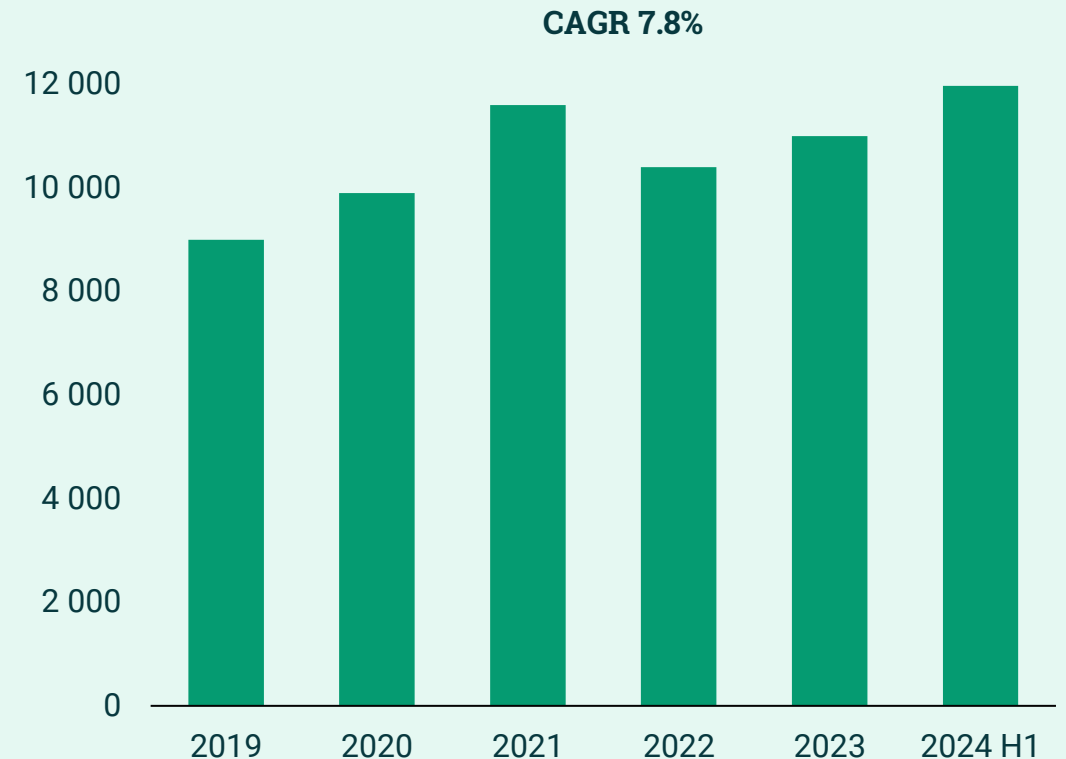
¹Excluding geographical expansion and including cloud migration

The Swedish savings and investment market is **large, growing and advanced**

- The largest market in the Nordics, comprising SEK 12,000 billion¹
- Higher growth projections than most European markets
- EU's highest share of household financial assets invested in securities
 - Seven out of ten save in mutual funds – highest in the world
 - A fourth of the population is invested in stocks and the share of total assets invested in stocks is twice as high as the European average
- Ongoing structural changes implies greater individual responsibility for personal finances

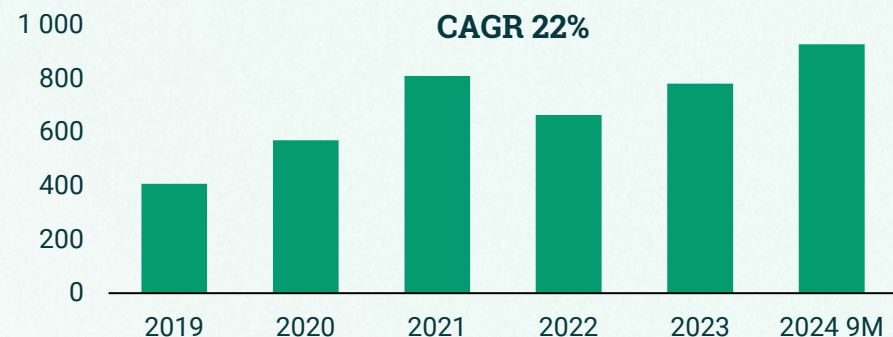
¹ SCB, 22 August 2024

The Swedish savings market, SEK billion



Avanza has a superior position in Sweden...

