

# Sustainability report 2023

**Our sustainability work builds on the expectations of our stakeholders and on our mission to finance local government development and investment for a beneficial and sustainable society. The ambition is to integrate sustainability throughout our operations.**

Our view on sustainability builds on the Swedish local government sector's mission and actions are conducted in accordance with the Local Government Act and other relevant legislation. It is therefore consistent with the international framework of the ILO Fundamental Conventions, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact.

## **Towards more complete integration of sustainability**

It is becoming increasingly clear that the financial market can influence the transition to more sustainable societies. The EU's action plan for financing sustainable growth, launched in 2018, is now being implemented at a high rate in regulations also being implemented by those affected. The action plan aims to direct capital towards sustainable investments, to manage financial risks caused by climate change, environmental degradation and social vulnerability, and to promote transparency and a long-term perspective in financial and economic activities. The Company's work to be able to meet the mandatory and voluntary regulations that are planned, including new requirements for the integration of sustainability factors in strategies and business processes, as well as new official reporting, have been in progress within the Company since 2021. It is also increasingly important to consider sustainability in the funding market. Among other things, Kommuninvest can rely on good sustainability ratings from three leading players.

## **Financing, knowledge, responsibility**

Kommuninvest contributes through effective and sustainable financing of municipal investments in long-term sustainable welfare in Sweden's municipalities and regions. A strong ownership structure and the joint and several guarantee provided by the Society's members allow us to cost-efficiently and stably fund our operations. Our members' extensive societal mission and borrowing needs, as well as Kommuninvest's position, being responsible for a sizeable proportion of members' funding, generate economies of scale.

We support our members' sustainability work with financing products clearly focused on environmental and social sustainability and that contribute to the development of market practices. Since its launch in 2015, Kommuninvest's green financing programme has grown to become one of the largest in the Nordic region. Since 2021, a new product has been offered, Social Sustainability Loans, aimed specifically at fostering systematic work with social initiatives. In addition, during 2023, the first steps were taken towards integrating "ESG factors" into provision of credit, initially by taking environmental and climate factors into account.

We are also working to build knowledge on debt management, as part of good financial management in the local gov-

ernment sector. By extension, this should give elected representatives the best possible room for manoeuvre in delivering welfare services to citizens. Given its socially beneficial role, it is crucial that Kommuninvest be governed clearly to ensure the operations are conducted responsibly.

## **Stakeholder dialogue**

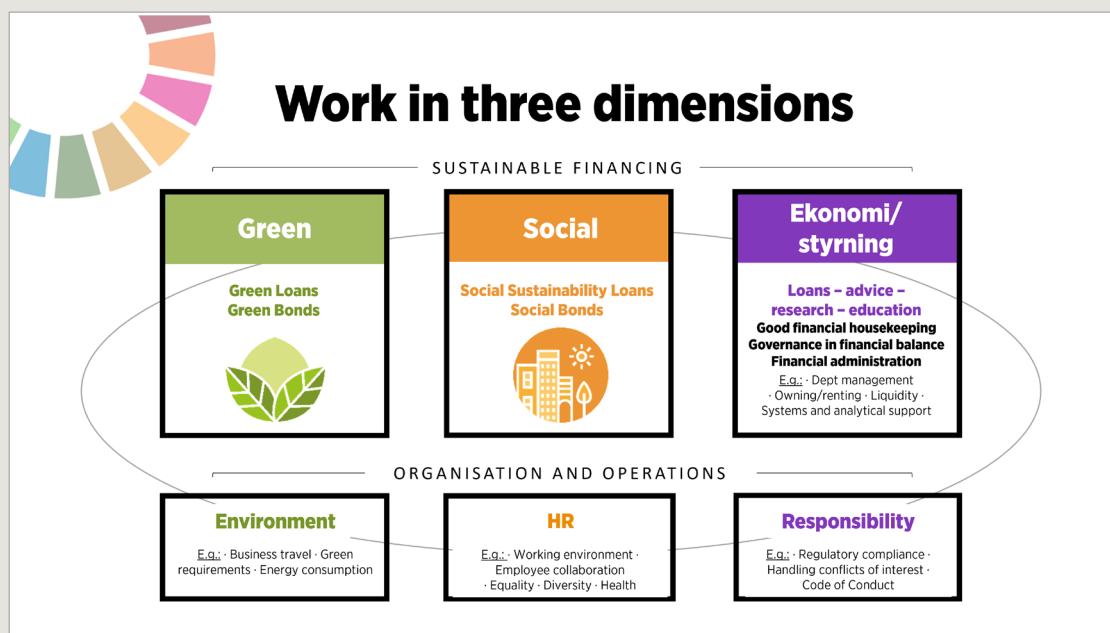
We maintain a continuous dialogue with those stakeholders who, in various ways, influence and are affected by our operations, to identify the sustainability issues with which the Group should work. Our dialogue with stakeholders involves meetings with members, customers and employee delegates, as well as with representatives of government ministries and national authorities. We also conduct surveys among key stakeholders on an ongoing basis, including members, customers, employees and investors, both more traditional satisfaction surveys as well as more distinct sustainability surveys.

