



S-BANK PLC

(incorporated with limited liability in the Republic of Finland)

EUR 3,000,000,000

Programme for the Issuance of Senior Preferred MREL Eligible Notes, Covered Bonds and Additional Tier 1 Capital Notes

This supplement (the “**Supplement**”) is supplemental to, forms part of and must be read and construed in conjunction with, the Base Prospectus dated 21 December 2022 (the “**Base Prospectus**”) and Supplement 1 dated 28 August 2023 prepared by S-Bank Plc (“the “**Issuer**” or “**S-Bank**”) in connection with its EUR 3,000,000,000 notes issuance programme (the “**Programme**”). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

The purpose of the Supplement is to incorporate new information, including the Interim Report for the period 1 January – 30 September 2023 of S-Bank Plc, into the Base Prospectus. Finnish Financial Supervisory Authority (the “**FIN-FSA**”) has approved this Supplement on 9 November 2023 (journal number FIVA/2023/2030).

1. S-Bank most highly valued brand in the Finnish financial sector for the sixth consecutive year

S-Bank was chosen as the most highly valued brand in the Finnish financial sector for the sixth consecutive year.

Due to this, the first paragraph of the risk factor under the subheading “*The Group is exposed to risks relating to brand, reputation and market rumours*” under title “*B. Risks associated with the Group’s operations*” on page 10 is replaced with the following:

“The Group relies on its well-known and respected brand and good reputation in Finland when competing for customers. In 2023, the Finns chose S-Bank as the most responsible banking brand for the eleventh consecutive year in the Sustainable Brand Index survey. Additionally in 2023, S-Bank was chosen as the most highly valued brand in the Finnish financial sector for the sixth consecutive year.¹

¹Sources: Suomalaiset arvioivat S-Pankin vastuullisimmaksi pankkibrändiksi - Suomalaiset äänestivät S-Pankin Suomen vastuullisimmaksi pankkibrändiksi jo yhdennentoista kerran peräkkäin vuosittaisessa Sustainable Brand Index -tutkimuksessa. Myös S-ryhmä, ABC, Prisma ja Sokos Hotellit arvioitiin kukin oman toimialansa vastuullisimmaksi brändiksi. (in Finnish) 21 March 2023. Tutkimus: S-Pankki on pankkialan arvostetuin brändi kuudetta vuotta perättäin (in Finnish) 13 September 2023, Taloustutkimus: Brand Valuation Survey 2023.”

2. Additional Capital Recommendation

In October 2023, the FIN-FSA announced of its decision to impose an additional capital recommendation to S-Bank Plc.

Due to this, a new third paragraph is added under the risk factor with the title “*Increased capital requirements and standards*” on page 14 as follows:

“In October 2023, the FIN-FSA announced its decision to impose an additional capital recommendation (Pillar 2 Guidance, “P2G”) of 0.75 per cent of the total risk exposure to S-Bank. The P2G is valid until further notice as of 31 March 2024. S-Bank’s capital adequacy exceeds the set recommendation.”

Due to this, a new eighth paragraph is added under the title “*Capital Requirements and Standards*” on page 59 as follows:

“In October 2023, the FIN-FSA announced its decision to impose an additional capital recommendation (Pillar 2 Guidance, “P2G”) of 0.75 per cent of the total risk exposure to S-Bank. The P2G is valid until further notice as of 31 March 2024. S-Bank’s capital adequacy exceeds the set recommendation.”

3. *Changes to the General Terms and Conditions of the Programme*

The definition of “Tax Event” in Condition 1 (*Definitions*) on page 33 is replaced with the following:

“**Tax Event**” means the receipt by the Issuer of an opinion of counsel in the relevant Tax Jurisdiction (as defined below) experienced in such matters to the effect that, as a result of:

- (a) any amendment to, or change in, the laws or treaties (or any regulations thereunder) of the Tax Jurisdiction affecting taxation;
- (b) any governmental action in the Tax Jurisdiction; or
- (c) any amendment to, or change in, the official position or the interpretation of such law, treaty (or regulations thereunder) or governmental action or any interpretation, decision or pronouncement that provides for a position with respect to such law, treaty (or regulations thereunder) or governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body in the Tax Jurisdiction, irrespective of the manner in which such amendment, change, action, pronouncement, interpretation or decision is made known, which amendment or change is effective or such governmental action, pronouncement, interpretation or decision is announced, on or after the Issue Date of the Senior Preferred MREL Eligible Notes or AT1 Notes:
 - (i) the Issuer is, or will be, subject to additional taxes, duties or other governmental charges with respect to the Senior Preferred MREL Eligible Notes or AT1 Notes or is not, or will not be, entitled to claim a deduction in respect of payments in respect of the Senior Preferred MREL Eligible Notes or AT1 Notes in computing its taxation liabilities (or the value of such deduction would be materially reduced); or
 - (ii) the treatment of any of the Issuer’s items of income or expense with respect to the Senior Preferred MREL Eligible Notes or AT1 Notes as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by the taxing authority in the Tax Jurisdiction, which subjects the Issuer to additional taxes, duties or other governmental charges,

and such event is material and was not reasonably foreseeable at the time of issuance of the relevant Notes.”

