

**CREDIT OPINION**

30 May 2024

Update

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**RATINGS**

**SBAB Bank AB (publ)**

Domicile	STOCKHOLM, Sweden
Long Term CRR	Aa3
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	A1
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	A1
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

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

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**SBAB Bank AB (publ)**

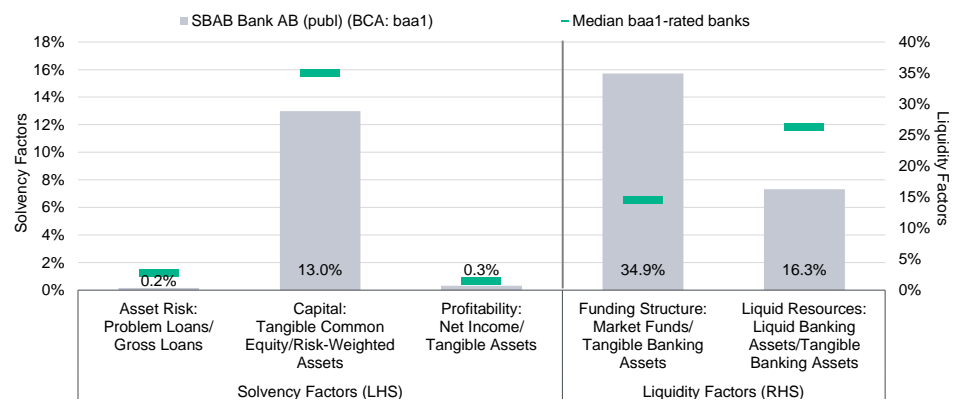
Update to credit analysis

**Summary**

[SBAB Bank AB \(publ\)](#)'s (SBAB) baa1 Baseline Credit Assessment (BCA) reflects the bank's retail focus, its very strong asset quality focusing on Swedish mortgages, its robust capital along with its moderate profitability which is related to its focus on low risk mortgages. The bank's high reliance on market funding is mitigated by its large use of covered bonds and adequate liquidity.

SBAB's A1/P-1 long- and short-term deposit and senior unsecured debt ratings reflect the baa1 BCA, the results from our Advanced Loss Given Failure (LGF) analysis, leading to two notches of uplift for SBAB's deposit and senior unsecured debt ratings, along with our assumption of moderate support from its owner, the [Government of Sweden](#) (Aaa stable), resulting in an additional notch of uplift.

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



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

Source: Moody's Financial Metrics

## Credit strengths

- » Very strong asset quality
- » Robust risk-based capital
- » An efficient mortgage lender

## Credit challenges

- » Moderate profitability, related to being a low risk mortgage lender
- » High reliance on market funding, similar to most domestic peers
- » Moderate liquidity

## Outlook

The stable outlook on SBAB's long-term deposit and senior unsecured debt ratings primarily reflects Moody's expectation that SBAB will be able to maintain its current financial performance, including its very strong asset quality, good level of capital, and moderate but stable profitability over the next 12-18 months.

## Factors that could lead to an upgrade

Factors that could lead to a rating upgrade include a significant improvement in profitability, likely through a diversification of products offered, without a corresponding increase in the bank's risk profile and a materially higher volume of deposits and liquid resources.

## Factors that could lead to a downgrade

Conversely, factors that could lead to a downgrade of the bank's BCA include a deterioration in the bank's capital or recurring profitability, or if its risk profile were to increase because of increased exposure to more volatile sectors. In addition, SBAB's deposit and senior unsecured ratings could be downgraded if its buffer of loss-absorbing liabilities were to decline considerably or if Moody's government support assumptions were lowered.