Swedish municipalities and regions are our most important stakeholder group. As members, they own and govern our operations, although, when they choose to borrow from us, they are also our customers. In their capacity as owners, our dialogue with members is conducted mainly with elected politicians. In their capacity as customers, our dialogue with members is conducted mainly with local government officials, generally with specialists in economics and finance. The results of the latest stakeholder survey are included in the 2022 Annual Report.

As part of our preparations for new demands on sustainability reporting in accordance with the EU's CSRD Directive (*Corporate Sustainability Reporting Directive*) and to meet the requirement that the information submitted shall take the "double materiality principle" into account, the Company is planning a more comprehensive stakeholder survey. The new requirements regarding sustainability report are applicable for the Company as of the 2025 financial year.

## **Governance of sustainability work**

The Sustainability Manager is responsible for managing, developing and reviewing Kommuninvest's sustainability work in close cooperation with the Executive Management Team and the department heads, who are responsible for taking sustainability aspects into account within their respective areas of responsibility. Guidelines for sustainability work are detailed in a Sustainability Policy adopted by the Company's Board of Directors, and are further specified in supplementary policies and instructions relating to occupational and personal safety, conflicts of interest, IT security, equality and diversity, bribery and hospitality, and regulatory compliance. Sustainability work is reported annually to the Board, and is supplemented by reviews on topical themes.



The sustainability work considers the environment and climate, social aspects and governance, focusing partly on the core operation of sustainable financing and partly on the work within the organisation. Sustainable financing refers to the offering to members/customers and investors, and includes both traditional lending and sustainable financing programmes, as well as consulting, research and education, focusing on the financing of welfare investments. That the operations are conducted responsibly, in accordance with applicable laws, regulations and directives, as well as with a sustainable organisation able to meet stakeholder expectations and that is in focus for the more internally-oriented work.

## Sustainability framework and overarching objectives



### Vision

Finance the development of the local government sector and investments for a sound and sustainable society

### Owner directives

Take economic, social and environmental sustainability into account throughout the operations, in terms of both the direct and indirect effects.

### Climate plan

Provide tools and support enabling the municipal and regional sectors to achieve Sweden's target of climate neutrality by 2045.

# Environmental and climate work

**Kommuninvest has continued its efforts to comprehend and value the financial impact of environmental and climate factors on local government borrowers, and has introduced an initial version of environmental and climate factors in its credit assessment.**

To support Kommuninvest's mission to finance the local government sector's development and investments for a beneficial and sustainable society, environmental and climate efforts are afforded a broad allocation. This spans lending and credit risk management, including sustainable financing programmes, to advice, research and analysis and also includes the operations' own environmental impact.

## **Contribute to the realignment of the local government sector**

As the local government sector's largest lender, Kommuninvest is able to contribute to society's realignment process, in which the local government sector plays an important role

because it is under its auspices that a considerable part of the basic social infrastructure is managed and developed. Many local government authorities have stated targets entailing climate-neutrality as early as in 2030 – the development of target-oriented investment plans is in progress. Investments in, for example, energy systems, traffic systems and property portfolios are affected

To reflect the current realignment process among members, Kommuninvest has adopted a climate plan stating that Kommuninvest shall provide tools and support enabling the municipal and regional sectors to achieve Sweden's target of climate neutrality by 2045.

