

DEBT INVESTOR PRESENTATION

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September 2024

BANK

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S-BANK IN BRIEF

STABLE BUSINESS MODEL

- Fully owned by S Group
- Established in 2006
- Banking and Wealth Management services
- Retail customers and selected corporate customers

BECOMING 4TH LARGEST RETAIL BANK IN FINLAND

Acquisition of Finnish private customer, asset management and investment services operations of Svenska Handelsbanken AB expected to be completed from late November to early December 2024*

STRATEGY 2024-2027

Key areas:
Handelsbanken integration
Renewed service model
Improving scalability

Strategic goals:
1 million active customers
Cost-Income Ratio <60%
ROE >10%

DEBT CAPITAL MARKETS PRESENCE

- BBB+ rating, stable outlook (S&P)
- Regular benchmark covered bond issuer
- Senior Preferred issuances to support MREL requirements
- EUR capital markets

KEY FIGURES H1 2024 VS. H1 2023

POSITIVE PROFIT WARNING

Operating profit (EUR m)	Deposit base (EUR bn)	Lending base (EUR bn)
83.5	**8.3**	**7.0**
(57.6)	(8.2)	(6.9)
▲ +45.0%	▲ +1.2%	▲ +2.0%

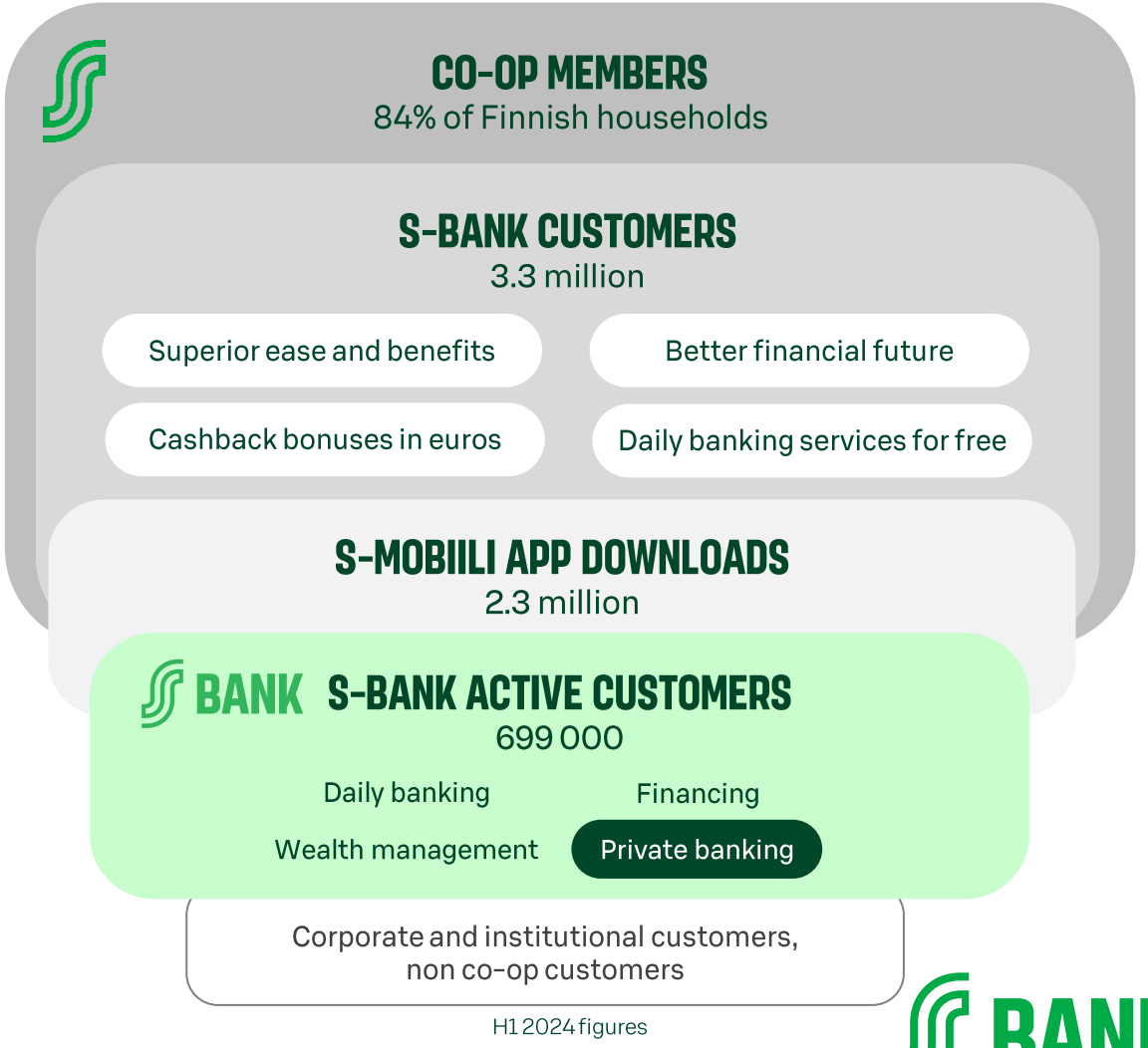
Assets under management (EUR bn)	Active customers	Capital adequacy -ratio
6.2	**699 000**	**20.5%**
(6.1)	(625 000)	(17.3%)
▲ +1.3%	▲ +11.8%	▲ 3.2 bp

Note: The 2023 figures do not yet reflect the effects of the Svenska Handelsbanken acquisition.
* All members of the consortium have obtained approval from the authorities to proceed with the transaction.

THIS IS S-BANK

S-BANK – A FINNISH BANK WITH STABLE OWNERSHIP
A FULL-SERVICE BANK FOR S GROUP CO-OP MEMBERS

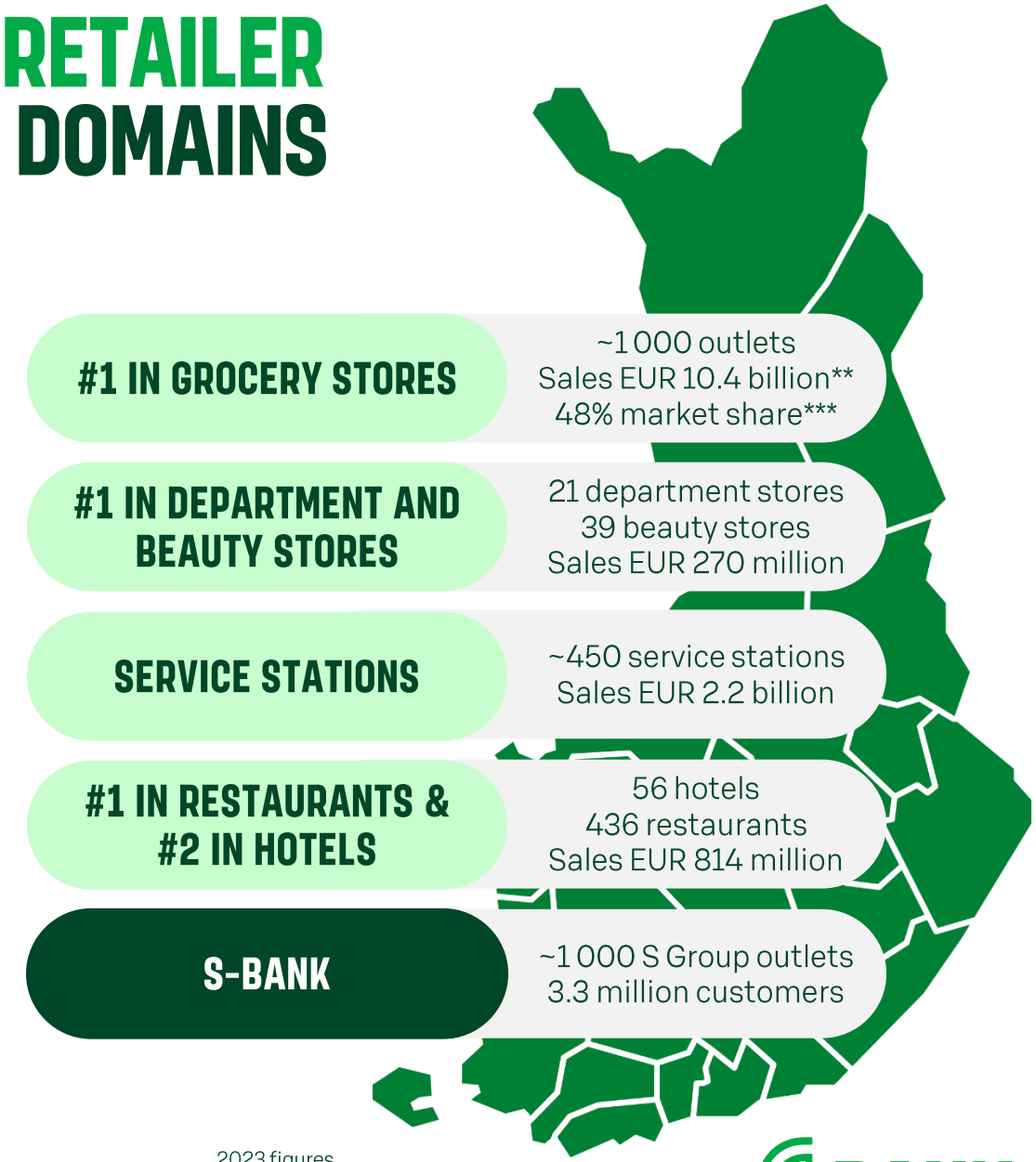
- Fully owned by S Group, the retail market leader in Finland with strong brand recognition
- Our purpose: A better financial future for co-op members
  - A full-service bank with excellent cross-selling opportunities
  - Unique and seamless integration of banking with Finland's leading retail services and S Group's loyalty programme
  - All S Group co-op members (i.e. 84% of Finnish households) become S-Bank customers
  - Free-of-charge daily banking services for co-op members
  - A 1–5% cashback bonus in € from purchases made in S Group. An extra 0.5% for all S-Etukortti Visa transactions.
- Our vision: Superior ease and benefits
  - Highly digital service model through S-mobiili application and web bank
  - Centralised contact centre, deposits and withdrawals in S Group's business locations with wide accessibility throughout Finland



S GROUP – FINLAND'S #1 GROCERY RETAILER AND A TOP PLAYER IN MANY OTHER DOMAINS

- A network of companies in the retail and service sector with ~2 000 outlets in Finland
- S Group is a cooperative group of companies, and its sole owners are Finnish households
- 84% of Finnish households are co-op members (2023).
- The purpose of S Group is to provide co-op members with competitive services and benefits in a profitable manner
- S-Bank is a strategic investment and an enabler for digital customer relations

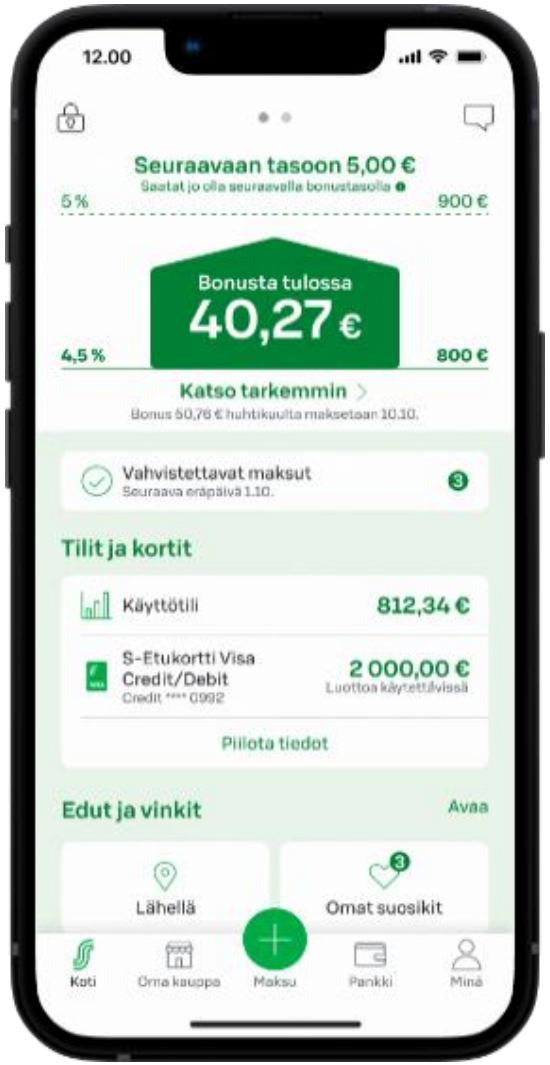
Key figures (EUR m)	2023	2022	2021	2020
Retail sales (excl. tax)	14 208	13 465	12 329	11 625
Bonus paid	449	414	379	358
Payment method-related benefit	13.7	12.3	10.7	9.6
Employees	41 413	40 875	39 861	38 585



2023 figures
** revenues in supermarket trade
*** market share in grocery trade

S-MOBIILI – A UNIQUE MOBILE APPLICATION THAT COMBINES S-GROUP AND S-BANK SERVICES

- S-mobiili encourages customer loyalty both in everyday shopping and in banking
- S-mobiili app downloads: 2.3 million
- Weekly active S-mobiili users: ~1.4 million
- Strategically, S-mobiili's role will be emphasised as the primary channel for customer interactions and management and for guiding the customer to the correct service channels
- Drives cross-selling for S- Bank
- Developed in cooperation with S Group and S-Bank



IN-APP SERVICES FOR CO-OP MEMBERS*

- Follow bonus count
- Track purchasing behaviour
- Find and use personalised benefits and current promotions
- Check digital receipts
- Update customer information
- Electronic identification

IN-APP BANKING SERVICES*

- Daily banking: accounts, cards, payments
- Investing: view and make investments, buy funds and browse S-Bank's fund offerings
- Apply for an S-loan or a credit card
- View information and transactions on loans
- Säästäjä, a micro-investment service, which provides digital investment advice

*List not exhaustive.

