Swedbank

Sustainable Bond Impact Report 2024

Commitment to sustainable finance through sustainable funding

Contents

Swedbank empowers the many people and businesses to create a better future. Our vision is a financially sound and sustainable society. Swedbank Group is the leading bank with over 7 million retail customers and 550 000 corporate customers in our four home markets Sweden, Estonia, Latvia and Lithuania. Swedbank Group is also present in other Nordic countries, the US and China. Together we make your financial life easier.

For any inquiries about the Sustainable Bond Impact Report, please contact Group Sustainability at sustainability@swedbank.com.

Strong growth of sustainable financing reflects **Swedbank's continuous** support of the transition

In times of uncertainty and change, Swedbank's strategy and goals to support the transition to a sustainable society remain steadfast.

The Sustainable Asset Register experienced a significant 73 percent growth in 2024, reaching SEK 128 billion by year-end. The criteria outlined in the Sustainable Funding Framework ensure that our financing is directed to activities that contribute to positive environmental and social impacts in the communities in which we operate.

The substantial growth in the Sustainable Asset Register demonstrates both Swedbank's and our customers' strong commitment to advancing the sustainability transition.

A significant driver of this expansion is the increase in the Green Buildings category, where Swedbank actively supports its property sector customers with tailored advice and products focused on energy efficiency. Additionally, we strengthened partnerships in the field of energy consultancy.

There was also a notable rise in the Renewable Energy category, as Swedbank continued to support the expansion of renewable energy and the energy transition within our Baltic home markets.

In terms of social sustainability and our social categories, Swedbank financed a couple of large projects, reinforcing our commitment to economic inclusivity and community resilience.

The solid growth of the Sustainable Asset Register facilitated the issuance of four green bonds during 2024.

Our role is clear. Our commitment is steadfast. Now is the time for acceleration, not hesitation.

Johanna Fager Wettergren
Head of Sustainability at Swedbank

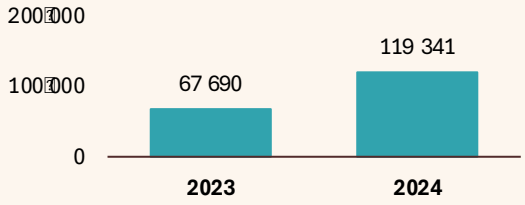
This report provides insight into 2024, detailing the financial distribution of assets and the estimated impact from green and social projects included in the Sustainable Asset Register as of December 31, 2024.

Sustainable Bond Impact in 2024

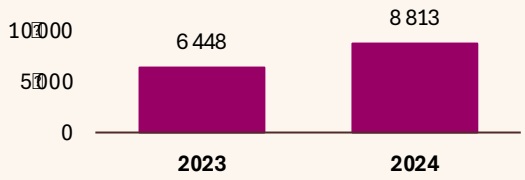
Register growth

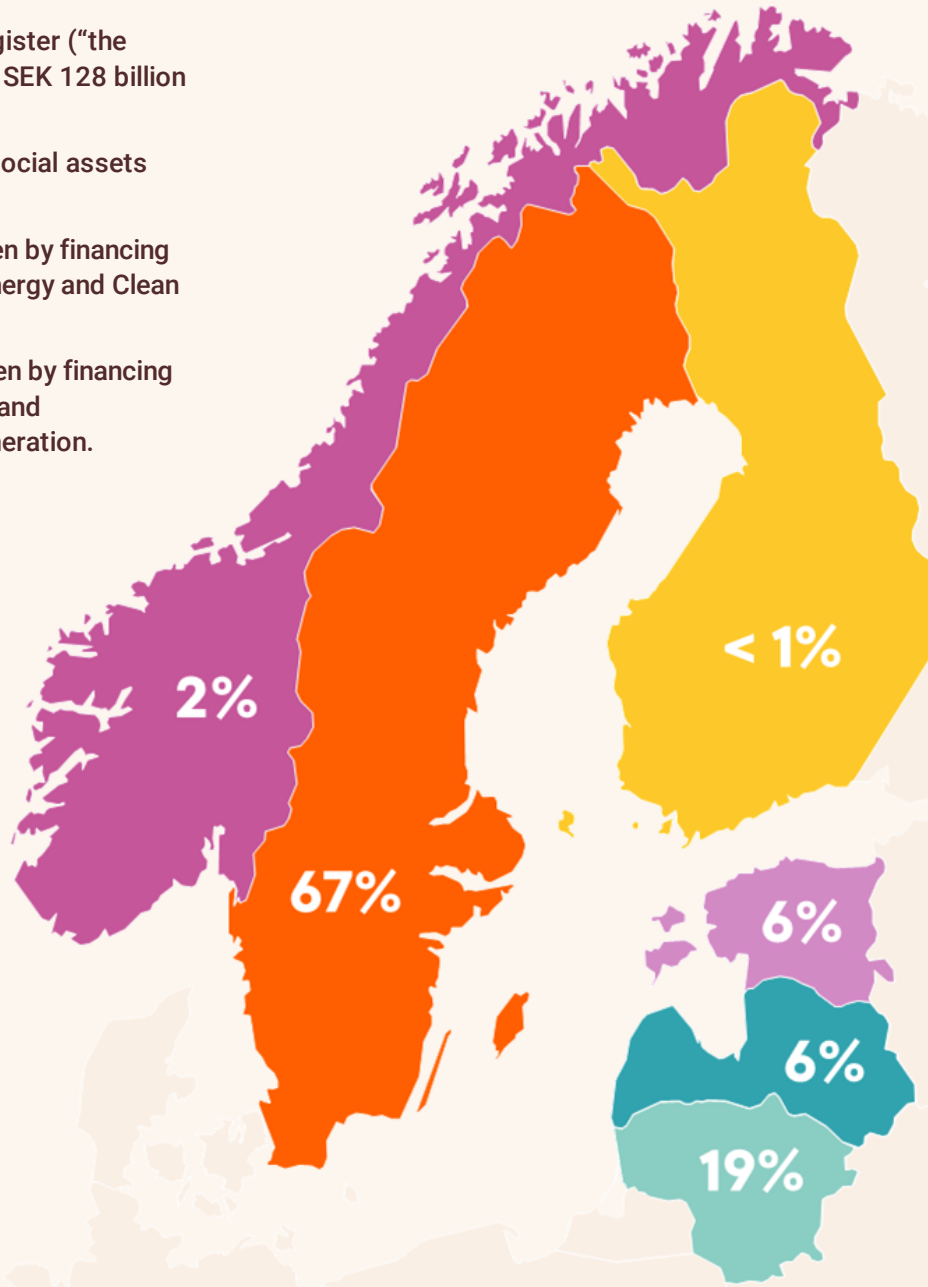
- Swedbank provides sustainable lending across its four home markets – Sweden, Estonia, Latvia and Lithuania – as well as in Norway and Finland.
- The Swedbank Sustainable Asset Register ("the Register") grew by more than 73% to SEK 128 billion by year-end 2024.
- Green assets increased by 76% and social assets increased by 37%.
- The growth of green assets was driven by financing within Green Buildings, Renewable Energy and Clean Transportation.
- The growth of social assets was driven by financing within Socioeconomic Advancement and Empowerment, and Employment Generation.

