

**CREDIT OPINION**

17 July 2024

Update

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**RATINGS**

**Santander Consumer Bank AS**

Domicile	Norway
Long Term CRR	A2
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	A2
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	A2
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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**CLIENT SERVICES**

# Santander Consumer Bank AS

Update to credit analysis following periodic review

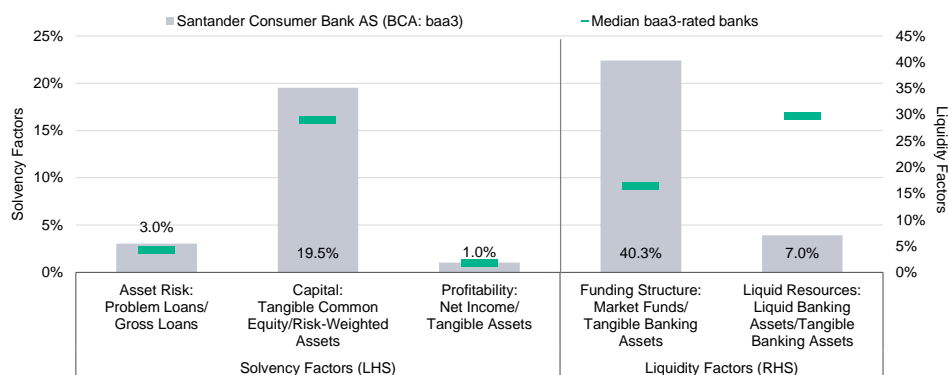
**Summary**

[Santander Consumer Bank AS](#) (SCB) A2 long-term issuer ratings and baa3 baseline credit assessment (BCA), reflect the bank's established position as one of the Nordic region's leading auto and consumer finance lenders, which alongside its high profitability and strong capitalization, Moody's expects to persist over the next 12-18 months.

This is balanced against SCB's moderate asset risks from auto finance lending and its high reliance on potentially more confidence-sensitive wholesale funding, underpinned by a weaker deposit franchise relative to peers, and the limitations that arise from its monoline business model, as in the case for other specialised lenders.

The adjusted BCA of baa2 incorporates one notch of uplift, reflecting our expectation of a high probability of affiliate support from its parent, [Santander Consumer Finance S.A.](#) (SCF, A2/A2 stable, baa2<sup>1</sup>). The A2 long-term deposit, senior unsecured and issuer ratings also incorporates three notches of uplift based on our Advanced Loss Given Failure (LGF) analysis on the bank's liabilities.

Exhibit 1  
**Rating Scorecard - Key financial ratios**



These are our [Banks Methodology](#) scorecard ratios. Asset risk and profitability reflect the weaker of either the three-year average or latest annual figure. Capital is the latest reported figure. Funding structure and liquid resources reflect the latest fiscal year-end figures.

Source: Moody's Ratings

## Credit strengths

- » Strong capital levels, benefiting from the ongoing support from its parent
- » Relatively high profitability driven by a high net interest margin and an efficient cost structure
- » Geographical diversifications with a pan Nordic footprint support the bank's risk profile
- » A high probability of extraordinary affiliate support, in case of need

## Credit challenges

- » Asset quality and profitability will continue to face pressure because of a challenging operating environment and limited volume growth
- » High reliance on wholesale funding, mitigated by the presence of its parent and growing deposit base
- » Undiversified business model increases sensitivity to changes in the operating environment

## Outlook

The outlook on SCB's deposit, issuer and senior unsecured debt ratings is stable, reflecting our expectation that the bank's financial performance and credit profile will be broadly stable in the next 12-18 months.

## Factors that could lead to an upgrade

- » SCB's ratings could be upgraded if it improves its credit risk profile while maintaining satisfactory levels of profitability, and its reliance on confidence sensitive market funding declines, exerting upward pressure on its baseline credit assessment (BCA).
- » Concurrently, SCB's junior senior debt ratings could be further upgraded if the bank issues larger volumes of junior liabilities, including SNP, resulting in a lower loss given failure.

## Factors that could lead to a downgrade

- » SCB's ratings could be downgraded if the bank's capital declines significantly; asset quality deteriorates, or its risk profile increases in combination with lower profitability; or the bank's funding and liquidity characteristics weaken exerting negative pressure on its BCA.
- » SCB's ratings could also be downgraded in case Moody's lowers its affiliate support assumptions, due to a reduced commitment by the parent bank to support its subsidiary.
- » In addition, a potential shift in SCB's liability structure – for example, if the amount of outstanding junior senior unsecured debt were to significantly decline – could lead to lower creditor protection and a downgrade of the bank's deposit and senior debt ratings.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody.com> for the most updated credit rating action information and rating history.