S-BANK STRATEGY 2024-2027 AND OBJECTIVES
THE STORY CONTINUES, FOCUSING ON PROFITABLE GROWTH

PURPOSE	**A better financial future for co-op members**				
VISION	**Superior ease and benefits**				
STRATEGIC OBJECTIVES	**Growth:** 1 000 000 active customers	**Growth:** Target for high-value customer growth to be set in 2025	**Customer experience:** Measures and targets to be finalised during 2024	**Profitability:** < 60 % C/I ratio > 10 % ROE	**Reputation and trust:** > 3.5 index (external survey)
BUSINESS SEGMENTS	**Banking**		**Wealth management**		
KEY CHANGE AREAS	**1) Handelsbanken integration**		**2) Renewing the service model**		**3) Improving scalability**
CROSS-ORGANISATIONAL THEMES	**Digitalisation and technology**	**Sustainability**	**Solid foundation**	**Competent staff and customer focus**	

OTHER OBJECTIVES SET BY THE BOARD OF DIRECTORS

Solvency: Total capital ratio of at least 15.0%*

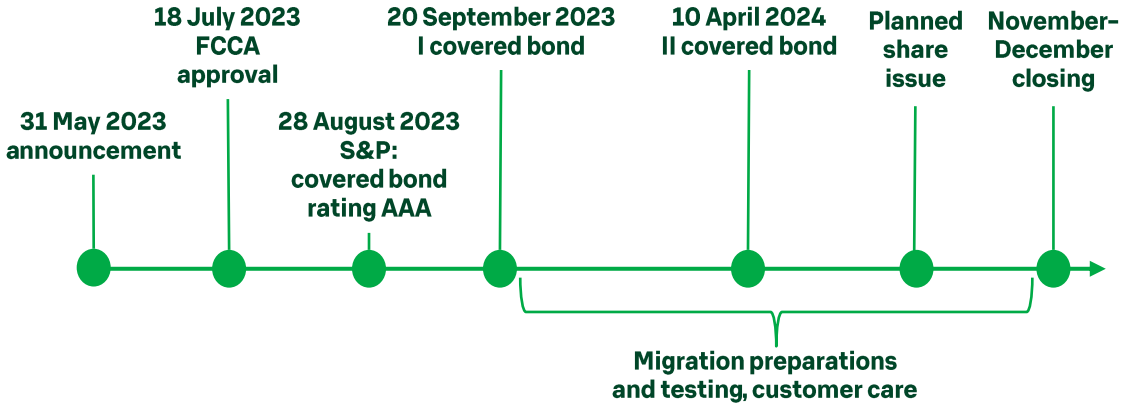
Dividend policy: Annual dividend of 5–15% of profit

* The limit has been set at 1.5 percentage points above the total capital requirement (12.04% in September 2023) and known future changes in capital requirements (1.0% systemic risk buffer and 0.5% of Pillar 2 requirement). S-Bank prepares for the future changes in capital requirements proactively in its risk appetite framework.

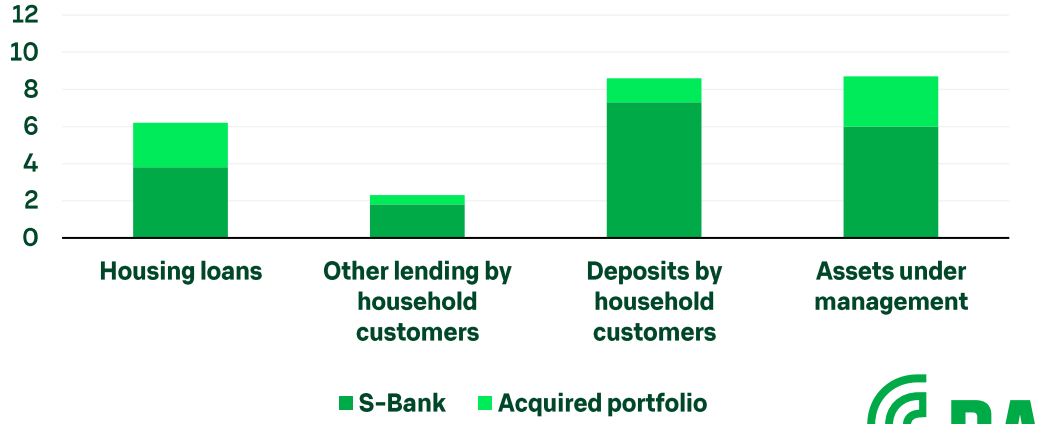
HANDELSBANKEN TRANSACTION PROCEEDING AS PLANNED
BECOMING 4TH LARGEST BANK FOR HOUSEHOLD CUSTOMERS

- S-Bank is acquiring the Finnish private customer, asset management and investment services operations of Svenska Handelsbanken AB*; closure expected from late November to early December 2024
- Strengthens S-Bank's earning power and capital adequacy in the longer term
- Approximately 230 Handelsbanken employees and nearly all lease agreements of the bank's Finnish branches will be transferred to S-Bank. S-Bank will begin to offer funds managed by Handelsbanken Fonder AB.
- The value of loans to be transferred is approximately EUR 2.9 billion and of deposits approximately EUR 1.3 billion**
- S-Bank will pay Handelsbanken a cash amount that is EUR 20–25 million less than the net value of the balance sheet items to be transferred at closing. No premium paid.
- Funded largely via debt financing in the EUR market and a subsequent share issue to the owners

TIMELINE OF THE ACQUISITION



BUSINESS VOLUMES AFTER ACQUISITON (EUR bn)**



* Approved by the Finnish Competition and Consumer Authority on 17 July 2023
** In 30 June 2024. S-Bank supplemented the original figures from May 2023, with June 2024 figures in a press release released on 18 September 2024..

SUSTAINABILITY IN S-BANK
THE MOST RESPONSIBLE BANKING BRAND IN FINLAND

- The Most Responsible Banking Brand for 12 consecutive years, again in 2024, according to the Sustainable Brand Index survey
- Committed to UN Global Compact and, together with S Group, aiming for carbon negativity by 2025 (scope 1 + 2)
- All sustainability reporting to be compliant with CSRD as of 2025
- TCFD as the future framework for the governance and reporting of climate impacts

BANKING

- Low exposure to ESG risks as the business is focused on Finnish retail customers and Finnish real estate as collateral
- Corporate lending directed mainly to Finnish housing companies and the construction and renovation of housing
- No further credit exposure to carbon intensive sectors

- The implementation of ESG factor in credit underwriting guidelines began in 2021 and is ongoing
- Code of Conduct renewed in 2022
- Treasury's investment decisions and portfolio reports are guided by ESG policy

WEALTH MANAGEMENT

- In the top-tier of asset managers with respect to responsible and impact investment
- Fund offering of SFDR article 8 and 9 funds
- Subject to UNPRI reporting (since 2009)
- Since 2018 the carbon footprint of our funds has decreased by 40 %

- Paris-aligned benchmark adopted for selected funds since 2021
- Climate strategy incorporated in investment policies since 2022
- Signatory to Net Zero Asset Managers (NZAM) since 2023 – commitment to net zero by 2050
- Biodiversity strategy published in 2024

BANKING SEGMENT: GROWTH IN LOAN PORTFOLIO AND HOUSING LOAN VOLUMES

- Operating income was **191.2** million (154.2) up by 24.0%
- Operating profit was EUR **87.1** million (60.8), up by 43.2%
- Household customers' deposit portfolio was EUR **7.72** billion, up by **3.3%**
- S-Bank's housing loan volume grew by **0.9%** (5/23 – 5/24), while the total housing loan volume in Finland declined by 1.4%
- S-Bank continues strong growth in mortgage lending, set to be 4th largest lender post-acquisition*

HOUSEHOLDS KEY FIGURES H12024 VS. H12023**

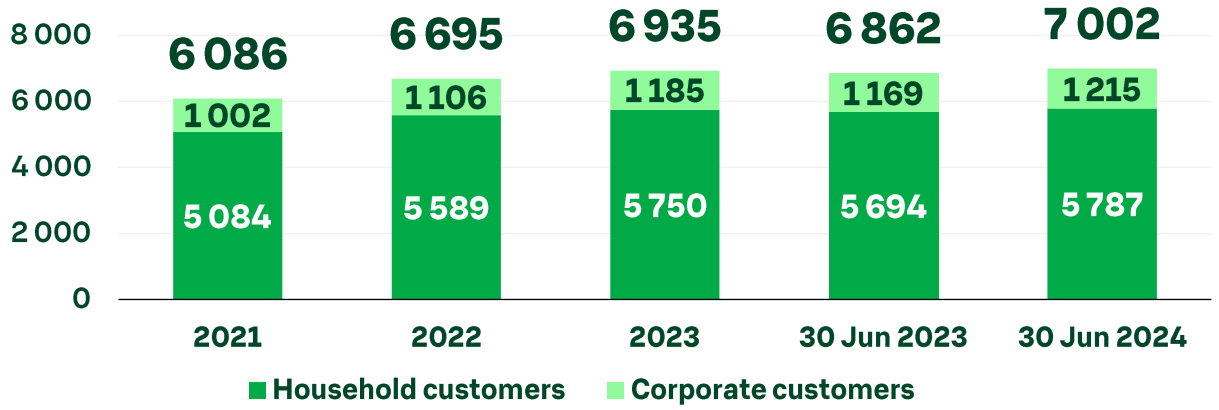
Deposit portfolio
(EUR bn)

7.72
(7.47)
▲ +3.3%

Loan portfolio
(EUR bn)

5.79
(5.69)
▲ +1.6%

STEADILY GROWING LENDING BASE (EUR m)



*Currently 5th largest (Bank of Finland statistics)
**Figures on household customers only. Banking segment includes both household and corporate customers.

WEALTH MANAGEMENT: GROWTH IN NUMBER OF UNIT HOLDERS CONTINUED

- Operating income was EUR **20.0** million (20.2), down by 0.7%
- Operating profit was EUR **-0.6** million (2.9), impacted by Handelsbanken transaction related development costs
- Net subscriptions to the S-Bank mutual funds amounted to EUR **70.5** million (104.9)
- The number of unit holders in the S-Bank funds increased to around **417 000** (375 000)
- In June, ambitious interim target for 2030 in the Net Zero Asset Managers initiative to reduce emissions by 50% compared to the level in 2019

WEALTH MANAGEMENT KEY FIGURES H12024 VS. H12023

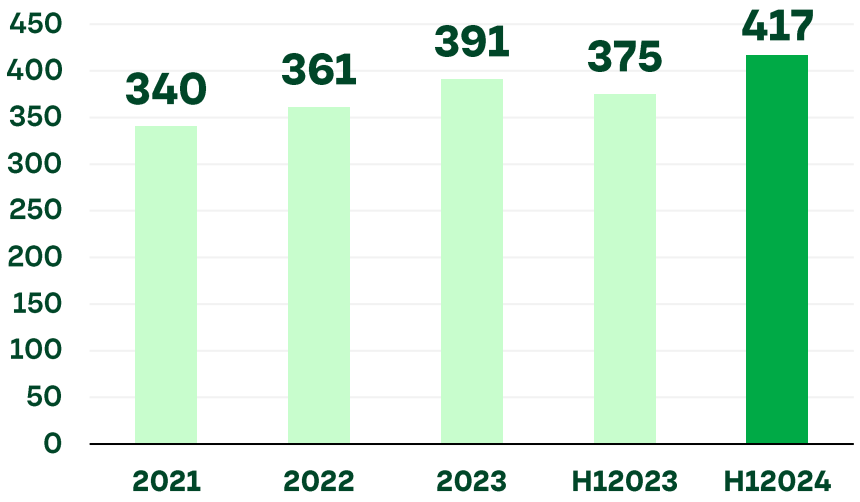
Net subscriptions
(EUR m)

70.5
(104.9)
▼ -67.2%

AUM
(EUR bn)

6.2
(6.1)
▲ +1.3%

NUMBER OF S BANK FUNDS UNIT HOLDERS (THOUSANDS)



S&P: SOUND CREDIT WITH VERY STRONG CAPITALISATION AND STABLE OUTLOOK

RATING AND CRITERIA

Anchor (Finnish banks)	a-
Business position	Constrained (-2)
Capital and earnings	Very Strong (+2)
Risk position	Moderate (-1)
Funding	Adequate (0)
Liquidity	Adequate (0)
CRA adjustment	(0)
=	
Stand-alone credit profile	BBB+
+	
Additional factors	(0)
=	
Issuer credit rating	BBB+ (Stable)

S&P VIEW IN A NUTSHELL

- In S&P's view, S-Bank has: an expanding retail banking franchise linked to S Group; very strong capital and earnings; sound asset quality; a comprehensive deposit-based funding profile; and adequate liquidity.
- S&P rates S-Bank above the group credit profile of S Group. This reflects its view of S-Bank as an independent and severable entity within the Group, with no funding dependency, and separated accounting and reporting procedures.
- In June 2024, S&P upgraded S-Bank's issuer credit rating from 'BBB/A-2' to 'BBB+/A-2'. At the same time, the outlook updated from positive to stable.
- S&P expects S-Bank to sustain sound profitability despite a gradual decline in market interest rates
- S&P expects the planned acquisition of Handelsbanken's portfolio in the second half of 2024 to strengthen S-Bank's retail franchise and market position, deepening banks cross-selling and scalability opportunities.