### **Climate targets**

*Kommuninvest shall provide tools and support enabling the municipal and regional sectors to achieve Sweden's target of climate neutrality by 2045.*

The target means that the municipal and regional operations financed by Kommuninvest shall have no net emissions of greenhouse gases into the atmosphere in 2045. To monitor progress in the desired direction, efforts have been initiated to enable the calculation and subsequent follow-up of the financed emissions, including how they relate both to Sweden's long-term and intermediate targets. The focus is initially on the lending portfolio, because that part of the balance sheet has the clearest connection to the greenhouse gas emissions that Kommuninvest finances.





Kommuninvest elects to follow Sweden's climate objectives as we represent the entire local government sector in financing matters and not all Swedish municipalities and regions have chosen to adopt more specific climate targets of their own with earlier deadlines than those set nationally.

Kommuninvest supports local climate efforts regardless of the chosen target date.

The target entails the municipal and regional operations financed by the Company not having any net emissions of greenhouse gases into the atmosphere by 2045. As a consequence, the Company has initiated work to be able to calculate its financed greenhouse gas emissions and to set intermediate targets. In 2024, the ambition is to have established an exit value for greenhouse gas emissions in the loan portfolio.

The climate target is part of the Company's climate plan, which stakes out the direction in which Kommuninvest, in its role as a credit institution, can foster the local government sector's environmental and climate realignment. The plan indicates several of the operations' functions as relevant in being able to offer support, knowledge and tools. Furthermore, in its climate plan work, the Company must act via all the communication channels at its disposal, including its dialogue with customers, follow-up with members, and ongoing public reporting.

### Analysis of environmental and climate risks

This work is linked to extended demands that credit institutions be required to take aspects of sustainability into account when providing and monitoring credit, as stipulated in the European Banking Authority's (EBA) guidelines. As mentioned, the agenda for establishing more sustainable regulation of the financial sector has largely been defined through the EU's action plan for financing sustainable growth. Ultimately, it is a matter of how the financial sector can help achieve the Paris Agreement's objective of limiting global warming and supporting the capacity to adapt to the consequences of climate change.

With regard to ESG risks, the Company has been working to identify and define the environmental and climatic factors with the greatest potential financial impact on its borrowers. At an initial stage, four factors have been indicated as more highly prioritised, two of which are categorised as physical risks (flooding, landslides and erosion, as well as polluted water or shortage of drinking water) and two as transitional risks (negative effects on water sources and/or incidence of water, as well as greenhouse gas emissions).

Key figures have been developed to monitor developments, in accordance with a method based on the EBA's guidelines and inspired by a dialogue with Kommuninvest's corresponding organisations in the other Nordic countries. Since the autumn of 2023, environmental and climate factors are integrated into the Company's credit approval and monitoring processes.

### Adapting Green Loans to the taxonomy

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 Miljöpris environmental objectives award for its contribution to the environmental objective of limiting climate impacts. At the end of the year, 645 (563) investment projects had been approved for Green Loans, corresponding to a total SEK 111.8 (99.9) billion in granted financing. Of the granted funds, SEK 79.4 (66.4) billion had been disbursed by the end of the year, having been financed through 11 Green Bonds outstanding for a value of SEK 77.0 (63.3) billion.

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 adaptation measures, green buildings, energy efficiency, waste management, sustainable transport and renewable energy.

Today, the largest category is green buildings, with the energy performance of the buildings financed to be at least 20 percent better than that required under national building regulations. From 2021, climate requirements have been introduced for the construction phase of new construction projects, meaning that concrete climate-oriented measures are implemented in the construction project and that the building's climate impact during the construction phase has been calculated.

In 2022, the Company initiated efforts to gradually/partially adapt the framework to the EU taxonomy, regarding the terms for qualifying to receive Green Loans. The first stage of this adaptation entails all project categories for which this is deemed possible and reasonable being required to meet the criteria for "significant contribution" in relation to at least one of the EU's six environmental targets. In late 2023, a public remittance process was conducted with proposals for updated terms for Green Loans. The Company is addressing the proposals with the intention of publishing a new framework for Green Bonds in 2024.

