S&P Global Ratings

RatingsDirect®

S-Bank PLC

Primary Credit Analyst:
Salla von Steinaecker, Frankfurt + 49 693 399 9164; salla.vonsteinaecker@spglobal.com

Secondary Contact:
Francesca Massarotti, Frankfurt + 49 69 3399 9130; francesca.massarotti@spglobal.com

Table Of Contents

Table Of Contents (cont.)

S-Bank PLC

SACP	bbb+	+	Support	0	+	Additional Factors	-1

Anchor	a-	
Business Position	Weak	-2
Capital and Earnings	Very Strong	+2
Risk Position	Moderate	-1
Funding	Average	0
Liquidity	Adequate	

ALAC Support	0
GRE Support	0
Group Support	0
Sovereign Support	0

Issuer Credit Rating
BBB/Stable/A-2

Credit Highlights

Overview	
Key strengths	**Key risks**
Strong brand name facilitated by S Group, suggesting growth potential.	Weaker earnings and cost efficiency than domestic peers.
Very strong capitalization.	Material investment needs in a medium-term perspective.
Sound deposit franchise in Finland.	Lower cross-selling capacity from secondary bank status.

Finnish retailing cooperative S Group will increase its share in S Bank. In June 2021, the S Group cooperatives, including the SOK Group, announced their intention to buy LocalTapiola Group's 23.5% stake in S-Bank. Furthermore Elo Mutual Pension Insurance Co. also announced that it would sell its 1.5% stake to S Group. As such, we expect the transaction will bring the bank even closer to its owner, allowing for greater product penetration of S Group customer base. The increased cross-selling opportunities of loan and savings products are, in our view, key for the group to improve its operating profitability to the level of domestic retail bank peers and should improve the bank's market position.

We expect S-Bank's robust capitalization to remain a key rating strength through 2023. S-Bank's very strong capitalization, with a RAC ratio of 16.4% as of year-end 2020 and expected to remain above 15% within the next two years, will in our view provide a robust buffer against potential asset quality risks stemming from the pandemic and will support the bank's growth ambitions.

Despite the continuous loan growth, we expect S-Bank's asset quality to remain sound. We anticipate S-Bank will exhibit sound asset quality, with forecast provisions around 40 basis points (bps) in 2021, in line with the 46 bps seen in 2020. Although provisions are somewhat higher than peers', this is due to a high share of consumer loans and the fast growing loan book, expected to increase by 11.5% per year in 2021 and 2022.

S-Group's market leading franchise will keep S-Bank's deposit base granular. Similar to peers, as of mid-year 2021, 81% of deposits were covered by the deposit guarantee scheme. The bank has seen a steady increase of household deposits historically and believe that deposits will remain the primary source of funding for S-bank. That said, wholesale funding is expected to increase as a share of the funding base as the bank looks to launch a covered bond program in 2021 and is also faced with a minimum requirement for own funds and eligible liabilities (MREL) to be met by 2024.

Outlook: Stable

The stable outlook reflects our expectation that the bank will continue to follow its growth strategy while maintaining a sound financial profile over the next 24 months, continuous high investment needs, and potential repercussions on the wider S Group from the COVID-19 pandemic and related lockdown measures.

We expect that S-Bank will be able to maintain its risk-adjusted capital (RAC) ratio above 15% over the next two years. The outlook also incorporates somewhat weakening asset quality as the bank's fairly young mortgage loan book matures, but we consider the provisioning needs associated with COVID-19's impact on S-Bank's loan book will be manageable. At the same time, we expect that S-Bank's growth strategy will eventually increase profitability and its operating efficiency.

Downside scenario

We could revise down our assessment of S-Bank's stand-alone credit profile (SACP) if the bank's loan growth was more aggressive or it departed from its underwriting standards, alongside increased credit losses, which could translate into a RAC ratio below the 15% threshold.

Furthermore, we could incorporate a negative adjustment notch into S-Bank's SACP, specifically its business position, should the bank remain an underperformer in terms of profitability and cost efficiency compared with peers.

Upside scenario

We consider a positive rating action remote at this stage. We view S-Bank as an insulated member of S Group, which allows us to rate the bank above the group's credit quality and therefore we cap the rating at 'BBB'.

