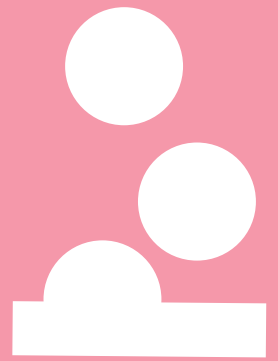
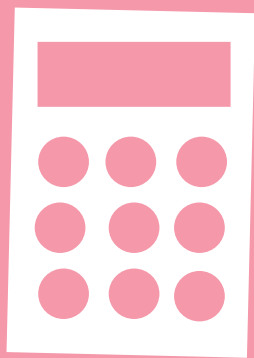
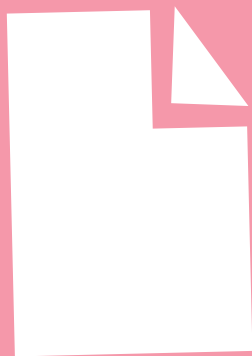
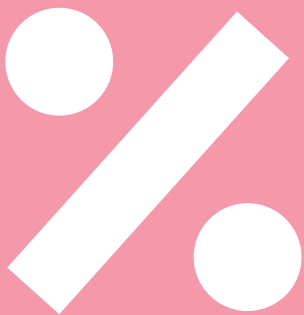


# SBAB!

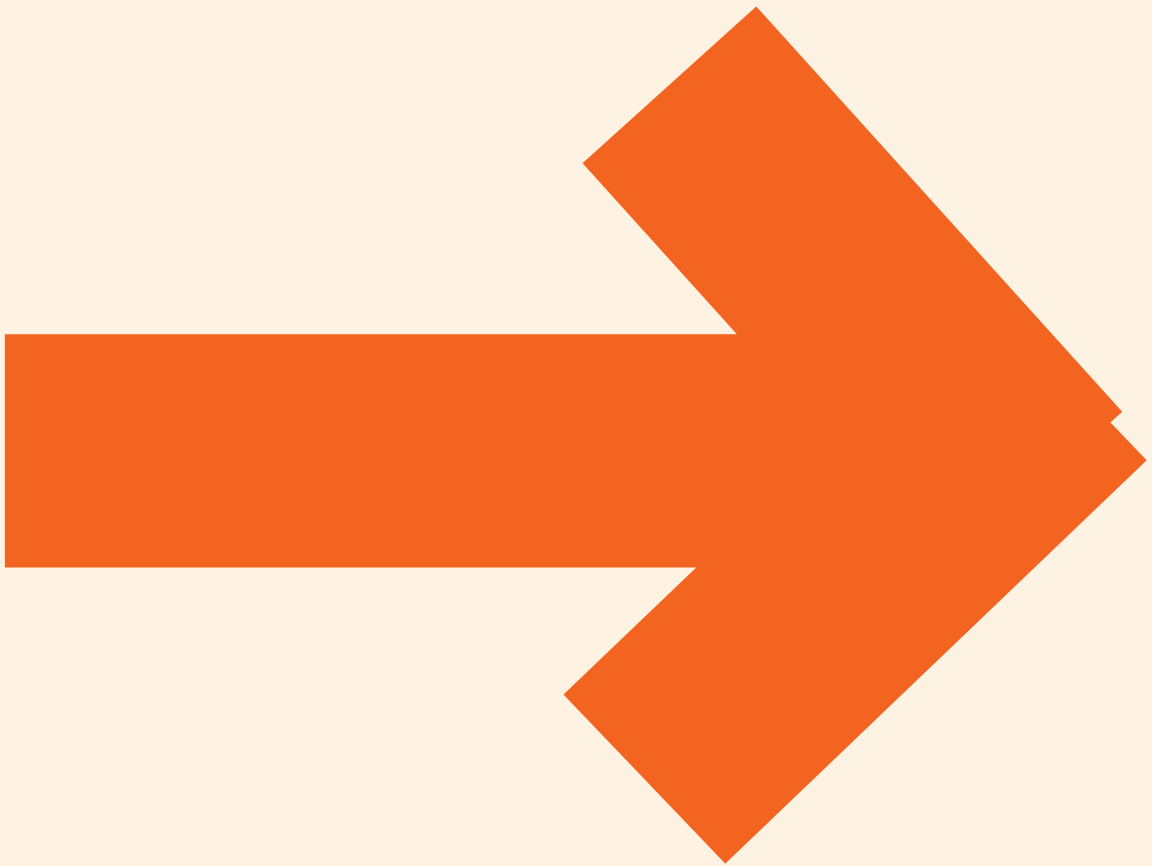


2024



# Annual Report

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<b>About SBAB</b>	
The year in brief	6
Statement from the CEO and the Chairman	8
Statement from our Head Economist	10
Offering and value creation	12
Our sustainable steering model	14
<b>The year and goals</b>	
SBAB's target areas	20
Fulfilment of goals	22
■ Long-term value creation	24
■ Satisfied customers	28
■ Sustainable society	32
■ Efficient operations	36
■ Attractive workplace	38
<b>Financial report</b>	
■ Financial report	40
■ Group performance	42
■ Market overview	43
■ Business Area Private	45
■ Business Area Corporates & Associations	48
■ Funding and liquidity	50
■ Risk and capital management	52
■ Corporate Governance Report	60
■ Proposed appropriation of profits	67
■ Board of Directors	68
■ Executive Management	70
■ Sustainability report	72
■ General disclosures	73
■ Environmental information	88
■ Social information	140
■ Governance information	157
■ Appendices	159
<b>Financial report, cont.</b>	
■ Income statement	170
■ Statement of comprehensive income	170
■ Balance sheet	172
■ Statement of changes in equity	174
■ Cash-flow statement	176
■ Financial notes	178
The Board of Directors' signatures	257
Auditor's Report	258
Auditors' Limited Assurance Report	261
Five-year summary	263
Alternative performance measures	264
Contact details and addresses	266

The pages that have been audited have been colour-coded in yellow in the table of contents. The Sustainability Report has been subject to a limited assurance review.

The Sustainability Report comprises SBAB's statutory sustainability report pursuant to the Swedish Annual Accounts Act. SBAB has chosen to early adopt the updated requirements of the Annual Accounts Act and has prepared the Sustainability Report in accordance with the European Sustainability Reporting Standards (ESRS) and the Taxonomy Regulation. For additional information about the Report and the reporting principles, see page 73.

# We enable tomorrow homes and housi

SBAB offers loans, savings and other services to private individuals, tenant-owners' associations and property companies in Sweden. We want to make the housing journey easy and stress-free for our customers, whether it's buying, selling or living in a home. We help over half a million people improve their housing and household finances. Today we finance about 10% of all housing in Sweden, and every sixth new build apartment.

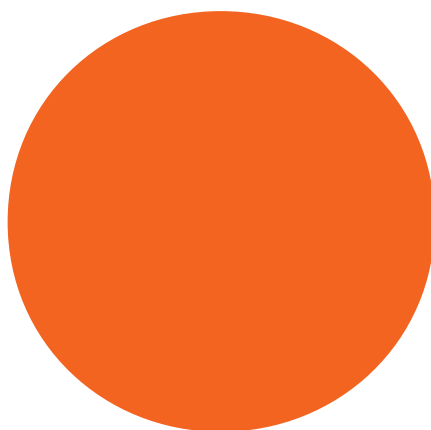
We have also taken the initiative to create a more equitable banking industry through transparency and simplicity. Our customers never need to negotiate mortgage rates or buy extra services to obtain the best interest rate.

We take the social responsibility of business and our part in it very seriously and strive to ensure that everyone has the opportunity for safe and sustainable housing. Sustainability permeates every aspect of operations and, through our work to support our customers in their own transitions, we work to reach the UN SDGs by 2030.

Our mission is to be the considerate bank with the best offering in housing and household finances – a driver that sets us apart from the rest.

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# The year in brief

## → Continued healthy growth?

We continue to grow. SBAB's total lending increased 4.1% during the year to SEK 537.8 billion. Of that, SEK 366.0 billion comprised mortgages, SEK 1.7 billion comprised consumer loans, SEK 105.3 billion comprised lending to property companies and SEK 64.8 billion was in lending to tenant-owners' associations.

## → CSRD

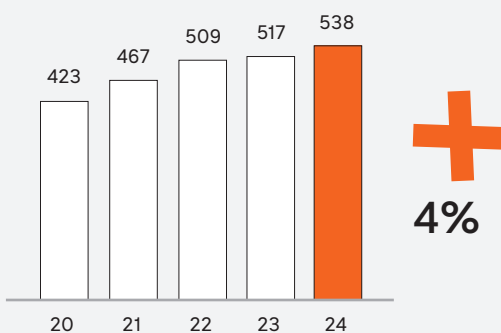
During the year, SBAB has focused on integrating sustainability more clearly into our strategic governance. The aim has been to adapt to the CSRD for the 2024 financial year with the goal of better aligning sustainability with business objectives.

## → SEK 250 billion in deposits

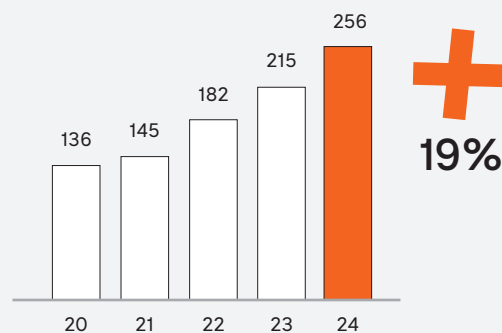
SBAB continues to grow deposit volumes and market share. We reached a new milestone during the year when SBAB surpassed SEK 250 billion in deposits. Deposits are an important and significant share of our total funding. The share of deposits in relation to lending increased during the year to 47.6%.

## A year of strong results

Total lending, SEK bn



Total deposits, SEK bn



### → Our values 2.0

Our values-driven way of working is a competitive advantage and a key factor in our success. We worked throughout the year to future-proof, simplify and ensure that our values provide the support we need to continue our value-driven work in the future.

### → The Kilowatt Loan – initiative to drive the transition

At SBAB we want to help our customers with sustainable and energy-efficient housing while also contributing to lower housing costs. During the year we launched the Kilowatt Loan, which enables our customers to increase their existing mortgages for an energy renovation of their houses or holiday homes. With the Kilowatt Loan, they receive an additional 0.20 percentage points off their interest rate.

### → We are the best at mortgages and property loans – again!

We are so proud that, according to the Swedish Quality Index, we once again have Sweden's most satisfied customers! Number one in terms of residential mortgages to private individuals and property loans to corporates and tenant-owners' associations for the sixth and seventh consecutive years, respectively. The simplicity of becoming and being a customer at SBAB and the transparent mortgage rate setting were the two winning factors that customers appreciated.

#### Net interest income, SEK million

<b>5,288</b>	<b>5,446</b>
2024	2023

#### Operating profit, SEK million

<b>2,900</b>	<b>3,070</b>
2024	2023

#### Selected key metrics

SEK million	GROUP	
	2024	2023
Net interest income	5,288	5,446
Net commission	-54	-34
Net result of financial transactions	86	-95
Expenses	-1,907	-1,663
Credit losses	0	-93
Imposed fees	-570	-541
Operating profit	2,900	3,070
Return on equity, %	10.4	11.5
C/I ratio, %	35.5	31.0
CET1 capital ratio, %	12.7	12.3

# Increased market shares despite tough competition

Jan Sinclair, Chairman of SBAB, and Mikael Inglander, CEO, give their thoughts about 2024.

## What are your thoughts on the past year?

**Jan:** The world around us remains unpredictable and changeable, with high geopolitical tensions and instability in many known political systems, which in many ways is remarkable as well as concerning. We also have many societal challenges at home, perhaps most noticeably with increased gang criminality and violence. On more of a business note, SBAB performed very well during a period of limited credit growth in the market, which is naturally gratifying and important for us as a company.

**Mikael:** I expected a much clearer turnaround in the economy in 2024. At the same time, I believe that better times are ahead. The markets where SBAB operates have stabilised in pace with inflation declining and interest rates falling. Tension in the system has eased and conditions have become less challenging for many of our customers.

## What are you most proud of, Mikael?

**Mikael:** I am naturally very proud that we once again had the industry's highest customer satisfaction according to the Swedish Quality Index, which is all thanks to my fantastic employees. Despite challenging market conditions, during the year we also managed to increase our market shares in essentially all segments, which I am also very proud of.

## Deposits have grown substantially since 2022. Tell us more!

**Mikael:** We are happy, humbled and proud of the trust placed in us by more and more customers when it comes to savings. One key element of our efforts comprises offering transparent and attractive terms and conditions. It appears customers think we deliver just that, judging by the market shares we have captured. Our rapid development also suggests that many customers are dissatisfied with the terms and conditions offered by other actors in the market. From a long-term strategic perspective, this increase in deposits is an important component of our overall ability to deliver competitive terms for mortgages and housing finance.

## Jan, what was important for the Board in 2024?

**Jan:** Of course the Board always has a responsibility to monitor risks and ensure that those taken by the bank are reasonable, prudent and consistent with the bank's overall risk appetite. We also have a responsibility to follow up operational investments and progress in other strategically important projects. The bank is investing substantial resources in improving its IT infrastructure and systems, which in the long term are essential for increasing efficiency and scalability in operations. Another important point is our sustainability work. We have made great advances here, but there is still much to do.

## What were the trends in credit quality during the year?

**Mikael:** First and foremost – the last few years have been challenging for many households and companies. We need to bear this in mind. I am proud that during this time we have successfully transitioned operations with a focus on helping and assisting our customers. There was a clear focus on operations and on being there for our customers even in difficult times. Now that conditions have improved, we can see that the overall credit quality of our lending portfolio remains incredibly strong and reliable over time.

## Competition for mortgages is tough and margins remain under pressure. How does this affect SBAB's growth ambitions and long-term profitability?

**Mikael:** Competition is fundamentally good, since it often means better terms and conditions for customers. At the same time, it places certain demands on us to improve processes and efficiency to ensure the appeal and attractiveness of our offering. In 2024, our market share for mortgages increased from 8.40% to 8.76%. We are very pleased and proud of this excellent performance. I also think that we are better equipped today than before to manage upturns and downturns in interest rates and margins. This is due in part to increased deposits in our financing structure as well as to increased diversification in earnings as a result of growing corporate lending. Even if I believe that in the long term, margins on mortgages will increase, we naturally have to take into account how fierce competition is right now.





Mikael Inlander

Jan Sinclair

**Expenses grew significantly in 2024. What is behind this development and what do you want to achieve?**

**Mikael:** Essentially, this is about creating the right preconditions for growth and long-term competitiveness. Put simply, we want to eventually be able to handle more customers and larger business volumes in the most qualitative, cost-effective way possible. To achieve this over time, we need to invest in our operations. The first step, which is where we are today, is ensuring that we have a stable, long-term IT infrastructure and a sufficiently large workforce that can help our customers and ensure that we meet the requirements put on us as a bank. The second is about building services and customer experiences that set us apart from other competitors and that add additional value for our customers. Our long-term goal is for operations to report a C/I ratio of less than 30% and we are convinced that by investing today, we will achieve this in the future.

**Jan:** The Board has approved and supported the growth plans that SBAB and management are now realising, which will lead to increased investment needs and, therefore, increased expenses for the company. That said, we need to always be disciplined and make sound decisions about money, ensuring that the investments the company makes add value to operations and are compatible with our long-term goals.

**What role does SBAB play in the green transition?**

**Jan:** We have the opportunity to contribute to the transition by lending for projects that support sustainability in various ways. Of course, we are not alone in the challenges posed by climate change. It will require collaboration among various actors and policy decisions that enable the transition. As a bank and a lender, it is also important to understand climate-related risks associated with the buildings we finance and how we can reduce them over time.

**Mikael:** We have set up long-term strategic goals for operations which, together with our prioritised sustainability areas, form the basis for our overall view and approach regarding sustainability. Our contribution to the green transition is an important and comprehensive part of this work and I think we are making good progress in this area. We have become better at identifying and analysing data, and we are continuing to develop products and services that aim to drive progress in various ways. During the year we also completed significant preparations ahead of the CSRD reporting requirements. We are continuing to work broadly in all areas of sustainability and it is gratifying and inspiring to witness the drive and determination of my colleagues and what we can accomplish together.

# The spectre of inflation was defeated and interest rates fell

Last year was another year of recession in the wake of the cost crisis and high interest rates. Unemployment continued to grow. While households relaxed slightly the grip on their wallets, like the year before it still remained tight. Investments in business fell, especially in housing investments. Sweden's GDP increased around 0.5% for full-year 2024. Inflation, measured in terms of the Riksbank's target variable CPIF, was just under the Riksbank's target of 2%. As a result, the Riksbank felt confident introducing a series of cuts to the policy rate that also led to lower mortgage rates. The policy rate path during the year kept very close to the one that SBAB's economists have had in their forecasts since August 2023.

## Inflation continued to fall

SBAB's trend calculations for inflation showed that inflation, as measured by the CPIF metric, peaked as early as mid-2022 and that it fell about as quickly as it had risen. CPIF, or the consumer price index, is adjusted for some portion that is

impacted by the Riksbank's changes to the policy rate. Inflation, as measured by the alternative metric CPIF-XE that removes some of the effect of price fluctuations for fuel, electricity and other energy, peaked somewhat later. For the full-year 2024 (Dec-Dec), CPIF inflation was 1.5% and CPIF-XE inflation was 2.0%.

## Positive inflation and policy rate assessment

Back in August 2023, SBAB's economists made the assessment that, based on the decline in inflation, the Riksbank would be able to cut the policy rate five times in 2024, starting in May. This was analysis was based on developing different measures of the inflation trend based on monthly rather than annual outcomes, since annual outcomes do not provide a good indication of the most recent trend. Emphasis was also placed on analysing the evolution of the global supply factors that contributed to the initial rise in inflation. SBAB's forecasters did not agree

with many others that the policy rate would need to be kept high because inflation would fall much more slowly than it had risen – referred to as "higher for longer" in the international discussion on monetary policy. SBAB was the only bank that was early to predict a policy rate path in 2024 that would come to resemble the actual outcome.

## Riksbank's about-face and falling mortgage rates

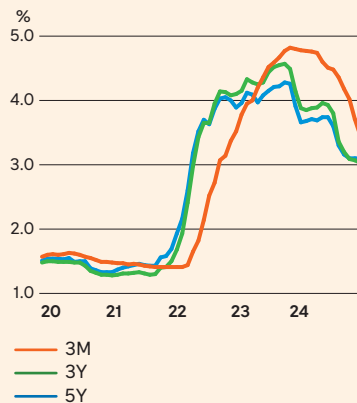
The Riksbank made something of an about-face during the year in its assessment of inflation as well as the policy rate path. After initially expressing concern that the inflation trend might become entrenched and that the policy rate would need to remain high for a longer period of time, a series of cuts were introduced in May. Starting in May, the Riksbank lowered the policy rate from 4.0% to 2.5% during the year. In January 2025, the policy rate was lowered once again by 0.25 percentage points. SBAB's economists estimate that the policy rate

## Macroeconomic trend

	2024	2023
GDP trend (%)	0.5	-0.2
Inflation, CPIF (%)	1.5	2.3
Inflation, CPIF-XE (%)	2.0	5.3
Policy rate, at year end (%)	2.50	4.00
Housing prices (%)	4.2	0.5
Housing construction (No. started)	19,900	28,300

Source: SBAB, 14 November 2024 projection for GDP trend and housing construction.

## Average mortgage interest rates



may be lowered again in August 2025, then reaching 2%.

The policy rate cuts also brought down variable mortgage rates considerably, as well as mortgage rates with slightly shorter fixed-interest periods. Interest rates at the longest fixed-interest periods also fell somewhat during the year, though they increased slightly toward the end of the year. However, they started to fall much earlier due to market assessments that inflation was drastically declining.

#### **Housing prices rose and fell**

In line with normal seasonal patterns, housing prices rose in the spring and then fell in the autumn. During the year, housing prices increased 4.2%. They are well below their peak from spring 2022. Housing prices are expected to rise in 2025 with 6% and during 2026 with 4%, driven primarily by rising household incomes. Slightly longer-term interest rates, which also have a major impact on housing prices, are not expected to fall further.

#### **Increased activity in the secondary market**

Turnover in the secondary housing market was well under normal levels in 2024, despite a marked increase in the number of sales. One important reason for this was, as in last year, the historically large supply of housing. The number of offers was much lower and advertising periods were much higher compared with the three previous years. SBAB's "Bomarknadstempen" indicator, which measures how easy it is to sell a home in the secondary market based on how a variety of factors deviate from their historical averages, climbed upwards for the entire year, though the housing market overall remains cool. A positive exception, however, was central Stockholm, where the indicator suggested a normal temperature in early autumn and very close to



normal in central Gothenburg and Malmö by the end of the year.

#### **No sign of a quick turnaround for housing producers under pressure**

In the wake of earlier, much higher price increases for materials and other inputs as well as lower prices in the secondary market and high interest rates, demand for new homes was dampened for the entire year. While the number of housing starts was certainly higher than SBAB's

forecast of 20,000, there will be no quick turnaround – so much the worse for housing producers under pressure. Only a moderate increase is expected in the number of housing starts in the coming years and construction volumes will be well under those of recent years.



# How we create

Our innovation and consideration enable over half a million people to own their homes and for companies to finance residential properties. Through responsible operations, we want to enable and facilitate life's different housing phases and help increase knowledge in housing and household finances.

## Our customers

### Business Area Private

**298,000**

Residential mortgage customers

**679,000**

Savings customers

Business Area Private offers services within housing and household finances, such as savings and loan products, housing search engines, real estate agent recommendations and insurance mediation. Activities are operated under the SBAB, Booli and HittaMäklare brands. SBAB does not have any offices for physical customer meetings but we meet our customers and users digitally or by telephone. Our market share in terms of residential mortgages amounted to 8.76% at year end, which makes us the fifth-largest residential mortgage bank in Sweden. Booli.se has Sweden's largest collected offering of homes for sale.

### Business Area Corporates & Associations

**3,114**

Property loan customers

**18,400**

Savings customers

Business Area Corporates & Associations offers savings and property financing solutions to property companies, housing developers and tenant-owners' associations as well as savings to companies and organisations. We finance multi-family dwellings, existing as well as new construction. We offer personal service to our customers, who are concentrated in growth regions surrounding Stockholm, Gothenburg and Malmö, where we have offices. Our lending to this business area corresponds to around 33% of SBAB's total lending. The market share for lending to property companies was 18.00% at year end and the market share for lending to tenant-owners' associations was 11.15%.

# ate value

## Mortgages and household finances without the hassle

We want to enable and facilitate every phase of home-owner life – be it buying, selling or just living in a home – with our services within housing and household finances.

<p><b>SBAB! booli!</b> A service by SBAB</p> <h3>Buying</h3> <ul style="list-style-type: none"> <li>✓ Residential mortgages &amp; housing financing</li> <li>✓ Housing valuations</li> <li>✓ Search service for homes for sale</li> </ul> <p>Business partner services:</p> <ul style="list-style-type: none"> <li>• Home insurance</li> <li>• Mortgage insurance</li> <li>• Legal advice</li> </ul> 	<p><b>booli! hittamäklare!</b> A service by SBAB A service by SBAB</p> <h3>Selling</h3> <ul style="list-style-type: none"> <li>✓ Estate agent recommendations</li> <li>✓ Housing valuations</li> <li>✓ Search service for homes for sale</li> </ul> <p>Business partner services:</p> <ul style="list-style-type: none"> <li>• Tax declaration help</li> </ul> 	<p><b>SBAB!</b></p> <h3>Living</h3> <ul style="list-style-type: none"> <li>✓ Refinancing</li> <li>✓ Saving</li> <li>✓ Consumer loans</li> </ul> <p>Business partner services:</p> <ul style="list-style-type: none"> <li>• Construction advice</li> </ul> 
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## Building blocks for our offering

### Financial capital

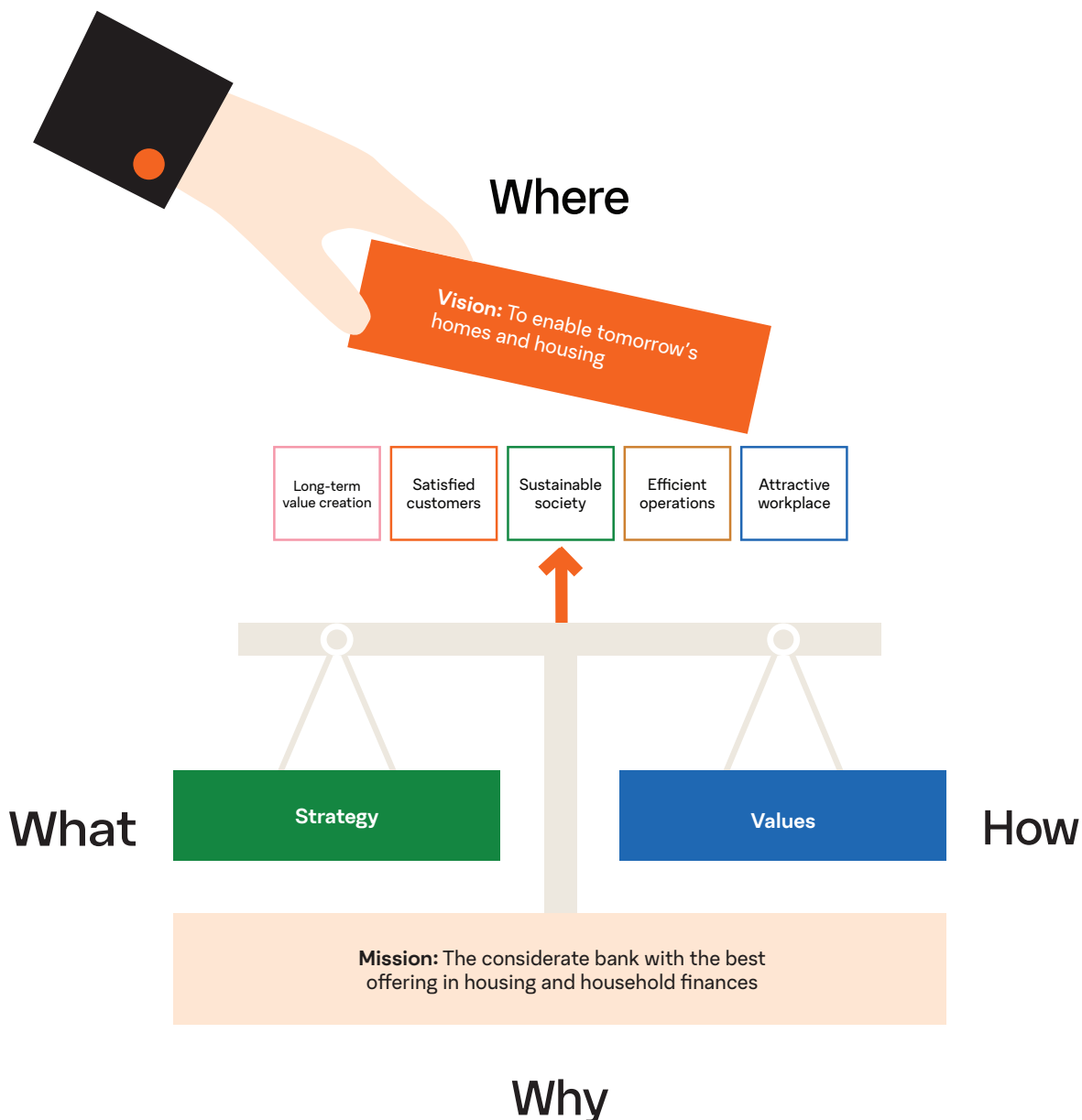
We receive financial capital from three different sources: equity from owners, funding via the capital market and deposits from the public. In return, we pay interest and dividends. We convert this financial capital to different types of loans and financing for our customers.

### Data

In our operations, we collect and process large amounts of information and data about housing and household finances, which we transparently and responsibly convert to knowledge and services for improving the customer offering and experience.

# How we steer ou

We govern our business through our sustainable steering model. It clearly and simply describes what our purpose is, where we are going, what steps we will take to get there and how we will achieve it. Focus and prioritisation through the balance between what we will do and how we will do it is a prerequisite for realising our vision – to enable tomorrow's homes and housing.



# r business

## Why

**Mission:** The considerate bank with the best offering in housing and household finances

Our mission is our purpose and clarifies why we are here and what we provide for our customers and society. It expresses our driving

force, how we distinguish ourselves from others and the value we create every day. Our mission makes us proud and committed.

## Where

**Vision:** To enable tomorrow's homes and housing

Our vision is our destination and what we want to offer our customers. Our vision encourages us to constantly improve. SBAB's focus and primary products are residential mortgages to private individuals and housing financing for tenant-owners' associations and property companies. Today, and in the future, we want

to improve things for people, society and businesses with the vision to enable tomorrow's homes and housing. We reach our vision through our five target areas: Long-term value creation, Satisfied customers, Sustainable society, Efficient operations and Attractive workplace.



# What

## – Responsible household finances

Responsible household finances means managing and offering products and services that support customers' financial well-being and stability as they relate to housing. SBAB's business idea is to be innovative and considerate in its offering of loans and savings products, and other products for better housing and household finances to private individuals, tenant-owners' associations and property companies in Sweden. We work continuously to develop and improve our customer offering.

We have clear strategies within customer offering, distribution, IT, risk, financing and HR in order to position ourselves as the best mortgage option in Sweden. Our recipe for success? Being a niche leader and offering services that customers need and value. Our total offering in housing and household finances meets customers' needs throughout the entire housing journey.

We work at a high pace and ensure that we follow the increasingly comprehensive regulations in the banking and finance sector. Efficient risk management, regulatory compliance, internal governance and control are basic conditions for SBAB. Our work within regulatory compliance includes internal rules described in our governance documents and we promote a corporate culture where every employee is expected to take responsibility to act ethically and to comply with external as well as internal regulations.

SBAB's nine material sustainability areas reflect the areas where SBAB could be affected and where we have the greatest opportunity to influence. By taking an integrated and strategic approach to working with our material sustainability areas, we promote sustainability topics within and beyond SBAB's operations. The nine areas cover environmental, social and economic aspects. Each one of them has relevant goals in order to guide us forward in our development and raise our already ambitious sustainability work to new levels. Our sustainability areas are connected to SBAB's five Group-wide target areas and the 2030 Agenda Sustainable Development Goals.

### UN Sustainable Development Goals

SBAB, like the entire business sector, has an important role to play in achieving the UN's SDGs. We have identified and prioritised four SDGs that we consider particularly important for our operations and to guide us in making even more responsible and long-term sustainable decisions.

→ Read more in the sustainability report on page 168.





# How

## – A values-driven way of working

SBAB is a purpose- and values-driven company. We make wise decisions and the motivation among each and every one of us makes a real difference. We are self-driven employees whose commitment and drive leads us to take the initiative and do what needs to be done without waiting for instructions. Our shared attitude and how we work together is essential for achieving our vision and our goals.

Our values are the fundamental basis of who we are and what we do – our entire business, in other words. They guide us in our daily work and help us make wise decisions, encourage initiative and strengthen our follow-through. Working in a values-driven way makes us stronger and more competitive as a business while contributing to a positive and stimulating work environment.

Our values clarify what has been SBAB's competitive advantage for many years and will remain so in a turbulent market and operating environment. Our values give everyone the mandate to act. Each and every one of us can make a difference.

→ [Read more on page 38.](#)

### Our values

Our four values are interconnected and complement each other – all of them are essential for a balanced whole. They are explained below through a brief description and some keywords.

#### Proud professionals

Focus is always on the customer and we always deliver. We are constantly setting and reaching goals through curiosity and a drive to be at the forefront.

*Keywords:*

- Customer focus
- Professionalism
- Skills development

#### Responsibility – all the way

We care about the long term and look at the big picture. Each and every one of us takes responsibility and makes a difference – for ourselves, the company and society.

*Keywords:*

- Holistic thinking
- Long-term approach
- Sustainability

#### Smart and fast

We have the innovation and courage to try new things, leading to results. In changing world, we are quick to adapt. We keep it simple and prioritise the things that create value.

*Keywords:*

- Innovation
- Flexibility
- Efficiency

#### Succeeding together

We are considerate to each other and succeed as a team where an enriching diversity of perspectives makes us better. When we collaborate, we are direct, clear and generous with our knowledge.

*Keywords:*

- Transparency
- Humble
- Inclusion

# Goals and outcome 2024

We do not make a distinction between business goals and sustainability goals – the basis of our entire business must be sustainable.



# Strategic direction and prioritisation

## In dialogue with our stakeholders

Being attentive to the requirements, needs and wishes of our stakeholders is a prerequisite for developing SBAB's business in the desired direction and thereby creating long-term value for our stakeholders. SBAB has identified a number of particularly important stakeholder groups that all affect and are affected by our operations. Our sustainability work is based on our stakeholders' perspective and our double materiality assessment.

## SBAB's nine material sustainability areas

As of the 2024 financial year, SBAB is reporting in accordance with the new EU Corporate Sustainability Reporting Directive (CSRD). Overall, it means that more companies than previously will need to prepare comprehensive sustainability reports according to the more specific European Sustainability Reporting Standards (ESRS).

As a basis for reporting, the CSRD and ESRS require companies to perform a double materiality assessment, which takes into account how a company affects its surroundings in terms of people and the environment, but also what impact sustainability-related matters have or may have on the company's financial position. These two reporting methods collectively provide a holistic model of the most material sustainability matters for a company.

Within the framework of the double materiality assessment, which SBAB conducted in 2023, a total of 25 material sustainability matters were identified in nine overarching sustainability areas. Each area has a goal and is assigned to a member of Executive Management. The areas and goals are part of our overall gover-

nance and are therefore integrated into SBAB's strategies, long-term strategic goals, target areas and business plan. Each quarter, outcomes in each material sustainability area are reported to the Executive Management as part of following up efforts and ensuring integration of sustainability. An outcome summary is also reported twice each year to the Board.

➔ *Read more in the sustainability report on page 77-80.*

## Strategic review

SBAB has been very successful in recent years. This positive trend is supported by a number of structural factors, such as underlying growth in the housing market and thus the market for housing loans, but also due to clear and focused work on strategy.

Our strategy since autumn 2014 has been to focus on our core business, residential mortgages and housing finance, supported by savings accounts. In conjunction with the acquisition of Booli, we decided to broaden our offering to include services in housing and household finances.

In 2022, we identified a need to clarify certain components of our overall strategy to factor in major trends and the overall development in the market, including a focus on the climate transition and how people live. The review included a rethink of our existing target structure and long-term strategic business goals. Through its ownership policy, SBAB's owner, the Swedish state, has also announced clear expectations of SBAB to set long-term, material sustainability targets for its operations. As a state-owned company, SBAB is tasked with establishing long-term strategic goals for sustain-

able value creation. These goals are to focus on value creation and be relevant to the company's business operations and material sustainability topics. The goals must also be long-term, challenging, monitorable, clear and comparable.

At the end of 2022, SBAB's Board decided on five new target areas and seven new long-term strategic goals extending to 2030. Together, these are expected to help SBAB conduct sustainable operations that generate long-term value for SBAB's stakeholders and that respond to the changes and challenges identified in our operating environment. The overall financial targets from the owner regarding profitability, dividends and capitalisation remain unchanged.

## Five target areas and seven overall targets

SBAB's board has established five overriding target areas with seven overall targets for operations. Together, they form the basis of a common approach to SBAB's contribution to sustainable societal development and long-term value creation.

Long-term  
value creation

Satisfied  
customers

Sustainable  
society

Efficient  
operations

Attractive  
workplace

# Fulfilment of goals

SBAB's vision is to enable tomorrow's homes and housing and we use our five target areas to explain our vision. Each target area is measured through overall targets.

Target areas	Targets	Outcome 2024	2024 goals	2030 goals
Long-term value creation	Return on equity over time	10.4%	10%	10%
Satisfied customers	Market share Residential mortgages	8.76%	8.5%	10%
	Market share Corporate clients	18.00%	19.0%	20%
	Market share Tenant-owners' associations	11.15%	11.2%	15%
Sustainable society	Reduced direct and indirect climate impact (kg CO <sub>2</sub> /m <sup>2</sup> ) from the lending portfolio	-2.5%	-5%	-30%
Efficient operations	C/I ratio	35.5%	33%	<30%
Attractive workplace	Engagement index, weighted result of employee survey	4.2	≥4	≥4

### Explanation

We have a responsibility to contribute to long-term value creation for all of our stakeholders who, in one way or another, are affected by our operations. This includes our owner, the Swedish state. We want to grow responsibly, with good profitability and at an acceptable risk.

Read more  
on pages  
24–27

Growth is essential for companies that operate in competitive markets. Our long-term growth and capture of market share is additional evidence that our customers appreciate the service we provide and our offerings.

Read more  
on pages  
28–31

We have a responsibility for the people and areas of society affected by our business, both now and in the future. Our long-term ambition is to dramatically reduce our climate impact, and that of our customers, in line with international targets and agreements.

Read more  
on pages  
32–35

Conducting operations as efficiently as possible is essential for our long-term competitiveness. A high level of cost efficiency also improves our ability to offer our customers attractive terms.

Read more  
on pages  
36–37

We are convinced that motivated and committed employees are the foundation of SBAB's long-term success and competitiveness.

Read more  
on pages  
38–39

# Long-term value creation

SBAB has a responsibility to contribute to long-term value creation for all of our stakeholders who, in one way or another, are affected by our operations. This includes our owner, the Swedish state. Well-functioning banks contribute to growth, societal development and employment and constitute an important element of financial stability. We want to grow responsibly, with good profitability and at an acceptable risk. We measure progress in this target area by looking at our profitability, though long-term value creation is a function of everything we do within the framework for our operations.

## Good profitability is the foundation for long-term value creation.

Long-term value creation includes managing and increasing the value of the resources provided to operations and achieving a yield that exceeds the assessed risk in operations. SBAB's profitability is another important condition for successfully reaching our long-term strategic goals, since profitability is the foundation for our ability to grow as well as our ability to invest in operations and our offering.

We achieve profitability through developing and working with revenue as well as costs. The revenue factors with the largest impact are growth in the form of more customers, increased lending and interest-rate margins on lending. In terms of cost, this requires consistently high levels of cost efficiency with low

marginal costs for growth and developing our customer offering.

Our target is to achieve a return on equity of at least 10% in line with the profitability target from our owner. Return on equity in 2024 amounted to 10.4% (11.5).

### **Our customers appreciate our offering**

SBAB's long-term ambition is to grow lending. Despite challenges in credit growth and intense competition, we are continuing to gain ground and capture market shares. Important success factors behind this trend include simplicity, consideration and transparency – factors that have long been important components of SBAB's corporate culture as well as our offering.

## Goals until 2030

≥10%

**Profitability**  
(return on equity)



SBAB's total lending grew 3.9% (1.6) in the year and amounted to SEK 537.8 billion (517.4) at the end of 2024. Of total lending, SEK 366.0 billion (346.3) comprised residential mortgages, SEK 1.7 billion (1.8) consumer loans, SEK 105.3 billion (100.8) lending to property companies and SEK 64.8 billion (68.5) lending to tenant-owners' associations. Growth is essential for companies in competitive markets. It is also proof that our customer offering is appreciated and in demand.

### Responsible credit granting is the core of our operations

As a bank, we have a great responsibility to ensure that our customers do not find themselves in financial difficulties. This sets demanding requirements on us to, as far as possible, ensure that our customers can pay the interest expenses and loan repayments that a loan entails over time. The last few years of rapidly climbing interest rates and higher prices have put pressure on households and businesses. Credit quality is an especially important area for us and we are following market trends carefully. We make continuous adjustments to the terms and calculations we apply when we grant credit, to private individuals as well as to corporates and tenant-owners' associations, so that they fairly and accurately reflect the prevailing market conditions.

SBAB's overall credit quality remains good. Operations are primarily based on issuing loans against collateral, which means that our lending portfolio is characterised by low risk and that we have the ability to manage deteriorated market conditions. Credit losses totalled SEK 0 million (95) for the year, representing 0.00% (0.02%) of our total lending and consisted primarily of credit provisions for future credit losses. Confirmed credit

losses remained low and totalled SEK 14 million (loss: 9) for the year. The share of credit stage 3 loans – meaning loans that are deemed to be especially high-risk – increased somewhat at the aggregate level, albeit from very low levels. This share amounted to 0.16% (0.14%) of our total lending in 2024.

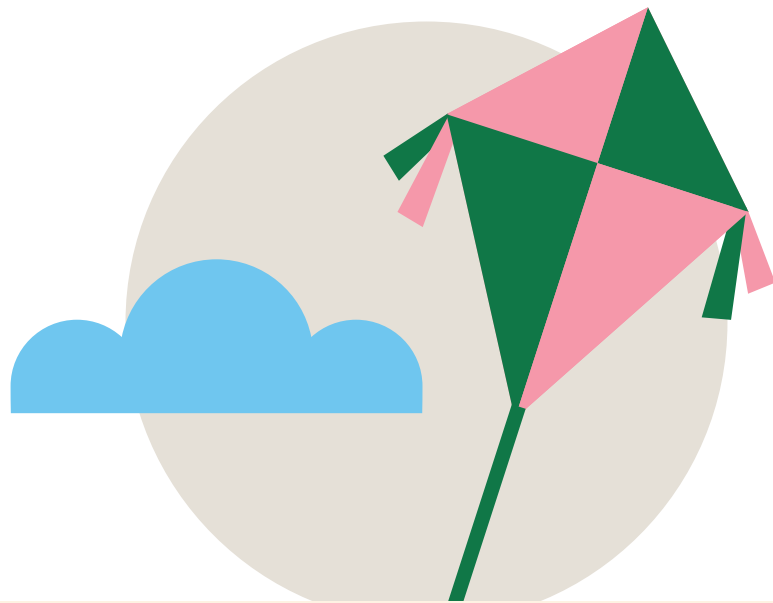
SBAB's good credit quality was confirmed by the European Banking Authority (EBA) and its comprehensive EU-wide stress test. The test investigated the resiliency of financial institutions when it comes to dramatic disruptions in the operating environment and economy and SBAB had some of the strongest results of all the banks included in the test.

### Deposits an increasingly important source of funding

Borrowing through the capital markets has become more expensive as interest rates have risen. Deposits from private individuals, corporates and tenant-owners' associations have become an increasingly important piece of the puzzle

when it comes to SBAB's ability to provide a competitive offering in terms of residential mortgages and housing financing.

When our customers come to us to borrow money, we first need to raise capital. A major part of a new residential mortgage is financed by funds we borrow from other parties. The majority of our funding still consists of funds borrowed in the capital markets. To achieve this, SBAB and its subsidiary, SCBC, issue bonds that are purchased by investors. In return, we pay interest that is determined by the general level of interest rates and by how secure investments in SBAB are considered to be. Investor risk is reduced by the fact that we often use residential mortgages as collateral for the bonds. Another important and growing portion of our financing consists of deposits – when private individuals, corporates or tenant-owners' associations save money in SBAB's savings accounts, in return for interest on their savings.



## Financial targets from the owner

The following financial targets have been set by SBAB's owner, the Swedish state:

**Profitability:** A return on equity of no less than 10% over a business cycle.

**Capitalisation:** The CET1 capital ratio and total capital ratio should be at least 0.6 percentage points higher than the requirements communicated by the Swedish FSA.

**Dividend:** Ordinary dividend of at least 40% of profit for the year after tax, taking the Group's capital structure into account.

## How we achieve our results

Our lending to private individuals, property companies and tenant-owners' associations totalled SEK 537.8 billion at year end. We receive interest as compensation for these loans. The difference between the interest expense on our funding and the total sum paid by our borrowers in the form of interest is referred to as net interest income. Put simply, our final earnings consist of the net interest income less expenses for running operations, credit losses, imposed fees and tax. Earnings for 2024 totalled SEK 2,282 million (2,408).

We worked actively to increase deposits as a part of our total financing. Increased deposits contribute to a more balanced and diversified funding mix and reduces volatility in earnings over time. One important element comprises offering loans and savings products that are transparent and have attractive terms and conditions. During the year, we continued to invest considerable time and resources in refining the savings offering as regards the product offering and terms, but also as regards user friendliness and simplicity. We also invested a lot of resources in further raising the visibility of SBAB and our offering in the market.

Deposits increased 18.9% (18.0) during the year to SEK 255.9 billion (215.2). The share of deposits in relation to lending amounted to approximately 47.6% at year end, compared with 41.6% at the beginning of the year.

### Healthy capitalisation a requirement as well as a condition for growth

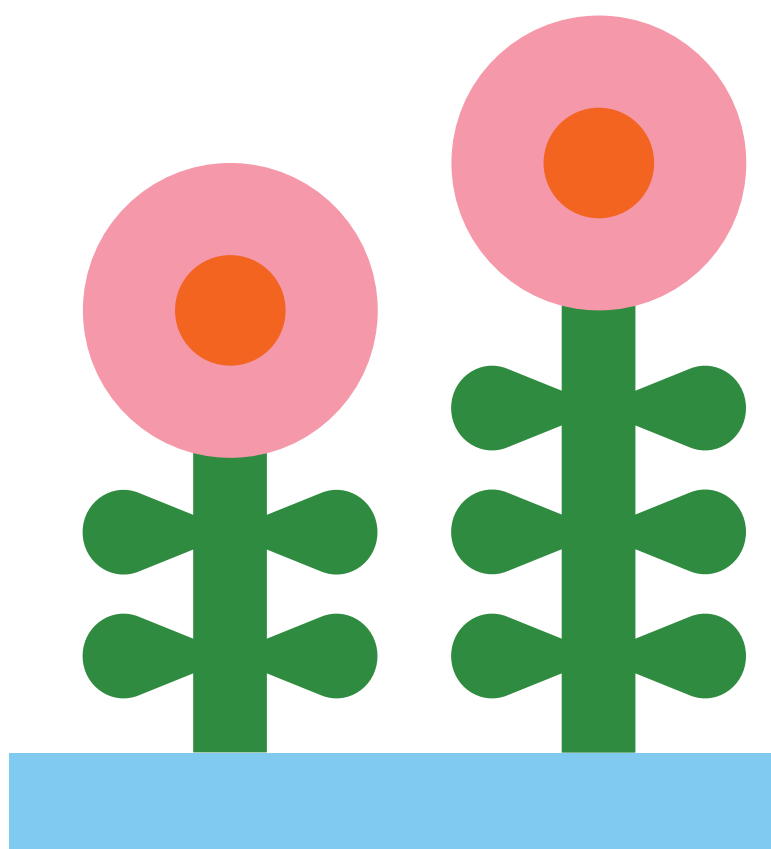
It is important for SBAB to be well capitalised, since this promotes confidence from our stakeholders as well as financial stability over time. Achieving a healthy capitalisation is also important because it enables growth in lending and resiliency for difficult periods.

To a large extent, SBAB's capital requirements are governed by laws and regulations, supervised by the Swedish FSA. The owner's capital targets govern which safety margins we need in relation to the regulatory requirements. According to SBAB's capital targets from the

owner, the CET1 capital ratio and the total capital ratio should under normal conditions be at least 0.6 percentage points higher than the requirement communicated by the Swedish FSA. SBAB's CEO decided to introduce a supplementary capital target for CET1 capital. This entails, under normal circumstances, SBAB maintaining a buffer equivalent to 1–3 percentage points above the Swedish FSA's communicated requirements over time.

The Swedish FSA's requirements corresponded at year end to a CET1 capital ratio of 10.1% and a total capital ratio of 14.4%. At the end of the year, SBAB's actual CET1 capital ratio amounted to 12.7% (12.3) and the total capital ratio to 17.5% (17.0). This provides a comfortable margin to internal targets and external regulatory requirements.

→ Read more about SBAB's capital situation on page 54.



## Dividend to the owner

Part of our funding comes from our owner, the Swedish state, in the form of equity. In return for its contribution, the owner receives a return through the profit generated by operating activities. In accordance with the owner's dividend target, at least 40% of profit after tax is to be distributed, taking SBAB's capital structure into consideration. The Board proposes a dividend of SEK 913 million (963) for 2024, in line with the owner's target, and that the remaining portion of profits be reinvested in operations.

# Our operations build on trust

As a bank, SBAB wants to contribute to a well-functioning financial system. That is why we focus on security and regulation issues. A high level of trust from customers, employees, suppliers and society at large helps us successfully reach our goals over time.

## How we manage cyber threats

Identity theft, ransomware, denial-of-service attacks and other forms of cyber threats are major current societal problems. Companies, banks, authorities and legislators are working intensively to tackle the changes and challenges posed by digitalisation and the connected society. SBAB dedicates considerable work to cybersecurity to ensure and maintain a high level of security in our operations. The goal is to protect our customers and the bank's information. We work proactively on increasing risk and security awareness with our customers and our employees, as well as on constantly improving security in our IT environments. Continuity planning is an important part of work to ensure that SBAB has a robust ability to conduct critical processes at an acceptable level during any possible disruptions. By steering and monitoring suppliers, SBAB works to ensure that our suppliers meet our security requirements. We work continuously to spread knowledge within SBAB and inform our customers about what they should watch out for and what measures they should take to protect themselves and their information. SBAB also has a Security Incident Response Team (SIRT), which is responsible for identifying, analysing and rectifying IT security incidents.

## How we counter financial crime

Financial crime, such as fraud, money laundering and corruption are currently a widespread threat to society and democracy and amounts to billions of kronor every year. The use of the financial system by organised crime to generate criminal

proceeds and launder money is a threat to confidence in the financial sector and in banks generally. The banking sector's role in combating financial crime is important and SBAB has a unit that works to counteract the use of the bank's products and services for financial crime. The goal of the Anti Financial Crime unit is to protect the bank's customers from crime, such as fraud, and to identify perpetrators of crimes like money laundering.

We evaluate and update our "General risk assessment" every year and as needed, where we assess how services can be used for money laundering and financing of terrorism as well as how substantial the risk is of this occurring. SBAB has internal regulations and routines that are adapted to the risks we see, our customers and the services they use.

We have continuous training to ensure a satisfactory knowledge level at SBAB regarding fraud, money laundering, financing of terrorism and corruption. We also inform our customers about what to pay attention to and how they can protect themselves from various forms of fraud.

SBAB monitors the development of regulations, methods and technical development in the area of financial crime and actively participates in a number of different collaboration forums. We have independent review functions that ensure, through monitoring and controls, that SBAB meets the requirements for measures and routines set internally and in legislation.

## Code of Conduct

SBAB's Code of Conduct provides guidance on how we should act and conduct ourselves in various situations and the inherent responsibilities of being an SBAB employee. Employees, consultants, members of the Executive Management and Board members are responsible for understanding and complying with our Code. The code is published on [www.sbab.se](http://www.sbab.se).

## Supplier Code

SBAB's Supplier Code is attached to the majority of our supplier agreements. It explains SBAB's view and expectations of our suppliers' sustainability efforts and compliance with international guidelines. We also monitor how our largest suppliers comply with the Supplier Code of Conduct.

## Whistleblower function

At SBAB, it is very open for us to have an open corporate culture and for any irregularities to be identified right away. We have an internal whistleblower channel that is managed by an external supplier. This is where suspected irregularities that are of general interest or that in conflict with union-protected rights are reported confidentially and anonymously. There were no whistleblowing cases in 2024.

# Satisfied customers

At SBAB, we work to be transparent, responsible, straightforward and accessible. Through digitalisation and a sustainable customer offering, we meet our customers' needs and expectations. Satisfied customers are proof that our offering is relevant for our customers and increases the likelihood that they will remain our customers, paving the way for additional growth. We measure progress in this target area by following our market share for residential mortgages to private individuals and corporates as well as lending to tenant-owners' associations.

## Our responsible and transparent offering

Customers appreciate a competitive, transparent and simple pricing model for residential mortgages. For us at SBAB, it is a self-evident part of a trustworthy customer relationship. This is also a reason that more and more customers are choosing SBAB for their residential mortgages.

### We strive for increased transparency in the residential mortgage market

The difference between listed rates and average rates for residential mortgages remains high with most major banks. Many banks start with high listed rates and apply occasional discounts or individual rate-setting after negotiations. Whether or not residential mortgage customers purchase other services by the bank is another factor. At SBAB, we strive to be straightforward, clear and transparent in our offering. We want our customers to trust SBAB and feel secure in having us as their bank and creditor.

### You never need to negotiate your mortgage rate

No customer ever needs to negotiate mortgage rates or buy extra services to obtain favourable and fair interest rates on their mortgage with SBAB. We do not believe that the interest rate should depend on who they talk to at the bank, how they are dressed or how well-spoken they are. Our residential mortgage interest rates are based on the current listed rates for each maturity, as published on [www.sbab.se](http://www.sbab.se). The customer's specific mortgage rate is presented as a deviation from the listed rate. This deviation is based on the property's loan-to-value (LTV) ratio, which is the residential mortgage as a percentage of the market value of the property, the property's energy rating and the size of the residential mortgage. At [www.sbab.se](http://www.sbab.se), our customers can work out for themselves the interest rate they would receive, which provides trans-

## Goals until 2030

# 10%

Market share Residential mortgages

# 20%

Market share Corporate clients

# 15%

Market share Tenant-owners' associations

parent guidance about what determines the individual customer's mortgage rate in relation to the listed rate. Generally speaking, SBAB's pricing model results in a significantly smaller difference between list and average rates for mortgages compared with other banks where the rate needs to be negotiated.

### How we interact with and help our customers

SBAB has no physical branch offices, which means that much of our dialogue with retail customers is digital – online, through the app or on the phone. They appreciate self-service in combination with the contact they have with our professional mortgage specialists.

We meet our customers at corporates and tenant-owners' associations in physical locations at their premises, at our offices or customer meetings. Our corporate customers own several properties and often have several banks, so it is important for customers to know how their banks work and that the bank has the expertise and the ability to help with financing – in every part of the economic cycle. Property customers appreciate that our business team, with its depth and breadth of experience, works so closely with them and that we create long-term personal relationships where they feel comfortable when arranging new transactions.

Working on the board of a tenant-owners' association is a demanding task with considerable responsibility. SBAB's department dedicated exclusively to helping tenant-owners' associations with loans as well as savings allows us to maintain a very high level of expertise and service that helps the association boards perform their tasks. Our expertise and help with financial planning, such as energy efficiency measures, fire safety training and member offerings in the form of green mortgages and insurance discounts are also highly appreciated. When it is time for restructuring the association's loan, we provide a digital inquiry tool that makes it easy for the association to receive an offer from SBAB, entirely digitally.

### Accessibility

It is important that we are available for all of our customers on their terms. We want our customers to remain satisfied, which requires us to be flexible, available and attentive to the needs of all customer groups. We know that customers' trust increases when we provide clear and

transparent information. We constantly strive to communicate effectively but in a way that is also personal, easy, clear, transparent and – above all – relevant.

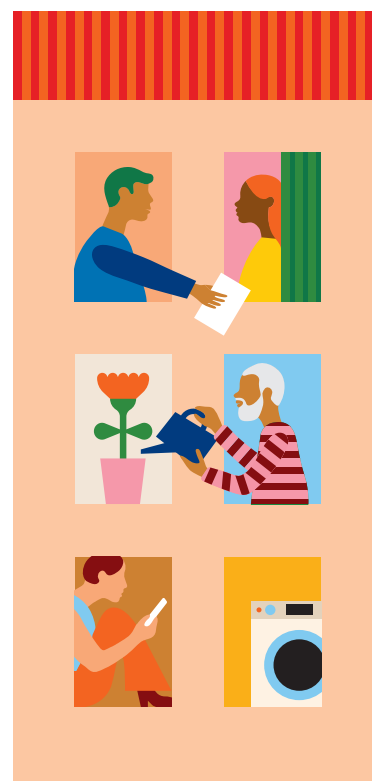
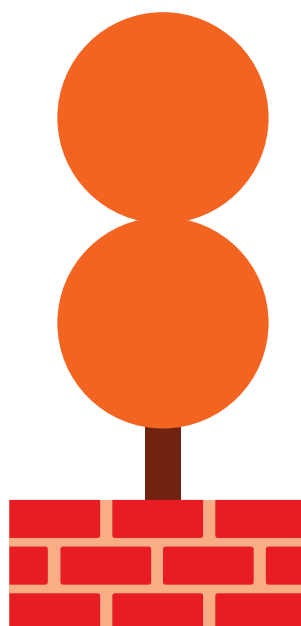
A very important part of SBAB's operations is the Customer Service function, which provides support, information and solutions for our customers' needs and questions. Customer Service guides customers through the entire housing journey, from applying for a loan commitment to purchasing a new home to questions of interest rates, amortisation or extending mortgages. They administer customer applications for residential mortgages and consumer loans, including making credit decisions. Customer Service also helps customers with savings and with transferring their mortgage to us.

To further increase accessibility, we have expanded our services and implemented automation through our chatbot, Bo, who is ready to help our customers every day, day or night. Customers appreciate that they receive answers immediately, at any time of day, without having to wait in a queue. A variety of contact paths gives the customer freedom to choose. To further reduce response time and provide quick, efficient support, SBAB also has a live chat option where our customers can chat directly with our mortgage specialists. SBAB wants to be, and be perceived as, the considerate bank. That is why we strive to combine technological progress with our personal stamp that characterises us and our operations.

### We enthusiastically share our expertise

At SBAB, we want to make housing and household finances simple, fun and accessible. That is why we share our expertise through explaining and informing. Things are often easier to absorb when they are fun. Better informed people are also able to make wiser decisions. Our Head Economist and Housing Economist share their knowledge with customers, investors, the public and the media with commentary, analyses and forecasts related to the Swedish economy, interest rates and the housing market. Through our successful "Household finances are really fun" marketing concept, we try to make dull and difficult matters a little easier and a little more enjoyable.

The newsletter is also an important channel for reaching our customers. Newsletters allow us to reach out with expertise, information about SBAB's reports, research and analyses as well as providing advice and tips. We can also share our offerings directly with our customers and deepen our relationship by offering content that is tailored to the customer's interests and needs. We engage in conversations directly through our social media accounts and take in viewpoints. We strive to create a unity through these platforms where we can share information, answer questions and be active participants in the topics that are the most important for our customers.



## SBAB the best at mortgages and property loans – again!

The skills, professionalism and consideration shown by our employees on a daily basis are made visible, inter alia, in surveys conducted by SKI. Every year, SKI measures customer satisfaction in the banking and finance sector and SBAB remains unchallenged in the top spot for mortgages as well as property loans. We are proud and we thank all of our customers for their trust in us!

As for customer satisfaction regarding residential mortgages to private individuals, for the sixth consecutive year SBAB rank highest among banks. SBAB's customer satisfaction score was (75.6) 73.8 out of 100. It is also encouraging to see that customer satisfaction for the industry increased to 67.8 (65.5). We performed especially well in the survey because it is easy to become and remain a customer with us and because of our transparent mortgage rates. With us, customers can get a good interest rate immediately, without having to negotiate. For the seventh consecutive year SBAB had the highest customer satisfaction rating for property loans to tenant-owners' associations and property companies, with a score of 74.4 (73.5) out of 100, while customer satisfaction for the entire industry increased to 71.3 (68.7). Our results were particularly strong within customer experience, product quality and loyalty.

The perception of SBAB is significant because our reputation and trustworthiness with customers and the public are important factors in success and com-

petitiveness. We continuously monitor the perception and experience of SBAB with tools like our sustainability index that summarises how we are perceived in different sustainability areas. The sus-

tainability index is measured and followed up every quarter. In 2024, we were ranked second, which means that we have reached our goal of being in the top three of our industry.



## Mortgages and household finances without the hassle

Our total offering of services helps our customers in every phase of home-owner life. At SBAB we offer our customers mortgages without complicated terms and reliable savings accounts with interest. At Booli.se, which has Sweden's largest collected offering of homes for sale, we help customers find their next home, assess their home and check actual selling prices. Choosing the right agent when selling can be an essential factor. The HittaMäklare service guides customers to the best estate agents in their area when they want to sell. We have many secure and simple services for people buying, selling or just living in a home. We call this mortgages and household finances without the hassle.



# Responsible credit granting

SBAB's credit granting and credit growth is to be sustainable in the long term – for our customers, for SBAB and for society. We have a responsibility to determine whether our customers can make their interest and amortisation payments on their loans. This requires extensive understanding and knowledge of our customers and their circumstances.

## How SBAB grants credit to retail customers

Granting of credit to consumers is based on a credit approval process that ensures that customers have the financial capacity required to meet their commitments. First and foremost, SBAB assesses the customer's repayment ability, but also the collateral provided for the loan.

We base our credit approval process on credit rules, information received from credit rating agencies and the Land Registry as well as information provided by the customers themselves. The credit approval process centres around a left-to-live-on calculation of household costs, which is based on the income of the customers and their mortgage and household expenses. We also use various parameters in the left-to-live-on calculation of household costs and take into consideration the rise and fall of the interest rates and other costs. If the calculation indicates a sufficient surplus, a loan is normally granted provided that the customer satisfies other formal requirements and credit regulations.

SBAB endeavours to have a streamlined, digital and efficient credit approval process for the majority of customers. To further allow more customers to receive a mortgage and to better reflect societal development in terms of income forms, employment forms and self-employment, we also make individual considerations. We are working to ensure that young people can purchase their first home.

Collateral is provided for residential mortgage in the form of a mortgage deed in immovable property or rights in a tenant-owners' association, and the loan cannot exceed 85% of the property's value.

→ Read more in the sustainability report.

## Amortisation and debt-to-income ratio

At SBAB we believe that amortisation helps ensure sound household finances. We conduct individual dialogues about amortisation with our customers in the event of a new mortgage and we follow

the loan repayment rules issued by the Swedish FSA. These rules include a repayment rate of 1% per year for new residential mortgages with an LTV ratio of more than 50%, and 2% per year with an LTV ratio of more than 70%. Customers borrowing more than 4.5 times their gross income must also amortise an additional one per cent of the mortgage per year. We use a mandatory debt-to-income ratio of 5.5 times gross income when granting credit, which means that it is not possible for a customer to borrow more than 5.5 times their income before tax. According to the Swedish FSA's regulations, we are permitted to grant exceptions to amortisation requirements under special circumstances. This applies in situations when the financial situation has deteriorated considerably, after the mortgage has been granted. Typical situations include unemployment, long-term sick leave, a death in the family, studies, separation and parental leave.

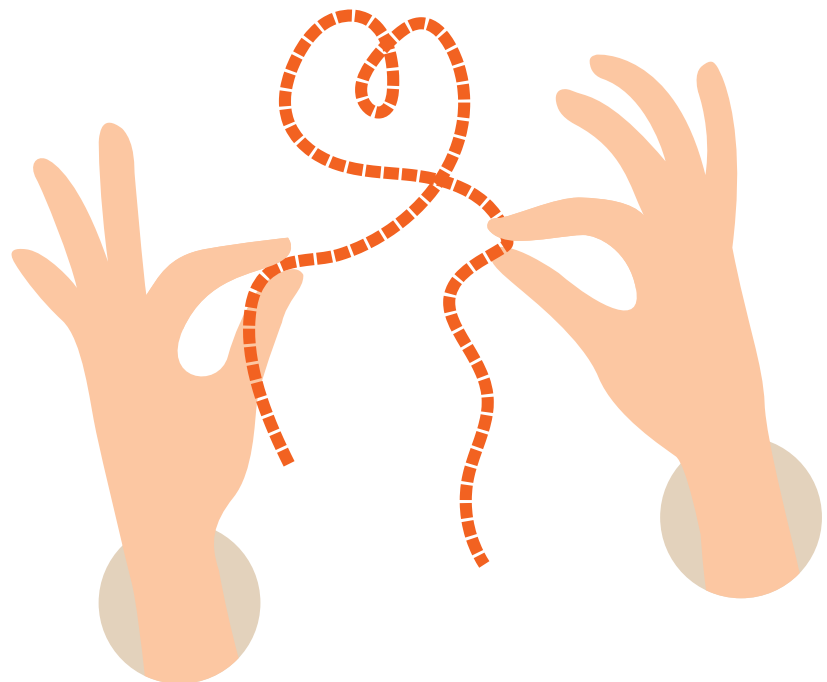
## How we grant loans to corporates and tenant-owners' associations

SBAB's credit approval process for corporates and tenant-owners' associations is primarily based on their repayment capacity, our customers' financial situa-

tion and various individual factors. We create a holistic model of the company, Group or tenant-owners' association. Collateral for the loan is mainly provided in the form of a mortgage deed in immovable property. Customers are managed individually by a team consisting of an account manager, an analyst, a property valuer and a loan administrator. When it comes to corporate customers, we have physical meetings where we share our expertise, gather necessary information and create a close and trustworthy customer relationship.

## If a customer has difficulty making payments

SBAB's ambition is to initiate a dialogue as early as possible in cases where we discover customers are having, or risk having, difficulty making interest or amortisation payments. Credit monitors in SBAB's insolvency team have extensive experience and work proactively and with consideration to help and support these customers. At SBAB, we are the ones who are responsible for carrying out the entire insolvency management process and thus help our customers every step of the way.



# Sustainable society

Challenges in the world seem to be multiplying, whether economic, societal or environmental. This is clear in Sweden, including in the housing sector. At SBAB we work every day to enable tomorrow's homes and housing. This can sound high-minded, but as a state-owned financier we have the responsibility as well as the opportunity to make a difference. Through partnerships, we aim to finance sustainable construction and housing, to support energy efficiency and to create inclusive and resource-efficient residential environments, and to counteract over-indebtedness for current and future generations. We aim to reach ambitious sustainability goals, for example through the requirements we have when granting credit or through active dialogues with our customers. We follow our own climate impact as well as that of our customers to see how we can make progress together.

## Together for the climate

Housing accounts for a significant proportion of the total energy consumption in Sweden. Energy efficiency measures to transition the property sector play a key role in helping Sweden achieve its national climate goals, though many properties are not nearly as energy-efficient as they need to be. This is where, as a financier, SBAB can make a difference. Together with our customers, suppliers and other stakeholders, we work to reduce the climate impact from energy consumption and improve energy efficiency at the same time as we take our climate risks into consideration.

### Guided by our climate goal

The basis for meaningful climate work is in GHG emissions: understanding them, measuring them and setting goals to reduce them. At SBAB, we believe that we make the biggest difference by helping our customers in their climate transition. It is important to us that we take our

share of the responsibility transparently and in a method based on research. In 2022, we set our first long-term climate goal in order to reduce the emissions intensity (kgCO<sub>2e</sub> per m<sup>2</sup>) from our lending portfolio. Since then, we have established and followed up on targets annually and in 2024 we updated the goal after the latest research and data availability.

The new climate target that applies from 2025 is to reduce our emissions intensity for the lending portfolio by -50 percent by 2030. The goal is science-based, in line with the global 1.5°C goal, and an important driver for us to help bring about the green transition. During the year we also focused a great deal on developing systems and processes as well as on testing new products. Being able to see the reduction in emissions is essential for the green transition. By measuring and targeting the emissions caused by our customers'

## Goals until 2030

# -30%

SBAB's own climate impact

→ Read more about SBAB's climate goals in the sustainability report on pages 91-92.



homes and properties, we can focus our work to reduce our biggest climate impact – our financing.

### Together we improve energy efficiency in Sweden's homes

Close collaboration and dialogue with our customers is SBAB's primary opportunity to influence society in a more sustainable direction. Through lending, we can influence the housing market through innovative solutions, requirements, terms and tips to reduce our customers' energy consumption.

To make it easier to understand the impact of an energy renovation, we launched the kilowatt calculation in 2024 that allows our customers to see whether they can lower their electricity costs. The aim of the calculation is to lower the threshold for exploring the opportunities to switch to a sustainable heating source.

In 2024, we extended the Kilowatt Loan to retail customers. The Kilowatt Loan is a loan with an advantageous interest rate dedicated to energy efficiency measures for properties, such as replacing windows, installing or maintaining specific heating sources, insulation or better ventilation solutions. It allows our customers to increase their existing mortgages for an energy renovation of their houses or holiday homes. At the end of 2024, 577 retail customers had signed Kilowatt Loans, corresponding to a volume of SEK 87.5 million.

### Encouragement from SBAB's green loans

Since 2018, we have automatically provided Green Mortgages to customers who live in houses or multi-family dwellings that have a valid energy performance certificate with energy class A, B or C. The better the energy class, the greater the reduction to the mortgage rate. We see the green mortgage as an incentive for our customers to invest in more energy-efficient homes. At the end of 2024, 30,783 (26,126) private homes had a green mortgage, corresponding to a mortgage volume of SEK 73.8 billion.

This means that these mortgages account for approximately 20.2% (18) of SBAB's total residential mortgage stock. We also offer green investment loans to corporates and tenant-owners' associations, which are loans suited for customers who implement energy efficiency measures at their properties. These could include replacing windows or investing in a new, fossil-free heating source, for example. At the end of the year, 44 (49) corporate and tenant-owners' association customers had a green investment loan with SBAB, corresponding to a credit volume of SEK 110.3 million (147.6).

SBAB also offers energy loans, which are consumer loans to customers who borrow for energy-saving investments. At the end of 2024, the volume of loans outstanding amounted to SEK 18 million.

### Sustainability-linked loans

In autumn 2023, SBAB disbursed our first sustainability-linked loan to a corporate customer and three more were disbursed in 2024. A sustainability-linked loan means that the borrower gets more favourable terms if they meet predetermined sustainability targets, for example reducing their energy consumption. Any

such transition needs to be comprehensive in scope, and require extra investment from the business on account of the challenge it presents. This means our goal is to be able to say that the money enabled a transition that would not otherwise have happened. To do this, we set several targets that are followed up annually. It is important that the targets are science-based and measured in a quality-assured manner. The sustainability-linked loan is one way to contribute to our goal to reduce the climate impact of properties and to reach our goals for other kinds of sustainability topics.

### SBAB reduces its own climate impact

SBAB is a digital bank. We have no branch offices. This enables us to avoid unnecessary transportation and the operation of a number of branch offices around the country. SBAB's direct environmental impact is therefore relatively small but we work systematically to reduce our climate impact across all of our operations. Since 2006, we have measured our emissions and prepared a climate report that we publish annually and are constantly developing.

→ Read more in the sustainability report.



**Climate change – one of our time’s greatest challenges**

SBAB’s growth is sustainable over the long term with respect to the climate. This means that we are to help the housing and properties we finance to take into consideration the climate-related risks that could arise as a result of climate change.

Climate risks consist of physical risks that result from increased temperatures as well as transition risks from the transition to a society with lower carbon dioxide emissions. SBAB’s most material physical climate risks pertain to rising water levels and extreme downpours, which can impact properties close to the water. In terms of transition risk, SBAB considers rising and volatile energy prices to be the greatest risk facing us and our customers. By integrating climate risks into the credit process, we help reduce SBAB’s and our customers’ exposure to risks. Sustainability criteria will be given more importance in future credit granting decisions.

In 2023 we started an organisation-wide project to develop our data management for climate-related risks. This project continued throughout 2024, with primary focus areas being the incorporation of data for flood risks into property systems. The project aims to develop and harmonise climate data in our portfolio assessments, our reporting and in the credit process.

**How SBAB’s green bonds work**

The funds SBAB raises through our green bond issues are used to finance or refinance residential properties that meet a number of energy-efficiency criteria. In

2024, SBAB launched a new bond framework to replace the previous one, better aligning the categories for what is considered “green” with the EU Taxonomy and industry practice. The terms for onward lending and the conditions for issuing our green bonds are described in more detail in SBAB’s green bond frameworks (“SBAB Green Bond Framework 2024”) that are available at [www.sbab.se](http://www.sbab.se).

Sustainalytics, a leading global ESG and sustainability research company owned by Morningstar, conducted an independent review of the framework and approved the investment categories listed as green in the framework. Green bonds outstanding at the end of the year totalled approximately SEK 35.4 billion (42).

**How SBAB’s green bonds contribute**

Every year, SBAB publishes the “Green Bond Impact Report,” which describes the effects the residential properties that we finance with funds from green bonds actually have on the environment in terms of savings in GHG emissions, expressed in carbon dioxide equivalents, CO<sub>2</sub>e.

Eligible investment objects within SBAB’s green bond frameworks amounted at year end to SEK 89.3 billion. According to our calculations, these objects are estimated to generate an annual avoidance in GHG emissions corresponding to 7,696 tonnes CO<sub>2</sub>e in 2024. SBAB’s share of the financing is expected to correspond to an annual avoidance of 3,536 tonnes of CO<sub>2</sub>e.

→ Read more about SBAB’s green bonds in the *Green Bond Impact Report 2024*.



**SBAB has joined the Net-Zero Banking Alliance**

At the end of 2024, SBAB joined the Net-Zero Banking Alliance (NZBA). The NZBA is a UN-led bank collaboration that has committed to achieving net-zero GHG emissions from their loan and investment portfolios by 2050 or earlier, in line with the 1.5°C goal in the Paris Agreement.

With over 130 members in more than 40 countries, banks in the NZBA play an essential role in the real economy’s global transition to net-zero emissions of GHG. The adopted targets focus

on indirect emissions from the banks’ customers since those emissions are the most significant from the perspective of the financial sector. At SBAB, we are proud of joining this group of banks and taking on a clear commitment to accelerating the transition of the global economy to net-zero emissions.

# Sustainable and inclusive housing market

At SBAB, we want everyone to live in homes they can afford, to take wise decisions for secure household finances and to be able to live sustainably. Both today and in the future. As a credit provider, SBAB participates in and influences what is built as well as how it is built. Through dialogues and collaboration, we want to contribute to improved, healthier and more inclusive housing environments.

## **In a sustainable society, everyone has somewhere to live**

High prices in combination with mortgage ceilings and amortisation requirements exclude households from the housing market. In several municipalities it is also difficult to obtain a rental apartment and many are therefore forced to jump between expensive sublets. In addition to political measures, collaboration between housing financiers and the construction industry is required to address this problem. This is where SBAB wants to have an active role, which includes the financing of new construction. In 2024, SBAB was involved in the financing of 1,092 new-build homes (2,332).

## **Young adults struggle the most in the housing market**

The number of young adults living with their parents is at a historic high, even as the number of young people with their own homes is increasing from previous years. Many young people find the barriers to entering the Swedish housing market insurmountable and that they simply lack the wherewithal to buy a home. Over the years, SBAB has contributed to several analyses based on a variety of perspectives that highlight young people's problems with the housing market. One insight is that young people often do not have enough knowledge about what it means to purchase a home and that they lack sufficient savings for the cash contribution. At SBAB, we can make a difference here by educating and encouraging young people to own their own home.

In 2024, we continued to share our knowledge with young adults, including a guide at [sbab.se](https://sbab.se) full of tips and advice for moving out and purchasing their first home.

We have various ways of trying to help first-time buyers enter the market. SBAB allows first-time buyers to borrow a portion of the cash contribution, provided

that they pass the standard credit assessment. We also collaborate with OBOS Deläga and HSB Dela, meaning that customers can rent-to-own their homes and increase their ownership share over time.

## **Everyone has a right to a home and being socially secure**

The right to a home is stipulated in both the UN Convention on Human Rights and in the Swedish constitution. We have collaborated with Stockholms Stadsmission in different ways to support their work to find housing solutions for people living in homelessness and in vulnerable social circumstances. With the aim of helping create a better housing situation for homeless and socially vulnerable people, we also support Situation Stockholm and Faktum, societal and cultural magazines whose idea is to attract readers and thereby create work and a personal income for the magazine's sellers.

## **Partnerships for new forms of housing**

Regulations created to relieve debt pressure on Swedish households and to slow price trends for homes have led to a very high threshold to entering the Swedish housing market. This has resulted in new housing and tenure forms, and SBAB holds discussions with customers and other partners about potential collaborations on new forms of tenure and ways to build homes.

HSB Dela and Riksbyggen are examples of a form of housing designed for younger adults, a customer group where many people have not been able to save up for the cash contribution required to purchase a home. They allow the customer to purchase half of the apartment, and jointly own the other half with the housing developer. They have the option to purchase the remaining portion after five years. SBAB also collaborates with BoKlok, a housing concept developed by Skanska and IKEA, which develops and builds sustainable housing that more people can afford. SBAB was also the first to offer private individuals mortgages for purchases through OBOS Deläga, where customers purchase a portion of the home and gradually increase their share of ownership as their finances allow. These initiatives allow SBAB to help more people take the step towards purchasing a home. We've also had a partnership for several years with Stockholms Stadsmission to

address the issue of new forms of housing. This includes SBAB's contribution to Bostad 2030, a programme that Stockholm Stadsmission conducts focused on finding homes for people who are currently excluded from the housing market.

## **Sustainable Construction Industry initiative launched in 2023**

A worrying development has been observed concerning how homes and infrastructure are being built. Several investigations have shown occurrences of tax avoidance, unreported employment and salary dumping, as well as a lack of respect for workers' rights along the supply chain at construction sites. Banks are an important part of the entire new construction process and major renovations, and therefore have the opportunity to influence.

The Sustainable Construction Industry initiative is a collaboration between six banks with the aim of countering tax avoidance and criminality in the construction industry. The initiative was started by SBAB in 2018, launched in the autumn of 2023 and fully rolled out in 2024. The Sustainable Construction Industry initiative means that banks have committed to considering a number of factors in lending and thereby set higher standards whereby the bank's customers are to have control over their production. The debtor is to regularly report deviations from the requirements set by the bank and to present actions taken or acceptable explanations if requirements are not met. The initiative aims to achieve increased control over the workforce utilised on construction sites across the entire supply chain. Through the initiative banks want to create a more sustainable construction industry.

## **Responsible property management**

A close public dialogue is a success factor for property owners who are focused on long-term value creation. Many property owners make different investments for better societal development in their neighbourhoods, for example measures to increase safety, to increase community engagement and to improve school performance. Together with our customers, we participate in different social projects to help improve housing and household finances, and a more inclusive housing market.

# Efficient operations

Conducting operations as efficiently as possible is essential for SBAB's long-term competitiveness. A high level of cost efficiency improves our ability to offer attractive terms to our customers. We measure progress in this target area by looking at our costs and relation to our income: our cost/income (C/I) ratio. Our goal is to reach and maintain a low C/I ratio to be able to deliver more value at a lower cost.

## Increased investments to improve efficiency

Cost efficiency is very important for SBAB's long-term competitiveness. To ensure long-term competitiveness, we make several investments in our operations. But above all, we need to make the investments required to meet the increased regulatory demands placed on us as a bank. In recent years, banking operations have become increasingly complex and demanding due to increased digitalisation and changed customer needs as well as regulatory developments, which include issues pertaining to customer experience, accounting, reporting, capital, risk and liquidity. This increased complexity has led to an increased need for investments which in turn increase fixed expenses for conducting banking operations.

To ensure that SBAB remains relevant for our customers, today and in the future, we need to invest in customer interaction and the customer offering. Digitalisation and new customer needs fundamentally change the value of the customer offering, how it is offered and what the customer pays for each product and service. Digitalisation also makes it

significantly easier to compare products and prices, which increases the competition for goods and services. SBAB's business model is by nature digital. At SBAB, our customer experience takes place through digital channels and the telephone, except for our large commercial mortgage and tenant-owners' association customers with whom we have physical meetings as well through digital channels. We constantly strive to further improve customer interaction as well as the customer offering.

This includes reviewing our existing processes and tools to streamline and improve our ways of working and how our customers use our services. This includes, for example, developing new system support and automating existing processes and procedures in order to make us even more efficient. This way we can also offer our customers even more effective, easily accessible service. We strive to keep the marginal cost (the cost for offering an additional unit) as low as possible. We want to keep the marginal cost of taking on more customers and larger business volumes as low as possi-

## Goals until 2030

# <30%

Cost efficiency  
C/I ratio

ble in order to increase our ability to always offer competitive terms to our customers.

To bear the costs of the increased investment needs, over time we need to achieve growth and increased business volumes – put simply, to increase revenue in order to address increased costs. It is important for us to grow responsibly, with good profitability and always at an acceptable risk. SBAB's expenses increased 14.7% (8.8%) during the year to SEK 1,907 million (1,663).

We measure progress in this target area by looking at our cost-to-income (C/I) ratio. This is a metric that describes how much each krona earned actually costs SBAB. The C/I ratio in 2024 amounted to 35.5% (31.0).

### Digitalisation leads to increased customer satisfaction and efficiency

More and more of the value chain is being digitalised. This is about speed and internal efficiency, as well as an enhanced customer experience through digital customer flows and processes.

Customers are now setting increasingly high demands on companies' ability to make the customer interface simple and relatively independent of the channel(s) the customer chooses. SBAB's offering has long been characterised by simplicity, accessibility and transparency. It is important to constantly develop and improve these parameters. This means that we want all of our channels to need to function together as a whole to create a seamless process and experience for our customers. Regardless of whether a customer calls Customer Service on the phone or files a case through our website. All of our channels need to be connected to allow the best possible service.

Digitalisation, on the other hand, is also about increasing internal efficiency by improving processes, reducing manual input and thereby reducing costs for conducting operations over time through more automated flows, at a faster pace as well as increased quality. This can mean using digitalisation to improve how we manage our customers in terms of onboarding and management as well as automating the management of documentation like credit applications.

Modern, flexible system support is a keystone for strengthening our future competitiveness, and its ability to develop digital services and enhance the digital customer interface. For the last few years, we have invested a great deal of time and resources into replacing our core banking platform, work that was largely completed in 2023.

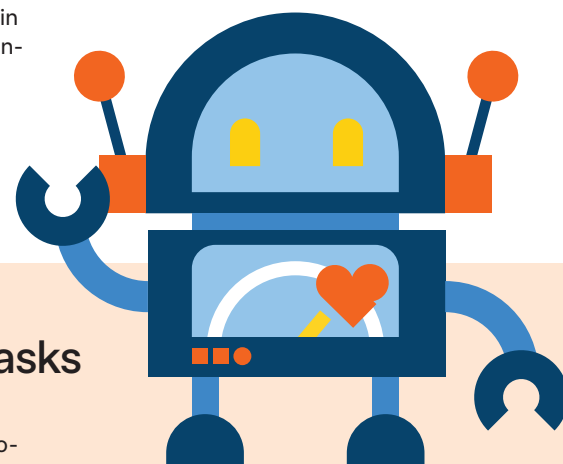
### Data access and management increasingly important

To distinguish SBAB's customer offering from other players, it is important to control the management of internal and external data. Thanks to predictive models, companies have more opportunities than ever to make their customer offering more relevant through custom tailored marketing campaigns and offering products and services that are more suitable for customers specific requests at a given point in time. By analysing data regarding customer behaviour and preferences, we can predict trends and identify potential customer needs and insights into what customers need before they even ask for it. The personalisation trend is growing in many industries. Products, services, con-

tent and offerings are adapted and customised based on each consumer. Successful personalisation creates a better customer experience in the form of increased relevance of solutions, at the right price and the right time, which leads to increased customer satisfaction, loyalty and profitability.

New regulations like PSD2/3 increase transparency in the market by giving third-party actors access to customer information and transaction data. This openness of data changes the customer experience in banking. Collecting all of the customer's data from different banks and relevant sources helps provide the customer with an improved experience.

Effective data management can lead to greater internal efficiency. Through efficient and appropriate communication at the right time we can offer things like a higher degree of self-service. This makes the customer experience quicker and easier while freeing up resources for SBAB to focus on more value-creating activities. Being able to analyse large quantities of data in a short time, for example through AI, leads to better opportunities to detect improprieties and manage risks. An attractive area of application would be to use advanced algorithms to identify deviations and unusual patterns in order to act proactively, thereby reducing losses due to fraud or risky transactions.



## Kalle frees up time for more important work tasks

At SBAB, we have several bots that support various departments, and Kalle is one of them. He is a valued "colleague" in the Anti-Financial Crime (AFC) team, not least because he works around the clock and is happy to take over monotonous tasks.

For example, Kalle has sped up processing for savings account applications for retail customers and sends reminders when customers need to update their Know Your Customer (KYC) data. He has

also updated KYC information for corporate and tenant-owners' association customers since 2024.

### More efficient work flows

Bots like Kalle help streamline routine tasks, which frees up time for analysts to focus on more complex investigations. This kind of initiative boosts daily productivity as well as long-term competitiveness for SBAB.

### Robots at SBAB

They help us automate repetitive and rules-based tasks, including in areas like customer service and finance. This means our employees can spend more time on work that creates value.

# Attractive workplace

At SBAB, we firmly believe that motivated and committed employees are a prerequisite – the very foundation – for our success, competitiveness and long-term value creation. For us, it is vital that all our employees thrive at work, that we feel good, that we can be ourselves and that we feel that we can jointly make a contribution and develop every day. Everyone at SBAB has the opportunity to grow. We measure progress in this target area with our engagement index, which is measured twice each year.

## Our people at SBAB

Working at SBAB means being part of a team of talented professionals. We have a firm conviction that knowledge and consideration on the inside creates sound business for our customers on the outside. At SBAB it is important to treat each other fairly! We want everyone to be able to be themselves and to feel good at work while they develop professionally. SBAB is on a journey of growth where everyone contributes to deliver, challenge and innovate.

SBAB's values are the basis of our operations and our corporate culture. Through focused and data-driven work on our HR Policy, which includes areas such as diversity and inclusion, a learning organisation and leadership, we create an attractive workplace.

### Commitment and experience

Becoming and staying an attractive workplace over time requires sustained and long-term effort. To investigate the shared commitment and perception of the work-

place, we perform employee surveys. A better understanding of what works well and what needs to be developed helps us focus our initiatives correctly. An entire 97% of our employees participated in the employee survey in October 2024. The Engagement Index was 4.2 out of 5.0.

### Values that drive us forward

Our values are the fundamental basis of how we act and work together – our entire business, in other words. They guide us, encourage initiative and strengthen follow-through. This makes us stronger and more competitive as a business while contributing to a positive and stimulating work environment.

In 2024, we future-proofed SBAB's values by investigating any need for adjustment that would make it easier to introduce them to new employees as we grow, and to ensure that they still support our development.

## Goals until 2030

>4

Engagement



The foundation of the existing values remains, but we have simplified their descriptions and reinforced some aspects to support our long-term development.

**Trustworthy leaders**

SBAB's leadership is based on trust and inclusion and aims to create the conditions for everyone to be self-driven employees. Leadership is characterised by clarity, empathy and a holistic approach. At SBAB we expect all of our leaders to be inclusive and understanding as well as clear and transparent. We also expect them to take responsibility and make the decisions necessary for our business. Our employee survey indicates that leadership at SBAB is highly appreciated. Statements measuring perceptions of immediate supervisors were among the top three of highest rated areas (Relationship with manager index was 4.4 out of 5.0).

**Conditions for a sustainable work life**

We want to make it possible for everyone who works at SBAB to feel their best and to take care of their own health and sustainability. An important prerequisite is a healthy work environment and a sustainable workload, which we actively strive to maintain. At SBAB we emphasise the importance of reflection, recovery, variation and a holistic approach to health and well-being. The employee survey indicates that our work to support health is appreciated by employees. The Health index was 4.2 out of 5.0, measuring the perception of support, inspiration for health and well-being and the ability to find balance between work and leisure.

**Learning and development, we never stop growing**

To remain competitive over the long term in a changing world, everyone needs to continuously develop their skills. Learning and development are essential for SBAB's future and central to attracting and retaining colleagues. SBAB's val-

ues-driven way of working creates the preconditions for a learning organisation. A learning organisation promotes curiosity, exploration and dialogue as well as encourages collaboration, knowledge sharing and collective learning. Our perception of ourselves as a learning organisation is clearly reflected in the Learning and development index as measured in the employee survey (4.1 out of 5.0).

**Respect and equality, self-evidently important topics**

For SBAB, it is a given that everyone has the same rights, obligations and opportunities in every aspect related to the workplace. Inclusion is central to our values and we are convinced that a mixture of opinions, perspectives and backgrounds enriches SBAB and drives change, growth and innovation.



# Financial report 2024



## Condensed income statement

### + SBAB's income

SEK million	2024 (2023)
<b>Net interest income</b>	<b>5,288</b>
SBAB's largest and most important revenue item is net interest income, which comprises the difference between interest income and interest expenses. Interest income is primarily from residential mortgages and property loans, while interest expenses mainly comprise costs for funding and deposits.	(5,446)
<b>Net commission</b>	<b>-54</b>
Net commission mainly comprises income from insurance broking and other credit-related fees and expenses related to funding and valuations.	(-34)
<b>Net result of financial transactions</b>	<b>86</b>
The net result of financial transactions arises through SBAB's application of financial instruments and as a result of accounting valuation effects.	(-95)
<b>Other operating income</b>	<b>57</b>
Other operating income primarily consists of income from housing and household financial services in the form of fees and advertising revenue.	(50)
<b>Total income</b>	<b>5,377</b>
	(5,367)

### - SBAB's expenses

SEK million	2024 (2023)
<b>Expenses</b>	<b>-1,907</b>
SBAB's expenses mainly comprise personnel, premises and marketing costs and costs for IT and business development.	(-1,663)
<b>Credit losses</b>	<b>0</b>
Credit losses arise when SBAB's customers are unable to pay interest and make loan repayments. We work to minimise credit losses, based on our adopted risk appetite. According to regulatory requirements, we also prepare for expected credit losses through provisions.	(-93)
<b>Imposed fees</b>	<b>-570</b>
Imposed fees include the risk tax that was introduced in 2022 as well as the resolution fee.	(-541)
<b>Tax</b>	<b>-618</b>
Tax consists of income tax of 20.6% of net profit for the year with an addition for tax adjustments and any adjustments of tax for previous years.	(-662)
<b>Total expenses</b>	<b>3,095</b>
	(-2,959)
<b>= Net profit for the year</b>	<b>2,282</b>
	(2,408)

The net profit for the year comprises total income less total expenses. Net profit is returned to **equity**.

## Condensed balance sheet

### SBAB's ASSETS

SEK billion	2024 (2023)
<b>Securities (liquidity reserve)</b>	<b>97</b>
In order to maintain high liquidity, SBAB has various forms of securities, mainly in the form of a liquidity portfolio. The liquidity portfolio was set up to ensure access to finance when necessary.	(102)
<b>Lending to the public</b>	<b>538</b>
SBAB's largest asset item in the balance sheet was lending to the public. This item comprises residential mortgages and consumer loans to consumers as well as property loans to corporates and tenant-owners' associations.	(517)
<b>Lending to credit institutions</b>	<b>8</b>
For short-term liquidity management, SBAB utilises, inter alia, the repo market to invest or borrow money from other banks.	(12)
<b>Derivatives</b>	<b>11</b>
SBAB utilises various forms of derivatives both on the asset and liability sides to protect the company against undesired changes in interest rates or exchange rates.	(12)
<b>Total assets</b>	<b>660</b>
	(651)

### SBAB's liabilities and equity

SEK billion	2024 (2023)
<b>Deposits</b>	<b>256</b>
SBAB's lending is financed by, inter alia, deposits from the public. Deposits refer to private individuals, corporates or tenant-owners' associations saving money in SBAB's savings accounts, in return for interest on their savings.	(215)
<b>Liabilities to credit institutions</b>	<b>7</b>
See the comment under the post "Lending to credit institutions" above.	(6)
<b>Issued debt securities (funding)</b>	<b>352</b>
The largest part of SBAB's lending is financed through capital market funding, which is referred to in the balance sheet as issued debt securities.	(383)
<b>Derivatives</b>	<b>11</b>
See the comment under the item "Derivatives" above.	(16)
<b>Subordinated debt</b>	<b>2</b>
SBAB utilises subordinated debt to strengthen its capital position. The fact that the debt is subordinated means in the event of a bankruptcy, the debt will be realised only when other liabilities have been paid.	(2)
<b>Equity</b>	<b>26</b>
	(24)
<b>Total liabilities and equity</b>	<b>660</b>
	(651)

# Group performance

## General information

The Board of Directors have signed, and thereby submitted, the Annual and Sustainability Report in its entirety. The statutory annual report, including this administration report, is revised and includes pages 40–61, 69 and 170–256. SBAB has prepared a statutory sustainability report pursuant to the updated requirements of the Annual Accounts Act. SBAB has chosen to early adopt the updated requirements of the Annual Accounts Act and has prepared the Sustainability Report in accordance with the European Sustainability Reporting Standards (ESRS) and the Taxonomy Regulation. The Sustainability Report also meets the requirements pursuant to the previous version of the Annual Accounts Act that applied prior to 1 July 2024.

The Sustainability Report has been subject to an auditor's review of the statutory sustainability report pursuant to RevR19. The Corporate Governance Report is subject to a statutory review, which is less comprehensive than an audit or auditor's review.

## Organisation and operations

SBAB Bank AB (publ) has two business areas: Private; and Corporates & Associations (tenant-owners' associations). On 31 December 2024, SBAB had 1,082 (948) employees (Full Time Equivalents – FTEs) at five offices: 523 (452) in Solna, 52 (47) in Stockholm, 473 (418) in Karlstad, 15 (13) in Gothenburg and 19 (18) in Malmö. Our main IT unit and central functions are in Solna. Booli is located in Stockholm. Our Customer service and certain other functions are located in Karlstad. In Gothenburg and Malmö, there are local account managers and appurtenant services serving the Corporates & Associations business area.

## Financial targets

Our owner, the Swedish government, has established the following overall financial targets for SBAB:

- Profitability: A return on equity of no less than 10% over a business cycle.
- Capitalisation: The CET1 capital ratio and total capital ratio should be at least 0.6 percentage points higher than the requirements communicated by the

Swedish FSA. Over time and under normal circumstances, this entails SBAB maintaining a buffer equivalent to 1–3 percentage points above the Swedish FSA's communicated requirements. The new target, which was introduced by CEO in 2022, is a complement to the lower limit of 0.6 percentage points decided by the Board.

- Dividend: Ordinary dividend of at least 40% of profit for the year after tax, taking the Group's capital structure into account.

## Business development

Lending to the public increased 3.9% during the year to SEK 537.8 billion (517.4). New lending amounted to SEK 86 billion (71). Of total lending at year end, SEK 366.0 billion (346.5) comprised residential mortgages, SEK 1.7 billion (1.8) consumer loans, SEK 105.3 billion (100.9) lending to property companies and SEK 64.8 billion (68.5) lending to tenant-owners' associations.

## Financial results

Operations continued to develop well in 2024. SBAB's operating profit was SEK 2,900 million (3,070). The return on equity was 10.4% (11.5).

## Income

Net interest income declined to SEK 5,288 million (5,446), primarily driven by shrinking deposit margins. An increased share of financing from deposits in the funding mix positively impacted the item. During the period, net commission income decreased to an expense of SEK 54 million (expense: 34). The net result of financial transactions amounted to income of SEK 86 million (expense: 95).