### Direct environmental and climate impacts are low and decreasing

In addition to the measures being implemented to help decrease indirect emissions through the financial operations, continuously decreasing our own direct climate footprint remains a priority. In focus are the office operations, which are predominantly conducted on our own premises, and business travel. Installation of solar panels, new ventilation fans and replacing electrically powered cooling units with district cooling have helped reduce electricity consumption by 37 percent since 2021, and overall energy consumption by 8 percent. Business travel remains at significantly lower levels than before the pandemic, and the proportion of train journeys has increased. In 2023, the total climate footprint fell short of 1 tonne CO<sub>2</sub>e per employee for the first time, and was also below 100 tonnes CO<sub>2</sub>e for the operations as a whole.

# Social sustainability

**The Company's financing creates the conditions for the most central welfare services in society to be maintained. The work to manage social factors in the business also includes social aspects of employer responsibility, the role in the local community and a new and growing social sustainability financing programme.**

Kommuninvest's financing offering means that essential welfare investments can be implemented in a more appropriate manner and at a lower cost for taxpayers. This reinforces the welfare society with, for example, new or refurbished nursing homes, schools, homes and care facilities.

For Kommuninvest to be able to meet its stakeholders' expectations in the long term, it is crucial to have a sustainable organisation. Our high level of ambition and the insight that each employee can make a difference are what guide us in this work. Communicative leadership, committed employee collaboration and a focus on skills are essential for success.

Among other things, this entails striving for an organisation characterised by a strong culture and favourable working conditions, with healthy and motivated employees and managers and in which continuous learning is stimulated. It also entails fostering equality, diversity and development and being an inclusive (non-discriminatory) workplace. For several years, Kommuninvest has been working pro-actively with the health concept Sustainable Daily Life, seeking to promote a healthy lifestyle, with a balance between work, leisure and parenting.

## Societal commitment and local coordination

To meet stakeholder expectations regarding sustainability/ ESG and to enhance the impact of our efforts, we engage in relevant social issues and collaborate with others. Among other things, we are engaged in the strategic innovation programme *Viable Cities*, which focuses particularly on financing aspects for the 23 towns and cities working on Climate contract 2030. We are collaborating with Public Housing Sweden and the IVL environmental institute within the framework of a project developing a climate roadmap for public housing companies. We are also a member of the technical committee linked to the development of a Swedish standard for measuring electrical power output. We have also established cooperation with special-interest and sector organisations in the local government sector, such as SALAR and Swedish Water (Svenskt Vatten).

Our local collaboration programme focuses on education, culture and leadership – we seek partners with a pronounced social commitment and values matching ours.

## A social financing market in Sweden

As a result of demographic changes, increased segregation and an increased number of socio-economically vulnerable areas, Swedish municipalities and regions are facing significant challenges. Considerable local differences in people's conditions and living conditions exist, with the challenges differing between different types of municipalities and regions.

To foster development towards increased social sustainability in Swedish municipalities and regions, Kommuninvest launched Social Sustainability Loans in 2021. This product makes it possible to finance socially oriented investments through loans, in a manner promoting improved governance, measurement of the effects and follow-up of the work. Social Sustainability Loans can help strengthen local or regional sustainability work, show its benefit and facilitate the development of practices, collaboration and measurement of effects.

## Developed infrastructure for sustainable investments

Kommuninvest seeks to participate in various ways in the development of market practices for financing social investments. Among other things, this is done within the framework of the standardisation work on measuring the effects of initiatives being conducted by the Swedish Standards Institute (SIS), to develop a shared terminology and harmonised approaches. The Company is also represented in a working group linked to the national initiative to coordinate Sweden's Agenda 2030 process. The working group's mission is to propose how incentives and structures for financing solutions could be developed to help accelerate change with a particular focus on social sustainability objectives.

## Growth for Social Sustainability Loans

At the end of the year, 20 (16) Social Sustainability Loans applications had been approved, corresponding to a total of SEK 6.7 (1.7) billion in granted financing. The volume of disbursed loans increased to SEK 2.1 (1.0) billion. The financing applications granted during the year comprised long-term initiatives in housing and living environments in Botkyrka and Enköping, a call centre in Tanum and a sports facility in Gävle.

Social Sustainability Loans seek to foster a culture of assessing effects in the local government sector and systematic social sustainability work on issues including knowledge building and development of methods. The experience gained from the initial years of the programme is that considerable potential exists.

## Social factors in the credit process

A process has been initiated to examine the data available for assessing the social risks associated with the Company's borrowers. The purpose is to end the process regarding how these indicators affect members' financial position and, by extension, that of the company, to then develop a model for assessment of social risk in the credit process. The aim is to complete a first version of such assessment factors in 2024.

