KOMMUNINVEST I SVERIGE AB

Capital Adequacy and Risk Management Report – Pillar 3

Q4 2024

KOMMUNINVEST

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This report contains information in accordance with Part 8 of Regulation (EU) No. 575/2013 (CRR) on prudential requirements for credit institutions and investment firms, the Swedish Financial Supervisory Authority's regulations FFFS 2014:12 regarding prudential requirements and capital buffers and the Swedish Financial Supervisory Authority's regulation FFFS 2014:21 regarding management of liquidity risks in credit institutions and investment firms.

All information refers to the consolidated situation unless otherwise stated. "Kommuninvest" or "the Group" refers to the Kommuninvest Group, consisting of a member organisation that, in turn, includes the following companies:

Kommuninvest i Sverige AB (the Company), company reg. no.: 556281-4409

Kommuninvest Cooperative Society (the Society), company reg. no.: 716453-2074

Kommuninvest Fastighets AB, company reg. no.: 556464-5629

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Risk management and risk organisation

The Company's principal assignment is to ensure access to stable and efficient funding for the Swedish local government sector. This entails borrowing funds on the financial market, in accordance with customers' needs. The operations shall apply a low level of risk-taking, with risks only being accepted to be able to fulfil the local government debt office assignment. Presented below is a comprehensive overview of the Company's targets, principles and methods for managing risk.

RISK MANAGEMENT AND RISK EXPOSURE IN 2024

During 2024, inflation began to slow down, which paved the way for central banks to start lowering interest rates. The higher interest rates have at the same time meant very good results for the banking sector, where the risk situation has been very low from a historical perspective. The American election marked a large part of the autumn, and the election result may mean an increase in the geopolitical risks going forward. Municipalities and regions continue to face major challenges, where 2024 will generally mean a very weak fiscal year. 2025 is expected to be a stronger year for the sector at the same time as there are demographic challenges and the need for infrastructure investments. During 2024, Kommuninvest had continued good development based on the conditions in the financial markets.

RISK PROFILE

Kommuninvest plays a central role in the financing of investments by Swedish municipalities and regions. The Company raises funding in the financial market on the basis of customers' needs. The business model entails the Company being exposed to risks associated with the financial market, the Swedish central government and the local government authorities' financial conditions, their challenges in terms of climate and sustainability, as well as internal and external operational risks.

The Company's risk profile and permitted risk taking is established annually in the owner directives, which are adopted by the Annual General Meeting of the Society. The owner directive states that the Company's risks should be low and never greater than necessary for achieving the objectives of the operations. The risk level may not exceed a permissible level of risk taking for a member in accordance with the Swedish Local Government Act.

In accordance with the owner directive, the Company's risk management is designed for operations to be conducted with a low level of risk taking. For an overview of the types of risks that Kommuninvest regularly manages and assesses, see table Kommuninvest's risk management in brief below. To limit the risks associated with the Company's operating model and to ensure that operations are kept within the risk appetites specified by the Board of Directors, risk appetite indicators or other measures are applied.

Risk policy

The Company's attitude towards risk is set out in the Board of Directors' risk declaration, which is part of the Board of Directors' risk policy. The risk policy defines four main risk categories: Net profit & Capital, Liquidity & Funding, Credit & Market and Operational. For each risk category, qualitative and quantitative risk appetites have been established, against which all risks are measured. Risk appetite is defined as the level of risk, the board is prepared to expose the Company to, in order to fulfill the mission from the owners. The level of risk appetite is determined by factors such as financial position, growth targets, market conditions for the given time period and whether efficiency gains can be achieved by changing the undertaken level of risk. The risk policy is part of the Company's risk framework, which includes the board's fundamental instruments for business management and good internal control.

RISK MANAGEMENT

To keep the operations within the established risk appetite, key risk indicators or other measures are applied, to limit the Company's risks. The key risk indicators are quantitative and designed to support the established risk appetite within each risk category. The level of the key risk indicators is dependent on both Company-specific factors (financial position, strategic targets, legal requirements, risk exposure, etc.), as well as on expected market conditions. Key risk indicators are to be determined by the Board of Directors, the CEO, the CRO and/or others responsible (referred to as "risk owners") and constitute the various limits within the Company's risk framework.

In the Company's risk management, the qualitative risk appetites are connected to risk categories. Risks are categorised with the purpose of connecting the risk framework and the quantitative risk appetites with the generally accepted risk taxonomy. The risk categories also symbolise different areas of responsibility within the Company. The connection is based on the area of risk that a potential risk would primarily affect if realised. The overarching risk categories managed by the Company are divided into net profit- and capital risk, credit- and market risk, liquidity- and funding risk and operational risk. The Risk categories table on page 5 defines all of the risk categories managed by the Company.

Risk organisation
The overall responsibility for the Company's risk framework lies with the Company's CRO. The manager of each individual area of operations is responsible for risk management and control within those operations. Forward-looking and historical analyses are used to ensure that the Company identifies, assesses and measures risks correctly.

The Credit committee is a body that handles changes in limits, credits and counterparty limits, as well as other decision-making regarding credit related issues. The Company's Asset and Liability Committee (ALCO) is responsible for preparing matters concerning market risk and liquidity requiring a decision by the Board of Directors or the CEO. The Company's Compliance committee is responsible for matters regarding regulations and prepares and approves proposals for internal governing documents.

The Company's Development committee decides, for example, the processes for business management and data governance. The Company's Continuity and Crisis committee has the overall responsibility for planning, directing and coordinating processes for continuity management and developing crisis preparedness.

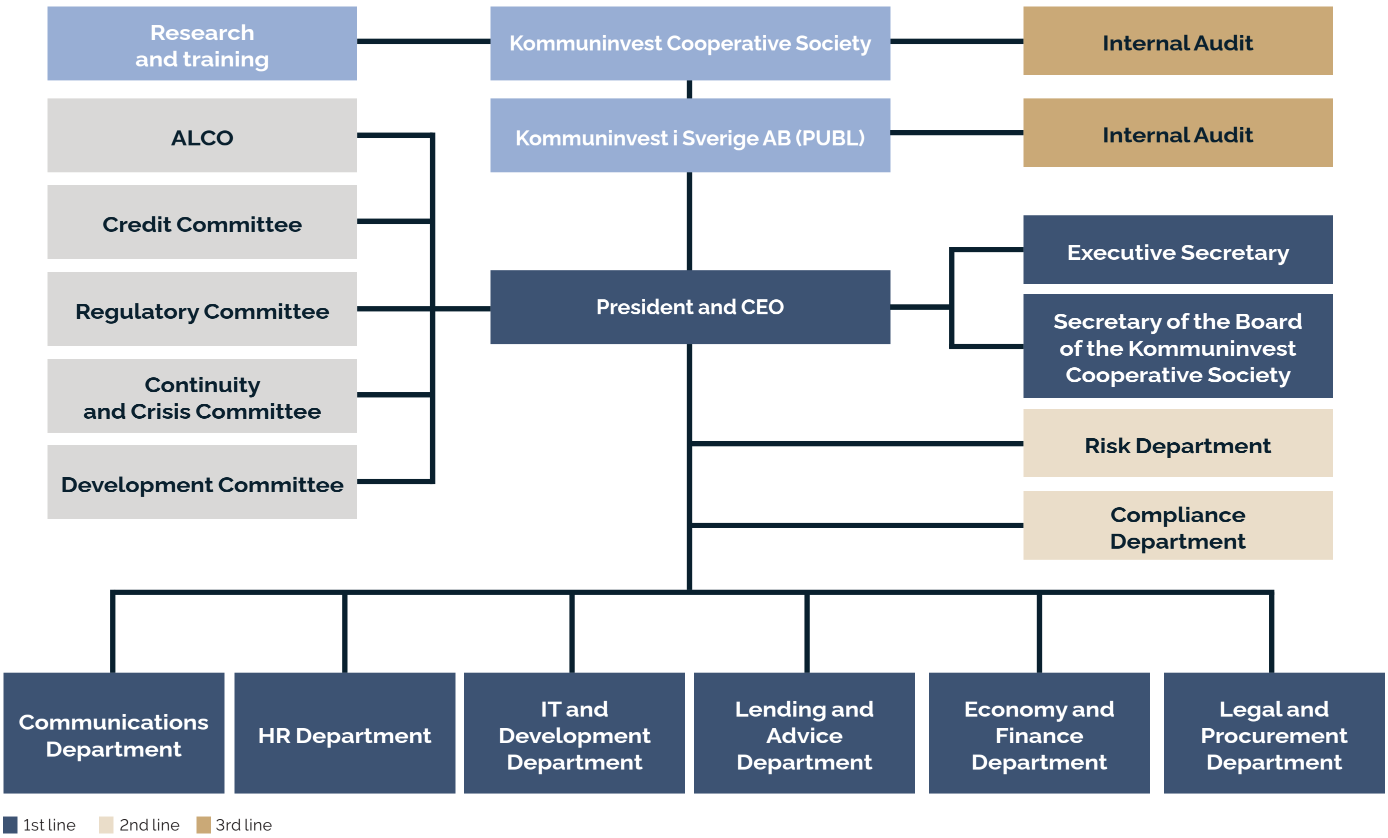
Kommuninvest's three lines of defence
The Company has three lines of defence whose purpose is to manage and control the risks that arise in the operations. The first line of defence comprises the operations themselves. The second line of defence comprises the Risk department and the regulatory compliance function. The third line of defence is internal audit.

The Risk department, which constitutes the second line of defence, is headed by the Company's CRO. The function shall maintain an independent and autonomous position in the operations and is, among other things, tasked with ascertaining that all significant risks to which the Company is exposed, or may be exposed, are identified and managed. The three different lines of defence are visualised in the organisational chart below.

Risk department
The Risk department exercises group-wide risk control and monitors the Group's financial and operational risks. The Board of Directors receives regular updates on risk control issues and the overall risk development. The function is separate from business operations and reports to the CEO as well as the Board of Directors. The department is headed by the CRO, who is appointed by the CEO who also reports the appointment to the Board of Directors. The department is responsible for following up that risks are reported correctly and in accordance with applicable external and internal regulations, regularly performing stress tests, as well as leading and coordinating efforts related to operational risks. It is also responsible for ensuring that all relevant information is available to the Board of Directors and the Management when making decisions on risk policy, risk appetites and key risk indicators.

Compliance
The Company's compliance function is an independent control and support function and reports to the CEO. The head of the compliance function is appointed by the CEO and reports on compliance matters to both the CEO and the Board of Directors. Among other things, the compliance function is responsible for monitoring and controlling regulatory compliance within the licensed operations, as well as providing advice and support to the operations and the executive management on matters regarding legislation and other regulations applicable to the licensed operations. The

ORGANISATIONAL CHART WITH THE OPERATIONS' THREE LINES OF DEFENCE



KOMMUNINVEST'S RISK MANAGEMENT IN BRIEF

Risk category	Risk category	Risk description and definition
Net profit and capital		Net profit has a direct effect on the Company's equity and sufficient net profit and capital are prerequisites for the Company's long-term development.
Net profit and capital	Strategic risk	The risk that, due to losses or other balance sheet effects, the Company has insufficient capital to conduct and develop its operations in accordance with established plans.
Net profit and capital	Business risk	The risk that, due to prices, trust issues, efficiency or other reasons, the Company not is not competitive in the market and therefore gradually losing volumes and profitability. The risk that net profit fails to meet targets for continued development, dividend targets and capital requirements.
Liquidity and funding		The Company's operations are based on continuous funding in the market. The Company's capacity to conduct funding at relevant market prices is a decisive factor for the operations.
Liquidity and funding	Liquidity risk (short and long-term)	The risk of not meeting a payment commitment on the due date and/or not being able to meet a customer's financing needs.
Liquidity and funding	Refinancing risk	The risks of not being able to conduct funding in the market due to internal or external events.
Credit and market		The Company provides credit to municipalities and municipal companies. Funding and lending both include market risks given the operations' conditions.
Credit and market	Concentration risk	The risks that the Company is overexposed to an individual counterparty, sector, asset class, geographical region or other factor.
Credit and market	Counterparty risk	The risks that a counterparty to a derivative or repo transaction defaults before final settlement of cash flows. The risk also includes potential concentrations among individual counterparties.
Credit and market	Credit risk lending	The risks that the counterparty to a loan fails to meet its obligations.
Credit and market	Market risk	The risks of a loss and/or negative impact on the Company's income, due to interest and/or exchange rate fluctuations.
Operational		The risk of losses resulting from inadequate or faulty internal processes, people and systems or external events, including, but not limited to, legal risks, model risks and information and communication technology risks (ICT risks), with the exception, however, of strategic and reputational risks
Operational	Process risk	The risk of losses resulting from inadequate or faulty internal processes, external events, including, but not limited to, legal risks and model risks.
Operational	Personnel risk	The risk of losses resulting from human error.
Operational	Information and communication technology risk (ICT risk)	The risk that every reasonably identifiable circumstance in connection with the use of network and information system that, if it occurs, could jeopardise security in network and information systems, tools or processes that are technology-dependent, functions and processes or the provision of services by causing negative effects in the digital or physical environment.
Operational	Compliance risk	The risk of the Company failing to comply with current external or internal regulations and thereby risking being sanctioned, suffering losses or impairment or loss of reputation.
Sustainability	Sustainability risk[1]	The risk of negative financial consequences resulting from current or future effects of environmental, social responsibility or corporate governance factors (ESG factors) on the institute's counterparties or invested assets. ESG risks are realised through the traditional financial risk categories

1) Sustainability risks are addressed and verified under other relevant risk categories and have no specific risk appetite.

compliance function also incorporates a specially appointed role, the AML/CFT Compliance officer that focuses on money laundering and terrorism financing legislation.

Internal audit
The Company's internal audit, which is outsourced to an external party, is an independent review function that reports to the Board of Directors. The internal audit is responsible for evaluating risk management, the Company's control and governance processes and for the operations being conducted in accordance with the Company's internal regulations. The internal auditor reports to the Board of Directors and the CEO on an ongoing basis. Each year, the Board of Directors establishes a plan for the work of the internal audit. The CEO reports to the Board on measures implemented as a consequence of the internal audit unit's reports.

Recruitment Policy
The working committee of the Kommuninvest Cooperative Society, which also constitutes the Nomination Committee for Kommuninvest i Sverige AB, is ultimately responsible for the Recruitment Policy, which shall be subject to review by the Nomination Committee at least once a year, as well as when a review is necessitated by changes in relevant regulations. At all times, Board members shall have sufficient qualifications, knowledge and experience within Kommuninvest's areas of operations to be able to:

- Exercise sound, competent and responsible corporate governance.
- Review and follow up the operational activities in a constructive and efficient manner, and to
- Comprehend and analyse the risks associated with the operations.

In addition, members shall at all times have sufficient qualifications, knowledge and experience to be able to contribute actively to strategic planning and to be able to comprehend Kommuninvest's business strategy and how it is implemented.

Members may not, at the same time, hold an operational position or hold a position of trust in a company or organisation that conducts financial sector operations in direct competition with Kommuninvest.

The composition of the Board of Directors shall be appropriate to Kommuninvest's operations, stage of development and other conditions, and shall be characterised by diversity and breadth in terms of members' expertise, experience and background in general.

Diversity Policy and succession planning
Consequently, to achieve sufficient diversity and to promote differing views and experiences, the following aspects are taken into account in appointing the Board of Directors:

- favourable breadth in terms of age
- an even gender distribution
- members' geographical origins
- members' education and professional background

Via their representatives on the Board of Directors, employees contribute their perspectives and strong knowledge of the Company's operations, contributing to the Board of Directors' diversity.

Succession planning shall be undertaken, aimed at preventing, where possible, too many Board members from having to be replaced at the same time. Board members are elected for the period extending up until the ensuing Annual General Meeting. No later than 31 December, the Chairman or the individual appointed by the Chairman shall ask each member whether he or she intends to stand for re-election at the Annual General Meeting in the ensuing year.

Additional details regarding Board members' expertise, experience and other assignments, are presented in our Annual Report, which can be found on Kommuninvest's website.

Remuneration Policy
The Board of Directors establishes the remuneration principles applied within the Company and does not consider a specific Remuneration Committee necessary. These duties are performed instead by the Chairman of the Board.

Remunerations shall engender conditions to attract, retain and motivate employees so that operations can be conducted in an efficient manner. The basic principle is that remunerations and other terms of employment should be in line with the market (without leading it) and should consist solely of fixed salaries, with no variable remuneration therefore being paid. Salaries are set taking into consideration the tasks involved and their degree of difficulty, responsibilities, educational requirements and how the employee fulfils the demands imposed and contributes to improvements in operations.

The Chairman of the Board is responsible for preparing the Board's decisions regarding compensation to Executive Management, compensation to employees bearing the overall responsibility for any of the Company's control functions, as well as for measures to monitor the application of the Company's Remuneration Policy. The Chairman is also responsible for conducting an independent review of the Company's Remuneration Policy and remuneration model. The CEO is responsible for the application of the Company's Remuneration Policy. For more information on the Remuneration Policy, see the Kommuninvest website.

As per 31 December 2024, the Company's Board of Directors consisted of Erik Langby (Chairman), Mats Filipsson, Lars Heikensten, Anette Henriksson, Catrina Ingelstam, Rickard Simonsson and Kristina Sundin Jonsson, as well as employee representatives Mattias Bokenblom and Kristin Ekblad. For 2024, the Annual General Meeting approved a fixed fee of TSEK 600 for the Chairman of the Board. For the other Board Members, a fixed fee of TSEK 330 was set. For more information regarding the fees paid to Board members and their attendance over the year, see the 2024 Annual Report on Kommuninvest's website.

Risk analysis and specially regulated personnel
The Company shall conduct an annual risk assessment of the remuneration system. This risk assessment shall take into account all risks that exist, or to which the Company may be exposed. This includes risks associated with the Company's Remuneration Policy and remuneration system. The risk assessment shall identify employees whose duties have a significant impact on the Company's risk profile.

The group of specially regulated personnel includes the following positions based on qualitative and quantitative criteria:

- Board of Directors of the Company
- Executive Management Team
- Head of Compliance
- Head of Accounting and Reporting
- Head of Debt Management
- Director/Secretary in Kommuninvest Cooperative society

Because variable remuneration is not applied, no separate analysis conducted of any particular risks associated with variable remuneration. As the Company is not considered significantly extensive in terms of its size, internal organisation or the nature, scope and complexity of its operations, it has no Risk Committee. Nor has Kommuninvest engaged external consultants for advice during the year.