Green assets amount disbursed, SEKm +76%



Social assets amount disbursed SEKm, +37%



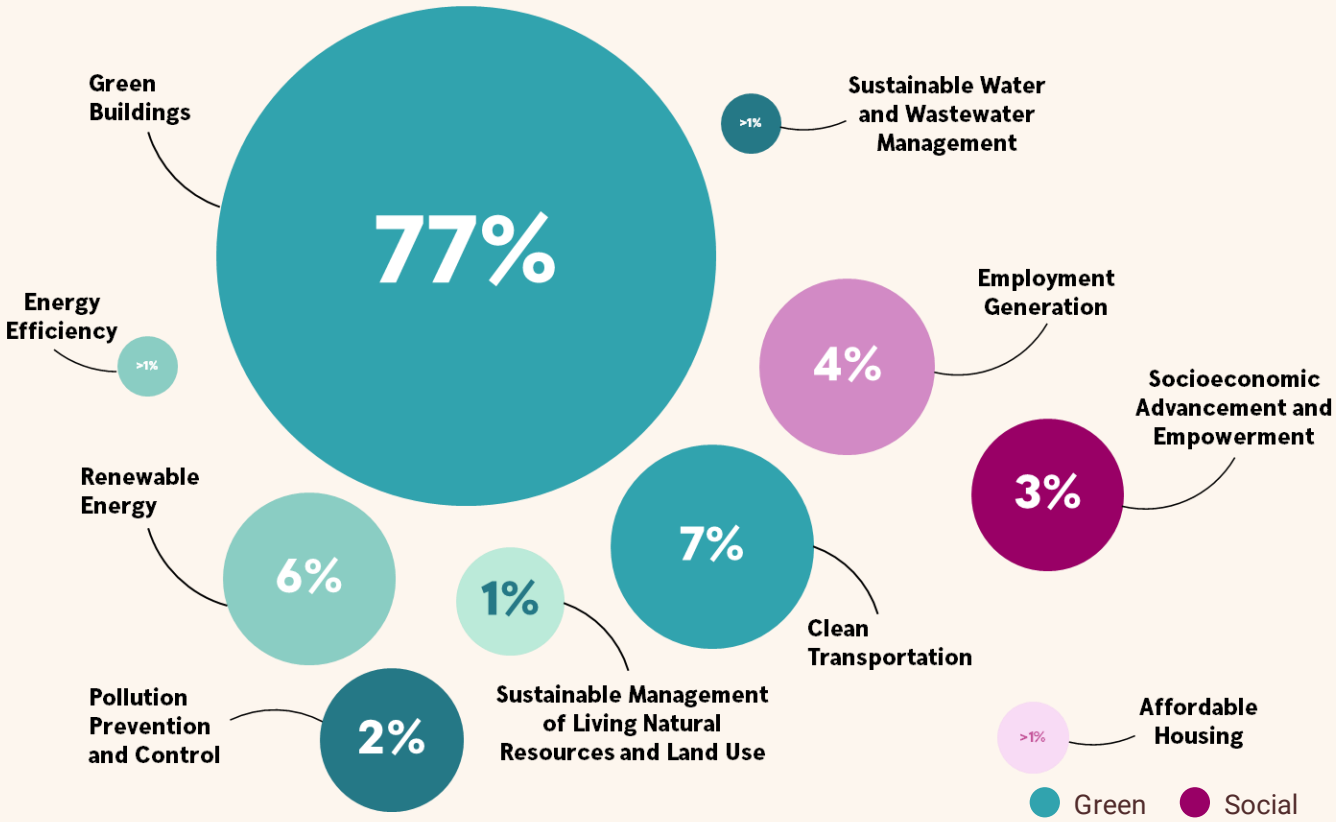


* Country split for Sustainable Asset Register (financed volumes, %)

Category distribution and impact

- Green assets accounted for 93% and social assets accounted for 7% of the Register, which amounted to SEK 128 billion as of year-end 2024.
- The Green Buildings category made up the largest share of the Register at 77%.
- In all, 597 785 tonnes of CO_2e emissions were avoided/reduced during the year, Renewable Energy contributed to the largest share of this impact.
- Renewable Energy made up 6% of the Register and contributed to 80% of the avoided/reduced emissions. Within renewable energy investments, energy production is in focus, which explains the large impact.
- Swedbank revised its impact reporting method in 2024 to calculate its share of the impact relative to the total investment cost of an asset.[1] Despite this more conservative approach, the reported impact increased in 2024, driven by the strong development of the Register.

Total impact	2024	2023
Avoided/reduced emissions, tCO_2e	597 785	334 886
Renewable energy produced, MWh	2 512 768	851 000
Energy saved from green buildings, MWh	240 392	110 027



*Financial distribution by asset category

[1] This approach aligns with recommendations from the Nordic Public Sector Issuers (NPSI). Before 2024, Swedbank's share of the impact was based only on the total debt financing for an asset and not the total investment cost.

Swedbank Sustainable Funding Framework

The framework

Swedbank's Sustainable Funding Framework forms the basis for how we identify, select, and manage eligible green or social assets that provide clear environmental or social benefits and promote the transition to low-carbon, climate-resilient and sustainable economies.

The Framework enables Swedbank to issue social, green and sustainability bonds. It is aligned with the International Capital Market Association (ICMA) Green Bond Principles 2021, Social Bond Principles 2021, and Sustainability Bond Guidelines 2021. A second-party opinion has been provided by ISS ESG and can be found on www.swedbank.com.The Framework was last updated in September 2022.

Bond issuances

In 2017, Swedbank launched a Green Bond Framework and issued its first green senior bond in the EUR market. Over the years, Swedbank expanded green bond issuances in senior unsecured format into USD, GBP, CHF and SEK currencies.

In 2022, Swedbank launched a Sustainable Funding Framework which included both green and social categories. The following year, in 2023, Swedbank became the first Nordic bank to issue a social bond. In 2024, Swedbank issued its first green covered bond in SEK.

As of year-end 2024, Swedbank has outstanding green and social bonds amounting to approximately SEK 76 billion.

Funding cost benefits when issuing green, social or sustainability bonds are transferred to business areas to further incentivize the bank's efforts to grow sustainable financing volume.

Case studies

Aidu Wind Park

- Location: Aidu-Nõmme village, Lüganuse municipality, Ida-Viru county, Estonia
- Financed volume: EUR 43 million
- Wind turbines: 15
- Total annual capacity: 67.5 MW
- Annual energy production: 135 000 MWh

Aidu Wind Park, located in northeastern Estonia, was commissioned in 2024 and consists of 15 turbines with a total production capacity of 67.5 megawatts.

Annual renewable energy production amounts to approximately 135 000 MWh.

The carbon emission-free electricity produced at the Aidu Wind Park has the potential to meet the energy needs of more than 40 000 households. The Aidu Wind Park will contribute to Estonia's ambitious renewable energy target; producing 100% of its electricity from renewable sources by 2030. In 2024, 63% of Estonian domestic electricity production was from renewable sources, compared with 30% five years ago.

"The financing of the new Aidu Wind Park exemplifies the strength of international collaboration. By bringing together local and foreign investors along with financial institutions, we are not only supporting renewable energy but also fostering global partnerships that drive and support Estonia's sustainable development," said Mihkel Utt, Head of Corporate Banking at Swedbank in Estonia.

Qualifying Swedbank category: Renewable energy. Read more about the category and impact on p. 11.

Green Genius

- Location: Throughout Lithuania
- Financed volume: EUR 29 million (EUR 17 million conversion project, EUR 12 million to refinance existing biogas infrastructure)
- Annual energy production: 101 GWh
- Managed waste: 609 800 tonnes per year

AB Green Genius Baltic, a renewable energy company operating in European markets, is upgrading its biogas plant portfolio in Lithuania to biomethane production. As the owner of the largest biogas portfolio in the Baltics, Green Genius plans to modernise the plant with an investment of EUR 35 million. The project is being partially financed by Swedbank, with additional financial support from the Ministry of the Environment of the Republic of Lithuania.