KEY STRENGTHS AND RISKS

STRENGTHS

✓ Strong brand name facilitated by S Group, supporting growth potential

✓ Very strong capitalization supported by improved earnings capacity in the higher interest rate environment

✓ Sound deposit franchise in Finland

RISKS

× Scope to further improve operating efficiency relative to Nordic peers

× Investment need and execution risks related to the acquisition of Handelsbanken Finland's retail portfolio

× Sensitivity to the domestic real estate market

Source: Based on S&P's report dated 28 June 2024

KEY FINANCIALS

KEY FIGURES

(EUR m)	2021	2022	2023	Jan-Sep 2024
Total income	187	222	371	309
Operating profit	25	45	147	126
Deposits	7 555	7 926	8 176	8 493
Lending	6 086	6 695	6 935	7 024
Non-performing loans	0.6%	0.9%	1.3%	1.6%
Assets under management	6 170	5 852	6 245	6 430
Debt securities	1 149	697	699	629
Cost-to-income, %	78.4%	74.5%	51.4%	51.3%
ROE, %	3.9%	6.9%	20.1%	20.0%
ROA, %	0.2%	0.4%	1.2%	1.3%
Equity ratio, %	6.0%	5.9%	6.5%	6.6%
Capital adequacy ratio, %	16.3%	16.3%	18.8%	21.7%
CET-1 ratio, %	13.0%	13.2%	16.1%	19.0%

STRONG GROWTH IN OPERATING PROFIT

LOAN TO DEPOSIT RATIO 84%

SUBSTANTIAL IMPROVEMENT IN C/I

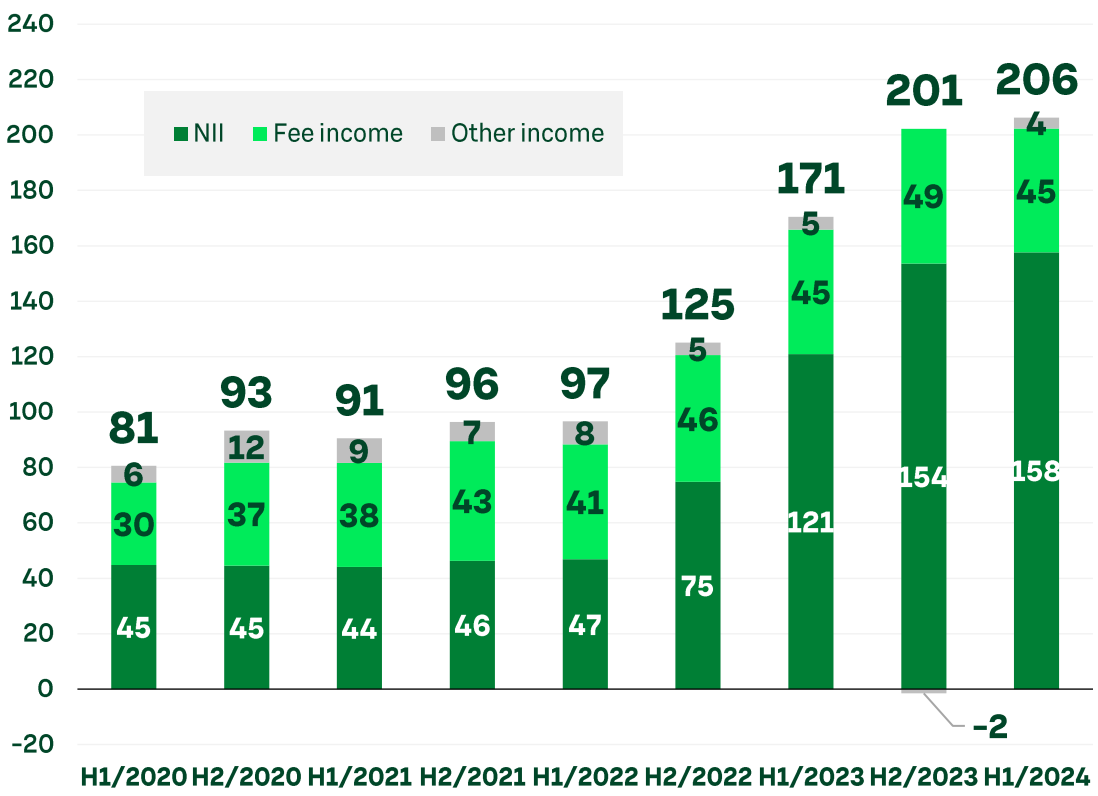
STRONG GROWTH IN ROE & ROA

ROBUST CAPITAL BASE

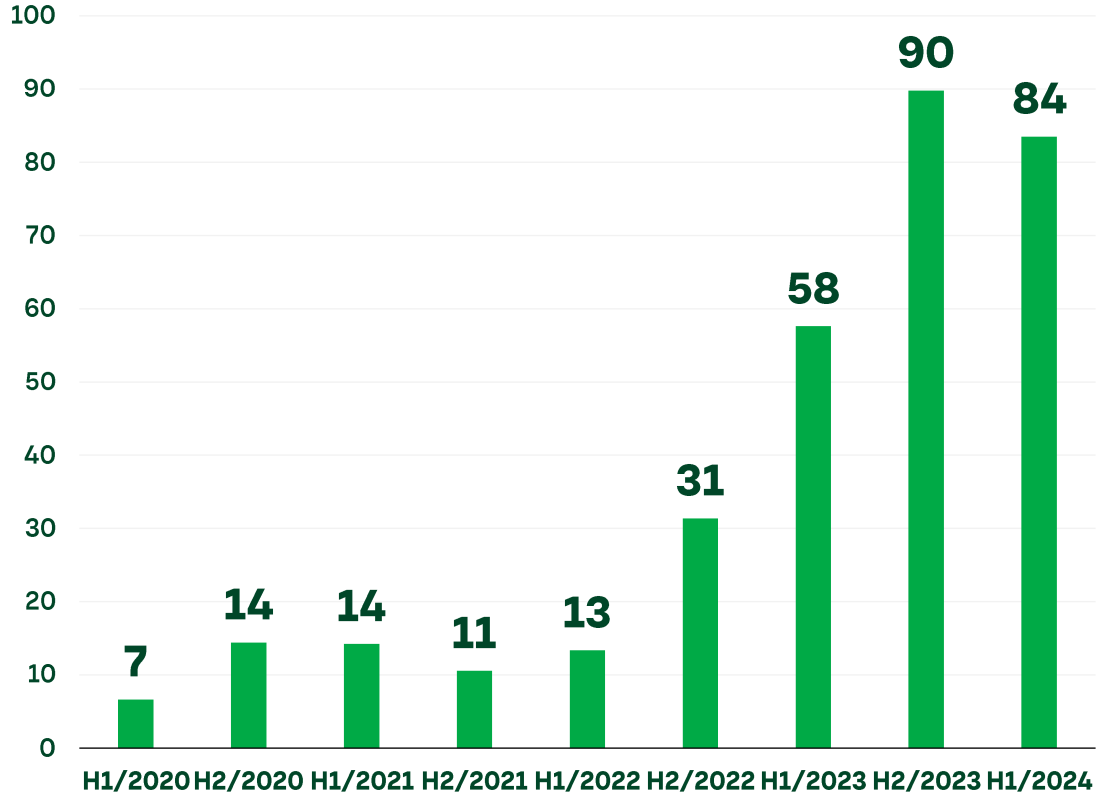
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DEVELOPMENT OF KEY INCOME MEASURES

TOTAL INCOME (EUR m)



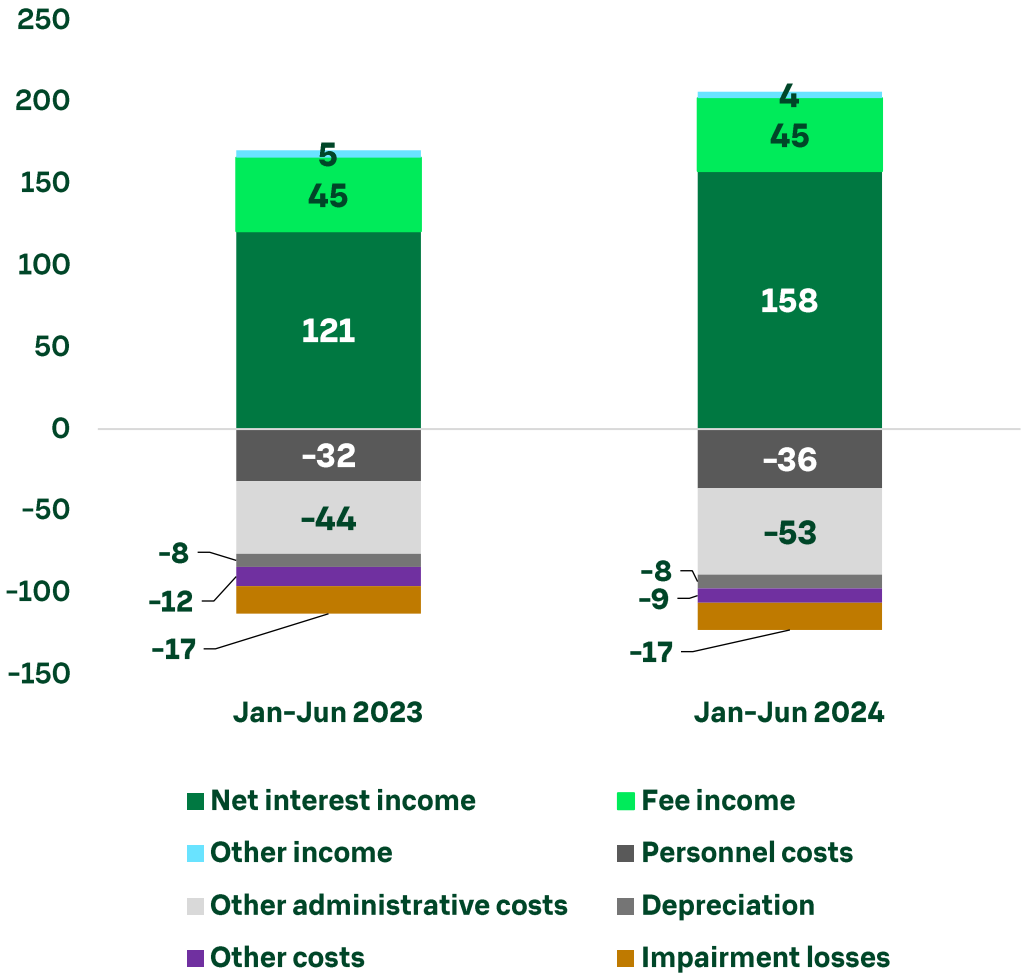
OPERATING PROFIT (EUR m)



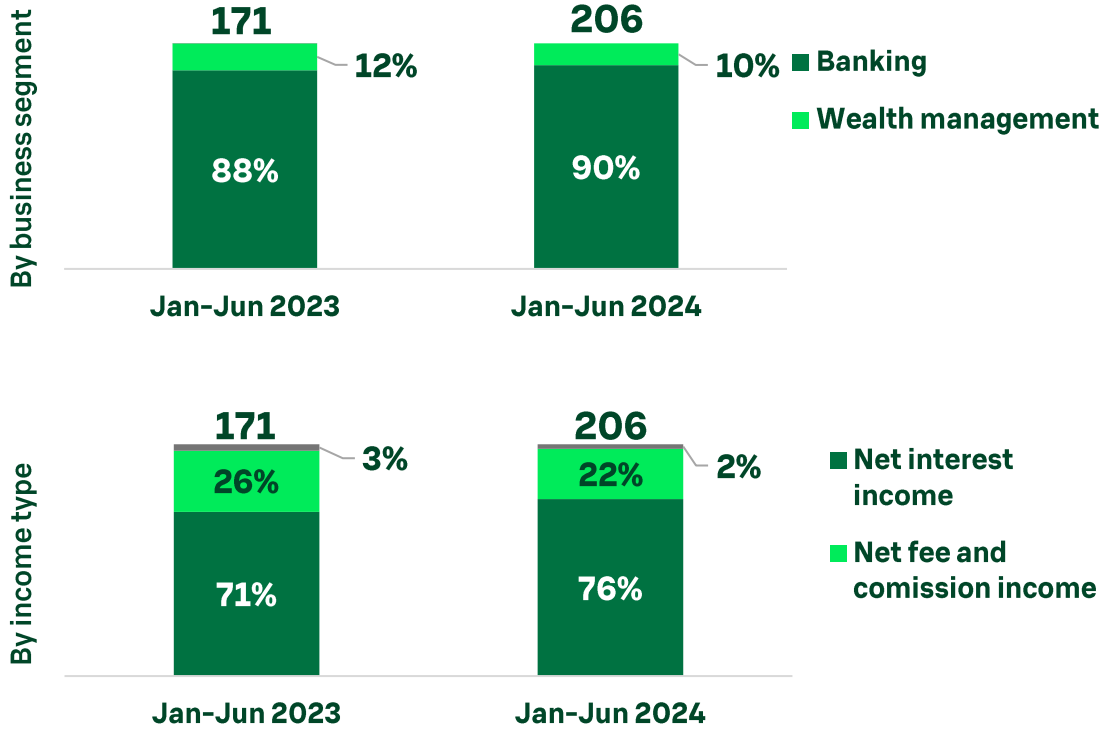
- Net interest income has remained at a very strong level, EUR 158 million.
- In H1/2024, total income increased by 21% and total costs increased by 10,6% on the previous year.
- In H1/2024, operating profit increased by 45% to EUR 84 million from EUR 58 million in H1/2023.