EU REM1 – REMUNERATION AWARDED FOR THE FINANCIAL YEAR

SEK million		MB Supervisory function	MB Management function	Other senior management	Other identified staff
Fixed remuneration	Number of identified staff	7.0	7.0	9.0	7.0
	Total fixed remuneration	**2.6**	**2.6**	**17.6**	**6.0**
	Of which: cash-based	2.6	2.6	17.6	6.0
	(Not applicable in the EU)				
	Of which: shares or equivalent ownership interests	-	-	-	-
	Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
	Of which: other instruments	-	-	-	-
	(Not applicable in the EU)				
	Of which: other forms	-	-	-	-
	(Not applicable in the EU)				
Variable remuneration	Number of identified staff	-	-	-	-
	Total variable remuneration	**-**	**-**	**-**	**-**
	Of which: cash-based	-	-	-	-
	Of which: deferred	-	-	-	-
	Of which: shares or equivalent ownership interests	-	-	-	-
	Of which: deferred	-	-	-	-
	Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
	Of which: deferred	-	-	-	-
	Of which: other instruments	-	-	-	-
	Of which: deferred	-	-	-	-
	Of which: other forms	-	-	-	-
	Of which: deferred	-	-	-	-
Total remuneration		**2.6**	**2.6**	**17.6**	**6.0**

EU REM5 – INFORMATION ON REMUNERATION OF STAFF WHOSE PROFESSIONAL ACTIVITIES HAVE A MATERIAL IMPACT ON INSTITUTIONS' RISK PROFILE (IDENTIFIED STAFF)

	Management body remuneration			Business areas						
SEK million	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
Total number of identified staff										16.0
Of which: members of the MB	*7.0*	*7.0*	*7.0*							
Of which: other senior management				-	-	-	*5.0*	*2.0*	*2.0*	
Of which: other identified staff				-	-	-	*7.0*	-		
Total remuneration of identified staff	2.6	2.6	2.6	-	-	-	14.4	2.7	6.5	
Of which: variable remuneration	-	-	-	-	-	-	-	-	-	
Of which: fixed remuneration	*2.6*	*2.6*	*2.6*	-	-	-	*14.4*	*2.7*	*6.5*	

Net profit and Capital

NET PROFIT

The Company has no vested interest in generating profit. Its purpose is to provide economic benefit to members and, following any necessary consolidation, profits accrue to the members. Pricing is based instead on the requirements for financial results stated in the owner directive. These requirements mean that the margin between funding and lending rates must be sufficient to cover the operating costs of the Company and the Society. The margin shall also provide an opportunity for a return on members' contribution capital.

Strategic risk

Strategic risk refers to the long-term risk of losses due to erroneous or misguided strategic choices and business decisions, incorrect implementation of decisions or inadequate sensitivity to changes in society, regulatory systems or the financial sector and/or local government sector. The Company has a procedure for developing strategic targets set by the Board of Directors. Strategic risks are limited by strategic decisions being made on the basis of well-founded analyses and decisions of a strategic nature often being made by the Board of Directors. Included under strategic risk is business risk, which is the risk of reduced revenues or increased expenses as a consequence of factors in the external business environment (including market conditions, customer behaviours and technological developments) having a negative impact on volumes and mar gins. All departments within the Company work continuously with external monitoring in their respective fields.

Capital requirement for strategic risk

The Company's assessment is that the capital requirement for strategic risk is managed within operational risks.

CAPITAL

The Board of Directors has set a principal capital target for the Company, exceeding by a margin, the highest of the internally estimated capital requirements and the Swedish Financial Supervisory Authority's overall capital assessment. The scale of the capital target in quantitative terms is determined annually within the framework of the Company's internal capital adequacy assessment process (ILAAP).

Capital management

The Company must retain sufficient capital to be able to meet both internally estimated capital requirements and regulatory requirements. Sufficient capital adequacy is important for lending to Sweden's municipalities and regions to be able to continue growing and to maintain the confidence of the Company's stakeholders, particularly external financiers. Kommuninvest is obliged to comply with the supervisory regulation (EU) no. 575/2013, also referred to as CRR (Capital Requirements Regulation), which is directly applicable in Sweden and the capital adequacy directive EU 2013/36, implemented in Sweden through laws and Sweden's Financial Supervisory Authority's regulations.

In addition, the Financial Supervisory Authority provide pillar 2 guidance that specifies a recommended level of capital the institution should maintain in addition to the requirement. Separate requirements and guidance are stated regarding risk-based capital requirements and capital requirements for leverage ratio. The Pillar 2 guidelines are based on the outcome of stress tests and other institution-specific assessments. According to the Financial Supervisory Authority's decision, the Company has no additional capital requirements in subject to Pillar 2 guidance.

Kommuninvest's capitalisation – responsibility of the owners

The Society is responsible for the Group's capitalisation. Kommuninvest does not build up capital by retaining earnings, but by means of obligatory member contributions from the members of the Society, who are also the Company's owners. The Annual General Meeting of the Society in April 2020 adopted amended Articles of Association and a new plan for Kommuninvest's build-up of capital, which is based on a forecast of Kommuninvest's lending to members. According to the amended statutes and adopted capital plan, members' contribution capital to the Society will have increased by about SEK 5 billion with members gradually paying a higher contribution per inhabitant up until 2024 – from SEK 900 per inhabitant in 2020 to SEK 1,300 per inhabitant in 2024.

A new capital plan is decided by the General meeting of the Society once per mandate period, which is every four years. At the General meeting in March 2024, a new plan for Kommuninvest's capital build-up for the years 2025–2028 was established.

Liquidity and Funding

LIQUIDITY RISK

Liquidity risk refers to the risk that it will not be possible to meet payment obligations on maturity without the expense of obtaining payment funds increasing considerably.

The short term liquidity risk includes risks in the daily liquidity management where unforeseen events may make it difficult for the Company to meet its obligations. For this purpose, the Company maintains a liquidity reserve with highly liquid assets to limit this risk. The liquidity risk is further limited by the Company being a full member of the Riksbank's (Swedish central bank) RIX payment system, through which the Company can, among other things, raise loans against collateral.

The structural liquidity risk (financing risk) corresponds to the risk that the Company has not financed its long-term commitments in advance. This risk is restricted, in part, through access to diversified funding and, in part, through good matching of maturities between assets and liabilities.

Structure and organisation of the liquidity risk management function

All liquidity management occurs centrally within the Company, Kommuninvest i Sverige AB. Because other Group companies have no employees, they do not manage liquidity themselves. Debt Management is the function within the Company responsible for planning liquidity and managing borrowing, investments, derivatives, currency exchange and repo transactions.

Liquidity planning is intended to facilitate the renegotiation of existing lending, forecasting of new lending, the forecasting funding maturities, funding that can be withdrawn and liquidity requirements stemming from CSA agreements entered into and the clearing of derivatives. Debt Management must also ensure that liquidity is available for lending with different maturities in accordance with the applicable lending limits.

Debt Management must continuously monitor maturity imbalances and borrow liquidity during maturities where necessary.

The Company's declaration of risks

The Company shall undertake a low risk exposure. Risks are only accepted in order to fulfill the assignment as a municipality debt office. All other risks shall be eliminated. Risks that are accepted shall be visualized, limited and regularly evaluated. A sound risk-culture assures the Company's low risk profile.

The Company's risk appetite for liquidity risks

The Company shall cater to its members need for financing. Achieved through forward planning, diversified funding, duration matching, efficient collateral management and a highly liquid reserve.

A key risk indicator is an overarching and forward looking risk analysis tool that is a measure of the level and focus of the Company's risks that can be accepted to safeguard the effects of governance and control. The key risk indicators established by the Board of Directors, the CEO, the Head of Risk and/or those responsible for risks are to be calibrated and assessed regularly (at least annually). This assessment entails assessing whether the indicators effectively and qualitatively measure the qualitative risk appetites.

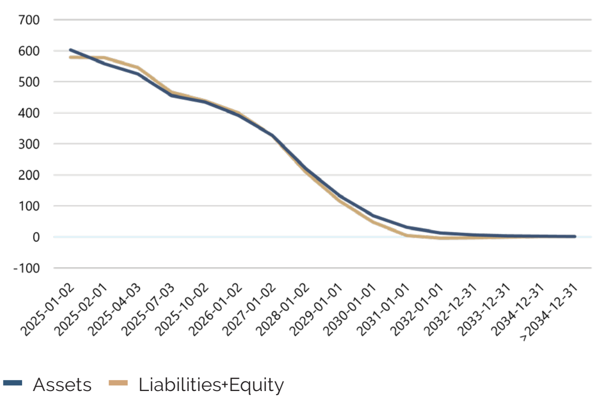
The Company has determined some 20 different key risk indicators within the liquidity limitation area. These should detect early whether the risk level is about to change and include indicators measuring diversification of borrowing, changes in borrowing levels, the liquidity of the liquidity reserve, liquidity preparedness at different maturities and the structural liquidity situation.

The risk control function is responsible for measuring, identifying, controlling, assessing, analysing and evaluating the Company's risks. The function is also responsible for monitoring exposure to risk levels on a daily basis, which includes measuring key risk indicators.

MATURITY PROFILE, BALANCE SHEET

31 Dec 2024

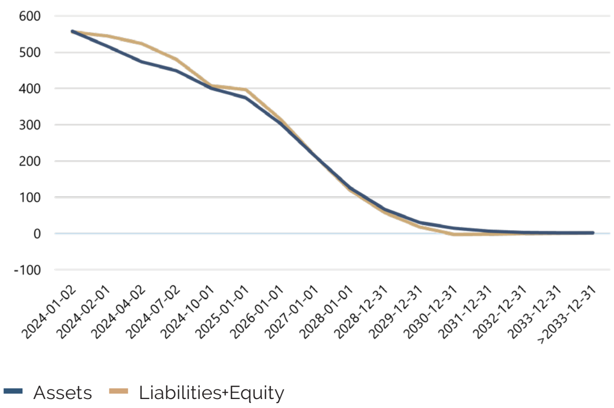
SEK bn



MATURITY PROFILE, BALANCE SHEET

31 Dec 2023

SEK bn



FUNDING

The Company has diversified funding, with access to several different capital markets. This ensures that funding activities provides the necessary conditions to cover new lending, renewals and funding maturities, even under worsening market conditions. The strategic funding program are the Company's benchmark borrowing in SEK, USD and EUR within the EMTN (Euro Medium Term Note) programme and the ECP (Euro Commercial Paper) programme. The Company maintains a continuous market presence in these programmes. In addition, the Company regularly issues green bonds, both in SEK, USD and EUR.

Good matching between assets and liabilities

Liquidity risks arise when assets and liabilities have different maturities. To minimise this risk, the Company strives to achieve good matching between assets (lending and investments) and liabilities (funding and shareholders' equity). The goal is to match assets and liabilities with maturities of more than one year and for deviations over time to be zero. The graph on the previous page illustrates the balance sheet maturity profile, indicating good matching between assets and liabilities.

The average maturity of the Company's outstanding borrowing as of 31 December 2024 was 2.2 (2.3) years if the earliest possible notice date is used in the calculation. In connection with cancellable borrowing, the investor has the right, under certain conditions, to request premature repayment of loaned funds.

The average remaining maturity for the Company's assets as of 31 December 2024 was 2.2 (2.2) years, of which the average remaining maturity for the Company's loan portfolio was 2.4 (2.4) years and the average remaining maturity for the liquidity reserve was 0.4 (0.4) years.

Liquidity reserve

To ensure a favourable preparedness in terms of liquidity even during periods of stress (such as impeded opportunities for financing in the capital markets), the Company maintains a liquidity reserve. The liquidity reserve is defined as the Company's holdings in securities, investment repos and bank balances. Bank balances refer to holdings without underlying securities. The Company's own direct holdings of securities and securities pledged as collateral are excluded from the reserve.

The size of the liquidity reserve is governed by the principle that a sufficient volume shall be maintained to meet the Company's liquidity needs even during periods of substantial uncertainty in the financial markets.

The liquidity reserve is invested in assets of favourable credit quality, high turnover and readily redeemed. In accordance with the Company's Finance Policy, investments may not be made in securities with a remaining maturity of more than 39 months. Investments are also subject to a country limit whereby exposures to an individual country may not exceed SEK 15 billion, with the exception of Sweden, for which no country limit applies. In addition, the Board of Directors determines the maximum gross exposure to individual issuers.

Liquidity coverage ratio (LCR)

The Liquidity Coverage Ratio (LCR) measures the relationship between high quality liquid assets and the net cash outflow over a 30-day period under stressful circumstances. In the short term, a liquidity coverage ratio of 100 percent thus ensures that the Company's liquidity reserve consists of sufficient high quality liquid assets to meet the net cash outflow over the ensuing 30 days under stressful circumstances.

Kommuninvest measures and monitors LCR on a daily basis. Partly at the total level, for significant currencies, that is, for each separate currency in which the Company holds borrowings amounting to 5 percent or more of its total borrowing, which are in the SEK, EUR and USD. According to the limit set by the Board of Directors, the LCR quota may not be lower than 110 percent. For SEK, the Board of Directors has set a limit of 85 percent.

The high proportion of government bonds and other high quality liquid assets in the Company's liquidity reserve means that the liquidity coverage ratio exceeds, by a favourable margin, the authorities' requirement to maintain a liquidity coverage ratio of at least 100 percent. The Company's LCR quota, in accordance with the CRR regulations, totaled, as of 31 December 2024 470.2 (216.5) percent, 5,252.4 (211.8) percent in USD, and 2,410.8 (684.3) percent in SEK and 1,155.0 (195.0) in EUR.

EU LIQ1 – QUANTITATIVE INFORMATION OF LCR, SOLO

SEK million	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Number of data points used in the calculation of averages	12	12	12	0.0	0.0	0.0	12	12
High-quality liquid assets								
Total high-quality liquid assets (HQLA)					79,574	76,772	76,574	75,811
Cash – outflows								
Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
Stable deposits	-	-	-	-	-	-	-	-
Less stable deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
Non-operational deposits (all counterparties)	-	-	-	-	-	-	-	-
Unsecured debt	-	-	-	-	-	-	-	-
Secured wholesale funding					*1,368*	*1,146*	*1,536*	*1,310*
Additional requirements	18,354	19,703	19,879	20,123	17,451	18,245	18,448	18,608
Outflows related to derivative exposures and other collateral requirements	*17,351*	*18,083*	*18,289*	*18,440*	*17,351*	*18,083*	*18,289*	*18,440*
Outflows related to loss of funding on debt products								
Credit and liquidity facilities	*1,002*	*1,621*	*1,590*	*1,682*	*100*	*162*	*159*	*168*
Other contractual funding obligations	18,464	21,472	18,472	16,603	18,464	21,472	18,472	16,603
Other contingent funding obligations								
Total cash outflows					**36,448**	**40,115**	**37,929**	**36,236**
Cash – inflows								
Secured lending (e.g. reverse repos)	22,508	17,012	8,363	5,883	4,475	4,309	2,266	1,889
Inflows from fully performing exposures	13,029	14,771	11,855	11,220	5,809	6,461	6,460	5,970
Other cash inflows	2,689	3,784	4,209	4,769	2,689	3,784	4,209	4,108
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					–	–	–	–
(Excess inflows from a related specialised credit institution)					–	–	–	–
Total cash inflows	**36,631**	**34,237**	**22,957**	**20,640**	**12,601**	**14,194**	**12,747**	**11,494**
Fully exempt inflows	-	-	-	-	-	-	-	-
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	34,889	32,930	22,383	19,442	12,601	14,194	12,747	11,494
Total adjusted value								
Liquidity buffer					79,574	76,772	76,574	75,811
Total net cash outflows					23,847	25,920	25,183	24,742
Liquidity coverage ratio					**434.9%**	**354.3%**	**322.8%**	**325.2%**

EU LIQ1 – QUANTITATIVE INFORMATION OF LCR, CONSOLIDATED

SEK million	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on	**31 Dec 2024**	**30 Sep 2023**	**30 Jun 2024**	**31 Mar 2024**	**31 Dec 2024**	**30 Sep 2024**	**30 Jun 2024**	**31 Mar 2024**
Number of data points used in the calculation of averages	12	12	12	0.0	0.0	0.0	12	12
High-quality liquid assets								
Total high-quality liquid assets (HQLA)					79,574	76,772	76,574	75,811
Cash – outflows								
Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
Stable deposits	-	-	-	-	-	-	-	-
Less stable deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
Non-operational deposits (all counterparties)	-	-	-	-	-	-	-	-
Unsecured debt	-	-	-	-	-	-	-	-
Secured wholesale funding					*1,368*	*1,146*	*1,536*	*1,310*
Additional requirements	18,359	19,648	19,823	20,122	17,456	18,189	18,393	18,608
Outflows related to derivative exposures and other collateral requirements	*17,356*	*18,027*	*18,234*	*18,440*	*17,356*	*18,027*	*18,234*	*18,440*
Outflows related to loss of funding on debt products								
Credit and liquidity facilities	*1,002*	*1,621*	*1,590*	*1,682*	*100*	*162*	*159*	*168*
Other contractual funding obligations	18,425	21,432	18,427	16,558	18,425	21,432	18,427	16,558
Other contingent funding obligations								
Total cash outflows					**36,411**	**40,078**	**37,887**	**36,191**
Cash – inflows								
Secured lending (e.g. reverse repos)	22,508	17,012	8,363	5,883	4,475	4,309	2,266	1,889
Inflows from fully performing exposures	13,021	14,763	11,781	11,127	5,801	6,452	6,386	5,876
Other cash inflows	2,689	3,784	5,651	4,924	2,689	3,784	4,498	4,139
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
(Excess inflows from a related specialised credit institution)					-	-	-	-
Total cash inflows	**36,623**	**34,228**	**24,325**	**20,701**	**12,592**	**14,186**	**12,642**	**11,391**
Fully exempt inflows	-	-	-	-	-	-	-	-
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	34,880	32,921	22,374	19,435	12,592	14,186	12,642	11,391
Total adjusted value								
Liquidity buffer					79,574	76,772	76,574	75,811
Total net cash outflows					23,819	25,892	25,245	24,800
Liquidity coverage ratio					**436.0%**	**355.4%**	**322.9%**	**325.3%**

EU LIQB ON QUALITATIVE INFORMATION ON LCR, WHICH COMPLEMENTS TEMPLATE EU LIQ1

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

Since the measurements began, the Company's liquidity ratio (LCR) has mainly been driven by the relationship between borrowing in the Company's bond programme, lending to members and potential collateral outflows as a result of CSA agreements entered into.

Explanations on the changes in the LCR over time

Although there is no clear LCR trend, situations occasionally arise in which the liquidity reserve increases in relation to the outflows due to the fact that borrowing cannot always be synchronised with lending. In such situations, the Company's investments in highly liquid assets increase. The ratio is also affected by variation in outflows of securities, which also has an effect on negative market scenarios. The Company also has some borrowing that can be terminated prematurely, which to some extent can give rise to variations in LCR.

Explanations on the actual concentration of funding sources

To ensure that funding activities provide the necessary funds to cover new lending, renewals and funding maturities, even under worsening market conditions, the Company maintains diversified funding with access to several different capital markets. The strategic funding programs are the Company's benchmark borrowing in SEK, USD and EUR within the EMTN (Euro Medium Term Note) programme and the ECP (Euro Commercial Paper) programme. The Company maintains a continuous market presence in strategic funding programmes. Today, the Company also regularly issues green bonds in the currencies SEK, USD and EUR.

