



S-BANK PLC
INTERIM REPORT
1 JANUARY –
30 SEPTEMBER 2024



STRONG PERFORMANCE CONTINUED - NEXT CHAPTER STARTING

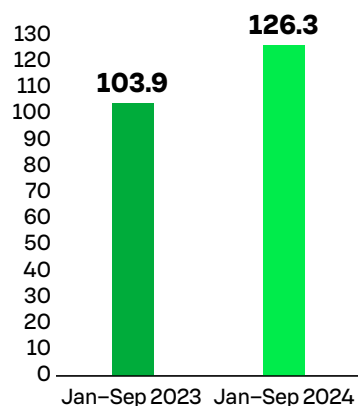
JANUARY–SEPTEMBER 2024

The S-Bank Group's operating profit was EUR 126.3 million (103.9), a 21.6 per cent growth. The improvement in performance and key figures was especially driven by a strong 19.8 per cent increase in the net interest income. The cost-to-income ratio was 0.51 (0.54) and return on equity was 20.0 per cent (17.9 *).

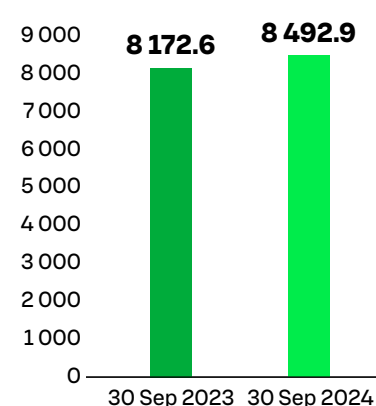
- Operating profit increased to EUR 126.3 million (103.9)
- Deposits increased to EUR 8.5 billion (8.2 *)
- Lending increased to EUR 7.0 billion (6.9 *)
- Assets under management increased to EUR 6.4 billion (6.0 *)
- Number of active customers increased to 725 000 (642 000 *)
- Capital adequacy ratio increased to 21.7 per cent (18.1 *)

* Figures for the corresponding period of 2023 are used in comparisons.

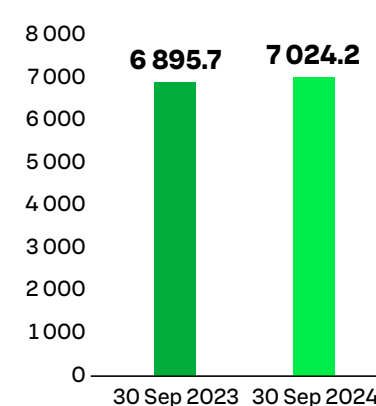
OPERATING PROFIT (EUR MILLION)



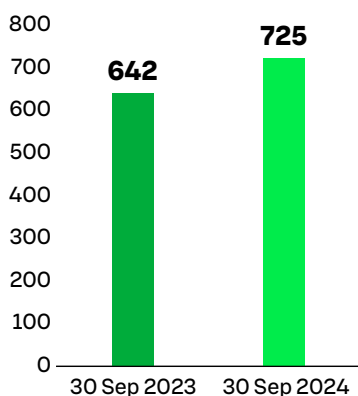
DEPOSITS (EUR MILLION)



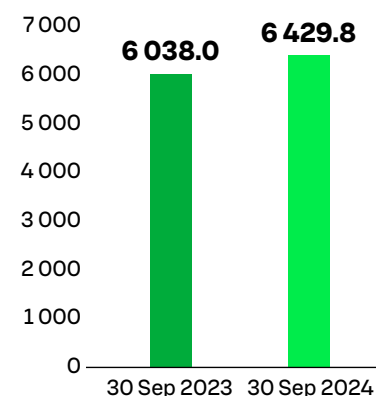
LENDING (EUR MILLION)



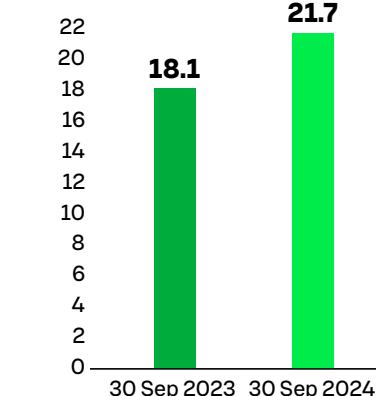
ACTIVE CUSTOMERS ('000)



ASSETS UNDER MANAGEMENT (EUR MILLION)



CAPITAL ADEQUACY RATIO (%)



SUMMARY

OUTLOOK FOR 2024 (UPDATED)

On 6 September 2024, S-Bank Plc announced that it was raising its outlook for 2024. The company now estimates that its full-year operating profit will be almost at the same level as in the previous year. Previously, the company expected its full-year operating profit to decline by approximately a quarter from the previous year (EUR 147.4 million).

The raised outlook is based on S-Bank's very strong financial performance during 2024 so far and the refined estimate for the development of net interest income in the latter half of the year. At the same time, S-Bank's result in 2024 will be burdened by the costs related to the Handelsbanken transaction, and, despite some initial positive signs, the development of the operating environment still contains uncertainties.

KEY FIGURES

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Change	Q3 2024	Q3 2023	Change
Net interest income	234.4	195.7	19.8%	76.8	74.8	2.7%
Net fee and commission income	67.1	67.5	-0.7%	22.3	22.6	-1.0%
Total income	308.5	266.4	15.8%	102.2	95.9	6.6%
Operating profit	126.3	103.9	21.6%	42.8	46.3	-7.5%
Cost-to-income ratio	0.51	0.54	-0.03	0.51	0.54	-0.03

(EUR million)	30 Sep 2024	31 Dec 2023	Change
Liabilities to customers, deposits	8 492.9	8 175.9	3.9%
Receivables from customers, lending	7 024.2	6 935.0	1.3%
Debt securities	628.9	699.0	-10.0%
Equity	746.6	649.3	15.0%
Expected credit losses (ECL)	39.4	37.3	5.7%
Assets under management	6 429.8	6 245.4	3.0%
Return on equity	20.0%	20.1%	-0.1
Return on assets	1.3%	1.2%	0.1
Equity ratio	6.6%	6.5%	0.2
Capital adequacy ratio	21.7%	18.8%	2.9

The S-Bank Group (hereinafter 'S-Bank') figures for the corresponding period of 2023 are used in the result comparisons. For comparisons of balance sheet items and other breakdown items, the figures refer to the end of 2023 unless otherwise indicated.

CEO'S REVIEW



Riikka Laine-Tolonen
CEO

S-BANK'S STRONG PERFORMANCE CONTINUED, OUTLOOK FOR THE FINNISH ECONOMY IMPROVED

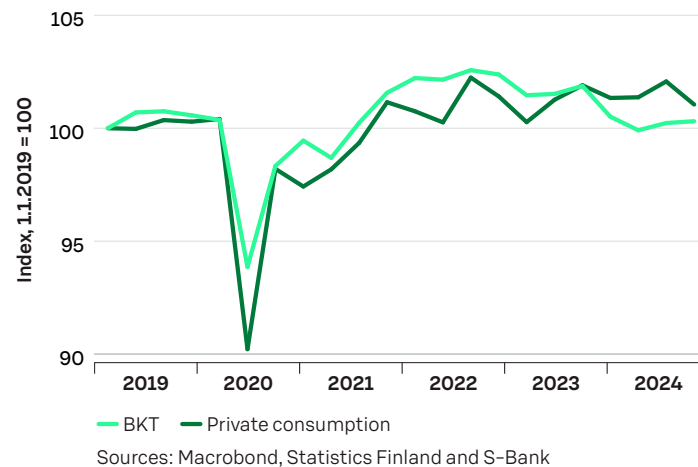
S-Bank's strong profit performance continued in the third quarter, and the operating profit for January–September was EUR 126.3 million. We have posted steady earnings of over EUR 40 million in every quarter of this year. As a result, we raised our outlook for the full year in

September and estimate now that the full-year operating profit will be close to last year's level.

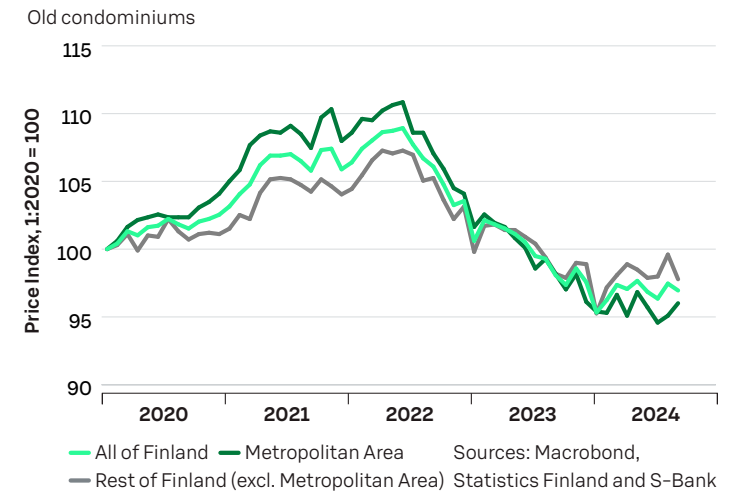
We are also making steady progress towards our strategic target of one million active customers: at the end of September, their number had already increased to 725 000.

Inflation has already slowed down close to target levels and central banks have moved to ease monetary policy. The Finnish economy, which has shown modest growth this year, will benefit from lower interest rates, and the economic outlook is therefore more favourable. In Finnish families, the positive effects of lower interest rates will be reflected in an increase in monthly

FINLAND'S GDP AND PRIVATE CONSUMPTION



HOUSING PRICES IN FINLAND



disposable funds, and this should also strengthen consumer confidence. However, so far this year, private consumption has remained cautious. A more positive mood is expected in the housing market, as interest rates fall. Housing prices have already shown a slight recovery in some areas. However, the labour market looks set to continue weakening for a while before a change for the better.

FINAL STAGES OF PREPARATION FOR HANDELSBANKEN TRANSACTION

The preparation of the Handelsbanken transaction is proceeding according to plan and on schedule towards implementation at the turn of November–December 2024. Upon completion of the transaction, approximately 230 Handelsbanken employees and nearly all of the bank's Finnish branches' offices will be transferred to S-Bank. With the acquisition, approximately 100 000 private customers will transfer from Handelsbanken, and S-Bank will become Finland's fourth largest private customer bank.

We announced in September that the net value of the transaction was approximately EUR 1.6 billion on 30 June 2024 (EUR 2.0 billion on 31 March 2023). The value of the loans to be transferred was approximately EUR 2.9 billion (EUR 3.6 billion) and that of deposits approximately EUR 1.3 billion (EUR 1.6 billion). The net value of the transferring balance sheet items has decreased due to general developments in the financial and fixed income markets and a revised segmentation between the transaction parties. The change is within the range of S-Bank's assessment of the business. As for the assets under management to be transferred from Handelsbanken to S-Bank in conjunction with the transaction, their value has increased from EUR 2.6 billion at the end of March 2023 to EUR 2.7 billion at the end of June 2024.

At S-Bank, a total of about 100 people have worked to prepare for the migration and customer transition over a period of almost a year and a half. Handelsbanken's contact persons and branches will serve customers at S-Bank in the future. We will make every effort

to ensure that the transfer will be as smooth as possible. Customers have also started to prepare for a smooth transfer, and we encourage everyone to take the necessary steps well before the end of November. We are delighted that after the preparation phase we will finally be able to welcome Handelsbanken's customers to S-Bank.

The financing arrangements for the transaction have also progressed according to plan. We have issued bonds worth approximately EUR 1.55 billion within the past 12 months. There has been considerable interest in them, and all issues have been oversubscribed by a clear margin.

DIGITAL SERVICES ARE BECOMING INCREASINGLY POPULAR

We have continued to invest in the development of digital services and customer experience. In the spring, S-Bank, together with SOK, launched the possibility to export Visa cards and S-Etukortti cards issued by S-Bank to Apple Wallet, and the new digital form of payment and accrual of benefits has gained great popularity. Approximately 15% of all

S-Bank card payments were made using mobile payment wallets in September. Young people and young adults, in particular, have adopted the services as their own and become more active in using S-Etukortti Visa cards than before.

SATISFIED CUSTOMERS AND A STRONG BRAND SPUR GROWTH

S-Bank wants to become more customer-oriented, and we are very happy that our customer satisfaction continues at the highest level in the industry. In the EPSI Rating survey published in September, our retail customer satisfaction index score was 80.6 on a scale of 0-100, 4.7 index points above the industry average. In addition, when customers were asked about value for money, we received the best ratings in the industry. Our own customer satisfaction survey also shows that our Net Promoter Score (NPS) has remained at a good level.

According to the Brand perception survey by the research firm Taloustutkimus published in September, S-Bank was again the most respected brand in the financial sector – for the seventh

year in a row. This is an endorsement of the strength of our brand. Above all, Finns see us as a responsible and an easily approachable bank.

This places us in an excellent position from which to continue towards an exciting end of the year.

I would like to offer my most heartfelt thanks to our customers, our personnel, our owners and our investors.

RIIKKA LAINE-TOLONEN

CEO

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OPERATIONS IN THE REVIEW PERIOD

KEY EVENTS

Funding, credit ratings and capital adequacy

On 28 June 2024, international credit rating agency Standard & Poor's raised S-Bank's credit rating to BBB+ and affirmed its short-term credit rating at A2. S&P rated S-Bank's outlook as stable.

As part of the implementation of its strategy, S-Bank Plc issued a covered bond with a nominal value of EUR 500 million on 16 April 2024. The bond's maturity date is 16 April 2030 and annual interest of 3.00 per cent will be paid. The issue was part of S-Bank's EUR 3.0 billion bond programme and will be used to finance the bank's activities and growth, as well as the imminent acquisition of Svenska Handelsbanken AB.

On 29 February 2024, S-Bank Plc issued a Senior Preferred MREL Eligible Notes 1/2024 bond, valued at EUR 300 million, as part of its EUR 3.0 billion bond programme. The bond matures on 8

March 2028 and a fixed interest rate of 4.875 per cent will be paid for the bond until 8 March 2027 and a floating interest rate thereafter. On 24 September 2024, S-Bank Plc issued an increase of EUR 100 million to the original amount of this bond (tap issue), which brought the total capital of the bond to EUR 400 million.

On 22 February 2024, S-Bank Plc announced a voluntary repurchase offer for its EUR 220 million bond maturing in 2025. Tender instructions adding up to EUR 86.1 million were accepted.

Acquisition of Handelsbanken's Finnish operations

The Handelsbanken transaction is proceeding according to plan. S-Bank will pay Handelsbanken a cash amount that is EUR 20–25 million less than the net value of the balance sheet items to be transferred at closing. The net value is the difference between the values of the loan and deposit agreements to be transferred. On 18 September 2024, S-Bank updated its estimate of the net

value of the transferred business. The net value of the transaction on 30 June 2024 was approximately EUR 1.6 billion (EUR 2.0 billion on 31 March 2023).

