Q3 2026

Investor Presentation

SBAB Bank AB (publ)

Executive summary

- Founded in 1985 and 100% owned by the Kingdom of Sweden
- Sweden's fifth-largest mortgage lender with a low-risk residential mortgage portfolio
- Proven service model with #1 customer satisfaction for seven consecutive years
- Financial targets covering profitability, capitalisation and dividend
- Funding needs for 2026 estimated to approximately SEK 60 bn

Total lending (SEK bn)

551

Total deposits (SEK bn)

277

Moody's A1 Aa3

Standard & Poor's Ratings Services A+

9.7%
Return on equity
Jan-Sep 2026

14.0%
CET1 capital ratio
30 Sep 2026

0.00%
Credit loss level
Jan-Sep 2026

35.9%
C/I ratio
Jan-Sep 2026

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2	Credit portfolio and asset quality
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5	SBAB's commitment to sustainability
6	Macro development

Straightforward business model

– Continued long-term growth across core lending segments despite subdued market conditions

RETAIL LENDING

- Core product residential mortgages (5th largest player in Sweden) complemented with savings accounts
- No traditional retail bank branches, products and services offered online or by telephone
- Lending geographically concentrated to metropolitan areas in Sweden, including Stockholm, Gothenburg and Malmö, as well as university cities and growth regions
- Platform with value adding services relating to housing and household finances (through subsidiary Booli)

	Market share
Residential Mortgages	8.85%
Consumer Loans	0.58%
Retail Deposits	7.45%

CORPORATE LENDING

- Lending to property companies, housing developers and tenant-owners' associations (ToA) as well as savings to corporates and organisations
- Multi-family dwellings, existing buildings or new construction, both privately owned or owned by ToAs
- Personal service from offices in Stockholm, Gothenburg and Malmö (credit granting concentrated to growth regions surrounding these three offices)
- Primarily targeting larger customer groups

	Market share
Property Companies	17.35%
Tenant-Owners' Associations	10.28%
Corporate Deposits	4.34%

*Market shares as per 31 May 2026

Why customers choose SBAB

– Strong customer franchise supports growth, retention and long-term resilience

Customer Satisfaction in Sweden

Residential mortgages	• #1 for 7 consecutive years
Property loans	• #1 for 8 consecutive years

SBAB's value proposition

ACCESSIBILITY
Residential mortgages online and over the phone, seven days a week, covering all circumstances.

TRANSPARENCY
Fair prices and appropriate terms and conditions from the start.

CONSIDERATION
Housing specialists who care.

Source: Swedish Quality Index (SKI)

Our targets and ambitions

Financial targets (effective from Jan 2026)

Return on Equity	≥10%
CET1 above requirement	1-3%
Dividend payout	20-40%

Strategic management ambitions 2030

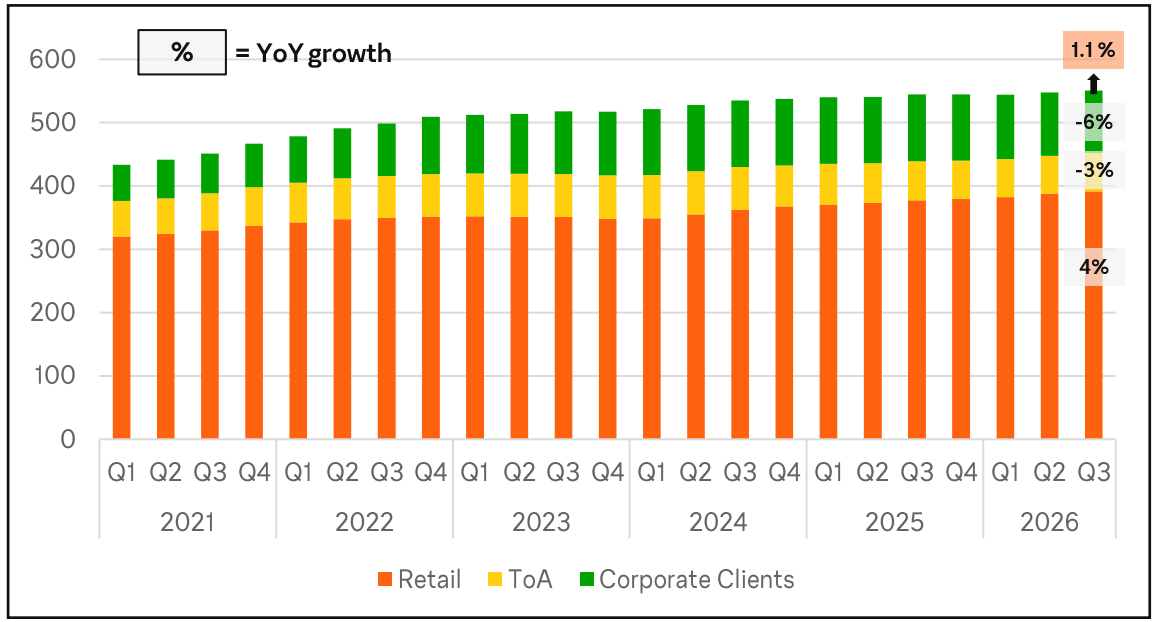
Market shares	10% Res. Mortg. · 15% ToA · 20% Corporates
Efficiency	C/I below 30%
Sustainability	50% Emission Reduction
People	Employee Engagement >4.0

