

A young woman with blonde hair, wearing a white top and a necklace, is smiling and looking up at a barista. The barista, wearing a green apron, is holding a green coffee cup. The background shows a bright, modern cafe interior with wooden chairs and tables, and hanging pendant lights.

# JANUARY-DECEMBER 2024 RESULTS

RIIKKA LAINE-TOLONEN, CEO & MIKA HEIKKILÄ, CFO

6 FEBRUARY 2025



# 2024 HIGHLIGHTS

# RECORD-BREAKING YEAR THE NEXT CHAPTER HAS BEGUN

## KEY FIGURES JAN-DEC 2024 VS. JAN-DEC 2023

### Operating profit (EUR m)

**165.2**  
(147.4)  
▲ +12.1%

### Deposit base (EUR bn)

**9.4**  
(8.2)  
▲ +14.7%

### Lending base (EUR bn)

**9.5**  
(6.9)  
▲ +36.5%

### Assets under management (EUR bn)

**8.3**  
(6.2)  
▲ +33.6%

### Capital adequacy ratio

**21.4%**  
(18.8%)  
▲ +2.6bp

### Active customers

**747 000**  
(660 000)  
▲ +13.2%

### Handelsbanken transaction completed in December

- S-Bank's largest business transaction ever
- Now 4<sup>th</sup> largest bank for private customers in Finland

### Strong financial performance

- Operating profit EUR 165.2 million, +12%
- Excellent result while completing the integration project
- Net interest income EUR 306.9 million, +12%
- Deposit base, lending base and AUM grew year on year

### Continued service development

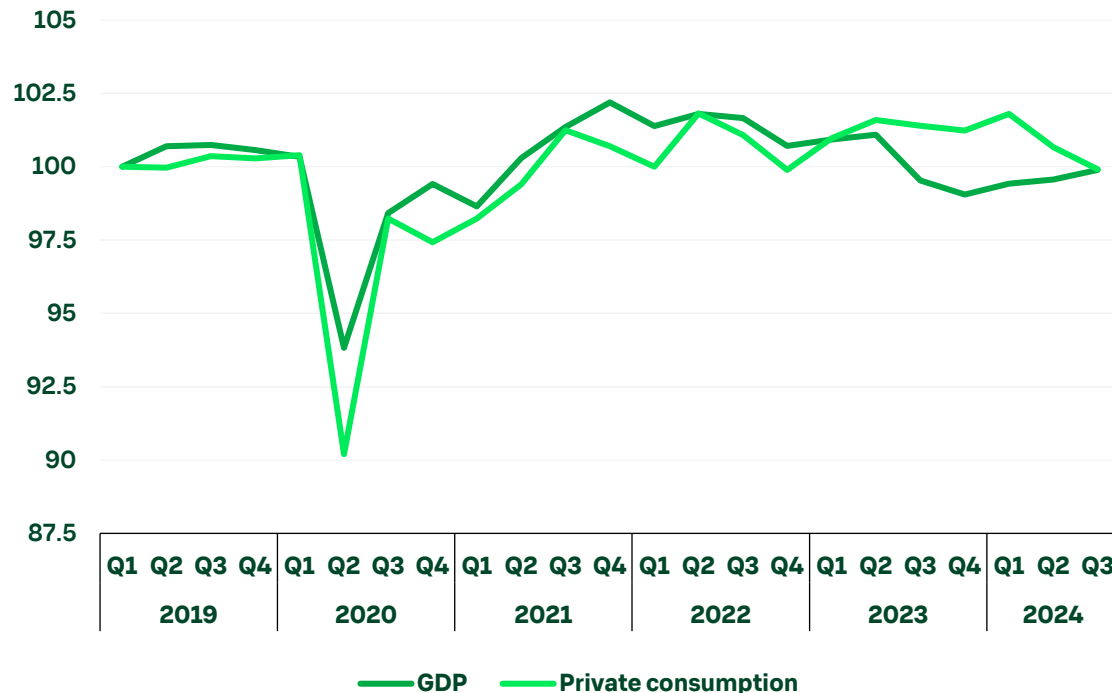
- Focus on mobile services
- Customers who transferred from Handelsbanken satisfied with S-Bank's mobile services
- Number of active customers reached 747 000

### Credit rating



# ECONOMIC OUTLOOK: MODERATE GROWTH EXPECTATIONS FOR 2025

**GDP AND PRIVATE CONSUMPTION IN FINLAND\***



- In 2025, growth of global economy expected to remain close to 2024 rates
- Global outlook is unpredictable
- Finland's GDP expected to grow moderately this year, reaching 1.5 per cent on an annual basis
- In Finland, domestic demand is picking up
- Falling interest rates will have a positive impact on private consumption
- Finnish housing market will continue to recover through increased transaction volumes and moderately rising prices
- Investments also expected to pick up later in the year

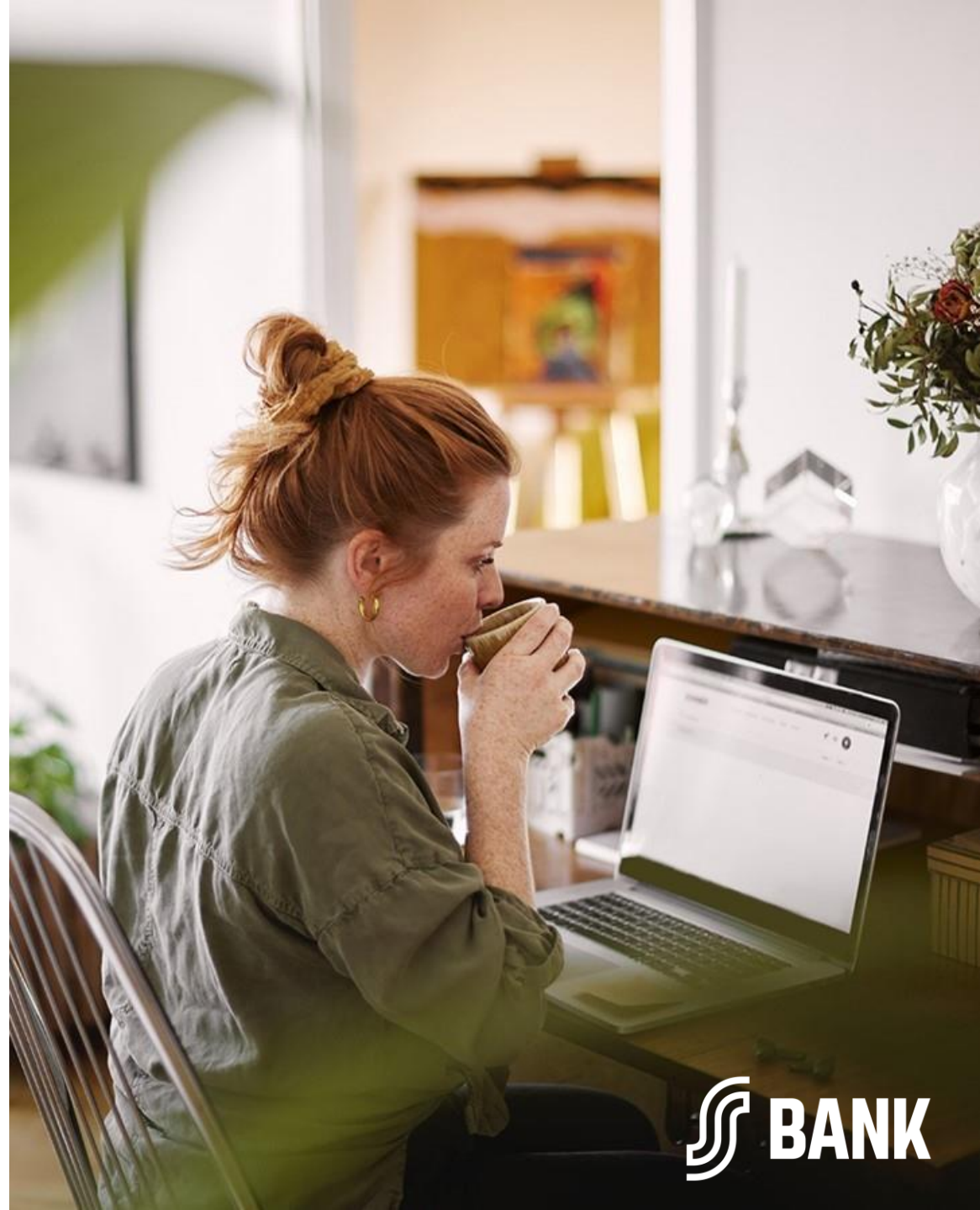
\*Sources: Macrobond, Statistics Finland, S-Bank.  
GDP and private consumption index 1 Jan 2019=100.

# OUTLOOK FOR 2025

S-Bank's **profit guidance for 2025 has been lowered** due to declining interest rates, despite the fact that the Handelsbanken transaction will increase the bank's earnings. In addition, the investments related to implementing our strategy will remain at a high level.

The outlook for 2025 is still **subject to uncertainties** regarding the operating environment, geopolitical tensions, the economy, employment and the real estate market.

We expect operating profit for the whole year to **decline to approximately EUR 100 million (165.2)**. The scale of the change is impacted by the one-off negative goodwill related to the Handelsbanken transaction, which was recognised as income in 2024.



# BANKING SEGMENT: GROWTH IN LOAN AND DEPOSIT PORTFOLIOS

- Operating income EUR **378.5** million (339.0), growth 11.6%
- Operating profit EUR **150.4** million (156.0), decrease 3.6%
- Household customers' deposit portfolio EUR **8.7** billion, growth **17%**

## HOUSEHOLD KEY FIGURES JAN-DEC 2024 VS. JAN-DEC 2023\*

### Deposit portfolio (EUR bn)

**8.7**

(7.5)

▲ +17%

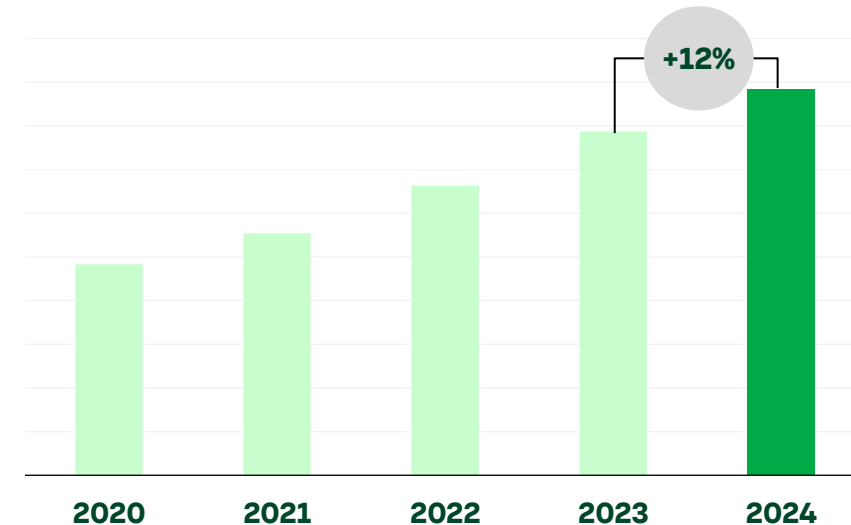
### Loan portfolio (EUR bn)

**8.2**

(5.7)

▲ +43%

## S-ETUKORTTI VISA CARD PURCHASES (EUR)



\*\*Figures on household customers only. Banking segment includes both household and corporate customers.

