

S-Bank PLC

December 18, 2025

This report does not constitute a rating action.

Ratings Score Snapshot

SACP: bbb+

Support: +1

Additional factors: 0

Anchor	a-	
Business position	Constrained	-2
Capital and earnings	Very Strong	2
Risk position	Moderate	-1
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

ALAC support	1
GRE support	0
Group support	0
Sovereign support	0

Issuer credit rating
A-/Stable/A-2
Resolution counterparty rating
A/--/A-1

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths

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

Very strong capitalization backed by an expanding business franchise.

Sound deposit franchise in Finland.

Key risks

Scope to further improve operating efficiency relative to Nordic peers.

Execution risks and costs related to recent acquisitions.

Sensitivity to the domestic real estate market.

The acquisition of Handelsbanken's Finnish retail business has strengthened S-Bank's market position and will support its longer-term business profile and earnings capacity. In December

2024, S-Bank finalized the acquisition of Handelsbanken's retail business, adding €2.5 billion of retail loans and €900 million of deposits. While this advanced its domestic market position (to the fourth largest by household loans and deposits), the takeover of 23 branches and about 230

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employees resulted in a 15% cost increase year-on-year as of end-September 2025 which has weighed on 2025 earnings. This transaction progresses S-Bank's aim to expand its customer base to 1 million (currently at 839 000), strengthening the product offering and advisory capabilities, and improving scalability and cross-selling opportunities. Still, we expect the ongoing integration will weigh on earnings over the medium term.

We expect S-Bank will maintain solid capitalization despite a decline in earnings. We project S-Bank's risk-adjusted capital (RAC) ratio will be 25%-26% over 2025-2027, compared with 23.1% as of year-end 2024. We forecast net profits of €104 million-€110 million over 2026-2027, compared with €83 million in the first nine months of 2025, resulting in return on average equity of 7%-8%, compared with 16.2% in 2024, and cost to income of about 67%-69% (53% in 2024). The drop in earnings is mainly driven by declining interest rates, lowering net interest income by 8.9% in the first three quarters of 2025 compared with the same period last year. S-Bank now expects its operating profit to decline to under €100 million for full-year 2025, from €165 million in 2024.

We anticipate S-Bank's asset quality will remain resilient despite a muted operating environment. We project loan growth of about 0.5% in 2025 in an operating environment shadowed by low growth and weak consumer confidence, before recovering to 4%-6% in 2026-2027. Aided by this expected recovery, we further project nonperforming loans to improve to 1.5%-1.8% of gross loans in 2025-2027, compared with 1.8% as of Sept. 30, 2025. We expect S-Bank's cost of risk will land on 21 bps in 2025 and 22 bps-23 bps in 2026-2027.

Granular retail deposits continue to underpin S-Bank's funding profile. We expect core customer deposits, accounting for 86% of the funding base as of Sept. 30, 2025, will continue to support funding stability. This is reflected in an S&P Global Ratings-adjusted stable funding ratio of 130% as of June 30, 2025. Since 2023, the funding profile is complemented with the capacity to issue covered bonds (4% of funding base). While excess liquidity of €590 million, following the acquisition from Handelsbanken, has been repaid in full, we expect S-Bank will continue to demonstrate sound liquidity metrics. As of Sept. 30, 2025, the bank's ratio of net broad liquid assets to short-term customer deposits stood at a solid 34%.

We anticipate that S-Bank will sustainably maintain additional loss-absorbing capacity (ALAC) for one notch of rating uplift on the issuer credit rating. We now rate S-Bank one notch higher than our assessment of its stand-alone credit profile (SACP), on the back of its additional ALAC buffer. On Dec. 11, 2025, S-Bank issued senior nonpreferred notes of €150 million which we consider bail-inable debt in resolution. This brought the bank's ALAC buffer to 6% of our projected S&P Global Ratings' risk-weighted assets (RWAs) at year-end 2025. In a resolution scenario, this buffer would be available to absorb losses and recapitalize the bank.

Outlook

The stable outlook reflects our expectation that S-Bank will sustain a profitable franchise while maintaining a RAC ratio above 15% over the next 12-24 months, despite rising operating expenses and moderately deteriorating asset quality. The outlook also incorporates our expectation that the bank will remain resilient even in an adverse scenario where the broader S Group faces difficulty.

Downside scenario

We could lower our long-term rating on S-Bank if its loan growth is more aggressive or it departs from its underwriting standards, alongside increased credit losses. This could translate into a

RAC ratio below our 15% threshold for the rating. We could also lower the rating if S-Bank's ALAC buffer falls below the 4% threshold.