Handelsbanken's customers will be transferred to S-Bank at the turn of November–December 2024. During the review period, S-Bank provided the household customers transferring from Handelsbanken with more detailed information on the effects of the upcoming changes by letter and on its website. All communication is being carried out in close cooperation between the banks. For the time being, Handelsbanken and S-Bank will continue to serve their customers as before, and customers of both banks will continue to use their current bank. The transaction is described in more detail in Note 16.

Changes in management and Annual General Meeting

On 20 March 2024, S-Bank announced that it would be renewing its organisation and appointed new members to its

Group Management Team. The changes will reinforce the company's capability to continue profitable growth and to evolve into a more digital and customer-focused bank in line with its strategy. The organisational reform is also part of the preparations for the completion of the Handelsbanken transaction. The reform will not result in any reduction of employee numbers. The new organisation came into force on 1 April 2024.

S-Bank's Annual General Meeting (AGM) was held on 9 April 2024. The AGM resolved, among other things, that a dividend of EUR 1.50 per share, totalling EUR 10 020 270.00, will be paid. The dividend was paid on 9 April 2024. The decisions made by the AGM are described in more detail under the section 'Annual General Meeting'.

S-Bank's Services

S-Bank signed the Net Zero Asset Managers initiative in June 2023, which means that as an asset manager, it has committed to achieving the goal of net

zero greenhouse gas emissions by 2050. The initiative also obliges signatories to set ambitious interim targets for 2030. An emissions reduction target was set in June 2024, where the bank committed to reducing its emissions by 50 per cent by 2030 compared to 2019 levels. The target covers funds investing directly in equities and corporate bonds, as well as the balanced funds investing in these funds, where S-Bank is responsible for the portfolio management, which adds up to approximately 44 per cent of S-Bank's assets under management. The target takes into account the investments' scope 1 and 2 greenhouse gas emissions.

S-Bank's funds have received important recognitions during 2024. The S-Pankki High Yield Eurooppa ESG Korke Sijoitusrahasto fund received the prestigious Lipper award in two categories for the second year in a row. The fund was the best performer in the Nordic countries measured over five- and ten-year periods.

S-Bank offers its customers easy savings and investment solutions. A good example of this is S-Bank's popular

micro-saving service called Säästäjä. In May 2024, the Säästäjä service achieved a major milestone when its user numbers exceeded 100 000. In April, there was a major renewal in S-Bank's digital services when Apple Pay was launched as part of the payment portfolio, making it possible to add the contactless S-Etukortti to Apple Wallet.

In March 2024, S-Bank launched a new Private Credit fund, which invests its assets in the bonds of unlisted, mainly European companies. The new S-Pankki European Private Credit Erikoissijoitusrahasto fund was developed in cooperation with Blackstone and offers a more accessible route to unlisted bond investments than traditional private equity funds, also for non-institutional investors.

Customer experience and brand

We continued to receive positive news about the attractiveness of the S-Bank brand during autumn 2024.

In September 2024, S-Bank came top in customer satisfaction in the EPSI Rating survey, which measures the satisfaction of banks' household

customers. S-Bank's customer satisfaction index score was 80.6 (0-100), which is 4.7 index points higher than the industry average. According to the survey, S-Bank also offers the best value for money. The price-quality ratio index score (83.0) was 6.5 index points higher than the industry average. S-Bank also had the second most loyal customers in the industry, with the overall customer loyalty score (84.9) 7.7 index points better than the average.

According to the Brand perception survey by the research company Taloustutkimus published on 6 September 2024, S-Bank was the most respected brand in the financial sector. The survey measures brand perception based on the opinions of Finnish consumers. S-Bank came top for the seventh year in a row. Other S Group brands also performed well in the survey: S-Etukortti was among the 10 most valued brands in Finland.

For the twelfth consecutive year, Finns voted S-Bank as the most responsible bank in Finland in the annual Sustainable Brand Index survey published by the

research company SB Insight on 12 March 2024. The Sustainable Brand Index is Europe's largest independent brand survey focusing on sustainability. It has been conducted annually in Finland since 2013.

According to a survey on Satisfaction and trust in banking services, commissioned by loan comparison service company Sortter from Taloustutkimus, S-Bank's customers are the most satisfied with their bank among the customers of Finnish banks. This is the fifth year that S-Bank has held the top spot in the comparison.

According to a financial sector trust and reputation survey published by the research company T-Media on 29 February 2024, S-Bank has the second-best reputation in the Finnish financial sector.

OPERATING ENVIRONMENT

The global economy grew almost in line with expectations in the second quarter. As autumn approached, however, manufacturing confidence in the West fell further, resulting in new concerns about the growth of the global economy. As a result of slowing inflation and a subdued economic outlook, the economic environment was heavily dominated by expectations of further interest rate cuts by central banks in Europe and the US, for example.

The euro area economy grew moderately in the first half of the year, although Germany, its largest economy, continued to face challenges. The more positive growth outlook has recently deteriorated, however, particularly in Germany and France, as manufacturing continues to flounder, and the momentum displayed by services also appears to be fading. Yet the euro area unemployment rate has remained at record low levels. In the US, economic growth has continued even stronger than expected, but the labour market has shown more signs of turning weaker. In China, weak domestic demand and challenges in the

real estate sector weighed on economic growth to the extent that in September the Chinese authorities decided to embark on a strong stimulus programme. Elsewhere in the world, military action has continued to dominate the headlines as Russia's war of aggression continues and the situation in the Middle East escalates.

The slowdown in inflation and inflation expectations closer to central banks' inflation targets have allowed central banks to carry out interest rate cuts. The European Central Bank started cutting its interest rates in June and continued to do so in the autumn. Inflation in the euro area has slowed to the central bank's target as a result of lower energy prices, but core inflation has resisted the downward trend. However, the weakening outlook for growth in the euro area, as indicated by purchasing managers' indices, has further strengthened market expectations for interest rate cuts over the coming year. The Fed started its rate cuts in September with a 0.50 percentage point reduction. What is more, with inflation close to target levels in the US, monetary policy

has shifted its gaze from inflation to the labour market.

After last year's slowdown, the Finnish economy has been growing modestly this year. Business and consumer confidence have rebounded slightly from their lows, but real recovery is still biding its time. Households have been largely cautious in their spending, accumulating savings instead. The deteriorating labour market situation has been a particular cause for concern.

As an interest-sensitive economy, Finland has suffered from the high interest rates, which has affected not only consumption but also investment, especially in residential construction, which continued to its sharp fall, with a negative impact on total output. Due to the weak level at the beginning of 2024, full-year GDP growth is set to remain slightly negative this year.

Even so, the turnaround in short-term market interest rates has already provided a more positive stimulus to the housing market. Sales volumes have increased somewhat over the summer

and autumn from a year ago, and barometers show a slight pick-up in consumers' willingness to go home buying. There are also signs that things are taking a turn for the better in the prices of old dwellings, especially outside the Helsinki region.

Globally, equity and fixed income markets saw sharp movements in August, triggered by interest rate hikes in Japan. The US labour market figures released at the same time added to the gloomy mood. The turbulence passed as quickly as it began, however, and the market regained confidence in the success of the rate cuts by central banks. Indeed, as autumn has progressed, heightened expectations of central bank rate cuts have been a key market driver, contributing to the upturn in equity markets. In China, the equity market took a leap upwards in September, thanks to the economic stimulus. In fixed income markets, bond yields have risen along with a decline in long rates.

FINANCIAL POSITION

KEY FIGURES

(EUR million)	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Jan-Sep 2024	Jan-Sep 2023
Net interest income	76.8	78.0	79.6	78.8	74.8	234.4	195.7
Net fee and commission income	22.3	23.0	21.7	26.2	22.6	67.1	67.5
Total income	102.2	102.3	104.1	104.9	95.9	308.5	266.4
Operating profit	42.8	40.8	42.8	43.5	46.3	126.3	103.9
Cost-to-income ratio	0.51	0.49	0.50	0.51	0.54	0.51	0.54

(EUR million)	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Sep 2024	31 Dec 2023
Liabilities to customers, deposits	8 492.9	8 321.7	8 175.1	8 175.9	8 172.6	8 492.9	8 175.9
Receivables from customers, lending	7 024.2	7 002.0	6 991.3	6 935.0	6 895.7	7 024.2	6 935.0
Debt securities	628.9	619.7	646.7	699.0	689.2	628.9	699.0
Equity	746.6	710.2	685.1	649.3	609.3	746.6	649.3
Expected credit losses (ECL)	39.4	41.1	37.5	37.3	33.3	39.4	37.3
Assets under management	6 429.8	6 220.2	6 416.0	6 245.4	6 038.0	6 429.8	6 245.4
Return on equity	20.0%	21.7%	21.4%	20.1%	17.9%	20.0%	20.1%
Return on assets	1.3%	1.4%	1.4%	1.2%	1.1%	1.3%	1.2%
Equity ratio	6.6%	6.5%	6.7%	6.5%	6.2%	6.6%	6.5%

RESULT JULY–SEPTEMBER 2024

S-Bank Group's operating profit for July–September decreased slightly year on year and was EUR 42.8 million (46.3). However, operating profit has developed steadily, exceeding the level of EUR 40 million in every quarter of the year.

Income

Total income increased to EUR 102.2 million (95.9). Net interest income totalled EUR 76.8 million (74.8). Net fee and commission income was EUR 22.3 million (22.6). Net income from investing activities were EUR -0.7 million (-3.1). Other operating income totalled EUR 3.7 million (1.6).

Expenses

Operating expenses totalled EUR 53.5 million (42.6). This represents an increase of 25.6 per cent on the comparison period. Personnel expenses accounted for EUR 20.1 million (17.2) of

operating expenses. The change was due to an increase in the number of personnel. Other administrative expenses were EUR 27.9 million (20.3). The change is mainly due to increase in IT cost as well as planning, preparation and development expenses related to the Handelsbanken transaction. These are described in more detail in Note 16. Depreciation and impairment of tangible and intangible assets amounted to EUR 4.1 million (4.2). Other operating expenses totalled EUR 1.4 million (0.9).

Expected and final credit losses

In the third quarter, expected and final credit losses of EUR 8.4 million (8.7) were recognised in the consolidated income statement. Reversals, or recovered credit losses, amounted to EUR 2.5 million (1.8). Consequently, the total net effect on profit of expected and final credit losses was EUR 5.9 million (6.9).

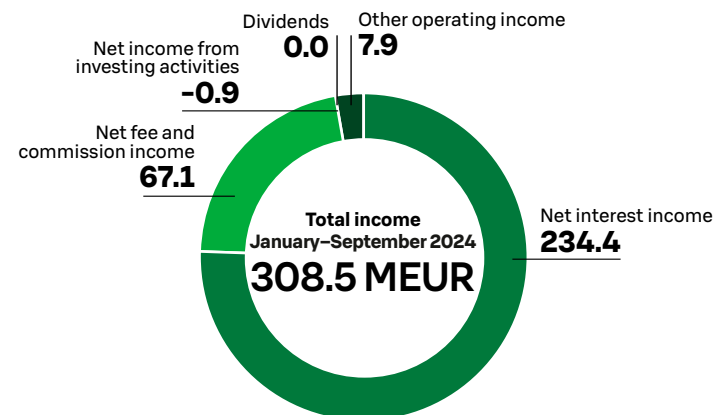
RESULT AND BALANCE SHEET JANUARY–SEPTEMBER 2024

S-Bank Group's operating profit was EUR 126.3 million (103.9). The profit for the period after taxes was EUR 101.1 million (83.2). Return on equity increased to 20.0 per cent (17.9).

Income

Total income amounted to EUR 308.5 million (266.4), a growth of 15.8 per cent.

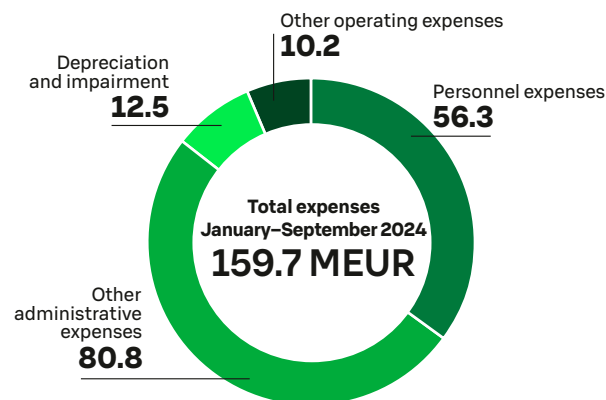
Net interest income increased by 19.8 per cent, totalling EUR 234.4 million (195.7). The prevailing interest rate level and bank's financing structure that relies heavily on deposits have continued to support the growth of the net interest income. Net fee and commission income was EUR 67.1 million (67.5). Net income from investing activities was EUR -0.9 million (-2.6). Other operating income was EUR 7.9 million (5.7).



Expenses

Operating expenses totalled EUR 159.7 million (138.7) during the review period. This is 15.2 per cent more than during the comparison period, mainly due to an increase in personnel expenses, IT and acquisition-related development costs. Personnel expenses accounted for EUR 56.3 million (49.1) of operating expenses. The change was due to an increase in the number of personnel.

Other administrative expenses totalled EUR 80.8 million (64.7). The increase is mainly due to an increase in IT and acquisition-related development costs. Depreciation and impairment of tangible and intangible assets amounted to EUR 12.5 million (12.2). Other operating expenses totalled EUR 10.2 million (12.6), which includes EUR 6.7 million (9.8) authority fees.



Expected and final credit losses

Expected and final credit losses of EUR 29.3 million (28.9) were recognised in the consolidated income statement during the review period. Reversals, or recovered credit losses, amounted to EUR 6.8 million (5.1). Consequently, the total net effect on profit of expected and final credit losses was EUR 22.5 million (23.8). During the review period, S-Bank updated the credit risk models measuring the probability of default of household customers and the criteria for a significant increase in credit risk in the ECL calculation. In the same connection provisions based on management judgement were reversed. The net effect on ECL provisions was EUR 2.2 million. Provisions based on management judgement totalled EUR 0.5 million in the end of review period.

Deposits

Total deposits were EUR 8 492.9 million (8 175.9) at the end of the review period. Deposits repayable on demand totalled EUR 7 653.9 million (7 581.6) and time deposits EUR 839.0 million (594.3) at the end of the review period. During the past 12 months, total deposits grew by 3.9 per cent. Household customers' deposit portfolio grew by 3.4 per cent year on year and was EUR 7 787.8 million. Corporate customers' deposit portfolio grew by 10.1 per cent year on year and was EUR 705.0 million.

At the end of the review period, the total amount of deposits in S-Bank covered by the deposit guarantee scheme was EUR 7 269.4 million (6 964.1).

Lending

At the end of the review period, the loan portfolio totalled EUR 7 024.2 million (6 935.0). During the past 12 months, the loan portfolio grew by 1.9 per cent. The household loan portfolio grew by 1.3 per cent year on year and was EUR 5 786.1 million. The corporate loan portfolio grew by 4.6 per cent year on year and was EUR 1 238.1 million.