# WEALTH MANAGEMENT: GROWTH IN NUMBER OF UNIT HOLDERS CONTINUED

- Operating income EUR **41.2** million (40.6), growth 1.6%
- Operating profit EUR **-3.2** million (3.3)
- Net subscriptions to S-Bank mutual funds amounted to EUR **130.9** million (130.7)
- Number of unit holders in S-Bank funds increased to approximately **447 000** (approx. 391 000)
- In the market, number of new unit holders of hybrid funds grew to 128 000, of which **25%** were S-Bank's customers

## WEALTH MANAGEMENT KEY FIGURES JAN-DEC 2024 VS. JAN-DEC 2023

Net subscriptions  
(EUR m)

**130.9**

(130.7)

▲ +0.1%

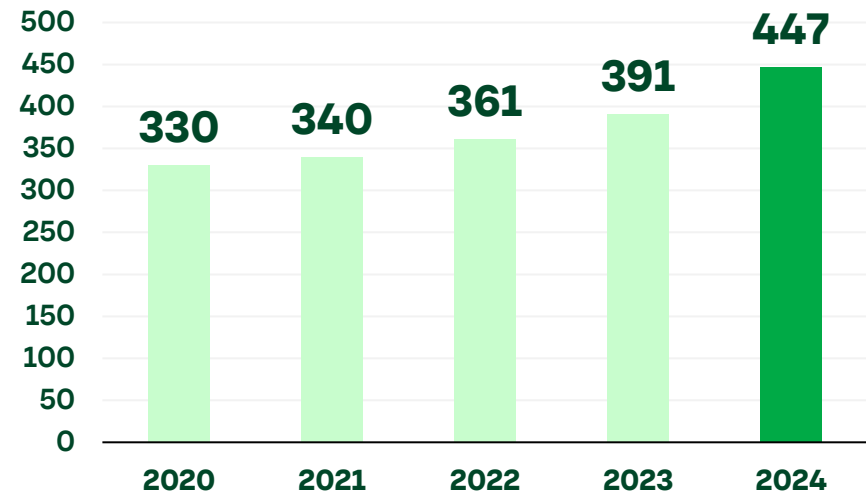
AUM  
(EUR bn)

**8.3**

(6.2)

▲ +33.6%

## NUMBER OF UNIT HOLDERS IN S-BANK FUNDS (THOUSANDS)



# STRATEGY



# S-BANK STRATEGY 2024-2027 AND STRATEGIC OBJECTIVES

## THE STORY CONTINUES TOWARDS A MORE CUSTOMER-FOCUSED AND DIGITAL BANK



# HANDELSBANKEN TRANSACTION COMPLETED SUCCESSFULLY

- The historic acquisition of Handelsbanken's Finnish private customer, asset management and investment services operations was completed on 1 December 2024
- The integration project met the planned schedule and scope
- The transfer of services was a large-scale implementation carefully prepared in cooperation with Handelsbanken
- A large team of S-Bank and Handelsbanken employees worked for over 18 months to ensure a seamless integration of the businesses
- The transaction strengthened S-Bank's position as one of Finland's leading asset managers
  - AUM increased
  - Range of funds available to customers diversified
  - Number of Private Banking customers almost doubled





# STEP TOWARDS STRATEGIC GOALS

S-Bank is now the **fourth largest bank in Finland** in terms of housing loans and deposits.

**~ 100 000**  
transferred private customers

**23** transferred leases of the bank's Finnish branches

**EUR 2.5 bn**  
growth in loans

**~200** new employees

**EUR 0.9 bn**  
growth in deposits

**EUR ~2 bn**  
growth in assets under management

Figures as at 1 December 2024.

Assets under management also include investments in Handelsbanken funds, the management of which will not be transferred directly to S-Bank. However, S-Bank will receive a distribution fee for the business volume.

# GREAT FEEDBACK FROM TRANSFERRED CUSTOMERS

- A customer survey among the transferred Handelsbanken customers was conducted in December 2024\*
- Two thirds of transferred customers said that the transfer of services to S-Bank took place smoothly
- During the integration project many services were developed to improve customer experience for all S-Bank customers
- Great feedback from customers transferred from Handelsbanken
  - **74%** consider S-Bank their main bank
  - **68%** think S-Bank has excellent mobile services

\*The survey among customers who transferred from Handelsbanken to S-Bank was conducted by Feelback Inc in December 2024 (n=1274, random sample).

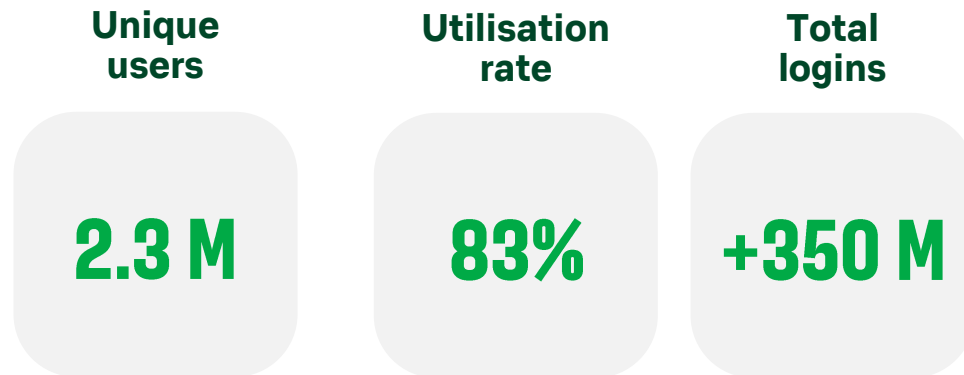


# CONTINUOUS IMPROVEMENT OF SERVICES

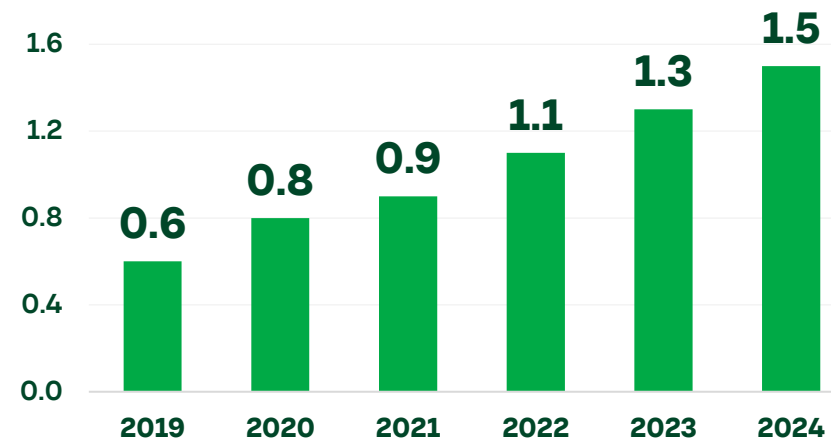
## DIGITAL SERVICES AT THE CORE OF STRATEGY

- Development and popularity of **S-Bank's digital services** is essential for strategy implementation
- Growing number of active users and large total customer base offer **cross-selling opportunities**
- **Mobile payment options** are a popular digital service
- **S-mobiili app** is at the core of developing our customer experience and journey
  - S-mobiili combines S Group's and S-Bank's services and provides access to all co-op member benefits
  - S-mobiili serves as the primary channel for S-Bank's customer interactions and management
  - Development of the app improves both customer experience and scalability of the business

### S-MOBIILI APP STATISTICS\*



### WEEKLY S-MOBIILI APP USERS (M)



\*Figures are total of S-Bank-customers as at 31.12.2024.

# S-MOBIILI APP SERVES MILLIONS OF S-BANK'S CUSTOMERS NEW FEATURES ARE ADOPTED QUICKLY

## NEW DIGITAL SERVICES & FEATURES FOR CUSTOMERS IN 2024

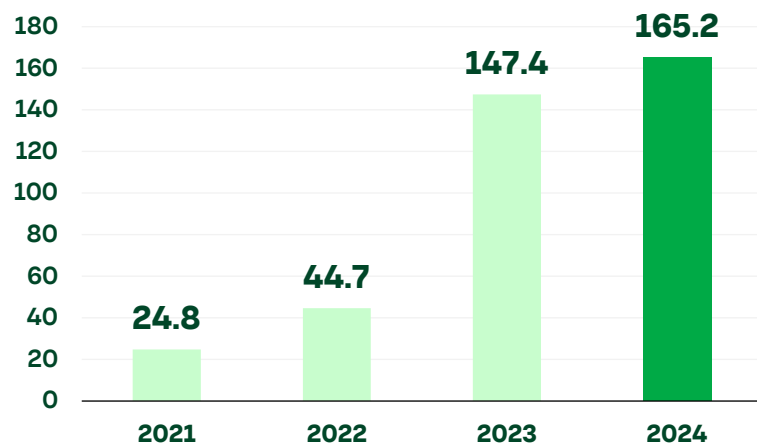
Q1	Blocking S-Bank payment cards through S-mobiili
Q2	Launch of ApplePay and Digital S-Etukortti Opening of monthly savings contract in S-mobiili Application for secured loans in S-Mobiili KYC process for minors available on digital platforms
Q3	Push notifications for failed Visa card transactions English version of S-mobiili Digital recovery service for S-Bank bank credentials New tool for customer service feedback on S-mobiili
Q4	New E-invoice features in S-mobiili Cancelling unnecessary Visa Debit cards in S-mobiili

- In 2024, S-Bank launched **over 30 new banking features** on digital and mobile platforms
- According to our data, new features are **quickly adopted** by customers and **drive sales** cost-effectively
  - For example, 90% of monthly savings contracts have been opened in S-mobiili since the launch
- As of May 2024, we have been able to provide both **GooglePay and ApplePay** for S-Bank customers
  - Apple Pay's strong customer adoption exceeded expectations
  - Especially young people and young adults have adopted the service
  - 15% of S-Bank card payments are made using mobile payment wallets
- In 2025, we **continue investing** in our digital services and customer experience

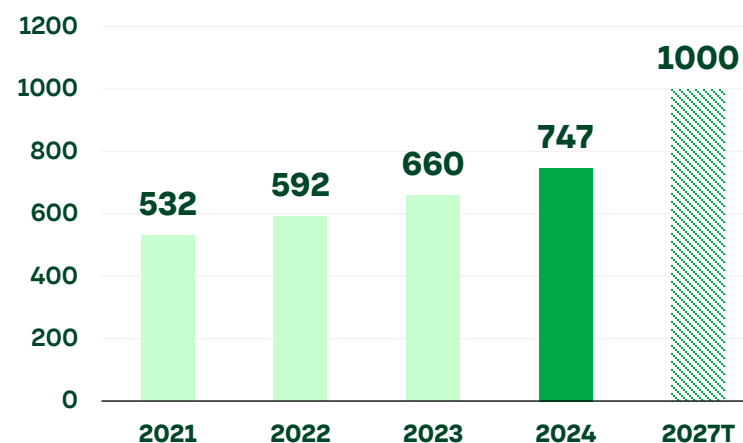
# SUMMARY

# STRATEGY IMPLEMENTATION ON TRACK

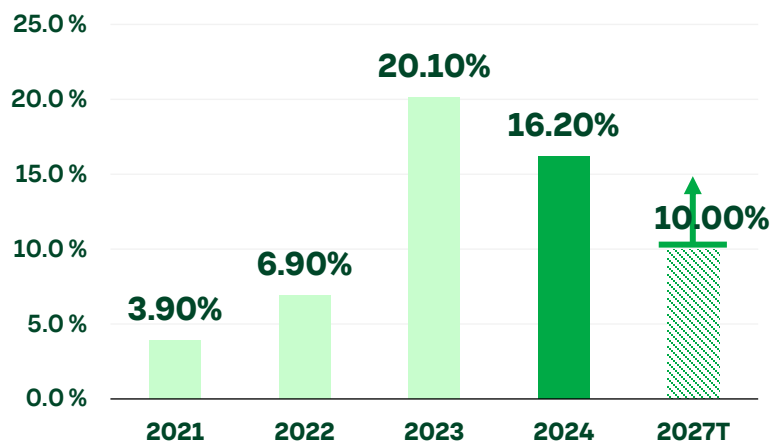
## OPERATING PROFIT (EUR m)



