KOMMUNINVEST I SVERIGE AB

Capital Adequacy and Risk Management Report – Pillar 3

Q2 2023

KOMMUNINVEST

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1) Not applicable

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.

The member organisation 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

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 is 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.

The Board of Directors determines lending frameworks and restrictions for all lending, investment and derivative counterparties at least once annually. General lending frameworks for the Group's customers are established annually based on the total debt of the municipal/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.

Limitations for investment and derivative counterparties are determined based on the counterparty's creditworthiness, including ownership conditions, the focus and scope of the operations, financial stability and maturity of contract. The Board of Directors determines the ultimate framework through the maximum market value of investments and the total permitted business volume for a particular derivative counterparty.

Credit risk quality

EU CR1 – Performing and non-performing exposures and related provisions

SEK million	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	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					
		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		On performing exposures	On non-performing exposures
Cash balances at central banks and other demand deposits															
Loans and advances	**492,833.7**	**335,017.1**	**-**	**-**	**-**	**-**	**-4.0**	**-4.0**	**-**	**-**	**-**	**-**	**-**	**253,612.8**	**-**
Central banks	7,720.2	7,720.2	-	-	-	-	-0.1	-0.1	-	-	-	-	-	-	-
General governments	230,800.3	151,126.4	-	-	-	-	-1.8	-1.8	-	-	-	-	-	-	-
Credit institutions	698.3	698.3	-	-	-	-	-0.2	-0.2	-	-	-	-	-	-	-
Other financial corporations	30,868.5	21,473.8	-	-	-	-	-0.2	-0.2	-	-	-	-	-	30,868.2	-
Non-financial corporations	222,746.4	153,998.4	-	-	-	-	-1.8	-1.8	-	-	-	-	-	222,744.6	-
Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	**94,278.4**	**80,197.4**	**-**	**-**	**-**	**-**	**-0.9**	**-0.9**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	81,646.7	76,970.1	-	-	-	-	-0.7	-0.7	-	-	-	-	-	-	-
Credit institutions	12,631.7	3,227.3	-	-	-	-	-0.2	-0.2	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet exposures	**650.9**	**650.9**	**-**	**-**	**-**	**-**	**0.0**	**0.0**	**-**	**-**	**-**	**-**		**-**	**-**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	92.3	92.3	-	-	-	-	0.0	0.0	-	-	-	-		-	-
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Non-financial corporations	558.6	558.6	-	-	-	-	0.0	0.0	-	-	-	-		-	-
Households	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Total	**587,763.0**	**415,865.4**	**-**	**-**	**-**	**-**	**-4.9**	**-4.9**	**-**	**-**	**-**	**-**	**-**	**253,612.8**	**-**

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	698.3	118,190.1	318,110.8	55,834.5	-	492,833.7
Debt securities	-	87,890.8	6,387.6	-	-	94,278.4
Total	**698.3**	**206,080.9**	**324,498.4**	**55,834.5**	**-**	**587,112.1**

EU CQ4 – Quality of non-performing exposures by geography

	Gross carrying/nominal amount						
		Of which non-performing					
SEK million			**Of which defaulted**	**Of which subject to impairment**	**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**
On-balance-sheet exposures	**587,112.1**	**-**	**-**	**415,214.5**	**-4.9**		**-**
Belgium	1,176.5	-	-	-	-		-
Finland	394.8	-	-	394.8	-0.1		-
Germany	8,543.3	-	-	2,945.2	-0.2		-
UK	303.5	-	-	303.5	-0.1		-
Sweden	571,279.7	-	-	411,288.9	-4.5		-
Other countries	5,414.3	-	-	282.1	0.0		-
Off-balance-sheet exposures	**650.9**	**-**	**-**			**0.0**	
Belgium	-	-	-			-	
Finland	-	-	-			-	
Germany	-	-	-			-	
UK	-	-	-			-	
Sweden	650.9	-	-			0.0	
Other countries	-	-	-			-	
Total	**587,763.0**	**-**	**-**	**415,214.5**	**-4.9**	**0.0**	**-**

EU CQ5 – Credit quality of loans and advances to non-financial corporations by industry

SEK million	Gross carrying amount	Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
Agriculture, forestry and fishing	148.7	-	-	69.9	0.0	-
Mining and quarrying	-	-	-	-	-	-
Manufacturing	5.9	-	-	-	-	-
Electricity, gas, steam and air conditioning supply	17,104.2	-	-	10,223.4	-0.1	-
Water supply	17,407.0	-	-	11,329.3	-0.1	-
Construction	2,379.6	-	-	1,426.6	0.0	-
Wholesale and retail trade	-	-	-	-	-	-
Transport and storage	2,163.9	-	-	1,390.2	0.0	-
Accommodation and food service activities	33.7	-	-	33.7	0.0	-
Information and communication	1,252.0	-	-	677.4	0.0	-
Financial and insurance activities	476.3	-	-	328.2	0.0	-
Real estate activities	160,477.6	-	-	111,819.1	-1.4	-
Professional, scientific and technical activities	15,818.0	-	-	12,233.2	-0.1	-
Administrative and support service activities	4,550.7	-	-	4,112.9	-0.1	-
Public administration and defence, compulsory social security	418.4	-	-	183.8	0.0	-
Education	269.9	-	-	59.1	0.0	-
Human health services and social work activities	-	-	-	-	-	-
Arts, entertainment and recreation	240.4	-	-	111.5	0.0	-
Other services	0.1	-	-			-
Total	**222,746.4**	**-**	**-**	**153,998.3**	**-1.8**	**-**

EU CQ6 – Collateral valuation - loans and advances

SEK million	Loans and advances	Performing	Of which past due > 30 days ≤ 90 days	Non-performing	Unlikely to pay that are not past due or are past due ≤ 90 days	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	492,833.7	492,833.7	-	-	-	-	-	-	-	-	-	-
Of which secured	262,033.4	262,033.4	-	-	-	-	-	-	-	-	-	-
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	-2.3	-2.3	-	-	-	-	-	-	-	-	-	-
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	253,612.8	253,612.8	-	-	-	-	-	-	-	-	-	-
Accumulated partial write-off	-	-	-	-	-	-	-	-	-	-	-	-