## Key indicators

Exhibit 2

### Santander Consumer Bank AS (Consolidated Financials) [1]

	03-24 <sup>2</sup>	12-23 <sup>2</sup>	12-22 <sup>2</sup>	12-21 <sup>2</sup>	12-20 <sup>2</sup>	CAGR/Avg. <sup>3</sup>
Total Assets (NOK Billion)	214.8	212.1	202.9	192.4	198.9	2.4 <sup>4</sup>
Tangible Common Equity (NOK Billion)	26.3	26.3	27.2	26.3	25.8	0.6 <sup>4</sup>
Problem Loans / Gross Loans (%)	3.0	2.9	2.6	3.1	2.7	2.9 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	19.5	19.4	20.5	20.6	19.6	19.9 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	19.1	18.1	15.6	17.3	16.1	17.2 <sup>5</sup>
Net Interest Margin (%)	3.6	3.5	3.4	3.6	3.7	3.6 <sup>5</sup>
PPI / Average RWA (%)	3.7	3.2	3.3	3.4	3.4	3.4 <sup>6</sup>
Net Income / Tangible Assets (%)	1.0	1.2	1.3	1.3	1.0	1.2 <sup>5</sup>
Cost / Income Ratio (%)	42.1	45.7	41.7	42.2	44.8	43.3 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	38.8	40.3	44.1	42.9	40.8	41.4 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	6.8	7.0	7.2	9.3	8.8	7.8 <sup>5</sup>
Gross Loans / Due to Customers (%)	208.9	220.1	246.8	239.5	223.4	227.7 <sup>5</sup>

[–] Further to the publication of our revised methodology in July 2021, only ratios from annual 2020 onwards included in this report reflect the change in analytical treatment of the "high-trigger" Additional Tier 1 instruments. [1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Ratings and company filings

## Profile

SCB is a fully owned subsidiary of SCF, a part of [Banco Santander S.A. \(Spain\)](#) (Banco Santander, A2/A2 positive, baa1), operating in the Nordic region of Europe. Headquartered in Norway, SCB provides secured auto financing (86% of lending as of Q1 2024) and unsecured consumer loans and credit cards (14%) in Norway, Sweden, Denmark and Finland. The bank collects online retail deposits in Norway, Sweden and Denmark.

SCB is the market leader in auto finance in the Nordics, with gross auto financing at NOK 168 billion as of Q1 2024. SCB's gross consumer loan book totaled NOK 27 billion and its total assets were NOK 215 billion (equivalent to €19.1 billion) as of Q1 2024.

The larger Santander Group operated out of more than 8,500 branches and served a customer base of more than 166 million as of the end of Q1 2024.

## Recent developments

As of January 2024, the Group has been operating under a reduced Pillar 2 requirement, which now stands at 2.4% of risk-weighted assets (RWAs). There has been no adjustment to the Pillar 2 Guidance, which remains at 1.5% and must be fully met with Common Equity Tier 1 (CET1) capital.

Additionally, from January 2024, the Group has been subjected to, and has successfully complied with, the newly established internal Minimum Requirement for own funds and Eligible Liabilities (MREL), as instituted by the Norwegian Financial Supervisory Authority in its capacity as the resolution authority. Since 2022, the Group has been gradually augmenting its MREL capital through its own funds and eligible liabilities, which have been indirectly issued to its ultimate parent company, Banco Santander S.A.

## Detailed credit considerations

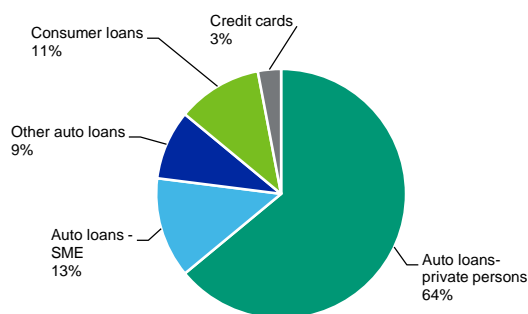
### Moderate asset risk from the bank's focus on auto financing and Nordic geographical footprint

SCB's asset risk is viewed as moderate, this balances a record of relatively modest credit losses which benefits from supportive operating conditions in its diversified Nordic markets against its focus on less secured forms of financing compared with, for example, mortgage lending.

We expect SCB's loan quality to weaken moderately over the coming quarters because of increased unemployment in parts of the Nordics, although somewhat mitigated by moderating interest rates going forward which will reduce pressure on consumers. In particular, we expect the modest deterioration to occur in the bank's unsecured portfolio.