While less likely, we could lower our long-term rating on the bank if the parent's creditworthiness weakens and S-Bank proves either less resilient or more vulnerable to potential negative intervention than we expect.

Upside scenario

While unlikely in next couple of years, we could raise our long-term rating if the bank materially strengthens its competitive position further, for instance, by realizing growth targets, and we think this improves comparability with higher-rated peers.

Key Metrics

S-Bank PLC--Key ratios and forecasts

	--Fiscal year ended Dec. 31--				
(%)	2023a	2024a	2025f	2026f	2027f
Growth in operating revenue	67.4	18.2	(9.6)-(11.7)	3.4-4.1	4.0-4.9
Growth in customer loans	3.8	36.6	0.4-0.5	3.6-4.4	5.4-6.6
Growth in total assets	12.4	31.7	6.0-7.3	2.5-3.0	3.7-4.5
Net interest income/average earning assets (NIM)	3.6	3.4	2.6-2.8	2.5-2.8	2.5-2.8
Cost-to-income ratio	51.2	52.6	66.0-69.4	67.4-70.9	67.1-70.5
Return on average common equity	20.1	16.2	7.3-8.1	7.4-8.1	7.4-8.1
Return on assets	1.3	1.1	0.5-0.6	0.5-0.6	0.5-0.7
New loan loss provisions/average customer loans	0.5	0.5	0.2-0.2	0.2-0.2	0.2-0.2
Gross nonperforming assets/customer loans	1.3	1.7	1.7-1.9	1.6-1.8	1.5-1.6
Net charge-offs/average customer loans	0.3	0.3	0.3-0.3	0.3-0.3	0.2-0.2
Risk-adjusted capital ratio	18.6	23.1	24.6	25.3	25.4

All figures include S&P Global Ratings' adjustments. a--Actual. e--Estimate. f--Forecast. NIM--Net interest margin.

Anchor: 'a-' For Banks Operating Only in Finland

We use our Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores to determine the anchor, the starting point for our bank rating. The anchor for commercial banks based in Finland, such as S-Bank is 'a-'. We classify Finland's banking sector in group '2' under our BICRA, alongside Sweden, Norway, Belgium, and Switzerland. The economic and industry risk trends for Finland's BICRA are stable.

We view Finland as an innovative, wealthy, small, and open economy that has mature political and institutional structures. Still, it remains vulnerable to external shocks and the high-interest rate environment combined with inflation pushed the economy to stagnation in 2023. Despite the economic challenges and elevated unemployment we consider the risks Finnish banks face will be manageable over the next two years. We expect credit losses will remain contained because of Finnish banks' prudent underwriting standards, their focus on collateralized lending, the private sector's sound financial buffers, and Finland's strong social security system.

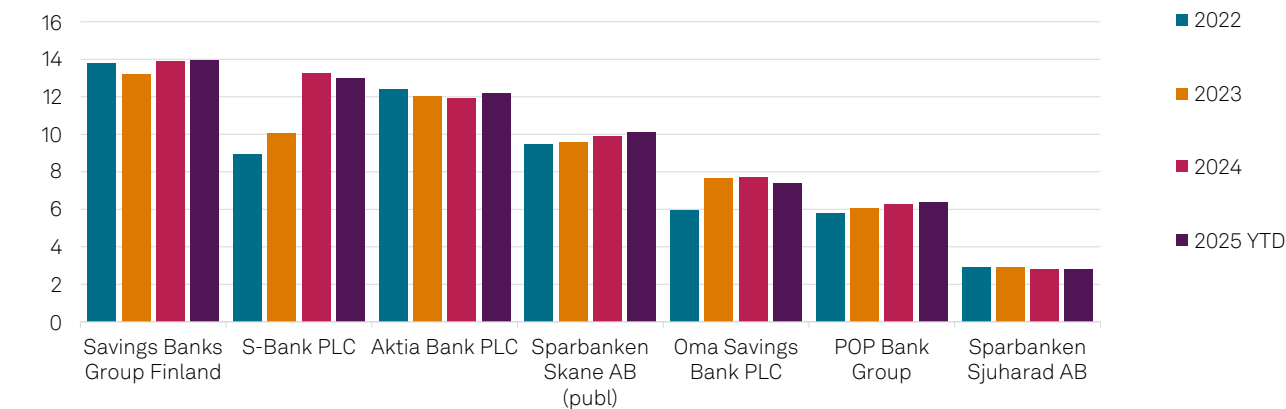
Thanks to robust capitalization, banks' resilience is unlikely to wane. Despite the sector's reliance on external wholesale funding, we think good access to capital markets and the increasing share of covered bond funding partly mitigate the risk. Also, we expect the deposit base to remain largely stable and it continues to be the most important funding source for the wider sector. In our view, regulatory standards and bank supervision in Finland are in line with those of European peers. The banking sector is dominated by two major banking groups, OP Pohjola and Nordea Bank Abp, and underpinned by intense competition and low lending margins. Even if the policy rates have declined, we think overall sector profitability will remain strong and banks' risk appetites will stay restrained. In our view, the risk of technology disruption to the Finnish banking system is moderate given banks' advanced digital customer offerings, high use of automation, and ongoing investment in innovation.