The Green Genius biogas power plant portfolio in Lithuania consists of 11 plants, whereof 7 will be equipped with biomethane production facilities. Waste fractions used in the production are manure, biowaste, and substrates for heat (e.g. corn silage). Yearly production of biomethane is expected to reach approximately 101 GWh, which in turn can provide heat to almost 8 000 Lithuanian households.

"This transformation, adapting biogas plants to biomethane production, is a giant leap towards fulfilling Lithuania's commitment to sustainable and renewable energy sources. Local biomethane production will be critical for Lithuania to meet its decarbonisation targets. In addition, this biomethane production infrastructure will strengthen Lithuania's role in the region and create a solid foundation for a long-term and efficient greening of the transport sector," said Ruslanas Sklepovicius, CEO of Green Genius.

Qualifying Swedbank category: Pollution prevention and control. Read more about the category and impact on p. 15.

Allocation and impact summary

Green Bonds: use of proceeds

Allocation	Green Assets	Renewable Energy	Energy Efficiency	Green Buildings	Living Natural Resources and Land Use	Pollution Prevention and Control	Water and Wastewater Management	Clean Transportation
Total amount disbursed (SEKm)	**119 341**	**7 410**	**417**	**99 139**	**1 223**	**2 061**	**24**	**9 067**
Yearly change in amount disbursed (SEKm)	**51 651**	**5 056**	**379**	**42 326**	**101**	**111**	**-12**	**3 690**
Distribution of assets within the Green Asset Portfolio (%)	**100**	**6**	**<1**	**83**	**1**	**2**	**<1**	**8**
Distribution of assets within the Sustainable Asset Register (%)	**93**	**6**	**<1**	**77**	**1**	**2**	**<1**	**7**
Geographical distribution (%)								
Sweden	70	7	7	77	1	0	0	70
Estonia	4	36	0	0	81	0	80	11
Latvia	4	19	0	3	18	0	0	9
Lithuania	20	37	0	18	0	100	20	10
Finland	0	1	0	0	0	0	0	0
Norway	2	0	93	2	0	0	0	0

Green impact reporting[2]

Environmental impact	Green Assets	Renewable Energy	Energy Efficiency	Green Buildings	Living Natural Resources and Land Use	Pollution Prevention and Control	Water and Wastewater Management	Clean Transportation
Avoided/reduced emissions (tCO_2e)	597 785	479 939		45 915				71 931
-Of which ex-post, projects in operation	549 090	431 412		45 748				71 931
-Of which ex-ante, projects under construction	48 694	48 527		167				
Energy generated (MWh)	3 436 508	2 512 768	136 200			787 540		
Energy saved (MWh)	240 392			240 392				
FSC-/PEFC-certified forest area (ha)	25 176				25 176			
Certified standing stock (m^3)	2 857 719				2 857 719			
Waste treated (t)	684 270					684 270		
Wastewater treated (m^3)	791						791	
Low-carbon vehicles (no.)	29 190							29 190

Total green liabilities

Bonds outstanding	Total amount SEKm	EURm (2027) 0.300	USDm (2026) 1.538	GBPm (2027) 1.375	CHFm (2028) 2.7725	EURm (2028) 4.250	GBPm (2029) 5.875	EURm (2029) 2.875	EURm (2030) 3.375	SEKm (2029) 2.342	SEKm (2029) FRN	SEKm (2029) 2.493
Green bonds, outstanding volume	70 808	1 000	1 000	350	160	750	400	750	500	7 000	3 000	3 000

[2] The result in the table is based on Swedbank's share of financing, see "Impact principles", page 25. For more detailed information and more KPIs, see "Green portfolio impact", pages 10-18.

Social Bonds: use of proceeds

Allocation	Social Assets	Employment Generation	Socioeconomic Advancement and Empowerment	Affordable Housing
Total amount disbursed (SEKm)	8 813	4 666	3 966	181
Yearly change in amount disbursed (SEKm)	2 365	976	1 392	-3
Distribution of assets within the Social Asset Portfolio (%)	100	53	45	2
Distribution of assets within the Sustainable Asset Register (%)	7	4	3	<1
Geographical distribution (%)				
Sweden	29	0	60	100
Estonia	37	52	21	0
Latvia	23	31	14	0
Lithuania	11	17	5	0

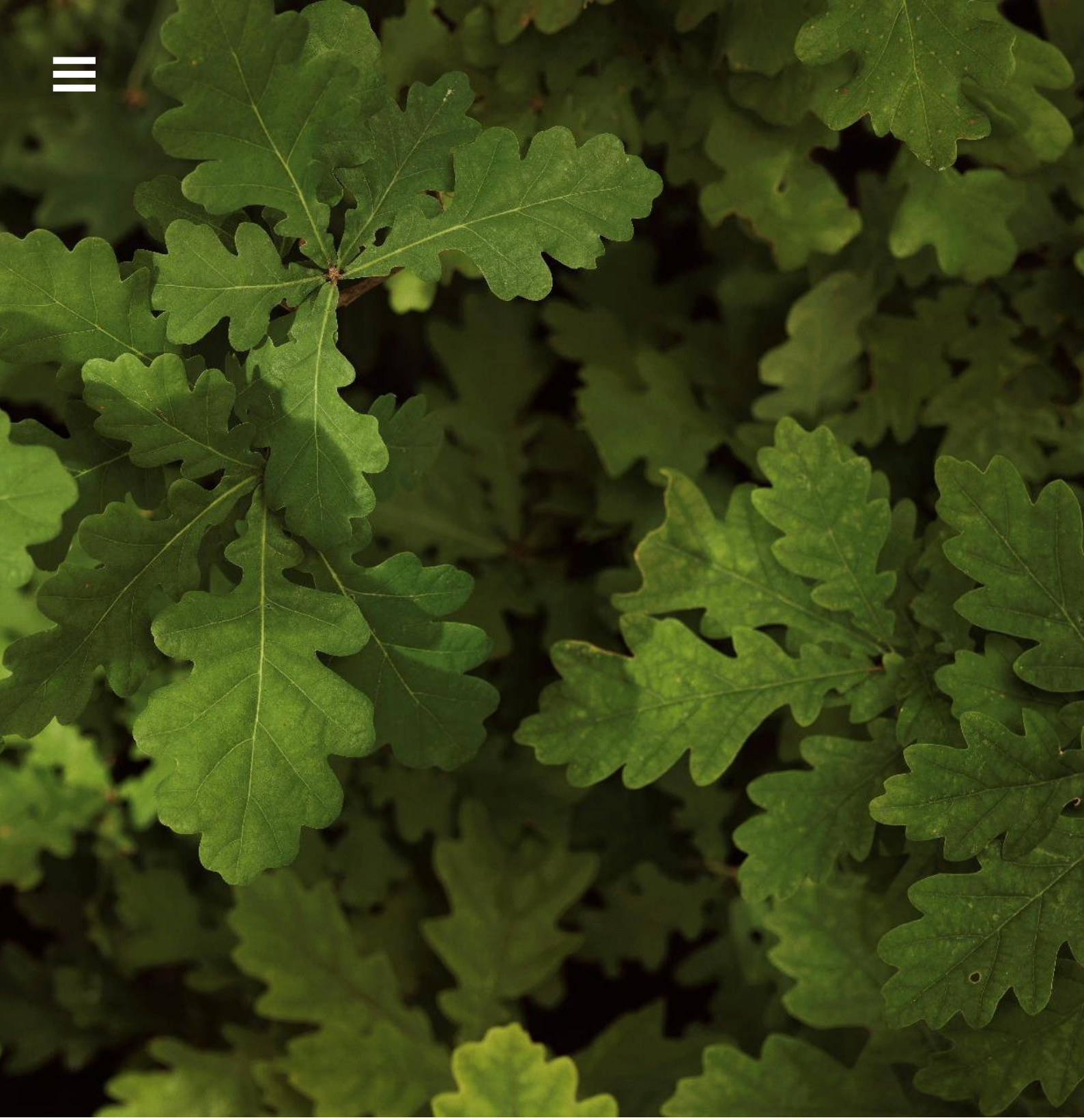
Social output reporting[3]