The loan-to-deposit ratio, which describes the ratio between the loan portfolio and deposits, was 83 per cent (85).

Liquidity portfolio and investing activities

At the end of the review period, the bank's debt securities totalled EUR 628.9 million, compared with EUR 699.0

million at the end of 2023. Deposits in central banks and cash totalled EUR 3 363.8 million (2 207.0). The growth was influenced by the senior bond and covered bond issues. The breakdown of the liquidity and investment portfolio is illustrated in chapter Risks and Capital Adequacy and their management under section S-Bank Group's risk position in paragraph Liquidity and funding.

Equity

At the end of the review period, S-Bank's equity was EUR 746.6 million, compared with EUR 649.3 million at the end of 2023. Equity was increased by excellent performance development. The equity ratio was 6.6 per cent (6.5).

Assets under management

Assets under management were EUR 6 429.8 million (6 245.4) at the end of the review period. Of assets under management, fund capital accounted for EUR 4 677.0 million (4 309.4), and wealth management capital accounted for EUR 1 752.8 million (1 936.0). In addition, S-Bank Properties Ltd managed EUR 386.4 million in customer assets, consisting of real estate and joint ventures (379.1). Net subscriptions to the S-Bank mutual funds amounted to EUR 102.5 million in the review period compared with EUR 104.9 million a year earlier.

DEPOSITS

(EUR million)	30 Sep 2024	31 Dec 2023	Change	Change year-on-year
Household customers	7 787.8	7 462.2	4.4%	3.4%
Corporate customers	705.0	713.7	-1.2%	10.1%
Total	8 492.9	8 175.9	3.9%	3.9%

LENDING

(EUR million)	30 Sep 2024	31 Dec 2023	Change	Change year-on-year
Household customers	5 786.1	5 750.3	0.6%	1.3%
Corporate customers	1 238.2	1 184.7	4.5%	4.6%
Total	7 024.2	6 935.0	1.3%	1.9%

BUSINESS OPERATIONS AND RESULT BY SEGMENT

The S-Bank Group's segments are Banking and Wealth Management. Operations that do not fall under these business segments are reported under 'Other activities'. The reporting of business segments is identical to the internal reporting provided to company management.

Banking

Banking is responsible for producing the S-Bank's banking services for household and selected corporate customers. The products and services offered by Banking include those required for daily banking and the financing of purchases. Banking also includes the Group's treasury.

Operating profit was EUR 132.5 million (108.4). Total income increased by 17.9

per cent to EUR 285.7 million (242.3). The prevailing interest rate level and bank's financing structure that relies heavily on deposits have continued to support the growth of the net interest income. Expenses increased by 18.7 per cent to EUR 130.7 million (110.1). Impairment of receivables were EUR 22.5 million (23.8). Impairment of receivables is described in the section Expected and final credit losses.

According to the latest available information, the decrease in housing loan volume for the financial institutions operating in Finland was 1.1 per cent for the preceding 12-month period in August. S-Bank's housing loan volume grew by 0.4 per cent in the same period. In January–September 2024, the number of housing loan applications grew by 1.3 per cent year on year, but in July–September, the growth was 17.5 per cent year on year.

The use of S-Etukortti Visa cards developed positively during the review period. Total card purchases in euros increased by 11.6 per cent year on year. The number of card purchases increased by 13.6 per cent year on year.

In September, co-op members of S Group's regional cooperatives paid 26.3 per cent of their bonus purchases with an S-Bank card.

Wealth Management

Wealth Management is responsible for producing S-Bank's asset management services, customer relationships and business development. The segment offers saving and investing services to household customers, private banking services as well as services for institutional investors.

Operating profit was EUR -0.4 million (4.2). Total income was EUR 30.3 million (30.2). Expenses increased by 18.2 per cent to EUR 30.6 million (25.9). Half of the increase in expenses is due to an increase in acquisition-related development costs.

Net subscriptions to the S-Bank mutual funds amounted to EUR 102.5 million in the review period compared with EUR 104.9 million a year earlier. Net subscriptions on the market as a whole, amounted to EUR 5 072.0 million against EUR 2 884.1 million a year earlier.

The total number of unit holders in the S-Bank funds increased to around 432 000 from around 385 000 a year earlier. On the Finnish market as a whole, the number of unit holders rose to around 4.5 million from 4.2 million a year earlier.

BANKING

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Change
Operating income *	285.7	242.3	17.9%
Operating expenses *	-130.7	-110.1	18.7%
Impairment of receivables	-22.5	-23.8	-5.6%
Operating profit (loss) *	132.5	108.4	22.2%

WEALTH MANAGEMENT

(EUR million)	Jan-Sep 2024	Jan-Sep 2023	Change
Operating income *	30.3	30.2	0.4%
Operating expenses *	-30.6	-25.9	18.2%
Operating profit (loss) *	-0.4	4.2	-108.8%

* New organisation of S-Bank came into effect on 1 April 2024. Customer services were transferred from 'Other activities' to Banking. Also, some other operations were transferred between segments. Amounts for comparison period has been adjusted accordingly.

CALCULATION OF KEY PERFORMANCE INDICATORS

Total income:

Net interest income + Net fee and commission income + Other income

Net interest income:

Interest income – Interest expenses

Net fee and commission income:

Fee and commission income – Fee and commission expenses

Other income:

Net income from investing activities + Dividends + Other operating income

Cost-to-income ratio:

Personnel expenses + Other administrative expenses + Depreciation and impairment + Other operating expenses (excl. impairment losses)

Net interest income + Net fee and commission income + Net income from investing activities + Dividends + Other operating income + Share of the profits of associated companies (net)

Return on equity (ROE), %:

Profit (loss) for the period
Average equity

x 100

Return on assets (ROA), %:

Profit (loss) for the period
Balance sheet total, average

x 100

Equity ratio, %:

Total equity
Balance sheet total

x 100

Key performance indicators based on separate calculation

Capital adequacy ratio, %:

Total capital
Total risk exposure amount

x 100

Tier 1 capital adequacy ratio, %:

Tier 1 capital
Total risk exposure amount

x 100

Common Equity Tier 1 (CET1) ratio, %:

Common Equity Tier 1 (CET1) capital
Total risk exposure amount

x 100

Leverage ratio, %:

Tier 1 capital
Exposure amount

x 100

Liquidity Coverage Ratio (LCR), %:

Liquidity Buffer
Net Liquidity Outflows over a 30 calendar day stress period

x 100

Net Stable Funding Ratio (NSFR), %:

Available Stable Funding
Required Stable Funding

x 100

Non-performing loan (NPL) ratio, %:

Non-performing loans, gross amount
Loans and advances

x 100

RISKS AND CAPITAL ADEQUACY AND THEIR MANAGEMENT

S-BANK GROUP'S RISK POSITION

The most significant risks that can potentially affect profitability, capital adequacy and liquidity are related to unfavourable development of business volumes, lending and borrowing margins, general interest rates, economic environment and credit losses. During the current year, the impact of the Handelsbanken transaction on S-Bank's risk profile is being monitored actively and comprehensively. The execution of the transaction is progressing as planned and transfer of customer relationships is expected to take place at the turn of November–December 2024.

S-Bank's capital adequacy has strengthened due to good profit development. The liquidity position has strengthened due to bond issuances and stable deposit base. S-Bank has ensured in advance to maintain adequate capital and liquidity position during and after the transaction. S-Bank will strengthen its own funds with a share issue of up to EUR 200 million to ensure that the

bank's capital position and capital ratios will remain strong also following the transaction. To ensure the financing of the transaction, S-Bank has agreed on financing arrangements in addition to issuances of debt securities. The financing arrangement of the Handelsbanken transaction is discussed in more detail under Note 16.

The impacts of the transaction on S-Bank's risk profile under alternative negative scenarios have been assessed in bank's regular ICAAP- (Internal Capital Adequacy Assessment Process) and ILAAP-processes (Internal Liquidity Adequacy Assessment Process).

In the economic environment, the slow-down in inflation has continued, and European Central Bank has been able to continue the interest rate cuts, that it started in June. In Finland, the confidence of companies and consumers has increased slightly, but private consumption is still cautious. The effects of the operating environment can be seen in

THE S-BANK GROUP'S KEY RISK INDICATORS

EUR million	30 Sep 2024	31 Dec 2023
Total risk exposure amount	3 511.1	3 567.1
Credit and Counterparty Credit risk, standardised approach	3 011.0	3 071.8
Operational risk, basic indicator approach	488.3	488.3
Credit valuation adjustment (CVA), standardised approach	11.8	7.0
Own funds, total	762.2	672.0
Common Equity Tier 1 (CET1) capital	667.3	572.9
Tier 2 (T2) capital	94.9	99.1
Total capital requirement (Pillar 1)	13.52%	12.54%
Capital adequacy ratio	21.7%	18.8%
Common Equity Tier 1 (CET1) ratio	19.0%	16.1%
Non-performing loan (NPL) ratio	1.6%	1.3%
Leverage ratio	5.8%	5.6%
Liquidity Coverage Ratio (LCR)	383.9%	256.6%
Net Stable Funding Ratio (NSFR)	181.1%	164.3%

S-Bank in the slowdown in the growth of lending business volumes and increase in savings.

Credit risk

Growth in the loan portfolio slowed down during the review period compared to previous year. There were no major shifts in the loan portfolio distribution between different loan products. Of the total loan portfolio 79.2 per cent (79.8) were loans secured by real estate primarily to household customers and housing companies in Finland. S-Bank sustains a low credit risk profile according to its conservative risk appetite, supported by prudent risk management and monitoring measures.

The total amount of ECL provision increased by EUR 2.1 million to EUR 39.4 million (37.3) during the review period. During the review period, S-Bank updated the credit risk models measuring the probability of default of household customers and the criteria for a significant increase in credit risk in the ECL calculation. At the same time, provisions previously made based on management judgement were reversed. The net impact of model changes and

changes in management provisions on the ECL provision was EUR 2.2 million. Expected and final credit losses are discussed under section Result and balance sheet January–September 2024 and in Note 7.

The volume of household customer loans subject to repayment holidays was EUR 282.6 million (399.9), representing 4.8 per cent (6.9) of total household customer exposures. Repayment holidays deviating from the original payment plan have primarily been granted to household customers.

The uncertainty of the economic environment and increase in general price level has contributed to the growth of forbearance measures and non-performing loans. Gross forborne exposures in the balance sheet totalled EUR 242.9 million (215.5). The carrying amount of performing forborne exposures in relation to loans and advances was at the level of 2.9 per cent (2.5). The corresponding ratio of non-performing forborne exposures was 0.5 per cent (0.6).

The amount of non-performing loans (NPL) in the balance sheet increased by

EUR 17.9 million to EUR 110.5 million (92.6) during the review period, of which corporate customers amounted to EUR 9.3 million (0.0). The NPL ratio, which describes non-performing exposures in relation to loans and advances, rose to 1.6 per cent (1.3).

Own funds and capital adequacy

S-Bank's capital adequacy strengthened during the review period. Total capital ratio was 21.7 per cent (18.8) and CET1 ratio 19.0 per cent (16.1). Total own funds at the end of the review period were EUR 762.2 million (672.0). Own funds were positively affected especially by profit performance due to net interest income.

Risk exposure amount (REA) decreased by EUR 56.0 million and totalled to EUR 3 511.1 million (3 567.1). The change of REA was mainly due to decrease in risk weighted assets within credit risk. Risk related to credit valuation adjustment (CVA) increased slightly.

S-Bank's total capital requirement was 13.52 per cent (12.54). The total capital requirement increased due to systemic risk buffer of 1.0 per cent that entered into force on 1 April 2024. Despite of

increased capital requirements, S-Bank's capital buffers strengthened during the review period, and it's adequately capitalised to ensure the continuity of its operations even in circumstances portrayed in stress tests.

The changes of EU Capital Requirements Regulation (CRR3), which will enter into force on 1 January 2025, are expected to have only minor effects on the risk weighted assets and capital position of the bank. In the initial phase, the changes especially affect the risk weights of the loans secured by immovable property.

Leverage ratio

S-Bank's leverage ratio (LR) of 5.8 per cent (5.6) was strong and exceeded both the regulatory and internally set risk appetite minimum level.

Liquidity and funding

In March, S-Bank issued a Senior Preferred bond, valued at EUR 300 million, and in April a covered bond, valued at EUR 500 million, as part of its bond programme. In connection with the March issue, S-Bank made tender offer and bought back in aggregate nominal amount EUR 86.1 million of Senior Preferred bonds maturing 4 April 2025. At the end of September, S-Bank issued an increase of EUR 100 million to the original amount of its bond (tap issue). The increase concerns the Senior Preferred MREL Eligible Notes 1/2024

issued on 8 March 2024 and maturing on 8 March 2028. The bond increase is booked for the last quarter of the year.

S-Bank's liquidity position strengthened in the review period especially due to bond issuances. The liquidity coverage ratio (LCR) was 384 per cent (257) and the net stable funding ratio (NSFR), which describes the sufficiency of stable funding, was at 181 per cent (164).