Close to **SEK 1 000 billion** in savings capital



Close to **three times higher front-book market share** compared to back-book market share

As of 30 June 2024

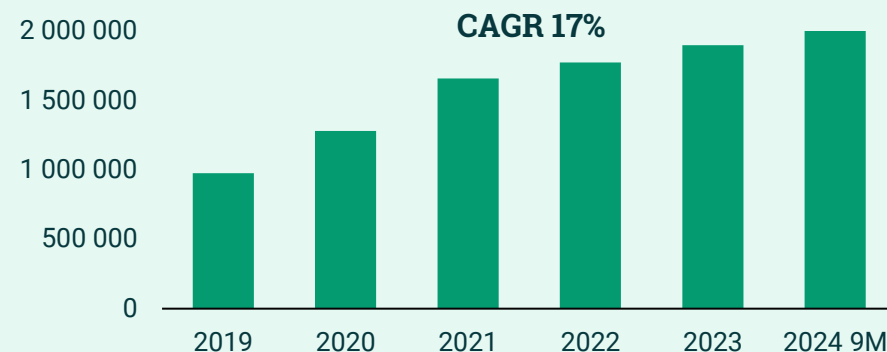
7.5%

Share of the Swedish savings market

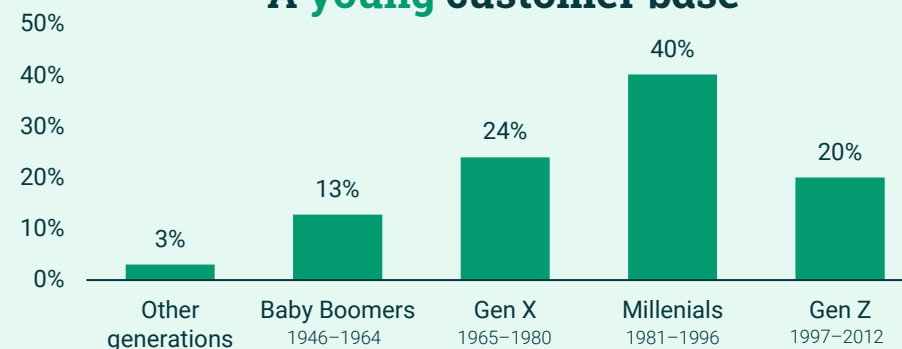
21%

Share of the net inflow to the Swedish savings market, R12M

Over **2 million** customers




A **young customer base**




Low churn of 1.1% R12M

As of 30 September 2024

...and a **strong** financial situation and asset quality

 **Industry-leading** cost efficiency with a cost to savings capital ratio of **15 bps**

 Low risk with limited on-balance sheet lending of **SEK 24 billion**

 **No realised credit losses** attributable to events after 2011

 Strong capitalisation with **4.8% leverage ratio** and **24.7% CET1 ratio**

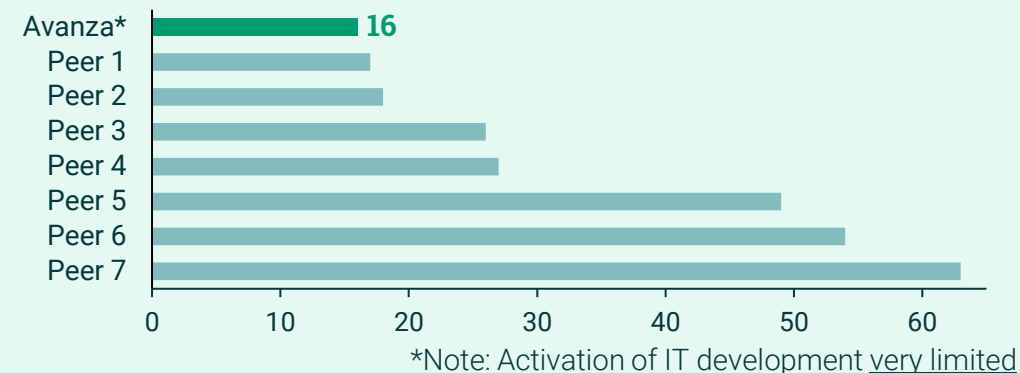
January-September 2024

Solid financial position

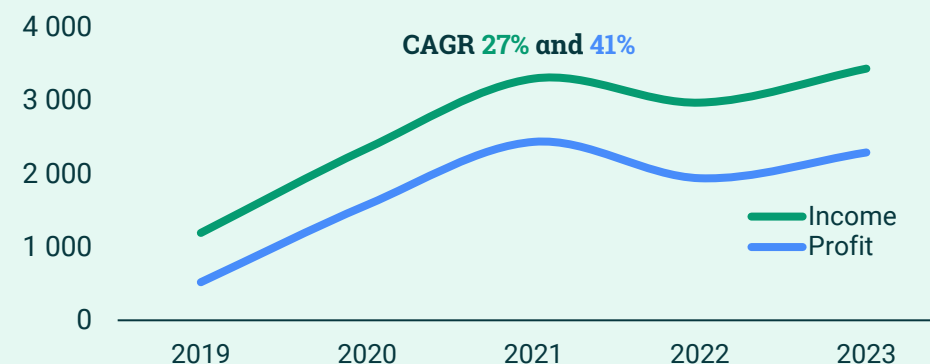
38%
ROE

57%
Profit margin

Cost to savings capital ratio 2023 compared to peers, bps



Strong income and operating profit growth, SEK m



Strong customer focus and passionate employees is the core of Avanza

- Avanza is driven by a constant focus on creating **customer value** – always with the mindset of creating a platform where we would want to be customers ourselves