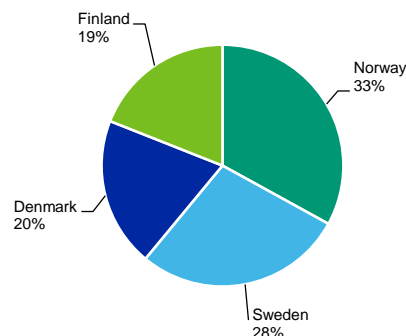
Despite the current deterioration in economic conditions, the bank continues to benefit from relatively supportive operating conditions and a degree of geographical diversification across its Nordic markets. Norway is the main contributor to SCB's loan portfolio accounting for 33% of total lending as of March 2024, followed by Sweden (28%), Denmark (20%) and Finland (19%) (see Exhibit 5). SCB's main products are auto loans, which are secured by vehicles (86% of total loans as of March 2024), followed by unsecured loans (14%), predominantly consumer loans and credit cards.

Exhibit 3  
**SCB focuses on auto and consumer financing**  
 Loan breakdown by product as of the end of March 2024.



Source: Moody's Ratings and company reports

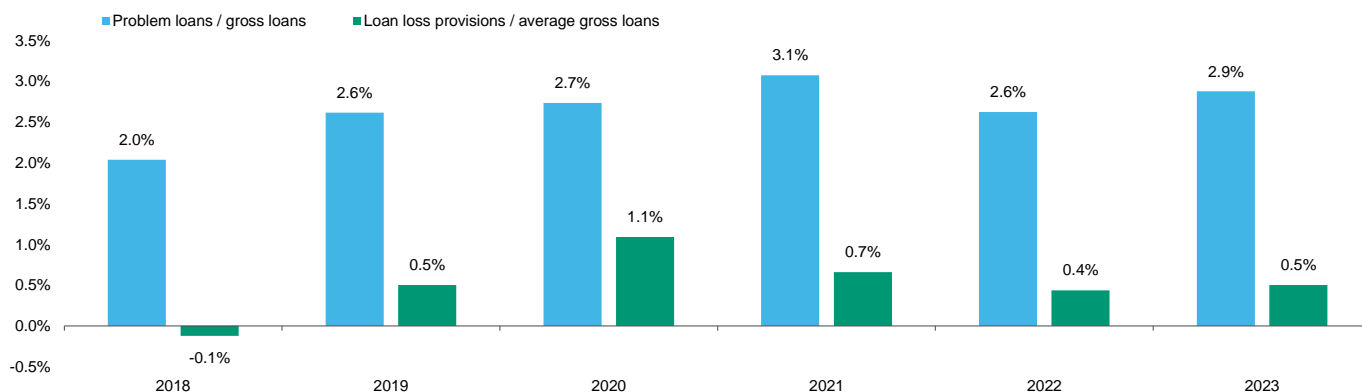
Exhibit 4  
**SCB has a diversified presence in the Nordic region**  
 Loan breakdown by geography as of March 2024



Source: Moody's Ratings and company reports

Problem loans (IFRS 9 Stage 3 loans) increased slightly to 3.0% of gross loans as of the end of March 2024, comparing to 2.7% as of March 2023. Similarly, SCB's annualised credit costs (loan-loss provisions/average gross loans) increased slightly to 0.5% as of December 2023 from 0.4% as of December 2022. The main driver for the increase was the softening economic environment. Loss allowance coverage is sound at 66% for Stage 3 unsecured loans and 49% for secured loans as of the end of March 2024.

Exhibit 5  
**Asset-risk metrics remained broadly adequate in the past six years, but will likely deteriorate somewhat in the coming quarters**  
 Credit costs and problem loan ratio evolution



The higher problem loans ratio for 2019 was principally driven by a revised policy whereby contracts are written off at 720 days past due from 180 days previously.

Source: Moody's Ratings

**Strong capitalisation, benefiting from the ongoing support from the parent**

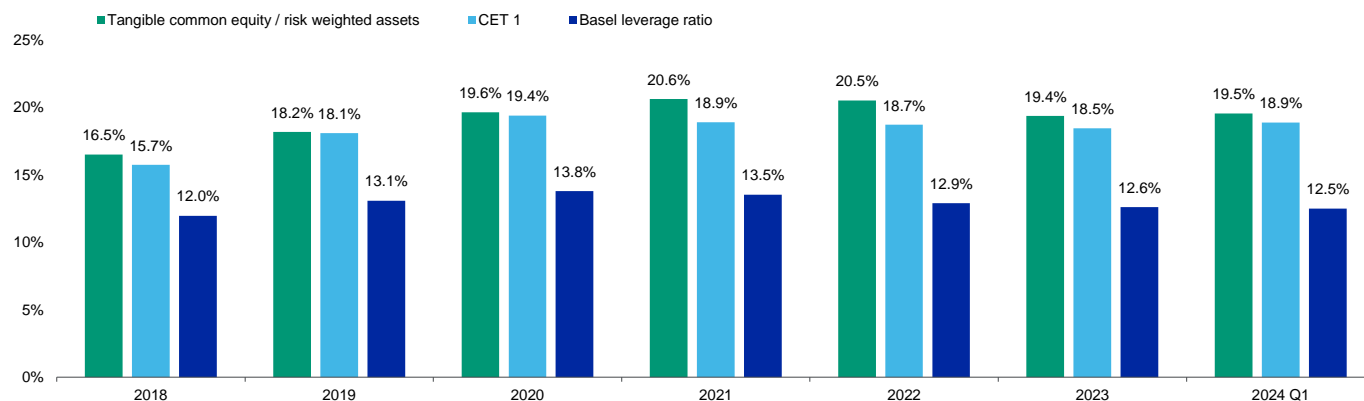
We expect SCB's capitalisation to remain strong and well above its regulatory requirements, as reflected in the a2 assigned capital score. As of March 2024, Moody's capital metric, tangible common equity (TCE)/risk-weighted assets (RWA) was 19.5%, and is supported by its strong internal capital generation ability and a conservative dividend policy. SCB paid its NOK800 million full-year 2023 dividend in 1Q24, which represented 34% of profit after tax for 2023.