### A well-developed culture of measuring effects

Kommuninvest's members and customers have observed that social sustainability initiatives are measured, followed up and evaluated on a relatively small scale within the local government sector.

Through the application process for a Social Sustainability Loan, borrowers are given support in developing an "effect chain" by breaking down the long-term objective for a target group into planned initiatives, anticipated results and desired effects, see the illustration below.

Kommuninvest's long-term undertaking to request feedback on investments and social initiatives implemented means that Social Sustainability Loans also

contribute to continuity in review and possible systematic approaches in an area where the connection between what is carried out and what is achieved is not always obvious.

Given that Kommuninvest does not require the desired effects to actually be achieved, borrowers also have an opportunity to review and change initiatives if the results were not what had been desired and anticipated. Even in those cases where the desired results are not achieved, Social Sustainability Loans therefore have the potential to contribute to collective learning and to the development of the local social sustainability work.



*"Although we conduct a number of activities for our tenants, we rarely follow them up or measure their effects. We have now gained an opportunity to drum in a new procedure. This process 'forces' us to plan, document and follow up our initiatives. We hope that this process will help us work more systematically. It should be evident what worked well, what challenges remain and what we should avoid next time."*

**Johan Anund, Social Housing Coordinator at Tanums Bostäder AB, from the application "Upgrading of the Højden Area in Tanumshede"**

## Helping develop a culture of impact measurement

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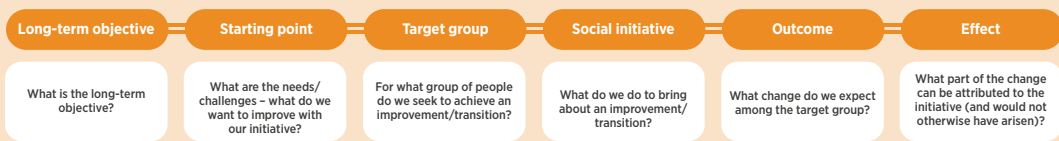
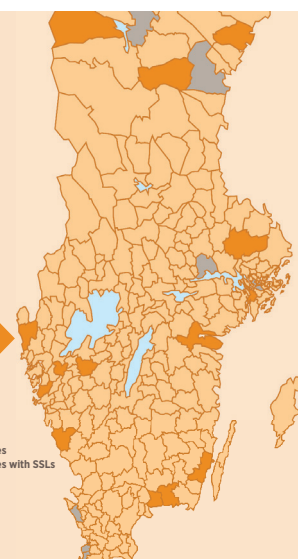
Through the application process for Social Sustainability Loans (SSLs), borrowers are given support in developing an "effect chain" by breaking down the long-term objectives for a particular target group into planned initiatives, anticipated results and desired effects, see the illustration below.

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● Member municipalities  
● Member municipalities with SSLs  
● Other municipalities



# Governance/financial sustainability

**Kommuninvest offers financial services and products that support the work of the municipalities and regions regarding good financial management and sustainable development. This provides conditions for public funds to be used as efficiently as possible, to increase the stability of the financial system and to promote the local government sector's sustainability work.**

With regard to the governance/financial sustainability dimension, our work has a broad scope and essentially refers to:

- protecting Kommuninvest's ability to offer cost-efficient and stable financing of public investments
- advice to promote good financial management, governance in financial balance and sound financial management
- long-term analysis for sustainable municipal finances
- to conduct a responsible business, in line with the rules that apply and to live up to the demands and expectations that may be imposed on a leading actor.

## Strategy for long-term member benefit

Kommuninvest works long term to optimally fulfil the task of financing the Swedish local and regional sectors' development and investing in a beneficial and sustainable society in the best possible way.

Against the background of an analysis of global trends, the Company's starting position and a vision for the future, three strategic areas have been identified that, combined with a motion study, form the basis of the Company's strategic business plan.

The three strategic areas that have been identified emphasise the importance of the Company being the local government sector's lender, that the Company must offer sustainable and efficient loan financing, and that the Company must have a simple and value-generating organisation.

## Increasing awareness on local government financing

To increase knowledge of the local government sector's long-term financial conditions, we conduct our own research and publish reports detailing trends in local government investments and their financing, including funding and debt analyses. The data are made available in public databases. Knowledge is disseminated on an ongoing basis by means of seminars and individual meetings. We also collaborate with higher education.