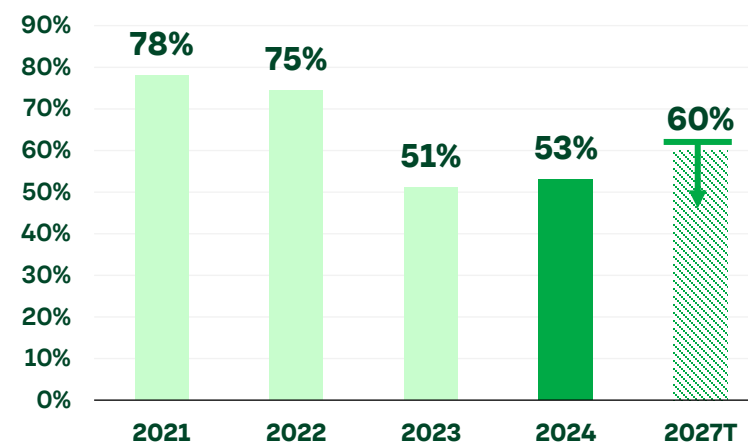
## ACTIVE CUSTOMERS (thousands)



## RETURN ON EQUITY



## COST-TO-INCOME RATIO





# 2024 SUMMARY

**COMPLETION OF  
HANDELSBANKEN  
TRANSACTION  
WRAPS UP  
A STRONG YEAR**

**4TH LARGEST BANK  
FOR PRIVATE  
CUSTOMERS  
IN FINLAND**

**SYSTEMATIC  
IMPLEMENTATION  
OF STRATEGY**

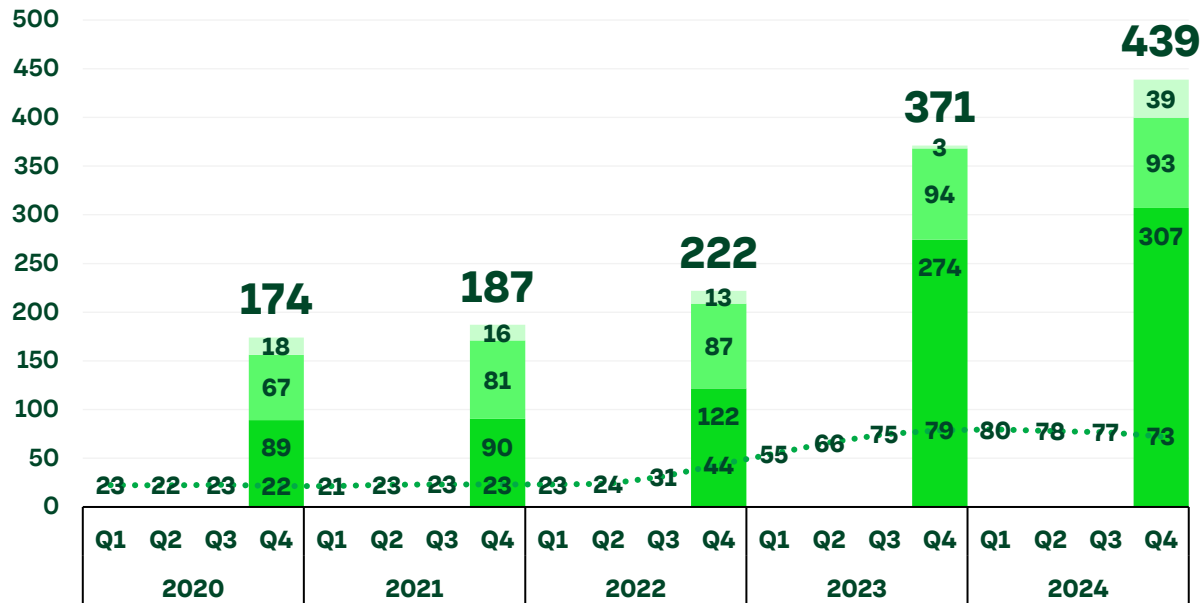
**CONTINUOUS  
DEVELOPMENT  
OF SERVICES,  
FOCUS ON MOBILE**

**ENTERING 2025  
WITH CONFIDENCE,  
DETERMINEDLY  
TOWARDS  
STRATEGIC GOALS**

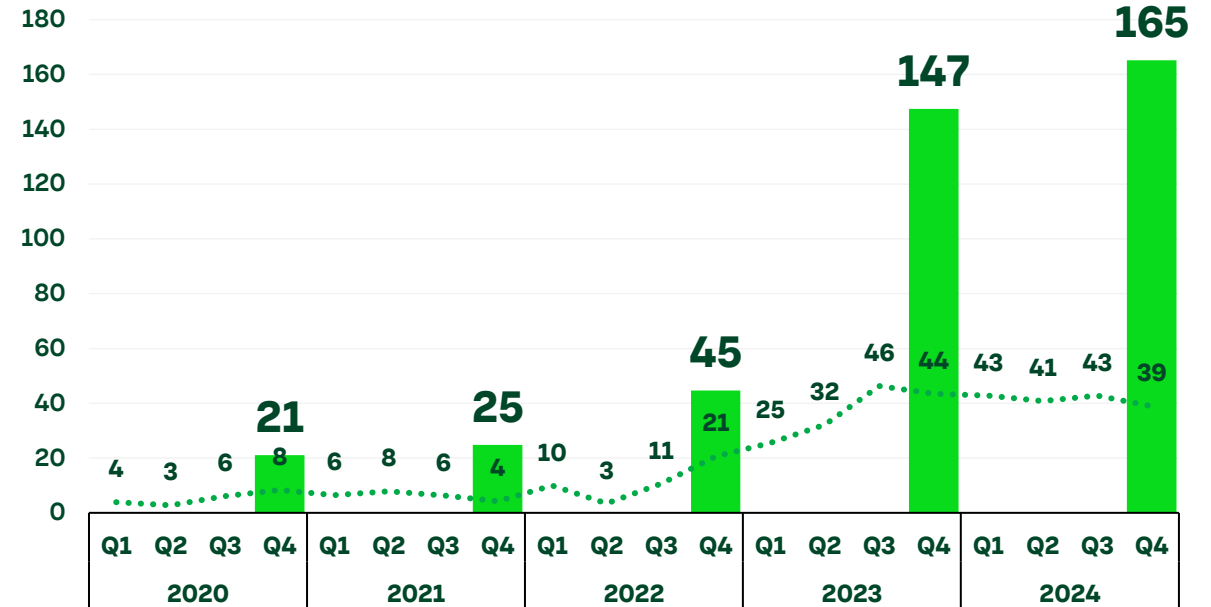
# KEY FINANCIALS

# DEVELOPMENT OF KEY INCOME MEASURES

## TOTAL INCOME (EUR m)



## OPERATING PROFIT (EUR m)



■ NII / Year   
 ■ Fee income / Year   
 ■ Other income / Year   
 ..... NII / Quarter

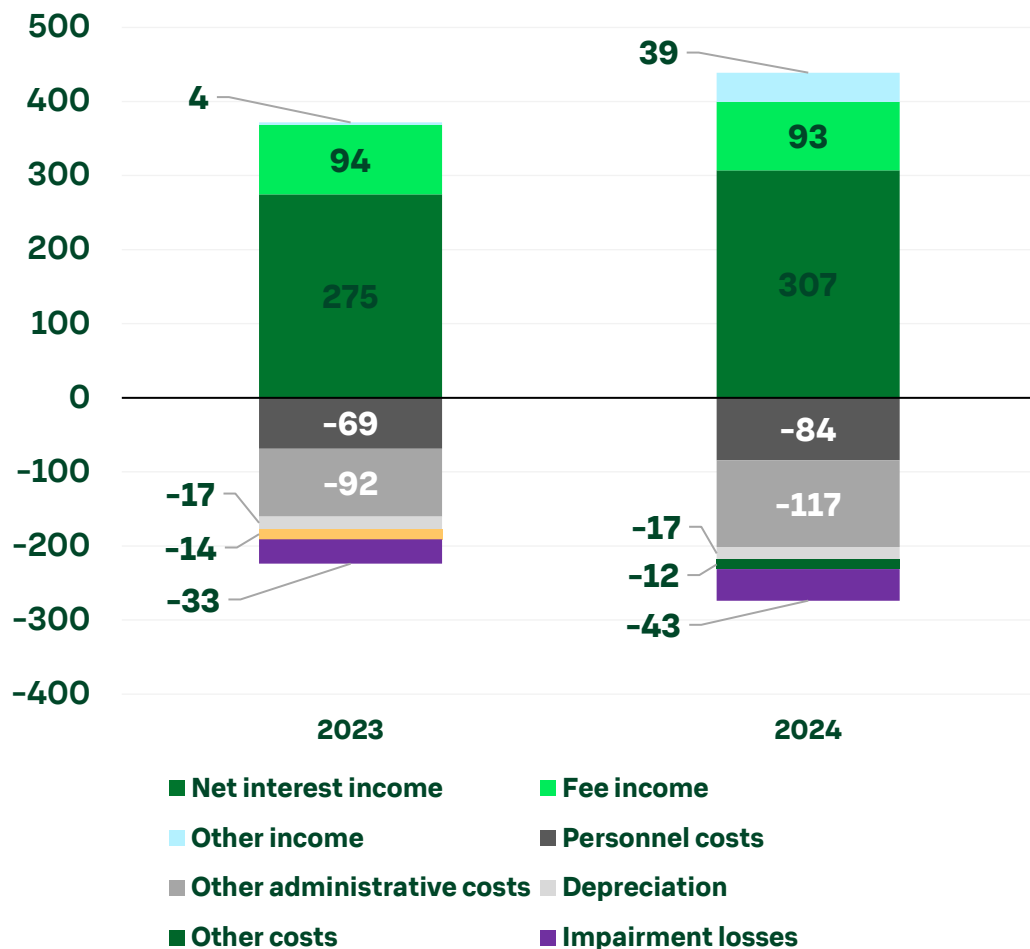
■ Operating profit / Year   
 ..... Operating profit / Quarter

- Net interest income increased by 12% in 2024, totalling EUR 307 million. During 2024 falling market interest rates have started to impact negatively on net interest income margin.
- In 2024, total income increased by 18.2%. Income growth was partly affected by one-off revenues related to the SHB-deal. Total costs increased by 22% on the previous year. SHB-deal related migration costs explain cost growth.
- In 2024, operating profit increased by 12% to EUR 165 million from EUR 147 million in 2023.