SCB reported a Common Equity Tier 1 (CET1) capital ratio of 18.9% and leverage ratio of 12.6% as of the end of December 2023<sup>2</sup>, which was substantially above the minimum regulatory requirement of 13.0% and 3.0%, respectively. The CET1 requirement includes a 1.2% combined systemic risk buffer in Norway, a 1.9% combined countercyclical capital buffer (CCyB) (reflecting SCB's Nordic operations mix), and a bank-specific Pillar 2 requirement of 2.4% set by the Norwegian FSA. In addition, the FSA has set a Pillar 2 guidance of 1.5%.

Exhibit 6

### Risk-weighted capitalisation and leverage are strong and substantially above the regulatory requirements

#### Evolution of SCB's capital metrics



The regulatory capital metrics are those under IFRS 9 transitional rules up until year-end 2021. From Q1 2022 SCB will only report under the fully loaded approach.

Source: Moody's Ratings and company reports

Our assessment also takes into account SCB's access to capital from its parent, which supports its ability to grow its business and make acquisitions. Furthermore, all of SCB's NOK 2.52 billion of Tier 2 capital eligible subordinated debt and NOK 2.25 billion Additional Tier 1 capital instruments as of March 2024 were issued to SCF.

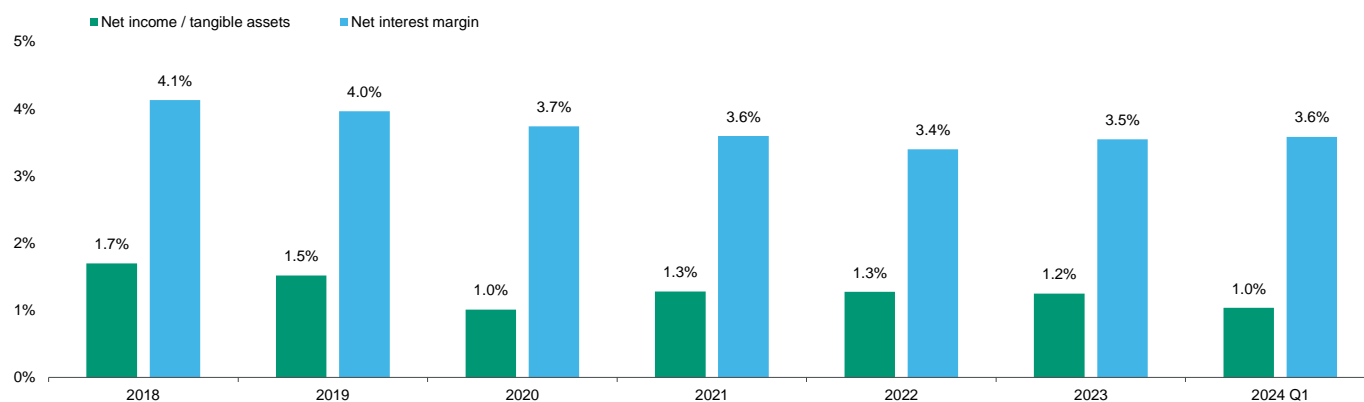
### Relatively high profitability, which will continue to face pressure in the coming quarters

SCB's a3 assigned profitability score reflects the bank's relatively high profitability, which benefits from strong net interest margin (NIM) and low cost-to-income ratio, offset by modest credit losses. Looking forward, earnings will be continue to be pressured by strong competition in the unsecured consumer finance market, which has contributed in an increasing share of relatively lower-yielding auto lending, as well as moderating NIMs as interest rates decline, however given the bank's strong franchise and tight cost control we expect net income to tangible assets to remain broadly around 1.2%.