Credit risk mitigation techniques

EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

SEK million	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
Loans and advances	239,216.9	253,612.8	-	253,612.8	-
Debt securities	94,277.5	-	-	-	
Total	**333,494.4**	**253,612.8**	**-**	**253,612.8**	**-**
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	89,373.2	-	89,373.2	-	-	-
Regional government or local authorities	230,798.5	124.3	484,411.4	382.9	-	-
Public sector entities	-	-	-	-	-	-
Multilateral development banks	5,414.3	-	5,414.3	-	-	-
International organisations	-	-	-	-	-	-
Institutions	7,906.1	-	7,906.1	-	137.3	2%
Corporates	253,720.3	641.6	107.5	-	107.5	100%
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	**587,212.4**	**765.9**	**587,212.4**	**382.9**	**244.8**	**0.0%**

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	89,374.3	-	89,374.3	-	-	-
Regional government or local authorities	230,798.5	124.3	484,411.4	382.9	-	-
Public sector entities	-	-	-	-	-	-
Multilateral development banks	5,414.3	-	5,414.3	-	-	-
International organisations	-	-	-	-	-	-
Institutions	7,918.1	-	7,918.1	-	139.7	2%
Corporates	253,707.3	641.6	94.4	-	94.4	100%
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	**587,212.5**	**765.9**	**587,212.5**	**382.9**	**234.1**	**0.0%**

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	89,373.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89,373.2	-
Regional government or local authorities	489,400.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	489,400.7	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	5,414.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,414.3	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	7,219.6	-	-	-	686.4	-	-	-	-	-	-	-	-	-	-	7,906.1	-
Corporates	-	-	-	-	-	-	-	-	-	107.5	-	-	-	-	-	107.5	-
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	**591,407.9**	**-**	**-**	**-**	**686.4**	**-**	**-**	**-**	**-**	**107.5**	**-**	**-**	**-**	**-**	**-**	**592,201.8**	**-**

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	89,374.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89,374.3	-
Regional government or local authorities	489,400.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	489,400.7	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	5,414.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,414.3	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	7,219.6	-	-	-	698.5	-	-	-	-	-	-	-	-	-	-	7,918.1	-
Corporates	-	-	-	-	-	-	-	-	-	94.4	-	-	-	-	-	94.4	-
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	**591,409.0**	**-**	**-**	**-**	**698.5**	**-**	**-**	**-**	**-**	**94.4**	**-**	**-**	**-**	**-**	**-**	**592,201.9**	**-**

Counterparty credit risk

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)	459.0	2,467.8		1.4	33,451.6	4,097.5	4,097.5	-
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)					-	0.0	0.0	0.0
VaR for SFTs					-	-	-	-
Total					**33,451.6**	**4,097.5**	**4,097.5**	**0.0**

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	4,097.5	783.7
Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
Total transactions subject to own funds requirements for CVA risk	**4,097.5**	**783.7**

EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

SEK million	Risk weight											Total exposure value
Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Regional government or local authorities	4,606.4	-	-	-	-	-	-	-	-	-	-	4,606.4
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	0.0	-	-	-	-	-	-	0.0
Corporates	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
Total exposure value	**4,606.4**	**-**	**-**	**-**	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**	**4,606.4**

EU CCR5 – Composition of collateral for CCR exposures

SEK million	Collateral used in derivative transactions				Collateral used in SFTs			
	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		20,364.7	-	5,589.1	-	-	-	-
Cash – other currencies		1,649.4	-	3,714.9	-	-	-	-
Domestic sovereign debt		326.1	3,019.8	-	-	-	-	-
Other sovereign debt		-	-	-	-	-	-	-
Government agency debt		-	-	-	-	-	-	-
Corporate bonds		-	-	-	-	-	-	-
Equity securities		-	-	-	-	-	-	-
Other collateral		-	-	-	-	-	-	89.4
Total		**22,340.2**	**3,019.8**	**9,304.0**	**-**	**-**	**-**	**89.4**

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	508.9	-
(i) OTC derivatives	*508.9*	-
(ii) Exchange-traded derivatives	-	-
(iii) SFTs	-	-
(iv) Netting sets where cross-product netting has been approved	-	-
Segregated initial margin	3,019.8	
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	-	-

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.

Diversified 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 Swedish bondprogramme, Benchmark borrowing in USD within the EMTN (Euro Medium Term Note) programme, the ECP (Euro Commercial Paper) programme. The Company maintains a continuous market presence in these programmes. In addition, the Company regularly issues green bonds, in SEK, EUR and in USD.

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 below illustrates the balance sheet maturity profile, indicating good matching between assets and liabilities.

The average maturity of the Company's outstanding borrowing as of 30 June 2023 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 30 June 2023 was 2.1 (2.1) 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 0.2 (0.0) years.

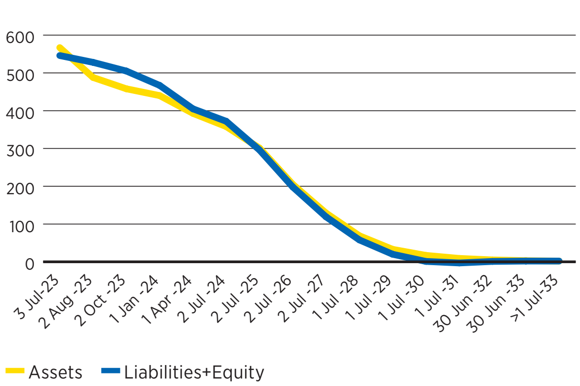
Liquidity reserve

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.

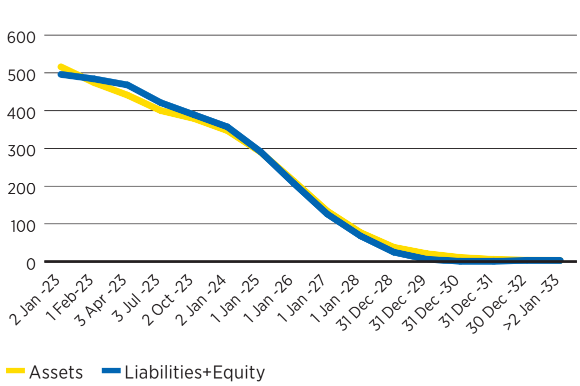
The scale of the liquidity reserve is governed by the principle that a sufficient volume shall be maintained to meet the Company's liquidity needs even during periods of substantial unease in the financial markets.