Among other things, Kommuninvest has for several years partnered with the University of Örebro to promote research on the local government sector's debt management and financial conditions, and we finance both a chair and post-graduate studies. Kommuninvest is also part of the reference group affiliated with the university's Master's programme in Sustainable Business

## Good governance and sound debt management

Financial management is of great importance in being able to secure long-term sustainability in the local government sector's finances, which is particularly important given the challenges the local government sector faces as a result of demographic changes and an uncertain economic environment. Kommuninvest continuously adds new knowledge in this area, through continuous support in analysis and considerations. In 2023, an updated advisory material was presented for those designing or revising a finance Policy in the local government sector. Several reports were also published on themes concerning local government debt and local government debt management, as well as a focus report on interest rate sensitivity and economic conditions in public housing.

## Reports from Kommuninvest's Research Working Group

Among other things, Kommuninvest's Research Working Group seeks to finance research projects assessed as interesting and significant and that address the challenges faced by the local government sector. Within the framework of this programme two new reports were published during the year – one on the spread of reforms in the local government sector and one on productivity trends in municipal companies. The research should be able to contribute to a more efficient utilisation of public resources.

## Responsible operations

A clear division of responsibilities and a focus on owner control, corporate governance and ethics shall help the Group to comply with the laws, regulations and rules applicable to the operations. Control and review activities are designed to meet the demands that can be made on a systemically important player. The work builds on the following circumstances:

- A clear division of responsibilities between the parent organisation and the business operations. The Society addresses membership and ownership matters, while the Company addresses business issues.
- Annual ownership directives indicate the Company's course ahead. Risk appetite is low and professional conduct, strict ethical requirements and good business practices are to permeate the operations.
- Clearly regulated requirements on matters of corporate governance, risk management and compliance, including in areas such as money laundering and anti-corruption.



- Integrated sustainability work, in terms of both direct and indirect impact.
- Commitment to relevant societal issues and coordination with others, to meet stakeholder expectations and increase the effect of our efforts.

#### **Ethics at the fore**

We shall run financially sound and sustainable operations. Both the Company's Sustainability Policy and Code of Conduct emphasise the importance of ethical and responsible action. Our success depends on the trust of members, customers, counterparties, investors, employees and authorities.

Any conflicts of interest are to be identified and handled efficiently and effectively to prevent negative impacts on customers, members or the Company.

With regard to tax matters, the Company's actions must be responsible, correct and transparent. The Company shall not participate in transactions or make products available that may be questionable in relation to applicable tax legislation. Where there is any doubt, the Company shall refrain from participating. Ethics shall always be taken into account.

#### **Anti-corruption and anti-money laundering measures**

A risk-based approach is applied to ensure that the Company's products and services are not used for money laundering or terrorist financing. Suspicions of serious irregularities that could entail or lead to a breach of law are to be reported. Such violations can also be reported anonymously via a whistleblower function handled by an external party.

No suspicions of corruption or money laundering were identified during the year.

The Company's compliance department works to monitor and control the Company's compliance with laws and other regulations. The department also provides advice to the Company's Board of Directors, CEO and personnel, as well as providing training in the area to enhance employees' knowledge and vigilance.

#### **Educational initiatives support our work**

Employees and managers at Kommuninvest are expected to participate in the educational courses that are offered to ensure that the Company as a whole, as well as its individual employees, have the knowledge required for the Company to be able to fulfil its assignment, including regulatory compliance. A distinction is made between the educational needs of new employees and those of other employees and managers, as well as needs for refresher courses. A predominant share of the courses offered in 2023, and even in the preceding year, focused on data security and cybersecurity, insider information, bribery and corruption, as well as money laundering and financing of terrorism. Between 83 and 96 per cent of the employees offered these courses, took them.

Data security and cyber security issues have gained renewed topicality following Russia's invasion of Ukraine in 2022. Efforts to further raise the company's preparedness include information presented at internal company information sessions, simulated *phishing tests* and *awareness training*.