## Expenses

Expenses grew to SEK 1,907 million (1,663), mainly driven by increased personnel costs due to an increase in employees, higher IT expenses and greater media exposure. Increased impairment charges linked to IT-related projects led to increased costs. The number of FTEs increased from 948 to 1,082 over the year. Personnel costs amounted to SEK 1,025 million (890). Other expenses exclusive of

depreciation, amortisation and impairment amounted to SEK 671 million (608). Depreciation, amortisation and impairment of PPE and intangible assets amounted to SEK 211 million (165). The C/L ratio amounted to 35.5% (31.0) and the C/L ratio was 0.36% (0.32).

## Credit losses

Credit losses decreased during the year to SEK 0 million (loss: 93). Changes in reserves were impacted by revisions to the forward-looking information applied in the impairment model together with positive rating grade migrations. The unwinding of credit loss provisions were partly offset by an adjustment of the PD estimates in the ECL model and a management overlay for future revisions due to adjustments to the PD and LGD models in 2025. Confirmed credit losses totalled SEK 14 million (loss: 9).

## Imposed fees

Imposed fees included Sweden's new risk tax and the resolution fee. The risk tax amounted to 0.06% of the credit institution's liabilities. Imposed fees for 2024 totalled SEK 570 million (541), of which the risk tax amounted to SEK 362 million (359) and the resolution fee to SEK 208 million (182).

## Dividends and appropriation of profits

The Board's proposal to the AGM entails the distribution of a dividend of 40% (40) for 2024. The detailed proposed appropriation of profits can be found later in this report. See Note [G 3](#).

## Remuneration

There are no differences between the proposed guidelines for remuneration and other terms of employment for senior executives to be adopted at the next AGM compared to the guidelines that applied over the year. The most recently adopted guidelines are provided in Note [IC 5](#).

## Events after the balance-sheet date

Information about events after the balance sheet date is available in Note [G 4](#).

## Further information

Further comments on the Group's financial position can be found later in this report.

➔ Read more on page 170.

# Stagnant economy and falling interest rates

After a couple of years of high inflation and high interest rates, low inflation and falling interest rates characterised 2024. Economic growth had already slowed in 2023, but it stalled for most of 2024. Towards the end of the year, however, a slight uptick could be observed in the GDP. Despite more or less stagnant production levels and falling interest rates, companies were under pressure from high costs and weak demand. Employment declined and unemployment continued to rise in 2024. Household mobility and housing demand were low but improved over the year.

Developments in the Swedish housing market impact SBAB's lending and profitability. In turn, developments in the housing market are affected by the general state of the Swedish economy. Sweden is a small, heavily export-dependent economy that is highly influenced by international economic developments.

## Falling interest rates helped strengthen the housing market

In May, the Riksbank decided on a first policy rate cut from 4% to 3.75%. After a pause over the summer, the cuts continued in the autumn and then grew even larger. At year end the policy rate reached 2.5%. The Riksbank also continued to reduce its holdings of SEK-denominated securities in 2024. A SEK 192 billion decrease to SEK 435 billion means that assets have decreased SEK 577 billion since the peak of SEK 1,012 billion in March 2022.

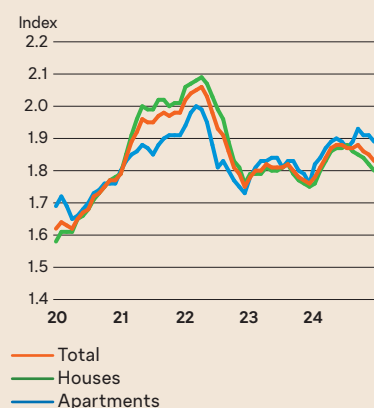
The overall effect on the economy of a lower policy rate and reduced holdings of Swedish securities is lower market rates, particularly those with shorter fixed-interest periods, and therefore a less restrictive situation overall. Over the year, short-term market interest rates declined around 1.5 percentage points and long-term market interest rates declined 0.4 percentage points.

For households, these developments have led to a decline in mortgage rates during the year. In January 2024, the average interest rate for a 3-month fixed-interest mortgage was 4.79%. By December 2024, it had fallen to 3.47%. Yields on longer fixed-interest mortgages also declined over the year.

Compared with the decline in the policy rate and market interest rates, the fall in households' mortgage rates has been significantly lower. One reason for the smaller decline in household mortgage rates is that banks partly finance their lending with deposits from households and companies, and that the decline in savings rates over the year was only around 0.9 percentage points. In turn, the moderate decline arose due to deposit rates not keeping pace with the increase in the policy rate a couple of years ago. Moreover, a delay applies both for deposit and for lending rates, which means that these are expected to continue to fall slightly in the beginning of 2025 as a result of market developments in 2024.

## Housing price trend

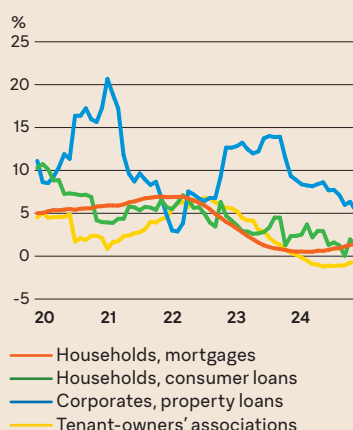
(SBAB Booli HPI, 2013.01 = 1)



Source: Valueguard, Statistics Sweden (SCB).

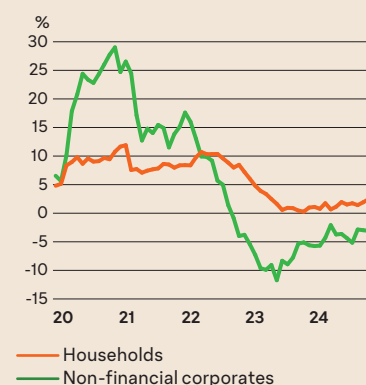
## Lending growth

(Percentage, 12-month change)



## Deposit growth

(Percentage, 12-month change)



### Housing market – cold to normal

The housing market temperature moved from cold to bordering on normal in 2024, with the largest improvement for apartments, especially in central city locations. The temperature assessment is based on how six key factors, including supply, selling times, number of bidders and bid premiums, relate to their respective historic averages.

Over the year, housing prices rose an average of 4.2% in Sweden as a whole. This was in line with what can be justified by rising household disposable income, which is the most important long-term explanatory factor. Apartments experienced the largest price increase at 7.1% compared to houses at 2.7%. Despite the upturn for the year, housing prices remain on average 11.1% below their spring 2022 peak.

While housing turnover recovered rapidly in 2024, it remained lower than normal toward the end of the year. Although the house turnover trend had risen to its normal level, the trend for apartment turnover remained around 7% below its expected long-term level. While housing turnover is cyclical, which may partly explain the low level for apartments during the year, there were other factors in play. To start with, the earlier rapid hikes in mortgage rates led to record low housing turnover in 2023. Subsequently, a pent-up need to change homes has probably boosted turnover despite the continued weak economy.

The market for new housing production differs from the market for existing housing. To begin with, it is impossible to identify any general decline in prices in the wake of the 2022 and 2023 interest rates hikes, even if reduced prices have become more commonplace. On the other hand, sales, which fell sharply already in 2022, remained very low throughout 2024. Nevertheless, the supply of new housing was not any higher in 2024 than in 2022, for example, and

instead was lower. This is attributable to the low inflow of newly built housing.

For Sweden as a whole, the SBAB Booli Housing Market Index (HMI, available here) indicates that conditions for building housing remained relatively balanced in 2024. This means, in other words, that household demand for new housing matched well with the supply. Accordingly, the significantly lower pace of construction compared with a few years earlier aligned with what households purchased. This relationship applies for the country as a whole. However, local surpluses or shortages for specific forms of housing can arise.

### Households gradually increased their savings and their borrowings

During 2024, households' mortgages grew 1.4% (0.6) to SEK 4,133 billion (4,077). Loans to property companies including tenant-owners' associations grew 2.0% (4.2) to SEK 1,059 billion (1,039). The lower growth rate for household borrowing was primarily attributable to lower housing prices but also to moderately rising housing prices. Households have also remained cautious and have largely focused on paying down their mortgages. Growth for property loans to corporates can be divided into two groups: one with very low growth for lending to tenant-owners' associations, which shrank 0.7% (growth: 0.4%) and another with relatively high growth for property loans to other corporates, which increased 5.3% during the year (9.3%). The negative trend for lending to tenant-owners' associations was due to their decisions to delay investments and thus higher tenant-owner fees. A historically normal trend for property loans to other corporates was due to the relatively large number of apartments that were completed in 2024 despite few construction starts.

Growth for households' consumer loans dipped sharply to 1.3% (2.3) during

the year and increased to a total of SEK 300 billion (296), more or less stagnant during the year. It is typical for households in an economic downturn to reduce consumption of capital goods, which reduces the need for unsecured loans.

In 2023, deposits from households increased 2.0% (1.0) and deposits amounted to SEK 2,642 billion (2,591) at the end of 2024. Household deposits, which are largely held in bank accounts, grew at a relatively low pace. This was attributable to higher interest rates, which meant that bank savings gave way to loan repayments.

The market for deposits from non-financial corporates, including tenant-owners' associations, increased 1.3% (decrease: 5.6) during the year to SEK 1,340 billion (1,323). The turnaround compared with the downturn in 2022 and 2023 was due to stronger demand and a slightly stronger economy, which has increased corporate revenue and led to better liquidity.

# Business Area Private

Business Area Private offers private individuals a range of services related to housing and household finances, such as mortgages, consumer loans, savings products, home search and valuation services, real estate agent services and home insurance mediation. Activities are operated under the SBAB, Booli and HittaMäklare brands, and regardless of through which brand the customer comes into contact with us, this is done digitally or by telephone, without physical customer meetings. Our market share in terms of residential mortgages amounted to 8.76% at year end, which makes us the fifth-largest residential mortgage bank in Sweden. Booli has Sweden's largest offering of homes for sale and coming soon, with an average of 9,200,000 visitors per month. SBAB's strategy is to offer a differentiated, value-creating customer offering related to housing and household finances with services facilitating the entire housing journey.

## Residential mortgages

The low activity and lower growth in the housing market turned upwards in 2024.

The market for housing loans grew 1.4% in 2024, which was still significantly lower than the average for the last three years, which was nearly 4%. The price trend has turned and we are noting an upturn in the number of properties being sold in the market. During the year, prices for houses increased around 6% and for tenant-owner apartments around 7%.

Competition in the residential mortgage market remains intense. This was due to a combination of relatively low growth in the residential mortgage market and the focus of major banks on maintaining their market shares. Intense competition is further driving the need for digitalisation to enhance customer experience and efficiency.

SBAB's new lending in residential mortgages for the year amounted to SEK 61.1 billion (41.6). The total volume of residential mortgages increased 5.7% (decrease: 0.7) during the year to SEK 366.0 billion (346.3). This puts SBAB in fifth place after the four major banks, with a market share of 8.76% (8.40). The mortgage volume was distributed over 298,000 residential mortgage customers

(287,000) at the end of the year and allocated over 192,000 mortgage objects financed (184,000). SBAB's lending is concentrated to the Stockholm, Öresund and Gothenburg regions, which together represent 82.7% of the residential mortgage stock. The majority of SBAB's residential mortgage customers chose one of the shorter fixed-interest periods during the year. The share of total lending with a three-month fixed-interest period amounted to 84.9% (71.6) at year end. At the end of 2024, the average LTV ratio in SBAB's mortgage portfolio was 59% (60). At the same date, the average residential mortgage to retail customers amounted to SEK 1.9 million (1.9).

## Condensed income statement, Private

SEK million	2024	2023	2022
Operating income	3,230	3,302	3,415
Expenses	-1,411	-1,195	-1,233
Net credit losses	-69	-22	-44
Imposed fees	-379	-353	-360
<b>Operating profit</b>	<b>1,371</b>	<b>1,732</b>	<b>1,778</b>
<b>Return on equity, %</b>	<b>8.1</b>	<b>10.0</b>	<b>9.9</b>

## Composition of collateral in the loan portfolio, Private

SEK billion	2024	2023	2022
Mortgage deeds	187.3	176.1	178.4
Tenant-owner apartments	178.1	169.9	170.2
Municipal guarantees and direct loans to municipalities	0.0	0.0	0.0
Government guarantees	0.0	0.0	0.0
Bank guarantees	0.0	0.0	0.0
Other collateral	0.0	0.0	0.0
Consumer loans <sup>1)</sup>	2.5	2.2	2.6
<b>Total</b>	<b>367.9</b>	<b>348.3</b>	<b>351.3</b>

<sup>1)</sup> Unsecured loans to households.

**Consumer loans**

A consumer loan is a loan without a requirement for collateral. Unlike residential mortgages, consumer loans are not connected to any specific purpose, although they are frequently used to supplement residential mortgages in relation to home finance. At the end of the year, the total consumer loan volume amounted to SEK 1.7 billion (1.8). At the same date, the market share was 0.52% (0.58). On 31 December 2024, about 26,000 (28,000) customers had consumer loans with SBAB.

**Savings accounts**

In comparison with the zero interest offered by other players in the market, SBAB's attractive savings offering with straightforward and favourable terms has resulted in many customers choosing to save with us. Deposits are extremely important if we are to have a competitive offering in terms of residential mortgages and housing financing since it comprises a growing and valuable share of our funding for lending. Our savings accounts offer competitive interest rates, are free of charge, have free withdrawals and are covered by the national deposit guarantee. Retail deposits performed well in 2024 posting a continued healthy trend and amounted to SEK 202.0 billion (173.1)

at the end of the year. At the end of the year, the share of deposits with fixed-interest periods amounted to about 32%. The market share increased to 7.65% (6.69). At year end, approximately 679,000 (602,000) retail customers held savings accounts with SBAB. The above increase was due to a competitive savings rate, marketing initiatives and a continuing high level of deposits in savings accounts by households.

**Insurance broking**

We offer two insurance products that are related to residential mortgages and housing in different ways: mortgage insurance and home insurance. Income insurance insures customers against unemployment or sick leave, by compensating the customer for the monthly cost of the loan. Life insurance means that the borrower's residential mortgage may be wholly or partially written off in the event of death. Home insurances pay compensation to the homeowner in case of damage to the home. These products protect our customers, but they also add value for SBAB, as good insurance protection reduces the risk of credit losses.

**More customers using our services**

Our customer offering to private individuals is an ecosystem of services related

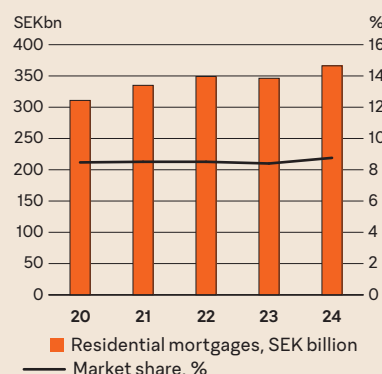
to housing and household finances. We aim to meet our customers' needs throughout the housing journey with our service offering from Booli, HittaMäklare, SBAB and business partners. Every month, many people visit SBAB's website to manage mortgages and savings or to find inspiration about housing and household finances. The number of visitors per month to [www.sbab.se](http://www.sbab.se) averaged around 1,475,000. Booli is a popular platform for finding information about supply, demand and price trends for housing. The average number of visitors per month to [www.booli.se](http://www.booli.se) was around 9,200,000 over the year. Booli's monthly home valuation email had approximately 780,000 subscribers at the end of 2024. HittaMäklare is Sweden's largest service for locating and recommending estate agents. About 95% of the registered estate agents in Sweden had used HittaMäklare's service in 2024.



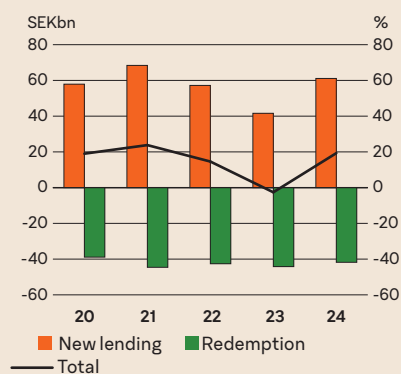
### Increased market shares

The total volume of residential mortgages to private individuals increased 5.7% during the year to SEK 366.0 billion (346.3). The residential mortgage market share was 8.76% (8.40).

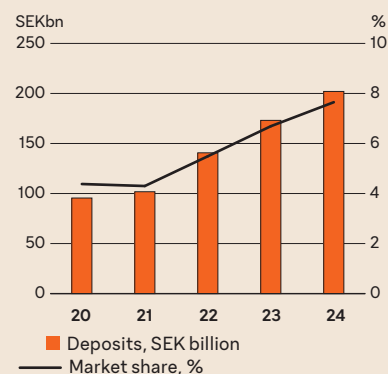
#### Volume and market share, residential mortgages



#### New lending and redemption, residential mortgages



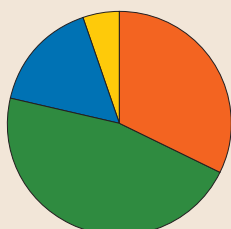
#### Volume and market share, deposits, private



### Good credit quality in the lending portfolio

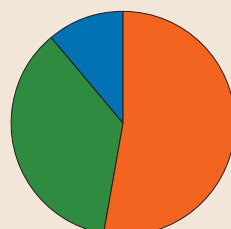
We work determinedly and continuously to ensure good credit quality in our lending portfolio. In the last few years, we have developed existing credit rules, implemented more risk-based pricing and adapted operations to updated amortisation regulations. In addition, we are working on distribution and customer communication customised for target groups.

#### Loan-to-value (LTV) ratio in the mortgage portfolio



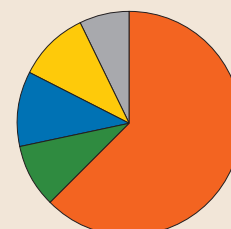
- LTV 0-50% 32% (31)
- LTV 50-75% 46% (45)
- LTV 75-85% 16% (16)
- LTV >85% 5% (8)

#### Average debt-to-income ratio in new lending in 2024



- Debt ratio ≤3.5 53% (50)
- Debt ratio <3.5 - ≤4.5 36% (38)
- Debt ratio >4.5 11% (12)

#### Geographic distribution of the mortgage portfolio



- Stockholm region 62.5% (63.2)
- Öresund region 9.3% (9.2)
- Gothenburg region 10.9% (10.9)
- University and growth areas 10.3% (10.7)
- Other regions 7.0% (6.1)

# Business Area Corporates & Associations

Business Area Corporates & Associations offers savings and property financing solutions to property companies, housing developers and tenant-owners' associations as well as savings to companies and organisations. We finance multi-family dwellings. These properties could be existing or in new construction. Our lending to this segment corresponds to around one third of SBAB's total lending. We offer personal service to our customers, who are concentrated in growth regions surrounding our offices in Stockholm, Gothenburg and Malmö. The market share for lending on properties to property companies increased during the year to 18.00% (17.86). The market share for lending to tenant-owners' associations increased to 11.15% (11.08).

### Property financing

SBAB finances multi-family dwellings, both privately owned and owned by tenant-owners' associations. The properties may consist of existing buildings or new construction, where we mortgage the land with development rights and the construction. In our credit process, we

regularly monitor developments in the property market and conduct reviews and risk evaluations of all customer relationships. During the year, SBAB's total lending to property companies and tenant-owners' associations continued to increase, up 0.5% (6.9), and amounted to SEK 170.1 billion (169.3) as of 31 December 2024. Of this, SEK 105.3 billion (100.8) comprised lending to property companies and SEK 64.8 billion (68.5) lending to tenant-owners' associations.

### Property companies

Cautious optimism started to appear in the property market after the rising market rates and inflation that dominated the previous year. Players in the market were glad to see falling interest rates in combination with the good rental growth expected for 2025 and 2026.

Transaction activity, however, remained relatively low. Property companies in more difficult financial situations have continued to prioritise activities to strengthen their cash flows and balance sheets. While transaction intensity remained low in the corporate market, some increase was

noted for investments in existing property holdings, often driven by the green transition, as well as an inflow of foreign capital into fund structures. SBAB's focus on housing financing and strong customer relationships creates excellent prerequisites to assist customers with more transactions going forward.

New lending to property companies amounted to SEK 10.5 billion (15.0) in 2024. Total lending amounted to SEK 105.3 billion (100.8) at the end of the year. The number of large property company customers amounted to 123 (133). SBAB's lending on commercial properties, excluding residential properties, amounted to SEK 12.4 billion (9.4) on 31 December 2024. At year end, the market share for lending to property companies was 18.00% (17.86).

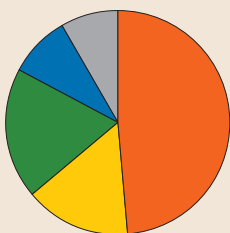
### Building credits

The negative trend continued in the housing market in 2024. Demand has been extremely low for new construction projects, partly due to higher interest rates, declining household purchasing power, increased construction costs and more

### Increased lending volumes for corporate business

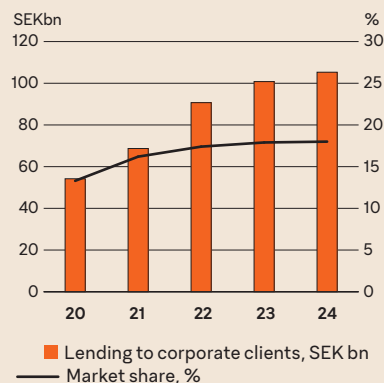
SBAB's lending to property companies during the year increased to a total of SEK 105.3 billion (100.8). At the end of the year, the market share was 18.00% (17.86).

### Geographic distribution of the loan portfolio, Corporates & Tenant-Owners' Associations

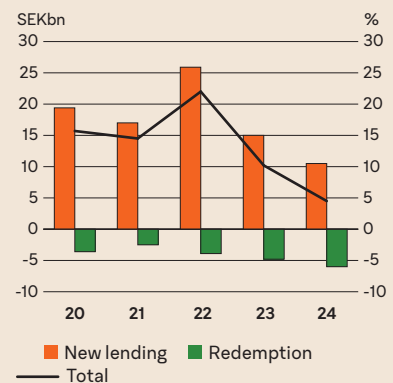


- Stockholm region 48.8% (50.2)
- University and growth areas 15.3% (16.2)
- Öresund region 18.9% (17.9)
- Gothenburg region 8.9% (8.7)
- Other regions 8.2% (7.0)

### Volume and market share, Corporates



### New lending and redemption, Corporates





stringent terms and conditions for financing. For many years, SBAB has prioritised helping to ensure enough construction to address the housing shortage in Sweden. In 2024, SBAB financed the construction of approximately 1,100 new homes.

The Swedish National Board of Housing, Building and Planning estimates that the number of construction starts in 2025 will increase considerably from the levels in 2024, when the recovery was slowed by high construction costs and low household purchasing power.

SBAB focuses lending on established customer relationships and large, experienced property developers in growth regions with the greatest housing shortages. Our credit granting for new build

projects sets pre-sales requirements on investments of substantial portions of equity and a certain share of binding purchase agreements before the start of production.

#### Tenant-owners' associations

SBAB holds a strong position in a market that experienced low growth during the year. At the end of 2024, SBAB's total lending to tenant-owners' associations amounted to SEK 64.8 billion (68.5). New lending totalled SEK 6.2 billion (8.4). The market for lending to tenant-owners' associations has remained dominated by intense price competition with low margins, not least in the major metropolitan areas. Despite intense price competition, we succeeded in increasing our market

share somewhat, which ended the year at 11.15% (11.08). The number of tenant-owners' association customers amounted to 2,456 (2,412) at the end of 2024.

#### Savings accounts

SBAB has attractive savings and investment account offerings for companies, tenant-owner associations and organisations with fixed-interest periods of up to five years.

Deposits from corporate clients and tenant-owners' associations increased over the year and totalled SEK 53.9 billion (42.1), and the market share was 3.73% (2.94) at the end of 2023. At year end, 12,500 corporate clients (10,900) and 5,900 tenant-owners' associations (5,400) held savings accounts with SBAB.

#### Composition of collateral in the loan portfolio, Corporates & Tenant-Owners' Associations

SEK billion	2024	2023	2022
Mortgage deeds	166.6	156.1	143.1
Tenant-owner apartments	0.0	0.0	0.0
Municipal guarantees and direct loans to municipalities	0.2	0.2	0.3
Government guarantees	0.0	0.0	0.0
Bank guarantees	0.0	0.0	0.0
Other collateral	3.8	13.2	15.0
<b>Total</b>	<b>170.6</b>	<b>169.5</b>	<b>158.4</b>

#### Condensed income statement, Corporates & Tenant-Owners' Associations

SEK million	2024	2023	2022
Operating income	2,147	2,065	1,266
Expenses	-496	-468	-296
Credit losses/recoveries	69	-71	-24
Imposed fees	-191	-188	-85
<b>Operating profit</b>	<b>1,529</b>	<b>1,338</b>	<b>861</b>
<b>Return on equity, %</b>	<b>13.9</b>	<b>14.1</b>	<b>11.8</b>

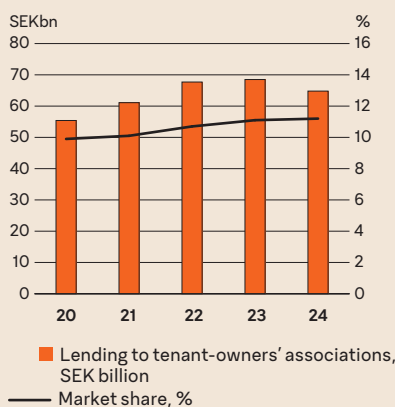
#### Building credits

	2024	2023	2022
Approved construction loans, No.	37	66	109
Approved construction loans, SEK bn	10.1	18.9	25.0
<i>Of which disbursed, %</i>	<i>81</i>	<i>76</i>	<i>61</i>

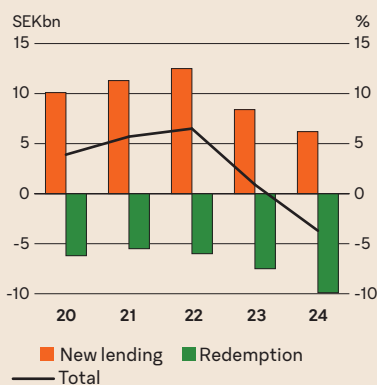
#### Strong position and high activity in terms of lending to tenant-owners' associations

Despite the market for lending to tenant-owners' associations continuing to be dominated by intense price competition with low margins, the market share of lending to tenant-owners' associations increased. At year end, the market share was 11.15% (11.08).

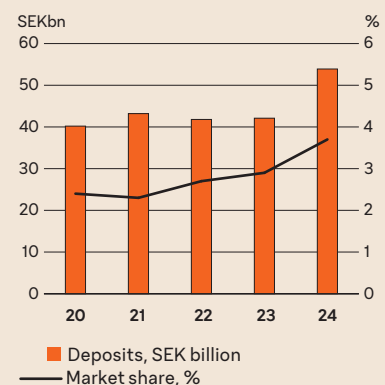
#### Volume and market share, Tenant-owners' associations



#### New lending and redemption, Tenant-owners' associations



#### Volume and market share, deposits, Corporates & Tenant-Owners' Associations



# Funding and liquidity

## Funding operations

SBAB's operations are primarily funded through the capital market, but for the last several years, also increasingly through deposits from the public. The SBAB Group is active in both the senior unsecured bond market through the Parent Company SBAB, as well as in the covered bond market through the wholly owned subsidiary SCBC.

## Long-term funding sources

	Limit
Euro Medium Term Note Programme (EMTN), SBAB	EUR 13 billion
Euro Medium Term Covered Note Programme (EMTCN), SCBC	EUR 16 billion
Swedish covered bond programme, SCBC	[No fixed limit]

## Short-term funding sources

	Limit
Swedish Commercial Paper Programme (SVCP)	SEK 25 billion
European Commercial Paper Programme (ECP)	EUR 3 billion

## Overall market development

After several interest rate cuts by the Riksbank in 2022 and 2023 to counter rapidly rising inflation, the policy rate amounted to 4.00% at the beginning of 2024. Despite a somewhat more positive market sentiment and expectations of lower rates, the global market was still dominated by continued determination from the central banks to fight inflation and high levels of geopolitical uncertainty in the wake of war and conflicts around the world.

The Riksbank anticipated the ECB in May and lowered the policy rate from 4.00% to 3.50%, primarily due to lower inflation. After additional cuts, the policy rate in Sweden was 2.75% at the end of the year. The Fed and the ECB also gradually lowered interest rates during the year.

Credit spreads and risk premiums both remained relatively stable during the year. Credit spreads started to decline in the beginning of the year, primarily in the European bond markets, mainly due to expectations of lower interest rates from the major central banks. The EU elections

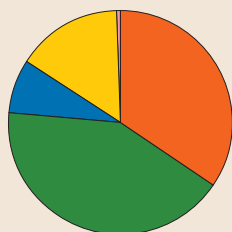
in the second quarter, as well as the Japanese central bank's decision to raise its policy rate, led to a brief but significant increase in credit spreads. Credit spreads rose again towards the autumn, due to increased volatility in connection with the presidential election in the USA and a recession in Europe.

## Funding activity during the year

The SBAB Group's total funding needs remained limited in 2024 due to the good inflow of deposits. Long-term bonds for SEK 35 billion (49.8) were issued during the year.

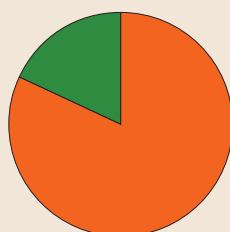
In addition to continuous issues in the Swedish covered bond market, SBAB issued two public senior non-preferred bonds of SEK 2.5 billion and SEK 1.5 billion, respectively, to meet the future MREL. In February, Tier 1 capital (AT1) of SEK 1.9 billion was issued to refinance maturing liabilities and further strengthen SBAB's own funds. SBAB issued a SEK 4.0 billion green covered bond during the year, which comprised the second transaction under the new

Funding sources, Group



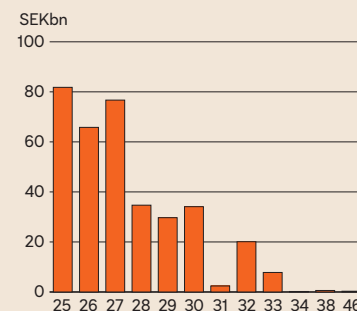
- Swedish benchmark covered bonds SCBC 34.5% (36.6)
- Deposits 42.0% (35.9)
- EMTN programme SBAB 7.6% (9.4)
- EMTCN programme SCBC 15.5% (17.8)
- Subordinated loans 0.3% (0.3)
- ECP 0.0% (0.1)
- SVCP 0.0% (0.0)

Funding sources, distribution by currency, Group



- SEK 82% (80)
- EUR 18% (20)
- Other currencies 0% (0)

Outstanding maturity profile, Group



SBAB Group Green Bond Framework 2024 that was published in the beginning of the year. Demand from investors was healthy and all transactions were well-received in the market.

Issued debt securities outstanding amounted to SEK 351.9 billion (382.8) at the end of the year, of which SEK 305.2 billion (326.2) comprised covered bond funding and SEK 46.7 billion (56.6) unsecured funding.

### Funding Strategy

Through access to stable and competitive funding, we ensure that SBAB can offer lending at attractive terms. We actively work to diversify our sources of funding through increased retail and corporate deposits. In recent years, growing deposit volumes have reduced our dependence on capital markets, while concurrently providing us with a better and more balanced funding mix. The cornerstones of our funding strategy are to promote diversified borrowing and to be a regular issuer in both the Swedish and the European bond markets. Active liability management, in part through repurchasing bonds with short remaining maturities, as well as a balanced maturity profile are other key elements. We attach great importance to regularly meeting and updating investors in the markets where we operate, primarily in Sweden and Europe.

### Unsecured funding

#### Long-term funding

Continued strong deposit inflows and healthy liquidity have contributed to a slight reduction in the need for long-term unsecured funding as a share of total financing over time. At year end, long-term unsecured funding amounted to SEK 46.4 billion (56.3), of which SEK 19.8 billion (21.5) comprised senior non-preferred bonds and SEK 26.6 billion (34.8) other senior unsecured bonds.

### Short-term funding

Short-term funding in the form of commercial paper continues to represent a limited part of SBAB's total funding and amounted to SEK 0.3 billion (0.3) at year end. Short-term funding is used primarily to manage and balance liquidity between periods.

### Covered bond funding

Funding through the issue of covered bonds is carried out by the wholly-owned subsidiary, AB Sveriges Säkerställda Obligationer (publ) (Swedish Covered Bond Corporation – SCBC). Total covered bond funding amounted to SEK 305.2 billion (326.2) at the end of the year, of which SEK 228.9 billion was in SEK and SEK 76.3 billion was in foreign currencies.

### Liquidity position

The primary purpose of SBAB's liquidity reserve is to act as a provision for situations when the ability to obtain liquidity from other sources is limited or rendered materially more difficult. SBAB's liquidity reserve primarily comprises liquid, interest-bearing securities with high ratings. At the end of the year, the market value of the assets in the liquidity reserve amounted to SEK 98.2 billion (104.3). Taking the Riksbank's and the ECB's haircuts into account, the liquidity value of the assets was SEK 95.0 billion (101.8). External regulations and internal limits both dictate the size and composition of the liquidity reserve. Securities holdings are limited by asset class and by country and must have at least an AA rating on acquisition. At year end, at least 95% of the reserve had at least an AAA rating. In addition to collective limits, limits for individual issuers may also be set. Investments are mainly in SEK, EUR and USD and SBAB uses derivatives to manage the portfolio's interest-rate and currency risks.

#### Green bonds in the liquidity reserve

At the end of 2024, our holdings in green bonds amounted to about SEK 11.2 billion (7.8).

### Key figures for liquidity <sup>1)</sup>

	2024	2023	2022
Survival horizon	532	529	347
LCR, %	196	258	250
NSFR, %	126	132	128

<sup>1)</sup> Pertains to the consolidated situation.

### Credit rating

Long- and short-term credit ratings from Moody's and Standard & Poor's were unchanged during the year.

### Rating

	Moody's	Standard & Poor's
Long-term funding, SBAB	A1	A
Long-term funding, SCBC	Aaa	–
Short-term funding, SBAB	P-1	A-1

### SCBC in brief

SCBC's primary operations comprise the issue of covered bonds in the Swedish and international capital markets. The company's funding programmes have received the highest possible long-term rating of Aaa from Moody's. SCBC does not conduct any lending activities itself, but instead acquires loans from SBAB, with the aim that these are included wholly or in part in the cover pool that serves as collateral for SCBC's covered bonds. Information on SCBC's covered bonds and cover pool is published monthly on [www.sbab.se](http://www.sbab.se).

# Risk and capital management

**SBAB's risk and capital management is tasked with ensuring SBAB's resilience in terms of managing existing risks and with identifying emerging risks. The risk framework is continuously developed to reflect the risks linked to, inter alia, market trends and changes in the operating environment.**

SBAB's independent risk control function identifies, analyses and develops methods to manage various types of risks in our operations. The main risk is credit risk arising from lending, primarily to retail customers, but also to tenant-owners' associations and corporate customers. In addition, SBAB is exposed to credit risk in treasury operations, above all the counterparty risk for the derivatives and repo contracts SBAB enters into in order to manage financial risks.

Other risks in SBAB's operations pertain to market risk, liquidity risk, business risk, operational risk and sustainability risk. SBAB retains sufficient capital and liquid-

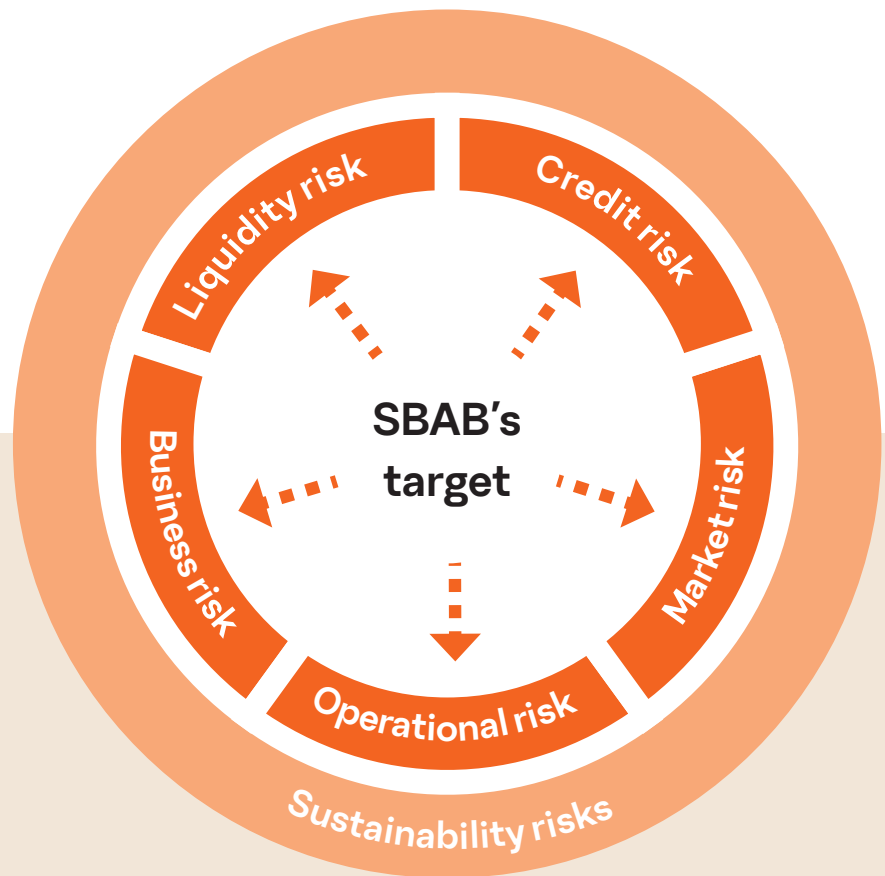
ity to cover these risks, even in stressed situations. SBAB is well capitalised and has own funds that exceed both the internally estimated need of own funds and the capital requirement calculated by the Swedish FSA. Liquidity risk is managed beyond capital by maintaining a liquidity reserve and through diversified funding.

**SBAB's risks and risk management**  
Risk is defined as a potentially negative impact that may arise due to ongoing or future internal or external events. The definition of risk includes the likelihood that an event occurs as well as the impact

the event could have on SBAB's profit, capital, liquidity or value. SBAB's risk management framework comprises a risk strategy, a risk policy, a capital policy and a risk appetite. The risk policy sets out SBAB's risk management objectives and defines the risks to which SBAB's operations are or could be exposed. With the exceptions of business risk and sustainability risk, the limits specified in the risk appetite are used to keep exposures to the respective risk types in check. Sustainability risk is a risk factor that impacts the banks operations, or that can contribute to other existing risks. Sustainability

## SBAB's risk appetite

→ Read more on page 56.



risks thus materialise through traditional financial risks. This means that SBAB identifies and assesses sustainability risks and their impact on SBAB's traditional risks in order to address them in risk management.

The following diagram illustrates SBAB's overriding goals and sets a framework for the objectives of risk management. Within the various risk classes, SBAB's risk appetite should be aligned with, and indirectly controlled by, SBAB's overriding goals.

→ Read more on pages 56–57.

#### Risk governance

All material risks are monitored and reported to the Board of Directors. The Board of Directors bears overarching responsibility for SBAB's total risk exposure. It is the Board's responsibility to ensure that operations are conducted with good internal controls. The CEO is responsible for ongoing operational management and monitors that each unit's, including Risk, reporting to the Board of Directors is conducted in accordance with

the relevant instructions. Risk is responsible for the identification, quantification, analysis and reporting of all risks. The Chief Risk Officer ("CRO") is responsible for Risk and reports directly to the CEO and the Board of Directors of SBAB.

#### Risk strategy

The Board adopts the strategic direction and the overarching risk level that SBAB is willing to accept, based on operations and how value is created for our customers. This means SBAB is to consciously expose itself only to risks that are directly connected to or are regarded as necessary for its operations. SBAB's profitability is dependent on its ability to assess, manage and price risks. It is also about maintaining sufficient liquidity and capital to meet unforeseen events.

Knowledge and awareness of any risks that SBAB may be exposed to, together with the right expertise to estimate the size of existing and potential risks, is therefore absolutely necessary for our operations. All risks must be evaluated based on the risk appetite decided by the Board.

#### Risk taking

SBAB's risk taking is kept at a level consistent with our short-term and long-term plans for strategy, capital and financial stability. An important part of SBAB's business model is that the risks to which SBAB is exposed are low and predictable. This does not mean that each individual credit exposure has very low risk, rather that the total lending portfolio consists largely of low-risk loans and that every loan's internal risk effect is such that the total risk is limited. The basis for SBAB's appetite for risk is that it should fit within the company's risk-bearing capacity. Risk-bearing capacity refers to the capacity to cover expected and unexpected losses without breaching the established capital requirements. The scope of acceptable risks is clearly linked to how important these are to SBAB's business model, in other words the positive effects anticipated to be achieved in the form of expected revenue, cost savings or the mitigation of other risks. SBAB minimises undesired risks through appropriate functions, strategies, processes, procedures, internal rules, limits and controls.

## The three lines of defence



### Capital adequacy

SBAB's CET1 capital ratio amounted to 12.7% (12.3) at year end. At the same date, the total capital ratio was 17.5% (17.0). This can be compared with the Swedish FSA's capital requirements, which are expected to correspond to a CET1 capital ratio of 10.1% and a total capital ratio of 14.4%. SBAB's capital targets corresponded at year end to a CET1 capital ratio of not less than 11.1% and a total capital ratio of not less than 15.0%.

CET1 capital increased SEK 1.0 billion to SEK 21.4 billion (20.4) during the year. Net profit for the year had a positive impact on CET1 capital of SEK 1.4 billion. Total capital increased SEK 1.3 billion during the year to SEK 29.5 billion (28.2), which was primarily related to earnings for the year. During the year, the risk exposure amount (REA) increased to SEK 168.9 billion (166.3), mainly driven by higher volumes in the liquidity portfolio and primarily by the share of covered bonds.

SBAB has already received approval for new PD models for retail exposures and corporate exposures (non-retail) from the Swedish FSA, which have been implemented in operations since 2023. At the end of 2024, as per the agreed time plan with the Swedish FSA, SBAB applied for a new LGD model for retail exposures,

which will be applied for private individuals with mortgages and unsecured loans. The risk weights for corporate exposures are expected to decrease in conjunction with the implementation of the new Banking Package (the Basel IV framework), which enters force on 1 January 2025, and which comprises lower standardised LGD values for exposures secured by collateral in properties.

Net profit for the year is included in the calculation of own funds and Tier 1 capital. Expected dividends calculated according to SBAB's dividend policy have been deducted.

The Swedish FSA's decision regarding the supervisory review and evaluation process (SREP) included Pillar 2 guidance for SBAB of 0 percentage points on the risk-weighted capital requirement and 0.5 percentage points on the leverage ratio, equivalent to SEK 3.3 billion. The total leverage ratio requirement includes this requirement and the minimum requirement of 3% of the leverage ratio exposure amount, regulated in the Capital Requirements Regulation, which results in a total leverage ratio requirement of 3.5%.

The leverage ratio amounted to 4.19% (4.09) as of 31 December 2024.

Further information on capital adequacy is provided in Note [RC 8](#).

### Components of the capital target

SEK million	2024				2023			
	Total capital	%	CET1 capital	%	Total capital	%	CET1 capital	%
<b>Capital requirement from the Swedish FSA<sup>1)</sup></b>	<b>24,273</b>	<b>14.4</b>	<b>16,977</b>	<b>10.1</b>	<b>23,901</b>	<b>14.4</b>	<b>16,717</b>	<b>10.1</b>
– Of which, Pillar 1 minimum requirement	7,434	4.4	4,182	2.5	7,953	4.8	4,474	2.7
– Of which, Pillar 1 risk-weight floor, Swedish mortgages	6,077	3.6	3,418	2.0	5,351	3.2	3,010	1.8
– of which, Pillar 2 requirement (P2R)	3,158	1.9	1,773	1.1	3,110	1.9	1,746	1.1
– Of which, Capital conservation buffer	4,222	2.5	4,222	2.5	4,157	2.5	4,157	2.5
– Of which, Countercyclical buffer	3,382	2.0	3,382	2.0	3,330	2.0	3,330	2.0
– of which, Pillar 2 guidance (P2G)	–	–	–	–	–	–	–	–
<b>SBAB's capital target</b>	<b>25,287</b>	<b>15.0</b>	<b>18,666–22,044<sup>2)</sup></b>	<b>11.1–13.1<sup>2)</sup></b>	<b>24,899</b>	<b>15.0</b>	<b>18,380–21,706<sup>2)</sup></b>	<b>11.1–13.1<sup>2)</sup></b>
<b>SBAB's actual capital</b>	<b>29,534</b>	<b>17.5</b>	<b>21,417</b>	<b>12.7</b>	<b>28,209</b>	<b>17.0</b>	<b>20,414</b>	<b>12.3</b>

<sup>1)</sup> Pertains to the statutory requirements including the Swedish FSA's P2R and P2G. Any deviations from the Swedish FSA's published requirements are attributed to rounding in calculations.

<sup>2)</sup> SBAB has decided on a CEO limit for the CET1 capital ratio of 1 percentage point above the regulatory requirement for the consolidated situation. The capital target over time and under normal circumstances is to maintain a CET1 capital ratio of between 1 and 3 percentage points above the requirement. This limit acts as a complement to the existing Board limit to clearly communicate the applicable level for SBAB's capital target.



## Credit risk trends in 2024

The overall credit quality in SBAB's lending portfolio is assessed as good. A reduction in credit risk was noted in lending 2024, driven by the positive trend for macroeconomic conditions with slowing inflation and falling interest rates. Prices for single-family dwellings and tenant-owner apartments were relatively stable during the year. As of 31 December 2024, the average LTV for private transactions was 59%, while in corporates and tenant-owners' associations it was 60% and 32%, respectively.

Credit loss allowances and risk exposure amounts (REA) for lending decreased in 2024. The decrease in credit loss allowances as well as REA is primarily due to improved rating grades in Business area Corporates & Associations as well as Business area Private. These effects outweigh the increased lending in retail exposures and a management overlay of credit loss allowances, which was applied at the end of the year in order to account for coming updates to the PD and LGD models for private individuals in the IRB framework.

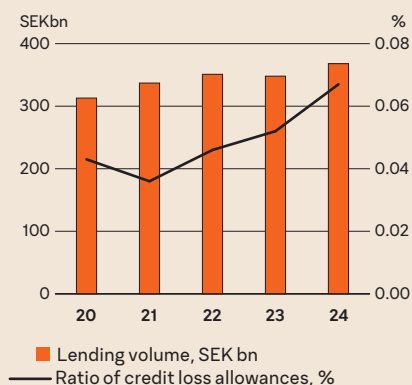
See note [RC 1](#) for more information. These updates to the IRB frameworks are not expected to lead to any changes in risk weights after taking the mortgage floor into consideration.

The bank continues to work proactively with credit analyses and frequent customer follow-ups, primarily in Business Area Corporates & Associations with customers who have a higher share of market financing and refinancing needs. In general, most counterparties in Corporates & Tenant-Owners' Associations have a lower credit risk due to falling market rates and measures taken to strengthen their balance sheets. The share of lending to Corporates & Associations customers who received reminders or collection letters was essentially unchanged during the year. Overall credit risk in Business area Private has also declined, though the number of defaults has increased. In terms of repayment capacity, the share of lending to customers in Private who have received reminders or collection letters has decreased and remains at very low levels. The num-

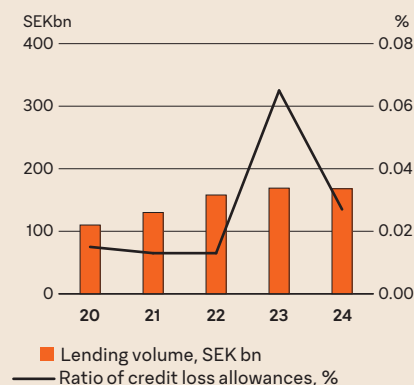
ber of customers in default continued to grow, but this trend plateaued in the last quarter of 2024. During the year, the calculation interest rate was adjusted downward by 0.5 percentage points. The minimum amount in the housing cost calculation was determined based on cost of living calculations from the Swedish Consumer Agency.

Total net credit losses in 2024 amounted to SEK 0 million (loss: 93), mainly due to lower credit loss allowances. Confirmed credit losses totalled SEK 14 million (loss: 9) and recoveries for previous confirmed credit losses amounted to SEK 4 million (4). For more information on credit loss allowances and the impairment model, please refer to Note [RC 1](#).

### Business area, Private



### Business area, Corporates & Associations



The loss allowance ratio is defined as the estimate of expected credit losses (ECL) in relation to lending to the public. The figures show that loss provisions remain very low in relation to lending. The increase in 2023, especially in Corporates & Associations, was mainly attributable to a change and calibration of the ECL model, even if the underlying credit risk slightly increased in the form of negative rating grade migrations in both business areas.

# SBAB's risk appetite

Risk type	Risk appetite	
	Classification	Level
 <p><b>Credit risk in lending operations</b></p> <p>The risk that the counterparty does not fulfil its payment obligations towards SBAB. Credit risk arises in conjunction with loans and loan commitments, as well as in connection with value changes in pledged assets entailing that these no longer cover the Group's receivables. The credit risk also includes concentration risk, which refers to the increase in credit risk that arises in large exposures to individual counterparties, or in the case of concentrations toward specific regions or industries.</p> <p>→ Read more in Note <b>RC 1</b></p>	Wanted risk	Medium
 <p><b>Credit risk in treasury operations</b></p> <p>Defined as the total of counterparty risk and investment risk. Counterparty risk is defined as credit risk in derivatives that arises when the value of the instrument is affected by, for example, changes in interest rates and/or currency exchange rates, which means SBAB receives a claim against the counterparty. In addition, counterparty risk entails that SBAB's financial counterparties cannot meet their commitments under repo contracts. Investment risk is defined as credit risk in financial investments and entails the risk that a debtor does not fulfil its payment obligations. Financial investments are incorporated in liquidity management, which aims to reduce liquidity risk and utilise surplus capital to contribute to increased profitability.</p> <p>→ Read more in Note <b>RC 2</b></p>	Necessary risk	Low
 <p><b>Market risk</b></p> <p>In SBAB's operations, the risk of loss or reduced future income due to market fluctuations comprises interest-rate, currency, credit spread, basis and pension risk. Interest-rate risk pertains to interest rate variations that lead to losses or lower future income as assets and liabilities have different fixed-interest periods and/or interest terms. Currency risk refers to the risk of changes in SEK exchange rates leading to losses or lower future income. Credit spread risk pertains to an exposure to changing conditions between an issuer's interest expense in comparison with a reference rate. Basis risk refers to the risk associated with deposits and lending that are fixed to different interest bases. Pension risk pertains to the risk arising from value changes in the portfolio intended to cover the bank's pension commitments.</p> <p>→ Read more in Note <b>RC 4</b></p>	Necessary risk	Low
 <p><b>Operational risk</b></p> <p>The risk of losses due to inadequate or failed internal processes, human error, faulty systems or from external events, including legal risks. Legal risk pertains to the risk of legal sanctions or failure to discharge legal undertakings. The category also includes compliance risks. Regulatory compliance is essential in maintaining confidence in SBAB's operations, but market practice and ethical guidelines also impact SBAB's approach to employees and customers.</p> <p>→ Read more in Note <b>RC 5</b></p>	Necessary risk	Low
 <p><b>Business risk</b></p> <p>The risk of declining earnings due to harsher competition, inappropriate strategies or erroneous decisions. SBAB differentiates business risk between strategic risk, the risk of weaker earnings and reputational risk. Strategic risk pertains to the risk of a loss arising, for example, due to unfavourable business decisions, erroneous implementation of strategic decisions or changes in the political environment. The risk of weaker earnings encompasses the risk arising from, for example, more expensive financing or more intense competition. Reputational risk pertains to the risk of loss of reputation as a result of the failure to manage the above risks as well as other events.</p> <p>→ Read more in Note <b>RC 6</b></p>	Necessary risk	Low
 <p><b>Liquidity risk</b></p> <p>The risk of being unable to meet its payment obligations without the cost of obtaining funds increasing significantly. Short-term liquidity risk pertains to the risk of being impacted in the short term by a lack of liquidity, while structural liquidity risk arises from differences between assets and liabilities in terms of maturities, which risks leading to a lack of liquidity in the longer term.</p> <p>→ Read more in Note <b>RC 3</b></p>	Necessary risk	Low
 <p><b>Sustainability risks</b></p> <p>Sustainability risks pertain to the risk of loss or reduced future income due to sustainability-related events. These include events in three categories: i) climate; ii) social aspects; and iii) corporate governance.</p>	Necessary risk	Low



## Risk profile

## Risk management

SBAB primarily offers housing mortgages to consumers, tenant-owners' associations and property companies where collateral comprises mortgage deeds in immovable property or rights-of-use. The majority of SBAB's customer base is concentrated to major metropolitan areas.

Credit risk is central to SBAB's business model and it is considered to be the dominant risk in operations. SBAB manages credit risk in a consistent manner and the analysis of risk level is conducted on a regular basis and reported to the Board, the CEO and the Executive Management. Credit granting in SBAB is characterised by responsible credit granting taking into account the customer's long-term repayment capacity and resilience as well as the value of posted collateral. Credit rules and credit management are continuously analysed, processed and improved. Corporate clients are processed individually while retail customers are analysed using a structured process in conjunction with the credit assessment process. Concentration risk and major exposures are carefully monitored and followed up.

SBAB's counterparty risks and investment risks are low and are not considered dominant risks.

SBAB manages counterparty risk in a consistent manner and the analysis of risk level is conducted on a regular basis and reported to the Board, the CEO and the Executive Management. Counterparty risk exposure is primarily covered through collateral agreements in which the counterparty provides collateral in an effort to reduce exposure. Investment risk is mitigated as SBAB only invests in interest-bearing bonds with high credit ratings.

SBAB's market risk is low and is not considered a dominant risk.

SBAB manages market risk in a consistent manner and the analysis of risk level is conducted on a regular basis and reported to the Board, the CEO and the Executive Management. Interest-rate risk is to be mitigated through direct funding in matched currencies and tenors or the use of derivatives. Currency risks are mitigated as funding in international currency is hedged through currency swaps or matched against assets in the liquidity portfolio in the same currency.

Operational risk is a natural part of all business. SBAB aims to optimise the relationship between costs for reducing risk and any of its potential outcomes. Operational risk is a prerequisite for implementing the business concept efficiently and competitively, taking into account operations, strategy, risk appetite and the macro environment.

SBAB manages operational risk in a consistent manner and the analysis of risk level is conducted on a regular basis and reported to the Board, the CEO and the Executive Management. Self-evaluation of material processes is performed annually. Changes with potential to affect the bank's risk level together with related risks are identified at an early stage and, prior to decision on implementation, the second line of defence submits a report. Unexpected events that can negatively affect the bank are to be reported as incidents and managed according to pre-determined instructions.

SBAB's business risk is low and is not considered a dominant risk.

SBAB manages business risk in a consistent manner and the analysis of risk level is conducted on a regular basis and reported to the Board, the CEO and the Executive Management. Risks related to strategy and earnings are evaluated on an ongoing basis over the year within the first line's strategy work. Strategically important decisions are managed within the framework for material changes. The Board receives an annual evaluation of the material risks that addresses strategic business risk and the bank's overall earnings. Moreover, business risk is evaluated in SBAB's stress tests.

SBAB has a low liquidity risk and diversified funding. Securities that are part of the liquidity reserve have high credit ratings and are eligible as collateral with either the Riksbank or the European Central Bank, to guarantee liquidity.

SBAB's liquidity strategy includes proactive and continuous liquidity planning, active debt management and an adequate liquidity reserve. SBAB manages liquidity risk in a consistent manner and the analysis of risk level is conducted on a regular basis and reported to the Board, the CEO and the Executive Management. The funding strategy takes into consideration the expected maturity on the asset side. On this basis, SBAB limits its structural liquidity risk by maintaining diversified funding with sufficiently long maturities. SBAB has several liquidity metrics, for which limits apply, most of which are monitored and reported on a daily basis.

SBAB defines sustainability risk as a necessary risk that should be held at a level that does not materially jeopardise SBAB's assets, resources and reputation.

The assessment of whether the Group's level of sustainability risk is within the defined risk appetite is primarily performed through the monitoring and analysis of key risk indicators, scenario analyses outcomes and monitoring of the bank's strategic work with sustainability.

# Sustainability risks

## Sustainability risks

As a bank, SBAB has specific requirements to promote long-term sustainable value creation, to act as a role model when it comes to sustainable business and to act in a way that fosters public trust. This is described in the bank's ownership policy and is something we take very seriously, not least through our sustainable governance model and our values-driven way of working, where sustainability plays a key role. SBAB works continuously to live up to the expectations and requirements placed on us as a financial sector body, and managing sustainability risks is an important component of this work for us.

A sustainability risk pertains to the risk of loss or reduced future income due to sustainability-related events. In the sus-

tainability matters framework, SBAB works with three categories: environment (E); social (S); and governance (G). By taking a proactive, risk-based approach to addressing these categories, we increase our ability to promote sustainable development. Different levels of sustainability risk permeate SBAB's entire operations. Our opinion is that sustainability risks cannot be separated from other risks, which is why we work actively to integrate sustainability topics into all parts of our operations. Measuring and control of sustainability risks are performed by, inter alia, following up on key risk indicators, internal and external reporting, outcomes for scenario analyses and stress tests.

An important component of our work to integrate and identify sustainability risks in operations is collaboration

between different departments at SBAB. Such collaboration is particularly important when it comes to annual risk reviews or cross-departmental partnerships to comply with new regulations and guidelines. SBAB's proactive sustainability approach further contributes to sustainability risk management through, inter alia, gap analyses, annual risk identification and defined objectives as well as their follow-up and reporting.

In this section, SBAB has chosen to provide examples of some of the risks we work with. This list is not exhaustive. We manage and work continuously with several sustainability risks. The following risks are presented according to three categories: environment (E); social (S); and governance (G).

Overarching sustainability areas	Category (ESG)	Risk description	Actions
<b>Climate impact &amp; adaptation</b>	Environment (E)	Extreme weather events in the form of heavy rainfall entail a risk of flooding, which damages the bank's collateral and in the long run could affect customers' ability to pay. This is considered an acute climate risk.	SBAB continuously measures the portfolio's exposure to flooding and conducts scenario analyses to evaluate our resilience to flood risk.
<b>Energy consumption &amp; efficiency</b>	Environment (E)	Volatile energy prices risk negatively affecting customers if prices increase significantly. This is a risk in the portfolio, especially for energy intensive properties where customers' ability to pay will be negatively affected.	SBAB conducts stress tests to follow up and analyse the outcome of significant increases in energy prices. We offer targeted loans for energy efficiency measures to minimise risk while helping customers with the transition.
<b>Attractive workplace</b>	Social (S)	In our own operations, risk is primarily linked to SBAB as an employer and our corporate culture. Motivated and committed employees are a prerequisite for our success. SBAB's operations and corporate culture affect the employment conditions of employees. Risks pertaining to personnel include health and safety at the workplace, the occurrence of discrimination, remuneration levels and workloads.	To counteract these risks, SBAB has established a long-term, focused and sustainable HR strategy that is in line with the bank's company-wide goals to support gender equality and diversity and to ensure a positive employee experience and commitment. We also have a gender equality and diversity policy as well as a Code of Conduct that provides guidance on how employees should act and conduct themselves in various situations.
<b>Working conditions in the value chain</b>	Social (S)	SBAB's ambition to protect workers is not limited to the bank's employees. It also extends to the lending stage through in-depth customer dialogues and industry collaborations. Risks linked to workers' rights and human rights are important to follow up.	SBAB and other commercial banks are behind the bank-sponsored Sustainable Construction Industry initiative to protect workers' rights through conditions in lending.
<b>Counteracting financial crime</b>	Governance (G)	Financial crime undermines democracy, hinders economic growth and distorts competition in society. As a credit institution, there is also a risk that products and services could be used for money laundering.	To counteract the risk of financial crime, SBAB works continuously with customer due diligence (KYC) assessments, monitoring transactions and training employees, and updating procedures and processes linked to financial crime in order to ensure good internal control. SBAB also has a dedicated unit, Anti-Financial Crime (AFC), to strengthen SBAB's capacity to prevent financial crime.

# Risks and uncertainties

The Swedish economy is susceptible to global economic developments and to conditions in the international financial markets. The economic trend in Sweden is the primary risk factor for SBAB's future earnings capacity, and the quality of our assets is mainly exposed to credit risks in the Swedish housing market. The management of interest-rate and currency risks entails some exposure to price risks.

Population growth has outpaced housing construction for quite some time, which has contributed to a strong demand for housing and a housing shortage. Recent years' high construction rates and lower population growth have reduced the housing shortage, though some shortages remain. The high rate of construction in combination with a growing proportion of homeowners and rising housing prices have led to higher levels of private indebtedness, including some highly indebted households. However, housing costs as a percentage of household income are generally low, especially among homeowners, which is attributable to relatively higher incomes. However, higher interest rates have led to higher housing costs for many of these households.

Previous high inflation means that a large part of household consumption is now significantly more expensive, thereby applying pressure on household finances. In 2024, restrictive monetary policy helped bring inflation down to target and the Riksbank implemented a series of policy rate cuts. However, the impact on household borrowing rates has a certain lag, particularly for loans with longer fixed-interest periods, which means that household finances have also been affected by relatively high interest rates in 2024. Moreover, households may perceive interest expenses as high going forward, given that they have long become accustomed to very low mortgage rates and have interpreted this as normal.

## Lower housing prices and higher interest rates a burden on households

Falling policy rates and declining market interest rates also brought down mortgage rates in 2024, a trend that is expected to continue until mid-2025.

Since the majority of households own their own home and due to many mortgages being subject to variable interest, the Swedish economy is sensitive to interest rate movements. While this is positive for the monetary policy's impact, there is a risk of indebted households with tight margins experiencing temporary difficulty coping with ongoing payments on their mortgages as a result of rising interest rates. In the near future, the situation is the opposite. In general, however, stress tests indicate that risks are low in the event of moderately rising interest rates.

Falling mortgage rates have contributed to rising housing prices, albeit nowhere near the housing price decline triggered by the earlier rise in interest rates. House prices remained 12% below their spring 2022 peak, and apartment prices were 4% below. At present, price developments are being held back by a weak labour market and high unemployment. Looking ahead, housing prices are expected to rise moderately in pace with growth in household incomes. Risks linked to rising interest rates could be increased by falling housing prices and rapidly rising unemployment. The risk largely pertains to the degree to which a fundamental downturn in prices leads to behaviour changes that trigger a larger price downturn, and how uncertainty over future housing prices impacts turnover for existing housing and building new housing units.

## Falling interest rates relieve pressure on property companies

Many property companies have loans, and higher interest rates reduce their profits and the value of their properties. Higher interest rates can also put pressure on property companies with tight margins. This includes problems maintaining a sufficiently high cash flow to meet current interest expenses or to refinance maturing bonds.

## International economy and financial markets

Any disruption in the international financial markets or in the global economy entails a risk for SBAB both as a participant in the Swedish market and as an issuer in the international capital market.

These disruptions could be caused, for example, by global political and macro-economic events, changes in the monetary policies of central banks or extraordinary events such as pandemics, wars and acts of terrorism. Widening credit spreads on interest-bearing assets and stock market volatility are other factors.

## Geopolitical uncertainty and armed conflicts

Above all, armed conflict leads to a great deal of human suffering. However, it also affects economic performance and the financial markets, not just locally but often globally. Russia's war with Ukraine has led to extensive sanctions against Russia, to which Russia has responded by cutting off gas supplies to Europe. Israel's war against the terrorist organisations Hamas and Hezbollah has not yet had any clear economic consequences, though it risks leading to higher oil prices. Although SBAB has no presence in the war- or sanction-affected areas, the company is indirectly affected by the unrest through its impact on the global economy. War can lead to high inflation, uncertainty about the future and volatility in the financial markets.

# Corporate Governance Report

SBAB Bank AB (publ) (SBAB) is a Swedish public limited banking company that is wholly owned by the Swedish state. SBAB is domiciled in Solna. Owner governance of SBAB is exercised through general shareholder meetings, the Board of Directors and the CEO in accordance with the Companies Act, the Articles of Association, and the policies and instructions adopted by SBAB. The owner also governs SBAB through application of the State Ownership Policy and principles for state-owned enterprises, as adopted by the government on 27 February 2020 (the "Ownership Policy") which, inter alia, requires that SBAB apply the applicable parts of the Swedish Corporate Governance Code (the "Code"). This Corporate Governance Report has been prepared pursuant to the regulations covering corporate governance reports in the Code and the applicable annual accounts act pursuant to the Ownership Policy. SBAB also follows a number of international sustainability guidelines and the regulations that apply for companies with listed securities in the regulated markets where SBAB's securities are listed.

This Corporate Governance Report has been subject to a statutory review by the company's auditor.

## The foundation of SBAB's corporate governance

Well-functioning corporate governance, risk management and internal governance are essential for SBAB to reach set targets and gain the confidence of its stakeholders. In addition to corporate

governance in the traditional sense, which describes the system by which a company is governed and controlled, SBAB's vision, mission, business idea and values are important elements in SBAB's governance model. Moreover, for SBAB it is of great importance to maintain information transparency, a strong corporate culture, trustworthy leadership and the long-term sustainable conduct of operations. Altogether, this leads to an overall

high level of confidence in SBAB's operations. Confidence forms the basis of all banking operations.

## Internal Governance and Control

Risk management and internal governance and control are important for ensuring that SBAB's operations are conducted in accordance with prevailing regulations, as well as ensuring that SBAB identifies, measures and controls relevant

## Application of the Code

Since SBAB is owned by the state, SBAB applies the Code with the exception of those rules pertaining to the Nomination Committee and the rules covering the election of the Board and auditors. Moreover, SBAB does not apply those rules that are specifically aimed at companies with more than one owner. In cases where the rules for remuneration to senior executives in the Code differ from the principles from the government in the Ownership Policy, the latter apply. Based on the ownership structure and with observance of the Ownership Policy, the following deviations from the Code rules have occurred:

*Code rule 1.1* – publication of information regarding the shareholders' right to propose business for the Annual General Meeting (AGM). The purpose of this rule is to give shareholders the opportunity to prepare ahead of time for the AGM and have matters included in the agenda for the AGM. In companies entirely owned by the Swedish state, in accordance with the owner's guidelines, the public shall be invited to attend the AGM. As a notice is sent to the Central Bureau of the Swedish Riksdag (parliament), members of parliament also have the opportunity to attend.

*Code rule 1.4* – proposal of a chair for the annual general meeting. In state-owned companies, the owner submits its proposed nominee for the chair at the general meeting.

*Code rule 2* – the establishment of a nomination committee responsible for matters such as the appointment and remuneration of the Board of Directors and the auditor. The reason for the deviation is that nomination matters in state-owned companies are handled by the government in the manner described in the Ownership Policy.

*Code rule 4.1* – strive for gender balance on the Board. More specific gender balance guidelines are given for state-owned companies as a result of the Swedish Ministry of Climate and Enterprise's coordinated board nomination process.

*Code rules 2.6, 4.4, 4.5, 4.6 and 10.2* – information to be provided concerning the independence of Board members in relation to major shareholders. No such information is provided since the primary objective of the Code rules in question is to protect minority shareholders in companies with dispersed ownership. Consequently, in accordance with the corporate governance principles for state-owned enterprises, there is no reason for such information concerning independence to be disclosed in entirely state-owned companies.

risks and has an efficient organisation and operational management, and reliable financial reporting. The Board and the CEO are ultimately responsible for ensuring good internal control and governance. The Board and the CEO of SBAB are assisted in this work by several functions. Key control functions in this regard are the Compliance, Risk and Internal Audit functions, which are described in further detail below. Other functions, including Accounting, Credit and Legal, support the Board and the CEO with regard to good internal governance and control. All managers in each area of responsibility are responsible for the activities they oversee being conducted with good internal governance and control.

#### **Sustainability governance**

Within SBAB, the Board is ultimately responsible for ensuring that proactive, long-term efforts to achieve sustainable development and sustainable value creation are conducted within the company. The Board also adopts a strategy, objectives and a policy for sustainability. Furthermore, the Board monitors and assesses SBAB's sustainability efforts.

#### **Internal Control of Financial Reporting**

At SBAB, the internal control of financial reporting is primarily aimed at ensuring that an effective and reliable procedure for SBAB's financial reporting is in place, and that both internal and external reporting is correct and accurate. Internal control over financial reporting primarily comprises the following internal control components.

##### *The control environment*

The internal control of financial reporting uses SBAB's organisational structure, governance documents, process maps and valuations.

##### *Risk assessment*

Each unit within SBAB identifies, evaluates, manages and assesses its own risks. The analysis of risk levels in all operations, including financial reporting, is conducted on a regular basis and reported to the Executive Management, the CEO and the Board. Each year, a risk assessment is per-

formed in the form of a self-evaluation of all business-support processes, including financial reporting, and is managed and reported using separate risk tools. SBAB has an NPAP in place for the implementation of new or significantly altered products, services, markets, processes and IT systems as well as major operational and organisational changes at SBAB. The aim of the process is to evaluate any potential risks related to the change and to draw attention to any impact the change may have on capital.

##### *Control activities and follow up*

Control activities for financial reporting include an internal set of rules, including accounting policies, planning and reporting procedures as well as identifying key control activities in operations. Key controls are identified through a quarterly internal risk assessment, which is based on the items with the greatest impact on the balance sheet and profit or loss. Assessment is also based on factors such as historical errors, manual elements, complexity and the risk of fraud, and then used to identify the business processes that provide data to the financial statements. The key controls that are flagged for financial reporting are reviewed and assessed based both on the basis of the risk assessment conducted in the first line and the control testing performed in the second line. The results of the internal risk assessment and the assessment of key controls are reported to the Board's Audit and Compliance Committee, which supervises the financial reporting as well as the management of internal control.

The Board's measures to follow up on the internal control of financial reporting include the Board's regular follow-up of SBAB's financial position and performance, etc., but also include the Board's review and follow-up on the auditor's review reports.

##### *Information and communication*

The Economy and Finance unit ensures that the instructions on accounting and financial reporting are updated, communicated and made available for the units that need them for their work. The instructions are also available on SBAB's intranet.

#### **Business conduct, anti-corruption and whistleblowing**

All SBAB employees undergo annual training in matters of business conduct and are to follow the company's Code of Conduct, established by the Board. The company works actively to prevent corruption and other unethical behaviour through internal rules for own operations, suppliers and partners. To report suspected irregularities, such as violations of business conduct rules, there is a whistle-blower function that can be used by all SBAB employees.

➔ Read more in the sustainability report.

#### **Articles of Association**

SBAB's Articles of Association regulate matters such as the company's business objectives, which are primarily to conduct banking operations. The Articles of Association do not include any stipulations regulating the appointment or dismissal of Board members, with the exception of stipulations stating that the AGM is to appoint the Chairman of the Board and determine the minimum and maximum number of Board members. It is further stated that if the Chairman of the Board resigns from his or her office during the mandate period, the Board is to appoint one of the Board members as the new Chairman until the end of the AGM, when a new Chairman will be elected by the AGM. For amendments to be made to the Articles of Association, the notice of the extraordinary general meeting that will address amendments to the Articles of Association is to be issued not earlier than six weeks and not later than four weeks prior to the meeting. Moreover, any amendment to the Articles of Association also needs to be approved by the Swedish FSA.



**A General meeting of shareholders**

SBAB's Annual General Meeting was held on 24 April 2024. The members of parliament as well as the general public were invited to attend the AGM, either physically or digitally. The owner was represented by Daniel Johansson Stattin (Ministry of Finance). Most of SBAB's Board members, the CEO and SBAB's auditor also attended the AGM. Jan Sinclair, Chairman of the Board of SBAB, served as the Chairman of the AGM. The General Meeting resolved to elect the following Board members: Jan Sinclair (Chairman), Lars Börjesson, Inga-Lill Carlberg, Jenny Lahrin, Jane Lundgren Ericsson, Wenche Martinussen, Fredrik Sauter, Synnöve Trygg and John Sætre. At the time of the AGM, the local trade unions had appointed Karin Neville (Finansförbundet) and Margareta Naumburg (SACO) as employee representatives on the Board of Directors, with Therese Sandberg (Finansförbundet) and David Larsson (SACO) as deputies. The AGM passed resolutions regarding the discharge from liability for the Board of Directors and the CEO, the appropriation of profits and the adoption of the annual accounts for 2023. The Meeting resolved on a dividend of SEK 963 million to be distributed to the owner. The AGM elected Deloitte AB, with Malin Lüning as the auditor-in-charge, as SBAB's auditor until the close of the 2025 AGM. The AGM reviewed the guidelines for remuneration to senior executives adopted by the 2023 AGM and resolved to adopt unchanged guidelines, see Note IC 5 for details. The Meeting also decided on the fees to be paid to the members of the Board. No fees will be paid to Board members who are either employed by the Government Offices of Sweden or are employee representatives. The CEO and Chairman reported on the operations of the bank and the work of the Board of Directors in 2023.

**B The Board of Directors**

*Composition and nomination procedure*  
In state-owned companies, uniform and shared principles are applied to achieve a structured nomination process for the appointment of board members. The objective is to ensure an adequate supply of competence for the boards of directors of these companies. The Board nomination process at the Government Offices of Sweden is coordinated by the Ministry of Finance. For each company, competence needs are analysed on the basis of the company's business, circumstances and future challenges, as well as the composition of the Board of Directors and the

Board assessments that have been conducted. Recruitment requirements are then established and work commences. Members are selected from a broad recruitment base in order to draw on the expertise of both women and men, as well as individuals with different backgrounds and experience. It is the responsibility of the Chairman of the Board to inform those responsible for the nomination process at the Government Offices of Sweden regarding the requirements profile and the assessment criteria that the Board of SBAB has decided to apply when appointing a new Board member. The Chairman is also to inform those responsible for the nomination process at the Government Offices of Sweden regarding the expertise and experience of the existing Board members and, therefore, which expertise and experience the Board believes should be added to its composition. The company's diversity policy should also be taken into account when appointing a new Board member. This policy is consistent with the diversity requirements in the Ownership Policy. In connection with the appointment of a new Board Member, an internal fit and proper assessment is conducted that takes into account the individual's expertise, experience, reputation and judgement. It should also be noted that the Swedish FSA carries out a fit and proper assessment of the bank's Board members.

*Chairman of the Board*

The Chairman of the Board is elected by the AGM. If the Chairman of the Board resigns during the mandate period, the Board is to appoint one of the Board members as the new Chairman until the end of the AGM, when a new Chairman will be elected by the AGM. The Chairman leads the Board's work, monitors to ensure that the Board is performing its duties, represents the Board in relation to the owner and maintains contact with the owner. The Chairman is also responsible for initiating and following up the annual evaluation of the Board's and the CEO's work. The Chairman of the Board ensures that the Board receives adequate information and decision data for its work and the training necessary for the Board to function efficiently.

*Board governance and activities*

At SBAB's AGM, nine members were elected by the AGM to SBAB's Board. At the end of the year, SBAB's Board comprised these nine members elected by the AGM and two members appointed by the employees' organisations, SACO and

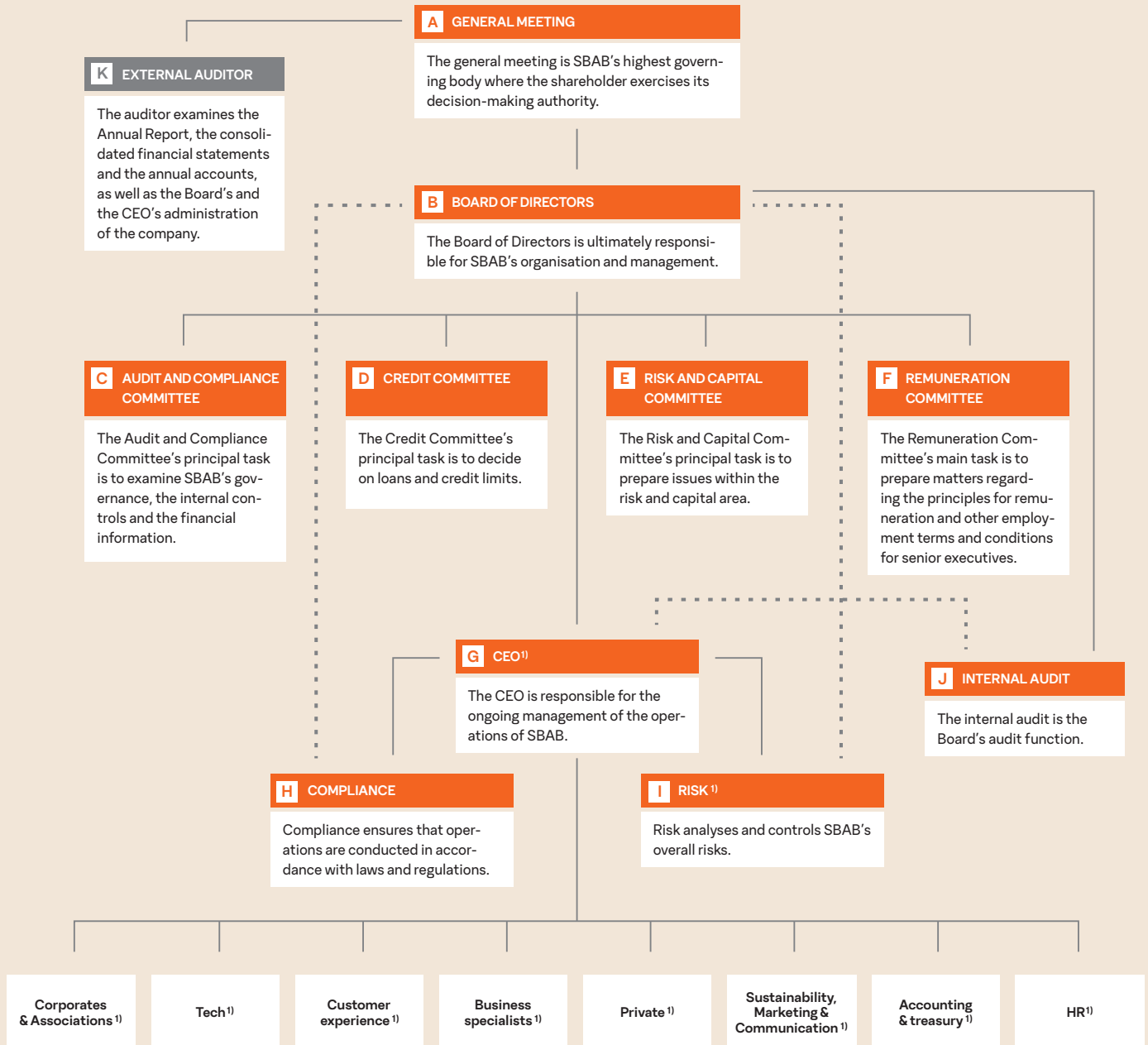
Finansförbundet. The CEO is not a member of the Board. None of the Board members or the CEO hold shares by SBAB, as SBAB is wholly owned by the Swedish state, or financial instruments issued by SBAB. For information regarding loans to key personnel, please refer to Note **G 2**. The work of the Board complies with the formal work plan adopted annually at the Board of Directors' statutory Board meeting immediately after the AGM. The formal work plan regulates decision-making within SBAB, the arrangements for Board meetings and the division of work among the Board, the Chairman of the Board and the Board committees. The work of the Board complies with an annual plan that satisfies, inter alia, the Board's need for information and regular training. SBAB's Board makes decisions on matters relating to SBAB's strategic direction, for example by means of a business plan, and makes decisions regarding larger investments, funding, capitalisation (including capital and liquidity adequacy assessments), significant organisational issues and policies.

The Board adopts business objectives and strategies for SBAB's operations. The Board is also tasked with appointing, evaluating and if the need arises, dismissing the CEO.

The Board also follows up SBAB's risks, compliance, and reports on the effectiveness of internal control within SBAB by means of reports provided by SBAB's independent Risk Control, Compliance and Internal Audit units. The Board also receives reports from SBAB's auditor regarding the reporting of completed audits, and financial reporting assessments and internal control.

**G CEO and Executive Management**

The Board has formulated instructions for the CEO's work. The CEO is responsible for the ongoing management of the operations in accordance with guidelines, established policies and instructions issued by the Board. The CEO reports to the Board. Executive Management provides the CEO with support in exercising operational management of SBAB. The Executive Management comprises the following functions: Head of Business Area Private; Head of Corporates & Associations; Chief Financial Officer; Chief Experience Officer; Chief Customer Experience Officer; Head of Sustainability, Marketing & Communication; Head of Business Specialists; Chief Human Resources Officer; and Chief Risk Officer.



<sup>1)</sup> Included in Executive Management.

*The CEO's councils and committees*

The CEO has appointed a number of councils and committees within SBAB to support him in his work in the management of the operations. These are tasked with preparing issues for the CEO, either prior to his decisions or his recommendations on matters to be determined by the Board. These established councils and committees are primarily the Management Committee, which comprises the Price Council, ALCO (Asset and Liability Committee), Portfolio Management and the Credit Committee. The Price Council prepares matters related to the pricing of SBAB's products, ALCO prepares and decides issues related to the Group's financial operations, balance-sheet risks and capital issues. Portfolio management prepares and decides issues related mainly to the Group's development projects. The Management Committee also prepares issues related to business

development in general. The Credit Council prepares and has a certain scope to make decisions on matters connected to SBAB's credit operations and limits for the financial operations.

**Remuneration of the Board of Directors and senior executives**

Information regarding the remuneration of the Board, the CEO and Executive Management is presented in Note **IC 5**. Guidelines for remuneration to senior executives are adopted by the AGM. The Board's proposed guidelines are prepared by the Remuneration Committee before the Board adopts the proposal for decision by the owner. In addition to regulation by the Companies Act, the guidelines for the remuneration of senior executives follow the Guidelines for remuneration and other terms of employment for senior executives in state-owned enterprises.

**H Compliance**

SBAB has a central Compliance function. The Compliance function's area of responsibility comprises rules on internal governance and control, customer protection and market conduct. Compliance is independent of the business operations and is directly subordinate to the CEO. Compliance provides advice and support to the operations on compliance matters, analyses compliance risks and monitors regulatory compliance in respect of operations requiring licences. Reporting occurs on an ongoing basis to the CEO and quarterly by means of a written report to the Board and the CEO. The scope and focus of the work of Compliance is established in an annual plan adopted by the CEO.

**Work of the Board of Directors in 2024**

In 2024, the Board of Directors held eight scheduled board meetings and four additional board meetings. In addition to meetings, the Board had a strategy day and two training days focused on risk, regulation and governance issues. During the year, the Board focused on the bank's strategy work, sustainability matters including the implementation of updated sustainability governance and procedures for sustainability reporting as well as crisis management and continuity planning.

**Q4**

- Business planning, objectives and budget
- Strategy review
- Q3 interim report
- Operational reports
- Crisis and contingency management
- Training day

**Q1**

- Year-end report
- Fit and proper assessments
- Evaluation of the Board and CEO
- Remuneration matters
- Succession planning
- Adoption of the annual reports, incl. proposed appropriation of profits
- Establishment of ICLAAP
- Operational reports

**Q3**

- Q2 interim report
- Operational reports
- In-depth business and strategy



**Q2**

- Statutory meeting (after the AGM)
- Q1 interim report
- Operational reports
- Report on outsourced operations
- AML operational reports
- Training day
- Strategy meeting

**Prioritised matters for the Board 2024/The Board's focus areas 2024**

- Strategy & Innovation
- Sustainability efforts at the bank
- Prioritised strategic projects
- Decision on CSRD reporting and implementation
- Application process for new IRB models
- Implementing DORA
- Management matters (new CRO)



**I Risk**

The SBAB Group has a central Risk department with overall responsibility for developing and ensuring that risk-taking strategies are conducted in accordance with the Board's intention, and that policies and processes facilitate relevant follow-up. Risk is responsible for the identification, quantification, analysis and reporting of all risks. The CRO is responsible for Risk. The CRO is directly subordinate to the CEO and reports to the Board and CEO of SBAB. Risk is to ensure that risk awareness and acceptance are sufficient to be able to manage risks on a daily basis. Risk also has a supportive role and works to ensure that the operations have the requisite procedures, systems and tools for daily management of risks, thereby ensuring that operations comply with the applicable laws and regulations in Risk's area of responsibility.

**J Internal Audit**

Internal Audit at SBAB is an internal, independent review function pursuant to the Swedish FSA's regulations and general guidelines for governance, risk management and control in credit institutions. The function is directly subordinate to the Board. Internal Audit conducts its work according to best practices for internal audits, established by the International Professional Practices Framework (IPPF). One of Internal Audit's primary assignments is to review and evaluate internal governance and control as well as to create value and improvements within operations. Internal Audit's review work is carried out according to a plan annually decided by the Audit and Compliance Committee and approved by the Board. The Head of Internal Audit reports orally and in writing to the Audit and Compliance Committee and the Board. The responsibilities, work assignments and work and reporting procedures of Internal Audit are determined by the policy decided annually by the Board.

**K External auditor**

The General Meeting appoints the auditor. SBAB's Audit and Compliance Committee evaluates the contribution of the auditor and assists the owner in preparing motions for the auditor. Officials at the Government Offices of Sweden monitor all stages of the procurement process from tendering criteria to selection and evaluation. At the AGM, the owner appoints the auditor or the accounting firm that is commissioned to audit SBAB. Auditors must be authorised public accountants or an authorised accounting firm with an auditor-in-charge. As of 2011, SBAB's auditor is appointed annually in accordance with the Companies Act and the Articles of Association. From the 2016 AGM, Deloitte AB has been appointed as auditor, with Malin Luning as the auditor-in-charge since the 2024 AGM. A more detailed presentation of the auditor and the fees and expenses paid to auditors is provided in Note **IC 6**. The auditor examines the Annual Report, the consolidated financial statements and the accounting records, as well as the Board's and the CEO's administration of the company. In addition, the auditor conducts a review of the January–June and year-end reports as well as presents her findings to the Audit and Compliance Committee at regular meetings of the Committee, when the interim and year-end reports reviewed by the auditor are considered, and when the internal control review is reported to the Board. No review was performed for the January–March and January–September interim reports. The auditor also conducts a limited assurance review of SBAB's Sustainability Report.

## The Board's committees

The Board has established the following committees to prepare matters ahead of the Board's decisions.

### C Audit and Compliance Committee

The main task of the Audit and Compliance Committee is to examine the SBAB Group's governance, internal controls and financial information and to prepare issues in these areas for decision by the Board. This is done at the request of the owner and on the basis of the applicable regulations. The Committee is also tasked with monitoring the efficiency of risk management and of the work carried out by Compliance and Internal Audit. The audit plan for internal audit is prepared by the Committee for decision by the Board, and annual plans from Compliance and the Operational Risk unit within the Risk Organisation, which are decided by the CEO, are presented. The Committee receives and processes reports from SBAB's external auditors, Internal Audit, Compliance and the Operational Risk unit within the Risk organisation. The Committee is also responsible for evaluating external auditing work, informing the owner of the results of this work and assisting in the drafting of proposals for auditors. The Committee is also to review and monitor the external auditor's impartiality and independence.

### D Credit Committee

The principal task of the Credit Committee is to decide on loans and credit limits in SBAB's lending and funding operations. The Committee also has the task of preparing matters involving changes in the credit policy and credit instructions for decision by the Board, the assessment of portfolio strategies, the transparency of the loan portfolio, the evaluation of existing or proposed portfolio strategies, the evaluation of existing or new delegation rights and the Board's annual review of regulatory frameworks, models for granting credits and outcomes in terms of retail credit granting. The Committee prepares all matters relating to credit risk and approves new IRB models and significant changes to existing models.

### E Risk and Capital Committee

The Risk and Capital Committee prepares matters concerning SBAB's treasury operations, matters related to risk and capital and the use of new financial instruments. The Committee also prepares issues for resolution by the Board of Directors concerning objectives, strategies and governance documents within the areas of risk and capital. The Committee approves changes in the forward-looking assumptions in the financial reporting used to estimate credit losses. The Committee prepares the approval of new IRB models and significant changes to existing models. The Committee consists of at least three members appointed by the Board. The Committee comprises the statutory Risk Committee of the SBAB Group.

### F Remuneration Committee

The principal task of the Remuneration Committee is to prepare issues regarding principles for remuneration and other employment terms and conditions for senior executives for resolution by the Board. The Committee also prepares matters pertaining to SBAB's remuneration system and fit and proper assessments of Board members and senior executives ahead of Board decisions. The Committee follows up remuneration structures and remuneration levels within SBAB.

# Proposed appropriation of profits

SBAB Bank AB (publ) posted a net profit for the year after tax of SEK 1,464,315,945. According to SBAB's balance sheet, SEK 19,017,713,134 is at the disposal of the Annual General Meeting.

Fair value reserve	47,622,329
Additional Tier 1 instruments	6,100,000,000
Retained earnings	11,405,774,860
Net profit for the year	1,464,315,945
<b>Total</b>	<b>19,017,713,134</b>

*The Board proposes that the earnings be appropriated as follows (SEK):*

A dividend distribution of SEK 46,600 per share, in total	912,567,800
To be carried forward	18,105,145,334
<b>Total</b>	<b>19,017,713,134</b>

The proposed dividend, which amounts to 40% of the Group's net profit for the year, has been proposed with consideration for the rules on buffer capital, risk limitation and transparency under the Banking and Financing Business Act. Unrealised changes in value on assets and liabilities measured at fair value had a net negative impact on equity for SBAB Bank AB (publ) of SEK 15 million. The applicable regulations on capital adequacy mean that the company's own funds at any given time are to correspond to not less than the total capital requirement, which encompasses Pillar 1 capital requirements, Pillar 2 capital requirements, buffer requirements and any Pillar 2 guidance. After the proposed appropriation of profits, own funds amounted to SEK 29,534 million (28,209) and the total capital requirement amounted to SEK 24,273 million (23,901).

In the Board's assessment, the proposed dividend is justified considering the requirements that the nature, scope and risks of the operations impose on the scale of equity in the Parent Company and the Group, as well as on the needs of the Parent Company and the Group in terms of consolidation, liquidity and position. Furthermore, the Board assesses that the Parent Company and the Group's financial position do not give rise to any assessment other than that the Parent Company and the Group are expected to fulfil its obligations in the short and long term.

# Board of Directors

Updated as of 31 December 2024



Jan Sinclair



Lars Börjesson



Inga-Lill Carlberg



Jane Lundgren Ericsson



John Sætre



Synnöve Trygg



Jenny Lahrin



Wenche Martinussen



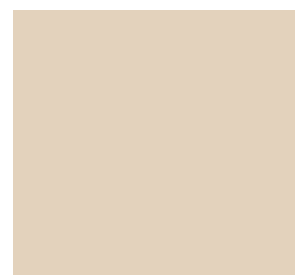
Fredrik Sauter



Margareta Naumburg



Karin Neville



## → Jan Sinclair

**Chairman of the Board**

**Born:** 1959

**Year of election:** 2018

**Education:** Master of Business Administration and Economics

**Board assignments:** Chairman and Board member of AB Sveriges Säkerställda Obligationer (publ) (Swedish Covered Bond Corporation – SCBC), Board member of Almi AB, STS Alpresor AB, Bipon AB and Jan M.L. Sinclair AB

**Other assignments:** Chairman and Board member of Housing cooperative Victorhuset, German honorary consul, Industrial advisor (own business)

**Previous assignments:** Acting CEO Almi AB, CEO SEB A.G. Group Treasurer as well as other senior positions within SEB, Board assignments within the FCG-group, Nilsson Energy AB and Hydri AB.

**Board meeting attendance:** 12/12

**Credit Committee meeting attendance:** 18/19

**Remuneration Committee meeting attendance:** 5/5

**Risk and Capital Committee meeting attendance:** 12/12

**Audit and Compliance Committee attendance:** 6/6

## → Lars Börjesson

**Board Member**

**Born:** 1964

**Year of election:** 2014

**Education:** Master of Engineering

**Board assignments:** Chairman and Board Member of Top Armbel Holding, Board Member of Taggvampen AB

**Other assignments:** Chairman and Board Member of Housing cooperative Viktoriahuset

**Previous assignments:** CEO of Stena Technoworld, Director of Strategy and Business Development Stena Metall, Senior partner of Accenture, including Managing Director of Accenture Management Consulting Nordic, CEO as well as various board assignments and CEO positions within KGH Group.

**Board meeting attendance:** 11/12

**Remuneration Committee meeting attendance:** 5/5

## → Inga-Lill Carlberg

**Board Member**

**Born:** 1962

**Year of election:** 2019

**Education:** MSc in Economics, Stockholm School of Economics

**Board assignments:** Chairman and Board Member of Trill Impact Microfinance AB, Board Member of Trill Impact AB, Trill Impact Executive Holding AB, Trill Impact Ventures Holding AB, Trill Impact Ventures AB, Trill Impact Ventures Pharma 1 AB, Trill Impact (General Partner) S.å.r.l., Trill Impact Verwaltungs-GmbH, Trill Impact Ventures (General Partner) S.å.r.l., TIPE II (GP) S.å.r.l. and Cberg Invest AB

**Other assignments:** COO of Trill Impact AB, CEO of Trill Impact Verwaltungs GmbH

**Previous assignments:** Several leading positions within Nordea, Board Member of AP3 Third Swedish National Pension Fund, Nordea Investment Funds and Mistra Sustainable Investments

**Board meeting attendance:** 11/12

**Credit Committee meeting attendance:** 17/19

**Remuneration Committee meeting attendance:** 5/5

### → Jane Lundgren Ericsson

**Board Member**

**Born:** 1965

**Year of election:** 2013

**Education:** Master of laws, University of Stockholm; LL.M London

**Board assignments:** Board Member of The Swedish Covered Bond Corporation (publ), Visma Finance Solutions AB, Inyett AB, Gruvaktiebolaget Viscaria AB (publ), Bokio AB, and Deputy Board Member of Flex Services Sverige AB, Flex Applications Stockholm AB and Miskatonic Ventures Aktiebolag

**Other assignments:** CEO of Flex Applications Sverige AB, Flex Applications Stockholm AB and Flex Services Sverige AB. Chairman of Bagarmossen Kärrtorp Bollklubb

**Previous assignments:** CEO of SEK Securities, Executive Director & Head of Lending Svensk Exportkredit AB, CEO and General Counsel Visma Finance AB, Board assignments within Visma Group

**Board meeting attendance:** 10/12

**Credit Committee meeting attendance:** 18/19

**Risk and Capital Committee meeting attendance:** 12/12

**Audit and Compliance Committee attendance:** 6/6

### → John Sætre

**Board Member**

**Born:** 1967

**Year of election:** 2024

**Education:** Norwegian School of Economics and Business Administration

**Board assignments:** Chairman of Clinsj AS, Jayas AS and Board Member of Tinka Vekst AS

**Other assignments:** Jayas AS (CEO)

**Previous assignments:** Chairman of Gjensidige Bank ASA, Privatmegleren AS, Nordea Eien-doms-kreditt AS. Board Member of Bankenes Sikringsfond (Norwegian Banks' Guarantee Fund), BankAxept, Ungt Entreprenørskap, Nordea Life & Pensions, Nordea Finance Norway, Norsk-Svensk Handelskammer (Swedish Trade & Invest Council), Bank og Kapitalmarked (BBK) – Finance Norway (FNO), Bank og Betalingsformidling (BBB) – Finance Norway (FNO) and several assignments at Spare-banken NOR, SEB, Citigroup, Handelsbanken and Nordea.