That said, we could remove the negative adjustment notch if the bank managed to improve its business stability, so that its profitability and cost-efficiency metrics were more in line with those of peers with similar SACPs.

Key Metrics

S-Bank PLC -- Key Ratios And Forecasts

	--Fiscal year ended Dec. 31 --				
(%)	**2019a**	**2020a**	**2021f**	**2022f**	**2023f**
Growth in operating revenue	9.4	3.4	2.8-3.4	8.6-10.5	6.0-7.3
Growth in total assets	2.4	15.3	6.4-7.8	7.7-9.4	6.9-8.4
Net interest income/average earning assets (NIM)	1.5	1.4	1.3-1.4	1.3-1.4	1.3-1.4
Cost to income ratio	74.4	74.2	74.4-78.2	69.2-72.8	66.9-70.3
Return on average common equity	5.3	3.3	2.7-3.0	4.0-4.5	4.9-5.4
Gross nonperforming assets/customer loans	0.5	0.5	0.5-0.6	0.5-0.6	0.6-0.6
Net charge-offs/average customer loans	0.3	0.4	0.3-0.3	0.3-0.3	0.4-0.4
Risk-adjusted capital ratio	17.5	16.4	15.6-16.4	15.5-16.3	15.5-16.3

All figures are S&P Global Ratings-adjusted. a--Actual. e--Estimate. f--Forecast.

Anchor: 'a-' For Banks Operating Solely In Finland

Under our bank criteria, 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 S-Bank is 'a-', in line with that for commercial banks based in Finland. We classify Finland's banking sector in group '2' under our BICRA, alongside Sweden, Norway, Belgium, and Switzerland. Our assessment of the economic and industry risk trends for Finland's BICRA are both stable.

Although small, Finland's economy is innovative, wealthy, and open, with mature political and institutional structures. In our view, the Finnish economy has fared better than expected during the COVID-19 pandemic. Finland experienced a moderate GDP contraction of 2.9% in 2020, and we project a rebound of 2% growth in 2021, settling at about 1.5% growth thereafter. This owes to the government's firm management of the pandemic, strong social welfare, effective and wide-ranging policy responses, and society's advanced digital preparedness. The economy adapted quickly to remote working, thanks to advanced digitalization; and manufacturing production and construction continued throughout national lockdowns. At the same time, temporary furloughs took the burden off companies and the decline in investments was lower than we anticipated. We expect private consumption--which has quickly bounced back after lockdowns--and the expansionary fiscal policy to be the backbones of recovery in 2021. Therefore, the economic challenges from COVID-19, and the associated risks for the banking sector, have abated in our view.

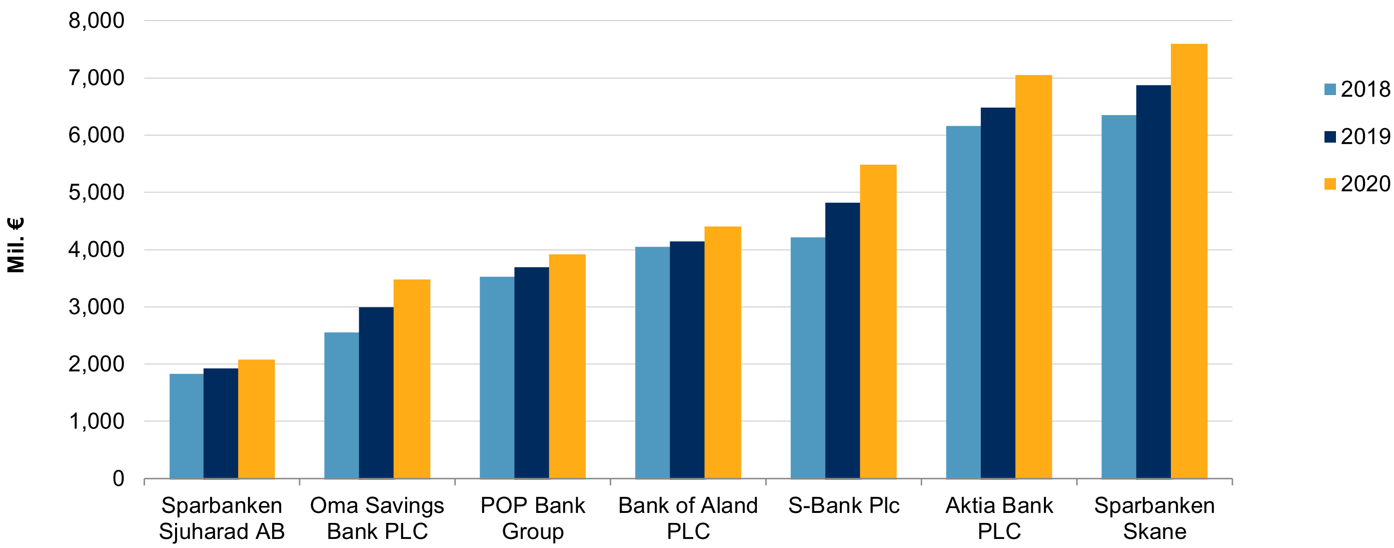
We do not see significant economic imbalances in the Finnish economy because housing market activity normalized after the lockdowns and nationwide house prices remain stable. However, increasing private sector debt--in particular at households--could lead to higher credit losses for banks. Still, in our base-case scenario, we forecast moderate credit losses despite increased bankruptcies, active use of loan installment-free periods, and more muted credit demand.