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

## Key indicators

Exhibit 2

### SBAB Bank AB (publ) (Consolidated Financials) [1]

	03-24 <sup>2</sup>	12-23 <sup>2</sup>	12-22 <sup>2</sup>	12-21 <sup>2</sup>	12-20 <sup>2</sup>	CAGR/Avg. <sup>3</sup>
Total Assets (SEK Million)	647,367.1	629,256.0	601,473.0	552,470.0	501,264.0	8.2 <sup>4</sup>
Total Assets (USD Million)	60,543.5	62,439.5	57,725.7	61,067.0	61,036.3	(0.2) <sup>4</sup>
Tangible Common Equity (SEK Million)	22,052.0	21,549.0	20,426.0	19,177.0	17,351.0	7.7 <sup>4</sup>
Tangible Common Equity (USD Million)	2,062.4	2,138.3	1,960.4	2,119.7	2,112.7	(0.7) <sup>4</sup>
Problem Loans / Gross Loans (%)	0.2	0.1	0.1	0.0	0.1	0.1 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	13.0	13.0	13.3	13.8	13.3	13.3 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	3.6	3.4	1.8	1.2	1.4	2.3 <sup>5</sup>
Net Interest Margin (%)	0.8	0.8	0.8	0.7	0.7	0.8 <sup>5</sup>
PPI / Average RWA (%)	1.7	1.7	1.7	1.8	1.8	1.8 <sup>6</sup>
Net Income / Tangible Assets (%)	0.3	0.3	0.3	0.4	0.3	0.3 <sup>5</sup>
Cost / Income Ratio (%)	45.4	43.5	43.0	37.0	35.1	40.8 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	34.2	34.9	38.2	41.2	40.9	37.9 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	17.8	16.3	12.3	10.6	9.9	13.4 <sup>5</sup>
Gross Loans / Due to Customers (%)	226.1	240.6	279.4	322.3	311.8	276.0 <sup>5</sup>

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

Sources: Moody's Ratings and company filings

## Profile

SBAB Bank AB (publ) (SBAB) was established in 1985 as The Swedish National Housing Finance Corporation by the Kingdom of Sweden (Government of Sweden) to finance government housing loans. In November 2010, it was awarded a full banking licence and began developing banking products and services. Subsequently, it was renamed SBAB Bank AB (publ). Since 2014, the bank has refocused its operations towards its core business areas of mortgages and residential financing, limiting its offerings of traditional banking products and services. The bank remains wholly owned by the Government of Sweden.

SBAB is a digital bank that provides residential mortgages, loans and savings accounts to individuals, corporates and tenant-owner associations throughout Sweden. Through partners, it also provides its mortgage customers with third-party insurance services. As of the end of February 2024, SBAB's reported market share in terms of Swedish retail mortgage lending was 8.4%. It reported total consolidated assets of SEK669 billion (\$62.8 billion) as of end-March 2024.

SBAB does not have any retail branch network. The bank distributes its products and services to individuals primarily through an internet platform and a call centre. It distributes its products and services to corporate customers and tenant-owner associations through personal contacts with representative offices in Stockholm, Gothenburg and Malmö.

## Recent developments

30 November 2023: SBAB sold its shares in the subsidiary and housing app Boappa AB\*. During 2021 SBAB acquired Boappa for 64 MSEK, and it was sold for 1 SEK. Boappa delivered negative results of -6 MSEK 2020 growing to -13 MSEK 2023. The losses were not material for SBAB.

\*Boappa is an app that helps to simplify communication in tenant-owned associations and other associations.

## Detailed credit considerations

### A low risk mortgage portfolio based on strong industry-wide underwriting standards

Despite the increase in borrowing expenses caused by higher interest rates, we anticipate that SBAB's asset quality will remain robust due to its strategic emphasis on low-risk mortgage lending within Sweden. The bank has a historical track record of maintaining extremely low levels of problem loans over the years. The bank's ratio of problem loans (classified as stage 3 under IFRS9) stood at a mere 0.16% at the close of March 2024.

SBAB's loan book consists of 67% household mortgages and 33% loans to corporate clients and tenant-owners' associations, with marginal exposure to unsecured lending as of March 2024. Abiding by legislation, household mortgage loans are capped at an 85% loan-to-value (LTV) ratio and require amortisation down to 50%. The bank's average LTV on household mortgage loans was 60%, and its commercial property exposure was a mere 2% of total lending by the end of March 2024.

The retail mortgage portfolio witnessed a 0.8% decline in Q1 2024 compared to Q1 2023, while the Swedish mortgage market grew by 0.5% despite the high-interest-rate environment. SBAB, with an 8.5% mortgage market share in Q1 2024, is the largest challenger bank in Sweden's mortgage market. Its lending at variable rates (i.e., three-month rates) was 79% of total lending as of March 2024, an increase from 75% the previous year. This high proportion is due to borrowers preferring variable rates despite rapidly rising interest rates, with many anticipating multiple rate cuts during 2024 and 2025. In originating a mortgage loan SBAB uses a stress rate, currently at 7%, when granting mortgages to ensure borrowers can manage higher interest rates, and offers higher discounts to customers with low to moderate LTVs.