Lending growth and market position

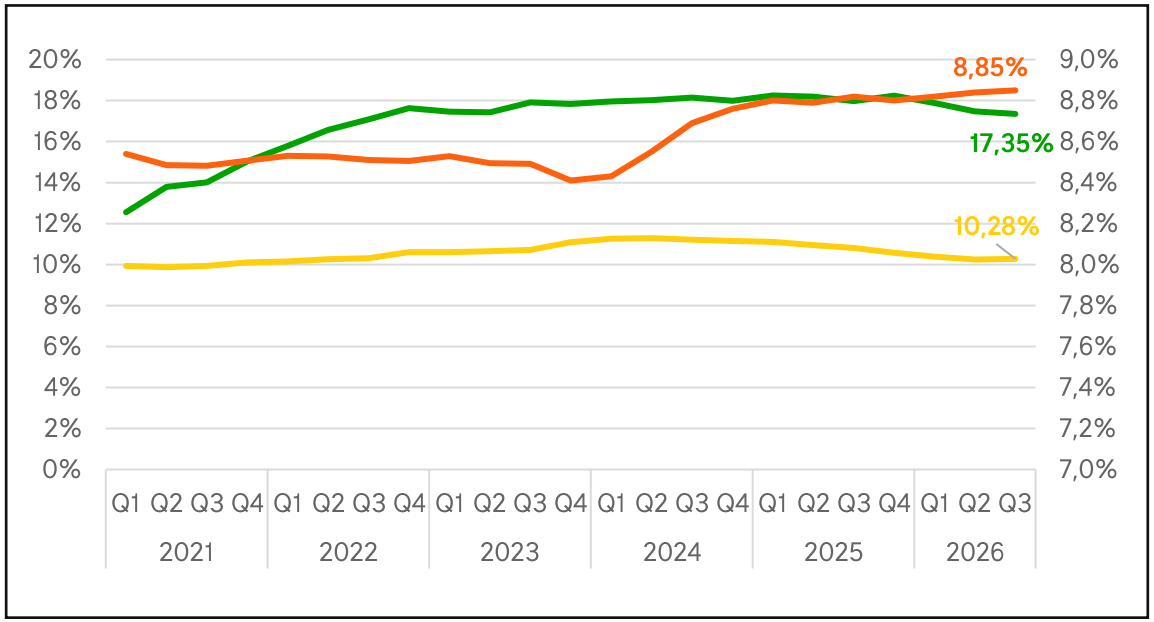
– Continued long-term growth across core lending segments despite subdued market conditions

Total lending	551 bn	YoY Growth	+1.1%	Mortgage Market Share	8.85%

Lending (SEK bn)