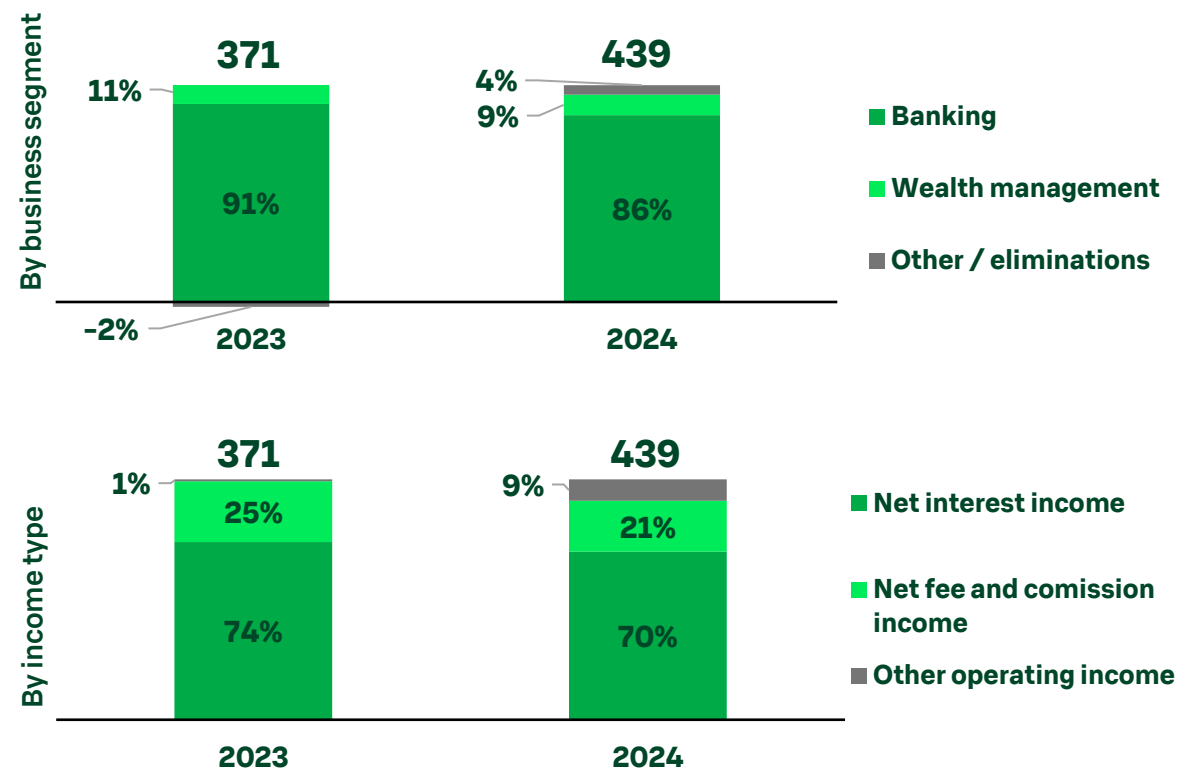


# INCOME & COST ANALYSIS

## DEVELOPMENT OF KEY INCOME & COST ITEMS (EUR m)



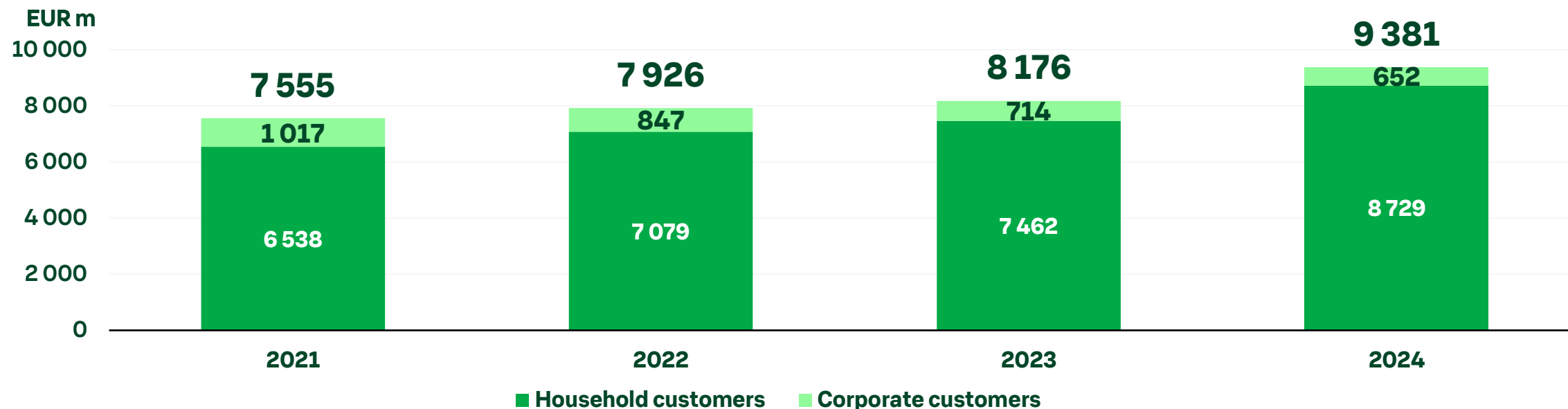
## INCOME SPLITS BY SEGMENT AND TYPE (EUR m)



	2023	2024
Cost - Income ratio, %*	51%	53%
Total income / Total assets, %*	4.0%	4.0%

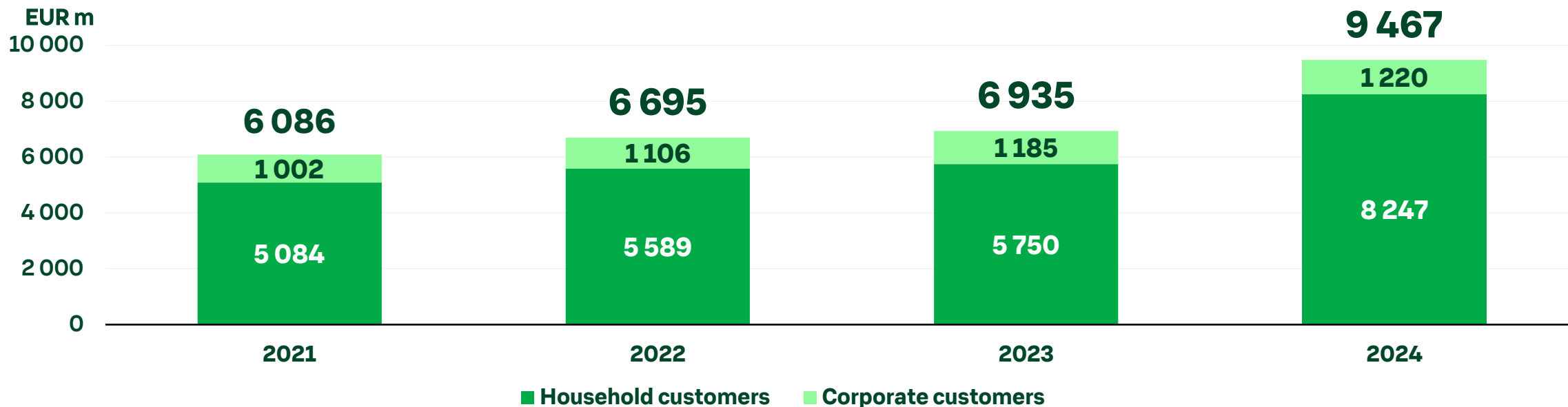
# DEPOSITS UP 14.7%

## TIME DEPOSITS EUR 991 MILLION (594) AT THE END OF DECEMBER



Deposits (EUR m)	2023	2024	12-month change
Household customers	7 462.2	8 729.1	17.0%
Corporate customers	713.7	652.4	-8.6%
<b>Total</b>	<b>8 175.9</b>	<b>9 381.4</b>	<b>14.7%</b>

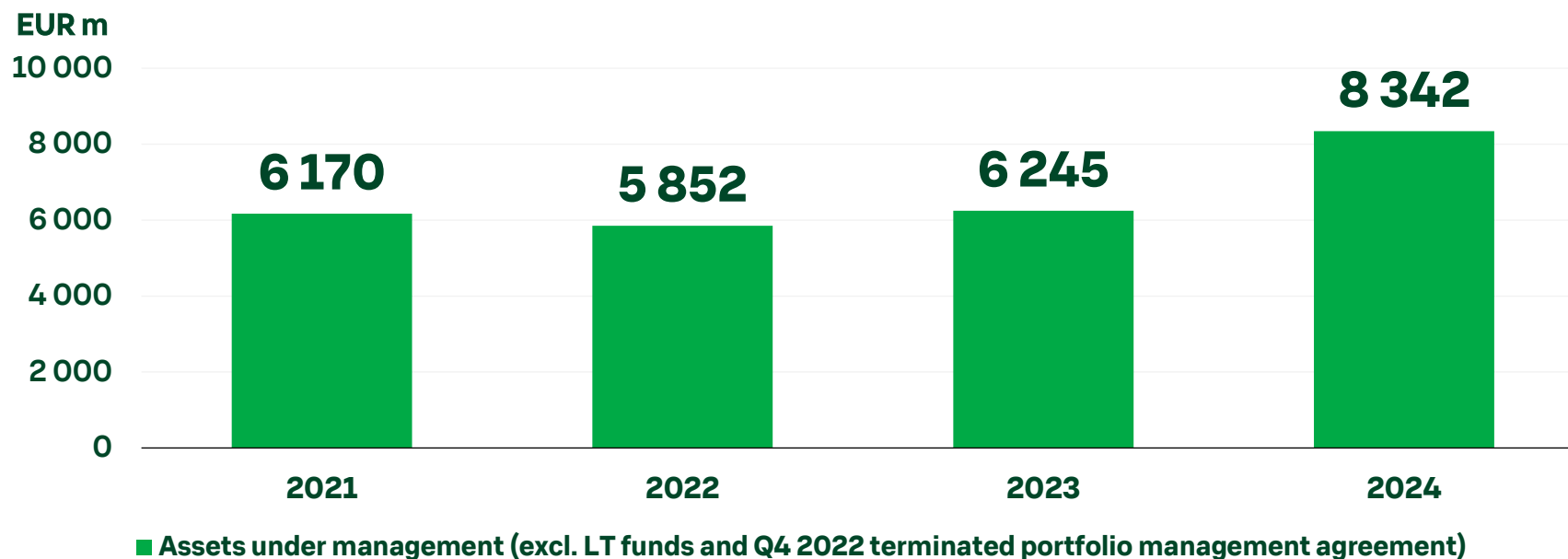
# LENDING UP 36.5%



Lending (EUR m)	2023	2024	12-month change
Household customers	5 750.3	8 247.3	43.4%
Corporate customers	1 184.7	1 219.5	2.9%
<b>Total</b>	<b>6 935.0</b>	<b>9 466.8</b>	<b>36.5%</b>



# AUM UP 33.6 %



Comparable assets under management (EUR m)	2023	2024	12-month change
Fund capital	4 309.4	4 721.4	9.6%
Wealth management	1 936.0	2 711.0	40.0%
Funds issued by other than Group companies		910.0	100.0%
<b>Total</b>	<b>6 245.4</b>	<b>8 342.3</b>	<b>33.6%</b>

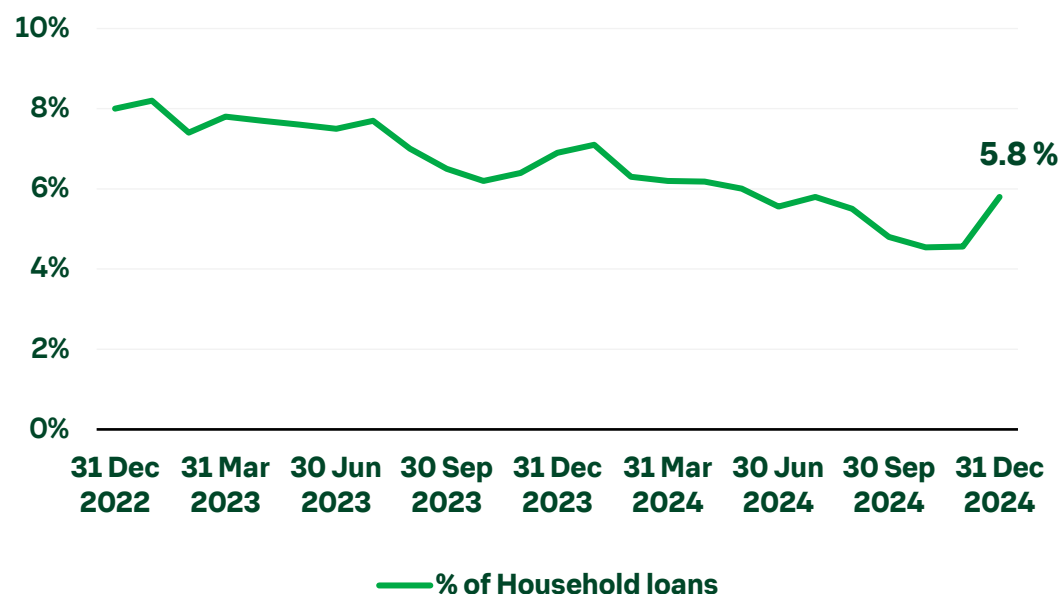
In addition, S-Bank Properties Ltd managed EUR 368.9 million in customer assets, consisting of real estate and joint ventures (379.1).