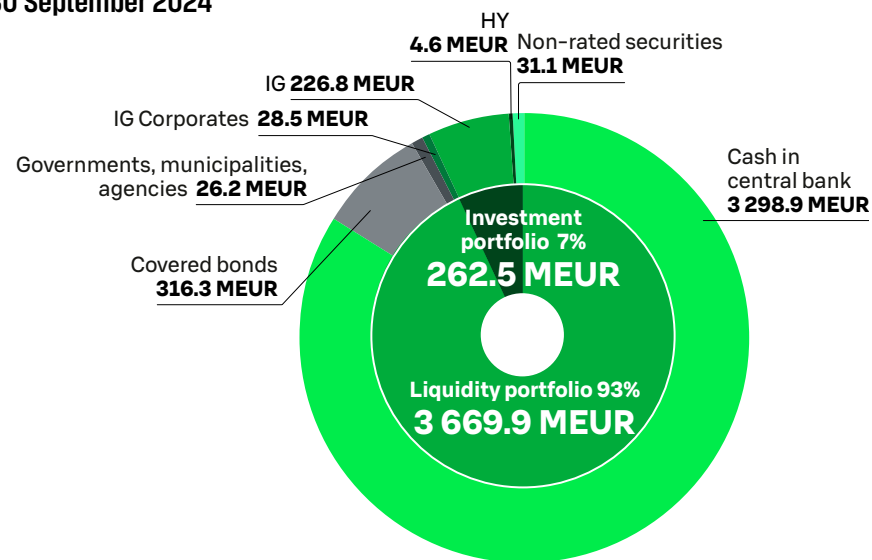
The Treasury portfolio consists of the liquidity portfolio (LCR liquidity buffer) and the investment portfolio. The total

S-BANK'S LIQUIDITY PORTFOLIO

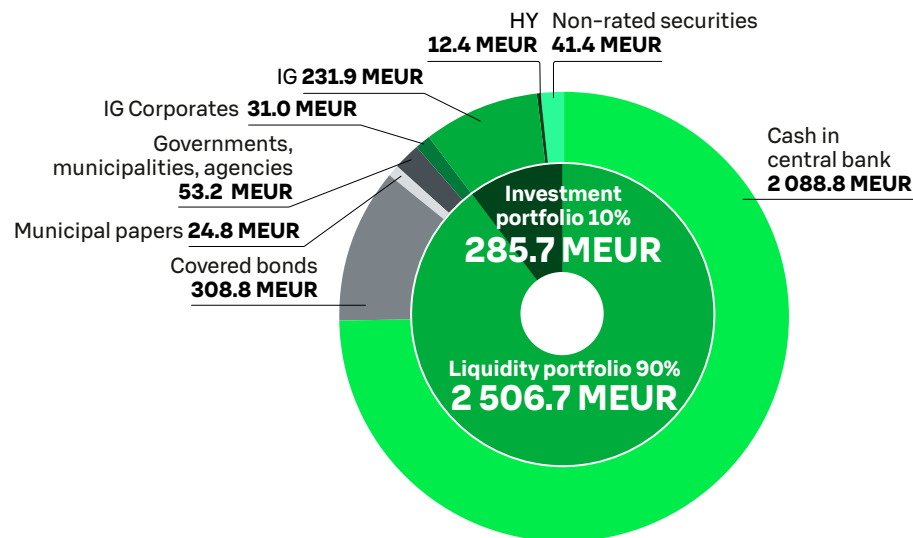
Liquidity portfolio (EUR million)	30 Sep 2024		31 Dec 2023	
	Market value	Buffer value	Market value	Buffer value
Central bank deposit	3 298.9	3 298.9	2 088.8	2 088.8
Government, municipal or other public sector bonds	26.2	26.2	53.2	53.2
Covered bonds	316.3	281.3	308.8	273.5
Municipal papers	-	-	24.8	24.8
Other	28.5	14.2	31.0	15.5
Total	3 669.9	3 620.7	2 506.7	2 455.9

BREAKDOWN OF THE LIQUIDITY AND INVESTMENT PORTFOLIO

30 September 2024



31 December 2023



amount of the portfolio increased and totalled to EUR 3 932.4 million (2 792.4). The increase in the total portfolio concentrated in the amount of central bank deposit.

Market risk

S-Bank's market risks mainly consist of the interest rate risk in the banking book and the spread risk of debt securities. The interest rate risk in the banking book consists of lending and borrowing, investments and funding. S-Bank uses derivatives to hedge the interest rate risk in the banking book and has started to hedge the interest income risk during the review period. Market risks are assessed from the perspective of the economic value and interest income risk of the banking book and the spread risk. S-Bank is not significantly exposed to other direct market risks, such as equity, currency, or real estate risks.

The economic value risk for items measured at fair value (+100 basis points) was EUR -2.1 million (-4.6). The interest income risk (-100 basis points) for all

interest-bearing instruments on the balance sheet was EUR -31.4 million (-7.7). The interest income risk has increased mainly due to the modelling change made during the review period. The interest income risk is calculated as the effect of one percentage point sudden decrease on the net interest income for the next 12 months including market value changes. The spread risk was EUR -3.0 million (-3.6) at the end of the review period.

MREL requirement

The Financial Stability Authority is the national resolution authority in Finland. The Financial Stability Authority is responsible of setting the institution specific MREL-requirement for S-Bank. The latest decision and the one in force have been given on 17 April 2024. Accordingly, at the end of September, the requirement based on total risk exposure amount was 21.91 (17.23) per cent and the requirement based on the total amount of exposures used in the calculation of the leverage ratio was 7.75 (5.91) per cent. The Financial Stability

Authority has not set specific subordination requirement for S-Bank.

For the requirement based on total risk exposure amount, an additional CBR (Combined Buffer Requirement) must also be fulfilled, and that was equal to 3.52 per cent on 30 September 2024. The systemic risk buffer requirement of 1.0 per cent, imposed to all credit institutions effective as of 1 April 2024, increased the MREL-requirement based on total risk exposure amount through the CBR component.

S-Bank covers the MREL requirement with instruments qualifying for own funds and eligible liabilities. Eligible liabilities consist of Senior Preferred bonds issued under the bond programme with residual maturity over one year. The MREL ratio based on total risk exposure amount (MREL, TREA) was 34.5 per cent (29.3), and the MREL ratio based on leverage ratio exposure (MREL, LRE) was 10.6 per cent (10.2).

Operational risk

Losses attributable to operational risks realised in the review period were low in relation to the regulatory capital requirement for operational risk. S-Bank's operational risk profile is materially impacted by system failures and disruptions, fraud and possible deficiencies in services procured from external service providers.

Due to the prolonged weak security situation in Europe, S-Bank has still maintained increased preparations against cyber and security threats. S-Bank has seen increase in the cyber-attacks, but they have not resulted in significant issues for S-Bank's customers during the review period. S-Bank has continued to inform their customers on how to identify and avoid scam and phishing attempts. Business continuity and risk preparedness remain high priorities for the bank.

OWN FUNDS REQUIREMENTS

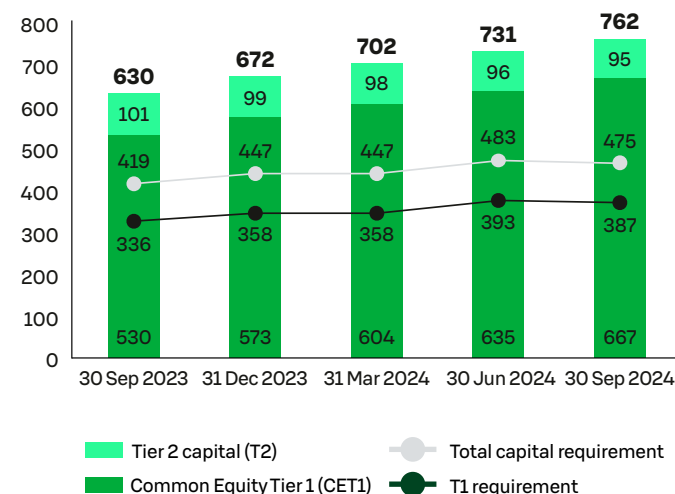
S-Bank’s total capital requirement was 13.52 per cent (12.54). The capital requirement consists of the minimum capital requirement, the capital conservation buffer, the countercyclical capital buffer, the systemic risk buffer, and the discretionary, institution-specific Pillar 2 requirement. Based on the Finnish Financial Supervisory Authority’s (FIN-FSA) macroprudential decision, a systemic risk buffer requirement covered by CET1, entered into force on 1 April 2024 in the amount of 1.0 percent.

The discretionary Pillar 2 requirement imposed on S-Bank is 2.0 per cent of the total risk exposure and will remain in

force until 31 December 2026 at most. The Pillar 2 capital requirement complements the minimum capital requirement laid down in the Capital Requirements Regulation. 75 per cent of the requirement must be covered by Tier 1 capital (T1), of which a further 75 per cent must be covered by Common Equity Tier 1 capital (CET1).

The FIN-FSA announced in October 2023 its decision to impose an additional capital recommendation to S-Bank (Pillar 2 Guidance, P2G) amounting to 0.75 per cent of the total risk exposure amount. The P2G entered into force on 31 March 2024.

DEVELOPMENT OF OWN FUNDS AND CAPITAL REQUIREMENTS (EUR MILLION)



S-BANK'S TOTAL CAPITAL REQUIREMENT ON 30 SEP 2024 (PILLAR 1)

Capital	Minimum capital requirement		Capital conservation buffer		Countercyclical capital buffer		Systemic risk buffer		Pillar 2 (SREP) additional capital requirement		Total capital requirement	
	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million	%	EUR million
CET1	4.5%	158.0	2.5%	87.8	0.02%	0.8	1.0%	35.1	1.13%	39.5	9.15%	321.2
AT1	1.5%	52.7							0.38%	13.2	1.88%	65.8
T2	2.0%	70.2							0.50%	17.6	2.50%	87.8
Total	8.0%	280.9	2.5%	87.8	0.02%	0.8	1.0%	35.1	2.00%	70.2	13.52%	474.8

CAPITAL ADEQUACY POSITION

At the end of the review period, S-Bank's CET1 ratio was 19.0 per cent (16.1) and the total capital adequacy ratio was 21.7 per cent (18.8). CET1 capital increased by EUR 94.4 million and T2 capital decreased by EUR 4.2 million. The profit-driven increase in CET1 capital as well as the recovery in the fair value reserve strengthened own funds.

S-Bank's Tier 2 capital consists of four debentures. The debentures with a residual maturity of less than five years are being gradually reduced from Tier 2 capital, as required by Capital Requirements Regulation. The amount of foreseeable dividend for 2024 has been deducted from retained earnings, in line with S-Bank's dividend policy and Commission Delegated Regulation (EU) No 241/2014.

S-Bank's risk exposure amount (REA) was EUR 3 511.1 million (3 567.1). REA

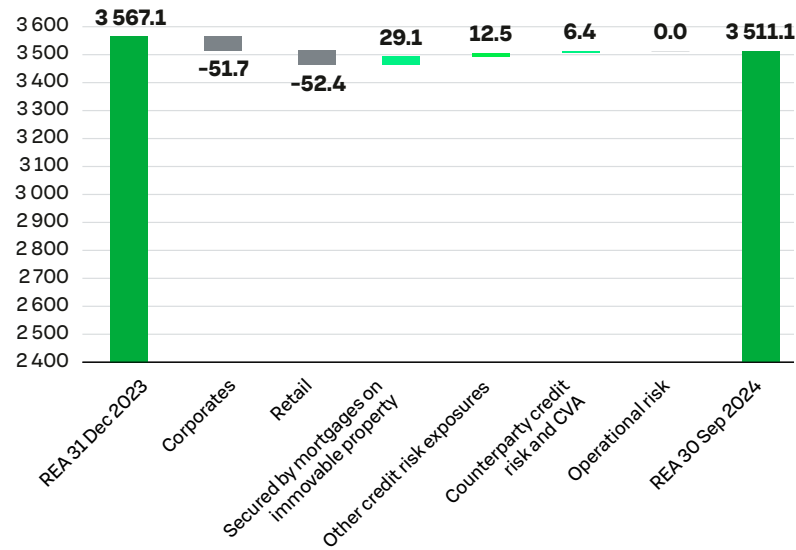
decreased by EUR 56.0 million during the review period. The change was mainly due to decrease in risk weighted assets within credit risk and especially in retail and corporate exposures. Credit risk constitutes 85.8 per cent of the risk exposure amount (86.1). The most substantial exposure classes are exposures secured by immovable property, retail exposures and corporate exposures. Risk related to credit valuation adjustment (CVA) increased slightly.

S-Bank uses the standardised approach for calculating Credit risk and the original exposure method for calculating Counterparty Credit risk (CCR). Operational risk is calculated using the basic indicator approach and Credit Valuation Adjustment is calculated using the standardised approach. S-Bank does not have a trading book, in accordance with the Capital Requirements Regulation, and hence it's not subject to capital requirement for market risk.

SUMMARY OF CAPITAL ADEQUACY INFORMATION

Own funds (EUR million)	30 Sep 2024	31 Dec 2023
Common Equity Tier 1 (CET1) capital before regulatory adjustments	731.5	639.3
Share capital	82.9	82.9
Reserve for invested non-restricted equity	283.8	283.8
Retained earnings	367.2	281.2
Fair value reserve	-2.4	-8.7
Regulatory adjustments to Common Equity Tier 1 (CET1) capital	64.1	66.4
Intangible assets	63.1	65.6
Value adjustments due to the requirements for prudent valuation	0.7	0.7
Deduction for non-performing exposures	0.4	0.0
Common Equity Tier 1 (CET1) capital	667.3	572.9
Tier 1 (T1 = CET1 + AT1) capital	667.3	572.9
Tier 2 (T2) capital before adjustments	94.9	99.1
Debentures	94.9	99.1
Tier 2 (T2) capital	94.9	99.1
Own funds in total (TC = T1 + T2)	762.2	672.0
Risk exposure amount (EUR million)	3 011.0	3 071.8
Credit and Counterparty Credit risk	3 011.0	3 071.8
Operational risk	488.3	488.3
Credit valuation adjustment (CVA)	11.8	7.0
Total risk exposure amount	3 511.1	3 567.1
Ratios (%)	30 Sep 2024	31 Dec 2023
Common Equity Tier 1 (CET1) ratio	19.0	16.1
Tier 1 capital adequacy ratio	19.0	16.1
Capital adequacy ratio	21.7	18.8

SPLIT OF CHANGES IN RISK EXPOSURE AMOUNT AND RISK-WEIGHTED ASSETS (EUR MILLION)



REPORTING OF RISK AND CAPITAL ADEQUACY INFORMATION

S-Bank complies with its disclosure obligations by publishing information on risks, risk management and capital adequacy in its financial statements. The published information on capital adequacy and risks is always available on S-Bank’s website at s-pankki.fi.

The Pillar 3 report (Capital and Risk Management Report) and tables (S-Bank Capital Adequacy tables) in accordance with the EU Capital Requirements Regulation is published in documents separate from the financial statements. The report and tables as well as information on S-Bank’s governance and management systems and remuneration systems are available on S-Bank’s website.

SIGNIFICANT EVENTS AFTER THE END OF THE REVIEW PERIOD

No significant events after the end of the review period.

OUTLOOK FOR THE REST OF THE YEAR

The global economy is expected to continue its recovery as interest rates fall. Hopes of a turnaround have been countered with new concerns during the autumn, however, as purchasing managers' indices, which forecast economic growth, have weakened particularly in the euro area and China. The gloom in the manufacturing sector has not eased yet and the near-term growth outlook is largely dependent on the services sector. The global consumption outlook is supported by slowing inflation and falling interest rates and, in some economies, fiscal stimulus. Investment has the potential to recover, as China also went into stimulus mode. In the US, the growth

outlook remains broadly favourable, despite elevated risks of recession.

After a difficult period of growth, the Finnish economy is gradually picking up speed. A sharp fall in interest rates and moderate inflation will gradually boost household consumption as real wages rise for wage earners and debt-ridden households benefit from the lower rates. However, Finland's economic growth looks set to remain frail for the rest of the year, with household consumption still subdued and weak construction investment weighing on total output.

Fixed income markets expect the European Central Bank to continue to cut interest rates at a fairly rapid pace. The

ECB is expected to resume its rate cuts in December, with more to come next year. With new interest rate cuts dominating market participants' expectations, euro interest rates will continue to fall. The sharp fall in market rates will further stimulate the Finnish housing market. Transaction volumes will increase as greater confidence converts intentions into actual housing purchases. We will have to wait a while longer for a more permanent upturn in housing prices. In large growth centres, migration will continue to support stronger demand for housing.

The rise in global stock markets will continue to be underpinned by an expansionary financial environment and

strong earnings growth expectations. Although the business outlook is not bright, falling interest rates make a difference for the market, and in an expansionary environment conditions for businesses are also more favourable. Nevertheless, valuation levels are high, which may be one of the factors restricting earnings going forward. Overall, expectations for the rest of the year are positive, however.