The liquidity reserve is invested in assets of favourable credit quality, high turnover and readily redeemed. All holdings are to be eligible as collateral with the Swedish central bank (the Riksbank). 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.

Maturity Profile, balance sheet
2023-06-30



Maturity Profile, balance sheet
2022-12-31



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, USD and EUR. 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, totalled, as of 30 June 2023, 275 (398) percent, 285 (1,861) percent in USD, 340 percent in EUR and 341 (844) percent in SEK.

EU LIQ1 – Quantitative information of LCR, Solo

SEK million	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on	**30 Jun 2023**	**31 Mar 2023**	**31 Dec 2022**	**30 Sep 2022**	**30 Jun 2023**	**31 Mar 2023**	**31 Dec 2022**	**30 Sep 2022**
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets								
Total high-quality liquid assets (HQLA)					80,142.2	80,954.2	83,408.5	80,298.9
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					2,953.1	4,085.7	3,759.3	3,440.2
Additional requirements	19,554.8	19,388.2	18,745.8	18,097.0	18,503.9	18,347.2	17,886.5	17,209.6
Outflows related to derivative exposures and other collateral requirements	18,387.1	18,231.5	17,791.0	17,111.1	18,387.1	18,231.5	17,791.0	17,111.1
Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	1,167.7	1,156.7	954.8	986.0	116.8	115.7	95.5	98.6
Other contractual funding obligations	16,826.3	18,875.0	17,614.3	17,531.9	16,826.3	18,875.0	17,614.3	17,531.9
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total cash outflows					**38,056.7**	**41,087.9**	**39,002.9**	**38,008.3**
Cash – inflows								
Secured lending (e.g. reverse repos)	6,250.1	8,185.8	6,571.0	5,849.3	2,793.3	3,767.4	3,297.8	2,741.1
Inflows from fully performing exposures	9,475.8	11,066.1	9,003.2	9,476.5	4,563.2	4,838.5	3,732.2	4,072.4
Other cash inflows	4,194.6	6,066.4	5,797.1	5,417.8	3,218.3	4,953.3	4,650.9	4,216.2
(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	**17,196.3**	**21,973.5**	**18,440.9**	**18,164.1**	**10,342.0**	**13,245.2**	**11,406.1**	**10,801.3**
Fully exempt inflows	-	-	-	-	-	-	-	-
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	16,902.5	21,570.1	18,137.5	17,891.6	10,342.0	13,245.2	11,406.1	10,801.3
					Total adjusted value			
Liquidity buffer					**80,142.2**	**80,954.2**	**83,408.5**	**80,298.9**
Total net cash outflows					**27,714.7**	**27,842.8**	**27,596.9**	**27,207.1**
Liquidity coverage ratio					**302.7%**	**333.2%**	**342.9%**	**331.2%**

EU LIQ1 – Quantitative information of LCR, Consolidated

SEK million	Total unweighted value (average)				Total weighted value (average)			
Quarter ending on	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets								
Total high-quality liquid assets (HQLA)					80,142.2	80,954.2	83,408.5	80,298.9
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					2,953.1	4,085.7	3,759.3	3,440.2
Additional requirements	19,560.8	19,388.2	18,745.8	18,097.0	18,509.8	18,347.2	17,886.5	17,209.6
Outflows related to derivative exposures and other collateral requirements	18,393.0	18,231.5	17,791.0	17,111.1	18,393.0	18,231.5	17,791.0	17,111.1
Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	1,167.7	1,156.7	954.8	986.0	116.8	115.7	95.5	98.6
Other contractual funding obligations	16,826.3	18,875.0	17,614.3	17,531.9	16,826.3	18,875.0	17,614.3	17,531.9
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total cash outflows					**38,056.0**	**41,087.9**	**39,002.9**	**38,008.3**
Cash – inflows								
Secured lending (e.g. reverse repos)	6,250.1	8,185.8	6,571.0	5,849.3	2,793.3	3,767.4	3,297.8	2,741.1
Inflows from fully performing exposures	9,475.4	11,065.7	9,002.7	9,476.1	4,562.8	4,838.1	3,731.8	4,072.0
Other cash inflows	4,194.6	6,066.4	5,797.1	5,417.8	3,218.3	4,953.3	4,650.9	4,216.2
(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	**17,195.9**	**21,973.1**	**18,440.5**	**18,163.7**	**10,341.6**	**13,244.8**	**11,405.7**	**10,800.9**
Fully exempt inflows	-	-	-	-	-	-	-	-
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	16,902.1	21,569.7	18,137.1	17,891.2	10,341.6	13,244.8	11,405.7	10,800.9
					Total adjusted value			
Liquidity buffer					**80,142.2**	**80,954.2**	**83,408.5**	**80,298.9**
Total net cash outflows					**27,714.4**	**27,843.2**	**27,597.3**	**27,207.5**
Liquidity coverage ratio					**302.7%**	**333.2%**	**342.9%**	**331.2%**

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 conditions 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 Swedish bondprogramme borrowing in SEK, benchmarkfunding within the EMTN (Euro Medium Term Note) programme in USD 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, EUR and USD.

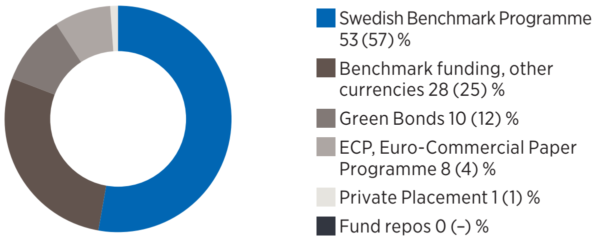
High-level description of the composition of the institution`s liquidity buffer.

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 30 June 2023 was 1.96 (0.54) months. The longest maturity for an individual security was 35.27 (19.97) months.

Investments are subject to a country limit whereby exposures to an individual country may be SEK 15 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 30 June 2023, 97 (97) percent of the reserve was invested in securities with the highest possible credit rating, and 85 (89) percent consisted of investments in securities issued by issuers in Sweden.