Social output	Social Assets	Employment Generation	Socioeconomic Advancement and Empowerment	Affordable Housing
SMEs in socioeconomically weak areas (no.)	3 783	3 783		
Female-owned SMEs (no.)	3 697		3 697	
Residents in socioeconomically weak areas (no.)[4]	393		393	
Residents in rental housing (no.)[5]	242			242

Total social liabilities

Bonds outstanding	Total amount SEKm	EURm (2030) 4.466
Social bonds, outstanding volume	5 743	500

[3] For more detailed information and more KPIs, see "Social portfolio output", pages 19-22.
[4] Population in an eligible multi-family dwelling located in a socioeconomically weak area. A definition of the term "socioeconomically weak area" is included in the Swedbank Sustainable Funding Framework, available on www.swedbank.com.
[5] Population in two eligible properties.



Green portfolio impact

Assets
7 410
SEKm

Technical details

Power plants
576
no.
Of which 118 solar parks
Of which 455 wind turbines
Of which 3 hydro-power plants

Total capacity of power plants
4 176
MW

Environmental impacts

Renewable energy generated
2 512 768
MWh
Of which 254 068 MWh ex-ante

Energy production distribution
Wind 32%
Solar 17%
Hydro 51%

Avoided emissions
479 939
tCO_2e
Of which 48 527 tCO_2e ex-ante

Renewable Energy

The transition towards climate neutrality by 2050 highlights the pivotal role of energy as it is responsible for more than 75% of the EU's greenhouse gas (GHG) emissions.[6] To achieve climate neutrality, we must drastically increase the share of renewable energy sources, and making investments in this area is essential. In 2024, Swedbank financed wind, solar and hydro energy in the Nordic and Baltic countries. Renewable energy investments in the Baltic countries resulted in an increase of 215% in outstanding volume compared to year-end 2023.

Wind energy

Swedbank financed 455 wind turbines with a total capacity of 1 698 MW, of which 107 turbines currently are under construction and contribute to 613 MW of this capacity. The energy generated of these turbines according to Swedbank's share of financing, ex-ante and ex-post,[7] is estimated to 797 112 MWh. One of these projects is a case-study in the report, see page 7.

Solar energy

Swedbank financed 118 solar parks in the Baltic countries, of which 103 are operational and 15 are under construction, representing a significant increase from the 13 parks reported in 2023. The solar parks have a total capacity of 921 MW, of which 246 MW refers to solar parks under construction. The energy generated of these 118 solar parks according to Swedbank's share of financing, ex-ante and ex-post, is estimated to 425 386 MWh.

Hydro energy

In 2024, Swedbank issued a large disbursement for a renewable energy investment in the Baltics, which included financing of three hydropower plants in Latvia. These hydropower plants have a total capacity of 1 558 MW and the energy generated according to Swedbank's share of financing is estimated to 1 290 270 MWh.

Contribution to the SDGs

SDG 7.2

SDG 7.a

SDG 13.1

[6] For more detailed information, see European Commission, Energy research and innovation.
[7] Ex-ante refers to impact from projects under construction and ex-post refers to impact from projects in operation.

Assets
417
SEKm

Technical details

Facility sites
2
no.

Energy modules
8
no.

Energy storage capacity
3
MWh

Environmental impacts

Energy generated
136 200
MWh

Energy Efficiency

In 2023, Swedbank added its first energy efficiency project focused on energy storage to the Sustainable Asset Register. According to the EU, storing energy for later use – when and where it is most needed – is essential for increasing renewable energy production, for improving energy efficiency and for ensuring energy security. Energy storage plays an integral role in achieving the EU's climate and energy targets, decarbonising the energy sector and addressing the energy crisis.[8]

The project involves a new facility that will deliver electricity quality as a service and provide support services to the Swedish power grid. The battery facility consists of eight modules, each with a capacity of 415 KWh, which will result in an estimated total energy storage capacity of 3 MWh.

In 2024, Swedbank added its second project within energy efficiency to the Register, which focuses on the production and sale of district heating and cooling for businesses and housing companies. About 99.5% of the energy used in the district heating comes from renewable and energy-efficient sources such as waste heat from sewage, solar power, wood waste, electricity with certificates of origin or from certified bio-oil as well as heat produced from nearby industries. Swedbank's financing share enabled 136 200 MWh of energy generation, of which district heating amounted to 130 800 MWh and district cooling amounted to 5 400 MWh.

Contribution to the SDGs

SDG 7.2

SDG 7.a

SDG 13.1

[8] For more detailed information, see European Commission, Energy Storage.

Assets
99 139
SEKm

Environmental impacts

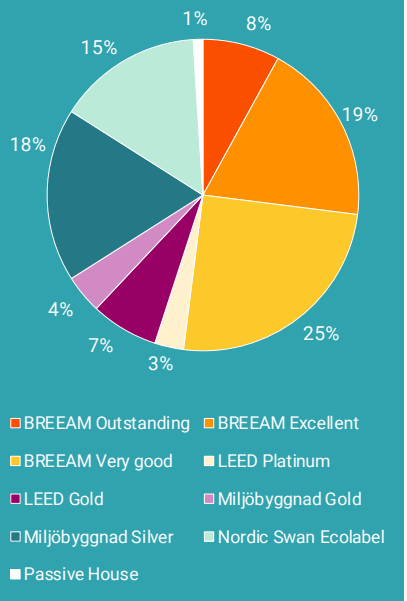
Energy saved
240 392
MWh

Of which 875 MWh ex-ante
Of which 132 424 MWh derived from property upgrades

Avoided/reduced emissions
45 915
tCO_2e

Of which 167 tCO_2e ex-ante

Environmental certified buildings in the Register, SEK 24bn



Green Buildings

The development of sustainable societies and cities plays a key role in global efforts to reduce GHG emissions. Buildings account for 40% of Europe's energy consumption, making their energy performance an important focus in the climate agenda.[9] Swedbank financed commercial and private green buildings of more than SEK 99 billion by year-end 2024.

New buildings (built in 2021 or later)

About 2 400 buildings were qualified according to the Framework's criteria for new buildings, corresponding to a volume of SEK 22 billion. Of these volumes:

- 60% had at least 10% better energy performance than Nearly Zero-Emission Buildings.
- 40% had an environmental certificate and minimum Energy Performance Certificate (EPC) class C in Sweden or the equivalent for other countries.

There were 19 buildings under construction and are expected to generate annual energy savings of 875 MWh, as well as annual avoided emissions of 167 tCO_2e, according to Swedbank's share of financing (ex-ante).

Existing buildings (built before 2021)

About 18 300 buildings were qualified according to the Framework's criteria for existing buildings, corresponding to a volume of SEK 75 billion. Of these volumes:

- 14% qualified for EPC class A.
- 66% had an energy performance in the top 15% of the national building stock.
- 20% had an environmental certificate and minimum EPC class C in Sweden or the equivalent for other countries.

Property upgrades

The Register includes financed projects of SEK 2.2 billion, that meet the criteria for property upgrades, resulting in energy savings of at least 30%. It is estimated that these property upgrade projects will save 351 609 MWh of energy annually. Swedbank's financing share of this energy savings is 132 424 MWh, which in terms of reduced emissions amounts to 25 293 tCO_2e.