In our view, regulatory standards and bank supervision in Finland are in line with those of European peers. The banking sector is dominated by the two major banking groups, OP Financial Group and Nordea, and underpinned by intense competition and low lending margins, but we believe the overall profitability and capitalization will remain resilient even after the COVID-19-related dip in profitability in 2020. We also expect banks will maintain their restrained risk appetite. We therefore view the Finnish banking sector as well prepared to weather the current shock. We believe that the risk of technology disruption remains moderate, given the banks' digital customer offerings and ongoing investment in innovation.

In our view, the dependence on external funding makes Finnish banks vulnerable to changes in confidence sensitivity, but they continue to demonstrate good access to capital markets. Also, the Nordic banking system remains highly interconnected, which results in potential spillover risks from external events.

Chart 1

Total Gross Customer Loan Of Selected Nordic Peer Banks



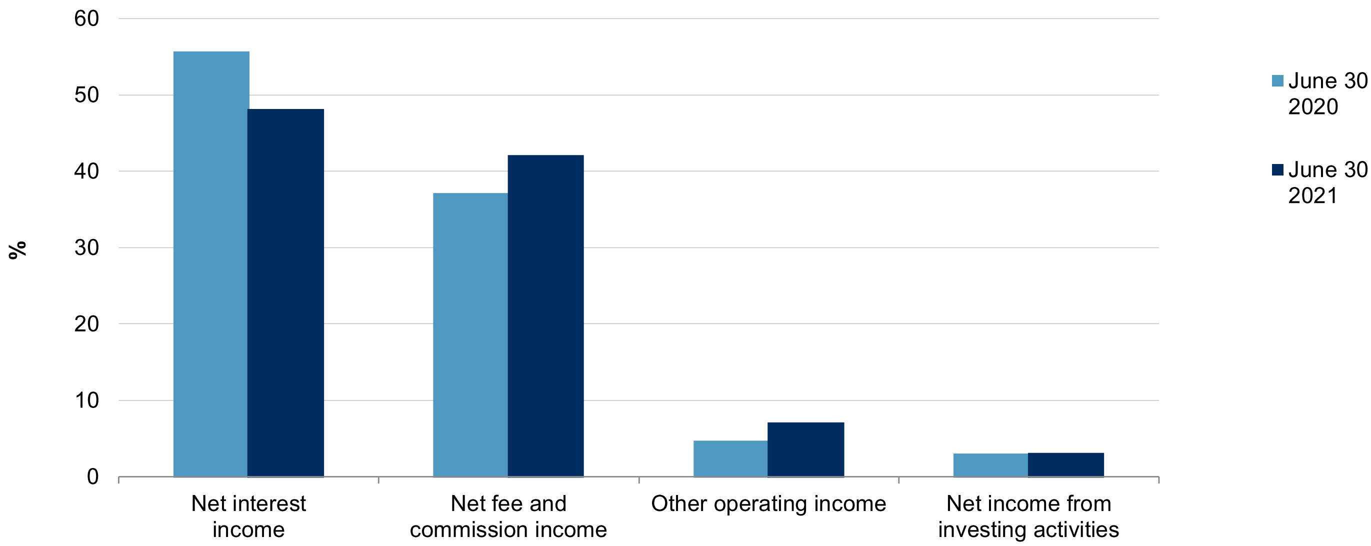
Source: S&P Global Ratings.