INCOME & COST ANALYSIS

DEVELOPMENT OF KEY INCOME & COST ITEMS (EUR m)



INCOME SPLITS BY SEGMENT AND TYPE (EUR m)

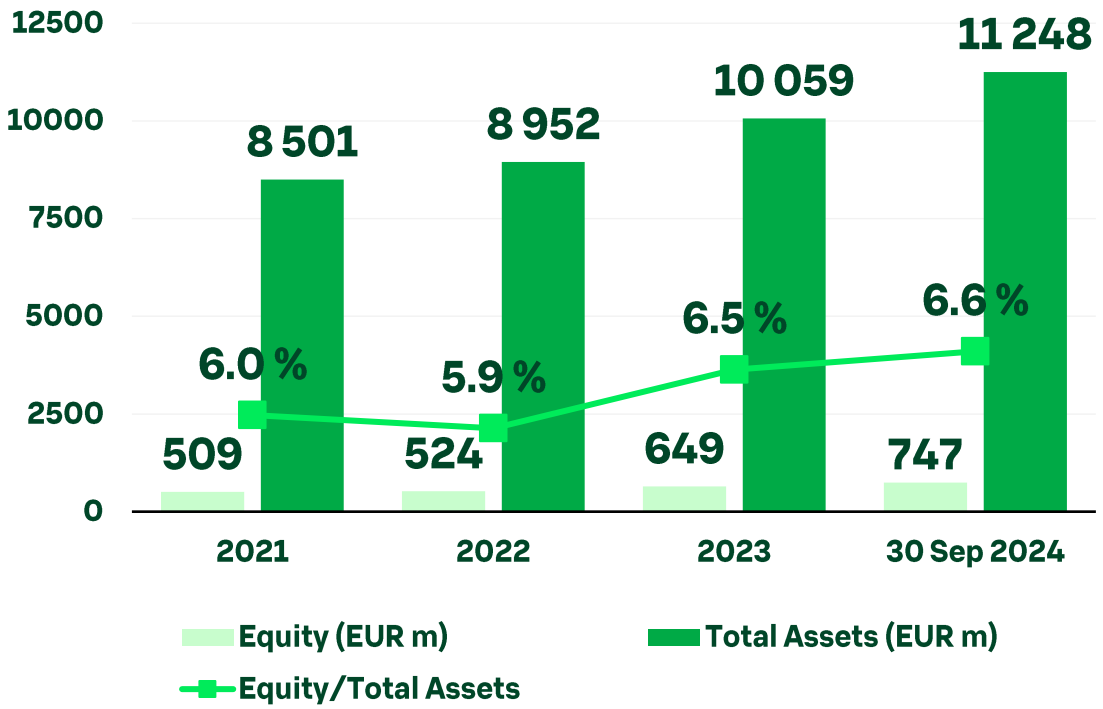


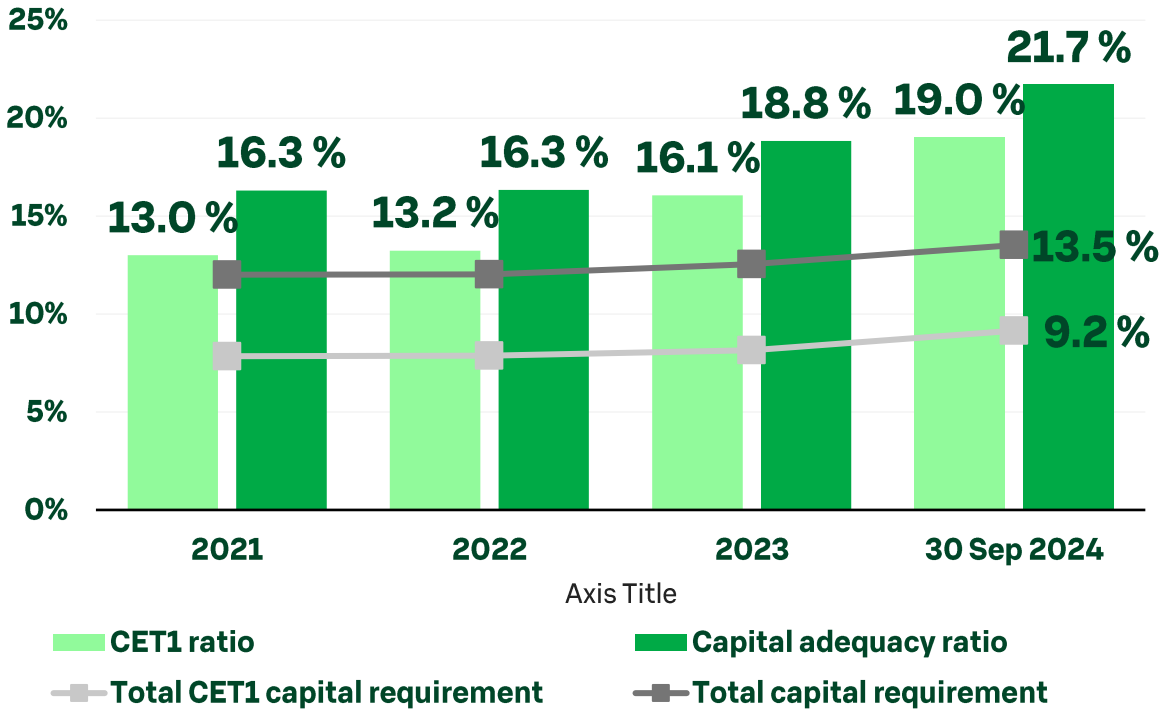
	H1/2023	H1/2024
Cost - Income ratio, %	61%	49%
Total income / Total assets, %*	3.3%	4.0%

*Running 12M ratio

* Represents previous 12M total income to total assets

SOLID CAPITAL POSITION

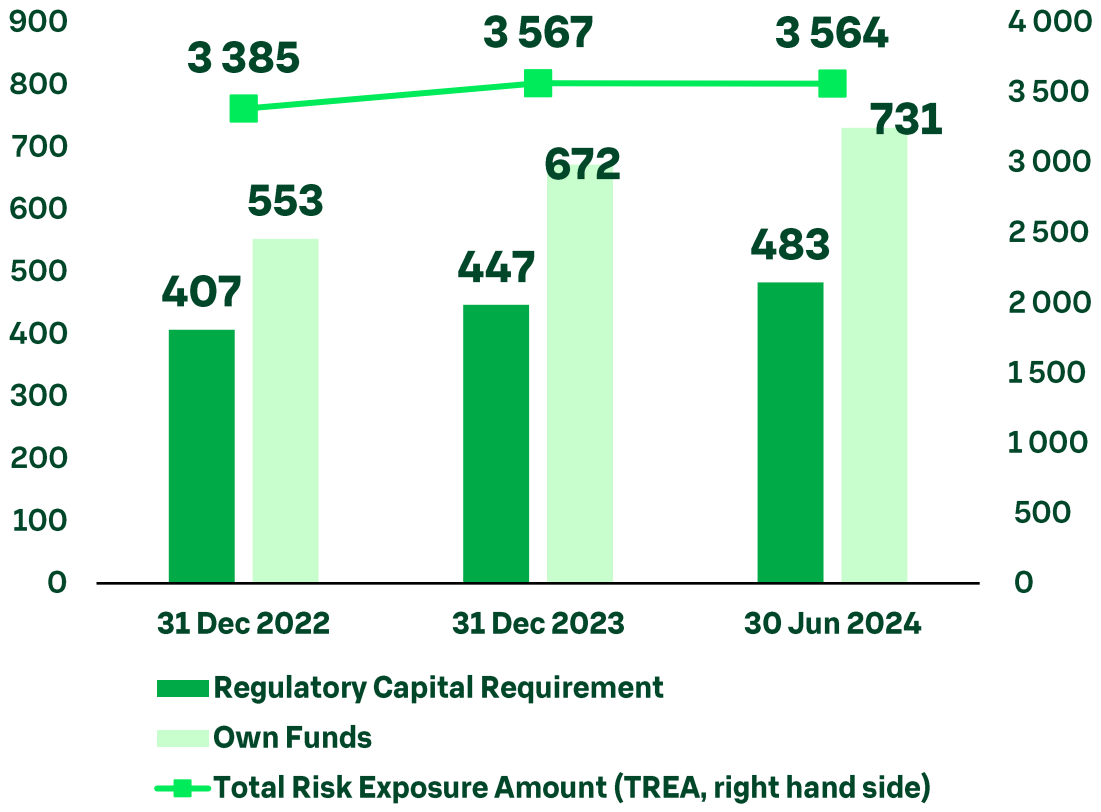




- S-Bank has seen strong development in its asset base since 2021. While growing strongly, the equity ratio has been maintained at a robust level and at the end of June 2024, the equity ratio stood at 6.5% and the CET1 ratio at 17.8%.
- The capital ratios have been maintained well above the regulatory requirements. Systemic risk buffer of 1.0% entered into force on 1 April 2024 and hence increased the capital requirements during first half of the year 2024.

OWN FUNDS, CAPITAL REQUIREMENTS & MREL

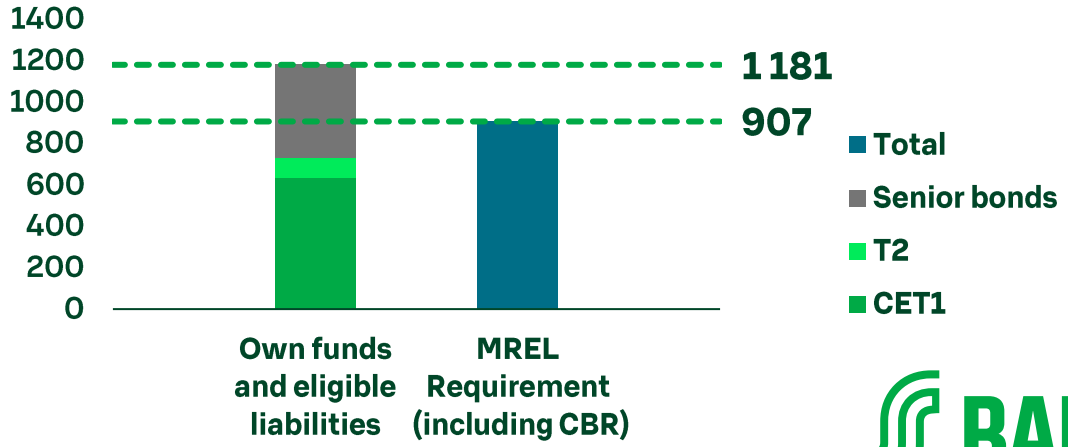
OWN FUNDS AND CAPITAL REQUIREMENTS (EUR m)



COMMENTARY

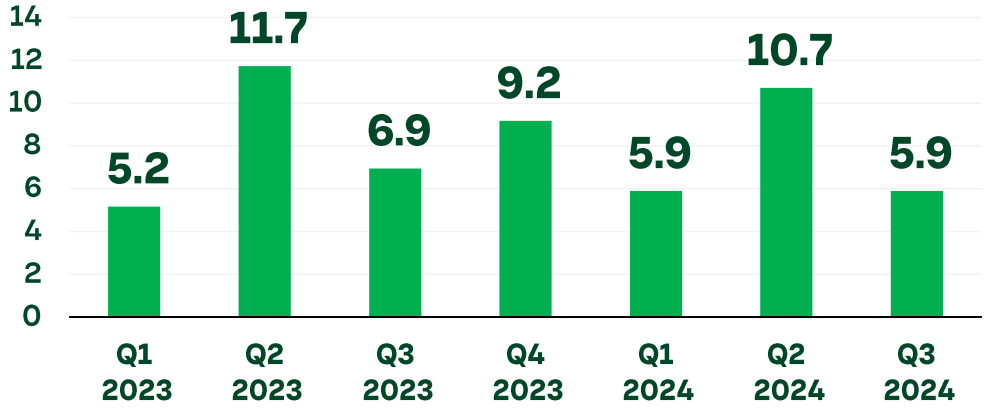
- Own funds increased with strong profit performance during the first half of the year 2024.
- The total risk exposure amount (TREA) remained stable.
- Regarding MREL requirements, S-Bank's own funds and eligible liabilities on 30 June 2024 were well above regulatory requirements and internal limits. $MREL_{TREA}$ was 33.1% and $MREL_{LRE}$ 10.6%.
- At the end of June, the $MREL_{TREA}$ requirement was 21.91% and the combined buffer requirement 3.54%. The $MREL_{LRE}$ requirement was 7.75%.

MREL REQUIREMENT (EUR m)

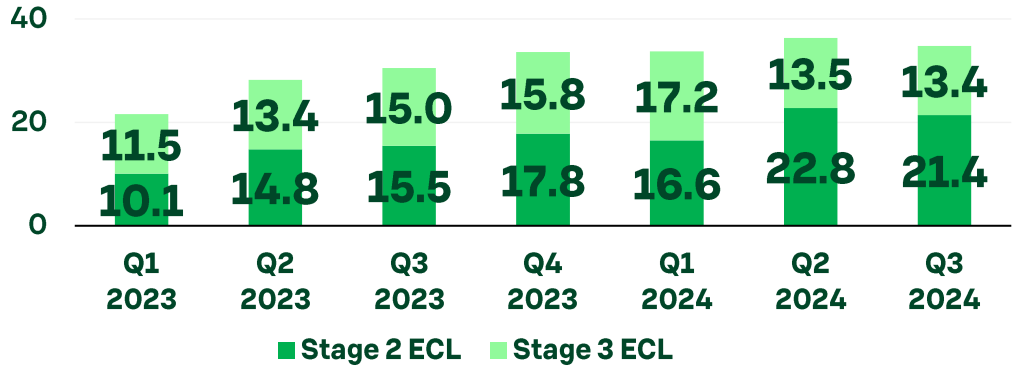


CREDIT LOSSES

EXPECTED AND FINAL CREDIT LOSSES (EUR m)



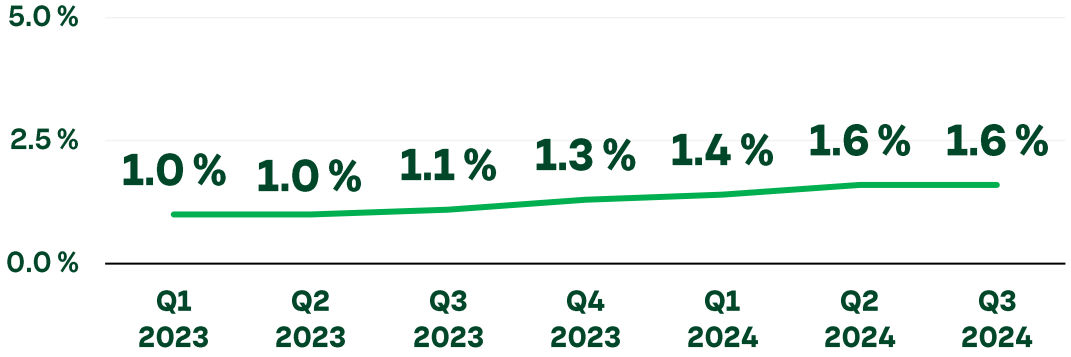
STAGE 2 AND 3, ECL PROVISION (EUR m)



COMMENTARY

- Cumulative net credit losses were EUR 16.6 million (16.9) during the first half of the year.
- S-Bank implemented new PD models for household customers and reversed management provisions with net effect of EUR 2.0 million on ECL.
- ECL provision in the balance sheet was EUR 41.1 million in total, which included EUR 0.5 million provisions based on management judgement.
- Stage 3 provisions decreased due to reversal of management provisions and the growth in stage 2 provisions was mainly related to model changes.
- NPL ratio stood at 1.6%.