Business Position: Expanding Retail Bank Belonging To Retail S Group

With total assets of €13 billion as of Sept. 30, 2025, and about 839,000 active customers, S-Bank is the fourth-largest credit institution in Finland in terms of mortgage loans (around 6 % market share) and deposits (around 5 % market share, according to the Bank of Finland). The bank was founded in 2007 and has expanded through organic growth and acquisitions, most recently by the integration of Handelsbanken's Finnish retail business. In September 2025, S-Bank acquired funds from Handelsbanken, leading to an extra €2 billion in assets under management (AuM; total AuM of €8.9 billion). We see that the recent acquisitions contribute to a broadened customer base and strengthened fund offering, which moves S-Bank closer to its strategic goal of reaching 1 million customers by 2027.

S-Bank is a steadily expanding retail bank in Finland

Total assets (Bil. €)



YTD--Year to date. Source: S&P Global Ratings.

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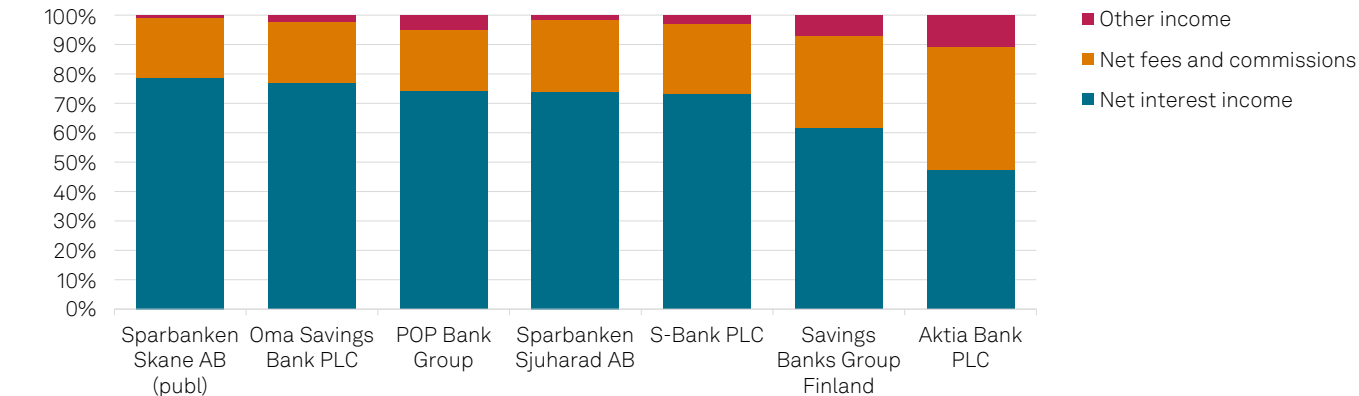
S-Bank is fully owned by S Group, Finland's market leading grocery retailer, and we see potential for organic growth from the 3.1 million S Group customers that currently do not have an active relationship with S-Bank. S-Bank focuses primarily on retail lending and some secured financing of housing companies, which in total contribute about 70% of revenue. The remainder mainly comprises fee and commission income from card payment services and wealth management products.

S-Bank PLC

S-Bank provides wealth management services through its own brand for retail clients. This segment also has growth potential due to its large customer base, which was further enhanced through the Handelsbanken acquisition and the 37.8% increase in AuM in third quarter (Q3) 2025 year-on-year. S-Bank first moved into wealth management when it acquired FIM Group, a Finnish financial services company specializing in asset management and private banking in 2016. While Finland's wealth management sector has traditionally been underdeveloped, a cultural shift toward investing in stocks, mutual funds, and bonds has emerged, although household investment confidence has waned recently due to global political uncertainties.