Business Position: Digital Retail Bank Belonging To Retail S Group But With Unused Potential

With total assets of approximately €8.0 billion as of June 30, 2021, and about 500,000 active customers, S-Bank holds circa 2% market share on mortgages, and it is the eighth-largest credit institution in Finland. The bank was founded in 2007 and has expanded through acquisitions, with the most recent being in July 2020, of Fennia Mutual Insurance Co., an asset management and real estate investment services company. In keeping with the S Group brand, S-Bank focuses primarily on providing retail services, where unsecured consumer and mortgage loans contribute just under half of revenue (see chart 2). Other complimentary services include card payment services and asset management products. The wealth management franchise is managed under dual brand names--S-Bank and FIM; we expect both brands to provide growth opportunities owing to the increasing demand for savings and investment services from retail customers.

Chart 2

S-Bank Diversified Its Revenues By Investing In Its Wealth Management Business

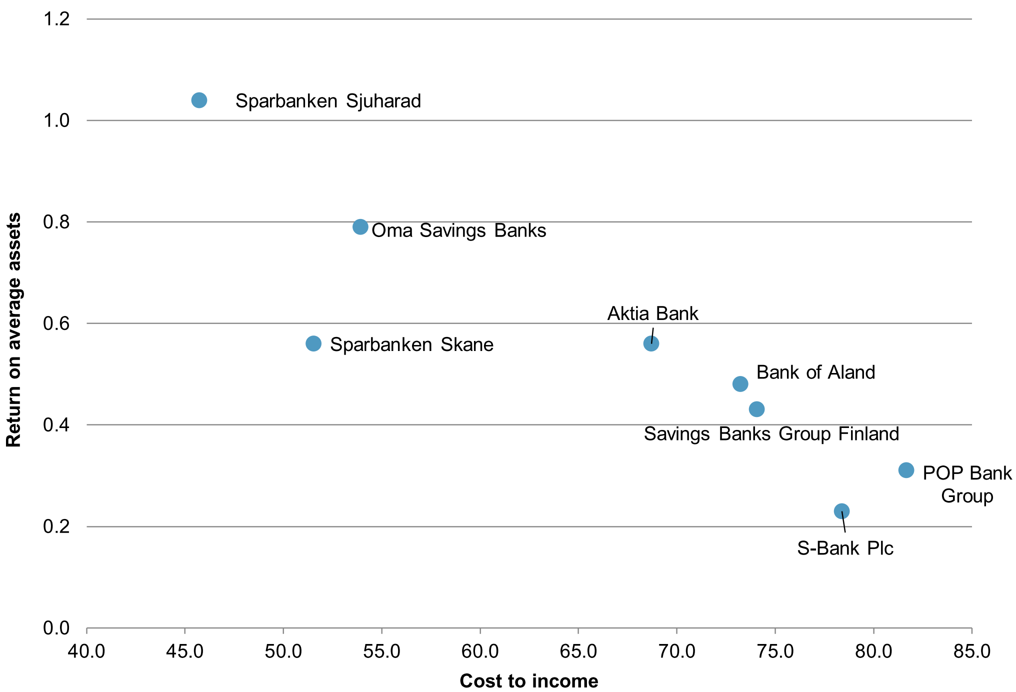


Source: S&P Global Ratings.

S-Bank has no traditional branch network but makes use of the existing retail stores of S Group to service both mortgage and consumer loan customers. Note that S Group is the market leading retail group with stores that are based in the stronger regions in Finland. Although digital interactions have increased, the bank has been lagging in terms of digital offerings, and more broadly, lacks scale in our view. As a result, S-Bank is likely to have a larger sensitivity to regional developments when compared with larger banks with more established national franchises. However, as the bank looks to improve its efficiency and cross-selling capabilities toward the approximately 3 million S-Group customers, increased digital sales are anticipated. Profitability is assumed to improve only at a modest pace, and we therefore expect the bank's cost-to-income ratio will only gradually progress to its target of 60% in the medium term, compared with 74% at half-year 2021 (see chart 3).