The bank conducts stress tests on its loans, considering severe scenarios like high interest rates, high unemployment, and sharp property price drops. In these scenarios, expected credit losses do not surpass annual profit as full recourse on mortgages and collateral values help limit losses in the loan portfolio.

The assigned Asset Risk score of aa2 reflects the initial score of aa1 and a one notch negative adjustment because of the bank's sector concentration towards the Swedish mortgage market.

### Robust risk-based capitalisation and stress capital resilience, but low leverage ratio

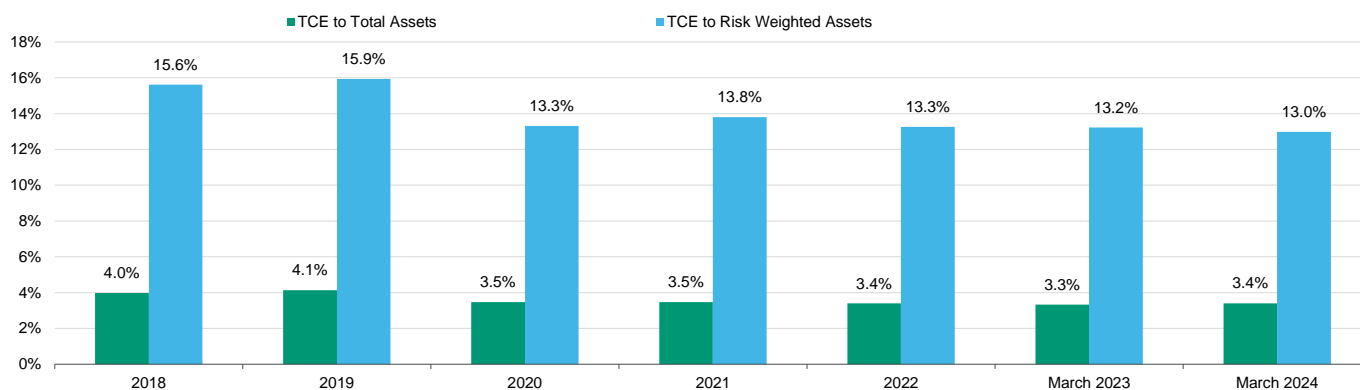
We view SBAB's capital position as strong, given its low risk profile. As of the end of March 2024, SBAB reported a Common Equity Tier 1 (CET1) capital ratio of 12.1%. The buffer to regulatory CET1 requirements, 10.1% at end of March 2023, amounted to 200 basis points (bps). The bank's management targets a CET1 ratio that is 100-300 bps above requirements. Moody's expects capitalisation to be above a tangible common equity to risk weighted assets ratio of 13% by end of 2024, coming in at 12.98% by end of March 2024.

SBAB's total regulatory capital requirement as of the end of December 2024 was 14.4% including a Pillar 2 requirement of 1.87%. The bank specific Pillar 2 requirement relates to credit related concentration risk, interest-rate risk in other operations, and real estate exposures.

Furthermore, SBAB has a leverage ratio requirement of 3%, and a Pillar 2 guidance of 50 bps, and SBAB's reported leverage ratio was 4.3% as of March 2024. The tangible common equity to tangible banking assets ratio was 3.41% as of Q1 2024, a level where it has been fairly stable during recent years. This is lower than most peers due to the low risk portfolio, and we adjust down one notch as a backstop adjustment.

Exhibit 3

#### SBAB's capital ratios over time



The exhibit shows Moody's-adjusted figures.

Source: Moody's Ratings

SBAB's capital is very resilient to stress, and the bank performs as one of the strongest under the European Banking Authority's EU-wide stress test. We consider the bank's stress capital resilience as a strength, and assign a Capital score of a3 for SBAB, reflecting Moody's expectation of strengthened capital during 2024 and 2025, and one negative adjustment for the low leverage.