Exhibit 7

### Profitability has remained broadly strong but will face some strain in the coming months

#### Evolution of SCB's profitability metrics



Source: Moody's Ratings

SCB's loan portfolio increased by 4% in 2023, resulting in a five year average growth of 4%. The increase in 2023 was primarily driven by higher sales in auto finance offsetting declines in unsecured lending volumes, as well as a weaker NOK towards SEK, DKK and EUR. The bank's cost efficiency is good, with a cost-to-income ratio of 42.1% for Q1 2024 (Q1 2023: 45.0%), but above the bank's target of 35%. We expect the bank to continue to focus on cost control and therefore maintain its operating efficiency.

### High reliance on wholesale funding, mitigated by the presence of the parent and growing deposit base; adequate liquidity

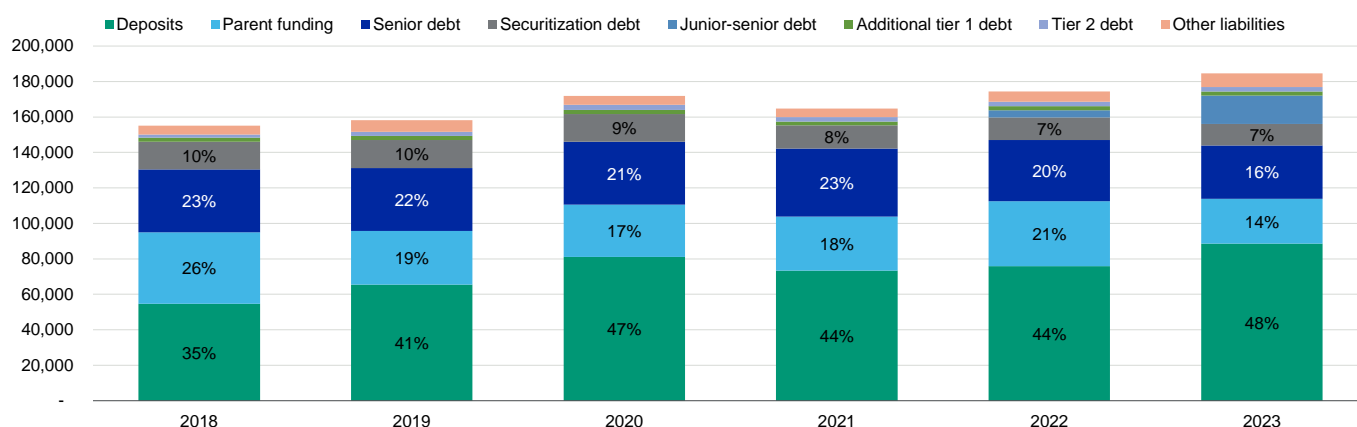
Our funding structure score of ba3 reflects SCB's relatively high reliance on potentially confidence sensitive wholesale funding, although this is mitigated by the ongoing funding support from its parents, SCF and Banco Santander, and by growth in customer deposits through online retail deposits in its main locations, excluding Finland. Deposits in Norway, Sweden and Denmark increased by a total of 10.1% as of March 2024 compared to March 2023.

As of the end of December 2023, market funds/tangible banking assets ratio was 40%. SCB relied directly on its parent SCF for 14% of its funding, measured as a percentage of total liabilities (see exhibit 8). The other main sources of funding were 48% customer deposits, 16% senior unsecured bonds and 7% securitisation.

Exhibit 8

### SCB has a diversified funding profile

#### Distribution of SCB's funding sources



Source: Moody's Ratings

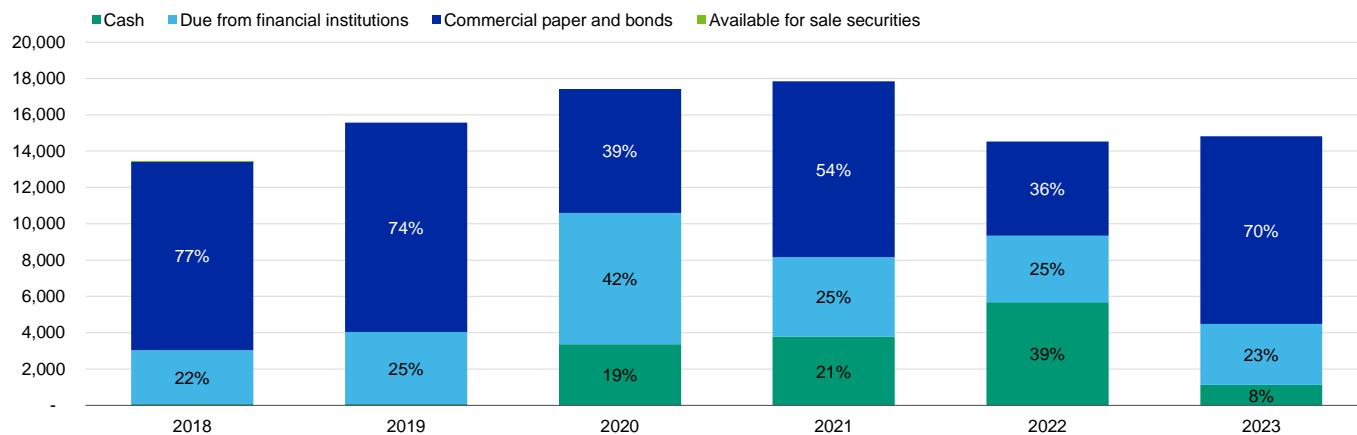
SCB's funding strategy is to improve its funding independence, with a particular focus on expanding deposits which we view positively. Nonetheless, potential recourse to SCF offers funding security in case other direct sources of funding dry out.