Risks to the global economy are dominated by both growth challenges and geopolitical risks. There is uncertainty in the air on many fronts, and economic growth may cause disappointment. On the other hand, this is likely to prompt central banks into moving faster to

stimulate a more positive growth outlook. It is also possible that central bank rate cuts will boost economic activity beyond current expectations. Geopolitical risks, if they materialise, may be reflected in financial markets, for example through changes in interest rates, crude oil prices or supply chain problems.

On 6 September 2024, S-Bank Plc announced that it was raising its outlook for 2024. The company now estimates that its full-year operating profit will be almost at the same level as in the previous year. Previously, the company

expected its full-year operating profit to decline by approximately a quarter from the previous year (EUR 147.4 million). The raised outlook is based on S-Bank's very strong financial performance during 2024 so far and the refined estimate for the development of net interest income in the latter half of the year. At the same time, S-Bank's result in 2024 will be burdened by the costs related to the Handelsbanken transaction, and, despite some initial positive signs, the development of the operating environment still contains uncertainties.

OTHER INFORMATION

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) was held on 9 April 2024. The AGM adopted the financial statements for 2023 and discharged from liability the persons who served as the members of the Board of Directors and the company's Chief Executive Officers during the financial period that ended on 31 December 2023. The AGM resolved that a dividend of EUR 1.50 per share, totalling EUR 10 020 270.00, will be paid from the parent company's distributable assets.

Authorised Public Accounting firm (KHT) KPMG Oy Ab was elected as the company's auditor, with Petri Kettunen, APA, as the principally responsible auditor. Authorised sustainability audit firm KPMG Oy Ab was selected as the sustainability reporting assurer, with Petri Kettunen, Authorised Sustainability Auditor, as the key sustainability partner.

The AGM also resolved to amend the Articles of Association with regard to the article on the line of business and the sections regarding the sustainability reporting assurer.

BOARD OF DIRECTORS

At the AGM the following members were elected to S-Bank's Board of Directors:

Jari Annala, M.Sc. (Econ.)	Executive Vice President SOK, CEO of SOK Liiketoiminta Oy
Tom Dahlström, Ph.D. (Doc.Soc.Sc.) (Econ.)	Principal of Good Ventures Oy
Kati Hagros, M.Sc. (Tech.), M.Soc.Sc.	CDO at Aalto University
Veli-Matti Liimatainen, M.Sc. (Econ.)	Managing Director of Helsinki Cooperative Society Elanto
Hillevi Mannonen, M.Sc. (Math.), SHV (actuary approved by the Ministry of Social Affairs and Health), Certified Board Member	board professional
Tarja Tikkanen, LL.M., vice-judge, Certified Board Member, TMA trained	board professional
Jorma Vehviläinen, M.Sc. (Econ.)	CFO of SOK
Olli Vormisto, M.Sc. (Econ.)	Managing Director of the Hämeenmaa Cooperative Society

Niklas Österlund, M.Sc. (Econ.), CEO of Turku Cooperative Society, was elected as a deputy member.

The Board re-elected Jari Annala as Chairman and Jorma Vehviläinen as Vice Chairman.

CEO

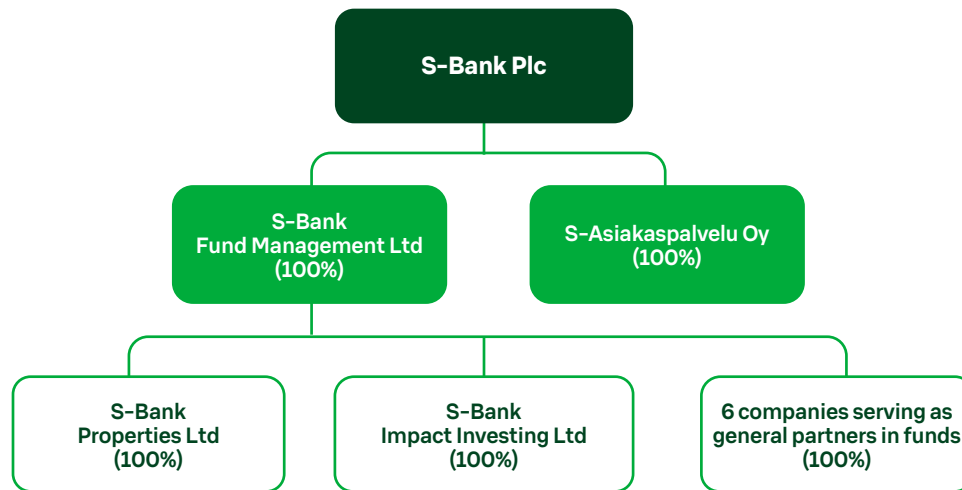
Riikka Laine-Tolonen acts as the CEO of S-Bank Plc. Iikka Kuosa has been the Deputy CEO since 1 April 2024.

PERSONNEL

At the end of the review period, S-Bank employed a total of 966 people (847). Of these, 772 persons (676) worked at S-Bank Plc, 39 persons (39) at the subsidiaries of the Wealth Management

business, and 155 persons (132) at S-Asiakaspalvelu Oy. The salaries and remunerations paid to S-Bank's personnel during the review period totalled EUR 47.1 million (40.5).

CORPORATE STRUCTURE OF S-BANK GROUP



The corporate structure and the Group companies are described in more detail in the 2023 financial statements.

INTERIM REPORT 1 JANUARY–30 SEPTEMBER 2024

CONSOLIDATED INCOME STATEMENT

(EUR '000)	Note	Jan–Sep 2024	Jan–Sep 2023
Interest income		408 875	266 228
Interest expenses		-174 502	-70 545
Net interest income	4	234 373	195 683
Fee and commission income		81 368	80 277
Fee and commission expenses		-14 312	-12 751
Net fee and commission income	5	67 056	67 526
Net income from investing activities	6	-865	-2 566
Dividends		49	58
Other operating income		7 906	5 717
Total income		308 518	266 418
Personnel expenses		-56 263	-49 067
Other administrative expenses		-80 756	-64 727
Depreciation and impairment		-12 521	-12 249
Other operating expenses		-10 168	-12 646
Total expenses		-159 707	-138 690
Impairment of receivables	7	-22 496	-23 835
Share of the profits of associated companies		-1	1
OPERATING PROFIT (LOSS)		126 314	103 894
Income taxes		-25 209	-20 724
PROFIT (LOSS) FOR THE PERIOD		101 104	83 170
of which:			
to the parent company's shareholders		101 104	83 170

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(EUR '000)	Note	Jan–Sep 2024	Jan–Sep 2023
PROFIT (LOSS) FOR THE PERIOD		101 104	83 170
Other comprehensive income items:			
Items that may be reclassified subsequently to profit or loss			
Profit or loss on financial assets measured at fair value through other comprehensive income		–	15
Tax effect		–	-3
Items that may be reclassified subsequently to profit or loss		–	12
Items that may be reclassified subsequently to profit or loss			
Profit or loss on financial assets measured at fair value through other comprehensive income		8 048	8 265
Tax effect		-1 763	-1 372
Items that may be reclassified subsequently to profit or loss		6 285	6 893
Other comprehensive income items, after taxes		6 285	6 905
Comprehensive income, total		107 390	90 075
of which:			
to the parent company's shareholders		107 390	90 075

CONSOLIDATED BALANCE SHEET

(EUR '000)	Note	30 Sep 2024	31 Dec 2023	30 Sep 2023	(EUR '000)	Note	30 Sep 2024	31 Dec 2023	30 Sep 2023
Assets					Liabilities				
Cash and cash equivalents	8, 9	3 363 769	2 207 041	2 013 537	Liabilities to credit institutions	8, 9	53 274	34 231	23 907
Debt securities eligible for refinancing with central banks	8, 9	563 814	571 735	566 015	Liabilities to customers	8, 9, 10	8 554 858	8 239 664	8 217 136
Receivables from credit institutions	8, 9	15 782	9 420	9 105	Issued bonds	8, 9, 10, 11	1 614 473	886 895	717 706
Receivables from customers	8, 9	7 024 238	6 934 971	6 895 740	Subordinated debts	8, 9, 12	96 999	101 333	102 666
Debt securities	8, 9, 10	65 086	127 293	123 191	Derivatives	8, 9, 10	733	829	2 835
Derivatives	8, 9, 10	52 381	31 349	21 965	Provisions		200	200	303
Shares and interests	8, 9	18 936	18 881	20 278	Tax liabilities		12 644	19 024	13 040
Holdings in associated companies		6	7	6	Accrued expenses		97 974	53 374	52 648
Intangible assets		63 106	65 600	66 411	Other liabilities		70 182	74 224	57 023
Tangible assets		6 300	7 381	7 175	Liabilities, total		10 501 337	9 409 774	9 187 264
Tax assets		3 662	5 801	7 134	Equity				
Prepayments and accrued income		65 961	62 837	55 442	Share capital		82 880	82 880	82 880
Other assets		4 932	16 731	10 572	Reserves		281 433	275 148	270 053
Assets, total		11 247 972	10 059 046	9 796 570	Retained earnings		382 322	291 244	256 372
					Parent company's shareholders		746 635	649 272	609 306
					Equity, total		746 635	649 272	609 306
					Liabilities and equity, total		11 247 972	10 059 046	9 796 570

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR '000)	Equity attributable to parent company shareholders				Total equity
	Share capital	Reserve for invested non-restricted equity	Other reserves	Retained earnings	
EQUITY 1 JAN 2023	82 880	283 828	-20 680	178 213	524 241
Comprehensive income					
Profit (loss) for the period				83 170	83 170
Other comprehensive income items:					
Profit or loss on financial assets measured at fair value through other comprehensive income			6 893		6 893
Profit or loss on financial assets measured irrevocably at fair value through other comprehensive income			12		12
Other comprehensive income items, total			6 905		6 905
Comprehensive income, total			6 905	83 170	90 075
Transactions with shareholders					
Dividend distribution *				-5 010	-5 010
Transactions with shareholders, total				-5 010	-5 010
TOTAL EQUITY 30 SEP 2023	82 880	283 828	-13 775	256 372	609 306

* Dividend EUR 0.75 per share.

Equity attributable to parent company shareholders

(EUR '000)	Share capital	Reserve for invested non- restricted equity	Other reserves	Retained earnings	Total equity
EQUITY 1 JAN 2023	82 880	283 828	-20 680	178 213	524 241
Comprehensive income					
Profit (loss) for the period				117 985	117 985
Other comprehensive income items:					
Profit or loss on financial assets measured at fair value through other comprehensive income			11 988		11 988
Profit or loss on financial assets measured irrevocably at fair value through other comprehensive income			12		12
Remeasurements of defined benefit plans				57	57
Other comprehensive income items, total			12 000	57	12 057
Comprehensive income, total			12 000	118 041	130 042
Transactions with shareholders					
Dividend distribution *				-5 010	-5 010
Transactions with shareholders, total				-5 010	-5 010
TOTAL EQUITY 31 DEC 2023	82 880	283 828	-8 680	291 244	649 272

* Dividend EUR 0.75 per share.

(EUR '000)	Equity attributable to parent company shareholders				Total equity
	Share capital	Reserve for invested non-restricted equity	Other reserves	Retained earnings	
EQUITY 1 JAN 2024	82 880	283 828	-8 680	291 244	649 272
Comprehensive income					
Profit (loss) for the period				101 104	101 104
Other comprehensive income items:					
Profit or loss on financial assets measured at fair value through other comprehensive income			6 285		6 285
Other comprehensive income items, total			6 285		6 285
Comprehensive income, total			6 285	101 104	107 390
Transactions with shareholders					
Dividend distribution *				-10 020	-10 020
Transactions with shareholders, total				-10 020	-10 020
Other changes				-7	-7
TOTAL EQUITY 30 SEP 2024	82 880	283 828	-2 395	382 322	746 635

* Dividend EUR 1.50 per share.

CONSOLIDATED CASH FLOW STATEMENT

(EUR'000)	Note	Jan-Sep 2024	Jan-Sep 2023
Cash flows from operating activities			
Profit (loss) for the period		101 104	83 170
Depreciation and impairment		12 521	12 249
Shares of the profit of companies consolidated with the equity method		1	-1
Credit losses		30 048	27 551
Other non-payment income and expenses		1 101	2 842
Income taxes		25 209	20 724
Other adjustments *		133	140
Adjustments for financial income and expenses		39 980	2 428
Adjustments, total *		108 994	65 933
Cash flows from operating activities before changes in operating assets and liabilities *		210 098	149 103
Increase/decrease in operating assets (-/+)			
Receivables from credit institutions, other than repayable on demand		-5 547	-310
Receivables from customers		-121 002	-228 444
Investment assets		84 702	17 924
Other assets		15 724	10 700
Increase/decrease in operating assets		-26 123	-200 128
Increase/decrease in operating liabilities (+/-)			
Liabilities to credit institutions		19 043	750
Liabilities to customers		305 490	233 577
Other liabilities		-5 472	-2 215
Increase/decrease in operating liabilities		319 061	232 112
Taxes paid		-31 214	-17 779
Cash flows from operating activities *		471 823	163 308

(EUR'000)	Note	Jan-Sep 2024	Jan-Sep 2023
Cash flows from investing activities			
Investments in tangible and intangible assets *		-8 071	-6 335
Cash flows from investing activities *		-8 071	-6 335
Cash flows from financing activities			
Payments received from issue of bonds and debentures	8, 9, 11	795 981	499 170
Repayments of issued bonds and debentures	8, 9, 11	-90 433	-4 333
Repayments of lease liabilities		-1 739	-1 879
Dividends paid		-10 020	-5 010
Cash flows from financing activities		693 788	487 948
Difference in cash and cash equivalents		1 157 540	644 920
Cash and cash equivalents, opening balance sheet		2 209 361	1 370 828
Difference in cash and cash equivalents		1 157 540	644 920
Impact of changes in exchange rates		3	1
Cash and cash equivalents consist of the following items:			
Cash and cash equivalents	8, 9	3 363 769	2 013 537
Repayable on demand		3 135	2 213
Cash and cash equivalents		3 366 905	2 015 750
Interests paid		-126 151	-47 431
Dividends received		49	58
Interests received		399 628	244 848

* The comparison period has been amended between the cash flows from operating and investing activities since the publication of the 30 September 2023 interim report.