Net subscriptions to the S-Bank mutual funds amounted to EUR 130.9 million in the review period compared with EUR 130.7 million a year earlier.

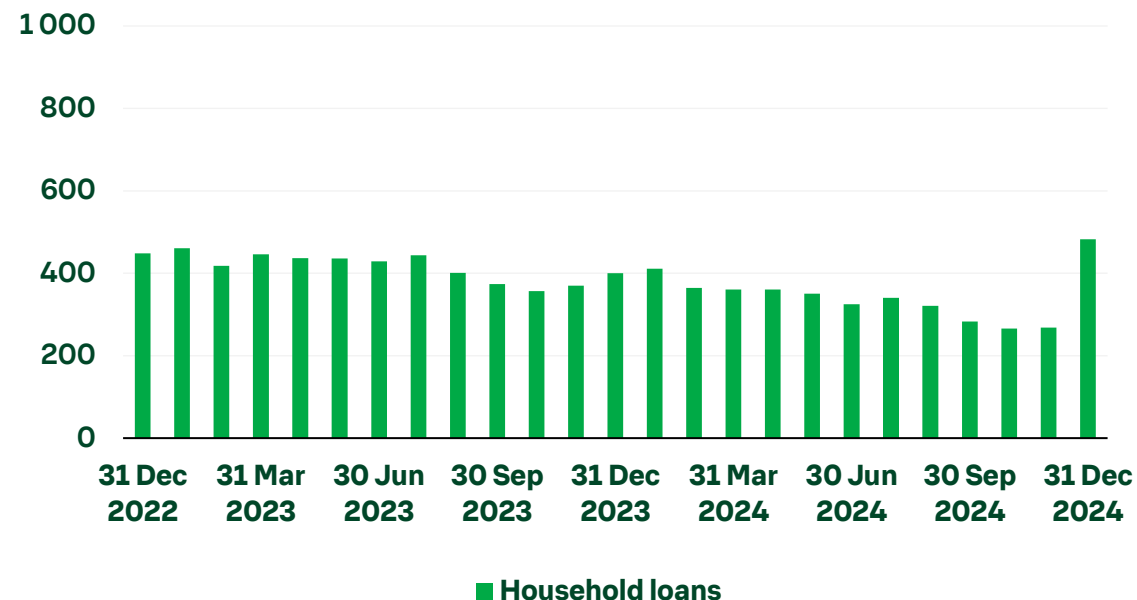
\* The comparative amount has been changed

# REPAYMENT HOLIDAYS

## SHARE OF LOANS SUBJECT TO REPAYMENT HOLIDAYS



## AMOUNT OF LOANS SUBJECT TO REPAYMENT HOLIDAYS (EUR m)

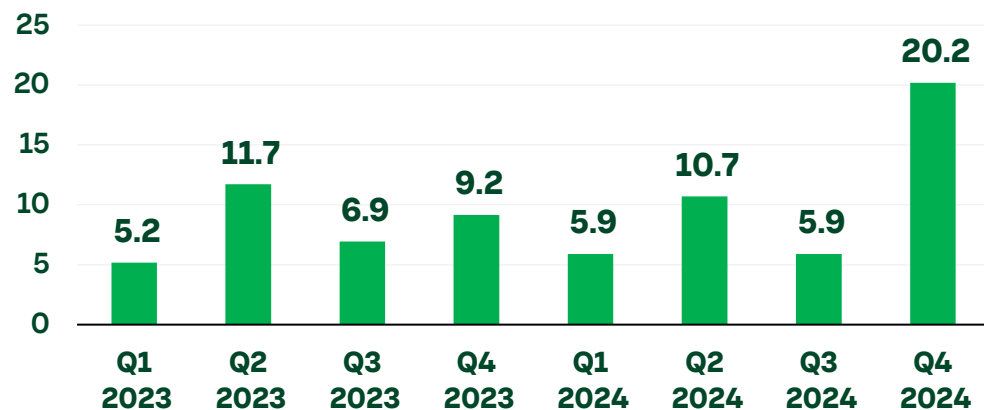


- Household loans subject to repayment holidays increased in Q4 2024 mainly due to the Handelsbanken transaction.
- Repayment holidays deviating from the original payment plan have primarily been granted to household customers.
- The share of loans subject to repayment holidays was 5.8% of total household loans (6.9% on 31 Dec 2023).

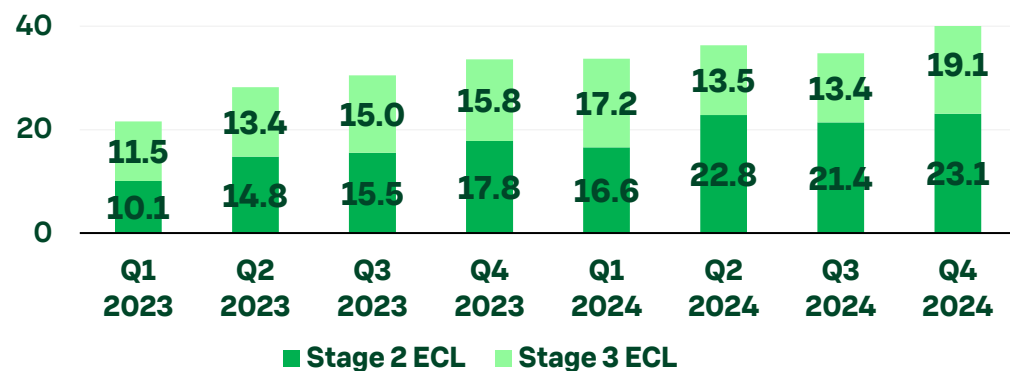


# CREDIT LOSSES

## EXPECTED AND FINAL CREDIT LOSSES (EUR m)



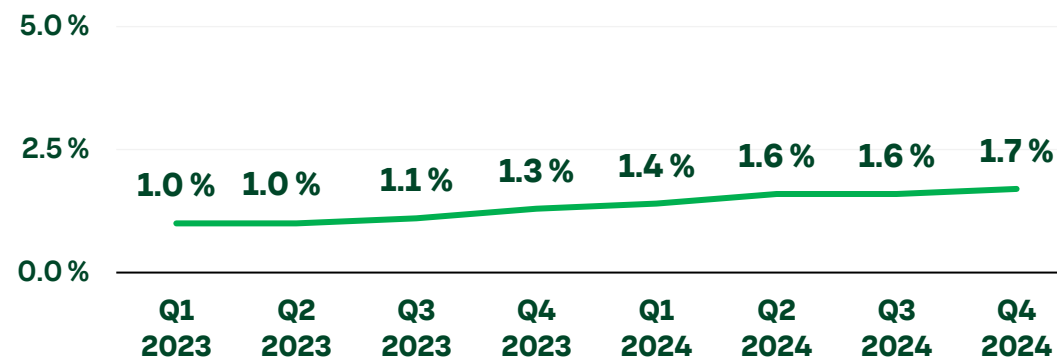
## STAGE 2 AND 3, ECL PROVISION (EUR m)



## COMMENTARY

- Cumulative net credit losses were EUR 42.7 million (33.0) during January–December 2024.
- ECL provision increased by EUR 15.0 million to EUR 52.3 million during the financial year, of which EUR 11.4 million was related to acquired loan portfolio.
- NPL ratio increased to 1.7%.

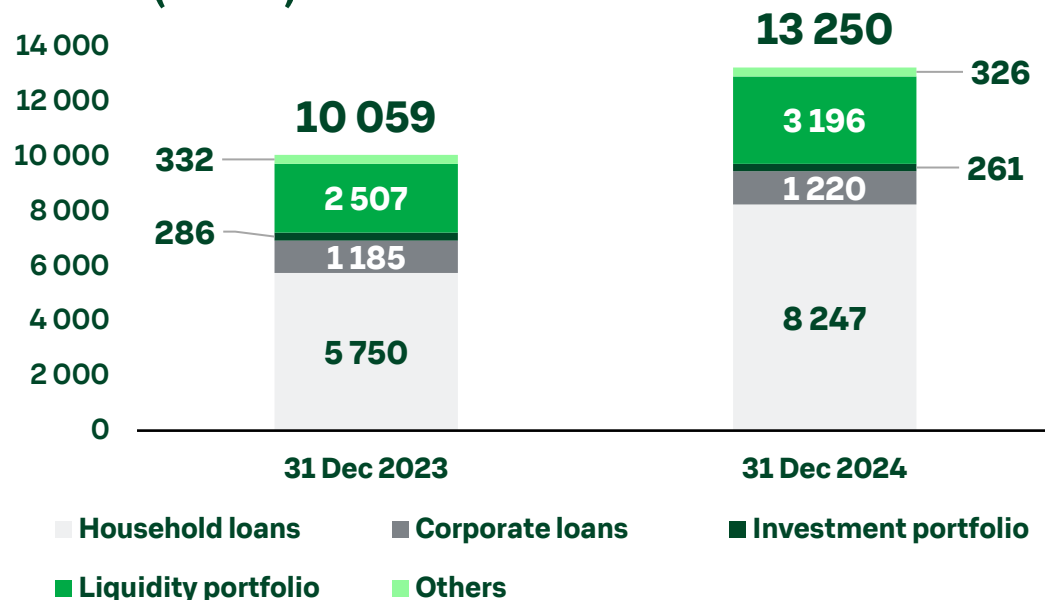
## NPL RATIO (%)