Contribution to the SDGs

SDG 7.3

SDG 13.1

[9] For more detailed information, see European Commission, Energy efficiency in buildings.

Assets
1 223
SEKm

Environmental impacts

FSC-/PEFC-certified forest area
25 176
ha

Certified standing stock
2 857 719
m^3

Sustainable Management of Living Natural Resources and Land Use

Sustainable management of forestry

Forestry has a key role to play in countering climate change and in transitioning to a fossil-free society, as forests are a natural part of the carbon cycle and absorb carbon dioxide from the atmosphere. In addition to providing timber and wood products, forests support many ecosystems, that have multiple functions, host a large proportion of Europe's biodiversity and provide important ecosystem services.[10]

Swedbank supports active sustainable forest management and ownership. All forestry assets included in the Sustainable Asset Register are certified according to Forest Stewardship Council (FSC) or Program for Endorsement of Forest Certification (PEFC) regulations. Swedbank's financing includes forests that can be maintained, as well as used for purposes such as timber, biomass, biofuels and bioenergy in accordance with sustainable forestry management practices stipulated by the certifications.

Swedbank has included close to 60 000 hectares of FSC-/PEFC-certified forest area in the Register, with a certified standing stock of about 6 800 000 m^3. The environmental impact of the included assets, based on Swedbank's financing share, is 25 176 hectares of FSC-/PEFC-certified forest area and 2 857 719 m^3 in certified forest standing stock.

Contribution to the SDGs

SDG 15.1

SDG 15.2

[10] For more detailed information, see European Commission, Nature and biodiversity – forests.

Pollution Prevention and Control

Assets
2 061
SEKm

Technical details

Capacity of power plants
201
MW

Environmental impacts

Waste treated
684 270
t

Energy generated
788 000
MWh

Sustainable waste management

Turning waste into a recycling resource is key to a circular economy. Waste not only pollutes the air, groundwater and soil, it also releases GHGs into the atmosphere, contributing to climate change. The amount of waste generated in the EU amounts to approximately 3 billion tonnes a year.[11] The objectives and targets set in European legislation have been significant drivers to improve waste management, stimulate innovation in recycling, and limit the use of landfills.[12]

Swedbank continues to finance and include assets in its Sustainable Asset Register that support this transition and that promote waste management at the recovery stage of the waste hierarchy.

The Register includes two waste management facilities in Lithuania which process non-hazardous municipal solid waste using the latest technology. Waste is incinerated to produce heat and electricity that are sold and distributed to nearby municipalities, enabling a circular process as most of the waste originates from these municipalities. The reduction in waste disposed at landfills results in lower GHG emissions.

There are also four biogas production plants in the Register – one in Latvia and three in Lithuania. Two of the plants were added in 2024; they produce biomethane from biodegradable waste in accordance with the waste hierarchy, ensuring that only feedstock unsuitable for animal consumption is used as raw material for gas production.

All in all, the environmental impact of these assets, based on Swedbank's financing share, is estimated at 684 270 tonnes of waste treated and 788 000 MWh of energy generated. One of the plants is described in a case study on page 7.

Contribution to the SDGs

SDG 11.6

[11] For more detailed information, see European Commission, Climate action – reuse and recycle.
[12] For more detailed information, see European Commission, Environment and waste hierarchy.

Assets
24
SEKm

Technical details

Projects
2
no.

Reconstructed pipelines
35
km annually

Environmental impacts

Wastewater treated
791
m^3

Sustainable Water and Wastewater Management

Water and wastewater management

Clean water is the driving force of life, an essential resource for people and nature and for regulating the climate. It is also crucial for the economy, agriculture and energy production. Challenges relating to clean water include pollution from industrial chemicals, pesticides, nutrients and pharmaceuticals, and climate change.[13] Therefore, investments in water-saving technologies and facilities to treat and safely reuse water are critical.

The Sustainable Asset Register includes two projects in this category, that were added in 2024. The first project focusing on financing construction of water treatment facilities and the development of water supply and wastewater networks in Lithuania. In 2024, the annual amount of wastewater treated was 1 615 m^3; Swedbank's financing share accounts for an environmental impact of 791 m^3 wastewater treated annually.

The second project involves the financing of reconstruction of water pipelines in Estonia. As pipelines age, leaks and blockages increase, resulting in environmental disturbances. Reconstructing these pipelines results in fewer sewer emergencies and reduces environmental pollution incidents. The project is reconstructing approximately 35 km of pipelines per year.

Contribution to the SDGs

SDG 6.4

[13] For more detailed information, see European Commission, Water.

Clean Transportation

Assets
9 067
SEKm

Technical details

Low-carbon vehicles
29 190
Of which 43 electrical buses
Of which 29 147 cars and light trucks

Environmental impacts

Avoided emissions per km
139
gCO_2

Avoided emissions
71 931
tCO_2e

Km driven
521 419 213
Of which 24% estimated and 76% actual

Electric charging points
308
no.

Passenger and public transport

Transport emissions represent approximately 25% of the EU's total GHG emissions. To achieve climate neutrality by 2050, a 90% reduction in transport-related GHG emissions is needed.[14] The ambitious climate agenda requires cleaner, cheaper and healthier forms of private and public transport. Swedbank's financing of clean transportation supports the transportation industry's transition to replace the use of fossil fuels with sustainable fuels.

The Sustainable Asset Register includes a fleet of low-carbon vehicles in Sweden and the Baltic countries, each with tailpipe emission intensity lower than 50g CO_2 per km. In 2024, the estimated avoided emissions totalled 139g CO_2 per km, compared to vehicles running on petrol and buses running on diesel.

In 2024, Swedbank provided new financing for 43 electric buses in Lithuania. Swedbank's share of financing contributed to an estimated 2 084 tCO_2e of avoided emissions.

Electric charging points, as part of supporting infrastructure for zero direct-emissions transport, were also included in the activities that qualified and were financed by Swedbank.

Contribution to the SDGs

SDG 11.2

SDG 13.1

[14] For more detailed information, see European Commission, Transport and the Green Deal

EU Taxonomy disclosure

In 2021, the EU Taxonomy Delegated Acts for Climate Change Mitigation and Climate Change Adaptation were adopted. Swedbank views the EU Taxonomy as an important tool to assess environmental sustainability and to increase transparency in the financial industry.

Swedbank's Sustainable Funding Framework eligibility criteria for green assets largely align with the EU Taxonomy's criteria for substantial contribution.