SCB's liquidity is adequate, consisting mostly of cash, deposits with financial institutions and highly rated securities (see exhibit 9). The bank reported an overall liquidity coverage ratio (LCR) of 166% as of December 2023, above the 100% minimum requirement. The net stable funding ratio (NSFR) as of December 2023 was 112%. In addition, our ba1 liquid resources score also takes into consideration the bank's access to considerable liquidity in the form of a multicurrency drawdown facilities from SCF and Santander Group, reflected in the three notch positive adjustment to the initial liquidity score.

Exhibit 9

**SCB's liquidity is adequate**

SCB's liquidity profile, excluding liquidity lines



Source: Moody's Ratings

**An undiversified business model, focused on auto financing and consumer lending**

SCB has an established market position and is the leader in auto financing in Norway and Denmark, ranks number three in Sweden and Finland. The bank serves around 1.6 million customers and work with more than 5,600 car dealers in the Nordics as of the end of December 2023.

However, the main products contributing to SCB's bottom line are limited because the bank is predominantly involved in auto financing and unsecured consumer lending, and its earnings may be vulnerable to unexpected shocks, such as new regulation curbing lending growth or enforcing pricing caps. Similarly to other specialised lenders, we therefore adjust the bank's Financial Profile score of baa2, which reflects the relatively strong set of financial ratios, downward by one notch for the lack of Business Diversification.

There are potential long-term challenges to SCB's current business model within the auto segment driven by changing consumer behavior, both in terms of how cars are purchased (where customers could seek to purchase vehicles via online sales channels versus through the car dealers), leasing and subscription models, as well as a changing taxation landscape and growing demand for low emission vehicles. However, SCB is well positioned against these sectoral changes, with a substantial and growing share of loans financing low emission vehicles, a diversified, multichannel approach with online only options, and support from the wider Santander Group with its strong international auto finance franchise.

**Source of facts and figures cited in this report**

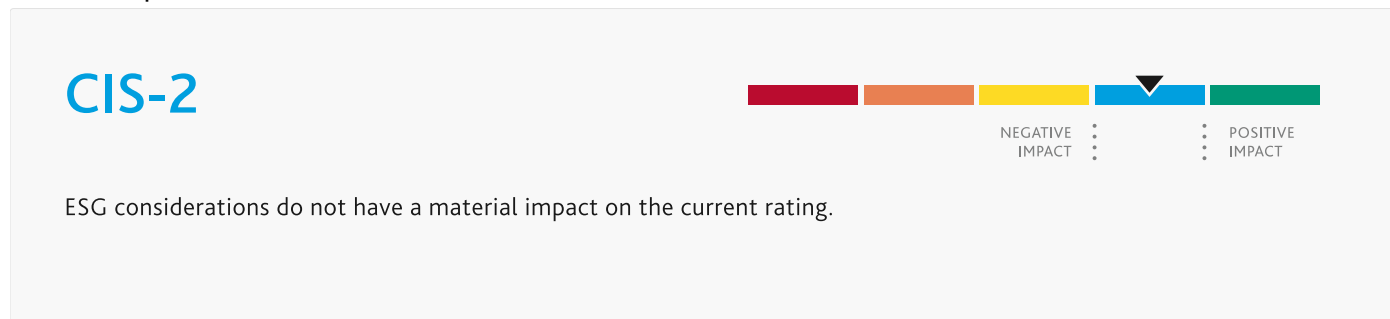
Bank-specific figures originate from banks' reports, and are based on our own chart of accounts and may be adjusted for analytical purposes. Please refer to the document [Financial Statement Adjustments in the Analysis of Financial Institutions](#), published on 8 April 2024.

## ESG considerations

### Santander Consumer Bank AS' ESG credit impact score is CIS-2

Exhibit 10

#### ESG credit impact score



Source: Moody's Ratings

Santander Consumer Bank AS's ESG Credit Impact Score is (CIS) 2. This indicates that ESG considerations are not material to the rating and reflects the limited credit impact of environmental and social risk factors on the rating to date, and the low governance risks.