High-level description of the composition of the institution`s liquidity buffer

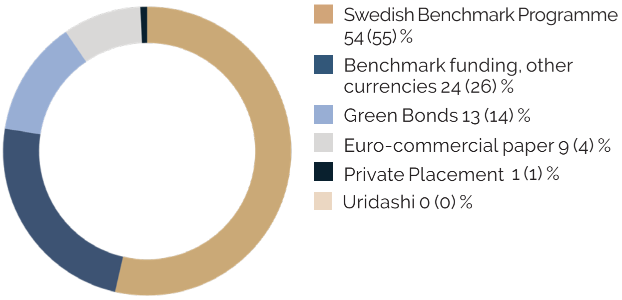
The reserve is defined as the Company's holdings in securities, investment repos and bank balances. Bank balances refer to holdings without underlying securities. In accordance with the Company's strategy, the liquidity reserve shall be invested short term, with the average maturity not exceeding 12 months.

Individual investments may have a maturity of up to 39 months. The average remaining maturity on the investments in the liquidity reserve as per 31 December 2024 was 4.7 (4.7) months. The longest maturity for an individual security was 28.0 (37.0) months. Investments are subject to a country limit whereby exposures to an individual country may be SEK 18 billion, with the exception of Sweden, for which no country limit applies. In addition, the Board of Directors determines annually the maximum gross exposure to individual issuers.

Investments are made primarily in securities issued by sovereigns or central banks, multilateral development banks and subsidised lenders[1]. The Company's own direct holdings of securities and securities pledged as collateral are excluded from the reserve. As per 31 December 2024, 90 (93) percent of the reserve was invested in securities with the highest possible credit rating, and 65 (72) percent consisted of investments in securities issued by issuers in Sweden.

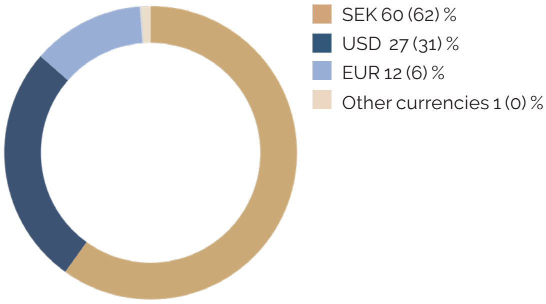
FUNDING PORTFOLIO BY PROGRAMME

2024 (2023)



FUNDING PORTFOLIO BY CURRENCY

2024 (2023)



1) Subsidised lenders refer to securities issuers where the exposure is treated as a sovereign exposure in accordance with CRR regulations. This includes, among other things, the Company's Nordic sister organisations.

Derivative exposures and potential collateral calls
The Company uses derivatives to hedge market risks. CSA agreements entered into with all derivative counterparties ensure that changes in market value are covered by collateral, mainly cash collateral. The Company calculates potential collateral flows according to the HLBA method and takes this into account in the LCR measurements. Collateral flows according to the HLBA method are continuously reconciled with internal stress tests for collateral flows.

Currency mismatch in the LCR
The Company's main borrowing currencies are SEK and USD. The Company's only lending currency is SEK. The Company's liquidity reserve shall mainly be invested in SEK-denominated assets. The Company also invests in other currencies to meet the LCR requirements.

Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile
In the Company's internal liquidity measures and governance, the Company assumes a forecast turnover rate if higher than 50 percent, which it usually is. The company also maintains additional preparedness for unexpected outflows, including new lending.

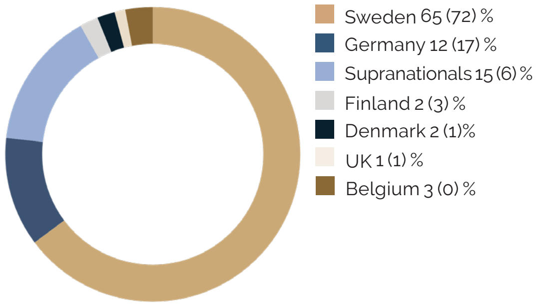
NET STABLE FUNDING RATIO (NSFR)

With regard to measures relating to the structural liquidity risk, the Company measures and monitors the NFSR that is, the relationship between available stable financing and the Company's need for stable financing.

Since June 2016, a limit has been imposed by the Company's Board of Directors to the effect that the NSFR quota may not fall below 110 percent. As per 31 December 2024, the NSFR quota was 137.3 (140.1) percent. In accordance with the Company's asset and liability management strategy, the Company shall continuously and over time maintain a good match between assets and liabilities. This together with the fact that the asset side only consists of lending to the municipality/regional sector and the liquidity reserve consisting of highly liquid assets, contributes to a stable NSFR quota over time.

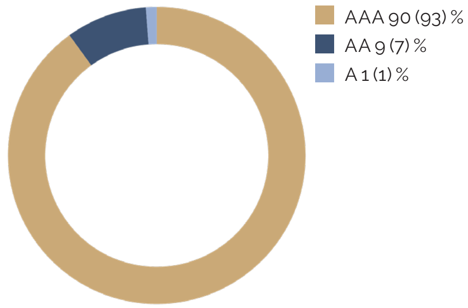
LIQUIDITY RESERVE DISTRIBUTED BY COUNTRY

2024 (2023)



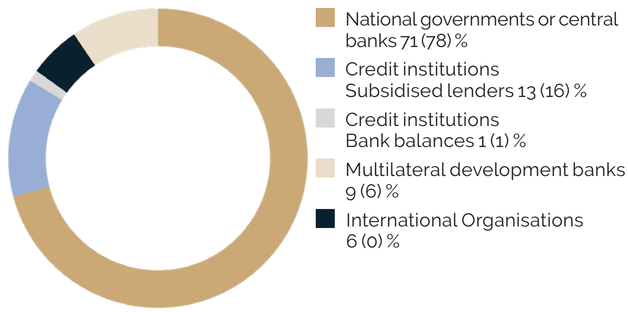
LIQUIDITY RESERVE DISTRIBUTED BY RATING CATEGORY

2024 (2023)



LIQUIDITY RESERVE DISTRIBUTED BY ISSUER CATEGORY

2024 (2023)



EU LIQ2: NET STABLE FUNDING RATIO, SOLO

SEK million	Unweighted value by residual maturity				
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items					
Capital items and instruments	11,120.8	-	-	-	11,120.8
Own funds	*11,120.8*	-	-	-	*11,120.8*
Other capital instruments		-	-	-	-
Retail deposits					
Stable deposits		-	-	-	-
Less stable deposits		-	-	-	-
Wholesale funding:		115,249.9	53,148.2	422,511.5	449,085.6
Operational deposits					
Other wholesale funding		*115,249.9*	*53,148.2*	*422,511.5*	*449,085.6*
Interdependent liabilities					
Other liabilities:	**384.0**	**1,772.8**			**0**
NSFR derivative liabilities	*383,975,147.8*				
All other liabilities and capital instruments not included in the above categories		*1,772.8*	-	-	-
Total available stable funding (ASF)					**460,206.5**
Required stable funding (RSF) Items					
Total high-quality liquid assets (HQLA)					-
Assets encumbered for more than 12m in cover pool		-	-	-	-
Deposits held at other financial institutions for operational purposes		-	-	-	-
Performing loans and securities:		103,886.0	46,762.4	394,490.9	331,458.9
Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		*711.0*	-	-	*71.1*
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		*103,175.0*	*46,762.4*	*394,490.9*	*331,387.8*
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		*103,175.0*	*46,762.4*	*394,490.9*	*331,387.8*
Performing residential mortgages, of which:		-	-	-	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		-	-	-	-
Interdependent assets		-	-	-	-
Other assets:		2,497.2		1,707.9	3,630.7
Physical traded commodities					
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		*0.0*	-	*1,707.9*	*1,451.7*
NSFR derivative assets		*2,206.3*			*2,206.3*
NSFR derivative liabilities before deduction of variation margin posted		*384.0*			*19.2*
All other assets not included in the above categories		*-93.1*	-	-	*-46.6*
Off-balance sheet items		398.2	-	-	19.9
Total RSF					**335,109.4**
Net Stable Funding Ratio (%)					**137.3%**

EU LIQ2: NET STABLE FUNDING RATIO, CONSOLIDATED

	Unweighted value by residual maturity				
SEK million	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items					
Capital items and instruments	11,840.2	-	-	-	11,840.2
Own funds	*11,840.2*	-	-	-	*11,840.2*
Other capital instruments		-	-	-	-
Retail deposits					
Stable deposits		-	-	-	-
Less stable deposits		-	-	-	-
Wholesale funding:		115,249,902.3	53,148,242.8	422,511,514.1	449,085,635.5
Operational deposits					
Other wholesale funding		*115,249,902.3*	*53,148,242.8*	*422,511,514.1*	*449,085,635.5*
Interdependent liabilities					
Other liabilities:	**384.0**	**1,055.6**			**0**
NSFR derivative liabilities	*384.0*				
All other liabilities and capital instruments not included in the above categories		*1,055.6*	-	-	-
Total available stable funding (ASF)					**460,925.9**
Required stable funding (RSF) Items					
Total high-quality liquid assets (HQLA)					**-**
Assets encumbered for more than 12m in cover pool		-	-	-	-
Deposits held at other financial institutions for operational purposes		-	-	-	-
Performing loans and securities:		103,904.7	46,762.4	394,490.9	331,460.7
Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		*729.6*	-	-	*73.0*
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		*103,175.0*	*46,762.4*	*394,490.9*	*331,387.8*
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		*103,175.0*	*46,762.4*	*394,490.9*	*331,387.8*
Performing residential mortgages, of which:		-	-	-	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		-	-	-	-
Interdependent assets		-	-	-	-
Other assets:		2,480.7		1,707.9	3,622.5
Physical traded commodities					
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		*0.0*	-	*1,707.9*	*1,451.7*
NSFR derivative assets		*2,206.3*			*2,206.3*
NSFR derivative liabilities before deduction of variation margin posted		*384.0*			*19.2*
All other assets not included in the above categories		*-109.5*	-	-	*-54.8*
Off-balance sheet items		398.2	-	-	19.9
Total RSF					**335,103.1**
Net Stable Funding Ratio (%)					**137.5%**

STRESS TESTS AND CONTINGENCY PLAN

The Company's liquidity reserve must, in accordance with the financial policy and financial instructions, safeguard the following factors affecting liquidity:

- Short term deviations in the maturity matching.
- Outflows as a result of collateral management within the derivatives operations.
- Outflows as a result of the Company being able to offer customers new loans or turnover of existing loans.

The Company's liquidity preparedness must be able to cope with stresses in the above parameters affecting liquidity. Liquidity preparedness is evaluated on an ongoing basis through stress tests, and appropriate measures to improve the liquidity situation are detailed in the Company's contingency plan. An example of a stress test is a stressed LCR measure based on a longer period of time than the regulatory LCR measure. The contingency plan is linked to the Company's risk framework, which includes an escalation process that should reflect the Company's financial situation and that includes five levels: normal position, risk-owner limitation, CEO limitation, Board of Directors limitation and legal requirements. If the financial situation changes from the normal position, a number of measures are specified in a specific order of priority to improve the Company's liquidity, which shall enable the Company to meet its payment obligations

CONTINUITY MANAGEMENT

The continuity management plan for liquidity includes the contingency plan, the continuity plan and the recovery plan. In the event of an interruption, or major operational disruption or crisis, the plan and the tests and exercises conducted serve as a guide as to how efforts are to be organised.

The plan also describes measures to improve the Company's liquidity and its likelihood of meeting its payment obligations, including, for example, temporarily increased funding, utilising the liquidity reserve and the pricing of loans.

The Company shall test the plan and conduct exercises based on it regularly (at least annually). The results of the completed exercises/tests are to be analysed and, if necessary, the plan shall be updated according to the findings.

Credit and Market

CREDIT RISK

Credit risk refers to the risk of a loss being incurred as a consequence of a counterparty's incapacity to meet its obligations on time. Credit risk arises in various ways in the Group's operations and are divided into three areas: risk in credit provision arising in the lending operations, issuer risk arising in the Group's liquidity reserve and counterparty risk, which arises when the Group uses derivative instruments.

As a result of the local government sector's favourable creditworthiness, gained through, for example, economic development, the local authorities' right to levy taxes and the fact that local government authorities cannot, in practice, be declared bankrupt, the assessment has been made that Kommuninvest's credit provision risks are low. The Company's investment and derivatives counterparties present a high creditworthiness and a persistently stable financial capacity. Investments are only made in sovereign related issuers maintaining a high credit rating of at least AA. Besides its selective choice of counterparties, on entering into derivative agreements, the Company also applies several measures to mitigate credit risk, including collateral arrangements, thereby reducing its exposures.

STRUCTURE AND ORGANISATION OF THE CREDIT RISK MANAGEMENT FUNCTION

Credit risk related issues are handled in the Credit Risk Committee. The risk control function is responsible for measuring, identifying, controlling, assessing, analysing and evaluating the Company's risks. The function is also responsible for monitoring exposure to risk levels on a daily basis, which includes measuring key risk indicators.

RISK IN CREDIT PROVISION

Risk in credit provision arises in connection with lending to the Company's customers. Kommuninvest lends only to the local government sector, either directly to the member or to another lending counterparty, provided that a member is the majority owner and has provided a joint and several guarantee for the credit.

Credit risk review

To assess the financial development of the individual municipality/region, Kommuninvest primarily applies an internal risk value model. This is a quantitative model that determined a risk value for all municipalities/regions. The risk value is a quantitative measure intended to quantify the municipal group's financial viability at a general level. Based on this, the municipality's financial strengths and challenges are also highlighted. A high risk value means that the municipal group faces financial challenges that may require a more in-depth analysis. The risk value model is also used to continuously monitor the sector's development. The Risk department continuously perform more qualitative analyses of both the local government sector and individual borrowers.

Kommuninvest applies a set of indicators to continuously monitor the development of credit risk in the lending portfolio.

The function of the indicators is to demonstrate whether there is a change in the probability of default necessitating a transfer between credit risk phases based on limits.

Kommuninvest uses both quantitative and qualitative indicators in its ongoing monitoring. The quantitative indicators consist of ratings from rating agencies and data from credit information providers (risk score, risk forecast and payment orders) and Kommuninvest's internal risk value model for assessing lending counterparties. Limits have been established for the quantitative indicators, and violations are followed up. A limit is also applied, meaning that an asset will be transferred to phase 2 if payment is delayed by more than 30 days. The qualitative indicators consist of restructuring of loan terms. Before an individual counterparty is transferred to phase 2, a special assessment is to be made to elucidate the underlying causes and the counterparty's overall repayment capacity. The credit quality of the financial assets is determined by the Credit Risk Committee.

Default

Kommuninvest's definition of default is in line with the guidelines developed by the European Banking Authority (EBA) and entail a counterparty having defaulted when at least one of the following situations has occurred:

- Kommuninvest considers it unlikely that the counterparty will be able to meet its commitments in full.
- Any of the counterparty's commitments to Kommuninvest have been due for payment for more than 90 days.

Before an exposure is considered to be in default, Kommuninvest is to perform an expert assessment. Based on the EBA's guidelines, this shall ascertain whether a "technical default" situation has arisen. If the exposure is directly to a member (municipality or region), the in-depth analysis is motivated primarily by the local government authorities' constitutionally protected role in society, including the right to levy taxes, meaning in practice that a local government authority cannot be declared bankrupt. Kommuninvest has never suffered any actual credit loss, nor has it modified payment flows or renegotiated any existing agreements. The surety regulates the members' liability towards the Company. In light of the above, the Company has no specific principles for write-offs.

LENDING FRAMEWORKS AND RESTRICTIONS

The Board of Directors determines lending frameworks and restrictions for all lending, investment and derivative counter parties at least once annually. General lending frameworks for the Group's customers are established annually based on the total debt of the municipal or regional group. The lending framework is differentiated by means of a quantitative risk value model for assessing financial capacity. For members with greater financing needs in relative terms, it is possible to raise the limit.