S-Bank's income diversification is in line with Nordic peers'

Share of operating revenue for third quarter 2025

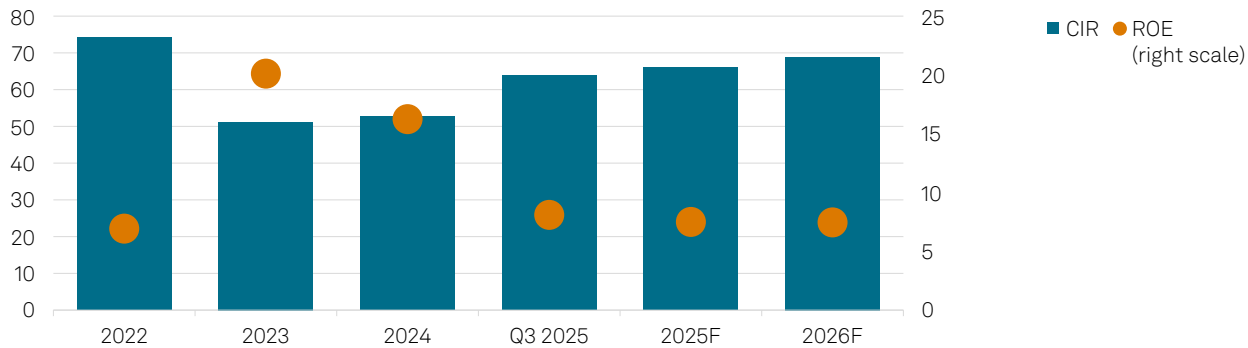


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While S-Bank's earnings have previously benefited greatly from the high-interest rate environment, we expect earnings to moderate. The takeover of 23 branches and about 230 employees resulted in a 15% cost increase year-on-year as of Q3 2025. At the same time, the declining market rates and increased operating expenses have resulted in a 34% decline in earnings and return on equity (ROE) dropped to 9% (16% in 2024), which is below the bank's medium-term target of above 10%. Furthermore, cost to income increased to 67% as of Q3 2025--slightly above the S-Bank's target of below 60 %--from 53% in 2024. We expect S-Bank will not reach its targets for ROE and the cost to income in the coming two years, as the bank continues to face weak Finnish household lending growth and absorb acquisition-related costs.

Lower interest rates affect S-Bank's profitability

Cost to income (CIR) and return on equity (ROE) for 2022-2026F



F--forecast. Source: S&P Global Ratings.

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Capital And Earnings: Ample Capitalization Aided By Earnings Retention And Shareholder Support

We forecast S-Bank's RAC ratio will be 25.0%-26.0% through 2027, compared with 23.1% at end-2024. S-Bank's capitalization has benefited from solid earnings generation and its cooperative owners supported the bank with a capital injection of €200 million in connection to the acquisition of the Handelsbanken portfolio in 2024.

We forecast net profits of €104 million-€110 million over 2026-2027, compared with €165 million in 2024, resulting in return-on-average equity of 7%-8%. After strong loan growth in 2024 (37% year-on-year), driven by €2.5 billion transferred loans from Handelsbanken, lending growth flattened out in the first three quarters of 2025 due to slow growth in the Finnish economy. We predict loan growth will pick up to about 0.5% in 2025 and 4%-6% in 2026-2027, as domestic demand improves. This would support revenue generation and partly offset a declining net interest margin. We project elevated cost growth at approximately 15% in 2025. This is driven by integration costs from the acquisition from Handelsbanken including transferred staff and IT-related expenses. We expect operating expense growth will then moderate to 4%-6% per year in 2026-2027 translating into cost to income of 67%-69%.

S-Bank comfortably exceeds its regulatory capital requirements. As of Sept. 30, 2025, the bank's common equity tier 1 ratio stood at 23.0% (based on a standardized approach) against a regulatory requirement of 9.1%. In light of this sizable buffer above the requirement, S-Bank has adjusted its dividend policy and now aims to pay an annual dividend of 15%-25% of net income, up from 5%-15%.