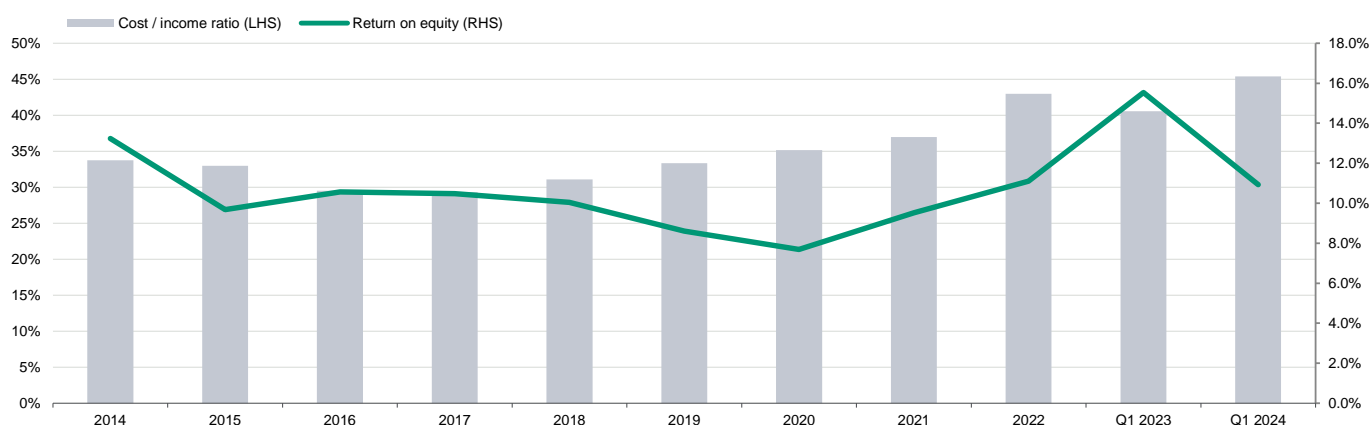
### Profitability will remain weaker than peers because of the focus on low-risk mortgages

SBAB presented stable earnings in Q1 2024, which resulted in a reported return on equity of 11.9%, above the bank's internal target of 10%. SBAB's net interest margin (NIM) decreased to 0.78% in Q1 2024 from 0.85% in the year-earlier period.

SBAB's has a relatively higher earnings stability than many peers. SBAB is an efficient lender operating without a retail branch network. Although the bank's adjusted cost-to-income ratio has deteriorated for the last three years because of higher operating costs, it remained relatively low at 43.5% for the year 2023. The ratio increased to 45.4% in the first quarter of 2024.<sup>1</sup> Due to only attracting savings deposits, the bank holds no low interest rate current account deposits, a key difference to larger banks offering transaction accounts. This means that the bank has not been able to increase its interest rate margins to the same degree as its larger peers in Sweden when policy rates increased.

Exhibit 4

### Q1 2022 earnings were positively impacted by rising interest rates



Moody's adjusted figures

Source: Moody's Ratings

Our assigned Profitability score of ba1 includes one notch of positive adjustment, reflecting the bank's relative earnings stability.

### High reliance on market funding, but deposit base is increasing

We view SBAB's high reliance on market funding as a weakness, which is shared with many of its Nordic peers. The high reliance on market funding is mitigated by the fact that a large portion of the funding benefits from the resilient domestic covered bond market, along with a sustained increase in deposit funding.

SBAB's market funding/tangible assets stood at 34.2% at the end of March 2024. Covered bonds (rated Aaa) accounted for more than half of the bank's long-term funding, and around 77% of these were SEK denominated as of the same date. This debt class benefits from a deep local market with stable domestic investors, and we reflect these strengths by viewing covered bonds denominated in local currency as a particularly stable source of funding for all Swedish banks. Consequently, the upward adjustment in the Funding score of baa1 reflects that we take into consideration the comparatively stronger Swedish covered bond market, i.e. the bank's SEK-denominated covered bonds.

SBAB's funding profile has improved over the last few years following its strategy to extend maturities, with a number of successful benchmark issues and a reduction in foreign currency exposures.

In addition, SBAB has actively reduced its reliance on market funding through increasing deposits, reducing its gross loans/deposits to 226% as of end March 2024 (from 565% at end December 2013). We view the increase in deposits as a sustainable improvement which provides the bank with relatively sticky funding, given the gradual and granular increase in the flow of new depositors and the

strong brand recognition. While the bank's growing deposit base reduces the dependence on market funding, we recognize that SBAB's focus on competitive deposit rates, which has resulted in an increase of SEK84 billion in deposits between Q1 2024 and Q1 2022, could mean that some depositors are more price sensitive.