Chart 3

S-Banks Lags Its Peers In Terms Of Profitability And Cost Efficiency
Averages between 2018 and 2020



Source: S&P Global Ratings.

Capital And Earnings: Very Strong Projected Capitalization, Despite Above-Market Lending Growth

We project the bank's RAC ratio will stay above 15% within the next two years, compared with 16.4% as of year-end 2020. We note that S-Bank currently has a comfortable margin in its regulatory capital requirements with a common equity tier 1 ratio of 15.2% against a requirement of 12.8% at mid-year 2021.

We expect S-Bank's annual earnings to remain relatively stable at approximately €15 million-20 million over 2021-2022, thanks to an expanding retail banking and wealth management business. Risk weighted asset growth is expected to be about 5%-6% p.a. given retail lending growth. Still, we expect S-Bank's profitability--as reflected by return on average assets--to remain modest in the forecast period and stand around 20-30 bps compared with 55-70 bps by peer banks.

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

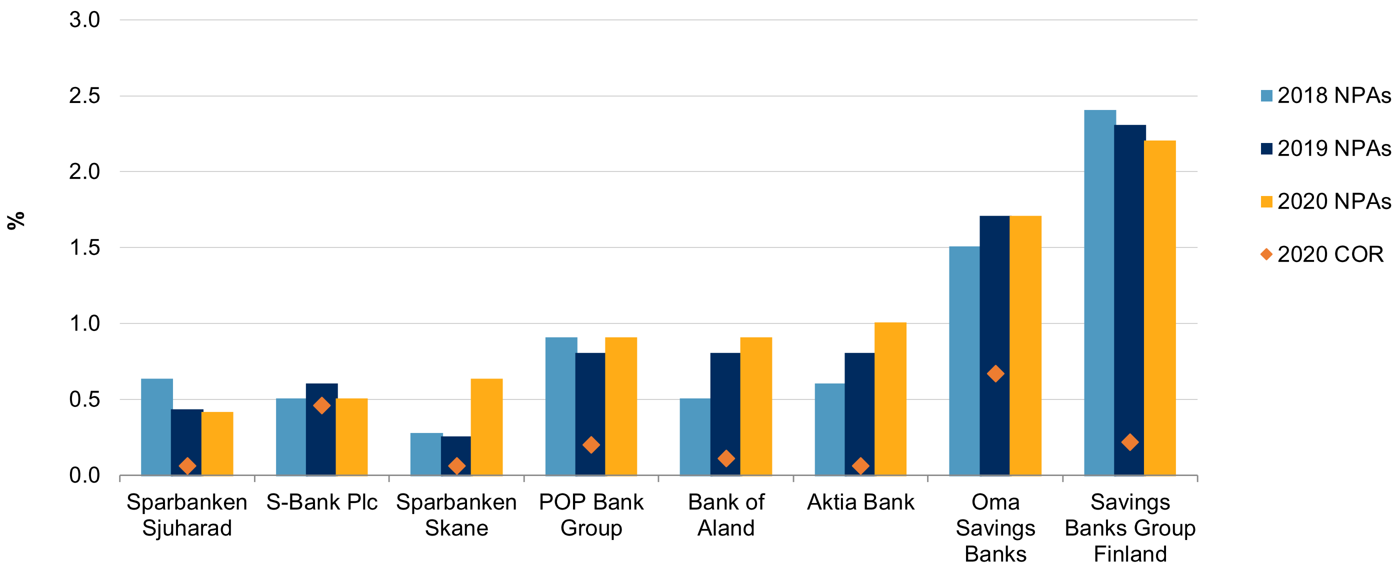
We view S-Bank's retail loan portfolio as carrying slightly more risk than domestic peers. The bank has a relatively young mortgage portfolio, which makes the average loan-to-value (LTV) ratio somewhat higher than the market average. Furthermore, S-Bank has a higher share of consumer loans relative to peers, which can add volatility to its loan portfolio.