Exhibit 11

#### ESG issuer profile scores



Source: Moody's Ratings

### Environmental

SCB faces environmental risks, primarily because of its portfolio exposure to carbon transition risk in its auto lending business. SCB's auto lending portfolio constituted 85% of its total lending as of March 2023, which renders it potentially sensitive to changes in customer preferences driven by environmental concerns and digitalisation. The shift toward electric rather than combustion engines will change the characteristics of the loan book and affect the cash flow of the auto dealers to which the bank is exposed to, as consumers show a growing preference for more eco-friendly vehicles across the Nordic region. In Norway, more than 50% of all new cars sold are fully electric. For example, SCB is issuing green bond to finance loans and leases for electric vehicle.

### Social

Santander Consumer Bank is exposed to social risks particularly related to customer relations risk and associated regulatory and litigation risks, requiring high compliance standards. These risks are mitigated by SCB's developed policies and procedures. SCB's high cyber and personal data risks are mitigated by the group's sound IT framework.

### Governance

Santander Consumer Bank faces low governance risks. Its management, policies and procedures are in line with industry best practices. Because SCB is effectively controlled by Santander Consumer Finance and ultimately Banco Santander through their 100% shareholding, we have aligned the subsidiary's board structure, policies and procedures score with that of its parents, given the bank's strategic importance and public affiliation with the group, the parent's oversight of its subsidiary board and the regulated nature of the entities.



ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moody's.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

## Support and structural considerations

### Affiliate support

SCB's baa2 Adjusted BCA incorporates a high probability of extraordinary affiliate support from SCF in case of need and ultimately from Banco Santander, which translates into a one-notch uplift from its baa3 standalone BCA<sup>3</sup>. Our view of a high probability of affiliate support is based on the 100% ownership by SCF; SCF's high degree of involvement in the strategy and management of SCB; and the ongoing funding and capital support as SCF subscribes to a portion of SCB's debt and all hybrid capital instruments.

### Loss Given Failure (LGF) analysis

In 2019 Norway transposed the European Union Bank Resolution and Recovery Directive (BRRD) into local legislation and BRRD2 was implemented into Norwegian law 1 June 2022. As a result, we consider the country an operational resolution regime. In accordance with our rating methodology, we apply our Advanced LGF analysis, taking into consideration the risks faced by different debt and deposit classes across the liability structure should the bank enter resolution.

In our Advanced LGF analysis, we use our standard assumptions and assume a residual TCE of 3% and post-failure losses of 8% of tangible banking assets. We also assume a 25% runoff of junior wholesale deposits and a 5% runoff of preferred deposits. Moreover, we assign a 25% probability to junior deposits being preferred to senior unsecured debt. However, for SCB, we assume that 10% of deposits can be considered junior deposits to reflect its retail-based deposit structure. We include intragroup liabilities in our LGF waterfall for SCB, such as the junior senior debt and hybrid capital instruments that are issued by SCB to its parent banks.

Under these assumptions, our LGF analysis indicates a very low loss given failure for SCB's A2 deposits and senior unsecured debt because of the loss absorption provided by the significant amount of senior unsecured and junior-senior unsecured debt outstanding. This leads to a three-notch rating uplift for deposits and senior unsecured debt from the bank's baa2 Adjusted BCA.

SCB's junior-senior ratings of (P)Baa1 are rated one notch above the adjusted BCA due to high volumes of senior non-preferred debt issued by the bank. Subordinated debt ratings of Baa2 are rated in line with the adjusted BCA, which captures the risk characteristics of this class of debt.

### Government support considerations

We do not incorporate any government support uplift into SCB's ratings because we consider the probability of government support, in case of need, low.

## Methodology and scorecard

### About Moody's Bank Scorecard

Our Bank Scorecard is designed to capture, express and explain in summary form our Rating Committee's judgment. When read in conjunction with our research, a fulsome presentation of our judgment is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