- Our **employees are very dedicated** and driven by their will to make a difference, which is critical to our strategy and success
- **Innovation speed** is crucial, working to develop products that make it simpler and more enjoyable to successfully save and invest
- Our customer NPS of 33 is **industry leading** in Sweden – industry average is -3¹⁾
- **Cost consciousness** has always been a prerequisite to live up to our customer promise – “more to you, less to the bank”

¹⁾ Swedish Quality Index, December 2023



Sweden's most satisfied savings customers

Customer satisfaction is Avanza's No. 1 target, and for 14 consecutive years, we have won the Swedish Quality Index's (SQI) award for Sweden's most satisfied savings customers.



One of Sweden's highest considered companies

Avanza was ranked number 1 in the financial industry by both Verian* and Reputation&Trust – and as the 8th most reputable company overall in Sweden by Verian.

eNPS **58**
Yearly average
2023

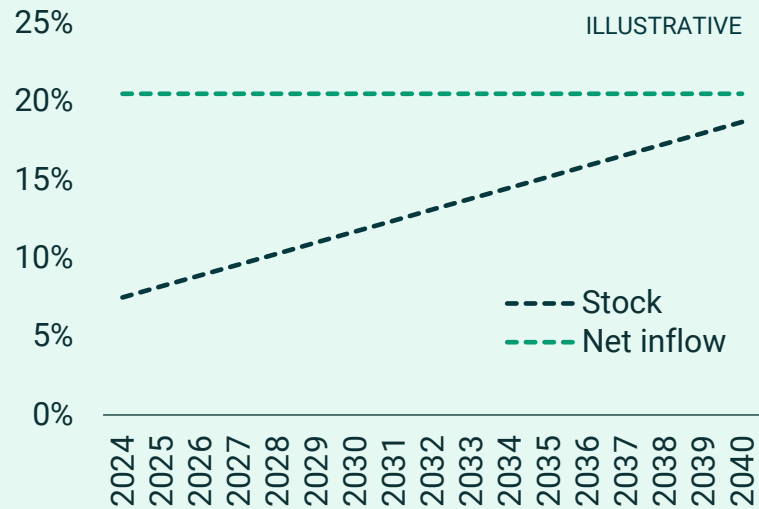
Highly engaged employees

Avanza has a strong corporate culture that draws its energy from our vision to create a better future for millions of people. This is reflected in our strong eNPS – well above 40 which is counted as top rating.