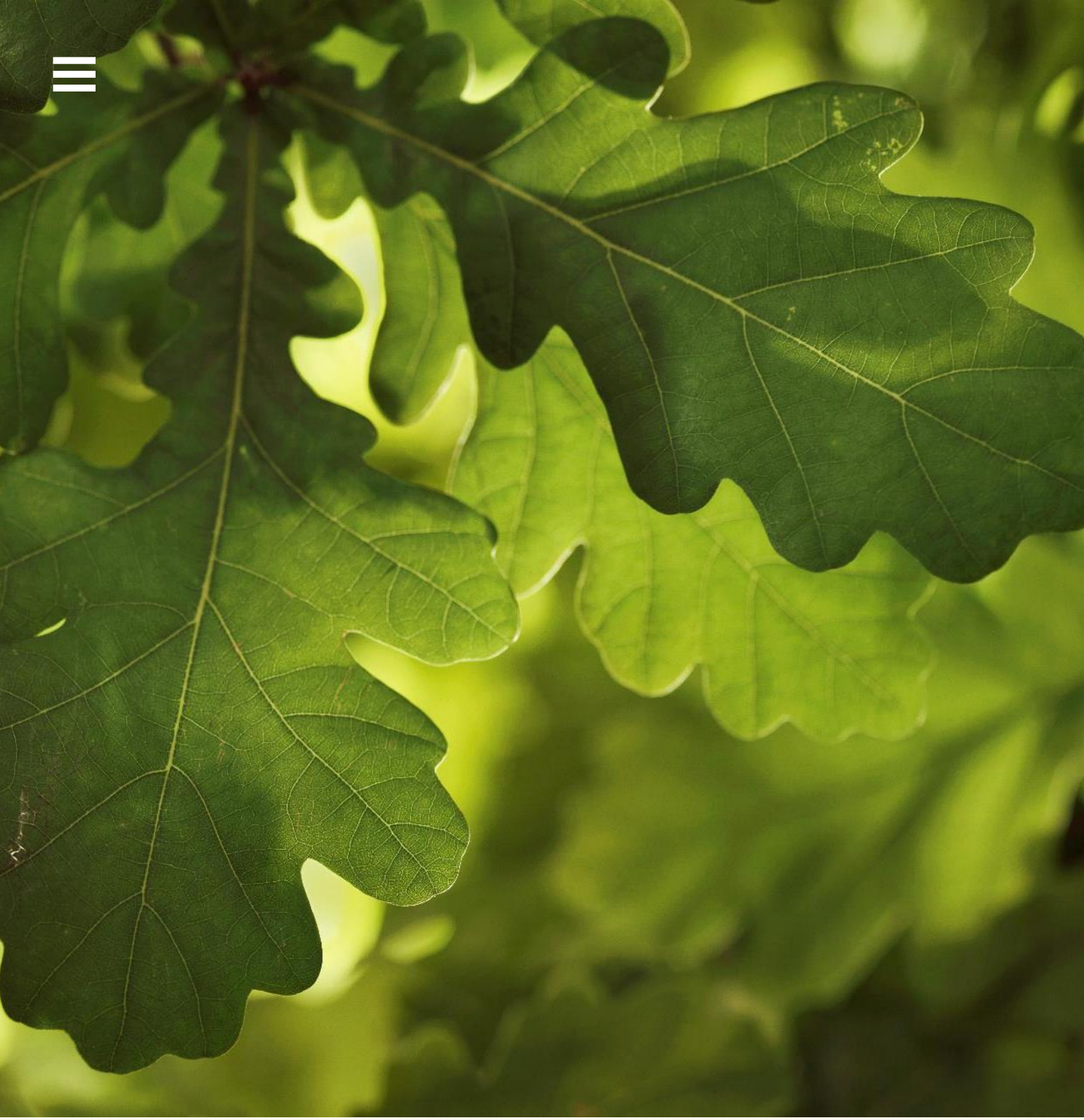
Every year, Swedbank assesses how and to what extent the included green assets in the bank's Sustainable Asset Register make a substantial contribution to the environmental objectives of the EU Taxonomy. This assessment covers the substantial contribution criteria and does not assess or confirm the requirements for Do No Significant Harm and Minimal Social Safeguards.

Access to highly granular, reliable data is a key prerequisite for a solid EU Taxonomy assessment. The absence of a central external database and lack of quality in external data makes it difficult to collect quality-assured data.

On a best effort basis, Swedbank's internal assessment for 2024 is that approximately 69% of the bank's eligible green assets are aligned with the substantial contribution criteria of the EU Taxonomy.

Substantial contribution (SC) alignment of the EU Taxonomy

Green Assets	Green Assets SEKm	SC-aligned %	SC-aligned volume SEKm	Comments on SC-alignment
Renewable Energy	7 410	100%	7 410	Solar and wind energy are SC-aligned. The included hydro energy plants are also SC-aligned.
Green Buildings	99 139	66%	65 188	Buildings that are not SC-aligned are primarily those with an environmental certificate and minimum EPC class C in Sweden, or the equivalent in another Nordic or a Baltic country. Due to a lack of data, no SC assessment was carried out for buildings that were constructed after 2021 and had an area exceeding 5 000 sqm. Similarly, for buildings that were constructed before 2021 and for which data on heating and ventilation systems was unavailable, no SC alignment assessment was carried out.
Sustainable Management of Living Natural Resources and Land Use	1 223	0%	0	The substantial contribution criteria do not include sustainable forest certifications. Therefore, the forestry assets are not SC-aligned.
Pollution Prevention and Control	2 061	1.4%	28	The included projects concerning waste for incineration are not SC-aligned. However, two biogas production plants included in the Register are deemed to be aligned with EU Taxonomy activities 4.20 and 4.24. Two additional biogas plants are assessed to be eligible, but not verified to be fully aligned.
Sustainable Water and Wastewater Management	24	0%	0	The projects are eligible within the EU taxonomy activities: 5.1-5.4. However, due to insufficient data related to the technical details in the EU Taxonomy, the SC-alignment can not be verified.
Clean Transportation	9 067	100%	9 067	Low-carbon vehicles are in line with the substantial contribution criteria, with emissions lower than 50g CO_2e/km.
Energy Efficiency	417	100%	417	One project within this category concerns energy storage/battery production and is deemed to be aligned with EU Taxonomy activity 4.10. Another project concerns district heating and cooling, which is also assessed to be aligned with EU Taxonomy activity 4.15
Total	**119 341**	**69%**	**82 110**	



Social portfolio output

Assets
4 666
SEKm

Target population

Populations in socioeconomically weak areas

Social output

SMEs
3 783
no.

Company size (micro/small)
77/23
%

Employees
26 680
no.

Employment Generation

Generating employment in socioeconomically weak areas

Employment generation is important for societal and individual human development. Swedbank contributes by providing financial support to corporates, resulting in the creation and retention of jobs. In socioeconomically weak areas, there is a particularly strong societal need for job creation and retention.

At year-end 2024, Swedbank's Sustainable Asset Register included loans to 3 783 SMEs,[15] of which 77% were loans to micro enterprises and 23% loans to small enterprises, in socioeconomically weak areas in the Baltic countries.

The three largest sectors in which these companies operated were, in order of size: agriculture, forestry and fishing; construction; and wholesale and retail trade. Altogether, the companies generated employment for more than 26 000 people.

Socioeconomically weak areas in Estonia, Latvia and Lithuania are defined as counties meeting both the following criteria: unemployment rate exceeding the national average and average income below the national average. Swedbank believes that the financing of micro- and small enterprises in these areas contributes to job creation and retention and generates other social benefits for residents. These benefits include improved access to services and products, as well as a stronger business environment.

Contribution to the SDGs

SDG 1.4

SDG 8.10

SDG 9.2

[15] SME definition - European Commission (europa.eu)

Affordable Housing

Affordable rental housing

The high barrier to entry into the housing market for students and low-income individuals highlights the pressing societal need to provide affordable housing. Swedbank has the opportunity to support affordable rental housing by, for example, financing real estate companies that offer affordable rents.

Swedbank is financing two properties that have been granted investment support from the Swedish government and have a maximum rent level. The support enables people with lower incomes to rent newly built apartments. The investment support requires the property owner to lease at least 12.5% of their rental properties to tenants through social contracts (such as income support). The two properties are located in southern Sweden and accommodated 242 residents in 2024.

Contribution to the SDGs

SDG 10.2

SDG 11.1

Assets
181
SEKm

Target population

Students and low-income individuals

Social output

Properties
2
no.

Residents
242
no.

Assets
3 966
SEKm

Target populations

Groups legally protected from discrimination relating to physical or mental ability

Women

Populations in socioeconomically weak areas

Social output

Female-owned SMEs
3 697
no.