## Rating methodology and scorecard factors

Exhibit 12

### Rating Factors

<b>Macro Factors</b>											
<b>Weighted Macro Profile</b>	<b>Strong +</b>	<b>100%</b>									
Factor	Historic Ratio	Initial Score	Expected Trend	Assigned Score	Key driver #1	Key driver #2					
Solvency											
Asset Risk											
Problem Loans / Gross Loans	3.0%	a3	↔	baa2	Expected trend	Long-run loss performance					
Capital											
Tangible Common Equity / Risk Weighted Assets (Basel III - fully loaded)	19.5%	aa2	↔	a2	Expected trend	Stress capital resilience					
Profitability											
Net Income / Tangible Assets	1.0%	a3	↔	a3	Expected trend						
Combined Solvency Score		a1		a3							
Liquidity											
Funding Structure											
Market Funds / Tangible Banking Assets	40.3%	b1	↔	ba3	Market funding quality						
Liquid Resources											
Liquid Banking Assets / Tangible Banking Assets	7.0%	b1	↔	ba1	Additional liquidity resources						
Combined Liquidity Score		b1		ba2							
Financial Profile				baa2							
Qualitative Adjustments				Adjustment							
Business Diversification				-1							
Opacity and Complexity				0							
Corporate Behavior				0							
Total Qualitative Adjustments				-1							
Sovereign or Affiliate constraint				Aaa							
BCA Scorecard-indicated Outcome - Range				baa2 - ba1							
Assigned BCA				baa3							
Affiliate Support notching				1							
Adjusted BCA				baa2							
<b>Balance Sheet</b>		<b>in-scope (NOK Million)</b>		<b>% in-scope</b>	<b>at-failure (NOK Million)</b>		<b>% at-failure</b>				
Other liabilities		60 126		28.2%	66 686		31.3%				
Deposits		93 706		43.9%	87 147		40.8%				
Preferred deposits		84 335		39.5%	80 119		37.6%				
Junior deposits		9 371		4.4%	7 028		3.3%				
Senior unsecured bank debt		32 337		15.2%	32 337		15.2%				
Junior senior unsecured bank debt		16 019		7.5%	16 019		7.5%				
Dated subordinated bank debt		2 522		1.2%	2 522		1.2%				
Preference shares (bank)		2 250		1.1%	2 250		1.1%				
Equity		6 401		3.0%	6 401		3.0%				
Total Tangible Banking Assets		213 361		100.0%	213 361		100.0%				
<b>Debt Class</b>		<b>De Jure waterfall</b>		<b>De Facto waterfall</b>		<b>Notching</b>		<b>LGF</b>	<b>Assigned</b>	<b>Additional Preliminary</b>	
		<b>Instrument</b>	<b>Sub-ordination</b>	<b>Instrument</b>	<b>Sub-ordination</b>	<b>De Jure</b>	<b>De Facto</b>	<b>Notching Guidance vs. Adjusted BCA</b>	<b>LGF notching</b>	<b>Notching</b>	<b>Rating Assessment</b>
Counterparty Risk Rating	31.2%	31.2%	31.2%	31.2%	31.2%	3	3	3	3	0	a2
Counterparty Risk Assessment	31.2%	31.2%	31.2%	31.2%	31.2%	3	3	3	3	0	a2 (cr)
Deposits	31.2%	12.7%	31.2%	27.9%	31.2%	3	3	3	3	0	a2

Senior unsecured bank debt	31.2%	12.7%	27.9%	12.7%	3	3	3	-	-	-
Junior senior unsecured bank debt	12.7%	5.2%	12.7%	5.2%	1	1	1	1	0	baa1
Dated subordinated bank debt	5.2%	4.1%	5.2%	4.1%	0	0	0	0	0	baa2
Non-cumulative bank preference shares	4.1%	3.0%	4.1%	3.0%	-1	-1	-1	-1	-2	ba2

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	a2	0	A2	A2
Counterparty Risk Assessment	3	0	a2 (cr)	0	A2(cr)	
Deposits	3	0	a2	0	A2	A2
Senior unsecured bank debt	-	-	-	0	A2	A2
Junior senior unsecured bank debt	1	0	baa1	0	(P)Baa1	(P)Baa1
Dated subordinated bank debt	0	0	baa2	0	Baa2	Baa2
Non-cumulative bank preference shares	-1	-2	ba2	0	Ba2 (hyb)	

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Ratings

## Ratings

Exhibit 13

Category	Moody's Rating
<b>SANTANDER CONSUMER BANK AS</b>	
Outlook	Stable
Counterparty Risk Rating	A2/P-1
Bank Deposits	A2/P-1
Baseline Credit Assessment	baa3
Adjusted Baseline Credit Assessment	baa2
Counterparty Risk Assessment	A2(cr)/P-1(cr)
Issuer Rating	A2
Senior Unsecured	A2
Junior Senior Unsecured MTN	(P)Baa1
Subordinate	Baa2
Pref. Stock Non-cumulative -Dom Curr	Ba2 (hyb)
ST Issuer Rating	P-1
<b>PARENT: SANTANDER CONSUMER FINANCE S.A.</b>	
Outlook	Positive
Counterparty Risk Rating	A2/P-1
Bank Deposits -Dom Curr	A2/P-1
Baseline Credit Assessment	baa2
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	A3(cr)/P-2(cr)
Senior Unsecured	A2
Junior Senior Unsecured -Dom Curr	Baa1
Subordinate -Dom Curr	Baa2
Pref. Stock Non-cumulative -Dom Curr	Ba1 (hyb)
Commercial Paper -Dom Curr	P-1

Source: Moody's Ratings

## Endnotes

- 1 The bank ratings shown in this report are the bank's deposit rating, senior unsecured debt rating and BCA.
- 2 Since Q1 2022 SCB will only report under the fully loaded approach for the IFRS 9 impact
- 3 To reflect that support could be forthcoming from SCB's ultimate parent, Banco Santander, we use SCF's Adjusted BCA as the support indicator, which incorporates our affiliate support considerations for SCF.

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