**Board meeting attendance:** 7/12 (elected at the AGM)

**Audit and Compliance Committee attendance:** 3/3 (elected at the AGM)

### → Synnöve Trygg

**Board Member**

**Born:** 1959

**Year of election:** 2019

**Education:** Degree in Economics Stockholm University; Advanced Management Program Stockholm School of Economics

**Board assignments:** Board Member of The Swedish Covered Bond Corporation (publ), Board Member and Vice Chairman of Ziklo Bank AB

**Other assignments:** –

**Previous assignments:** CEO of SEB Kort AB, Euro-card AB and Diners Club Nordic AB. Board Member of Nordax Bank AB, Trygg Hansa AB

**Board meeting attendance:** 12/12

**Credit Committee meeting attendance:** 18/19

**Risk and Capital Committee meeting attendance:** 12/12

**Audit and Compliance Committee attendance:** 6/6

### → Jenny Lahrin

**Board Member**

**Born:** 1971

**Year of election:** 2022

**Education:** Master of Laws, Uppsala University; LL.M, University of Amsterdam; EMBA Stockholm School of Economics; Deck Officer Class VIII from Chalmers University of Technology

**Board assignments:** Board Member of AB Göta kanalbolag and PostNord AB

**Other assignments:** Investment Director, Government Offices of Sweden; Board member and Chairman of tenant-owners' association Badhotellet i Saltsjöbaden

**Previous assignments:** Board assignments at RISE Research Institutes of Sweden, Swedavia AB, SOS Alarm Sverige AB, Vattenfall AB, VisitSweden AB and Saminvest AB, General Counsel and member of the management group Veolia Transport Northern Europe AB

**Board meeting attendance:** 12/12

**Remuneration Committee meeting attendance:** 5/5

**Audit and Compliance Committee attendance:** 6/6

### → Wenche Martinussen

**Board Member**

**Born:** 1968

**Year of election:** 2022

**Education:** Master in Business and Marketing, Master of Management programme in E-commerce and Master of Management programme in Scenarios, Foresight and Strategy BI (Norwegian business school); INSEAD strategy programme

**Board assignments:** –

**Other assignments:** Sales and Marketing Director, BI Norwegian Business School

**Previous assignments:** Storebrand Finansiell rådgivning AS (Chairman of the Board), Storebrand Fondene AS (Board Member), The Norwegian Insurer Association (Board Member), communication positions within Nordea Bank AB, several positions within digitalisation, IT development and operations within Storebrand/SPP, CCO Storebrand, CCO SATS Group ASA, COO and Board Member Oslo Philanthropic Exchange

**Board meeting attendance:** 12/12

**Risk and Capital Committee meeting attendance:** 12/12

### → Fredrik Sauter

**Board Member**

**Born:** 1969

**Year of election:** 2023

**Education:** Bachelor's degree in economics, Handelshögskolan Stockholm, Executive MBA at Kellogg Graduate School

**Board assignments:** Board Member of American Express Europe S.A and Deputy Board Member of Thaning Consulting AB

**Other assignments:** American Express (Head of Growing Market Nordic, Belgium, Netherlands, Luxembourg, Spain, Argentina as well as International Dollar Card and Global Insurance), The Financial Coalition Against Child Pornography (Founder and Board Member) and tenant-owners' association Sidensvanen 2 (Board Member, Chairman of the Board)

**Previous assignments:** American Express (Country Manager Sweden), Catella Bank SA (former Banque Invik) (Managing Director), Skandiabanken (CEO), Danske Bank Sweden (Vice CEO), Danske Securities (CFO and Head of administration), Result Venture Knowledge (Country Manager Sweden), Andersen Consulting /Accenture and Management Consultant at Arkitraven AB

**Board meeting attendance:** 12/12

**Risk and Capital Committee meeting attendance:** 10/12

### → Margareta Naumburg

**Board member, Employee representative (Confederation of Professional Associations)**

**Born:** 1964

**Appointed:** 2018 (appointed as deputy: 2017)

**Education:** MSc in Economics, University of Linköping

**Board assignments:** –

**Other assignments:** Compliance Officer at SBAB, Chairman of SACO's local club

**Previous assignments:** Manager and specialist roles in internal audit, compliance, risk and finance at SBAB, Matteus Bank and Holmen AB. External auditor at Price Waterhouse

**Board meeting attendance:** 11/12

### → Karin Neville

**Board Member, Employee Representative (Finansförbundet)**

**Born:** 1987

**Appointed:** 2021

**Education:** Degree in Real Estate, Royal Institute of Technology

**Board assignments:** –

**Other assignments:** Compliance Officer at SBAB, Board Member of Finansförbundet's local club

**Previous assignments:** Different roles within Customer Service and Risk at SBAB since 2009

**Board meeting attendance:** 8/12

## Deputies

### David Larsson

**Deputy, employee representative (SACO)**

**Born:** 1976

**Appointed:** 2018

**Education:** Master's degree in Economics (University of Karlstad)

**Board assignments:** –

**Other assignments:** Account manager Business Area Corporates & Associations at SBAB, Vice Club President of SACO's local club.

**Previous assignments:** –

**Board meeting attendance:** 0/12

### Therese Sandberg

**Deputy, employee representative (Finansförbundet)**

**Born:** 1990

**Appointed:** 2022

**Education:** Accounting economist Business School, Karlstad

**Board assignments:** –

**Other assignments:** Mortgage specialist SBAB, Chairman of the local club board of Finansförbundet

**Previous assignments:** –

**Board meeting attendance:** 3/12



# Executive Management

Updated as of 31 December 2024



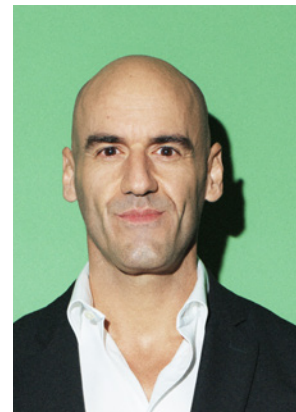
Mikael Inglander



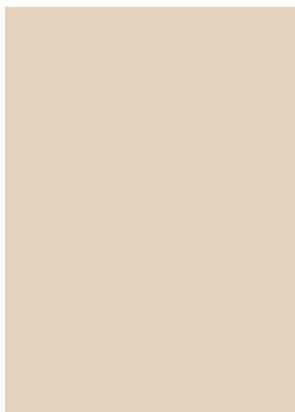
Sara Davidgård



Liv Forsström



Marko Ivanic



Peter Svensén



Malou Sjörin



Deniz Güler



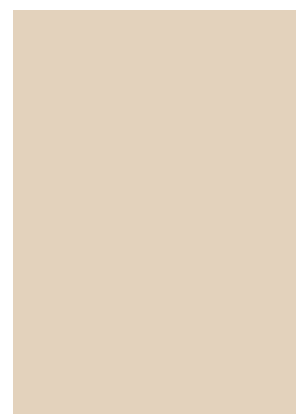
Stefan Andersson



Robin Silfverhielm



Carl Olsson



### → Mikael Inglander

**CEO**

**Education:** Master of Business Administration and Economics

**Born:** 1963

**Employed:** 2014

**Board assignments:** Board Member of Booli Search Technologies AB, AB Sveriges Säkerställda Obligationer (publ), Finance Sweden

**Previous assignments:** CFO SBAB, CEO of Lindorff Sverige AB, Executive Vice President and CFO of Swedbank AB as well as other assignments, Regional Manager and Executive Vice President of ForeningsSparbanken AB, Board member of ICA Banken, OK-Q8 Bank AB, Hansabank Group AS, CEO of AB Sveriges Säkerställda Obligationer (publ) and others.

### → Sara Davidgård

**Head of Business Area Private**

**Education:** Master of Business Administration and Economics

**Born:** 1974

**Employed:** 2017

**Previous assignments:** CRO SBAB, Head of Business Specialists SBAB, Acting Head of Corporates & Associations SBAB, Acting Head of Business Area Private SBAB, COO SBAB, Head of Risk Swedish Banking at Swedbank, Board member Sparia, Segment Manager at Swedbank, various management positions within Swedbank's retail operations as well as other positions within Swedbank Robur.

### → Liv Forsström

**Chief Human Resources Officer (CHRO)**

**Education:** Master of Business Administration and Economics

**Born:** 1970

**Employed:** 2023

**Previous assignments:** CHRO Handelsbanken Tech, CHRO Business Area Handelsbanken and other assignments within Handelsbanken AB

### → Marko Ivanic

**Chief Technology Officer (CTO)**

**Born:** 1979

**Employed:** 2018

**Previous assignments:** Head of IT Operations SBAB, Deputy CTO Nordnet and other management roles within IT at Nordnet

### → Peter Svensén

**Chief Financial Officer (CFO)**

**Education:** Master of Business Administration and Economics

**Born:** 1974

**Employed:** 2022

**Previous assignments:** CRO SEK, CRO SBAB, Consultant at Oliver Wyman and KPMG Financial Services

### → Malou Sjörin

**Head of Sustainability, Marketing & Communication**

**Education:** Master of Business Administration and Economics

**Born:** 1972

**Employed:** 2020

**Board assignments:** Board member of Booli Search Technologies AB

**Previous assignments:** Senior Vice President Communication Trygg-Hansa/Codan, Senior Vice President Communication SJ AB, Management Consultant Cap Gemini Ernst & Young

### → Deniz Güler

**Acting Chief Risk Officer (CRO)**

**Education:** Master of Science in Industrial Engineering and Economics

**Born:** 1986

**Employed:** 2014

**Previous assignments:** Head of Market and Liquidity Risk, Head of Capital and Head of Strategic Projects at SBAB. Positions within credit risk and financial analysis at Skandiabanken and Söderberg & Partners

### → Stefan Andersson

**Head of Business Area Corporates & Associations**

**Born:** 1964

**Employed:** 2020

**Previous assignments:** Boappa AB (Bord Member), Operative Head of Corporates & Associations at SBAB, Nordic Head of Business Banking Strategy & Propositions at Nordea, Head of Business Banking Sweden at Nordea, Head of Sales at SEB Trygg Liv, Head of SME segment at SEB, District Manager in SEB's Retail Banking, Board Member of Nordea Life & Pension and Bankgirot

### → Robin Silfverhielm

**Chief Experience Officer (CXO)**

**Education:** Master of Engineering

**Born:** 1973

**Employed:** 2019

**Board assignments:** Chairman of Booli Search Technologies AB

**Previous assignments:** Boappa AB (Chairman of the Board), CDO Skandia, Management Consultant Accenture and Project Manager OMX

### → Carl Olsson

**Head of Business Specialists**

**Education:** Master of Business Administration and Economics

**Born:** 1983

**Employed:** 2021

**Previous assignments:** Acting CFO at SBAB, Director of Corporate Development & Strategy at Trustly, Strategy Manager at SBAB, Business Strategist at SBAB, Strategy Manager at Skandia, Management consultant at Bain & Company

## Auditor

**Malin Lüning**

**Deloitte AB**

Auditor-in-charge at SBAB since 2023



# Sustainability report

# ESRS 2 – General disclosures

## General information

### Reporting principles for the sustainability report

The Sustainability Report comprises SBAB's statutory sustainability report pursuant to the Swedish Annual Accounts Act. SBAB has chosen to early adopt the updated requirements of the Annual Accounts Act and has prepared the Sustainability Report in accordance with the European Sustainability Reporting Standards (ESRS) and the Taxonomy Regulation. The Sustainability Report also meets the requirements pursuant to the previous version of the Annual Accounts Act that applied prior to 1 July 2024.

The Sustainability Report also constitutes part of SBAB's report to the UN Principles for Responsible Banking (PRB) and includes information on how SBAB contributes to the 2030 Agenda for Sustainable Development. Sustainability information from the Sustainability Report is also reported as a part of SBAB's Communication on Progress (COP) to the UN Global Compact.

The sustainability report is prepared on the same consolidated basis as the financial statements and encompasses the Parent Company SBAB Bank AB (publ), including its subsidiaries. The Group is referred to as "SBAB" in the Sustainability Report.

### Changes from the previous reporting period

Given that 2024 is the first year that SBAB is reporting according to the ESRS, the presentation and preparation of sustainability information has undergone major changes. The largest changes pertain to the structure of the Sustainability Report and the scope of the sustainability information presented. Refer to *the Content and formulation* section on this page.

SBAB's reporting pursuant to the ESRS replaces the previous voluntary reporting of climate-related risks and opportunities pursuant to the Task Force on Climate-related Financial Disclosures (TCFD). This is because the ESRS are aligned with the recommendations from the TCFD, which was dissolved in 2023 after having fulfilled its mandate. Governance, strategy and climate-related risk management at SBAB is described in the Sustainability Report. Work with climate scenario analyses are described on pages 89–90.

### Content and formulation

The content in the Sustainability Report is based on the sustainability matters identified in the double materiality assessment conducted in 2023 and that were resolved on by the Board in December 2023. The double materiality assessment and the content of the Sustainability Report is based on SBAB, its subsidiaries and its upstream and downstream value chain. The definition of "value chain" is limited and does not cover the value chain in its entirety. The value chain is described in further detail on pages 74–75.

The Sustainability Report is formulated according to the topical standards in the ESRS that are linked to SBAB's material sustainability matters. No sustainability matters were deemed

material within the standards E2 Pollution and E3 Water and marine resources. SBAB reports in accordance all of the other topical standards and ESRS 2, for which an assessment at the disclosure requirement level was performed.

The disclosure requirements have also been defined in accordance with ESRS 1. The disclosure requirements followed by the Sustainability Report are listed on pages 159–161. The data-points in the Sustainability Report based on other EU legislation are presented in the table on pages 162–166.

Some quantitative data pertaining to SBAB's up- and downstream value chain is based on estimates and/or is subject to a high level of measurement uncertainty. Information about these metrics, including estimates, level of measurement uncertainty and planned actions to improve accuracy, is presented in conjunction with each metric.

### Time horizons

SBAB defines a medium-term time horizon as 1–10 years and a long-term time horizon as more than 10 years. This is a departure on SBAB's end from the ESRS time horizon definitions, which are 1–5 years for medium-term and more than 5 years for long-term. There are two main reasons for this. The first is that SBAB's business model is largely based on lending to the public with housing collateral, with contracts that as a rule have long maturities. The second is that the property sector, which the majority of SBAB's assets are exposed to, generally has long time horizons in terms of depreciation periods for investments.

The time horizons applied in the Sustainability Report are:

Short term	<input checked="" type="checkbox"/> Short <input type="checkbox"/> Medium <input type="checkbox"/> Long	Reporting period
Medium term	<input type="checkbox"/> Short <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Long	1–10 years
Long term	<input type="checkbox"/> Short <input type="checkbox"/> Medium <input checked="" type="checkbox"/> Long	More than 10 years

### Omission of sensitive information

Information about SBAB's strategy and plans regarding the material sustainability areas of *Information security* and *Financial crime*, including goals, actions and metrics, is considered sensitive information due to the security risk associated with publishing such disclosures. The information is subject to actions taken by SBAB to keep it secret, and thus it is now publicly known or easily accessible internally or externally. Otherwise, SBAB has not chosen to use any exemptions or other possibilities to omit information in accordance with the ESRS.

# Business model, value chain and strategy

## Business model

SBAB is a purpose- and values-driven company that works deliberately to achieve our vision of enabling tomorrow's homes and housing. SBAB's business idea is to be innovative and considerate in its offering of loans and savings products and other services for better housing and household finances. SBAB's core business pertains to financing housing for private individuals, tenant-owners' associations and property companies as well as deposit products for private individuals, tenant-owners' associations and companies. Important products and services include residential mortgages, property loans, investment loans and deposit accounts. Lending activities have the greatest impact on SBAB's material sustainability areas.

In the private business area, SBAB has an offering that is relevant in everyone in the housing journey. The targeted customer groups and markets served comprise customers in Sweden. Residential mortgages are only provided to customers who meet the basic credit criteria. Additionally, we specifically target customers in Sweden's major metropolitan areas and growth regions.

In the corporate business area, SBAB focuses on two distinct groups of customers. Our financing and analysis products target construction and property companies, with a focus on larger construction and property companies. Since there is a size-related parameter in the prioritisation, lending is concentrated primarily in large, growing regions. The deposit product is focused on SMEs, regardless of industry.

In the tenant-owners' associations business area, SBAB are focused on all tenant-owners' associations in Sweden above a threshold transfer price per square metre. Most of the tenant-owners' associations in Sweden meet this minimum requirement. We also prioritise tenant-owners' association customers with larger business volumes.

## Value chain

The distinctive elements of SBAB's value chain include our own operations, our customers, investors and the general flow of capital downstream as well as upstream in the value chain. However, as a bank our value chain cannot always be considered linear. Actors in the value chain may be either upstream or downstream depending on the type of business relationship or the matter in question. An obvious example of this is our customers. Customers who borrow money are downstream in the value chain since they use our products and services. At the same time, customers who save with SBAB are considered upstream investors in the value chain, since they contribute funds that we use for lending. Customers who borrow as well as save with us are therefore represented on both sides of our value chain.

The primary elements of our value chain are illustrated on the next page. It also shows in which parts of the value chain SBAB's material sustainability areas are concentrated. These are described in detail on pages 77–80.

## Own operations

SBAB's own operations include our internal resources, such as employees and data, as well as the operational activities we perform, including product and service development as well as internal governance and other operational processes.

## Upstream value chain

SBAB's upstream value chain is primarily linked to our customers and investors. Customers who deposit money in our savings and deposit accounts contribute funds that we use to finance our lending, and in return they receive interest. Our investors also contribute to our financing by purchasing the bonds we issue, which in turn provide interest. It is our responsibility to ensure that money from our customers and investors has a clear and legal origin, without any links to financial crime.

Our upstream value chain also includes our suppliers, who provide products and services through direct as well as indirect business relationships. Examples of such products and services include IT systems, premises and other support services necessary for our operations.

As a bank, we also depend on the overall financial infrastructure in the market, including the systems and networks that enable financial transactions.

Our owner, the Swedish state, has specific requirements for how to conduct our operations and the goals we are to achieve. Additionally, we also need to follow the rules and regulations set by public sector entities.

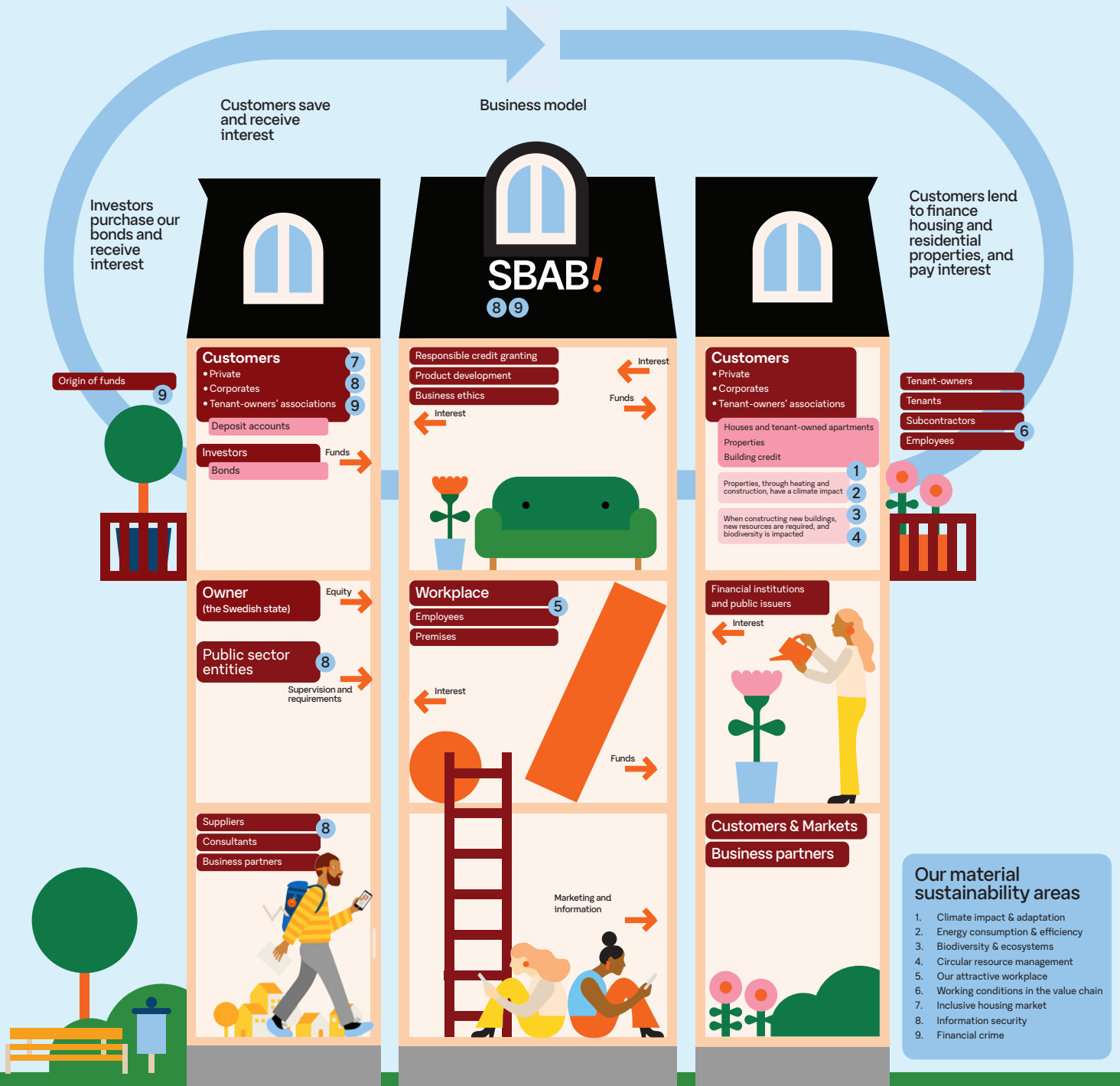
## Downstream value chain

Our downstream value chain is primarily linked to our customers, which includes private individuals, corporates and tenant-owners' associations. They take loans with SBAB to finance housing and residential properties. In return, the customers pay interest on the loans. Through our loans, we indirectly impact other actors downstream, such as tenants, tenant-owner apartment owner and subcontractors in the construction and property sectors, including their employees.

Other credit institutions, municipalities, supranational entities and central governments as well as central banks are also a part of our downstream value chain, as a result of SBAB placing funds in bonds and financial instruments issued by these entities as part of our short- and long-term liquidity management.

SBAB also has an indirect impact through our public information campaigns, where we strive to educate our current as well as potential customers about housing and household finances.

Upstream → Own operations Downstream →



## Strategy

SBAB's strategy since autumn 2014 has been to focus on our core business, residential mortgages and housing finance, complemented by savings accounts. In conjunction with the acquisition of Booli, we decided to broaden our offering to include services in housing and household finances. In 2022, we identified a need to clarify certain components of our overall strategy to factor in major trends and the overall development in the market, including a focus on the climate transition and how people live. The review included a rethink of our existing target structure and long-term strategic business goals. Through its ownership policy, SBAB's owner, the Swedish state, has also announced clear expectations of SBAB to set long-term, material sustainability targets for its operations. As a state-owned company, SBAB is tasked with establishing long-term strategic goals for sustainable value creation. These goals are to focus on value creation and be relevant to SBAB's business operations and material sustainability areas. The goals must also be long-term, challenging, monitorable, clear and comparable. At the end of 2022, SBAB's Board decided on five new target areas and seven new long-term strategic goals extending to 2030. Together, these are expected to help SBAB conduct sustainable operations that generate long-term value for SBAB's stakeholders and that respond to the changes and challenges identified in our operating environment.

All of the overarching target areas can be connected to sustainability in various ways (read more on page 77). A general description of the overarching target areas is given below.

### Long-term value creation

We have a responsibility to contribute to long-term value creation for all of our stakeholders who, in one way or another, are affected by our operations. This includes our owner, the Swedish state. We want to grow responsibly, with good profitability and at an acceptable risk.

### Satisfied customers

Growth is essential for companies that operate in competitive markets. Our long-term growth and capture of market share is additional evidence that our customers appreciate the service we provide and our offering.

### Sustainable society

We have a responsibility for the people and areas of society affected by our business, both now and in the future. Our long-term ambition is to dramatically reduce our climate impact, and that of our customers, in line with international targets and agreements.

### Efficient operations

Conducting operations as efficiently as possible is essential for our long-term competitiveness. A high level of cost efficiency also improves our ability to offer our customers attractive terms.

### Attractive workplace

We are convinced that motivated and committed employees are the foundation of SBAB's long-term success and competitiveness.

## Other disclosures

SBAB had a total of 1,223 employees measured as head count at the end of 2024. The majority of SBAB's employees are in Karlstad and Stockholm. Other employees are primarily based in Malmö and Gothenburg.

SBAB does not operate in, or receive income from, coal, oil, gas extraction, chemical or tobacco production or from the weapons industry. Nor does SBAB provide any products that are banned in any relevant market.

# Material sustainability areas

## About our nine material sustainability areas

SBAB conducted a double materiality assessment in 2023, investigating how we impact our surroundings in terms of people and the environment as well as which sustainability-related matters could have financial impacts for us. These two reporting methods collectively provide a holistic model of the sustainability matters that are the most material for SBAB.

As a result of the assessment, 25 different sustainability matters were identified and deemed material for SBAB, either from an impact perspective, a financial perspective or both. To clarify SBAB's strategy for sustainability matters, these were grouped into nine overarching sustainability areas.

The overarching sustainability areas and their underlying sustainability matters are presented in the table on the following pages. Each matter is classified as an impact, risk or opportunity. The table also shows where in the value chain each sustainability matter is concentrated and whether the sustainability matters are material over the short, medium or long term.

Material impacts pertain to matters linked to our own operations and the upstream and downstream value chain. Impact materiality is deemed to be either positive or negative, where negative impacts reflect the challenges and impacts that naturally arise in our operations. At the same time, our operations also have positive impacts through innovation and developing solutions that create long-term opportunities for people and society.

Financial materiality pertains to sustainability matters that can entail risks or opportunities with material effects for SBAB's development, financial position or earnings. Risks and opportunities can arise both within our control and from external factors.

Other sustainability matters are material in different parts of our value chain, upstream, downstream or in own operations. A majority of the material sustainability matters are of such a nature that they are identified in the value chain through financing and business relationships.

All of the identified impacts, risks and opportunities have been assessed at the short (<1 year), medium (1–10 years) and long (>10 years) time horizons.

The process for identifying and assessing sustainability matters is described in more detail on pages 81–82.

## Sustainability as a component of our strategy

### Our sustainability areas in relation to our overarching target areas

SBAB's nine material sustainability areas reflect our long-term work in established target areas as well as our ambition to take on new challenges. Environmental topics related to the climate and energy are areas where we have extensive experience and a strong focus. These matters are addressed in our overarching target area *sustainable society*. At the same time, the materiality assessment highlighted new priorities, such as biodiversity and circular resource management. These are important topics where we see a great deal of potential for development, though they have not yet received as much attention in our strategic governance. We look forward to improving our work here as well.

The sustainability area *our attractive workplace* has a direct connection to our overarching target area of the same name and reflects our long-term focus on creating an engaging and inclusive work environment. This work has been central for us for a long time and we will continue to prioritise it going forward.

Working conditions in the value chain are closely tied to our overarching target area *sustainable society*. Through projects such as the Sustainable Construction Industry initiative, we can promote good working conditions in our value chain and contribute to long-term sustainable development.

The sustainability area *inclusive housing market* covers several sustainability matters that span our overarching target areas. Responsible credit granting is a self-evident part of our core business and we have long supported first-time buyers by giving them the opportunity to enter the housing market and by driving the creation of partnerships that lead to new forms of housing. At the same time, access to our services is an area with development potential. We have already taken important steps to ensure that more people can use our services and become satisfied customers. By developing partnerships for new forms of housing and integrating them even more clearly into our strategies going forward, we strengthen our contribution to a more inclusive housing market, and thereby to our target areas *satisfied customers*, *sustainable society* and *long-term value creation*.

Finally, the sustainability areas *information security* and *financial crime* are fundamental preconditions for our operations. Through strong and focused work in these areas, we are laying a stable foundation that leads to success in all of our overarching target areas.

### Integration of sustainability areas into strategy

In 2024, the nine sustainability areas were integrated into SBAB's Sustainability Policy and operational strategies. They were also documented in our internal strategy documents. Each area is connected to the part of the operational strategy where it is most relevant, clarifying how we work to accomplish our sustainability goals. We clarified the business strategies for retail, tenant-owners' association and corporate customers in terms of how we intend to meet their needs related to the material sustainability areas. For all of the business areas the clarifications mainly concern the overarching material sustainability areas of energy consumption & efficiency, climate impact & adaptation and inclusive housing market. The corporate business area also include circular resource management and biodiversity. Strategic revisions are endorsed by Executive Management and decided by the Board.

The sustainability areas were also integrated into the business planning process, which means that concrete activities to reach sustainability goals are now part of the budget. The budget, which is approved by the Board, ensures that the strategic priorities are given the financial resources they need to be realised.





## Environment (E)

Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon	Reported under ESRS
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### Climate impact & adaptation

Properties, through heating and construction, account for large portions of Sweden's emissions. At the same time, we are facing physical climate risks such as extreme weather, rising sea levels and flooding. If we do not keep up with the market's transition, we also face financial risks related to a potential rating downgrade. SBAB can contribute to the climate transition for properties by taking responsibility all the way for the climate impact we help finance. We can develop and offer products that improve energy and climate performance and take climate risks into account in our lending.

Climate adaptation and transition	Potential negative impacts ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	E1 Climate change
Climate impact through emissions	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	E1 Climate change
Funding risk on rating downgrade		Risk	→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long	E1 Climate change
Extreme weather events impacting SBAB's customers		Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	E1 Climate change

### Energy consumption & efficiency

Electricity and energy have a key role in society's transition. In addition to being of fossil-free origin, energy must be utilised more efficiently as society moves away from fossil fuels. The property sector uses a significant proportion of Sweden's energy, and through SBAB's lending, we contribute to this energy consumption, which can be both inefficient and emissions-intensive if a heating source with a large climate footprint is used. SBAB contributes to the transition by daring to innovate and develop offerings and tools for our customers to reduce their energy consumption and to make their properties more energy efficient.

Energy consumption	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	E1 Climate change
Hot water consumption among SBAB's customers	Actual negative impact ↘		→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long	E1 Climate change
Potential to reduce energy consumption in the portfolio	Potential positive impacts ↗		→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long	E1 Climate change
Energy consumption linked to green bonds	Potential positive impacts ↗		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	E1 Climate change

### Biodiversity & ecosystems

SBAB takes a big picture perspective and understands that our lending to companies leads to land use and, subsequently, an impact on biodiversity and surrounding ecosystems. Furthermore, SBAB indirectly contributes to land degradation and hardening through the building credits that finance the construction of new residential properties. There are gains to be made by working on synergies between better conditions for biodiversity, climate risk mitigation and green districts.

Impacts on biodiversity and ecosystems	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	E4 Biodiversity and ecosystems
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### Circular resource management

SBAB has an actual negative impact on the resource flows that we help to finance through corporate customers that generate large amounts of waste. In the longer term, this entails a financial risk for customers who lock themselves into a dependency on virgin materials with extensive processing and transportation distances. If construction companies are unable to cope with increased raw material costs, their earning capacity and ability to meet their loan commitments may be negatively affected. SBAB can help reduce the impact on the climate and environment by encouraging circular use of resources in new construction, renovations and waste management. This is also a way to manage increased material costs.

Waste generated by customers	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	E5 Resource Use and Circular Economy
Increased material costs for customers		Risk	→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long	E5 Resource Use and Circular Economy
Increased circularity of customers		Opportunity	→ Up   ↑ Within   → Down	○ Short   ○ Medium   ✓ Long	E5 Resource Use and Circular Economy





## Social (S)

Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon	Reported under ESRS
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### Our attractive workplace

At SBAB we succeed together. We create the conditions for motivated, engaged and healthy employees through good working conditions, an inclusive work environment with equal treatment and continuous learning. There is a link between these aspects and the opportunity to retain competent staff, while concurrently enhancing SBAB's preconditions for remaining a competitive and profitable player in the long term.

Working conditions	Actual positive impact ↗		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	S1 Own workforce
Equal treatment, diversity and inclusion	Actual positive impact ↗		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	S1 Own workforce
Learning and development	Actual positive impact ↗		→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long	S1 Own workforce

### Working conditions in the value chain

SBAB's lending to companies indirectly impacts working conditions and social factors, particularly in the construction sector, which is characterised by complex supply chains. Lack of transparency and control in these chains increases the risk of irregularities such as tax evasion, illegal workforce, inadequate wages, overwork and poor working conditions. Through the bank-sponsored Sustainable Construction Industry initiative and subcontractor compliance monitoring, SBAB improves transparency, working conditions and safety at construction sites.

Working conditions in the construction industry	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	ESRS S2 Workers in the value chain
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### Inclusive housing market

SBAB strives for an inclusive housing market through responsible credit granting that prevents over-indebtedness and contributes to the sustainable long-term economic development of society. By carefully assessing borrowers' financial conditions, we help customers avoid financial problems, especially in bad times. We aim to strengthen social inclusion by offering responsible loans and guidance about the housing market to groups such as young adults in need of a down payment. By promoting homeownership for these groups and encouraging initiatives for housing in vulnerable neighbourhoods, we broaden access to appropriate housing. As a digital bank, we also take responsibility for offering accessible and user-friendly products and services for customers with different disabilities, which helps ensure that everyone can participate in the housing market on equal terms.

Access to adequate housing	Potential positive impacts ↗		→ Up   ↑ Within   → Down	○ Short   ○ Medium   ✓ Long	S3 Affected communities
Housing in vulnerable neighbourhoods		Opportunity	→ Up   ↑ Within   → Down	○ Short   ○ Medium   ✓ Long	S3 Affected communities
Responsible credit granting	Actual positive impact ↗		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	S4 Consumers and end-users
Accessibility	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	S4 Consumers and end-users

### Information security

SBAB has a major responsibility to protect customer data and to minimise risks such as data breaches, insufficient security procedures and extreme weather that can disrupt operations and temporarily impact customers' access to their accounts and services. These events can have serious financial consequences for customers as well as the economy at large in addition to potentially damaging confidence in SBAB. To address these challenges, we invest in robust security procedures, continuously monitor information management and invest in training and initiatives to strengthen infrastructure.

Handling and storage of sensitive information	Potential negative impacts ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	S4 Consumers and end-users
Risk of disclosure of sensitive information		Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	S4 Consumers and end-users
Extreme weather events impacting SBAB's infrastructure		Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	S4 Consumers and end-users



## Governance (G)

Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon	Reported under ESRS
<b>Financial crime</b>					
Fraud and money laundering are growing challenges in Sweden threatening private individuals, companies and the financial system. For SBAB, this not only entails legal and operational risks, but also threats to customer confidence and the brand. Fraud, fuelled by digitalisation and increasingly advanced methods, as well as money laundering (a way for criminals to try to hide illicit assets) can lead to financial losses and undermine trust in the entire financial sector. To address these threats, SBAB works actively with multiple levels of protection, controls and collaboration as a central part of our sustainability work. As sustainability matters, fraud and money laundering are entity-specific disclosures that are not covered by the ESRS.					
<b>Fraud</b>	Actual negative impact ↘	Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	G1 Business conduct
<b>Money laundering</b>	Actual negative impact ↘	Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long	G1 Business conduct

The sustainability matters are described in detail in the reporting of the topical ESRS in the Sustainability Report, presented in the right-hand column of the table.

# Double materiality assessment

## Methodology description

### Identification of impacts, risks and opportunities

In 2023, SBAB conducted a comprehensive double materiality assessment to identify, assess, prioritise and monitor impacts on people and the environment as well as risks and opportunities with potential financial consequences for SBAB. The process is based on the following four steps, which are integrated into SBAB's risk management: (1) identification, (2) mapping, (3) assessment and (4) determination. The assessment was based on topics, sub-topics and sub-sub-topics in the ESRS and supplemented with documentation from earlier sustainability work. In addition to SBAB's own operations, including the subsidiaries SCBC and Booli, the assessment covered our upstream and downstream value chain from short-, medium- and long-term perspectives.

Workshops, stakeholder dialogues and information data collection were conducted to identify impacts, risks and opportunities. Stakeholder dialogues involved the Board, the owner, investors, Executive Management, internal specialists in various areas, consultants, customers and employees. In this process, SBAB has surveyed how dependence and impacts on important sustainability areas can entail financial risks, which was essential for assessing direct as well as indirect consequences for operations. Stakeholder dialogues and the relevant stakeholders are listed on page 82. Information was collected internally from governance documents, previously published sustainability reports, climate risk assessments, employee surveys and customer surveys. External sources were also used, primarily published information from relevant authorities as well as legal requirements that SBAB complies with.

The impacts, risks and opportunities identified were assessed by various groups consisting of employees and consultants with relevant expertise related to each area. Ahead of the assessments, all of the involved parties were informed of the frameworks for each sustainability matter and that the assessments were based on the impact SBAB could possibly have on people and the environment, directly or indirectly.

### Assessment of materiality

The assessments of materiality are based in many cases on qualitative assumptions, where the assessors collectively have reflected on the parameters for impact materiality and financial materiality. Through systematic support, these qualitative assessments were converted to quantitative scores. When the evidence was qualitative or incomplete, SBAB chose a conservative approach in assessing impacts, risks and opportunities. All of the assessments were performed from a short-, medium- and long-term perspective.

The impact materiality assessments follow the guidance in ESRS 1, meaning that impacts were assessed based on the parameters of scale, scope and irremediable character. Irremediable character is not considered when assessing positive impacts. Moreover, when an impact is deemed potential rather than actual, likelihood is also used as a parameter. Scale, scope

and irremediable character are assessed on a scale from 1 to 4. This means that negative impacts have a maximum value of 12, while positive impacts have a maximum of 8. An actual impact is classified as material if it scores higher than 6. For potential impacts, likelihood is rated on a separate scale from 1 to 4. This likelihood assessment means that impacts with a score of less than 6 could still be classified as material if the risk of their occurrence is sufficiently high.

In terms of financial materiality, risks and opportunities are assessed based on scope and likelihood, with each parameter being rated on a scale from 1 to 4. These values are added together to give a total value no higher than 8, where risks and opportunities with a total score greater than 4 are classified as material.

The financial impacts of the risks and opportunities identified are not quantified and are therefore not derived from current or expected impact on financial position, earnings, access to financing or cash flows. As internal processes are developed and data quality improves, more exact calculations of actual and anticipated financial effects resulting from sustainability-related risks and opportunities will be identified and estimated.

Risks and opportunities were assessed using SBAB's operational risk model and primarily consisted of qualitative analyses and reasoning. Experience-based discussions were central for assessing the financial impacts of risks, especially in the absence of quantitative data. When prioritising sustainability-related risks, these were evaluated according to the same criteria as other operational and financial risks so that sustainability risks are fully integrated into overarching risk management. SBAB uses established risk assessment tools and the ambition is to continuously develop financial thresholds that are relevant for each sustainability area in order to ensure a robust and proactive management of sustainability risks. SBAB regularly monitors and follows up identified risks and opportunities. New insights and updates are integrated continuously into the business model and strategy to ensure that SBAB can manage risks and opportunities related to sustainability in a way that promotes long-term financial stability.

To maintain a current and relevant governance of material sustainability matters, SBAB has introduced internal procedures for annual review of the double materiality assessment. The first annual review will be conducted in 2025. It was SBAB's assessment that no internal or external events of significance to the assessment took place in 2024.

## Results

The results of the double materiality assessment resulted in 25 sustainability matters, including impacts, risks and opportunities, in the areas of climate, social and governance that were deemed material for SBAB. Material sustainability matters were identified in all the topical standards, except for E2 Pollution and E3 Water and marine resources. This assessment is largely based on the fact that areas related to these standards were only identified as potentially material effects downstream in the value

chain, mainly from our corporate customers. Closer analysis of pollution and water use within the construction and property sectors, including dialogues with our customers, these are assessed as non-material. The assessments followed the same scales and thresholds as other assessments in the materiality assessment. As a result, SBAB does not report according to ESRSE2 Pollution or ESRSE3 Water and marine resources.

The Board decided on the analysis and sustainability matters in December 2023. A general description of the sustainability matters is given on pages 78–80, while a more detailed one can be found in the presentation of the topical standards in the Sustainability Report.

## Stakeholder dialogue

SBAB has identified a number of particularly important stakeholder groups that all affect and are affected by our operations. Ahead of the double materiality assessment conducted in 2023, stakeholders were chosen based on previously conducted mate-

riality assessments. The stakeholder groups deemed material for SBAB, as well as the forms of stakeholder dialogue and SBAB's perception of each stakeholder group's interests, are given in the table below.

Most important stakeholders	In dialogues through	Stakeholder perspective in strategy and business model
Customers	Retail customers through surveys and market analyses. For corporate customers through interviews	Customers' needs and interests are a central part of SBAB's business strategy for the private as well as the corporate and tenant-owners' associations business areas. The business strategies are updated annually and based on results from the materiality assessment, which includes insights from stakeholder dialogues. SBAB follows up on how well customer needs are met through business goals linked to market shares in residential mortgages and property loans. This part of the Satisfied customers overarching target area.
Investors	Direct dialogues within the frameworks for investor relations and borrowing	Investor insights and interests are important for SBAB's long-term financial stability and capital supply. In our investor relations, we aim to ensure transparency and continuous communication about SBAB's development, risk management and sustainability work. Feedback from investors can also help us make decisions regarding, for example, capital structure, sustainable financing solutions and ESG-related initiatives.
Business partners	Partnerships are primarily through dialogues	Collaboration and business partners are an important part of SBAB's ecosystem and help strengthen the customer offering and develop new services. Close collaboration ensures that partnerships are based on shared business interests, a long-term approach and sustainability. Dialogue with partners is central for identifying synergies, developing solutions and meeting tomorrow's housing and household finance needs.
Employees	Primarily through employee surveys twice a year	SBAB aims to be an attractive workplace where employee engagement is in focus. To identify viewpoints and areas for improvement, regular Pulse surveys are performed that focus on the workplace experience. The results from the Pulse survey are followed up through overarching business goals for the Engagement Index sustainability area and the Attractive workplace overarching target area.
Owner	Interviews	SBAB's owner, the Swedish state, has formulated an ownership policy for SBAB to follow. It is linked to SBAB's strategy and business model through, for example, the overall business goal. SBAB's owner is also represented on the Board, where dialogues are continuously held and followed up.

SBAB has also taken other stakeholder groups into account, including legislators and regulators, industry organisations and local communities. Partners and stakeholder organisations have historically been included in our materiality assessments, but they were deprioritised in the double materiality assessment conducted in 2023.

The stakeholder dialogue was designed differently for different stakeholder groups, including an interview and workshop format, and based on data collection from external reports as well as from surveys and strategy documents. The process for the coming annual review of the materiality assessment will be

supplemented and new stakeholder dialogues will be conducted, including previous as well as potential new stakeholders. The results of the stakeholder dialogue are then included in the review of the double materiality assessment and, depending on supplementary insights, could influence the outcomes for our material sustainability areas. SBAB's central sustainability department is responsible for the annual review of the materiality assessment. This includes informing the Sustainability Forum, Executive Management and the Board about the results of the materiality assessment, including stakeholder interests related to our impact.

# Sustainability governance

## The Board and its committees

SBAB's Board of Directors consists of independent members who are appointed through nomination by SBAB's owner. The Board determines strategies and policies for SBAB and determines the business plan, budget and goals. The Board also has the ultimate responsibility for overseeing material impacts, risks and opportunities. Through a decided Sustainability Policy, the Board determined the internal governance for SBAB's sustainability work. The Sustainability Policy states that the Board is responsible for overseeing SBAB's impacts, risks and opportunities. It also states that the Board is to determine strategies, goals and policies for material sustainability matters and to regularly evaluate SBAB's sustainability work and determine material sustainability areas. According to the Sustainability Policy, the Board is annually informed regarding updates to the material sustainability areas and the strategy, governance and effectiveness of the policies, goals and activities determined for each material sustainability area. The Board is also to receive reports on sustainability work at SBAB, including information about the double materiality assessment, at least twice a year and as needed. This is established in the Board's annual plan, which is an integrated part of the Board's formal work plan. The CEO is to ensure that the Board is informed about SBAB's sustainability work in a way that ensures that the Board can perform its task. The Head of Sustainability and the central sustainability department are to conduct SBAB's strategic sustainability work and ensure progress in the material sustainability areas and their measurable goals in order to support the CEO and reporting to the Board. This reporting is primarily made to SBAB's Head of Sustainability, Marketing and Communication together with the Head of Sustainability and CFO.

The Board has established several committees with tasks related to SBAB's material impacts, risks and opportunities as stipulated by the Board's formal work plan.

**The Credit Committee's** task includes ensuring that SBAB's methods for evaluating credit risk in lending operations takes into account relevant sustainability risk and continuously following up the impact of sustainability risks on credit risk.

**The Risk and Capital Committee's** task includes continuously following up on sustainability risks linked to matters of capital and financing.

**The Remuneration Committee's** task includes following up on diversity and gender equality in operations.

**The Audit and Compliance Committee's** task includes monitoring and reviewing the sustainability report, handling matters related to sustainability risks and monitoring the effectiveness of SBAB's internal controls related to sustainability reporting.

## The Board's skills and expertise in sustainability matters

The Board annually determines a profile of requirements for its members, including requirements for the Board's composition and skills for the Board as a whole. These include requirements in terms of knowledge about sustainability. An annual self-assessment of individual members' expertise in different areas is also conducted. Regarding SBAB's material sustainability areas, the Board as a whole considers itself to have the knowledge required for taking a position in these matters. The Board has experience and actual tasks and/or merits that pertain to each one of SBAB's material sustainability areas. Narrowest within the Board as a whole is expertise in the areas of biodiversity & ecosystems as well as circular resource management. This is because these areas are new for SBAB and for the industry as a whole. The areas rated as highest are our attractive workplace, financial crime and information security. These are areas that have long been central parts of SBAB's operations and sustainability work.

It is SBAB's owner, the Swedish state through the Government Offices, who nominates Board members and who has the ultimate responsibility for ensuring the skills of the Board. The nomination process follows the State Ownership Policy.

Nominations from the owner are based on the Board's expertise needs. It is important that the Board is composed such that there is always relevant industry knowledge or other expertise that is directly relevant to SBAB, even when the company develops and the environment changes. To be considered for a Board assignment in a state-owned company, the State Ownership Policy requires high levels of expertise in relevant day-to-day business operations, business development, industry knowledge, financial matters, sustainable enterprise or in other relevant areas. It also requires a strong sense of integrity and ability to keep SBAB's best interests in mind. The eligibility of Board members for the task is also reviewed by the Swedish FSA. Members are to be selected from a broad recruitment base in order to draw on the expertise of both women and men, as well as individuals with different backgrounds and experience. SBAB's diversity policy should also be taken into account when appointing a new Board member. This policy is consistent with the diversity requirements in the Ownership Policy.

Introductory training is provided for all new members in all areas that are relevant for SBAB. This includes training in sustainability. The Board's formal work plan also establishes an annual training plan, where the Board spends two full days per year studying current issues, new regulations and risk and governance matters. The procedure aims to maintain and deepen the Board's expertise in areas that are relevant for SBAB and where regulatory requirements stipulate ongoing training. Executive Management also has the ability to participate in these training sessions. During the year, the Board received in-depth training in sustainability designed specifically for the financial industry. The Board also has access to sustainability expertise through SBAB's central sustainability department. The Board also includes workers' representatives, who contribute expertise and insights from SBAB's daily operations, especially with regard to employee perspectives.



## Composition of the Board

Board members <sup>1)</sup>	31 Dec 2024	
	Number	Percentage (%)
Female	7	63.7%
Male	4	36.3%
<b>Total</b>	<b>11</b>	<b>100%</b>

<sup>1)</sup> Includes two ordinary workers' representatives but excludes deputy workers' representatives

31 Dec 2024	
Average ratio of female to male Board members, %	175%

Board members <sup>1)</sup>	31 Dec 2024	
	Number	Percentage (%)
Independent	9	81.8%
Dependent <sup>1)</sup>	2	18.2%
<b>Total</b>	<b>11</b>	<b>100%</b>

<sup>1)</sup> Includes two ordinary workers' representatives but excludes deputy workers' representatives

## Executive Management including the CEO

The parent company SBAB's Executive Management includes the CEO, CFO, Head of Business Area Private, Head of Corporates & Associations, CHRO, CTO, CXO, Head of Sustainability, Marketing & Communication, Head of Business Specialists and CRO. All members of Executive Management are SBAB employees.

The CEO of SBAB is to ensure that decisions are made about priorities and strategic direction for sustainability at SBAB in accordance with the Board's decided business strategies. The CEO is also to ensure that SBAB's sustainability work is integrated into SBAB's business planning and that SBAB's material sustainability areas are integrated into operations. The CEO is also to ensure progress in the material sustainability areas and their measurable goals and to ensure that a double materiality assessment is conducted annually, since it forms the basis of SBAB's material sustainability areas, sustainability and reporting. The CEO is also to ensure that SBAB prepares a sustainability report as a part of its annual reporting, in accordance with the applicable reporting standards, in addition to reporting on the progress and outcomes of material sustainability areas. The CEO is to ensure that the Board is informed about SBAB's sustainability work in a way that ensures that the Board can perform its task.

Executive Management is to support the CEO in performing the operational work pertaining to SBAB's material sustainability areas. SBAB's Executive Management is to control and take decisions on priorities and strategic direction for sustainability in accordance with the decided business strategy. Executive Management is responsible for integrating SBAB's sustainability work into business planning. Each member of SBAB's Executive Management is responsible for integrating, governing and following up on material sustainability areas in their area of operations.

Executive Management is jointly responsible for presenting SBAB's strategic business plan, including goals and key actions for SBAB's material impacts, risks and opportunities to the Board for decision, alongside the business plan and budget. The CEO also has, in order to increase the expertise in Executive Management regarding sustainability matters and to ensure

their adequate integration into operations, established a Sustainability Forum to prepare matters that are further discussed or decided by Executive Management, ALCO, the Credit Council and/or the Board. There is also a central sustainability team at SBAB that works continuously with these matters.

## Executive Management's skills and expertise in sustainability matters

Prior to an appointment for a role in Executive Management, a requirements profile is created. It takes into account the nature, complexity and scope of SBAB's operations and the specific expertise, experience and knowledge required for the actual role. When someone is proposed as a member of SBAB's Executive Management, a fit and proper assessment is performed to ensure that every member has a sufficiently good reputation, knowledge, skills and experience to carry out their duties, to act with honesty and integrity, to think independently and to devote sufficient time to the work. The eligibility of SBAB's CEO for the task is also reviewed by the Swedish FSA.

Practical and professional experience acquired in previous positions should be assessed with respect to the role to be filled, with particular regard to the nature of the management position and its hierarchical level, the length of service, the nature and complexity of the business and its organisational structure, areas of competence, decision-making rights and responsibilities, technical knowledge of credit institution operations acquired through the position and an understanding of the risks faced by credit institutions and number of subordinates.

Depending on the position to be filled, special attention is to be paid to a candidate's theoretical and practical experience in financial markets, legal frameworks and requirements, strategic planning and understanding of a credit institution's business strategy or business plan and its implementation, risk management (identifying, assessing, monitoring, controlling and mitigating the main types of risks faced by a credit institution, including risks and risk factors related to money laundering and financing of terrorism, sustainability, corporate governance and societal responsibility), accounting and auditing, assessing the efficiency and effectiveness of credit institutions, and of establishing and ensuring effective governance, oversight and control, and the interpretation of credit institutions' financial information, the identification of important matters on the basis of that information, and appropriate controls and actions.

Certain other positions require additional experience and skills.

During the year, Executive Management received in-depth training in sustainability designed specifically for the financial industry. Executive Management also performed a self-assessment of how their respective skills relate to SBAB's material sustainability areas. Executive Management has experience and actual tasks and/or merits that pertain to each one of SBAB's material sustainability areas and, as a whole, Executive Management considers everyone to have the knowledge required for taking a position in these matters. Narrowest within Executive Management as a whole is expertise in the areas of biodiversity & ecosystems as well as circular resource management. This is because these areas are new for SBAB and for the industry as a whole. The areas rated as highest are our attractive workplace, inclusive housing market and information security. These are areas that have long been central parts of SBAB's operations and sustainability work.

**Composition of Executive Management<sup>1)</sup>**

Members in Executive Management, including the CEO	31 Dec 2024	
	Number	Percentage (%)
Female	3	30%
Male	7	70%
<b>Total</b>	<b>10</b>	<b>100%</b>

<sup>1)</sup> Refers to members of the parent company SBAB

Members in Executive Management, including the CEO	31 Dec 2024	
	Number	Percentage (%)
Executive members	10	100%
Non-executive members	–	–
<b>Total</b>	<b>10</b>	<b>100%</b>

<sup>1)</sup> Refers to members of the parent company SBAB

## The Board's and Executive Management's oversight and treatment of material sustainability matters

During the reporting period, neither the Board nor Executive Management handled material impacts, risks and opportunities other than by formulating policies and instructions and by formulating decisions regarding forward-looking goals in sustainability areas.

SBAB is working to develop a practical approach for how the Board, CEO and Executive Management are to take impacts, risks and opportunities into consideration when they exercise oversight regarding strategy, decisions on major transactions and risk management processes.

## Sustainability-related incentive scheme

SBAB has no incentive programmes for the Board, CEO, Executive Management or employees, as stipulated by the guidelines for state-owned companies.

## Business conduct

### Corporate culture and business conduct governance documents

SBAB's most important assets are trust and our reputation. To safeguard this trust and corporate culture, governance documents are in place to ensure a healthy culture, and control processes have also been established to guarantee the same.

- Code of Conduct
- Ethics Policy
- Sustainability Policy
- Equal Opportunities Policy
- Supplier Code of Conduct

SBAB's customers and, by extension, the public's trust, have been highly prioritised in the formulation of these governance documents. It is of the utmost importance that the public, in the form of customers, counterparties or third parties, retain the strong trust capital that SBAB has built up. SBAB's policies on corporate culture are available to anyone who wishes to familiarise themselves with them. The Supplier Code of Conduct is also applied to stakeholders to ensure that SBAB's values are reflected throughout the value chain.

By implementing these governance documents, SBAB is committed to respecting several third-party standards and initiatives listed below:

- The Swedish Anti-Corruption Institute's Code of Business Conduct
- Finance Sweden's recommendations – Guidelines on ethical issues in banking
- Finance Sweden's Responsible Credit Granting Code
- Finansinspektionen (the Swedish FSA) general guidelines (FFFS 1998:22) regarding guidelines for handling ethical issues at institutions under the oversight of the supervisory authority
- The Swedish Corporate Governance Board's Swedish Corporate Governance Code 2020
- State Ownership Policy and principles for state-owned enterprises (2020)
- Swedma's Industry Rules on Good Practice and Ethical Rules for Direct Marketing
- The UN Global Compact's Ten Principles to which SBAB is a signatory party
- The ICC Anti-Corruption Policy
- ICC Rules for Advertising and Marketing Communications

### Code of Conduct

SBAB's Code of Conduct is based on our customers, owner, employees, investors, business partners and the public having confidence in SBAB. Conducting banking operations sets high standards for those of us who work at SBAB and entails a great deal of responsibility. The public's confidence in SBAB and in Swedish banks, in general, depends on our delivering what we promise and on our acting ethically in our business while adhering to the applicable rules and frameworks in the financial market. We also want to be a role model for respect and equality – thereby promoting a community and a workplace where everyone can be themselves, flourish and come into their own. SBAB's Code of Conduct summarises the requirements we have for our own actions and conduct. This Code of Conduct describes our shared framework for how we are expected to act. All governance documents pertaining to all ethical issues covered by the Code of Conduct are available via SBAB's intranet. Our Code of Conduct and our values apply to all employees of SBAB and our subsidiaries, Board members, contractors and other individuals who perform work on our behalf.

The Board adopts the Code of Conduct.

### Ethics Policy

SBAB's Ethics Policy aims to ensure that SBAB operates soundly and thereby creates and maintains a high level of trust with customers, the public, investors, business partners, the market and the owner. The policy also aims to provide guidance to employees. A high ethical standard is important for SBAB and must be maintained in their operations. Employees must – in the course of their activities conducted within SBAB and in other assignments – behave in a manner that maintains confidence in SBAB. Members of the Board of Directors, Executive Management, CEOs, and managers shall act as role models in ethical matters.

The Board adopts the Ethics Policy.



*Sustainability Policy*

SBAB's Sustainability Policy is an important component of sustainable value creation. Sustainable business means acting responsibly, minimising the risk of negative impacts, and seizing opportunities for sustainable value creation through innovative business models and solutions. According to the State Ownership Policy, SBAB should serve as a role model in the area of sustainable enterprise and otherwise act in a manner that generates public confidence. Acting as a role model includes working strategically and transparently with a focus on collaboration. International guidelines, the 2030 Agenda for sustainable development and the SDGs guide these efforts.

The Board adopts the Sustainability Policy. The Sustainability Policy is described in further detail on pages 90–91.

*Equal Opportunities Policy*

SBAB's Equal Opportunities Policy stipulates that all employees shall have the same rights, obligations, and opportunities in everything related to the workplace, regardless of gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age. Salaries, employment terms and conditions, and development opportunities should be set in a manner that provides equal opportunities. SBAB requires and depends on diversity to pursue a values-driven way of working, with inclusivity at the core of their operations. Differences among employees contribute to innovation and creativity. SBAB should be an equal and respectful workplace that promotes diversity.

The Board adopts the Equal Opportunities Policy. The Equal Opportunities Policy is described in further detail on page 141.

*Supplier Code of Conduct*

SBAB's Supplier Code of Conduct (the "Code") comprises our framework for integrating sustainability into our supply chain. The Code includes the core values and principles that best characterise a sustainable and ethical business. The Code is based on, among other things, the ten principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises and the State Ownership Policy. SBAB's Supplier Code applies to all suppliers, subcontractors, and business partners who supply products and/or services to SBAB.

The CEO adopts the Supplier Code of Conduct.

**Business conduct training**

SBAB has annual mandatory training courses for all employees called Regulations and our responsible approach and SBAB's Corporate Culture. The aim of the courses is to address the macro environment and reality we operate in, as well as some of the important regulations we are to follow. The courses consist of eight components that cover different areas that are important in our responsible approach, our regulatory compliance, and which improve the risk culture in SBAB. The training components are mandatory for new employees and must be completed within set timeframes, and information is provided on each component. Training is based on internal governance documents addressing security, regulatory compliance and risk management (fire protection, IT security, banking secrecy, data protection, bribes and other forms of corruption, money laundering, Incident management and the Code of Conduct).

**Mechanisms to detect, report, and investigate unauthorised actions or breaches of internal rules**

SBAB has an established structure for internal governance and control with appropriate controls in operations (first line of defense) to identify and manage the risk of violations of internal and external regulations. In addition, there are independent control functions in the second and third lines of defense. Risks of deficiencies or actual non-compliance observed by employees must be reported to their manager and through the incident reporting tool.

Furthermore, each employee is expected to report suspicions of, and attempts at, bribery and corruption, as well as suspected or actual violations of the instruction Bribery, corruption, and authorised sponsorship and donation to their manager and to report incidents according to the internal incident management process.

Violations of internal and external regulations or other types of irregularities are investigated and enforced, which may result in disciplinary or labor law measures. SBAB intervenes immediately in case of improprieties related to financial crime, market abuse and other illegal activities that may lead to a police report or notification to other government agencies.

As a SwedSec-affiliated company, if any SwedSec-licensed employee has breached the applicable internal or external regulations, SBAB is also obliged to report the breach to SwedSec if there is reason to assume that this may result in disciplinary action from SwedSec.

The Parent Company SBAB and SCBC each have a separate internal channels for reporting suspected irregularities. An external provider provides these channels. The channels allow for suspected irregularities that are in the public interest or which are in breach of union law to be reported confidentially and anonymously.

SBAB has appointed independent individuals who are authorised to handle reports. All of the authorised individuals who are appointed are bound by professional secrecy; all reports and handling are subject to confidentiality and personal data protection.

A whistleblower cannot be held liable for breach of confidentiality, provided that, at the time of reporting, he/she had reasonable grounds to believe it was necessary to include confidential information in order to reveal the alleged misconduct. An individual who reports suspected irregularities may not suffer any negative consequences pertaining to job assignments, employment conditions or the work situation in general, either at the time of reporting or at a later date. SBAB may not take retaliatory action if an individual decides to turn to their trade union for consultation about submitting a whistleblowing report. Neither may SBAB prevent or attempt to prevent such consultation.

We provide information on the intranet about the internal reporting channels, how to submit reports and disclosures via external channels, and information about the constitutional right to freedom of communication.

## Risk management and internal controls over sustainability reporting

As part of SBAB's wider project to implement CSRD, work began in 2024 to formally integrate risk management and internal controls for sustainability reporting within SBAB's control framework for internal control of financial reporting (ICFR). This includes reviewing the governance documents *Internal control of financial reporting* and *Auditing instructions*. This work is expected to be completed and implemented in 2025, in connection with the ordinary processes for reviewing governance documents.

The Group Finance department, and ultimately the Chief Financial Officer (CFO) are responsible for steering and coordinating the internal control of external sustainability reporting. The second and third line functions – Operational Risk and Internal Audit, respectively – follow up on application and compliance. Each control manager is responsible for internal control of sustainability reporting, with the ultimate responsibility resting with the CEO and Board.

Sustainability reporting is centrally coordinated by the Group Finance department. Responsibility for collecting sustainability information has been delegated to the internal departments that work most closely with each sustainability matter. They are responsible for collecting, verifying and reporting information and for preparing process work descriptions as well as evaluating risks related to the quality of the information. Group Finance is responsible for consolidation and overarching control of the Sustainability Report and for ensuring compliance with relevant regulations and standards, including ESRS.

### Identifying and managing risks

The risk assessment method for sustainability reporting is based on existing methods from SBAB's financial reporting. The goal is to identify the areas at the highest risk for error and where inaccurate information could lead to a misunderstanding of SBAB's sustainability work.

Each control manager at SBAB is responsible for identifying, valuating and managing as well as assessing their own risks related to sustainability reporting.

The primary risks identified that could impact the quality, reliability and completeness of the sustainability information are related to regulatory interpretation, manual data collection, the use of multiple external data sources and insufficient knowledge about sustainability matters among internal reporters.

While SBAB's decentralised process for collecting sustainability information enables detailed and reliable reporting under ESRS, there is also the risk that reporters lack sufficient knowledge about disclosure requirements or that they might have inconsistent methods, which lead to inaccurate, inconsistent or delayed reporting. This is handled through central training, guidelines and review procedures.

As a supplement to the current ICFR risk assessment method, a process-focused risk assessment method developed to identify which disclosures to prioritise for internal control. Risk identification is based on process work descriptions that each reporter is responsible for preparing. The descriptions include:

- Quantitative evaluations of the complexity of the process
- Identification of risks related to manual processing
- Assessment of whether the information is based on material assumptions or estimates
- Description of mitigating actions to ensure information quality

Disclosures of a quantitative nature are given higher priority due to the assessed higher risk for errors in calculations, including estimates and assumptions, as well as the higher level of complexity in establishing controls. By applying a quantitative weighting of these parameters, SBAB can systematically identify which disclosures to prioritise when designing internal controls.

SBAB has also introduced controls to ensure that the annual review of the double materiality assessment meets ESRS requirements. Guidance for this process has been formulated and will be included in the ordinary processes for reviewing governance documents in 2025.

### Follow-up of internal sustainability reporting controls

In 2024, SBAB's process for internal sustainability reporting controls developed in parallel with the development of the new process for sustainability reporting, both under the frameworks for a broader project to implement CSRD. In several cases, the project risks were deemed to align with the risks identified within the frameworks for internal sustainability reporting control and were reported continuously to a project governance group consisting of the CFO, the Head of Sustainability, Marketing & Communication, the CRO, project managers and other departmental managers.

The internal control system developed in 2024 includes annual reporting of risk assessment, risk management and reporting outcomes to the Audit and Compliance Committee.

# Environmental information



Contents	Page
E1 – Climate change	88
E4 – Biodiversity and ecosystems	99
E5 – Resource Use and Circular Economy	100
Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)	101

## E1 – Climate change

### Material impacts, risks and opportunities related to climate change

Within the framework of ESRS E1 Climate Change, the double materiality assessment conducted in 2023 identified, assessed, and defined as material sustainability matters: (1) climate adaptation and transition, (2) climate impact through emissions, (3) funding risk on rating downgrade, (4) extreme weather events impacting SBAB’s customers, (5) energy consumption, (6) potential to reduce energy consumption in the portfolio, (7)

energy consumption linked to green bonds, and (8) hot water consumption among SBAB’s customers. The sustainability matters are grouped under the overarching sustainability areas of “Climate impact & adaptation,” and “Energy consumption & efficiency,” in accordance with the breakdown presented in the table below. Reporting of the disclosure requirements under ESRS E1 Climate change collectively addresses these areas due to their close relationship.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Climate impact & adaptation	Climate adaptation and transition	Potential negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long
	Climate impact through emissions	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long
	Funding risk on rating downgrade		Risk	→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long
	Extreme weather events impacting SBAB’s customers		Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long
Energy consumption & efficiency	Energy consumption	Actual negative impact ↘		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long
	Hot water consumption among SBAB’s customers	Actual negative impact ↘		→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long
	Potential to reduce energy consumption in the portfolio	Potential positive impact ↗		→ Up   ↑ Within   → Down	○ Short   ✓ Medium   ✓ Long
	Energy consumption linked to green bonds	Potential positive impact ↗		→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long

Through the customers' properties that SBAB finances, SBAB has actual negative impacts on climate and energy consumption downstream in the value chain. Properties, through heating and construction, account for large portions of Sweden's emissions. As SBAB's operations are limited to the Swedish market, the impact applies within Sweden as a geographical area.

Should SBAB fail to set sufficiently high standards for customers, we would have a potential negative impact on climate adaptation and transition. SBAB can set requirements when lending and deny customers who have not implemented or are not implementing climate adaptation or transition measures. We can also reward and support customers who have transition plans, customise the housing cost calculation (KALP), and adjust loan-to-value ratios for corporate customers with high investment needs due to climate adaptation measures.

Electricity and energy have a key role in society's transition. In addition to being of renewable origin, energy must be utilised more efficiently as society moves away from fossil fuels. The property sector uses a significant proportion of Sweden's energy, and through SBAB's lending, we contribute to this energy consumption, which can be both inefficient and emissions-intensive if a heating source with a large climate footprint is used. Part of the energy consumption is related to the heating of water. By leveraging financial products, SBAB has the potential to positively influence our customers to change energy sources and heating sources, and to implement energy efficiency measures. It is primarily our customers' transition-related risks that have given rise to this potential positive influence. There are several factors beyond SBAB's control that could hinder specific customer segments from prioritising energy investments or adaptations. These could include existing societal problems, the current economic conditions or legislation whose consequences are perceived as more urgent to address. SBAB needs to relate to these external factors in its product development. Under-reporting will probably always exist in terms of investments in energy and environmental improvement since these do not necessarily require financing with these types of purpose-based financing solutions, such as Kilowatt Loans, but can still positively impact energy consumption.

The data Booli has access to, enables the development of services that can help inform potential home buyers about the heating source and energy consumption of different objects. Booli's data can also aid understanding of what types of investment needs may be required by current or potential homes to reduce energy consumption or increase energy efficiency. By issuing green covered bonds, SBAB can also allocate invested capital to assets that, in aggregate, are more energy efficient than the corresponding average. Issuing green covered bonds is another way for SBAB to encourage the shift of financing operations towards more sustainable investments and to remain relevant in the capital market. A lack of product transparency in this segment could pose a transition risk for SBAB, as the demand for green investments is increasing and is expected to continue rising in step with the need for transition.

If SBAB does not actively work to reduce emissions in its loan portfolio, the loan portfolio may be exposed to transition risks, as new regulations and market requirements regarding climate responsibility may potentially affect the ability of borrowers to repay their loans. Furthermore, investors and clients may opt out of SBAB in favour of competitors with clearer climate strategies, which could lead to financial losses and damage SBAB's reputation. Increased funding risk in the event of a rating downgrade comprises a transition risk for SBAB. In a scenario where SBAB fails to meet market expectations and where competitors make

the transition faster than SBAB, this could lead to a rating downgrade and lower attractiveness among investors.

SBAB may also be exposed to physical climate risks as a result of climate change, which arise when climate-change events such as extreme weather, rising sea levels or flooding damage properties that SBAB finances. A scenario in which SBAB's customers are impacted by extreme weather events could lead to a decrease in the value of their collateral with SBAB, as well as impact the repayment ability of customers. This means that a physical climate-related risk could constitute a credit risk for SBAB. Therefore, from a climate-adaptation perspective, SBAB needs to assess how its borrowers and investments may be affected by climate change and work proactively to reduce these risks. And achieve this through financing climate-resilient projects and investments, and requiring transition plans, i.e., contributing to climate adaptation in order to be better equipped for the expected increase in physical climate risks.

## Identification and assessment of material climate-related impacts, risks and opportunities

SBAB's approach to identifying and assessing climate-related impacts, risks, and opportunities includes an analysis both of direct emissions from SBAB's own operations and of indirect emissions along the value chain. Annual mapping of GHG emissions was previously reported separately in SBAB's Climate Report, which shows the amount of emissions we are involved in generating. Based on this data, we have been actively working for several years to identify where and how climate impacts can be reduced.

The use of climate-related scenario analysis is part of SBAB's identification and assessment of climate-related risks and opportunities. Based on SBAB's main business consisting of lending with properties as collateral, we have identified flood risk as the main physical risk and transition risks related to the energy consumption of properties as the two primary climate-related risks of the business. However, property energy consumption was not assessed as material from a financial perspective in the double materiality assessment conducted in 2023.

### Climate-related physical risks

The identification of climate-related physical risks is based on analyses of current scientific evidence, including scenarios from the UN Intergovernmental Panel on Climate Change (IPCC) and data from relevant national sources such as the Swedish Meteorological and Hydrological Institute (SMHI) and the Swedish Civil Contingencies Agency (MSB), to assess how different types of extreme weather events could affect SBAB's assets and operations. These physical risks are addressed through actions including climate scenario analysis where the underlying data is based on high emission scenarios in line with the IPCC's RCP 8.5. These assessments include the potential impacts of physical risks in the short term (<1 year), where particularly vulnerable areas of SBAB's assets and business operations have been mapped to identify areas of higher exposure and potential economic impact. SBAB has defined time horizons for the medium term (1–10 years) and long term (>10 years) and will continue to work toward including these in the assessment of physical risks.

SBAB has identified flood risk downstream in the value chain as the main climate-related physical risk. As flood risk primarily arises due to geographical conditions, analysis is conducted by county. The counties with the highest weighted flood-risk class are Dalarna and Värmland, followed by Kalmar. In terms of the combination of lending volume and flood risk, the three most exposed counties, in order, are Skåne, Stockholm and Västra Götaland.



In 2024, SBAB conducted development work linked to the identification and measurement of flood risks. The work was conducted in part to comply with the EU binding disclosure requirements under Pillar 3 and the EU Taxonomy, and in part to meet the requirements of the supervisory authority regarding ESG stress scenarios that affect SBAB. SBAB has created a solution to obtain flood-risk classes per building, provided by an external data supplier. The risk classes are based on simulations from the MSB and SMHI. The risk classes are graded on a scale of 0 to 6 and are divided into three categories: watercourses/lakes, sea levels and rain. The risk classes for watercourses/lakes and sea levels are primarily graded using flood simulations from MSB, while the risk classes for rain are primarily based on data from SMHI. There is also a fourth risk category, water, which consists of a combination of watercourses/lakes and sea level. A risk class greater than or equal to 5 is considered a significant risk and is therefore the risk class quantified under ESG Pillar 3 disclosures. It is also used as the threshold for assessing the EU Taxonomy requirement of do no significant harm to other environmental objectives.

As part of the internal capital and liquidity adequacy assessment process, SBAB has also developed a process for assessing ESG risks in the form of an overall scenario for the ESG stress affecting SBAB in 2024. The stress tests were conducted separately for Business Area Private, and Business Area Corporates & Associations, with effects from climate-related physical risks. Based on the flood-risk class of the property, a price drop of the property is assumed. To link the risk classes to a fall in market prices, SBAB has utilised a methodology based on the ECB's climate stress test report, where an estimate is made at the county level. The overall stressed outcome for flood risk in the portfolio has been assessed as limited; however, some individual areas and objects were identified in the upper range, but these remain limited.

SBAB has not performed any other assessments regarding anticipated financial effects on assets and business activities beyond stress testing.

### Climate-related transition risks

Transition risks and opportunities are analysed in the context of the changes required to achieve the climate target of limiting global warming to 1.5°C. SBAB regularly reviews transition events that may affect both its own operations and the value chain, as well as how these events affect our exposure and sensitivity to transition risks. The reviews include assessments of new regulatory and policy requirements related to the energy transition and their potential impact on SBAB's financial stability, as well as any business opportunities that may arise.

SBAB has identified transition risks related to the energy consumption of properties downstream in the value chain as the main transition risk, albeit this was not deemed to be of a material nature according to the double materiality assessment conducted in 2023.

Since energy supply to properties has been identified as the primary transition risk for SBAB's assets, we have chosen to develop an energy price stress scenario in the ESG stress test, where increased costs in the Private business area are stressed. The extent of price stresses is based on the historical development of energy prices and the energy price increase that occurred as a result of Russia's invasion of Ukraine. SBAB conducts these short-term (<1 year) tests annually. At present, no tests are conducted for what SBAB has defined as medium term (1–10 years) and long term (>10 years). Quantification includes an analysis of how residential mortgage customers' individual repay-

ment capacity is affected by higher energy prices and how this drives increased credit risk in the form of a heightened risk of default. To stress customers' costs, a calculation of repayment capacity has been developed based on SBAB's housing cost calculation (KALP), where customers' costs, such as housing, interest and repayments, are deducted from the customer's income. The method for calculating the stressed household energy cost consists both of the customer's energy consumption and an energy-price scenario developed internally. The energy consumption for household electricity per square metre is standardised based on the type of property. Other energy consumption is available from the energy performance certificate (EPC). For collateral where information on the heating source is missing, a conservative assumption is made: detached houses and holiday homes are assumed to use direct electricity, while tenant-owner apartments are presumed to use district heating.

The results show that the cost increase is higher for detached houses and holiday homes and more limited for tenant-owner apartments due to their generally smaller heating surface area and the likelihood of having district heating, which experiences less price stress. The capital effects from energy price stress on the capital situation are assessed to be low due to the capital requirement for mortgages being limited by the risk-weight floor for mortgages.

Other than the stressed scenarios, SBAB has not performed additional assessments and analyses of the anticipated financial effects on assets and business activities at this stage.

Further development is required to measure the impact on future financial performance.

### Resilience in strategy and business model

The flood risk and energy price stress analyses are performed annually and form the basis for SBAB's follow-up of climate-related risks, and are integrated into risk management processes to ensure that climate-related risks and opportunities are considered and managed in line with other types of risks. Through this methodology, we are creating a holistic view of the climate-related risks, and opportunities that may have financial implications. The methodology is evolving as better evidence and data become available and is expected to contribute to a long-term sustainable business model and risk management process. No other climate-related physical or transition risks have been identified as significant or omitted from the analyses. Furthermore, the adaptability of the strategy has not been evaluated but will be included in the work on developing the transition plan.

### Sustainability-related incentive scheme

SBAB has no sustainability-related or other incentive programmes for the Board, CEO, Executive Management or employees, as stipulated by the guidelines for state-owned companies.

### Governance documents for climate change mitigation and adaptation

The SBAB Sustainability Policy and the SBAB Sustainability Governance Instruction describe, at a general level, how SBAB is expected to address the areas identified as material for SBAB. The Sustainability Policy describes the area of Climate impact & adaptation, with the aim of reducing SBAB's climate impact and increasing our customers' climate adaptation capacity, and the area of Energy consumption & efficiency, with the overall goal of improving the energy efficiency of existing and future property portfolios.

According to the Sustainability Governance Instruction, SBAB's work with sustainability must be based on SBAB's Sustainability Policy, adopted sustainability targets together with associated key metrics and activities. The central sustainability team has overall responsibility for the progress and quality assurance of SBAB's efforts to achieve the decided sustainability targets. Each member of the Executive Management is tasked with ensuring the integration of material sustainability areas into strategic decisions and business processes within their respective departments. Moreover, each member of the Executive Management must ensure that the conditions are in place for other departments to integrate their sustainability areas of responsibility. Based on SBAB's material sustainability areas, each member of the Executive Management is responsible for setting targets and activities for the company or department based on such targets and activities being relevant for the specific department.

Both the Sustainability Policy and the Sustainability Governance Instruction clearly indicate the Board's and management's responsibility for the matters identified as material, which include climate impact and adaptation as well as Energy consumption & efficiency at an overall level. Renewable energy deployment is not addressed in the above governance documents since it is not currently applicable to SBAB's operations. The material sustainability areas are expected to be realised at a more detailed level in SBAB's internal business strategies in 2025. Key stakeholders have been taken into account during the implementation of the materiality assessment, resulting in SBAB's material sustainability areas being addressed in the governance documents.

In addition, SBAB has adopted a Climate Risk Instruction that describes how and when SBAB will identify and manage risks related to climate change. However, the instruction does not state whether or how SBAB will endeavour to mitigate and/or adapt to climate change.

The above governance documents are formulated in general terms and their scope is not limited to geographical areas or occurrence in the value chain. However, SBAB's sustainability work is based on the material sustainability areas of relevance to SBAB and decided by the Board of Directors, which are set out in the Sustainability Policy.

The Board of Directors decides on the Sustainability Policy, and the CEO is responsible for its implementation. Furthermore, the CEO decides on the Sustainability Governance Instruction and the Climate Risk Instruction.

By adopting the above-mentioned governance documents, SBAB undertakes to comply with the following standards and third-party initiatives:

- Taxonomy Regulation (EU) 2020/852 ("EU Taxonomy")
- Corporate Sustainability Reporting Directive (EU) 2022/2464 ("CSRD"), as implemented in Swedish law
- European Sustainability Reporting Standards (EU) 2023/2772 ("ESRS")
- Annual Accounts Act (1995:1554)
- Swedish Companies Act (2005:551)
- Annual Accounts for Credit Institutions and Securities Companies Act (1995:1559)
- State Ownership Policy and principles for state-owned enterprises 2020 ("State Ownership Policy")
- Swedish Corporate Governance Code

## Transition plan for climate change mitigation

SBAB's own operations (Scopes 1 and 2) give rise to marginal emissions in relation to the emissions from the properties that SBAB finances (Scope 3 Category 15). This means that the transition SBAB needs to implement is via our customers. SBAB's transition plan should, therefore, also include SBAB's customers' transition plans.

As of the end of 2024, SBAB did not have a formal transition plan but is actively working on measures to transition our clients' properties and thereby reduce the financed emissions that SBAB is partly responsible for generating. Targets and actions are also included in SBAB's overall business objectives, business plan and budget. See pages 93–94 for more information on the activities SBAB is undertaking and the products we have to help reduce GHG emissions.

SBAB plans to begin preparing a transition plan in 2025, with the aim of finalising it in the same year. Thereafter, the expectation is that the transition plan will be continuously updated in pace with developments in the operating environment and improvements in data quality.

## Targets related to climate change mitigation and adaptation

SBAB has set a target related to climate change mitigation and adaptation, specifically a GHG emission reduction target, calculated pursuant to the Greenhouse Gas Protocol, which is followed up quarterly in the Sustainability Forum and aims to realise the Sustainability Policy. The target is to achieve a 50% reduction in emissions from lending to the existing property portfolio (not building credits) within Scope 3 by 2030 compared with the base year 2022. The target is measured by financed kgCO<sub>2e</sub>/m<sup>2</sup> where the outcome for the base year was 3.93 financed kgCO<sub>2e</sub>/m<sup>2</sup>. The greenhouse gases included in the unit kgCO<sub>2e</sub> are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O), as these are the gases that originate from energy consumption. The target covers 44 per cent of SBAB's total reported emissions for 2024. Progress towards the target does not include any GHG removals, carbon credits, or emissions avoided as a means of achieving GHG emission reduction targets.

Updated target 2030 compared with base year 2022 (percentage reduction)	Outcome 2024 compared with base year 2022 (percentage reduction)	Outcome 2024 (financed kgCO <sub>2e</sub> /m <sup>2</sup> )	Outcome base year 2022 (financed kgCO <sub>2e</sub> /m <sup>2</sup> )
-50%	-2,5%	3.84	3.93 <sup>1)</sup>

1) Compared with previously published outcomes, the outcome for 2022 has been adjusted as a result of updated calculation methodology and corrections. Read more on page 98.

### Updated climate target

In 2022, the Board of Directors adopted a long-term climate target in line with the Paris Agreement's 1.5°C goal: to reduce SBAB's emissions intensity of its lending portfolio by 50% (expressed in kgCO<sub>2e</sub> per square metre) by 2038 and 30% by 2030 compared with the 2022 base year. The target was externally reviewed in 2023 as part of SBAB's commitment to the Principles for Responsible Banking (PRB). This target has been supported by sub-targets but has been revised in 2024 as a result of improved data quality, updated calculation methods, and a new decarbonisation pathway in the property sector from the Carbon Risk Real Estate Monitor version 2 (CRREM). The CRREM is the sector-specific basis for setting emission reduction targets linked specifically to the property sector.



The target was agreed in 2024 and will apply from 2025, replacing the previous target of achieving a reduction of 30% in emissions by 2030. With the adoption of the updated climate target, SBAB also dropped the previous target set for 2038. Instead, both the target year and the planned emission reduction are updated in order to align with the expectations for reporting under the CSRD and the ESRS, as well as our internal strategic work running until 2030, where climate focus plays an important role. The target is based on the Science Based Target initiative's (SBTi) science-based methodology and follows the new decarbonisation pathway for the CRREM (version 2) to meet the 1.5°C goal. In 2025, SBAB also intends to evaluate the possibility of setting a net-zero target together with a transition plan on how to reach these targets in relation to the operating environment. By setting a clear target, SBAB hopes to make a concrete contribution to the Sustainable Development Goals for reducing GHG emissions and supporting a sustainable societal transition.

#### Drivers related to climate targets

SBAB's strategy to phase out fossil fuels is driven by several factors: regulations, SBAB's credibility and reputation, shareholder expectations, customer sensitivity to energy prices, and the need to mitigate long-term physical and transition risks. By offering financial products that promote climate transition in the property sector, SBAB encourages a faster shift to energy-efficient and fossil-free energy sources, where SBAB is actively involved in financing. This is accomplished, for example, through energy efficiency improvements and the replacement of heating sources in properties, which account for a significant share of SBAB's financed GHG emissions.

Our climate target is one of our five Group-wide business targets and is part of SBAB's Group-wide target monitoring, meaning that we monitor annual outcomes and include efforts to achieve the target in our budget and business planning process. SBAB develops products and services that facilitate the climate transition towards our 2030 goals.

Even though our climate target is one of our five Group-wide business targets and a high priority within the organisation, we also understand that the ability to reach this target depends on several external factors, such as regulations and subsidies. If emissions from the residential and commercial property sectors are not reduced, SBAB will not be able to reach its target of a 50% emissions reduction by 2030. However, SBAB is committed to proactively working with customers, partners, the Swedish Government, and civil society to facilitate the transition.

The Energy Performance of Buildings Directive (EPBD), aiming to transform the property sector in Europe through energy efficiency and energy source change, is one of the regulations that SBAB sees as important for reaching the emission reduction targets in the coming years. In a Swedish context, SBAB is working to identify the most effective ways to contribute to emission reductions. We believe that the greatest impact can be achieved by focusing on customers with emission-intensive heating sources, such as fossil fuels, and providing them with both the knowledge and financial tools to switch to more sustainable alternatives.

At present, SBAB cannot quantify these drivers, but work to do so will be initiated in connection with the development of the transition plan.

#### Base year, scope, and evolution of the target

SBAB believes that the baseline value used to measure climate progress is representative of the business concerning housing

and property loans and is minimally affected by external factors. The main inputs for emissions calculations are based on property EPCs, which minimise impact from external factors such as fluctuations in energy consumption in a specific year.

Until 2024, building credits, lending on properties under construction, were not included in reported emissions due to the unavailability of data. Building credits make up a small portion of SBAB's lending portfolio, yet their associated emissions are significant in volume. This is based on initial calculations of emissions that can be derived from the building credits themselves. SBAB is working to improve data quality linked to emissions calculations for building credits and also plans to adopt targets for building credits. The base year may then require updating since it is not assessed as possible to obtain emission data for building credits retrospectively. This means that we currently do not include emissions from construction processes we finance in the target, only emissions from existing properties.

There is an absolute baseline value, excluding building credits, for Scope 3 downstream, and the associated baseline and emissions target are calculated in intensity to financed kgCO<sub>2e</sub>/m<sup>2</sup>. However, SBAB has not developed an absolute value target primarily due to the lack of methodology and specific guidelines for setting absolute targets for banks. Given that banks have their largest climate impact in Scope 3 (Category 15, financed emissions), an intensity target is considered more representative for measuring progress.

Better knowledge and data quality internally at SBAB, as well as developments outside SBAB, influence emissions and progress toward the target. We are improving our internal systems to store and use relevant data to enable effective governance and to further integrate the calculations of financed emissions, climate risk data, and EU classification into our business strategies and risk assessments in a Group-wide project (Climate Data Project). SBAB will review its work related to the climate target at least every five years to stay updated with the most recent research. This is also in line with the expectations of the Net Zero Banking Alliance (NZBA), which SBAB joined in late 2024. SBAB is also committed to improving data quality and calculations for our financed emissions, recognizing that targeting methodology and climate science will evolve over time.

#### Energy consumption & efficiency

SBAB has no targets that are individually linked to the sustainability area of Energy consumption & efficiency. However, this area is treated as part of the climate target and is thus addressed in monitoring, outcomes, and measures taken. One sub-measure for achieving the climate target is to promote energy efficiency within the lending portfolio.

A key metric SBAB tracks regarding energy consumption and efficiency, which also relates to promoting the climate transition of properties, is the increase in credit volumes in energy classes A, B, and C both in our corporate sector and in private sector operations. Increasing credit volumes in these energy classes can be achieved both through new business and by providing knowledge and financial terms to customers whose properties have poorer energy performance certificates, thereby giving them the opportunity to undertake energy improvement measures.

This key metric reflects the need to work on energy efficiency, even if the heating source is of sustainable origin, as the available fossil-free energy is a limited resource and should last longer when society transitions away from fossil fuels.

## Actions related to climate change mitigation and adaptation

SBAB's main opportunity to reduce its climate impact lies in influencing the clients whose properties it finances, i.e., downstream in the value chain. As the construction and property sector accounts for a significant share of Sweden's total emissions, SBAB focuses primarily on supporting clients in increasing the energy efficiency of their buildings and choosing energy sources with the lowest impact from a climate perspective. The single most important action SBAB can take to reduce emissions is to create incentives, conditions, requirements, and communication that help customers make the transition. Since SBAB has a limited impact on its own emissions, it is actively working to develop processes, products, and services to assist customers in making energy-efficient decisions.

In 2024, in addition to updating the climate target in line with the most recently available emission reduction methodologies in the property sector, SBAB adopted two overarching and business-driving targets for 2025. One target specifically relates to emissions reduction in relation to the base year of 2022, while the other aims to contribute to the climate transition for properties. This target is intended for business-related activities that contribute to the reduction of emissions over time.

Currently, SBAB offers several products that support the climate transition for properties, including the Kilowatt Loan and the Kilowatt calculation with associated proposals for measures for private individuals, as well as a green investment loan and loans with ESG-linked features for our corporate customers. SBAB is currently unable to measure the shift contributed by these products. To see and measure the actual movement that an energy renovation achieves, some form of evidence is needed, which we are continuously working to integrate into the process of transition. The products' volumes are still relatively small in terms of SBAB's total loan portfolio. In addition to these products, SBAB also offers a green mortgage and a green property loan to customers with properties that have an energy class of A, B, or C. Many of the products SBAB offers in this area take inspiration from the Taxonomy. However, as we still find it challenging to ensure that all criteria under the Taxonomy criteria do no significant harm ('DNSH') to other environmental objectives are met, the products are not yet fully aligned with the Taxonomy.

To support our customers, who need to adapt their properties, SBAB intends to utilise the data used to assess customers' climate risks. By fostering better dialogue with customers whose properties are located in areas with a higher physical climate-related risk, SBAB hopes to assist in the climate risk adaptation of these properties and thus also protect SBAB's own collateral. The work on incorporating climate risks into the credit process and property systems has been ongoing since 2023 and will continue to develop in the future through, inter alia, a map support system, setting risk levels, training for appropriate customer dialogue and communication, and identifying whether there are additional data or tools that may be relevant to best meet our customers' needs.

The actions being implemented and planned are mainly resource-intensive in terms of staff time for training, analysis, and communication. This applies to both SBAB business areas and other supporting parts of the business. The resources are used for purposes including further development of work within climate risks and of the plan for the transition of retail customers' houses as well as for training, various analyses and communication efforts. The measures are not expected to require any significant operational or capital expenditure.

## Actions in Business Area Private

In Business Area Private, SBAB automatically provides green mortgages to customers who live in houses or multi-family dwellings with a valid EPC with energy class A, B or C. The better the energy class, the greater the reduction to the mortgage rate. We see green mortgages as an incentive for our customers to invest in more energy-efficient homes.

In addition, the kilowatt calculation and the Kilowatt Loan support the transition to more energy-efficient homes and thus reduce carbon emissions. The Kilowatt Loan is a loan that can be taken out with the aim of carrying out an energy renovation at a more favourable interest rate. Given that the Kilowatt Loan launched in 2024, the impact of the energy efficiency measures financed was not quantified at the end of the reporting period and is unlikely to significantly impact total financed emissions. However, we see the loans as an important part of SBAB's transition, and we look forward to calculating and reporting their effects over time. A volume target related to the number of Kilowatt Loans sold was set for the private business area in 2024. In 2025, SBAB has set new targets for the number of Kilowatt Loans sold, the number of kilowatt calculations performed, and a measurable effort to make informative communication efforts to retail customers in detached houses where there is an opportunity to implement energy efficiency improvements.

In 2025, Business Area Private will further develop work within climate risks that will result in a plan for how we manage and mitigate those risks. This includes determining at which risk level we should act, the appearance for customer dialogue and communication, how to implement climate risks in lending, and to identify the need for data and tools to best meet our customers' climate risk-related needs.

## Action in Business Area Corporates & Associations

Through Business Area Corporates & Associations, SBAB provides the green investment loan and sustainability-linked loans aimed at contributing to the transition. As with the Kilowatt Loan, the impact of the investment loan and the sustainability-linked loans has not been quantified and aggregated in 2024. The green investment loan is a loan that can be taken out with the goal of carrying out an energy renovation at a more favourable interest rate. A sustainability-linked loan is a loan that will be used to accomplish a strategic transition within the sustainability area for a corporate customer. The sustainability-linked loan is a means for SBAB to help reach our goal of reducing the climate impact of properties, but it can also include social objectives such as safety targets in vulnerable areas in addition to emission reduction targets. Furthermore, SBAB also plans to launch green building credits to enable setting additional climate requirements for new construction in the form of a climate calculation and climate declaration to reduce the climate impact of this type of lending.

In 2024, the corporate business had a volume target to sell a certain number of sustainability-linked loans. For 2025, the corporate business has set new targets for the number of sustainability-linked loans sold, the number of green investment loans, the number of green building credits, and the number of targeted offers to tenant-owner associations. All activities conducted under the business-driven objective of contributing to the climate transition of properties have quantitative targets for 2025, either through absolute figures that are followed up during the year or through a reduction or increase in percentages compared with the outcome in 2024.

To facilitate customer dialogue and analysis, an analysis tool called Sustainability Analysis has been developed, with the capability of simulating a potential conversion cost for custom-

ers to move to a higher energy class based on a standard calculation. This analysis tool is continuously being developed as more information and data become available. Regarding climate risks, in 2024 SBAB uploaded data on all properties into a map support system for the first time. The map support system is used to assist in work on climate risks and will be further developed in 2025. In the first step, the map support system in Business Area Corporates & Associations will facilitate property valuers' assessments of properties with a likelihood of climate risk. The tool enables the visualisation of flood risk areas of different sizes and shows the location of properties in relation to these areas. When SBAB adds new properties to the loan stock, data will be

loaded for them as well. In addition, data for the existing stock will be updated at set intervals or more frequently if deemed necessary. In the next step, SBAB aims to work on identifying in which cases climate risks also pose financial risks.

### Gross Scope 1, 2, 3 and Total GHG emissions

The table below shows SBAB's emissions calculated using operational control. The Position Green system support was used for calculations, with the exception of emissions within Scope 3, Category 15, which are calculated in SBAB's internal system.