GROUP'S QUARTERLY PROFIT PERFORMANCE

CONSOLIDATED INCOME STATEMENT

(EUR '000)	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Jan-Sep 2024	Jan-Sep 2023
Interest income	144 244	136 941	127 690	122 157	107 630	408 875	266 228
Interest expenses	-67 494	-58 968	-48 040	-43 356	-32 871	-174 502	-70 545
Net interest income	76 751	77 973	79 650	78 801	74 759	234 373	195 683
Fee and commission income	27 439	27 783	26 146	27 287	26 915	81 368	80 277
Fee and commission expenses	-5 106	-4 740	-4 467	-1 130	-4 360	-14 312	-12 751
Net fee and commission income	22 334	23 043	21 678	26 156	22 556	67 056	67 526
Net income from investing activities	-655	-490	279	-2 111	-3 065	-865	-2 566
Dividends	0	42	7	0	-	49	58
Other operating income	3 743	1 719	2 444	2 022	1 619	7 906	5 717
Total income	102 173	102 287	104 058	104 869	95 869	308 518	266 418
Personnel expenses	-20 050	-18 496	-17 717	-19 635	-17 183	-56 263	-49 067
Other administrative expenses	-27 909	-29 494	-23 353	-26 966	-20 320	-80 756	-64 727
Depreciation and impairment	-4 118	-4 247	-4 156	-4 586	-4 239	-12 521	-12 249
Other operating expenses	-1 416	1 415	-10 166	-1 003	-905	-10 168	-12 646
Total expenses	-53 494	-50 822	-55 391	-52 189	-42 647	-159 707	-138 690
Impairment of receivables	-5 887	-10 709	-5 900	-9 168	-6 938	-22 496	-23 835
Share of the profits of associated companies	-	-1	-	1	-	-1	1
OPERATING PROFIT (LOSS)	42 792	40 755	42 767	43 513	46 284	126 314	103 894
Income taxes	-8 541	-8 149	-8 519	-8 698	-9 263	-25 209	-20 724
PROFIT (LOSS) FOR THE PERIOD	34 251	32 605	34 249	34 815	37 021	101 104	83 170
of which:							
to the parent company's shareholders	34 251	32 605	34 249	34 815	37 021	101 104	83 170

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(EUR '000)	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Jan-Sep 2024	Jan-Sep 2023
PROFIT (LOSS) FOR THE PERIOD	34 251	32 605	34 249	34 815	37 021	101 104	83 170
Other comprehensive income items:							
Items that will not be reclassified to profit or loss							
Items due to remeasurements of defined benefit plans	–	–	–	71	–	–	–
Profit or loss on financial assets measured irrevocably at fair value through other comprehensive income	–	–	–	–	15	–	15
Tax effect	–	–	–	-14	-3	–	-3
Items that will not be reclassified to profit or loss	–	–	–	57	12	–	12
Items that may be reclassified subsequently to profit or loss							
Profit or loss on financial assets measured at fair value through other comprehensive income	2 949	3 091	2 008	6 586	4 061	8 048	8 265
Tax effect	-763	-567	-433	-1491	-932	-1763	-1372
Items that may be reclassified subsequently to profit or loss	2 186	2 524	1 575	5 095	3 130	6 285	6 893
Other comprehensive income items, after taxes	2 186	2 524	1 575	5 152	3 142	6 285	6 905
Comprehensive income, total	36 437	35 129	35 823	39 967	40 163	107 390	90 075
of which:							
to the parent company's shareholders	36 437	35 129	35 823	39 967	40 163	107 390	90 075

NOTES TO THE INTERIM REPORT

NOTE 1: BASIC INFORMATION

The S-Bank Group consists of S-Bank Plc and its subsidiaries. S-Bank is a deposit bank that engages in credit institution operations pursuant to the Finnish Act on Credit Institutions (610/2014). The bank engages in the operations and related activities referred to in Chapter 5, section 1, of the above-mentioned Act. The Bank engages also in mortgage banking activities pursuant to Finnish Act on Mortgage Credit Banks and Covered Bonds (11.3.2022/151). In addition, the Bank is offering investment services pursuant to Chapter 1, section 15, of the Act on Investment Services (747/2012). As the parent company, S-Bank performs such tasks of the Group companies that must be carried out in a centralised manner, such as the Group's administration, guidance and supervision.

S-Bank's headquarters are located at Fleminginkatu 34, FI-00510 Helsinki, Finland.

NOTE 2: ACCOUNTING POLICIES

Accounting policies used in the preparation of the interim report

The interim report 1 January–30 September 2024 has been prepared in accordance with the IAS 34 Interim Financial Reporting standard. The figures in the tables of the interim report are presented in thousands of euros unless otherwise is indicated. Since the figures have generally been rounded and do not include decimals, the sums of individual figures in euros may differ from the total figures presented in the report.

S-Bank applies hedge accounting in accordance with IAS 39 to the hedge portfolio related to its mortgage banking activities. Under its chosen accounting policy, S-Bank continues to apply the hedge accounting requirements of IAS 39 instead of the IFRS 9 standard. S-Bank must apply this principle to all its hedging relationships.

Otherwise, the interim report complies with the accounting policies presented in the financial statements for 2023.

Accounting policies requiring management judgement and the key uncertainties associated with estimates

IFRS-compliant interim report require management to exercise judgment and make estimates and assumptions that affect the reported amounts of assets and liabilities and other information such as the amounts of income and expense. Although these estimates are based on the management's best knowledge at the time, it is possible that actual results differ from the estimates used in the interim report.

Accounting policies requiring management judgement and the key uncertainties associated with estimates are included in the 2023 financial statements. Critical items in the interim report requiring management as well judgement as estimates and assumptions are included in following notes:

- Note 7 Impairment of receivables: The calculation of expected credit loss in accordance with the IFRS 9

standard is based on internal models that contain assumptions of a change in credit risk. The model-based estimate is complemented with a management judgement, which takes into account the uncertainty related to model parameters and assumptions, as well as model risk. Management judgement is also applied to definition of backstop criteria for estimation of significant increase in credit risk and LGD risk parameter floors.

- Note 8 Fair values of financial assets and liabilities: The management's judgement is required in circumstances where fair value price information is not available in the market or fair value is not reliable. In these cases, the fair value of a financial instrument needs to be determined using a valuation technique, where input data is based on management's estimation regarding market practices used to measure the value of particular instruments.

NOTE 3: SEGMENT REPORT

The S-Bank Group's operating segments are Banking and Wealth Management. Operations that do not fall under these business segments are reported under 'Other activities'. The Group reports segment data in accord-

ance with the IFRS 8 Operating Segments standard. The reporting of business segments is identical to the internal reporting provided to company management. The S-Bank's highest executive decision-maker is the Group Management Team.

Banking is responsible for producing S-Bank's banking services for households and selected corporate customers. The products and services offered by Banking include those required for daily banking and the financing of purchases. Banking also includes the Group's treasury.

Wealth Management is responsible for producing the S-Bank's asset management services and for its customer relationships and business development. The segment offers saving and investing services to consumer customers, private banking services and services to institutional investors.

INCOME STATEMENT FOR SEGMENTS

Jan-Sep 2024 (EUR '000)	Banking	Wealth Management	Other activities	Eliminations	Group, total
Net interest income	233 341	1 214	-182		234 373
Net fee and commission income	38 163	28 892	0		67 056
Net income from investing activities	-873	8	0		-865
Dividends	15		33		49
Other operating income	15 012	152	2 486	-9 744	7 906
Total income	285 659	30 265	2 338	-9 744	308 518
Total expenses *	-130 651	-30 637	-8 163	9 744	-159 707
Impairment of receivables	-22 496				-22 496
Share of the profits of associated companies				-1	-1
Operating profit (loss)	132 512	-372	-5 826	-1	126 314

External income from Banking was EUR 279 602 thousand and from Wealth Management EUR 29 064 thousand.

Jan-Sep 2023 (EUR '000)	Banking	Wealth Management	Other activities	Eliminations	Group, total
Net interest income *	194 905	806	-28		195 683
Net fee and commission income *	38 370	29 156	0		67 526
Net income from investing activities	-2 574	8	-		-2 566
Dividends	36		22		58
Other operating income *	11 567	187	2 208	-8 246	5 717
Total income *	242 304	30 157	2 202	-8 246	266 418
Total expenses **	-110 061	-25 916	-10 959	8 246	-138 690
Impairment of receivables	-23 835				-23 835
Share of the profits of associated companies				1	1
Operating profit (loss) *	108 409	4 241	-8 757	1	103 894

External income from Banking was EUR 237 064 thousand and from Wealth Management EUR 29 359 thousand.

* New organisation of S-Bank came into effect on 1 April 2024. Customer services were transferred from 'Other activities' to Banking. Also, some other operations were transferred between segments. The impact on operating profit for Banking was an increase of EUR 0.5 million, for Wealth Management an increase of EUR 0.1 million and for 'Other activities' a decrease of EUR 0.6 million. Amounts for comparison period has been adjusted accordingly.

** The net expenses of support and headquarter functions are allocated from 'Other activities' to the Banking and Wealth Management business segments. This cost allocation is included in the segments' item 'Total expenses'.

Other activities include Group support and headquarter functions. Most of the net expenses of the support and headquarter functions are allocated to the Banking and Wealth Management business segments. This cost allocation is included in the segments' item 'Total

expenses'. The result of 'Other activities' consists of items not allocated to the segments.

'Other activities' include common costs, such as those related to financial statements, auditing, the Board of Directors

and General Meetings, as well as those of the management, including the CEO, in support and headquarter functions. In addition, the income and expenses of functions subject to restructuring are allocated to 'Other activities'.

BALANCE SHEET FOR SEGMENTS

30 Sep 2024 (EUR '000)	Banking	Wealth Management	Other activities	Group, total
Receivables from customers	7 024 238			7 024 238
Liquid and investment assets of banking	4 079 768			4 079 768
Intangible and tangible assets	5 119	27 816	36 476	69 412
Other assets	52 184	6 143	16 228	74 555
Assets, total	11 161 309	33 959	52 704	11 247 972
Banking liabilities	10 320 337			10 320 337
Provisions and other liabilities	120 768	3 887	56 346	181 000
Equity			746 635	746 635
Liabilities and equity, total	10 441 104	3 887	802 981	11 247 972

31 Dec 2023 (EUR '000)	Banking	Wealth Management	Other activities	Group, total
Receivables from customers	6 934 971			6 934 971
Liquid and investment assets of banking	2 965 718			2 965 718
Intangible and tangible assets *	5 274	28 859	38 856	72 988
Other assets	55 909	6 781	22 679	85 369
Assets, total *	9 961 872	35 639	61 535	10 059 046
Banking liabilities	9 262 952			9 262 952
Provisions and other liabilities *	64 375	5 848	76 599	146 822
Equity			649 272	649 272
Liabilities and equity, total *	9 327 327	5 848	725 872	10 059 046

Material customer business items, as well as the tangible and intangible assets of the business segments together with associated lease liabilities, are allocated to Banking and Wealth Management on the balance sheet. The remaining balance sheet items, including equity, are allocated to 'Other activities'.

* New organisation of S-Bank came into effect on 1 April 2024. Leases of customer services were transferred from 'Other activities' to Banking. Amounts for comparison period has been adjusted accordingly.

QUARTERLY PROFIT PERFORMANCE BY SEGMENT

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Jan-Sep 2024	Jan-Sep 2023
Banking (EUR '000)							
Net interest income *	76 415	77 690	79 236	78 446	74 450	233 341	194 905
Net fee and commission income *	12 539	13 652	11 973	16 179	12 976	38 163	38 370
Net income from investing activities	-652	-501	280	-2 092	-3 071	-873	-2 574
Dividends	–	9	7	–	–	15	36
Other operating income *	6 122	4 074	4 816	4 205	3 718	15 012	11 567
Total income *	94 424	94 923	96 311	96 739	88 073	285 659	242 304
Total expenses *	-43 075	-41 194	-46 382	-39 973	-33 516	-130 651	-110 061
Impairment of receivables	-5 887	-10 709	-5 900	-9 168	-6 938	-22 496	-23 835
Operating profit (loss) *	45 462	43 021	44 030	47 599	47 620	132 512	108 409
Wealth Management (EUR '000)							
Net interest income	396	413	405	372	333	1 214	806
Net fee and commission income	9 797	9 389	9 706	9 977	9 579	28 892	29 156
Net income from investing activities	-3	11	-1	-19	6	8	8
Other operating income *	40	65	47	72	53	152	187
Total income *	10 229	9 878	10 158	10 402	9 971	30 265	30 157
Total expenses *	-9 994	-10 856	-9 787	-11 294	-8 675	-30 637	-25 916
Operating profit (loss) *	236	-978	371	-892	1 297	-372	4 241

* New organisation of S-Bank came into effect on 1 April 2024. Customer services were transferred from 'Other activities' to Banking. Also, some other operations were transferred between segments. Amounts for comparison period has been adjusted accordingly.

NOTE 4: NET INTEREST INCOME

(EUR '000)	Jan-Sep 2024	Jan-Sep 2023
Interest income		
Cash and cash equivalents	79 674	31 572
Debt securities eligible for refinancing with central banks measured at fair value through other comprehensive income	8 707	5 172
Receivables from credit institutions	174	536
Receivables from customers	292 711	221 728
Debt securities measured at fair value through other comprehensive income	647	1 096
measured at fair value through profit or loss	164	568
Derivatives	26 796	5 556
Other interest income	2	1
Total interest income using the effective interest method	381 913	260 103
Other interest income	26 962	6 125
Interest income, total	408 875	266 228
Interest income from stage 3 financial assets	3 524	2 270
Interest expenses		
Liabilities to credit institutions	-1 025	-557
Liabilities to customers	-92 769	-56 105
Issued bonds	-42 950	-6 647
Derivatives	-28 567	-244
Subordinated debts	-4 632	-3 576
Other interest expenses	-4 345	-3 383
Interest expenses on leases	-213	-32
Total interest expenses using the effective interest method	-141 376	-66 886
Other interest expenses	-33 125	-3 659
Interest expenses, total	-174 502	-70 545
Net interest income	234 373	195 683

NOTE 5: NET FEE AND COMMISSION INCOME

(EUR '000)	Jan-Sep 2024	Jan-Sep 2023
Fee and commission income by segment		
Fee and commission income from Banking		
From lending	7 118	7 247
From borrowing	596	542
From payment transactions	7 935	8 640
From card business	30 763	29 072
From legal duties	466	323
From insurance brokerage	1 834	1 305
From issuance of guarantees	10	114
Total fee and commission income from Banking	48 723	47 242
Fee and commission income from Wealth Management		
From funds	28 300	28 562
From wealth management	1 648	1 840
From property management	1 855	2 029
Total fee and commission income from Wealth Management	31 803	32 431
Fee and commission income from other activities		
From securities brokerage	310	221
Other fee and commission income	532	384
Total fee and commission income from other activities	842	605
Fee and commission income, total	81 368	80 277
Fee and commission expenses		
From funds	-2 464	-2 897
From wealth management	-91	-13
From securities brokerage	-915	-733
From card business	-10 384	-8 557
From property management	-64	-155
Banking fees	-331	-331
Other expenses	-63	-65
Fee and commission expenses, total	-14 312	-12 751
Net fee and commission income	67 056	67 526

NOTE 6: NET INCOME FROM INVESTING ACTIVITIES

(EUR '000)	Jan-Sep 2024	Jan-Sep 2023
Net income from financial assets measured at fair value through profit or loss		
Debt securities		
Capital gains and losses	5	7
Changes in fair value	-6	1
Shares and interests		
Capital gains and losses	25	17
Changes in fair value	-762	-265
Derivatives		
Changes in fair value	-320	-1 646
Net income from financial assets measured at fair value through profit or loss, total	-1 058	-1 886
Net income from financial assets measured at fair value through other comprehensive income		
Debt securities		
Capital gains and losses	-613	-1 333
Other income and expenses	-	30
Shares and interests		
Capital gains and losses	1 311	0
Other income and expenses	-12	-80
Net income from financial assets measured at fair value through other comprehensive income, total	686	-1 382
Net income from currency operations	287	284

(EUR '000)	Jan-Sep 2024	Jan-Sep 2023
Net income from hedge accounting		
Debt securities *		
Net result from hedging instruments	-4 413	-2 050
Net result from hedged items	4 527	2 469
Liabilities to customers **		
Net result from hedging instruments	9 174	-
Net result from hedged items	-9 703	-
Issued bonds *		
Net result from hedging instruments	16 688	-987
Net result from hedged items	-17 052	987
Net income from hedge accounting	-780	419
Net income from investing activities, total	-865	-2 566

* The comparison period has been amended since the publication of the 30 September 2023 interim report.