Credit risk quality

EU CR1 – PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions								
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				Collateral and financial guarantees received	
SEK million		*Of which stage 1*	*Of which stage 2*		*Of which stage 2*	*Of which stage 3*		*Of which stage 1*	*Of which stage 2*		*Of which stage 2*	*Of which stage 3*	Accumulated partial write-off	On performing exposures	On non-performing exposures
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	**551,739.0**	**372,122.9**	-	-	-	-	**-3.7**	**-3.7**	-	-	-	-	-	**226,079.8**	-
Central banks	6,575.8	6,575.8	-	-	-	-	0.0	0.0	-	-	-	-	-	-	-
General governments	318,350.4	212,884.1	-	-	-	-	-2.0	-2.0	-	-	-	-	-	-	-
Credit institutions	731.4	731.4	-	-	-	-	-0.2	-0.2	-	-	-	-	-	-	-
Other financial corporations	9,187.1	5,635.0	-	-	-	-	-0.1	-0.1	-	-	-	-	-	9,186.9	-
Non-financial corporations	216,894.3	146,296.6	-	-	-	-	-1.4	-1.4	-	-	-	-	-	216,892.9	-
Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	**51,607.5**	**43,140.6**	-	-	-	-	**-0.8**	**-0.8**	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	38,209.0	32,791.6	-	-	-	-	-0.3	-0.3	-	-	-	-	-	-	-
Credit institutions	13,398.5	10,349.0	-	-	-	-	-0.5	-0.5	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet exposures	**270.0**	**270.0**	-	-	-	-	**0.0**	**0.0**	-	-	-	-		-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	100.0	100.0	-	-	-	-	0.0	0.0	-	-	-	-		-	-
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Non-financial corporations	170.0	170.0	-	-	-	-	0.0	0.0	-	-	-	-		-	-
Households	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Total	**603,616.5**	**415,533.5**	-	-	-	-	**-4.5**	**-4.5**	-	-	-	-	-	**226,079.8**	-

EU CR1-A – MATURITY OF EXPOSURES

						Net exposure value
SEK million	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	731.4	133,993.3	417,014.3	-	-	**551,739.0**
Debt securities	-	48,550.4	3,057.1	-	-	**51,607.5**
Total	731.4	182,543.7	420,071.4	-	-	**603,346.5**

EU CQ3 – CREDIT QUALITY OF PERFORMING AND NON-PERFORMING EXPOSURES BY PAST DUE DAYS

SEK million	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	**551,739.0**	**551,739.0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Central banks	6,575.8	6,575.8	-	-	-	-	-	-	-	-	-	-
General governments	318,350.4	318,350.4	-	-	-	-	-	-	-	-	-	-
Credit institutions	731.4	731.4	-	-	-	-	-	-	-	-	-	-
Other financial corporations	9,187.1	9,187.1	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	216,894.3	216,894.3	-	-	-	-	-	-	-	-	-	-
Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	**51,607.5**	**51,607.5**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	38,209.0	38,209.0	-	-	-	-	-	-	-	-	-	-
Credit institutions	13,398.5	13,398.5	-	-	-	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet exposures	**270.0**			**-**								**-**
Central banks	-			-								-
General governments	100.0			-								-
Credit institutions	-			-								-
Other financial corporations	-			-								-
Non-financial corporations	170.0			-								-
Households	-			-								-
Total	**603,616.5**	**603,346.5**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

EU CQ4 – QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHY

SEK million	Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing					
			Of which defaulted	Of which subject to impairment			
On-balance-sheet exposures	**603,346.5**	**-**	**-**	**415,263.5**	**-4.5**		**-**
Belgium	1,713.7	-	-	-	-		-
Denmark	1,108.4	-	-	1,108.4	0.0		-
Finland	1,181.1	-	-	1,181.1	-0.1		-
Germany	6,861.9	-	-	4,028.6	-0.2		-
Sweden	582,071.6	-	-	401,372.9	-3.7		-
UK	674.7	-	-	674.7	-0.2		-
Other countries	9,735.1	-	-	6,897.8	-0.3		-
Off-balance-sheet exposures	**270.0**	**-**	**-**			**0.0**	
Belgium	-	-	-				
Denmark	-	-	-				
Finland	-	-	-			-	
Germany	-	-	-			-	
Sweden	270.0	-	-			-	
UK	-	-	-			0.0	
Other countries	-	-	-			-	
Total	**603,616.5**	**-**	**-**	**415,263.5**	**-4.5**	**0.0**	**-**

EU CQ5 – CREDIT QUALITY OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY INDUSTRY

	Gross carrying amount					
		Of which non-performing		*Of which loans and advances subject to impairment*		
SEK million			*Of which defaulted*		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
Agriculture, forestry and fishing	149.6	-	-	*69.8*	0.0	-
Mining and quarrying	-	-	-	-	-	-
Manufacturing	2.5	-	-	*2.5*	0.0	-
Electricity, gas, steam and air conditioning supply	18,229.5	-	-	*11,763.8*	-0.1	-
Water supply	21,045.6	-	-	*12,508.7*	-0.1	-
Construction	3,003.5	-	-	*1,690.1*	0.0	-
Wholesale and retail trade	-	-	-	-	-	-
Transport and storage	1,957.3	-	-	*1,234.2*	0.0	-
Accommodation and food service activities	29.2	-	-	*24.1*	0.0	-
Information and communication	1,169.6	-	-	*637.0*	0.0	-
Financial and insurance activities	20.1	-	-	*20.1*	0.0	-
Real estate activities	160,444.1	-	-	*110,033.6*	-1.0	-
Professional, scientific and technical activities	4,423.8	-	-	*3,036.4*	-0.1	-
Administrative and support service activities	5,386.5	-	-	*4,883.3*	-0.1	-
Public administration and defense, compulsory social security	452.4	-	-	*194.3*	0.0	-
Education	342.9	-	-	*73.4*	0.0	-
Human health services and social work activities	-	-	-	-	-	-
Arts, entertainment and recreation	237.7	-	-	*125.3*	0.0	-
Other services	0.0	-	-	-	-	-
Total	**216,894.3**	**-**	**-**	*146,296.6*	**-1.4**	**-**

EU CQ6 – COLLATERAL VALUATION - LOANS AND ADVANCES

	Loans and advances											
		Performing		Non-performing								
						Past due > 90 days						
SEK million			*Of which past due > 30 days ≤ 90 days*		Unlikely to pay that are not past due or are past due ≤ 90 days		*Of which past due > 90 days ≤ 180 days*	*Of which: past due > 180 days ≤ 1 year*	*Of which: past due > 1 years ≤ 2 years*	*Of which: past due > 2 years ≤ 5 years*	*Of which: past due > 5 years ≤ 7 years*	*Of which: past due > 7 years*
Gross carrying amount	551,739.0	551,739.0	-	-	-	-	-	-	-	-	-	-
Of which secured	233,388.5	233,388.5	-	-	-	-	-	-	-	-	-	-
Of which secured with immovable property	-	-	-	-	-	-	-	-	-	-	-	-
Of which instruments with LTV higher than 60% and lower or equal to 80%	-	-		-	-	-						
Of which instruments with LTV higher than 80% and lower or equal to 100%	-	-		-	-	-						
Of which instruments with LTV higher than 100%	-	-		-	-	-						
Accumulated impairment for secured assets	-1.7	-1.7	-	-	-	-	-	-	-	-	-	-
Collateral												
Of which value capped at the value of exposure	-	-	-	-	-	-	-	-	-	-	-	-
Of which immovable property	-	-	-	-	-	-	-	-	-	-	-	-
Of which value above the cap	-	-	-	-	-	-	-	-	-	-	-	-
Of which immovable property	-	-	-	-	-	-	-	-	-	-	-	-
Financial guarantees received	226,079.8	226,079.8	-	-	-	-	-	-	-	-	-	-
Accumulated partial write-off	-	-	-	-	-	-	-	-	-	-	-	-

COUNTERPARTY RISK

Counterparty risk arises when the Company includes derivative contracts to limit market risks. Counterparty risk is limited by entering into contracts only with financial institutions with a high credit rating.

Risk management

To enter into an uncleared derivative, the counterparty must, at the time of the transaction, have a credit rating not lower than BBB as an issuer or senior securities or be guaranteed by someone with this credit rating. Counterparty risks are further reduced by concluding ISDA agreements and security agreements (CSA agreements) with all counterparties. ISDA agreements allow netting of positive and negative exposures.

CSA agreements govern the right to collect or pledge collateral to eliminate the exposure arising from changes in the value of derivative contracts that have been entered into. Pledging collateral is also associated with counterparty risk and occurs in the form of Initial Margin for cleared derivatives, as well as in the form of excess pledged collateral. Following collateral, the total counterparty risk amounts to SEK 2,310.2 (4,038.4) million.

Counterparty risk	31 Dec 2024	31 Dec 2023
Gross exposure (before ISDA)	21,055.0	20,452.9
Net exposure (after ISDA)	15,841.4	4,716.4
Net exposure after collateral (after CSA)	432.6	619.2

Management of credit reduction in CSA and CTA

In connection with the EMIR regulatory framework, which requires the replacement of variation margins for OTC derivatives, the Company has, since March 2017, introduced CSA agreements entailing a daily exchange of collateral without thresholds. Of the nominal amount of all derivatives, 99,8 per cent is now covered by a daily exchange of collateral. The Initial Margin set for cleared derivatives can take the form of either securities or cash in SEK or USD. Derivatives entered after March 2017 are only covered by cash collateral denominated in SEK or USD. Derivatives entered after this date are covered by approved sovereign securities.

Uncleared Margin Rules is applicable since September 2022 (phase 6). The Company has not pledged any securities under the new rules. New CTA agreements are however negotiated with the majority part of the prioritized counterparties.

Collateral in the form of securities received is kept in a separate account from the Company's other collateral holdings. Cash and cash equivalents are managed in the Company's joint transaction account. Settlement with counterparties is con ducted within the TriResolve support system, based on established procedures according to which difference thresholds are used to manage deviations.

In addition to the market scenario included in the LCR measure, a supplementary scenario is also used to calculate collateral outflows from derivative agreements that have been entered into. The complementary scenario is calculated by measuring historical flows of collateral. This calculation is made for all 30-day intervals over the past two years.

If the credit rating falls to Aa3/AA, the value of collateral needed to be pledged by the Company does not increase. The Company assesses the subsequent risk as immaterial since the thresholds that disappear are low and only apply to a few counterparties.

Concentrations in credit reductions measures	31 Dec 2024	31 Dec 2023
Collateral received		
Cash funds, SEK	7,481.3	5,560.5
Cash funds, USD	1,723.4	22.4
Cash funds, SEK (CLEARING)	1,691.1	-
Cash funds, EUR (CLEARING)	678.6	-
Securities (UK)	-	-
Securities (Denmark)	0.8	47.9
Securities (France)	5.5	183.6
Securities (Netherland)	25.5	17.5
Securities (Germany)	-	22.1
Securities (Sweden)	18.3	-
Securities (Norway)	22.1	-
Pledged assets		
Cash funds, SEK	-	4,978.5
Cash funds, USD	84.0	588.3
Cash funds, USD (CLEARING)	-422.4	1,569.5
Cash funds SEK (CLEARING)	-	2,076.0
Cash funds EUR (CLEARING)	-	0.0

Counterparty limits

Counterparties, including central counterparties, are divided into risk categories. The category to which each counterparty is assigned is based on an overall assessment of the counterparty risk, in which external ratings are one factor. Limits determined based on category include: framework for nominal amount in noncleared derivatives (OTC), framework for nominal amounts (clearing), framework for present market value and stressed future market value, as well as accounting CVA and regulatory CVA. Limits for settlement risk are determined based on credit ratings and limits for correlation risk are determined based on a threshold value. In determining limits, any mutual connections are taken into account, as well as any group limits to be applied.

External ratings

Credit ratings from Moody's and S&P Global Ratings are fed into the Bloomberg Adaptiv system support module, affecting the scope of transactions based on policies and instructions. No changes were implemented in 2024.

Stressed future market value

Stressed future market value captures the risk of major changes in market values in the event that a counterparty were to default. The Company calculates future market values using Monte-Carlo simulation. The foremost factor affecting future movements is the dominant share of derivatives, that being the USD/SEK currency pair.

Nominal amounts by geography (cleared and non-cleared)

Country	Volume, nominal amount	%
UK	907,327.6	80.6%
France	54,173.8	4.8%
Sweden	51,814.9	4.6%
Denmark	41,333.3	3.7%
Finland	32,800.2	2.9%
Ireland	23,962.6	2.1%
Germany	14,955.9	1.3%
USA	9.5	0.0%

Maturities of derivative contracts (cleared and non-cleared)

	Nominally 0–1 years	Nominally 1–3 years	Nominally 3–6 years	Nominally > 6 years
Interest	232,088.7	240,472.6	421,052.6	21,028.7
FX	107,931.7	31,126.9	72,653.3	-
Structured	23.4	-	-	-

Credit valuation adjustment

The Company's income statement is adjusted based on the risk of changes in credit rating, or Credit Valuation Adjustment (CVA). At the end of the year, recognised CVA amounted to SEK 5.1 (5.9) million.

Correlation risk

The Company measures the general correlation risk for derivative exposures in relation to the counterparty's probability of default. This is calculated weekly for each counterparty. Exponential weight factor is applied. An unfavourable correlation, exceeding the limit, should be seen as an indicator of increased risk and, based on the principles established, an assessment should be made as to whether there is a need to increase CCR (counterparty risks) and CVA risks.

Measurement of capital requirements

The Company has no internal models for calculating capital requirements on counterparty risk. In 2021, the market value method was replaced by the standard method, SACCR, which the Company now applies. All of the Society's members have signed a guarantee agreement, meaning that they assume responsibility for the Company's possible counterparty losses. Accordingly, the Company only reports SACCR without addressing capital requirements.

EU CR3 – CRM TECHNIQUES OVERVIEW: DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES

	Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	*Of which secured by financial guarantees*	
SEK million					*Of which secured by credit derivatives*
Loans and advances	325,655.5	226,079.8	-	226,079.8	-
Debt securities	51,606.6	-	-	-	
Total	**377,262.1**	**226,079.8**	**-**	**226,079.8**	**-**
Of which non-performing exposures	-	-		-	-
Of which defaulted	-	-			

EU CR4 – STANDARDISED APPROACH – CREDIT RISK EXPOSURE AND CRM EFFECTS, SOLO

SEK million	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
Central governments or central banks	41,128	-	41,128	-	-	-
Regional government or local authorities	318,131	185	544,211	199	0.0	0.00
Public sector entities	-	-	-	-	-	-
Multilateral development banks	6,068	-	6,068	-	0	0.00%
International organisations	-	-	-	-	-	-
Institutions	8,049	-	8,049	-	143	1.8%
Corporates	226,187	213	107	0	105	98.5%
Retail	-	-	-	-	-	-
Secured by mortgages on immovable property	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Other items	-	-	-	-	-	-
Total	**603,230**	**398**	**603,230**	**199**	**248**	**0.0411%**

EU CR4 – STANDARDISED APPROACH – CREDIT RISK EXPOSURE AND CRM EFFECTS, CONSOLIDATED

SEK million	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
Central governments or central banks	41,130	-	41,130	-	0.0	0.00
Regional government or local authorities	318,131	185	544,211	199	0.0	0.00
Public sector entities	-	-	-	-	-	-
Multilateral development banks	6,068	-	6,068	-	0	0.00%
International organisations	-	-	-	-	-	-
Institutions	8,068	-	8,068	-	146	1.8%
Corporates	226,168	213	89	-	87	98.2%
Retail	-	-	-	-	-	-
Secured by mortgages on immovable property	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Other items	-	-	-	-	-	-
Total	**603,232**	**398**	**603,232**	**199**	**233**	**0.0387%**

EU CR5 – STANDARDISED APPROACH, SOLO

SEK million	Risk weight																
Exposure classes	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	*Of which unrated*
Central governments or central banks	41,128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,128	-
Regional government or local authorities	550,254	-	-	-	-	-	-	-	-	-	-	-	-	-	-	550,254	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	6,068	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,068	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	7,336	-	-	-	713	-	-	-	-	-	-	-	-	-	-	8,049	-
Corporates	-	-	-	-	-	-	-	-	-	105	-	-	-	-	-	107	-
Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**608,454**	-	-	-	**713**	-	-	-	-	**105**	-	-	-	-	-	609,273	-

EU CR5 – STANDARDISED APPROACH, CONSOLIDATED

SEK million	Risk weight																
Exposure classes	**0%**	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1250%**	**Others**	**Total**	***Of which unrated***
Central governments or central banks	41,130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**41,130**	-
Regional government or local authorities	550,254	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**550,254**	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Multilateral development banks	6,068	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**6,068**	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Institutions	7,336	-	-	-	732	-	-	-	-	-	-	-	-	-	-	**8,068**	-
Corporates	-	-	-	-	-	-	-	-	-	87	-	-	-	-	-	**89**	-
Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Exposures secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Total	608,456	-	-	-	732	-	-	-	-	87	-	-	-	-	-	609,275	-

EU CCR1 – ANALYSIS OF CCR EXPOSURE BY APPROACH

SEK million	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
SA-CCR (for derivatives)	1,231	2,529		-	18,089	5,268	5,264	-
IMM (for derivatives and SFTs)			-	-	-	-	-	-
Of which securities financing transactions netting sets			-		-	-	-	-
Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
Of which from contractual cross-product netting sets			-		-	-	-	-
Financial collateral simple method (for SFTs)					-	-	-	-
Financial collateral comprehensive method (for SFTs)					2,434	0.00	0.00	0.00
VaR for SFTs					-	-	-	-
Total					**20,523**	**5,268**	**5,264**	**0.00**

EU CCR2 – TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK

SEK million	Exposure value	RWEA
Total transactions subject to the Advanced method		
(i) VaR component (including the 3× multiplier)		-
(ii) stressed VaR component (including the 3× multiplier)		-
Transactions subject to the Standardised method	5,264	1,434
Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
Total transactions subject to own funds requirements for CVA risk	**5,264**	**1,434**

EU CCR3 – STANDARDISED APPROACH – CCR EXPOSURES BY REGULATORY EXPSURE CLASS AND RISK WEIGHTS

SEK million	Risk weight											
Exposure classes	**0%**	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	**Total exposure value**
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Regional government or local authorities	5,843	-	-	-	-	-	-	-	-	-	-	**5,843**
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	0	-	-	-	0.0	-	-	-	-	-	-	**0.0**
Corporates	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
Total exposure value	**5,843**	**-**	**-**	**-**	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**	**5,843**

EU CCR5 – COMPOSITION OF COLLATERAL FOR CCR EXPOSURES

	Collateral used in derivative transactions				Collateral used in SFTs			
SEK million	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
Collateral type	**Segregated**	**Unsegregated**	**Segregated**	**Unsegregated**	**Segregated**	**Unsegregated**	**Segregated**	**Unsegregated**
Cash – domestic currency	-	10,301	0	-	-	-	-	-
Cash – other currencies	-	1,152	0	385	-	-	-	-
Domestic sovereign debt	-	72	1,708	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	2,430	-	**2,434**
Total	**-**	**11,525**	**1,708**	**385**	**-**	**2,430**	**-**	**2,434**

EU CCR8 – EXPOSURES TO CCPS

SEK million	Exposure value	RWEA
Exposures to QCCPs (total)		**-**
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	580	-
(i) OTC derivatives	*580*	-
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	1,708	
Non-segregated initial margin	-	-
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-
Exposures to non-QCCPs (total)		**-**
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
(i) OTC derivatives	-	-
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	-	
Non-segregated initial margin	-	-
Prefunded default fund contributions	-	-
Unfunded default fund contributions	-	-

MARKET RISK

Market risk is defined as the risk of loss (negative change in financial value) or a negative effect on the Company's income as a result of changes in risk factors in the financial market. The market risks are divided into interest rate risk, foreign exchange risk, credit market risk, as well as other price risks. Market risk mainly arises from mismatches between assets and liabilities. The Company's exposure to market risk is limited by means of derivative contracts. The Company accepts some exposure to market risks to increase operational efficiency, but never for speculative purposes.

STRUCTURE AND ORGANISATION OF THE LIQUIDITY RISK MANAGEMENT FUNCTION

Within the Company's first line of defence, Debt Management is responsible for managing market risks and for keeping market risks within the limits set in the risk framework. For instruments subject to hedge accounting, the Finance Department is responsible for the retrospective testing of the effectiveness of the hedging relationships. For macro hedging of interest rate risk, the effectiveness of the hedges is tested for each package. For in all other types of hedging relationships, each individual hedging relationship is tested.

INTEREST RATE RISK

Interest rate risk is defined as the risk of a loss (negative change in financial value) or a negative effect on the Company's income as a result of changes in interest rates. Interest rate risk arises when assets and liabilities are not in alignment over periods of fixed interest. The Company does not assume interest rate risk positions for speculative purposes, only to manage its operations. Risk management is based on matching interest maturities between assets and liabilities. When necessary, derivatives are used to achieve matching. Interest rate risk includes earnings risks, meaning the risk of losses resulting from revenues or expenses deviating from the business plan and forecasts.

Sensitivity analysis of financial value

According to a fixed limit set by the Board of Directors, the exposure to interest rate risk in the portfolio may never exceed SEK 100 million given a one percentage point parallel shift in the yield curve.

At year-end, the exposure (throughout the portfolio) amounted to SEK 51.5 (24.5) million given a one percentage point parallel shift (upwards) in the yield curve. An exposure with a positive value means an increase in the economic value of assets and liabilities if the interest rate rises and a decrease in the economic value of assets and liabilities if the interest rate falls.