	Retrospective				Milestones and target years		
	Base year 2022	2023	2024	% 2024/2023	2025	2030	Annual % target / Base year
<b>Scope 1 GHG emissions</b>							
Gross Scope 1 GHG emissions (tCO <sub>2e</sub> )	-	-	-	-			
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (%)	-	-	-	-			
<b>Scope 2 GHG emissions</b>							
Gross location-based Scope 2 GHG emissions (tCO <sub>2e</sub> )	32	15	28	79			
Gross market-based Scope 2 GHG emissions (tCO <sub>2e</sub> )	39	30	24	-22			
<b>Significant Scope 3 GHG emissions</b>							
Total gross indirect GHG emissions Scope 3 (tCO <sub>2e</sub> )	61,704	60,379	144,678	140			
1 Purchased goods and services (tCO <sub>2e</sub> )	127	383	1,835	380			
2 Capital goods	-	-	-	-			
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2) (tCO <sub>2e</sub> )	6	4	24	517			
4 Upstream transportation and distribution (tCO <sub>2e</sub> )	-	-	-	-			
5 Waste generated in operations (tCO <sub>2e</sub> )	0	0	1	-			
6 Business travel (tCO <sub>2e</sub> )	89	96	76	-21			
7 Employee commuting (tCO <sub>2e</sub> )	-	-	190	-			
8 Upstream leased assets (tCO <sub>2e</sub> )	-	-	-	-			
9 Downstream transportation and distribution (tCO <sub>2e</sub> )	-	-	-	-			
10 Processing of sold products (tCO <sub>2e</sub> )	-	-	-	-			
11 Use of sold products (tCO <sub>2e</sub> )	-	-	-	-			
12 End-of-life treatment of sold products (tCO <sub>2e</sub> )	-	-	-	-			
13 Downstream leased assets (tCO <sub>2e</sub> )	-	-	-	-			
14 Franchises (tCO <sub>2e</sub> )	-	-	-	-			
15 Investments (tCO <sub>2e</sub> )	61,482 <sup>1)</sup>	59,897 <sup>1)</sup>	142,553	138			
<b>Total GHG emissions Scope 1-3</b>							
Total GHG emissions Scope 1-3 (locationbased) (tCO <sub>2e</sub> )	61,736	60,394	144,705	140			
Total GHG emissions Scope 1-3 (marketbased) (tCO <sub>2e</sub> )	61,742	60,409	144,701	140			

<sup>1)</sup> Compared with previously published outcomes, the outcomes for 2022 and 2023 have been adjusted as a result of updated calculation methodology and corrections. Read more on page 98.

	Base year 2022	2023	2024	% 2024/2023
Total GHG emissions Scope 1-3 (locationbased) per net revenue (tCO <sub>2e</sub> /SEK m) <sup>1)</sup>	13.3	11.1	26.9	239
Total GHG emissions Scope 1-3 (marketbased) per net revenue (tCO <sub>2e</sub> /SEK m) <sup>1)</sup>	13.3	11.1	26.9	239

<sup>1)</sup> For the calculation of total GHG emissions per net revenue, the net revenue (Total operating income) reported in the Financial Statements in SBAB Annual Report 2024 was used (see page 170).

### Comments on the table

The substantial increase in reported GHG emissions stemmed mainly from the inclusion of the climate impact from the financing of newly constructed properties (building credit) in the calculations within Scope 3 category 15 Investments. GHG emissions for building credits amounted to 80,165 tCO<sub>2</sub>e for 2024. As a result, the system boundaries have been expanded in the pursuit of more comprehensive reporting.

SBAB's Scope 2 climate impact increased slightly due to increased energy consumption for office buildings, particularly in Malmö and Karlstad. In autumn 2023, the Malmö office moved to new larger premises, which explains the increased energy consumption. In Karlstad, there is no clear explanation for the increase in energy consumption. Minor renovation works have been conducted and electrical equipment installed at the office. Employee numbers are also up slightly year-on-year at the Karlstad office, which may account for part of the increased energy consumption.

Within Scope 3, the climate impact from purchased goods and services has increased due to extended system boundaries, i.e., SBAB has expanded the scope of the goods and services included in the report. This category also includes the climate impact of data centres, which were previously reported under the market-based method but are now reported with the location-based method. This results in a slightly higher reported climate impact since the electricity used by SBAB's server halls is fossil-free. The same applies to the category of fuel and energy-related activities, which was higher year-on-year. This was due to the change of system provider used for calculations and the use of a location-based electricity factor instead of a market-based electricity factor, as previously. Climate impact from business travel has decreased within the same scope. However, this is attributed to differences in the input data and the baseline data on which the calculation is based in combination with possible differences in the set of emission factors. The employee commuting category is reported for the first time, which contributed to an increase in the total climate impact.

### Scope 1

SBAB has no Scope 1 emissions.

### Scope 2

SBAB has no guidelines or governance documents that require the electricity purchased to be renewable or fossil-free, or that suppliers must be able to present certificates. With that said, the electricity purchased by SBAB in 2024 was fossil-free, and the suppliers have specified the origin of the electricity in invoices and, in some cases, attached Environmental Product Declarations (EPDs) or certificates of origin.

In most cases, SBAB has its own electricity agreements for its premises and receives information from the supplier about the year's consumption.

For Booli's premises, we do not have our own agreements but are included in the electricity agreement that the property owner has for the entire property. In these cases, we use the total area of the property and Booli's share of the area to calculate our share of electricity consumption. This approach is also applied to district heating calculations in all premises.

In cases where the origin of electricity cannot be verified, the Nordic residual mix is assumed instead in accounting, in accordance with the market-based method.

### Energy consumption and mix

Below is a breakdown of the energy usage for which SBAB reports climate impact in Scope 2.

Energy consumption and mix	2024
Total fossil energy consumption (MWh)	9
Share of fossil sources in total energy consumption (%)	0.4
Consumption from nuclear sources (MWh)	54
Share of consumption from nuclear sources in total energy consumption (%)	2
Fuel consumption from renewable sources, including biomass (MWh)	-
Consumption of purchased or acquired electricity, heating, steam and cooling from renewable sources (MWh)	2,115
The consumption of self-generated non-fuel renewable energy (MWh)	-
Total renewable energy consumption (MWh)	2,115
Share of renewable sources in total energy consumption (%)	97
Total energy consumption (MWh)	2,177

### Scope 3

SBAB reports on the Scope 3 categories where activity is identified. With this year's screening, a number of categories have been added from previous years; however, they are largely reported on spend data, as they are minor in relation to the financed emissions in Category 15, which are prioritised.

The categories below have been excluded because SBAB has no identified activity in these categories:

- Upstream leased assets (Category 8)
- Downstream transportation and distribution (Category 9)
- Processing of sold products (Category 10)
- Final handling of sold products (Category 12)
- Downstream leased assets (Category 13)
- Franchises (Category 14)

Use of sold products (Category 11) could potentially be relevant due to the digital products of the subsidiary Booli. However, it is excluded for the time being due to a lack of data.

Calculations for all Scope 3 categories, except Category 15, are made in the calculation tool Position Green. The same applies to the calculation of biogenic emissions. Below is a description of the Scope 3 categories included in the reported outcome, including what is encompassed within the categories, as well as the calculation methods and assumptions for each category.

#### Purchased goods and services (Category 1)

- Purchased goods/services are based on spend-based methodology.

The following categories have been reported based on the financial outcome for each financial account.

- Coffee, fruit and vegetables
- Meals
- IT services
- Educational services
- Other business services
- Paper and paper products
- Postal and telecommunication services
- Purchased goods/services based on average data (number/volume)
  - IT products
  - Cardboard and paper packaging
  - Paper products
  - Printer paper
  - Water products



*Capital goods (Category 2)*

None reported in 2024.

*Fuel and energy-related activities (Category 3)*

Consists of upstream-related emissions resulting from activities in Scope 1 and 2.

*Upstream transportation and distribution (Category 4)*

Only some of the upstream transportation paid for by SBAB is included. These are categorised under purchased goods and services, specifically under postal and telecommunication services, and consist of postage costs, as it is not considered possible to specifically isolate the portion derived from transportation from the economic base.

*Waste generated in operations (Category 5)*

The calculation is based on the weights of waste per waste code and preparation code, which our suppliers report for each office.

For Booli, these statistics are not available as waste management is handled by the property owner and not through its own contracts. Waste has been excluded for Booli since it is considered to constitute such a small part of the total amount of waste and that the total climate impact of the waste is negligible compared with SBAB's total climate impact.

*Business Travel (Category 6)*

The calculation of climate impact from business travel is based on extracts of statistics from travel agencies and contracted partners. Consultants are not included in the data. Most of the trips are booked via contracted partners and include expenses incurred for mileage and taxis. Other expenses have not been included.

*Employee commuting (Category 7)*

Data on employee commuting is collected via a survey. Total distances per means of transport are then calculated, taking into account the number of working days per year. The survey is sent to all SBAB employees, including consultants with a SBAB email address. The Board of Directors is not included. The response rate in 2024 was 58% (consultants were not included in the calculation of the response rate). The results have been averaged up to total FTEs, excluding consultants in the FTE averaging.

*Investments (Category 15)*

SBAB's climate-impacting activities within Scope 3 Category 15 include lending to retail customers, corporates, and tenant-owners' associations where the collateral comprises real properties in Sweden, as well as lending in the form of building credits for companies engaged in the new construction of properties. See sub-sections Lending to existing construction, and Building credit.

*Lending to existing buildings*

The climate impact of housing and property loans is based on lending at the end of the reporting period and the most recently updated information as of the publication date of the sustainability report. The calculation includes Scope 1 and Scope 2 emissions related to the energy consumption of the property or housing unit financed by the loan or mortgage. The methodology SBAB uses to measure financed emissions is based on the global Partnership for Carbon Accounting Financials (PCAF) standard for industry accounting and reporting of carbon emissions related to loans and investments. The calculation is based on the annual energy consumption of properties using energy performance certificates (EPCs) obtained from Boverket (the Swedish National Board of Housing, Building and Planning). The EPCs include information on building type, energy performance,

energy class, heated floor area (Atemp), and primary heating sources. To calculate emissions from properties where an EPC is not available (i.e., properties that do not have an EPC), emissions are calculated using templates from the PCAF. The actual building area data is multiplied by the average emissions intensity per square metre, as provided by the PCAF for different property types. If no actual building area data is available, the average area per property type (houses, multi-family dwellings, offices) in the loan portfolio at the selected reporting date is used. The average is locked and updated quarterly in connection with the new collection of EPCs from Boverket (the Swedish National Board of Housing, Building and Planning).

Standard values (kWh/m<sup>2</sup> and building type) from the Swedish Energy Agency, Energy indicators in figures 2022, have been used to calculate household electricity consumption per building, as shown below:

- Consumption of household electricity, houses: 30 kWh/m<sup>2</sup>
- Consumption of household electricity, multi-family dwellings: 49 kWh/m<sup>2</sup>
- Consumption of household electricity, premises: 136 kWh/m<sup>2</sup>

The emission factors used to calculate emissions per energy source are presented on page 97. The emission factors applied are based on the main heating source of a building. If the EPC data shows that a building uses a combination of energy sources, an even split between these energy sources and their respective emission factors is applied.

The calculation of emissions from existing buildings is performed in several steps for each building:

- Emissions from heating per square metre [gCO<sub>2</sub>e/m<sup>2</sup>] = Energy performance [kWh/m<sup>2</sup>] \* Emission factor for heating [gCO<sub>2</sub>e/kWh]
- Emissions from electricity consumption per square metre [gCO<sub>2</sub>e/m<sup>2</sup>] = Electricity consumption [kWh/m<sup>2</sup>] \* Electricity emission factor [gCO<sub>2</sub>e/kWh]
- Building emissions [gCO<sub>2</sub>e/m<sup>2</sup>] = Total emissions from heating + Total emissions from electricity consumption
- Total building emissions [gCO<sub>2</sub>e] = Building emissions [gCO<sub>2</sub>e/m<sup>2</sup>] \* Atemp [m<sup>2</sup>]

To link the climate impact of the property to a loan and thereby SBAB's financed share of the property's annual emissions, the loan-to-value ratio is used, calculated by the loaned capital at the reporting date divided by the locked market value. The loan-to-value ratio is based on the ratio of the amount outstanding at the time of reporting the GHG emissions to the value of the property or cover pool at the time of the loan or at the base year if the loan existed then. The property's or tenant-owner apartment's value at the time of the loan is locked in subsequent years in the reporting of emissions. We call the ratio of our lending to the locked market value of the property CO<sub>2</sub>e-LTV.

In cases where the estimated CO<sub>2</sub>e-LTV exceeds 1, the CO<sub>2</sub>e-LTV is set at a maximum of 1. This is because the climate impact cannot exceed the total emissions of the property. The addition of new collateral (notes of lien) to a loan are not taken into account since they do not affect either the loan amount or the property's value.

A loan may have several properties (collateral/notes of lien) attached to it. In such cases, the calculation of climate impact is based on the primary collateral. Other collateral is not included in the calculation of emissions but may affect the financed share through the total market value of the cover pool.

SBAB's share of emissions are calculated as the total emissions of the property [tonnes CO<sub>2</sub>e] multiplied by SBAB's share

of the financing [CO<sub>2</sub>e-LTV] of the property. To obtain the total financed emissions for the year, all financed emissions per property are summed up.

When a customer takes out a housing or property loan with SBAB, it involves a loan on a property. A property may consist of several buildings. In some cases, each building has an individual EPC; however, all buildings in a property may also be covered by a joint EPC. There can also be a mixture of the two alternatives where the same property comprises some buildings grouped together under one EPC, while others have individual EPCs. To convert the total emissions from emissions per building to emissions per property, all buildings of the property are summed up.

*Method for tenant-owners' associations and tenant-owner apartments* – The PCAF methodology currently does not include a method to calculate emissions for tenant-owners' associations and tenant-owner apartments, which are a very common form of housing in Sweden. For this specific purpose, Finance Sweden has developed guidelines for the calculation of financed emissions for tenant-owners' associations and tenant-owner apartments in Sweden. These guidelines were published externally in early 2024.

To avoid double counting of emissions, the assumption that 30 per cent of the total emissions of the property are attributed to the common areas of the tenant-owners' association is applied. This means, for example, that if the bank has financed the tenant-owners' association as a whole but none of the tenant-owner apartments, the bank has financed 30% of the property's total emissions. Conversely, if the bank has not financed the tenant-owners' association as a whole but has fully financed the tenant-owner apartments, then the bank has financed the property's emissions based on the apartment owners' living space (Atemp) and lending.

As a result of the common bank method described above, the industry typically uses the same emission factors for lending to tenant-owners' associations and tenant-owners. The industry's calculations should therefore become more comparable over time. SBAB also employs the same emission factors for other retail customers (mortgages) and corporate loans. The emission factor for electricity and district heating is updated annually to reflect the most recent data due to variations in the electricity and fuel mix. SBAB updates to the current year's emission factors as the year closes for the current stock at the end of the reporting period; these factors then apply for the next three quarters prior to the next annual update.

*Intensity value* – To calculate a financed average against which we measure our targets, the financed area also needs to be calculated. This is done by multiplying the total Atemp by the CO<sub>2</sub>e-LTV for the property. The financed area per property is summed up to yield a total financed area for the loan portfolio.

The emissions intensity of the portfolio is then calculated as total financed emissions divided by total financed area.

*Measurement uncertainty and data quality* – The Scope 3 calculations, and thereby the total emissions, are subject to a high level of measurement uncertainty. The causes of measurement uncertainty in climate calculations stem from a lack of available data, a degree of manual work and assumptions at several stages. Over time, the uncertainties are expected to decrease as the demand for accessible and accurate climate data increases due to legislation and other factors.

Within GHG Scope 3 Category 15, data quality is negatively affected by the lack of EPCs for parts of the residential mortgage stock, specifically for detached houses. EPCs are valid for 10 years and, if expired, are usually only updated upon the sale of the property with a valid EPC. This leads to a situation where detached

houses commonly lack valid EPCs. In 2024, 21.54% of lent capital lacked a valid EPC. There is also uncertainty linked to energy performance certificates and various methods for obtaining data at the time the EPC was issued. EPCs in accordance with both BBR25 and BBR29 are valid but yield different primary energy numbers, which are subsequently used in the calculation of financed emissions. The calculations follow the same methodology for the different versions, and no conversions are made between BBR25 and BBR29. BBR25 EPCs will gradually be phased out as they expire.

SBAB is investigating the potential of using alternative methods to improve data quality and is following the Swedish National Board of Housing, Building and Planning's government assignment to implement the Energy Performance of Buildings Directive (EU/2024/1275) (EPBD) and to review the system of EPCs.

#### *Building credit*

The climate impact of building credits, i.e., loans for the construction of new buildings, comprises the resources used in the construction of the property. At present, SBAB's building credits are calculated using a spend-based method with templates from the PCAF (kgCO<sub>2</sub>/SEK), which is subject to high measurement uncertainty. The template is multiplied by the total amount paid out during the reporting year.

In order to improve data quality, estimates, and reduce measurement uncertainty on the climate impact of building credits, work is underway to use the statutory climate declarations submitted to the Swedish National Board of Housing, Building, and Planning.

#### **Emission factors for calculation of Scopes 1–3**

All emission factors include greenhouse gases according to the Greenhouse Gas Protocol, which is based on GWP100. Emission factors are mainly based on GWP100 values in the Intergovernmental Panel on Climate Change's (IPCC) 5th Assessment Report, however, individual factors have been updated to GWP100 values based on the IPCC's 6th Assessment Report. Emission factors for calculating Scopes 1–3, excluding Scope 3 Category 15, are provided by Position Green and updated annually. The emission factors used for the calculation of Scope 3 Category 15 are listed below. These are reviewed and updated to the most recently available data annually.

<b>Electricity</b>	Most recently available from the International Energy Agency (IEA). The following emissions components are to be added when using data from the IEA: emissions per kWh from electricity for CO <sub>2</sub> (total), CH <sub>4</sub> (total), and N <sub>2</sub> O (total), adjustment for transmission and distribution losses (CO <sub>2</sub> total), and trade adjustment (CO <sub>2</sub> total) for the most recently reported data.
<b>Oil</b>	268.1g CO <sub>2</sub> e/km (Swedish Environmental Protection Agency)
<b>District heating</b>	47.7g CO <sub>2</sub> e/km (Swedenergy)
<b>Geothermal heating (ground source heat)</b>	See factor for electricity
<b>Gas</b>	204g CO <sub>2</sub> e/km (Swedish Environmental Protection Agency)
<b>Biofuel</b>	0 gCO <sub>2</sub> e/kWh (IPCC/GHG Protocol)
<b>Detached houses</b>	3.3 kgCO <sub>2</sub> e/m <sup>2</sup> (PCAF)
<b>Multi-family dwellings</b>	3.2 kgCO <sub>2</sub> e/m <sup>2</sup> (PCAF)
<b>Premises</b>	12.6 kgCO <sub>2</sub> e/m <sup>2</sup> (PCAF)
<b>Building credit</b>	18.9 tonneCO <sub>2</sub> e/MSEK (PCAF) <sup>1)</sup>

<sup>1)</sup> The factor from the Partnership for Carbon Accounting Financials (PCAF) is converted to Swedish currency using PCAF conversion guidance, and adjusted for inflation based on data from the International Monetary Fund's (IMF) database. To convert the currency, the 2019 exchange rate was used, as the emission factor refers to 2019. Inflation is adjusted with respect to the Consumer Price Index (CPI) trend from 2019 to the most recently available data at the time of reporting.



## Biogenic emissions

In accordance with regulations and standards, biogenic emissions are to be reported separately from GHG calculations. In SBAB's case, biogenic emissions mainly originate from the use of district heating in the properties SBAB finances, i.e., in Scope 3 Category 15. The district heating fuel mix largely consists of waste and wood fuels, which are mainly of biogenic origin. The calculation of biogenic emissions as a whole is subject to a high degree of uncertainty. The measurement uncertainty is due to a lack of available data and a high degree of manual work and assumptions at several stages. Over time, the uncertainties are expected to decrease as the demand for accessible and accurate climate data increases due to legislation and other factors. SBAB's accounting of biogenic emissions is currently not consistent with the system boundaries applied for accounting of gross GHG emissions. The table below only includes lending on existing buildings and district heating consumption in SBAB's premises. No data was available in other scopes and categories.

	2024
Scope 1 biogenic GHG emissions (tCO <sub>2</sub> )	0
Scope 2 biogenic GHG emissions (tCO <sub>2</sub> )	147
Significant biogenic GHG emissions Scope 3 (tCO <sub>2</sub> )	283,673
<b>Total biogenic GHG emissions Scope 1–3 (tCO<sub>2</sub>)</b>	<b>283,820</b>

### Calculation methodology and delimitations for biogenic emissions Scope 1–3

The calculation of biogenic emissions in Scope 3 Category 15 includes emissions from existing buildings, but not building credits. The calculation of biogenic emissions in Category 15 follows the methodology described under subsection Lending to existing buildings, but uses different emission factors.

When burning biofuel as a heating source, wood fuel has been assumed for the biogenic emission factor as a conservative assumption. Since there are no biogenic emission factors for district heating available, SBAB has created a factor based on Swedenergy's published fuel mix for 2023 (the latest available) and the Swedish Environmental Protection Agency's submission of Emission Factors and Calorific Values for 2024, and used it for the calculation.

Biogenic emissions from electricity use, oil, and gas are assumed to be 0 gCO<sub>2</sub>/kWh.

In cases where EPCs are not available, standard values for heating in kWh/m<sup>2</sup> from the Swedish Energy Agency (Energy indicators in figures 2024) are utilised as follows:

Detached houses	94 kWh/m <sup>2</sup>
Multi-family dwellings	132 kWh/m <sup>2</sup>
Premises	108 kWh/m <sup>2</sup>

Due to the unavailability of EPCs, the source of heating is unknown. Additional data from the Swedish Energy Agency has also been referenced (Energy statistics for one- and two dwelling buildings 2023, Energy statistics for multi-dwelling buildings 2023, and Energy statistics for non-residential buildings 2023). Assumptions were made for the percentage distribution of energy sources and energy carriers for each property type.

### Emission factors for the calculation of biogenic emissions (Scope 1-3)

The emission factors used for calculating biogenic emissions in Scope 1–3 are listed below.

Electricity consumption	0 gCO <sub>2</sub> /kWh
Oil	0 gCO <sub>2</sub> /kWh
District heating	213.43 gCO <sub>2</sub> /kWh (Swedenergy and the Swedish Environmental Protection Agency, Emission factors and calorific values submission 2024)
Geothermal heating (ground source heat)	0 gCO <sub>2</sub> /kWh
Gas	0 gCO <sub>2</sub> /kWh
Biofuel	378 gCO <sub>2</sub> /kWh (Swedish Environmental Protection Agency, Emission factors and calorific values submission 2024)

### Updates to calculations

In terms of the estimated climate impact in Scope 3, Category 15 was expanded in 2024 to also include financed new production of properties. Two adjustments have been made for lending on existing buildings in the same category. The first adjustment pertains to the CO<sub>2</sub>e-LTV. In cases where the CO<sub>2</sub>e-LTV exceeds 1, it is set at a maximum of 1. Previously, the CO<sub>2</sub>e-LTV could exceed 1, resulting in climate impacts that exceeded the property's total emissions. The second adjustment pertains to assumed surface area when data on the actual surface area is unavailable. In such cases, previous standard values from the PCAF were used. This has been adjusted to instead use the average area of the loan portfolio for each property type, as this is deemed to be more representative. Both adjustments have been applied to figures from previous years, including the base year. Category 7 Employee commuting is a new category for the year and disclosures under category 1 Purchased goods and services have been expanded in comparison with previous years.

### Corrections to information reported in previous reporting periods

Two corrections have been made with respect to the estimated climate impact in Scope 3 Category 15 in E1-6. The first correction pertains to the change of the emission factor for electricity consumption in financed properties. Previously, a factor based on heating source was used to calculate household electricity, which has now been corrected to a factor for electricity. This correction was applied to all reported years, including the base year 2022. The second correction concerns the emission factor used when calculating heating with heat pumps powered by geothermal heating for example. Previously, a factor of "0" was used; this has now been adjusted to the factor for electricity. This correction was applied to all reported years, including the base year 2022.

Reported emissions for 2023 and 2022 differ from previously published outcomes, relating to server halls and upstream energy-related emissions (Scope 3 Category 3). The difference amounted to 15 tonnes for 2023. It is not considered practicable to further investigate the cause of the difference since it is not deemed material in relation to SBAB's total emissions. Consequently, the data presented for 2023 and 2022 may differ slightly from previously reported outcomes.

# E4 – Biodiversity and ecosystems

## Material impacts, risks and opportunities pertaining to biodiversity and ecosystems

The double materiality assessment identified, assessed and defined impact on biodiversity and ecosystems as a material sustainability matter under the ESRS E4 Biodiversity and eco-

systems framework. This sustainability matter is grouped under the overarching sustainability area, Biodiversity & ecosystems, and forms the basis of the disclosures provided under ESRS E4 Biodiversity.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Biodiversity & ecosystems	Impacts on biodiversity and ecosystems	Actual negative impact ↘		↗ Up    ↕ Within    ↘ Down	✓ Short    ✓ Medium    ✓ Long

SBAB is deemed to have an actual negative impact on biodiversity and ecosystems downstream in the value chain. This is mainly due to SBAB's lending to corporate customers who own properties that utilise land. Furthermore, SBAB indirectly contributes to land degradation and soil sealing through the building credits that finance the construction of new residential properties. Due to the fact that SBAB does not finance activities outside of Sweden, we assess that we have no impact on desertification. SBAB's own operations are assessed to have no impact on endangered species, but it may potentially occur in the construction projects we finance. The impact of retail customers could also be of a material nature, such as the impact on endangered species; however, this is considered more difficult to estimate and requires deeper analysis and additional data. SBAB has not identified any aspects of its own operations that materially impact biodiversity.

## Identification and assessment of material impacts, risks and opportunities pertaining to biodiversity and ecosystems

The process for identifying material impacts, risks, dependencies, and opportunities related to biodiversity and ecosystems utilises the same overarching methods and approaches as those described on pages 81–82. An in-depth desktop analysis of the impacts of the construction and property sector – specifically related to biodiversity and ecosystems – was conducted. This has involved the expertise of external consultants, as well as interviews with some of SBAB's corporate customers. Overall, the analysis was sufficient to identify and assess that SBAB has an actual negative impact on biodiversity and ecosystems downstream in the value chain, but insufficient for assessing related dependencies, transition risks or physical risks. The analysis has not considered systemic risks, and affected communities have not been consulted. SBAB has not assessed its own office buildings as having a negative impact on biodiversity, mainly because it does not own them.

## Transition plan and consideration of biodiversity and ecosystems in strategy and business model

As of the end of the reporting period, SBAB has no transition plan related to biodiversity and ecosystems. Based on the materiality assessment conducted, we see an opportunity to reduce our negative impact on biodiversity in new construction by setting requirements on the corporate customers to whom we grant building credits. Furthermore, we see an opportunity to contribute to synergies between biodiversity promotion, climate adaptation, and the development of more socially pleasant residential areas by encouraging improved planning of green spaces. Training and further analysis will be required to better understand the opportunities and resilience of our strategy and business model regarding biodiversity and ecosystems.

## Governance documents, targets and actions pertaining to biodiversity and ecosystems

Due to biodiversity and ecosystems comprising a recently identified material sustainability area for SBAB, to date, no governance documents to prevent, mitigate, or remedy negative impacts related to these matters have been adopted. Biodiversity and ecosystems are only addressed at a general level in SBAB's Sustainability Policy, where the overall objective is to encourage proactive work to improve conditions for biodiversity and to protect ecosystems. The Sustainability Policy is described in further detail on pages 90–91.

As of the end of the reporting period, SBAB has not set any targets aimed at mitigating negative impacts on biodiversity, and no actions to limit biodiversity loss were implemented during the year. However, SBAB has identified this as an area where it needs to deepen its knowledge, collect relevant data, and eventually take action to mitigate biodiversity loss or, alternatively, help promote biodiversity.

# E5 – Resource Use and Circular Economy

## Material impacts, risks and opportunities pertaining to resource use and circular economy

Within the framework of ESRS E5 Resource Use and Circular Economy, the double materiality assessment identified, assessed, and defined as material sustainability matters: (1) the increased

circularity of customers, (2) increased material costs, and (3) the waste generated by customers. These sustainability matters are grouped under the overarching sustainability area, Circular use of resources, which forms the basis of the disclosures provided under ESRS E5 Resource Use and Circular Economy.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Circular resource management	Waste generated by customers	Actual negative impact		Up                         Within                         Down	Short                         Medium                         Long
	Increased material costs for customers		Risk	Up                         Within                         Down	Short                         Medium                         Long
	Increased circularity of customers		Opportunity	Up                         Within                         Down	Short                         Medium                         Long

SBAB is assessed to have an actual negative impact on the resource flows that we help to finance downstream in the value chain, mainly via corporate customers. The amount of resources and waste generated by the construction and property sector has been identified not only as a negative impact but also, in the longer term, as a financial risk for customers who lock themselves into a dependency on virgin materials with extensive processing and transportation distances. If construction companies are unable to cope with increased raw material costs, their earning capacity and ability to meet their loan commitments may be negatively affected. This increases SBAB’s credit risk, which may result in credit losses or the need to renegotiate loan terms, for example, by extending repayment periods or adjusting interest rates. To manage these elevated risk levels, SBAB may need to adjust its interest rates and loan terms in accordance with the risk profile, which in turn may impact both SBAB’s level of income and the financial position and market competitiveness of construction companies. The materiality assessment also identified potential opportunities and synergies for SBAB to work with customers to increase circularity, reduce resource use, and thereby, the emissions generated by resource consumption. SBAB has not identified any parts of its own operations that have a material impact on resource management.

## Identification and assessment of material impacts, risks and opportunities pertaining to resource use and circular economy

The process for identifying material impacts, risks, dependencies, and opportunities related to resource use and circular economy utilises the same overarching methods and approaches as those described on pages 81–82. An in-depth desktop analysis of the impacts of the construction and property sector – specifically related to resource use and circular economy – was con-

ducted. This has involved the expertise of external consultants, as well as interviews with some of SBAB’s corporate clients; however, no consultations have been conducted with other stakeholders, such as affected communities. Overall, the analysis was sufficient to identify and assess that SBAB, by financing the new construction of residential properties through building credits, has an actual negative impact on resource use and the circular economy downstream in the value chain via its customers. No material impacts have been identified pertaining to SBAB’s own operations.

## Governance documents, targets and actions pertaining to resource use and circular economy

Due to resource use and circular economy comprising a recently identified material sustainability area for SBAB, to date, no governance documents to prevent, mitigate or remedy negative impacts related to these matters have been adopted. “Resource use and circular economy” are only addressed at a general level in the SBAB Sustainability Policy, with an overall objective to encourage circular use of resources in new construction, renovations, and waste management. The Sustainability Policy is described in further detail on pages 90–91.

As of the end of the reporting period, SBAB has not set any targets aimed at mitigating negative impacts, managing risks, or seizing opportunities related to resource use and circular economy, and no actions related to this area were implemented during the year. However, this area has been identified as one where SBAB needs to deepen its knowledge, collect relevant data, and eventually take action to improve downstream resource use and support a circular economy.

# Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

SBAB is subject to the EU Taxonomy Regulation, a classification system that defines the criteria for an economic activity to qualify as environmentally sustainable. Since 2021, SBAB reports its Taxonomy-eligible exposures. The reporting requirements were expanded in 2023 to include the green asset ratio (GAR), that is, the share of SBAB's covered assets that fund economic activities that meet the EU Taxonomy criteria. 2024 is the first year that SBAB's disclosures pursuant to the Taxonomy Regulation are included as part of our sustainability report prepared in accordance with the European Sustainability Reporting Standards (ESRS). SBAB's taxonomy reporting is based on the consolidated situation in accordance with the European Parliament and Council Regulation on prudential requirements for credit institutions and investment firms No. 575/2013. The consolidated situation differs from the group financial statements prepared in accordance with IFRS®.

The EU regulatory framework remains at an early stage of implementation. Guidelines and SBAB's reporting as well as data quality will therefore be developed over time.

## SBAB's strategies and Taxonomy-aligned operations

SBAB has the ambition of working proactively with ensuring that our operations are environmentally sustainable and thus aligned with the Taxonomy Regulation. This means that on the one hand we report in accordance with the Regulation, thereby enabling us to analyse our portfolio, but also that we develop our products with the Taxonomy in mind. Moreover, we continuously develop our data quality. We are driving this development through a Group-wide project that was initiated to gather and centrally coordinate climate data to thereby facilitate reporting and to enable future inclusion of such aspects in our credit processes. Compliance with the Taxonomy guides the project.

In 2024, we launched the Kilowatt Loan, which is offered to customers with sufficient remaining borrowing capacity who wish to increase their mortgage to finance an energy renovation. The Kilowatt Loan gives customers a ten-year interest rate reduction of 20 basis points, starting from the loan's disbursement date. The energy efficiency measures financed are those included in the Taxonomy categories 7.3–7.6. The next step in the product's development entails ensuring the compliance of the loans with the Do No Significant Harm (DNSH) requirements for other environmental objectives. In 2024, SBAB also launched an updated green bond framework in accordance with the Green Bond Principles from the International Capital Markets Association (ICMA) and based on the concepts and definitions in the EU Taxonomy. Together with the launch of the Kilowatt Loan, the update of the green framework and SBAB's other climate initiatives, SBAB will continue to drive the development and transition toward more energy-efficient and climate-smart housing in Sweden. This is being conducted with the Taxonomy in mind and the ambition of further aligning with its criteria going forward. We are closely monitoring the development of national thresholds for, inter alia, technical screening criteria, defined in the delegated acts for the EU Taxonomy.

## Development of the green asset ratio (GAR)

At the end of 2024, SBAB's green asset ratio (GAR) amounted to 6.11%, both for the turnover KPI and for the CapEx KPI. This represents an increase from 5.04% at the end of 2023 and was due to several factors, which are described below. SBAB reports for the first time on GAR in the flow, which for 2024 amounted to 5.53% for both the turnover KPI and for the CapEx KPI.

The GAR is estimated to have been positively impacted by the further development of the calculation of Taxonomy-aligned retail exposures, specifically loans collateralised by residential immovable property. The use of more granular data means we can now demonstrate taxonomy alignment for more loans.

The GAR is estimated to have been positively impacted by the fact that a higher proportion of the properties financed by SBAB during the year received updated energy performance certificates in accordance with Boverket's Building Regulations (BBR) 29.

The GAR is estimated to have been negatively impacted by SBAB's application for 2024 of the Do no significant harm ("DNSH") criteria to other environmental objectives for our retail exposures, specifically loans collateralised by residential immovable property.

The GAR is estimated to have been positively impacted by SBAB calculating and reporting Taxonomy alignment for exposures to financial undertakings this year. This data was not available at the end of 2023.

The GAR is estimated to have been negatively impacted by the fact that all bonds issued by municipalities are now reported as exposures to local governments, which comprise assets included in the numerator of the GAR calculation. For 2023, these were reported as exposures to central governments and supranational issuers, which comprise assets excluded from the denominator in the GAR calculation. This change in accounting principle is based on new interpretations of the Taxonomy following the European Commission's notice of November 2024 (C/2024/6691).

Compared with the previous year, the GAR is estimated to have been negatively impacted by the investment of the liquidity portfolio at year end. At the end of 2024, a high share of the liquidity portfolio was invested in covered bonds, which are assets included in the numerator of the GAR calculation. However, these assets are significantly less Taxonomy-aligned than SBAB's other assets, which has a negative impact on the GAR. At the end of 2023, a high share of the liquidity portfolio was invested in exposures to central banks, central governments and supranational issuers, which comprise assets excluded from the denominator in the GAR calculation. This is illustrated by the fact that only 1.37% of SBAB's assets at the end of 2024 are excluded from the denominator when calculating the GAR, compared with 10.98% the year before.

## Assets covered by the key performance indicators

For an economic activity to be classified as environmentally sustainable, it must make a substantial contribution to one or more of the EU's six environmental objectives and do no significant harm to the other objectives.



### Exposures to households

SBAB's Taxonomy-eligible retail exposures primarily comprise residential mortgages. While all have been assessed in terms of making a substantial contribution to environmental objectives and causing no significant harm to other environmental objectives, only mortgages are deemed to meet the criteria for being Taxonomy-aligned.

#### Residential mortgages

The Taxonomy alignment criteria for mortgages are assessed on the basis of the criteria in Category 7 Construction and real estate. Mortgages have been assessed as contributing to the climate change mitigation (CCM) environmental objective, based on the following criteria.

For buildings constructed before 1 January 2021, the criteria in 7.7 Acquisition and ownership of buildings apply. This includes those buildings, confirmed by data from energy performance certificates, that meet the criteria for energy class A or belong to the top 15 percent (in terms of energy performance) of the property stock in Sweden. SBAB's selection for the latter option is based on available data and current definitions of national thresholds. The national definitions and thresholds applied by SBAB in the 2024 report have been developed by CIT Energy Management through a report, published 14 December 2022, which defines national thresholds for primary energy numbers for different building types. Based on the current building regulations (BBR29), the threshold for apartment buildings is 81 kWh/m<sup>2</sup>/year and for houses 78 kWh/m<sup>2</sup>/year.

For buildings constructed before 1 January 2021, the criteria in 7.1 Construction of new buildings apply. This includes new buildings, confirmed by data from energy performance certificates, with a primary energy number that is 10% lower than the current building regulations (BBR29).

The calculations only include buildings with a valid energy performance certificate (EPC) for energy class A or an EPC obtained after the introduction of BBR 29. Energy performance certificates are lacking for a considerable share of SBAB's collateral for residential mortgages, thus limiting our ability to demonstrate Taxonomy alignment.

Only those buildings that are not exposed to climate risks have been assessed as doing no significant harm (DNSH) to the climate change adaptation (CCA) environmental objective. The assessment is based on external data on acute and chronic water stress risks. The risk classes follow a scale of 0 to 6, where buildings in risk class 5 or higher are considered as not meeting the DNSH criteria and are thus excluded from the Taxonomy-aligned calculations.

Households are excluded from the criteria for minimum safeguards.

### Exposures to non-financial undertakings

SBAB's exposure to Taxonomy-eligible non-financial corporates comprises lending to property companies and housing developers covered by the EU Non-Financial Reporting Directive (NFRD). Through customer dialogue and the standard credit process, SBAB has ensured that the objective of the loans is to finance residential properties.

The Taxonomy alignment criteria for this lending are based on the criteria in Category 7 Construction and real estate. The criteria and SBAB's methodology are the same as those described for retail exposures.

SBAB has ensured that the companies included in the reporting also meet the minimum safeguards criteria.

### Exposures to financial undertakings

SBAB's exposures to Taxonomy-eligible financial undertakings primarily comprises covered bonds issued by financial undertakings covered by the NFRD or financial undertakings whose parent undertakings are covered by the NFRD, and to some extent lending in the form of collateral to financial undertakings covered by the NFRD. SBAB cannot demonstrate the use of proceeds, and instead uses issuers' and counterparties' reported Taxonomy indicators to calculate Taxonomy eligibility and Taxonomy alignment. Data on the Taxonomy indicators reported by financial undertakings has been compiled from their, or their parent undertaking's, respective published annual and sustainability reports.

The minimum safeguards requirement is met by the respective issuer's and counterparty's Taxonomy reporting being encompassed by the requirement to ensure minimum safeguards.

### Exposures to local governments

SBAB's Taxonomy-eligible exposures to local governments consist of bonds issued by municipalities. SBAB has been unable to ensure that the financed economic activities meet all the requirements for a substantial contribution to one or more environmental objectives and do not cause significant harm to other environmental objectives.

### Assets not included in the green asset ratio calculation

SBAB has substantial assets that are not included in the green asset ratio calculation. These primarily comprise lending to companies not encompassed by the NFRD and lending to tenant-owners' association. In addition, derivatives, on-demand interbank loans and other categories of assets are also not covered.

## Other disclosures

### Nuclear and fossil gas related activities

#### Nuclear energy related activities

The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.

NO

The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.

NO

The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.

NO

#### Fossil gas related activities

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.

NO

The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.

NO

The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.

NO

## 0. Summary of key performance indicators (KPIs) to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		31 Dec 2024					
		Total environmen- tally sustainable assets, SEK m <sup>1)</sup>	KPI, Turn- over-based (%) <sup>3)</sup>	KPI, CapEx-based (%) <sup>4)</sup>	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
Main KPI	Green asset ratio (GAR) stock	39,798	6.11	6.11	98.63	26.14	1.37
		31 Dec 2024					
		Total environmen- tally sustainable activities, SEK m <sup>2)</sup>	KPI, Turn- over-based (%) <sup>3)</sup>	KPI, CapEx-based (%) <sup>4)</sup>	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
Additional KPIs	GAR (flow)	12,672	5.53	5.53	16.73	1.83	83.27
	Trading book <sup>1)</sup>	-	-	-	-	-	-
	Financial guarantees	-	-	-	-	-	-
	Assets under management	-	-	-	-	-	-
	Fees and commissions income <sup>2)</sup>	-	-	-	-	-	-

<sup>1)</sup> Total environmentally sustainable assets based on the CapEx KPI of the counterparty amount to SEK 39,754 million.

<sup>2)</sup> Total environmentally sustainable activities based on the CapEx KPI of the counterparty amount to SEK 12,817 million.

<sup>3)</sup> Based on the Turnover KPI of the counterparty.

<sup>4)</sup> Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

		31 Dec 2023					
		Total environmen- tally sustainable assets, SEK mn	KPI, Turn- over-based (%) <sup>3)</sup>	KPI, CapEx-based (%) <sup>4)</sup>	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
Main KPI	Green asset ratio (GAR) stock	29,575	5.04	5.04	90.11	28.84	10.98
		31 Dec 2023					
		Total environmen- tally sustainable activities	KPI, Turn- over-based (%) <sup>3)</sup>	KPI, CapEx-based (%) <sup>4)</sup>	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
Additional KPIs	GAR (flow) <sup>5)</sup>	6,496	N/A	N/A	N/A	N/A	N/A
	Trading book <sup>1)</sup>	-	-	-	-	-	-
	Financial guarantees	-	-	-	-	-	-
	Assets under management	-	-	-	-	-	-
	Fees and commissions income <sup>2)</sup>	-	-	-	-	-	-

<sup>1)</sup> Total environmentally sustainable assets based on the CapEx KPI of the counterparty amount to SEK 29,575 million.

<sup>2)</sup> Total environmentally sustainable activities based on the CapEx KPI of the counterparty amount to SEK 6,496 million.

<sup>3)</sup> Based on the Turnover KPI of the counterparty.

<sup>4)</sup> Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

<sup>5)</sup> The calculation of the flow is not complete for 2023.



## 1. Assets for the calculation of GAR

31 Dec 2024

Turnover 2024	SEK mn	Climate change mitigation (CCM)						Climate change adaptation (CCA)			
		Total [gross] carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)						Of which towards taxonomy relevant sectors (Taxonomy-eligible)		
			Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable (Taxonomy-aligned)		
			Of which Proceeds	Of which transi- tional	Of which enabling	Of which Proceeds	Of which enabling	Of which Proceeds	Of which enabling		
a	b	c	d	e	f	g	h	i	j		
<b>GAR – Covered assets in both numerator and denominator</b>											
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	478,507	395,141	39,795	39,288	154	48	1,082	2	-	0
2	<b>Financial undertakings</b>	<b>66,181</b>	<b>17,086</b>	<b>1,027</b>	<b>520</b>	<b>154</b>	<b>48</b>	<b>1,082</b>	<b>2</b>	<b>-</b>	<b>0</b>
3	Credit institutions	66,181	17,086	1,027	520	154	48	1,082	2	-	0
4	Loans and advances	7,929	880	136	65	36	18	0	1	-	0
5	Debt securities, including UoP	58,252	16,206	891	455	118	29	1,082	1	-	0
6	Equity instruments	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	<b>11,352</b>	<b>11,352</b>	<b>94</b>	<b>94</b>	-	-	-	-	-	-
21	Loans and advances	11,352	11,352	94	94	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	<b>367,887</b>	<b>366,703</b>	<b>38,674</b>	<b>38,674</b>	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	366,137	366,137	38,674	38,674	-	-	-	-	-	-
26	of which building renovation loans	278	278	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	289	289	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	<b>33,087</b>	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	33,087	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>172,580</b>	-	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	<b>158,998</b>	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	158,998	-	-	-	-	-	-	-	-	-
35	Loans and advances	158,891	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	12,384	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	2	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	107	-	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	<b>10,938</b>	-	-	-	-	-	-	-	-	-
45	On-demand interbank loans	213	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g., goodwill, commodities, etc.)	2,430	-	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	<b>651,087</b>	<b>395,141</b>	<b>39,795</b>	<b>39,288</b>	<b>154</b>	<b>48</b>	<b>1,082</b>	<b>2</b>	<b>-</b>	<b>0</b>
49	<b>Assets not covered for GAR calculation</b>	<b>9,074</b>	-	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	6,035	-	-	-	-	-	-	-	-	-
51	Central banks exposure	3,039	-	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	<b>660,161</b>	<b>395,141</b>	<b>39,795</b>	<b>39,288</b>	<b>154</b>	<b>48</b>	<b>1,082</b>	<b>2</b>	<b>-</b>	<b>0</b>
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>											
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-

31 Dec 2024

## Turnover 2024, cont.

SEK mn	Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)			
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling		
	k	l	m	n	o	p	q	r	s	t	u
<b>GAR – Covered assets in both numerator and denominator</b>											
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation										
2	<b>Financial undertakings</b>										
3	Credit institutions										
4	Loans and advances										
5	Debt securities, including UoP										
6	Equity instruments										
7	Other financial corporations										
8	of which investment firms										
9	Loans and advances										
10	Debt securities, including UoP										
11	Equity instruments										
12	of which management companies										
13	Loans and advances										
14	Debt securities, including UoP										
15	Equity instruments										
16	of which insurance undertakings										
17	Loans and advances										
18	Debt securities, including UoP										
19	Equity instruments										
20	<b>Non-financial undertakings</b>										
21	Loans and advances										
22	Debt securities, including UoP										
23	Equity instruments										
24	<b>Households</b>										
25	of which loans collateralised by residential immovable property										
26	of which building renovation loans										
27	of which motor vehicle loans										
28	<b>Local governments financing</b>										
29	Housing financing										
30	Other local government financing										
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>										
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>										
33	<b>Financial and Non-financial undertakings</b>										
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations										
35	Loans and advances										
36	of which loans collateralised by commercial immovable property										
37	of which building renovation loans										
38	Debt securities										
39	Equity instruments										
40	Non-EU counterparties not subject to NFRD disclosure obligations										
41	Loans and advances										
42	Debt securities										
43	Equity instruments										
44	<b>Derivatives</b>										
45	On-demand interbank loans										
46	Cash and cash-related assets										
47	Other categories of assets (e.g., goodwill, commodities, etc.)										
48	<b>Total GAR assets</b>										
49	<b>Assets not covered for GAR calculation</b>										
50	Central governments and Supranational issuers										
51	Central banks exposure										
52	Trading book										
53	<b>Total assets</b>										
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>											
54	Financial guarantees										
55	Assets under management										
56	Of which debt securities										
57	Of which equity instruments										

31 Dec 2024

## Turnover 2024, cont.

SEK mn	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
					Of which Use of Proceeds		Of which transitional		Of which enabling
	w	x	z	aa	ab	ac	ad	ae	af
<b>GAR – Covered assets in both numerator and denominator</b>									
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	398,948	39,798	39,288	154	51
2	<b>Financial undertakings</b>	-	-	-	20,893	1,030	520	154	51
3	Credit institutions	-	-	-	20,893	1,030	520	154	51
4	Loans and advances	-	-	-	2,559	137	65	36	19
5	Debt securities, including UoP	-	-	-	18,334	893	455	118	33
6	Equity instruments	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	11,352	94	94	-	-
21	Loans and advances	-	-	-	11,352	94	94	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	366,703	38,674	38,674	-	-
25	of which loans collateralised by residential immovable property	-	-	-	366,137	38,674	38,674	-	-
26	of which building renovation loans	-	-	-	278	-	-	-	-
27	of which motor vehicle loans	-	-	-	289	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	-	-	-	-	-	-	-	-
45	<b>On-demand interbank loans</b>	-	-	-	-	-	-	-	-
46	<b>Cash and cash-related assets</b>	-	-	-	-	-	-	-	-
47	<b>Other categories of assets (e.g., goodwill, commodities, etc.)</b>	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	-	-	-	398,948	39,798	39,288	154	51
49	<b>Assets not covered for GAR calculation</b>	-	-	-	-	-	-	-	-
50	<b>Central governments and Supranational issuers</b>	-	-	-	-	-	-	-	-
51	<b>Central banks exposure</b>	-	-	-	-	-	-	-	-
52	<b>Trading book</b>	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	-	-	-	398,948	39,798	39,288	154	51
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>									
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-

31 Dec 2023

## Turnover 2023

SEK mn	Total [gross] carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Proceeds		Of which transi- tional		Of which enabling	Of which Proceeds		Of which enabling	
		ag	ah	ai	aj	ak	al	am	an	ao
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	417,287	360,699	29,575	29,575	-	-	-	-	-
2	<b>Financial undertakings</b>	55,285	-	-	-	-	-	-	-	-
3	Credit institutions	55,285	-	-	-	-	-	-	-	-
4	Loans and advances	11,724	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	43,561	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	13,741	13,741	116	116	-	-	-	-	-
21	Loans and advances	13,741	13,741	116	116	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	348,262	346,958	29,459	29,459	-	-	-	-	-
25	of which loans collateralised by residential immovable property	346,478	346,478	29,459	29,459	-	-	-	-	-
26	of which building renovation loans	203	203	-	-	-	-	-	-	-
27	of which motor vehicle loans	278	278	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	169,161	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	155,797	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	155,797	-	-	-	-	-	-	-	-
35	Loans and advances	155,690	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	88,767	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-
39	Equity instruments	106	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	10,676	-	-	-	-	-	-	-	-
45	On-demand interbank loans	61	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-	-
47	<b>Other categories of assets (e.g., goodwill, commodities, etc.)</b>	2,628	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	586,448	360,699	29,575	29,575	-	-	-	-	-
49	<b>Assets not covered for GAR calculation</b>	64,384	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	22,046	-	-	-	-	-	-	-	-
51	Central banks exposure	42,338	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	650,832	-	-	-	-	-	-	-	-
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>										
54	Financial guarantees	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-

		31 Dec 2023											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
		Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling
SEK mn		aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb
<b>GAR – Covered assets in both numerator and denominator</b>													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	-	-	-	-	-	-	-	-	-	-	-	-
45	<b>On-demand interbank loans</b>	-	-	-	-	-	-	-	-	-	-	-	-
46	<b>Cash and cash-related assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
47	<b>Other categories of assets (e.g., goodwill, commodities, etc.)</b>	-	-	-	-	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
49	<b>Assets not covered for GAR calculation</b>	-	-	-	-	-	-	-	-	-	-	-	-
50	<b>Central governments and Supranational issuers</b>	-	-	-	-	-	-	-	-	-	-	-	-
51	<b>Central banks exposure</b>	-	-	-	-	-	-	-	-	-	-	-	-
52	<b>Trading book</b>	-	-	-	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>													
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2023

## Turnover 2023, cont.

SEK mn	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					
					Of which Use of Proceeds		Of which Use of Proceeds		Of which transitional	Of which enabling
	bc	bd	be	bf	bg	bh	bi	bj	bk	
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	360,699	29,575	29,575	-	-	
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	
3	Credit institutions	-	-	-	-	-	-	-	-	
4	Loans and advances	-	-	-	-	-	-	-	-	
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	
6	Equity instruments	-	-	-	-	-	-	-	-	
7	Other financial corporations	-	-	-	-	-	-	-	-	
8	of which investment firms	-	-	-	-	-	-	-	-	
9	Loans and advances	-	-	-	-	-	-	-	-	
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	
11	Equity instruments	-	-	-	-	-	-	-	-	
12	of which management companies	-	-	-	-	-	-	-	-	
13	Loans and advances	-	-	-	-	-	-	-	-	
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	
15	Equity instruments	-	-	-	-	-	-	-	-	
16	of which insurance undertakings	-	-	-	-	-	-	-	-	
17	Loans and advances	-	-	-	-	-	-	-	-	
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	
19	Equity instruments	-	-	-	-	-	-	-	-	
20	<b>Non-financial undertakings</b>	-	-	-	13,741	116	116	-	-	
21	Loans and advances	-	-	-	13,741	116	116	-	-	
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	
23	Equity instruments	-	-	-	-	-	-	-	-	
24	<b>Households</b>	-	-	-	346,958	29,459	29,459	-	-	
25	of which loans collateralised by residential immovable property	-	-	-	346,478	29,459	29,459	-	-	
26	of which building renovation loans	-	-	-	203	-	-	-	-	
27	of which motor vehicle loans	-	-	-	278	-	-	-	-	
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	
30	Other local government financing	-	-	-	-	-	-	-	-	
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	
33	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-	-	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	
35	Loans and advances	-	-	-	-	-	-	-	-	
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	
37	of which building renovation loans	-	-	-	-	-	-	-	-	
38	Debt securities	-	-	-	-	-	-	-	-	
39	Equity instruments	-	-	-	-	-	-	-	-	
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	
41	Loans and advances	-	-	-	-	-	-	-	-	
42	Debt securities	-	-	-	-	-	-	-	-	
43	Equity instruments	-	-	-	-	-	-	-	-	
44	<b>Derivatives</b>	-	-	-	-	-	-	-	-	
45	<b>On-demand interbank loans</b>	-	-	-	-	-	-	-	-	
46	<b>Cash and cash-related assets</b>	-	-	-	-	-	-	-	-	
47	<b>Other categories of assets (e.g., goodwill, commodities, etc.)</b>	-	-	-	-	-	-	-	-	
48	<b>Total GAR assets</b>	-	-	-	360,699	29,575	29,575	-	-	
49	<b>Assets not covered for GAR calculation</b>	-	-	-	-	-	-	-	-	
50	<b>Central governments and Supranational issuers</b>	-	-	-	-	-	-	-	-	
51	<b>Central banks exposure</b>	-	-	-	-	-	-	-	-	
52	<b>Trading book</b>	-	-	-	-	-	-	-	-	
53	<b>Total assets</b>	-	-	-	360,699	29,575	29,575	-	-	
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>										
54	Financial guarantees	-	-	-	-	-	-	-	-	
55	Assets under management	-	-	-	-	-	-	-	-	
56	Of which debt securities	-	-	-	-	-	-	-	-	
57	Of which equity instruments	-	-	-	-	-	-	-	-	



31 Dec 2024

## CapEx 2024

SEK mn	Total [gross] carrying amount	Climate change mitigation (CCM)					Climate change adaptation (CCA)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
		Of which Proceeds	Of which transi- tional	Of which enabling	Of which Proceeds	Of which enabling	Of which Proceeds	Of which enabling			
a	b	c	d	e	f	g	h	i	j		
<b>GAR – Covered assets in both numerator and denominator</b>											
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	478,507	393,469	39,751	39,172	167	64	4	2	-	0
2	<b>Financial undertakings</b>	<b>66,181</b>	<b>15,415</b>	<b>983</b>	<b>404</b>	<b>167</b>	<b>64</b>	<b>4</b>	<b>2</b>	-	<b>0</b>
3	Credit institutions	66,181	15,415	983	404	167	64	4	2	-	0
4	Loans and advances	7,929	845	159	65	40	26	1	1	-	0
5	Debt securities, including UoP	58,252	14,570	824	340	127	38	3	1	-	0
6	Equity instruments	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	<b>11,352</b>	<b>11,352</b>	<b>94</b>	<b>94</b>	-	-	-	-	-	-
21	Loans and advances	11,352	11,352	94	94	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	<b>367,887</b>	<b>366,703</b>	<b>38,674</b>	<b>38,674</b>	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	366,137	366,137	38,674	38,674	-	-	-	-	-	-
26	of which building renovation loans	278	278	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	289	289	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	<b>33,087</b>	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	33,087	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>172,580</b>	-	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	<b>158,998</b>	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	158,998	-	-	-	-	-	-	-	-	-
35	Loans and advances	158,891	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	12,384	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	2	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	107	-	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	<b>10,938</b>	-	-	-	-	-	-	-	-	-
45	On-demand interbank loans	213	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g., goodwill, commodities, etc.)	2,430	-	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	<b>651,087</b>	<b>393,469</b>	<b>39,751</b>	<b>39,172</b>	<b>167</b>	<b>64</b>	<b>4</b>	<b>2</b>	<b>-</b>	<b>0</b>
49	<b>Assets not covered for GAR calculation</b>	<b>9,074</b>	-	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	6,035	-	-	-	-	-	-	-	-	-
51	Central banks exposure	3,039	-	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	<b>660,161</b>	<b>393,469</b>	<b>39,751</b>	<b>39,172</b>	<b>167</b>	<b>64</b>	<b>4</b>	<b>2</b>	<b>-</b>	<b>0</b>
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>											
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-

31 Dec 2024

## CapEx 2024, cont.

SEK mn	Water and marine resources (WTR)			Circular economy (CE)				Pollution (PPC)			
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling		
	k	l	m	n	o	p	q	r	s	t	u
<b>GAR – Covered assets in both numerator and denominator</b>											
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation										
2	<b>Financial undertakings</b>										
3	Credit institutions										
4	Loans and advances										
5	Debt securities, including UoP										
6	Equity instruments										
7	Other financial corporations										
8	of which investment firms										
9	Loans and advances										
10	Debt securities, including UoP										
11	Equity instruments										
12	of which management companies										
13	Loans and advances										
14	Debt securities, including UoP										
15	Equity instruments										
16	of which insurance undertakings										
17	Loans and advances										
18	Debt securities, including UoP										
19	Equity instruments										
20	<b>Non-financial undertakings</b>										
21	Loans and advances										
22	Debt securities, including UoP										
23	Equity instruments										
24	<b>Households</b>										
25	of which loans collateralised by residential immovable property										
26	of which building renovation loans										
27	of which motor vehicle loans										
28	<b>Local governments financing</b>										
29	Housing financing										
30	Other local government financing										
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>										
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>										
33	<b>Financial and Non-financial undertakings</b>										
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations										
35	Loans and advances										
36	of which loans collateralised by commercial immovable property										
37	of which building renovation loans										
38	Debt securities										
39	Equity instruments										
40	Non-EU counterparties not subject to NFRD disclosure obligations										
41	Loans and advances										
42	Debt securities										
43	Equity instruments										
44	<b>Derivatives</b>										
45	On-demand interbank loans										
46	Cash and cash-related assets										
47	Other categories of assets (e.g., goodwill, commodities, etc.)										
48	<b>Total GAR assets</b>										
49	<b>Assets not covered for GAR calculation</b>										
50	Central governments and Supranational issuers										
51	Central banks exposure										
52	Trading book										
53	<b>Total assets</b>										
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>											
54	Financial guarantees										
55	Assets under management										
56	Of which debt securities										
57	Of which equity instruments										

31 Dec 2024

## CapEx 2024, cont.

SEK mn	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
					Of which Use of Proceeds		Of which transitional		Of which enabling
	w	x	z	aa	ab	ac	ad	ae	af
<b>GAR – Covered assets in both numerator and denominator</b>									
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	397,436	39,754	39,172	167	67
2	<b>Financial undertakings</b>	-	-	-	19,381	986	404	167	67
3	Credit institutions	-	-	-	19,381	986	404	167	67
4	Loans and advances	-	-	-	2,589	160	65	40	26
5	Debt securities, including UoP	-	-	-	16,792	826	340	127	41
6	Equity instruments	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	11,352	94	94	-	-
21	Loans and advances	-	-	-	11,352	94	94	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	366,703	38,674	38,674	-	-
25	of which loans collateralised by residential immovable property	-	-	-	366,137	38,674	38,674	-	-
26	of which building renovation loans	-	-	-	278	-	-	-	-
27	of which motor vehicle loans	-	-	-	286	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	-	-	-	-	-	-	-	-
45	<b>On-demand interbank loans</b>	-	-	-	-	-	-	-	-
46	<b>Cash and cash-related assets</b>	-	-	-	-	-	-	-	-
47	<b>Other categories of assets (e.g., goodwill, commodities, etc.)</b>	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	-	-	-	397,436	39,754	39,172	167	67
49	<b>Assets not covered for GAR calculation</b>	-	-	-	-	-	-	-	-
50	<b>Central governments and Supranational issuers</b>	-	-	-	-	-	-	-	-
51	<b>Central banks exposure</b>	-	-	-	-	-	-	-	-
52	<b>Trading book</b>	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	-	-	-	397,436	39,754	39,172	167	67
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>									
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-

		31 Dec 2023									
		Climate change mitigation (CCM)					Climate change adaptation (CCA)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
		Of which Use of Proceeds		Of which transitional		Of which enabling		Of which Use of Proceeds		Of which enabling	
SEK mn	Total [gross] carrying amount	ag	ah	ai	aj	ak	al	am	an	ao	ap
<b>GAR – Covered assets in both numerator and denominator</b>											
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	417,287	360,699	29,575	29,575	-	-	-	-	-	-
2	<b>Financial undertakings</b>	55,285	-	-	-	-	-	-	-	-	-
3	Credit institutions	55,285	-	-	-	-	-	-	-	-	-
4	Loans and advances	11,724	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	43,561	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	13,741	13,741	116	116	-	-	-	-	-	-
21	Loans and advances	13,741	13,741	116	116	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	348,262	346,958	29,459	29,459	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	346,478	346,478	29,459	29,459	-	-	-	-	-	-
26	of which building renovation loans	203	203	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	278	278	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	169,161	-	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	155,797	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	155,797	-	-	-	-	-	-	-	-	-
35	Loans and advances	155,690	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	88,767	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	106	-	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	10,676	-	-	-	-	-	-	-	-	-
45	On-demand interbank loans	61	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-	-	-
47	<b>Other categories of assets (e.g., goodwill, commodities, etc.)</b>	2,628	-	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	586,448	360,699	29,575	29,575	-	-	-	-	-	-
49	<b>Assets not covered for GAR calculation</b>	64,384	-	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	22,046	-	-	-	-	-	-	-	-	-
51	Central banks exposure	42,338	-	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	650,832	-	-	-	-	-	-	-	-	-
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>											
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-

CapEx 2023, cont.

		31 Dec 2023											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
		Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling			
SEK mn		aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb
<b>GAR – Covered assets in both numerator and denominator</b>													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
44	<b>Derivatives</b>	-	-	-	-	-	-	-	-	-	-	-	-
45	<b>On-demand interbank loans</b>	-	-	-	-	-	-	-	-	-	-	-	-
46	<b>Cash and cash-related assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
47	<b>Other categories of assets (e.g., goodwill, commodities, etc.)</b>	-	-	-	-	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
49	<b>Assets not covered for GAR calculation</b>	-	-	-	-	-	-	-	-	-	-	-	-
50	<b>Central governments and Supranational issuers</b>	-	-	-	-	-	-	-	-	-	-	-	-
51	<b>Central banks exposure</b>	-	-	-	-	-	-	-	-	-	-	-	-
52	<b>Trading book</b>	-	-	-	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>													
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2023

## CapEx 2023, cont.

SEK mn	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					
					Of which Use of Proceeds		Of which Use of Proceeds		Of which transitional	Of which enabling
	bc	bd	be	bf	bg	bh	bi	bj	bk	
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	360,699	29,575	29,575	-	-	
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	
3	Credit institutions	-	-	-	-	-	-	-	-	
4	Loans and advances	-	-	-	-	-	-	-	-	
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	
6	Equity instruments	-	-	-	-	-	-	-	-	
7	Other financial corporations	-	-	-	-	-	-	-	-	
8	of which investment firms	-	-	-	-	-	-	-	-	
9	Loans and advances	-	-	-	-	-	-	-	-	
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	
11	Equity instruments	-	-	-	-	-	-	-	-	
12	of which management companies	-	-	-	-	-	-	-	-	
13	Loans and advances	-	-	-	-	-	-	-	-	
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	
15	Equity instruments	-	-	-	-	-	-	-	-	
16	of which insurance undertakings	-	-	-	-	-	-	-	-	
17	Loans and advances	-	-	-	-	-	-	-	-	
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	
19	Equity instruments	-	-	-	-	-	-	-	-	
20	<b>Non-financial undertakings</b>	-	-	-	13,741	116	116	-	-	
21	Loans and advances	-	-	-	13,741	116	116	-	-	
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	
23	Equity instruments	-	-	-	-	-	-	-	-	
24	<b>Households</b>	-	-	-	346,958	29,459	29,459	-	-	
25	of which loans collateralised by residential immovable property	-	-	-	346,478	29,459	29,459	-	-	
26	of which building renovation loans	-	-	-	203	-	-	-	-	
27	of which motor vehicle loans	-	-	-	278	-	-	-	-	
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	
30	Other local government financing	-	-	-	-	-	-	-	-	
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	
33	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-	-	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	
35	Loans and advances	-	-	-	-	-	-	-	-	
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	
37	of which building renovation loans	-	-	-	-	-	-	-	-	
38	Debt securities	-	-	-	-	-	-	-	-	
39	Equity instruments	-	-	-	-	-	-	-	-	
40	Non-EU counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	
41	Loans and advances	-	-	-	-	-	-	-	-	
42	Debt securities	-	-	-	-	-	-	-	-	
43	Equity instruments	-	-	-	-	-	-	-	-	
44	<b>Derivatives</b>	-	-	-	-	-	-	-	-	
45	On-demand interbank loans	-	-	-	-	-	-	-	-	
46	Cash and cash-related assets	-	-	-	-	-	-	-	-	
47	Other categories of assets (e.g., goodwill, commodities, etc.)	-	-	-	-	-	-	-	-	
48	<b>Total GAR assets</b>	-	-	-	360,699	29,575	29,575	-	-	
49	<b>Assets not covered for GAR calculation</b>	-	-	-	-	-	-	-	-	
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-	
51	Central banks exposure	-	-	-	-	-	-	-	-	
52	Trading book	-	-	-	-	-	-	-	-	
53	<b>Total assets</b>	-	-	-	360,699	29,575	29,575	-	-	
<b>Off-balance-sheet exposures – Undertakings subject to NFRD disclosure obligations</b>										
54	Financial guarantees	-	-	-	-	-	-	-	-	
55	Assets under management	-	-	-	-	-	-	-	-	
56	Of which debt securities	-	-	-	-	-	-	-	-	
57	Of which equity instruments	-	-	-	-	-	-	-	-	



## 2. GAR sector information

31 Dec 2024

Turnover		Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)
Breakdown by sector – NACE 4 digits level (code and label)		a	b	c	d	e	f	g	h
1	6820 – Renting and operating of own or leased real estate	11,196	94			-	-		
2	6832 – Management of real estate on a fee or contract basis	156	-			-	-		

31 Dec 2024

Turnover, cont.		Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)
Breakdown by sector – NACE 4 digits level (code and label)		i	j	k	l	m	n	o	p
1	6820 – Renting and operating of own or leased real estate	-	-			-	-		
2	6832 – Management of real estate on a fee or contract basis	-	-			-	-		

31 Dec 2024

Turnover, cont.		Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)	SEK mn	Of which environmentally sustainable (CCM)
Breakdown by sector – NACE 4 digits level (code and label)		q	r	s	t	u	v	w	x
1	6820 – Renting and operating of own or leased real estate	-	-			-	-		
2	6832 – Management of real estate on a fee or contract basis	-	-			-	-		

31 Dec 2024

Turnover, cont.		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount	
		SEK mn	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	SEK mn	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
Breakdown by sector – NACE 4 digits level (code and label)		y	z	aa	ab
1	6820 – Renting and operating of own or leased real estate	11,196	94		
2	6832 – Management of real estate on a fee or contract basis	156	-		

31 Dec 2024

## CapEx

		Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector – NACE 4 digits level (code and label)		SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn
		a	b	c	d	e	f	g	h
1	6820 – Renting and operating of own or leased real estate	11,196	94			-	-		
2	6832 – Management of real estate on a fee or contract basis	156	-			-	-		

31 Dec 2024

## CapEx, cont.

		Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector – NACE 4 digits level (code and label)		SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn
		i	j	k	l	m	n	o	p
1	6820 – Renting and operating of own or leased real estate	-	-			-	-		
2	6832 – Management of real estate on a fee or contract basis	-	-			-	-		

31 Dec 2024

## CapEx, cont.

		Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector – NACE 4 digits level (code and label)		SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn	SEK mn	Of which environmentally sustainable (CCM) SEK mn
		q	r	s	t	u	v	w	x
1	6820 – Renting and operating of own or leased real estate	-	-			-	-		
2	6832 – Management of real estate on a fee or contract basis	-	-			-	-		

31 Dec 2024

## CapEx, cont.

		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount	
Breakdown by sector – NACE 4 digits level (code and label)		SEK mn	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO) SEK mn	SEK mn	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO) SEK mn
		y	z	aa	ab
1	6820 – Renting and operating of own or leased real estate	11,196	94		
2	6832 – Management of real estate on a fee or contract basis	156	-		

## 3. GAR KPI stock

31 Dec 2024

	31 Dec 2024								
	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)	a	b	Of which	Of which	Of which	f	Of which	Of which	i
			Use of Proceeds	transitional	enabling		Use of Proceeds	enabling	
			c	d	e		g	h	
<b>GAR – Covered assets in both numerator and denominator</b>									
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	82.58	8.32	8.21	0.03	0.01	0.23	0.00	-	0.00
2 <b>Financial undertakings</b>	<b>25.82</b>	<b>1.55</b>	<b>0.79</b>	<b>0.23</b>	<b>0.07</b>	<b>1.64</b>	<b>0.00</b>	-	<b>0.00</b>
3 Credit institutions	25.82	1.55	0.79	0.23	0.07	1.64	0.00	-	0.00
4 Loans and advances	11.10	1.71	0.81	0.45	0.23	0.00	0.01	-	0.00
5 Debt securities, including UoP	27.82	1.53	0.78	0.20	0.05	1.86	0.00	-	0.00
6 Equity instruments	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-
20 <b>Non-financial undertakings</b>	<b>100</b>	<b>0.83</b>	<b>0.83</b>	-	-	-	-	-	-
21 Loans and advances	100	0.83	0.83	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-
24 <b>Households</b>	<b>99.68</b>	<b>10.51</b>	<b>10.51</b>	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	100	10.56	10.56	-	-	-	-	-	-
26 of which building renovation loans	100	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	100	-	-	-	-	-	-	-	-
28 <b>Local governments financing</b>	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-
31 <b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32 <b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>60.69</b>	<b>6.11</b>	<b>6.03</b>	<b>0.02</b>	<b>0.01</b>	<b>0.17</b>	<b>0.00</b>	-	<b>0.00</b>

31 Dec 2024

## Turnover 2024, cont.

	31 Dec 2024											
	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)	Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
	j	k	l	m	n	o	p	q	r	s	t	u
<b>GAR – Covered assets in both numerator and denominator</b>												
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2024

## Turnover 2024, cont.

	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to total covered assets in the denominator)				Of which Use of Proceeds		Of which Use of Proceeds		Of which transitional	
	v	w	x	z	aa	ab	ac	ad	ae	af
<b>GAR – Covered assets in both numerator and denominator</b>										
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	83.37	8.32	8.21	0.03	0.01	72.48
2 <b>Financial undertakings</b>	-	-	-	-	31.57	1.56	0.79	0.23	0.08	10.02
3 Credit institutions	-	-	-	-	31.57	1.56	0.79	0.23	0.08	10.02
4 Loans and advances	-	-	-	-	32.27	1.72	0.81	0.45	0.23	1.20
5 Debt securities, including UoP	-	-	-	-	31.47	1.53	0.78	0.20	0.06	8.82
6 Equity instruments	-	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-	-
20 <b>Non-financial undertakings</b>	-	-	-	-	100	0.83	0.83	-	-	1.72
21 Loans and advances	-	-	-	-	100	0.83	0.83	-	-	1.72
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-	-
24 <b>Households</b>	-	-	-	-	99.68	10.51	10.51	-	-	55.73
25 of which loans collateralised by residential immovable property	-	-	-	-	100	10.56	10.56	-	-	55.46
26 of which building renovation loans	-	-	-	-	100	-	-	-	-	0.04
27 of which motor vehicle loans	-	-	-	-	100	-	-	-	-	0.04
28 <b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	5.01
29 Housing financing	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-	5.01
31 <b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-
32 <b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	61.27	6.11	6.03	0.02	0.01	98.63

31 Dec 2023

## Turnover 2023

	31 Dec 2023									
	Climate change mitigation (CCM)					Climate change adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
	Of which Use of Proceeds					Of which Use of Proceeds				
% (compared to total covered assets in the denominator)	ag	ah	ai	aj	ak	al	am	an	ao	
<b>GAR – Covered assets in both numerator and denominator</b>										
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	86.44	7.09	7.09	-	-	-	-	-	-	
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-	-	
3 Credit institutions	-	-	-	-	-	-	-	-	-	
4 Loans and advances	-	-	-	-	-	-	-	-	-	
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	
6 Equity instruments	-	-	-	-	-	-	-	-	-	
7 Other financial corporations	-	-	-	-	-	-	-	-	-	
8 of which investment firms	-	-	-	-	-	-	-	-	-	
9 Loans and advances	-	-	-	-	-	-	-	-	-	
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	
11 Equity instruments	-	-	-	-	-	-	-	-	-	
12 of which management companies	-	-	-	-	-	-	-	-	-	
13 Loans and advances	-	-	-	-	-	-	-	-	-	
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	
15 Equity instruments	-	-	-	-	-	-	-	-	-	
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	
17 Loans and advances	-	-	-	-	-	-	-	-	-	
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	
19 Equity instruments	-	-	-	-	-	-	-	-	-	
<b>20 Non-financial undertakings</b>	100	0.85	0.85	-	-	-	-	-	-	
21 Loans and advances	100	0.85	0.85	-	-	-	-	-	-	
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	
23 Equity instruments	-	-	-	-	-	-	-	-	-	
<b>24 Households</b>	99.63	8.46	8.46	-	-	-	-	-	-	
25 of which loans collateralised by residential immovable property	100	8.50	8.50	-	-	-	-	-	-	
26 of which building renovation loans	100	-	-	-	-	-	-	-	-	
27 of which motor vehicle loans	100	-	-	-	-	-	-	-	-	
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-	-	
29 Housing financing	-	-	-	-	-	-	-	-	-	
30 Other local government financing	-	-	-	-	-	-	-	-	-	
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	61.51	5.04	5.04	-	-	-	-	-	-	



		31 Dec 2023											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling
%( compared to total covered assets in the denominator)		ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba
<b>GAR – Covered assets in both numerator and denominator</b>													
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2023

## Turnover 2023, cont.

	31 Dec 2023									
	Biodiversity and Ecosystems (BIO)					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total covered assets in the denominator)	Of which Use of Proceeds		Of which enabling		bf	Of which Use of Proceeds		Of which transitional enabling		Proportion of total assets covered
	bb	bc	bd	be		bg	bh	bi	bj	
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	86.44	7.09	7.09	-	64.12
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	<b>8.49</b>
3	Credit institutions	-	-	-	-	-	-	-	-	8.49
4	Loans and advances	-	-	-	-	-	-	-	-	1.80
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	6.69
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	-	100	0.85	0.85	-	<b>2.11</b>
21	Loans and advances	-	-	-	-	100	0.85	0.85	-	2.11
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	-	99.63	8.46	8.46	-	<b>53.51</b>
25	of which loans collateralised by residential immovable property	-	-	-	-	100	8.50	8.50	-	53.24
26	of which building renovation loans	-	-	-	-	100	-	-	-	0.03
27	of which motor vehicle loans	-	-	-	-	100	-	-	-	0.04
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	61.51	5.04	5.04	-	<b>90.11</b>

31 Dec 2024

## CapEx 2024

	31 Dec 2024								
	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)	a	b	Of which	Of which	Of which	f	Of which	Of which	i
			Use of Proceeds	transitional	enabling		Use of Proceeds	enabling	
			c	d	e		g	h	
<b>GAR – Covered assets in both numerator and denominator</b>									
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	82.23	8.31	8.19	0.04	0.01	0.00	0.00	-	0.00
2 <b>Financial undertakings</b>	<b>23.29</b>	<b>1.48</b>	<b>0.61</b>	<b>0.25</b>	<b>0.10</b>	<b>0.01</b>	<b>0.00</b>	-	<b>0.00</b>
3 Credit institutions	23.29	1.48	0.61	0.25	0.10	0.01	0.00	-	0.00
4 Loans and advances	10.66	2.00	0.81	0.51	0.33	0.01	0.01	-	0.00
5 Debt securities, including UoP	25.01	1.41	0.58	0.22	0.07	0.00	0.00	-	0.00
6 Equity instruments	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-
20 <b>Non-financial undertakings</b>	<b>100</b>	<b>0.83</b>	<b>0.83</b>	-	-	-	-	-	-
21 Loans and advances	100	0.83	0.83	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-
24 <b>Households</b>	<b>99.68</b>	<b>10.51</b>	<b>10.51</b>	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	100	10.56	10.56	-	-	-	-	-	-
26 of which building renovation loans	100	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	100	-	-	-	-	-	-	-	-
28 <b>Local governments financing</b>	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-
31 <b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32 <b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>60.43</b>	<b>6.11</b>	<b>6.02</b>	<b>0.03</b>	<b>0.01</b>	<b>0.00</b>	-	<b>0.00</b>	-

31 Dec 2024

## CapEx 2024, cont.

	31 Dec 2024											
	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)	Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
	j	k	l	m	n	o	p	q	r	s	t	u
<b>GAR – Covered assets in both numerator and denominator</b>												
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2024

## CapEx 2024, cont.

	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to total covered assets in the denominator)	Of which Use of Proceeds		Of which enabling	aa	Of which Use of Proceeds		Of which transitional	Of which enabling	Proportion of total assets covered
v		w	x	z		ab	ac	ad	ae	
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	83.06	8.31	8.19	0.04	0.01	72.48
2	<b>Financial undertakings</b>	-	-	-	<b>29.28</b>	<b>1.49</b>	<b>0.61</b>	<b>0.25</b>	<b>0.10</b>	<b>10.02</b>
3	Credit institutions	-	-	-	29.28	1.49	0.61	0.25	0.10	10.02
4	Loans and advances	-	-	-	32.65	2.01	0.81	0.51	0.33	1.20
5	Debt securities, including UoP	-	-	-	28.83	1.42	0.58	0.22	0.07	8.82
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	<b>100</b>	<b>0.83</b>	<b>0.83</b>	-	-	<b>1.72</b>
21	Loans and advances	-	-	-	100	0.83	0.83	-	-	1.72
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	<b>99.68</b>	<b>10.51</b>	<b>10.51</b>	-	-	<b>55.73</b>
25	of which loans collateralised by residential immovable property	-	-	-	100	10.56	10.56	-	-	55.46
26	of which building renovation loans	-	-	-	100	-	-	-	-	0.04
27	of which motor vehicle loans	-	-	-	100	-	-	-	-	0.04
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	<b>5.01</b>
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	5.01
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	61.04	6.11	6.02	0.03	0.01	98.63

31 Dec 2023

## CapEx 2023

	31 Dec 2023								
	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds					Of which Use of Proceeds			
% (compared to total covered assets in the denominator)	ag	ah	ai	aj	ak	al	am	an	ao
<b>GAR – Covered assets in both numerator and denominator</b>									
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	86.44	7.09	7.09	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	100	0.85	0.85	-	-	-	-	-	-
21 Loans and advances	100	0.85	0.85	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-
<b>24 Households</b>	99.63	8.46	8.46	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	100	8.50	8.50	-	-	-	-	-	-
26 of which building renovation loans	100	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	100	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	61.51	5.04	5.04	-	-	-	-	-	-



CapEx 2023, cont.		31 Dec 2023											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
		ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba
<b>GAR – Covered assets in both numerator and denominator</b>													
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2023

## CapEx 2023, cont.

	31 Dec 2023										
	Biodiversity and Ecosystems (BIO)					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to total covered assets in the denominator)	Of which Use of Proceeds		Of which enabling		bf	Of which Use of Proceeds		Of which transitional enabling		Proportion of total assets covered
bb		bc	bd	be	bg		bh	bi	bj	bk	
<b>GAR – Covered assets in both numerator and denominator</b>											
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	86.44	7.09	7.09	-	64.12
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	-	8.49
3	Credit institutions	-	-	-	-	-	-	-	-	-	8.49
4	Loans and advances	-	-	-	-	-	-	-	-	-	1.80
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	6.69
6	Equity instruments	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	100	0.85	0.85	-	2.11
21	Loans and advances	-	-	-	-	-	100	0.85	0.85	-	2.11
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	-	-	99.63	8.46	8.46	-	53.51
25	of which loans collateralised by residential immovable property	-	-	-	-	-	100	8.50	8.50	-	53.24
26	of which building renovation loans	-	-	-	-	-	100	-	-	-	0.03
27	of which motor vehicle loans	-	-	-	-	-	100	-	-	-	0.04
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	61.51	5.04	5.04	-	90.11

## 4. GAR KPI flow

31 Dec 2024

	31 Dec 2024									
	Climate change mitigation (CCM)					Climate change adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to flow of total eligible assets)	a	b	Of which	Of which	Of which	f	Of which	Of which	i	
			Use of Proceeds	transitional	enabling		Use of Proceeds	enabling		
			c	d	e		g	h		
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	48.33	6.21	5.55	0.22	0.06	0.18	0.00	-	0.00
2	<b>Financial undertakings</b>	<b>27.93</b>	<b>1.62</b>	<b>0.49</b>	<b>0.38</b>	<b>0.10</b>	<b>0.31</b>	<b>0.01</b>	-	<b>0.00</b>
3	Credit institutions	27.93	1.62	0.49	0.38	0.10	0.31	0.01	-	0.00
4	Loans and advances	26.32	1.67	0.41	0.40	0.12	0.00	0.01	-	0.00
5	Debt securities, including UoP	33.18	1.47	0.75	0.32	0.03	1.30	0.00	-	0.00
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	<b>100</b>	<b>52.99</b>	<b>52.99</b>	-	-	-	-	-	-
21	Loans and advances	100	52.99	52.99	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	<b>100</b>	<b>16.27</b>	<b>16.27</b>	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	100	16.45	16.45	-	-	-	-	-	-
26	of which building renovation loans	100	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	100	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	43.03	5.53	4.94	0.20	0.05	0.16	0.00	-	0.00

31 Dec 2024

## Turnover 2024, cont.

	31 Dec 2024											
	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to flow of total eligible assets)	Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
	j	k	l	m	n	o	p	q	r	s	t	u
<b>GAR – Covered assets in both numerator and denominator</b>												
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2024

## Turnover 2024, cont.

	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to flow of total eligible assets)	Of which Use of Proceeds		Of which enabling	aa	ab	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered
v		w	x	z			ac	ad	ae	
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	52.95	6.22	5.55	0.22	0.06	14.89
2	<b>Financial undertakings</b>	-	-	-	<b>35.81</b>	<b>1.63</b>	<b>0.49</b>	<b>0.38</b>	<b>0.11</b>	<b>8.74</b>
3	Credit institutions	-	-	-	35.81	1.63	0.49	0.38	0.11	8.74
4	Loans and advances	-	-	-	36.25	1.68	0.41	0.40	0.13	6.68
5	Debt securities, including UoP	-	-	-	34.40	1.47	0.75	0.32	0.04	2.06
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	<b>100</b>	<b>52.99</b>	<b>52.99</b>	-	-	<b>0.01</b>
21	Loans and advances	-	-	-	100	52.99	52.99	-	-	0.01
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	<b>99.40</b>	<b>16.27</b>	<b>16.27</b>	-	-	<b>4.77</b>
25	of which loans collateralised by residential immovable property	-	-	-	100	16.45	16.45	-	-	4.72
26	of which building renovation loans	-	-	-	100	-	-	-	-	0.01
27	of which motor vehicle loans	-	-	-	100	-	-	-	-	0.01
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	<b>1.37</b>
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	1.37
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	47.14	5.53	4.94	0.20	0.06	16.73

31 Dec 2024

## CapEx 2024

	31 Dec 2024								
	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to flow of total eligible assets)	a	b	Of which	Of which	Of which	f	Of which	Of which	i
			Use of Proceeds	transitional			enabling	Use of Proceeds	
			c	d	e		g	h	
<b>GAR – Covered assets in both numerator and denominator</b>									
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	47.93	6.28	5.53	0.24	0.08	0.01	0.00	-	0.00
2 <b>Financial undertakings</b>	<b>27.26</b>	<b>1.75</b>	<b>0.46</b>	<b>0.41</b>	<b>0.13</b>	<b>0.01</b>	<b>0.01</b>	-	<b>0.00</b>
3 Credit institutions	27.26	1.75	0.46	0.41	0.13	0.01	0.01	-	0.00
4 Loans and advances	25.99	1.85	0.41	0.43	0.16	0.01	0.01	-	0.00
5 Debt securities, including UoP	31.37	1.42	0.64	0.34	0.04	0.01	0.00	-	0.00
6 Equity instruments	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-
20 <b>Non-financial undertakings</b>	<b>100</b>	<b>52.99</b>	<b>52.99</b>	-	-	-	-	-	-
21 Loans and advances	100	52.99	52.99	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-
24 <b>Households</b>	<b>99.40</b>	<b>16.26</b>	<b>16.26</b>	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	100	16.43	16.43	-	-	-	-	-	-
26 of which building renovation loans	100	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	100	-	-	-	-	-	-	-	-
28 <b>Local governments financing</b>	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-
31 <b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32 <b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>42.68</b>	<b>5.59</b>	<b>4.92</b>	<b>0.21</b>	<b>0.07</b>	<b>0.01</b>	<b>0.00</b>	-	<b>0.00</b>



31 Dec 2024

CapEx 2024, cont.

	31 Dec 2024											
	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to flow of total eligible assets)	Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
	j	k	l	m	n	o	p	q	r	s	t	u
<b>GAR – Covered assets in both numerator and denominator</b>												
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-	-
2	<b>Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2024

## CapEx 2024, cont.

	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to flow of total eligible assets)	Of which Use of Proceeds		Of which enabling	aa	Of which Use of Proceeds		Of which transitional	Of which enabling	Proportion of total assets covered
v		w	x	z		ab	ac	ad	ae	
<b>GAR – Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	52.75	6.29	5.53	0.24	0.09	14.89
2	<b>Financial undertakings</b>	-	-	-	<b>35.48</b>	<b>1.76</b>	<b>0.46</b>	<b>0.41</b>	<b>0.15</b>	<b>8.74</b>
3	Credit institutions	-	-	-	35.48	1.76	0.46	0.41	0.15	8.74
4	Loans and advances	-	-	-	36.35	1.86	0.41	0.43	0.18	6.68
5	Debt securities, including UoP	-	-	-	32.67	1.42	0.64	0.34	0.04	2.06
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	-	-	-	<b>100</b>	<b>52.99</b>	<b>52.99</b>	-	-	<b>0.01</b>
21	Loans and advances	-	-	-	100	52.99	52.99	-	-	0.01
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	-	-	-	<b>99.40</b>	<b>16.26</b>	<b>16.26</b>	-	-	<b>4.77</b>
25	of which loans collateralised by residential immovable property	-	-	-	100	16.43	16.43	-	-	4.72
26	of which building renovation loans	-	-	-	100	-	-	-	-	0.01
27	of which motor vehicle loans	-	-	-	100	-	-	-	-	0.01
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	<b>1.37</b>
29	Housing financing	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	1.37
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	<b>46.97</b>	<b>5.60</b>	<b>4.92</b>	<b>0.21</b>	<b>0.08</b>	<b>16.73</b>

## 5. KPI off-balance-sheet exposures – stock

		31 Dec 2024								
		Climate change mitigation (CCM)				Climate change adaptation (CCA)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds		Of which transitional	Of which enabling	Of which Use of Proceeds		Of which transitional	Of which enabling	
% (compared to total eligible off-balance-sheet assets)		a	b	c	d	e	f	g	h	i
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

		31 Dec 2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling			
% (compared to total eligible off-balance-sheet assets)		j	k	l	m	n	o	p	q	r	s	t	u
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-

		31 Dec 2024								
		Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which transitional	Of which enabling		
% (compared to flow of total eligible assets)		v	w	x	z	aa	ab	ac	ad	ae
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

31 Dec 2024

## CapEx 2024

	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds					Of which Use of Proceeds			
	Of which transitional enabling					Of which transitional enabling			
% (compared to total eligible off-balance-sheet assets)	a	b	c	d	e	f	g	h	i
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

31 Dec 2024

## CapEx 2024, cont.

	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds				Of which Use of Proceeds				Of which Use of Proceeds			
	Of which transitional enabling				Of which transitional enabling				Of which transitional enabling			
% (compared to total eligible off-balance-sheet assets)	j	k	l	m	n	o	p	q	r	s	t	u
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-

31 Dec 2024

## CapEx 2024, cont.

	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
	Of which Use of Proceeds				Of which Use of Proceeds				
	Of which transitional enabling				Of which transitional enabling				
% (compared to flow of total eligible assets)	v	w	x	z	aa	ab	ac	ad	ae
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

## 5. KPI off-balance-sheet exposures – flow

		2024								
		Climate change mitigation (CCM)				Climate change adaptation (CCA)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds		Of which transitional	Of which enabling	Of which Use of Proceeds		Of which transitional	Of which enabling	
% (compared to total eligible off-balance-sheet assets)		a	b	c	d	e	f	g	h	i
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

		2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling			
% (compared to total eligible off-balance-sheet assets)		j	k	l	m	n	o	p	q	r	s	t	u
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-

		2024								
		Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which transitional	Of which enabling		
% (compared to flow of total eligible assets)		v	w	x	z	aa	ab	ac	ad	ae
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

2024

## CapEx 2024

	Climate change mitigation (CCM)					Climate change adaptation (CCA)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds		Of which transitional		Of which enabling	Of which Use of Proceeds		Of which enabling	
% (compared to total eligible off-balance-sheet assets)	a	b	c	d	e	f	g	h	i
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

2024

## CapEx 2024, cont.

	Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
% (compared to total eligible off-balance-sheet assets)	j	k	l	m	n	o	p	q	r	s	t	u
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-

2024

## CapEx 2024, cont.

	Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
	Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitional		Of which enabling
% (compared to flow of total eligible assets)	v	w	x	z	aa	ab	ac	ad	ae
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

# Social information



Contents	Page
S1 – Own workforce	140
ESRS S2 – Workers in the value chain	147
S3 – Affected communities	149
S4 – Consumers and end-users	151

## S1 – Own workforce

### Material impacts, risks and opportunities pertaining to own workforce

The double materiality assessment conducted within the framework of ESRS S1 Own workforce identified, defined and assessed the following material sustainability matters: working conditions, equal treatment, diversity and inclusion as well as learning and development. These issues are grouped under the overarching sustainability area, Our attractive workplace, which

forms the basis of the disclosures provided in accordance with ESRS S1 Own workforce.

All three sustainability matters have been assessed as positive actual impacts. Part of what makes our workplace attractive is that we have solid foundational processes in place, which is why the reporting according to ESRS S1 Own Workforce also includes disclosures regarding this.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Our attractive workplace	Working conditions	Actual positive impact ↗	–	→ ↑ → Up Within Down	✓ ✓ ✓ Short Medium Long
	Equal treatment, diversity and inclusion	Actual positive impact ↗	–	→ ↑ → Up Within Down	✓ ✓ ✓ Short Medium Long
	Learning and development	Actual positive impact ↗	–	→ ↑ → Up Within Down	○ ✓ ✓ Short Medium Long

#### Working conditions

It is important for SBAB to create a safe and healthy workplace through an inclusive corporate culture and value-driven approach. For SBAB, this entails reasonable working hours, proper remuneration and benefits for work performed, social dialogue, freedom of association and work-life balance. There is a link between these aspects and the opportunity to retain competent staff, while concurrently enhancing SBAB’s preconditions for remaining a competitive and profitable player in the long term. Based on employee satisfaction surveys, SBAB has been achieving positive outcomes at an overall level in areas related to employee working conditions. The potential impacts of SBAB’s efforts to create a safe and inclusive work environment could be detrimental to employees, SBAB’s brand and, by extension, to profitability. Therefore, maintaining SBAB’s values-driven corporate culture and good working conditions will be a high priority.

#### Equal treatment, diversity and inclusion

SBAB’s work with gender equality, diversity and inclusion can lead to actual or potential positive impacts for its employees by creating a more inclusive and safer working environment. This can contribute to increased employee satisfaction, engagement and loyalty, which can also be reflected in the positive results of pulse surveys. By applying a structured approach to matters such as pay gaps and harassment prevention as well as providing training and flexible working arrangements, SBAB can not only improve its internal working conditions but also strengthen its reputation and serve as a role model for others, which can help attract and retain talent. Without a proactive approach to equal treatment, there is a risk that employees may feel unfairly treated and that SBAB may lose valuable skills as a consequence.



## Learning and development

SBAB's focus on learning and development can impact our employees both positively and negatively. On the positive side, a strong focus on skills development can increase employee confidence by promoting personal growth and reducing stress related to employability. This can contribute to increased motivation and improved performance, enhancing success both at the individual and at the organisational levels. At the same time, a strong emphasis on skills development, if perceived as demanding or overwhelming, can create a sense of pressure and insecurity if employees feel that they cannot keep up with developments. Therefore, it is crucial to find a balance where learning is perceived as a support and not as a burden.

## Governance documents for own workforce

In addition to collective agreements and Swedish labour legislation, SBAB has a number of governance documents aimed at promoting a sustainable and inclusive work environment. These are in line with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The governance documents do not specifically address human trafficking, forced labour or child labour since these areas are regulated by legislation and collective agreements. Our collective agreements and governance documents cover labour standards, employee rights, gender equality and diversity as well as the social, physical and organisational work environment, and personal development.

- Work Environment Instruction
- Equal Opportunities Policy
- Remuneration Policy

All of these governance documents apply to all employees within the Group.

### *Work Environment Instruction*

The objective of the Work Environment Instruction is to promote a healthy working environment and prevent the risk of ill health due to physical, organisational or social conditions in the work environment. The decision-making officer for the Work Environment Instruction is the Chief Human Resources Officer (CHRO) and the Instruction encompasses all employees within the Group.