** New hedged item. No comparison amounts.

Changes in the fair value of hedged items attributable to the hedged risk are recognised in the income statement under 'Net income from hedge accounting'. Changes in the fair value not attributable to the hedged risk are recognised in the fair value reserve.

Changes in the fair value of the hedging items included in hedge accounting are recognised in the income statement under Net result from hedge accounting. When hedging is effective, the changes in the fair value offset each other and the net result is close to zero.

NOTE 7: IMPAIRMENT OF RECEIVABLES

S-Bank is exposed to credit risk arising from household and corporate customer exposures, investing activities (debt securities) and off-balance sheet commitments. Credit granted to household customers constitutes the largest exposure to credit risk in the form of expected credit losses. The exposures to household customers include housing loans and consumer loans, the latter of which generate a relatively larger credit risk, as they are unsecured credit products. The corporate loan portfolio focuses on the secured financing of housing companies that are new or under construction. As mortgage-backed loans, these are considered to be less risky, which also reduces

the amount of expected credit losses. Corporate exposures and investment activities focus on large companies with good credit ratings.

The total amount of the ECL provision was EUR 39.4 million (37.3) at the end of the review period. The total amount of the ECL provision included provisions based on management's estimate totalling EUR 0.5 million (3.8). The coverage ratio of the entire loan portfolio rose to 0.39 per cent (0.37) and remained within the risk appetite set by S-Bank's Board of Directors.

The ECL provision increased by EUR 2.1 million during the review period. During

the review period, S-Bank updated the credit risk models measuring the probability of default of household customers and the criteria for a significant increase in credit risk in the ECL calculation. The changes in ECL calculation had also an impact on the distribution of exposures across credit risk categories and the amount of exposures classified in stage 2. At the same time, provisions previously made based on management judgement were reversed. The net impact of model changes and changes in provision based on management judgement on the ECL provision was EUR 2.2 million. The ECL provision related to stage 3 loans decreased due to reversal of provisions based on

management judgement and the ECL growth due to model changes was mainly related to stage 2 loans.

The ECL provision for lending to household customers increased by EUR 5.1 million, mainly due to model changes and an increase in the amount of defaulted liabilities.

The total ECL provision for corporate customers and investing activities decreased by EUR 2.2 million. The ECL provision for corporate customers and investing activities increased due to the growth in defaulted liabilities and decreased due to changes in internal ratings of customers.

EXPECTED CREDIT LOSSES AND IMPAIRMENT LOSSES RECOGNIZED DURING THE PERIOD

Expected credit losses and impairment losses (EUR '000)	Jan-Sep 2024	Jan-Sep 2023
Receivables written off as credit and guarantee losses	-27 171	-17 806
Reversal of receivables written off	6 787	5 122
Expected credit losses (ECL) on receivables from customers and off-balance sheet commitments	-2 877	-9 745
Expected credit losses (ECL) on investing activities	765	-1 406
Total	-22 496	-23 835

RISK EXPOSURE, SUMMARY

	Stage 1		Stage 2		Stage 3		Exposures and commitments, total	ECL provision, total	Coverage ratio %
	Exposures and commitments subject to credit risk	ECL provision	Exposures and commitments subject to credit risk	ECL provision	Exposures and commitments subject to credit risk	ECL provision			
30 Sep 2024 (EUR '000)									
Lending to household customers *	5 220 343	-3 882	515 934	-20 126	101 093	-12 438	5 837 371	-36 445	-0.62%
Lending to corporate customers *	1 213 833	-404	15 023	-427	9 302	-946	1 238 157	-1 778	-0.14%
Investing activities **	633 504	-156	–	–	–	–	633 504	-156	-0.02%
Off-balance sheet commitments ***	2 379 704	-144	73 013	-870	1 234	-54	2 453 951	-1 068	-0.04%
Total	9 447 384	-4 586	603 970	-21 423	111 628	-13 438	10 162 983	-39 447	-0.39%

	Stage 1		Stage 2		Stage 3		Exposures and commitments, total	ECL provision, total	Coverage ratio %
	Exposures and commitments subject to credit risk	ECL provision	Exposures and commitments subject to credit risk	ECL provision	Exposures and commitments subject to credit risk	ECL provision			
31 Dec 2023 (EUR '000)									
Lending to household customers *	5 421 610	-2 489	283 706	-13 128	92 415	-15 729	5 797 731	-31 346	-0.54%
Lending to corporate customers *	1 087 996	-424	96 708	-2 766	–	–	1 184 705	-3 189	-0.27%
Investing activities **	667 649	-314	11 146	-607	–	–	678 795	-921	-0.14%
Off-balance sheet commitments ***	2 294 153	-464	10 824	-1 344	872	-71	2 305 850	-1 879	-0.08%
Total	9 471 408	-3 690	402 384	-17 845	93 287	-15 800	9 967 080	-37 335	-0.37%

* The ECL provision is recognised as a single amount in order to reduce the balance sheet item Receivables from customers.

** The ECL provision is recognised in the fair value reserve under other comprehensive income.

*** The ECL provision is recognised on the balance sheet under 'Other liabilities'.

EXPOSURE TO CREDIT RISK (LENDING TO HOUSEHOLD CUSTOMERS)

	Lending to household customers			
	Stage 1	Stage 2	Stage 3	Total
30 Sep 2024 (EUR '000)	12-month ECL	Lifetime ECL	Lifetime ECL	
Category 1	2 560 300	3 160	–	2 563 460
Category 2	581 852	871	–	582 723
Category 3	506 370	15 296	–	521 666
Category 4	309 910	18 284	–	328 193
Category 5	1 157 648	83 384	–	1 241 031
Category 6	103 593	193 037	–	296 630
Category 7	670	201 903	–	202 574
In default	–	–	101 093	101 093
Gross carrying amount	5 220 343	515 934	101 093	5 837 371
ECL provision *	-3 882	-20 126	-12 438	-36 445
Net carrying amount	5 216 462	495 809	88 655	5 800 925

* The ECL provision is recognised as a single amount in order to reduce the balance sheet item 'Receivables from customers'.

	Lending to household customers			
	Stage 1	Stage 2	Stage 3	Total
31 Dec 2023 (EUR'000)	12-month ECL	Lifetime ECL	Lifetime ECL	
Category 1	4 347 233	122 824	–	4 470 057
Category 2	329 722	14 030	–	343 752
Category 3	297 012	12 642	–	309 654
Category 4	125 578	6 610	–	132 187
Category 5	231 797	12 998	–	244 795
Category 6	87 657	36 230	–	123 886
Category 7	2 611	78 373	–	80 984
In default	–	–	92 415	92 415
Gross carrying amount	5 421 610	283 706	92 415	5 797 731
ECL provision *	-2 489	-13 128	-15 729	-31 346
Net carrying amount	5 419 121	270 578	76 686	5 766 385

EXPOSURE TO CREDIT RISK (LENDING TO CORPORATE CUSTOMERS, INVESTING ACTIVITIES AND OFF-BALANCE SHEET COMMITMENTS, INCLUDING THE OFF-BALANCE SHEET ACCOUNTS OF HOUSEHOLD CUSTOMERS)

30 Sep 2024 (EUR '000)	Lending to corporate customers, investing activities and off-balance sheet commitments				31 Dec 2023 (EUR'000)	Lending to corporate customers, investing activities and off-balance sheet commitments			
	Stage 1	Stage 2	Stage 3	Total		Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL			12-month ECL	Lifetime ECL	Lifetime ECL	
Category 1	2 919 030	43	–	2 919 072	Category 1	2 785 552	34	–	2 785 586
Category 2	694 544	7 490	–	702 034	Category 2	565 527	5	–	565 531
Category 3	242 344	9 793	–	252 137	Category 3	301 264	6	–	301 270
Category 4	78 892	15 826	–	94 718	Category 4	90 734	0	–	90 734
Category 5	171 030	12 908	–	183 938	Category 5	234 796	4 441	–	239 237
Category 6	121 110	38 094	–	159 204	Category 6	68 957	107 974	–	176 931
Category 7	91	3 882	–	3 973	Category 7	2 969	6 218	–	9 187
In default	–	–	10 535	10 535	In default	–	–	872	872
Gross carrying amount	4 227 041	88 036	10 535	4 325 612	Gross carrying amount	4 049 799	118 678	872	4 169 349
ECL provision *	-704	-1 297	-1 000	-3 002	ECL provision *	-1 201	-4 716	-71	-5 989

* The ECL provision for corporate customers is recognised as a single amount in order to reduce the balance sheet item 'Receivables from customers'.

The ECL provision for investment activities is recognised in the fair value reserve under 'Other comprehensive income'.

The ECL provision for off-balance sheet receivables is recognised on the balance sheet under 'Other liabilities'.

RECONCILIATION OF EXPECTED CREDIT LOSSES (LENDING TO HOUSEHOLD CUSTOMERS)

(EUR '000)	Lending to household customers			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
ECL 1 Jan 2024	2 489	13 128	15 729	31 346
Transfers from Stage 1 to Stage 2	-725	12 620	–	11 895
Transfers from Stage 1 to Stage 3	-73	–	3 201	3 128
Transfers from Stage 2 to Stage 1	101	-2 762	–	-2 661
Transfers from Stage 2 to Stage 3	–	-2 132	3 458	1 326
Transfers from Stage 3 to Stage 1	8	–	-423	-415
Transfers from Stage 3 to Stage 2	–	562	-2 425	-1 863
Changes in the risk parameters	1 577	891	-3 719	-1 251
Increases due to origination and acquisition	740	612	389	1 741
Decreases due to derecognition	-161	-555	-1 205	-1 921
Decrease in the allowance account due to write-offs	-75	-2 238	-2 567	-4 880
Net change in ECL	1 393	6 998	-3 291	5 100
ECL 30 Sep 2024	3 882	20 126	12 438	36 445

RECONCILIATION OF EXPECTED CREDIT LOSSES (LENDING TO CORPORATE CUSTOMERS, INVESTING ACTIVITIES AND OFF-BALANCE SHEET COMMITMENTS, INCLUDING THE OFF-BALANCE SHEET ACCOUNTS OF HOUSEHOLD CUSTOMERS)

(EUR '000)	Lending to corporate customers, investing activities and off-balance sheet commitments			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
ECL 1 Jan 2024	1 201	4 716	71	5 989
Transfers from Stage 1 to Stage 2	-77	386	–	309
Transfers from Stage 1 to Stage 3	-3	–	963	961
Transfers from Stage 2 to Stage 1	52	-2 515	–	-2 463
Transfers from Stage 2 to Stage 3	–	-24	4	-20
Transfers from Stage 3 to Stage 1	0	–	-14	-14
Transfers from Stage 3 to Stage 2	–	3	-16	-13
Changes in the risk parameters	-501	-597	-12	-1 109
Increases due to origination and acquisition	120	332	18	469
Decreases due to derecognition	-77	-728	-14	-819
Decrease in the allowance account due to write-offs	-10	-276	-1	-288
Net change in ECL	-497	-3 419	929	-2 987
ECL 30 Sep 2024	704	1 297	1 000	3 002

NOTE 8: FAIR VALUES AND CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES

CLASSIFICATION OF FINANCIAL INSTRUMENTS ACCORDING TO VALUATION METHOD

Fair values of financial assets 30 Sep 2024 (EUR '000)	Level 1	Level 2	Level 3	Fair value, total	Carrying amount	Fair values of financial assets 31 Dec 2023 (EUR '000)	Level 1	Level 2	Level 3	Fair value, total	Carrying amount
Financial assets measured at amortised cost						Financial assets measured at amortised cost					
Cash and cash equivalents		3 363 769		3 363 769	3 363 769	Cash and cash equivalents		2 207 041		2 207 041	2 207 041
Receivables from credit institutions		15 996		15 996	15 782	Receivables from credit institutions		9 390		9 390	9 420
Receivables from customers		7 451 171		7 451 171	7 024 238	Receivables from customers		7 364 448		7 364 448	6 934 971
Total		10 830 937		10 830 937	10 403 789	Total		9 580 879		9 580 879	9 151 432
Financial assets measured at fair value through profit or loss						Financial assets measured at fair value through profit or loss					
Debt securities		–		–	–	Debt securities		24 842		24 842	24 842
Derivatives		52 381		52 381	52 381	Derivatives		31 349		31 349	31 349
Shares and interests	6 808	11 221		18 029	18 029	Shares and interests	8 235	9 878		18 114	18 114
Total	6 808	63 602		70 410	70 410	Total	8 235	66 070		74 305	74 305
Financial assets measured at fair value through other comprehensive income						Financial assets measured at fair value through other comprehensive income					
Debt securities eligible for refinancing with central banks	557 377	10 590		567 966	563 814	Debt securities eligible for refinancing with central banks	556 081	19 333		575 414	571 735
Debt securities	65 506	–		65 506	65 086	Debt securities	100 192	3 188		103 381	102 451
Shares and interests		840	67	907	907	Shares and interests		646	121	767	767
Total	622 882	11 429	67	634 379	629 807	Total	656 273	23 168	121	679 562	674 953
Fair values of assets, total	629 690	10 905 968	67	11 535 725	11 104 005	Fair values of assets, total	664 509	9 670 117	121	10 334 747	9 900 689

Fair values of financial liabilities 30 Sep 2024 (EUR '000)	Level 1	Level 2	Level 3	Fair value, total	Carrying amount
Financial liabilities measured at amortised cost					
Liabilities to credit institutions		53 274		53 274	53 274
Liabilities to customers		8 519 906		8 519 906	8 554 858
Issued bonds	1 646 091			1 646 091	1 614 473
Subordinated debts		102 227		102 227	96 999
Total	1 646 091	8 675 406		10 321 498	10 319 604
Financial liabilities measured at fair value through profit or loss					
Derivatives		733		733	733
Total		733		733	733

Fair values of financial liabilities 31 Dec 2023 (EUR '000)	Level 1	Level 2	Level 3	Fair value, total	Carrying amount
Financial liabilities measured at amortised cost					
Liabilities to credit institutions *		34 231		34 231	34 231
Liabilities to customers *		8 151 156		8 151 156	8 239 664
Issued bonds	899 181			899 181	886 895
Subordinated debts		102 717		102 717	101 333
Total *	899 181	8 288 104		9 187 285	9 262 123
Financial liabilities measured at fair value through profit or loss					
Derivatives		829		829	829
Total		829		829	829

* The fair values of the comparison period has been amended.