# Sustainability indicators

## Sustainable financing

	Unit	2023	2022	2021
<b>Lending volume</b>				
Total lending to municipalities, regions, municipal companies, etc.	SEK, million	508,802.2	470,675.8	460,650.3
Share of the sector's financing	%	59.6	59.3	57.9
Operating expenses, excluding the resolution fee, as % of balance sheet total	%	0.047	0.038	0.048
Green Loans, volume outstanding, disbursed	SEK, million	79,422	66,428	60,209
Green Bonds, volume outstanding	SEK, million	76,974	63,330	54,626
Green Loans, proportion	%	16%	14%	13%
Social Sustainability Loans, volume outstanding, granted (volume disbursed)	SEK, million	6,718 (2,135)	1,746 (1001)	614 (207)

## Environmental indicators – Kommuninvest Group

	Unit	2023	2022	2021
<b>Energy consumption</b>				
Total energy consumption (in buildings) <sup>1</sup>	kWh	516,958	536,811	561,117
– of which, electricity	kWh	203,528	248,268	325,657
– of which, heating	kWh	237,786	216,381	235,460
– of which, cooling	kWh	76,322	72,244	–
– of which, solar power	kWh	-20,942	-5,586	–
Total CO <sub>2</sub> impact of energy consumption (in buildings)	Tonnes	59	95	119
– of which, electricity consumption <sup>2</sup>	Tonnes	64	78	103
– of which, from heating <sup>3</sup>	Tonnes	1	19	16
– of which, solar power	Tonnes	-6	-2	–
Proportion of renewable energy in energy consumption of electricity	%	100	100	100
Proportion of renewable energy in energy consumption for heating	%	100	100	100
Proportion of renewable energy in energy consumption for cooling	%	100	100	–
Total office space	m <sup>2</sup>	2,217	2,217	2,217
Total energy consumption per square metre	kWh/m <sup>2</sup>	233	242	253
Total energy consumption per employee	kWh	4,971	5,478	5,611
Change in energy consumption, compared with the preceding year	%	-3.7	-4.3	8.2
<b>Resource usage</b>				
Purchased office paper	Tonnes	0.3	0.3	0.1
– of which sustainability labelled paper (PEFC)	Tonnes	0.1	0.1	0.1
Proportion of sustainability labelled office paper, of total purchases	%	33.3	33	100
Total paper consumption per employee	Kg	2.5	2.7	1.1
Paper recycling, incl. purchased and delivered paper	Tonnes	1.8	2.1	2.0
CO <sub>2</sub> emissions avoided through recycling <sup>4</sup>	Tonnes	3.6	3.7	2.3
<b>Business travel</b>				
Total business travel <sup>5</sup>	Km	388,678	494,654	77,515
Total business travel per employee	Km	3,737	5,047	775
Total air travel	Km	166,973	275,250	14,899
Rail travel in Sweden	Km	194,386	203,382	44,504
Total CO <sub>2</sub> emissions from business travel	Tonnes	38	61	5
CO <sub>2</sub> emissions from business travel, per employee <sup>6</sup>	Tonnes	0.37	0.62	0.05
<b>Total climate footprint</b>				
Total climate footprint of the operations <sup>7</sup>	Tonnes	97	156	124
Total climate footprint per employee, CO <sub>2</sub> e	Tonnes	0.9	1.6	1.2

1) Gross solar production: 21,621 kWh (reading on 11 January 2024) of which 20,942 kWh was used for the building's own energy consumption, while 679 kWh was delivered to the grid.

2) The climate impact from electricity consumption, calculated applying an emissions factor for electricity of 315g CO<sub>2</sub>e/kWh, in accordance with the principles for impact reporting applied by Kommuninvest for Green Bonds (Nordic Position Paper on Green Bonds Impact Reporting). The reported values are within Scope 2, in accordance with the Greenhouse Gas Protocol.

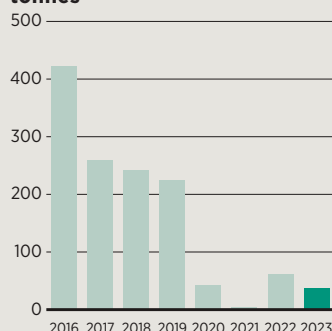
3) The climate impact from heating, calculated applying the latest available emissions factor for district heating in the Municipality of Örebro for 2022 of 131 g CO<sub>2</sub>e/kWh, in accordance with the principles for impact reporting applied by Kommuninvest for Green Bonds (Nordic Position Paper on Green Bonds Impact Reporting). The reported values are within Scope 2, in accordance with the Greenhouse Gas Protocol.