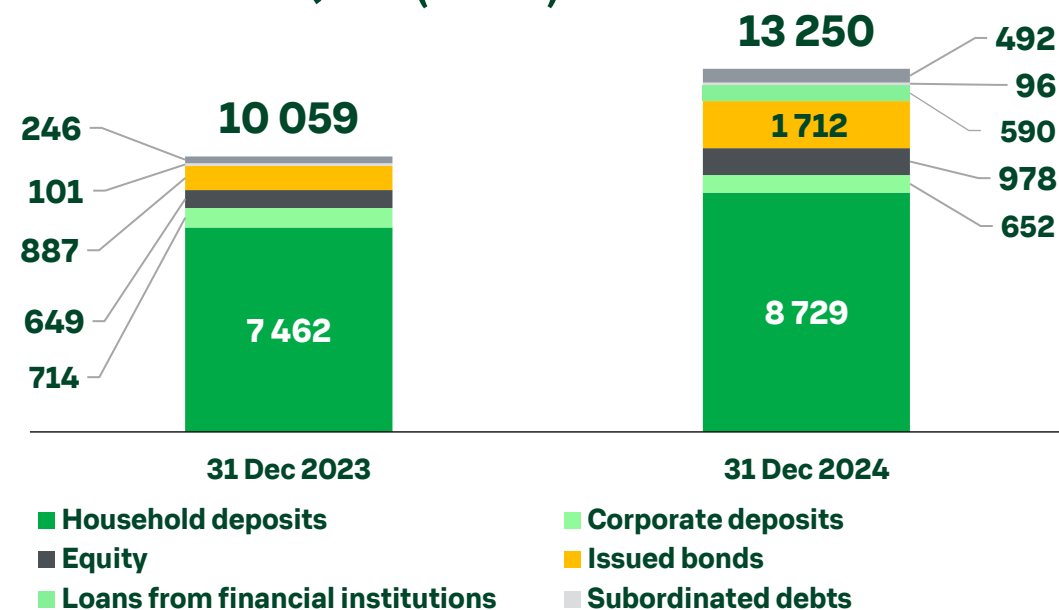
# BALANCE SHEET & FUNDING

## STRONG HOUSEHOLD DEPOSITS BASE AND INCREASED BOND MARKET ACTIVITY

### ASSETS (EUR m)



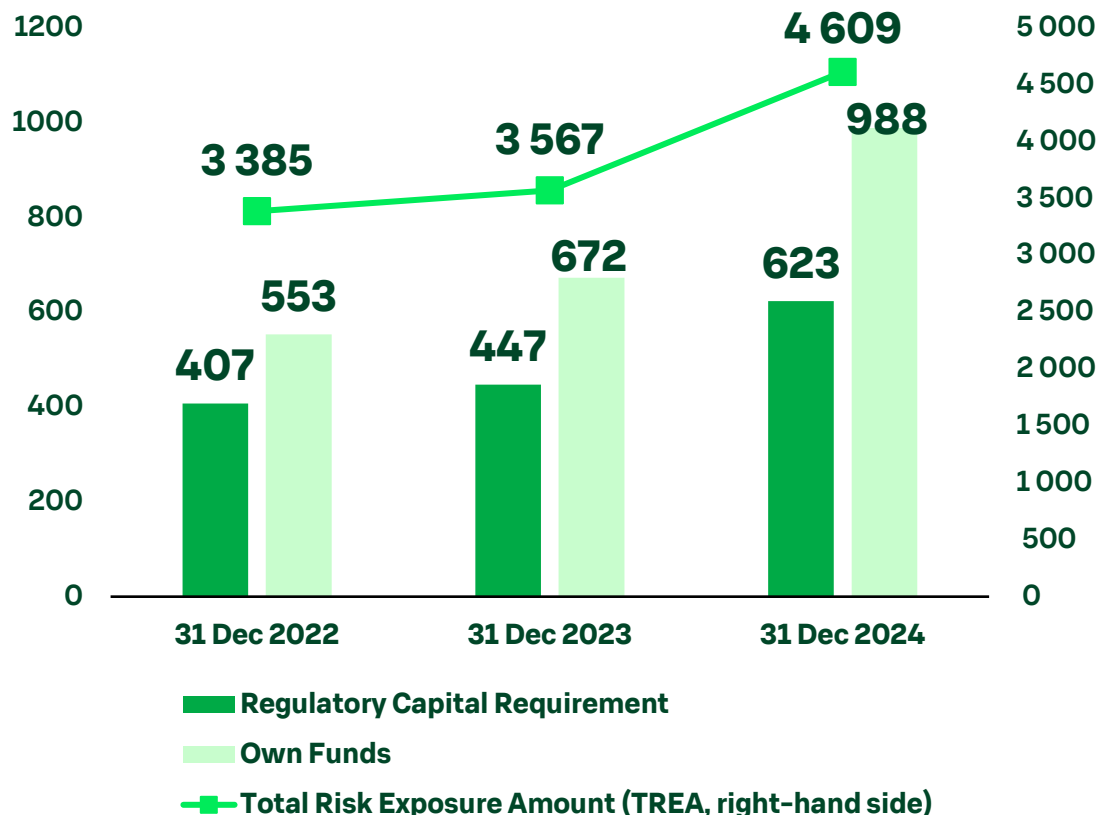
### LIABILITIES AND EQUITY (EUR m)



- Lending increased to EUR 9 466.8 million (6 935.0)’, especially due to the Handelsbanken transaction. Lending to households accounted for 62% (57) of the total assets.
- Deposits rose to EUR 9 381.4 million (8 175.9). Household and corporate deposits comprised 71% (81) of total liabilities and equity.
- In 2024, S-Bank increased its activity in the bond market to prepare for the transaction.
- Also, S-Bank strengthened its own funds with a directed share issue of EUR 200 million.

# OWN FUNDS, CAPITAL REQUIREMENTS & MREL

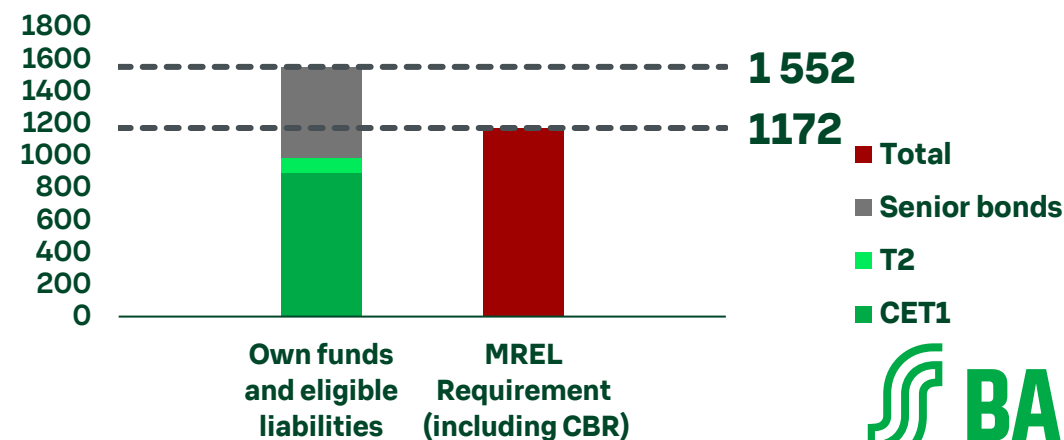
## OWN FUNDS AND CAPITAL REQUIREMENTS (EUR m)



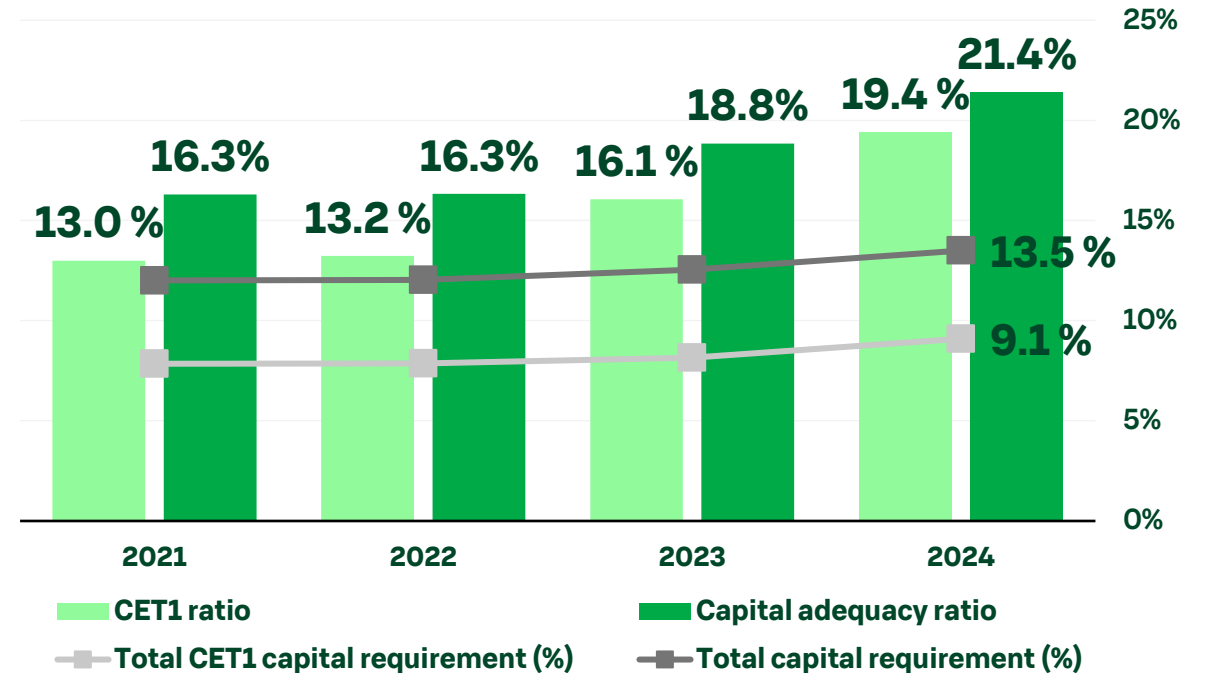
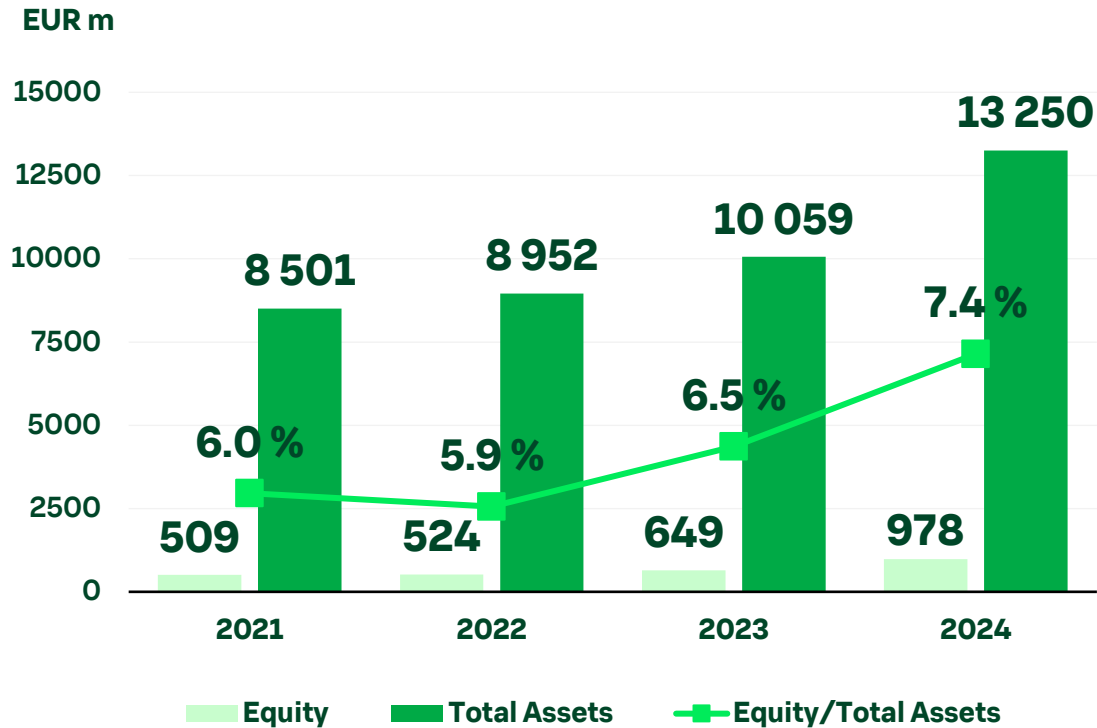
## COMMENTARY

- Own funds increased due to strong profit performance and a EUR 200 million share issue directed at S-Bank's owners.
- The total risk exposure amount (TREA) increased by EUR 1 042 million in 2024. Credit risk increased by EUR 810 million, mainly from the Handelsbanken transaction, and was primarily related to exposures secured by mortgages on immovable property. Operational risk increased by EUR 228 million, driven by robust net interest income and the transaction.
- S-Bank's own funds and eligible liabilities exceeded both regulatory requirements and internal limits. MREL TREA was at 33.7%, and MREL LRE at 11.6%.
- The required MREL TREA was 21.91%, with a combined buffer requirement of 3.52%, and the MREL LRE requirement was 7.75%.