SBAB commits to respecting the following standards and initiatives by implementing the Work Environment Instruction:

- The Swedish Work Environment Authority's regulations on the organisational and social work environment, and general recommendations on the application of the regulations (AFS 2023:2)
- Systematic work environment management (AFS 2023:1)

### *Equal Opportunities Policy*

For SBAB, it goes without saying that everyone should have the same rights, obligations and opportunities with respect to all workplace matters. Inclusion is at the centre of our values and we believe that a mix of opinions, perspectives and backgrounds enriches SBAB and drives change, development and innovation. SBAB's Equal Opportunities Policy aims to ensure that SBAB counteracts discrimination and promotes equal rights and opportunities in the workplace regardless of gender, transgender identity or expression, ethnicity, religion or belief, disability, sexual orientation or age. Our efforts in equality encompass all employees of SBAB in accordance with current legislation. The Board of Directors of SBAB is the decision-making body for the Equal Opportunities Policy, which encompasses all employees within the Group.

SBAB commits to respecting the following standards and initiatives by implementing the Equal Opportunities Policy:

- Swedish Discrimination Act (2008:567)
- Parental Leave Act (1995:584)

### *Remuneration Policy*

Remuneration within SBAB and its subsidiaries must be competitive, capped, appropriate, moderate, reasonable and well-balanced, and must not be solely salary-driven, while also contributing to high ethical standards and a good corporate culture. SBAB must take action to prevent any inappropriate pay gaps. The decision-making officer for the Remuneration Policy is the Board of Directors and the Policy encompasses all employees within the Group.

SBAB is committed to upholding the following standards and initiatives by implementing the Policy described above:

- Commission Delegated Regulation (EU) No 923/2021
- Mortgage Business Act (2016:1024)
- Swedish Corporate Governance Code
- State Ownership Policy and Principles for state-owned enterprises (2020)
- Finansinspektionen (the Swedish FSA) regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1).
- Finansinspektionen (the Swedish FSA) regulations and general guidelines (FFFS 2016:29) on mortgage lending activities
- Guidelines on sound remuneration policies EBA/GL/2021/04

## Dialogue and consultation with own workforce

SBAB has established procedures to ensure an open and constructive dialogue between Executive Management, employees and workers' representatives. These procedures are designed to ensure that any changes affecting the workforce – particularly those with potentially negative impacts – are handled transparently and in consultation with stakeholders.

We hold regular meetings with trade unions and workers' representatives. These consultations are conducted on a continuous basis and include proactive dialogues on health and safety as well as discussions about operational changes that may affect employees, such as organisational changes and changes in working conditions. Our consultations are based on transparent and open dialogue in accordance with applicable collective agreements and legislation. In the case of organisational changes, we perform methodical risk and impact assessments.

We have several established internal communication channels, including the intranet and short information clips (Veckopuls), to openly communicate and provide transparent information about ongoing work and upcoming changes to the organisation. In addition, regular briefings are held, through which management and other stakeholders provide information about overall performance as well as ongoing and upcoming changes. These meetings also allow employees to gain early insight into ongoing developments, ask questions and provide feedback.

To investigate the shared commitment and perception of the workplace and work environment, we conduct employee surveys twice yearly. Each measurement serves as the basis for analysis and dialogue at the organisational, departmental and team levels. A better understanding of what works well and what needs to be developed helps us focus our initiatives effectively. In addition to the two surveys, we also conduct an annual work environment survey that focuses on the physical work environment. The results of these surveys and questionnaires provide the founda-

tion for adjusting or improving our workplace – in terms of corporate culture, leadership, processes and procedures.

The HR department has operational responsibility for ensuring collaboration with workers’ representatives.

**Remediation and reporting channels for own workforce**

*Remediation processes*

SBAB has procedures in place to manage and address any incidents for our employees in accordance with our commitments to human rights and sustainable development. Our responsibilities include taking action when we have determined that our activities have directly or indirectly caused or contributed to harm to our employees. Although we can learn from incidents in various ways, fundamentally, our aim is to process them in a manner that enables us to prevent similar events from recurring.

Reported incidents are managed at three levels:

- Level 1 – Repair and restore
- Level 2 – Analyse and adjust
- Level 3 – Challenge & think outside the box

As an employer, as soon as SBAB becomes aware of an incident, we are obliged to investigate and remedy the situation. The submission of a formal report is not required; the observations of managers or a report by a colleague stating that someone has been victimised will suffice.

Upon completing the investigation, a decision must be made regarding the actions to be taken at both the individual and, potentially, the group level. All parties involved in the case and, if applicable, the safety officer and trade union representative must be informed of the actions to be taken. Actions may initially consist of reprimands but may lead to measures under labour law such as warnings, transfers and the termination or dismissal of the individual responsible for the harassment of other employees. At the group level, examples of actions could include training, appraisal interviews, or providing updates and information about current policies and procedures. The investigating manager is responsible for ensuring that the planned and implemented actions are documented and that all those involved in the case are kept informed.

*Reporting channels*

SBAB has implemented several confidential and easy-access channels for its employees to report irregularities or violations of working conditions.

Employees can contact the HR department or their line managers directly to report problems, accidents or incidents. SBAB also has an internal reporting channel where suspected misconducts that are of public interest or violate labor law or collective agreements can be reported confidentially and anonymously. For various reasons, SBAB may use the help of external partners to manage, investigate and provide support to those involved in different situations at the workplace.

Employees can also turn to their trade union for advice and support. The role of the trade union is to represent and advise its members in cases of discrimination and work-environment disputes. If a jobseeker or employee is a trade union member, the trade union is entitled to provide them with assistance. The work environment ombudsman can also provide advice and support in situations related to the work environment.

The twice-yearly employee surveys also serve as a channel for employees to anonymously raise any negative experiences at work.

**Targets pertaining to own workforce**

SBAB has established two targets pertaining to its own workforce. Decisions about these targets are made by the Board of Directors, which includes workers’ representatives.

**Target: Committed employees**

SBAB’s employees are one our most important assets. At SBAB, we firmly believe that motivated and committed employees are a prerequisite – the very foundation – for SBAB’s success, competitiveness and long-term value creation. For us, it is vital that everyone at SBAB has job satisfaction, that we feel good, that we can be ourselves and that we feel that we can jointly make a contribution and develop every day. Therefore, we assess and aim to achieve an average score of at least 4 for our Engagement Index, which is measured twice a year. A high engagement index can also indirectly indicate good compliance with the Work Environment Instruction, the Equal Opportunities Policy, and the Remuneration Policy. Each survey’s results and responses are analysed to identify areas we can improve. However, any such areas may require different types of solutions. To address this, we therefore apply a team-oriented strategy to our work, where actions are adapted to the specific needs of each context. The Engagement Index is measured on a scale of 1 to 5 and the target applies to the period 2024–2030, with 2022 as the base year.

	Target	2024	2023	Base year 2022
Engagement Index <sup>1)</sup>	>4	4.2	4.1	4.2

<sup>1)</sup> Measured as an average

The score for 2024 was 4.2 (4.1), indicating continued high engagement.

*Methodology and assumptions*

Our Pulse Survey explores our employees’ perception of our workplace based on a series of statements that we group into different driving forces. These driving forces comprise the forces that influence our engagement and are based on research in the field and compiled by our partner Eletive. The driving forces are:

- Feedback and communication
- Autonomy
- Meaningfulness and participation
- Workload
- Health
- Workplace and tools
- Learning and development
- Targets and fulfilment
- Strategies, vision and culture
- Relationship with manager
- Relationships with colleagues

Each driving force reports as an index and, when combined, all of the driving forces create an engagement index.

**Target: Gender equality in management positions**

The Equal Opportunities Policy states that all employees must have the same rights, obligations and opportunities. One way of measuring this is through the gender breakdown in management positions. The gender balance in management positions should be 50% +/-5%. The target for the breakdown of women and men in management positions is 45–55%.

The target has been designed in line with the Government's State Ownership Policy and principles for state-owned enterprises, which states, inter alia, "The enterprises have to be exemplary in gender equality work and work actively on gender equality issues in their operations, especially in connection with appointments to senior management." It also supports the EU Gender Equality Strategy 2020–2025.

The target applies to all employees within the Group for the period 2024–2030 with 2014 as the base year.

	Target	31 Dec 2024	31 Dec 2023	Base year 31 Dec 2014
Proportion of management positions held by women, %	50 +/-5	52.3	50.4	41

At the end of 2024, the proportion of management positions held by women was 52.3%, just under 2 percentage points higher year-on-year and still in line with the target of 50% +/-5%. The proportion of management positions held by women continues to reflect the proportion of female employees at SBAB.

#### Methodology and assumptions

Managers are defined as an employee with responsibility for personnel and the working environment.

The outcome calculations assume that the registered legal gender is also the person's perceived gender identity. This entails a risk that gender equality work will not be fully inclusive.

### Actions pertaining to own workforce

SBAB continuously invests in its employees and their perception of us as an attractive employer. Our focus areas for providing an attractive workplace include building a positive corporate culture, fostering trustworthy leaders and promoting a values-driven way of working. These focus areas encompass the entire organisation and are expected to help maintain strong engagement and to keep our engagement index above 4.

In 2024, another key development initiative has been to future-proof our values-driven way of working. We achieved this through open workshops in which all staff were invited to participate. The work resulted in renewed values that were launched in the autumn.

To ensure that the actions taken and programmes initiated produce concrete and positive results for our own workforce, we engage in methodical follow-ups using a combination of employee surveys, regular dialogues and structured collaboration meetings. Employee surveys are key to gaining a clear picture of how our actions are perceived and how they affect employee well-being and commitment as well as the work environment. By analysing survey results, we can identify areas where further improvements are needed and prioritise the actions that have the greatest impact. The results are discussed in interactive groups to ensure that employee perspectives and feedback are integrated into the development of our strategies and initiatives.

#### Processes to identify necessary actions

SBAB has a structured and transparent approach to identifying, evaluating, and managing actual and potential impacts on our workforce. These processes are designed to ensure that necessary and appropriate actions are taken in a timely manner to enhance positive impacts, minimise negative impacts and ensure that our business practices do not cause or contribute to

negative impacts on our own workforce. If we discover that our business practices have contributed to or are at risk of contributing to negative impacts, we take immediate corrective actions, such as redesigning strategies or restructuring work processes, to minimise these impacts.

SBAB has clear governance documents and guidelines that govern our business practices and are designed to protect our employees from harmful impacts. These include guidelines on health and safety, equal opportunity and non-discrimination as well as a Code of Conduct that all employees and managers are expected to adhere to. These governance documents are regularly updated to reflect changes in legislation, industry standards and company priorities.

We conduct regular risk assessments based on changes in the business, regulatory requirements and external factors such as financial and technological developments. This includes assessing the work environment, psychosocial factors and employee safety, and how they may be impacted. These assessments are particularly conducted in conjunction with organisational changes, the introduction of new work methods, or changes in workload, helping us identify potential impacts that may affect the work environment or employee well-being.

We conduct systematic work-environment surveys to ensure that our business decisions do not lead to deteriorating working conditions. These surveys include both physical and psychosocial aspects of the work environment and involve employees at all levels. The results of these surveys are utilised to implement corrective actions where necessary, such as adjusting tasks, allocating resources, or providing training in stress management and ergonomics.

We provide continuous training for our employees and managers in the areas of sustainable business practices, leadership and the work environment. This ensures that our employees are aware of the potential impacts that business decisions can pose to the workforce and that they have the tools to proactively counter these. By promoting responsive leadership and a culture that prioritises employee well-being, we reduce the likelihood of business practices leading to negative impacts. Additionally, we continuously collect feedback from our employees through employee surveys and pulse surveys. These surveys help us identify areas of concern and early signs of various factors that could lead to negative impacts.

We gain direct insight into how our business decisions impact our employees by conducting regular dialogues with trade union representatives and employees. This includes formal consultations and regular briefings through which employees can provide feedback on potential issues related to the work environment, workload, or other aspects affected by SBAB's business strategies. This feedback is taken into account in the decision-making process and actions are adjusted to ensure the prevention of negative impacts.

By having a clear incident-reporting system in place, employees are able to report incidents or problems that may adversely impact the work environment. The reports are analysed and assessed in order to take prompt action where necessary.

In addition to employee satisfaction surveys, we measure and monitor monthly key performance indicators related to employee turnover, gender equality, manager density and sick leave. The results are analysed and provide the basis for adapting and streamlining our actions. This enables us to continuously improve our ability to enhance positive impacts and to minimise negative impacts.

## Metrics pertaining to own workforce

All reported data pertains to the end of the reporting period, unless otherwise stated. Information about SBAB's employees is reported as the number of employees (head count) in the Sustainability Report, while the data in the Annual Report's Financial Statements refers to full-time equivalents (FTE). The quantitative information on SBAB's employees provided in this section has not been validated by any external body other than the company's auditors.

### Characteristics of the undertaking's employees

#### Employee head count by gender<sup>1,2)</sup>

Gender <sup>3)</sup>	No. of employees 31 Dec 2024
Male	582
Female	641
Other	-
Not reported	-
<b>Total employees</b>	<b>1,223</b>

<sup>1)</sup> Measured as number of employees (head count)

<sup>2)</sup> The most representative disclosures in the Financial Statements can be found in the "Form of Employment" table on page 230 of the Annual Report. Information about SBAB's employees is reported as the number of employees (head count) in the Sustainability Report, while the data in the Annual Report's Financial Statements refers to full-time equivalents (FTE).

<sup>3)</sup> Gender as specified by the employees themselves

#### Employee head count by country<sup>1,2)</sup>

Country	No. of employees 31 Dec 2024
Sweden	1,223

<sup>1)</sup> Measured as number of employees (head count)

<sup>2)</sup> The most representative disclosures in the Financial Statements can be found in the "Form of Employment" table on page 230 of the Annual Report. Information about SBAB's employees is reported as the number of employees (head count) in the Sustainability Report, while the data in the Annual Report's Financial Statements refers to full-time equivalents (FTE).

#### Employee head count by contract type<sup>1,2)</sup>

31 Dec 2024	Female	Male	Other	Not disclosed	Total
No. of employees	641	582	-	-	1,223
Number of permanent employees	604	541	-	-	1,145
Number of temporary employees	7	1	-	-	8
Number of non-guaranteed hours employees	30	40	-	-	70
Number of full-time employees	-	-	-	-	-
Number of part-time employees	-	-	-	-	-

<sup>1)</sup> Measured as number of employees (head count)

<sup>2)</sup> Gender as specified by the employees themselves

Permanent employees are defined as employees with an employment contract of indefinite duration, including probationary periods. Temporary staff are defined as employees with temporary contracts and who receive a monthly salary. Non-guaranteed hours employees include employees who are paid on an hourly basis for a defined period, meaning that they are employed as needed by the organisation and that their working hours may vary.

### Employee turnover<sup>1)</sup>

	2024
Number of employees who left during the year	106
Employee turnover (%)	8.67

<sup>1)</sup> Measured as number of employees (head count)

The calculation of the number of employees who have left during the year and employee turnover includes all employees, including permanent employees, employees with temporary contracts and non-guaranteed hours employees.

### Characteristics of non-employees in the undertaking's own workforce

#### Non-employees in the undertaking's own workforce

	31 Dec 2024
Total number of workers who are not employees <sup>1)</sup>	283

<sup>1)</sup> Measured as number of employees (head count)

The majority of staff in our own workforce who are not employees are consultants who work at SBAB to varying degrees, primarily within the Tech organisation and, to some extent, within Customer Service.

A key assumption of the calculation methodology is that all individuals working for SBAB, including non-employees, are correctly registered in the human resources system. The methodology also assumes that the information in the system reflects the current workforce, meaning that any individual who no longer works for SBAB is deregistered from the system at the appropriate date. A key limitation of this approach is that the system is not automatically updated on a daily basis. This means that individuals who have stopped working for the company may remain in the system until the next update, which may result in some overestimation of the number of active non-employees. This time lag in the updates may impact the precision of the metric, particularly during periods of high turnover of non-employees.

### Collective bargaining coverage and social dialogue

All employees of SBAB are covered by collective agreements signed by SBAB. SBAB only has employees in Sweden.

	31 Dec 2024
Number of employees in Sweden	1,223
Number of employees covered by collective bargaining agreements in Sweden	1,223
Percentage of employees covered by collective bargaining agreements in Sweden, %	100
Number of employees represented at the company level by workers' representatives in Sweden	1,223
Percentage of employees represented at the company level by workers' representatives in Sweden (%)	100

Coverage rate	Collective bargaining coverage		Social dialogue
	Employees – EEA	Employees – non-EEA	Workplace representation (EEA only)
0–19%	-	-	-
20–39%	-	-	-
40–59%	-	-	-
60–79%	-	-	-
80–100%	Sweden	-	Sweden



## Diversity metrics

### Gender distribution at top management<sup>1)</sup>

	31 Dec 2024	
	Number <sup>2)</sup>	Percentage (%)
Male	7	70%
Female	3	30%
Other	–	–
Not reported	–	–
<b>Total (in Executive Management)</b>	<b>10</b>	<b>100%</b>

<sup>1)</sup> Refers to the highest management level in the parent company SBAB

<sup>2)</sup> Measured as number of employees (head count)

### Breakdown of employees by age

Number of employees	31 Dec 2024
Less than 30 years	213
Between 30 and 50 years old	808
Over 50 years old	202
<b>Total</b>	<b>1,223</b>

## Training and Skills Development metrics

### Regular performance reviews

While SBAB conducts employee appraisals with all employees every year, it does not measure the number of performance reviews. Accordingly, the number of employees who have participated in regular performance and career development reviews is not reported.

### Average number of training hours

Average number of training hours per employee	2024
Male	37
Female	37
Other	–
Not disclosed	–
<b>Total</b>	<b>37</b>

SBAB deems that the majority of employee learning takes place outside of training courses. We follow the 70/20/10 methodology, meaning that 70 per cent of learning takes place in day-to-day life, 20 per cent with other employees and 10 per cent through training. The framework of the 10 per cent of learning that takes place through training encompasses the reported metric, Average number of training hours per employee. The metric includes the hours recorded by employees from completed internal digital training courses as well as the hours allocated to company-wide initiatives. Other training courses, such as those involving only single departments or individuals within the organisation, are not included in the calculations. Consequently, the metric does not provide a completely fair presentation of employees' training hours.

Internally, the average number of training hours per employee distributed by gender is not measured. The table assumes that the number of training hours is evenly distributed between genders.

## Health and safety indicators

### Health and safety

Employees	31 Dec 2024
The number of employees in the own workforce who are covered by the company's health and safety management system based on legal requirements and/or recognised standards or guidelines <sup>1)</sup>	1,223
The number of employees in the own workforce who are covered by the company's health and safety management system based on legal requirements and/or recognised standards or guidelines (%) <sup>1)</sup>	100%

<sup>1)</sup> Measured as number of employees (head count)

Metrics	2024
The number of fatalities as a result of work-related injuries and work-related ill health:	0
Number of work-related accidents (excluding fatalities):	8
Total number of recordable work-related accidents:	8
Total number of hours worked by employees in the company's own workforce:	1,611,767
Rate of work-related injuries:	4.96

The measurement of the total number of hours worked is based on a compilation of each employee's actual working hours per salary period. The calculation is based on the percentage of full-time employment of each individual and is supplemented by data on overtime and any hours of absence. This data is used to ensure that the hours worked metric reflects the actual attendance and time worked by the company's own workforce during the period.

A key assumption of this method is that employees accurately and completely report absences and overtime. The method also assumes that the percentage of full-time employment of each employee is correctly set in internal systems, and that the payroll system can correctly adjust working time based on overtime and absences to provide a reliable total.

The reliability of the calculation method can be affected by incorrect or incomplete reporting of absences and overtime. Additionally, since the data is collected at the end of the salary period, there may be some time lag, which means that late reporting of absences or overtime may affect the accuracy of the metric.

### Work-life balance metrics

Under Swedish law, all SBAB employees are entitled to various benefits, such as sick pay, pensions, care of dependents and, where applicable, parental leave.

Percentage (%) of employees taking family-related leave	2024
Male	35.37%
Female	40.93%
Other	–
Not disclosed	–
<b>Total</b>	<b>38.29%</b>

The method of calculating the percentage of employees taking family-related leave depends on how employees report their absences, which can affect reliability. It also depends on the correct coding and categorisation of payroll information, which means that errors in internal coding may affect the metric.

## Remuneration metrics

Metrics	2024
Pay gap <sup>1, 3)</sup>	14.32%
Remuneration ratio <sup>2, 3)</sup>	992%

<sup>1)</sup> The gender pay gap, defined as the difference in average pay levels between female and male employees, is expressed as a percentage of the average pay level of male employees.

<sup>2)</sup> The remuneration ratio between the highest-paid individual and the median is calculated as the total annual salary of the undertaking's highest-paid employee divided by the total median annual salary excluding the undertaking's highest-paid employee. Figures only include permanent employees.

<sup>3)</sup> When calculating the pay gap and remuneration ratio, wellness allowances of SEK 4,000 per person and any mileage allowance paid were included in the gross salary.

The difference in average pay between women and men can be explained, inter alia, by the fact that women and men choose different career paths within the organisation. Women more often choose administrative or customer service roles, which typically have a lower level of remuneration compared with technical or managerial roles, which men are more likely to choose. This difference does not necessarily reflect any form of discrimination, but should be seen as an effect of women and men choosing different career paths within the same industry.

## Incidents, complaints and severe human rights impacts

*Work-related incidents and complaints*

Metrics	2024
Number of reported discrimination cases, including harassment.	4
Total number of complaints filed through channels for people in the undertaking's own workforce to raise concerns	4
Total amount of fines, penalties and compensation for damages as a result of the incidents and complaints disclosed	SEK 0

All reported incidents have been investigated and closed. No fines were imposed or paid.

*Severe human rights impacts and incidents*

Metrics	2024
Total number of severe human rights incidents related to the undertaking's employees	0


SBAB has not caused any severe human rights impacts or incidents in 2024 or previous years.

# S2 – Workers in the value chain

## Material impacts, risks and opportunities pertaining to workers in the value chain

Within the framework of ESRS S2 Workers in the value chain, the double materiality assessment identified, assessed and defined working conditions in the construction industry as a material

sustainability matter. Sustainability matters are grouped under the overarching sustainability area, working conditions in the value chain, which forms the basis of the disclosures provided in accordance with ESRS S2 Workers in the value chain.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Working conditions in the value chain	Working conditions in the construction industry	Actual negative impact 	-	Up  Within  Down	Short  Medium  Long 

### Working conditions in the construction industry

Through our lending activities to companies, SBAB indirectly impacts working conditions and social factors, particularly in the construction sector, which is characterised by complex supply chains. Lack of transparency and control in these chains increases the risk of irregularities such as tax evasion, illegal workforce, inadequate wages, overwork and poor working conditions. These problems are particularly prominent in new construction and reflect structural challenges in the construction sector, where long supply chains and inadequate control systems can lead to systemic irregularities.

To counteract these risks, SBAB has, jointly with other Swedish banks, launched the Sustainable Construction Industry Initiative. In line with the initiative, requirements are imposed on customers' credit terms for new construction, focusing on improving working conditions and reducing the risks of unfair competition and illegal labour. SBAB is working to increase control and requirements throughout the supply chain, including through systems such as ID06, which contributes to fairer competition and better working conditions. SBAB also requests digital project reports from corporate customers showing which subcontractors are active on construction sites financed by us, and how they comply with the requirements that have been set.

The focus of these efforts is mainly on workers employed by contractors and subcontractors on construction projects, who are frequently subjected to poor working conditions and health and safety standards. Although the initiative and the follow-up checks that we conduct reduce the risk of working conditions that could resemble forced labour in Sweden. SBAB does not have the capacity to guarantee that forced labour does not occur. SBAB has not identified any significant risk of child labor or forced labor among its customers' subcontractors.

The strategic focus is integral to SBAB's business strategy and is clarified through specific credit instructions. Through the Sustainable Construction Industry initiative and subcontractor compliance monitoring, SBAB improves transparency, working conditions and safety at construction sites.

### Stakeholder interests

The Sustainable Construction Industry initiative was launched in response to the challenges faced by the construction industry related to high construction costs and labour shortages in Sweden, which have led to increased use of labour from low-wage countries. In some cases, these solutions have entailed risks concerning labour market rules, workplace safety and human rights. Workers in the construction sector have legitimate

expectations for fair working conditions, a safe work environment and respect for their human rights.

### Engagement with workers in the value chain regarding impacts

As a prerequisite for SBAB to grant credit, our counterparty's operations must meet established sustainability requirements. This is achieved through continuous reporting and monitoring. These efforts aim to ensure that the requirements are perceived as beneficial both for employees and for consumers in the value chain. Engagement primarily occurs with the customer – usually the developer – who is responsible for disclosing and addressing any deviations identified through control system project reporting or workplace inspections.

Regular meetings are held with the customer's management to monitor operations, and to review financial and sustainability performance. If necessary, regular visits are made to construction sites, particularly concerning the draw schedule or disbursement of building credits. In addition, the customer submits quarterly reports showing compliance with the SBAB's requirements. In case of any deviations, an acceptable explanation and a summary of the actions taken are required.

Customer engagement is primarily managed by SBAB's account managers, who work closely with customers to ensure compliance and transparency.

### Governance documents pertaining to workers in the value chain

Labour conditions in the value chain are addressed at an overarching level through SBAB's Sustainability Policy. According to the policy, SBAB's goal regarding the sustainability area working conditions in the value chain is to promote sound working conditions and workers' rights, and to work to reduce the risk of financial crime at construction sites. The Sustainability Policy does not specify further details, but the decided sustainability area is limited to the Corporate Business area and workers on construction sites in Sweden, which for SBAB are located downstream in the value chain. The Sustainability Policy states that sustainability efforts should be guided by several frameworks, including the UN Guiding Principles on Business and Human Rights. However, compatibility with internationally recognised standards is not addressed in detail. The Sustainability Policy is described in further detail on pages 90–91.

SBAB has no other governance documents that directly address material impacts related to workers in the value chain or that address human trafficking, forced labour or child labour.



Within the joint Sustainable Construction Industry initiative, which brings together banks, property companies and the construction industry, guidelines have been developed to ensure consistent application of the initiative’s principles among banks. The guidelines were developed by Bankinfrastruktur i Sverige’s Sustainable Construction Industry initiative and includes specification of banks’ requirements, the timetable for implementation and how the initiative will be monitored and evaluated. The guidelines state that banks should regularly request project reports from the construction and renovation projects they finance, showing any deviations from the banks’ requirements. The banks’ requirements are based on the assumption that the subcontractors present on a worksite are background-checked, pre-notified and approved in accordance with the following requirements:

- (a) all Contractors on the Construction Site are registered in the Electronic Time Reporting system.
- (b) all Contractors on the Construction Site are pre-notified and authorised.
- (c) all individuals involved in Construction Activities at the Construction Site have a valid and activated ID06 card (or equivalent identification card) that is logged in to the Electronic Time Reporting system and has an associated valid ID document.
- (d) all individuals who participate in Construction Activities at the Construction Site and are non-EU citizens are authorised to work in Sweden.

In addition, the requirements include the obligation for paid F-tax for all subcontractors, as well as employer registration and paid employer contributions if required by Swedish law. SBAB also adheres to one of the initiative’s procedural descriptions that detail how we, as a bank, in practice, handle building credits that exceed a credit amount of SEK 50 million.

### Targets pertaining to workers in the value chain

In 2024, SBAB developed a target for promoting sustainable and safe construction sites. The target aims to ensure that only pre-notified, background-checked, and authorised companies and workers are granted access to worksites. This is in line with SBAB’s Sustainability Policy, which aims to promote sound working conditions at construction sites. The target is limited to SBAB’s corporate business and covers all corporate customers in the construction industry who have accepted an offer and started new construction after November 2023, when the requirement specifications for control systems and project reports were finalised within the Sustainable Construction Industry initiative.

In the short term, the target focuses on the establishment of clear procedures, processes and systems by our counterparties for reporting adverse deviations in accordance with our requirements. For 2024, the initiative banks have set an implementation period for the construction industry to adapt control systems and procedures. Based on customer dialogue, it was estimated that 25 percent of customers were able to follow the new reporting procedures already in 2024, which was therefore set as a target. For 2025, the ambition is raised further with a new target to achieve 80 percent reporting. The target has been set internally. In the longer term, under the Sustainable Construction Industry initiative, the banks plan to introduce specific metrics that evaluate the impact of conducted controls.

	2025 Target	2024 Target	2024 Outcome
Percentage of encompassed customers submitting project reports (%)	80	25	100

The 2024 outcome shows that all encompassed business customers submitted project reports. However, low activity in the new construction market during the year, meant that few corporate customers were subject to the reporting requirements.

No serious human rights-related problems and incidents were reported in the project reports in 2024, but SBAB cannot ensure that none have been reported.

### Actions pertaining to workers in the value chain

The shared guidelines developed under the Sustainable Construction Industry initiative in 2023 were implemented in 2024. These guidelines, developed in close collaboration with the construction and property sector, aim to reduce the risk of financial crime in construction projects, create safe construction sites and ensure fair working conditions in the industry. 2024 represents an implementation phase in which the banks gave the construction industry time to introduce procedures, processes and control systems.

As of November 2023, regular reporting requirements were introduced for all financed projects that have been tendered and accepted. Credit granting encompasses new construction and renovation as well as infrastructure projects that contribute to securing basic societal functions.

SBAB cooperates with other major banks to utilise their joint influence in developing a common set of requirements for borrowers. Dialogues are also being conducted between banks and industry organisations for property and construction companies, with the aim of developing terms and conditions, and to collaborate to prevent criminality and activities by irresponsible actors – an area in which the conditions are constantly changing. The requirements and conditions include:

- Indication of specific conditions at the tendering stage.
- Assessing the customer’s sustainability performance in connection with credit granting decisions.
- Establishing specific contractual terms and conditions that support sustainability objectives.
- Continuous follow-up of reports from the counterparty, including deviation reporting with explanations and/or action plans.

SBAB’s role is not to specify the actions to be taken by the customer. However, SBAB requires that appropriate actions be taken so that the identified deviations cease. It is beyond our mandate to compensate third parties for any deviations. If the customer does not take sufficient action to address the situation, SBAB reserves the right to refrain from conducting future business with the customer.

The industry-wide work is administered by the Swedish Bankers’ Association, in which SBAB participates in the steering group. SBAB has allocated resources through participation in the industry-wide steering group for Sustainable Construction Industry, as well as internally from the Corporate Business area and Sustainability departments. Internally, customer account managers are involved, and analytical capabilities have been expanded to meet the requirements of the banking initiative. During the year, account managers conducted training programmes on the various reporting formats and content demanded by the market. In addition, training was arranged by the police (National Operations Department) to highlight labour market issues in the construction industry. The Anti-Financial Crime Department also contributed to these efforts through background checks on companies and beneficial owners.

The entirety of 2025 will be allocated as an evaluation period, during which any adjustments to the requirements can be decided in collaboration with the banks within the framework of the Sustainable Construction Industry initiative.














Initiatives and actions related to working conditions in the construction industry are monitored through the customers’ project reporting.

# S3 – Affected communities

## Material impacts, risks and opportunities pertaining to affected communities

Within the framework of ESRS S3 Affected Communities, the double materiality assessment identified, assessed and defined as material sustainability matters: (1) access to adequate hous-

ing, and (2) housing in vulnerable neighbourhoods. The sustainability matters are grouped within the overarching sustainability area, Inclusive Housing Market, which forms the basis of the disclosures provided under ESRS S3 Affected Communities.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Inclusive housing market	Access to adequate housing	Potential positive impacts 	-	 Up  Within  Down	 Short  Medium  Long
	Housing in vulnerable neighbourhoods		Opportunity	 Up  Within  Down	 Short  Medium  Long

The affected communities covered by the material sustainability matters are part of SBAB's value chain in the context of our business relationships and lending to corporate customers and tenant-owners' association customers, and, to some extent, retail customers within specific segments, such as young first-time buyers or people with fewer financial means. It does not specify which customers or customers' customers are more or less affected. The communities addressed in SBAB's value chain mainly consist of different types of neighbourhoods, primarily in large cities such as Stockholm, Gothenburg and Malmö as well as other cities in Sweden. The areas that are deemed particularly vulnerable, where SBAB has the potential to create a positive impact, include, but are not limited to, the Million Programme areas. Further details about material sustainability matters are described below.

### Access to adequate housing

SBAB aims to strengthen social inclusion by offering responsible loans to groups such as young adults in need of a down payment and knowledge of the housing market as well as to individuals in mid-life facing various financial challenges. By promoting home-ownership for these groups, SBAB can help to broaden access to appropriate housing.

By consolidating these initiatives, we are creating a strategy with a strong link to societal impact, where actual and potential impacts both form the basis for continuous improvement. Additionally, SBAB supports those who are outside the housing market through various partnerships with charitable organisations such as Stadsmissionen, Faktum and Situation Stockholm. This approach allows SBAB to contribute to a socially sustainable society while our business model evolves in line with changing needs and challenges, with the aim of enabling more people to buy and maintain their homes over time.

### Housing in vulnerable neighbourhoods

SBAB's strategy and business model enable it to have a significant impact on communities in Sweden, particularly through lending to companies, tenant-owners' associations and individual households. By financing properties in socio-economically disadvantaged areas, we help strengthen the security and attractiveness of these regions. For example, products such as sustainability-linked loans – which include incentives in the form of discounts or penalties – can encourage corporate clients to

work proactively towards creating safer and more inclusive neighbourhoods, which can have a particularly strong impact in socio-economically disadvantaged areas. Investments in safer and more sustainable neighbourhoods can maintain property values, improve surrounding communities, while simultaneously maintaining the value of SBAB's collateral. In addition, this strategy of contributing to community improvement can enhance SBAB's reputation, attract values-driven employees and create new business opportunities.

## Interests and views of affected communities

SBAB's work is closely linked to the needs and expectations of the communities in which we operate. The views and interests of private individuals, tenant-owners' associations and businesses collectively influence the design of our products and services, which are aimed at promoting inclusive and sustainable housing solutions. SBAB is actively engaged in identifying and understanding the needs of communities related to housing issues.

Although SBAB does not have structured procedures for engaging with affected communities, customer dialogues, market intelligence and statistical analyses have led to the identification of needs for greater inclusion in the housing market. In vulnerable neighbourhoods, the need for increased security, improved infrastructure and stability has been highlighted as a key issue. Additionally, private individuals have expressed a desire for housing solutions that are better adapted to varying life situations.

The aspect of SBAB's overall strategy that aims to support the Right Housing for Everyone is a direct response to these needs and concerns. We continue to develop and adapt our strategy to ensure a positive impact on society while maintaining business sustainability.

## Governance documents pertaining to affected communities

SBAB's Sustainability Policy states that through responsible credit granting, SBAB will promote safe neighbourhoods and contribute to a more inclusive housing market for groups that have difficulty entering it. The Sustainability Policy does not specify further details, but the decided sustainability area covers both SBAB's business areas and is limited to communities in Sweden, which for SBAB are located downstream in the value

chain. The Sustainability Policy states that sustainability efforts should be guided by several frameworks, including the UN Guiding Principles on Business and Human Rights. However, compatibility with internationally recognised standards is not addressed in detail. The Sustainability Policy is described in further detail on pages 90–91.

Furthermore, SBAB has a sustainability-linked loan guideline that outlines how we should approach sustainability-linked lending. The guideline states that sustainability-linked loans are aimed at SBAB's corporate customers, that is, downstream in the value chain in Sweden. Furthermore, the guideline states that sustainability-linked loans must support borrowers in improving their sustainability performance. The guideline specifies several criteria for sustainability-linked loans, including the use of the safety index, which is particularly relevant to the sustainability matter of housing in vulnerable neighbourhoods. The guideline relates to our customers, who themselves have an impact on the affected communities. However, compatibility with internationally recognised standards is not addressed in the guidelines. The guideline, which is internal to SBAB, is decided by the Head of Corporates & Associations.

## Engagement with affected communities regarding impacts

### Engagement pertaining to access to adequate housing

SBAB is exploring and evaluating new forms of housing and housing tenure that are in demand in the market, with the aim of making housing available to groups that may otherwise have difficulty accessing the housing market. SBAB is developing its knowledge of customers' needs in terms of housing tenure based on market intelligence and external statistics. SBAB has no formal process for engaging affected communities but maintains ongoing dialogues with corporate customers, initiated both by us and by customers. At SBAB, it is primarily the account managers who are responsible for managing contact with the relevant customers. If necessary, other internal expertise related to sustainability, analysis and law can also be involved. Engagements are ongoing and the frequency may vary depending on the nature of the issue.

### Targets pertaining to affected communities

SBAB does not have any scheduled or measurable targets pertaining to affected communities, because they are deemed difficult to quantify. However, SBAB intends to initiate an evaluation programme in 2025 to determine how to formulate relevant targets.

Our work related to affected communities is primarily followed-up through our sustainability-linked loans to corporate customers. We have set ambitious targets in the requirements we impose on customers regarding sustainability-linked loans. These targets apply to the entire group of companies to which the customer belongs, thus enabling SBAB to make a difference beyond the framework of its own lending through the requirements in our sustainability-linked loans. Customer dialogues are conducted on an ongoing basis through account managers to ensure that our remedial actions are proceeding according to plan.

## Actions pertaining to affected communities

### Actions pertaining to access to adequate housing

SBAB's core business helps to increase access to the housing market. We offer consumer loans to credit-challenged customers who need financing to cover the down payment on their first home. To address more needs in the housing market, we are eval-

uating new tenure models that combine the characteristics of traditional rentals and tenant-owner apartments.

For our senior customers, SBAB continuously explores new business opportunities that combine a positive customer impact with profitability. We work proactively to identify solutions that strengthen customers' opportunities for more personalised housing at different stages of life.

At SBAB, we do not conduct a structured follow-up of our actions linked to affected communities; instead, we act based on the feedback we receive from our customers.

Efforts to ensure access to adequate housing are managed within the framework of SBAB's ordinary activities and have not currently been allocated any significant specific resources.

### Actions pertaining to housing in vulnerable neighbourhoods

The construction of tenant-owner apartments in vulnerable neighbourhoods and the conversion of rental properties into tenant-owners' associations represent a financial opportunity for SBAB and a chance to contribute to a better social environment. Areas with a high proportion of rental properties are often more vulnerable than those with mixed forms of housing tenure. By promoting a mix of housing types, we can create more stable and sustainable communities.

SBAB has successfully contributed to creating mixed forms of tenure in areas previously dense with rental properties by financing new production and conversions from rental properties to tenant-owner apartments. This not only creates opportunities for more people to own their homes, but also creates housing-career opportunities within the same neighbourhoods. More people can remain in their neighbourhoods, because those who manage to save up to buy their own home do not have to move away due to a lack of suitable alternatives. When residents with more stable life situations choose to remain, it creates safer and more cohesive communities.

SBAB also has the opportunity to offer financial products that actively support the development of safer neighbourhoods. One example is our sustainability-linked loans, which include incentives, such as discounts or penalties, to encourage customers to work towards social sustainability. Our corporate customers who own properties in neighbourhoods with a high proportion of rental properties and who actively engage in social sustainability through their property management, often achieve positive results, such as an increase in perceived safety among residents. To ensure that the intended results are achieved, SBAB maintains a continuous dialogue with the property owners involved. We continuously monitor actions and initiatives, and require the independent validation of results by an expert or auditor.

For SBAB, this entails financial opportunities. Safer and more attractive neighbourhoods lead to reduced degradation, maintained property values and, thereby, more stable valuations of our collateral.

In 2024, new housing production and conversions have both faced challenges due to the prevailing economic conditions in Sweden. Despite this, SBAB recognises the potential and will continue its efforts to support these initiatives as market conditions improve.

# S4 – Consumers and end-users

## Material impacts, risks and opportunities pertaining to consumers and end-users

Within the framework of ESRS S4 Consumers and end-users, the double materiality assessment identified, assessed, and defined as material sustainability matters: (1) responsible credit granting, (2) accessibility, (3) handling and storage of sensitive information, (4) risk of disclosure of sensitive information, and (5) extreme weather events impacting SBAB's infrastructure. The sustainability matters are grouped under the overarching sustainability areas of Inclusive Housing Market and Information Security, as presented in the table below.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Inclusive housing market	Responsible credit granting	Actual positive impact	-	Up  Within  Down	Short  Medium  Long
	Accessibility	Actual negative impact	-	Up  Within  Down	Short  Medium  Long
Information security	Handling and storage of sensitive information	Potential negative impacts	-	Up  Within  Down	Short  Medium  Long
	Risk of disclosure of sensitive information		Risk	Up  Within  Down	Short  Medium  Long
	Extreme weather events impacting SBAB's infrastructure		Risk	Up  Within  Down	Short  Medium  Long

The reporting of the sustainability matters within ESRS S4 Consumers and end-users is split in order to clarify the scope and our approach to each respective sustainability matter. This applies to disclosures on consumer engagement, governance documents, and actions and targets. The disclosure of consumers interests and views, as well as remediation of negative impacts are presented at an overarching level since they apply to all sustainability matters affecting consumers and end-users.

## Interests and views of consumers

Our business strategies are based on the needs of our customers, serving as a fundamental guide to our business model. Additionally, our customers are included in the materiality assessment that informs our business planning.

All consumers and end-users that SBAB is likely to have a material impact on are encompassed by the disclosure of ESRS S4 Consumers and end-users.

## Remediation and reporting channels for consumers

SBAB's procedures for the remediation of negative impacts include, but are not limited to, all sustainability matters within the scope of ESRS S4 Consumers and end-users.

## Complaints handling

SBAB has internal governance documents regulating the handling of complaints, including an instruction decided by the Board and directions decided by the Head of Business Specialists. The complaints officer, or customer ombudsman, is the documents owner and is responsible for ensuring compliance with the content of both. The governance documents contain information on the handling of individual customer complaints. They describe responsibilities, powers, processes, documenta-

tion and frameworks for assessing individual complaints. Furthermore, the governance documents contain information on the follow-up and reporting of customer complaints.

The governance documents are available to all SBAB employees on the intranet. Moreover, training is provided on handling complaints.

The content of the governance documents is consistent with external regulations, including:

- The Payment Services Act (2010:751);
- The Swedish FSA's General guidelines regarding complaints management concerning financial services for consumers (FFFS 2002:23); and
- The Swedish FSA's Regulations for insurance distribution (FFFS 2018:10).

Detailed information is available for our customers on SBAB's website, which outlines the steps to take in the event of a complaint.

SBAB provides several channels for customers to submit their complaints, including telephone and digital messages via customer service, a dedicated email for complaints handled by the customer ombudsman, and a postal address for those who prefer to send letters.

When registering as a new customer, we provide information about our available communication channels, through our website and in our general terms and conditions. These channels can always be utilised to submit a complaint. SBAB ensures that our communication channels are adequately staffed to meet our customers' needs. In the event that the customer ombudsman is unavailable, procedures are in place for other authorised staff to handle the responsibilities.



### The complaints process

If customers are dissatisfied with the handling of their case by the customer service department, the case can be escalated to the complaints officer. The customer ombudsman then reassesses the case. If SBAB does not fulfil the customer's request and the customer remains dissatisfied, they may be referred to external bodies, such as the National Board for Consumer Complaints (ARN), a court of general jurisdiction, the Swedish Consumers' Banking and Finance Bureau, municipal consumer guidance, or the Swedish Consumer Agency.

In cases where SBAB identifies that a mistake lies entirely with us and the customer has suffered a financial loss, we will compensate the customer for the full amount of that loss. All complaints are meticulously documented and the customer ombudsman follows up on complaints to ensure that customers are handled appropriately and compensated when necessary.

All complaint cases are subject to banking secrecy. If a customer is dissatisfied with SBAB's assessment, independent review is available through external bodies. However, no specific survey of customers' perceptions of the complaints procedure is currently being conducted.

### Monitoring and quality improvement

In order to continuously improve our handling of complaints, ongoing follow-up and analyses of incoming cases are performed. The customer ombudsman, through the Head of Business Specialists, reports on a quarterly basis to SBAB's Executive Management and Board of Directors. The reports are used to identify trends and areas for improvement that can help to increase customer satisfaction. Where necessary, individual case handlers receive personalised feedback to facilitate learning and development.

## Responsible credit granting

The sustainability matter, Responsible credit granting, is part of SBAB's overarching Inclusive Housing Market sustainability area and has been assessed as material from the perspective of impacts. The matter has been assessed as having a positive actual impact, but it may also be associated with negative potential impacts. Accordingly, and to provide a more comprehensive presentation of our efforts aimed at ensuring responsible credit granting, the reporting also includes disclosures related to the management of potential negative impacts.

### Material impacts pertaining to responsible credit granting

SBAB adheres to responsible credit granting, with the aim of preventing over-indebtedness and contributing to the sustainable long-term economic development of society. Deficiencies in credit granting practices can cause extensive and systematic negative impacts at the individual and societal level, leading to over-indebtedness and financial stress. By carefully assessing the financial circumstances of borrowers, SBAB helps customers avoid taking on too much debt, thereby reducing the risk of financial problems, particularly during challenging times. This approach not only strengthens the financial health of individuals but also helps preserve the financial stability of society by counteracting the negative impacts of over-indebtedness. The consumers affected by SBAB's lending operations are our customers, mainly borrowers in need of mortgages and, to a lesser extent, customers in need of consumer loans.

Given that lending is at the core of SBAB's business, the sustainability matter of responsible credit granting is closely linked to other material sustainability matters, including access to adequate housing and housing in vulnerable neighbourhoods. By offering loans based on inclusive and responsible terms, SBAB enables homeownership for customer groups such as young adults and people with limited resources. This approach contributes to safer neighbourhoods and increased access to housing. However, there is a risk that some groups may be excluded if they do not meet SBAB's standards, which could lead to unequal opportunities. These sustainability matters are covered in more detail on pages 149–150.

### Governance documents pertaining to responsible credit granting

Responsible credit granting is addressed at an overarching level through SBAB's Sustainability Policy. The policy states that the Inclusive Housing Market, as a sustainability area, is aimed at ensuring that SBAB helps to generate accessible offers through responsible credit granting. The Sustainability Policy states that sustainability efforts should be guided by several frameworks, including the UN Guiding Principles on Business and Human Rights. However, compatibility with internationally recognised standards is not addressed in detail. The Sustainability Policy is described in further detail on pages 90–91. SBAB's credit granting is primarily regulated through its governance documents related to credit granting. SBAB takes into account society as a whole, external regulations and our owners when drafting these documents, which are described below.

#### Credit Policy

The purpose of the Credit Policy is to describe the framework for credit operations. Operations are to be conducted at a level that fulfils external and internal requirements, in line with good credit granting practices. We must also take into account the advice and recommendations of industry organisations. SBAB conducts customer-centric credit operations in which guiding principles such as professionalism, simplicity, long-term approach and quality create conditions conducive to favourable profitability and good customer relations. Our business is characterised by good ethics, high credit quality through sound credit grants and high-quality credit processes, respect and understanding of the customer's situation, and balanced risk-taking in each individual transaction. The Board of Directors makes decisions on the Credit Policy.

#### Credit Instruction (CI)

The purpose of the Credit Instruction (CI) is to further describe the framework for credit operations pursuant to the risk appetite and credit policy adopted by the Board of Directors, and to provide guidance to decision-making bodies and employees. SBAB's credit process must result in sound credit granting, taking into account both the borrower's situation and SBAB's risks. Good credit practices are to be established through sound credit

granting. When executing the credit approval process, repayment capacity must always be assessed first and if found sufficiently robust, the offered collateral is tested and appraised. This procedure regulates the points that must be included in the credit assessment. For example, the customer's repayment capacity must be assessed in the short and long term. The Board of Directors makes decisions on the Credit Instruction (CI).

### Credit instruction (CII)

The purpose of Credit Instruction (CII) is to describe in more detail, the framework for granting credit to consumers. This is part II; part I pertains to Credit Instruction (CI). The Credit Instruction governs credit operations by defining the requirements and the minimum criteria for SBAB's credit operations. It specifies the left-to-live-on calculation, which is used to determine short- and long-term repayment capacity, calculation interest rates, amortisation requirements and operating costs. The CEO makes decisions on Credit Instruction (CII).

### Problem loans (CII)

The purpose of the Problem Loans (CII) is to elaborate on the framework for dealing with problem loans. The CEO is the decision-maker for Problem Loans (CII)

## Engagement with consumers regarding responsible credit granting

SBAB has made adjustments to its credit process over the past few years to better reflect the perspectives and needs of consumers and society, including in terms of constellations of borrowers and forms of employment (permanent, temporary and project), but also with the aim of enabling young adults to buy their first home.

Customer Service has a separate function to handle credit cases of a more complex or infrequent nature when engaging with affected consumers. These cases require special skills, understanding and experience. This function enables customers to meet with mortgage specialists who understand their situation and have expertise in their specific areas. This may include, for example, sole traders who are applying for a mortgage, customers who wish to take over a mortgage in the event of a divorce and customers who are approaching retirement with regard to understanding how income may be affected in the future.

It is also important for us to work on preventative insolvency management. This means that we try to make early contact with customers in cases where we find that they could have difficul-

ties in making their interest and amortisation payments. Sickness, unemployment, divorce and split-ups are the most common causes of payment difficulties for our customers. Normally, the process starts with a dialogue and asking the customer to create a household budget to then progress to a discussion on how we will proceed. We manage the entire insolvency management process in-house at SBAB. Considerate, close and clear dialogue with customers often leads to a favourable outcome for our customers and for SBAB.

SBAB also has contact with consumers through its marketing initiatives. Our marketing is largely aimed at informing and educating consumers about housing and household finances. We want everyone to make wise decisions for secure household finances and to be able to live sustainably and safely. Both today and in the future.

The CEO has ultimate responsibility for operational activities. Responsibility for ensuring contact within the credit process has been delegated to the Head of Business Area Private, and part of the Executive Management and its operational management group. Responsibility for contact in the event of insolvency has been delegated to the Head of Insolvency.

## Targets pertaining to responsible credit granting

SBAB does not have any time-limited or measurable targets specifically related to the sustainability matter, Responsible credit granting. SBAB continuously monitors its work related to responsible credit granting to ensure compliance with internal guidelines and external regulations.

## Actions pertaining to responsible credit granting

On an annual basis or when necessary, SBAB reviews the calculation requirement and calculation interest rates to ensure sustainable long-term credit granting. This helps SBAB adapt its offerings and respond to changes in the market and in customer needs.

Continuous dialogue with our customers and monitoring of the external environment provides us with valuable insights. When a potential action is identified, its opportunities and risks are analysed, and proposals are brought forward to the relevant decision-making body.

SBAB conducts its work on responsible credit granting continuously, in accordance with applicable laws and regulations. Lending is at the core of SBAB's operations and involves large parts of the workforce regarding daily tasks, development, and compliance.

## Accessibility

The sustainability matter, Accessibility, is part of SBAB's overarching Inclusive Housing Market sustainability area, and has been assessed as material from the perspective of impacts.

### Material impacts pertaining to accessibility

SBAB has a responsibility to offer products and services that are easy to use and accessible to all. According to statistics, more than 30 per cent of Sweden's population has some form of permanent disability<sup>1)</sup>. It is a figure that is increasing, partly due to an aging population. This means that a similar proportion of SBAB's customers could be affected if we fail in our accessibility efforts. As a digital bank, it is crucial to ensure that we work to

remove and counteract barriers for people with different types of disabilities. It is also important that the information we provide is easy to understand, in order to facilitate access for people with language limitations.

Adapting our strategy to improve accessibility is a core component of SBAB's business model and helps to make our business more inclusive and sustainable. Moreover, ensuring that our digital services are accessible to everyone allows us to reach a wider customer base and strengthens customer loyalty. Accessibility measures are an important aspect of our product and service development and have the potential to improve the customer experience and increase our market reach.

<sup>1)</sup> SCB.se

However, addressing accessibility goes far beyond SBAB's responsibilities and creates structural challenges for many products and services in the market. Here, SBAB contributes, for example, by engaging in dialogue and starting to set requirements for our third-party suppliers and partners to work towards an accessible and inclusive digital environment.

### Governance documents pertaining to accessibility

SBAB does not have any governance documents aimed at addressing the sustainability matter, Accessibility. However, SBAB's strategic project on accessibility includes a plan for these documents to be drafted and adopted in 2025.

### Engagement with consumers on accessibility

As a digital bank, SBAB prioritises ensuring that the products and services we provide are inclusive and easy to use for all potential and existing customers. SBAB's User Experience department is growing, which enables us to more effectively incorporate users' needs and conditions into our digital bank. To ensure that the participants in our research reflect the diversity we have in Sweden, we continuously work on developing our recruitment methods and how we involve participants when evaluating and designing our digital services. By collaborating with accessibility specialists, we broaden our knowledge of disabilities and gain a better understanding of the needs and conditions of specific groups in society. This helps to highlight the actions SBAB needs to take to remove and counteract barriers in line with EU standards for digital accessibility.

Engagement regarding lack of accessibility is currently being undertaken within the framework of the regular customer complaint procedures. We become aware of deficiencies in accessibility when consumers make direct contact with us.

The ultimate responsibility for engaging consumers regarding accessibility issues matters lies with the Head of Business Area Private. The CTO and the CXO hold ultimate responsibility for ensuring that the results of engagements regarding accessibility are taken into account in SBAB's choices. This includes decisions related to the design of products and services. In 2025, responsibilities will be more clearly delegated to the relevant operational department as part of the project. Due to the upcoming legal requirements, skills development is taking place in key parts of the organisation that engage directly with consumers. This affects several roles, particularly within product development and customer service, where some specialist qualifications are required.

### Targets pertaining to accessibility

SBAB does not have any time-limited or measurable targets specifically related to the sustainability matter, Accessibility. However, SBAB must, by June 28, 2025, comply with the requirements set for banks under the Act (2023:254) on the availability of certain products and services. The purpose of the law is to remove and counteract barriers to effective competition and promote equality in living conditions and participation in social life. The target applies to SBAB's direct activities. Although the target is not quantified, the effectiveness of the actions is monitored through completed activities within the strategic project.

### Actions pertaining to accessibility

In autumn 2023, a gap analysis was performed together with external accessibility specialists regarding SBAB's digital consumer interface, with the aim of identifying actions necessary to ensure compliance with the act on the availability of certain

products and services. The analysis resulted in a dedicated accessibility project that focuses on addressing accessibility gaps in our consumer services. The project focuses solely on the digital interfaces through which we interact with consumers. The project does not cover end-user accessibility in our other interfaces used for corporates and tenant-owners' associations.

The project aims to fulfil legal requirements and ensure that competence and accessibility perspectives permeate the business as a whole. To ensure that progress is made, several departments are involved, including Business Area Private, Customer Experience, the Tech organisation, and the Sustainability, Marketing and Communications functions. In line with the project, we have expanded our collaboration with accessibility specialists. SBAB is also an active member of the accessibility working group coordinated by Finance Sweden. This group interprets legal requirements and submits consultation responses to the Swedish Post and Telecom Authority. SBAB also gains insights from a task force appointed by Finance Sweden to conduct operational activities that identify possible solutions from a banking perspective.

Within the framework of the project, SBAB has initiated capacity-building efforts to increase knowledge about accessibility and how to achieve it. SBAB has established a cross-functional language council whose task, from an accessibility perspective, is to promote a language that is polished, simple, and understandable through guidelines and advice. SBAB's design system has been allocated dedicated resources working to ensure that our front-end design guarantees high-quality accessibility that can be reused in SBAB's digital interfaces. The primary and ongoing activity targets of the 2025 accessibility project include:

- Applying accessibility measures to all ICT (information and communication technology) interfaces and documents that reach consumers
- Ensuring a polished, simple, and understandable language according to the ISO Plain Language Standard
- Imposing clear requirements on third-party suppliers and partners
- Good expertise in accessibility within relevant parts of the organisation
- Developing procedures to meet accessibility and administrative requirements

The expected outcome of our actions is that SBAB's digital interfaces will fulfil the requirements of the act on the availability of certain products and services, thereby increasing inclusion and accessibility wherever we interface with our consumers. Regarding business partners and third-party suppliers, SBAB will impose the same requirements on them, as those imposed on SBAB by the act. These activities are expected to be finalised by the end of the third quarter of 2025.

The work with accessibility is part of SBAB's ongoing efforts and does not require significant resources.

The targets and work conducted on accessibility, are assessed on a quarterly basis by the Executive Management and the CEO through the Sustainability Forum, and twice yearly by the Board of Directors as part of the regular follow-up of sustainability matters. In addition, the progress of the strategic project for accessibility is assessed monthly by the project's steering group and the Group-wide Portfolio Steering Group, which includes the CEO and large parts of the Executive Management team. The Board of Directors is also updated on the status of all strategic projects at every Board meeting.



## Information security

The overarching sustainability area, Information Security, includes the material impact of (1) the handling and storage of sensitive information, as well as the financial risks involved, (2) the risk of disclosure of sensitive information, and (3) extreme weather events that impact SBAB's infrastructure.

### Material impacts and risks related to information security

**Handling, storage and risks related to sensitive information**  
SBAB prioritises information security as a core component of its strategy and business model, particularly with respect to handling sensitive information. SBAB has access to large amounts of data about customers and employees, and therefore has a responsibility to protect this information. We adhere strictly to regulations such as the General Data Protection Regulation (GDPR) to ensure the protection of customer data and other sensitive information. This is crucial to maintaining customer trust and the sustainability of the business in the long term. If sensitive information were to be leaked as a result of a data breach or deficient security procedures, it could lead to serious financial impacts for SBAB and our customers, and by extension, the financial system, as well as a significant loss of trust. Moreover, knock-on effects could include penalties and potential damages, which would further impact SBAB's financial stability and its ability to attract new business.

To mitigate these risks and ensure the protection of our customers' sensitive information, SBAB invests in continuous monitoring of data management, training and robust security measures. We continuously adapt our security strategy to technological advances and changes in the operating environment, thereby strengthening both customer security and our ability to withstand external threats, while also reducing the likelihood of incidents. This approach allows us to safeguard our robust business model while providing optimal protection for customer data and ensuring that SBAB ultimately maintains a stable and trusting relationship with its customers.

### Extreme weather events impacting SBAB's infrastructure

Extreme weather events pose significant climate-related risks to SBAB's operations, particularly regarding potential damage to offices and IT infrastructure. If the data centres where SBAB's data is stored and processed were to be affected, downtime could occur, resulting in customers temporarily losing access to their accounts and banking services. Furthermore, prolonged downtime could lead to financial losses both for customers and for SBAB, adversely impacting SBAB's financial stability.

To manage these risks, SBAB invests in measures that strengthen the operational resilience of its infrastructure and improve preparedness for physical disruptions – both within the SBAB organisation and among suppliers. By integrating the management of physical disruption risks into its strategy, we ensure continuous and reliable accessibility for customers, even under difficult conditions, which contributes to the protection both of consumer and of business operations.

### Governance documents pertaining to Information security

Information security is addressed at an overarching level through SBAB's Sustainability Policy. The Policy stipulates that the Inclusive Housing Market sustainability area is aimed at ensuring that SBAB's information security is robust, thereby protecting customers, employees and the financial system from damage and other negative impacts. The Sustainability Policy states that sustainability efforts should be guided by several frameworks, including the UN Guiding Principles on Business and Human Rights. However, compatibility with internationally recognised standards is not addressed in detail. The Sustainability Policy is described in further detail on pages 90–91. Information security is primarily regulated through SBAB's Security Policy, which is described below.

### Security Policy

The Security Policy stipulates that SBAB is to protect people, data, IT and physical property. Any security work undertaken should be dynamic in scale and proportionate to the various risks. This includes providing adequate protection for SBAB's customers concerning the risk of disseminating sensitive information. The Security Policy includes four instructions and four guidelines that provide detailed information on what security work should cover and how it should be conducted. These encompass Security Governance & Information Security, Physical Security & Personal Security, Technical Security Measures as well as Crisis & Continuity Management. Their implementation is delegated to the Security Officer and the Information Security Manager. The Board of Directors makes decisions about the Security Policy, while the CEO makes decisions about the instructions. Decisions regarding the guidelines are made by the CTO and the Head of Business Specialists.

### Engagement with consumers on information security

The protection of customers' sensitive information is central to SBAB's strategy and business model. Therefore, banking secrecy and regulations such as the GDPR and the Act on information security for socially important and digital services are adhered to, in order to ensure data security and maintain customer trust. By adhering to laws and regulations regarding data security, the interests of consumers and end-users are taken into account. We recognise the serious consequences that a data breach could entail, such as identity theft and financial loss for consumers, which is why we continuously invest in advanced cybersecurity measures and staff training. By adapting our strategy to technological changes and strengthening our security measures, we not only protect our customers, but also promote a safer and more stable society. To protect clients' interests in the event of a crisis, SBAB has established a crisis communication plan that is updated and tested annually. The plan supports internal and external communications and allows SBAB to inform customers quickly and concisely about how their data and interests are being managed during these stressful situations. In the event of a crisis situation, communication with consumers and end-users is initiated if deemed necessary.

Consumers are contacted based on the crisis communication plan, depending on the category and nature of the crisis. In the event of a personal data breach, SBAB could be obliged to contact affected customers in accordance with GDPR. Communication is made via email, based on the category and nature of the crisis.

The overall legal responsibility for security rests with the CEO of SBAB. The responsibility for security then flows down in the organisation, where each manager is responsible for security within their area of responsibility. The CEO has delegated the management of security work at SBAB to the Security Manager. This work includes follow-ups and the setting of requirements for information security, IT security, physical security, personal safety and continuity management.

### Targets pertaining to information security

The overall objective of SBAB's security work is to ensure that the right (and accurate) information reaches the right recipient at the right time and is protected from unauthorised access, thus allowing the Group's operations to be maintained in a secure and robust manner. In addition, compliance with applicable regulations is expected.

SBAB has broken down the overarching target into sub-targets to ensure good information security and thereby protect customers, employees and the financial system from harm and other negative impacts. Progress towards these objectives is monitored quarterly by SBAB's management and the Board of Directors through confidential key performance indicators. Details of targets or their outcomes are not disclosed in this report as they are deemed sensitive. SBAB's capacity for security is excellent, and the organisation works in a structured manner in line with international standards and regulatory requirements set by external bodies.

### Actions pertaining to information security

SBAB conducts security work methodically in accordance with adopted standards, such as ISO 27000, ISO 22301, and CIS Critical Security Controls, as well as regulatory requirements incumbent upon a societally important actor involved in banking operations. The security measures taken must be risk-based, proportionate, and in line with our overall strategy to protect SBAB and our customers. The work is based on SBAB's Security Policy and the underlying Security Instructions and Security Guidelines.

Actions pertaining to information security are taken on a continuous basis. SBAB identifies necessary and appropriate security measures for counteracting negative impacts on customers by means of risk assessments, information classifications, business impact analyses, audits of internal operations and external suppliers as well as by testing crisis, continuity, recovery and action plans.

Further details of planned or ongoing actions, including those related to resources and operational expenditure, are omitted from the report due to the nature and sensitivity of the information.

# Corporate governance information



Contents  
G1 – Business conduct

Page  
157

## G1 – Business conduct

### Identification and assessment of material impacts, risks and opportunities pertaining to business conduct

The processes for identifying material impacts, risks, and opportunities pertaining to business conduct are subject to the same overarching methods and approaches as those described in the Double materiality assessment section, see pages 81–82. Within the framework of ESRS G1 Business Conduct, the double materiality assessment identified, assessed, and defined the following as material sustainability matters: (1) fraud and (2) money laundering. These matters are not standardised under the ESRS but can be considered industry-specific for banking operations. The sustainability matters are grouped under the overarching sustainability area, Financial Crime and are reported under entity-specific disclosures.

Assessment of other disclosure requirements within ESRS G1 Business conduct follows the same methodology and approach as described on page 73 and pages 81–82. SBAB reports on the disclosure requirements in G1-1 Corporate culture and business conduct policies, see Sustainability governance section on pages 85–87.

### Material impacts, risks and opportunities related to financial crime

Within the framework of ESRS G1 Business Conduct, the double materiality assessment identified, assessed, and defined the following as material sustainability matters: (1) fraud and (2) money laundering. The sustainability matters are grouped under the overarching sustainability area, Financial Crime and are reported under entity-specific disclosures.

Overarching sustainability area	Sustainability matter	Material impacts	Material risks and opportunities	Value chain (concentration)	Time horizon
Financial crime	Fraud	Actual negative impact ↘	Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long
	Money laundering	Actual negative impact ↘	Risk	→ Up   ↑ Within   → Down	✓ Short   ✓ Medium   ✓ Long

#### Fraud

Fraud is a growing social problem in Sweden and is driven by digitalisation and advanced methods that threaten private individuals as well as businesses. For a bank like SBAB, this entails not only a risk to customer confidence and business integrity, but also operational and legal risks that could lead to financial losses and damage the brand. Fraud prevention and management is therefore crucial for ensuring long-term sustainability and for minimising risk exposure in line with SBAB’s overriding goals.

#### Money laundering

Money laundering also poses a growing challenge in Sweden, due to criminals exploiting the financial system to hide illegally acquired assets. This poses significant risk for banks, both in terms of legal sanctions and in terms of damage to the brand, and concurrently potentially undermining trust in the entire financial sector. Accordingly, combating money laundering comprises a central component of SBAB’s strategy to ensure compliance, to protect customers and to contribute to a safe and stable society.

## Governance documents pertaining to financial crime

Financial crime is addressed at an overarching level through SBAB's Sustainability Policy. The Policy states that SBAB aims to counter financial crime by reducing fraud and money laundering. The Sustainability Policy does not specify further details, but the sustainability area covers both of SBAB's business areas and includes customers both upstream and downstream, as well as SBAB's own operations. The Sustainability Policy is described in further detail on pages 90–91.

SBAB's Policy on counteracting money laundering and financing of terrorism, and compliance with financial sanctions includes a description of the organisation's undertakings and requirements pertaining to money laundering and fraud. The policy includes procedures that describe how SBAB mitigates impacts and manages risks upstream and downstream in the value chain, as well as within our own operations.

The Board adopts the Policy on counteracting money laundering and financing of terrorism, and sets requirements for compliance with financial sanctions. The Policy is internal and covers the parent company SBAB and SCBC.

## Targets pertaining to financial crime

SBAB has set stringent targets for financial crime-related risks that impact customers. However, SBAB has decided to refrain from adopting traditional targeting strategies for our work to

combat money laundering and fraud. Driving activities toward quantitative targets risks making such targets counterproductive. It is well-known that similar quantitative targets in the form of KRIs are difficult to apply to work to combat money laundering.

SBAB has processes in place for internally monitoring the effectiveness of its governance documents and actions aimed at reducing financial crime; however, given their sensitive nature, no further details of these processes are publicised.

## Actions pertaining to financial crime

Actions aimed at mitigating the impacts and risks related to financial crime are ongoing efforts, including, inter alia, transaction monitoring, ensuring customer due diligence and reporting to the FIU. These actions are intended to fulfil the targets and aims set out in the Policy on counteracting money laundering and financing of terrorism, and for compliance with financial sanctions. The actions are preventive in nature and aim to minimise cases of money laundering and fraud. This work encompasses SBAB's own operations and downstream activities in the value chain, i.e., pertaining to SBAB's customers, and complies with the requirements and provisions in the area as set out in national and European law. Given the sensitive nature of the actions and the potential jeopardy to their effectiveness if the information were disseminated to unauthorised parties, no further details of these actions are published.

# Appendices

## List of disclosure requirements

The following tables list all disclosure requirements within ESRS 2 and the eight topical standards that have been assessed as material in SBAB's double materiality assessment and which form the basis for the presentation of the Sustainability Report. No reference is made in the tables to disclosure requirements not deemed material or relevant within these standards. All dis-

closure requirements in the topical standards E2 Pollution and E3 Water and marine resources have been omitted since they are not deemed material.

The tables can be used to navigate to information pertaining to specific disclosure requirements in the Sustainability Report.

Disclosure Requirements		Page	Other information
<b>ESRS 2 General disclosures</b>			
BP-1	General basis for preparation of sustainability statements	73	
BP-2	Disclosures in relation to specific circumstances	73, 94–98	
GOV-1	The role of the administrative, management and supervisory bodies	83–85	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	83–85	
GOV-3	Integration of sustainability-related performance in incentive schemes	85	
GOV-4	Statement on due diligence	167	
GOV-5	Risk management and internal controls over sustainability reporting	87	
SBM-1	Strategy, business model and value chain	74–76	
SBM-2	Interests and views of stakeholders	82	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	77–80	Some data points are omitted with reference to the phase-in provisions in accordance with ESRS
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	81–82	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	73, 81–82, 159–166	



### Environment (E)

<b>E1 Climate change</b>			
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	90	
E1-1	Transition plan for climate change mitigation	91	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model.	88–89	
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	89–90	
E1-2	Policies related to climate change mitigation and adaptation	90–91	
E1-3	Actions and resources in relation to climate change policies	93–94	
E1-4	Targets related to climate change mitigation and adaptation	91–92	
E1-5	Energy consumption and mix	95	
E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	94–98	
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	–	Omitted with reference to the phase-in of ESRS

Disclosure Requirements		Page	Other information
<b>E4 Biodiversity and ecosystems</b>			
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	99	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model.	99	
ESRS 2 IRO-1	Description of the processes for identifying and assessing material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems	99	
E4-2	Policies related to biodiversity and ecosystems	99	
E4-3	Actions and resources related to biodiversity and ecosystems	99	
E4-4	Targets related to biodiversity and ecosystems	99	
<b>E5 Resource Use and Circular Economy</b>			
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	100	
E5-1	Policies related to resource use and circular economy	100	
E5-2	Actions and resources related to resource use and circular economy	100	
E5-3	Targets related to resource use and circular economy	100	
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	-	Omitted with reference to the phase-in of ESRS



## Social (S)

<b>S1 Own workforce</b>			
ESRS 2 SBM-2	Interests and views of stakeholders	141–142	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model.	140–141	
S1-1	Policies related to own workforce	141	
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	141–142	
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	142	
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	143–144	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	142–143	
S1-6	Characteristics of the undertaking's employees	144	
S1-7	Characteristics of non-employees in the undertaking's own workforce	144	Some data points are omitted with reference to the phase-in provisions in accordance with ESRS
S1-8	Collective bargaining coverage and social dialogue	144–145	
S1-9	Diversity metrics	145	
S1-13	Training and skills development metrics	145	
S1-14	Health and safety metrics	145	Some data points are omitted with reference to the phase-in provisions in accordance with ESRS
S1-15	Work-life balance metrics	146	
S1-16	Remuneration metrics (pay gap and total remuneration)	146	
S1-17	Incidents, complaints and severe human rights impacts	146	



Disclosure Requirements		Page	Other information
<b>S2 Workers in the value chain</b>			
ESRS 2 SBM-2	Interests and views of stakeholders	147	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model.	147	
S2-1	Policies related to value chain workers	147–148	
S2-2	Processes for engaging with value chain workers about impacts	147	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	147–148	
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	148	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	148	
<b>S3 Affected communities</b>			
ESRS 2 SBM-2	Interests and views of stakeholders	149	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model.	149	
S3-1	Policies related to affected communities	149–150	
S3-2	Processes for engaging with affected communities about impacts	150	
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those action	150	
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	150	
<b>S4 Consumers and end-users</b>			
ESRS 2 SBM-2	Interests and views of stakeholders	151	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model.	151–153, 155	
S4-1	Policies related to consumers and end-users	152–155	
S4-2	Processes for engaging with consumers and end-users about impacts	153–155	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	151–152	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	153–154, 156	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	153–154, 156	



## Governance (G)

<b>G1 – Business conduct</b>			
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	83–84	
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	157	
G1-1	Corporate culture and business conduct policies	85–86, 158	

# Datapoints derived from other EU legislation

The following table lists all datapoints that derive from other EU legislation according to the table in ESRS 2 Appendix B. The table shows the location of the datapoints in the Sustainability Report as well as which datapoints lack materiality or relevance for SBAB.

Disclosure Requirements	Data-point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS 2 GOV-1	21 (d) Board's gender diversity	Indicator No. 13 Table 1 of Annex I		Commission Delegated Regulation (EU) No 2020/1816 (4), Annex II		84
ESRS 2 GOV-1	21 (e) Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II		84
ESRS 2 GOV-4	30 Statement on due diligence	Indicator No. 10 Table 3 of Annex I				167
ESRS 2 SBM-1	40 (d) i Involvement in activities related to fossil fuel activities	Indicator No. 4 Table 1 of Annex I	Article 449a Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453 (5), Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) ii Involvement in activities related to chemical production	Indicator No. 9 Table 2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iii Involvement in activities related to controversial weapons	Indicator No. 14 Table 1 of Annex I		Delegated Regulation (EU) 2020/1818 (7), Article 12(1); Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iv Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1); Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1	14 Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1).	91
ESRS E1-1	16 g Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Not material

Disclosure Requirements	Data-point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS E1-4	34	GHG emission reduction targets	Indicator No. 4 Table 2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6.	91–92
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	Indicator No. 5 Table 1 and indicator No. 5 Table 2 of Annex I			Not material
ESRS E1-5	37	Energy consumption and mix	Indicator No. 5 Table 1 of Annex I			95
ESRS E1-5	40–43	Energy intensity associated with activities in high climate impact sectors	Indicator No. 6 Table 1 of Annex I			Not material
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	Indicator No. 1 and indicator No. 2 Table 1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	94–98
ESRS E1-6	53–55	Gross GHG emissions intensity	Indicator No. 3 Table 1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1).	94
ESRS E1-7	56	GHG removals and carbon credits			Regulation (EU) 2021/1119, Article 2(1).	Not material
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Annex II	Omitted with reference to the phase-in of ESRS
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.		Omitted with reference to the phase-in of ESRS
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk Loans collateralised by immovable property – Energy efficiency of the collateral.		Omitted with reference to the phase-in of ESRS

Disclosure Requirements	Data-point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities		Delegated Regulation (EU) 2020/1818, Annex II		Omitted with reference to the phase-in of ESRS
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Indicator No. 8 Table 1 of Annex 1 Indicator No. 2 Table 2 of Annex 1 Indicator No. 1 Table 2 of Annex 1 Indicator No. 3 Table 2 of Annex 1			Not material
ESRS E3-1	9	Water and marine resources	Indicator No. 7 Table 2 of Annex I			Not material
ESRS E3-1	13	Dedicated policy	Indicator No. 8 Table 2 of Annex I			Not material
ESRS E3-1	14	Sustainable oceans and seas	Indicator No. 12 Table 2 of Annex I			Not material
ESRS E3-4	28 (c)	Total water recycled and reused	Indicator No. 6.2 Table 2 of Annex I			Not material
ESRS E3-4	29	Total water consumption in m3 per net revenue on own operations	Indicator No. 6.1 Table 2 of Annex I			Not material
ESRS 2 – SBM-3 - E4	16 (a) i		Indicator No. 7 Table 1 of Annex I			99
ESRS 2 – SBM-3 - E4	16 (b)		Indicator No. 10 Table 2 of Annex I			99
ESRS 2 – SBM-3 - E4	16 (c)		Indicator No. 14 Table 2 of Annex I			99
ESRS E4-2	24 (b)	Sustainable land/agricultural practices or policies	Indicator No. 11 Table 2 of Annex I			Not material
ESRS E4-2	24 (c)	Sustainable oceans/seas practices or policies	Indicator No. 12 Table 2 of Annex I			Not material
ESRS E4-2	24 (d)	Policies to address deforestation	Indicator No. 15 Table 2 of Annex I			Not material
ESRS E5-5	37 (d)	Non-recycled waste	Indicator No. 13 Table 2 of Annex I			Not material
ESRS E5-5	39	Hazardous waste and radioactive waste	Indicator No. 9 Table 1 of Annex I			Not material
ESRS 2 – SBM-3 – S1	14 (f)	Risk of incidents of forced labour	Indicator No. 13 Table 3 of Annex I			Not material
ESRS 2 – SBM-3 – S1	14 (g)	Risk of incidents of child labour	Indicator No. 12 Table 3 of Annex I			Not material
ESRS S1-1	20	Human rights policy commitments	Indicator No. 9 Table 3 and indicator No. 11 Table 1 of Annex I			141

Disclosure Requirements	Data-point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8		Delegated Regulation (EU) 2020/1816, Annex II		141
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	Indicator No. 11 Table 3 of Annex I			Not material
ESRS S1-1	23	Workplace accident prevention policy or management system	Indicator No. 1 Table 3 of Annex I			Not material
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	Indicator No. 5 Table 3 of Annex I			142
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	Indicator No. 2 Table 3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II		146
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	Indicator No. 3 Table 3 of Annex I			146
ESRS S1-16	97 (a)	Unadjusted gender pay gap	Indicator No. 12 Table 1 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II		146
ESRS S1-16	97 (b)	Excessive CEO pay ratio	Indicator No. 8 Table 3 of Annex I			146
ESRS S1-17	103 (a)	Incidents of discrimination	Indicator No. 7 Table 3 of Annex I			146
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator No. 10 Table 1 and indicator No. 14 Table 3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		146
ESRS 2 – SBM-3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain				147
ESRS S2-1	17	Human rights policy commitments	Indicator No. 9 Table 3 and indicator No. 11 Table 1 of Annex I			147-148
ESRS S2-1	18	Policies related to value chain workers	Indicator No. 11 and indicator No. 4 Table 3 of Annex I			147-148
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Indicator No. 10 Table 1 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		Not material
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8		Delegated Regulation (EU) 2020/1816, Annex II		Not material

Disclosure Requirements	Data-point	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	Indicator No. 14 Table 3 of Annex I			148
ESRS S3-1	16	Human rights policy commitments	Indicator No. 9 Table 3 and indicator No. 11 Table 1 of Annex I			Not material
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	paragraph 17, Indicator No. 10 Table 1 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		Not material
ESRS S3-4	36	Human rights issues and incidents	Indicator No. 14 Table 3 of Annex I			Not material
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator No. 10 Table 1 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		Not material
ESRS S4-4	35	Human rights issues and incidents		Indicator No. 14 Table 3 of Annex I		Not material
ESRS G1-1	10 (b)	United Nations Convention against Corruption	Indicator No. 15 Table 3 of Annex I			Not material
ESRS G1-1	10 (d)	Protection of whistle-blowers	Indicator No. 6 Table 3 of Annex I			Not material
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	Indicator No. 17 Table 3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	Indicator No. 16 Table 3 of Annex I			Not material







# Due diligence

The table below provides an overview of the location in the Sustainability Report where we report on the application of the main aspects and steps of our due diligence process.

Core elements of due diligence	Paragraphs in the sustainability report	Page
<b>a) Embedding due diligence in governance, strategy and business model</b>	Material sustainability areas	77
	Hållbarhetsstyrning	83–85
<b>b) Engaging with affected stakeholders in all key steps of the due diligence</b>	Double materiality assessment; Stakeholder dialogue	81–82
	Sustainability governance	83–85
	Dialogue and consultation with own workforce	141–142
	Stakeholder interests; Engagement with workers in the value chain regarding impacts	147
	Interests and views of affected communities	149
	Engagement with affected communities regarding impacts	150
	Interests and views of consumers	151
	Engagement with consumers regarding responsible credit granting	153
	Engagement with consumers on accessibility	154
	Engagement with consumers on information security	155–156
<b>c) Identifying and assessing adverse impacts</b>	Double materiality assessment	81–82
<b>d) Taking actions to address those adverse impacts</b>	Actions related to climate change mitigation and adaptation	93–94
	Governance documents, targets and actions pertaining to biodiversity and ecosystems	99
	Governance documents, targets and actions pertaining to resource use and circular economy	100
	Actions pertaining to workers in the value chain	148
	Actions pertaining to accessibility	154
<b>e) Tracking the effectiveness of these efforts and communicating</b>	Actions pertaining to information security	156
	Targets related to climate change mitigation and adaptation	91–92
	Governance documents, targets and actions pertaining to biodiversity and ecosystems	99
	Governance documents, targets and actions pertaining to resource use and circular economy	100
	Targets pertaining to workers in the value chain	148
	Targets pertaining to accessibility	154
	Targets pertaining to information security	155

# UN Sustainable Development Goals

SBAB has identified and chosen four of the 17 SDGs that we consider particularly important and relevant for our operations. The goals have been chosen based on extensive analysis in the form of internal workshops and ranking exercises within operations, the Executive Management and the Board, and thus comprise an integrated part of SBAB's governance model and daily operations.

UN Sustainable Development Goals	UN's associated targets	Read more about SBAB's work related to the global goals in the following chapter of the Sustainability Report	Page
 <b>SDG 8: Decent work and economic growth</b>	<p>8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.</p> <p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p> <p>8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.</p>	<p>S1 Own workforce</p> <p>S3 Affected communities</p> <p>S4 Consumers and end-users</p>	<p>140–146</p> <p>149–150</p> <p>151–156</p>
 <b>SDG 11: Sustainable cities and communities</b>	<p>11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.</p> <p>11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.</p>	<p>E1 Climate change</p> <p>S2 Workers in the value chain</p> <p>S3 Affected communities</p>	<p>88–98</p> <p>147–148</p> <p>149–150</p>
 <b>SDG 12: Responsible consumption and production</b>	<p>12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.</p>	<p>S4 Consumers and end-users</p>	<p>151–156</p>
 <b>SDG 13: Climate action</b>	<p>Take urgent action to combat climate change and its impacts.</p>	<p>E1 Climate change</p> <p>Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)</p>	<p>88–98</p> <p>101–102</p>

# Financial report 2024, Cont.

# Income statement

SEK million	Note	GROUP		PARENT COMPANY	
		2024	2023	2024	2023
Interest income <sup>1)</sup>	IC 1	28,153	25,421	13,223	10,331
Interest expense	IC 1	-22,865	-19,975	-11,606	-8,924
<b>Net interest income</b>		<b>5,288</b>	<b>5,446</b>	<b>1,617</b>	<b>1,407</b>
Dividends received		-	-	579	5,000
Commission income	IC 2	38	48	50	71
Commission expense	IC 2	-92	-82	-55	-49
Net result of financial transactions	IC 3	86	-95	58	-68
Other operating income	IC 4	57	50	1,453	1,455
<b>Total operating income</b>		<b>5,377</b>	<b>5,367</b>	<b>3,702</b>	<b>7,816</b>
Personnel costs	IC 5	-1,025	-890	-1,046	-910
Other expenses	IC 6	-671	-608	-752	-679
Depreciation, amortisation and impairment of PPE and intangible assets	IC 7	-211	-165	-30	-28
<b>Total expenses before credit losses and imposed fees</b>		<b>-1,907</b>	<b>-1,663</b>	<b>-1,828</b>	<b>-1,617</b>
<b>Profit before credit losses and imposed fees</b>		<b>3,470</b>	<b>3,704</b>	<b>1,874</b>	<b>6,199</b>
Net credit losses	IC 8	0	-93	46	-19
Imposed fees: Risk tax and resolution fee	IC 10	-570	-541	-200	-194
Impairment of financial assets		-	-	-	-60
<b>Operating profit</b>		<b>2,900</b>	<b>3,070</b>	<b>1,720</b>	<b>5,926</b>
Tax	TX 1	-618	-662	-256	-223
<b>Net profit for the year</b>		<b>2,282</b>	<b>2,408</b>	<b>1,464</b>	<b>5,703</b>

<sup>1)</sup> Interest income on financial assets measured at amortised cost calculated using the effective-interest method amounted to SEK 22,419 million (19,390) for the Group and SEK 9,051 million (7,341) for the Parent Company.

# Statement of comprehensive income

SEK million	Note	GROUP		PARENT COMPANY	
		2024	2023	2024	2023
<b>Net profit for the year</b>		<b>2,282</b>	<b>2,408</b>	<b>1,464</b>	<b>5,703</b>
<b>Other comprehensive income</b>					
<i>Components that will be reclassified to profit or loss</i>	EQ 1				
Financial assets measured at FVTOCI		92	-7	92	-7
Changes related to cash-flow hedges		943	3,680	42	124
Other		-	-	1	-
Tax attributable to components that will be reclassified to profit or loss		-213	-756	-28	-24
<i>Components that will not be reclassified to profit or loss</i>	EQ 1				
Revaluation effects of defined-benefit pension plans		-20	-19	-	-
Tax attributable to components that will not be reclassified to profit or loss		4	4	-	-
<b>Other comprehensive income, net of tax</b>		<b>806</b>	<b>2,902</b>	<b>107</b>	<b>93</b>
<b>Total comprehensive income for the year</b>		<b>3,088</b>	<b>5,310</b>	<b>1,571</b>	<b>5,796</b>

## Comments to the consolidated income statement

### Operating profit and key metrics

Operating profit declined to SEK 2,900 million (3,070). The return on equity amounted to 10.4% (11.5) and the C/I ratio was 35.5% (31.0).

### Net interest income **IC 1**

Net interest income decreased to SEK 5,288 million (5,446), mainly due to lower deposit margins, which were negatively impacted by lower market interest rates. This was partly offset by a higher share of deposits in the funding mix. The fee for the national deposit guarantee amounted to SEK 79 million (89).

### Net commission income **IC 2**

During the year, net commission income decreased to an expense of SEK 54 million (expense: 34), mainly due to lower revenue from insurance partnerships.

### Net result of financial transactions **IC 3**

The net result of financial transactions amounted to income of SEK 86 million (expense: 95). The difference was mainly due to differences in value changes in hedging instruments and hedged items.

### Expenses **IC 5 IC 6 IC 7**

Expenses grew to SEK 1,907 million (1,663), mainly driven by increased personnel costs, higher IT-related costs and greater media exposure. Increased impairment charges linked to IT-related projects also led to increased costs. The number of FTEs increased to 1,082 (948) during the period. Personnel costs amounted to SEK 1,025 million (890). Other expenses excluding depreciation, amortisation and impairment amounted to SEK 671 million (608). Depreciation, amortisation and impairment of PPE and intangible assets amounted to SEK 211 million (165).

### Credit losses **IC 8**

Credit losses totalled SEK 0 million (loss: 93). During the year, loss provisions decreased due to positive rating grade migrations and revisions of the forward-looking information. The unwinding of the provisions was partly offset by a management overlay for future provisions arising from adjustment of the PD and LGD models in 2025. Confirmed credit losses totalled SEK 14 million (loss: 9).

### Imposed fees

Imposed fees included Sweden's new risk tax and the resolution fee. The risk tax amounted to 0.06% of the credit institution's liabilities. Imposed fees for 2024 totalled SEK 570 million (541), of which the risk tax amounted to SEK 362 million (359) and the resolution fee to SEK 208 million (182).

### Taxes **TX 1**

Tax consists of income tax of 20.6% (20.6) of net profit for the year with an addition for tax adjustments and any adjustments of tax for previous years. The tax expense amounted to SEK 618 million (662) for the year.

### Other comprehensive income **EO 1**

Other comprehensive income for the period amounted to SEK 806 million (2,902), primarily attributable to interest-rate-related value changes in derivatives due to rising EUR interest rates, which had a negative impact on the item.<sup>1)</sup>

<sup>1)</sup> The Group's financial position and development is reflected primarily in the income statement and balance sheet. Moreover, the applied accounting policies give certain revaluation effects, among other effects, which are recognised in other comprehensive income. Other comprehensive income consists of items which are reported directly in equity.

Other comprehensive income includes changes in cash-flow hedges that consist of unrealised value changes from derivatives used for hedging cash flows in the Group's funding in foreign currencies. Borrowings in cash-flow hedges are measured at amortised cost, where value changes are not recognised while derivatives that hedge borrowing are marked to market. This means that changes in rates, primarily in euro, can lead to volatility during the term, even if the long-term result is zero. The line item is normally affected positively by a decline in interest rates and negatively by a rise in interest rates.

Financial assets measured at FVTOCI consist of unrealised value changes in interest-bearing securities (classified according to certain principles) in the liquidity reserve. The line item is primarily affected by changes in credit spreads in bond holdings.

The item revaluation effects of defined-benefit pension plans includes actuarial gains and losses where changes in the discount rate is the assumption that has the strongest impact on the item.

### Parent Company

Operating profit decreased to SEK 1,720 million (5,926). Net interest income grew to SEK 1,617 million (1,407), primarily due to an increased share of financing from deposits. The dividend from SCBC to the Parent Company amounted to SEK 579 million (5,000). Net commission decreased to an expense of SEK 5 million (income: 22), mainly due to lower revenue from insurance mediation. The net result of financial transactions amounted to income of SEK 58 million (expense: 68), mainly due to value changes in hedging instruments and hedged items as well as the revaluation of credit risk in derivatives. Other operating income was SEK 1,453 million (1,455), and mainly comprised fees from SCBC for administrative services in line with the applicable outsourcing agreements. Expenses increased to SEK 1,828 million (1,617), mainly as a result of higher costs for personnel and marketing. Net credit losses were positive and amounted to recoveries of SEK 46 million (loss: 19).

### AB Sveriges Säkerställda Obligationer (publ), SCBC

SCBC is a wholly-owned subsidiary of SBAB whose primary operations comprise of the issuance of covered bonds to fund the lending of the SBAB Group. SCBC's operating profit for 2024 totalled SEK 1,771 million (2,073). Net interest income totalled SEK 3,673 million (4,041) and net commission amounted to an expense of SEK 44 million (expense: 52). The net result of financial transactions amounted to income of SEK 28 million (expense: 27). SCBC's total expenses amounted to SEK 1,471 million (1,469) for 2024. The majority of the expenses were attributable to costs for operations outsourced to SBAB. Net credit losses decreased to SEK 46 million (loss: 73). SCBC's 2024 Annual Report is available at [www.sbab.se](http://www.sbab.se).

# Balance sheet

SEK million	Note	GROUP		PARENT COMPANY	
		2024	2023	2024	2023
<b>ASSETS</b>					
Cash and balances at central banks		3,039	6,350	3,039	6,350
Chargeable treasury bills, etc.	A 1	–	36,650	–	36,650
Lending to credit institutions	A 2	8,173	11,807	202,199	154,568
Lending to the public	A 3	537,836	517,400	17,066	24,180
Value changes of interest-rate-risk hedged items in macro hedges		-357	-1,565	–	–
Bonds and other interest-bearing securities	A 4	97,375	64,945	97,375	64,945
Derivatives	A 5	11,296	12,241	19,795	24,618
Shares and participations in associated companies and joint ventures	A 6	6	5	6	5
Shares and participations in Group companies	A 7	–	–	17,201	17,201
Deferred tax assets	TX 2	697	911	0	27
Intangible assets	A 8	453	468	12	15
Property, plant and equipment	A 9	221	249	57	59
Other assets	A 10	210	258	32	75
Prepaid expenses and accrued income	A 11	937	834	1,425	1,280
<b>TOTAL ASSETS</b>		<b>659,886</b>	<b>650,553</b>	<b>358,207</b>	<b>329,973</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Liabilities</b>					
Liabilities to credit institutions	L 1	7,249	5,606	8,776	6,980
Deposits from the public	L 2	255,873	215,211	255,873	215,211
Issued debt securities, etc.	L 3	351,926	382,770	46,716	56,593
Derivatives	A 5	10,848	15,695	20,357	25,813
Other liabilities	L 4	1,879	2,021	1,695	1,604
Accrued expenses and deferred income	L 5	4,012	3,153	1,421	888
Provisions	L 6	2	9	2	9
Subordinated debt	L 7	1,999	1,998	1,999	1,998
<b>Total liabilities</b>		<b>633,788</b>	<b>626,463</b>	<b>336,839</b>	<b>309,096</b>
<b>Equity</b>					
Share capital	EQ 1	1,958	1,958	1,958	1,958
Statutory reserve		–	–	392	392
Reserves/Fair value reserve	EQ 1	-2,931	-3,737	48	-59
Additional Tier 1 instruments	L 7	6,100	5,800	6,100	5,800
Retained earnings		18,689	17,661	11,406	7,083
Net profit for the year		2,282	2,408	1,464	5,703
<b>Total equity</b>		<b>26,098</b>	<b>24,090</b>	<b>21,368</b>	<b>20,877</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>659,886</b>	<b>650,553</b>	<b>358,207</b>	<b>329,973</b>



## Comments to the consolidated balance sheet

### ASSETS

#### Cash and balances at central banks

Cash and balances at central banks decreased to SEK 3.0 billion (6.4), attributable to lower surplus liquidity deposited with the Riksbank's RIX account.

#### Chargeable treasury bills **A 1**

Chargeable treasury bills decreased to SEK 0 billion (36.6) during the year, primarily due to a decrease in surplus liquidity deposited with the Riksbank via commercial paper. Other changes were within the scope of the normal management of the liquidity reserve to maintain the desired duration and credit risk profile.

#### Lending to credit institutions **A 2**

Lending to credit institutions decreased to SEK 8.2 billion (11.8). The decrease was due to the change in collateral in the form of CSAs for the Group's derivative positions. The collateral is primarily affected by changes in interest and exchange rates. The above changes were within the scope of the normal short-term liquidity management.

#### Lending to the public **A 3**

Lending to the public increased to SEK 537.8 billion (517.4), of which SEK 366.0 billion comprised residential mortgages, SEK 1.7 billion consumer loans, SEK 105.3 billion lending to property companies and SEK 64.8 billion lending to tenant-owners' associations.

→ Read more on pages 45–49

#### Bonds and other interest-bearing securities **A 4**

Bonds and other interest-bearing securities increased and amounted to SEK 97.4 billion (64.9). This change was driven by new purchases, which is within the scope of the normal management of the liquidity reserve.

### LIABILITIES AND EQUITY

#### Liabilities to credit institutions **L 1**

Liabilities to credit institutions increased in the period to SEK 7.2 billion (5.6), primarily driven by inflows of securities connected to derivatives (CSAs). The changes were within the scope of the normal short-term liquidity management.

#### Deposits from the public **L 2**

Deposits from the public increased SEK 40.7 billion to a total of SEK 255.9 billion (215.2), of which total deposits of SEK 202 billion (173.1) pertained to deposits from the public and SEK 53.9 billion (42.1) deposits from corporate clients and tenant-owners' associations.

→ Read more on pages 50–51

#### Issued debt securities, etc. **L 3**

Issued debt securities outstanding decreased SEK 30.9 billion over the year to a total of SEK 351.9 billion (382.8), of which SEK 305.2 billion (326.2) comprised covered funding and SEK 46.7 billion (56.6) unsecured funding.

→ Read more on pages 50–51

#### Subordinated debt **L 7**

Subordinated debt totalled SEK 2.0 billion (2.0). The quarter saw no new issues, repurchases or maturities.

#### Equity **EQ 1 L 7**

Equity amounted to SEK 26.1 billion (24.1). The primary reason behind the increase in equity was the increase in the fair value reserve due to declining interest rates linked to the valuation of the Group's cash-flow hedges. Net profit/loss for the period resulted in an increase in equity of SEK 2.3 billion.

#### Parent Company

Lending to the public totalled SEK 17.1 billion (24.2). Deposits from the public totalled SEK 255.9 billion (215.2).