Exhibit 5

#### SBAB's gradual increase in deposits appears sustainable (SEK billion)



Source: Moody's Ratings

SBAB have fulfilled the recapitalisation requirement of own funds and eligible liabilities (MREL) with subordination requirements in time for the deadline that was on 1 January 2024. The new MREL decisions based on the updated EU Bank Recovery and Resolution Directive (BRRD2), were announced in December 2021<sup>2</sup>, and the updated subordination requirement resulted in lower senior non-preferred (SNP) needs compared to the previous Swedish requirements.

Our assigned Funding score of baa1 includes three notches of positive adjustment, reflecting the quality of market funding taking into account the levels of covered bonds included in the market funding.

#### SBAB has adequate liquidity

SBAB's liquidity position is adequate, as captured by the baa2 assigned Liquid Resources score. Moody's calculated liquid banking assets consist mainly of highly rated securities, which totalled SEK102 billion at the end of 2023, equivalent to 16.3% of its tangible banking assets. The bank's reported liquidity reserve was SEK113.8 billion as of the end-March 2024, equivalent to 17.6% of tangible banking assets.

SBAB's amount of HQLA to tangible banking assets ratio was 15.5% as of Q1 2024. This ratio has increased from 14.3% at year-end 2021. The 15.5% ratio is equivalent to a baa2 score.

SBAB's reported liquidity coverage ratio was a high 350% at end of March 2024.

#### Monoline adjustment to reflect a lack of business diversification

Similar to that for other rated entities focused on one activity, we apply a one-notch negative adjustment for lack of business diversification to SBAB's financial profile. This is to reflect the fact that the bank's revenue is mostly exclusively derived from its mortgage lending activities and SBAB's business model is less diversified than that of a full-service bank, an adjustment shared with other specialised mortgage lenders.

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

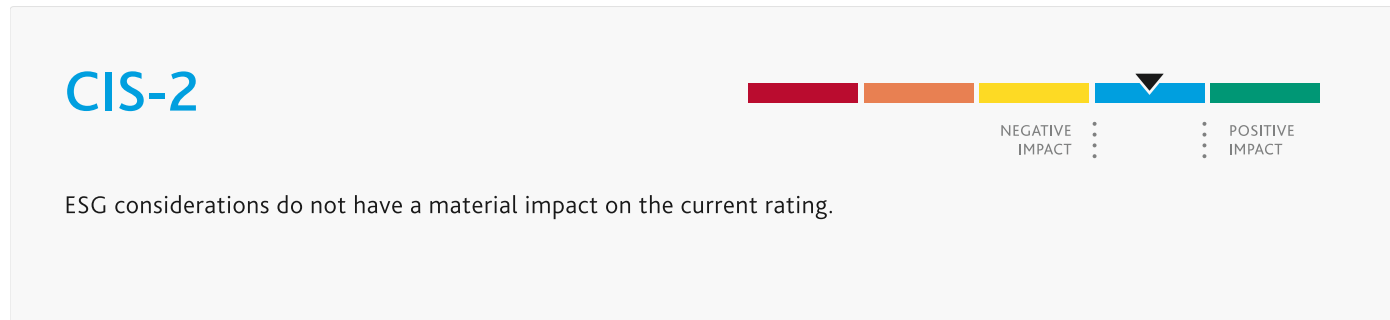
The financial data in this report are sourced from SBAB's financial statements or Moody's Financial Metrics, unless otherwise stated.

## ESG considerations

SBAB Bank AB (publ)'s ESG credit impact score is CIS-2

Exhibit 6

### ESG credit impact score

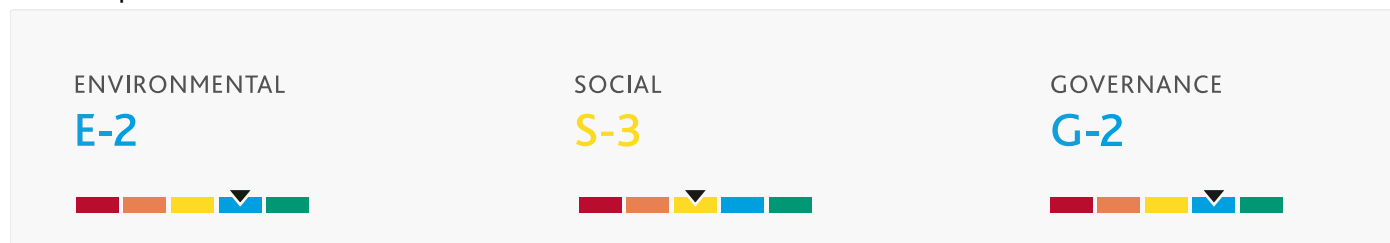


Source: Moody's Ratings

SBAB's **CIS-2** reflects the limited impact of ESG considerations on the ratings.