S-Bank's lending to mortgage customers represents about 40% of the portfolio as of year-end 2020, followed by its corporate exposures 12% (mainly housing companies), and unsecured and secured consumer loans of 9% and 10%, respectively. The bank's mortgage exposures are primarily located in the growth centers in Finland, where we expect market liquidity to support collateral valuations, but this also increases the risk of real estate price volatility to a few regions. In particular, the bank's collateralized portfolio has an elevated average LTV ratio of about 70%, which is somewhat higher than the estimated market average of 60% and a reflection of its fairly young loan portfolio.

We note that S-Bank's consumer loan portfolio is covered by comparably high margins and it has so far produced relatively sound asset quality metrics related to these exposures, with a nonperforming loan ratio at about 0.6% at mid-year 2021 (see chart 4). Still, due to the higher share of consumer loans, compared with peers, we believe that S-Bank's provisioning in the aftermath of the pandemic will be slightly higher at about 40 bps.

Chart 4

S-Bank's Asset Quality Remained Sound
Nonperforming assets (NPAs) and cost of risk (COR)



Source: S&P Global Ratings. Non performing assets measured as adjusted nonperforming assets/customer loans + other real estate owned.

We note that the bank does not have a trading book and holds limited currency risk in its investment portfolio.

Funding And Liquidity: Sound Retail Deposit Franchise And Comfortable Liquidity Position

In our view, S-Bank's funding profile compares well with domestic peers', reflecting the bank's granular deposit franchise. Household deposits contributed about 87% of the deposits as of mid-year 2021, while the remainder came from corporate customers. The corporate deposits add some single-name concentration and volatility in the deposit base, but we note that these deposits mainly relate to S Group and LocalTapiola-owned entities. While important for customer engagement, the contribution of the S Group cashback bonuses on S-Bank's funding profile remains moderate. The bank produced a stable funding ratio of approximately 122% as of mid-year 2021 indicating a balanced funding profile in our view.

S-Bank currently has a low share of wholesale funding, but we expect this to increase toward 10% of the funding base as the bank expands to covered bond issuance and starts issuing MREL-eligible debt. The bank currently has a €55.2 million Tier 2 bond outstanding, but due to its MREL requirement estimated at €270 million, we expect further issuance before 2024.

The liquidity buffers are sizable with about €1.6 billion (about 20% of total assets) consisting mainly of cash at the central bank and very-high-quality level 1 assets as of June 30, 2021. Net broad liquid asset to short-term customer deposits equaled 21% on that date, which is similar to that of many rated small banks in the country. This is a better indicator than our traditional broad liquid assets to short-term wholesale funding, since the bank does not currently make meaningful use of wholesale funding. Despite the increasing use of wholesale funding over the next two years, we expect S-Bank to maintain an adequate liquidity position allowing it to operate for more than six months without dependence on central bank operations under stressful conditions.

Group Support: S-Bank's Insulated Status To S Group Enables A Higher Rating Than The Overall Group Credit Profile

Our assessment of S-Bank as an insulated member of S Group allows us to generally rate S-Bank above the group credit profile. We see S-Bank as an independent and severable entity within the group, with no funding dependency, with separated accounting and reporting procedures. Because S-Bank is a fully regulated financial institution, we would expect regulatory authorities in Finland to ringfence at least part of the bank in the event of potential credit stress at the group level, to preserve customer confidence in the Finnish financial markets and banking industry. In addition, in our view, the group has a strong and compelling economic incentive to preserve the bank's credit strength. All the aforementioned factors support our view that S-Bank's creditworthiness is currently not impaired by that of the overall group.

We consider S-Bank to have moderate systemic importance in Finland owing to its 4% market share in customer deposits. As a systemically important bank, we expect it to be subject to MREL. We currently do not believe that S-Bank would be subject to a well-defined bail-in process under which the Finnish resolution authority would permit nonviable systemically important banks to continue as going concerns following a bail-in of eligible liabilities. As a result, we do not factor in any ratings uplift from the SACP for additional loss-absorbing capacity but consider that bail-in-able buffers and the FSA's intention to use the resolution tool would provide an additional layer of protection if the bank were to run into distress due to spillover effects from S Group.

Additional Rating Factors

We apply a negative adjustment to the issuer credit rating on S-Bank because we consider the rating to be constrained by the bank's still weak profitability and cost efficiency compared with peers. In particular, the bank's cost efficiency at 74% and return on average equity at 4.65% on June 30, 2021, continue to underperform that of domestic and Nordic peers. Additionally, we believe the bank is likely to continue to demonstrate a weaker earnings profile than most of its peers in the medium term.