## MREL REQUIREMENT (EUR m)



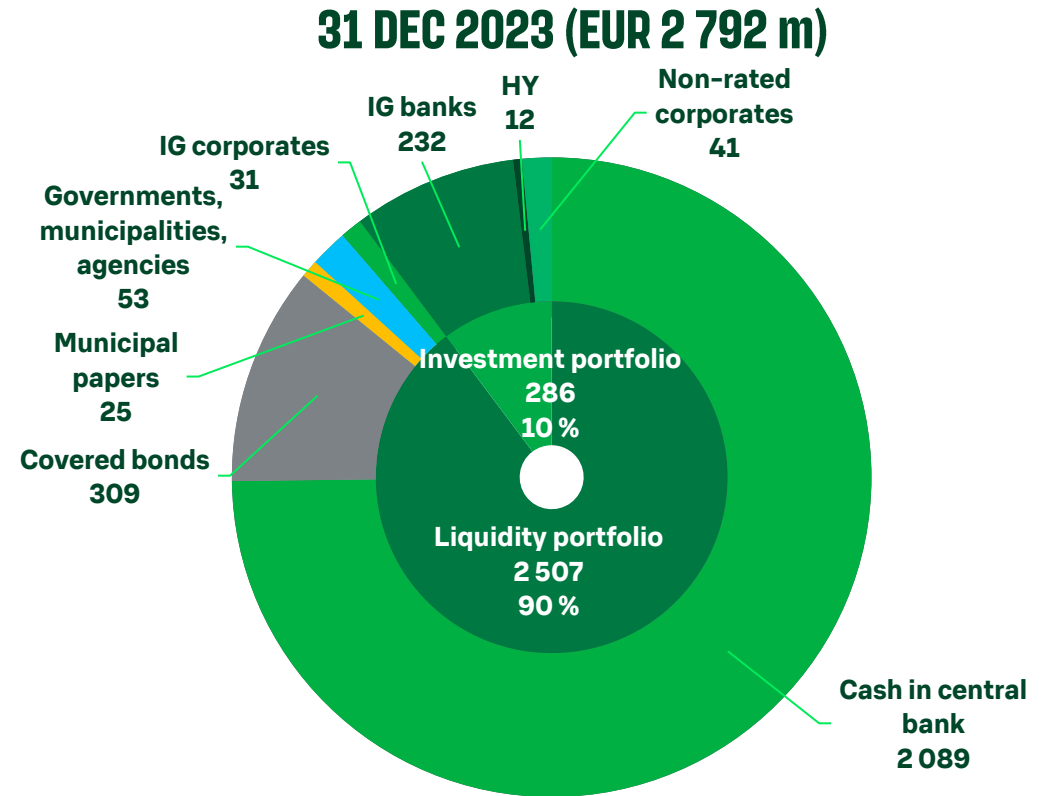
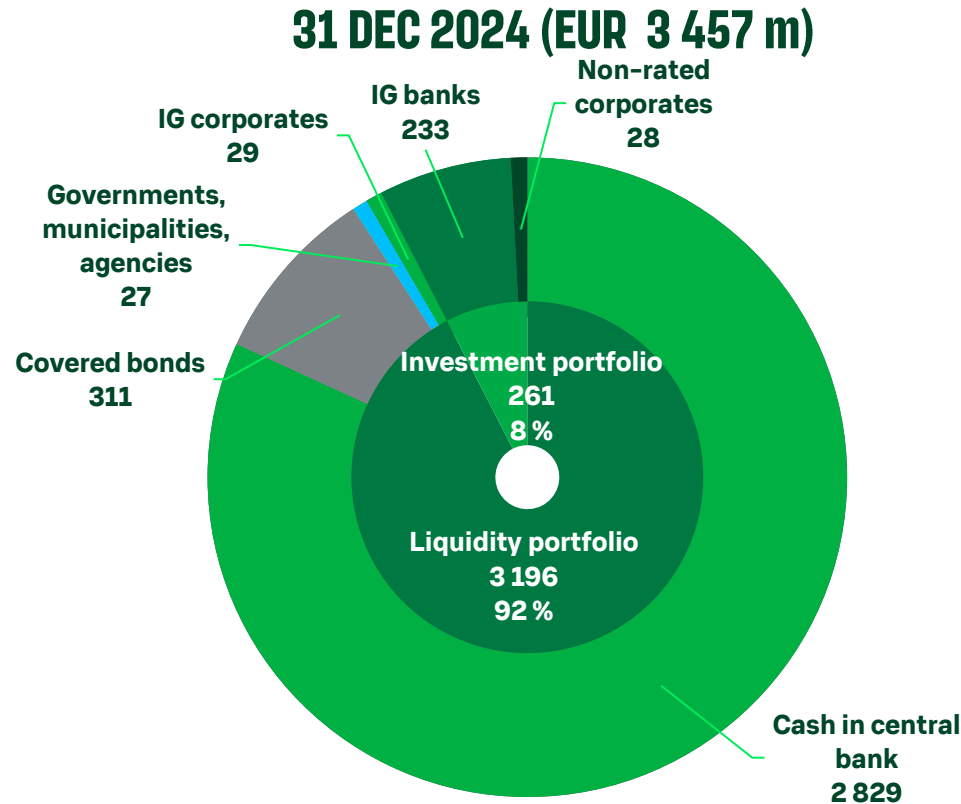
# CAPITAL POSITION



- S-Bank's equity and capital ratios have continuously strengthened during recent years due to strong profit performance and the EUR 200 million share issue related to the Handelsbanken transaction in 2024.
- While growing strongly, the equity ratio stood at 7.4% and the CET1 ratio at 19.4%.
- A systemic risk buffer of 1.0% entered into force on 1 April 2024 and hence increased the capital requirements.



# S-BANK'S LIQUIDITY AND INVESTMENT PORTFOLIOS



- The Treasury portfolio consists of the liquidity portfolio (LCR liquidity buffer) and the investment portfolio. The total amount of the portfolio increased to EUR 3 457.3 million (2 792.4). The increase in the total portfolio was concentrated in the amount of central bank deposit.

# LIQUIDITY

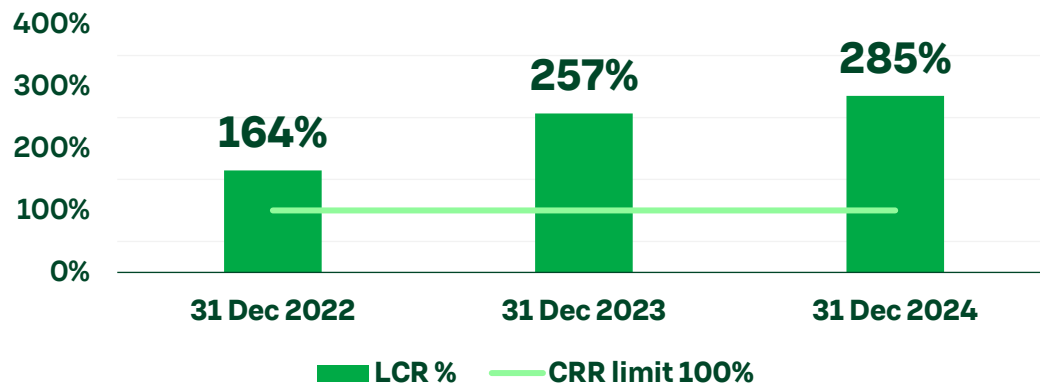
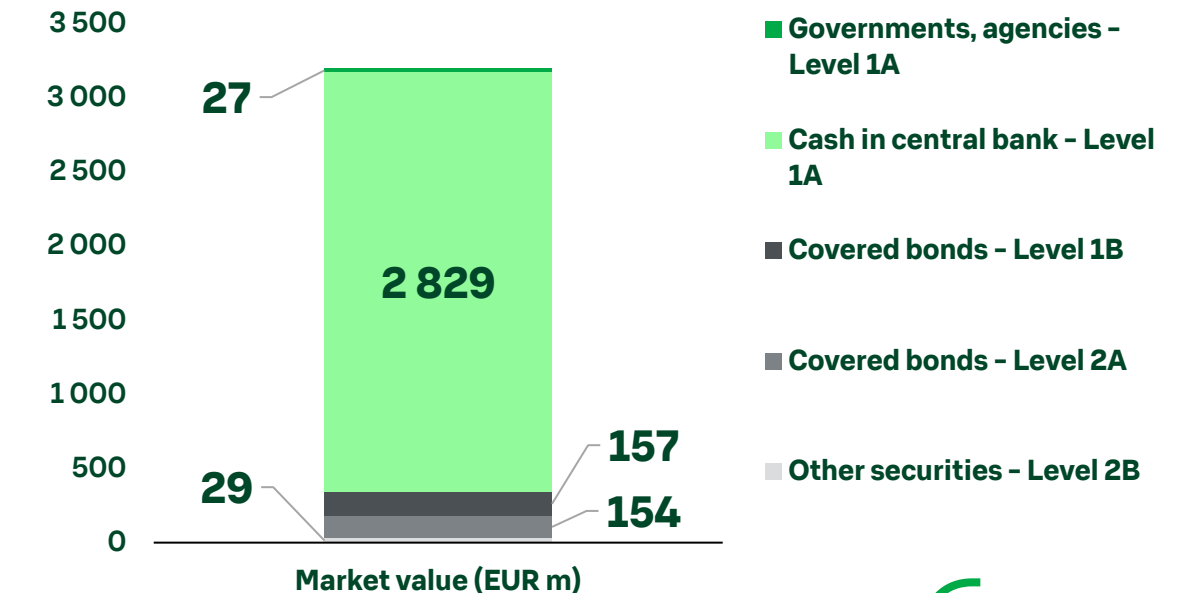
## ROBUST LIQUIDITY POSITION AND EASY ACCESS TO ADDITIONAL FUNDING

### LIQUIDITY OVERVIEW

- S-Bank's liquidity portfolio totalled EUR 3 196 million (2 507)
- Level 1 assets comprise 94% 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 156% (164) with wide headroom over the regulatory requirement of 100%
- LCR was 285% (257) and well above the 100% regulatory requirement

### LIQUIDITY PORTFOLIO, 31 DEC 2024

EUR m	Level 1A	Level 1B	Level 2A	Level 2B	Total
<b>Amount held (% of total market value)</b>	2 856 (89.4%)	157 (4.9%)	154 (4.8%)	29 (0.9%)	3 196