Risk Position: Fast-Expanding Retail Consumer And Mortgage Portfolio, With Sound Asset Quality

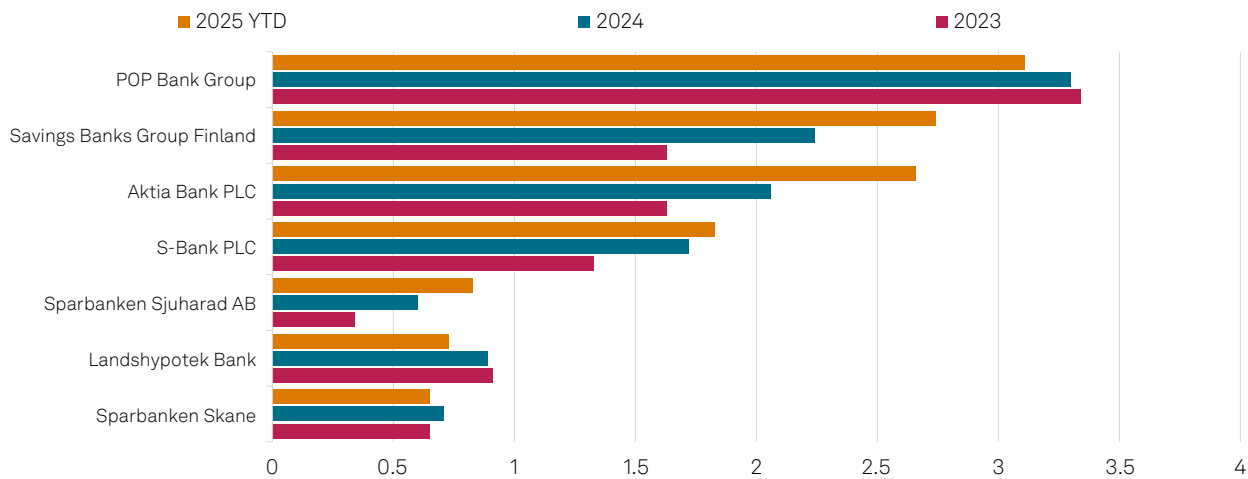
S-Bank has kept its asset quality intact following the Handelsbanken transaction, despite a muted economic environment. As of Sept. 30, 2025, S-Bank's lending book of €9.5 billion is split between 87% household customers and 13% corporate customers (mainly housing companies).

Of the retail portfolio, about 70% comprises prime residential mortgages and 6% is consumer lending.

S-Bank's asset quality metrics have remained resilient and its nonperforming assets ratio of 1.8% as of Sept. 30, 2025 compares favorably against those of domestic peers. While muted economic growth and elevated unemployment (9.8% as of November 2025) pose downside risk, we expect lower financing costs for borrowers and a gradual recovery of the Finnish economy will increasingly support asset quality over the next two years. In our base-case we project nonperforming assets of 1.5%-1.8% over 2026-2027, with cost of risk reverting to historical levels of 22 bps-23 bps in 2026-2027 (18 bps as of Sept. 30, 2025).

Asset quality in line with peers

Gross nonperforming assets to customer loans (%)



Source: S&P Global Ratings.

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Following a price correction in 2023-2024, we expect residential housing prices will remain flat during 2025. For example, transactions in larger municipalities where S-Bank operates increased by about 16% in the second quarter, and prices of old one-dwelling houses increased by 1.6 % compared with the previous year. Meanwhile, the prices of new dwellings have remained flat in the first half of the year. If Finnish property prices recover as anticipated in 2026, this would support collateral values in S-Bank's mortgage-focused lending book.

We consider interest-rate risk in the banking book as adequately managed. The short-term structure of both loans and deposits results in limited structural repricing risk, which is partly hedged by interest-rate derivatives. The bank does not have a trading book and holds limited, generally hedged, currency risk in its investment portfolio.

Funding And Liquidity: Core Retail Deposits
Complemented By Covered Bond Franchise To Support
Expansion

In our view, S-Bank's funding profile compares well with domestic peers', reflecting the bank's granular deposit franchise. As of Sept. 30, 2025, core customer deposits accounted for 86% of the funding base, of which 92% comprise household deposits and the remainder corporate deposits. The Handelsbanken transaction has increased diversification in the corporate deposit base. Concentration risks stemming from large exposures (more than 10 % of tier 1 capital) have reduced to 1.4% by June 2025 from 2.3% by end-2024. Overall, 82% of customer deposits are covered by the Finnish deposit protection scheme.

To support the Handelsbanken acquisition, S-Bank complemented its funding profile with covered bonds, which currently make up 4% of the funding base. In our view, this provided the bank with a stable and cost-efficient funding source to also support future lending growth. In the first half of 2025, S-Bank repaid the €590 million of bilateral funding originally raised to fund the Handelsbanken transaction.