NPL RATIO (%)

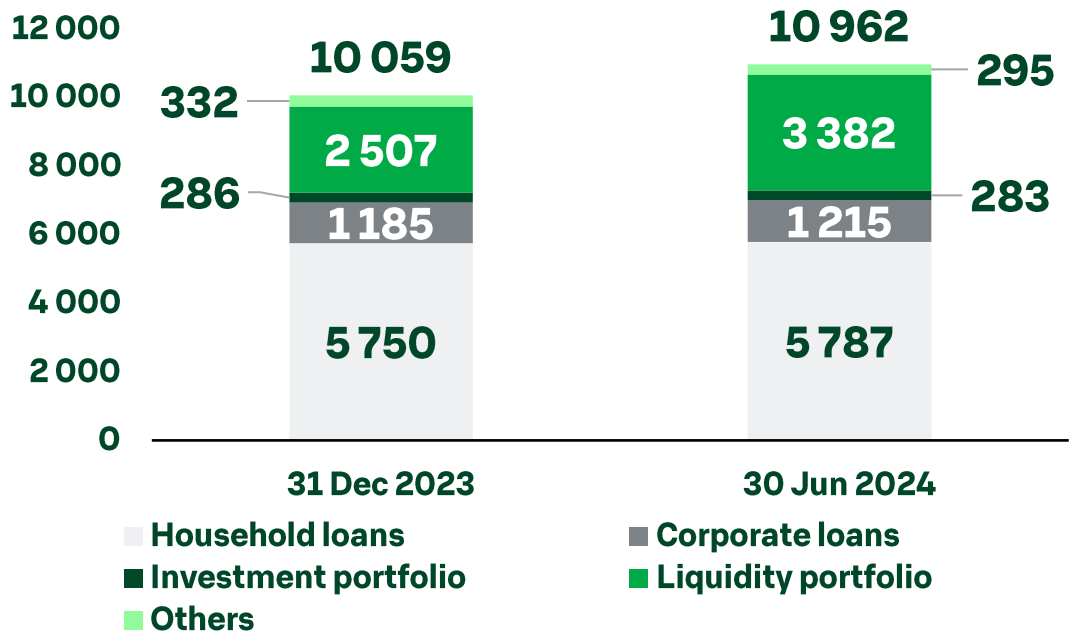


FUNDING AND LIQUIDITY

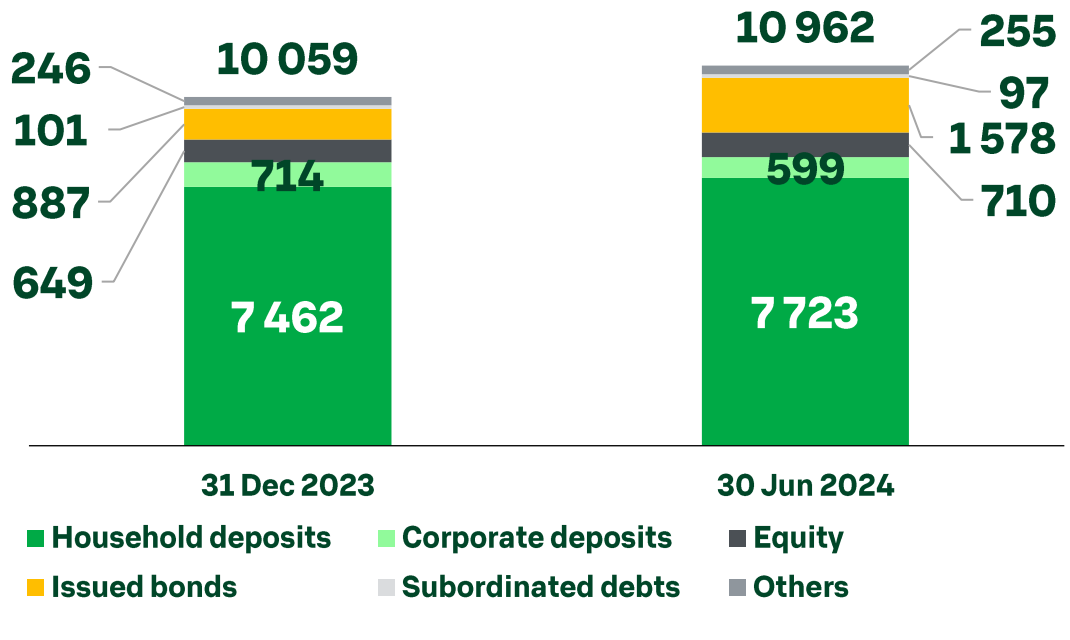
BALANCE SHEET & FUNDING

STRONG FUNDING BASE MADE OF DEPOSITS – HOUSEHOLD LOANS MAKE UP MOST OF THE ASSETS

ASSETS (EUR m)



LIABILITIES AND EQUITY (EUR m)

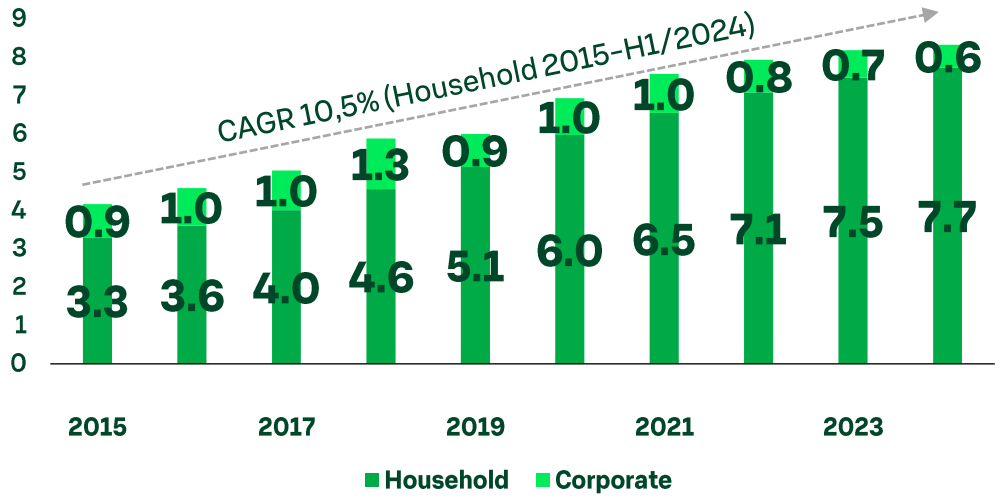


- Household and corporate deposits comprised 76% (81%) of total liabilities and equity at the end of June 2024. At the same time, lending to households comprised 53% (57%) of the total assets.
- Lending increased to EUR 7 002.0 million (6 935.0) and deposits increased to EUR 8 321.7 million (8 175.9). Lending increased in both household and corporate customers. Household customers' deposit portfolio increased, and corporate customers' deposit portfolio decreased.
- During the first half of the year 2024, S-Bank was active in the capital markets. In March, S-Bank issued EUR 300 million Senior Preferred Notes and in April a EUR 500 million Covered Bond. In February, S-Bank announced a tender offer for its EUR 220 million bond maturing in 2025. Tender instructions adding up to EUR 86.1 million were accepted.

STRONG AND STABLE DEPOSIT BASE

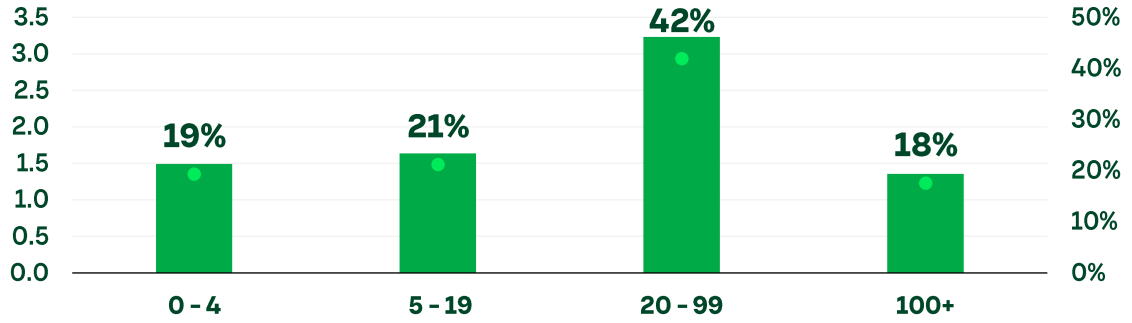
HOUSEHOLD DEPOSITS AS A PRIMARY SOURCE OF FUNDING

DEPOSITS GROWING STEADILY (EUR bn)

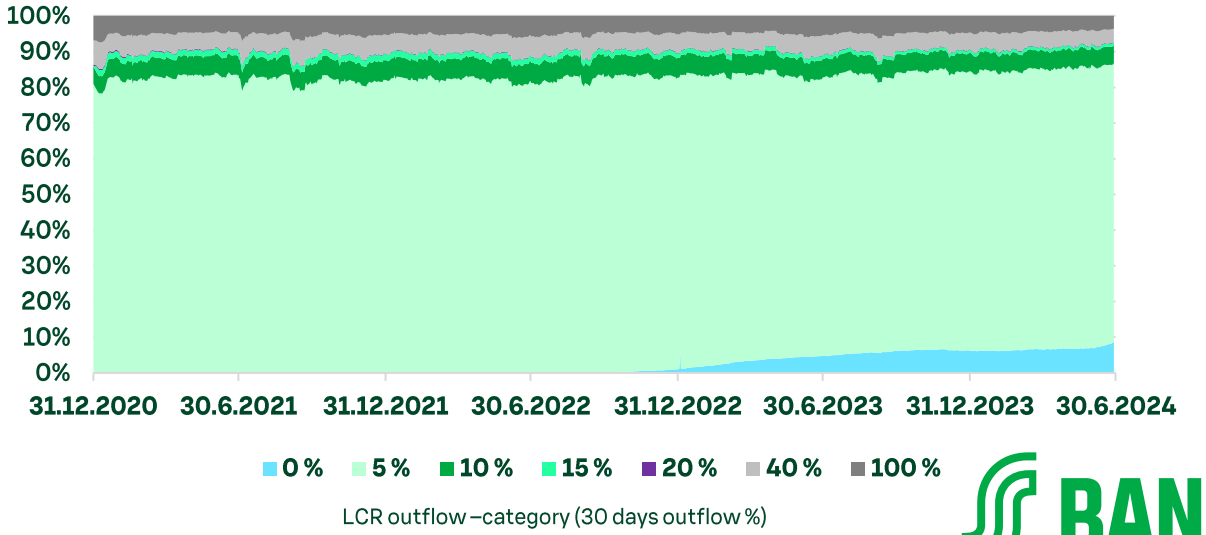


- S-Bank's deposit base relies on a diversified household customer base – the largest share of customer deposits in the Nordic retail banking landscape
- Competitive deposit rates and large customer base will support growth
- Savings accounts share of the portfolio has gained momentum in the new interest rate environment. In H1/2024 EUR 804 millions allocated to household term deposits
- More volatile behaviour in Corporate deposits, but share remains limited
- Total amount of deposits in S-Bank covered by the deposit guarantee scheme was EUR 7 216 million at the end of H1/2024

HOUSEHOLD DEPOSITS BY VOLUME (H1/2024)



DEPOSIT BASE BY LCR OUTFLOW CATEGORY

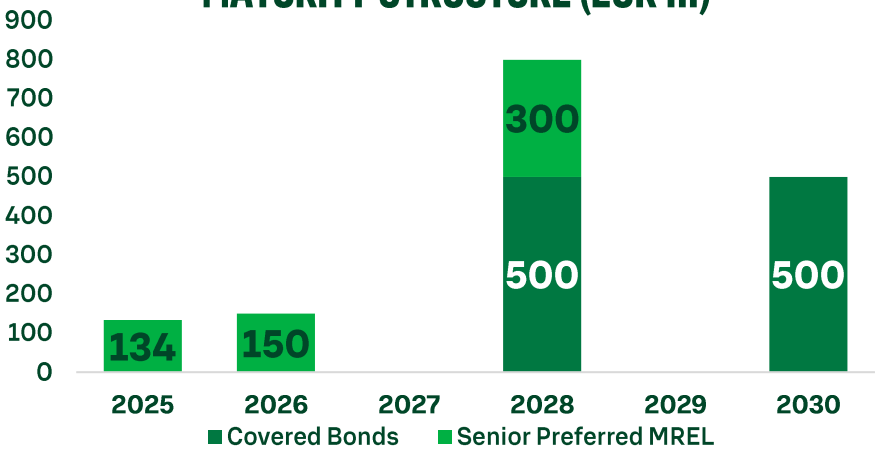


DIVERSIFIED LONG-TERM FUNDING PROFILE

S-BANK IS COMMITTED TO MAINTAINING A REGULAR PRESENCE IN EUR FUNDING MARKETS

- Acquisition of Handelsbanken's Finnish private customer, asset management and investment services operations is steering the funding plan. Closing date of the acquisition expected to be in H2 2024
- S-Bank aims to cover the funding gap by issuing Covered Bonds in the EUR market. Secure access to capital markets is of high importance to the bank as S-Bank aims to be a regular benchmark Covered Bond issuer in the future.
- Going forward, the capital requirements will increase due to the re-instated Finnish Systemic Risk Buffer in 2024, which also impacts the future MREL requirements. Senior Preferred EUR transactions are used to cover MREL requirements.
- S-Bank does not have a specific subordination requirement as per the latest decision by FIN-FSA.
- S-Bank tendered EUR 86.1m of EUR 220m Senior Preferred MREL bond due in April 2025.