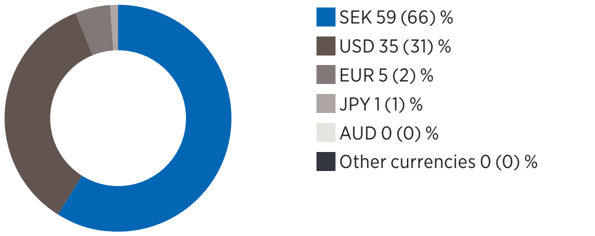
Funding portfolio SEK bn 539,5 (522,3) by programme

30 June 2023 (31 Dec 2022)



Funding portfolio SEK bn 539,5 (522,3) by currency

30 June 20223(31 Dec 2022)



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.

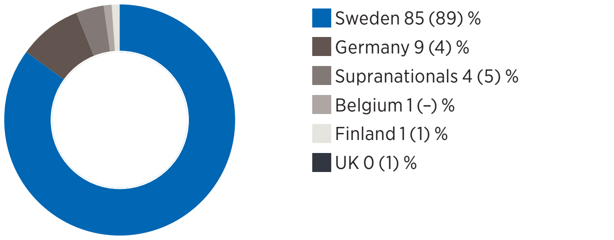
Derivative exposures and potential collateral calls
The company uses derivatives to hedge market risks. CSA agreements entered into with all derivative counterparties ensure that changes in market value are covered by collateral, mainly cash collateral. The company calculates potential collateral flows 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, USD and EUR. 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.

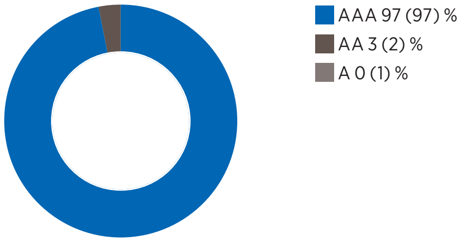
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile
In the Company's internal liquidity measures and governance, the Company assumes a forecast turnover rate if higher than 50 percent, which it usually 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 stable net financing ratio (Net Stable Funding Ratio), 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 30 June 2023, the NSFR quota was 142 (143.4) 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.

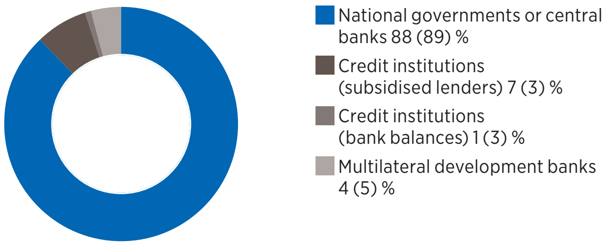
Liquidity reserve distributed by country
30 June 2023 (31 Dec 2022)



Liquidity reserve distributed by rating category
30 June 2023 (31 Dec 2022)



Liquidity reserve distributed by issuer category
30 June 2023 (31 Dec 2022)



EU LIQ2: Net Stable Funding Ratio, Solo

SEK million	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items					
Capital items and instruments	9,933.5	-	-	-	9,933.5
Own funds	9,933.5	-	-	-	9,933.5
Other capital instruments		-	-	-	-
Retail deposits		-	-	-	-
Stable deposits		-	-	-	-
Less stable deposits		-	-	-	-
Wholesale funding:		115,505.6	74,032.6	381,894.1	418,910.4
Operational deposits		-	-	-	-
Other wholesale funding		115,505.6	74,032.6	381,894.1	418,910.4
Interdependent liabilities		-	-	-	-
Other liabilities:	9,418.7	22,022.4	-	-	-
NSFR derivative liabilities	9,418.7				
All other liabilities and capital instruments not included in the above categories		22,022.4	-	-	-
Total available stable funding (ASF)					**428,843.9**
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:		78,686.2	50,887.0	355,524.3	295,603.0
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		686.1	-	-	68.6
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		78,000.0	50,887.0	355,524.3	295,534.3
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		78,000.0	50,887.0	355,524.3	295,534.3
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:		12,604.9	-	3,019.8	6,165.4
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		0.0		3,019.8	2,566.8
NSFR derivative assets		3,069.0			3,069.0
NSFR derivative liabilities before deduction of variation margin posted		9,418.7			470.9
All other assets not included in the above categories		117.3	-	-	58.6
Off-balance sheet items		765.9	-	-	38.3
Total RSF					**301,806.6**
Net Stable Funding Ratio (%)					**142.1%**

EU LIQ2: Net Stable Funding Ratio, Consolidated

SEK million	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items					
Capital items and instruments	10,795.9	-	-	-	10,795.9
Own funds	10,795.9	-	-	-	10,795.9
Other capital instruments		-	-	-	-
Retail deposits		-	-	-	-
Stable deposits		-	-	-	-
Less stable deposits		-	-	-	-
Wholesale funding:		115,505.6	74,032.6	381,894.1	418,910.4
Operational deposits		-	-	-	-
Other wholesale funding		115,505.6	74,032.6	381,894.1	418,910.4
Interdependent liabilities		-	-	-	-
Other liabilities:	9,418.7	21,160.1	-	-	-
NSFR derivative liabilities	9,418.7				
All other liabilities and capital instruments not included in the above categories		21,160.1	-	-	-
Total available stable funding (ASF)					**429,706.3**
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:		78,698.2	50,887.0	355,524.3	295,604.2
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		698.2	-	-	69.8
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		78,000.0	50,887.0	355,524.3	295,534.3
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		78,000.0	50,887.0	355,524.3	295,534.3
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:		12,593.0	-	3,019.8	6,159.4
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		0.0		3,019.8	2,566.8
NSFR derivative assets		3,069.0			3,069.0
NSFR derivative liabilities before deduction of variation margin posted		9,418.7			470.9
All other assets not included in the above categories		105.4	-	-	52.7
Off-balance sheet items		765.9	-	-	38.3
Total RSF					**301,801.8**
Net Stable Funding Ratio (%)					**142.4%**

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.