Paragraph (d) in Condition 6.7 (*Conditions to Redemption and Repurchase*) on page 39 is replaced with the following:

“(d) in the case of redemption or repurchase before five years after the issue date of the AT1 Notes:

- (i) only the conditions listed in paragraphs (a) or (b) above are met; and
- (ii) in the case of redemption due to the occurrence of a Capital Event, (i) the Competent Authority considers such change to be sufficiently certain and (ii) the

- Issuer demonstrates to the satisfaction of the Competent Authority that the Capital Event was not reasonably foreseeable at the time of the issuance of the relevant Notes; or
- (iii) in the case of redemption due to the occurrence of a Tax Event, the Issuer demonstrates to the satisfaction of the Competent Authority that such Tax Event is material and was not reasonably foreseeable at the time of issuance of the relevant Notes; or
- (iv) before or at the same time of such redemption or repurchase, the Issuer replaces the AT1 Notes with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the Competent Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
- (v) the AT1 Notes are repurchased for market making purposes.”

4. Change in S-Bank's Group Management Team

Hanna Porkka, Deputy CEO and Head of the Wealth Management business has decided to leave her position at S-Bank Group. For the time being Porkka’s responsibilities as the Head of Wealth Management have been taken over by the Deputy Head of Wealth Management, Teri Heilala, who has also joined S-Bank's Group Management Team.

Due to this change, the second paragraph under the title “*CEO of the Issuer*” on page 78 is replaced as follows:

“The Issuer’s CEO is Riikka Laine-Tolonen.”

The table under the title “*Management Group of the Issuer*” on page 78 is replaced as follows:

Name	Position	Appointed
Riikka Laine-Tolonen	CEO	2023
Erkka Viljakainen	SVP, Group Services	2016
Iikka Kuosa	SVP, Products & IT	2014
Merja Reinilä	SVP, Human Resources	2016
Jussi Sokka	SVP, Legal & Governance	2014
Mika Heikkilä	CFO, Director of Group Finance, Treasury & Corporate customers	2017
Petri Viertiö	CRO, Risk & Compliance	2019
Markus Lahtinen	SVP, Sales	2021
<u>Teri Heilala</u>	<u>SVP, Wealth Management (acting), CEO of S-Bank Fund Management</u>	<u>2023</u>

The third paragraph under the title “*Management Group of the Issuer*” concerning Hanna Porkka is removed on page 78.

A new paragraph is added as the eleventh paragraph under the title “*Management Group of the Issuer*” on page 79 as follows:

“**Teri Heilala** (born 1976) has been a member of the Management Group of S-Bank since 2023. He has served as the acting Head of Wealth Management since September 2023. Mr. Heilala is a Finnish citizen and holds a Master of Science in Economics and a CEFA qualification”.

5. No significant change

The second paragraph under the title “*No significant changes*” on page 80 is replaced as follows:

“Most recent unaudited consolidated Interim Report of the Group concerns the interim period that ended 30 September 2023. Since that date, there has been no significant change in the financial performance or in the financial position of the Group, other than the positive profit warning and preliminary information on its performance announced on 18 October 2023 explained in detail below under “Recent Events”.”

6. *Positive profit warning and preliminary information on S-Bank's performance*

New paragraphs are added as the tenth and eleventh paragraphs under the title “*Recent Events*” on page 80 as follows:

“On 18 October 2023, S-Bank announced that it is raising its outlook for 2023. S-Bank now estimates that its full-year operating profit will be more than 2.5 times higher compared to the previous year (EUR 44.7 million). Previously, the company estimated that the full-year operating profit would almost double that of the previous year. The continued rise in interest rates is having a positive impact on the bank's performance. However, the outlook for the rest of 2023 is still subject to uncertainties, which are related to the operating environment and the development of the economy, employment and the housing market.”

“On 18 October 2023, S-Bank announced preliminary information on its performance in January–September 2023. Based on preliminary and unaudited data, the operating profit for January–September was announced to be EUR 103.9 million (1 January – 30 September 2022: EUR 24.1 million). The improvement in performance was driven by a strong increase in net interest income.”

7. *S-Bank issued its first covered bond*

New paragraphs are added as the twelfth, thirteenth and fourteenth paragraphs under title “*Recent Events*” on page 80 as follows:

“On 20 September 2023, S-Bank announced that it is issuing its first covered bond. The nominal value of the bond is EUR 500 million. The bond's maturity date is 26 September 2028 and annual interest of 3.75 per cent will be paid. The bond's ISIN code is FI4000560990. The issue took place under S-Bank's EUR 3.0 billion bond programme.”

“On 28 August 2023, S&P assigned a preliminary credit rating of AAA to S-Bank's covered bond programme and its anticipated inaugural issuance. Covered bonds are secured by S-Bank's cover pool of residential mortgage loans in Finland. The outlook for the rating is stable.”

“On 26 September 2023, S&P assigned an AAA credit rating to S-Bank's covered bond programme and its inaugural public issuance. The outlook for the rating is stable.”

8. *Information Incorporated by Reference*

S-Bank published its interim report for the nine-months period ended on 30 September 2023. Due to this, the following information is added on page 89 under the title “*Information Incorporated by Reference*”:

Document

[Interim Report 1 January – 30 September 2023](#)

Referred information

[Unaudited consolidated interim report for the nine months ended 30 September 2023.](#)