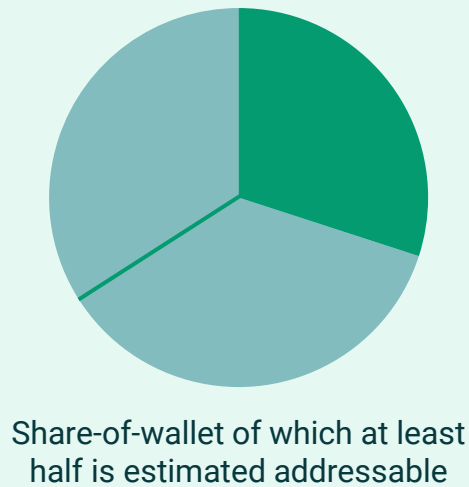
*Previously Kantar SIFO

Positive long-term growth prospects for Avanza in Sweden

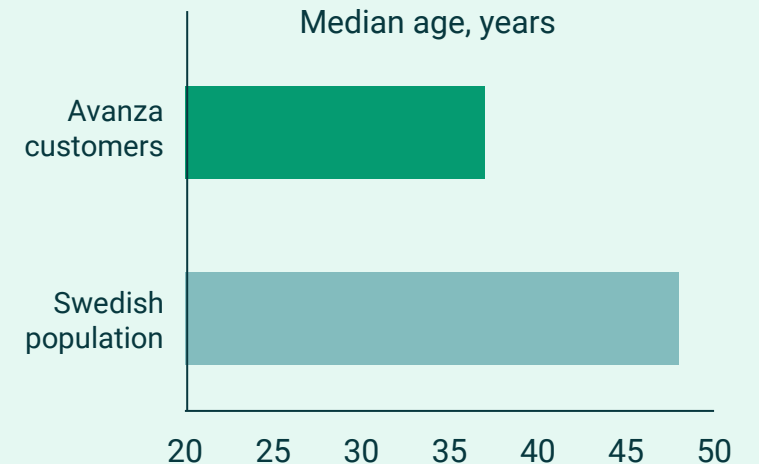
Large **potential to continue growing market shares** – illustrated by the delta between front- and back-book market shares



Large share of customers' savings capital is held with other institutions, meaning we have a **great opportunity to increase share-of-wallet**



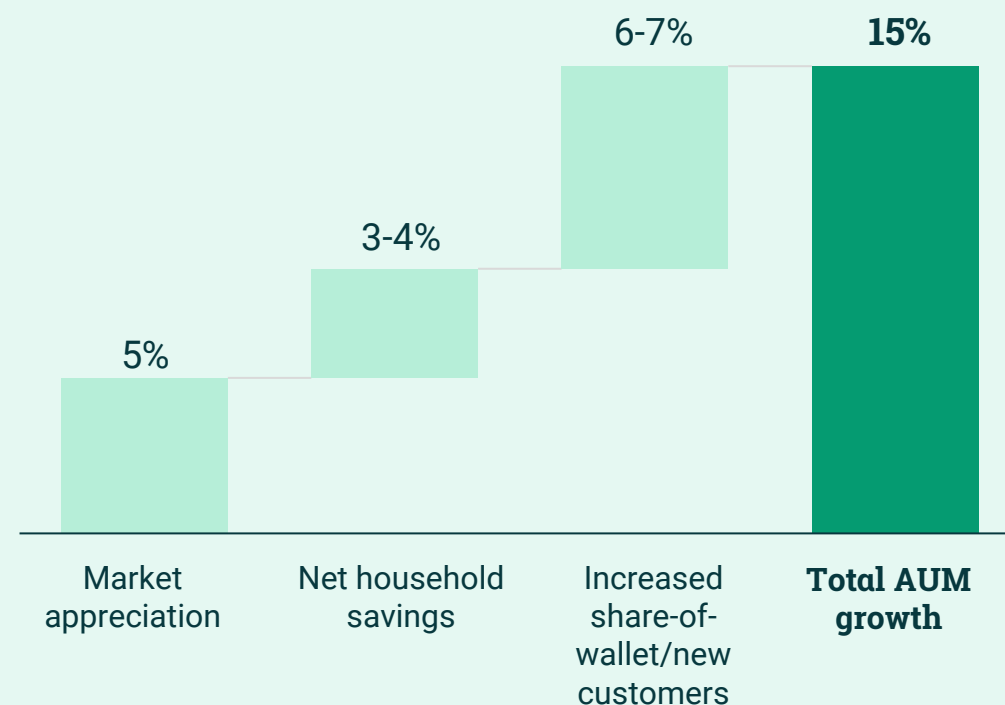
Great potential in our **young customer base** to grow their savings with us and in the intergenerational wealth transfers



Ambition is to grow savings capital in Sweden by 15 per cent annually

- Annual growth of 15 per cent means a savings capital over 2,000 billion by 2030
- Market appreciation effect estimated at 5 per cent – low compared to historical average
- Annual household savings ratio assumed at 3-4 per cent net – in line with historical figures

Savings capital annual growth ambition



Strategic priorities for sustained **strong growth** towards 2030



Further strengthen our core business with focus on increasing share-of-wallet

Starting point

- Over 2 million customers and a very low churn of around 1%
- A young customer base that will accumulate wealth over time
- Significant opportunities in the intergenerational wealth transition
- Many customers with a significant share of their savings capital with other institutions