Residents
393
no.

Socioeconomic Advancement and Empowerment

Activities aimed at empowerment and reducing inequality

Swedbank is committed to supporting business operations and activities that empower vulnerable groups and promote human rights in society. The Register includes financing to two companies that provide communication aids and accessibility products to people with physical or mental disabilities. At year-end 2024, Swedbank's financing amounted to SEK 1.6 billion, enabling our clients to support hundreds of thousands of people globally to live a more independent life. One company provided communication aids to more than 67 000 people, while the other sold more than 50 000 wheelchairs.

Female-owned SMEs

In Swedbank's home markets, female-owned and managed SMEs are significantly fewer than their male counterparts. Strengthening female entrepreneurship is a human rights issue and an economic imperative. Increasing access to finance by promoting the financing of female-owned SMEs is an important measure to help address the issue.[16] In 2024, the Register included financing to 3 697 female-owned SMEs.[17] The financing was granted to micro- and small enterprises in the Baltic countries and amounted to SEK 1.6 billion.

Advancing residential life in socioeconomically weak areas

Improving the quality of residential life in socioeconomically weak areas is one way to tackle segregation and inequality in society. In 2024, two projects were included in the Register. The objective of one of these projects is to "build against segregation" by establishing socially sustainable residential properties in one of Sweden's socioeconomically weak areas. The property consists of 246 apartments, which are home to 393 people. The other project is a centre property with almost 3 million visitors yearly. The aim of the project is to address challenges such as high unemployment, safety concerns and inequality.

Contribution to the SDGs

SDG 5.a

SDG 10.2

[16] For more detailed information, see United Nations International Development Organization (UNIDO): Women, SMEs and sustainable development – lessons learnt for the road ahead.
[17] SME definition - European Commission (europa.eu).

Appendix

Criteria

Swedbank's Sustainable Funding Framework enables the financing and refinancing, in whole or in part, of loans (eligible green or social assets) that provide clear environmental or social benefits and promote the transition to low-carbon, climate-resilient and sustainable economies.

In all, 12 categories are included in the Framework, addressing the following SDGs.[18]

Renewable Energy

Renewable energy projects

Clean Transportation

Passenger and public transport, Freight, Infrastructure

Energy Efficiency

Energy efficiency projects including energy transfer and energy storage, Energy efficiency technologies

Climate Change Adaptation

Activities and measures supporting society to adapt to climate change and changed weather patterns

Green Buildings

New buildings, Existing buildings, Property upgrades.

Employment Generation

Generating employment in socioeconomically weak areas, Supporting businesses and individuals in case of extraordinary circumstances

Sustainable Management of Living Natural Resources and Land Use

Sustainable forestry, Sustainable land use

Affordable Housing

Improving access to affordable mortgages, Improving access to affordable rental housing

Pollution Prevention and Control

Sustainable waste management

Socioeconomic Advancement and Empowerment

Empowering activities aiming to reduce inequality, Financing female-operated, -managed or -owned SMEs, Advancing residential life in socioeconomically weak areas through refurbishments

Sustainable Water and Wastewater Management

Water-use efficiency

Access to Essential Services – Education and Healthcare

Activities enabling access to education, Activities enabling access to healthcare

[18] All SDG-related information in this report originates from the official UN SDG website.

Process

Client Executive

1. Credit and sustainability risks

The Client Executive performs the regular credit process, including a standard sustainability risk assessment based on Swedbank Group's sustainability policies, position statements and exclusion list, guided by sector guidelines.

Group Sustainability

2. Sustainability analysis

Group Sustainability performs a sustainability analysis which includes the collection of evidence of environmental and social considerations taken in the planning process. Such evidence includes, for example, energy usage disclosures and other relevant KPIs. Group Sustainability also exercises its professional judgement, discretion and sustainability expertise in the analysis.

Sustainable Bond Committee

3. Approval

Sustainable Bond Committee is the decision-making body that approves the proposed loan's eligibility as a sustainable asset and thus its inclusion in Swedbank's Sustainable Asset Register. The Committee consists of representatives from relevant functions such as Group Sustainability, Group Risk, Group Treasury, Corporates and Institutions, Swedish Banking, and Baltic Banking. The Committee is responsible for the governance of the Swedbank Sustainable Funding Framework and for approving the allocation of sustainable bond proceeds.

Group Treasury

4. The loan is registered as a green or social asset

Swedbank has internal systems in place to track the proceeds of its sustainable bonds. Group Treasury monitors the Sustainable Asset Register monthly to ensure that all proceeds from sustainable bond issuances are allocated to a corresponding amount of eligible green or social assets.

Group Treasury and Group Sustainability

5. Impact reporting

In its Sustainable Bond Impact Report, Swedbank reports annually on the environmental and social impact of its Sustainable Asset Register. The report also includes details on the total amount of sustainable bonds issued, the allocation of proceeds within each asset category, and the share of proceeds used for financing and refinancing.

Methodology

Reporting principles

- Swedbank's reporting methodology for green and social bonds is based on ICMA's Harmonised Framework for Impact Reporting. The Nordic Public Sector Issuers (NPSI) Position Paper on Green Bonds Impact Reporting (2024) is used as a reference.
- Swedbank reports on a portfolio basis on the entirety of Swedbank's Sustainable Asset Register, as opposed to a bond-by-bond impact report.
- Reported volumes are based on amount disbursed and outstanding to an asset, as opposed to amount committed.
- Swedbank includes assets based on either an individual case-by-case asset application assessment or a bulk portfolio identification process. Examples of bulk portfolio inclusion are:
  - Mortgages in Sweden: Swedbank matches its portfolio against Boverket's[19] energy performance classification list of properties in Sweden. The identification process is carried out quarterly.
  - SMEs in socioeconomically weak areas in the Baltics: The qualifying areas are annually reviewed in line with the latest national statistics.
  - Female-owned SMEs in the Baltics
- Assets included in the Register are either new financing, refinancing or reclassification of an asset.
- The reporting of financial values is in Swedish kronor (SEK), and exchange rates are as of 31 December 2024.
- The reporting period is based on one financial year. The reported distribution and impact are based on the status of the Register as of 31 December 2024.
- A limited assurance of the use of proceeds reporting is provided by an accredited third-party auditor. See page 28.

Impact principles

- The Register generates positive environmental and social impacts, but calculations of impacts are based on certain assumptions and available data. Swedbank reviews all assets annually to validate qualification and estimation of impacts.
- In alignment with NPSI's recommendations, Swedbank revised its impact reporting method in 2024 to calculate its share of the impact relative to the total investment cost of an asset. This implies that impact data, such as energy generation, is reported based on Swedbank's share of the asset's total investment cost.
- Technical details of the assets (such as number of buildings or solar parks) and social output data are reported based on the actual number of assets that Swedbank is financing.
- The full-year impact is accounted for regardless of when an asset was added to the Register.
- When possible, actual impacts (ex-post) are reported. When this is not possible, expected impacts (ex-ante) are reported. Expected impact relates to buildings and renewable energy plants under construction. Both ex-post and ex-ante impact are included in the overall result on avoided emissions and other impact metrics.
- Direct environmental impact is reported for each green asset category. When relevant, avoided emissions are also reported. For the calculation of impact, baseline values are sometimes established for the comparison, either from national regulations or from other equivalent baseline scenarios.
- The emission factor is 191 g CO_2/kWh, electricity production in mainland EU and Norway, Combined Margin (1/3 Operating Margin + 2/3 Build Margin). This factor is in accordance with a recommendation from the NPSI.
- Social output indicators are reported for each social asset category. These indicators are complemented by qualitative information, and social impact if applicable.