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, Finansinspektionen 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	30 Jun 2023		31 Dec 2022	
Capital base requirement in accordance with Pillar 1	163.1	8.0%	172.8	8.0%
Capital base requirement, Pillar 2 requirement	1,551.2	76.1%	1,644.0	76.1%
Combined buffer requirement	91.7	4.5%	67.2	3.1%
Pillar 2 guidance	346.5	17.0%	367.2	17.0%
Total risk-base capital base requirement	**2,152.5**	**105.6%**	**2,251.2**	**104.2%**

Leverage ratio, capital base requirements	30 Jun 2023		31 Dec 2022	
Capital base requirement in accordance with Pillar 1	3.0%	3,243.5	3,0%	2,088.8
Capital base requirement, Pillar 2 requirement	-	-	-	-
Pillar 2 guidance[1]	2.5%	2,685.6	4.8%	3,316.9
Total leverage ratio, capital base requirement[2]	**5.5%**	**5,929.1**	**7.8%**	**5,405.8**

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

2) 1 % of total exposure excluding deductions in the form of exposure to members and their 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).

Internally estimated capital requirements	30 Jun 2023	31 Dec 2022
Capital requirement, Pillar 2		
Credit risk	22.2	48.1
Market risks	2,123.3	1,696.4
Capital planning buffer	767.9	764.9
Other risk[1]	982.2	1,034.6
Total internally estimated capital requirement	**3,895.6**	**3,544.0**

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

EU KM1 – Key metrics template

SEK million	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 Jun 2022
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	10,795.9	9,889.9	9,928.2	9,860.0	9,667.6
Tier 1 capital	10,795.9	9,889.9	9,928.2	9,860.0	9,667.6
Total capital	10,795.9	9,889.9	9,928.2	9,860.0	9,667.6
Risk-weighted exposure amounts					
Total risk-weighted exposure amount	2,038.3	2,013.4	2,160.3	1,920.4	3,220.9
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	529.6%	491.2%	459.6%	513.4%	300.2%
Tier 1 ratio (%)	529.6%	491.2%	459.6%	513.4%	300.2%
Total capital ratio (%)	529.6%	491.2%	459.6%	513.4%	300.2%
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 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%	1.0%	0.6%	0.3%	-
Systemic risk buffer (%)				-	-
Global Systemically Important Institution buffer (%)				-	-
Other Systemically Important Institution buffer				-	-
Combined buffer requirement (%)	4.5%	3.5%	3.1%	2.8%	2.5%
Overall capital requirements (%)	88.6%	87.6%	87.2%	86.9%	86.6%
CET1 available after meeting the total SREP own funds requirements (%)	445.5%	407.1%	375.5%	429.3%	216.1%
Leverage ratio					
Leverage ratio total exposure measure	108,116.7	81,659.0	69,628.3	94,170.2	119,916.9
Leverage ratio	10.0%	12.1%	14.3%	10.5%	8.1%
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)					
Additional CET1 leverage ratio requirements (%)				-	-
Additional AT1 leverage ratio requirements (%)				-	-
Additional T2 leverage ratio requirements (%)				-	-
Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Applicable leverage buffer				-	-
Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Liquidity Coverage Ratio					
Total high-quality liquid assets (HQLA) (Average weighted value)	80,142.2	80,954.2	83,408.5	80,298.9	73,983.0
Cash outflows – Total weighted value	38,056.0	41,307.9	39,260.1	38,181.7	35,455.7
Cash inflows – Total weighted value	10,341.6	13,558.7	11,680.5	11,029.3	11,491.2
Total net cash outflows (adjusted value)	27,714.4	27,843.2	27,597.3	27,207.5	23,893.2
Liquidity coverage ratio (%)	302.7%	333.2%	342.9%	331.2%	354.7%
Net Stable Funding Ratio					
Total available stable funding	429,706.3	421,447.3	419,539.6	421,841.8	431,690.7
Total required stable funding	301,801.8	296,789.2	292,665.0	291,872.9	293,723.3
NSFR ratio (%)	142.4%	142.0%	143.4%	144.5%	147.0%

EU OV1 – Overview of RWAs, Solo

	Risk weighted exposure amounts (RWEAs)		Total own funds requirements
SEK million	**30 Jun 2023**	**31 Mar 2023**	**30 Jun 2023**
Credit risk (excluding CCR)	244.8	311.4	19.6
Of which the standardised approach	244.8	311.4	19.6
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	783.7	692.3	62.7
Of which the standardised approach	0.0	-	0.0
Of which internal model method (IMM)	-	-	-
Of which exposures to a CCP	-	-	-
Of which credit valuation adjustment - CVA	783.7	692.3	62.7
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	1,032.9	1,032.9	82.6
Of which basic indicator approach	1,032.9	1,032.9	82.6
Of which standardised approach	-	-	-
Of which advanced measurement approach	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	-	-	-
Total	**2,061.4**	**2,036.6**	**164.9**

EU OV1 – Overview of RWAs, Consolidated

	Risk weighted exposure amounts (RWEAs)		Total own funds requirements
SEK million	**30 Jun 2023**	**31 Mar 2023**	**30 Jun 2023**
Credit risk (excluding CCR)	234.1	300.6	18.7
Of which the standardised approach	234.1	300.6	18.7
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	783.7	692.3	62.7
Of which the standardised approach	0.0	-	0.0
Of which internal model method (IMM)	-	-	-
Of which exposures to a CCP	-	-	-
Of which credit valuation adjustment - CVA	783.7	692.3	62.7
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	1,020.5	1,020.5	81.6
Of which basic indicator approach	1,020.5	1,020.5	81.6
Of which standardised approach	-	-	-
Of which advanced measurement approach	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	-	-	-
Total	**2,038.3**	**2,013.4**	**163.1**

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	10,453.8	A
of which: Participatin capital	10,453.8	A
Retained earnings	577.3	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	**11,031.1**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
Additional value adjustments (negative amount)	-225.0	
Intangible assets (net of related tax liability) (negative amount)	-10.3	
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 and indirect 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) 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)	**-235.2**	
Common Equity Tier 1 (CET1) capital	**10,795.9**	

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)	**10,795.9**	
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)	**10,795.9**	
Total Risk exposure amount	**2,038.3**	
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	529.6%	
Tier 1	529.6%	
Total capital	529.6%	
Institution CET1 overall capital requirements	51.8%	
of which: capital conservation buffer requirement	2.5%	
of which: countercyclical capital 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 requirement	-	
Of which: additional own funds requirements to address the risks other than the risk of excessive leverage	42.8%	
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	**445.5%**	
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