4) The emissions avoided through recycling over the year break down between 1577 kg of electronics, 556 kg of plastics, 733 kg of paper, 579 kg of iron, 26 kg of hazardous waste and 150 kg of alternative raw materials. Source: Stena Recycling. Kommuninvest does not include emissions avoided by recycling resources, as the climate impact of the purchases in question has not been calculated.

5) The figure from 2021 is corrected from 76,865 to 77,515 due to an incorrect reading in 2021.

6) Values are adjusted for high altitude factor.

7) Including CO<sub>2</sub>

**CO<sub>2</sub> emissions from business travel, tonnes**

Source: Big Travel, until 2020 with adjustment by Kommuninvest for so-called RFI factor regarding the high altitude effects of air travel.

Business travel constitutes a significant part of the Group's total climate impact. Following highly limited travel during the Corona pandemic, a certain normalisation has occurred over the past two years, albeit at significantly lower levels than prior to the pandemic. The operations' total climate footprint amounted to 97 (156) tonnes of CO<sub>2</sub>e, corresponding to 0.9 (1.6) tonnes of CO<sub>2</sub>e per employee.

## Generating financial value – Kommuninvest Group

	Unit	2023	2022	2021
<b>Total revenue</b>				
Interest revenues	SEK, million	20,843.8	4,914.0	998.3
Other operating income	SEK, million	14.9	12.0	10.4
<b>Distributed value</b>				
Interest expenses	SEK, million	-19,853.4	-4,248.1	-317.5
Commission expenses	SEK, million	-13.1	-11.7	-11.4
Salaries and emoluments	SEK, million	-85.0	-78.1	-81.8
Pension costs, training costs and other personnel costs	SEK, million	-28.6	-25.9	-32.5
Social security contributions and payroll tax on pension expenses	SEK, million	-30.3	-27.3	-29.0
Resolution fee	SEK, million	-17.1	-25.0	-23.0
Other operating expenses	SEK, million	-123.9	-105.9	-106.2
Tax	SEK, million	-13.8	13.9	-0.1
Transferred to the members of the Society during the year, refunds on business volumes and interest on member contributions for the previous financial year	SEK, million	-	472.9	197.8
<b>Efficiency</b>				
Operating expenses, excluding the resolution fee, as % of balance sheet total	%	0.047	0.043	0.048

In this note, revenues are recognised as positive and expenses as negative.

## Employee statistics – Kommuninvest Group

	Unit	2023	20221	2021
Total number of employees, including those in part-time and probationary employment <sup>1</sup>	Number	109	105	118
Proportion of women/men – total	%	42/58	40/60	41/59
Proportion of women/men – all managers	%	53/47	36/64	38/62
Proportion of women/men – Executive Management Team	%	56/44	43/57	43/57
Average number of full-time annual employees (based on hours worked)	Number	104	98	100
Employment period <2 years (based on permanent employees)	%	29	17	17
Employment period 2–4 years	%	20	17	26
Employment period 5–9 years	%	19	33	27
Employment period >10 years	%	32	33	30
Personnel turnover	%	12	15	9
Participation in employee survey	%	92	96	89
Proportion of employees with university education	%	93	92	89
Proportion of employees who had development interviews	%	100	100	100
Proportion of employees who have undergone sustainability training	%	95	87	83

1) Number of employees refers to the total headcount, including full and part-time employees, those on parental leave and temporary employees. The total number of permanent and probationary employees was 104 at the end of 2023.

# Auditor's opinion regarding the statutory Sustainability Report

**To the Annual General Meeting of Kommuninvest i Sverige AB (publ), corporate identity number 556281-4409**

## **Engagement and responsibility**

It is the Board of Directors that is responsible for the Sustainability Report for the year 2023 on pages 12–21 and that it is prepared in accordance with the Annual Accounts Act.

## **The scope of the examination**

Our examination has been conducted in accordance with FAR's auditing standard RevR 12: The auditor's opinion regarding the statutory Sustainability Report. This means that our examination of the statutory Sustainability Report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

## **Opinion**

A statutory Sustainability Report has been prepared.

Stockholm

KPMG AB

Tobias Lilja

*Authorised Public Accountant*