The S&P Global Ratings' stable funding ratio for S-Bank has increased to 130% as of Q3 2025, from 122% in the previous year. The bank will also continue to maintain a stock of senior unsecured debt to meet its 21.94% MREs.

Refinancing risk is greatly mitigated by S-Bank's ample buffers of liquid assets, although accumulated excess liquidity reduced when S-Bank repaid the bilateral funding following the Handelsbanken transaction. S-Bank did not raise any new market-based wholesale funding during the first three quarters of 2025, and we expect liquidity metrics will gradually align toward historical levels. As of Sept. 30, 2025, S-Bank had €3.4 billion of liquid assets (about 22% of total assets), mainly comprising central bank deposits and covered bond holdings. At that date, its ratio of net broad liquid assets to short-term customer deposits stood at 34%, down from 40.4% in the year before, still comparing favorably to peers. As such, we project the bank could operate for more than six months without dependence on central bank operations under stressful conditions.

Support: One Notch Of ALAC Support To The SACP

We rate S-Bank one notch higher than our assessment of its stand-alone credit profile (SACP), on the back of its additional ALAC buffer (see ["Finland-Based S-Bank PLC Upgraded To 'A-' On Additional Loss-Absorbing Capacity; Outlook Stable,"](#) published Dec. 9, 2025). On Dec. 11, 2025, S-Bank issued senior nonpreferred notes of €150 million, which we consider as bail-inable debt in resolution. This, combined with outstanding tier 2 instruments, brought the bank's ALAC buffer to 6% of our projected S&P Global Ratings' risk-weighted assets (RWAs) at year-end 2025. This is above our 4% threshold, which is 100 basis points higher than the standard threshold, reflecting, as for other midsize Nordic banks, the concentration of the bank's ALAC in a small number of instruments, which exposes S-Bank to higher refinancing risks. We expect the bank will accumulate and sustainably maintain the buffer at about 5%-6% through 2028. In a resolution scenario, this buffer would be available to absorb losses and recapitalize the bank, thus further reducing the likelihood of authorities imposing losses on senior unsecured obligations.

As of Sept. 30, 2025, S-Bank's MREL buffer stood at 39.5% of the total risk exposure amount, against a minimum requirement of 21.94%. S-Bank, and other Finnish midsize banks, are not subject to subordination requirements for their MREL instruments and S-Bank may meet its MREL with other liabilities, including senior preferred instruments.

We rate S-Bank above the group credit profile of S Group. This reflects our view of S-Bank as an independent and severable entity within the group, with no funding dependency, and separated

accounting and reporting procedures. We see the group as having a strong and compelling economic incentive to preserve the bank's credit strength.

Resolution Counterparty Ratings (RCRs)

Following the upgrade of S-Bank on Dec. 9, 2025, we raised the long- and short-term RCRs to 'A/A-1' from 'BBB+/A-2'. An RCR is a forward-looking opinion of the relative default risk of certain liabilities, particularly those legally exempt from bail-in (such as insured deposits or secured liabilities), that may be better protected from default in an effective resolution scenario than other senior liabilities.

Environmental, Social, And Governance

We consider ESG factors to be neutral for our assessment of S-Bank's creditworthiness.

We believe S-Bank is appropriately addressing environmental and social aspects in its operations.

The board of directors is responsible for ensuring that sustainability matters are appropriately considered in S-Bank's operations and decision making. Sustainability risks have been identified in S-Bank as part of the overall risk strategy, which is monitored by the board risk committee. ESG is progressively being implemented in credit underwriting guidelines since 2021 and guides treasury's investment decisions. S-Bank finalized a double materiality assessment in all its key business areas at the beginning of the year. Given S-Bank's limited corporate lending, we consider transition risks as relatively contained and mainly connected to real estate collateral in its lending operations.

Social factors remain neutral for our rating on S-Bank. We acknowledge S-Bank is an important part of the overall value program of S Group, facilitating paybacks to S Group's customers, corresponding to about 85% of Finnish households. For 12 consecutive years, S-Bank has been voted the most responsible bank in Finland in the annual Sustainable Brand Index survey.

We consider governance to be in line with best practice and a neutral factor for S-Bank. All eight board members are independent of S-Bank and half are independent of the owners. Women currently constitute 37.5% of the board and all members have at least 20 years' experience in managerial positions. Despite S-Bank's high growth pace over recent years, we consider the bank has a moderately conservative business strategy, which it executes with discipline and operational control. We view executive management as stable although there has been some rotation of executive roles over recent years.