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
SEK million	**As at period end**	**As at period end**	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
Cash and balances with central banks	7,720.1		
Sovereign bonds eligible as collateral	81,646.0		
Lending to credit institutions	698.2		
Lending	484,411.4		
Bonds and other interest-bearing securities	12,631.5		
Derivatives	22,186.9		
Intangible assets	15.4		
Tangible assets	5.0		
Tangible assets, lands and buildings	27.5		
Current tax assets	5.8		
Other assets	491.7		
Deferred tax assets	0.8		
Prepaid operating expenses and accrued revenue	39.2		
Total assets	**609,879.5**		
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
Liabilities to credit institutions	89.4		
Securities issued	571,342.8		
Derivatives	1,690.4		
Change in value of interest-hedged item in portfolio hedging	2,997.7		
Other liabilities	22,535.5		
Accrued operating expenses and prepaid revenues	43.3		
Provisions for pensions and similar obligations	0.0		
Total liabilities	**598,699.1**		
Shareholders' Equity			
Participation capital	10,453.8		A
Reserves	15.4		B
Profit carried forward	561.9		B
Net profit	149.3		
Total shareholders' equity	**11,180.4**		

Countercyclical buffer

As per 30 june 2023, 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

SEK million	General credit exposures		Own fund requirements						
Breakdown by country:	Exposure value under the standardised approach	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	94.4	94.4	7.6			7.6	94.4	100%	2%
Total	**94.4**	**94.4**	**7.6**			**7.6**	**94.4**	**100%**	

EU CCyB2 – Amount of institution-specific countercyclical capital buffer

SEK million	
Total risk exposure amount	**2,038.3**
Institution specific countercyclical capital buffer rate	2.0%
Institution specific countercyclical capital buffer requirement	40.8

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 of the Company. Accordingly, under the rules for a PDCI, 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	609,879.6
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 banks (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	-17,116.4
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)	382.9
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-235.2
(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	-484,794.3
Total exposure measure	**108,116.7**

EU LR2 – LRCom: Leverage ratio common disclosure

	CRR leverage ratio exposures	
SEK million	**30 Jun 2023**	**30 Jun 2022**
On-balance sheet exposures (excluding derivatives and SFTs)		
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	587,692.6	573,895.7
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)	-480.1	-923.5
(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)	-235.2	-216.0
Total on-balance sheet exposures (excluding derivatives and SFTs)	**586,977.3**	**572,756.2**
Derivative exposures		
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	813.8	5,552.6
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	4,736.9	4,321.8
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	**5,550.8**	**9,874.4**
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	69.5
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**	**69.5**
Other off-balance sheet exposures	-	-
Off-balance sheet exposures at gross notional amount	765.9	2599.6
(Adjustments for conversion to credit equivalent amounts)	-382.9	-1299.8
(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
Off-balance sheet exposures	**382.9**	**1,299.8**
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 (or units) - Public sector investments)	-230,860.7	-217,668.4
(Excluded exposures of public development banks (or units) - Promotional loans):	-253,933.6	-246,414.5
(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 exposures)	-484,794.3	-464,082.9
Capital and total exposure measure	-	-
Tier 1 capital	**10,795.9**	**9,667.6**
Total exposure measure	**108,116.7**	**119,917.0**
Leverage ratio		
Leverage ratio	10.0%	8.1%

SEK million	CRR leverage ratio exposures 30 Jun 2023	30 Jun 2022
Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	1.8%	1.7%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	10.0%	8.1%
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)	-	-
Leverage ratio buffer requirement (%)	-	-
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:	**102,801.1**
Trading book exposures	
Banking book exposures, of which:	102,801.1
Covered bonds	0.0
Exposures treated as sovereigns	94,788.6
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	0.0
Institutions	7,918.1
Secured by mortgages of immovable properties	0.0
Retail exposures	0.0
Corporates	94.4
Exposures in default	0.0
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	0.0

Disclosure of ESG risks

In this section, Kommuninvest publishes information on environmental, social and governance issues – ESG risks. The disclosures are set out based on the EBA's guidelines for Pillar 3 disclosures regarding ESG risks, 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 terms of both its direct and indirect impacts. The Financial Policy and Risk Policy, with their appurtenant instructions, details the Company's stance on environmental and climate considerations in its advisory services, lending products and risk management activities.

The Company's efforts to manage environmental and climate considerations within its business strategy have to date mainly incorporated a green financing programme and efforts to reduce the environmental impacts associated with conducting the Company's operations, including business travel, energy consumption and resource consumption at the Company's premises. Over the past five years, the direct climate impacts have been more than halved.

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 a Green Financing Programme 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 Policy requires that the framework be 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".

In 2021, the Company commenced the process of identifying and defining the environmental and climate considerations deemed to have the most significant potential financial impact on its borrowers. This process is focused both on physical risks, as well as transition risks. Environmental and climate risk factors have since become more integrated in the Company's credit assessment and monitoring processes, as outlined in the Risk Management section below.

The work ahead serves in part to identify borrowers deemed to be in most prioritized need of a dialogue on the risk of sustainability factors having a negative financial impact and, in part to better understand the practical implications and relevance of the ESG factors currently deemed most material by the Company.

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. Initially, the assessment was based on data from two providers (Bloomberg and Moody's), this has later been extended to five providers (including also 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.

In 2022, the Board of Directors of the Company adopted a climate objective for the operations which effectively means a net zero carbon emissions target by 2045 for the Company's financed emissions. To verify progress in the desired direction, the Company needs to gradually calculate its financed greenhouse gas emissions and how these relate both to the long-term as well as interim targets.

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. 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 Chief Risk Officer is appointed by and reports to the Board of Directors and the President and CEO.

In the Company, 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 environmental risk considerations.

The short-, 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 once 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.

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

To date, no analysis has been performed to assess how ESG risks may affect the Company's liquidity and capital situation. Nor are there currently 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.

The Company has also established a new financing programme for social sustainability, as of 2021. A Social Sustainability Financing Programme Policy was established by the Board of Directors, regulating the programme's focus and basic conditions. This includes the Company being required to 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 shall be established and managed 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. Initially, the assessment was based on data from two providers (Bloomberg and Moody's), this has later been extended to five providers (including also 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.

Beyond the above, the Company has yet to implement processes and routines specifically taking the impact of social considerations into account in its overarching business model, including in its lending and risk management activities. The intention is to further develop these efforts over the coming year.