#### AB Sveriges S akerst allda Obligationer (publ), SCBC

SCBC does not conduct any new lending itself but instead acquires loans from SBAB Bank, on an ongoing basis or as necessary. The aim of securing these loans is to include them, in part or in full, in the assets that comprise collateral for holders of SCBC's covered bonds. SCBC's lending portfolio comprises loans for residential mortgages, with lending to private individuals the largest segment. At the end of the period, SCBC's lending amounted to SEK 520.8 billion (493.2). Information regarding SCBC's lending, the cover pool, is published monthly on the website [www.sbab.se](http://www.sbab.se). SCBC's 2024 Annual Report is available at [www.sbab.se](http://www.sbab.se).

# Statement of changes in equity

SEK million	Note	GROUP				Total equity
		Share capital	Reserves/Fair value reserve	Additional Tier 1 instruments	Retained earnings and net profit for the year <sup>1)</sup>	
<b>Opening balance, 1 Jan 2024</b>		1,958	-3,737	5,800	20,069	24,090
Additional Tier 1 instruments		-	-	300	-	300
Additional Tier 1 instruments, dividend		-	-	-	-417	-417
Dividend		-	-	-	-963	-963
Other comprehensive income	EQ 1	-	806	-	-	806
Net profit for the year		-	-	-	2,282	2,282
<b>Comprehensive income for the year</b>		-	806	-	2,282	3,088
<b>Closing balance 31 Dec 2024</b>		1,958	-2,931	6,100	20,971	26,098
<b>Opening balance, 1 Jan 2023</b>		1,958	-6,639	5,800	18,830	19,949
Additional Tier 1 instruments, dividend		-	-	-	-340	-340
Dividend		-	-	-	-832	-832
Other		-	-	-	3	3
Other comprehensive income	EQ 1	-	2,902	-	-	2,902
Net profit for the year		-	-	-	2,408	2,408
<b>Comprehensive income for the year</b>		-	2,902	-	2,408	5,310
<b>Closing balance 31 Dec 2023</b>		1,958	-3,737	5,800	20,069	24,090

<sup>1)</sup> Retained earnings includes the Parent Company's statutory reserve, which is not distributable.

SEK million	Note	PARENT COMPANY					Total equity
		Restricted equity		Unrestricted equity			
		Share capital	Statutory reserve	Fair value reserve	Additional Tier 1 instruments	Retained earnings and net profit for the year	
<b>Opening balance, 1 Jan 2024</b>		1,958	392	-59	5,800	12,786	20,877
Additional Tier 1 instruments		-	-	-	300	-	300
Additional Tier 1 instruments, dividend		-	-	-	-	-417	-417
Dividends paid		-	-	-	-	-963	-963
Other comprehensive income	EQ 1	-	-	107	-	-	107
Net profit for the year		-	-	-	-	1,464	1,464
<b>Comprehensive income for the year</b>		-	-	107	-	1,464	1,571
<b>Closing balance 31 Dec 2024</b>		1,958	392	48	6,100	12,870	21,368
<b>Opening balance, 1 Jan 2023</b>		1,958	392	-152	5,800	8,252	16,250
Additional Tier 1 instruments, dividend		-	-	-	-	-340	-340
Dividends paid		-	-	-	-	-832	-832
Other		-	-	-	-	3	3
Other comprehensive income	EQ 1	-	-	93	-	-	93
Net profit for the year		-	-	-	-	5,703	5,703
<b>Comprehensive income for the year</b>		-	-	93	-	5,703	5,796
<b>Closing balance 31 Dec 2023</b>		1,958	392	-59	5,800	12,786	20,877

# Cash-flow statement

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Opening cash and cash equivalents	18,157	23,625	160,918	151,102
<b>OPERATING ACTIVITIES</b>				
Interest received	28,024	25,127	13,069	9,758
Commission received	47	72	54	82
Interest paid	-22,033	-19,022	-11,085	-8,455
Commission paid	-92	-86	-55	-53
Outflows to suppliers and employees	-2,266	-2,039	-1,999	-1,781
Taxes paid/refunded	-951	840	-338	-338
Change in lending to the public	-20,436	-8,001	7,162	1,494
Change in chargeable treasury bills, etc.	36,681	-6,731	36,681	-6,732
Change in bonds and other interest-bearing securities	-31,957	-5,392	-31,709	-5,393
Change in liabilities to credit institutions	1,643	-2,631	1,796	-2,235
Change in deposits from the public	40,663	32,768	40,662	32,768
Change in issued debt securities, etc.	-34,310	-19,785	-10,585	-9,592
Change in other assets and liabilities	-1,098	789	1,773	8,253
<b>Cash flow from operating activities</b>	<b>-6,085</b>	<b>-4,091</b>	<b>45,426</b>	<b>17,776</b>
<b>INVESTING ACTIVITIES</b>				
Sale of property plant and equipment	-	-	-1	-
Investments in PPE	-24	-32	-24	-39
Investments in intangible assets	-126	-131	-	0
Investments in joint ventures	-1	1	-1	1
Shareholders' contribution paid	-	-	-	-6,750
<b>Cash flow from investing activities</b>	<b>-151</b>	<b>-162</b>	<b>-26</b>	<b>-6,788</b>
<b>FINANCING ACTIVITIES</b>				
Dividends paid	-963	-832	-963	-832
Change in additional Tier 1 instruments	300	-340	300	-340
Repayment of lease liabilities	-46	-43	-	-
<b>Cash flow from financing activities</b>	<b>-709</b>	<b>-1,215</b>	<b>-663</b>	<b>-1,172</b>
<b>Increase/decrease in cash and cash equivalents</b>	<b>-6,945</b>	<b>-5,468</b>	<b>44,320</b>	<b>9,816</b>
Closing cash and cash equivalents	11,212	18,157	205,328	160,918

## Comments to the cash-flow statement

The cash-flow statement is reported in accordance with IAS 7, and cash and cash equivalents are defined as cash and balances at central banks as well as lending to credit institutions. Subordinated receivables (receivables from Group companies) are included in cash and cash equivalents for the Parent Company, and are recognised in the Parent Company's balance sheet under Lending to credit institutions. Receivables from Group companies include one receivable of SEK 0.6 billion (5) pertaining to the anticipated dividend.

## cont. Cash-flow statement

## Change in liabilities attributable to financing activities

SEK million	GROUP									
	Opening balance, 1 Jan 2024	Cash flow	Non-cash items		Closing balance 31 Dec 2024	Opening balance, 1 Jan 2023	Cash flow	Non-cash items		Closing balance 31 Dec 2023
			Fair value	Other				Fair value	Other	
Subordinated debt	1,998	-	-	1	1,999	1,997	-	-	1	1,998
Lease liabilities	183	-46	-	20	157	192	-43	-	34	183
Additional Tier 1 instruments	5,800	300	-	-	6,100	5,800	-	-	-	5,800
<b>Total</b>	<b>7,981</b>	<b>254</b>	<b>-</b>	<b>21</b>	<b>8,256</b>	<b>7,989</b>	<b>-43</b>	<b>-</b>	<b>35</b>	<b>7,981</b>

SEK million	PARENT COMPANY									
	Opening balance, 1 Jan 2024	Cash flow	Non-cash items		Closing balance 31 Dec 2024	Opening balance, 1 Jan 2023	Cash flow	Non-cash items		Closing balance 31 Dec 2023
			Fair value	Other				Fair value	Other	
Subordinated debt	1,998	-	-	1	1,999	1,997	-	-	1	1,998
Additional Tier 1 instruments	5,800	300	-	-	6,100	5,800	-	-	-	5,800
<b>Total</b>	<b>7,798</b>	<b>300</b>	<b>-</b>	<b>1</b>	<b>8,099</b>	<b>7,797</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>7,798</b>

# Financial notes

<b>G</b>	<b>General information and overriding accounting policies</b>	<b>179</b>
<b>G:1</b>	Accounting policies	179
<b>G:2</b>	Related party disclosures	184
<b>G:3</b>	Proposed appropriation of profits	186
<b>G:4</b>	Events after the balance-sheet date	186

<b>RC</b>	<b>Risk management and capital adequacy</b>	<b>187</b>
<b>RC:1</b>	Credit risk in lending operations	187
<b>RC:2</b>	Credit risk in treasury operations	201
<b>RC:3</b>	Liquidity risk	205
<b>RC:4</b>	Market risk	209
<b>RC:5</b>	Operational risk	212
<b>RC:6</b>	Business risk	213
<b>RC:7</b>	Concentration risk	213
<b>RC:8</b>	Capital adequacy analysis	214
<b>RC:9</b>	Internally assessed capital requirement	228

<b>IC</b>	<b>Income and expenses</b>	<b>229</b>
<b>IC:1</b>	Net interest income	229
<b>IC:2</b>	Commission	229
<b>IC:3</b>	Net result of financial transactions	229
<b>IC:4</b>	Other operating income	229
<b>IC:5</b>	Personnel costs	230
<b>IC:6</b>	Other expenses	233
<b>IC:7</b>	Depreciation, amortisation and impairment of PPE and intangible assets	234
<b>IC:8</b>	Net credit losses	234
<b>IC:9</b>	Operating segments	235
<b>IC:10</b>	Imposed fees	235

<b>TX</b>	<b>Tax</b>	<b>236</b>
<b>TX:1</b>	Tax	236
<b>TX:2</b>	Deferred tax	236

<b>A</b>	<b>Assets</b>	<b>236</b>
<b>A:1</b>	Chargeable treasury bills, etc.	236
<b>A:2</b>	Lending to credit institutions	236
<b>A:3</b>	Lending to the public	237
<b>A:4</b>	Bonds and other interest-bearing securities	237
<b>A:5</b>	Derivatives and hedge accounting	238
<b>A:6</b>	Shares and participations in associated companies and joint ventures	243
<b>A:7</b>	Shares and participations in Group companies	243
<b>A:8</b>	Intangible assets	244
<b>A:9</b>	Property, plant and equipment	245
<b>A:10</b>	Other assets	245
<b>A:11</b>	Prepaid expenses and accrued income	245

<b>L</b>	<b>Liabilities</b>	<b>246</b>
<b>L:1</b>	Liabilities to credit institutions	246
<b>L:2</b>	Deposits from the public	246
<b>L:3</b>	Issued debt securities, etc.	246
<b>L:4</b>	Other liabilities	246
<b>L:5</b>	Accrued expenses and deferred income	247
<b>L:6</b>	Provisions	247
<b>L:7</b>	Subordinated debt and capital instruments	248

<b>EQ</b>	<b>Equity</b>	<b>249</b>
<b>EQ:1</b>	Equity	249

<b>AC</b>	<b>Collateral pledged and contingent liabilities</b>	<b>250</b>
<b>AC:1</b>	Assets pledged for own liabilities	250
<b>AC:2</b>	Contingent liabilities	250

<b>FI</b>	<b>Financial instruments</b>	<b>250</b>
<b>FI:1</b>	Classification of financial instruments	250
<b>FI:2</b>	Fair value disclosures	254
<b>FI:3</b>	Offsetting disclosures	255



## G:1 Accounting policies

SBAB Bank AB (publ), "SBAB," and its subsidiaries mainly conduct lending to consumers, tenant-owners' associations and companies in the Swedish residential mortgage market. SBAB's offering also includes savings products. SBAB is a Swedish public limited banking company domiciled in Solna, Sweden. The address of the Head Office is SBAB Bank AB (publ), Box 4209, SE-171 04 Solna, Sweden.

The Annual Report for SBAB has been prepared in accordance with IFRS® Accounting Standards as adopted by the EU. In addition to these accounting standards, Finansinspektionen's (the Swedish FSA) regulations and general guidelines on annual accounts for credit institutions and securities companies (FFFS 2008:25), the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish Corporate Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups were taken into consideration.

The Annual Report has been prepared in accordance with the cost method, apart from the revaluation of derivatives, financial assets and liabilities measured at fair value through profit or loss (FVTPL), financial assets measured at fair value through other comprehensive income (FVTOCI) and hedge-accounted items.

On 18 March 2025, the Board of Directors approved the financial statements for publication and these await final adoption by the Annual General Meeting on 29 April 2025.

These financial statements have been prepared on a going concern basis. On 18 March 2025, the Board of Directors approved the financial statements for publication.

### Introduction of new and amended accounting standards, 2024

There are no new or amended accounting standards with any material impact on the SBAB Group's accounting and financial statements in 2024.

**Forthcoming amendments that enter force 2025 or later**  
IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements. The standard enters force for financial years beginning on or after 1 January 2027. An analysis is in progress of the effect of the new standard on the SBAB Group's accounting and financial statements.

Other amended accounting policies that enter force in 2025 or later, such as the IASB's published amendments regarding classification and measurement of financial instruments in IFRS 9 and IFRS 7, are assessed as having no material impact on the SBAB Group's accounting and financial statements.

### General accounting policies

#### Consolidated financial statements

The consolidated financial statements were prepared in accordance with the acquisition method and include the Parent Company SBAB and its subsidiaries, over which SBAB has controlling influence through its exposure to, or right to, variable returns and where it can also affect the returns from the subsidiary by means of its influence. Intra-Group transactions and receivables, and liabilities between Group companies are eliminated.

In the event of an acquisition, the acquisition cost for SBAB's subsidiaries consists of the fair value of any assets provided by way of remuneration and any arisen or assumed liabilities, even those measured at fair value. Any unsettled consideration for a put option is valued at the present value of the redemption amount.

The part of any consideration transferred by SBAB for business combinations that exceeds the fair value of identifiable acquired net assets is recognised as goodwill. Goodwill is distributed over cash-generating units (CGUs) or groups of CGUs, which are expected to benefit from the acquisition through synergies.

#### Financial instruments

##### Recognition in and derecognition from the balance sheet

Financial instruments are recognised when the company is involved with the instrument's contractual terms. Issued and acquired securities, including all derivatives, are recognised on the trade date, meaning the date on which the significant risks and rights are transferred between the parties. Other financial instruments are recognised on the settlement date.

A financial asset is derecognised from the balance sheet when the contractual rights to receive cash flows from the financial asset expire and the Group has transferred essentially all of the risks and rewards of ownership of the asset. A financial liability is derecognised from the balance sheet when it is extinguished, meaning when the obligation specified in the contract is fulfilled, cancelled or has expired.

##### Offsetting

Financial assets and financial liabilities are to be offset and recognised at net amounts only where the recognised amounts may legally be offset and the intention is to settle the items with a net amount or to simultaneously realise the asset and settle the liability.

##### Recognition of income and expense

Interest income and interest expense (including interest income from impaired receivables) are recognised using the effective-interest method. The calculation of the effective interest rate includes all fees paid or received between the parties to the contract, including transaction costs.

Since transaction costs in the form of remuneration to business partners or issue expenses attributable to the acquisition of loans constitute part of the acquisition cost of the loan, these costs are recognised in the balance sheet and included in profit or loss using the effective-interest method via net interest income over the expected tenor of the loan.

IFRS 15 – Revenue from Contracts with Customers is applied for various types of services that are mainly recognised in profit or loss as Commission income. Revenue from lending is primarily recognised when the service is provided, in other words at a specific date. Other commission income and Other operating income are mainly recognised when these services are rendered, in other words, in a straight line over time. Commission expenses are included in profit or loss continuously in accordance with the contractual terms.

In the event of premature redemption of loans, the customer pays interest compensation intended to cover the cost that arises for SBAB. This compensation is recognised as income directly under the heading "Net result of financial transactions." Other items under this heading are described in the "Classification" section.

##### Classification

All financial instruments covered by IFRS 9 are classified pursuant to this standard in the following categories:

- Financial assets measured at amortised cost
- Financial assets measured at FVTOCI
- Financial assets measured at FVTPL
- Financial liabilities measured at FVTPL
- Financial liabilities measured at amortised cost

The instruments in the respective categories are valued in the following reporting, and where applicable, together with the required adjustments under the hedge accounting rules.

##### *Financial assets measured at amortised cost*

Assets in this category are recognised at cost, defined as fair value plus transaction costs, on the acquisition date and thereafter at amortised cost after application of the effective-interest method.

This category consists of assets that are held within the framework of a business model where the objective is to hold financial assets in order to collect contractual cash flows solely comprised of capital and interest. The assets in this category encompass lending, interest-bearing securities and other assets that meet the above terms.

Impairment losses are recognised in profit or loss under "Impairment of financial assets" for securities and under "Net credit losses" for other assets, while the effective interest rate is recognised as interest income. Refer also to the "Credit losses and impairment of financial assets" section.

Realised gains or losses from the sale of assets are recognised directly in profit or loss under "Net result of financial transactions."

##### *Financial assets measured at FVTOCI*

Assets in this category are recognised on the acquisition date at fair value plus transaction costs, and thereafter at fair value in the balance sheet, with unrealised changes in value recognised as a component of other comprehensive income and accumulated in a separate reserve (the fair value reserve) in equity.

This category consists of assets that are held within the framework of a business model where the objective is to hold or sell these assets in order to collect contractual cash flows solely comprised of capital and interest. The category consists of interest-bearing securities.

The assets are subject to ongoing impairment testing. Refer also to the "Credit losses and impairment of financial assets" section. Impairments are recognised in profit or loss under "Net result of financial transactions" and as a change in the fair value reserve in equity via other comprehensive income.

Changes in fair value are transferred from other comprehensive income to the net result of financial transactions in profit or loss when the asset has been realised or an impairment is recognised. (Changes in value that are attributable to exchange rate changes are recognised in profit or loss).

#### *Financial assets measured at FVTPL*

On initial recognition, assets in this category are recognised at fair value, while related transaction costs are recognised in profit or loss.

Changes in fair value and realised gains or losses for these assets are recognised directly in profit or loss under the heading "Net expense from financial transactions," while the effective interest rate is recognised as interest income.

The category encompasses interest-bearing securities that, on initial recognition, were identified as measured at FVTPL to eliminate inconsistencies in valuation and recognition, the so-called fair value option.

Furthermore, this category includes assets that do not meet the definitions for other valuation categories and, accordingly, are measured at FVTPL. (For example, assets classed as held for trading and assets with cash flows other than capital and interest on capital). At SBAB, these assets consist exclusively of derivatives.

#### *Financial liabilities measured at FVTPL*

On initial recognition, liabilities in this category are recognised at fair value, while related transaction costs are recognised in profit or loss.

The category is divided into financial liabilities held for trading and financial liabilities that Executive Management has designated as such upon initial recognition.

All of SBAB's liabilities in this category consist of derivatives that are used to hedge financial risk and which have been defined as held for trading in the financial reporting.

Changes in fair value and realised gains or losses for these liabilities are recognised in profit or loss under "Net result of financial transactions," while the effective interest rate is recognised as interest expense.

#### *Financial liabilities measured at amortised cost*

Financial liabilities that are not classified as "Financial liabilities measured at FVTPL" are initially recognised at fair value with an addition for transaction costs and are subsequently recognised at amortised cost using the effective-interest method. This category consists mainly of issued debt securities, deposits from the public and liabilities to credit institutions. Realised gains or losses from the buyback of own debt affects net profit for the year when incurred and are recognised under the heading "Net result of financial transactions," while the effective interest rate is recognised as interest expense.

#### **Repos**

Repos are agreements where the parties have reached agreement on the sale and repurchase of a particular security at a pre-determined price. Securities that have been provided or received under these repo agreements are not derecognised from or not recognised in the balance sheet, respectively. Payments received are recognised in the balance sheet as liabilities to credit institutions and payments made are recognised as lending to credit institutions. The impact on profit or loss is attributable to the difference between sale and repurchase prices and is recognised as interest income or interest expense, respectively.

#### **Fair value measurement**

Fair value is defined as the price that would be received on the valuation date on the sale of an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants.

Fair value measurement of financial instruments measured at fair value and traded in an active market is based on quoted prices (Level 1).

If the market for a financial instrument is not active, the fair value is established on the basis of generally accepted measurement methods (Level 2). As far as possible, calculations made in conjunction with measurement are based on observable market data. The main tools used are models based on discounted cash flows. In individual cases, the calculations may also be based on assumptions or estimates (Level 3).

#### **Equity instruments**

Issued debt securities with the financial nature of equity, as per the definitions in IAS 32, are recognised as additional Tier 1 capital under equity. Interest payments on these instruments are recognised as a deduction from equity at the time of payment.

#### **Derivatives and hedge accounting**

Derivatives are used primarily to manage interest-rate and currency risk in the Group's assets and liabilities, and are recognised at fair value in the balance sheet.

For economic hedges where the risk of a significant fluctuation in profit or loss is the greatest and that meet the formal hedge accounting criteria, SBAB has chosen to apply hedge accounting for the hedging of interest-rate and currency risk. There are also other economic hedges for which hedge accounting is not applied. For hedge accounting, the carve-out version of IAS 39 is applied, as adopted by the EU.

#### *Fair value hedging*

In the case of fair value hedging, the derivative hedging instrument is measured at fair value at the same time as the hedged asset or liability is measured with an addition for accumulated changes in fair value attributable to the hedged risk associated with the hedged item. Changes in fair value are recognised directly in profit or loss under "Net result of financial transactions." The effective interest rate of the hedge is recognised in net interest income.

If hedging relationships are terminated, the cumulative gains or losses are accrued in profit or loss, after adjustment of the carrying amount of the hedged item. The accrual extends over the remaining maturity of the hedged item. Both the accrual and the realised gain or loss arising from premature closure of a hedging instrument are recognised in profit or loss under "Net result of financial transactions."

#### *Macro hedges*

In this type of hedging, derivatives are used at an aggregated level to hedge interest-rate risks. In the financial statements, derivatives designated as macro hedges are treated in the same way as other fair-value hedging instruments.

In fair-value hedging of portfolios of assets, the gain or loss attributable to the hedged risk is recognised under "Value changes of interest-rate-risk hedged items in macro hedges" in the balance sheet. The hedged item is a portfolio of lending transactions based on the next contractual renewal date. The hedging instrument used is a portfolio of interest-rate swaps grouped in accordance with renewal intervals based on conditions in the fixed leg of the swap.

#### *Cash-flow hedges*

In the case of cash-flow hedges, the hedging instrument (the derivative) is valued at fair value. The effective part of the total change in value is reported as a component in other comprehensive income and accumulated in a separate reserve (hedge reserve) in equity. The accumulated amount is reversed in the income statement in periods where the hedged item affects the profit or loss. The ineffective part of the derivative's change in value is transferred to the income statement under "Net result of financial transactions," where the realised gain or loss arising at the end of the hedging relationship is recognised. The effective interest-rate of the derivative is recognised in net interest income.

#### **Credit losses and impairment of financial assets**

Changes in expected credit losses (ECL) during the year, together with deductions for guarantees expected to be utilised or that have been utilised plus any recoveries, are recognised as credit losses in the income statement. The term "confirmed credit losses" refers to losses where the amounts are definite or established with a high level of probability and have thus been derecognised from the balance sheet.

#### **Impairment – expected credit losses (ECL)**

The recognition of a loss allowance depends on the classification of the exposure under IFRS 9 and its cash flow characteristics:

- For financial assets measured at amortised cost, the loss allowance is recognised as a deductible item together with the asset in the balance sheet.
- For financial assets measured at FVTOCI, the loss allowance is recognised in equity in the balance sheet.
- For exposures that are not recognised in the balance sheet (for example, loan commitments and building credits), the loss allowance is recognised as a provision under liabilities in the balance sheet.

**ECL for lending portfolio**

Under IFRS 9, following initial recognition, financial assets in lending operations are divided into three credit stages according to their relative credit risk:

	←-----Change in credit risk-----→		
	Stage 1	Stage 2	Stage 3
<b>Timing</b>	From initial recognition	On a significant increase in credit risk following initial recognition	On default
<b>Loss allowance</b>	12-month ECL	Lifetime ECL	Lifetime ECL
<b>Interest income</b>	Based on gross carrying amount	Based on gross carrying amount	Based on net carrying amount

Depending on the credit stage, the loss allowance is determined by calculating the ECL for the next 12-month period or the remaining expected lifetime. Loans can migrate between credit stages from one balance-sheet date to another, which is decided based on changes in credit risk on the balance-sheet date compared with on initial recognition. Interest income for loans in credit stage 3 is based on the net carrying amount after deduction of the loss allowance, while interest income for the other credit stages is based on the gross carrying amount.

Calculation of the ECL mainly takes into account the product of the three risk parameters probability of default (PD), loss given default (LGD) and exposure at default (EAD).

*Credit stage 1*

For loans where the credit risk has not increased significantly since initial recognition, the loss allowance will correspond to a 12-month ECL. Since the ECL for credit stage 1 loans reflects a 12-month period, PD is measured over 12 months. To calculate the ECL, SBAB uses its credit risk models under the internal ratings-based approach (IRB) which are intended for capital adequacy purposes, but where adjustments have been made to ensure an accurate and point-in-time value of the ECL that takes account of both the prevailing economic conditions as well as the forward-looking information. The adjustments include the removal of margins of conservatism and through-the-cycle calibration of the risk parameter estimates as stipulated in the Capital Requirements Regulation (CRR). This way, the ECL reflects the actual credit risk. Moreover, the effects of macroeconomic factors, which constitute the forward-looking information, are applied to the risk parameter estimates to capture variations of possible outcomes in ECL. The same procedure for adjusting the risk parameters from IRB is also applied in credit stages 2 and 3. For more information on IRB credit risk models; please refer to Note RC 1.

*Credit stage 2*

For loans where the credit risk has increased significantly since initial recognition, the loss allowance will correspond to a lifetime ECL. Since the ECL for credit stage 2 loans reflects the remaining lifetime of the loan, PD is measured over the remaining term. The assessment of whether a significant increase in credit risk has occurred is performed by comparing the credit risk of the loan on the balance-sheet date with the initial credit risk, as measured by the rating grade of the loan on initial recognition. Each initial rating grade is associated with a PD threshold that determines whether a significant increase in credit risk has taken place. In addition to measurement of the change in PD, an assumption that payments are more than 30 days past due is also applied as a criterium for significant increase in credit risk. In addition, a qualitative indicator is applied to assess the significant increase in credit risk for consumer loans due to amortisation exemptions, whereby a consumer loan with an amortisation exemption is moved to credit stage 2. No further qualitative indicators are applied for the assessment of a significant increase in credit risk, given that qualitative factors are already taken into account when estimating PD in the Business Area Corporates & Associations. Qualitative factors capture customer aspects such as maintenance needs and management of properties as well as the financial stability of the borrowers. Furthermore, credit experts within this business area may manually adjust the rating grade for the PD if justified.

*Credit stage 3*

Credit impaired loans should be assigned a loss allowance that corresponds to a lifetime ECL. The PD for credit impaired loans is defined as equal to 1. To determine whether a loan has suffered credit deterioration, the internal default definition is primarily applied, which entails all loans to the borrower in default being classified as credit impaired and being allocated to credit stage 3. In addition to the internal definition of default, the IFRS 9 assumption that a loan is credit impaired when more than 90 days past due is also applied. Unlike the internal default definition where both relative and absolute thresholds are applied, this assumption does not take into account any relative thresholds for past-due amounts, meaning that credit stage 3 includes more loans than just those that are credit impaired solely due to default. SBAB applies a default definition whereby a borrower is considered to be in default if any of the following criteria are met:

- The borrower has loans due for payment with material amounts that are overdue by more than 90 consecutive days.
- It is unlikely that the borrower will fulfil its credit obligations to SBAB (unlikely to pay).

A number of events are considered by the bank when assessing unlikelihood to pay, including:

- The loan has been restructured and the borrower has been granted significant forbearance measures.
- The borrower is categorised as insolvent based on expert judgements for unlikelihood to pay.

**ECL for off-balance exposure**

For off-balance exposures, initial recognition is defined as the moment the bank enters into the irrevocable undertaking. The loss allowance is calculated in the same manner as for loan receivables, but includes the application of a credit conversion factor (CCF). The CCF measures the proportion of the commitments that is expected to be converted into an on-balance exposure.

In common with other risk parameters, the CCF is also used in the IRB approach for capital adequacy. Within IRB, SBAB applies the CRR regulatory standardised values for CCF for capital adequacy purposes. The same CCF standardised values are applied in the ECL model for ECL calculation.

**ECL for liquidity portfolio**

Under IFRS 9, ECL should also be measured for financial assets in the liquidity portfolio. ECLs are calculated for instruments measured at amortised cost and for assets measured at FVTOCI. The holdings in the liquidity portfolio solely comprise liquid, interest-bearing securities with high ratings, and where all of the securities are classified as investment grade. Since investment grade is applied as an indicator to allow assessment as a low credit risk pursuant to IFRS 9, this entails that all securities are allocated to credit stage 1 as long as they meet these requirements. For this reason, SBAB conducts regular checks to ensure the securities are investment grade and has internal policies that require the liquidity portfolio to only include high quality assets. The loss allowance for the liquidity portfolio corresponds to 12-month ECL. Since SBAB uses external ratings, any changes in ratings are captured when calculating ECL at the balance-sheet date.

**Measuring significant increases in credit risk**

To measure significant increases in credit risk, historical data for the lending portfolio has been analysed with regard to default and the PD trend over time given the original rating grades at initial recognition. The thresholds have been determined through analysis of confidence intervals for the PD of a given loan in the historical portfolio and its original rating grades. The thresholds encompass PD deviations that exceed the third percentile for the Private business area and the fourth percentile for the Corporate & Associations business area. These correspond to confidence levels of 97% and 96%. The loan then migrates to credit stage 2 and remains there for as long as its PD, measured over 12 months, is above the threshold. The thresholds are calibrated with a statistical test using correlation coefficients where the PD levels are based on an optimisation to maximise the identification of future credit losses for non-credit-impaired loans (not belonging to credit stage 3), while the identified proportion that does not lead to a confirmed credit loss is minimised.

Migration from credit stage 2 to credit stage 1 is controlled by the PD threshold and the assumption of overdue payments by more than 30 days, as prescribed in IFRS 9. No probation period is applied for migrations back to credit stage 1. The bank has not deemed this necessary since PD is largely based on the borrower's payment history, which entails a certain time delay.

### Forward-looking information

Forward-looking information is used to account for future cyclical fluctuations in the economy when calculating ECL. The forward-looking information comprises forecasts of macroeconomic factors that are highly significant for the Swedish housing market and that strongly correlate with default rates and credit losses in lending. The forward-looking information extends 36 months forward in time and is aligned with the forecast period applied in SBAB's Internal Capital and Liquidity Adequacy Assessment process (ICLAAP). Moreover, 36 months is considered to encompass the effective period of an economic downturn (or upturn). After 36 months, the bank assumes that the economy will return back to the baseline as per the balance-sheet date, which will thereafter apply for the remaining time until maturity for the loans. The assumption has been assessed as reasonable since loans have relatively limited expected maturities – less than ten years – and the occurrence of several consecutive major economic fluctuations over the remaining maturity is deemed unlikely. The policy rate and unemployment are both factors with strong correlations to PD and default rates in the Swedish housing market. Changes in the policy rate and hence market rates will indirectly affect borrowers' interest expenses, while changes in employment will directly impact their capacity to pay. To measure the effect on PD, a model has been estimated that explains the bank's default frequencies through the two macroeconomic factors. For LGD, housing prices have been used as macroeconomic factors to explain the changes in loss rates. As credit losses on secured lending are largely attributable to the loan-to-value (LTV) ratio and thereby to market values of collateral, a perfect correlation with the LGD is deemed to exist here. Therefore, a simple scaling of the LGD is carried out to reflect the effect of this factor. In the deteriorated scenarios, which are intended to reflect financial crises, downward adjusted LGD estimates are used without margins of conservatism from the IRB framework, unlike the other scenarios where the LGD estimates reflect the current business cycle.

The forward-looking information is used to adjust the two risk parameters, PD and LGD, which impact both the allocation of credit stages and the level of the ECL. In the identification of the macroeconomic factors, separate correlations between these factors were analysed to secure reasonable scenarios. The amortisation schedule is used to project cash flows for EAD. An early redemption factor is applied to take into account the expected remaining duration of the loan. The same macroeconomic factors and their effects are applied consistently for all exposure types in the bank's lending portfolio. Currently, four scenarios are modelled, in which positive and negative forecasts for the above macroeconomic factors are evaluated. These scenarios are assessed to be sufficient to capture the range of possible outcomes in ECL based on prevailing economic conditions. The final ECL is then weighted according to the likelihood that SBAB will experience credit losses of the scale envisaged in the respective scenario. Internal data of experienced default and credit loss rates, on which PD and LGD are based, together with forward-looking information, ensures that SBAB obtains an objective and probability-weighted ECL pursuant to IFRS 9.

### Time value of money

Under IFRS 9, the ECL for loans with variable interest rates should be discounted with the effective interest rate. All loans in SBAB's lending portfolio have variable interest rates with different maturities. The nominal interest rate of the loan according to actual terms and conditions has been used as an approximation of the effective interest rate. Since no arrangement fees are charged to borrowers and invoicing charges only arise to a limited extent, this is assessed to be a reasonable approximation.

### Modification of financial assets

If the contractual cash flows from a loan are renegotiated or otherwise modified, SBAB assesses whether the change will result in a modification gain or loss and whether the amount is significant to the extent that the modification will lead to derecognition from the balance sheet. The change is deemed material when the renegotiated terms and conditions imply that the net present value of cash flows differ more than 10% from the net present value according to the original terms and conditions. The 10% threshold for materiality is decided based on a qualitative assessment of what is considered a reasonable level. Moreover, this level corresponds to the materiality threshold in terms of the modification of debt instruments pursuant to IFRS 9. A significant modification that leads to derecognition, will lead to the loan receiving a new initial recognition and thus a new original rating grade. Amortisation exemptions will be classified as modifications in the event they result in changes of the loans' terms and conditions.

## Other

### Functional currency

The Parent Company's functional currency and presentation currency is SEK. The Group's presentation currency is SEK.

### Foreign currency translation of receivables and liabilities

Foreign currency transactions are recognised by applying the exchange rate on the transaction date, and foreign currency receivables and liabilities are translated using the closing-date rate. Foreign exchange gains or losses resulting from settlements of foreign currency transactions and from the translation of monetary assets and liabilities in foreign currency are recognised in profit or loss under "Net result of financial transactions."

### Leases

Reported leases primarily pertain to office premises and office equipment. Current property leases (with the exception of short-term and smaller leases) are recognised under PPE (right-of-use assets) with a corresponding liability (lease liability) in the balance sheet. Leases are recognised as property, plant and equipment only in the Group in accordance with the exemption in RFR2.

The property leases pertain to premises and extend for a term of two to 12 years. The present value of leases is measured, where the lease duration and the discount rate form the most material parameters. SBAB uses the incremental borrowing rate as a discount rate, and it applies for the entire duration of the contract, including any indexing. Short-term leases of less than 12 months, or leases of low-value assets (less than USD 5,000), are recognised as costs in a straight line over the lease term and, accordingly, are not included in lease liabilities or right-of-use assets.

### Property, plant and equipment

SBAB recognises property, plant and equipment as assets in the balance sheet if it is probable that future financial benefits will flow to the company. Property, plant and equipment are recognised at cost less any accumulated depreciation and impairment losses. Property, plant and equipment includes leases managed according to IFRS 16 – see the section Leases.

Depreciation is applied to property, plant and equipment on a straight-line basis over the useful life of the asset. The depreciable amount is calculated as the cost of the asset less its estimated residual value at the end of its useful life. Computer hardware is depreciated over four years and other equipment over five years. The residual value and useful life of an asset are assessed annually.

Lease depreciation is based on the sum of the present value at the start of the contract and over the term of the contract, i.e., straight-line depreciation.

### Intangible assets

Investments in acquired computer software or software developed by SBAB are recognised at cost after accumulated amortisation and impairment losses have been deducted. Costs for the maintenance of software are expensed as they arise. When the criteria in IAS 38 are met, proprietary software is recognised as an asset. SBAB has an internally developed process for capitalising proprietary software. The person authorising the initiative/project manager is responsible for clearly formulating what is to be developed, describing the economic benefits and ensuring that SBAB can reliably calculate the expenses attributable to the investment during its development. Decisions on the capitalisation of proprietary software are taken in consultation with SBAB's IT controller.

Development expenditure is capitalised only in the consolidated financial statements. Intangible assets include goodwill arising from acquisitions of subsidiaries where the consideration paid for the business combination exceeds the fair value of net identifiable assets acquired – refer also to the Consolidated Financial Statements section.

Amortisation of intangible fixed assets is allocated on a straight-line basis over the useful life of the asset. The assets are assessed as having useful lives of four or five years. The amortisation period and amortisation method for intangible fixed assets are reviewed at each financial year-end.

### Impairment of non-financial assets

The recoverable amount of an asset is measured when there is any indication that an asset may be impaired. Development work not yet available for use is tested annually for impairment irrespective of whether there is any indication of impairment. An asset is impaired when its carrying amount exceeds its recoverable amount. The impairment loss for each period is charged against net profit/loss for the period.

Impairment of goodwill is recognised when a CGU (group of CGUs) carrying amount for goodwill exceeds its recoverable amount. When a need for impairment is identified for a CGU, the impairment amount is primarily allocated to goodwill. Thereafter, proportional impairment is applied to the other assets in the CGU.



The impairment amount is the higher of fair value less costs to sell and value in use. When calculating the value in use, future cash flows are discounted using a discounting factor that takes into account risk-free interest and the risks associated with the asset in question.

#### Tax

Total tax consists of current tax and deferred tax. Current tax comprises tax that is to be paid or received for taxable earnings during the current year and adjustments of current tax for previous years. Accordingly, for items recognised in profit or loss, the related tax effects are also recognised in profit or loss.

The tax effects of items recognised in other comprehensive income or directly in equity are recognised in other comprehensive income or directly in equity.

Deferred tax assets and tax liabilities are measured according to the balance sheet method on the basis of temporary differences that arise between the carrying amount and the tax base of an asset or liability. Deferred tax assets are recognised for unutilised tax losses to the extent that it is probable that the carry-forwards can be used to offset future taxable profit. Deferred tax is calculated in accordance with the tax rate applicable at the time of taxation.

#### Cash and cash equivalents

Cash and cash equivalents are defined as cash and balances at central banks, and lending to credit institutions.

#### Pensions

The Group has both defined-contribution and defined-benefit pension plans. For the defined-contribution pension plans, fixed fees are paid to an independent unit, following which no additional obligations arise. Pension costs for defined-contribution plans are expensed on a continuous basis in pace with vesting by the individual employee.

The defined-benefit pension obligation is calculated quarterly by independent actuaries using the "projected unit credit method," which entails reporting the Group's net obligation in terms of defined-benefit plans. SBAB only has defined-benefit plans and these pertain to employees in Sweden. Calculation of the present value of the defined-benefit obligation is discounted by the estimated future cash flows by applying the interest rate for mortgage bonds in SEK with maturities comparable to those of the pension obligation in question. The net obligation for defined-benefit pensions is recognised only in the Group.

The provision for defined-benefit pensions includes special employer's contributions.

#### Segment reporting

SBAB's segment reporting is based on the segment information presented internally for monitoring and control purposes.

The Group has identified the CEO as the chief operating decision maker and the internal reporting used by the CEO to monitor and make decisions regarding the allocation of resources as the basis for the segment information to be presented.

SBAB's segments comprise the following:

- Private
- Corporate & Associations

#### Parent Company accounting policies

The Parent Company, SBAB Bank AB (publ), applies statutory IFRS accounting standards, which means that this Annual Report has been prepared in compliance with IFRS accounting standards subject to the additions and exceptions that ensue from the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities, the Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish FSA's regulations and general guidelines on annual accounts for credit institutions and securities companies (FFFS 2008:25).

#### Differences compared with the Group

The main differences between the accounting policies of the Group and those of the Parent Company are shown below:

#### Presentation of the income statement and balance sheet

The Parent Company, as well as the Group, complies with the presentation standards for income statements and balance sheets stipulated in the Annual Accounts Act for Credit Institutions and Securities Companies. There is, however, a different presentation of equity. The Parent Company's statutory reserve is recognised in the Group as retained earnings, while the Parent Company's Fair value reserve is included in the Group's Reserves.

#### Intangible assets

Expenses attributable to proprietary software are recognised in the Parent Company as a cost in profit or loss.

#### Leases

Existing leases relate to normal leases for SBAB's operations and mainly concern office premises and office equipment. SBAB has chosen to apply IFRS 16 in the Group when there is no requirement to apply IFRS 16 to legal entities according to RFR 2.

#### Pensions

The Swedish Pension Obligations Vesting Act and regulations issued by the Swedish FSA contain rules requiring a different method of recognising defined-benefit pension plans compared with that stipulated in IAS 19. Application of the Swedish Pension Obligations Vesting Act is a prerequisite for tax deductibility of the pension payments. In view of this, RFR 2 states that the regulations of IAS 19 in terms of defined-benefit pension plans need not be applied by the legal entity.

#### Measurement in relation to the assumption of receivables

SBAB is the initial lender for all residential mortgages provided by the SBAB Group. Loan receivables, which meet the regulatory requirements for inclusion in the cover pool that provides security for the covered bonds issued by SCBC, are transferred on a daily basis from the Parent Company to the subsidiary, SCBC. The transfers are conducted at fair value.

#### Subsidiaries

Participations in subsidiaries are recognised in the Parent Company in accordance with the cost method.

#### Dividend

Dividends received from subsidiaries are recognised in profit or loss. Anticipated dividends from subsidiaries are recognised in cases where formal decisions have been taken in the subsidiary or where the Parent Company otherwise has full control over the decision-making process before it publishes its financial statements.

Dividends paid are recognised as a reduction of unrestricted equity following the passing of a resolution on dividends at the Annual General Meeting.

#### Group contributions

Group contributions received from subsidiaries are recognised in profit or loss, while Group contributions paid to subsidiaries by the Parent Company are recognised as increased participations in Group companies.

#### Critical accounting estimates and judgements

##### Critical assumptions

Preparing the annual accounts in compliance with statutory IFRS requires that Executive Management use estimates and judgements based on historical experience and assumptions that are considered to be reasonable and fair. No critical assumptions have been made over and above those that entail estimates. These estimates have a material impact on the carrying amounts of assets, liabilities and off-balance sheet exposures, as well as income and expenses presented in the Annual Report. Subsequently, the actual outcome may differ to some extent from the estimates made.

##### Measurement of loan receivables

The ECL must either relate to a 12-month period or the remaining maturity of the receivable if a significant increase in credit risk has occurred. When estimating credit losses, previously observable data is used together with assumptions pertaining to macroeconomic trends. As with all estimates of future outcomes, ECL assessment is uncertain, not least in terms of loan receivables that show a significant increase in credit risk, which may lead to asset adjustments. Moreover, an individual expert assessment for credit impaired loan receivables is carried out where the risk of loss is imminent, which in itself gives rise to considerable uncertainty. Transfers of loan receivables within the Group are conducted at fair value.

For more information, see also the "Credit losses and impairment of financial assets" section.

##### Financial instruments measured at fair value

The valuation is made based on observable market data, in part through the direct application of market prices, and in part through generally accepted measurement methods. Critical estimates and judgements in conjunction with fair value measurement are made in the choice of which valuation technique and market data to use. In both cases, judgements are made with regard to how the valuation techniques and market data used comprise a good estimate of the fair value.

## G:2 Related party disclosures

SBAB Bank AB (publ) is a Swedish public limited company that is wholly owned by the Swedish state.

### Group companies

The Swedish Covered Bond Corporation (SCBC) and Booli Technologies AB are to be regarded as subsidiaries and recognised in accordance with the acquisition method, which entails the elimination of internal transactions at Group level. Transactions with related parties have taken place at market terms.

Group SEK million	SBAB		SCBC		BOOLI	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Lending to credit institutions	194,067	142,789	1,528	1,369	-	-
Derivatives	8,500	12,377	9,526	10,122	-	-
Accrued income and prepaid expenses	790	772	4	-9	2	2
Other assets	0	3	-	-	-	-
Shareholder contribution paid	-	6,800	-	-	-	-
<b>Total</b>	<b>203,357</b>	<b>162,741</b>	<b>11,058</b>	<b>11,482</b>	<b>2</b>	<b>2</b>
<b>Liabilities and equity</b>						
Liabilities to credit institutions	1,528	1,369	193,488	137,789	-	-
Derivatives	9,526	10,122	8,500	12,377	-	-
Accrued expenses and deferred income	6	-6	790	772	0	0
Other liabilities	-	-	0	3	-	-
Group contributions paid	-	-	10	30	-	-
Shareholder contributions received	-	-	-	6,800	-	-
<b>Total</b>	<b>11,060</b>	<b>11,485</b>	<b>202,788</b>	<b>157,771</b>	<b>0</b>	<b>0</b>

Group SEK million	SBAB		SCBC		BOOLI	
	2024	2023	2024	2023	2024	2023
<b>Income and expenses</b>						
Interest income	5,183	1,213	6,310	6,921	-	-
Interest expense	-6,310	-6,921	-5,183	-1,213	-	-
Group contributions received	-	-	-	-	10	30
Commission income <sup>1)</sup>	21	31	-	-	-	-
Commission expense	-2	-1	21	-31	-	-
Other operating income <sup>2, 3)</sup>	1,451	1,452	-	-	8	5
Other administrative expenses	-5	-3	-1,451	-1,452	-1	-1
Marketing <sup>3)</sup>	-8	-3	-	-	-	-

<sup>1)</sup> The Parent Company is compensated by the subsidiary SCBC for allowing SCBC to utilise a liquidity facility at the Parent Company, refer to Note IC 4

<sup>2)</sup> The Parent Company receives fees from its subsidiaries SCBC and Booli for administrative services provided, refer to Note IC 6

<sup>3)</sup> Booli receives fees from the Parent Company for marketing and product development, refer to Note IC 6

## Loans to key personnel

SEK million	GROUP			
	2024		2023	
	Lending	Interest income	Lending	Interest income
CEO	-	-	-	-
Board of Directors	12	1	7	0
Other key senior executives	80	2	36	1
<b>Total</b>	<b>92</b>	<b>3</b>	<b>43</b>	<b>1</b>

The CEO and the Board of Directors refer to the Parent Company. Wherever relevant, the managing directors and boards of other Group companies are included under "Other key senior executives."

## Deposits from key personnel

SEK million	GROUP			
	2024		2023	
	Deposits	Interest expense	Deposits	Interest expense
CEO and other key senior executives	6	0	7	0
Board of Directors	3	0	5	0
<b>Total</b>	<b>9</b>	<b>0</b>	<b>12</b>	<b>0</b>

Lending to a member of the Board of SBAB Bank AB (publ) or to an employee who holds a senior position in the company does not take place on other terms than those SBAB Bank AB (publ) normally applies when granting credit. An employee holding a senior position, like other employees, is entitled to a benefit credit while a member of the Board is not entitled to a preferential credit. The ceiling for total capital debt on preferential terms is SEK 3,000,000 per household on the condition that the loan is within 85% of the property's LTV. On preferential loans of up to SEK 3,000,000, a 2-percentage point discount

is given against SBAB's current list rate. The preferential loan is taxable. The interest rate received after the discount must not be less than 0.25%.

Further disclosures pertaining to Board members and the Group Management are available in Note **IC 5** Personnel costs

**Other related parties**

Information on the Board and their Board assignments is presented in the Corporate Governance Report, refer to page 64.



## G:3 Proposed appropriation of profits

SBAB Bank AB (publ) posted a net profit for the year after tax of SEK 1,464,315,945. According to SBAB's balance sheet, SEK 19,017,713,134 is at the disposal of the Annual General Meeting.

Fair value reserve	47,622,329
Additional Tier 1 instruments	6,100,000,000
Retained earnings	11,405,774,860
Net profit for the year	1,464,315,945
<b>Total</b>	<b>19,017,713,134</b>
<i>The Board proposes that the earnings be appropriated as follows (SEK):</i>	
A dividend distribution of SEK 46,600 per share, in total	912,567,800
To be carried forward	18,105,145,334
<b>Total</b>	<b>19,017,713,134</b>

The proposed dividend, which amounts to 40% of the Group's net profit for the year, has been proposed with consideration for the rules on buffer capital, risk limitation and transparency under the Banking and Financing Business Act. Unrealised changes in value on assets and liabilities measured at fair value had a net negative impact on equity for SBAB Bank AB (publ) of SEK 15 million. The applicable regulations on capital adequacy mean that the company's own funds at any given time are to correspond to not less than the total capital requirement, which encompasses Pillar 1 capital requirements, Pillar 2 capital requirements, buffer requirements and any Pillar 2 guidance. After the proposed appropriation of profits, own funds amounted to SEK 29,534 million (28,209) and the total capital requirement amounted to SEK 24,273 million (23,901).

In the Board's assessment, the proposed dividend is justified considering the requirements that the nature, scope and risks of the operations impose on the scale of equity in the Parent Company and the Group, as well as on the needs of the Parent Company and the Group in terms of consolidation, liquidity and position. Furthermore, the Board assesses that the Parent Company and the Group's financial position do not give rise to any assessment other than that the Parent Company and the Group are expected to fulfil its obligations in the short and long term.

## G:4 Events after the balance-sheet date

### Organizational change

To clarify internal governance and achieve increased progress in development an organizational change was carried out in February 2025 which means that the former Customer Experience (CX) and Tech departments were merged into one new department called Digital. In connection with the change, Robin Silfverhielm took over the role of head of digital (CDIO) and continued member of the company's management while Marko Ivanic, CTO, stepped down from his role as a member of company management.

## RC:1 Credit risk in lending operations

Credit risk in lending operations is defined as the risk that the customer is unable to fulfil its credit obligations, and is measured based on the customer's repayment capacity and the LTV ratio (value of pledged collateral in relation to the size of the loan). Credit risk also arises in treasury operations, refer to Note RC 2.

### Measurement of credit risk within lending operations

Credit risk in lending operations is managed and limited by analysing the customer's repayment capacity during the credit granting process. Loans are only granted to customers who are assessed to be able to make repayments when interest rates comfortably exceed the interest rate that was current at the time of the credit decision. Moreover, the credit risk is restricted by credit limits adopted for customers or customer groups. SBAB applies a debt-to-income ratio ceiling<sup>1)</sup> for new retail mortgages of 550% to limit the scope of customers' debt. Credit rules such as the calculation interest rate and the debt-to-income ratio are governed by internal credit instructions. When granting credit to private individuals, a quantitative credit risk measurement model is applied that estimates and ranks customers according to their probability of default (PD). Loans are only granted to borrowers with a good creditworthiness score according to the quantitative model. On granting credit to corporate customers, including property companies, property developers and tenant-owners' associations, the credit risk is assessed using quantitative models as well as a systematic qualitative assessment where a number of given questions are answered. The qualitative questions capture customer aspects such as business model, maintenance needs and management of properties as well as the financial stability. As a result, the estimated PD corresponding to a rating grade will be a mix of the two methods. In this way a more tailored repayment capacity assessment can be carried out since different property companies and tenant-owners' associations can differ significantly.

### Measurement of credit risk within IRB

Credit risk in lending operations is measured and managed using an internal ratings-based approach (IRB) according to the Capital Requirements Regulation<sup>2)</sup> (CRR). The IRB approach is used for calculations of capital requirements as well as for the control and follow-up of the credit risk for new and existing customers in the lending portfolio. SBAB applies an advanced IRB approach (AIRB) for retail exposures comprised of residential mortgages to private individuals. Foundation IRB approach is applied for corporate exposures<sup>3)</sup>, which comprise property loans to property companies and tenant-owners' associations, and building credits to property companies. For consumer loans, as in unsecured loans, the standardised approach is used for calculations of capital requirements, pending the roll-out to the AIRB. IRB has been used since 2007 for assessing credit risk in lending operations for loans where a property deed or a tenant-owners' right is used as collateral. In 2015, SBAB also received permission to use IRB for excess exposures that are not fully covered by deeds, property financing using other collateral than directly pledged deeds, and building credits. The Bank does not apply any credit conversion factor (CCF) models with the IRB framework.

The credit risk models in the IRB framework deal with the following risk parameters:

- Probability of default by the customer – PD (Probability of Default)
- Loss in the event of default – LGD (Loss Given Default)

Based on the risk parameters, customers can be ranked by credit risk, and the respective expected credit losses (EL) and risk exposure amount (REA) are calculated, with REA used in capital adequacy to account for unexpected credit losses. To estimate the PD and thus the repayment capacity, the borrower is assigned one of 11 rating grades for private individuals, tenant-owners' associations and property companies, where the highest rating grade comprises defaults. Trends for exposures in worse (higher) rating grades are closely monitored and managed actively, when necessary, by credit experts in the bank's insolvency team. The expected credit loss EL under IRB differs from the

expected credit loss (ECL) that constitutes the loss allowance and thus the credit loss provisions pursuant to IFRS 9. The calculation of EL and REA according to Pillar 1 under the Basel framework is regulated by the CRR. According to the CRR, the measurement of credit risk should be based on historical default rates and credit losses over a longer period of time and must include economic downturn periods. For the calculation of ECL in accordance with the accounting standard IFRS 9, the measurement of credit risk must be based both on historical data but also on forward-looking information to predict any negative impact on future cash flows. For capital adequacy purposes, the IRB approach separates non-performing loans from other loans when calculating EL. A positive difference when EL exceeds ECL reduces the CET1 capital by the corresponding amount. For more information on impairment of financial assets, please refer to Note A 1. Total EL for SBAB's lending under the IRB approach amounted to SEK 619 million (613) at the end of 2024. Total ECL in accordance with IFRS 9, reduced for guarantees, amounted to SEK 296 million (301).

The models in the IRB framework are validated annually by an independent validation unit and adjusted when needed. In 2024, the completed validations of the existing models did not lead to any changes.

Each year, the model development unit reviews the IRB framework models through the estimation process, which includes evaluation of risk differentiation capability and calibration of PD estimates. In 2024, the first estimation process using the IRB models for PD was performed, taking into account the recommendations from the Swedish FSA and the validation unit. The review of the PD model for private individuals led to calibration of the PD estimates for the existing model and an application for updates to the model, which was sent to the Swedish FSA in December 2024. The updated PD estimates for private individuals were applied for calculation of capital requirements as of 30 June 2024. The review of the PD models for property companies and tenant-owners' associations led to calibration of PD estimates and minor updates to the calibration process that were pre-notified to the Swedish FSA in autumn 2024. Work is ongoing to respond to the Swedish FSA's comments on the changes, which have therefore yet to be implemented in the IRB framework. In 2024, the 2021 applications for new LGD models were withdrawn following feedback from the Swedish FSA. As a result, a new LGD model for private individuals has been developed with the aim of addressing the shortcomings identified by the Swedish FSA. The application for a new LGD model for private individuals was sent to the Swedish FSA in December 2024.

### Collateral for lending

Loans granted by SBAB require the borrower must be creditworthy according to the rating grades provided by the PD models and on the provision of adequate collateral. Adequate collateral primarily refers to mortgage deeds for real estate property or shares in tenant-owners' associations with a primary lien within a maximum of 75–85% of the market value. Creditworthy borrowers refer to the rating grades P1–P8 for private individuals, F1–F7 for property companies and B1–B8 tenant-owners' associations. When it comes to lending to property companies and tenant-owners' associations, it is the borrowers' repayment capacity together with the market value of the property that governs the loan-to-value (LTV) ratio<sup>4)</sup> that is granted, usually between 50 and 75%. In addition to collateral in the form of property deeds for real estate property or tenant-owners' rights, it is possible to grant loans against, inter alia, collateral in the form of a government guarantee, municipal guarantee, securities, bank guarantees and deposits in a Swedish bank. A limited part of total lending, less than 1%, comprises consumer loans without any collateral, i.e., unsecured loans. For property companies and tenant-owners' associations, building credits are normally secured through notes of lien and guarantor commitments. SBAB normally requires a set percentage of sales to end customers before any disbursement is made. Disbursements continue according to payment plans in line with the progress of the building. SBAB has not repossessed any collateral to protect loans. Lending to the public accounts for 82% of SBAB's total assets as of 31 Dec 2024 (80%). The table below presents lending in relation to the market value of underlying collateral. As the majority of SBAB's lending has an LTV under 70%, the portfolio is deemed to be well-covered and its credit quality as very high.

<sup>1)</sup> Gross income before tax in relation to loan.

<sup>2)</sup> The CRR refers to Regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms.

<sup>3)</sup> Retail exposures within the framework of the existing IRB framework pertain to residential mortgages to private individuals with collateral consisting of loans for houses, holiday homes and tenant-owners' rights. Corporate exposures pertain to loans to property companies and tenant-owners' associations; building credits are also included.

<sup>4)</sup> The loan-to-value ratio is defined as the size of a loan in relation to the market value of pledged collateral. The reported average is the weighted average. Where applicable, the calculation takes into consideration contributory factors such as guarantees and the collateral's lien priority. SBAB verifies property values on a regular basis. For residential properties and tenant-owners' rights, the property value is verified at least every third year.

## Loan amounts broken down by LTV interval

SEK million	GROUP			Total	SEK million	GROUP			Total
	2024	2023	2023			Residen- tial mort- gages	Corporate & Associa- tions	Loans without formal collateral	
<b>Lending to the public</b>					<b>Lending to the public</b>				
LTV <50%	116,448	74,373	-	190,821	LTV <50%	105,255	72,387	-	177,642
LTV 50-69%	130,159	72,402	-	202,561	LTV 50-69%	121,229	65,034	-	186,263
LTV >69%	118,906	19,403	-	138,309	LTV >69%	119,693	20,016	-	139,709
Unsecured	472	4,018	1,655	6,145	Unsecured	302	11,994	1,782	14,078
<b>Total</b>	<b>365,985</b>	<b>170,196</b>	<b>1,655</b>	<b>537,836</b>	<b>Total</b>	<b>346,479</b>	<b>169,431</b>	<b>1,782</b>	<b>517,692</b>
Off-balance-sheet items <sup>1)</sup>	47,924	2,207	476	50,607	Off-balance-sheet items <sup>1)</sup>	33,548	7,755	309	41,612

<sup>1)</sup> Off-balance-sheet items include loan commitments and building credits.

## ECL and forward-looking information

Factors	2024											
	Scenario 1 (40%)			Scenario 2 (10%)			Scenario 3 (25%)			Scenario 4 (25%)		
	2025	2026	2027	2025	2026	2027	2025	2026	2027	2025	2026	2027
GDP <sup>1)</sup> , Δ	+2.2%	+5.3%	+7.4%	+3.3%	+8.1%	+11.2%	-6.8%	-0.6%	+2.2%	-2.9%	-3.7%	-2.3%
Policy rate	2.2%	2.1%	2.2%	2.1%	2.1%	2.4%	2.4%	2.5%	2.5%	2.7%	3.2%	3.2%
Unemployment	8.3%	7.9%	7.5%	8.1%	7.1%	6.3%	8.7%	11.1%	10.0%	8.5%	9.4%	10.1%
House prices, Δ	+2.0%	+4.5%	+3.6%	+6.6%	+1.3%	+3.2%	-7.3%	-5.9%	+0.3%	-8.2%	-12.7%	-8.2%
Prices of tenant-owners' rights, Δ	+4.0%	+4.5%	+4.1%	+9.4%	+0.5%	+3.5%	-6.4%	-9.4%	-1.0%	-8.8%	-16.6%	-7.3%
Property prices, Δ	-0.1%	+1.2%	+4.0%	+2.5%	+1.4%	+2.8%	-6.3%	-5.8%	-6.3%	-8.1%	-8.4%	-11.9%
<b>ECL</b>	<b>SEK 165 million</b>			<b>SEK 158 million</b>			<b>SEK 344 million</b>			<b>SEK 513 million</b>		
<b>Weighted ECL<sup>2)</sup></b>	<b>SEK 296 million</b>											

<sup>1)</sup> Not included in the calculation of ECL but has been included in the table to illustrate the structure of the macroeconomic scenarios.

<sup>2)</sup> Of which, SEK 294 million was attributable to lending to the public and SEK 2 million to off-balance-sheet items linked to loan commitments and building credits.

Factors	2023											
	Scenario 1 (40%)			Scenario 2 (20%)			Scenario 3 (20%)			Scenario 4 (20%)		
	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026
GDP <sup>1)</sup> , Δ	-0.6%	+2.7%	+3.0%	+0.5%	+4.4%	+3.8%	-9.4%	+6.3%	+3.9%	-5.6%	-1.6%	+3.0%
Policy rate	3.2%	2.2%	2.2%	3.0%	2.4%	2.4%	3.5%	2.6%	2.5%	4.2%	3.3%	3.2%
Unemployment	8.4%	8.0%	7.5%	7.9%	6.9%	6.4%	11.4%	10.8%	9.6%	9.4%	10.3%	10.4%
House prices, Δ	+2.5%	+4.0%	+4.3%	+6.4%	+0.6%	+4.8%	-6.7%	-3.3%	+3.4%	-12.4%	-13.8%	-3.3%
Prices of tenant-owners' rights, Δ	+1.0%	+7.8%	+7.2%	+5.2%	+3.5%	+7.8%	-12.5%	-5.3%	+4.5%	-14.5%	-10.9%	-0.3%
Property prices, Δ	-3.7%	-1.7%	-0.2%	-1.2%	-2.5%	-1.5%	-11.6%	-14.7%	-7.1%	-12.4%	-18.9%	-11.8%
<b>ECL</b>	<b>SEK 156 million</b>			<b>SEK 137 million</b>			<b>SEK 391 million</b>			<b>SEK 666 million</b>		
<b>Weighted ECL<sup>2)</sup></b>	<b>SEK 301 million</b>											

<sup>1)</sup> Not included in the calculation of ECL but has been included in the table to illustrate the structure of the macroeconomic scenarios.

<sup>2)</sup> Of which, SEK 292 million was attributable to lending to the public and SEK 9 million to off-balance-sheet items linked to loan commitments and building credits.

## ECL and forward-looking information

Given the prevailing economic downturn with continued high interest rates and unemployment and low housing production, SBAB has continuously evaluated the macroeconomic situation during the year. Following the preparation of updated macroeconomic scenarios at the end of each quarter, SBAB has revised the forward-looking information applied in the impairment model to calculate ECL (ECL model). The forward-looking information comprises four scenarios: A base scenario and three alternative scenarios, where the base scenario (scenario 1) is currently positive and describes a normal recovery from the current recession and represents the bank's expectations for Sweden's economy. The three alternative scenarios comprise one positive (scenario 2) and two negative (scenarios 3 and 4) relative to the base scenario. The most

recent forward-looking information indicates lower interest rates going forward and price increases for housing and properties in the positive scenarios, while price decreases for housing and properties and rising unemployment dominate the negative scenarios. In conjunction with the first quarter revision of the forward-looking information, the scenario weights were adjusted, with 10 percentage points moving from scenario 2 to scenarios 3 and 4, thus taking into account the continued near-term economic uncertainty in Sweden. In 2024, the revision of the forward-looking information led to the unwinding of loss provisions, mainly due to milder PD effects arising from interest rate cuts during the year. The table above presents the forward-looking information consisting of the four scenarios with forecasts of the macroeconomic factors and their corresponding weight applied in the ECL model.

To take into account higher consumer default frequencies over the past year, which led to increased loss provisions, the PD estimates in the ECL model were calibrated in the second quarter. As of December, a SEK 30 million management overlay was recognised to take into account upcoming updates to the PD and LGD models for private individuals within the IRB framework, which the Bank intends to introduce into the ECL model in 2025. The management overlay was attributable to slightly more conservative baseline estimates from the models. The overlay only pertains to credit stages 1 and 2 within Private and will apply until the ECL model has been adapted.

Within business area Private more customers have been experiencing payment difficulties resulting in defaults along with more individual assessed provisions during the year has contributed to an inflow of exposures to credit stage 3, and consequently contributed to increased loss provisions. However, this trend stopped in the fourth quarter. In the fourth quarter of 2024, a defaulted undertaking was settled for one customer in the Business Area Corporates & Associations, which was previously the subject of an individual provision. While rating grade migrations were negative in the beginning of 2024, they have been overall positive during the year for both business areas, which has led to reduced loss allowances.

On 31 December 2024, the loss allowances amounted to SEK 296 million, compared with SEK 301 million on 31 December 2023. The bank is comfortable with the scope of the loss allowances.

#### Decisions on forward-looking information and management overlays

The Chief Risk Officer (CRO), supported by the Chief Economist and credit risk experts, submits proposals for updates in the forward-looking information. The proposal is presented to the Assets and Liabilities Committee (ALCO), which takes decisions regarding the forecasts of macroeconomic factors and the weighting of ECL in the respective scenario. The decision from ALCO also needs to be approved by relevant board members of the Risk and Capital Committee.

In the event of larger shocks to the housing or financial markets, manual adjustment in the form of management overlays of the ECL may be necessary. As for the forward-looking information, proposals are submitted to ALCO for decision which subsequently are to be approved by the Risk and Capital Committee. Management overlays may involve add-ons to both PD and LGD and should be managed in the same way as the forward-looking information. Where adjustments are to be made within geographical areas or certain product types that are particularly affected by the shocks, a manual allocation of ECL to affected loans may be necessary.

#### Uncertainty in calculating ECL

The primary source of uncertainty in calculating the ECL is the forward-looking information. SBAB simulates ECL in several scenarios that are positive and negative in nature to capture the variation in the outcome for future credit losses. The macroeconomic factors impact the risk parameters PD and LGD and have in turn a significant impact on the final ECL. The estimate of the ECL varies depending on the choice of weights assigned to the forward-looking scenarios.

Another source of uncertainty is the thresholds for PD, which are used to measure a significant increase in credit risk. The thresholds have a direct impact on the size of the credit loss provisions. The following table presents how the lending exposure is allocated over the credit stages for various PD thresholds and the impact on ECL based on the current threshold, corresponding to deviations in PD at the third percentile for the Private business area and the fourth percentile for the Corporates & Associations business area.

#### Sensitivity analysis of PD thresholds

Allocation of EAD over credit stage and change in ECL	Percentile		
	5	4/3	1
Credit stage 1	85.4%	90.6%	96.5%
Credit stage 2	14.4%	9.2%	3.4%
Credit stage 3	0.1%	0.1%	0.1%
$\Delta$ ECL	11.6%	0.0%	-15.0%

#### Changes to the ECL model

To take into account higher consumer default frequencies observed over the past year, the PD estimates in the ECL model were calibrated in the second quarter. A management overlay was implemented for ECLs in December to take into account upcoming updates to the PD and LGD models for private individuals within the IRB framework, which the Bank intends to introduce into the ECL model in 2025. The management overlay was attributable to slightly more conservative baseline estimates from the models. The overlay only pertains to credit stages 1 and 2 within Private and will apply until the ECL model has been adapted.

The first scheduled validation of the current ECL model was completed in 2024. The validation unit's overall assessment of the ECL model is that it is fit for purpose and leads to appropriate ECL calculations and thus loss provisions.

#### Overall credit quality

The credit quality of SBAB's lending portfolio remains strong and the credit risks associated with lending to private individuals within Private are low. Granting of loans within Private is based on a sound credit approval process that determines whether customers have the financial capacity required to meet their obligations. The Swedish FSA's annual mortgage market survey, based on data from 2023, found that overall, new residential mortgage customers continue to have healthy margins to manage repayment of their mortgages despite the worsened economic landscape. At the end of the fourth quarter 2024, the average loan-to-value (LTV) ratio in the mortgage portfolio was 59% (59), and the average residential mortgage loan to customers amounted to SEK 1.9 million (1.9). LTV for new lending was, at the end of 2024, 68% (67) and the debt-to-income ratio was 3.7 (3.4).

The credit quality of SBAB's lending to property companies, property developers and tenant-owners' associations is also considered strong. The average LTV for property companies and tenant-owners' associations at the end of 2024 were 60% (61) and 32% (32), respectively. In Corporate & Associations, the granting of loans is based on an assessment of customers' ability to generate stable cash flows over time and on whether adequate collateral can be provided. The current economic downturn in Sweden, following a previous period of high interest rates and high inflation, has resulted in the bank working proactively to identify customers who are, or who could become, particularly financially exposed.

SBAB has increased the frequency of the follow-up of customers with market financing that is to be refinanced in both the short and long term, as well as customers with building credits for residential property development that are particularly affected by increased interest rates and rising prices for input and building materials. Additionally, more frequent evaluation of customers' rating grades is conducted through expert assessment. No new individual provisions have been deemed necessary in this business area in 2024. However, an individual provision for one property company with building credits has been removed in conjunction with the commitment being settled by another bank. This resulted in a release of loss provisions of SEK 17 million.

#### Climate risk aspects when measuring credit risk

The credit risk models used within the IRB framework and in the ECL model do not involve any risk factors which are directly linked to climate risks. However, there are explanatory variables that reflect the consequences of realized climate risks, such as the market values of collaterals and consequently the LTVs related to physical risks, as well as payment discipline in relation to repayment capacity linked to transition risks. Moreover, possibilities exist for the inclusion of macroeconomic forecasts specific to climate risks in the ECL model, which has yet to be deemed necessary. As additional climate data becomes available, the bank will continue to identify and evaluate materiality of risk factors directly linked to climate risk in the regular review of the models within the IRB framework and in the review of the ECL model.

Since SBAB's business model focuses exclusively on financing housing, flood and energy price transition risks have been identified as the two primary climate risks in the lending portfolio. During the year, the bank has worked on new ESG disclosure requirements pertaining to the distribution of collateral by energy class and energy performance as well as how much of the lending portfolio is assessed as sensitive to the impact of physical risks. Only a limited portion of the portfolio is assessed as sensitive to the physical impact of flooding. In addition, stress tests have been conducted on climate risk through stressed energy prices and market values of collateral and their impact on the repayment capacity and loss rates for customers.

In summary, SBAB has not noted any impact on credit quality, credit-risk exposures or repayment capacity due either to physical climate risks or to transition risks in 2024.

#### Lending to the public broken down by rating grade

As per 31 December 2024, SBAB's lending to the public amounted to SEK 538 billion compared with SEK 517 billion as of 31 December 2023. Each borrower is assigned one of eleven-grade rating scales (P1–P11 for private individuals, B1–B11 for tenant owners' associations and F1–F11 for property companies), with the eleventh grade reserved for defaulted borrowers.

Positive rating grade migrations have been observed during the year within the Private and the Corporates & Associations business areas. Falling interest rates have contributed to positive rating grade migrations within Private as this impacts the PD model for private individuals. Within Corporates & Associations, individual counterparties have been upgraded to better rating grades during the year. Furthermore, an individual provision for an exposure to one property company with building credits was settled by another bank at the end of the year.

Total	GROUP							
	2024							
	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
B1/F1/P1	45,952	0	0	0	0	0	45,952	0
B2/F2/P2	59,756	0	0	0	0	0	59,756	0
B3/F3/P3	130,907	-2	35	0	0	0	130,942	-2
B4/F4/P4	86,650	-2	1,129	0	0	0	87,779	-2
B5/F5/P5	87,923	-4	5,308	-1	0	0	93,231	-5
B6/F6/P6	50,108	-9	7,182	-4	0	0	57,290	-13
B7/F7/P7	30,969	-9	8,503	-5	0	0	39,472	-14
B8/F8/P8	6,929	-6	5,768	-8	6	0	12,703	-14
B9/F9/P9	1,807	-2	5,146	-12	21	-1	6,974	-15
B10/F10/P10	115	-1	3,086	-36	170	-12	3,371	-49
B11/F11/P11	0	0	0	0	660	-180	660	-180
<b>Total</b>	<b>501,116</b>	<b>-35</b>	<b>36,157</b>	<b>-66</b>	<b>857</b>	<b>-193</b>	<b>538,130</b>	<b>-294</b>
Guarantees <sup>1)</sup>	-	0	-	0	-	0	-	0
<b>Total</b>	<b>501,116</b>	<b>-35</b>	<b>36,157</b>	<b>-66</b>	<b>857</b>	<b>-193</b>	<b>538,130</b>	<b>-294</b>

Total	GROUP							
	2023							
	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
B1/F1/P1	52,872	0	94	0	-	-	52,966	0
B2/F2/P2	42,896	-2	0	0	-	-	42,896	-2
B3/F3/P3	113,648	-6	53	0	-	-	113,702	-6
B4/F4/P4	72,412	-12	1,066	0	-	-	73,478	-12
B5/F5/P5	92,156	-12	9,304	-4	-	-	101,460	-16
B6/F6/P6	45,050	-12	5,470	-2	-	-	50,520	-15
B7/F7/P7	37,545	-12	15,932	-19	-	-	53,477	-31
B8/F8/P8	7,876	-5	11,601	-25	3	-	19,480	-30
B9/F9/P9	1,883	-3	4,529	-7	19	-1	6,431	-11
B10/F10/P10	118	-2	2,451	-24	194	-16	2,763	-42
B11/F11/P11	0	0	0	0	519	-128	519	-127
<b>Total</b>	<b>466,456</b>	<b>-66</b>	<b>50,500</b>	<b>-81</b>	<b>735</b>	<b>-145</b>	<b>517,692</b>	<b>-292</b>
Guarantees <sup>1)</sup>	-	0	-	0	-	-	-	0
<b>Total</b>	<b>466,456</b>	<b>-66</b>	<b>50,500</b>	<b>-81</b>	<b>735</b>	<b>-145</b>	<b>517,691</b>	<b>-292</b>

<sup>1)</sup> Guarantees are included in the balance-sheet item "Prepaid expenses and accrued income."

		GROUP							
		2024							
RESIDENTIAL MORTGAGES		Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million		Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
P1		2,790	0	-	-	-	-	2,790	0
P2		27,117	0	-	-	-	-	27,117	0
P3		95,244	-1	35	0	-	-	95,279	-1
P4		66,523	-1	1,129	0	-	-	67,652	-1
P5		74,990	-3	2,696	0	-	-	77,686	-3
P6		40,073	-5	3,388	-1	-	-	43,461	-6
P7		27,440	-8	5,454	-4	-	-	32,894	-12
P8		6,324	-4	4,346	-7	6	0	10,676	-11
P9		1,407	-1	4,286	-8	21	-1	5,714	-10
P10		100	-1	2,077	-25	169	-12	2,346	-38
P11		-	-	-	-	602	-149	602	-149
<b>Total</b>		<b>342,008</b>	<b>-24</b>	<b>23,411</b>	<b>-45</b>	<b>798</b>	<b>-162</b>	<b>366,217</b>	<b>-231</b>
Guarantees <sup>1)</sup>		-	0	-	0	-	0	-	0
<b>Total</b>		<b>342,008</b>	<b>-24</b>	<b>23,411</b>	<b>-45</b>	<b>798</b>	<b>-162</b>	<b>366,217</b>	<b>-231</b>

		GROUP							
		2023							
RESIDENTIAL MORTGAGES		Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million		Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
P1		7,684	0	-	-	-	-	7,684	0
P2		15,007	0	-	-	-	-	15,007	0
P3		82,824	-2	53	-	-	-	82,877	-2
P4		49,997	-2	1,066	-	-	-	51,063	-2
P5		79,086	-4	5,031	-	-	-	84,117	-4
P6		38,309	-6	4,637	-2	-	-	42,946	-8
P7		33,079	-7	8,721	-4	-	-	41,800	-11
P8		7,299	-5	5,400	-6	3	0	12,702	-11
P9		1,330	-1	3,920	-6	19	-1	5,269	-8
P10		99	-1	2,330	-22	192	-15	2,621	-38
P11		-	-	-	-	393	-81	393	-81
<b>Total</b>		<b>314,714</b>	<b>-28</b>	<b>31,158</b>	<b>-40</b>	<b>607</b>	<b>-97</b>	<b>346,479</b>	<b>-165</b>
Guarantees <sup>1)</sup>		-	0	-	-	-	-	-	0
<b>Total</b>		<b>314,714</b>	<b>-28</b>	<b>31,158</b>	<b>-40</b>	<b>607</b>	<b>-97</b>	<b>346,479</b>	<b>-165</b>

<sup>1)</sup> Guarantees are included in the balance-sheet item "Prepaid expenses and accrued income."



		GROUP							
		2024							
CORPORATES		Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million		Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
F1		29,387	0	-	-	-	-	29,387	0
F2		20,262	0	-	-	-	-	20,262	0
F3		23,534	-1	-	0	-	-	23,534	-1
F4		10,886	-1	-	-	-	-	10,886	-1
F5		5,670	-1	2,610	-1	-	-	8,280	-2
F6		5,349	-3	3,113	-3	-	-	8,462	-6
F7		1,546	-1	1,529	-1	-	-	3,075	-2
F8		2	0	170	-1	0	0	172	-1
F9		22	0	417	-4	-	-	439	-4
F10		-	-	868	-9	-	-	868	-9
F11		-	-	-	-	-	-	0	0
<b>Total</b>		<b>96,658</b>	<b>-7</b>	<b>8,707</b>	<b>-19</b>	<b>0</b>	<b>0</b>	<b>105,365</b>	<b>-26</b>
Guarantees <sup>1)</sup>		-	0	-	0	-	-	-	0
<b>Total</b>		<b>96,658</b>	<b>-7</b>	<b>8,707</b>	<b>-19</b>	<b>0</b>	<b>0</b>	<b>105,365</b>	<b>-26</b>

		GROUP							
		2024							
TENANT-OWNERS' ASSOCIATIONS		Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million		Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
B1		13,775	0	0	0	-	-	13,775	0
B2		12,366	0	-	-	-	-	12,366	0
B3		11,958	0	0	0	-	-	11,958	0
B4		9,071	0	-	-	-	-	9,071	0
B5		6,904	0	0	0	-	-	6,904	0
B6		4,497	-1	677	0	-	-	5,174	-1
B7		1,775	0	1,507	0	-	-	3,282	0
B8		471	-1	1,217	0	-	-	1,688	-1
B9		110	0	395	0	-	-	505	0
B10		-	-	115	-1	-	-	115	-1
B11		-	-	-	-	40	-19	40	-19
<b>Total</b>		<b>60,927</b>	<b>-2</b>	<b>3,911</b>	<b>-1</b>	<b>40</b>	<b>-19</b>	<b>64,878</b>	<b>-22</b>
Guarantees <sup>1)</sup>		-	0	-	0	-	-	-	0
<b>Total</b>		<b>60,927</b>	<b>-2</b>	<b>3,911</b>	<b>-1</b>	<b>40</b>	<b>-19</b>	<b>64,878</b>	<b>-22</b>

<sup>1)</sup> Guarantees are included in the balance-sheet item "Prepaid expenses and accrued income."

CORPORATES	GROUP							
	2023							
	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
F1	29,624	0	-	-	-	-	29,624	0
F2	14,737	-2	-	-	-	-	14,737	-2
F3	18,843	-4	-	-	-	-	18,843	-4
F4	12,859	-9	-	-	-	-	12,859	-9
F5	5,634	-7	4,268	-4	-	-	9,902	-11
F6	3,824	-5	138	0	-	-	3,962	-5
F7	2,390	-4	5,065	-13	-	-	7,455	-17
F8	19	0	4,226	-16	-	-	4,245	-16
F9	1	0	116	-1	-	-	117	-1
F10	-	-	4	0	-	-	4	0
F11	-	-	-	-	-	-	-	-
<b>Total</b>	<b>87,931</b>	<b>-31</b>	<b>13,817</b>	<b>-34</b>	<b>-</b>	<b>-</b>	<b>101,748</b>	<b>-65</b>
Guarantees <sup>1)</sup>	-	0	-	0	-	-	-	0
<b>Total</b>	<b>87,931</b>	<b>-31</b>	<b>13,817</b>	<b>-34</b>	<b>-</b>	<b>-</b>	<b>101,748</b>	<b>-65</b>

TENANT-OWNERS' ASSOCIATIONS	GROUP							
	2023							
	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
B1	15,563	0	94	0	-	-	15,657	0
B2	13,136	0	-	-	-	-	13,136	0
B3	11,854	0	-	-	-	-	11,854	0
B4	9,359	-1	-	-	-	-	9,359	-1
B5	7,100	-1	-	-	-	-	7,100	-1
B6	2,677	-1	687	0	-	-	3,364	-1
B7	1,847	-1	2,113	-2	-	-	3,960	-3
B8	410	0	1,927	-3	-	-	2,337	-3
B9	283	0	435	0	-	-	718	0
B10	0	0	88	0	-	-	88	0
B11	0	0	0	0	110	-36	110	-36
<b>Total</b>	<b>62,229</b>	<b>-4</b>	<b>5,344</b>	<b>-5</b>	<b>110</b>	<b>-36</b>	<b>67,683</b>	<b>-45</b>
Guarantees <sup>1)</sup>	-	0	-	0	-	-	-	0
<b>Total</b>	<b>62,229</b>	<b>-4</b>	<b>5,344</b>	<b>-5</b>	<b>110</b>	<b>-36</b>	<b>67,683</b>	<b>-45</b>

<sup>1)</sup> Guarantees are included in the balance-sheet item "Prepaid expenses and accrued income."

		GROUP							
		2024							
CONSUMER LOANS		Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million		Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
P1		0	-	-	-	-	-	0	-
P2		11	0	-	-	-	-	11	0
P3		171	0	0	0	-	-	171	0
P4		170	0	0	0	-	-	170	0
R5		359	0	2	0	-	-	361	0
P6		189	0	4	0	-	-	193	0
P7		208	0	13	0	-	-	221	0
P8		132	-1	35	0	-	-	167	-1
P9		268	-1	48	0	0	0	316	-1
P10		15	0	26	-1	1	0	42	-1
P11		-	-	-	-	18	-12	18	-12
<b>Total</b>		<b>1,523</b>	<b>-2</b>	<b>128</b>	<b>-1</b>	<b>19</b>	<b>-12</b>	<b>1,670</b>	<b>-15</b>
Guarantees <sup>1)</sup>		-	-	-	-	-	-	-	-
<b>Total</b>		<b>1,523</b>	<b>-2</b>	<b>128</b>	<b>-1</b>	<b>19</b>	<b>-12</b>	<b>1,670</b>	<b>-15</b>

		GROUP							
		2023							
CONSUMER LOANS		Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million		Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
P1		1	-	-	-	-	-	1	-
P2		16	0	-	-	-	-	16	0
P3		128	0	-	-	-	-	128	0
P4		197	0	-	-	-	-	197	0
R5		336	0	5	0	-	-	341	0
P6		240	-1	8	0	-	-	248	-1
P7		229	0	33	0	-	-	262	0
P8		148	0	48	0	-	-	196	0
P9		269	-2	58	0	-	-	327	-2
P10		19	-1	29	-2	2	-1	50	-4
P11		-	-	0	0	16	-10	16	-10
<b>Total</b>		<b>1,583</b>	<b>-4</b>	<b>181</b>	<b>-2</b>	<b>18</b>	<b>-11</b>	<b>1,782</b>	<b>-17</b>
Guarantees <sup>1)</sup>		-	-	-	-	-	-	-	-
<b>Total</b>		<b>1,583</b>	<b>-4</b>	<b>181</b>	<b>-2</b>	<b>18</b>	<b>-11</b>	<b>1,782</b>	<b>-17</b>

<sup>1)</sup> Guarantees are included in the balance-sheet item "Prepaid expenses and accrued income."

**Loans with unpaid amounts more than five days past due**

The table describes loans with past-due payments. All amounts are distributed by segment. At year-end 2024, 99.8% (99.9) of lending had no past-due unpaid amounts and was not assessed as doubtful.

SEK million	GROUP							
	2024				2023			
	Residential mortgages	Corporates & Associations	Consumer loans	Total	Residential mortgages	Corporates & Associations	Consumer loans	Total
Past-due 6–33 days	303	–	4	307	323	96	5	424
Past-due 34–63 days	81	–	2	83	106	–	2	108
Past-due 64–93 days	67	–	1	69	98	–	3	101
Past-due 94–183 days	99	–	3	102	96	–	2	98
Past due >184 days	437	–	14	451	270	–	11	281
<b>Total</b>	<b>987</b>	<b>–</b>	<b>24</b>	<b>1,011</b>	<b>893</b>	<b>96</b>	<b>23</b>	<b>1,012</b>

**Lending to the public**

The following tables present changes in gross lending and credit loss provisions during the period for the respective segment. A brief description of the reported items:

- Moved to credit stage – Movements between credit stages show opening balances for the period for migrated loans.
- Remeasurement of provision – Net changes of provisions for each credit stage. This includes changes due to movements between credit stages.

- New lending, net – New loans that have arisen in the reporting period. A new loan that becomes credit impaired during the reporting period will consequently be recognised under credit stage 3.
- Repayment and redemption – Loans that have been derecognised from the balance sheet during the period and which have not been written off, for example, confirmed credit losses.
- Write-offs due to confirmed credit losses – Confirmed credit losses during the reporting period.
- Other – Residual items.

TOTAL	GROUP							
	2024							
	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
Opening balance	466,456	-66	50,501	-81	735	-145	517,692	-292
Moved to credit stage 1	24,693	-44	-24,654	36	-39	8	0	0
Moved to credit stage 2	-19,774	8	19,888	-18	-114	10	0	0
Moved to credit stage 3	-201	0	-353	2	554	-2	0	0
Remeasurement of provision	1,943	61	-608	-11	-10	-135	1,325	-85
New lending, net <sup>1)</sup>	73,901	-10	789	-5	12	-3	74,702	-18
Purchases	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-
Loan repayments	-2,046	-	-611	-	-14	-	-2,671	-
Redemption	-43,836	19	-8,795	21	-254	41	-52,885	81
Write-offs due to confirmed credit losses	-1	0	0	0	-13	10	-14	10
Change in model/method <sup>2)</sup>	-	-3	-	-10	-	23	-	10
Other	-19	-	-	-	-	-	-19	-
Closing balance	501,116	-35	36,157	-66	857	-193	538,130	-294

TOTAL	GROUP							
	2023							
	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
Opening balance	478,737	-62	30,567	-90	371	-31	509,675	-183
Moved to credit stage 1	17,860	-46	-17,831	44	-29	2	0	0
Moved to credit stage 2	-43,898	8	43,965	-10	-67	2	0	0
Moved to credit stage 3	-219	0	-374	5	592	-5	-1	0
Remeasurement of provision	1,203	22	-77	-50	-9	-24	1,117	-52
New lending, net <sup>1)</sup>	59,430	-20	2,797	-10	59	-19	62,286	-49
Purchases	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-
Loan repayments	-1,549	-	-201	-	-3	-	-1,753	-
Redemption	-45,094	11	-8,344	12	-171	11	-53,609	34
Write-offs due to confirmed credit losses	-	-	-1	0	-8	6	-9	6
Change in model/method <sup>2)</sup>	-	21	-	18	-	-87	-	-48
Other	-14	-	-	-	-	-	-14	-
Closing balance	466,456	-66	50,501	-81	735	-145	517,692	-292

<sup>1)</sup> Net amount is the loan's total amount less any internal transfers from other loans.

<sup>2)</sup> Also includes changes in forward-looking information.

GROUP								
2024								
RESIDENTIAL MORTGAGES	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
Opening balance	314,714	-28	31,158	-40	607	-97	346,479	-165
Moved to credit stage 1	15,333	-19	-15,297	14	-36	5	0	0
Moved to credit stage 2	-12,440	2	12,552	-12	-112	10	0	0
Moved to credit stage 3	-195	0	-346	2	541	-2	0	0
Remeasurement of provision	-5,980	26	-381	-5	-8	-117	-6,369	-96
New lending, net <sup>1)</sup>	58,975	-6	604	-2	10	-2	59,589	-10
Purchases	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-
Loan repayments	-794	-	-81	-	-3	-	-878	-
Redemption	-27,596	5	-4,798	7	-195	20	-32,589	32
Write-offs due to confirmed credit losses	-1	-	-	-	-6	5	-7	5
Change in model/method <sup>2)</sup>	-	-4	-	-9	-	16	-	3
Other	-8	-	-	-	-	-	-8	-
<b>Closing balance</b>	<b>342,008</b>	<b>-24</b>	<b>23,411</b>	<b>-45</b>	<b>798</b>	<b>-162</b>	<b>366,217</b>	<b>-231</b>

GROUP								
2023								
RESIDENTIAL MORTGAGES	Credit stage 1		Credit stage 2		Credit stage 3		Total	
SEK million	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
Opening balance	323,736	-48	25,049	-79	341	-19	349,126	-146
Moved to credit stage 1	15,435	-40	-15,406	38	-29	2	0	0
Moved to credit stage 2	-26,809	6	26,875	-8	-66	2	0	0
Moved to credit stage 3	-163	0	-362	4	525	-4	0	0
Remeasurement of provision	-7,005	23	-667	-50	-7	-16	-7,679	-43
New lending, net <sup>1)</sup>	39,323	-5	808	-2	11	-2	40,142	-9
Purchases	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-
Loan repayments	-908	-	-108	-	-2	-	-1,018	-
Redemption	-28,894	6	-5,030	10	-162	5	-34,086	21
Write-offs due to confirmed credit losses	-	-	-1	0	-4	3	-5	3
Change in model/method <sup>2)</sup>	-	30	-	47	-	-68	-	9
Other	-1	-	-	-	-	-	-1	-
<b>Closing balance</b>	<b>314,714</b>	<b>-28</b>	<b>31,158</b>	<b>-40</b>	<b>607</b>	<b>-97</b>	<b>346,479</b>	<b>-165</b>

<sup>1)</sup> Net amount is the loan's total amount less any internal transfers from other loans.

<sup>2)</sup> Also includes changes in forward-looking information.



GROUP									
2024									
CORPORATES & ASSOCIATIONS	Credit stage 1		Credit stage 2		Credit stage 3		Total		
	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	
SEK million									
Opening balance	150,160	-35	19,161	-39	110	-36	169,431	-110	
Moved to credit stage 1	9,307	-24	-9,305	22	-2	2	0	0	
Moved to credit stage 2	-7,254	5	7,254	-5	0	0	0	0	
Moved to credit stage 3	0	0	-	-	0	0	0	0	
Remeasurement of provision	8,207	33	-193	-7	0	-11	8,014	15	
New lending, net <sup>1)</sup>	14,332	-3	175	-3	-	-	14,507	-6	
Purchases	-	-	-	-	-	-	-	-	
Sales	-	-	-	-	-	-	-	-	
Loan repayments	-1,183	-	-521	-	-10	-	-1,714	-	
Redemption	-15,973	13	-3,953	13	-58	21	-19,984	47	
Write-offs due to confirmed credit losses	-	-	-	-	-	-	-	-	
Change in model/method <sup>2)</sup>	-	2	-	-1	-	5	0	6	
Other	-11	-	-	-	-	-	-11	-	
<b>Closing balance</b>	<b>157,585</b>	<b>-9</b>	<b>12,618</b>	<b>-20</b>	<b>40</b>	<b>-19</b>	<b>170,243</b>	<b>-48</b>	

GROUP									
2023									
CORPORATES & TENANT-OWNERS' ASSOCIATIONS	Credit stage 1		Credit stage 2		Credit stage 3		Total		
	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	
SEK million									
Opening balance	153,276	-11	5,087	-2	19	-7	158,382	-20	
Moved to credit stage 1	2,133	-1	-2,133	1	0	0	0	0	
Moved to credit stage 2	-16,913	2	16,913	-2	0	0	0	0	
Moved to credit stage 3	-53	0	-1	0	53	0	-1	0	
Remeasurement of provision	8,529	-4	636	-1	0	-3	9,165	-8	
New lending, net <sup>1)</sup>	19,641	-15	1,976	-8	46	-16	21,663	-39	
Purchases	-	-	-	-	-	-	-	-	
Sales	-	-	-	-	-	-	-	-	
Loan repayments	-567	-	-76	-	0	-	-643	-	
Redemption	-15,873	4	-3,241	2	-8	6	-19,122	12	
Write-offs due to confirmed credit losses	-	-	-	-	-	-	-	-	
Change in model/method <sup>2)</sup>	-	-10	-	-29	-	-16	-	-55	
Other	-13	-	-	-	-	-	-13	-	
<b>Closing balance</b>	<b>150,160</b>	<b>-35</b>	<b>19,161</b>	<b>-39</b>	<b>110</b>	<b>-36</b>	<b>169,431</b>	<b>-110</b>	

<sup>1)</sup> Net amount is the loan's total amount less any internal transfers from other loans.

<sup>2)</sup> Also includes changes in forward-looking information.

GROUP								
2024								
CONSUMER LOANS	Credit stage 1		Credit stage 2		Credit stage 3		Total	
	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
SEK million								
Opening balance	1,583	-4	181	-2	18	-11	1,782	-17
Moved to credit stage 1	53	-1	-52	0	-1	1	0	0
Moved to credit stage 2	-80	1	82	-1	-2	0	0	0
Moved to credit stage 3	-6	0	-7	0	13	0	0	0
Remeasurement of provision	-285	3	-33	1	-2	-8	-320	-4
New lending, net <sup>1)</sup>	594	-1	10	0	2	-1	606	-2
Purchases	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-
Loan repayments	-69	-	-9	-	-1	-	-79	-
Redemption	-267	1	-44	1	-1	-	-312	2
Write-offs due to confirmed credit losses	-	-	-	-	-7	5	-7	5
Change in model/method <sup>2)</sup>	-	-1	-	-	-	2	-	1
Other	-	-	-	-	-	-	-	-
Closing balance	1,523	-2	128	-1	19	-12	1,670	-15

GROUP								
2023								
CONSUMER LOANS	Credit stage 1		Credit stage 2		Credit stage 3		Total	
	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision	Gross lending	Provision
SEK million								
Opening balance	1,725	-3	431	-9	11	-5	2,167	-17
Moved to credit stage 1	292	-5	-292	5	0	0	0	0
Moved to credit stage 2	-176	0	177	0	-1	0	0	0
Moved to credit stage 3	-3	0	-11	1	14	-1	0	0
Remeasurement of provision	-320	3	-46	1	-2	-4	-368	0
New lending, net <sup>1)</sup>	466	-1	13	0	2	-1	481	-2
Purchases	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-
Loan repayments	-74	-	-17	-	-1	-	-92	-
Redemption	-327	1	-74	0	-1	0	-402	1
Write-offs due to confirmed credit losses	-	-	-	-	-4	3	-4	3
Change in model/method <sup>2)</sup>	-	1	-	-	-	-3	-	-2
Other	-	-	-	-	-	-	-	-
Closing balance	1,583	-4	181	-2	18	-11	1,782	-17

<sup>1)</sup> Net amount is the loan's total amount less any internal transfers from other loans.

<sup>2)</sup> Also includes changes in forward-looking information.