Environmental, Social, And Governance (ESG)

We consider ESG for S-Bank as broadly in line with those of industry and domestic peers.

We believe S-Bank is appropriately addressing environmental aspects in its operations, in particular we note the wealth management division published in 2020 its first climate strategy and launched funds focusing on combatting climate change.

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 money paybacks to S-Group's customers, corresponding to about 78% of the total population in Finland.

Governance is neutral for S-Bank. We see that the bank has independent board members, with an effective influence on decision-making. We see the maintenance of a sound corporate governance as critical for S-Bank, and it is a priority for the management team and board of directors. The bank has a stable senior management team and business strategy and exhibits disciplined execution and operational control.

Key Statistics

Table 1

S-Bank PLC -- Key Figures

	--Year-ended Dec. 31--			
(Mil. €)	**2021***	**2020**	**2019**	**2018**
Adjusted assets	7,913.0	7,554.4	6,563.9	6,416.1
Customer loans (gross)	5,716.7	5,462.2	4,796.0	4,199.1
Adjusted common equity	427.9	418.1	424.0	407.4
Operating revenues	90.6	173.9	168.1	153.7
Noninterest expenses	66.4	128.9	125.1	133.0
Core earnings	11.5	15.9	24.4	7.2

*Data as of June 30.

Table 2

S-Bank PLC -- Business Position

	--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**
Total revenues from business line (currency in millions)	90.6	173.9	168.1	153.7
Commercial & retail banking/total revenues from business line	78.1	85.6	82.0	81.7
Asset management/total revenues from business line	20.9	16.6	14.4	12.9
Other revenues/total revenues from business line	1.0	(2.3)	3.6	5.4
Return on average common equity	4.7	3.3	5.3	1.5

*Data as of June 30.

Table 3

S-Bank PLC -- Capital And Earnings

	--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**
Tier 1 capital ratio	13.5	13.7	14.6	14.9

Table 3

S-Bank PLC -- Capital And Earnings (cont.)

	--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**
S&P Global Ratings' RAC ratio before diversification	N/A	16.4	17.5	17.9
S&P Global Ratings' RAC ratio after diversification	N/A	11.6	13.4	12.8
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0
Net interest income/operating revenues	48.7	51.4	51.2	48.1
Fee income/operating revenues	41.5	38.5	35.8	39.7
Market-sensitive income/operating revenues	2.6	1.8	3.5	2.5
Cost to income ratio	73.4	74.2	74.4	86.6
Preprovision operating income/average assets	0.6	0.6	0.7	0.3
Core earnings/average managed assets	0.3	0.2	0.4	0.1

*Data as of June 30. N/A--Not applicable.

Table 4

S-Bank PLC -- Risk-Adjusted Capital Framework Data

	Exposure*	**Basel III RWA**	**Average Basel III RW(%)**	**S&P Global Ratings RWA**	**Average S&P Global Ratings RW (%)**
Credit risk					
Government & central banks	1,059,915,276.2	479,929.0	0.0	12,261,812.5	1.2
Of which regional governments and local authorities	330,350,423.4	479,929.0	0.1	11,892,615.2	3.6
Institutions and CCPs	681,774,429.1	121,466,463.1	17.8	94,637,352.5	13.9
Corporate	609,906,203.6	531,247,518.1	87.1	336,986,239.4	55.3
Retail	5,130,574,297.1	1,990,341,605.2	38.8	1,610,122,611.5	31.4
Of which mortgage	3,675,724,380.0	1,268,666,570.0	34.5	852,882,093.6	23.2
Securitization§	0.0	0.0	0.0	0.0	0.0
Other assets†	108,294,652.3	57,461,540.1	53.1	109,245,842.7	100.9
Total credit risk	7,590,464,858.2	2,700,997,055.5	35.6	2,163,253,858.6	28.5
Credit valuation adjustment					
Total credit valuation adjustment	--	0.0	--	0.0	--
Market Risk					
Equity in the banking book	28,231,441.1	28,231,441.1	100.0	84,449,067.2	299.1
Trading book market risk	--	0.0	--	0.0	--
Total market risk	--	28,231,441.1	--	84,449,067.2	--
Operational risk					
Total operational risk	--	306,014,480.2	--	298,670,562.2	--
	Exposure	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global Ratings RWA**	**% of S&P Global Ratings RWA**
Diversification adjustments					
RWA before diversification	--	3,035,242,976.8	--	2,546,373,488.0	100.0