Governance (social)

The Company has yet 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 once 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)

In 2022, work has commenced to examine what data is available for assessing the social risks associated with Kommuninvest's borrowers. The aim is to conclude the process regarding how these indicators affect borrowers' financial position and, subsequently, that of Kommuninvest, allowing a model to be derived for the assessment of social risk in credit risk management.

Governance risk

The Company has yet 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. Initially, the assessment was based on data from two providers (Bloomberg and Moody's), this has later been extended to five providers (including also 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. The ambition is to conclude the process with the aim of being able to establish a model for assessing governance risk in credit risk management.

Climate change transition risk

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)		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
		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*						
Exposures towards sectors that highly contribute to climate change[1]	199,729.9	–		–	–	-1.6	–	–				175,498.2	13,937.7	10,231.0	-	
A - Agriculture, forestry and fishing	148.7	–		–	–	0.0	–	–				86.0	7.6	55.2	-	8.2
B - Mining and quarrying	-	–		–	–	–	–	–				-	-	-	-	-
B.05 - Mining of coal and lignite	-	–		–	–	–	–	–				-	-	-	-	-
B.06 - Extraction of crude petroleum and natural gas	-	–		–	–	–	–	–				-	-	-	-	-
B.07 - Mining of metal ores	-	–		–	–	–	–	–				-	-	-	-	-
B.08 - Other mining and quarrying	-	–		–	–	–	–	–				-	-	-	-	-
B.09 - Mining support service activities	-	–		–	–	–	–	–				-	-	-	-	-
C - Manufacturing	5.9	–		–	–	–	–	–				5.9	-	-	-	0.4
C.10 - Manufacture of food products	–	–		–	–	–	–	–				–	–	–	–	–
C.11 - Manufacture of beverages	–	–		–	–	–	–	–				–	–	–	–	–
C.12 - Manufacture of tobacco products	–	–		–	–	–	–	–				–	–	–	–	–
C.13 - Manufacture of textiles	–	–		–	–	–	–	–				–	–	–	–	–
C.14 - Manufacture of wearing apparel	–	–		–	–	–	–	–				–	–	–	–	–

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

Sector/subsector	Gross carrying amount (SEK million)	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	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (SEK million)	Of which stage 2 exposures	Of which non-performing exposures	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)	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.15 - Manufacture of leather and related products	–	–		–	–	–	–	–				–	–	–	–	–
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	–	–		–	–	–	–	–				–	–	–	–	–
C.17 - Manufacture of pulp, paper and paperboard	–	–		–	–	–	–	–				–	–	–	–	–
C.18 - Printing and service activities related to printing	–	–		–	–	–	–	–				–	–	–	–	–
C.19 - Manufacture of coke oven products	–	–		–	–	–	–	–				–	–	–	–	–
C.20 - Production of chemicals	–	–		–	–	–	–	–				–	–	–	–	–
C.21 - Manufacture of pharmaceutical preparations	–	–		–	–	–	–	–				–	–	–	–	–
C.22 - Manufacture of rubber products	5.9	–		–	–	–	–	–				5.9	-	-	-	0.4
C.23 - Manufacture of other non-metallic mineral products	–	–		–	–	–	–	–				–	–	–	–	–
C.24 - Manufacture of basic metals	–	–		–	–	–	–	–				–	–	–	–	–

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)		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
		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*						
C.25 - Manufacture of fabricated metal products, except machinery and equipment	–	–		–	–	–	–	–				–	–	–	–	–
C.26 - Manufacture of computer, electronic and optical products	–	–		–	–	–	–	–				–	–	–	–	–
C.27 - Manufacture of electrical equipment	–	–		–	–	–	–	–				–	–	–	–	–
C.28 - Manufacture of machinery and equipment n.e.c.	–	–		–	–	–	–	–				–	–	–	–	–
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	–	–		–	–	–	–	–				–	–	–	–	–
C.30 - Manufacture of other transport equipment	–	–		–	–	–	–	–				–	–	–	–	–
C.31 - Manufacture of furniture	–	–		–	–	–	–	–				–	–	–	–	–
C.32 - Other manufacturing	–	–		–	–	–	–	–				–	–	–	–	–
C.33 - Repair and installation of machinery and equipment	–	–		–	–	–	–	–				–	–	–	–	–

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)		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
		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*						
D - Electricity, gas, steam and air conditioning supply	17,104.3	–		–	–	-0.1	–	–				15,021.5	1,167.4	915.4	-	3.2
D35.1 - Electric power generation, transmission and distribution	*8,011.3*	–		–	–	*-0.1*	–	–				*6,846.9*	*842.2*	*322.2*	-	*1.2*
D35.11 - Production of electricity	*1,500.3*	–		–	–	*0.0*	–	–				*1,411.2*	*56.2*	*32.8*	-	*2.0*
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	*82.2*	–		–	–	-	–	–				*65.3*	*16.9*	-	-	*3.6*
D35.3 - Steam and air conditioning supply	*7,510.6*	–		–	–	*0.0*	–	–				*6,698.1*	*252.1*	*560.4*	-	*3.1*
E - Water supply; sewerage, waste management and remediation activities	17,407.0	–		–	–	-0.1	–	–				15,107.5	1,276.2	1,023.3	-	3.5
F - Construction	2,379.6	–		–	–	0.0	–	–				1,996.7	173.5	209.4	-	3.6
F.41 - Construction of buildings	*342.4*	–		–	–	*0.0*	–	–				*342.4*	-	-	-	*2.9*
F.42 - Civil engineering	*1,595.2*	–		–	–	*0.0*	–	–				*1,334.5*	*154.0*	*106.7*	-	*3.2*
F.43 - Specialised construction activities	*441.9*	–		–	–	*0.0*	–	–				*319.8*	*19.5*	*102.6*	-	*5.6*
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	–	–		–	–	–	–	–				–	–	–	–	0.0