MATURITY STRUCTURE (EUR m)



BOND ISSUES

October 2021	September 2023	November 2023	March 2024	April 2024
EUR 220m	EUR 500m	EUR 150m	EUR 300m	EUR 500m
3mE+75 Senior Preferred MREL (tapped June 2022)	3.750% Covered Bond	3mE+230 Senior Preferred MREL	4.875% Senior Preferred MREL	3.00% Covered Bond
Maturity 04/2025	Maturity 09/2028	Maturity 11/2026	Maturity 03/2028 (Callable 03/2027)	Maturity 04/2030

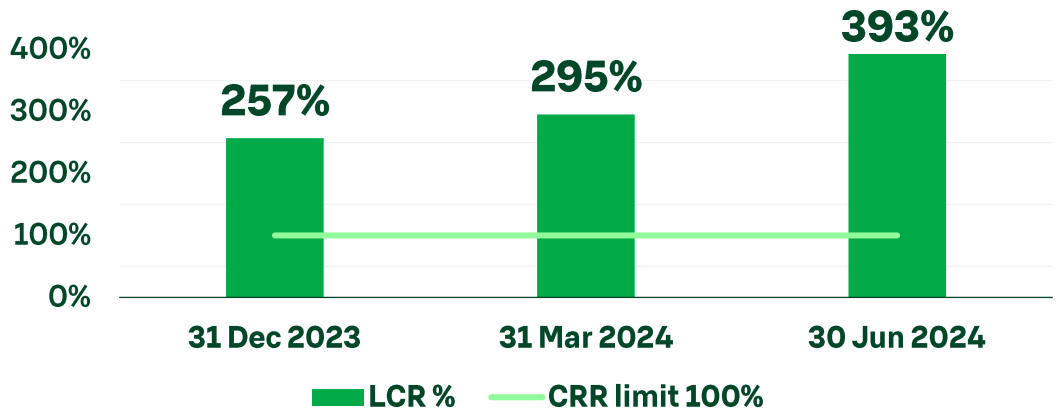
2021 2023 2024

LIQUIDITY

ROBUST LIQUIDITY POSITION AND EASY ACCESS TO ADDITIONAL FUNDING

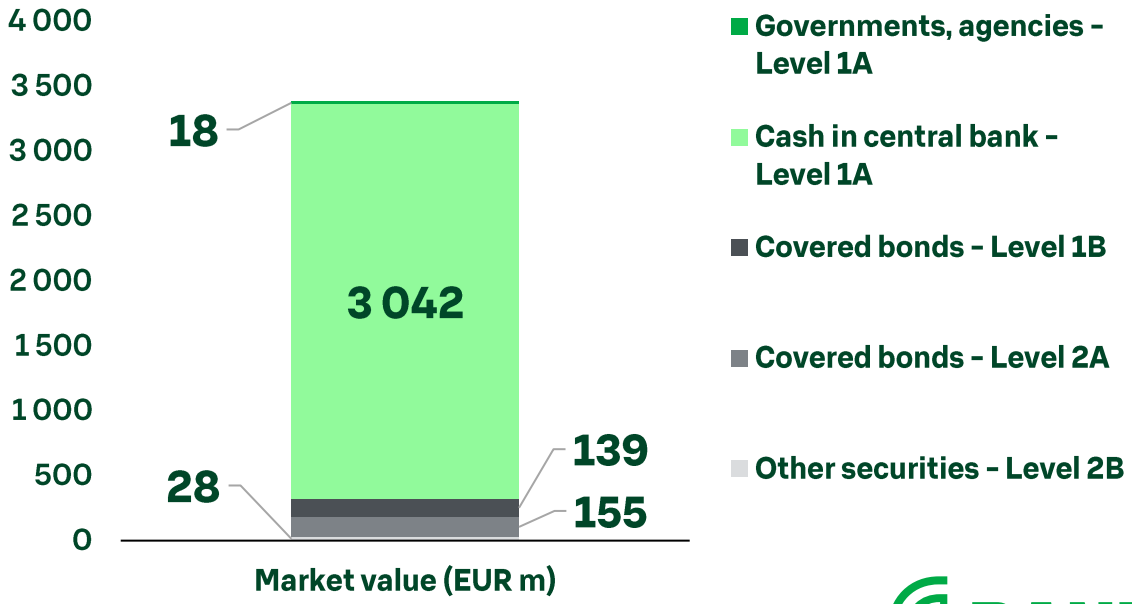
LIQUIDITY OVERVIEW

- S-Bank's liquidity portfolio totaled EUR 3 382 million at the end of June 2024 (EUR 2 507 million at the end of 2023)
- Level 1 assets comprise 95% of the portfolio, with the largest allocations in cash in central bank
- Furthermore, S-Bank has pre-positioned collateral to the Bank of Finland to secure access of funding and liquidity and has a CD-programme for short-term funding needs
- NSFR ratio was 179% at the end of June 2024 (164% at the end of 2023) – wide headroom over the regulatory requirement of 100%
- LCR was 393% at the end of June 2024 (257% at the end of 2023), which is well above the 100% regulatory limit. The liquidity position strengthened in the review period especially due to bond issuances.



LIQUIDITY PORTFOLIO, 30 JUN 2024

EUR m	Level 1A	Level 1B	Level 2A	Level 2B	Total
Amount held (% of total market value)	3 060 (90.5%)	139 (4.1%)	155 (4.6%)	28 (0.8%)	3 382

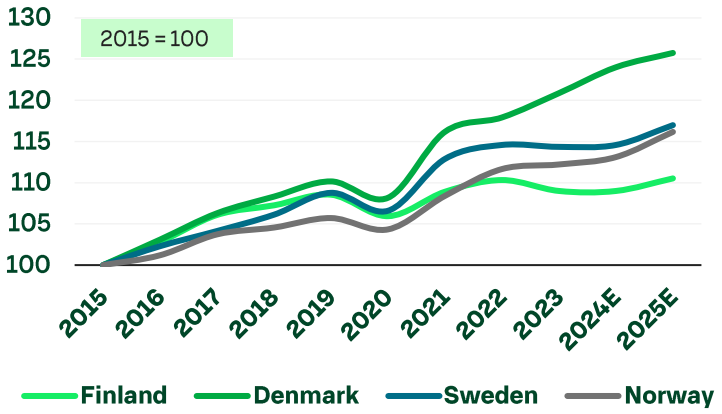


OPERATING ENVIRONMENT

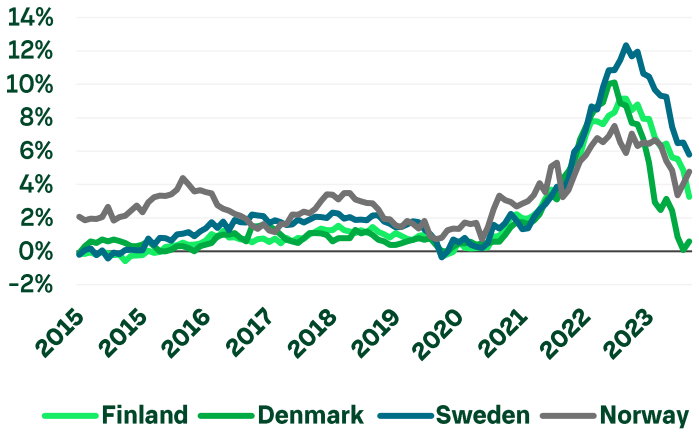
KEY HIGHLIGHTS OF THE FINNISH ECONOMY

MODERATE GDP GROWTH EXPECTED

Rebased GDP and forecast



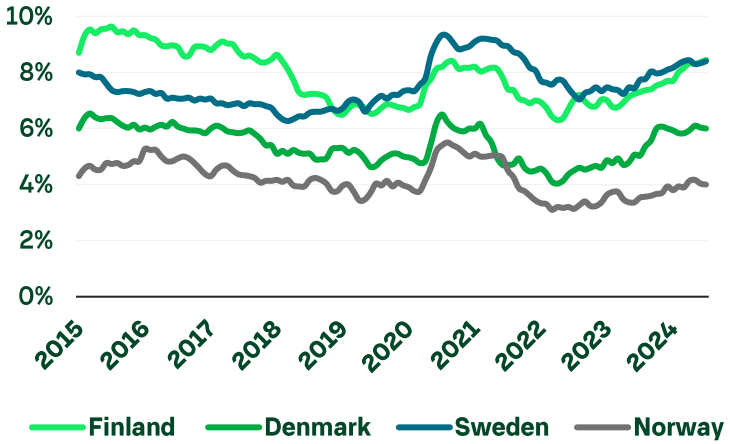
INFLATION FALLING AFTER A STRONG PEAK



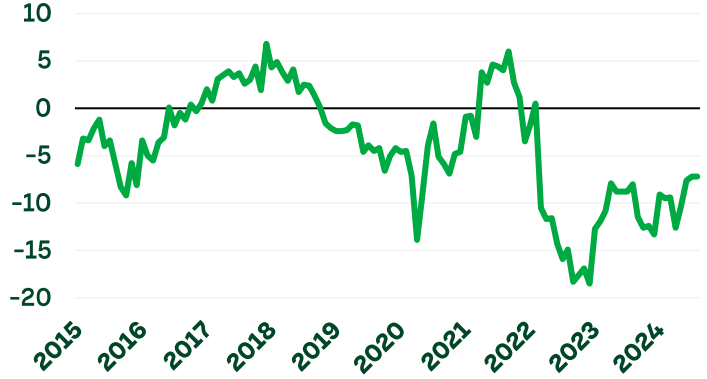
KEY HIGHLIGHTS

Inflation **1.0%** July 2024 yoy	Unemployment rate[2] **8.3%** June 2024
Real GDP growth **-1,2%** 2023	House price index **-2.6%** July 2024 yoy
Consumer confidence **-7.2** August 2024	Population growth **0.9%** 2021–2030 estimate

UNEMPLOYMENT RATE[1] IN THE NORDICS, 2015-Q2 2024



CONSUMER CONFIDENCE BELOW LONG-TERM AVERAGE



COMMENTARY

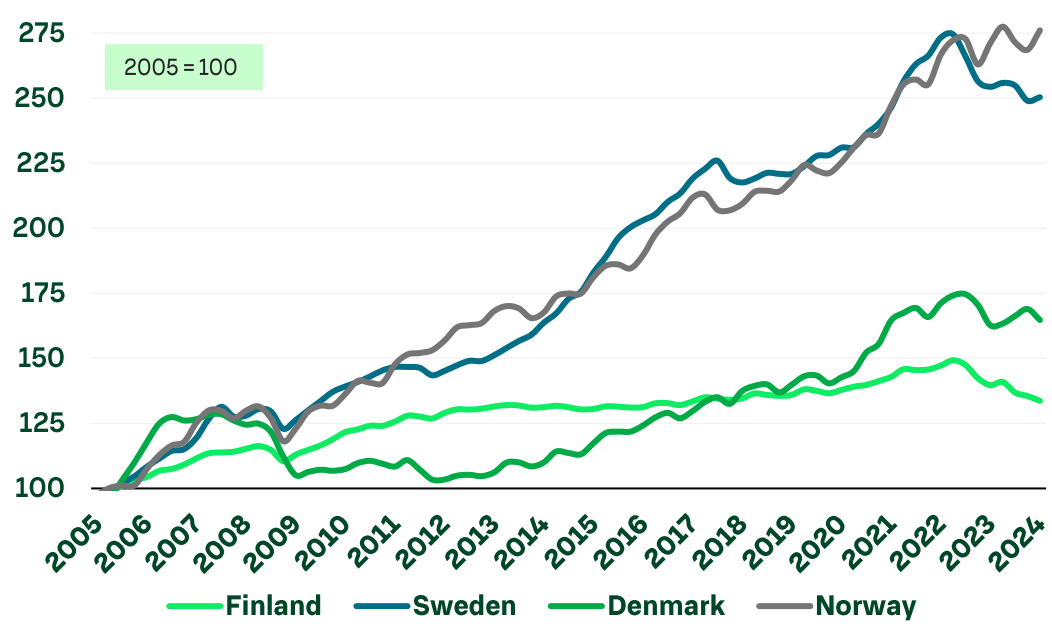
The Finnish economy fell into recession during 2023. Finland's export markets has seen a period of slow growth, whereas higher price and interest rate levels has cooled private consumption and investments. Residential construction has been particularly struggling. Recovery is in sight, however, and is expected to be gradually driven by increasing domestic and external demand. Inflation has slowed down rapidly, and economy will start to benefit from decreasing interest rate levels. Employment has remained relatively strong given the economic situation. According to the March 2024 interim forecast by the Bank of Finland, the gross domestic product (GDP) is expected to contract by 0.5% in 2023. However, the economy is gradually beginning to recover from the recession, with GDP projected to grow by 1.2% in 2025 and 1,7% in 2026.

Sources: Eurostat, Statistics Finland, Bank of Finland, OECD, Bloomberg
Notes: 1) Based on Labour Force Surveys; seasonally adjusted; 3-month moving average 2) Based on Statistics Finland data

NORDIC HOUSING MARKET

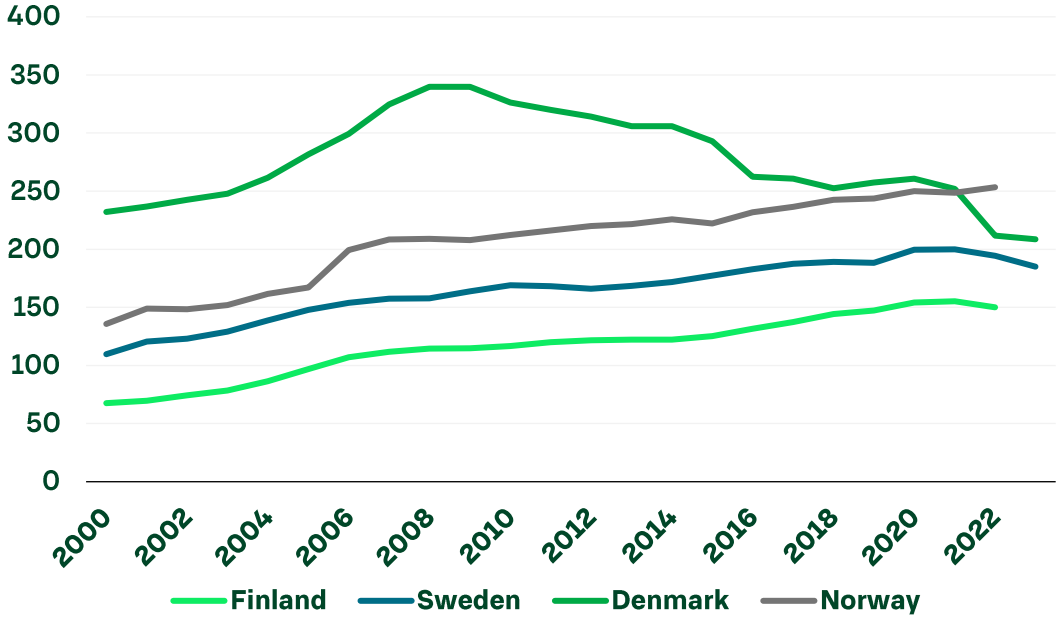
MODEST HOUSING PRICE DEVELOPMENT IN FINLAND

House Prices in the Nordics



FINNISH HOUSEHOLD DEBT LOWEST IN THE NORDICS[1]