Sensitivity analysis of the Company's net interest income

The effect on the Company's net interest income is analysed on the basis of two scenarios: a parallel displacement upwards of 100 basis points and a parallel displacement downwards of 100 basis points. The Company has good matching of cash flows between assets and liabilities. The only exceptions are assets financed by equity, which lack cash flows. Earnings from assets financed with equity will therefore increase if market interest rates rise and correspondingly decrease if market interest rates fall. If all market interest rates were to rise by 100 basis points at yearend, net interest income over a one-year period would increase by SEK 32,8 (98,3) million, provided that the size and composition of balance sheet does not change, and correspondingly, if all market interest rates were to fall by 100 basis points at yearend, net interest income would have decreased by SEK 32,8 (98,3) million over a one-year period.

Capital requirement for interest rate risk

The capital requirement for interest rate risk under Pillar 2 has been calculated based on the Swedish Financial Supervisory Authority's (Finansinspektionen) model for interest rate risk in the banking book. The model calculates the change in the value of the Company's net assets, given a number of change scenarios for the zero coupon curve.

The change scenarios consist partly of parallel displacements, upwards and downwards, where the magnitude of the shift is based on historical market data and partly of four changes in the curve gradient, where the interest rate curve increases or decreases over short or long maturities. Under Pillar 2, a capital requirement for interest rate risk of SEK 191.5 (54.7) million has been entered.

FOREIGN EXCHANGE RISK

Currency risk refers to the risk of a negative effect on the Company's income as a result of exchange rate fluctuations. Foreign exchange risk arises if assets and liabilities denominated in a specific currency are mismatched in terms of size in the balance sheet. The Company hedges all known future flows by means of derivatives. However, foreign exchange risk arises on an ongoing basis through the net interest income generated on returns on foreign currency investments in EUR and USD. This risk is limited by such returns continuously being exchanged to SEK. The maximum permitted exposure corresponds to SEK 30 million in USD and 20 million in EUR.

Capital requirement for foreign exchange risk

The Company's exposure to foreign exchange risk is so low that there is no longer a statutory capital requirement. The capital requirement under Pillar 2 is calculated by multiplying the exposure by the foreign exchange fluctuations over the year. In 2024, the SEK/EUR and SEK/USD foreign exchange rates fluctuated by as much as 17 percent in EUR and 36 percent in USD, which corresponds to the 99 percentile, per year. On an annual basis this corresponds to a capital requirement of SEK 14.1 (14.6) million.

CREDIT MARKET RISK

Credit market risk is defined as the risk of loss or a negative effect on the Company's income as a result of changes in basis or credit spreads. Credit market risk is divided into two subcategories: (a) credit spread risk on derivatives (CVA risk) and credit spread risk on lending, funding and investments, and (b) basis spread risk.

Credit spread risk on lending, funding and investments, and basis spread risk

Credit spread risk on lending, funding and investments, and basis spread risk arises primarily as a consequence of imbalances in maturities between assets and liabilities valued at fair value. The Company restricts the credit market risk through good maturity matching between assets (loans and investments) and liabilities (funding and equity).

Credit spread risk on derivatives (CVA risk)

The credit spread risk on derivatives (CVA risk) derives from the risk of the Company's income statement being adjusted for the risk of changes in credit rating, or Credit Valuation Adjustment (CVA). CVA is a price adjustment applied to derivatives depending on the development of CDS prices, FX volatility and the exposure to the counterparty. CVA can be considered equal to the deviation from the risk-free price of a contract and is often interpreted as the market price for counterparty risk. At the end of the year, recognised CVA amounted to SEK 5.1 (5,9) million. CVA risk refers to the risk that the Company's earnings will be negatively affected by an increase in reported CVA.

Capital requirement for credit market risk

A total capital requirement under Pillar 2 for credit market risk (excluding credit spread on derivatives) is calculated for a number of scenarios. The largest capital requirement calculated for a single principal scenario will then constitute the Company's capital requirement for credit market risk. The principal scenarios on which the capital requirement calculation is based are either historical, simulated or theoretical. The historical and simulated scenarios are intended to capture periods when fluctuations were greatest in the credit markets where the Company makes business transactions.

The simulated scenarios include scenarios in which credit and basis swap movements are simulated using mathematical models, with a certain degree of probability, based on market data from various, selected periods of time.

The theoretical scenarios are prepared based on the credit market risks associated with and which could arise from the Company's business model. These scenarios are included to ensure that the capital requirements cover all of the risks that could arise from the Company's business model since the historical and simulated scenarios do not necessarily cover all of the various possible scenarios.

In the calculations performed as per 31 December 2024, the total capital requirement for credit market risk amounted to SEK 1,579.4 (1,484.8) million. In calculating capital requirements for CVA risk under Pillar I, Kommuninvest applies the standardised method in the capital requirement regulations (CRR). As the exposure value, the fully adjusted exposure value is used, meaning that the risk-reducing effects of the collateral are taken into account. In accordance with the regulations, transactions with central clearing counterparties are excluded. The Company's derivatives entered into after 1 March 2017 are included in the daily reconciliation with the exchange of collateral, which reduces the capital requirement. At the end of the year, the capital requirement for CVA risk was SEK 114,7 (116,7) million.

Operational risk

Operational risk refers to the risk of losses resulting from inadequate or failed internal processes or routines, human error, incorrect systems or external events, including legal risks. Operational risk is inherent in the Company's operations and cannot be completely avoided, eliminated or transferred to another party. However, through good governance and internal control, Kommuninvest can reduce the likelihood of this risk arising and can reduce the consequences that may follow as a result of operational risk.

Risk management

Operational risks exist throughout the operations and can never be completely avoided. Risk management and analysis are performed continuously. Self-assessment, incident management, approval processes in connection with amendments, and contingency and continuity planning are among the methods used to identify, manage and analyse operational risk.

The risks are mitigated by good governance and internal control, thus keeping operational risk at a controlled and acceptable level. Risk management within Kommuninvest comprises uniform measurement and reporting of operational risks. An analysis of the level of risk in all operations is performed on a regular basis and reported to the Board of Directors, CEO and management. The operational risk unit within the Risk department bears overall responsibility for the methods and procedures used to measure, identify, control, assess, analyse, evaluate and report operational risks. The process of managing operational risk is performed based on Kommuninvest's risk appetite and the processes essential to the operations.

Methods for identifying, managing and analysing operational risks

Risk indicators

Risk indicators are a measure of the effects of governance and control within the Company, and are to be monitored and analysed continuously to alert the operations if their risks increase. Reviewing these indicators serves to inform the operations if the risk situation within Kommuninvest changes.

Self-assessment

Operational risks can arise in any part of the Company's operations. What the operational risks have in common is that their size is only to a minor extent affected by external factors, such as changes in market rates or in the creditworthiness of different customers or counterparties. Instead, operational risks arise through shortcomings in Kommuninvest's own operations and/or organisation. Against this background, the CEO is responsible, alongside all department managers, for conducting self-assessment of the operational net risks in the Company's products, services, functions, processes and IT systems. The results of the self-assessment are reported annually to the Board of Directors, the CEO and the management.

Stress tests

Stress tests are a tool for ensuring that Kommuninvest keeps a forward-looking perspective in its risk management and capital planning. Stress test is a collective name for various types of evaluations that the Company performs in its operations, experienced-based or hypothetical, to quantify risks and to measure the Company's capacity to manage extraordinary circumstances. Stress tests are to be performed using scenario analyses or sensitivity analyses.

Incident management

A reportable event is defined as one that deviates from the expected. Reportable events are those where risks are materialised, that is, external events or events within Kommuninvest that have, or could have, a negative impact on the Company's business, assets, or reputation.

Kommuninvest shall, in an organised and structured manner, track reportable events (incidents), basing this work on the Company's established instructions for such reporting. Events that deviate from the expected should, as far as possible, be reported and handled within the area of operations or the process in which the risk arises.

Process owner is responsible for employees reporting such events and taking action to handle the events.

Processes for approving new products, services, markets, currencies, IT systems, and organisational and operational changes (NPAP)

Kommuninvest's approval process is to be initiated when the need for a new product, service, market, currency, process, or IT system arises or is identified, or when a substantial change is needed in an existing one. The process should also be initiated in connection with major changes in the Company's operations or organisation. The purpose of the process is to identify and manage the risks that may arise in connection with change.

Written documentation for approval decisions shall be prepared in accordance with the operational management templates by the individual initiating the matter. The documentation shall be developed in dialogue with all relevant functions at the Company.

Continuity management

The organisation shall perform crisis prevention work. This is done in the operations under the direction of the relevant department manager. To provide support, guidelines are to be provided in the form of security instructions, continuity management plans and security procedures.

At least once a year, the Board of Directors shall be informed of the latest results from tests of the contingency, continuity and recovery plans.

Capital requirement for operational risk

Kommuninvest applies the base indicator method to determine the capital requirement for operational risk. The method calculates the capital requirement based on 15 percent of the operating income over the past three years. Kommuninvest's capital requirement under Pillar 1 for operational risks amounts to SEK 140.7 (111.5) million.

EU OR1 - OPERATIONAL RISK OWN FUNDS REQUIREMENTS AND RISK-WEIGHTED EXPOSURE AMOUNTS

SEK million	Relevant indicator			Own funds requirement	Total operational risk-weighted exposure amount	Own funds require-ments	Risk weighted exposure amount
	Year-3	Year-2	Last year				
Banking activities							
Banking activities subject to basic indicator approach (BIA)	457	1,041	1,311	140	1,756	111.3	1,391.1
Banking activities subject to standardised (TSA)/alternative standardised (ASA) approaches	-	-	-	-	-	–	–
Subject to TSA:	-	-	-				
Subject to ASA:	-	-	-				
Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-	–	–

Compliance risk

Regulatory compliance risk refers to the risk of the Company failing to comply with current external or internal regulations and thereby risking being sanctioned, suffering losses or impairment or loss of reputation.

The Company works continuously with external monitoring and analysis of regulatory changes to reduce the Company's regulatory compliance risks. External monitoring is coordinated by the Company's regulatory group, which also verifies the analyses. The principal responsibility for the operation being conducted in accordance with current regulations rests with the operational organisation. The regulatory compliance function contributes both proactively through advice and support for the operational organisation and reactively by examining and checking the risk management processes. In preparation for each year, an analysis is made of the Company's regulatory compliance risks and, based on that analysis, a plan is drawn up for the future work of the function. The plan is approved by the CEO and reported to the Board of Directors.

Capital requirement for regulatory compliance risk

The Company's assessment is that the capital requirement for regulatory compliance risk is addressed within the operational risks.

Sustainability risk

Sustainability risk refers to the risk of negative financial consequences resulting from current or future impacts of factors related to environmental, social responsibility, or corporate governance (ESG factors) on the institution's counterparties or invested assets. ESG risks materialize through traditional categories of financial risks.

Sustainability risk is managed and controlled within the framework of other respective risk types and, therefore, does not have its own defined risk appetite or capital requirements.

Capital management and own funds

OWN FUNDS AND CAPITAL REQUIREMENTS

Kommuninvest is required to comply with the Regulation (EU) No. 575/2013, also known as the CRR (Capital Requirements Regulation), which is directly applicable in Sweden and the Capital Adequacy Directive EU 2013/36, which is implemented in Sweden through legislation and regulations issued by the Swedish Financial Supervisory Authority.

In the spring of 2019, a decision was made to amend the regulations, with the amendments being referred to as the EU bank package. These regulatory changes are often referred to as CRR 2 and will become applicable in the next few years.

Furthermore, on 20 November 2020, the Swedish Financial Supervisory Authority adopted a changed application of the capital requirements for Swedish banks to adapt these requirements to the bank package. As a result, Swedish Financial Supervisory Authority has introduced special capital requirements and leverage ratio requirements in Pillar 2, as well as Pillar 2 guidance. The Pillar 2 guidance is based on the outcome of stress tests and other institution-specific assessments. The capital planning buffer has been removed because its purpose is instead fulfilled through Pillar 2 guidance.

Information on Pillar 2 requirements and Pillar 2 guidance applicable to Kommuninvest have been notified by the Swedish Financial Supervisory Authority on 24 September 2021.

Risk-base capital base requirement	31 Dec 2024		31 Dec 2023	
Capital base requirement in accordance with Pillar 1	273.8	8.0%	241.2	8.0%
Capital base requirement, Pillar 2 requirement	2,604.9	76.1%	2,294.1	76.1%
Combined buffer requirement	154.0	4.5%	135.7	4.5%
Pillar 2 guidance	581.9	17.0%	512.5	17.0%
Total risk-base capital base requirement	**3,614.6**	**105.6%**	**3,183.4**	**105.6%**

Leverage ratio, capital base requirements	31 Dec 2024		31 Dec 2023	
Capital base requirement in accordance with Pillar 1	3.0%	1,934.4	3.0%	1,600.4
Capital base requirement, Pillar 2 requirement	-	-	-	-
Pillar 2 guidance[1]	6.4%	4,156.7	7.5%	4,024.3
Total leverage ratio, capital base requirement[2]	**9.4%**	**6,091.1**	**10.5%**	**5,624.6**

1) The difference between 1 % of total exposure excluding deducions in the form of exposure to members and there companies, and capital base requirement in accordance with Pillar 1.

2) The difference between 1 % of total exposure excluding deducions in the form of exposure to members and there companies.

CAPITAL PLANNING

The Group's capital planning is intended to ensure that the Group is fully capitalised to meet both the risks in the operations, as well as future regulatory requirements. In relation to both of these aspects, the Group is well capitalised.

One priority with capital planning is to ensure that the Group has sufficient capital to support the Company, so that its internal capital target is met. The principle of the capital target is that the capital in the Company shall exceed the highest of the internally assessed capital requirement and the regulatory capital requirement according to the Swedish Financial Supervisory Authority. The scale of the capital target in quantitative terms is determined annually within the framework of the Company's internal capital and liquidity assessment (ICAAP and ILAAP). The Group's capital target for 2024 amounted to SEK 7,800 (7,700) million, which corresponds to the Company's capital target plus a board buffer of 300 (500) million. In relation to the Group's capital base, which amounts to SEK 11,840.2 (10,837.9) million, the capital target is met by a good margin.

Internally estimated capital requirements	31 Dec 2024	31 Dec 2023[2]
Capital requirement, Pillar 2		
Credit risk	21.4	29.8
Market risks	1,785.0	1,554.0
Capital planning buffer	401.4	281.0
Other risk[1]	1,628.1	1,697.4
Total internally estimated capital requirement	**3,835.9**	**3,562.2**

1) Consists of capital requirements for the risk of excessively low leverage ratio.

2) Adjusted value due to disrupted figures for 2023.

Key metrics

EU KM1 – KEY METRICS TEMPLATE

SEK million	31-dec-24	30-sep-24	30-jun-24	31-mar-24	31-dec-23
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	11,840.2	11,723.7	10,812.8	10,873.2	10,837.9
Tier 1 capital	11,840.2	11,723.7	10,812.8	10,873.2	10,837.9
Total capital	11,840.2	11,723.7	10,812.8	10,873.2	10,837.9
Risk-weighted exposure amounts					
Total risk exposure amount	3,422.9	6,511.8	2,774.9	5,227.2	3,014.6
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	345.9%	180.0%	389.7%	208.0%	359.5%
Tier 1 ratio (%)	345.9%	180.0%	389.7%	208.0%	359.5%
Total capital ratio (%)	345.9%	180.0%	389.7%	208.0%	359.5%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	76.1%	76.1%	76.1%	76.1%	76.1%
of which: to be made up of CET1 capital (percentage points)	*42.8%*	*42.8%*	*42.8%*	*42.8%*	*42.8%*
of which: to be made up of Tier 1 capital (percentage points)	*57.1%*	*57.1%*	*57.1%*	*57.1%*	*57.1%*
Total SREP own funds requirements (%)	84.1%	84.1%	84.1%	84.1%	84.1%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
Institution specific countercyclical capital buffer (%)	2.0%	1.9%	2.0%	1.9%	2.0%
Systemic risk buffer (%)					
Global Systemically Important Institution buffer (%)					
Other Systemically Important Institution buffer (%)					
Combined buffer requirement (%)	4.5%	4.4%	4.5%	4.4%	4.5%
Overall capital requirements (%)	88.6%	88.5%	88.6%	88.5%	88.6%
CET1 available after meeting the total SREP own funds requirements (%)	261.8%	130.2%	305.6%	123.9%	275.4%
Leverage ratio					
Total exposure measure	68,480.0	114,754.5	105,228.1	89,968.4	53,288.3
Leverage ratio (%)	18.4%	10.2%	10.3%	12.1%	20.3%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
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%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
Leverage ratio buffer requirement (%)					
Overall leverage ratio requirement (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Liquidity Coverage Ratio					
Total high-quality liquid assets (HQLA) (Weighted value - average)	79,574.1	76,771.6	76,573.5	75,811.0	76,881.2
Cash outflows - Total weighted value	36,411.1	40,078.2	37,887.0	36,196.6	38,959.2
Cash inflows - Total weighted value	12,592.5	14,185.9	12,641.7	11,487.1	12,404.4
Total net cash outflows (adjusted value)	23,818.6	25,892.3	25,245.3	24,709.5	26,554.9
Liquidity coverage ratio (%)	436.0%	355.4%	322.9%	326.4%	302.8%
Net Stable Funding Ratio					
Total available stable funding	460,925.9	463,911.5	459,269.9	454,697.5	442,694.7
Total required stable funding	335,103.1	331,918.1	323,234.3	322,030.8	316,000.8
NSFR ratio (%)	138%	140%	142%	141%	140.1%

EU OV1 – OVERVIEW OF RWAS, SOLO

SEK million	Risk weighted exposure amounts (RWEAs) 31 Dec 2024	30 Sep 2024	Total own funds requirements 31 dec 2024
Credit risk (excluding CCR)	247.8	204.0	20
Of which the standardised approach	*247.8*	*204.0*	*20*
Of which the foundation IRB (FIRB) approach	-	-	-
Of which slotting approach	-	-	-
Of which equities under the simple riskweighted approach	-	-	-
Of which the advanced IRB (AIRB) approach	-	-	-
Counterparty credit risk – CCR	1,433.64	4,929	115
Of which the standardised approach	*0.00*	*0.6*	*0.00*
Of which internal model method (IMM)	-	-	-
Of which exposures to a CCP	-	-	-
Of which credit valuation adjustment - CVA	*1,433.6*	*1,259.8*	*115*
Of which other CCR			
Settlement risk	-	-	-
Securitisation exposures in the non-trading book (after the cap)	-	-	-
Of which SEC-IRBA approach	-	-	-
Of which SEC-ERBA (including IAA)	-	-	-
Of which SEC-SA approach	-	-	-
Of which 1250%/ deduction	-	-	-
Position, foreign exchange and commodities risks (Market risk)	-	-	-
Of which the standardised approach	-	-	-
Of which IMA	-	-	-
Large exposures	-	-	-
Operational risk	1,759	1,395	141
Of which basic indicator approach	*1,759*	*1,395*	*141*
Of which standardised approach	-	-	-
Of which advanced measurement approach	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	-	-	-
Total	**3,441**	**6,528**	**275**

EU OV1 – OVERVIEW OF RWAS, CONSOLIDATED

	Risk weighted exposure amounts (RWEAs)		Total own funds requirements
SEK million	**31 Dec 2024**	**30 Sep 2024**	**31 Dec 2024**
Credit risk (excluding CCR)	233.4	191.3	19
Of which the standardised approach	*233.4*	*191.3*	*19*
Of which the foundation IRB (FIRB) approach	-	-	-
Of which slotting approach	-	-	-
Of which equities under the simple riskweighted approach	-	-	-
Of which the advanced IRB (AIRB) approach	-	-	-
Counterparty credit risk – CCR	1,433.64	4,929	115
Of which the standardised approach	*0.00*	-	*0.00*
Of which internal model method (IMM)	-	-	-
Of which exposures to a CCP	-	-	-
Of which credit valuation adjustment – CVA	*1,433.6*	*1,259.8*	*115*
Of which other CCR	-	-	-
Settlement risk	-	-	-
Securitisation exposures in the non-trading book (after the cap)	-	-	-
Of which SEC-IRBA approach	-	-	-
Of which SEC-ERBA (including IAA)	-	-	-
Of which SEC-SA approach	-	-	-
Of which 1250%/ deduction	-	-	-
Position, foreign exchange and commodities risks (Market risk)	-	-	-
Of which the standardised approach	-	-	-
Of which IMA	-	-	-
Large exposures	-	-	-
Operational risk	1,756	1,391	140
Of which basic indicator approach	*1,756*	*1,391*	*140*
Of which standardised approach	-	-	-
Of which advanced measurement approach	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	-	-	-
Total	**3,423**	**6,512**	**274**

Kommunivests own funds is only CET 1 capital and consists of Participation capital and retained earnings. It is only in the event of resignation or exclusion that a member can receive his participation capital. A member who resigns or is excluded receives his participation capital after six months. Such a payment presupposes that, in the Board's assessment, it is possible to carry it out without in any significant respect adversely affecting the capital adequacy situation in Kommuninvest.

EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

SEK million	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves		
Capital instruments and the related share premium accounts	11,517.2	A
of which: Participatin capital	*11,517.2*	*A*
Retained earnings	613.9	B
Accumulated other comprehensive income (and other reserves)	-	
Funds for general banking risk	-	
Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	
Minority interests (amount allowed in consolidated CET1)	-	
Independently reviewed interim profits net of any foreseeable charge or dividend	-	
Common Equity Tier 1 (CET1) capital before regulatory adjustments	**12,131.1**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
Additional value adjustments (negative amount)	-284.7	
Intangible assets (net of related tax liability) (negative amount)	-6.1	
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	–	
Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	–	
Negative amounts resulting from the calculation of expected loss amounts	–	
Any increase in equity that results from securitised assets (negative amount)	–	
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	–	
Defined-benefit pension fund assets (negative amount)	–	
Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	–	
Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	–	
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	–	
Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	–	
Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	–	
of which: qualifying holdings outside the financial sector (negative amount)	–	
of which: securitisation positions (negative amount)	–	
of which: free deliveries (negative amount)	–	
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	–	
Amount exceeding the 17,65% threshold (negative amount)	–	
of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	–	
of which: deferred tax assets arising from temporary differences	–	
Losses for the current financial year (negative amount)	–	
Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	–	
Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	–	
Other regulatory adjustments	–	
Total regulatory adjustments to Common Equity Tier 1 (CET1)	**-290.8**	
Common Equity Tier 1 (CET1) capital	**11,840.2**	

SEK million	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Additional Tier 1 (AT1) capital: instruments		
Capital instruments and the related share premium accounts	–	
of which: classified as equity under applicable accounting standards	–	
of which: classified as liabilities under applicable accounting standards	–	
Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	–	
Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	–	
Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1	–	
Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	–	
of which: instruments issued by subsidiaries subject to phase out	–	
Additional Tier 1 (AT1) capital before regulatory adjustments	**–**	
Additional Tier 1 (AT1) capital: regulatory adjustments		
Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	–	
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	–	
Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	–	
Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	–	
Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	–	
Other regulatory adjustments to AT1 capital	–	
Total regulatory adjustments to Additional Tier 1 (AT1) capital	**–**	
Additional Tier 1 (AT1) capital	**–**	
Tier 1 capital (T1 = CET1 + AT1)	**11,840.2**	
Tier 2 (T2) capital: instruments		
Capital instruments and the related share premium accounts	–	
Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	–	
Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	–	
Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	–	
Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	–	
of which: instruments issued by subsidiaries subject to phase out	–	
Credit risk adjustments	–	
Tier 2 (T2) capital before regulatory adjustments	**–**	
Tier 2 (T2) capital: regulatory adjustments		
Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	–	
Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	–	
Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	–	
Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	–	
Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	–	
Other regulatory adjustments to T2 capital	**–**	
Total regulatory adjustments to Tier 2 (T2) capital	**–**	
Tier 2 (T2) capital	**–**	
Total capital (TC = T1 + T2)	**11,840.2**	
Total Risk exposure amount	**3,422.9**	
Capital ratios and requirements including buffers		

SEK million	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1	345.9%	
Tier 1	345.9%	
Total capital	345.9%	
Institution CET1 overall capital requirements	51.7%	
of which: capital conservation buffer requirement	*2.5%*	
of which: countercyclical buffer requirement	*2.0%*	
of which: systemic risk buffer requirement	-	
of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	-	
of which: additional own funds requirements to address the risks other than the risk of excessive leverage	*42.8%*	
Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	**261.8%**	
Amounts below the thresholds for deduction (before risk weighting)		
Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	–	
Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	–	
Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	–	
Applicable caps on the inclusion of provisions in Tier 2		
Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	–	
Cap on inclusion of credit risk adjustments in T2 under standardised approach	–	
Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	–	
Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	–	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
Current cap on CET1 instruments subject to phase out arrangements	–	
Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	–	
Current cap on AT1 instruments subject to phase out arrangements	–	
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–	
Current cap on T2 instruments subject to phase out arrangements	–	
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–	

EU CC2 – RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS

SEK million	Balance sheet as in published financial statements As at period end	Under regulatory scope of consolidation As at period end	Reference
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
Cash and balances with central banks	6,575.8		
Sovereign bonds eligible as collateral	34,541.6		
Lending to credit institutions	731.3		
Lending	544,428.3		
Change in value of interest-hedged item in portfolio hedging	-217.1		
Bonds and other interest-bearing securities	17,065.1		
Derivatives	9,951.5		
Intangible assets	6.1		
Tangible assets	5.1		
Tangible assets, lands and buildings	25.8		
Current tax assets	0.7		
Other assets	152.7		
Deferred tax assets	1.1		
Prepaid operating expenses and accrued revenue	49.2		
Total assets	**613,317.2**		
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
Liabilities to credit institutions	2,433.90		
Securities issued	588,475.70		
Derivatives	307.00		
Change in value of interest-hedged item in portfolio hedging	-		
Other liabilities	9,257.00		
Accrued operating expenses and prepaid revenues	82.00		
Provisions for pensions and similar obligations	-		
Total liabilities	**600,555.60**		
Shareholders' Equity			
Participation capital	11,517.16		A
Reserves	6.15		B
Profit carried forward	617.38		B
Net profit	620.88		
Total shareholders' equity	**12,761.56**		

COUNTERCYCLICAL BUFFER

As per 31 December 2024, the countercyclical buffer requirement for Kommuninvest i Sverige AB amounted to 2 percent, compared with the buffer value of 0 percent that began to be applied on 16 March 2020

EU CCYB1 – GEOGRAPHICAL DISTRIBUTION OF CREDIT EXPOSURES RELEVANT FOR THE CALCULATION OF THE COUNTERCYCLICAL BUFFER

	General credit exposures		Relevant credit exposures – Market risk				Own fund requirements						
Breakdown by country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
Sweden	87	87	7	-	-	7	87	100%	2%	6.3	78.8	100.0	2%
Total	**87**	**87**	**7**	**-**	**-**	**7**	**87**	**100%**	**2%**	**6.3**	**78.8**	**100.0**	

EU CCYB2 – AMOUNT OF INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER

Total risk exposure amount	**3,423**
Institution-specific countercyclical capital buffer rate	2.00%
Institution-specific countercyclical capital buffer requirement	68

LEVERAGE RATIO

The leverage ratio is defined as the ratio between Tier I capital and total exposure in assets and commitments and the requirement has been set at 3 percent.

A specific leverage ratio regulation is applied when calculating the leverage ratio for Public Development Credit Institutions (PDCI), In Kommuninvest's assessment, all of the criteria to be defined as a PDCI have been met. In its most recent review and evaluation process, the Swedish Financial Supervisory Authority found no reason to question that assessment. For Kommuninvest, this means that all lending to members and their companies can be deducted from the exposure measure applied in calculating the leverage ratio. Kommuninvest meets the leverage requirement of 3 percent by a good margin.

EU LR1 – LRSUM: SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES

SEK million	Applicable amount
Total assets as per published financial statements	613,317.2
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	–
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	–
(Adjustment for temporary exemption of exposures to central bank (if applicable))	–
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	–
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	–
Adjustment for eligible cash pooling transactions	–
Adjustments for derivative financial instruments	-4,118.2
Adjustment for securities financing transactions (SFTs)	0.0
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	199.1
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-290.8
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	–
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	–
Other adjustments	-544,627.4
Total exposure measure	**64,480.0**

EU LR2 – LRCOM: LEVERAGE RATIO COMMON DISCLOSURE

	CRR leverage ratio exposures	
SEK million	31 Dec 2024	31 Dec 2023
On-balance sheet exposures (excluding derivatives and SFTs)		
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	603,365.7	561,097.9
Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	–	–
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-133.2	-5,625.9
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	–	–
(General credit risk adjustments to on-balance sheet items)	–	–
(Asset amounts deducted in determining Tier 1 capital)	-290.8	-251.6
Total on-balance sheet exposures (excluding derivatives and SFTs)	**602,941.6**	**555,220.4**
Derivative exposures		
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	1,938.6	3,043.7
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	–	–
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	4,028.1	3,826.0
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	–	–
Exposure determined under Original Exposure Method	–	–
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	–	–
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	–	–
(Exempted CCP leg of client-cleared trade exposures) (Original exposure method)	–	–
Adjusted effective notional amount of written credit derivatives	–	–
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–
Total derivatives exposures	**5,966.7**	**6,869.7**
Securities financing transaction (SFT) exposures		
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	–	–
(Netted amounts of cash payables and cash receivables of gross SFT assets)	–	–
Counterparty credit risk exposure for SFT assets	0.0	0.5
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	–	–
Agent transaction exposures	–	–
(Exempted CCP leg of client-cleared SFT exposure)	–	–
Total securities financing transaction exposures	**0.0**	**0.5**
Other off-balance sheet exposures		
Off-balance sheet exposures at gross notional amount	398.2	629.8
(Adjustments for conversion to credit equivalent amounts)	-199.1	-314.9
(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	–	–
Off-balance sheet exposures	**199.1**	**314.9**
Excluded exposures		
(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	–	–
(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	–	–
(Excluded exposures of public development banks - Public sector investments)	-318,440.9	-249,701.8
(Excluded exposures of public development banks (or units) - Promotional loans)	-226,186.4	-259,415.3
(Excluded passing-through promotional loan exposures by non-public development banks (or units))	–	–
(Excluded guaranteed parts of exposures arising from export credits)	–	–
(Excluded excess collateral deposited at triparty agents)	–	–
(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	–	–
(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	–	–
(Reduction of the exposure value of pre-financing or intermediate loans)	–	–
(Total exempted xposures)	**-544,627.36**	**-509,117.10**
Capital and total exposure measure		
Tier 1 capital	**11,840.2**	**10,837.9**
Total exposure measure	**64,480.04**	**53,288.29**

SEK million	CRR leverage ratio exposures 31 Dec 2024	31 Dec 2023
Leverage ratio		
Leverage ratio	18.4%	20.3%
Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	1.9%	1.9%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	18.4%	20.3%
Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
Additional own funds requirements to address the risk of excessive leverage (%)	–	–
of which: to be made up of CET1 capital (percentage points)	–	–
Required leverage buffer (%)	–	–
Overall leverage ratio requirement (%)	3.0%	3.0%
Choice on transitional arrangements and relevant exposures		
Choice on transitional arrangements for the definition of the capital measure	–	–
Disclosure of mean values		
Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	–	–
Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	–	–
Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	–
Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	–
Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	–
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	–

EU LR3 – LRSPL: SPLIT-UP OF ON BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS AND EXEMPTED EXPOSURES)

SEK million	CRR leverage ratio exposures
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	**58,804.2**
Trading book exposures	
Banking book exposures, of which:	58,804.2
Covered bonds	*0.0*
Exposures treated as sovereigns	*50,647.6*
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	*0.0*
Institutions	*8,068.0*
Secured by mortgages of immovable properties	*0.0*
Retail exposures	*0.0*
Corporates	*88.6*
Exposures in default	*0.0*
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	*0.0*

Scope of application

EU LI1 - DIFFERENCES BETWEEN ACCOUNTING AND REGULATORY SCOPES OF CONSOLIDATION AND MAPPING OF FINANCIAL STATEMENT CATEGORIES WITH REGULATORY RISK CATEGORIES

			Carrying values of items				
SEK million	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
Breakdown by asset clases according to the balance sheet in the published financial statements							
Cash and balances with central banks	6,575.8		6,575.8	-	-	-	-
Sovereign bonds eligible as collateral	34,541.6		34,541.6	-	-	-	-
Lending to credit institutions	731.3		731.3	-	-	-	-
Lending	544,428.3		544,428.3	-	-	-	-
Bonds and other interest-bearing securities	17,065.1		17,065.1	-	-	-	-
Derivatives	9,951.5		-	9,951.5	-	-	-
Intangible assets	6.1		6.1	-	-	-	-
Tangible assets	5.1		3.4	-	-	-	-
Tangible assets, lands and buildings	25.8		28.3	-	-	-	-
Current tax assets	0.7		0.7	-	-	-	-
Other assets	152.7		19.5	-	-	-	133.2
Deferred tax assets	1.1		1.1	-	-	-	-
Prepaid operating expenses and accrued revenue	49.2		49.2	-	-	-	-
Total assets	**613,534.3**		**603,450.4**	**9,951.5**			**133.20**
Breakdown by liability classes according to the balance sheet in the published financial statements							
Liabilities to credit institutions	2,433.90		-	-	-	-	2,433.90
Securities issued	588,475.70		-	-	-	-	588,475.70
Derivatives	307.00		-	307.00	-	-	0.00
Change in value of interest-hedged item in portfolio hedging	-		-	-	-	-	-
Other liabilities	9,257.00		-	-	-	-	9,257.00
Accrued operating expenses and prepaid revenues	82.00		-	-	-	-	82.20
Provisions for pensions and similar obligations	0.00		-	-	-	-	0.00
Total liabilities	**600,555.60**		**-**	**307.00**	**-**	**-**	**600,248.80**

EU LI2 - MAIN SOURCES OF DIFFERENCES BETWEEN REGULATORY EXPOSURE AMOUNTS AND CARRYING VALUES IN FINANCIAL STATEMENTS

		Items subject to			
SEK million	Total	Credit risk framework	Securitisation framework	CCR framework	Market risk framework
Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)	613,401.90	603,450.40	-	9,951.50	-
Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)	307.00	-	-	307.00	-
Total net amount under the regulatory scope of consolidation	613,094.90	-	-	-	-
Off-balance-sheet amounts	398.20	-	-	-	
Differences in valuations	-	-	-	-	
Differences due to different netting rules, other than those already included in row 2	*-3,801.10*	-	-	-	
Differences due to consideration of provisions	-	-	-	-	
Differences due to the use of credit risk mitigation techniques (CRMs)	-	-	-	-	
Differences due to credit conversion factors	-	-	-	-	
Differences due to Securitisation with risk transfer	-	-	-	-	
Other differences	-	-	-	-	
Exposure amounts considered for regulatory purposes	609,692.00	-	-	-	-

EU LI3 - OUTLINE OF THE DIFFERENCES IN THE SCOPES OF CONSOLIDATION (ENTITY BY ENTITY)

		Method of regulatory consolidation					Description of the entity
Name of the entity	Method of accounting consolidation	Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Kommuninvest Coorperative Society	*Full consolidation*	X					*Holding company*
Kommuninvest i Sverige AB	*Full consolidation*	X					*Credit insitution*
Kommunivest Fastighets AB	*Full consolidation*	X					*Real estate company*

EU PV1: PRUDENT VALUATION ADJUSTMENTS (PVA)

	Risk category					Category level AVA – Valuation uncertainty		Total category level post-diversification		
SEK million	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
Category level AVA										
Market price uncertainty	-	2.7	8.5	-	-	1.3	128.7	70.6	-	70.6
Set not applicable in the EU	-	-	-	-	-	-	-	-	-	-
Close-out cost	-	7.3	83.5	-	-	1.3	-	46.1	-	46.1
Concentrated positions	-	-	-	-	-	-	-	-	-	-
Early termination	-	-	-	-	-	-	-	-	-	-
Model risk	-	-	-	-	-	2.4	-	1.2	-	1.2
Operational risk	-	11.5	0.1	-	-	-	-	11.7	-	11.7
Set not applicable in the EU	-	-	-	-	-	-	-	-	-	-
Set not applicable in the EU	-	-	-	-	-	-	-	-	-	-
Future administrative costs	-	153.3	1.8	-	-	-	-	155.1	-	155.1
Set not applicable in the EU	-	-	-	-	-	-	-	-	-	-
Total Additional Valuation Adjustments (AVAs)	-	-	-	-	-	-	-	**284.7**	-	**284.7**

Assets encumbered

The main sources of encumbrance are derivative and repo transactions entered into under ISDA/CSA and GMRA agreements, respectively. The terms and conditions of these agreements follow market standard. Collateral is posted in form of debt securities with hair-cuts of up to 10 percent and in form of cash. Exchange of collateral is made on mainly daily basis under the CSAs and on a daily basis under the GMRAs.

The variation in encumbrance is driven by cross currency rates, where a relative appreciation of SEK implies a higher degree of encumbrance. The majority of unencumbered assets reported as other assets are not available for encumbrance.

There is no encumbrance between entities within the group.