Sector/subsector	Gross carrying amount (SEK million)	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	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (SEK million)	Of which stage 2 exposures	Of which non-performing exposures	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)	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 - Transportation and storage	2,163.9	–		–	–	0.0	–	–				1,858.0	244.6	61.2	-	3.6
H.49 - Land transport and transport via pipelines	*797.2*	–		–	–	*0.0*	–	–				*735.8*	*61.4*	*0.0*	-	*3.0*
H.50 - Water transport	-	–		–	–	*0.0*	–	–				-	-	-	-	*0.0*
H.51 - Air transport	*29.6*	–		–	–	*0.0*	–	–				*23.6*	*6.0*	*0.0*	-	*2.7*
H.52 - Warehousing and support activities for transportation	*1,337.0*	–		–	–	*0.0*	–	–				*1,098.7*	*177.2*	*61.2*	-	*4.0*
H.53 - Postal and courier activities	-	–		–	–	-	–	–				-	-	-	-	*0.0*
I - Accommodation and food service activities	33.7	–		–	–	0.0	–	–				24.1	-	-	-	7.4
L - Real estate activities	160,487.0	–		–	–	-1.3	–	–				141,398.4	11,068.4	7,957.1	-	3.3
Exposures towards sectors other than those that highly contribute to climate change[1]	**23,025.8**	**–**		**–**	**–**	**-0.2**	**–**	**–**				**18,234.7**	**3,623.9**	**1,167.2**	**-**	**3.3**
K - Financial and insurance activities	476.3	–		–	–	0.0	–	–				392.1	84.2	-	-	2.5
Exposures to other sectors (NACE codes J, M - U)	22,549.5	–		–	–	-0.2	–	–				17,842.6	3,539.7	1,167.2	-	4.1
TOTAL	**222,755.7**	**–**		**–**	**–**	**-1.8**	**–**	**–**				**193,732.9**	**17,561.6**	**11,398.1**	**-**	**-**

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

Kommuninvest currently lacks knowledge regarding financed emissions, involving 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.

Efforts are in progress to establish both a method for calculating the emissions, as well as an initial value for financed emissions. Only then can the reporting be published, with milestones for financed greenhouse gas emissions being developed and adopted in line with the principles set out for defining such milestones.

The aim is to start with the lending portfolio, as that is the part of the balance sheet most clearly associated with the Company's financed emissions. At the next stage, the 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 among those issued by the Swedish and other northern European governments, and 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 with immovable property as collateral – energy efficiency of the collateral.

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

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 October 2019: *"Carbon Majors: Update of Top Twenty companies 1965-2017"*. Accordingly, template 4 is not applicable.

Climate change, physical risk

Template 5: Banking book – climate change, physical risk: Exposures subject to physical risk

Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (SEK million)	of which exposures sensitive to impact from climate change physical events – Breakdown by maturity bucket: <= 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*	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	*of which Stage 2 exposures*	*Of which non-performing exposures*
A - Agriculture, forestry and fishing	148.7	–	–	–	–	–	–	–	–	–	–	–	–	–
B - Mining and quarrying	0.0	–	–	–	–	–	–	–	–	–	–	–	–	–
C - Manufacturing	5.9	–	–	–	–	–	–	–	–	–	–	–	–	–
D - Electricity, gas, steam and air conditioning supply	17,104.3	–	–	–	–	–	–	–	–	–	–	–	–	–
E - Water supply; sewerage, waste management and remediation activities	17,407.0	–	–	–	–	–	–	–	–	–	–	–	–	–
F - Construction	2,379.6	–	–	–	–	–	–	–	–	–	–	–	–	–
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0.0	–	–	–	–	–	–	–	–	–	–	–	–	–
H - Transportation and storage	2,163.9	–	–	–	–	–	–	–	–	–	–	–	–	–
L - Real estate activities	160,487.0	–	–	–	–	–	–	–	–	–	–	–	–	–
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 Swedish Civil Contingencies Agency's 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; in the future, it is also expected to include the physical climate-related consequences of torrential rain. The Swedish Civil Contingencies Agency's risk classification indicates different risks and risk levels in different parts of Sweden, indicating in particular risks of flooding in coastal municipalities. However, the data is insufficient for assessing the vulnerability of loan exposures to physical climate risks, including with regard to chronic and acute risks.

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 10: Other climate change mitigating actions, not covered in 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	2,871,960,313.78	Yes	-	Transition risk: Green Building, Renew energy, Waste management
	Non-financial corporations	24,941,082,470.60	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	43,763,038,052.51	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 June 2023, Green Loans accounted for 14.8 (13.5) 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.

Today, the largest category is green buildings, where the Company requires the energy performance of the buildings financed to be at least 20 percent better than that required under 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 that the building's climate impact during the construction phase is calculated.

Current criteria in the Green Bond framework are not aligned with the EU Taxonomy technical screening criteria. In 2022, a process has been initiated to partially and gradually adapt the framework to the Taxonomy, within the part pertaining to the terms for Green Loans. The first stage of this adaptation entails all project categories for which it is deemed possible and reasonable, to be required to comply with the criteria for "substantial contribution" to at least one of the EU's six environmental objectives.

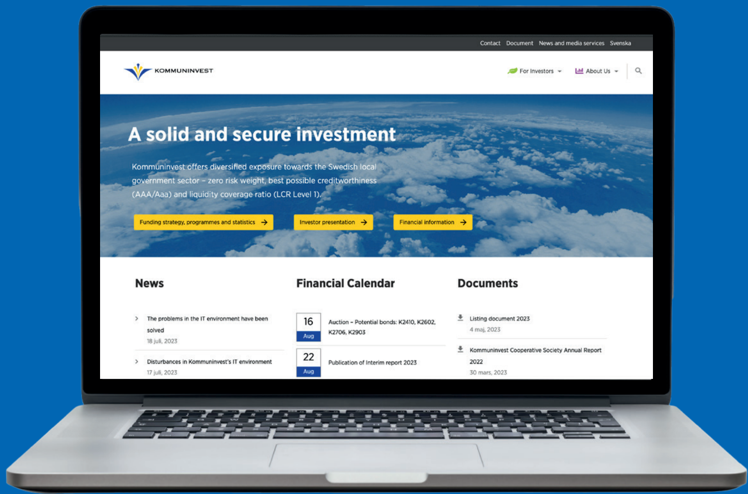
Signature

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) Q2 2023 in accordance with Part Eight of Regulation (EU) No 575/2013, have been prepared in accordance with the internal controls and procedures.

Örebro, 22 August 2023

Patrick Nimander
CFO

Production: Kommuninvest and Intellecta.



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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