Household debt, % of net disposable income



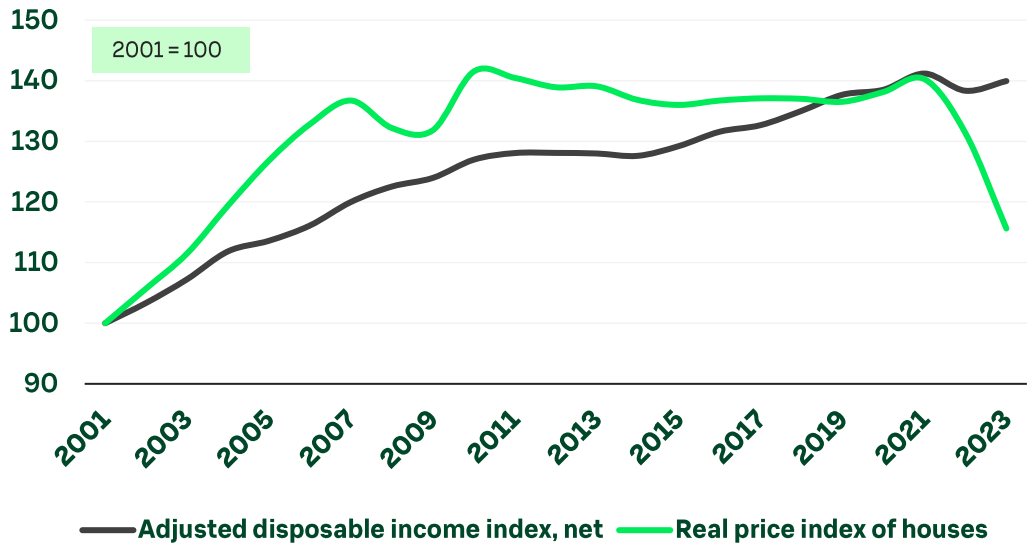
- Growth in housing prices in Finland has been modest over the past 15 years, with the index showing an increase of c. 35% between 2005 and 2023. In Sweden and Norway, the price development has been more rapid. In Denmark, the development has been closer to that of Finland over the entire time frame.
- Finnish households are the least leveraged in the Nordics. In 2022, indebtedness of Finnish households stood at around 150% of net disposable income, significantly lower compared to the other Nordic countries.

Source: OECD, Eurostat
1) 2023 data not available for Finland and Norway[1]

FINNISH HOUSING MARKET – PRICE CORRECTION UNDERWAY

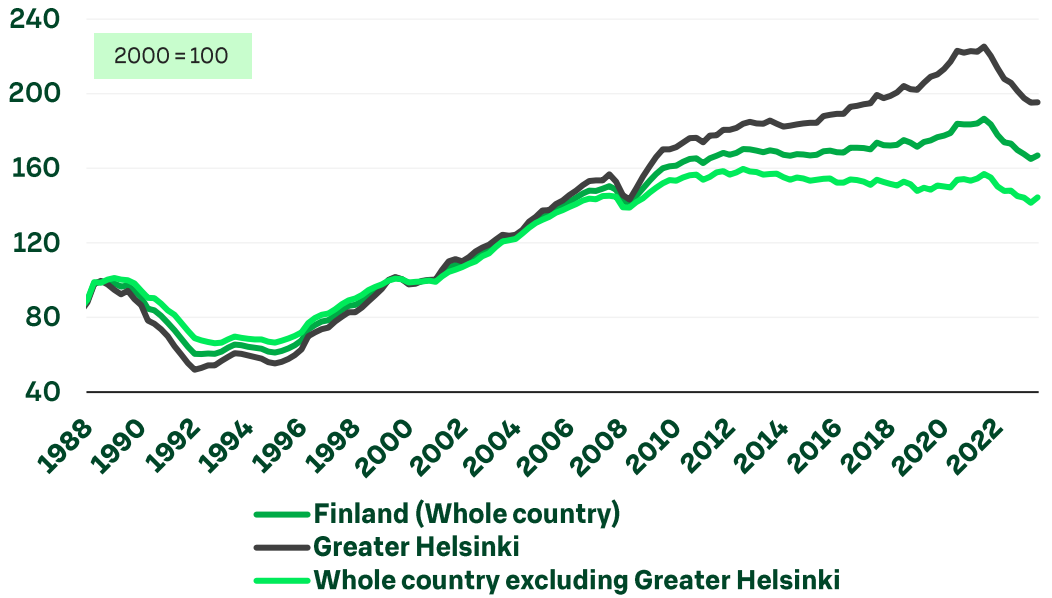
GROWTH IN EARNINGS OUTPACING THE GROWTH IN HOUSE PRICES[1]

Real housing price index and earnings level index



PRICES DECLINING AS INTEREST RATES RISE[2]

Price index of old dwellings



- Growth in real housing prices was rapid in the first decade of the 2000s and earnings growth was left behind at the time. The correction came when the housing bubble in the US burst, and the global financial crisis arrived in Finland with full force in 2008. In the 2010s, housing prices remained stable, and over a 20-year period, housing prices and the earnings level have increased in parallel with one another. In 2022 and in 2023, housing prices and transaction volumes have been under strong pressure due to higher interest rates amidst high inflation.
- The Helsinki area's housing market has diverged from the rest of the country with significantly faster price appreciation – the main drivers are favourable demographics and the continuing trend in urbanisation. The national price average has maintained a stable level during last 10-year period, as price development in rural areas has been more restrained or even declining in areas that suffer most from out-migration.

1) Price indices of old dwellings in housing companies & Household adjusted disposable income; annual averages of quarterly data. Source: Statistics Finland.
2) Price indices of old dwellings in housing companies, 1988 Q1–2023 Q4. Source: Statistics Finland.

PLANNED TRANSACTION

INDICATIVE TERMS OF THE PLANNED TAP TRANSACTION

ISSUER	S-Bank Plc
STATUS OF NOTES	Senior Preferred MREL eligible, unsecured and unsubordinated
ISSUER RATING	BBB+ (Stable) by S&P
ISSUE RATING	BBB+ by S&P
TAP AMOUNT	EUR 100,000,000
NEW OUTSTANDING AMOUNT	EUR 400,000,000
TENOR	4NC3, Call date 8 March 2027 with maturity on 8 March 2028
COUPON	4.875% Fixed, annual (FXD-to-FRN)
EARLY REDEMPTION PRICE	The Notes may be redeemed at par (plus accrued and unpaid interest) in case of a Regulatory Event, Capital Event, Tax event or MREL Disqualification Event, as further described in the Prospectus
DOCUMENTATION	The Issuer's EUR 3bn Programme for the Issuance of Senior Preferred MREL Eligible Notes, Covered Bonds and Additional Tier 1 Capital Notes dated 16 February 2024 and as further supplemented
LAW	Finnish Law
CLEARING	Euroclear Finland
LISTING	Nasdaq Helsinki
DENOMINATIONS	100,000€ + 100,000€
TARGET MARKET	MiFID II Eligible counterparties and professional clients only (all Distribution Channels) / No PRIIPs key information document (KID) has been prepared as not available to retail in the EEA or United Kingdom.
GLOBAL COORDINATOR	Danske Bank
BOOKRUNNER	Danske Bank, LBBW and SEB