EU AE1 - ENCUMBERED AND UNENCUMBERED ASSETS

SEK million	Carrying amount of encumbered assets	of which notionally eligible EHQLA and HQLA	Fair value of encumbered assets	of which notionally eligible EHQLA and HQLA	Carrying amount of unencumbered assets	of which EHQLA and HQLA	Fair value of unencumbered assets	of which EHQLA and HQLA
Assets of the reporting institution	**506.3**	**-**			**612,810.8**			
Equity instruments	-	-	-	-	-		-	-
Debt securities	-	-	-	-	51,606.6		51,606.6	-
of which: covered bonds	-	-	-	-	-		-	-
of which: securitisations	-	-	-	-	-		-	-
of which: issued by general governments	-	-	-	-	*34,541.6*		*34,541.6*	-
of which: issued by financial corporations	-	-	-	-	*13,398.0*		*13,398.0*	-
of which: issued by non-financial corporations	-	-	-	-	-		-	-
Other assets		-			561,204.2			

EU AE2 - COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED

			Unencumbered	
SEK million	Fair value of encumbered collateral received or own debt securities issued	of which notionally eligible EHQLA and HQLA	Fair value of collateral received or own debt securities issued available for encumbrance	of which EHQLA and HQLA
Collateral received by the reporting institution	**-**	**-**	**-**	**-**
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt securities	-	-	-	-
of which: covered bonds	-	-	-	-
of which: securitisations	-	-	-	-
of which: issued by general governments	-	-	-	-
of which: issued by financial corporations	-	-	-	-
of which: issued by non-financial corporations	-	-	-	-
Loans and advances other than loans on demand	-	-	-	-
Other collateral received	-	-	-	-
Own debt securities issued other than own covered bonds or securitisations		**-**		**-**
Own covered bonds and asset-backed securities issued and not yet pledged			**-**	**-**
TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	**506.3**	**-**		

EU AE3 - SOURCES OF ENCUMBRANCE

SEK million	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
Carrying amount of selected financial liabilities	79.8	-

Disclosure of ESG risks

In this section, Kommuninvest publishes information on environmental, social and governance issues – ESG risks. The disclosures are set out based with the aim of meeting the disclosure requirements in Commission Implementing Regulation (EU) 2022/2453.

ENVIRONMENTAL RISK

Business strategy and processes (environmental)

The overall risk management and risk profile for Kommuninvest i Sverige AB (the Company) can be found in the section on risk management and risk organisation in this report. The Sustainability Policy established by the Board of Directors of the Company requires the Company to take economic, social and environmental sustainability into account throughout its operations, in an integrated manner and in terms of both its direct and indirect impacts. The Risk Policy, Credit Policy and Policy on Capital and Liquidity, with their appurtenant instructions, details the Company's stance on environmental and climate considerations in its risk management, lending activity and associated advisory services as well as its capital market activity.

The Company's efforts to manage environmental and climate considerations within its business strategy incorporates interim and long-term targets for reduced financed greenhouse gas (GHG) emissions, integration of climate and environmental factors in the credit process and a dedicated green financing programme. In addition, the Company works to limit the environmental impacts associated with conducting the Company's operations, including business travel, energy consumption and resource consumption at the Company's premises.

The interim and long-term targets for reduced financed GHG emissions build on a base year value for financed emissions. For the first time, the Company calculated such a base year value during 2024, using the year 2022 to develop its emissions reductions pathway towards the interim target year 2030 and the long-term target year 2045.

Effective from 2023, the Company incorporates environmental and climate risk considerations into its credit assessment and monitoring processes, as outlined in the Risk Management section below. Both physical risks and transition risks are considered.

The green financing programme – for financing of local government investment projects which can demonstrate distinct environmental and climate ambitions – was established in 2015. The focus of the programme and its basic prerequisites are regulated by the Company's Credit Policy, requiring the Company, among other things, to have a framework for Green Bonds and clarifying the principles for the allocation of funds borrowed through Green Bonds. The Credit Policy requires that the Company's Green Bonds framework is established and managed in accordance with the recommendations set out in ICMA Green Bond Principles. For more information about the programme, see the narrative accompanying the template "Other climate change mitigating actions, not covered in the EU Taxonomy".

Regarding counterparties towards whom Kommuninvest have derivative and/or liquidity portfolio exposures, the Company has, since 2021, gradually increased its follow-up on environmental and climate risks by assessing ESG performance. The assessment is based on data from five providers (Bloomberg, Moody's, MSCI, S&P and Sustainalytics). Counterparties are, to a varying degree depending on sovereign/non-sovereign status, ranked and assessed relative both to trend and to average. A weaker score may result in a specific follow-up and in measures being implemented, such as a dialogue with the counterparty or a proposed adjustment in the scope of business.

Governance (environmental)

The overall responsibility for managing the Company's risk framework, including for integrating environmental and climate factors into the risk framework, rests with the Company's Chief Risk Officer. The Chief Risk Officer is appointed by and reports to the Board of Directors and the President and CEO.

The Head of Lending and Advisory is responsible for the credit process, with the Credit Policy stipulating that ESG risk forms an important part of the credit assessment.

To prepare matters requiring a decision by the CEO or the Board of Directors, the Company has several different bodies, which are described in greater detail in the Annual Report. The report also elaborates on governance of ESG within the Company.

The Company's basic principle is for remuneration to solely comprise fixed salary and other employment benefits, with no variable remuneration components. Consequently, there are no forms of variable compensation that can be affected by environmental risk considerations.

As a result of the introduction of E factors into the credit process the Company has undertaken dialogue with borrowers deemed to be in most prioritized need. The medium- and long-term consequences of the Company's ongoing efforts regarding ESG considerations in its lending and management of credit risk, including in the business model, processes and organisational structures, have yet to be elucidated.

Regarding Kommuninvest's green financing programme, the Company has established an Environmental Committee for Green Financing, which addresses matters associated with the framework for Green Bonds and whose members are appointed by the Board of Directors. Committee members are experts representing members of the Society and other relevant public sector and/or academic organisations. The Committee chairman shall report on the work to the Board of Directors at least twice annually.

Risk management (environmental)

In 2022, the Company began the development of a model to integrate climate and environment-related risks in the risk assessment. The work began with a survey of available data and an analysis of various indicators that could affect borrowers and to what extent. In mapping and choosing indicators, guidelines and reports published by the European Banking Authority, EBA, have been taken into account (EBA/GL/2020/06: "Guidelines on loan origination and monitoring"; EBA/REP/2021/18: "Management and supervision of ESG risks for credit institutions and investment firms".). The analysis included assessing how the Company could be affected. Based on this analysis, relevant areas and indicators for analysis were identified. The assessment was based on both physical and transition risk. The factors that Kommuninvest currently has deemed relevant to prioritize in the analysis are:

i) Flooding, landslides and erosion;
ii) Contaminated water or drinking water shortage;
iii) Negative impact on water source and/or water body;
iv) Emissions of greenhouse gases.

Key performance indicators have been established to follow the development, according to a method based on the EBA guidelines and inspired by a dialogue with the Company's Nordic sister organisations. An analysis based on this model, focussing on the "E" factors above, was in 2023 introduced as a component of the Company's credit assessment and monitoring process, in order to scrutiny risks and serve as the basis for dialogue with borrower representatives. The model is expected to be further developed in the future.

ESG considerations are also included in the overall assessment of the Company's liquidity reserve, see section on Business strategy and processes above.

The Company has taken initial steps to include climate scenario analysis into its liquidity and capital planning. In 2024, in connection with the Company's internal capital adequacy and liquidity adequacy assessment process, the Company chose to include a scenario based on a number of the Company's potentially most vulnerable borrowers being simultaneously affected by physical climate-related risk. The scenario showed that considerable increased costs could be expected for vulnerable borrowers, with a subsequent increase in borrowing from the Company. However, not to such an extent that the Company's credit risks increased.

The Company currently does not deploy any restrictions/ limits associated with ESG risks.

SOCIAL RISK

Business strategy and processes (social)

To date, the Company's efforts to manage social factors in its business strategy have mainly involved the direct social impacts, that is, social aspects linked to the Company's responsibilities as an employer and its role in the local community where it maintains its physical operations. As of 2024, the Company has implemented processes and routines specifically taking the impact of social considerations into account also in its lending and risk management activities.

The Company has also established a new financing programme for social sustainability, as of 2021. The programme is governed by the Company's Credit Policy, stating that the Company should maintain a framework for Social Bonds, detailing the conditions applicable to the products intended to support members' and customers' socially oriented sustainability work. The framework is established and managed to be in accordance with the recommendations set out in ICMA Social Bond Principles.

Regarding counterparties towards whom Kommuninvest have derivative and/or liquidity portfolio exposures, the Company has, since 2021, gradually increased its follow-up on social risks by assessing ESG performance. The assessment is based on data from five providers (Bloomberg, Moody's, MSCI, S&P and Sustainalytics). Counterparties are, to a varying degree depending on sovereign/non-sovereign status, ranked and assessed relative both to trend and to average. A weaker score may result in a specific follow-up and in measures being implemented, such as a dialogue with the counterparty or a proposed adjustment in the scope of business.

Governance (social)

The Company is working to implement processes and routines specifically taking the impact of social governance considerations into account in the overarching business model, including in the lending and risk management activities. The intention is to further develop these efforts over the upcoming years. The basic principle is for remuneration to solely comprise fixed salary and other employment benefits, with no variable remuneration components. Consequently, there are no forms of variable compensation that can be affected by social risk considerations.

The responsibility for following up on social considerations associated with the Company's responsibilities as an employer falls on the HR Manager. Reports are provided to the Board of Directors on an ongoing basis and at least once annually.

Follow-up is also conducted on an ongoing basis among the employees. The results are published in the Annual Report.

The Company's guidelines and criteria for local cooperation underscore education, culture and inclusion as the principal focus, with the Company establishing cooperation with partners with a pronounced social commitment and values matching those of the Company. The Company has a handful of cooperative initiatives with local organisations in the Municipality of Örebro, where it is headquartered. There is also an established partnership with Örebro University, under which the Company finances a professorship in finance, among other things.

Regarding the Company's social financing programme, the Company has established a Social Sustainability Committee, which addresses matters associated with the framework for Social Bonds and whose members are appointed by the Board of Directors. Committee members are experts representing members of the Society and other relevant public sector and/ or academic organisations. The Committee chairman shall report on the work to the Board of Directors at least twice annually. The Committee determines the criteria applicable to the social dimensions of the framework and is tasked, among other things, with reviewing and approving, or alternatively rejecting, applications for Social Sustainability Loans, which can be granted to support members' and customers' socially oriented sustainability work.

Risk management (social)

Work is on-going regarding the assessment of social risks associated with Kommuninvest's borrowers. In 2023, a model was derived for the assessment of social risk in credit risk management and in 2024 social ("S") factors were introduced in the Company´s credit assessment.

Regarding social risk, the Company has developed a socio-economic index based on the National Board of Housing, Building and Planning's Segregation Barometer. The index takes into account data on the proportion of the population with a low economic standard, who receive financial assistance and/or are long-term unemployed, and who only have pre-secondary education.

GOVERNANCE RISK

Business strategy and processes (governance)

The Company is working to implement processes and routines specifically taking the impact of governance factors into account in the overarching business model, including in the lending and risk management activities. The intention is to further develop these efforts over the coming year.

Kommuninvest continuously endeavours, however, to advance good governance in local government organisations by, for example, publishing regular expert reports on local government sector debt management, and on financial trends and conditions, as well as by keeping the range of so-called knowledge products updated and relevant.

Regarding counterparties towards whom Kommuninvest have derivative and/or liquidity portfolio exposures, the Company has, since 2021, gradually increased its followup on governance risks by assessing ESG performance. The assessment is based on five providers (Bloomberg, Moody's, MSCI, S&P and Sustainalytics). Counterparties are, to a varying degree depending on sovereign/non-sovereign status, ranked and assessed relative both to trend and to average. A weaker score may result in a specific follow-up and in measures being implemented, such as a dialogue with the counterparty or a proposed adjustment in the scope of business.

Risk management (governance)

During 2022, a process was initiated to frame the governance risks and to define those associated with the Company's lending activities. In 2024 Governance ("G") factors were introduced in its credit assessment.

With regard to governance, the Company will initially monitor the occurrence over time of unclean audit reports, based on the assumption that this is assumed to reflect deficiencies in governance and follow-up. The relevance and accuracy of this factor will be evaluated . going forward.

CLIMATE CHANGE TRANSITION RISK

TEMPLATE 1: BANKING BOOK – CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

	Gross carrying amount (SEK million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (SEK million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)							
Sector/subsector		*Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation*	*Of which environmentally sustainable (CCM)*	*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which Scope 3 financed emissions*	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
Exposures towards sectors that highly contribute to climate change[1]	**205,378.9**	**-**		**-**	**-**	**-1.3**	**-**	**-**	**579,941.7**	**22,496.6**	**-**	**182,237.7**	**12,130.3**	**11,010.9**	**0.0**	**-**
A - Agriculture, forestry and fishing	149.8	-		-	-	0.0	-	-	0.0	0.0	0.0	87.1	17.5	45.1	0.0	7.0
B - Mining and quarrying	0.0	-		-	-	-	-	-	0.0	0.0	-	-	-	-	-	-
B.05 - Mining of coal and lignite	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
B.06 - Extraction of crude petroleum and natural gas	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
B.07 - Mining of metal ores	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
B.08 - Other mining and quarrying	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
B.09 - Mining support service activities	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C - Manufacturing	2.5	-		-	-	-	-	-	0.0	0.0	-	0.0	-	-	-	18.8
C.10 - Manufacture of food products	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-

TEMPLATE 1: BANKING BOOK – CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

Sector/subsector	Gross carrying amount (SEK million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (SEK million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)							
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	*Of which environmentally sustainable (CCM)*	*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which Scope 3 financed emissions*	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
C.11 - Manufacture of beverages	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.12 - Manufacture of tobacco products	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.13 - Manufacture of textiles	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.14 - Manufacture of wearing apparel	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.15 - Manufacture of leather and related products	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.17 - Manufacture of pulp, paper and paperboard	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.18 - Printing and service activities related to printing	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.19 - Manufacture of coke oven products	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.20 - Production of chemicals	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.21 - Manufacture of pharmaceutical preparations	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.22 - Manufacture of rubber products	*2.5*	-		-	-	-	-	-	*0.4*	*0.0*	*0.0*	*0.0*	-	-	-	*18.8*
C.23 - Manufacture of other non-metallic mineral products	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.24 - Manufacture of basic metals	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-

TEMPLATE 1: BANKING BOOK – CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

	Gross carrying amount (SEK million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (SEK million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)							
Sector/subsector		*Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation*	*Of which environmentally sustainable (CCM)*	*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which Scope 3 financed emissions*	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
C.25 - Manufacture of fabricated metal products, except machinery and equipment	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.26 - Manufacture of computer, electronic and optical products	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.27 - Manufacture of electrical equipment	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.28 - Manufacture of machinery and equipment n.e.c.	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.30 - Manufacture of other transport equipment	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.31 - Manufacture of furniture	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.32 - Other manufacturing	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
C.33 - Repair and installation of machinery and equipment	*0.0*	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	-
D - Electricity, gas, steam and air conditioning supply	18,295.2	-		-	-	-0.1	-	-	268,610.5	6,036.4	0.1	16,013.6	1,050.9	1,230.7	-	3.0

TEMPLATE 1: BANKING BOOK – CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

	Gross carrying amount (SEK million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (SEK million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)							
Sector/subsector		*Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation*	*Of which environmentally sustainable (CCM)*	*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which Scope 3 financed emissions*	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
D35.1 - Electric power generation, transmission and distribution	*9,453.8*	-		-	-	*-0.1*	-	-	*0.0*	*0.0*	*0.0*	*8,209.7*	*720.4*	*523.7*	-	*0.0*
D35.11 - Production of electricity	*1,565.5*	-		-	-	*0.0*	-	-	*0.0*	*0.0*	*0.0*	*1,416.0*	*43.2*	*106.3*	-	*2.9*
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	*124.2*	-		-	-	-	-	-	*0.0*	*0.0*	*0.0*	*124.2*	*0.0*	-	-	*1.6*
D35.3 - Steam and air conditioning supply	*7,151.7*	-		-	-	*0.0*	-	-	*0.0*	*0.0*	*0.0*	*6,263.7*	*287.2*	*600.7*	-	*3.3*
E - Water supply; sewerage, waste management and remediation activities	21,085.0	-		-	-	-0.1	-	-	245,216.5	9,629.4	0.1	18,336.1	1,705.0	1,043.9	-	3.1
F - Construction	3,011.3	-		-	-	0.0	-	-	30.1	0.0	0.0	2,513.4	350.2	147.6	-	3.4
F.41 - Construction of buildings	*448.2*	-		-	-	*0.0*	-	-	*0.0*	*0.0*	*0.0*	*448.2*	-	-	-	2.7
F.42 - Civil engineering	*2,114.0*	-		-	-	*0.0*	-	-	*22.2*	*0.0*	*0.0*	*1,692.6*	*350.2*	*71.2*	-	3.5
F.43 - Specialised construction activities	*449.1*	-		-	-	*0.0*	-	-	*7.8*	*0.0*	*0.0*	*372.7*	*0.0*	*76.4*	-	4.1
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-		-	-	-	-	-	0.0	0.0	-	-	-	-	-	0.0
H - Transportation and storage	1,958.1	-		-	-	0.0	-	-	631.9	0.0	-	1,729.3	162.5	66.4	-	2.9

TEMPLATE 1: BANKING BOOK – CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

	Gross carrying amount (SEK million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (SEK million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)							
Sector/subsector		*Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation*	*Of which environmentally sustainable (CCM)*	*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which stage 2 exposures*	*Of which non-performing exposures*		*Of which Scope 3 financed emissions*	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
H.49 - Land transport and transport via pipelines	*596.6*	-		-	-	*0.0*	-	-	*29.6*	*0.0*	*0.0*	*548.3*	*48.2*	*0.0*	-	*2.1*
H.50 - Water transport	-	-		-	-	*0.0*	-	-	*0.0*	*0.0*	-	-	-	-	-	*0.0*
H.51 - Air transport	*40.3*	-		-	-	*0.0*	-	-	*485.4*	*0.0*	*0.0*	*40.3*	*0.0*	*0.0*	-	*1.7*
H.52 - Warehousing and support activities for transportation	*1,321.2*	-		-	-	*0.0*	-	-	*117.0*	*0.0*	*0.0*	*1,140.6*	*114.2*	*66.4*	-	*3.2*
H.53 - Postal and courier activities	-	-		-	-	-	-	-	*0.0*	*0.0*	-	-	-	-	-	*0.0*
I - Accommodation and food service activities	29.3	-		-	-	0.0	-	-	12.5	0.0	0.0	29.3	-	-	-	1.1
L - Real estate activities	160,847.7	-		-	-	-1.0	-	-	65,440.2	6,830.8	0.6	143,528.9	8,844.1	8,474.7	-	3.0
Exposures towards sectors other than those that highly contribute to climate change [1]	12,052.1	-		-	-	-0.1	-	-	10,287.4	0.0	-	8,566.0	2,404.1	1,082.1	-	11.3
K - Financial and insurance activities	20.1	-		-	-	0.0	-	-	4,673.6	0.0	0.0	0.0	0.0	-	-	18.8
Exposures to other sectors (NACE codes J, M - U)	12,032.0	-		-	-	-0.1	-	-	5,613.8	0.0	0.0	8,566.0	2,404.1	1,062.0	-	3.8
TOTAL	**217,431.0**	-		-	-	**-1.4**	-	-	**590,229.1**	**22,496.6**	-	**190,803.7**	**14,534.3**	**12,093.0**	**0.0**	

1) In accordance with the Commission delegated regulation EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

The financed emissions of Kommuninvest involves both the financing of individual sectors in which Swedish local government actors operate, as well as the financing of municipalities and regions. The sectors of particular relevance for the Company to follow with regard to greenhouse gas emissions are the financing of municipal housing and other properties, local and regional public transport, energy production, water and wastewater management as well as waste management.