Table 4

S-Bank PLC -- Risk-Adjusted Capital Framework Data (cont.)					
Total Diversification/ Concentration Adjustments	--	--	--	1,044,129,433.7	41.0
RWA after diversification	--	3,035,242,976.8	--	3,590,502,921.7	141.0
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		416,387,827.5	13.7	418,111,000.0	16.4
Capital ratio after adjustments‡		416,387,827.5	13.7	418,111,000.0	11.6

*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 2020', S&P Global Ratings.

Table 5

S-Bank PLC -- Risk Position				
	--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**
Growth in customer loans	9.3	13.9	14.2	12.6
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	41.0	30.6	39.3
Total managed assets/adjusted common equity (x)	18.7	18.2	15.6	15.9
New loan loss provisions/average customer loans	0.4	0.5	0.3	0.2
Net charge-offs/average customer loans	0.3	0.4	0.3	0.2
Gross nonperforming assets/customer loans + other real estate owned	0.6	0.5	0.5	0.5
Loan loss reserves/gross nonperforming assets	53.2	62.3	57.9	75.9

*Data as of June 30. N/A--Not applicable.

Table 6

S-Bank PLC -- Funding And Liquidity				
	--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**
Core deposits/funding base	99.3	99.0	98.6	98.5
Customer loans (net)/customer deposits	77.8	78.0	79.7	71.1
Long-term funding ratio	100.0	99.9	99.2	99.2
Stable funding ratio	122.0	121.8	114.6	122.3
Short-term wholesale funding/funding base	0.0	0.1	0.8	0.8
Broad liquid assets/short-term wholesale funding (x)	435.3	327.7	18.8	25.2
Net broad liquid assets/short-term customer deposits	21.0	20.6	14.9	20.5
Short-term wholesale funding/total wholesale funding	6.4	6.4	57.9	55.3

*Data as of June 30. N.M.--Not meaningful.

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Financial Institutions | Banks: Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- Criteria | Financial Institutions | Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Criteria | Financial Institutions | Banks: Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Banking Industry Country Risk Assessment Update: July 2021, July 29, 2021
- EMEA Financial Institutions Monitor 3Q2021: Resilience Amid The Search For Stronger Profitability, July 16, 2021
- SLIDES: Nordic Banks: Strong Fundamentals And Digital Preparedness Shield Against COVID-19 Stress, Feb. 18, 2021
- Banking Industry Country Risk Assessment: Finland, Feb. 9, 2021
- Outlooks On Seven Finnish Banks Revised Due To Their Resilience In The COVID-19-Induced Downturn, Jan. 22, 2021
- S-Bank Ltd., Oct. 20, 2020.

Anchor Matrix

Industry Risk	Economic Risk									
	1	**2**	3	4	5	6	7	8	9	10
1	a	a	a-	bbb+	bbb+	bbb	-	-	-	-
2	a	a-	a-	bbb+	bbb	bbb	bbb-	-	-	-
3	a-	**a-**	bbb+	bbb+	bbb	bbb-	bbb-	bb+	-	-
4	bbb+	bbb+	bbb+	bbb	bbb	bbb-	bb+	bb	bb	-
5	bbb+	bbb	bbb	bbb	bbb-	bbb-	bb+	bb	bb-	b+
6	bbb	bbb	bbb-	bbb-	bbb-	bb+	bb	bb	bb-	b+
7	-	bbb-	bbb-	bb+	bb+	bb	bb	bb-	b+	b+
8	-	-	bb+	bb	bb	bb	bb-	bb-	b+	b
9	-	-	-	bb	bb-	bb-	b+	b+	b+	b
10	-	-	-	-	b+	b+	b+	b	b	b-

Ratings Detail (As Of August 25, 2021)*

S-Bank Plc	
Issuer Credit Rating	BBB/Stable/A-2
Issuer Credit Ratings History	
22-Jan-2021	BBB/Stable/A-2
31-Jul-2020	BBB/Negative/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.