GROUP								
2024								
LOAN COMMITMENTS AND PROVISIONS	Credit stage 1		Credit stage 2		Credit stage 3		Total	
	Loan commitments	Provision	Loan commitments	Provision	Loan commitments	Provision	Loan commitments	Provision
SEK million								
Opening balance	40,549	5	1,060	3	3	1	0	0
Moved to credit stage 1	165	1	-165	-1	-	-	0	0
Moved to credit stage 2	-35	0	35	0	-	-	0	0
Moved to credit stage 3	-	-	-	-	-	-	-1,465	-4
Remeasurement of provision	-1,243	-2	-219	-1	-3	-1	50,153	2
New lending, net	50,103	2	50	0	-	-	-39,693	-5
Write-offs, redemption, etc.	-39,074	-4	-619	-1	-	-	0	0
Change in model/method <sup>2)</sup>	-	-	-	-	-	-	-	-
Closing balance	50,465	2	142	0	0	0	50,607	2

GROUP								
2023								
LOAN COMMITMENTS AND PROVISIONS	Credit stage 1		Credit stage 2		Credit stage 3		Total	
	Loan commitments	Provision	Loan commitments	Provision	Loan commitments	Provision	Loan commitments	Provision
SEK million								
Opening balance	45,458	23	1,867	8	0	0	47,325	31
Moved to credit stage 1	97	0	-97	0	-	-	0	0
Moved to credit stage 2	-996	-1	996	1	-	-	0	0
Moved to credit stage 3	-48	0	0	0	48	0	0	0
Remeasurement of provision	-2,463	-8	-1,731	-6	-45	1	-4,239	-13
New lending, net	39,027	3	722	2	-	-	39,749	5
Write-offs, redemption, etc.	-40,526	-12	-697	-2	-	-	-41,223	-14
Change in model/method <sup>2)</sup>	-	-	-	-	-	-	-	-
Closing balance	40,549	5	1,060	3	3	1	41,612	9

<sup>1)</sup> Also includes changes in forward-looking information.

#### Modified loans, loans with renegotiated terms and conditions

In exceptional cases, loans may be renegotiated outside of the loan agreement due to a deterioration of the customer's financial position. Such loans are specifically monitored and are referred to as modified financial assets in

accordance with IFRS 9. In 2024, no modified loans were assessed as material and therefore have not led to derecognition and new recognition.

## Modified loans, loans with renegotiated terms and conditions in credit stages 2 and 3 (that have not led to derecognition)

SEK million	GROUP				Total
	2024				
	Residential mortgages	Corporates & Tenant-Owners' Associations	Consumer loans		
Amortised cost prior to modification	1,415	–	0		1,415
Modification gain/loss, net	-1	–	–		-1
<b>Amortised cost after modification</b>	<b>1,414</b>	<b>–</b>	<b>0</b>		<b>1,414</b>
<i>Of which, carrying amount prior to provision for assets migrated from credit stage 2 or 3 to credit stage 1.</i>	<i>652</i>	<i>–</i>	<i>0</i>		<i>652</i>
SEK million	GROUP				Total
	2023				
	Residential mortgages	Corporates & Tenant-Owners' Associations	Consumer loans		
Amortised cost prior to modification	1,746	–	1		1,747
Modification gain/loss, net	0	–	0		0
<b>Amortised cost after modification</b>	<b>1,746</b>	<b>–</b>	<b>1</b>		<b>1,747</b>
<i>Of which, carrying amount prior to provision for assets migrated from credit stage 2 or 3 to credit stage 1.</i>	<i>1,020</i>	<i>–</i>	<i>0</i>		<i>1,020</i>

## RC:2 Credit risk in treasury operations

Credit risk in treasury operations comprises the risk of the counterparty being unable to fulfil its payment obligations. Credit risk arises, in part, in the form of counterparty risk for the derivative and repo contracts entered into by SBAB to manage financial risks and, in part, as a result of investments in the liquidity portfolio and of surplus liquidity.

The SBAB Group's counterparties are banks and credit institutions, and the underlying exposure in this note includes investments, derivatives and repos. The limits are set by the Board's Credit Committee within the confines of the framework adopted by the Board of Directors. The utilised limit is calculated as the exposure from financial derivatives, repos and investments.

For derivatives or repos the effect of collateral pledged or received under CSAs or GMRAs, respectively, is included in the total limit. Moreover, for derivatives, an add-on amount is also calculated for future risk-related changes. The limit is coordinated with the credit limit for counterparties who also are loan customers. Counterparty limits may be established for a period of no longer than one year, after which a new assessment must be conducted. The decisions of the Credit Committee are reported to the Board at the following Board meeting. All of SBAB's counterparties have a rating from either Moody's or Standard & Poor's.

### Limit utilisation per rating category

SEK million	CONSOLIDATED SITUATION				PARENT COMPANY			
	2024		2023		2024		2023	
	Limit	Utilised limit	Limit	Utilised limit	Limit	Utilised limit	Limit	Utilised limit
AAA	–	–	–	–	–	–	–	–
AA- to AA+	9,200	2,210	8,400	2,130	9,200	2,194	8,400	2,130
A- to A+	15,800	3,216	15,800	2,983	15,800	2,594	15,800	2,367
Lower than A-	1,000	32	1,000	–	1,000	32	1,000	–
Unrated	–	–	–	–	–	–	–	–
<b>Total</b>	<b>26,000</b>	<b>5,458</b>	<b>25,200</b>	<b>5,113</b>	<b>26,000</b>	<b>4,819</b>	<b>25,200</b>	<b>4,497</b>

The "Limit utilisation" table shows the limits and the utilised limits, respectively, for SBAB's derivative counterparties. The limits for each derivative counterparty are proposed by SBAB's Treasury and adopted by the Board's Credit Committee within the confines of the framework adopted by the

Board of Directors. The values in the table are an aggregate of individual derivative counterparty's total exposure and the limits for the respective rating category.

### Distribution of chargeable treasury bills, etc., bonds and other interest-bearing securities by rating category

The tables below show an analysis of lending to credit institutions, chargeable treasury bills, bonds and other interest-bearing securities distributed in

accordance with the lowest rating as of 31 December 2024 and 31 December 2023, based on Standard & Poor's rating or equivalent.

SEK million	CONSOLIDATED SITUATION				
	2024				
	Covered bonds	Government guaranteed securities	Sovereigns, supranationals and agencies	Non-governmental public sector entities	Total
AAA	57,905	347	4,812	25,284	88,348
AA- to AA+	-	-	1,223	7,804	9,027
A- to A+	-	-	-	-	-
Lower than A-	-	-	-	-	-
<b>Total</b>	<b>57,905</b>	<b>347</b>	<b>6,035</b>	<b>33,087</b>	<b>97,375</b>
Provisions for expected credit losses	0	0	0	0	0
<b>Total after provisions</b>	<b>57,905</b>	<b>347</b>	<b>6,035</b>	<b>33,087</b>	<b>97,375</b>

SEK million	CONSOLIDATED SITUATION				
	2023				
	Covered bonds	Government guaranteed securities	Sovereigns, supranationals and agencies	Non-governmental public sector entities	Total
AAA	43,563	37,728	2,209	12,263	95,763
AA- to AA+	-	442	350	5,040	5,832
A- to A+	-	-	-	-	-
Lower than A-	-	-	-	-	-
<b>Total</b>	<b>43,563</b>	<b>38,170</b>	<b>2,559</b>	<b>17,303</b>	<b>101,595</b>
Provisions for expected credit losses	0	0	0	0	0
<b>Total after provisions</b>	<b>43,563</b>	<b>38,170</b>	<b>2,559</b>	<b>17,303</b>	<b>101,595</b>

### Geographical distribution of chargeable treasury bills, bonds and other interest-bearing securities

SEK million	CONSOLIDATED SITUATION			
	2024			
	Sweden	Other EU	Other	Total
Covered bonds	35,864	17,052	4,989	57,905
Government guaranteed securities	-	347	-	347
Sovereigns, supranationals and agencies	-	6,035	-	6,035
Non-governmental public sector entities	30,390	2,697	-	33,087
<b>Total as per 31 Dec 2024</b>	<b>66,254</b>	<b>26,131</b>	<b>4,989</b>	<b>97,374</b>
<b>Total as per 31 Dec 2023</b>	<b>77,732</b>	<b>19,080</b>	<b>4,783</b>	<b>101,595</b>

### Counterparty credit risk

Counterparty credit risk is the risk that SBAB's financial counterparties cannot meet their commitments pursuant to the completed derivatives and repo contracts, and such risk consists primarily of exposures to well-reputed and established banks. This exposure is predominantly covered by collateral agreements, where the counterparty posts collateral to reduce net exposure. In accordance with SBAB's credit instruction, the credit-risk limits are established by SBAB's Credit Committee for all counterparties in treasury operations.

To limit the potential counterparty risk associated with derivative transactions involving non-standardised derivatives that are not cleared by qualified central counterparties approved by the competent authority (in accordance with Regulation (EU) No 648/2012), a framework agreement is to be entered into with the counterparty. In most cases, the framework agreement, an ISDA Master Agreement or similar agreements with terms for final settlement, have been supplemented with an associated collateral agreement, known as a Credit Support Annex (CSA). A CSA must always be established for counterparties entering into derivative contracts with SBAB and SCBC. The framework agreements entitle the parties to offset receivables against debt in the event of a payment default.

Counterparty credit risk is monitored on a daily basis for all counterparties. When entered into, CSAs are reconciled on a daily or weekly basis. Derivative transactions entered into with external counterparties are mostly entered into by the Parent Company, where the CSAs are reconciled with all counterparties on a daily basis. When CSAs are in place, collateral is pledged to reduce net exposures. Posted and received collateral for variation margins takes the form of cash, and for initial margin collateral can also comprise securities. Posted and received collateral entails a transfer of title, which entitles the party that receives the collateral to use the collateral freely in its operations. The effects of posted and received collateral are shown in greater detail in Note [FI 3](#).

SBAB participates in the calculation of the STIBOR (Stockholm Interbank Offered Rate) reference rate for the Swedish market. STIBOR is a reference rate that shows an average of the interest rates at which a number of the banks active in the Swedish money market are prepared to lend to each other without collateral under different maturities.

In 2016, it became mandatory under the European Markets Infrastructure Regulation (EMIR) for SBAB to clear interest-rate derivatives via central counterparties.

### Credit valuation adjustment risk

Credit valuation adjustment (CVA) entails the price adjustment of one or more OTC derivative transactions based on the hypothetical cost to hedge the associated counterparty risk over the life of the transactions. CVA risk is defined as the risk that changes in the CVA may affect SBAB's profitability; in other words, the risk of the price increasing for hedging SBAB's counterparty risks. This can arise due to deterioration in the credit quality of OTC derivative counterparties, increased exposure and/or increased average maturity of derivative transactions entered.

SBAB provides capital cover for CVA risk and the exposure amount for counterparty risk is calculated using the SA-CCR. International Swap and Derivatives Association (ISDA) framework agreements are contracted with all derivative counterparties to limit the exposure, and thereby CVA risk. These are complemented by an associated credit support annex (CSA). The framework agreements entitle SBAB to offset receivables against debt in the event of any payment default. CVA risk is further limited by clearing all new interest-rate swaps and otherwise only entering transactions with financial counterparties of good credit quality.

### Maximum credit-risk exposure in treasury operations

	CONSOLIDATED SITUATION			
	Without taking into account collateral received or other credit enhancements		Taking into account collateral received or other credit enhancements	
SEK million	2024	2023	2024	2023
Lending to credit institutions	8,173	11,807	8,173	11,807
Chargeable treasury bills, etc.	-	36,650	-	36,650
Bonds and other interest-bearing securities	97,375	64,945	97,375	64,945
Derivatives	11,296	12,241	4,047	6,635
<b>Total</b>	<b>116,843</b>	<b>125,643</b>	<b>109,594</b>	<b>120,037</b>

### Collateral posted and received under collateral agreements, by company

	CONSOLIDATED SITUATION			
	2024		2023	
SEK million	Collateral pledged	Collateral received	Collateral pledged	Collateral received
SBAB	0	7,249	87	5,606
SCBC	0	0	0	0

## Lending to credit institutions, chargeable treasury bills, bonds and other interest-bearing securities

CONSOLIDATED SITUATION						
2024						
SEK million	Financial assets measured at amortised cost		Financial assets measured at FVTOCI	Financial assets measured at FVTPL	Total	
	Credit stage 1		Credit stage 1			
	Securities, gross	Provision	Securities, gross	Securities, gross	Securities, gross	Provision
<b>Opening balance</b>	<b>28,428</b>	-	<b>90,878</b>	<b>422</b>	<b>119,748</b>	-
Change in cash balances	-3,146	-	-	-	-3,146	-
Purchases	117,913	-	1,144,607	-	1,262,520	-
Sales	-4,255	-	-14,189	-	-18,443	-
Maturity	-123,052	-	-1,130,245	-351	-1,253,647	-
Write-offs, redemption, etc.	-	-	-	-	-	-
Change in risk parameters during the period	-	-	-	-	-	-
Change in model/method	-	-	-	-	-	-
Currency revaluation	282	-	258	-91	449	-
Other <sup>1)</sup>	343	-	764	-	1,106	-
<b>Closing balance</b>	<b>16,514</b>	-	<b>92,073</b>	-	<b>108,587</b>	-

CONSOLIDATED SITUATION						
2023						
SEK million	Financial assets measured at amortised cost		Financial assets measured at FVTOCI	Financial assets measured at FVTPL	Total	
	Credit stage 1		Credit stage 1			
	Securities, gross	Provision	Securities, gross	Securities, gross	Securities, gross	Provision
<b>Opening balance</b>	<b>48,384</b>	<b>-1</b>	<b>61,955</b>	<b>662</b>	<b>111,002</b>	<b>-1</b>
Change in cash balances	2,843	-	-	-	2,843	-
Purchases	171,219	-	2,064,080	-	2,235,300	-
Sales	-4,625	1	-8,300	-	-12,925	1
Maturity	-189,023	0	-2,028,614	-174	-2,217,810	0
Write-offs, redemption, etc.	-	-	-	-	-	-
Change in risk parameters during the period	-	-	-	-	-	-
Change in model/method	-	-	-	-	-	-
Currency revaluation	-1,001	-	-165	-49	-1,215	-
Other <sup>1)</sup>	635	-	1,922	2	2,559	-
<b>Closing balance</b>	<b>28,432</b>	<b>0</b>	<b>90,878</b>	<b>442</b>	<b>119,752</b>	<b>0</b>

<sup>1)</sup> Unrealised changes in fair value in addition to the exchange rate revaluation.



## RC:3 Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to meet its payment obligations on the date of maturity without the related cost increasing significantly. The SBAB Group has long identified the importance of well-functioning and proactive liquidity risk management. SBAB's liquidity risk management is described below.

### Broad and diversified funding

Because the SBAB Group has maintained an active presence in the international capital market since 1989, its brand is well established. The SBAB Group has access to the covered bond market, both in Sweden and internationally, through SCBC. In addition to issuing bonds, SBAB is funded by retail deposits.

### Liquidity reserve

SBAB has a liquidity portfolio in place to ensure liquidity in times when normal market funding does not function adequately or in the case of outflows of deposits. The portfolio acts as a buffer, as the securities in the portfolio can be sold to free up liquidity, either through repos or through the sales of parts of the portfolio. The liquidity portfolio also comprises a business advantage in normal market conditions in the form of bridge financing for maturing debt and with ensuring intraday liquidity.

The portfolio holdings are long-term and mainly comprise liquid, interest-bearing securities with high ratings, where 100% of the portfolio's holdings can be used as collateral for repos with the Riksbank or the European Central Bank (ECB). The size of SBAB's holdings of individual securities as a percentage of the total volume outstanding is also limited with the aim of reducing concentration risk.

The following table is reported according to the Swedish Bankers' Association's template for liquidity reserve disclosures and is based on the EU Commission Delegated Regulation (EU) 2015/61 with regard to liquidity coverage requirement.

Excluding pledged collateral, SBAB's liquidity reserve amounted to SEK 97.8 billion on 31 December 2024 with a volume-weighted average tenor of 3.12 years (1.78). Moreover, unutilised issuance capacity for covered bonds comprises an additional reserve that is not included in the calculation of the above liquidity metrics.

### Liquidity reserve

SEK billion	CONSOLIDATED SITUATION									
	31 Dec 2024					31 Dec 2023				
	Total	Distribution by currency				Total	Distribution by currency			
SEK		EUR	USD	Other	SEK		EUR	USD	Other	
<b>Level 1 Assets</b>	<b>92.0</b>	<b>73.8</b>	<b>17.8</b>	<b>0.4</b>	<b>-</b>	<b>100.8</b>	<b>84.1</b>	<b>15.7</b>	<b>1.0</b>	<b>-</b>
Cash and balances at central banks	10.3	10.3	-	-	-	9.9	9.9	-	-	-
Level 1 Securities issued or guaranteed by governments, central banks, multinational development banks and international organisations	14.0	9.2	4.8	-	-	42.4	40.0	2.4	-	-
Securities issued by municipalities or PSEs	20.3	17.3	2.6	0.4	-	12.0	6.9	4.1	1.0	-
Covered bonds with extremely high quality	47.4	37.0	10.4	-	-	36.5	27.3	9.2	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
<b>Level 2 Assets</b>	<b>5.8</b>	<b>5.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.5</b>	<b>2.5</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Level 2A assets</i>	<i>5.8</i>	<i>5.8</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>2.5</i>	<i>2.5</i>	<i>-</i>	<i>-</i>	<i>-</i>
Securities issued or guaranteed by governments, central banks, municipalities and PSEs	-	-	-	-	-	-	-	-	-	-
Covered bonds with high quality	5.8	5.8	-	-	-	2.5	2.5	-	-	-
Corporate bonds (minimum AA- rating)	-	-	-	-	-	-	-	-	-	-
Level 2 Other assets	-	-	-	-	-	-	-	-	-	-
<i>Level 2B assets</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Asset-backed securities (ABS)	-	-	-	-	-	-	-	-	-	-
Covered bonds with high quality	-	-	-	-	-	-	-	-	-	-
Corporate bonds (A+ to BBB rating)	-	-	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
<b>Liquidity reserve</b>	<b>97.8</b>	<b>79.6</b>	<b>17.8</b>	<b>0.4</b>	<b>-</b>	<b>103.3</b>	<b>86.6</b>	<b>15.7</b>	<b>1.0</b>	<b>-</b>

### Continuous monitoring of liquidity risk

Proactive and continuous liquidity planning in the relevant currencies, active debt management and the scope, content and management of the liquidity reserve are key factors in SBAB's liquidity risk management. By viewing funding activities as a natural part of both operational work and the strategic planning of liquidity risk, concentrations of excessively large funding maturities are avoided. Another important part of the ongoing liquidity risk management is the continuous monitoring and testing of the practical liquidity value of the liquidity reserve in the secondary market.

### Liquidity risk measurements – short-term liquidity risk

At SBAB, the risk of being exposed to insufficient liquidity in the short term is known as short-term liquidity risk. SBAB regularly monitors a number of metrics for short-term liquidity risk. One of these is the liquidity coverage ratio as defined in the European Commission delegated regulation (EU) 2015/61. The liquidity coverage ratio is a metric of the degree to which the liquidity reserve covers a 30-day net cash outflow in a stressed scenario. Under the regulations, the metric must amount to not less than 100% for all currencies on a consolidated basis. On 31 December 2024, figures for 31 Dec 2023 in parentheses, the metric was 196% (258) at the consolidated level. Significant currencies for the bank comprise SEK and EUR, for which the LCR amounted to 153% (192) in SEK and 720% (10,023) in EUR. In 2024, the LCR never fell below 196% (161) at the consolidated level.

In addition to regulatory-controlled liquidity risk measurements, SBAB has a number of internal metrics. These include the measurement and stress testing of the liquidity risk by totalling the maximum conceivable need for liquidity for each coming day. This liquidity risk metric is referred to as the survival horizon. The calculations are based on a crisis scenario in which all loans are assumed to be extended on maturity, meaning that no liquidity is added through loan redemption, and where no funding is available. Retail deposits are treated with a conservative assumption, whereby withdrawals from the portfolio are distributed over time on the basis of historical changes. Accordingly, the maximum need for liquidity can be identified for every given future period, and the necessary liquidity reserve can be established. The survival horizon corresponds to the number of days for which the liquidity reserve covers the maximum outflow and it has been limited to a minimum of 180 days at the consolidated currency level at any given time.

On 31 December 2024, figures for 31 Dec 2023 in parentheses, the survival horizon was 532 days (529) at the consolidated level, and 301 days (256) for SEK and 768 days (1,136) for EUR, which comprise the significant currencies for the bank. In 2024, the survival horizon was never less than 242 days (226) at the consolidated level.

In addition to the above metrics, limits are applied to short-term liquidity risk through further internal metrics, for which limits apply.

### Liquidity risk measurements – structural liquidity risk

Structural liquidity risk is a measure of the differences in maturity structures between assets and liabilities in terms of loan-to-maturity, which risks leading to a lack of liquidity in the longer term. SBAB aims to have a diversified funding. The SBAB Group has adopted a conservative approach to the management of funding. A larger share of future maturities is being pre-financed and the share of total funding attributable to short-term funding is being maintained at a low level. SBAB works actively to ensure an even distribution of maturities, while at the same time extending the maturity of the liabilities. Monitoring of upcoming maturities, repurchases, replacements and pre-financing constitute key elements of the practical management aimed at reducing the risk.

SBAB limits its dependence on market funding by applying a limit on the ratio between retail deposits and lending to the public. On 31 December 2024, the ratio was 48% (42) compared with a limit of 28%.

Moreover, access to funding from covered bonds is secured by monitoring that the over-collateralisation (OC level) in the cover pool at each point in time, including in stressed circumstances, exceeds Moody's requirements for Aaa ratings. On 31 December 2024, the OC level was 30.2%.

SBAB also measures its structural liquidity risk through a metric for maturity matching that measures the relationship between the maturities of assets and liabilities from a liquidity perspective at various points in the future. This can be viewed as SBAB's internal version of the net stable funding ratio (NSFR), in which the maturity, in terms of liquidity, on deposits and lending is estimated by means of SBAB's own statistical models, which are based on historical data of the behaviour of SBAB's customers. The metric is subject to a one-year floor limit of not less than 90% at a consolidated level, 60% for significant currencies (for which the liability exceeds 5% of total liabilities). On 31 December 2024, maturity matching was 136% (152) at the consolidated level, 133% (138) in SEK and 123% (174) in EUR, which comprise the significant currencies for the bank.

The NSFR according to Regulation (EU) 2019/876 of the European Parliament and of the Council ("CRR2") was 126.3% (131.9).

The tables "Maturities of hedged cash flows in cash-flow hedges" and "Maturities of financial assets and liabilities" show the status of SBAB's future cash flows as of 31 December 2024 and 31 December 2023, respectively, from both a short-term and long-term perspective.

**Maturities of financial assets and liabilities***(amounts refer to contractual, undiscounted cash flows)*

The maturity of the amortisation for amortised receivables and liabilities has been calculated as the period up to the date of maturity of the respective amortisation. Foreign currency cash flows have been converted using the closing rate on 31 December 2024. Future interest-rate cash flows with floating interest rates are estimated until the next fixing date using forward interest rates based on the actual interest base, usually the three-month STIBOR.

The Parent Company, SBAB, is the creditor for the subsidiary SCBC's subordinated debt. If the maturity is not specified, current debt is recognised as having no maturity and without estimated interest-rate cash flows.

The item "Loan commitments and other credit-related commitments" for the Group, which totals SEK 50,607 million (41,589), amounted to SEK 11,041 million (10,813) after application of the internal calculation for CCF. The reduction has not been included in the table.

SEK million	CONSOLIDATED SITUATION													
	2024							2023						
	No ma- turity	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total	No ma- turity	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total
<b>Financial assets</b>														
Cash and balances at central banks	3,039	-	-	-	-	-	3,039	6,350	-	-	-	-	-	6,350
Chargeable treasury bills, etc.	-	-	-	-	-	-	0	-	36,000	453	-	1	249	36,703
Lending to credit institutions	4	-	-	-	-	-	4	24	87	-	-	-	-	110
Lending to the public	-	1,775	26,835	1,770	3,516	502,359	536,255	-	1,706	1,701	3,381	25,788	485,218	517,794
Bonds and other interest-bearing securities	-	480	1,627	11,976	87,689	4,096	105,868	-	509	1,454	2,585	60,372	6,612	71,532
<i>of which classified as loans and accounts receivable</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivatives	-	1,368	2,317	-12	4,130	3,425	11,228	-	1,988	1,713	-146	6,002	3,075	12,632
Other assets	211	-	-	-	-	-	211	285	-	-	-	-	-	285
<b>Total</b>	<b>3,255</b>	<b>3,623</b>	<b>30,779</b>	<b>13,734</b>	<b>95,335</b>	<b>509,880</b>	<b>656,605</b>	<b>6,658</b>	<b>40,290</b>	<b>5,321</b>	<b>5,820</b>	<b>92,163</b>	<b>495,154</b>	<b>645,406</b>
<b>Financial liabilities</b>														
Liabilities to credit institutions	-	7,249	-	-	-	-	7,249	-	5,606	-	-	-	-	5,606
Deposits from the public	167,384	62,157	18,773	6,105	1,440	14	255,873	168,844	23,091	11,415	10,411	1,452	0	215,213
Issued debt securities, etc.	-	13,327	55,486	16,706	221,893	70,350	377,762	-	23,846	27,969	7,854	281,159	72,082	412,910
Derivatives	-	1,463	596	1,756	6,513	1,118	11,446	-	2,210	1,043	4,201	7,284	1,955	16,693
Other liabilities	5,894	-	-	-	-	-	5,894	5,174	-	-	-	-	-	5,174
Subordinated debt	-	553	2,088	115	6,314	-	9,070	-	147	119	1,763	6,630	-	8,659
Loan commitments and other credit-related commitments	-	44,489	6,118	-	-	-	50,607	-	28,694	12,461	36	398	-	41,589
<b>Total</b>	<b>173,278</b>	<b>129,238</b>	<b>83,061</b>	<b>24,682</b>	<b>236,160</b>	<b>71,482</b>	<b>717,901</b>	<b>174,018</b>	<b>83,594</b>	<b>53,007</b>	<b>24,265</b>	<b>296,923</b>	<b>74,037</b>	<b>705,844</b>

**Maturities of hedged cash flows in cash-flow hedges**

SEK million	CONSOLIDATED SITUATION						
	No maturity	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total
Interest-rate-hedged	-	369	496	66	2,797	1,196	4,924
Currency-hedged	-	-8,584	-858	-7,439	-27,469	-34,142	-78,492
<b>Net, 31 Dec 2024</b>	<b>-</b>	<b>-8,215</b>	<b>-362</b>	<b>-7,373</b>	<b>-24,672</b>	<b>-32,946</b>	<b>-73,568</b>
<b>Net, 31 Dec 2023</b>	<b>-</b>	<b>-10,787</b>	<b>553</b>	<b>62</b>	<b>-34,267</b>	<b>-37,195</b>	<b>-81,634</b>

**Maturities of financial assets and liabilities***(amounts refer to contractual, undiscounted cash flows)*

SEK million	PARENT COMPANY													
	2024							2023						
	No ma- turity	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total	No ma- turity	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total
<b>Financial assets</b>														
Cash and balances at central banks	3,039	-	-	-	-	-	3,039	6,350	-	-	-	-	-	6,350
Chargeable treasury bills, etc.	-	-	-	-	-	-	-	-	36,000	453	-	1	249	36,703
Lending to credit institutions	164,280	-	-	-	-	-	164,280	121,261	404	309	5,522	20,571	-	148,066
Lending to the public	-	104	1,306	103	200	13,450	15,163	-	105	104	203	1,309	22,620	24,341
Bonds and other interest-bearing securities	-	480	1,627	11,976	87,689	4,096	105,868	-	509	1,454	2,585	60,372	6,612	71,532
<i>of which classified as loans and accounts receivable</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivatives	-	2,559	2,483	1,411	9,349	4,423	20,225	-	3,402	2,377	3,675	11,589	4,807	25,850
Other assets	32	-	-	-	-	-	32	80	-	-	-	-	-	80
<b>Total</b>	<b>167,351</b>	<b>3,143</b>	<b>5,416</b>	<b>13,490</b>	<b>97,238</b>	<b>21,969</b>	<b>308,607</b>	<b>127,690</b>	<b>40,420</b>	<b>4,697</b>	<b>11,985</b>	<b>93,842</b>	<b>34,288</b>	<b>312,922</b>
<b>Financial liabilities</b>														
Liabilities to credit institutions	-	8,270	517	-	-	-	8,787	-	6,975	-	-	-	-	6,975
Deposits from the public	167,384	62,157	18,773	6,105	1,440	14	255,873	168,844	23,091	11,415	10,411	1,452	-	215,213
Issued debt securities, etc.	-	1,767	13,317	8,927	24,911	-	48,922	-	6,250	3,677	7,150	43,270	-	60,347
Derivatives	-	2,403	2,511	1,603	9,879	4,429	20,825	-	3,787	2,268	3,827	12,343	4,895	27,120
Other liabilities	3,114	-	-	-	-	-	3,114	2,492	-	-	-	-	-	2,492
Subordinated debt	-	553	2,088	115	6,314	-	9,070	-	147	119	1,763	6,630	-	8,659
Loan commitments and other credit-related commitments	-	44,489	6,118	-	-	-	50,607	-	29,092	12,461	36	-	-	41,589
<b>Total</b>	<b>170,498</b>	<b>119,639</b>	<b>43,324</b>	<b>16,750</b>	<b>42,544</b>	<b>4,443</b>	<b>397,198</b>	<b>171,336</b>	<b>69,342</b>	<b>29,940</b>	<b>23,187</b>	<b>63,695</b>	<b>4,895</b>	<b>362,395</b>

**Maturities of hedged cash flows in cash-flow hedges**

SEK million	PARENT COMPANY						
	No maturity	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total
Interest-rate-hedged	-	-	-2	9	11	-	18
Currency-hedged	-	-	-	-	-1,717	-	-1,717
<b>Net, 31 Dec 2024</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>9</b>	<b>-1,706</b>	<b>-</b>	<b>-1,699</b>
<b>Net, 31 Dec 2023</b>	<b>-</b>	<b>-1</b>	<b>-3</b>	<b>8</b>	<b>-1,651</b>	<b>-</b>	<b>-1,647</b>

**Stress tests**

SBAB performs regular stress tests of liquidity risk aimed at internal requirements for analytical and contingency management of liquidity risk. The stress tests have been designed in line with the Swedish FSA's regulations regarding management of liquidity risks in credit institutions and investment firms, which impose general requirements on stress tests (FFFS 2010:7). The models analyse SBAB's capacity to meet the need for cash and cash equivalents in various market scenarios and to assess the effect of protracted stress on SBAB's ability to finance its operations. The scenarios are designed on the basis of SBAB's specific risk profile and cover both company-specific and market-related scenarios that may render the financing of the operations difficult. The scenarios are divided into different stages that illustrate increasing levels of stress intensity to reflect how a crisis can continuously deteriorate. The scenarios simulated by the stress tests include:

- The 2008/2009 financial crisis – stress in the funding operations, with funding programmes closing at various stages
- Rating-related stress, with gradually lower ratings for SBAB and SCBC

- Falling property market prices – various levels of falling prices, which increase LTV ratios, thus lowering the share of funding that can be conducted via covered bonds
- Stress of liquidity in the liquidity reserve
- Sizeable fluctuations in interest and currency exchange rates, leading to larger amounts having to be secured through CSAs, which could thus impair liquidity.

The stress tests are under continuous development and the assumptions on which the various scenarios are based are assessed regularly. The stress tests are conducted and reported quarterly, with results assessed against SBAB's established risk appetite and used to adapt strategies and guidelines.

## RC:4 Market risk

Market risk pertains to the risk of a negative earnings impact due to market fluctuations and, in SBAB's operations, mainly comprises interest-rate risk, credit-spread risk, currency risk and basis risk.

Interest-rate risk is the risk of variations in market interest rates leading to a negative earnings impact due to future income and expenses having different fixed-interest periods and/or interest terms. As far as possible, fixed-interest liabilities are matched with fixed-interest assets, but since SBAB's residential mortgage customers generally choose floating interest while a large portion of the liability is subject to a fixed interest rate, a large portion of the debt must be swapped down to a three-month fixed interest period. As a general principle, the interest-rate risk associated with mortgage lending and the liquidity portfolio, including the debt allocated to the respective portfolios, should be matched. SBAB's interest-rate structure as of 31 December 2024 is shown in the table "Fixed-interest periods for financial assets and liabilities."

Credit spread risk is a measure of potential mark-to-market losses that could arise from changes in market credit spreads. SBAB is affected by credit spread risk relating to risk-bearing assets in the liquidity portfolio that have a spread component in addition to risk-free interest, which mainly applies to covered bonds. Credit spread risk is thus driven by the size of the liquidity portfolio as well as by its composition in terms of credit quality, duration and issuer category.

Currency risk is the risk that changes in the exchange rate for SEK against other currencies result in losses or negatively impact earnings. As a general rule, SBAB swaps its borrowing in foreign currencies into SEK or matches it against assets in the liquidity portfolio in the same currency.

Basis spread risk, or basis risk, pertains to the risk of different reference rates within the same currency diverging (e.g., three-month STIBOR against the policy rate), which may affect the bank's profitability.

SBAB's market risks are managed by limiting exposures with limits set by the CEO and the Board of Directors, and by centralising the management of these risks to the treasury department.

### Interest-rate risk

SBAB calculates economic capital and provides capital cover for interest-rate risk in the banking book under Pillar 2 pursuant to the Swedish FSA's methodology for gap risk (FI Ref. 24–4186). The methodology is based on the EBA regulatory technical standard (EBA/RTS/2022/09) on the calculation of the change in economic value of equity ( $\Delta$ EVE), but without taking into account behavioural optionality.  $\Delta$ EVE is calculated and reported without taking into account discrete time buckets. Instead, discounting of cash flows is based on their actual due dates, which leads to more accurate results.  $\Delta$ EVE is limited by Board limits.

Interest-rate risk is further constrained by a Board limit for the EBA's supervisory outlier test for the economic value of equity (EVE SOT, described in EBA/RTS/2022/10) that assumes behavioural optionality for term and non-maturity deposits. For internal governance, SBAB also follows the EBA's regulatory technical standard (EBA/RTS/2022/09) for net interest income risk ( $\Delta$ NI).

The outcomes from the Swedish FSA's six predefined interest rate scenarios for  $\Delta$ EVE, as well as parallel shifts for  $\Delta$ NI, are shown in the table "Interest rate risk in the banking book." The time horizon for  $\Delta$ NI is 12 months.

On 31 Dec 2024,  $\Delta$ EVE was SEK 446 million compared with SEK 777 million as of 31 Dec 2023. The model's driving interest rate shock scenario has been changed from "parallel up" to "short-term interest rate up." On 31 Dec 2024,  $\Delta$ NI was 99 and on 31 Dec 2023 was 162.

In addition to the Board's interest-rate risk limits, the CEO has decided on two complementary interest-rate risk metrics: parallel risk and curve risk. For parallel risk, the effect on the present value of a 100 basis point shift in the yield curve is measured. Curve risk is measured as the effect on the present value in different scenarios, where the short end of the yield curve is adjusted down (up) and the long end is adjusted up (down). These two interest-rate risk metrics are limited to the consolidated situation and to SCBC.

### Credit spread risk

SBAB calculates economic capital and provides capital cover for credit spread risk outside the trading book under Pillar 2 using stressed Value-at-Risk (sVaR). The sVaR model uses the two-year period that is the most stressed. The model assumes a holding period of 90 days and 99% confidence intervals. The sVaR model is restricted to all assets in the liquidity portfolio regardless of accounting classification.

In addition to sVaR, SBAB also calculates credit spread risk using a simpler method ("CS100 – credit spread risk in LP") that measures the effect on the present value of a +/-100 basis point parallel shift of credit spread curves for securities recognised at fair value in the liquidity portfolio.

The credit spread risk, measured with the internal sVaR method, amounted to SEK 984 million as of 31 Dec 2024, which was down quarter-on-quarter (SEK 1,245 million as of 30 Sep 2024).

The credit spread risk, measured according to CS100, was SEK 2,786 million as of 31 Dec 2024 and SEK 2,792 million as of 30 Sep 2023.

### Currency risk

SBAB provides capital cover for currency risk under Pillar 1 according to the simplified standardised approach, based on net exposures in each currency. On 31 Dec 2024, the net exposure was SEK 417 million compared with SEK 257 million as of 31 Dec 2023. Economic capital for currency risk is quantified using the sVaR model which, like credit spread risk, assumes a holding period of 90 days, 99% confidence intervals and is based on the most stressed market data. On 31 Dec 2024, the sVaR outcome amounted to SEK 109 million.

The currency risk is followed up and limits applied:

- For the Liquidity Portfolio, based on the ratio of the nominal amount of assets to liabilities. As of 31 Dec 2024, the hedging rate was 100% compared with 100% as of 31 Dec 2023.
- For the remainder of the bank's balance sheet, as the effect on the present value of a  $\pm$ 10% change in the exchange rate of each currency against the Swedish krona, calculated on the basis of all contracted cash flows. Total risk is calculated as the absolute sum of the risk in all currencies. As of 31 Dec 2024, the risk amounted to SEK 1.2 million, compared with SEK 1.6 million as of 31 Dec 2023.

### Basis risk

SBAB calculates economic capital and provides capital cover for basis risk under Pillar 2 pursuant to the Swedish FSA's standardised approach for basis risk as described in FI Ref. 24–4186. The method is based on applying interest rate stress to all future contracted cash flows that are not fixed based on their underlying reference rate tenors according to a standard formula. The results are then summed by reference rate and currency, with the sum total for each currency constituting the Pillar 2 own funds requirement for the basis risks for each currency.

On 30 June 2024, the Swedish FSA updated the delimitation for basis risk to also encompass instruments linked to three-month STIBOR or shorter, which were previously excluded. Since SBAB's variable liabilities and assets are largely linked to three-month STIBOR, this change has led to an increase in the modelled outcome, from SEK 1 million on 31 Dec 2023 to SEK 51 million on 31 Dec 2024.

### Interest Rate Benchmark Reform

The Interest Rate Benchmark Reform (IBOR transition) replaces existing benchmark interbank offered rates (IBORs) with alternative risk-free rates. STIBOR and EURIBOR are still used as reference rates in SEK and EUR, respectively, as SBAB uses the possibility of an exemption regarding changes in hedged risk, hedging instruments and hedged items, which was introduced as a result of the Interest Rate Benchmark Reform. This means that the bank is not forced by a change in the alternative benchmark interest rate in the hedge documentation to discontinue hedge accounting. The bank has ensured compliance pursuant to the Benchmarks Regulation (BMR), which affects SBAB both as a user of benchmarks and as a reporter of input data for benchmarks.

## Interest-rate risk in the banking book

SEK million	CONSOLIDATED SITUATION				PARENT COMPANY			
	2024		2023		2024		2023	
	ΔEVE	ΔNII	ΔEVE	ΔNII	ΔEVE	ΔNII	ΔEVE	ΔNII
Parallel up	-335	-99	-777	162	-158	60	-3	-1,148
Parallel down	339	-82	855	-162	152	-287	-2	1,148
Short rate up	-446		-518		-316		-93	
Short rate down	451		545		313		92	
Steepening	267		34		241		98	
Flattening	-341		-211		-276		-98	
<b>Worst outcome</b>	<b>-446</b>	<b>-99</b>	<b>-777</b>	<b>-162</b>	<b>-316</b>	<b>-287</b>	<b>-98</b>	<b>-1,148</b>
<b>Own funds</b>	<b>29,534</b>		<b>28,209</b>		<b>22,320</b>		<b>21,791</b>	

## Nominal amounts for assets, liabilities and derivatives in foreign currency

SEK million	CONSOLIDATED SITUATION				PARENT COMPANY			
	2024		2023		2024		2023	
	Assets and liabilities	Derivatives	Assets and liabilities	Derivatives	Assets and liabilities	Derivatives	Assets and liabilities	Derivatives
EUR	-93,551	93,555	-101,920	102,025	-16,787	16,780	-16,264	16,359
GBP	-136	138	0	0	-136	138	0	0
NOK			0	0			0	0
USD	422	-6	696	-15	422	-6	696	-15
<b>Total</b>	<b>-93,265</b>	<b>93,687</b>	<b>-101,224</b>	<b>102,010</b>	<b>-16,501</b>	<b>16,912</b>	<b>-15,568</b>	<b>16,344</b>

## Fixed-interest periods for financial assets and liabilities

SEK million	CONSOLIDATED SITUATION													
	2024							2023						
	Without interest period	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total	Without interest period	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total
<b>ASSETS</b>														
Cash and balances held at central banks	-	3,039	-	-	-	-	3,039	-	6,350	-	-	-	-	6,350
Chargeable treasury bills, etc.	-	-	-	-	-	-	-	-	35,989	442	-	-	219	36,650
Lending to credit institutions	-	8,142	-	-	-	-	8,142	-	11,785	-	-	-	-	11,785
Lending to the public	-	398,083	7,723	20,366	110,094	1,570	537,836	-	355,762	20,672	26,041	105,107	9,818	517,400
Change in fair value of interest-rate-hedged loan receivables	-	-14	-7	-66	-113	-157	-357	-	-50	-127	-275	-937	-176	-1,565
Bonds and other interest-bearing securities	-	34,892	979	6,180	51,952	3,372	97,375	-	18,575	960	1,752	38,040	5,618	64,945
Derivatives	-	4,307	329	-30	6,370	320	11,296	-	6,272	-119	-135	5,945	278	12,241
Other assets	1,138	-	-	-	-	-	1,138	1,084	-	-	-	-	-	1,084
<b>Total</b>	<b>1,138</b>	<b>448,449</b>	<b>9,024</b>	<b>26,450</b>	<b>168,303</b>	<b>5,105</b>	<b>658,469</b>	<b>1,084</b>	<b>434,683</b>	<b>21,828</b>	<b>27,383</b>	<b>148,155</b>	<b>15,757</b>	<b>648,890</b>
<b>LIABILITIES</b>														
Liabilities to credit institutions	-	-7,249	-	-	-	-	-7,249	-	-5,606	-	-	-	-	-5,606
Deposits from the public	-165,887	-67,577	-15,909	-4,915	-1,569	-16	-255,873	-168,841	-23,091	-11,416	-10,411	-1,452	-	-215,211
Issued debt securities, etc.	-	-22,273	-49,631	-15,933	-198,639	-65,450	-351,926	-	-40,816	-21,468	-1,785	-251,853	-66,848	-382,770
Derivatives	-	-11,951	28	27	-3,258	4,306	-10,848	-	-19,750	-18	-1,215	1,353	3,935	-15,695
Other liabilities	-5,894	-	-	-	-	-	-5,894	-5,191	-	-	-	-	-	-5,191
Subordinated debt	-6,100	-1,399	-66,112	-	-	-	-8,099	-5,800	-1,399	-	-	-99	-	-7,798
<b>Total</b>	<b>-177,881</b>	<b>-110,449</b>	<b>-66,112</b>	<b>-20,821</b>	<b>-203,466</b>	<b>-61,160</b>	<b>-639,889</b>	<b>-179,832</b>	<b>-90,662</b>	<b>-32,902</b>	<b>-13,411</b>	<b>-252,551</b>	<b>-62,913</b>	<b>-632,271</b>
Difference assets and liabilities	-176,743	338,000	-57,088	5,629	-35,163	-56,055	18,580	-178,748	344,021	-11,074	13,972	-104,396	-47,156	16,619



SEK million	PARENT COMPANY													
	2024						2023							
	Without interest period	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total	Without interest period	<3 months	3-6 months	6-12 months	1-5 years	>5 years	Total
<b>ASSETS</b>														
Cash and balances held at central banks	-	3,039	-	-	-	-	3,039	-	6,350	-	-	-	-	6,350
Chargeable treasury bills, etc.	-	-	-	-	-	-	-	-	35,989	442	-	-	219	36,650
Lending to credit institutions	-	202,199	-	-	-	-	202,199	-	154,568	-	-	-	-	154,568
Lending to the public	-	15,286	104	309	1,354	13	17,066	-	20,863	1,226	167	1,888	36	24,180
Change in fair value of interest-rate-hedged loan receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonds and other interest-bearing securities	-	34,892	979	6,180	51,952	3,372	97,375	-	18,575	960	1,752	38,040	5,618	64,945
Derivatives	-	16,598	379	15	6,689	-3,886	19,795	-	23,795	-67	1,091	3,860	-4,061	24,618
Other assets	1,457	-	-	-	-	-	1,457	1,356	-	-	-	-	-	1,356
<b>Total</b>	<b>1,457</b>	<b>272,014</b>	<b>1,462</b>	<b>6,504</b>	<b>59,995</b>	<b>-501</b>	<b>340,931</b>	<b>1,356</b>	<b>260,140</b>	<b>2,561</b>	<b>3,010</b>	<b>43,788</b>	<b>1,812</b>	<b>312,667</b>
<b>LIABILITIES</b>														
Liabilities to credit institutions	-	-8,262	-514	-	-	-	-8,776	-	-6,980	-	-	-	-	-6,980
Deposits from the public	-168,841	-23,091	-11,416	-10,411	-1,452	-	-215,211	-168,841	-23,091	-11,416	-10,411	-1,452	-	-215,211
Issued debt securities, etc.	-	-9,157	-11,404	-8,502	-17,653	-	-46,716	-	-18,278	-956	-1,785	-35,574	-	-56,593
Derivatives	-	-14,335	-77	48	-9,473	3,480	-20,357	-	-23,869	60	-1,101	-4,061	3,158	-25,813
Other liabilities	-3,114	-	-	-	-	-	-3,114	-2,492	-	-	-	-	-	-2,492
Subordinated debt	-6,100	-1,399	-600	-	-	-	-8,099	-5,800	-1,399	-	-	-599	-	-7,798
<b>Total</b>	<b>-179,055</b>	<b>-56,244</b>	<b>-24,011</b>	<b>-18,865</b>	<b>-28,578</b>	<b>3,480</b>	<b>-302,273</b>	<b>-177,133</b>	<b>-73,617</b>	<b>-12,312</b>	<b>-13,297</b>	<b>-41,686</b>	<b>3,158</b>	<b>-314,887</b>
Difference assets and liabilities	-176,598	215,770	-22,549	-12,361	31,417	2,979	38,658	-175,777	186,523	-9,751	-10,287	2,102	4,970	-2,220

## RC:5 Operational risk

Operational risk pertains to the risk of losses caused by people, inadequate or failed systems and processes, and external events including, but not limited to, legal risks, model risks (including AI model risk) and information and communication technology (ICT) risks.

### Risk management

The process for managing operational risk is based on the continuous identification, analysis and assessment of risks as well as their management and follow-up. An analysis of risk levels is reported to the Board, the CEO and the Executive Management. The Risk department has overall responsibility for the methods and procedures used in the management of operational risk. The work with managing operational risk is conducted based on SBAB's risk appetite and the significant processes for the business. This entails constant efforts to develop employees' risk awareness and the bank's risk culture, to improve processes and procedures as well as to provide tools to efficiently and proactively manage day-to-day operational risk. As part of strengthening SBAB's risk culture, the bank implemented risk and compliance coordinators (RCCs) in the first line. The RCCs support the business managers with a focus on risk management, process mapping, internal controls, incident management and regulatory compliance.

### Self-evaluation

The self-evaluation process encompasses the identification and evaluation of operational risks across the entire bank. Self-evaluation is carried out using a shared method and documented in the shared system support. The result of

the self-evaluation is reported annually to the Board, the CEO and the Executive Management.

### Incident management

SBAB has procedures and system support intended to facilitate the reporting and follow-up of incidents. The Risk department supports the operations with the analysis of reported incidents to ensure that root causes are identified and suitable measures are implemented. Even incidents that have not caused direct damage or financial loss are reported, to promote proactive risk management.

### Management of material changes

SBAB's process for the management of material changes is applied for new or significantly altered products, services, markets, processes and ICT systems as well as in the event of major operational and organisational changes at SBAB. The aim of the process is to evaluate any potential risks related to the change and to draw attention to any impact the change may have on capital position.

### Continuity management

SBAB works in a pre-emptive manner to prevent events that may affect the company's ability to conduct operations. A contingency organisation has been established for the management and communication in case of serious incidents, crises or disasters. This organisation is tested regularly in collaboration with external crisis management experts.

**Significant operational risks**

SBAB has identified a number of risks that, were they to occur, are assessed as potentially having a larger impact on SBAB's operations than other risks. The development of these risk is monitored on an ongoing basis by the Executive Management and the Board, and is taken into consideration within the framework of SBAB's business planning. The significant operational risks are detailed below.

**Information security risk**

It is critical for the entire business that the bank's control environment for information is both rigorous and transparent. Several potential risk factors exist for the possible compromise of data in terms of confidentiality, accuracy and availability. Examples of such risk factors, include attacks by cyber criminals, erroneous management of cloud services and errors in the replacement of the bank's base system. SBAB has a dedicated security team comprised of specialists tasked with attaining and maintaining a high level of cybersecurity for the bank. This is achieved through proactive efforts to ensure strong, digital perimeter protection and a high level of security within this protective shield. The team endeavours to increase risk and security awareness throughout SBAB with the aim of achieving the right level of security for our customers, systems and personnel. Moreover, the bank has a separate department for information linked to natural and legal persons called Privacy. This department reviews the processing of personal data in cloud services and sets requirements for such processing so as to ensure the bank complies with the applicable rules. In order to implement the IT strategy in a secure manner, operations retain the approach, under the existing governance model, of making small deliveries frequently to minimise any risk of major disruptions.

**Technical risk**

Market advances in technology have been rapid in recent years, which has led to certain parts of SBAB's infrastructure becoming obsolete and outdated. An extensive project to replace the system platform began in 2017 and was completed in 2023, which has significantly reduced the bank's technical risk. However, some system functionality remains to be improved and is addressed in a new project. Clearly defined objectives and priorities are in place for SBAB's IT strategy to ensure that the identified risks are managed effectively. The Executive Management and the Board closely monitor the development and outcome related to time plans and expenses. The shorter target and lead

times entailed by the agile working method as well as shorter intervals between production increase flexibility and enable more efficient working practices.

**Financial crime**

The threat level from criminals is deemed to be such that the bank risks being exposed to money laundering attempts. Moreover, a risk exists that the bank will be exposed to internal fraud. SBAB has a separate unit, Anti-Financial Crime (AFC), which acts to strengthen SBAB's overall capacity to prevent financial crime. SBAB's efforts in this area encompass, inter alia, conducting risk assessments, obtaining a good level of KYC, monitoring activities and transactions, continuous training and ensuring adequate internal control is performed through examination in the first, second and third lines in terms of daily operations, procedures and processes. SBAB has an internal framework regulating how operations should work to counteract bribes and other forms of corruption. The framework is designed to reflect the Code on Gifts, Rewards and other Benefits in Business published by the Swedish Anti-Corruption Institute. To that end, SBAB conducts ongoing courses in this area.

**Competence**

SBAB aims to be an attractive workplace with dedicated and motivated employees who, on their own initiative, generate ideas, collaborate and identify solutions. Like many other companies, SBAB faces the risk of not succeeding in attracting and retaining the right skills. SBAB uses a clearly defined and transparent HR strategy together with ambitious goals in this area to actively develop the value-driven work approach and to ensure inclusive leadership that can generate driven employees.

Regulatory risk is increasingly becoming a significant risk. New external regulations in areas including sustainability that impact SBAB will be implemented and training will be conducted to secure a high level of competence and thus high regulatory compliance in all parts of SBAB.

**Capital requirements for operational risks**

SBAB uses the standardised approach to calculate capital requirements for operational risk within the Pillar 1 framework. The capital requirements for operational risk are presented in the Risk Exposure Amounts and Capital requirements table (Note RC 8).

**RC:6 Business risk**

SBAB differentiates its business risk between strategic risk, the risk of weaker earnings and reputational risk. Strategic risk is defined as the risk of a loss arising due to unfavourable business decisions, erroneous implementation of strategic decisions or a lack of sensitivity to changes in the industry, the political environment or legal circumstances. The risk of weaker earnings encompasses the risk of, for example, reduced margins, which in turn may arise due to more expensive financing or more intense competition. Reputational risk is defined as the risk arising as a result of the failure to manage the above risks as well as due to failures in internal governance, control or management of other events.

New business should generally be in line with the type of business that SBAB already conducts. Changes in the form of new products or new markets may only constitute a small part of SBAB's activities and must be implemented at such a pace that SBAB does not substantially jeopardise its earnings level and with great probability avoids pressure on its own funds.

Risks related to strategy and earnings are evaluated on an ongoing basis over the year within the first line's strategy work. Strategically important decisions are managed within the framework for managing material changes. Furthermore, the Board receives an annual evaluation of the material risks that clearly addresses strategic business risk, the bank's overall earnings and reputational risk. In addition to that stated above, reputational risk is also identified and managed in the context of the work with material risks. These are managed on an ongoing basis through measures including self-assessments, the material change process and incident management.

Stress tests and sensitivity analyses are conducted within the ICAAP framework to help identify and quantify the various types of business risk to which SBAB is exposed.

**RC:7 Concentration risk**

Concentration risk arises when exposures are concentrated to certain counterparties, regions or types of businesses/industries. Through a direction decision as part of the business planning, SBAB's Board has established the concentration of risk based on the actual conditions for SBAB. The Board's risk appetite sets the framework for concentration risk, which is calculated based on the size of the exposures, industry and geographical concentration.

SBAB is primarily considered to be exposed to credit-risk related concentration risk in its lending operations. The risk department continuously monitors and analyses concentration in the lending portfolio based on, inter alia, geographical area, collateral, segment and product type. SBAB's portfolio is concentrated to the housing and property market. SBAB also has limited lending on commercial property, which amounted to 2% of lending to the

public as of 31 December 2024. For more information on the breakdown of SBAB's secured and unsecured lending, refer to the Loan amounts broken down by LTV interval table in Note RC 1. Moreover, large exposures to single counterparties are monitored on an ongoing basis. Total lending to the ten largest customer groups accounted for 7% of lending to the public. For more information on the lending portfolio's geographical breakdown, please refer to pages 51 and 52. SBAB also evaluates the ongoing capital requirement for concentration risk and quantifies the economic capital risk for credit-risk exposures, see Note RC 9. For concentration risk in liquidity, please refer to Note RC 3.

## RC:8 Capital adequacy analysis

### Regulatory framework

The capital adequacy is based on the consolidated version of the Capital Requirements Regulation and the Capital Requirements Directive, which have been adapted to the Banking Package adopted on 7 June 2019. The information in this note refers to the minimum capital requirements according to Pillar 1 and corresponds to the disclosure requirements in the Capital Requirements Regulation, part eight and the Swedish FSA regulation FFFS 2014:12.

In June 2024, amendments to the Capital Requirements Regulation and the Capital Requirements Directive were adopted and published in the Official Journal of the EU, finalising the last parts of the Basel 3 framework (the so-called Basel IV framework). The amendments will improve comparability of risk-based capital measures between banks within the EU. The measures include changes to the standardised approach and the internal ratings-based (IRB) approach used to calculate capital requirements for credit risk. Over and above the changes to the calculation of credit risk, changes also affected CVA and operational risk. An output floor is being introduced for IRB calculations of capital requirements, where risk exposure amounts (REA) are not permitted to fall under 72.5% of what is given in the standardised approach. This will be phased in during a transition period from 2025–2030. While the rules will largely apply from 1 January 2025, transitional rules will apply for several years.

From 31 December 2018, a risk-weight floor of 25% for residential mortgages to Swedish households within Pillar 1 is included following a decision by the Swedish FSA supported by article 458 in the CRR. The decision applied for two years. Thereafter, the Swedish FSA resolved to apply the floor in Pillar 1 until 30 December 2025. The EBA has notified the Swedish FSA to review the basis for using the risk-weight floor given the forthcoming capital floor. When the EU approved the banking package, the Swedish FSA announced that it would review the buffers and risk-weight floors in place in the coming years. It is therefore uncertain whether after 31 December 2025 the risk-weight floor will remain in the same form as the current risk-weight floor. The credit institutions encompassed by the measure are those authorised to use the IRB approach and which have exposures to Swedish residential mortgages.

The countercyclical capital buffer requirement for Swedish exposures amounts to 2%. At the end of 2024, the Swedish FSA announced its intent to leave the countercyclical buffer value unchanged. The countercyclical buffer values for Danish and Norwegian exposures are unchanged at 2.5%. The Danish government and Norges Bank (the central bank of Norway) have not announced any change in the values.

Banks that are considered systemic will be subject to additional capital requirements. SBAB is not subject to these requirements.

The Swedish National Debt Office (SNDO) has decided a minimum requirement for own funds and eligible liabilities (MREL) and a subordination requirement for SBAB that applies on full implementation from 2025. The MREL and subordination requirement are expressed as risk-weighted and as non risk-weighted requirements. The MREL for SBAB amounts to 22.24% of REA and 6.00% of the leverage ratio exposure (LRE). The requirement for subordinated debt amounts to 19.74% of REA and 6.00% of LRE. SBAB fulfils MREL and subordination requirements.

### SBAB's capital

SBAB is well capitalised, and to retain a strong capital position, SBAB's Board of Directors adopted a new capital policy. According to SBAB's capital targets from the owner, under normal conditions, the Bank's CET1 capital ratio and its total capital ratio should both be at least 0.6 percentage points higher than the capital requirement communicated by the Swedish FSA. Moreover, the CEO has decided on a supplementary capital target for CET1 capital, which entails, under normal circumstances, SBAB maintaining a buffer equivalent to 1–3 percentage points above the Swedish FSA's communicated requirements over time. In September 2023, the Swedish FSA communicated one expected effect from the Pillar 2 guidance for SBAB: 0 percentage points on the risk-weighted capital requirement and about 0.5 percentage points on the leverage ratio, which is to be covered with CET1 capital. By means of a strong capi-

tal position and good risk management, SBAB meets the supervisory rules adopted by the EU.

SBAB primarily recognises credit risk in accordance with the internal ratings-based (IRB) approach, and other risk types in accordance with the standardised approach.

The SBAB Group has no securitised loans of its own and has not contributed to any other institution's securitisation.

Note RC 9 contains a summary of the method used to assess the internal capital requirement.

### Own funds

SBAB's own funds comprise equity as well as additional Tier 1 capital and Tier 2 capital consisting of own funds instruments. SBAB's own funds amounted to SEK 29,534 million (28,209) as per 31 December 2024. Net profit for the year had a positive impact on CET1 capital of SEK 1.4 billion. The surplus has been verified by the company's auditors, in accordance with Article 26, item 2, of the CRR.

According to Article 35 of the CRR, the institution shall, except in the case of the items referred to in Article 33, not make adjustments to remove from own funds unrealised gains or losses on assets or liabilities recognised at fair value. According to this Article, an adjustment in a negative amount of SEK 2,931 million (negative: 3,737) has been made to CET1 capital.

According to Article 33, item 1, of the CRR, part of the fair-value reserves related to gains or losses on cash-flow hedges of financial instruments that are not measured at fair value, including projected cash flows, is not to be included in own funds. The CET1 capital has been adjusted for cash-flow hedges of SEK 3,009 million (3,758).

Changes in fair value that depend on the institution's own credit standing and that are related to derivatives had a negative impact of SEK 18 million (negative: 16) on the CET1 capital, in accordance with Article 33, item 1b.

With reference to Articles 34 and 105 of the CRR, SEK 115 million (deduction: 121) has been deducted due to the requirements for prudent valuation.

A deduction of SEK 178 million (deduction: 173) for intangible assets and a deduction of SEK 343 million (deduction: 330) for net provisions were made in accordance with Article 36. Positive net provisions amounted to SEK 5 million (0) in accordance with Article 62.

A marginal deduction of SEK 0.4 million (deduction: 0.2) has been made from own funds for the NPL backstop, in accordance with CRR Article 36, Point 1m.

### The consolidated situation

The table below lists the companies that are included in the consolidated situation within the SBAB Group. There are no ongoing or unforeseen material obstacles or legal barriers to a rapid transfer of funds from own funds other than what is stipulated in the terms and conditions governing own funds instruments (see Note L 7).

## Companies included in the consolidated situation

Company	Corporate Registration Number	Ownership share	Consolidation method used in the accounts	Consolidation method used for capital adequacy	Company description
SBAB Bank AB (publ)	556253-7513	Parent Company	-	-	Institution
AB Sveriges Säkerställda Obligationer (publ) (Swedish Covered Bond Corporation – SCBC)	556645-9755	100%	Fully consolidated	Acquisition method	Institution

## Companies not included in the consolidated situation

Company	Corporate Registration Number	Ownership share	Consolidation method used in the accounts	Consolidation method used for capital adequacy	Company description
Booli Search Technologies AB	556733-0567	100%	Fully consolidated	Not consolidated	IT company

## Joint ventures not included in the consolidated situation

Company	Corporate Registration Number	Ownership share	Consolidation method used in the accounts	Consolidation method used for capital adequacy	Company description
Tibern AB	559384-3542	14%	Equity method	Not consolidated	IT company

## Subordinated debt and own funds instruments

Subordinated debt may be included in the calculation of Tier 1 capital if certain conditions are present. SBAB includes five own funds instruments with a nominal value of SEK 6,100 million as Tier 1 capital in own funds. Tier 2 capital amounted to SEK 2,012 million and comprised two own funds instruments.

Own funds instruments are subordinate to the Parent Company's other liabilities, and own funds instruments that are included in Tier 1 capital are subordinate to other own funds instruments. Please refer to the report under

"Capital adequacy and risk management (Pillar 3)" at [www.sbab.se](http://www.sbab.se) for a specification of own funds and the complete terms and conditions for own funds instruments in accordance with Commission Implementing Regulation (EU) No 2021/637. For further information on own funds instruments, also refer to Note [L 7](#).

## Capital adequacy – KPIs

SEK million	CONSOLIDATED SITUATION				
	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
<b>Available own funds (amount)</b>					
CET1 capital	21,417	21,193	20,954	20,638	20,414
Tier 1 capital	27,517	27,293	28,654	28,338	26,214
Total capital	29,534	29,312	30,657	30,342	28,209
<b>Risk exposure amount (REA)</b>					
Total REA	168,889	171,486	172,860	169,898	166,294
<b>Capital ratios (as a percentage of REA)</b>					
CET1 capital ratio (%)	12.7	12.4	12.1	12.1	12.3
Tier 1 capital ratio (%)	16.3	15.9	16.6	16.7	15.8
Total capital ratio (%)	17.5	17.1	17.7	17.9	17.0
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of REA)</b>					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.9	1.9	1.9	1.9	1.9
of which: to be made up of CET1 capital (percentage points)	1.1	1.1	1.1	1.1	1.1
of which: to be made up of Tier 1 capital (percentage points)	1.4	1.4	1.4	1.4	1.4
Total SREP own funds requirements (%)	9.9	9.9	9.9	9.9	9.9
<b>Combined buffer and overall capital requirements (as a percentage of REA)</b>					
Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
Capital conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
Institution-specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
Systemic risk buffer (%)	-	-	-	-	-
Global Systemically Important Institution buffer (%)	-	-	-	-	-
Other Systemically Important Institution buffer (%)	-	-	-	-	-
Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
Overall capital requirements (%)	14.4	14.4	14.4	14.4	14.4
CET1 capital available after meeting the total SREP own funds requirements (%)	7.1	6.8	6.6	6.6	6.7

SEK million	CONSOLIDATED SITUATION				
	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
<b>Leverage ratio</b>					
Total exposure measure	656,664	661,432	653,330	661,207	640,914
Leverage ratio (%)	4.2	4.1	4.4	4.3	4.1
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>					
Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>					
Leverage ratio buffer requirement (%)	-	-	-	-	-
Overall leverage ratio requirement (%)	3.0	3.0	3.0	3.0	3.0
<b>Liquidity coverage ratio</b>					
Total high-quality liquid assets (HQLA) (weighted value – average)	104,433	104,421	101,830	100,021	97,063
Cash outflows – total weighted value	57,895	56,787	56,246	59,392	55,684
Cash inflows – total weighted value	16,700	16,551	16,957	19,495	17,018
Total net cash outflows (adjusted value)	41,195	40,236	39,289	39,897	38,666
Liquidity coverage ratio (%)	253.5	259.5	259.2	250.7	251.0
<b>Net Stable Funding Ratio</b>					
Total available stable funding	530,349	558,876	551,168	573,250	547,015
Total required stable funding	419,976	418,267	414,806	419,475	414,762
NSFR (%)	126.3	133.6	132.9	136.7	131.9

## Own funds

SEK million	CONSOLIDATED SITUATION	
	2024	2023
<b>CET1 capital instruments: Instruments and reserves</b>		
Capital instruments and the related share premium accounts	1,958	1,958
Retained earnings	18,651	17,635
Accumulated other comprehensive income (and other reserves)	-2,930	-3,737
Independently verified net profit for the year net of any foreseeable charge or dividend <sup>1)</sup>	1,383	1,441
<b>CET1 capital before regulatory adjustments</b>	<b>19,062</b>	<b>17,297</b>
<b>CET1 capital: Regulatory adjustments</b>		
Additional value adjustments (negative amount)	-115	-121
Intangible assets (net of related tax liability) (negative amount)	-178	-173
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	3,009	3,758
Negative amounts resulting from the calculation of expected loss amounts	-343	-330
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	-
Other regulatory adjustments <sup>2)</sup>	-18	-16
<b>Total regulatory adjustments to CET1 capital</b>	<b>2,355</b>	<b>3,118</b>
<b>CET1 capital</b>	<b>21,417</b>	<b>20,414</b>
<b>Additional Tier 1 capital</b>		
Capital instruments and the related share premium accounts	6,100	5,800
<i>of which, classified as equity under applicable accounting standards</i>	<i>6,100</i>	<i>5,800</i>
<i>of which, classified as liabilities under applicable accounting standards</i>	<i>-</i>	<i>-</i>
<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>6,100</b>	<b>5,800</b>
<b>Additional Tier 1 capital: regulatory adjustments</b>		
<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>-</b>	<b>-</b>
<b>Additional Tier 1 capital</b>	<b>6,100</b>	<b>5,800</b>
<b>Tier 1 capital (Tier 1 capital = CET1 + Additional Tier 1 capital)</b>	<b>27,517</b>	<b>26,214</b>
<b>Tier 2 capital: instruments</b>		
Capital instruments and the related share premium accounts	2,012	1,995
Credit risk adjustments	5	-
<b>Tier 2 capital before regulatory adjustments</b>	<b>2,017</b>	<b>1,995</b>
<b>Tier 2 capital: Regulatory adjustments</b>		
<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	<b>-</b>
<b>Tier 2 capital: instruments</b>	<b>2,017</b>	<b>1,995</b>
<b>Total capital (Total capital = Tier 1 capital + Tier 2 capital)</b>	<b>29,534</b>	<b>28,209</b>
<b>Total risk exposure amount</b>	<b>168,889</b>	<b>166,294</b>



## Cont. Own funds

SEK million	CONSOLIDATED SITUATION	
	2024	2023
<b>Capital ratios and requirements including buffers, %</b>		
CET1 capital	12.7	12.3
Tier 1 capital	16.3	15.8
Total capital	17.5	17.0
Institution – CET1 overall capital requirements	10.1	10.1
<i>of which, capital conservation buffer requirement</i>	2.5	2.5
<i>of which, countercyclical buffer requirement</i>	2.0	2.0
<i>of which, systemic risk buffer requirement</i>	-	-
<i>of which, G-SII buffer and O-SII buffer</i>	-	-
<i>of which, additional own funds requirements to address risks other than the risk of excessive leverage</i>	1.1	1.1
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	7.1	6.7

<sup>1)</sup> Net profit for the year was reduced by the expected dividend of SEK 913 million. The results have been verified by Deloitte AB pursuant to Article 26, Point 2a of the Capital Requirements Regulation.

<sup>2)</sup> A marginal deduction has been made from own funds for the NPL backstop, in accordance with CRR Article 36, Point 1m.

## Risk exposure amounts and capital requirements

SEK million	CONSOLIDATED SITUATION			
	2024		2023	
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement
<b>Credit risk recognised in accordance with IRB approach</b>				
Exposures to corporates	56,774	4,542	61,670	4,934
Retail exposures	17,763	1,421	21,268	1,701
<i>of which, exposures to SMEs</i>	-	-	-	-
<i>of which, retail exposures secured by immovable property</i>	17,763	1,421	21,268	1,701
<b>Total exposures recognised with the IRB approach</b>	<b>74,537</b>	<b>5,963</b>	<b>82,938</b>	<b>6,635</b>
<b>Credit risk recognised with the standardised approach</b>				
Exposures to governments and central banks	0	0	0	0
Exposures to regional governments or local authorities or agencies	0	0	0	0
Exposures to multilateral development banks	0	0	0	0
Exposures to international organisations	0	0	0	0
Exposures to institutions <sup>1)</sup>	710	57	1,025	82
<i>of which, derivatives according to CRR, Appendix 2</i>	672	54	1,025	82
<i>of which, repos</i>	38	3	-	-
<i>of which other</i>	0	0	0	0
Retail exposures	2,057	165	1,785	143
Exposures in default	7	1	6	0
Exposures in the form of covered bonds	5,868	469	4,381	350
Exposures to institutions and corporates with a short-term credit rating	43	3	12	1
Equity exposures	107	9	106	9
Other items	455	36	526	42
<b>Total exposures recognised with standardised approach</b>	<b>9,247</b>	<b>740</b>	<b>7,841</b>	<b>627</b>
<b>Market risk</b>	<b>417</b>	<b>33</b>	<b>257</b>	<b>21</b>
<i>of which, position risk</i>	-	-	-	-
<i>of which, currency risk</i>	417	33	257	21
<b>Operational risk</b>	<b>7,603</b>	<b>608</b>	<b>6,669</b>	<b>534</b>
<i>of which, standardised approach</i>	7,603	608	6,669	534
<b>Credit valuation adjustment risk (CVA risk)</b>	<b>1,119</b>	<b>90</b>	<b>1,704</b>	<b>136</b>
<b>Additional requirements under Article 458 of the CRR</b>	<b>75,966</b>	<b>6,077</b>	<b>66,885</b>	<b>5,351</b>
<b>Total risk exposure amount and minimum capital requirements</b>	<b>168,889</b>	<b>13,511</b>	<b>166,294</b>	<b>13,304</b>
<b>Capital requirements for capital conservation buffer</b>		<b>4,222</b>		<b>4,157</b>
<b>Capital requirements for countercyclical buffer</b>		<b>3,382</b>		<b>3,330</b>
<b>Total capital requirements</b>		<b>21,115</b>		<b>20,791</b>

<sup>1)</sup> The risk exposure amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 710 million (1,025).

## Average risk weight for credit risk recognised using the IRB approach

SEK million	CONSOLIDATED SITUATION									
	2024					2023				
	Exposure before credit risk hedge	Exposure after CCF	Risk exposure amount	Capital requirement	Average risk weight, %	Exposure before credit risk hedge	Exposure after CCF	Risk exposure amount	Capital requirement	Average risk weight, %
<b>Credit risk in lending portfolio recognised under the IRB approach</b>										
Exposures to corporates	172,882	171,801	56,774	4,542	33.0	177,704	173,677	61,670	4,934	35.5
Retail exposures	412,405	374,916	17,763	1,421	4.7	378,916	352,612	21,268	1,701	6.0
<i>of which, single-family dwellings and holiday homes</i>	190,998	188,116	6,647	532	3.5	177,875	176,469	8,056	644	4.6
<i>of which, tenant-owners' rights</i>	182,923	179,104	10,502	840	5.9	172,895	170,514	12,612	1,009	7.4
<i>of which, tenant-owners' associations</i>	-	-	-	-	-	-	-	-	-	-
<b>Total credit risk under the IRB approach</b>	<b>585,288</b>	<b>546,717</b>	<b>74,537</b>	<b>5,963</b>	<b>13.6</b>	<b>556,620</b>	<b>526,290</b>	<b>82,938</b>	<b>6,635</b>	<b>15.8</b>

## Capital adequacy – KPIs

SEK million	PARENT COMPANY				
	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
<b>Available own funds (amount)</b>					
CET1 capital	14,208	13,791	13,861	13,849	13,996
Tier 1 capital	20,308	19,891	21,561	21,549	19,796
Total capital	22,320	21,905	23,558	23,545	21,791
<b>Risk exposure amount (REA)</b>					
Total REA	40,966	47,390	48,160	47,196	46,154
<b>Capital ratios (as a percentage of REA)</b>					
CET1 capital ratio (%)	34.7	29.1	28.8	29.3	30.3
Tier 1 capital ratio (%)	49.6	42.0	44.8	45.7	42.9
Total capital ratio (%)	54.5	46.2	48.9	49.9	47.2
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of REA)</b>					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.3	3.3	3.3	3.3	3.3
of which: to be made up of CET1 capital (percentage points)	1.9	1.9	1.9	1.9	1.9
of which: to be made up of Tier 1 capital (percentage points)	2.5	2.5	2.5	2.5	2.5
Total SREP own funds requirements (%)	11.3	11.3	11.3	11.3	11.3
<b>Combined buffer and overall capital requirements (as a percentage of REA)</b>					
Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
Capital conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	–	–	–	–	–
Institution-specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
Systemic risk buffer (%)	–	–	–	–	–
Global Systemically Important Institution buffer (%)	–	–	–	–	–
Other Systemically Important Institution buffer (%)	–	–	–	–	–
Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
Overall capital requirements (%)	15.8	15.8	15.8	15.8	15.8
CET1 capital available after meeting the total SREP own funds requirements (%)	28.3	22.8	22.4	23.0	24.0

SEK million	PARENT COMPANY				
	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023
<b>Leverage ratio</b>					
Total exposure measure	148,233	166,173	179,079	189,574	168,952
Leverage ratio (%)	13.7	12.0	12.0	11.4	11.7
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>					
Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>					
Leverage ratio buffer requirement (%)	-	-	-	-	-
Overall leverage ratio requirement (%)	3.0	3.0	3.0	3.0	3.0
<b>Liquidity coverage ratio<sup>1)</sup></b>					
Total high-quality liquid assets (HQLA) (weighted value – average)					
Cash outflows – total weighted value					
Cash inflows – total weighted value					
Total net cash outflows (adjusted value)					
Liquidity coverage ratio (%)					
<b>Net Stable Funding Ratio<sup>1)</sup></b>					
Total available stable funding					
Total required stable funding					
NSFR (%)					

<sup>1)</sup> SBAB Bank AB is treated as a single liquidity sub-group, together with AB Sveriges Säkerställda Obligationer, according to Article 8 (CRR) and a decision by the Swedish FSA. For this reason, disclosure of the liquidity coverage ratio and the net stable funding ratio is not assessed as material at company level. For outcomes at the consolidated level, see the table Capital adequacy – key ratios for the consolidated situation.

## Own funds

SEK million	PARENT COMPANY	
	2024	2023
<b>CET1 capital instruments: Instruments and reserves</b>		
Capital instruments and the related share premium accounts	1,958	1,958
Retained earnings	11,797	7,475
Accumulated other comprehensive income (and other reserves)	48	-59
Independently verified net profit for the year net of any foreseeable charge or dividend <sup>1)</sup>	552	4,740
<b>CET1 capital before regulatory adjustments</b>	<b>14,355</b>	<b>14,114</b>
<b>CET1 capital: Regulatory adjustments</b>		
Additional value adjustments (negative amount)	-150	-159
Intangible assets (net of related tax liability) (negative amount)	-5	-3
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	55	88
Negative amounts resulting from the calculation of expected loss amounts	-30	-29
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	-
Other regulatory adjustments <sup>2)</sup>	-17	-15
<b>Total regulatory adjustments to CET1 capital</b>	<b>-147</b>	<b>-118</b>
<b>CET1 capital</b>	<b>14,208</b>	<b>13,996</b>
<b>Additional Tier 1 capital</b>		
Capital instruments and the related share premium accounts	6,100	5,800
<i>of which, classified as equity under applicable accounting standards</i>	6,100	5,800
<i>of which, classified as liabilities under applicable accounting standards</i>	-	-
<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>6,100</b>	<b>5,800</b>
<b>Additional Tier 1 capital: regulatory adjustments</b>		
<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>-</b>	<b>-</b>
<b>Additional Tier 1 capital</b>	<b>6,100</b>	<b>5,800</b>
<b>Tier 1 capital (Tier 1 capital = CET1 + Additional Tier 1 capital)</b>	<b>20,308</b>	<b>19,796</b>
<b>Tier 2 capital: instruments</b>		
Capital instruments and the related share premium accounts	2,012	1,995
Credit risk adjustments	-	-
<b>Tier 2 capital before regulatory adjustments</b>	<b>2,012</b>	<b>1,995</b>
<b>Tier 2 capital: Regulatory adjustments</b>		
<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	<b>-</b>
<b>Tier 2 capital: instruments</b>	<b>2,012</b>	<b>1,995</b>
<b>Total capital (Total capital=Tier 1 capital + Tier 2 capital)</b>	<b>22,320</b>	<b>21,791</b>
<b>Total risk exposure amount</b>	<b>40,966</b>	<b>46,154</b>

## Cont. Own funds

SEK million	PARENT COMPANY	
	2024	2023
<b>Capital ratios and requirements including buffers, %</b>		
CET1 capital	34.7	30.3
Tier 1 capital	49.6	42.9
Total capital	54.5	47.2
Institution – CET1 overall capital requirements	10.9	10.9
<i>of which, capital conservation buffer requirement</i>	2.5	2.5
<i>of which, countercyclical buffer requirement</i>	2.0	2.0
<i>of which, systemic risk buffer requirement</i>	–	–
<i>of which, G-SII buffer and O-SII buffer</i>	–	–
<i>of which, additional own funds requirements to address risks other than the risk of excessive leverage</i>	1.9	1.9
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	28.3	24.0

<sup>1)</sup> Net profit for the year was reduced by the expected dividend of SEK 963 million. The results have been verified by Deloitte AB pursuant to Article 26, Point 2a of the Capital Requirements Regulation.

<sup>2)</sup> There are no results that generate a deduction of NPL backstop, pursuant to Article 36, Point 1m of the Capital Requirements Regulation.



## Risk exposure amounts and capital requirements

SEK million	PARENT COMPANY			
	2024		2023	
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement
<b>Credit risk recognised in accordance with IRB approach</b>				
Exposures to corporates	7,306	584	14,709	1,176
Retail exposures	860	69	832	67
<i>of which, exposures to SMEs</i>	–	–	–	–
<i>of which, retail exposures secured by immovable property</i>	860	69	832	67
<b>Total exposures recognised with the IRB approach</b>	<b>8,166</b>	<b>653</b>	<b>15,541</b>	<b>1,243</b>
<b>Credit risk recognised with the standardised approach</b>				
Exposures to governments and central banks <sup>1)</sup>	0	0	10	1
Exposures to regional governments or local authorities or agencies	0	0	0	0
Exposures to multilateral development banks	0	0	0	0
Exposures to international organisations	0	0	0	0
Exposures to institutions <sup>2)</sup>	709	57	1,056	85
<i>of which, derivatives according to CRR, Appendix 2</i>	551	44	902	72
<i>of which, repos</i>	–	–	–	–
<i>of which other</i>	158	13	154	12
Retail exposures	2,057	165	1,785	143
Exposures in default	7	1	6	0
Exposures in the form of covered bonds	5,868	469	4,381	350
Exposures to institutions and corporates with a short-term credit rating	41	3	11	1
Equity exposures	17,207	1,377	17,206	1,377
Other items	178	13	175	13
<b>Total exposures recognised with standardised approach</b>	<b>26,067</b>	<b>2,085</b>	<b>24,630</b>	<b>1,970</b>
<b>Market risk</b>	<b>64</b>	<b>5</b>	<b>35</b>	<b>3</b>
<i>of which, position risk</i>	–	–	–	–
<i>of which, currency risk</i>	64	5	35	3
<b>Operational risk</b>	<b>3,835</b>	<b>307</b>	<b>3,292</b>	<b>263</b>
<i>of which, standardised approach</i>	3,835	307	3,292	263
<b>Credit valuation adjustment risk (CVA risk)</b>	<b>634</b>	<b>51</b>	<b>1,225</b>	<b>98</b>
<b>Additional requirements under Article 458 of the CRR</b>	<b>2,200</b>	<b>176</b>	<b>1,431</b>	<b>115</b>
<b>Total risk exposure amount and minimum capital requirements</b>	<b>40,966</b>	<b>3,277</b>	<b>46,154</b>	<b>3,692</b>
<b>Capital requirements for capital conservation buffer</b>		<b>1,024</b>		<b>1,154</b>
<b>Capital requirements for countercyclical buffer</b>		<b>822</b>		<b>926</b>
<b>Total capital requirements</b>		<b>5,123</b>		<b>5,772</b>

<sup>1)</sup> Risk-weighted amount for central governments and central banks amounted to SEK 0 million (10) due to deferred tax pursuant to Article 48(4) of the CRR.

<sup>2)</sup> The risk-weighted amount for counterparty risk according to the CRR, Article 92(3)(f), amounted to SEK 551 million (902).

## Average risk weight for credit risk recognised using the IRB approach

SEK million	PARENT COMPANY									
	2024					2023				
	Exposure before credit risk hedge	Exposure after CCF	Risk exposure amount	Capital requirement	Average risk weight, %	Exposure before credit risk hedge	Exposure after CCF	Risk exposure amount	Capital requirement	Average risk weight, %
<b>Credit risk in lending portfolio recognised under the IRB approach</b>										
Exposures to corporates	14,002	13,164	7,306	584	55.5	27,421	23,689	14,709	1,177	62.1
Retail exposures	49,726	12,237	860	69	7.0	35,357	9,053	832	67	9.2
<i>of which, single-family dwellings and holiday homes</i>	5,062	2,180	98	8	4.5	2,834	1,429	79	6	5.5
<i>of which, tenant-owners' rights</i>	6,180	2,360	147	12	6.2	4,377	1,995	153	12	7.6
<i>of which, tenant-owners' associations</i>	-	-	-	-	-	-	-	-	-	-
<b>Total credit risk under the IRB approach</b>	<b>63,728</b>	<b>25,401</b>	<b>8,166</b>	<b>653</b>	<b>32.1</b>	<b>62,778</b>	<b>32,743</b>	<b>15,541</b>	<b>1,243</b>	<b>47.5</b>

## RC:9 Internally assessed capital requirement

Within the framework of Pillar 2, the Basel regulations impose the requirement that banks' management and assessment of risks must be satisfactory to ensure that the banks can fulfil their obligations. To meet this requirement, the banks must have methods that enable them to continuously evaluate and uphold capital in an amount, type and distribution sufficient to cover the risks to which they are or will become exposed. This is known as the company's internal capital adequacy assessment process, which is part of SBAB's internal capital and liquidity adequacy assessment process (ICLAAP). At present, liquidity risk does not give rise to any actual capital requirement for SBAB. Refer to Note RC 3 for more information about liquidity risk.

The ICAAP aims to identify, evaluate and manage the risks to which SBAB is exposed and ensure that the consolidated situation has sufficient own funds for its selected risk profile. The ICAAP is revised annually to identify changes in the operating environment and changed regulations and supervisory practices that continuously affect the bank's performance. The amount of own funds required to manage the combined risk in the operations is based primarily on the calculation of SBAB's economic capital. Economic capital is defined as the amount of capital needed to ensure solvency over a one-year period.

However, if the economic capital for risks included in Pillar 1 is less than the capital requirements under Pillar 1 for a given type of risk, the capital requirements under Pillar 1 are applied. The internally assessed capital requirement for the Group amounted to SEK 10,631 million (SEK 11,632 million) on 31 December 2024. The internal capital requirement is assessed with the help of SBAB's internal models for economic capital and is not fully compatible with the capital requirements published by the Swedish FSA. SBAB estimates the total capital requirement from the Swedish FSA at SEK 24,273 million. Any deviations from the Swedish FSA's published requirements are attributed to rounding in calculations.

Finally, consideration is given to the risk associated with deteriorating macro-economic conditions, which is illustrated in conjunction with stress tests. Taken together, the above comprise the capital that, in accordance with Basel 3, is required to meet all risks in the operations. Additional information on the internal capital requirement can be found in the report "Capital Adequacy and Risk Management 2023 (Pillar 3)," which is published on [www.sbab.se](http://www.sbab.se). For the Parent Company, the internally assessed capital requirement amounted to SEK 5,464 million (5,679).

	CONSOLIDATED SITUATION	
	31 Dec 2024	31 Dec 2023
	<b>Internally assessed capital requirement</b>	
	<b>SEK million</b>	<b>SEK million</b>
Credit risk	6,703	7,262
Market risk	1,591	2,070
Operational risk	608	534
Concentration risk	1,521	1,565
Sovereign risk	118	65
CVA risk	90	136
Other risks <sup>1)</sup>	0	0
<b>Total</b>	<b>10,631</b>	<b>11,632</b>
<b>Total own funds</b>	<b>29,534</b>	<b>28,209</b>

<sup>1)</sup> Includes pension risk and business risk.

## IC Income and expenses

pages 229–235

## IC:1 Net interest income

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Interest income</b>				
Lending to credit institutions	498	735	7,295	5,026
Lending to the public <sup>1)</sup>	21,519	17,893	1,353	1,552
Interest-bearing securities	3,604	2,709	3,604	2,709
Derivatives	2,532	4,084	971	1,043
<b>Total interest income</b>	<b>28,153</b>	<b>25,421</b>	<b>13,223</b>	<b>10,331</b>
<i>of which, interest income from financial assets that is not measured at FVTPL</i>	<i>25,281</i>	<i>20,724</i>	<i>11,912</i>	<i>8,675</i>
<b>Interest expense</b>				
Liabilities to credit institutions	-312	-369	-362	-405
Deposits from the public	-8,536	-5,854	-8,536	-5,854
Issued debt securities	-6,467	-5,600	-1,484	-1,447
Subordinated debt	-97	-94	-97	-94
Derivatives	-7,371	-7,968	-1,045	-1,033
Other <sup>2)</sup>	-3	-2	-3	-2
Deposit guarantee scheme fee	-79	-89	-79	-89
<b>Total interest expense</b>	<b>-22,865</b>	<b>-19,975</b>	<b>-11,606</b>	<b>-8,924</b>
<i>of which, interest expense from financial liabilities that is not measured at FVTPL</i>	<i>-15,494</i>	<i>-12,007</i>	<i>-10,561</i>	<i>-7,891</i>
<b>Net interest income</b>	<b>5,288</b>	<b>5,446</b>	<b>1,617</b>	<b>1,407</b>

<sup>1)</sup> Includes interest income from doubtful receivables of SEK 28.5 million (18.3).

<sup>2)</sup> The item other includes interest expense for lease liabilities pertaining to property leases of SEK 3 million (2).

## IC:2 Commission

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Commission income</b>				
Commission on lending <sup>1)</sup>	11	10	2	2
Other commissions <sup>2)</sup>	27	38	48	69
<b>Total</b>	<b>38</b>	<b>48</b>	<b>50</b>	<b>71</b>
<b>Commission expense</b>				
Commission on securities	-44	-44	-33	-32
Other commissions	-48	-38	-22	-17
<b>Total</b>	<b>-92</b>	<b>-82</b>	<b>-55</b>	<b>-49</b>
<b>Net commission</b>	<b>-54</b>	<b>-34</b>	<b>-5</b>	<b>22</b>

<sup>1)</sup> Commission on lending is primarily recognised when the service is provided, in other words at a specific date.

<sup>2)</sup> Other commissions are mainly recognised when these services are rendered, in other words, in a straight line over time.

## IC:3 Net result of financial transactions

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Gains/losses on interest-bearing financial instruments</b>				
Change in value of hedged items in hedge accounting	-1,599	-3,190	-48	919
Derivatives in hedge accounting	1,587	3,138	51	-985
Other derivatives	-69	-47	186	247
Interest-bearing securities, fair value option	2	2	2	2
Interest-bearing securities measured at FVTOCI	-70	-213	-70	-213
Interest-bearing securities at amortised cost	-78	-43	-78	-43
Realised gain/loss from financial liabilities at amortised cost	284	301	0	1
Loan receivables at amortised cost	22	-45	8	2
Currency translation effects	7	2	7	2
<b>Total</b>	<b>86</b>	<b>-95</b>	<b>58</b>	<b>-68</b>

SBAB uses derivatives to manage interest-rate and currency risk in the Group's assets and liabilities. Derivatives are recognised at fair value in the balance sheet. SBAB's policies for risk management and hedge accounting entail variations in results as a consequence of changed market interest rates, which can arise between periods for individual items in the above presentation. These are generally offset by variations in the results in other items. Variations in results that are not neutralised through risk management and hedge accounting are commented in the administration report.

## IC:4 Other operating income

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Administrative services on behalf of subsidiary	-	-	1,452	1,453
Other operating income <sup>1)</sup>	57	50	1	2
<b>Total</b>	<b>57</b>	<b>50</b>	<b>1,453</b>	<b>1,455</b>

<sup>1)</sup> The item Other operating income primarily includes revenue from Booli as well as the share of the joint venture profit amounting to SEK 0.9 million (0.2).

## IC:5 Personnel costs

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Salaries and other remuneration	-644	-558	-645	-558
Pension costs	-98	-85	-114	-102
Social security expenses	-231	-199	-235	-203
Other personnel costs	-52	-48	-52	-47
<b>Total</b>	<b>-1,025</b>	<b>-890</b>	<b>-1,046</b>	<b>-910</b>

### Salaries and other remuneration

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
CEO <sup>1)</sup>	-6	-6	-6	-6
Senior executives who report directly to the CEO	-25	-28	-25	-28
Other employees	-613	-524	-614	-524
<b>Total salaries and other remuneration</b>	<b>-644</b>	<b>-558</b>	<b>-645</b>	<b>-558</b>

<sup>1)</sup> Refer also to the table Salaries and other remuneration and pensions to the CEO and other senior executives who report directly to the CEO

Salaries and other remuneration for employees of the subsidiary Booli Search Technologies AB are included in the Group's expenses in the Other employees item. Board Members who are employed by the Parent Company receive remuneration and pension benefits as a result of their employment. No additional remuneration or pension benefits are paid for Board assignments. No remuneration was paid to the CEO of the subsidiary Swedish Covered Bond Corporation (SCBC). The number of senior executives who reported directly to the CEO as per the end of the year was 11 (11).

### Average number of employees

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Women	533	468	510	444
Men	475	442	448	411
<b>Average number of employees</b>	<b>1,008</b>	<b>910</b>	<b>958</b>	<b>855</b>

### Sickness leave, %

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Total sickness absence</b>	<b>3.8</b>	<b>3.7</b>	<b>3.9</b>	<b>3.8</b>
Women	5.0	2.5	5.1	2.5
Men	2.4	1.3	2.5	1.3
29 or younger	4.4	4.2	4.2	4.3
30–49	3.4	3.5	3.5	3.6
50 or older	4.7	4.2	4.8	4.2
Proportion of long-term sickness absence compared to total sickness (absence that exceeded 60 days)	37.0	33.6	38.0	34.7

### Gender distribution among senior executives

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Board of Directors</b>				
Women	11	12	7	7
Men	9	10	4	3
<b>Total</b>	<b>20</b>	<b>22</b>	<b>11</b>	<b>10</b>
<b>Executive Management</b>				
Women	3	3	3	3
Men	8	8	7	7
<b>Total</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>

The Group includes the Board Members of the subsidiaries: Swedish Covered Bond Corporation (SCBC) and Booli Search Technologies AB.

### Form of employment

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Total number of employees at year end</b>	<b>1,082</b>	<b>948</b>	<b>1,030</b>	<b>901</b>
<i>of whom, women, %</i>	52.7	52.8	53.1	53.3
<i>of whom, managers, %</i>	13.0	11.6	12.9	11.5
<i>of managers, women, %</i>	52.3	50.8	52.1	50.0
<i>of whom, temporary employees, %</i>	7.0	4.9	7.1	4.7
<i>of whom, part-time employees, %</i>	0.8	0.2	0.9	0.2

### Personnel turnover

	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Number of permanent employees who terminated employment during the year</b>	<b>82</b>	<b>104</b>	<b>73</b>	<b>92</b>
<i>of whom, women, %</i>	56.1	51.0	57.5	50.0
<i>of whom, 29 or younger, %</i>	22.0	26.0	21.9	26.0
<i>of whom, 30–49, %</i>	58.5	53.0	57.5	50.0
<i>of whom, 50 or older, %</i>	19.5	21.0	20.5	24.0

### Salary, remuneration and pension costs for the CEO

No company car or non-cash benefits were provided to the CEO. The company pays for a defined-contribution pension insurance plan corresponding to 30% of the CEO's pensionable salary, although not longer than until age 65.

### Salaries and other remuneration

Fringe benefits (subsidised interest rate and sickness benefit) to senior executives who report directly to the CEO amounted to SEK 0.3 million (0.2). Refer to the table on pages 135–136 for details of the salary and other remuneration paid to senior executives.

### Changes and reorganisations

As of 1 April 2024, Deniz Güler became permanent CRO after being acting CRO since December 2023. In addition, following Sari Zander's retirement, Emelie Edlund took over the role of Head of Internal Audit on 1 July 2024. No other major reorganisations took place during the year.