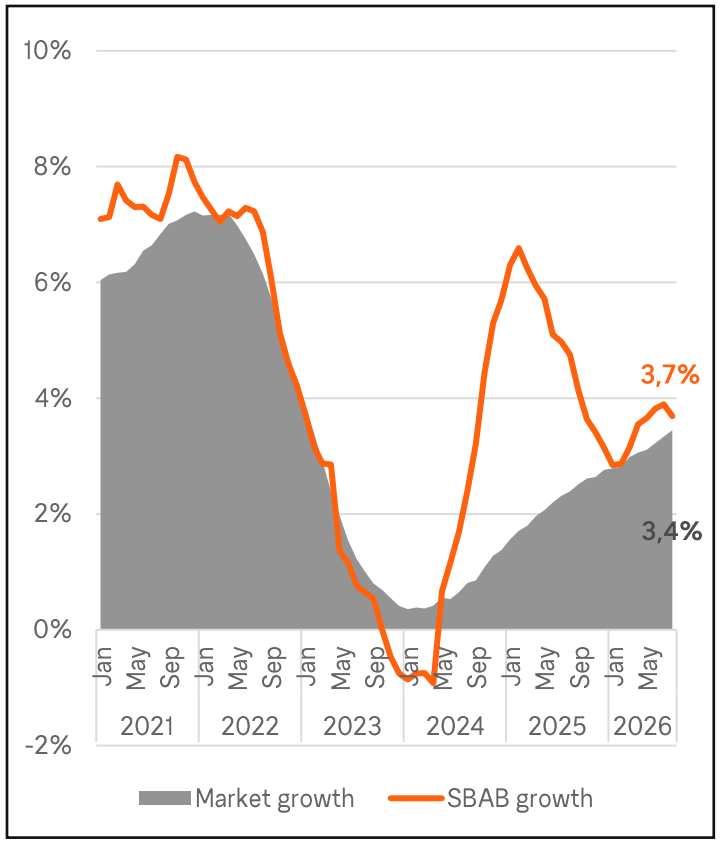
Market shares (%)*



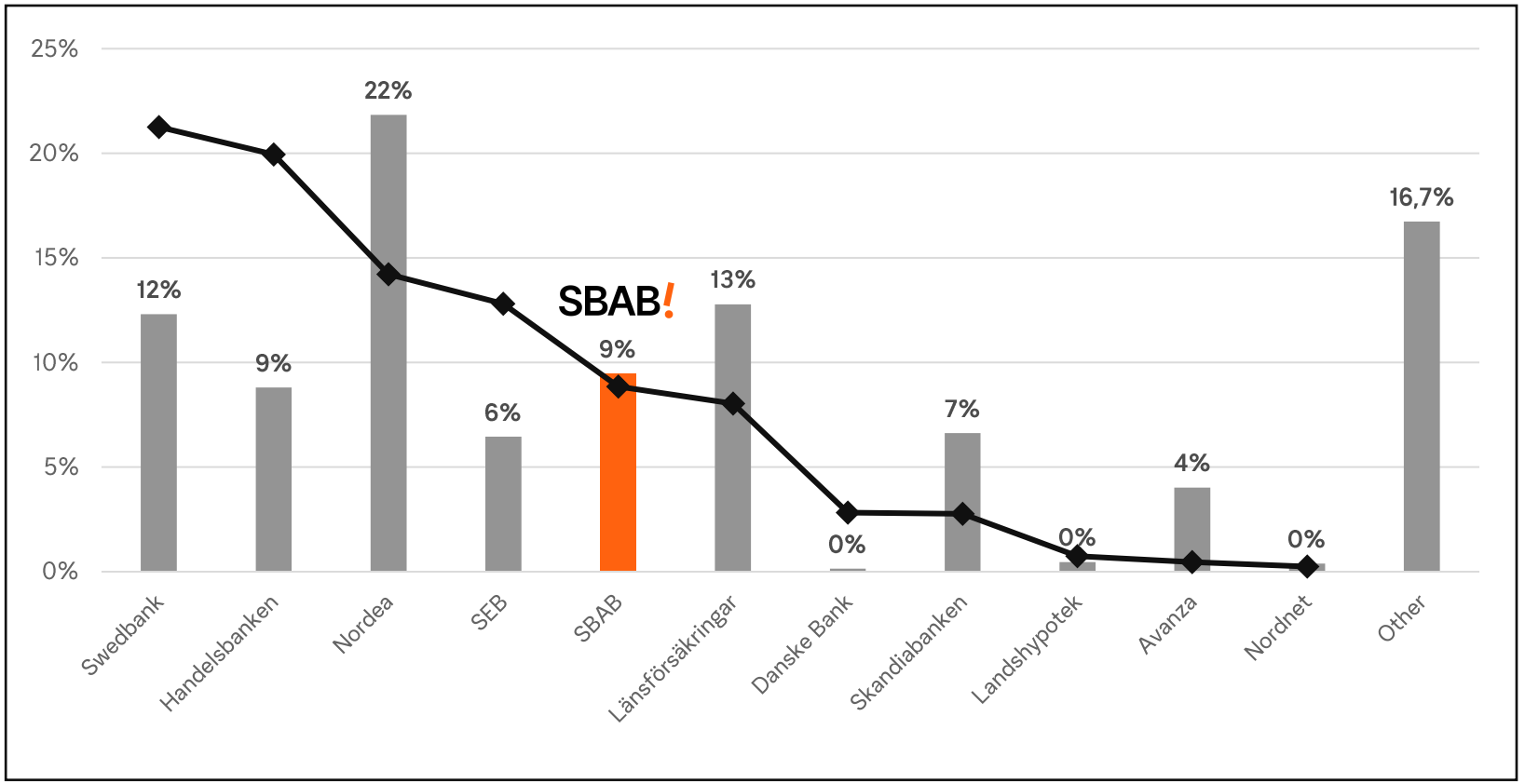
*Source: Statistics Sweden (SCB) (data as of August 2026)