APPENDIX

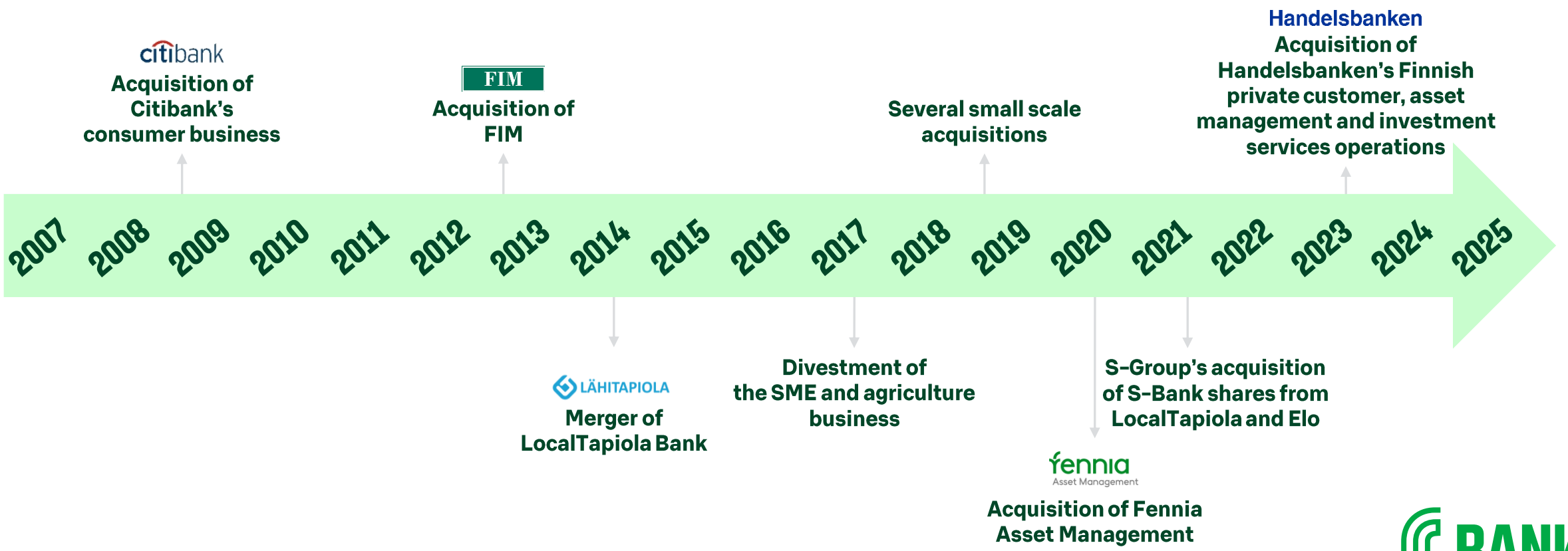
HISTORY OF S-BANK

ESTABLISHMENT OF S-BANK

GROWTH THROUGH ACQUISITIONS, INVESTMENT IN INTEGRATION

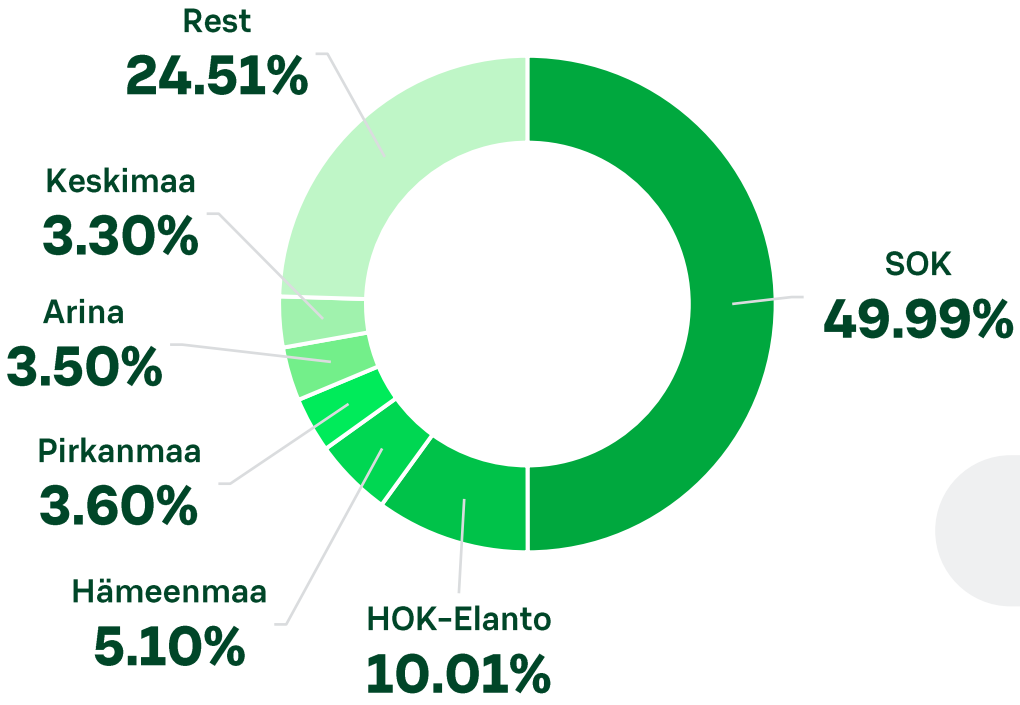
EXPANSION AND FOCUS ON CORE BUSINESS AND EFFICIENCY IMPROVEMENT

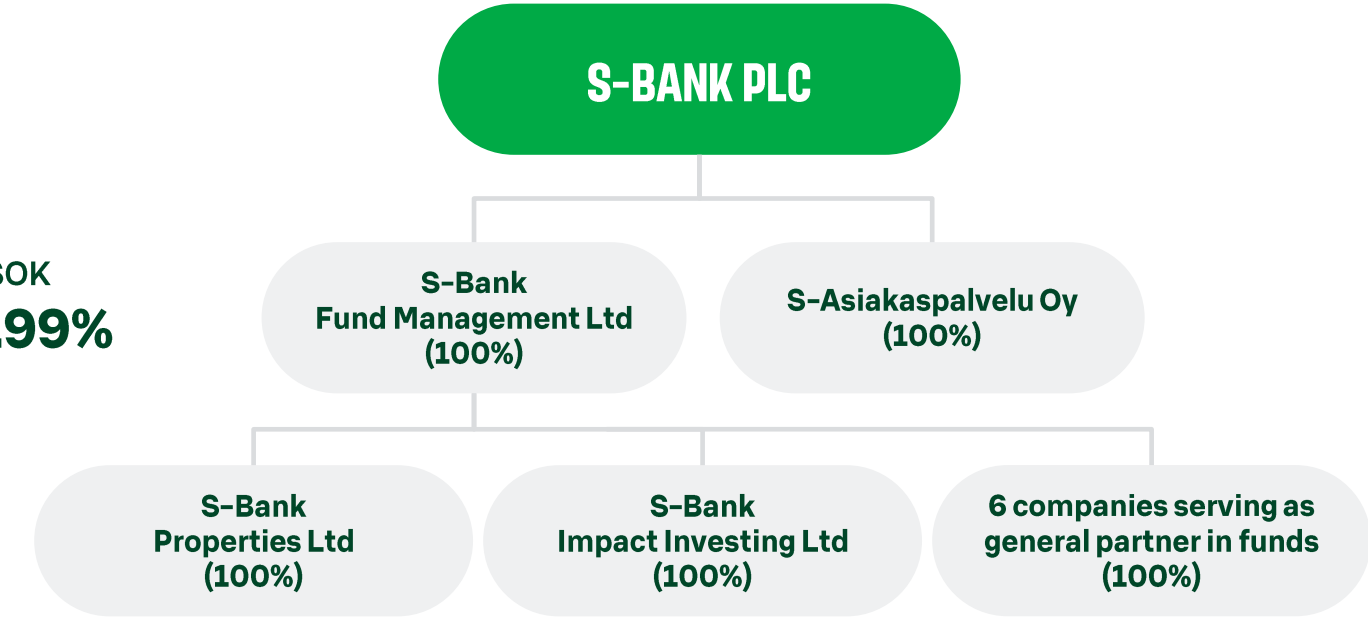
MOVING UP TO A NEW SIZE CATEGORY



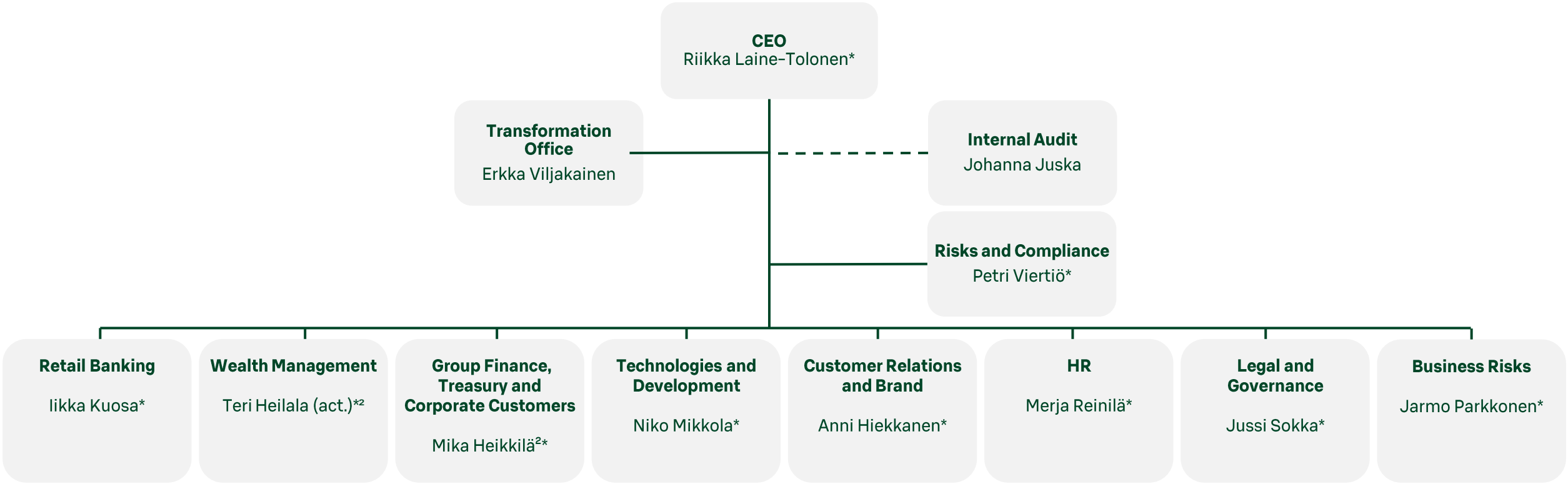
COMPANY OWNERSHIP AND STRUCTURE

S-BANK IS OWNED BY SOK (A CENTRAL COOPERATIVE) AND 19 REGIONAL COOPERATIVES





S-BANK ORGANISATION AS OF 1.4.2024



*) Member of S-Bank's Group Management Team
2) Mike Peltola has been appointed EVP of Wealth Management. Peltola will transfer to S-Bank in connection with the completion of the Handelsbanken transaction. During the transition period, Teri Heilala will be responsible for the role.

MANAGEMENT GROUP OF S-BANK
AS OF 1.4.2024



RIIKKA LAINE-TOLONEN

CEO



MIKA HEIKKILÄ

CFO and EVP

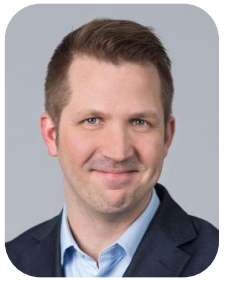
Group Finance, Treasury and Corporate Customers



ANNI HIEKKANEN

EVP

Customer Relations and Brand



IIKKA KUOSA

EVP

Retail Banking



JARMO PARKKONEN

BRO

Business Risks



MIKE PELTOLA*

EVP

Wealth Management



MERJA REINILÄ

EVP

HR



JUSSI SOKKA

EVP

Legal and Governance



PETRI VIERTIÖ

CRO

Risks and Compliance



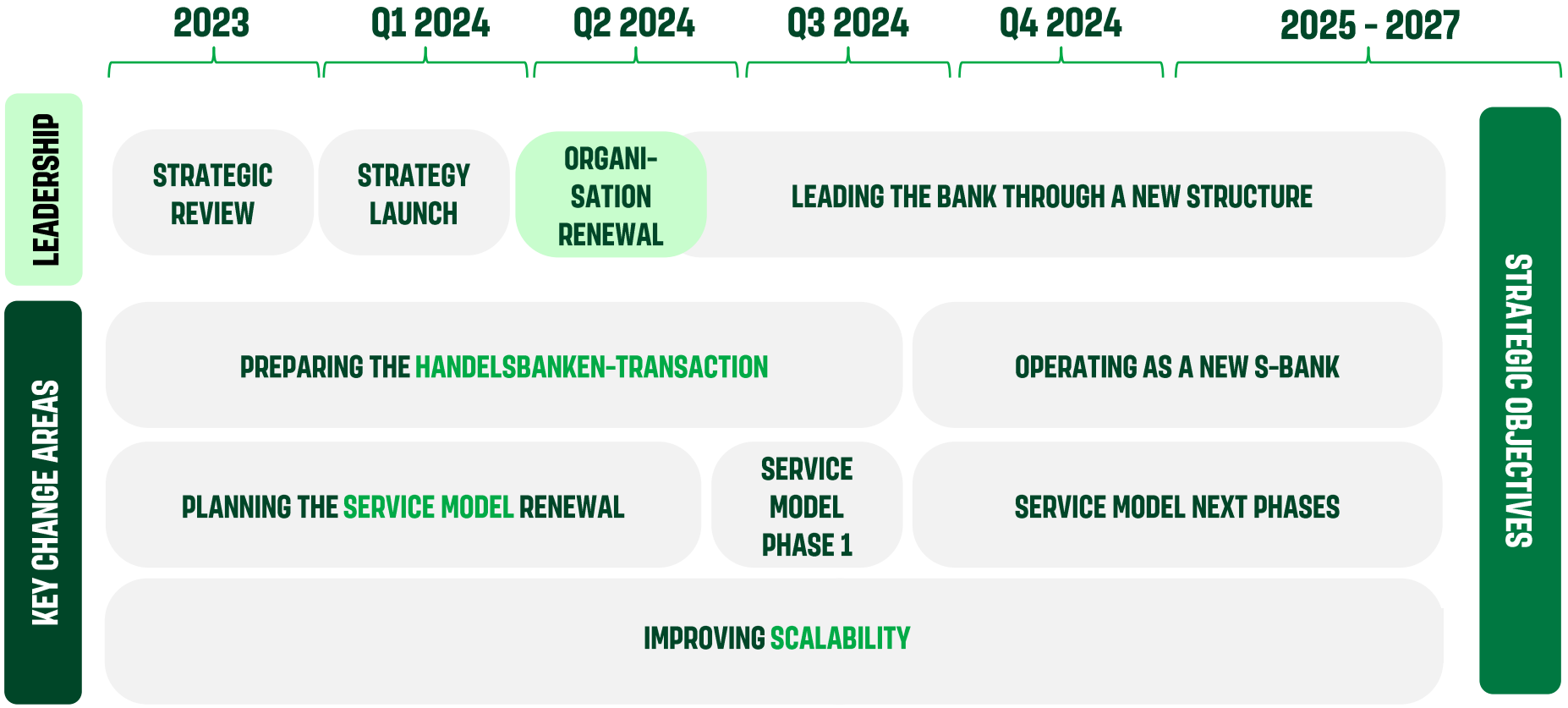
NIKO MIKKOLA

CTO

Technologies and Development

* Will start at S-Bank after the Handelsbanken integration is completed. Until then, the role will be substituted by Teri Heilala.
** To be announced later. The role is substituted by Erkka Viljakainen (SVP, Transformation Office) for the time being.

BUILDING A NEW S-BANK THROUGH KEY CHANGE AREAS



TOWARDS A NEW SERVICE MODEL
INCREASING FOCUS ON HIGH-VALUE CUSTOMERS

- A new S-Bank formed by combining the unique strengths of S-Bank's current digital service model, wide service network and Handelsbanken's branch offices
- Handelsbanken's service managers continue serving their customers
- Increased emphasis on attracting and retaining high-value customers.
- Achieved by increasing customer advisory services, by renewing our service model to provide an appropriate service level to each customer, and by creating new benefits linked to the customer's business volumes.
- A specific target for high-value customers will be set after the Handelsbanken transaction has been closed.

DEVELOPMENT OF ACTIVE CUSTOMERS*



DEVELOPMENT OF HIGH-VALUE CUSTOMERS



* Internal segment defined by the frequency of daily banking service use

INCOME STATEMENT

EUR thousands	2020	2021	2022	Jun 2023	2023	Jun 2024
Interest income	99 156	102 925	139 295	158 598	388 381	264 631
Interest expenses	-9 823	-12 583	-17 608	-37 674	-113 898	-107 008
Net interest income	89 333	90 341	121 687	120 924	274 483	157 623
Fee and commission income	108 270	123 674	101 179	53 362	107 563	53 929
Fee and commission expenses	-41 251	-42 863	-13 985	-8 392	-13 881	-9 207
Net fee and commission income	67 019	80 811	87 195	44 970	93 682	44 722
Net income from investment operations	3 179	3 107	2 436	499	-4 676	-210
Other operating income	14 323	12 724	10 479	4 156	7 773	4 211
TOTAL INCOME	**173 853**	**186 983**	**221 796**	**170 549**	**371 262**	**206 345**
Personnel expenses	-44 887	-56 146	-59 406	-31 884	-68 701	-36 212
Other administrative expenses	-64 765	-71 005	-78 452	-44 407	-91 693	-52 847
Depreciation and impairment	-13 422	-12 985	-15 301	-8 010	-16 835	-8 403
Other operating expenses	-6 097	-6 345	-11 987	-11 741	-13 624	-8 751
TOTAL COSTS	**-129 172**	**-146 481**	**-165 145**	**-96 043**	**-190 854**	**-106 213**
Impairment of receivables	-23 633	-15 721	-11 960	-16 897	-33 002	-16 609
Share of the profits of associated companies	-0 001	0 002	0 001	1	0 001	-1
OPERATING PROFIT (LOSS)	**21 047**	**24 784**	**44 693**	**57 609**	**147 406**	**83 522**
Income taxes	-5 378	-5 233	-8 884	-11 461	-29 422	-16 668
PROFIT (LOSS) FOR THE PERIOD	**15 670**	**19 551**	**35 809**	**46 148**	**117 985**	**66 854**

BALANCE SHEET

ASSETS EUR thousands	2021	2022	2023	Jun 2024
Cash and cash equivalents	1 091 962	1 368 195	2 207 041	3 135 529
Debt securities eligible for refinancing with central banks	684 859	556 923	571 735	527 526
Receivables from credit institutions	25 064	9 215	9 420	12 255
Receivables from customers	6 086 022	6 695 255	6 934 971	7 002 043
Debt securities	464 228	139 785	127 293	92 186
Derivative contracts	582	24 261	31 349	20 695
Shares and interests	31 575	20 665	18 881	18 458
Holdings in associated companies	4	5	7	6
Intangible assets	73 341	70 331	65 600	64 547
Tangible assets	7 458	5 268	7 381	6 846
Tax assets	2 051	7 398	5 801	4 642
Prepayments and accrued income	28 322	45 979	62 837	64 384
Other assets	5 414	8 967	16 731	13 255
TOTAL ASSETS	**8 500 883**	**8 952 247**	**10 059 046**	**10 962 372**

LIABILITIES AND EQUITY EUR thousands	2021	2022	2023	Jun 2024
Liabilities to credit institutions	108	23 156	34 231	32 095
Liabilities to customers	7 611 265	7 983 559	8 239 664	8 372 645
Issued bonds	169 699	219 27	886 895	1 578 406
Subordinated debts	112 667	107	101 333	96 999
Derivative contracts	8 383	7	829	7 742
Provisions	649	303	200	200
Tax liabilities	7 183	8 984	19 024	11 478
Accrued expenses	32 299	30 25	53 374	81 740
Other liabilities	49 325	55 477	74 224	70 866
Total liabilities	**7 991 577**	**8 428 006**	**9 409 774**	**10 252 173**
Share capital	82 88	82 88	82 88	82 880
Reserves	284 277	263 148	275 148	279 247
Retained earnings	142 148	178 213	291 244	348 071
Non-controlling interests	0	0	0	0
Total equity	**509 306**	**524 241**	**649 272**	**710 198**
TOTAL LIABILITIES AND EQUITY	**8 500 883**	**8 952 247**	**10 059 046**	**10 962 372**

THANK YOU

BANK