Key Statistics

S-Bank PLC Key Figures

Mil. EUR	2025*	2024	2023	2022	2021
Adjusted assets	13,075	13,187	9,993	8,882	8,428
Customer loans (gross)	9,463	9,518	6,970	6,717	6,105
Adjusted common equity	962	898	582	470	436
Operating revenues	294	439	371	222	187
Noninterest expenses	198	231	190	165	146
Core earnings	65	132	119	36	20

*2025 data is for the 9 months to end-September. EUR--euro.

S-Bank PLC Business Position

(%)	2025*	2024	2023	2022	2021
Loan market share in country of domicile	-	5.7	3.8	3.7	3.4
Deposit market share in country of domicile	-	5.0	4.3	3.9	3.8
Total revenues from business line (currency in millions)	294	439	371	222	187
Commercial & retail banking/total revenues from business line	90.8	86.2	88.5	81.4	76.2
Trading and sales income/total revenues from business line	-	-	-	-	-
Corporate finance/total revenues from business line	-	-	-	-	-
Brokerage/total revenues from business line	-	-	-	-	-
Insurance activities/total revenues from business line	-	-	-	-	-
Agency services/total revenues from business line	-	-	-	-	-
Payments and settlements/total revenues from business line	-	-	-	-	-
Asset management/total revenues from business line	12.2	9.4	10.9	18.2	21.3
Other revenues/total revenues from business line	(2.9)	4.4	0.6	0.4	2.5
Investment banking/total revenues from business line	-	-	-	-	-
Return on average common equity	8.6	16.2	20.1	6.9	3.9

*2025 data is for the 9 months to end-September.

S-Bank PLC Capital And Earnings

(%)	2025*	2024	2023	2022	2021
Tier 1 capital ratio	23.3	19.4	16.1	13.2	13.0
S&P Global Ratings' RAC ratio before diversification	N/A	23.1	18.6	16.7	15.5
S&P Global Ratings' RAC ratio after diversification	N/A	18.9	13.6	12.0	11.5
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Double leverage	N.M.	6.0	N.M.	N.M.	N.M.
Net interest income/operating revenues	72.7	69.9	73.9	54.9	48.3
Fee income/operating revenues	24.7	21.1	25.2	39.3	43.2
Market-sensitive income/operating revenues	0.3	(0.2)	(1.3)	1.1	1.7
Cost to income ratio	67.3	52.6	51.2	74.3	78.1
Preprovision operating income/average assets	1.0	1.8	1.9	0.7	0.5
Core earnings/average managed assets	0.7	1.1	1.3	0.4	0.3

*2025 data is for the 9 months to end-September. N.M.--Not meaningful.

S-Bank PLC RACF [Risk-Adjusted Capital Framework] Data

	Exposure*	Basel III RWA	Average Basel III RW(%)	Standard & Poor's RWA	Average Standard & Poor's RW (%)
Credit risk					
Government & central banks	2 910 267 863	0	0	678 378	0
Of which regional governments and local authorities	1 452 333	0	0	52 284	4
Institutions and CCPs	607 497 980	105 015 827	17	85 770 325	14
Corporate	239 559 579	169 939 075	71	106 815 252	45
Retail	9 203 266 272	3 365 571 832	37	2 673 419 671	29
Of which mortgage	6 875 241 394	2 345 608 996	34	1 600 213 098	23

S-Bank PLC RACF [Risk-Adjusted Capital Framework] Data

	Exposure*	Basel III RWA	Average Basel III RW(%)	Standard & Poor's RWA	Average Standard & Poor's RW (%)
Securitization§	0	0	0	0	0
Other assets†	190 997 998	216 845 282	114	178 633 135	94
Total credit risk	13 151 589 693	3 857 372 016	29	3 045 316 761	23
Credit valuation adjustment					
Total credit valuation adjustment	--	10 692 127	--	0	--
Market Risk					
Equity in the banking book	19 324 589	24 507 072	127	109 356 642	566
Trading book market risk	--	0	--	0	--
Total market risk	--	24 507 072	--	109 356 642	--
Operational risk					
Total operational risk	--	716 063 897	--	730 063 693	--
	Exposure	Basel III RWA	Average Basel II RW (%)	S&P Global RWA	% of S&P Global RWA
Diversification adjustments					
RWA before diversification	--	4 608 635 113	--	3 884 737 095	100
Total Diversification/ Concentration Adjustments	--	--	--	876 528 498	23
RWA after diversification	--	4 608 635 113	--	4 761 265 593	123
	Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global RAC ratio (%)	
Capital ratio					
Capital ratio before adjustments		894 098 327	19.4	897 564 917	23.1
Capital ratio after adjustments‡		894 098 327	19.4	897 564 917	18.9

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of 'Dec. 31 2024', S&P Global Ratings.