Action plan

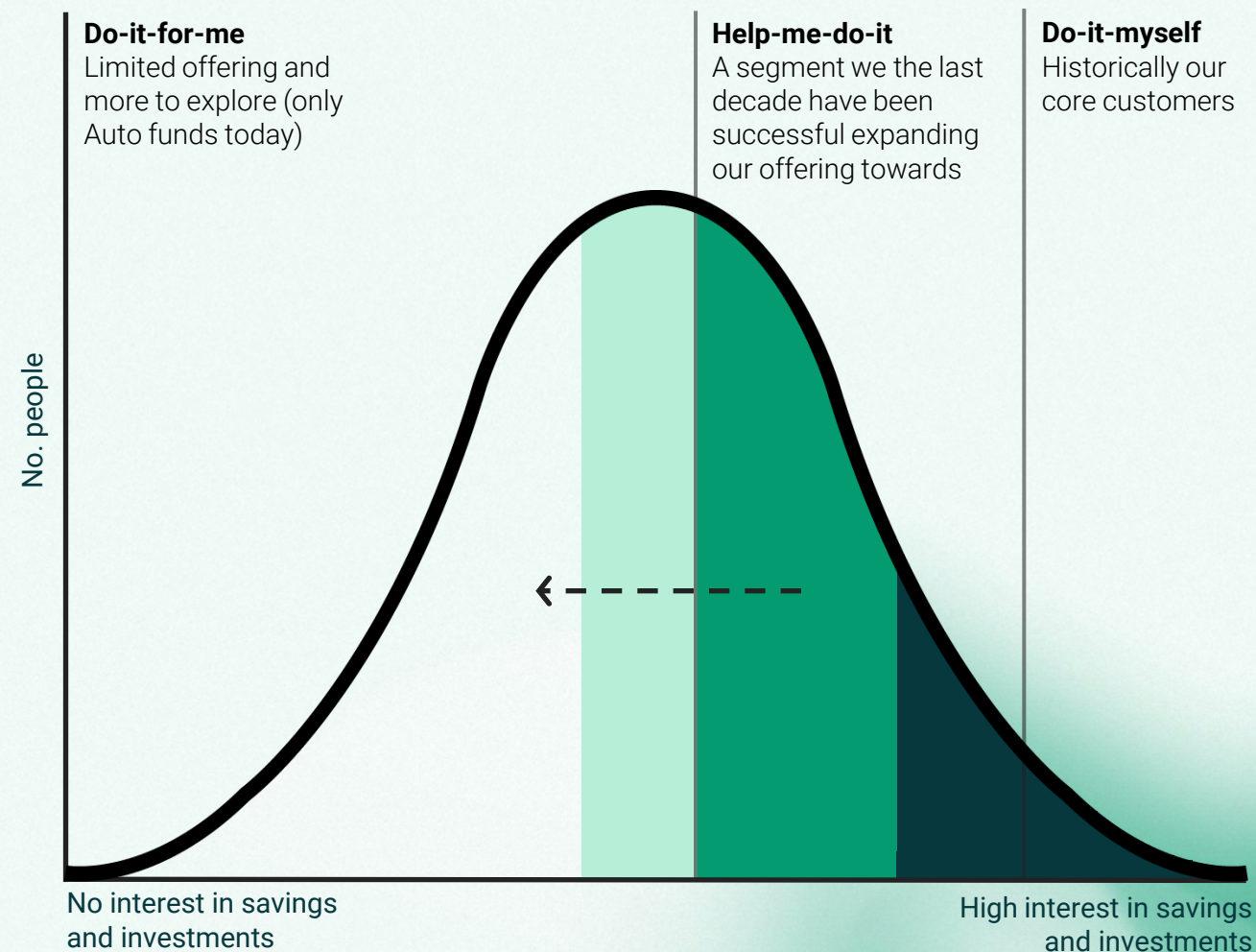
- Develop and personalise the customer experience
- Further focus on data-driven development and systematic A/B-testing
- Product development to meet the needs for the do-it-for-me segment

Ambition 2030

- Strengthened position as the No. 1 savings and investment platform
- A larger share of the customer base using Avanza exclusively for their savings and investments