Outgrowing the mortgage market

SBAB vs. market (R12, %)



Share of net market growth R12 (bar) vs back book market share (line)



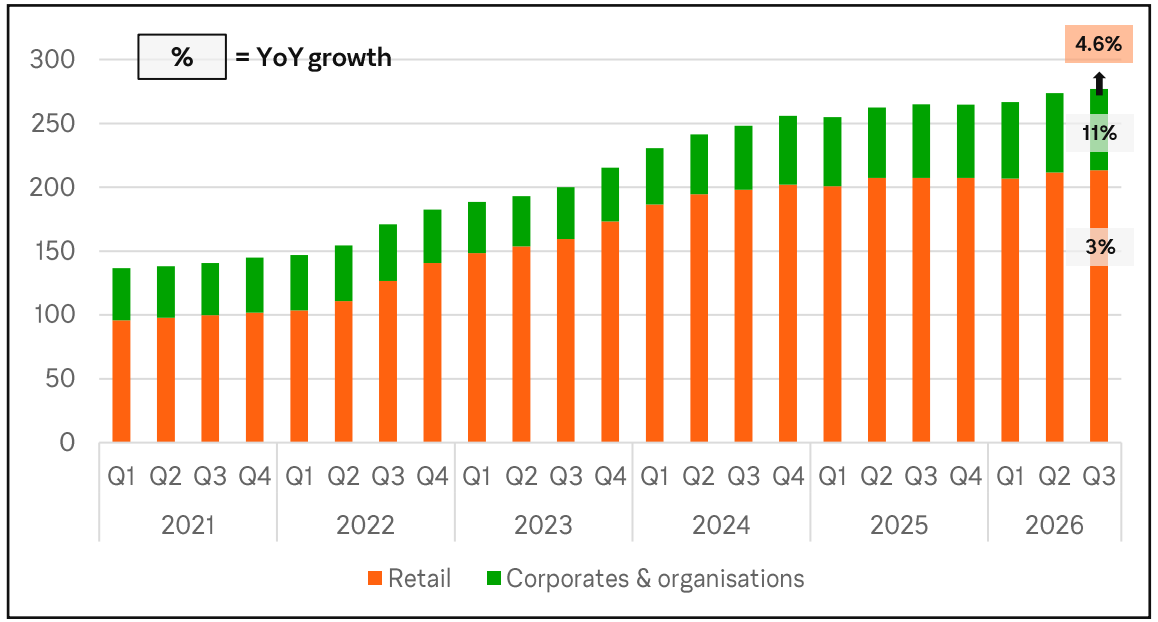
*Source: Statistics Sweden (SCB) (data as of August 2026)