Exhibit 7

### ESG issuer profile scores



Source: Moody's Ratings

### Environmental

SBAB faces low environmental risks, specifically in relation to carbon transition risks. This is because of the structure of its loan book, predominantly composed of mortgages, and with a negligible exposure to corporate lending, which typically carry higher carbon transition risk.

### Social

SBAB faces moderate social risks related to regulatory and litigation risks, requiring high compliance standards. These risks are mitigated by the bank's developed policies and procedures. High cyber and personal data risks are mitigated by the bank's strong IT framework. SBAB has exposure to customer relations risks because data security and customer privacy are critical for banks due to access of large amounts of personal data. These areas are becoming increasingly important as banks' online businesses expand and regulatory standards tighten. Sizable investments in technology and SBAB's long track record of handling sensitive customer data, as well as appropriate culture and governance and compliance functions that ensure adherence to regulatory standards, help to mitigate the associated credit risk.

### Governance

SBAB has low governance risks. Although SBAB is owned by the Swedish government, the bank's corporate governance practices follow general standards, without any evidence of intrusive government interference. In addition, Sweden's developed institutional framework mitigates the associated governance risks.

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

## Support and structural considerations

### Loss Given Failure (LGF) analysis

We apply our Advanced LGF analysis to SBAB as the bank is incorporated in Sweden, which we consider an operational resolution regime as it is subject to the EU Bank Recovery and Resolution Directive (BRRD). For this analysis, we assume that equity and losses are at 3% and 8%, respectively, of tangible banking assets in a failure scenario. We also assume a 25% run-off of junior wholesale deposits and a 5% run-off of preferred deposits. Moreover, we assign a 25% probability to junior deposits being preferred to senior unsecured debt. These are in line with our standard assumptions. Particular to SBAB and other Swedish pure mortgage lenders, we assume the proportion of deposits considered junior at 10%, compared to our standard assumption of 26%, because of their largely retail-oriented depositor base.

Our Advanced LGF analysis indicates a very low loss given failure for junior depositors and senior unsecured creditors, resulting in a two-notch uplift of the relevant ratings, from the bank's baa1 Adjusted BCA.

SBAB's junior deposit and senior debt ratings reflect the very low losses given failure due to the bank's volumes of loss absorbing senior preferred and senior non-preferred debt, in line with fully phased in MREL.

The junior senior ratings (assigned on senior non-preferred unsecured debt) is positioned in line with the bank's Adjusted BCA. The Advanced LGF analysis indicates a moderate loss given failure, given the small volume of debt and limited protection from more subordinated instruments and residual equity.

### Government support considerations

SBAB is fully owned by the Swedish government and has an important market share in the Swedish residential mortgage market. This guides our expectation of a moderate probability of government support for SBAB's deposit and senior unsecured debt, which results in a one notch rating uplift for these debt classes.

### Counterparty Risk (CR) Assessment

#### SBAB's CR Assessment is Aa3(cr)/P-1(cr)

The CR Assessment, before government support, is three notches above the Adjusted BCA based on our view that senior obligations represented by the CR Assessment will be more likely preserved than senior unsecured debt to minimise losses, avoid disruption of critical functions and limit contagion. In addition, moderate probability of government support results in an additional uplift of one notch uplift.

### Counterparty Risk Ratings (CRRs)

#### SBAB's CRRs are Aa3/P-1

The CRRs, before government support, are three notches above SBAB's Adjusted BCA of baa1, reflecting extremely low loss given failure from the high volume of instruments that are subordinated to CRR liabilities, along with one notch of government support.