Significant opportunity to increase addressable market

- Historically, Avanza has focused on the do-it-myself and help-me-do-it segments
- To accelerate growth, we need to become more relevant for those who have less interest in savings
- We will develop products to attract the large do-it-for-me segment, while remaining fully digital



Strong potential to gain market share within the traditional **Private Banking** segment

Starting point

- Superior digital customer experience and competitive pricing
 - 15% per cent market share – 4th largest – in number of customers
 - Strong willingness to recommend among current customer base
 - Few associate the Avanza brand with Private Banking
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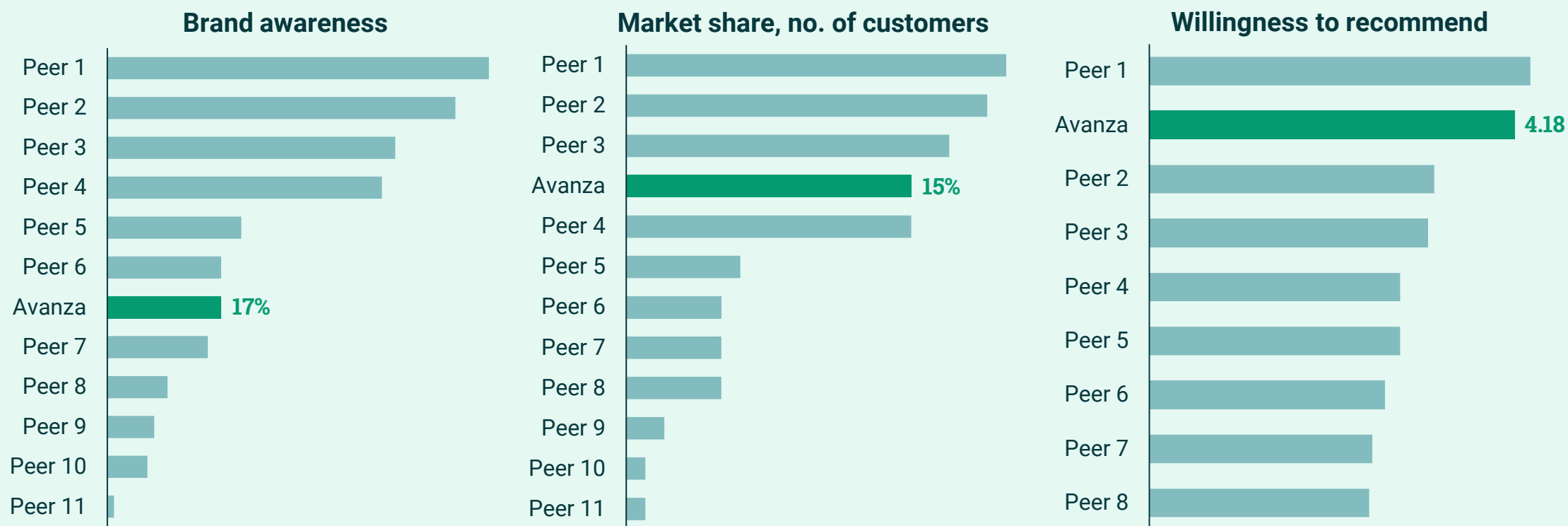
Action plan

- Improve the investment decision tools and create inroads to the do-it-for-me segment
 - Further strengthen and differentiate the Private Banking offering
 - Increase market visibility and proactive customer contacts
-

Ambition 2030

- No. 1 position in Private Banking market share in number of customers
- Substantially increased Private Banking savings capital

Satisfied Private Banking customers, but a relatively unknown offering – implying **significant growth potential**



Source: Prospera 2023

Accelerate growth within occupational pension

Starting point

- Competitive offering both when it comes to price, user experience and investment universe
- A Swedish pension system that is perceived difficult, and where the individual is expected to take greater responsibility
- The capability and the experience to make difficult things easy, enjoyable, inspiring and understandable
- No. 5 position in premium inflows¹

Action plan

- Make the experience for individual pension customers more intuitive and improve the offering for the do-it-for-me segment
- Improve the administrative processes and interface for corporates
- Grow through own sales force and strengthened pension brand