[19] The Swedish National Board of Housing, Building and Planning (Boverket)

Baselines and emission factors used for the 2024 Impact Report

Renewable Energy

Types of energy generation

- Wind power
- Solar power
- Hydro energy

All calculations are based on the annual energy generation from collected data. The energy generation reported is based on Swedbank's share of financing in each asset.

Avoided emissions

Calculation of avoided emissions: The CO_2e performance is multiplied by the annual energy generation (Swedbank's share), resulting in the total avoided CO_2e emissions for the reporting year.

Emission factors:

- Scope 2 emissions only

Asset-specific emission factor:

- Wind, Solar and Hydro energy: 0g CO_2/kWh.
  Source: Nordic Public Sector Issuers (NPSI), Position Paper on Green Bonds Impact Reporting 2024

Baseline emission factor:

- Electricity production in mainland EU and Norway, Combined Margin (1/3 Operating Margin + 2/3 Build Margin), 191g CO_2/kWh.
  Source: NPSI, Position Paper on Green Bonds Impact Reporting 2024

Green Buildings

Types of green buildings:

- Existing buildings
- New buildings
- Property upgrades

Energy savings

For existing and new buildings, calculations are based on the difference between a baseline and the actual building's energy performance, in kilowatt hours per square metre. This is called the "building performance":

Building performance (kWh/m2/year) = Building's actual energy performance – Building's baseline energy performance

For property upgrades, it is the measured energy performance, in kilowatt hours per square metre before the upgrade, that is compared with the calculated or finalised end result, i.e., the property's energy performance after the upgrade.

Building improvement (kWh/m2/year) = Building's energy performance before renovation – Building's energy performance after renovation

Calculation of total energy savings (same for all types of green buildings): The building performance or the building improvement is multiplied by the floor area (m^2) and Swedbank's share of the financing (%).

This figure represents the total energy saved (positive or negative value) for a given time period. A negative value indicates that a building has a higher energy performance than its baseline scenario.

Baseline values (for existing and new buildings):

- Building regulation requirement, as expressed in the building-specific Energy Performance Certificate (EPC) or as stated in the national building regulation.
- For Swedbank's mortgage portfolio in Sweden, which is matched against the Swedish Board of Housing, Building and Planning (Boverket), the following reference values are used:
  - Energy declarations from 2012-2018 (specific energy): 74 kWh/m². Based on standard values from Boverket's PM 2019 01 30 for calculating primary energy
  - Energy declarations from 2019 and later (primary energy number): Based on the area of the building, the following reference values apply (from Boverket's Byggregler [2011:6] – föreskrifter och allmänna råd, BBR BFS 2011:6 med ändringar till och med BFS 2020:4):
    - Residential buildings:
      <90 m²: 100 kWh/m²:
      90-130 m²: 95 kWh/m²
      >130 m²: 90 kWh/m²
    - Apartment buildings: 75 kWh/m²
    - Non-residential buildings: 70 kWh/m²
- For Swedbank's mortgage portfolios in the Baltic countries, which are matched against the national building registries, the following reference values are used:
  - Estonia: Energy requirement in kwh/m^2/year according to the national building regulation that was applicable the year of the buildings EPC-year.

- Latvia: Energy requirement in kwh/m^2/year according to the national building regulation that was applicable the year of the buildings EPC-year.
- Lithuania: Energy requirement in kwh/m^2/year according to actual data from the EPC.

Avoided emissions

Calculation of avoided emissions: The emission factor is multiplied by the building's energy savings, resulting in the total amount of CO_2e emissions (positive or negative value) for the reporting year.

Baseline emission factor:

- Electricity production in mainland EU and Norway, Combined Margin (1/3 Operating Margin + 2/3 Build Margin), 191g CO_2/kWh.

  Source: NPSI, Position Paper on Green Bonds Impact Reporting 2024.

Clean Transportation

Types of clean transportation

- Cars and light trucks (M1 and N1)
- Buses

All calculations are based on the data collected on the assets. The data collected comprises specific emissions, fuel type, number of vehicles, and if available kilometres driven.

Avoided emissions

CO_2e emissions are calculated by using a supplier-specific emission factor measured using the Worldwide Harmonised Light Vehicles Test Procedure (WLTP) for each type of vehicle: Diesel Hybrid, Petrol Hybrid and Electric. The specific emission factors are calculated according to the tank-to-wheel method, which implies that tailpipe emissions are used. This method does not take into account emissions from the country's electricity generation mix.

The avoided emissions are calculated by comparing the asset specific emissions with the emissions that would have been generated by an average petrol car or an average diesel bus.

Calculation for avoided emissions: Total avoided emissions = (Baseline emission factor – Asset-specific emission factor) x Distance, actual or estimated

Asset-specific emission factors:

Sweden:

- Petrol hybrid, average of 28.8g CO_2e/km.
  Source: Supplier specification, AutoPlan
- Diesel hybrid, average of 28.6g CO_2e/km.
  Source: Supplier specification, AutoPlan
- Electric, 0g CO_2e/km.
  Source: Supplier specification, AutoPlan

Estonia, Latvia and Lithuania:

- Specific emission-factor for each unique car.

Baseline emission factors:

Vehicles (M1 and N1):

- Sweden: Petrol fuel reference value, 144g CO_2e/km.

Source: AutoPlan. From the AutoPlan supplier, based on the WLTP. The emission factors reflect the CO_2e emissions emitted in Tank to Wheel (TTW).

- Estonia: 153g CO_2e/km
- Latvia: 157g CO_2e/km
- Lithuania: 148g CO_2e/km

The baseline emission factors for the Baltic countries are based on the Partnership for Carbon Accounting Financials (PCAF) baseline scenario for a petrol car in the respective countries.

Buses

- Lithuania: 789.8g CO_2e/km

The baseline emission factors for buses are based on PCAF baseline scenario for a heavy vehicle (diesel).

Assurance Report

Introduction

We have been engaged by Swedbank AB (publ) ("Swedbank") to undertake a limited assurance engagement of the information in Swedbank's Sustainable Bond Impact Report for 2024 ("the Report"), pages 4-6, 8-9, 11-17, 20-27.

Responsibilities of Swedbank's Management

Swedbank's Management is responsible for the preparation of the Report in accordance with the applicable criteria. The criteria is stated in the Swedbank Sustainable Funding Framework dated September 2022, available on Swedbank's website. This responsibility includes the internal control relevant to the preparation of a Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the selected information specified above based on the limited assurance procedures we have performed. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information. This future-oriented information includes the ex-ante avoided emissions on pages 8, 11 and 13; hence this information is not covered in our limited assurance report.

We conducted limited assurance procedures in accordance with ISAE 3000 (revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Report, and applying analytical and other limited assurance procedures. A limited assurance engagement has a different focus, and a considerably smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit firm applies ISQM 1 (International Standard on Quality Management) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent in relation to Swedbank according to generally accepted auditing standards in Sweden and have fulfilled our professional ethics responsibility according to these requirements.

The procedures performed in a limited assurance engagement do not allow us to obtain such assurance that we would become aware of all significant matters that could have been identified if an audit was performed. The conclusion based on a limited assurance engagement, therefore, does not provide the same level of assurance as a conclusion based on an audit has.

Our procedures are based on the criteria defined by Swedbank's Management as described above. We consider these criteria suitable for the preparation of the Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the selected information disclosed in the Sustainable Bond Impact Report is not prepared, in all material respects, in accordance with the criteria.

Stockholm, 1 April 2025

Öhrlings PricewaterhouseCoopers AB

Anneli Granqvist
Authorised Public Accountant


Swedbank
SINCE 1820