# KEY FIGURES

(EUR m)	2021	2022	2023	2024
<b>Total income</b>	187	222	371	439
<b>Operating profit</b>	25	45	147	165
<b>Deposits</b>	7 555	7 926	8 176	9 381
<b>Lending</b>	6 086	6 695	6 935	9 467
<b>Non-performing loans</b>	0.6%	0.9%	1.3%	1.7%
<b>Assets under management</b>	6 170	5 852	6 245	8 342
<b>Debt securities</b>	1 149	697	699	623
<b>Cost-to-income, %</b>	78.4%	74.5%	51.4%	52.6%
<b>ROE, %</b>	3.9%	6.9%	20.1%	16.2%
<b>ROA, %</b>	0.2%	0.4%	1.2%	1.1%
<b>Equity ratio, %</b>	6.0%	5.9%	6.5%	7.4%
<b>Capital adequacy ratio, %</b>	16.3%	16.3%	18.8%	21.4%
<b>CET-1 ratio, %</b>	13.0%	13.2%	16.1%	19.4%

**EXCELLENT  
OPERATING PROFIT**

**LOAN TO DEPOSIT  
RATIO 101%**

**C/I AT GOOD LEVEL  
DESPITE THE  
INTEGRATION PROJECT**

**SHARE ISSUE OF  
EUR 200 M  
IN NOVEMBER**

**ROBUST  
CAPITAL BASE EVEN  
AFTER TRANSACTION**

**THANK  
YOU**



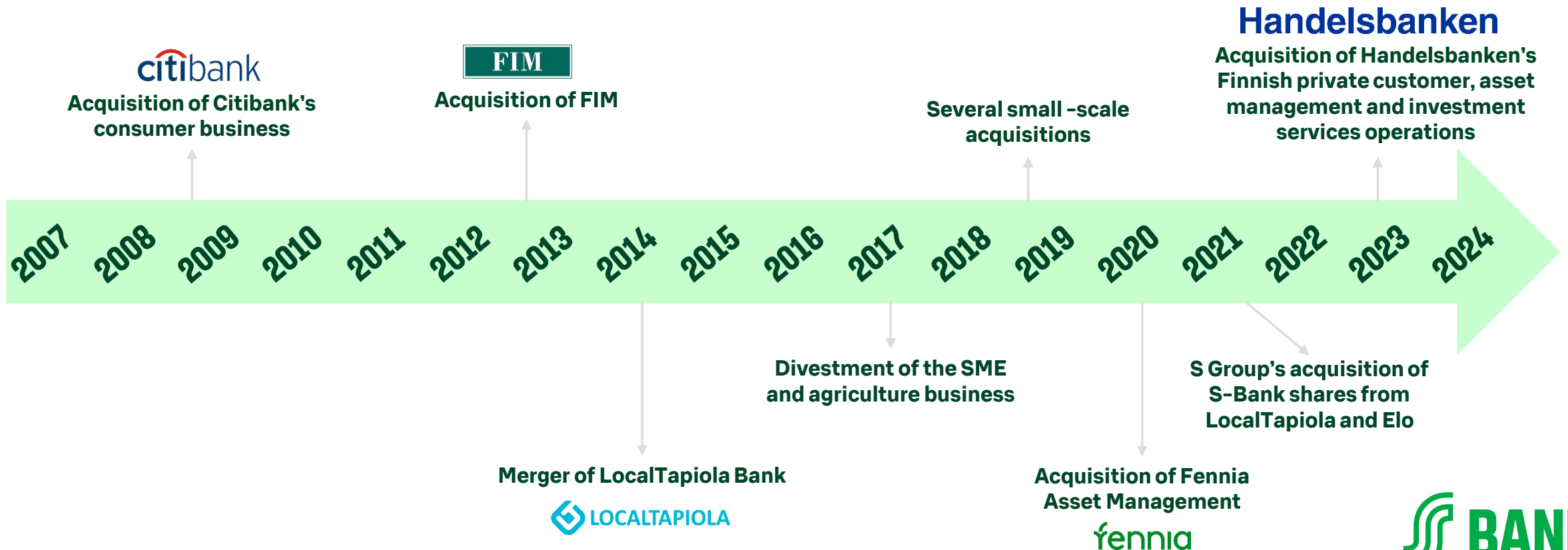
# APPENDICES

# HISTORY OF S-BANK

ESTABLISHMENT  
OF S-BANK

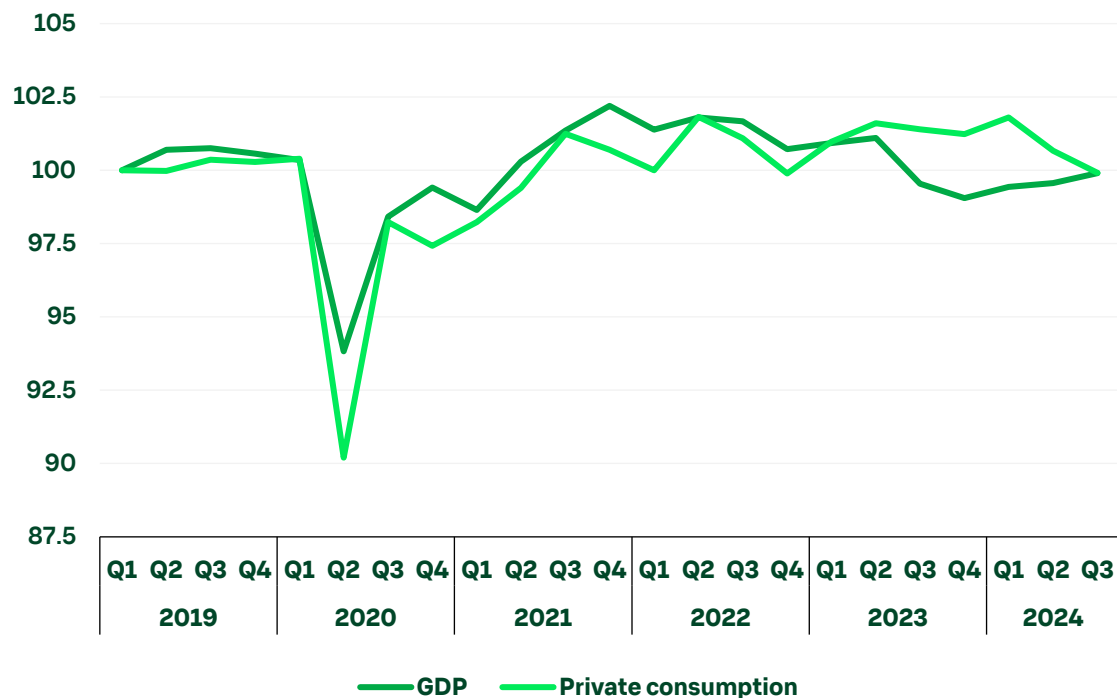
GROWTH THROUGH ACQUISITIONS,  
INVESTMENT IN INTEGRATION

EXPANSION AND FOCUS ON CORE BUSINESS AND  
EFFICIENCY IMPROVEMENT

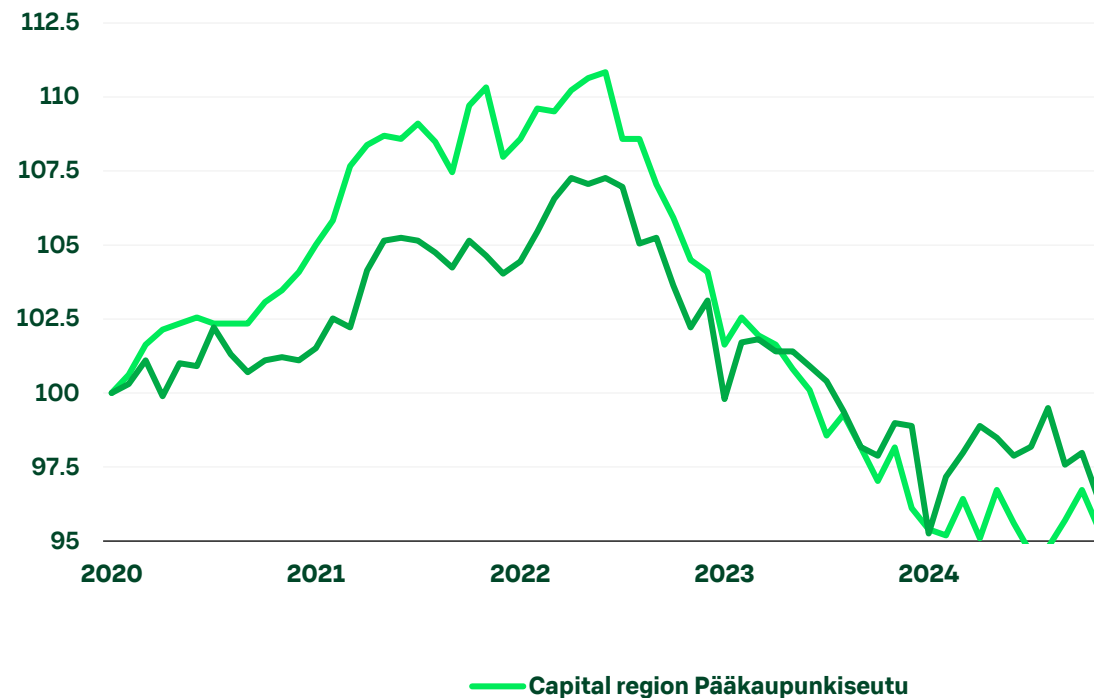


# ECONOMIC OUTLOOK INDICATES A CHANGE FOR THE BETTER

## GDP AND PRIVATE CONSUMPTION IN FINLAND



## HOUSING PRICES IN FINLAND



Sources: Macrobond, Statistics Finland, S-Bank.  
 GDP and private consumption index 1 Jan 2019=100.  
 Housing prices: price index Jan 2020=100, for old dwellings in housing companies.



# FUTURE OF SUSTAINABILITY IN S-BANK

## STEPPING UP FROM REGULATION ORIENTED DEVELOPMENT TOWARDS STRATEGY-BASED TARGETS.

### PREPARATION FOR SUSTAINABILITY REPORTING

- S-Bank is currently preparing to publish its Sustainability Report in accordance with the CSRD directive and ESRS standards
  - Publication of Sustainability Report as part of Annual Report 2024 in week 12
- Preparations include the following actions in 2024:
  - Double Materiality Assessment (DMA)
  - Qualitative and quantitative assessment of climate risks
  - Reporting of GHG emissions (scope 1, 2 and 3)
  - Commitment to UN Guiding Principles on Business and Human Rights
  - Due diligence processes for ESG risks in supply chain
  - Data processing facilities for effective management and reporting of sustainability data

### KEY ACTIONS IN 2025

- Publication of S-Bank's Sustainability Programme
  - Strategy-based actions and targets for sustainability
- Implementation of S-Bank's Climate Roadmap
  - Climate strategy
  - Enhanced risk management processes for climate and environmental risks in accordance with ECB Guidelines

# AWARDS AND HONOURS RECEIVED BY S-BANK

## MOST REPUTABLE

S-Bank has the best reputation in financial sector  
Reputation&Trust 2023,  
T-media



## MOST VALUED

S-Bank is the most valued brand in banking for the 7th year in a row.

Brand Valuation 2024,  
Taloustutkimus



## MOST RESPONSIBLE

S-Bank is the most responsible banking brand in Finland for the 12th year in a row  
Sustainable Brand Index 2024



## BEST VALUE

S-Bank offers best value for money

Banks & Finance 2024,  
Epsi Rating



## MOST LOYAL

S-Bank has the most loyal customers 4 years in a row

Asiakkuusindeksi 2023,  
ASML



## MOST INSPIRING

S-Bank is one of Finland's most inspiring workplaces

People Power Employee survey 2024, Eazy Flow



# COMPANY OWNERSHIP AND STRUCTURE

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