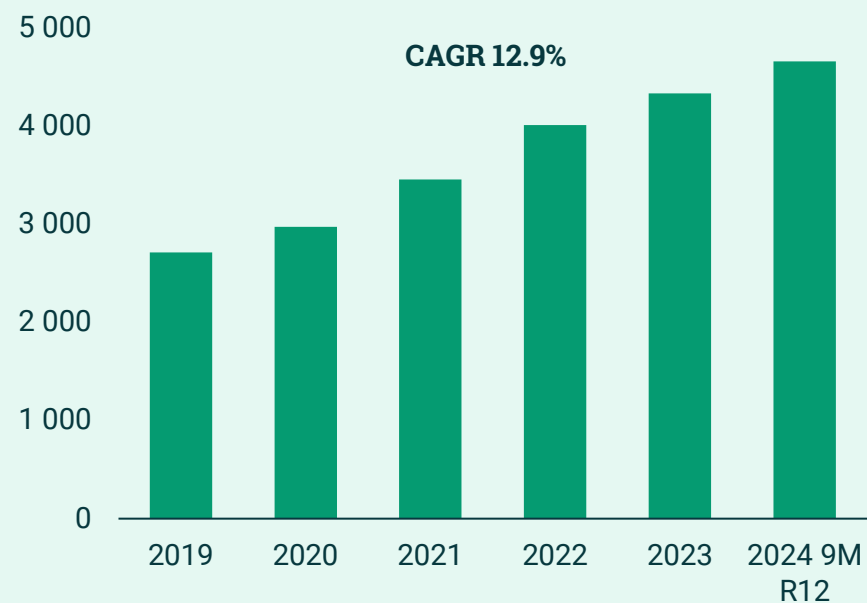
Ambition 2030

- No. 1 position in premium inflows¹

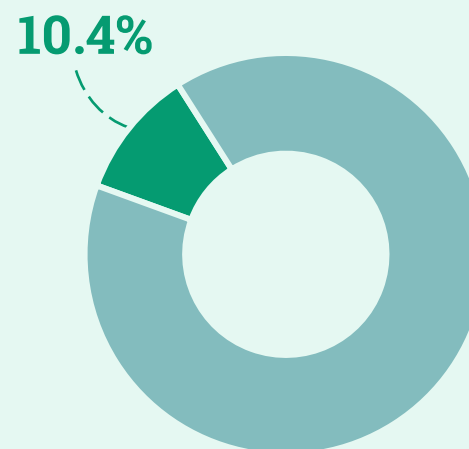
¹Outside selection centre, unit-linked

Satisfied occupational pension customers and **high ambitions** when it comes to market share growth

Occupational pension premiums, SEK m



Occupational pension premium market share¹



NPS of corporate customers with occupational pension

36

¹Outside selection centre, unit-linked

Increase efforts to fuel further growth by improving flexibility, cost efficiency and scalability

Starting point

- Sector leading cost efficiency with a costs to savings capital ratio of 15 bps
 - A uniform and modern tech stack with one programming language, one API framework and one way to build and distribute services, which creates efficiencies in the cloud migration
 - Data platform already migrated, and over 85% of our systems in cloud-ready technology
 - Scalable customer front-end, opportunity to improve internal processes
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Action plans

- Accelerate cloud migration with new development in the cloud from 2025
 - Improve operational efficiency
 - Stricter prioritisation of activities and development
-

Ambition 2030

- Improved customer value through enhanced technology-driven development and innovation
- As scalable and digital internally as externally
- Decreasing costs to savings capital ratio over time

Expand into new geographical markets

Starting point

- Avanza is today the clear market leader and by far the most successful digital savings and investments platform in Sweden – arguably the most developed and competitive market in Europe
- Democratised savings and investments in Sweden
- Leading user experience, broad product range, unique customer led development process

Action plans

- Closely monitor and evaluate acquisitions, partnerships and green-field opportunities as well as deepen our understanding of the different European markets and their attractiveness
- Internal readiness preparations

Ambition 2030

- Having established in one or several European markets outside Sweden
- Additional long-term growth opportunities through increased addressable market
- Further diversified revenue base

| | | | | |
|------|---|--|---|------|
| 2024 |  | Sustain our no. 1 customer satisfaction position |  | 2030 |
| 2024 |  | Maintain our unique corporate culture and high employee engagement |  | 2030 |
| 2024 |  | Strengthen our position as the no. 1 savings and investment platform in Sweden |  | 2030 |
| 2024 | 900 + | More than double customer savings capital | 2,000 + | 2030 |
| 2024 |  | Take leading positions within Private Banking and occupational pension |  | 2030 |
| 2024 |  | Expand into at least one additional European market |  | 2030 |
| 2024 |  | Retain industry leading cost position |  | 2030 |