## Salaries and other remuneration and pensions to the CEO and other senior executives who report directly to the CEO

SEK million	PARENT COMPANY			
	2024			
	Period	Salary and other remuneration	Pension cost	Severance pay
Mikael Inglander, CEO	1 Jan–31 Dec 2024	6.4	1.9	–
Peter Svensén, CFO	1 Jan–31 Dec 2024	2.9	0.8	–
Carl Olsson, Head of Business Specialists	1 Jan–31 Dec 2024	2.3	0.7	–
Deniz Güler, CRO	1 Jan–31 Dec 2024	1.9	0.5	–
Sara Davidgård, Head of Business Area Private	1 Jan–31 Dec 2024	3.2	1.0	–
Stefan Andersson, Head of Corporate & Associations Business Area	1 Jan–31 Dec 2024	2.4	0.7	–
Liv Forsström, CHRO	1 Jan–31 Dec 2024	2.2	0.6	–
Malou Sjörin, Head of Sustainability, Marketing & Communication	1 Jan–31 Dec 2024	2.2	0.6	–
Robin Silfverhielm, CXO	1 Jan–31 Dec 2024	2.7	0.8	–
Marko Ivanic, CTO	1 Jan–31 Dec 2024	2.2	0.7	–
Sofia Blomgren, Chief Compliance Officer	1 Jan–31 Dec 2024	1.5	0.3	–
Emelie Edlund, Head of Internal Audit	1 Jul–31 Dec 2024	0.6	0.1	–
Sari Zander, Head of Internal Audit	1 Jan–31 Aug 2024	1.2	0.3	–
<b>Total remuneration to members of Group management in 2024</b>		<b>31.7</b>	<b>9.0</b>	<b>–</b>
SEK million	PARENT COMPANY			
	2023			
	Period	Salary and other remuneration	Pension cost	Severance pay
Mikael Inglander, CEO	1 Jan–31 Dec 2023	6.2	1.8	–
Peter Svensén, CFO	1 Jan–31 Dec 2023	2.8	0.8	–
Carl Olsson, Head of Business Specialists	1 Jan–31 Dec 2023	1.7	0.6	–
Deniz Güler, acting CRO	1 Dec–31 Dec 2023	0.1	0.02	–
Sara Davidgård, CRO	1 Jan–30 Nov 2023	2.5	0.7	–
Sara Davidgård, Head of Business Area Private	1 Dec–31 Dec 2023	0.3	0.1	–
Johan Prom, Head of Retail business area	1 Jan–30 Nov 2023	2.7	0.8	–
Stefan Andersson, Head of Corporate & Associations Business Area	1 Jan–31 Dec 2023	2.1	0.6	–
Carina Eriksson, CHRO	1 Jan–7 Feb 2023	0.2	0.4	3.4
Kajsa Ekehult, acting CHRO	7 Feb–31 Aug 2023	0.7	0.2	–
Liv Forsström, CHRO	1 Sep–31 Dec 2023	0.7	0.2	–
Malou Sjörin, Head of Sustainability, Marketing & Communication	1 Jan–31 Dec 2023	2.1	0.6	–
Kristina Tånnerd, acting Head of Business Specialists <sup>3)</sup>	1 Jan–15 Aug 2023	–	–	–
Andras Valko, CDSO	1 Jan–30 Apr 2023	0.6	0.2	–
Robin Silfverhielm, CXO	1 Jan–31 Dec 2023	2.5	0.8	–
Marko Ivanic, CTO	1 Jan–31 Dec 2023	2.2	0.7	–
Sofia Blomgren, Chief Compliance Officer	1 Jan–31 Dec 2023	1.4	0.3	–
Sari Zander, Head of Internal Audit	1 Jan–31 Dec 2023	1.8	0.4	–
<b>Total remuneration to members of Group management in 2023</b>		<b>30.6</b>	<b>9.2</b>	<b>3.4</b>

Each year, the Board decides on SBAB's remuneration policy and the identification of employees with risk profiles, in accordance with the Swedish FSA's regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1). Risk analyses for SBAB's remuneration system and remuneration policy are published on [www.sbab.se](http://www.sbab.se). The composition and mandates of the Remuneration Committee are described in the Corporate Governance Report on pages 60–66.

Identifying employees with a risk profile is based on the EBA's technical standards. Salaries and other remuneration to employees whose duties materially impact SBAB's risk profile, 85 employees (81), excluding senior executives who report directly to the CEO, amounted to SEK 68.97 million (62.85).

## Remuneration to the Board

PARENT COMPANY						
2024						
SEK thousand	Period	Board of Directors	Credit Committee	Risk and Capital Committee	Audit and Compliance Committee	Remuneration committee
Jan Sinclair, Chairman of the Board <sup>1)</sup>	1 Jan–31 Dec 2024	583	49	44	55	26
Leif Pagrotsky, Board member	1 Jan–24 Apr 2024	91	–	–	18	–
Jane Lundgren Ericsson, Board Member <sup>2)</sup>	1 Jan–31 Dec 2024	281	70	44	69	–
Lars Börjesson, Board Member	1 Jan–31 Dec 2024	281	–	–	–	26
Inga-Lill Carlberg, Board Member	1 Jan–31 Dec 2024	281	49	–	–	31
Jenny Lahrin, Board member	1 Jan–31 Dec 2024	–	–	–	–	–
Wenche Martinussen, Board member	1 Jan–31 Dec 2024	281	–	44	–	–
Synnöve Trygg, Board member <sup>3)</sup>	1 Jan–31 Dec 2024	281	49	52	55	–
Fredrik Sauter, Board Member	1 Jan–31 Dec 2024	281	–	44	–	–
John Sætre, Board member	24 Apr–31 Dec 2024	196	–	–	38	–
Karin Neville, Employee representative <sup>4)</sup>	1 Jan–31 Dec 2024	–	–	–	–	–
Margareta Naumberg, Employee Representative <sup>4)</sup>	1 Jan–31 Dec 2024	–	–	–	–	–
<b>Total Fees &amp; Remuneration 2024</b>		<b>2,556</b>	<b>217</b>	<b>228</b>	<b>235</b>	<b>83</b>

PARENT COMPANY						
2023						
SEK thousand	Period	Board of Directors	Credit Committee	Risk and Capital Committee	Audit and Compliance Committee	Remuneration committee
Jan Sinclair, Chairman of the Board <sup>1)</sup>	1 Jan–31 Dec 2023	563	47	43	54	26
Leif Pagrotsky, Board member	1 Jan–31 Dec 2023	270	–	–	54	–
Jane Lundgren Ericsson, Board Member <sup>2)</sup>	1 Jan–31 Dec 2023	270	66	43	67	–
Lars Börjesson, Board Member	1 Jan–31 Dec 2023	270	–	–	–	26
Inga-Lill Carlberg, Board Member	1 Jan–31 Dec 2023	270	47	–	–	31
Jenny Lahrin, Board member	1 Jan–31 Dec 2023	–	–	–	–	–
Wenche Martinussen, Board member	1 Jan–31 Dec 2023	270	–	43	–	–
Synnöve Trygg, Board member <sup>3)</sup>	1 Jan–31 Dec 2023	270	47	49	54	–
Fredrik Sauter, Board Member	27 Apr–31 Dec 2023	185	–	25	–	–
Karin Neville, Employee representative <sup>4)</sup>	1 Jan–31 Dec 2023	–	–	–	–	–
Margareta Naumberg, Employee Representative <sup>4)</sup>	1 Jan–31 Dec 2023	–	–	–	–	–
<b>Total Fees &amp; Remuneration 2023</b>		<b>2,368</b>	<b>207</b>	<b>203</b>	<b>229</b>	<b>83</b>

<sup>1)</sup> Jan Sinclair also received Board fees from SCBC of SEK 208 thousand (200)

<sup>2)</sup> Jane Lundgren-Ericsson also received Board fees from SCBC of SEK 149 thousand (144)

<sup>3)</sup> Synnöve Trygg also received Board fees from SCBC of SEK 149 thousand (144).

<sup>4)</sup> No Board fees are payable to Board members employed at the Government Offices of Sweden or who are employee representatives. No Board fees are payable to the Board members of SBAB's subsidiary Booli.



## Pensions

Employees recruited to SBAB from 1 February 2013 are covered by the new collective pension plan BTP1, which is a defined-contribution plan. The plan encompasses disability and survivors' pensions, as well as provisions for retirement pensions. In BTP1, employees have a high degree of self-determination in how premiums are invested.

Employees recruited to SBAB before 1 February 2013 are covered by the BTP2 collective pension plan, which is a defined-benefit plan. BTP2 entails that the employee is guaranteed a lifelong pension corresponding to a specified percentage of the employee's final salary and mainly comprises retirement pension, disability pension, survivors' pension, supplementary pension (BTPK) and, where applicable, family pension. The levels of remuneration vary for salaries within different income base amounts. For salaries over 30 income base amounts, no pension is payable under BTP2. Employees who earn more than ten income base amounts have historically been provided the possibility of selecting an alternative investment for part of the premium. BTP2 is a collective defined-benefit employer plan secured through insurance with the insurance company SPP and comprise several employers. SPP is responsible for investing the pension capital of the BTP2 plan. The aim of the investment strategy is to obtain a high and consistent return while ensuring the investors' guaranteed increase in value.

SBAB's costs for its defined-benefit pensions amounted to SEK 6.0 million (6.0), excluding payroll tax. In 2025, pension contributions for defined-benefit plans are expected to total SEK 6.6 million. Further information is provided in Note L 6. SBAB's costs for its defined-contribution pensions amounted to SEK 77.9 million (68.2), excluding payroll tax.

There are no other pension agreements that deviate from the general rules of collective agreements in the banking area.

## Guidelines adopted by the AGM for remuneration and other employment terms and conditions for senior executives

The AGM's principles for remuneration and other employment terms and conditions for senior executives, which were adopted by the 2024 AGM, state that remuneration and terms and conditions are to be reasonable and well-considered. With regard to remuneration and other terms and conditions of employment, SBAB will continue to apply the principles set out in the "State Ownership Policy and principles for state-owned enterprises 2020," and in particular with the principles for remuneration and other terms of employment for senior officers in state-owned enterprises.

This remuneration should be competitive, with a set ceiling and appropriate for its purpose, as well as contributing to high ethical standards and a good corporate culture. Remuneration should not correspond to a leading salary level in relation to comparable companies but be characterised by moder-

ation. This is also to provide guidance for the total amount of remuneration to other employees. Variable salary is not paid to senior executives. These guidelines were not amended following the resolution of the AGM in 2024. The guidelines are published in full at [www.sbab.se](http://www.sbab.se).

## Other terms and conditions for the CEO and senior executives

As regards pension conditions, notice periods and severance pay for senior executives, SBAB observes the principles stated in the State Ownership Policy and principles for state-owned enterprises 2020.

The company pays for a defined-contribution pension insurance corresponding to 30% of the CEO's pensionable salary, although not longer than until age 65. For other managers who report directly to the CEO, the company pays a defined-contribution pension premium corresponding to 30% of pensionable salary.

## Agreements on severance pay

The CEO and SBAB are subject to a mutual notice period of six months. If the company gives notice of termination, the period of notice must not exceed six months. Severance pay must be limited to at most twelve months' salary. Severance pay stipulated in employment contracts made no later than on 31 December 2016 must be no more than eighteen months' salary. Severance pay must be paid monthly and consist only of the fixed monthly salary with no pension benefits or other benefits. No severance pay is paid if the employee gives notice of termination.

Severance pay is paid until the agreed age of retirement at the latest and is never paid after the age of 65 years. If the former employee takes new employment or some other additional paid assignment or earns income from business activity, remuneration from the terminating enterprise has to be reduced by an amount equivalent to the new income during the period covered by salary for notice of termination and severance pay.

For other members of Executive Management, agreements have been concluded regarding severance pay in case of termination by the company. In addition to salary and pension during the notice period, the company will pay severance pay corresponding to 12 months' salary. Deductions will be made from the remuneration should new employment or income from another activity be received during the 12-month period.

## Loans to senior executives

Loans to senior executives are presented in Note G 2.

## Incentive programme

SBAB has no incentive programme.

## IC:6 Other expenses

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
IT expenses	-344	-310	-410	-370
Rent	-11	-10	-51	-47
Other costs for premises	-21	-16	-20	-15
Other administrative expenses	-119	-120	-112	-112
Marketing	-134	-121	-133	-116
Other operating expenses	-42	-31	-26	-19
<b>Total</b>	<b>-671</b>	<b>-608</b>	<b>-752</b>	<b>-679</b>

Development expenditure amounted to SEK 425 million (366), of which SEK 124 million (125) pertained to internally produced intangible Group assets. Most of the development work is pursued in project form and includes the budgets of entire projects, including such expenses as planning, analysis, specification of requirements, programming, implementation and quality testing, etc.

## Fees and expenses to the elected auditors

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Audit assignment	-5.7	-6.0	-3.7	-3.9
Audit activities other than audit assignment	-2.7	-2.1	-2.5	-1.9
<b>Total</b>	<b>-8.4</b>	<b>-8.1</b>	<b>-6.2</b>	<b>-5.8</b>

The AGM on 24 April 2024 appointed Deloitte as SBAB's auditors. The audit assignment includes examination of the annual report, the accounting records and the administration by the Board and CEO. The audit assignment also includes other assistance resulting from such examination.

Audit tasks in addition to the audit assignment pertain to the examination of interim reports/year-end report and such other duties that may only be performed by the signing-off auditor, such as the preparation of various types of certificates.

## IC:7 Depreciation, amortisation and impairment of PPE and intangible assets

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Property, plant and equipment</b>				
Depreciation, computer hardware	-18	-15	-18	-14
Depreciation, leases	-44	-41	-	-
Depreciation, other equipment	-8	-8	-8	-8
Disposals/divestments	0	0	0	0
<b>Intangible assets</b>				
Amortisation, acquired software	-4	-6	-4	-6
Amortisation, internally developed part of software	-82	-77	-	-
Amortisation of trademarks	-	0	-	-
Amortisation of non-compete clause	-	0	-	-
Impairment, acquired software	-55	-10	-	-
Impairment, internally developed part of software	-	0	-	-
Impairment of trademarks/customer relationships	-	-8	-	-
<b>Total</b>	<b>-211</b>	<b>-165</b>	<b>-30</b>	<b>-28</b>

At the end of the year, a customary review of all tangible and intangible assets was conducted and an impairment need was identified, which impacted expenses in 2024.

## IC:8 Net credit losses

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Lending to the public</b>				
Confirmed credit losses	-14	-9	-8	-5
Recoveries of previously confirmed credit losses	4	4	4	4
Adjustment of interest, written down loans	4	2	1	1
Change in provision for the year – credit stage 1	32	-5	13	-10
Change in provision for the year – credit stage 2	15	9	13	-9
Change in provision for the year – credit stage 3	-48	-113	16	-22
Guarantees <sup>1)</sup>	0	-3	0	0
<b>Net credit losses for the period – lending to the public</b>	<b>-7</b>	<b>-115</b>	<b>39</b>	<b>-41</b>
<b>Loan commitments <sup>2)</sup></b>				
Change in provision for the year – credit stage 1	3	18	3	18
Change in provision for the year – credit stage 2	3	5	3	5
Change in provision for the year – credit stage 3	1	-1	1	-1
<b>Net credit losses for the period – loan commitments</b>	<b>7</b>	<b>22</b>	<b>7</b>	<b>22</b>
<b>Other financial instruments</b>				
Change in provision for the year – credit stage 1	0	0	0	0
<b>Net credit losses for the period – other financial instruments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>0</b>	<b>-93</b>	<b>46</b>	<b>-19</b>

<sup>1)</sup> The item includes guarantees for loan commitments.

<sup>2)</sup> Credit provisions for loan commitments are included in the "Provisions" item in the balance sheet.

## IC:9 Operating segments

Operating segments are reported in accordance with IFRS 8 Operating Segments, which means that the segment information is presented in a manner that corresponds to that applied internally for monitoring and control purposes. SBAB has identified the CEO as the chief operating decision maker and the internal reporting used by the CEO to monitor and make decisions regarding the allocation of resources as the basis for the information to be pre-

sented. Private includes lending for single-family homes, holiday homes and tenant-owned apartments, as well as all retail deposits. Corporates & Associations mainly include lending to multifamily dwellings as well as commercial properties. The expenses are allocated to the business areas using distribution quotas.

### Income statement by segment

SEK million	GROUP											
	2024						2023					
	Follow-up of operations			Reconciliation against the statutory income statement			Follow-up of operations			Reconciliation against the statutory income statement		
	Private	Corporate Clients & Tenant-Owners' Associations	Total	Administrative consultants	IFRS 16 Leases <sup>1)</sup>	Statutory profit	Private	Corporate Clients & Tenant-Owners' Associations	Total	Administrative consultants	IFRS 16 Leases <sup>1)</sup>	Statutory profit
Net interest income	3,150	2,138	5,288	-	-	5,288	3,336	2,110	5,446	-	-	5,446
Commission income	37	1	38	-	-	38	47	1	48	-	-	48
Commission expense	-64	-28	-92	-	-	-92	-60	-22	-82	-	-	-82
Net result of financial transactions	51	35	86	-	-	86	-70	-25	-95	-	-	-95
Other operating income	56	1	57	-	-	57	49	1	50	-	-	50
<b>Total operating income</b>	<b>3,230</b>	<b>2,147</b>	<b>5,377</b>	<b>-</b>	<b>-</b>	<b>5,377</b>	<b>3,302</b>	<b>2,065</b>	<b>5,367</b>	<b>-</b>	<b>-</b>	<b>5,367</b>
Salaries and remuneration	-470	-175	-645	-	-	-645	-400	-158	-558	-	-	-558
Other personnel costs	-291	-118	-409	29	-	-380	-259	-113	-372	40	-	-332
Other expenses	-526	-160	-686	-29	44	-671	-463	-146	-609	-40	41	-608
Depreciation, amortisation and impairment of PPE and intangible assets	-124	-43	-167	-	-44	-211	-73	-51	-124	-	-41	-165
Net credit losses	-69	69	0	-	-	0	-22	-71	-93	-	-	-93
Imposed fees: Risk tax and resolution fee	-379	-191	-570	-	-	-570	-353	-188	-541	-	-	-541
<b>Operating profit<sup>2)</sup></b>	<b>1,371</b>	<b>1,529</b>	<b>2,900</b>	<b>0</b>	<b>0</b>	<b>2,900</b>	<b>1,732</b>	<b>1,338</b>	<b>3,070</b>	<b>0</b>	<b>0</b>	<b>3,070</b>
Tax	-292	-326	-618	-	-	-618	-372	-290	-662	-	-	-662
<b>Profit/loss after standardised tax</b>	<b>1,079</b>	<b>1,203</b>	<b>2,282</b>	<b>0</b>	<b>0</b>	<b>2,282</b>	<b>1,360</b>	<b>1,048</b>	<b>2,408</b>	<b>0</b>	<b>0</b>	<b>2,408</b>
Return on equity, %	8.1	13.9	10.4	-	-	10.4	10.0	14.1	11.5	-	-	11.5

<sup>1)</sup> Depreciation of right-of-use assets pertaining to offices

<sup>2)</sup> Used for internal monitoring.

All costs and income have been allocated in full to the Private and Corporate Clients & Tenant-Owners' Associations segments. In relation to the statutory income statement, an expense of SEK 29 million (expense: 40) was transferred between the rows "Other personnel costs" and "Other expenses." The cost refers to administrative consultants, which pertain to "Other personnel costs" in the internal monitoring.

The return on equity is calculated as earnings after tax in relation to average equity, after adjustment for additional Tier 1 instruments and value changes in financial assets recognised in equity.

The Group has no single customer that accounts for more than 10% of its total income.

## IC:10 Imposed fees

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Risk tax	-362	-359	-164	-161
Resolution fee	-208	-182	-36	-33
<b>Total</b>	<b>-570</b>	<b>-541</b>	<b>-200</b>	<b>-194</b>

## TX Tax

page 236

## TX:1 Tax

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Current tax	-613	-667	-257	-236
Deferred tax on changes in temporary differences	-5	5	1	13
<b>Total</b>	<b>-618</b>	<b>-662</b>	<b>-256</b>	<b>-223</b>
<i>The effective tax rate differs from the nominal tax rate in Sweden as below</i>				
Profit before tax	2,900	3,070	1,720	5,926
Nominal tax rate in Sweden 20.6%	-597	-632	-354	-1,221
Tax-free dividends from subsidiaries	-	-	119	1,030
Tax pertaining to non-taxable income and non-deductible costs	-21	-23	-21	-34
Tax for prior years and other	-	-7	-	2
<b>Total tax</b>	<b>-618</b>	<b>-662</b>	<b>-256</b>	<b>-223</b>
Effective tax rate, %	21.3	21.6	14.9	3.8

## TX:2 Deferred tax

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<i>Deferred tax assets (+)/tax liabilities (-) for temporary differences in:</i>				
Stock of financial instruments	-13	10	-18	0
Hedging instruments	781	975	14	23
Intangible assets	-75	-78	0	-
Pension provision	0	0	0	-
Loss carry-forwards	-	-	-	-
Other	4	4	4	4
<b>Total</b>	<b>697</b>	<b>911</b>	<b>0</b>	<b>27</b>
<i>Change in deferred tax</i>				
Acquired deferred tax	-	-6	-	-
Deferred tax in the income statement	-5	5	1	13
Deferred tax attributable to items recognised directly against other comprehensive income	-209	-752	-28	-24
<b>Total</b>	<b>-214</b>	<b>-753</b>	<b>-27</b>	<b>-11</b>
<i>Deferred tax distributed by expected maturity date, carrying amount</i>				
More than 1 year	697	911	0	27
<b>Total</b>	<b>697</b>	<b>911</b>	<b>0</b>	<b>27</b>

## A Assets

pages 236–245

## A:1

## Chargeable treasury bills, etc.

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Swedish state	-	36,207	-	36,207
Foreign states	-	442	-	442
<b>Total</b>	<b>-</b>	<b>36,650</b>	<b>-</b>	<b>36,650</b>

## A:2 Lending to credit institutions

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Lending in SEK	3,752	4,959	197,788	154,566
Lending in foreign currency	4,421	6,848	4,411	2
<b>Total</b>	<b>8,173</b>	<b>11,807</b>	<b>202,199</b>	<b>154,568</b>
<i>of which, repos</i>	0	-	-	-

Of the Parent Company's lending to credit institutions, SEK 194,067 million (142,789) relates to receivables from the wholly owned subsidiary, AB Sveriges Säkerställda Obligationer (publ) (Swedish Covered Bond Corporation – SCBC). These receivables are subordinated, which means that payment is received only after other creditors of the subsidiary have been paid.

Of the total receivables, SEK 24,000 million (24,000) comprises internal Group debt instruments (senior non-preferred notes) that were acquired by the Parent Company SBAB Bank AB (publ) from the subsidiary SCBC for the

purpose of meeting the minimum requirement for own funds and eligible liabilities (MREL) announced by the Swedish National Debt Office in SCBC. Interest-bearing securities that SBAB purchases with an obligation to sell at a predetermined price are not recognised in the balance sheet, while the purchase price paid is recognised in the balance sheet under Lending to credit institutions. The securities are regarded as collateral received and can be pledged or sold by SBAB. In the event that the counterparty is unable to meet its repurchase obligation, SBAB is entitled to keep the security. The fair value of collateral received in the Group was SEK 4 million (-), of which SEK - million (-) has been pledged or sold. The fair value of collateral received in the Parent Company was SEK - million (-), of which SEK - million (-) has been pledged or sold.

### A:3 Lending to the public

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Opening balance</b>	<b>517,400</b>	509,492	<b>24,180</b>	<b>25,754</b>
New lending for the year	86,000	71,068	13,923	17,109
Transferred to/from Group companies	-	-	322	7,501
Loan repayments	-7,622	-5,520	-6,741	-4,584
Redemption	-57,927	-57,522	-14,652	-21,554
Confirmed credit losses	-14	-9	-8	-5
Change in provision for expected credit losses <sup>1)</sup>	-1	-109	42	-41
<b>Closing balance</b>	<b>537,836</b>	<b>517,400</b>	<b>17,066</b>	<b>24,180</b>

<sup>1)</sup> For more information, please refer to Note **IC** 8.

#### Distribution of lending, including provisions

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Lending, Residential mortgages	365,986	346,314	3,653	2,910
Lending, Corporate Clients & Tenant-Owners' Associations	170,195	169,321	11,758	19,505
Lending, Consumer loans	1,655	1,765	1,655	1,765
<b>Total</b>	<b>537,836</b>	<b>517,400</b>	<b>17,066</b>	<b>24,180</b>

#### Lending to the public by credit stage – compared with opening balance

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Credit stage 1</b>				
Gross lending	501,116	466,456	14,486	16,724
Provision	-35	-66	-5	-18
<b>Total</b>	<b>501,081</b>	<b>466,390</b>	<b>14,481</b>	<b>16,706</b>
<b>Credit stage 2</b>				
Gross lending	36,157	50,501	2,577	7,438
Provision	-66	-81	-6	-20
<b>Total</b>	<b>36,091</b>	<b>50,420</b>	<b>2,571</b>	<b>7,418</b>
<b>Credit stage 3</b>				
Gross lending	857	735	29	86
Provision	-193	-145	-14	-30
<b>Total</b>	<b>664</b>	<b>590</b>	<b>15</b>	<b>56</b>
<b>Total gross lending</b>	<b>538,130</b>	<b>517,692</b>	<b>17,092</b>	<b>24,248</b>
<b>Total provisions</b>	<b>-294</b>	<b>-292</b>	<b>-27</b>	<b>-68</b>
<b>Total</b>	<b>537,836</b>	<b>517,400</b>	<b>17,066</b>	<b>24,180</b>

For more information regarding changes pertaining to gross lending and loss allowances for the respective credit stages and segments, please refer to Note **RC** 1.

### A:4

### Bonds and other interest-bearing securities

#### Distribution of holdings by issuer, etc.

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Listed securities</b>				
<i>Issued by public bodies</i>				
Sovereigns, supranationals and agencies	6,035	2,559	6,035	2,559
Other public issuers	33,087	17,303	33,087	17,303
<i>Issued by other borrowers</i>				
Swedish mortgage institutions	47,165	34,751	47,165	34,751
Other foreign issuers	10,740	8,811	10,740	8,811
Other foreign issuers (with government guarantee)	348	1,521	348	1,521
<b>Total listed securities</b>	<b>97,375</b>	<b>64,945</b>	<b>97,375</b>	<b>64,945</b>

## A:5 Derivatives and hedge accounting

SEK million	GROUP							
	2024				2023			
	Assets measured at fair value	Liabilities measured at fair value	Nominal value	Year's value change on hedge ineffectiveness	Assets measured at fair value	Liabilities measured at fair value	Nominal value	Year's value change on hedge ineffectiveness
<b>Derivatives in fair-value hedging</b>								
Interest-rate-related	3,493	6,977	372,617	1,587	4,540	9,503	372,645	3,158
Currency-related	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,493</b>	<b>6,977</b>	<b>372,617</b>	<b>1,587</b>	<b>4,540</b>	<b>9,503</b>	<b>372,645</b>	<b>3,158</b>
<b>Derivatives in cash-flow hedges</b>								
Interest-rate-related	469	3,455	76,740	1,383	416	4,978	85,633	3,927
Currency-related	6,836	3	70,621	-440	6,838	328	80,197	-247
<b>Total</b>	<b>7,305</b>	<b>3,458</b>	<b>147,361</b>	<b>943</b>	<b>7,254</b>	<b>5,306</b>	<b>165,830</b>	<b>3,680</b>
<b>Other derivatives</b>								
Interest-rate-related	412	412	42,578	-	434	466	39,332	-
Currency-related	86	1	15,931	-	13	420	15,352	-
<b>Total</b>	<b>498</b>	<b>413</b>	<b>58,509</b>	<b>-</b>	<b>447</b>	<b>886</b>	<b>54,684</b>	<b>-</b>

Currency interest-rate swaps are classified as currency-related.

### Derivatives allocated by remaining maturity, carrying amounts

SEK million	GROUP			
	2024		2023	
	Fair value	Nominal value	Fair value	Nominal value
Maximum 3 months	1,265	37,663	1,085	59,747
3–12 months	675	119,946	175	101,965
1–5 years	-113	318,329	-1,462	322,196
Longer than five years	-1,379	102,550	-3,252	109,251
<b>Total</b>	<b>448</b>	<b>578,487</b>	<b>-3,454</b>	<b>593,159</b>

### Hedged items in fair value hedges:

SEK million	GROUP				
	2024				
	Carrying amount	Revaluation for the period of hedged items in fair value hedges	Accrued value adjustment from fair value hedges	Gain/loss on terminated hedges	Remaining accrued value adjustment on terminated hedges
<b>Assets</b>					
Chargeable treasury bills, etc.	-	29	-	-	-
Lending to the public	78,639	0	0	-	-
Value changes of interest-rate-risk hedged items in macro hedges	-357	1,208	-357	-	-
Bonds and other interest-bearing securities	62,483	630	123	-	-
<b>Total assets</b>	<b>140,765</b>	<b>1,867</b>	<b>-234</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>					
Issued debt securities, etc.	206,614	3,450	-4,170	17	-
<b>Total liabilities</b>	<b>206,614</b>	<b>3,450</b>	<b>-4,170</b>	<b>17</b>	<b>-</b>
<b>Net assets – liabilities</b>	<b>-65,849</b>	<b>-1,583</b>	<b>3,936</b>	<b>-17</b>	<b>-</b>
<i>Hedging instruments</i>		1,587			
Ineffectiveness		4			

SEK million	GROUP				
	2023				
	Carrying amount	Revaluation for the period of hedged items in fair value hedges	Accrued value adjustment from fair value hedges	Gain/loss on terminated hedges	Remaining accrued value adjustment on terminated hedges
<b>Assets</b>					
Chargeable treasury bills, etc.	219	36	-29	0	0
Lending to the public	91,329	0	0	0	0
Value changes of interest-rate-risk hedged items in macro hedges	-1,565	3,380	-1,565	-1	0
Bonds and other interest-bearing securities	46,525	2,064	-507	0	0
<b>Total assets</b>	<b>136,508</b>	<b>5,480</b>	<b>-2,101</b>	<b>-1</b>	<b>0</b>
<b>Liabilities</b>					
Issued debt securities, etc.	210,314	8,666	-7,620	3	-17
<b>Total liabilities</b>	<b>210,314</b>	<b>8,666</b>	<b>-7,620</b>	<b>3</b>	<b>-17</b>
<b>Net assets – liabilities</b>	<b>-73,806</b>	<b>-3,186</b>	<b>5,519</b>	<b>-4</b>	<b>17</b>
<i>Hedging instruments</i>		3,158			
Ineffectiveness		-28			

## Hedged items in cash-flow hedges:

SEK million	GROUP			
	2024			
	Revaluation for the period of hedged items in cash-flow hedges	Accrued value adjustment from cash-flow hedges	Gain/loss on terminated hedges reclassified to Net result of financial transactions	Remaining accrued value adjustment on terminated hedges
<b>Hedged items in cash-flow hedges:</b>				
Hedged items/Hypothetical derivatives	-943	3,790	-	-
<b>Total</b>	<b>-943</b>	<b>3,790</b>	<b>-</b>	<b>-</b>
<i>Hedging instruments</i>	943			
Ineffectiveness	0			
Hedge reserve	943	-3,790	-	-

SEK million	GROUP			
	2023			
	Revaluation for the period of hedged items in cash-flow hedges	Accrued value adjustment from cash-flow hedges	Gain/loss on terminated hedges reclassified to Net result of financial transactions	Remaining accrued value adjustment on terminated hedges
<b>Hedged items in cash-flow hedges:</b>				
Hedged items/Hypothetical derivatives	-3,680	4,733	-	-
<b>Total</b>	<b>-3,680</b>	<b>4,733</b>	<b>-</b>	<b>-</b>
<i>Hedging instruments</i>	3,680			
Ineffectiveness	0			
Hedge reserve	3,680	-4,733	-	-



## Hedge ineffectiveness recognised in profit or loss:

SEK million	GROUP	
	2024	2023
	Gains and losses on hedging instruments	Gains and losses on hedging instruments
Fair value hedges	4	-28
Cash-flow hedges	0	0
<b>Total</b>	<b>4</b>	<b>-28</b>

SEK million	PARENT COMPANY							
	2024				2023			
	Assets measured at fair value	Liabilities measured at fair value	Nominal value	Year's value change on hedge ineffectiveness	Assets measured at fair value	Liabilities measured at fair value	Nominal value	Year's value change on hedge ineffectiveness
<b>Derivatives in fair-value hedging</b>								
Interest-rate-related	1,245	1,900	117,100	51	1,654	2,363	99,220	-985
Currency-related	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,245</b>	<b>1,900</b>	<b>117,100</b>	<b>51</b>	<b>1,654</b>	<b>2,363</b>	<b>99,220</b>	<b>-985</b>
<b>Derivatives in cash-flow hedges</b>								
Interest-rate-related	-	15	343	9	0	25	333	72
Currency-related	27	3	1,402	33	18	72	1,402	52
<b>Total</b>	<b>27</b>	<b>18</b>	<b>1,745</b>	<b>42</b>	<b>18</b>	<b>97</b>	<b>1,735</b>	<b>124</b>
<b>Other derivatives</b>								
Interest-rate-related	11,628	11,628	704,386	-	15,856	15,856	767,781	-
Currency-related	6,896	6,811	154,369	-	7,089	7,497	172,941	-
<b>Total</b>	<b>18,524</b>	<b>18,439</b>	<b>858,755</b>	<b>-</b>	<b>22,945</b>	<b>23,353</b>	<b>940,722</b>	<b>-</b>

Currency interest-rate swaps are classified as currency-related.

## Derivatives allocated by remaining maturity, carrying amounts

SEK million	PARENT COMPANY			
	2024		2023	
	Fair value	Nominal value	Fair value	Nominal value
Maximum 3 months	84	60,727	-424	97,187
3-12 months	49	167,591	44	169,215
1-5 years	-782	555,356	-668	568,501
Longer than five years	87	193,936	-148	206,774
<b>Total</b>	<b>-562</b>	<b>977,610</b>	<b>-1,196</b>	<b>1,041,677</b>

## Hedged items in fair value hedges:

PARENT COMPANY					
2024					
SEK million	Carrying amount	Revaluation for the period of hedged items in fair value hedges	Accrued value adjustment from fair value hedges	Gain/loss on terminated hedges	Remaining accrued value adjustment on terminated hedges
<b>Assets</b>					
Chargeable treasury bills, etc.	-	29	-	-	-
Bonds and other interest-bearing securities	62,483	630	123	-	-
<b>Total assets</b>	<b>62,483</b>	<b>659</b>	<b>123</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>					
Issued debt securities, etc.	35,472	707	-545	-	-
<b>Total liabilities</b>	<b>35,472</b>	<b>707</b>	<b>-545</b>	<b>-</b>	<b>-</b>
<b>Net assets – liabilities</b>	<b>27,011</b>	<b>-48</b>	<b>668</b>	<b>-</b>	<b>-</b>
<i>Hedging instruments</i>		51			
Ineffectiveness		3			
PARENT COMPANY					
2023					
SEK million	Carrying amount	Revaluation for the period of hedged items in fair value hedges	Accrued value adjustment from fair value hedges	Gain/loss on terminated hedges	Remaining accrued value adjustment on terminated hedges
<b>Assets</b>					
Chargeable treasury bills, etc.	219	36	-29	0	0
Bonds and other interest-bearing securities	46,525	2,064	-507	0	0
<b>Total assets</b>	<b>46,744</b>	<b>2,100</b>	<b>-536</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>					
Issued debt securities, etc.	35,726	1,182	-1,252	0	0
<b>Total liabilities</b>	<b>35,726</b>	<b>1,182</b>	<b>-1,252</b>	<b>-</b>	<b>-</b>
<b>Net assets – liabilities</b>	<b>11,018</b>	<b>918</b>	<b>716</b>	<b>-</b>	<b>-</b>
<i>Hedging instruments</i>		-985			
Ineffectiveness		-67			

## Hedged items in cash-flow hedges:

PARENT COMPANY				
2024				
SEK million	Revaluation for the period of hedged items in cash-flow hedges	Accrued value adjustment from cash-flow hedges	Gain/loss on terminated hedges reclassified to Net result of financial transactions	Remaining accrued value adjustment on terminated hedges
<b>Hedged items in cash-flow hedges:</b>				
Hedged items/Hypothetical derivatives	-42	70	-	-
<b>Total</b>	<b>-42</b>	<b>70</b>	<b>-</b>	<b>-</b>
<i>Hedging instruments</i>	42			
Ineffectiveness	0			
Hedge reserve	42	-70	-	-

PARENT COMPANY				
2023				
SEK million	Revaluation for the period of hedged items in cash-flow hedges	Accrued value adjustment from cash-flow hedges	Gain/loss on terminated hedges reclassified to Net result of financial transactions	Remaining accrued value adjustment on terminated hedges
<b>Hedged items in cash-flow hedges:</b>				
Hedged items/Hypothetical derivatives	-124	111	-	-
<b>Total</b>	<b>-124</b>	<b>111</b>	<b>-</b>	<b>-</b>
<i>Hedging instruments</i>	124			
Ineffectiveness	0			
Hedge reserve	124	-111	-	-

## Hedge ineffectiveness recognised in profit or loss:

PARENT COMPANY			
2024		2023	
SEK million	Hedging gains and losses recognised in Net result of financial transactions.	Hedging gains and losses recognised in Net result of financial transactions.	
Fair value hedges	3	-67	
Cash-flow hedges	0	0	
<b>Total</b>	<b>3</b>	<b>-67</b>	

The accounting policies for hedge accounting are described in Note [G 1](#). The Group's liquidity and market risk is described in notes [RC 3](#) and [RC 4](#).

## A:6 Shares and participations in associated companies and joint ventures

GROUP										
2024						2023				
SEK million	Corporate Registration Number	Domicile	Number of shares	Share of equity, %	Carrying amount at the end of the year	Corporate Registration Number	Domicile	Number of shares	Share of equity, %	Carrying amount at the end of the year
<b>Company name</b>										
Tibern AB	559384-3542	Stockholm	4,000	14	6	559384-3542	Stockholm	4,000	14	5

PARENT COMPANY										
2024						2023				
SEK million	Corporate Registration Number	Domicile	Number of shares	Share of equity, %	Carrying amount at the end of the year	Corporate Registration Number	Domicile	Number of shares	Share of equity, %	Carrying amount at the end of the year
<b>Company name</b>										
Tibern AB	559384-3542	Stockholm	4,000	14	6	559384-3542	Stockholm	4,000	14	5

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Value at beginning of the year	5	3	5	3
Acquisitions/disposals during the year	-	-	-	-
Share of net profit for the year	1	0	1	0
Shareholder contributions	-	2	-	2
<b>Carrying amount at the end of the year</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>5</b>

## A:7 Shares and participations in Group companies

PARENT COMPANY					
2024					
SEK million	Corporate Registration Number	Cost	Number of shares	Share of equity, %	Carrying amount at the end of the year
<b>Swedish credit institutions</b>					
AB Sveriges Säkerställda Obligationer (publ), Solna	556645-9755	10,300	500,000	100	17,100
<b>Other companies</b>					
Booli SearchTechnologies AB, Stockholm	556733-0567	101	329,540	100	101

PARENT COMPANY					
2023					
SEK million	Corporate Registration Number	Cost	Number of shares	Share of equity, %	Carrying amount at the end of the year
<b>Swedish credit institutions</b>					
AB Sveriges Säkerställda Obligationer (publ), Solna	556645-9755	10,300	500,000	100	17,100
<b>Other companies</b>					
Booli SearchTechnologies AB, Stockholm	556733-0567	101	329,540	100	101

**A:8** Intangible assets

SEK million	GROUP									
	2024					2023				
	Goodwill	Trade-marks	Software	Non-com-pete clause	Total	Goodwill	Trade-marks	Software	Non-com-pete clause	Total
Opening balance, cost	114	13	806	1	934	114	13	725	1	853
Acquisitions during the year	-	-	76	-	76	-	-	132	-	132
Divestments and disposals during the year	-	-	-60	-	-60	-	-	-51	-	-51
<b>Closing balance, cost</b>	<b>114</b>	<b>13</b>	<b>822</b>	<b>1</b>	<b>950</b>	<b>114</b>	<b>13</b>	<b>806</b>	<b>1</b>	<b>934</b>
Opening balance, amortisation	-	-5	-310	-	-315	-	-5	-278	-	-283
Amortisation for the year according to plan	-	-	-86	-	-86	-	-	-83	-	-83
Divestments and disposals during the year	-	-	-	-	-	-	-	51	-	51
<b>Closing balance, accumulated amortisation</b>	<b>-</b>	<b>-5</b>	<b>-396</b>	<b>-</b>	<b>-401</b>	<b>-</b>	<b>-5</b>	<b>-310</b>	<b>-</b>	<b>-315</b>
Opening balance, impairment	-39	-8	-103	-1	-151	-39	-	-93	-	-132
Impairment for the year	-	-	-	-	-	-	-8	-10	-	-18
Divestments and disposals during the year	-	-	55	-	55	-	-	-	-1	-1
<b>Closing balance, accumulated impairment</b>	<b>-39</b>	<b>-8</b>	<b>-48</b>	<b>-1</b>	<b>-96</b>	<b>-39</b>	<b>-8</b>	<b>-103</b>	<b>-1</b>	<b>-151</b>
<b>Net carrying amount</b>	<b>75</b>	<b>0</b>	<b>378</b>	<b>0</b>	<b>453</b>	<b>75</b>	<b>0</b>	<b>393</b>	<b>0</b>	<b>468</b>

SEK million	PARENT COMPANY									
	2024					2023				
	Goodwill	Trademarks	Software	Total	Goodwill	Trademarks	Software	Total		
Opening balance, cost	-	-	81	81	-	-	75	75		
Acquisitions during the year	-	-	1	1	-	-	6	6		
<b>Closing balance, cost</b>	<b>-</b>	<b>-</b>	<b>82</b>	<b>82</b>	<b>-</b>	<b>-</b>	<b>81</b>	<b>81</b>		
Opening balance, amortisation	-	-	-62	-62	-	-	-57	-57		
Amortisation for the year according to plan	-	-	-4	-4	-	-	-5	-5		
<b>Closing balance, accumulated amortisation</b>	<b>-</b>	<b>-</b>	<b>-66</b>	<b>-66</b>	<b>-</b>	<b>-</b>	<b>-62</b>	<b>-62</b>		
Opening balance, impairment	-	-	-4	-4	-	-	-4	-4		
Impairment for the year	-	-	-	-	-	-	-	-		
<b>Closing balance, accumulated impairment</b>	<b>-</b>	<b>-</b>	<b>-4</b>	<b>-4</b>	<b>-</b>	<b>-</b>	<b>-4</b>	<b>-4</b>		
<b>Net carrying amount</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>15</b>		

Amortisation is allocated on a straight-line basis over the useful life of the asset. The assets are assessed as having useful lives of four or five years. The amortisation period and amortisation method for intangible fixed assets are reviewed at each financial year-end.

Goodwill derives from the acquisition of the subsidiary Booli Search Technologies AB. Other software pertains to internally produced intangible assets, which are reported in the consolidated financial statements. Intangible assets are subject to impairment testing on an annual basis. When impairment testing, the value in use is calculated by discounting estimated future

cash flows with a discounting factor that takes into account risk-free interest and the risks associated with the specific asset.

The year's impairment testing of goodwill is based on expected future synergies in the form of increased lending volumes and cost savings as well as a discount rate of 12% (12) after tax, corresponding to a rate of 14% (14) before tax. The first five years for estimated future cash flows are based on forecasts of increased volumes and cost savings. Thereafter, the assumption is zero growth or cost savings.

## A:9 Property, plant and equipment

SEK million	GROUP						PARENT COMPANY			
	31 Dec 2024			31 Dec 2023			31 Dec 2024		31 Dec 2023	
	Equipment	Leases	Total	Equipment	Leases	Total	Equipment	Total	Equipment	Total
Opening balance, cost	199	288	487	166	288	454	197	197	165	165
Acquisitions during the year	23	19	42	33	31	64	23	23	32	32
Divestments during the year	-	-2	-2	-	-31	-31	-	-	-	-
<b>Closing balance, cost</b>	<b>222</b>	<b>305</b>	<b>527</b>	<b>199</b>	<b>288</b>	<b>487</b>	<b>220</b>	<b>220</b>	<b>197</b>	<b>197</b>
Opening balance, depreciation	-127	-98	-225	-105	-87	-192	-125	-125	-103	-103
Depreciation for the year according to plan	-26	-44	-70	-22	-42	-64	-26	-26	-22	-22
Divestments during the year	-	2	2	0	31	31	1	1	-	-
<b>Accumulated depreciation according to plan</b>	<b>-153</b>	<b>-140</b>	<b>293</b>	<b>-127</b>	<b>-98</b>	<b>-225</b>	<b>-150</b>	<b>-150</b>	<b>-125</b>	<b>-125</b>
Opening balance, impairment	-13	-	-13	-13	-	-13	-13	-13	-13	-13
Impairment for the year	-	-	-	0	-	0	-	-	-	-
<b>Closing balance, accumulated impairment</b>	<b>-13</b>	<b>-</b>	<b>-13</b>	<b>-13</b>	<b>-</b>	<b>-13</b>	<b>-13</b>	<b>-13</b>	<b>-13</b>	<b>-13</b>
<b>Net carrying amount</b>	<b>56</b>	<b>165</b>	<b>221</b>	<b>59</b>	<b>190</b>	<b>249</b>	<b>57</b>	<b>57</b>	<b>59</b>	<b>59</b>

## A:10 Other assets

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Tax assets	-	-	-	-
Interest receivables	165	243	13	64
Group contributions received	-	-	-	-
Other	45	15	19	11
<b>Total</b>	<b>210</b>	<b>258</b>	<b>32</b>	<b>75</b>
<i>Other assets distributed by remaining maturity, carrying amounts</i>				
Maximum 1 year	210	258	32	75
<b>Total</b>	<b>210</b>	<b>258</b>	<b>32</b>	<b>75</b>

## A:11 Prepaid expenses and accrued income

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Prepaid expenses	84	88	87	93
Accrued interest income	849	720	1,338	1,184
Accrued guarantees	0	0	0	0
Other accrued income	4	25	0	4
<b>Total</b>	<b>937</b>	<b>834</b>	<b>1,425</b>	<b>1,280</b>
<i>Prepaid expenses and accrued income distributed by remaining maturity, carrying amounts</i>				
Maximum 1 year	937	834	1,425	1,280
More than 1 year	0	0	0	0
<b>Total</b>	<b>937</b>	<b>834</b>	<b>1,425</b>	<b>1,280</b>

## L Liabilities

pages 246–248

## L:1 Liabilities to credit institutions

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Liabilities in SEK	1,814	942	3,341	2,311
Liabilities in foreign currencies	5,435	4,664	5,435	4,669
<b>Total</b>	<b>7,249</b>	<b>5,606</b>	<b>8,776</b>	<b>6,980</b>
<i>of which, repos</i>	1	0	1,528	1,369

## L:2 Deposits from the public

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Private individuals	201,998	173,113	201,998	173,113
Tenant-owners' associations	10,214	9,806	10,214	9,806
Corporates	43,661	32,292	43,661	32,292
<b>Total</b>	<b>255,873</b>	<b>215,211</b>	<b>255,873</b>	<b>215,211</b>

## L:3 Issued debt securities, etc.

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Commercial paper</b>				
<i>Commercial paper in SEK</i>				
– at amortised cost	–	–	–	–
<i>Commercial paper in foreign currency</i>				
– at amortised cost	252	308	252	308
<b>Total</b>	<b>252</b>	<b>308</b>	<b>252</b>	<b>308</b>
<b>Bond loans</b>				
<i>Bond loans in SEK</i>				
– at amortised cost	67,179	85,507	9,505	19,115
– in fair value hedges	174,676	178,117	3,534	3,545
<i>Bonds loans in foreign currency</i>				
– at amortised cost	77,881	86,657	1,487	1,444
– in fair value hedges	31,938	32,181	31,938	32,181
<b>Total</b>	<b>351,674</b>	<b>382,462</b>	<b>46,464</b>	<b>56,285</b>
<b>Total issued debt securities, etc.</b>	<b>351,926</b>	<b>382,770</b>	<b>46,716</b>	<b>56,593</b>
– of which, covered bonds	305,210	326,177	–	–
– of which senior non-preferred bonds	19,824	21,452	19,824	21,452
– of which, other unsecured bonds and commercial paper	26,892	35,141	26,892	35,141

## L:4 Other liabilities

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Trade payables	40	39	39	36
Employee withholding taxes	18	16	18	16
Liabilities to the public	1,476	1,464	1,437	1,394
Lease liabilities	157	183	–	–
Other	188	319	202	158
<b>Total</b>	<b>1,879</b>	<b>2,021</b>	<b>1,695</b>	<b>1,604</b>
<i>Other liabilities allocated by remaining maturity, carrying amounts</i>				
Within one year	1,753	1,872	1,695	1,604
1–5 years	108	98	–	–
6–12 years	18	51	–	–
<b>Total</b>	<b>1,879</b>	<b>2,021</b>	<b>1,695</b>	<b>1,604</b>

SEK million	GROUP	
	2024	2023
<b>Remaining lease liabilities</b>		
Lease liabilities	157	183
<b>Total</b>	<b>157</b>	<b>183</b>
<i>Lease liability distributed by remaining maturity</i>		
Within one year	31	34
1–5 years	108	98
6–12 years	18	51
<b>Total</b>	<b>157</b>	<b>183</b>



## L:5

## Accrued expenses and deferred income

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Accrued interest expense	3,808	2,977	1,285	764
Other accrued expenses	204	176	136	124
<b>Total</b>	<b>4,012</b>	<b>3,153</b>	<b>1,421</b>	<b>888</b>
<i>Accrued expenses and deferred income distributed by remaining maturity, carrying amount</i>				
Maximum 1 year	4,012	3,153	1,421	888
<b>Total</b>	<b>4,012</b>	<b>3,153</b>	<b>1,421</b>	<b>888</b>

## L:6

## Provisions

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Pension provisions	-	-	-	-
Provision for special employer's contribution on pensions	-	-	-	-
Provision for expected credit losses, loan commitments	2	9	2	9
<b>Total</b>	<b>2</b>	<b>9</b>	<b>2</b>	<b>9</b>

## Pension provisions excl. special employer's contributions

## Summary of defined-benefit pension plan

SEK million	GROUP	
	2024	2023
Present value of the obligation, closing balance	447	409
Fair value of plan assets	-459	-413
Restriction of excess in the plan with the intention of asset cap	12	4
<b>Total</b>	<b>-</b>	<b>-</b>

## Reconciliation of change in present value of obligation

SEK million	GROUP	
	2024	2023
<b>Present value of the obligation, opening balance</b>	<b>409</b>	<b>392</b>
Service costs during the current year	6	6
Interest expense	15	15
Gain/loss arising from changed financial assumptions	25	4
Experience-based gains/losses	6	4
Pension disbursements from plan	-14	-12
Gain/loss due to demographic assumptions	-	0
<b>Present value of the obligation, closing balance</b>	<b>447</b>	<b>409</b>

The weighted average maturity of the defined-benefit obligation is 16.0 years (15.38).

## Reconciliation of change in plan assets

SEK million	GROUP	
	2024	2023
<b>Opening balance</b>	<b>413</b>	<b>400</b>
Interest income	15	15
Return on plan assets, excluding amounts included in interest expense/interest income	22	-13
Premiums paid by employer	22	22
Pension disbursements from plan	-14	-11
<b>Closing balance</b>	<b>459</b>	<b>413</b>

## Distribution of plan assets

%	GROUP	
	2024	2023
Swedish shares	3	3
Foreign shares	14	13
Government bonds	20	14
Mortgage bonds	6	6
Corporate bonds	26	26
Properties	14	16
Other	17	22
<b>Total</b>	<b>100</b>	<b>100</b>

The defined-benefit pension plan is secured through insurance with SPP Pension och Forsakring AB. Through investments in shares, interest-bearing instruments and property, the insurance capital will track the performance of the financial markets. The aim of the management is to achieve a high and consistent return while ensuring a guaranteed increase in value.

## Financial and demographic assumptions

%	GROUP	
	2024	2023
<i>Financial assumptions</i>		
Discount rate	3.30	3.70
Annual salary increase	3.50	3.50
Annual inflation	2.00	2.00
Annual increase in income base amount	3.00	2.60
Annual increase in pension disbursements	2.00	2.00
<i>Demographic assumptions</i>		
Personnel turnover	5.00	5.00
Mortality table	DUS23	DUS23

## Sensitivity analysis of discount rate

	GROUP
SEK million	2024
Assumption, %	3.80
Present value of the obligation	413
Service costs during the current period	6
Interest expense	16
Assumption, %	2.80
Present value of the obligation	487
Service costs during the current period	8
Interest expense	14

## Sensitivity analysis, inflation

	GROUP
SEK million	2024
Assumption, %	2.50
Present value of the obligation	485
Service costs during the current period	8
Interest expense	16
Assumption, %	1.50
Present value of the obligation	414
Service costs during the current period	6
Interest expense	14

The sensitivity analysis above is based on a change in one assumption while all other assumptions are kept constant. In the calculation of sensitivity in the defined-benefit obligation, the same method is applied as in the calculation of the reported pension provision.

For further information on pensions, see Note **G** 1 and Note **IC** 5.

**L:7** Subordinated debt and capital instruments

Loan designation	Curren- cy	Nominal amount	Nominal amount outstanding	First possible redemption right for SBAB	Interest rate, % 31 Dec 2024	Maturity date	Carrying amount, SEK million	
							2024	2023
<b>SUBORDINATED DEBT</b>								
Subordinated loan 1	SEK	1,400,000,000	1,400,000,000	2025	3 M STIBOR +2.10	3 June 2030	1,399	1,399
Subordinated loan 2 <sup>1)</sup>	SEK	600,000,000	600,000,000	2025	2.27	3 June 2030	600	599
<b>TOTAL</b>							<b>1,999</b>	<b>1,998</b>
<b>ADDITIONAL TIER 1 CAPITAL (equity)</b>								
Subordinated loan 3	SEK	1,600,000,000	-	2024	3 M STIBOR +3.65	Perpetual	-	1,600
Subordinated loan 4 <sup>2)</sup>	SEK	400,000,000	400,000,000	2025	3.67	Perpetual	400	400
Subordinated loan 5	SEK	1,500,000,000	1,500,000,000	2026	3 M STIBOR +2.80	Perpetual	1,500	1,500
Subordinated loan 6 <sup>3)</sup>	SEK	800,000,000	800,000,000	2026	3.05	Perpetual	800	800
Subordinated loan 7	SEK	1,500,000,000	1,500,000,000	2027	3 M STIBOR +3.20	Perpetual	1,500	1,500
Subordinated loan 8 <sup>4)</sup>	SEK	600,000,000	600,000,000	2029	5.80	Perpetual	600	-
Subordinated loan 9	SEK	1,300,000,000	1,300,000,000	2029	3 M STIBOR +3.00	Perpetual	1,300	-
<b>TOTAL</b>							<b>6,100</b>	<b>5,800</b>

<sup>1)</sup> Interest rate: For the period 3 June 2020 to 3 June 2025: 2.268%. For the subsequent period: Floating interest corresponding to 3-month STIBOR plus 2.100%.

<sup>2)</sup> Interest rate: For the period 5 September 2019 to 5 March 2025: 3.670%. For the subsequent period: Floating interest corresponding to 3-month STIBOR plus 3.800%.

<sup>3)</sup> Interest rate: For the period 25 February 2021 to 25 May 2026: 3.047%. For the subsequent period: Floating interest corresponding to 3-month STIBOR plus 2.800%.

<sup>4)</sup> Interest rate: For the period 21 February 2024 to 21 February 2029: 5.800%. For the subsequent period: Floating interest corresponding to 3-month STIBOR plus 3.000%.

Subordinated loans are subordinate to the Parent Company's other liabilities, which means that they carry entitlement to payment only after other unsubordinated creditors have received payment. Subordinated loans comprise issued capital instruments, which solely comprise Additional Tier 1 capital (AT1) or Tier 2 capital instruments. The subordinated loans numbered 1 and 2 comprise Tier 2 capital instruments. The subordinated loans numbered 3, 4, 5, 6, 7, 8 and 9, which are subordinate to other subordinated loans, comprise additional Tier 1 capital. Decisive for subordinated loans to be reported as equity is that the issues have the characteristics of equity according to the

definitions in IAS 32, in these cases mainly that according to the issue conditions, there is no obligation to make payments to holders.

Subordinated loans (capital instruments) that have not been redeemed are included in own funds when calculating the capital adequacy of the Parent Company and the Group. For further information on the terms and conditions of SBAB's subordinated loans, see [www.sbab.se](http://www.sbab.se) and Note **RC** 8.

## EQ Equity

page 249

## EQ:1 Equity

The share capital amounted to SEK 1,958,300,000. On 31 December 2024, the number of shares was 19,583 (19,583), each with a quotient value of SEK 100,000. All shares are owned by the Swedish state. Dividends are proposed by the Board in accordance with the provisions of the Companies Act and are resolved by the Annual General Meeting, refer to Note G 3. Further information on equity is provided in the "Statement of Changes in Equity" on page 174.

## Statement of changes in reserves

SEK million	GROUP	
	2024	2023
<b>Financial assets measured at FVTOCI/Available-for-sale financial assets, opening balance</b>	30	35
Unrealised change in value over the year	121	-17
Reclassified to profit or loss during the year	-29	10
Other	-	1
Tax attributable to the change	-19	1
<b>Financial assets measured at FVTOCI/Financial assets available-for-sale, closing balance</b>	<b>103</b>	<b>30</b>
<b>Cash-flow hedges, opening balance</b>	<b>-3,758</b>	<b>-6,680</b>
Unrealised change in value over the year	1,357	1,485
Reclassified to profit or loss during the year	-414	2,195
Other	-	-1
Tax attributable to the change	-194	-757
<b>Cash-flow hedges, closing balance</b>	<b>-3,009</b>	<b>-3,758</b>
<b>Defined-benefit pension plans, opening balance</b>	<b>-9</b>	<b>6</b>
Revaluation effects of defined-benefit pension plans	-20	-19
Tax attributable to the change	4	4
<b>Defined-benefit pension plans, closing balance</b>	<b>-25</b>	<b>-9</b>
<b>Total</b>	<b>-2,931</b>	<b>-3,737</b>

## Specification of changes in the fair value reserve

SEK million	PARENT COMPANY	
	2024	2023
<b>Financial assets measured at FVTOCI/Available-for-sale financial assets, opening balance</b>	30	35
Unrealised change in value over the year	121	-17
Reclassified to profit or loss during the year	-29	10
Other	-	1
Tax attributable to the change	-19	1
<b>Financial assets measured at FVTOCI/Available-for-sale financial assets, closing balance</b>	<b>103</b>	<b>30</b>
<b>Cash-flow hedges, opening balance</b>	<b>-88</b>	<b>-187</b>
Unrealised change in value over the year	26	220
Realised change in value, reclassified to profit or loss	16	-96
Tax attributable to the change	-9	-25
<b>Cash-flow hedges, closing balance</b>	<b>-55</b>	<b>-88</b>
<b>Total</b>	<b>48</b>	<b>-58</b>

Further information on Reserves and the Fair value reserve is provided in Note G 1 Accounting policies, in the sections "Financial assets measured at FVTOCI," "Cash-flow hedges" and "Pensions."

## AC Collateral pledged and contingent liabilities

page 250

## AC:1 Assets pledged for own liabilities

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
Loan receivables	403,067	453,203	-	-
Securities	11,117	8,819	11,117	8,819
<b>Total</b>	<b>414,184</b>	<b>462,022</b>	<b>11,117</b>	<b>8,819</b>

Of the assets pledged, SEK 404.6 billion (454.6) comprise the cover pool for covered bonds totalling SEK 305.2 billion (326.2).

Loan receivables pledged as collateral mainly consist of the registered cover pool benefiting holders of covered bonds issued by SCBC and SCBC's covered derivative counterparties. In the event that the company becomes insolvent, the holders of the covered bonds and the covered derivative counterparties have priority rights to the pledged assets under the Covered Bonds Issuance Act and the Rights of Priority Act.

## AC:2 Contingent liabilities

SEK million	GROUP		PARENT COMPANY	
	2024	2023	2024	2023
<b>Contingent liabilities concerning future payments &amp; Other contingent liabilities</b>				
Loan commitments and other credit-related contingent liabilities	50,595	41,587	50,595	41,587
Other contingent liabilities <sup>1)</sup>	-	-	8,630	41,827
<b>Total</b>	<b>50,595</b>	<b>41,587</b>	<b>59,225</b>	<b>83,414</b>
<i>Contingent liabilities distributed by remaining maturity</i>				
Within one year	50,595	41,587	59,225	83,414
1-5 years	-	-	-	-
<b>Total</b>	<b>50,595</b>	<b>41,587</b>	<b>59,225</b>	<b>83,414</b>

<sup>1)</sup> The Parent Company's other commitments include an agreement concerning a liquidity facility with the subsidiary, SCBC, through which SCBC may borrow funds from the Parent Company for its operations if the need arises. During the period, the term of the liquidity facility was changed from 12 to 3 months, thus reducing the amount available under the facility.

Excluding building credits of SEK 1,676 million (4,499), loan commitments and other credit-related contingent liabilities in the Group totalling SEK 48,920 million (37,088) were reduced to SEK 9,784 million (7,418) after taking into account the credit conversion factor, meaning the statistically calculated probability that the exposure will lead to disbursement of the loan.

Excluding building credits of SEK 1,676 million (4,499), the corresponding figures for the Parent Company were SEK 48,920 million (37,088) and SEK 9,784 million (7,418), respectively. The Parent Company's other commitments include an agreement concerning a liquidity facility with the subsidiary, SCBC, through which SCBC may borrow funds from the Parent Company for its operations if the need arises.

## FI Financial instruments

pages 250-256

## FI:1 Classification of financial instruments

## Financial assets

SEK million	GROUP						
	31 Dec 2024						
	Financial assets measured at FVTPL			Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	Total fair value
Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification					
Cash and balances at central banks	-	-	-	-	3,039	3,039	3,039
Chargeable treasury bills, etc.	-	-	-	-	-	-	-
Lending to credit institutions	-	-	-	-	8,173	8,173	8,173
Lending to the public	-	-	-	-	537,836	537,836	536,362
Value changes of interest-rate-risk hedged items in macro hedges	-	-	-	-	-357	-357	-
Bonds and other interest-bearing securities	-	-	-	92,073	5,302	97,375	97,363
Derivatives	-	10,798	498	-	-	11,296	11,296
Other assets	-	-	-	-	208	208	208
Prepaid expenses and accrued income	-	-	-	526	331	857	857
<b>Total financial assets</b>	<b>-</b>	<b>10,798</b>	<b>498</b>	<b>92,599</b>	<b>554,532</b>	<b>658,427</b>	<b>657,299</b>

## Financial liabilities

SEK million	GROUP					Total fair value
	31 Dec 2024					
	Financial liabilities measured at FVTPL		Financial liabilities measured at amortised cost	Total	Total	
Derivatives in hedge accounting	Held for trading					
Liabilities to credit institutions	-	-	7,249	7,249	7,249	7,249
Deposits from the public	-	-	255,873	255,873	255,873	255,873
Issued debt securities, etc.	-	-	351,926	351,926	347,901	347,901
Derivatives	10,435	413	-	10,848	10,848	10,848
Other liabilities	-	-	350	350	350	350
Accrued expenses and deferred income	-	-	3,950	3,950	3,950	3,950
Subordinated debt	-	-	1,999	1,999	1,999	1,999
<b>Total financial liabilities</b>	<b>10,435</b>	<b>413</b>	<b>621,347</b>	<b>632,194</b>	<b>628,165</b>	<b>628,165</b>

## Financial assets

SEK million	GROUP						Total fair value
	31 Dec 2023						
	Financial assets measured at FVTPL			Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	
Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification					
Cash and balances at central banks	-	-	-	-	6,350	6,350	6,350
Chargeable treasury bills, etc.	442	-	-	36,208	0	36,650	36,650
Lending to credit institutions	-	-	-	-	11,807	11,807	11,807
Lending to the public	-	-	-	-	517,400	517,400	515,257
Value changes of interest-rate-risk hedged items in macro hedges	-	-	-	-	-1,565	-1,565	-
Bonds and other interest-bearing securities	0	-	-	54,671	10,274	64,945	64,933
Derivatives	-	11,794	447	-	-	12,241	12,241
Other assets	-	-	-	-	262	262	262
Prepaid expenses and accrued income	6	-	-	351	390	747	747
<b>Total financial assets</b>	<b>448</b>	<b>11,794</b>	<b>447</b>	<b>91,230</b>	<b>544,918</b>	<b>648,837</b>	<b>648,247</b>

## Financial liabilities

SEK million	GROUP					Total fair value
	31 Dec 2023					
	Financial liabilities measured at FVTPL		Financial liabilities measured at amortised cost	Total	Total	
Derivatives in hedge accounting	Held for trading					
Liabilities to credit institutions	-	-	5,606	5,606	5,606	5,606
Deposits from the public	-	-	215,211	215,211	215,211	215,211
Issued debt securities, etc.	-	-	382,770	382,770	374,741	374,741
Derivatives	14,815	880	-	15,695	15,695	15,695
Other liabilities	-	-	382	382	382	382
Accrued expenses and deferred income	-	-	3,097	3,097	3,097	3,097
Subordinated debt	-	-	1,998	1,998	1,973	1,973
<b>Total financial liabilities</b>	<b>14,815</b>	<b>880</b>	<b>609,064</b>	<b>624,759</b>	<b>616,705</b>	<b>616,705</b>

## Financial assets

SEK million	PARENT COMPANY						
	31 Dec 2024						
	Financial assets measured at FVTPL			Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	Total fair value
Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification					
Cash and balances at central banks	-	-	-	-	3,039	3,039	3,039
Chargeable treasury bills, etc.	-	-	-	-	-	-	-
Lending to credit institutions	-	-	-	-	202,199	202,199	202,199
Lending to the public	-	-	-	-	17,066	17,066	17,097
Value changes of interest-rate-risk hedged items in macro hedges	-	-	-	-	-	-	-
Bonds and other interest-bearing securities	-	-	-	92,073	5,302	97,375	97,363
Derivatives	-	1,271	18,524	-	-	19,795	19,795
Other assets	-	-	-	-	30	30	30
Prepaid expenses and accrued income	-	-	-	526	813	1,339	1,339
<b>Total financial assets</b>	<b>-</b>	<b>1,271</b>	<b>18,524</b>	<b>92,599</b>	<b>228,449</b>	<b>340,842</b>	<b>340,862</b>

## Financial liabilities

SEK million	PARENT COMPANY				
	31 Dec 2024				
	Financial liabilities measured at FVTPL		Financial liabilities measured at amortised cost	Total	Total fair value
Derivatives in hedge accounting	Held for trading				
Liabilities to credit institutions	-	-	8,776	8,776	8,776
Deposits from the public	-	-	255,873	255,873	255,873
Issued debt securities, etc.	-	-	46,716	46,716	46,652
Derivatives	1,919	18,439	-	20,357	20,357
Other liabilities	-	-	-1,117	-1,117	-1,117
Accrued expenses and deferred income	-	-	1,363	1,363	1,363
Subordinated debt	-	-	1,999	1,999	1,994
<b>Total financial liabilities</b>	<b>1,919</b>	<b>18,439</b>	<b>313,610</b>	<b>333,967</b>	<b>333,898</b>

## Financial assets

SEK million	PARENT COMPANY						
	31 Dec 2023						
	Financial assets measured at FVTPL			Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	Total fair value
	Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification				
Cash and balances at central banks	-	-	-	-	6,350	6,350	6,350
Chargeable treasury bills, etc.	442	-	-	36,208	0	36,650	36,650
Lending to credit institutions	-	-	-	-	154,568	154,568	154,568
Lending to the public	-	-	-	-	24,180	24,180	28,543
Value changes of interest-rate-risk hedged items in macro hedges	-	-	-	-	0	0	-
Bonds and other interest-bearing securities	0	-	-	54,671	10,274	64,945	64,933
Derivatives	-	1,672	22,945	-	-	24,618	24,618
Other assets	-	-	-	-	75	75	75
Prepaid expenses and accrued income	6	-	-	351	831	1,188	1,188
<b>Total financial assets</b>	<b>448</b>	<b>1,672</b>	<b>22,945</b>	<b>91,230</b>	<b>196,278</b>	<b>312,574</b>	<b>316,925</b>

## Financial liabilities

SEK million	PARENT COMPANY					
	31 Dec 2023					
	Financial liabilities measured at FVTPL		Financial liabilities measured at amortised cost	Total	Total fair value	
	Derivatives in hedge accounting	Held for trading				
Liabilities to credit institutions	-	-	6,980	6,980	6,980	
Deposits from the public	-	-	215,211	215,211	215,211	
Issued debt securities, etc.	-	-	56,593	56,593	62,450	
Derivatives	2,460	23,353	-	25,813	25,813	
Other liabilities	-	-	-1,091	-1,091	-1,091	
Accrued expenses and deferred income	-	-	836	836	836	
Subordinated debt	-	-	1,998	1,998	1,973	
<b>Total financial liabilities</b>	<b>2,460</b>	<b>23,353</b>	<b>280,527</b>	<b>306,340</b>	<b>312,172</b>	

## Fair value measurement of financial instruments

The measurement policies for financial instruments recognised at fair value in the balance sheet are provided in Note G 1. In the "total fair value" column above, information is also provided on the fair value of financial instruments that are recognised at amortised cost in the balance sheet.

The carrying amounts for current receivables and liabilities have been assessed as equal to their fair values. Securities recognised at amortised cost were measured at quoted prices, Level 1.

For Lending to the public, Issued debt securities and Subordinated debt, fair value is established based on generally accepted valuation techniques.

Calculations made in conjunction with measurement are based on observable market data with the exception of the credit margin when valuing lending to the public. The models are based on discounted cash flows.

Issued debt securities and subordinated debt are measured at the Group's current borrowing rate, Level 2.

For lending to the public, where no observable credit margin data is available at the time of measurement, the credit margin on the most recent stipulated date of expiry is applied to set the discount rate, Level 3.



## FI:2 Fair value disclosures

SEK million	GROUP							
	2024				2023			
	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobservable market data (Level 3)	Total	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobservable market data (Level 3)	Total
<b>Assets</b>								
Chargeable treasury bills, etc.	-	-	-	-	662	35,988	-	36,650
Bonds and other interest-bearing securities	92,073	-	-	92,073	54,670	-	-	54,670
Derivatives	-	11,296	-	11,296	-	12,241	-	12,241
Prepaid expenses and accrued income	526	-	-	526	357	-	-	357
<b>Total</b>	<b>92,599</b>	<b>11,296</b>	<b>-</b>	<b>103,895</b>	<b>55,689</b>	<b>48,229</b>	<b>-</b>	<b>103,918</b>
<b>Liabilities</b>								
Derivatives	-	10,848	-	10,848	-	15,695	-	15,695
<b>Total</b>	<b>-</b>	<b>10,848</b>	<b>-</b>	<b>10,848</b>	<b>-</b>	<b>15,695</b>	<b>-</b>	<b>15,695</b>
SEK million	PARENT COMPANY							
	2024				2023			
	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobservable market data (Level 3)	Total	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobservable market data (Level 3)	Total
<b>Assets</b>								
Chargeable treasury bills, etc.	-	-	-	-	662	35,988	-	36,650
Bonds and other interest-bearing securities	92,073	-	-	92,073	54,671	-	-	54,671
Derivatives	-	19,795	-	19,795	-	24,618	-	24,618
Prepaid expenses and accrued income	526	-	-	526	357	-	-	357
<b>Total</b>	<b>92,599</b>	<b>19,795</b>	<b>-</b>	<b>112,394</b>	<b>55,690</b>	<b>60,606</b>	<b>-</b>	<b>116,296</b>
<b>Liabilities</b>								
Derivatives	-	20,357	-	20,357	-	25,813	-	25,813
<b>Total</b>	<b>-</b>	<b>20,357</b>	<b>-</b>	<b>20,357</b>	<b>-</b>	<b>25,813</b>	<b>-</b>	<b>25,813</b>

### Parent Company and Group

In the table, financial assets and liabilities recognised at fair value in the balance sheet are divided on the basis of the measurement methods used.

No transfers were made between levels in 2023 or 2024.

#### Quoted market prices (Level 1)

Measurement at quoted prices in an active market for identical assets and liabilities. A market is deemed to be active if the price data is easily accessible and corresponds to actual regularly occurring transactions. The measurement method is used for holdings of quoted interest-bearing securities and for publicly quoted derivatives, primarily interest-rate futures.

#### Measurement based on observable market data (Level 2)

Measurement aided by external market information other than quoted prices included in Level 1, such as quoted interest rates or prices for closely related instruments. The main tools used are models based on discounted cash flows. This group includes all non-quoted derivatives.

#### Measurement based in part on unobservable market data (Level 3)

Measurement whereby a material component of the model is based on estimates or assumptions that do not originate directly from the market. This method is currently not used on any asset or liability.

## FI:3 Offsetting disclosures

### Financial instruments offset in the balance sheet or encompassed by netting agreements

SEK million	GROUP							Net amount
	2024							
	Amounts reported in the balance sheet		Related amounts not offset in the balance sheet					
	Amounts subject to offsetting	Amounts not offset in the balance sheet	Amounts reported in the balance sheet	Financial instruments	Provided (+)/Received (-) collateral – securities	Provided (+)/Received (-) cash collateral		
<b>Assets</b>								
Derivatives	11,296	–	11,296	-4,380	–	-6,916	0	
Repos	2,365	-2,365	0	–	–	–	0	
<b>Liabilities</b>								
Derivatives	-10,848	–	-10,848	4,380	1,818	4,629	-21	
Repos	-2,366	2,365	-1	0	1	–	0	
<b>Total</b>	<b>447</b>	<b>0</b>	<b>447</b>	<b>0</b>	<b>1,819</b>	<b>-2,287</b>	<b>-21</b>	

SEK million	GROUP							Net amount
	2023							
	Amounts reported in the balance sheet		Related amounts not offset in the balance sheet					
	Amounts subject to offsetting	Amounts not offset in the balance sheet	Amounts reported in the balance sheet	Financial instruments	Provided (+)/Received (-) collateral – securities	Provided (+)/Received (-) cash collateral		
<b>Assets</b>								
Derivatives	12,241	–	12,241	-6,086	–	-5,605	550	
Repos	–	–	–	–	–	–	–	
<b>Liabilities</b>								
Derivatives	-15,695	–	-15,695	6,086	2,330	7,276	-3	
Repos	–	–	–	–	–	–	–	
<b>Total</b>	<b>-3,454</b>	<b>–</b>	<b>-3,454</b>	<b>0</b>	<b>2,330</b>	<b>1,671</b>	<b>547</b>	

## Financial instruments offset in the balance sheet or encompassed by netting agreements

PARENT COMPANY							
2024							
SEK million	Amounts reported in the balance sheet		Related amounts not offset in the balance sheet				Net amount
	Amounts subject to offsetting	Amounts not offset in the balance sheet	Amounts reported in the balance sheet	Financial instruments	Provided (+)/ Received (-) collateral – securities	Provided (+)/ Received (-) cash collateral	
<b>Assets</b>							
Derivatives	19,795	-	19,795	-12,880	-	-6,915	0
Repos	-	-	-	-	-	-	-
<b>Liabilities</b>							
Derivatives	-20,357	-	-20,357	12,880	1,818	4,629	-1,030
Repos	-1,528	-	-1,528	-	1,524	-	-4
<b>Total</b>	<b>-2,090</b>	<b>-</b>	<b>-2,090</b>	<b>0</b>	<b>3,342</b>	<b>-2,286</b>	<b>-1,034</b>

PARENT COMPANY							
2023							
SEK million	Amounts reported in the balance sheet		Related amounts not offset in the balance sheet				Net amount
	Amounts subject to offsetting	Amounts not offset in the balance sheet	Amounts reported in the balance sheet	Financial instruments	Provided (+)/ Received (-) collateral – securities	Provided (+)/ Received (-) cash collateral	
<b>Assets</b>							
Derivatives	24,618	-	24,618	-16,207	-	-5,605	2,806
Repos	-	-	-	-	-	-	-
<b>Liabilities</b>							
Derivatives	-25,813	-	-25,813	16,207	2,330	7,276	0
Repos	-1,369	-	-1,369	-	1,369	-	0
<b>Total</b>	<b>-2,564</b>	<b>-</b>	<b>-2,564</b>	<b>0</b>	<b>3,699</b>	<b>1,671</b>	<b>2,806</b>

To limit the potential counterparty risk associated with derivative transactions involving non-standardised derivatives that are not cleared by clearing organisations approved by the competent authority (in accordance with Regulation (EU) No 648/2012), a framework agreement is to be entered into with the counterparty.

When applicable, the framework agreement, an ISDA Master Agreement or similar agreements with terms for final settlement, have been supplemented with an associated collateral agreement, known as a Credit Support Annex (CSA). A collateral agreement or CSA must always be established for counterparties entering into derivative contracts with SBAB. Counterparty risk is rec-

onciled on a daily basis for all counterparties. When entered into, collateral agreements or CSAs are reconciled on a daily or weekly basis. When collateral agreements have been entered into, collateral is pledged to reduce net exposures. Wherever applicable, the posted and received collateral takes the form of cash with a transfer of title, which entitles the party that receives the collateral to use the collateral in its operations. Repos are recognised in the balance sheet under the headings Lending and Liabilities to credit institutions, respectively.

For further information on offsetting, see Note RC 2, in the section on Counterparty risk.

# The Board of Directors' signatures

The Board of Directors of SBAB hereby submit SBAB's Annual Report, which includes both the Annual Report and the Sustainability Report. The formal Annual Report is to be found in specially marked sections, which are also apparent from the table of contents.

The Board and the CEO certify that the sections pertaining to the formal annual accounts and the consolidated financial statements were prepared in accordance with the IFRS Accounting Standards, as adopted by the EU and provide a true and fair view of the Group's position and earnings. The formal annual accounts were otherwise prepared in accordance with generally accepted accounting policies and provide a true

and fair view of the Parent Company's position and earnings. The Administration Report, which is provided on pages that have been marked specially, provides a true and fair view of the development of the operations, position and earnings, and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

The Sustainability Report comprises SBAB's statutory sustainability report pursuant to the Swedish Annual Accounts Act and is included in the management report. SBAB has chosen to early adopt the updated requirements of the Annual Accounts Act and has prepared the Sustainability Report in accordance with the European Sustain-

ability Reporting Standards (ESRS) and the Taxonomy Regulation. The Sustainability Report also meets the requirements pursuant to the previous version of the Swedish Annual Accounts Act that applied prior to 1 July 2024.

In accordance with Chapter 6, Section 2, Item 2 of the Annual Accounts Act for Credit Institutions and Securities Companies, the Board considers the Group's equity to be sufficiently large in relation to the scope and risks of the operations.

The information provided gives a true and fair view of the circumstances of the company and nothing of material significance has been omitted which might affect the view of the company created by the Annual Report.

Solna, 18 March 2025

Jan Sinclair,  
*Chairman*

John Sætre  
*Board Member*

Inga-Lill Carlberg  
*Board Member*

Lars Börjesson  
*Board Member*

Jenny Lahrin  
*Board Member*

Wenche Martinussen  
*Board Member*

Jane Lundgren Ericsson  
*Board Member*

Synnöve Trygg  
*Board Member*

Margareta Naumburg  
*Employee representative*

Karin Neville  
*Employee representative*

Fredrik Sauter  
*Board Member*

Mikael Inglander  
*CEO*

Our audit report was submitted on 18 March 2025

Deloitte AB

Malin Lüning  
*Authorised Public Accountant*

# Auditor's Report

To the general meeting of the shareholders of SBAB Bank AB (publ) corporate identity number 556253-7513

*This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.*

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of SBAB Bank AB (publ) for the financial year 2024-01-01 - 2024-12-31 except for the corporate governance statement on pages 60-66 and the statutory sustainability report on pages 72-168. The annual accounts and consolidated accounts of the company are included on pages 40-257 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies. The consolidated accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. Our opinions do not cover the corporate governance statement on pages 60-66 and the statutory sustainability report on pages 72-168. The corporate governance statement is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where appli-

cable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Judgments and estimates with respect to valuation of loan receivables

Recognition and measurement of financial instruments as regulated in IFRS 9 is a complex area with significant impact on SBAB's business and financial reporting. IFRS 9 is a complex accounting standard which requires significant judgment to determine the loan loss provision.

Key areas of judgment include:

- The interpretation of the requirements to determine loan loss provisions under application of IFRS 9, which is reflected in the Bank's expected credit loss model.
- The identification of exposures with a significant deterioration in credit quality.
- Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows and forward looking macroeconomic factors (unemployment rates, interest rates, and property prices).

At December 31, 2024, loans to the public amounted to 537 836 million SEK, with loan loss provisions of 294 million SEK. Given the significance of loans to the public (representing more than 80% of total assets), the impact from the inherent uncertainty and subjectivity involved in assessing loan loss provisions, as well as the extensive disclosures required under IFRS 9, we consider this to be a key audit matter for our audit.

Refer to critical judgments and estimates in note **G 1** in the financial statements and related disclosures of credit risk in note **RC 1**.

Our audit procedures included, but were not limited to:

- We evaluated relevant controls within the loan loss provision process to verify if they are appropriately designed and implemented during the year. We also obtained an understanding of the process for key decisions from management and committee meetings that

form part of the approval process for loan loss provisions.

- We obtained an understanding of system-based and manual controls over the recognition and measurement of loan loss provisions and for key controls designed tests to verify if the controls were implemented during the year.
- We assessed, supported by our credit risk modelling specialists, the modelling techniques and model methodologies against the requirements of IFRS 9.
- We assessed the sufficiency of the implemented models developed for loan loss provisions.
- We have audited a selection of loans with identifiable worsened credit to evaluate the reasonableness in the bank's judgement of the loan loss provision for these loans.
- Finally, we assessed the completeness and accuracy of the disclosures relating to loan loss provision to assess compliance with disclosure requirements included in IFRS.

### IT-systems that support complete and accurate financial reporting

SBAB is dependent on their IT-systems to ensure complete and accurate processing of financial transactions and support the overall internal control framework. Many of SBAB's internal controls over financial reporting are dependent upon automated application controls and completeness and integrity of reports generated by the IT-systems. Given the high dependency on technology, we consider this to be a key audit matter for our audit.

The following risks that could affect the financial reporting were identified:

- Incorrect and unauthorized changes to the IT environment
- Lack of operational and monitoring routines for the IT environment
- Incorrect and inadequate configuration of information security

Our audit procedures included, but were not limited to:

- We have audited the management's tests and controls in connection with changes in the IT environment.
- We have examined the process for monitoring the IT-System.
- We have reviewed the process of identity and access management, including assignment, change and removal of access rights.
- We have evaluated that processes and tools for ensuring access to information based on user needs and operational requirements, including back-up of information and restoring routines, are appropriately designed.

### Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-39, 72-168 and 263-267. The other information also consist of the Remuneration report which we received before signing this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards, as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: [www.revisorsinspektionen.se/revisorsansvar](http://www.revisorsinspektionen.se/revisorsansvar). This description forms part of the auditor's report.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

## Report on other legal and regulatory requirements

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of SBAB Bank AB (publ) for the financial year 2024-01-01 - 2024-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's

and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance

whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit according to generally accepted auditing standards in Sweden we use professional judgement and have a professional sceptical attitude throughout the whole audit. The audit of the company's administration and proposal for appropriations of the company's profit or loss is based mainly on the audit of the financials. What other additional audit procedures that is performed is based on our professional judgement and stems from risk and materiality. This means our main focus in the audit are procedures, areas and conditions in which are material for the operations and where deviations would have material impact on the company's situation. We assess made decisions, underlying documentation for decisions, taken measures and other conditions relevant for our opinion about discharge from liability. As grounds for our opinion of the Board of Directors proposed appropriations of the company's profit or loss we have audited if the proposal is in accordance with the Companies Act.

### The auditor's examination of the Esef report

#### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for SBAB Bank AB (publ) for the financial year 2024-01-01 - 2024-12-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

#### Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of SBAB Bank AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of The Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

#### Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement

carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

#### The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 60-66 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard Rev 16 The auditor's examination of the

corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies.

#### The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 72-168, and that it is prepared in accordance with the Annual Accounts Act according to the previous version applied before 1 July 2024.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Deloitte AB, was appointed auditor of SBAB Bank AB by the general meeting of the shareholders on the 2024-04-24 and has been the company's auditor since 2016-04-28.

Stockholm 18 March 2025

Deloitte AB

*Signature on Swedish original*

Malin Lünig  
Authorised Public Accountant



# Auditor's limited assurance report of SBAB Bank AB (publ)'s voluntarily prepared sustainability statement

To SBAB Bank AB (publ) corporate identity number 556253-7513

*This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.*

## Conclusion

We have been appointed by the Board of Directors to conduct a limited assurance engagement of the sustainability statement for SBAB Bank AB (publ) for the financial year 2024. The sustainability statement is included on page 72-168 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability report meets the requirements of European Sustainability Reporting Standards (ESRS),
- whether the process the company has carried out to identify reported sustainability information has been conducted as described on page 81-82 of the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8 (EU Taxonomy)

## Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Other matter

The prior year's sustainability report has not been in scope for limited assurance procedures in accordance with RevR 19 and consequently the prior years' information in the sustainability report 2024 have not been in scope for limited assurance procedures in accordance with RevR 19.

## Other information than the sustainability statement

This document also contains other information than the sustainability statement and is found on pages 1-71, 169-257 and 263-267. The Board of

Directors and the Chief Executive Officer are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of sustainability statement in accordance with Chapter 6, paragraphs 12-12f of the Swedish Annual Accounts Act, and for such internal control as it determines is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express a conclusion on whether the sustainability report has been prepared in accordance with Chapter 6, Sections 12-12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance

obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of SBAB Bank AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Chief Executive Officer prepare the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures primarily include:

- Obtained an understanding of the process by:
  - Performing inquiries to understand the sources of the information used by management, and
  - Reviewing the Company's internal documentation of its process
- Evaluated whether the evidence obtained from our procedures about the process implemented by the Company is consistent with the description of the process set out on page 81-82 in the sustainability statement.

## Auditor's Report

The review procedures with respect to the Sustainability Statement included but were not limited to the following:

- Obtained an understanding of the Company's control environment, reporting processes, and information systems relevant to the preparation of its Sustainability Statement
- Evaluated whether material information identified by the process to identify the information reported in the Sustainability Statement is included
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the requirements in ESRS
- Performed inquires of relevant personnel and analytical procedures on selected disclosures in the Sustainability Statement
- Performed substantive assurance procedures on a sample basis on selected disclosures in the Sustainability Statement
- Performed inquires and analytical procedures to evaluate the methods for developing material estimates and forward-looking information and on how these methods were applied

The review procedures with respect to the EU Taxonomy included but were not limited to the following:

- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement
- Evaluated whether the activities within the EU Taxonomy are consistent to the financial statements and related notes
- Evaluate processes, documentation and assessment of eligibility and alignment with the economic activities and technical screening criteria within the EU Taxonomy
- Evaluated whether the reporting is in accordance with the requirements in EU Taxonomy

### Inherent limitations

In reporting forward-looking information in accordance with ESRS, SBAB Bank AB (publ) is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Stockholm 18 March 2025  
Deloitte AB

*Signature on Swedish original*

Malin Lünig  
Authorized Public Accountant

# Five-year summary

## Income-statement items

SEK million	GROUP				
	2024	2023	2022	2021	2020
Interest income	28,153	25,421	9,853	6,039	6,316
Interest expense	-22,865	-19,975	-5,198	-1,925	-2,569
<b>Net interest income</b>	<b>5,288</b>	<b>5,446</b>	<b>4,655</b>	<b>4,114</b>	<b>3,747</b>
Other operating income <sup>1)</sup>	89	-79	26	8	-19
<b>Total operating income</b>	<b>5,377</b>	<b>5,367</b>	<b>4,681</b>	<b>4,122</b>	<b>3,728</b>
Depreciation, amortisation and impairment of PPE and intangible assets	-211	-165	-176	-117	-158
Other operating expenses	-1,696	-1,498	-1,353	-1,375	-1,177
<b>Total operating expenses</b>	<b>-1,907</b>	<b>-1,663</b>	<b>-1,529</b>	<b>-1,492</b>	<b>-1,335</b>
Profit before credit losses and imposed fees	3,470	3,704	3,152	2,630	2,393
Credit losses	0	-93	-68	11	-32
Imposed fees: Risk tax and resolution fee	-570	-541	-445	-	-
<b>Operating profit</b>	<b>2,900</b>	<b>3,070</b>	<b>2,639</b>	<b>2,641</b>	<b>2,361</b>

## Balance-sheet items

SEK million	2024	2023	2022	2021	2020
Lending portfolio	537,836	517,400	509,492	467,041	422,835
Other assets	122,050	133,153	124,993	91,296	88,524
<b>Total assets</b>	<b>659,886</b>	<b>650,553</b>	<b>634,485</b>	<b>558,337</b>	<b>511,359</b>
Deposits	255,873	215,211	182,443	144,950	135,658
Issued debt securities, etc.	351,926	382,770	393,885	364,365	323,704
Other liabilities	23,990	26,484	36,211	21,777	25,712
Deferred tax liabilities	-	-	-	304	651
Subordinated debt	1,999	1,998	1,997	1,996	1,995
Equity	26,098	24,090	19,949	24,945	23,639
<b>Total liabilities and equity</b>	<b>659,886</b>	<b>650,553</b>	<b>634,485</b>	<b>558,337</b>	<b>511,359</b>

## Key performance indicators

%	2024	2023	2022	2021	2020
New lending, SEK million	86,000	71,068	105,404	107,076	95,138
Net interest margin	0.81	0.85	0.78	0.77	0.76
Credit loss ratio	0.00	-0.02	-0.01	0.00	-0.01
C/I ratio	35.5	31	32.7	36.2	36
Return on equity	10.4	11.5	10.5	11.1	10.8
Return on assets	0.3	0.3	0.4	0.4	0.4
Number of employees at year-end, FTEs <sup>2)</sup>	1,082	948	863	839	760
CET1 capital ratio	12.7	12.3	12.8	13.5	13.4
Tier 1 capital ratio	16.3	15.8	16.6	16.6	16.1
Total capital ratio	17.5	17.0	17.9	18.1	17.6

<sup>1)</sup> The item includes net commission, the net result of financial transactions and other operating income.

<sup>2)</sup> Number of employees expressed as full-time equivalents (FTEs), adjusted for sick leave and leave of absence.

# Alternative performance measures

Alternative performance measures (APMs) are financial metrics of historical or future performance, financial position or cash flows that are not defined in the applicable rules for financial reporting (for example, IFRS and the Swedish Annual Accounts Act) or in the EU's Capital Requirements Directive (CRD IV)/Capital Requirements Regulation (CRR).

SBAB uses APMs when these are relevant for the presentation and follow-up of the Group's financial position and when

these metrics are deemed to provide additional valuable information to readers of the financial reports. SBAB has also chosen to present the APMs as they are in common use within the industry. APMs can be calculated with various approaches and, accordingly, SBAB's metrics are not directly comparable with similar metrics presented by other companies.

## Credit loss ratio

**Definition:** Credit losses for the period in relation to total lending to the public (closing balances).

The APM aims to provide the reader with further information regarding the relative ratio of credit losses to total lending.

SEK million	GROUP	
	2024	2023
Credit losses	0	-93
Lending to the public	537,836	517,400
<b>Credit loss ratio, %</b>	<b>0.00</b>	<b>-0.02</b>

## Return on equity

**Definition:** Profit after tax in relation to average equity for the period (calculated using the opening and closing balances for the period), after adjustment for additional Tier 1 instruments and value changes in financial assets recognised in equity.

The APM aims to provide the reader with further information regarding the Group's profitability in relation to unrestricted equity.

SEK million	GROUP	
	2024	2023
Profit after tax	2,282	2,408
Average equity	21,997	20,991
<b>Return on equity, %</b>	<b>10.4</b>	<b>11.5</b>

## C/I ratio

**Definition:** Expenses for the period before credit losses in relation to operating income for the period.

The APM aims to provide the reader with further information regarding the Group's cost-efficiency.

SEK million	GROUP	
	2024	2023
Total operating expenses	-1,907	-1,663
Total operating income	5,377	5,367
<b>C/I ratio, %</b>	<b>35.5</b>	<b>31.0</b>

## C/L ratio

**Definition:** Expenses for the period before credit losses in relation to total lending to the public (calculated using the opening and closing balances for the period).

The APM aims to provide the reader with further information regarding the Group's cost-efficiency.

SEK million	GROUP	
	2024	2023
Total operating expenses	-1,907	-1,663
Lending to the public	527,618	513,446
<b>C/L ratio, %</b>	<b>0.36</b>	<b>0.32</b>

## Deposits/lending

**Definition:** Ratio of total deposits to total lending (closing balances).

The APM aims to provide the reader with further information regarding the relative ratio of deposits to lending.

SEK million	GROUP	
	2024	2023
Deposits from the public	255,873	215,211
Lending to the public	537,836	517,400
<b>Deposits/lending, %</b>	<b>47.6</b>	<b>41.6</b>

## New lending

**Definition:** Gross lending for the period.

The APM aims to provide the reader with an image of the inflow of new business during the reporting period.

## Definitions of other key performance indicators

<b>Number of employees (FTEs)</b>	Number of employees expressed as full-time equivalents (FTEs), adjusted for sick leave and leave of absence
<b>Return on assets</b>	Net profit for the period after tax in relation to average total assets
<b>CET1 capital ratio</b>	CET1 capital in relation to risk-weighted assets
<b>Total capital ratio</b>	Own funds in relation to risk-weighted assets
<b>Tier 1 capital ratio</b>	Tier 1 capital in relation to risk-weighted assets
<b>Leverage ratio</b>	Tier 1 capital in relation to total assets and off-balance sheet exposures restated with the application of credit conversion factors
<b>Liquidity coverage ratio, LCR</b>	Liquid assets in relation to net cash outflows over a 30-day stress scenario in accordance with the European Commission's Delegated Regulation EU (2015/61) with regard to liquidity coverage requirements
<b>Survival horizon</b>	The number of days that the need for liquidity can be met in a stress scenario before new liquidity is needed
<b>Net stable funding ratio, NSFR</b>	A liquidity risk metric of a structural nature that demonstrates the stability of the Group's funding in relation to its assets. The NSFR was calculated pursuant to Regulation (EU) 2019/876 of the European Parliament and the Council on 31 December 2020

## Outcome key performance indicators 2014–2023

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Dividend	0	628	684	690	0	0	832	832	963	913
RoE <sup>2)</sup>	10.20%	12.30%	12.50%	12.10%	11.70%	10.80%	11.10%	10.50%	11.50%	10.40%
Capitalisation, CET1 capital ratio, above Swedish FSA requirement, %	6.0%	8.3%	6.00%	2.20%	2.40%	5.40%	4.30%	2.6%	2.2%	2.6%

<sup>1)</sup> No data available before 2014 when different regulations applied.

<sup>2)</sup> Definition changed in 2017, hence difference (2013–2017) compared to previously published figures

# Financial calendar

# Credit rating

			Moody's	Standard & Poor's
Interim Report Jan–Mar 2025	30 April 2025	Long-term funding, SBAB	A1	A
Interim report Jan–Jun 2025	16 July 2025	Long-term funding, SCBC	Aaa	–
Interim report Jan–Sep 2025	23 October 2025	Short-term funding, SBAB	P-1	A-1
Year-end report 2025	13 February 2026			

SBAB's Annual General Meeting will be held on 29 April 2025 in Solna.

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**SBAB!**