A method for calculating the financed emissions associated with the lending portfolio has recently been established. As a result, it has been possible to establish a base year calculation for these financed emissions. Kommuninvest has chosen to focus on the lending portfolio, as this part of the balance sheet is most clearly associated with the Company's financed emissions. Since June 2024 this report includes disclosure on calculated financed emissions associated with the lending portfolio.

In 2024 an emissions reductions pathway has been developed including interim targets for financed greenhouse gas emissions from the lending portfolio, in line with established market practices.

A future aim is to also calculate the emissions associated with the Company's liquidity management. However, the liquidity reserve predominantly comprises government bonds, with a concentration to the Swedish sovereign and sovereign issuers from other northern European countries. The associated emissions are therefore limited.

Work is conducted based on the climate plan adopted by the Company in 2022, which includes a net zero carbon emissions target by 2045 for the Company's financed emissions. Further details of Kommuninvest's Climate Plan are provided in the Sustainability Report included in the Company's Annual Report.

TEMPLATE 2: CLIMATE CHANGE TRANSITION RISK: LOANS COLLATERALISED BY IMMOVABLE PROPERTY COLLATERAL – ENERGY EFFICIENCY OF THE COLLATERAL.

Because Kommuninvest does not have any loan exposures collateralised by immovable property, template 2 is not applicable.

TEMPLATE 3: BANKING BOOK - CLIMATE CHANGE TRANSITION RISK: ALIGNMENT METRICS

To align with the Paris Agreement objectives Kommuninvest has initiated a number of efforts including the recent development of a methodology to calculate financed emissions and the establishment of a base year calculation for the lending portfolio. A reduction plan is being developed to identify the most suitable levers to transition from the 2022 baseline value to net zero financed emissions by 2045.

The development of the reduction plan includes determining suitable scenarios and transition pathways in the context of Kommuninvest's business model and aligned with the Paris Agreement.

With regards to the selected sectors in template 3, a first review indicates relatively low exposures to the specifically listed NACE codes. For that reason, and pending further internal development, Kommuninvest intentionally leaves sections of Template 3 blank.

Scenario calculations will be elaborated as the development of the reduction plan progresses. Kommuninvest expects to be able to include more information in the year-end reporting.

Sector	NACE Sectors (a minima)*	Portfolio gross carrying amount (Mn EUR)	Alignment metric**	Year of reference	Distance to IEA NZE2050 in % ***	Target (year of reference + 3 years)
Power	D.35; F.4321	18,761.3				
Fossil fuel combustion	L.6820	4,149.3				
Automotive	-	-				
Aviation	H.5110; H.5223	314.4				
Maritime transport	H.5222; H.5224; H.5229	1,026.0				
Cement, clinker and lime production	-	-				
Iron and steel, coke, and metal ore production	-	-				
Chemicals	-	-				
.... potential additions relavant to the business model of the institution	-	-				

*** PiT distance to 2030 NZE2050 scenario in % (for each metric)

TEMPLATE 4: BANKING BOOK - CLIMATE CHANGE TRANSITION RISK: EXPOSURES TO TOP 20 CARBON-INTENSIVE FIRMS.

In line with its ownership directive, Kommuninvest only offers financing to local government actors in Sweden. There are no exposures to the world's top-20 emissions-intensive companies. This has been verified against the press release from the Climate Accountability Institute, published on 9 December 2020: "Carbon Majors: Update of Top Twenty companies 1965- 2018". Accordingly, template 4 is not applicable.

CLIMATE CHANGE, PHYSICAL RISK

TEMPLATE 5: BANKING BOOK – CLIMATE CHANGE, PHYSICAL RISK: EXPOSURES SUBJECT TO PHYSICAL RISK

	Gross carrying amount (SEK million)													
		of which exposures sensitive to impact from climate change physical events												
		Breakdown by maturity bucket										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
Variable: Geographical area subject to climate change physical risk - acute and chronic events		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	*Of which Stage 2 exposures*	*Of which non-performing exposures*		*of which Stage 2 exposures*	*Of which non-performing exposures*
A - Agriculture, forestry and fishing	149.8	-	-	-	-	-	-	-	-	-	-	-	-	-
B - Mining and quarrying	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
C - Manufacturing	2.5	-	-	-	-	-	-	-	-	-	-	-	-	-
D - Electricity, gas, steam and air conditioning supply	18,295.2	-	-	-	-	-	-	-	-	-	-	-	-	-
E - Water supply; sewerage, waste management and remediation activities	21,085.0	-	-	-	-	-	-	-	-	-	-	-	-	-
F - Construction	3,011.3	-	-	-	-	-	-	-	-	-	-	-	-	-
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
H - Transportation and storage	1,958.1	-	-	-	-	-	-	-	-	-	-	-	-	-
L - Real estate activities	160,847.7	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repossessed colalterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Based on the ESG factors stated in a report (EBA/REP/2021/18, "On management and supervision of ESG risks for credit institutions and investment firms") from the European Banking Authority, the Company has analysed which physical climate-related risks could have the greatest potential negative financial impacts on its borrowers, where the exposures are exclusively within Sweden. In this process, the Company has assessed both international and national documents, including GFDRR, ThinkHazard!, Aqueduct water risk atlas and PREP data, as well as data from the Swedish Civil Contingencies Agency (MSB).

Only national data have been used in the analysis, as these facilitate the identification of domestic geographical differences entailing certain areas and municipalities running a higher physical climate risk than others. To date, the analysis shows that the risks related to flooding, landslides and erosion, caused by increased water levels or torrential rain, are the most relevant. The Company has also ascertained that higher water levels or torrential rain can affect the availability or quality of drinking water.

To date, the Company has primarily based its analysis on the MSB risk classification for different geographical areas in Sweden. This currently includes flooding as a result of increased sea water levels, as well as landslides or erosion. The MSB risk classification indicates different risks and risk levels in different parts of Sweden, indicating in particular risks of flooding in coastal municipalities.

The possibilities to include the physical climate-related consequences of torrential rain, based on the MSB report on the government-commissioned method for cloudburst mapping of urban areas published in December 2023, has been considered and rejected. This is because the report is based on a standardized methodology for cloudburst mapping, aimed at both municipalities and performers of cloudburst mapping. This is not suitable for the Company's needs.

Current data availability is therefore insufficient for assessing the vulnerability of loan exposures to physical climate risks, including with regard to chronic and acute risks. The dataset from MSB would need to be more specific in its details about where the physical climate risks lie within the boundaries of the municipalities, to make that analysis possible.

In the absence of opportunities for performing a qualified assessment of individual borrowers and segments in the lending activities, these fields have been left blank in the disclosure template.

MITIGATING ACTIONS

TEMPLATE 6: SUMMARY OF GAR KPI'S

	KPI			% coverage (over total assets)*
	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	
GAR stock	0%	0%	0%	2%
GAR flow**	0%	0%	0%	0%

* % of assets covered by the KPI over banks´ total assets

** Reported at 0% due to lack of data for the comparison period.

Loans included on row 29 Housing Financing in template 7, see section below “Assets for the calculation of GAR” will contribute to column "Percentage coverage (over total assets)" but are not Taxonomy aligned.

TEMPLATE 7: MITIGATING ACTIONS - ASSETS FOR THE CALCULATION OF GAR CONT.

	Disclosure reference date T															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
		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)*			
Million EUR	Total gross carrying amount			*Of which specialised lending*	*Of which transitional*	*Of which enabling*			*Of which specialised lending*	*Of which adaptation*	*Of which enabling*			*Of which specialised lending*	*Of which transitional/ adaptation*	*Of which enabling*
GAR – Covered assets in both numerator and denominator																
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	14,469.07	14,469.07	-	-	-	-	-	-	-	-	-	14,469.07	-	-	-	-
Financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

TEMPLATE 7: MITIGATING ACTIONS - ASSETS FOR THE CALCULATION OF GAR CONT.

		Disclosure reference date T														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
		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)*			
Million EUR	Total gross carrying amount			*Of which special-ised lend-ing*	*Of which transi-tional*	*Of which enabling*			*Of which special-ised lend-ing*	*Of which adapta-tion*	*Of which enabling*			*Of which special-ised lending*	*Of which transi-tional/ adapta-tion*	*Of which enabling*
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
Non-financial corporations (subject to NFRD disclosure obligations)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
Households	**-**	**-**	**-**	**-**	**-**	**-**						**-**	**-**	**-**	**-**	**-**
of which loans collateralised by residential immovable property	-	-	-	-	-	-						-	-	-	-	-
of which building renovation loans	-	-	-	-	-	-						-	-	-	-	-
of which motor vehicle loans	-	-	-	-	-	-						-	-	-	-	-
Local governments financing	**14,469.07**	**14,469.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,469.07**	**-**	**-**	**-**	**-**
Housing financing	14,469.07	14,469.07	-	-	-	-	-	-	-	-	-	14,469.07	-	-	-	-
Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateral obtained by taking possession: residential and commercial immovable prop-erties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL GAR ASSETS	**14,469.07**	**14,469.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,469.07**	**-**	**-**	**-**	**-**
Assets excluded from the numerator for GAR calculation (covered in the denominator)																
EU Non-financial corporations (not subject to NFRD disclosure obligations)	**226,632.20**															
Loans and advances	226,632.20															
Debt securities	-															
Equity instruments	-															
Non-EU Non-financial corpora-tions (not subject to NFRD dis-closure obligations)	**-**															
Loans and advances	-															

TEMPLATE 7: MITIGATING ACTIONS - ASSETS FOR THE CALCULATION OF GAR CONT.

		Disclosure reference date T														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
		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)*			
Million EUR	Total gross carrying amount			*Of which special-ised lend-ing*	*Of which transi-tional*	*Of which enabling*			*Of which special-ised lend-ing*	*Of which adapta-tion*	*Of which enabling*			*Of which special-ised lending*	*Of which transi-tional/ adapta-tion*	*Of which enabling*
Debt securities	-															
Equity instruments	-															
Derivatives	10,455.19															
On demand interbank loans	-															
Cash and cash-related assets	58,285.00															
Other assets (e.g. Goodwill, commodities etc.)	195.15															
TOTAL ASSETS IN THE DENOMINATOR (GAR)	295,567.54															
Other assets excluded from both the numerator and denominator for GAR calculation																
Sovereigns	305,357.93															
Central banks exposure	4,692.32															
Trading book	-															
TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR	310,050.25															
TOTAL ASSETS	620,086.87															

Loans to local government

For the calculation of GAR, loans granted by institutions to local government with the aim of funding the acquisition of public housing should be included on row 29 Housing financing. For the reporting as of 31 December 2024, the Company has included as eligible those exposures that form part of the Company's Green Bond framework within the category Green buildings. These exposures represent Green Loans granted to municipalities in respect of residential buildings. As per the reporting date, because of the generalized nature of the major part of the lending, it has not been feasible to identify additional exposures in the loan portfolio associated with lending for residential housing purposes, however the Company expects to be able to assess such exposures in the future.

With the exception of exposures related to Green Loans for residential buildings, all other financing towards municipalities and regional governments are included on row 46 Sovereigns. As stated, in the future part of the exposures on row 46 may be reported on row 29 Housing financing, subject to further investigation and data collection.

Considering that the current eligibility criteria for Green Loans do not require alignment with the EU Taxonomy technical screening criteria, no exposures have been reported as Taxonomy-aligned.

Loans to non-financial corporations

For the calculation of GAR, loans to non-financial corporations (subject to NFRD disclosure obligations) shall be included. As of 31 December 2024, the Company does not have any exposures toward NFRD corporations. The financing towards non-financial corporations is therefore reported under row 33 EU Non-financial corporations (not subject to NFRD disclosure obligations). Note that this row solely forms part of the denominator in the calculation of GAR, not the nominator.

TEMPLATE 8 - GAR (%)

	Disclosure reference date T: KPIs on stock															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of eligible assets funding taxonomy relevant sectors					*Proportion of eligible assets funding taxonomy relevant sectors*					*Proportion of eligible assets funding taxonomy relevant sectors*					
		Of which environmentally sustainable					*Of which environmentally sustainable*					*Of which environmentally sustainable*				
% (compared to total covered assets in the denominator)			*Of which specialised lending*	*Of which transitional*	*Of which enabling*			*Of which specialised lending*	*Of which adaptation*	*Of which enabling*			*Of which specialised lending*	*Of which transitional/ adaptation*	*Of which enabling*	*Proportion of total assets covered*
GAR	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	2%
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%	0%	2%
Financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0%*
of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0%*
of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0%*
Non-financial corporations subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Households	-	-	-	-	-						-	-	-	-	-	0%
of which loans collateralised by residential immovable property	-	-	-	-	-						-	-	-	-	-	*0%*
of which building renovation loans	-	-	-	-	-						-	-	-	-	-	*0%*
of which motor vehicle loans	-	-	-	-	-						-	-	-	-	-	*0%*
Local government financing	100%	0%	0%	0%	0%						100%	0%	0%	0%	0%	2%
Housing financing	100%	0%	0%	0%	0%						100%	0%	0%	0%	0%	2%
Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-						-	-	-	-	-	0%

TEMPLATE 8 - GAR (%) CONT.

% (compared to total covered assets in the denominator)	Disclosure reference date T: KPIs on flows															
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	Proportion of eligible assets funding taxonomy relevant sectors					*Proportion of eligible assets funding taxonomy relevant sectors*					*Proportion of eligible assets funding taxonomy relevant sectors*					
		Of which environmentally sustainable					*Of which environmentally sustainable*					*Of which environmentally sustainable*				
			Of which specialised lending	*Of which transitional*	*Of which enabling*			*Of which specialised lending*	*Of which adaptation*	*Of which enabling*			*Of which specialised lending*	*Of which transitional/ adaptation*	*Of which enabling*	*Proportion of total assets covered*
GAR	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0%*
of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0%*
of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*0%*
Non-financial corporations subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Households	-	-	-	-	-						-	-	-	-	-	0%
of which loans collateralised by residential immovable property	-	-	-	-	-						-	-	-	-	-	*0%*
of which building renovation loans	-	-	-	-	-						-	-	-	-	-	*0%*
of which motor vehicle loans	-	-	-	-	-						-	-	-	-	-	*0%*
Local government financing	0%	0%	0%	0%	0%						0%	0%	0%	0%	0%	0%
Housing financing	0%	0%	0%	0%	0%						0%	0%	0%	0%	0%	0%
Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-						-	-	-	-	-	0%

TEMPLATE 9: MITIGATING ACTIONS: BTAR

As to the voluntary reporting of BTAR the Company has decided not to report per 2024 while investigating how to secure data and monitoring the development of market practice.

TEMPLATE 10: OTHER CLIMATE CHANGE MITIGATING ACTIONS THAT ARE NOT COVERED IN THE EU TAXONOMY

Type of financial instrument	Type of counterparty	Gross carrying amount (SEK million)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	-	-	-	-
	Non-financial corporations	-	-	-	-
	Of which Loans collateralised by commercial immovable property	-	-	-	-
	Households	-	-	-	-
	Of which Loans collateralised by residential immovable property	-	-	-	-
	Of which building renovation loans	-	-	-	-
	Other counterparties	-	-	-	-
Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	-	-	-	-
	Non-financial corporations	29,206.14	Yes	Yes	"Transition risk: Green Building, Renew energy, Energy Eff, Public transportation, Waste management. Physical Risk: Water management"
	Of which Loans collateralised by commercial immovable property	-	-	-	-
	Households	-	-	-	-
	Of which Loans collateralised by residential immovable property	-	-	-	-
	Of which building renovation loans	-	-	-	-
	Other counterparties	63,474.41	Yes	Yes	"Transition risk: Green Building, Renew energy, Energy Eff, Public transportation Physical Risk: Water management"

Kommuninvest launched a green financing programme in 2015, the overall purpose of which is to promote the transition to a low-carbon and climate-resistant society. In 2021, the programme received the Swedish Miljömålspriset environmental objectives award for its contribution to the environmental objective of limiting climate impacts. By December 2024, Green Loans accounted for 17 (16) percent of the Company's total lending. The Company's objective is for all customers able to take out a Sustainable Loan to do so.

Financing can be granted for investment projects within any of the eight categories included in the Company's Green Bonds framework: environmental measures, water management, climate change adaptation, green buildings, energy efficiency, waste management, sustainable transportation and renewable energy. Projects must promote the transition to low-carbon and climate-resistant growth, relate to national environmental targets and form part of the applicant's systematic work with its environmental targets. Projects shall also target either climate change mitigation, climate change adaptation or environmental measures in areas other than climate change.

At present, the largest category is green buildings, with a stipulated energy performance requirement of financed buildings to be at least 20 percent below national building regulations. As of 2021, climate requirements have been introduced for the construction phase, requiring solid climate-oriented measures to be implemented in construction projects, at least for the building frame. The Company also requires the borrower to calculate the embedded emissions from the construction phase.

In 2024, the eligibility criteria to obtain financing via the Green Bond framework was updated, partly to reflect EU Taxonomy technical screening criteria. Where feasible and reasonable, all Framework project categories comply with the substantial contribution criteria of the EU Taxonomy, ie. to at least one of the EU's six environmental objectives. The updated Green Bond Framework entered into effect as regards the Green Loans criteria from December 2024.

Signature

As the CFO of Kommuninvest i Sverige AB (the Company), I hereby, certify that the disclosures presented in the Company's Capital Adequacy and Risk Management Report (Pillar 3) Q4 2023 in accordance with Part Eight of Regulation (EU) No 575/2013, have been prepared in accordance with the internal controls and procedures.

Örebro, February 12th 2025

Patrick Nimander
CFO

On the Kommuninvest website, www.kommuninvest.se/en, you can read more about Kommuninvest, our services and news affecting the economy and finances of municipalities and regions in Sweden.

On the website you will find:

- Our newsletter that each week provides members with the latest updates on macroeconomics and other areas affecting local government finances
- Reports on local government finances
- Membership magazine Dialog
- Log-in to the finance management tool KI Finans
- Information for investors

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