S-Bank PLC Risk Position

(%)	2025*	2024	2023	2022	2021
Growth in customer loans	(0.8)	36.6	3.8	10.0	11.8
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	22.6	37.0	39.3	34.6
Total managed assets/adjusted common equity (x)	13.7	14.8	17.3	19.1	19.5
New loan loss provisions/average customer loans	0.2	0.5	0.5	0.2	0.3
Net charge-offs/average customer loans	0.3	0.3	0.3	0.2	0.3
Gross nonperforming assets/customer loans + other real estate owned	1.8	1.7	1.3	0.9	0.6
Loan loss reserves/gross nonperforming assets	27.6	31.1	37.4	35.9	48.9

*2025 data is for the 9 months to end-September.

S-Bank PLC Funding And Liquidity

(%)	2025*	2024	2023	2022	2021
Core deposits/funding base	85.5	79.3	88.89	95.8	96.3
Customer loans (net)/customer deposits	92.2	100.1	84.2	83.9	80.0
Long-term funding ratio	99.6	93.6	99.7	99.7	100.0

S-Bank PLC Funding And Liquidity

Stable funding ratio	130.2	122.2	134.5	124.8	127.8
Short-term wholesale funding/funding base	0.5	6.9	0.4	0.4	0.1
Regulatory net stable funding ratio	161.7	155.9	164.4	151.4	151.0
Broad liquid assets/short-term wholesale funding (x)	56.4	4.0	77.7	63.6	437.7
Broad liquid assets/total assets	24.2	24.9	26.6	20.6	22.6
Broad liquid assets/customer deposits	31.1	34.9	32.4	23.1	25.3
Net broad liquid assets/short-term customer deposits	33.6	26.2	32.1	22.8	25.2
Regulatory liquidity coverage ratio (LCR) (x)	301.9	285.4	256.6	164.4	150.0
Short-term wholesale funding/total wholesale funding	3.3	33.4	3.3	8.2	1.5
Narrow liquid assets/3-month wholesale funding (x)	563.2	33.5	78.0	79.6	174,799.7

*2025 data is for the 9 months to end-September.

S-Bank PLC--Rating Component Scores

Issuer Credit Rating	A-/Stable/A-2
SACP	bbb+
Anchor	a-
Business position	Constrained (-2)
Capital and earnings	Very Strong (2)
Risk position	Moderate (-1)
Funding and liquidity	Adequate and Adequate (0)
Comparable ratings analysis	0
Support	1
ALAC support	1
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity. GRE--Government-related entity.

Related Criteria

- [General Criteria: Hybrid Capital: Methodology And Assumptions](#), Oct. 13, 2025
- [Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology](#), April 30, 2024
- [Criteria | Financial Institutions | General: Financial Institutions Rating Methodology](#), Dec. 9, 2021
- [Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions](#), Dec. 9, 2021
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021

- [General Criteria: Group Rating Methodology](#), July 1, 2019
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7, 2017
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

- [Research Update: Finland-Based S-Bank PLC Upgraded To 'A-' On Additional Loss-Absorbing Capacity; Outlook Stable](#), December 9, 2025
- [Banking Industry Country Risk Assessment: Finland](#), Nov. 7, 2024
- [S-Bank PLC](#), Aug. 23, 2024
- [Finland-based S-Bank Upgraded To 'BBB+' From 'BBB' On Improved Profitability; Outlook Stable](#), June 28, 2024

Ratings Detail (as of December 11, 2025)*

S-Bank PLC	
Issuer Credit Rating	A-/Stable/A-2
Resolution Counterparty Rating	A/--/A-1
Senior Secured	AAA/Stable
Senior Subordinated	BBB
Senior Unsecured	A-
Issuer Credit Ratings History	
09-Dec-2025	A-/Stable/A-2
28-Jun-2024	BBB+/Stable/A-2
29-Jun-2023	BBB/Positive/A-2
22-Jan-2021	BBB/Stable/A-2
Sovereign Rating	
Finland	AA+/Stable/A-1+
*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.	

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