## Methodology and scorecard

### About Moody's Bank Scorecard

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



## Rating methodology and scorecard factors

Exhibit 8

### SBAB Bank AB (publ)

<b>Macro Factors</b>							
<b>Weighted Macro Profile</b>		<b>Strong +</b>	<b>100%</b>				
<b>Factor</b>	<b>Historic Ratio</b>	<b>Initial Score</b>	<b>Expected Trend</b>	<b>Assigned Score</b>	<b>Key driver #1</b>	<b>Key driver #2</b>	
Solvency							
Asset Risk							
Problem Loans / Gross Loans	0.2%	aa1	↔	aa2	Sector concentration		
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	13.0%	a3	↑	a3	Expected trend	Nominal leverage	
Profitability							
Net Income / Tangible Assets	0.3%	ba2	↑	ba1	Earnings quality	Expected trend	
Combined Solvency Score		a2		a2			
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets	34.9%	ba1	↑↑	baa1	Market funding quality		
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets	16.3%	baa2	↔	baa2	Stock of liquid assets		
Combined Liquidity Score		baa3		baa1			
Financial Profile							
				a3			
Qualitative Adjustments				Adjustment			
Business Diversification				-1			
Opacity and Complexity				0			
Corporate Behavior				0			
Total Qualitative Adjustments				-1			
Sovereign or Affiliate constraint				Aaa			
BCA Scorecard-indicated Outcome - Range				a3 - baa2			
Assigned BCA				baa1			
Affiliate Support notching				0			
Adjusted BCA				baa1			
<b>Balance Sheet</b>							
		<b>in-scope (SEK Million)</b>		<b>% in-scope</b>	<b>at-failure (SEK Million)</b>	<b>% at-failure</b>	
Other liabilities		332,796		51.4%	348,944	53.9%	
Deposits		230,686		35.7%	214,538	33.2%	
Preferred deposits		207,617		32.1%	197,237	30.5%	
Junior deposits		23,069		3.6%	17,301	2.7%	
Senior unsecured bank debt		30,100		4.7%	30,100	4.7%	
Junior senior unsecured bank debt		24,200		3.7%	24,200	3.7%	
Dated subordinated bank debt		2,000		0.3%	2,000	0.3%	
Preference shares (bank)		7,700		1.2%	7,700	1.2%	
Equity		19,407		3.0%	19,407	3.0%	
Total Tangible Banking Assets		646,889		100.0%	646,889	100.0%	

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	15.6%	15.6%	15.6%	15.6%	3	3	3	3	0	a1
Counterparty Risk Assessment	15.6%	15.6%	15.6%	15.6%	3	3	3	3	0	a1 (cr)
Deposits	15.6%	8.2%	15.6%	12.9%	2	3	2	2	0	a2
Senior unsecured bank debt	15.6%	8.2%	12.9%	8.2%	2	2	2	-	-	-
Junior senior unsecured bank debt	8.2%	4.5%	8.2%	4.5%	0	0	0	0	0	baa1
Dated subordinated bank debt	4.5%	4.2%	4.5%	4.2%	0	0	0	-1	0	baa2
Non-cumulative bank preference shares	4.2%	3.0%	4.2%	3.0%	-1	-1	-1	-1	-2	ba1

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	a1	1	Aa3	Aa3
Counterparty Risk Assessment	3	0	a1 (cr)	1	Aa3(cr)	
Deposits	2	0	a2	1	A1	A1
Senior unsecured bank debt	-	-	-	1	A1	A1
Junior senior unsecured bank debt	0	0	baa1	0	Baa1	Baa1
Dated subordinated bank debt	-1	0	baa2	0	Baa2	(P)Baa2
Non-cumulative bank preference shares	-1	-2	ba1	0	Ba1 (hyb)	

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

Source: Moody's Ratings

## Ratings

Exhibit 9

Category	Moody's Rating
<b>SBAB BANK AB (PUBL)</b>	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	A1/P-1
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Issuer Rating	A1
Senior Unsecured	A1
Junior Senior Unsecured	Baa1
Junior Senior Unsecured MTN	(P)Baa1
Subordinate -Dom Curr	Baa2
Pref. Stock Non-cumulative -Dom Curr	Ba1 (hyb)
Commercial Paper	P-1
Other Short Term	(P)P-1

Source: Moody's Ratings

## Endnotes

1 The risk tax, introduced in 2022, is accounted for in 'taxes other than income taxes' in Moody's accounts, which is included in operating expenses, thus affecting Moody's calculated cost-to-income ratio. This explains the difference between the bank reported and Moody's adjusted cost to income ratios.

2 [Decisions on resolution plans and MREL, Swedish National Debt Office](#)

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