The fair value of a financial instrument is determined on the basis of prices quoted in active markets, or by using measurement methods that are generally accepted in the markets. The fair values of certificates of deposit, commercial papers and derivatives (excluding futures) are determined by discounting future cash flows to the present value and applying market interest rates on the closing date. Bonds, investment fund units and futures are measured at market value. Financial assets measured at fair value are measured using the bid price, while financial liabilities at fair value are measured using the ask price.

Financial assets and liabilities measured at fair value are divided into three categories according to the method of determining fair value. Level 1 fair values

are determined using the quoted, unadjusted prices of completely identical financial assets and liabilities in an active market. Level 2 fair values are determined using generally accepted valuation models in which the input data is, to a significant extent, based on verifiable market information. Level 3 market prices are based on input data concerning an asset or liability that are not based on verifiable market information but, to a significant extent, on the management's estimates.

Transfers between Levels 1 and 2

Transfers between levels occur when there is evidence that market assumptions have changed, including when instruments are no longer actively traded. No transfers between Levels 1 and 2 took place during the period.

CHANGES AT LEVEL 3

(EUR '000)

Shares and interests, carrying amount 1 Jan 2024
Sales

Shares and interests, carrying amount 30 Sep 2024

Shares and interests

121

-54

67

The value of Level 3 financial instruments recognised at fair value includes those instruments whose fair value is

estimated by using valuation methods that are entirely or partly based on non-verifiable market values and prices.

NOTE 9: CLASSES OF FINANCIAL ASSETS AND LIABILITIES

Classes of financial assets 30 Sep 2024 (EUR '000)	Fair value through profit or loss				
	Amortised cost	Measured at fair value through other comprehensive income	Measured at fair value	Derivatives in hedge accounting	Total
Cash and cash equivalents	3 363 769				3 363 769
Debt securities eligible for refinancing with central banks		563 814			563 814
Receivables from credit institutions	15 782				15 782
Receivables from customers	7 024 238				7 024 238
Debt securities		65 086	–		65 086
Derivatives			105	52 276	52 381
Shares and interests		907	18 029		18 936
Total	10 403 789	629 807	18 134	52 276	11 104 005

Classes of financial liabilities 30 Sep 2024 (EUR '000)	Fair value through profit or loss: Derivatives in hedge accounting		
	Amortised cost		Total
Liabilities to credit institutions	53 274		53 274
Liabilities to customers	8 554 858		8 554 858
Issued bonds	1 614 473		1 614 473
Subordinated debts	96 999		96 999
Derivatives		733	733
Lease liabilities	6 212		6 212
Total	10 325 816	733	10 326 549

Classes of financial assets 31 Dec 2023 (EUR '000)	Fair value through profit or loss				
	Amortised cost	Measured at fair value through other comprehensive income	Measured at fair value	Derivatives in hedge accounting	Total
Cash and cash equivalents	2 207 041				2 207 041
Debt securities eligible for refinancing with central banks		571 735			571 735
Receivables from credit institutions	9 420				9 420
Receivables from customers	6 934 971				6 934 971
Debt securities		102 451	24 842		127 293
Derivatives			425	30 924	31 349
Shares and interests		767	18 114		18 881
Total	9 151 432	674 953	43 381	30 924	9 900 689

Classes of financial liabilities 31 Dec 2023 (EUR '000)	Fair value through profit or loss: Derivatives in hedge accounting		
	Amortised cost		Total
Liabilities to credit institutions	34 231		34 231
Liabilities to customers	8 239 664		8 239 664
Issued bonds	886 895		886 895
Subordinated debts	101 333		101 333
Derivatives		829	829
Lease liabilities	7 077		7 077
Total	9 269 200	829	9 270 029

NOTE 10: DERIVATIVES AND HEDGE ACCOUNTING

NOMINAL AND FAIR VALUES OF DERIVATIVES

Interest rate derivatives (EUR '000)	30 Sep 2024			31 Dec 2023		
	Nominal value	Positive fair value	Negative fair value	Nominal value	Positive fair value	Negative fair value
Interest rate swaps						
Designated for hedge accounting						
Debt securities	317 200	8 758	-733	397 200	13 268	-829
Liabilities to customers *	660 000	9 174	–	–	–	–
Issued bonds	1 300 000	34 345	–	500 000	17 657	–
Total	2 277 200	52 276	-733	897 200	30 924	-829
For non-hedging purposes	100 000	105	–	40 000	425	–
Derivatives, total	2 377 200	52 381	-733	937 200	31 349	-829

MATURITIES OF DERIVATIVES

Interest rate derivatives (EUR '000)	30 Sep 2024				31 Dec 2023			
	Less than one year	1-5 years	Over 5 years	Total	Less than one year	1-5 years	Over 5 years	Total
Designated for hedge accounting								
Debt securities	70 000	247 200	–	317 200	90 000	307 200	–	397 200
Liabilities to customers *	–	660 000	–	660 000	–	–	–	–
Issued bonds	–	800 000	500 000	1 300 000	–	500 000	–	500 000
For non-hedging purposes	–	100 000	–	100 000	30 000	10 000	–	40 000
Derivatives, total	70 000	1 807 200	500 000	2 377 200	120 000	817 200	–	937 200

* New hedged item. No comparison amounts.

Changes in the fair value of hedged items attributable to the hedged risk are recognised in the income statement under 'Net income from hedge accounting'. Changes in the fair value not attributable to the

hedged risk are recognised in the fair value reserve. Changes in the fair value of the hedging items included in hedge accounting are recognised in the income

statement under Net result from hedge accounting. When hedging is effective, the changes in fair value offset each other and the net result is close to zero.

The accounting policies for hedge accounting are described in the 2023 financial statements.

NOTE 11: ISSUED BONDS

Bonds (EUR '000)	30 Sep 2024		31 Dec 2023		Interest	Maturity
	Carrying amount	Nominal value	Carrying amount	Nominal value		
Secured bonds						
S-Bank Plc's Covered Bond	519 477	500 000	517 291	500 000	Fixed 3.75%	26 Sep 2028
S-Bank Plc's Covered Bond	507 102	500 000	–	–	Fixed 3.00%	16 Apr 2030
Secured bonds, total	1 026 579	1 000 000	517 291	500 000		
Unsecured bonds						
S-Bank Plc's Senior Preferred MREL Eligible Notes 1/2021, Tranche 1	84 302	83 900	170 281	170 000	Euribor 3 m + 0.75%	4 Apr 2025
S-Bank Plc's Senior Preferred MREL Eligible Notes 1/2021, Tranche 2	49 324	50 000	49 324	50 000	Euribor 3 m + 0.75%	4 Apr 2025
S-Bank Plc's Senior Preferred MREL Eligible Notes 1/2023	150 000	150 000	150 000	150 000	Euribor 3 m + 2.30%	23 Nov 2026
S-Bank Plc's Senior Preferred MREL Eligible Notes 1/2024	304 269	300 000	–	–	Fixed 4.875% until 8 Mar 2027 and after that Euribor 3 m + 1.95%	8 Mar 2028
Unsecured bonds, total	587 894	583 900	369 605	370 000		
Bonds, total	1 614 473	1 583 900	886 895	870 000		

NOTE 12: SUBORDINATED DEBTS

Debentures (EUR '000)	30 Sep 2024		31 Dec 2023		Interest	Maturity
	Carrying amount	Nominal value	Carrying amount	Nominal value		
Debenture I/2016	8 667	8 667	13 000	13 000	Euribor 12 m + 1.8%	30 Jun 2026
Debenture I/2017	5 333	5 333	5 333	5 333	Euribor 12 m + 1.8%	18 Dec 2027
Debenture I/2020	25 500	25 500	25 500	25 500	Euribor 12 m + 2.0%	1 Dec 2030
Debenture I/2021	57 500	57 500	57 500	57 500	Euribor 12 m + 2.0%	8 Oct 2031
Debentures, total	96 999	96 999	101 333	101 333		

NOTE 13: COLLATERAL GIVEN

(EUR '000)	Other collateral	
	30 Sep 2024	31 Dec 2023
Derivatives	10 167	4 257
Collateral given for own debt, total*	10 167	4 257
of which cash	10 167	4 257
Other collateral given on own behalf	557	357
of which cash	557	357

* The comparison period has been amended since the publication of the 31 December 2023 financial statements. Collateral given in form of securities has been reported as pre-pledged collateral for central bank in the 31 December 2023 financial statements. Since 31 March 2024, they are not included in the figures, if the limit in central bank has not been used.

NOTE 14: OFF-BALANCE SHEET COMMITMENTS

(EUR '000)	30 Sep 2024	31 Dec 2023
Guarantees	970	2 170
Other	38	52
Undrawn credit facilities	139 202	144 045
Off-balance sheet commitments, total	140 210	146 266

Impairment of off-balance sheet items is presented in Note 7. The expected credit loss on off-balance sheet items is EUR 1 068 thousand (1 879).

NOTE 15: RELATED PARTIES

Related-party information is described in more detail in the 2023 financial statements.

NOTE 16: ACQUISITION OF HANDELSBANKEN'S FINNISH PRIVATE CUSTOMER, ASSET MANAGEMENT AND INVESTMENT SERVICES OPERATIONS

S-Bank announced on 31 May 2023 that it will acquire the Finnish private customer, asset management and investment services operations of Svenska Handelsbanken AB. Earlier on the same day Handelsbanken signed an agreement with S-Bank, Oma Savings Bank Plc (OmaSp) and Fennia Life Insurance Company Ltd. to sell the bank's Finnish retail banking, asset management and investment services businesses to S-Bank, its SME business to OmaSp and its life insurance business, including investment, pension and loan insurance, to Fennia. The Finnish Competition and Consumer Authority gave approval of the transaction to all buyers in July 2023. The parties expect the transaction to be completed at the turn of November–December 2024.

For the time being, Handelsbanken and S-Bank will continue to serve their customers as before, and customers of both banks will continue to use their own bank. Upon completion of the transaction, approximately 230 Handelsbanken employees and nearly all of the bank's Finnish branches will be transferred to S-Bank. The companies will also start to cooperate, and S-Bank will begin to offer funds managed by Handelsbanken Fonder AB.

S-Bank will not pay a premium on the transaction. S-Bank will pay Handelsbanken a cash amount that is EUR 20–25 million less than the net value of the balance sheet items to be transferred at closing. The net value is determined by the difference between the values of the loan and deposit agreements to be transferred. The net value of the transaction amounted to approximately EUR 1.6 billion on 30 June 2024 (EUR 2.0 billion on 31 March 2023). The value of

loans to be transferred amounted to approximately EUR 2.9 billion on 30 June 2024 (EUR 3.6 billion on 31 March 2023), with deposits amounting to EUR 1.3 billion (EUR 1.6 billion on 31 March 2023). The final purchase price will be determined at closing on the basis of the value of the loan and deposit agreements current at that time. Handelsbanken's Assets Under Management (AUM) to be transferred to S-Bank have increased from EUR 2.6 billion from the end of March in 2023 to EUR 2.7 billion by the end of June in 2024.

The transaction will be covered with a subsequent share issue to the owners, debt financing from the market as well as bilateral financing agreements. S-Bank will strengthen its own funds with a share issue of up to EUR 200 million to ensure that the bank's capitalisation and capital adequacy will remain strong also following the transaction. The owners of S-Bank, SOK Corporation

and the cooperative societies belonging to the S Group, have committed to the share issue. S-Bank has also agreed on financing arrangements, which originally had a total value of approximately EUR 2.0 billion. During the initial stage, financing will be arranged by Danske Bank A/S. To cover the debt financing and pay the transaction price, S-Bank has and will issue covered and senior bonds between 2023 and 2025.

On 26 September 2023, S-Bank issued its first covered bond with nominal value EUR 500 million. After the issue, the value of the abovementioned financing arrangements was amended with the nominal value of the issue. On 8 March 2024 S-Bank issued a Senior Preferred MREL Eligible Notes –bond and after that issue the value of financing agreements was amended with EUR 110 million. On 16 April 2024, S-Bank issued its second covered bond with a nominal value of EUR 500 million. After the issue,

the value of the financing arrangements was amended with the nominal value of the issue.

On 24 September 2024, S-Bank issued an increase of EUR 100 million in the original amount of its bond (tap issue). The tap issue concerns the Senior Preferred MREL Eligible Notes 1/2024 in the original amount EUR 300 million issued on 8 March 2024 and maturing on 8 March

2028. After the issue, the value of the financing arrangements was amended with the nominal value of the issue.

After the abovementioned issues, the value of the financing arrangements, which originally had a total value of approximately EUR 2.0 billion, was approximately EUR 0.8 billion at the end of the review period.

S-Bank's result for the review period includes expenses of EUR 8.4 million (EUR 4.2 million in year 2023). Those are expenses for consultancy and advisory services related to planning and preparation of the acquisition. In addition, the result includes expenses of EUR 4.3 million (EUR 5.4 million in year 2023) related to the financing arrangements mentioned earlier.

There are also contingent liabilities worth about EUR 0.4 million according to IAS 37, subject to the completion of the acquisition, for consultancy and advisory services related to planning and preparation of the acquisition. These costs are expected to be taken into result in December 2024.

6 November 2024

S-Bank Plc's Board of Directors

Financial calendar

S-Bank publishes financial information regularly. An up-to-date calendar can be found on S-Bank's website at s-pankki.fi/investors.

6 February 2025: Financial statements bulletin for 2024

This document is an English translation of the Finnish report on review of the interim report. Only the Finnish version of the report is legally binding.

REPORT ON REVIEW OF THE INTERIM REPORT OF S-BANK PLC AS OF AND FOR THE NINE MONTHS PERIOD ENDING SEPTEMBER 30, 2024

To the Board of Directors of S-Bank Plc

Introduction

We have reviewed the balance sheet as of September 30, 2024 and the related income statement, statement of other comprehensive income, statement of changes in equity capital and cash flow statement of S-Bank Plc Group for the nine-month period then ended, as well as other explanatory notes to the consolidated financial statements. The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 Interim Financial Reporting and other Finnish rules and regulations governing the preparation of interim reports. We will express our conclusion on the interim report based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and other generally accepted auditing practices and consequently does not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report, in all material respects, is not prepared in accordance with IAS 34 Interim Financial Reporting and other applicable rules and regulations governing interim financial reporting preparation in Finland.

Helsinki, 6 November 2024

KPMG OY AB

Petri Kettunen

Authorised Public Accountant, KHT



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