Growth in strategic deposit funding

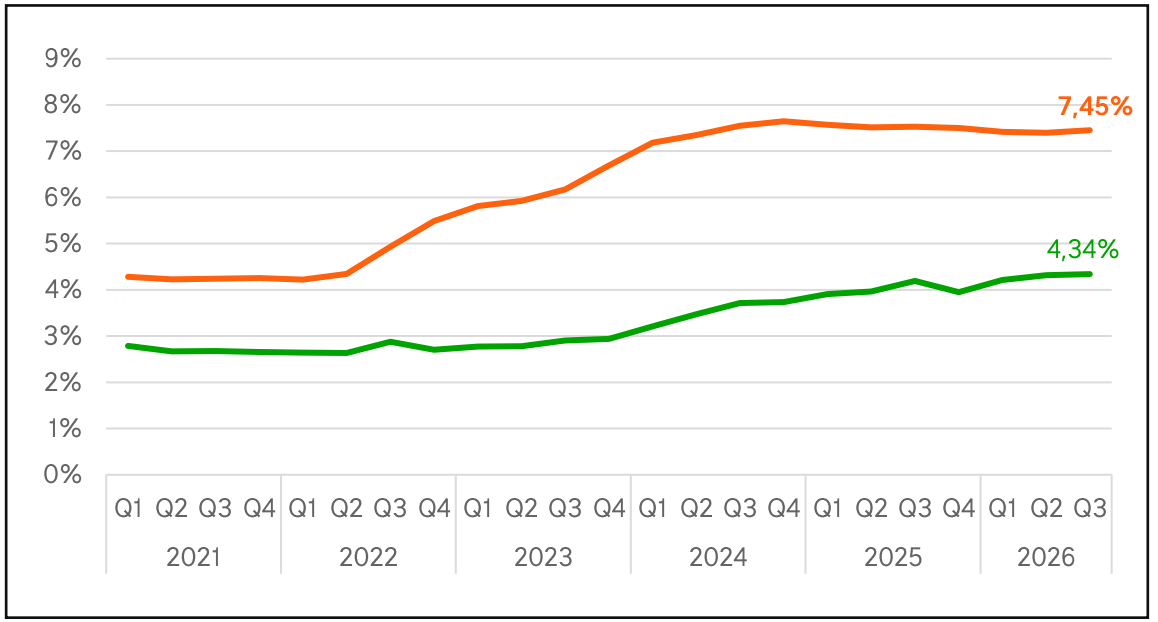
– Strong growth in recent years amid regained strategic focus on growing share of deposits in funding mix

Total deposits	277 bn	YoY Growth	+4.6%	Retail Deposit Share	7.4%

Deposits (SEK bn)



Market shares (%)*



*Source: Statistics Sweden (SCB) (data as of August 2026)

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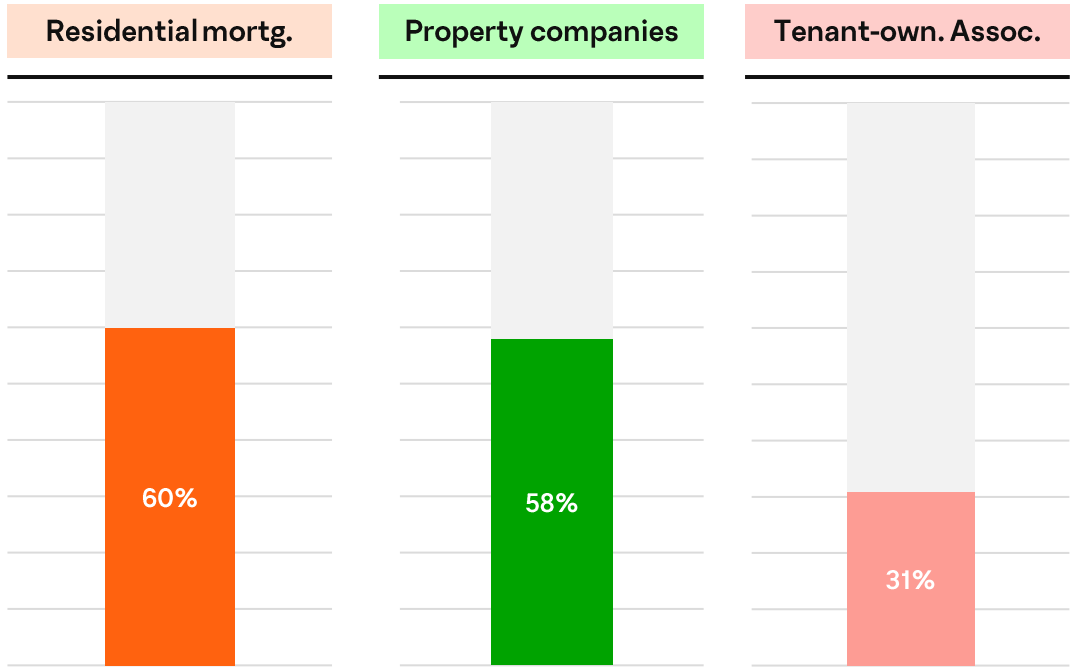
Low-risk lending portfolio focused on Swedish housing

Lending composition

	SEK bn	% of lending	Average LTV
Residential mortgages	389.8	70.8%	60%
Consumer loans	2.0	0.4%	
Tenant-owners' associations	60.2	10.9%	31%
Property companies	98.8	17.9%	58%
– (Of which, commercial lending)[1)]	*(10.3)*	*(1.9%)*	
– (Of which, construction loans)	*(3.6)*	*(0.7%)*	
Total lending	**550.8**	100%	

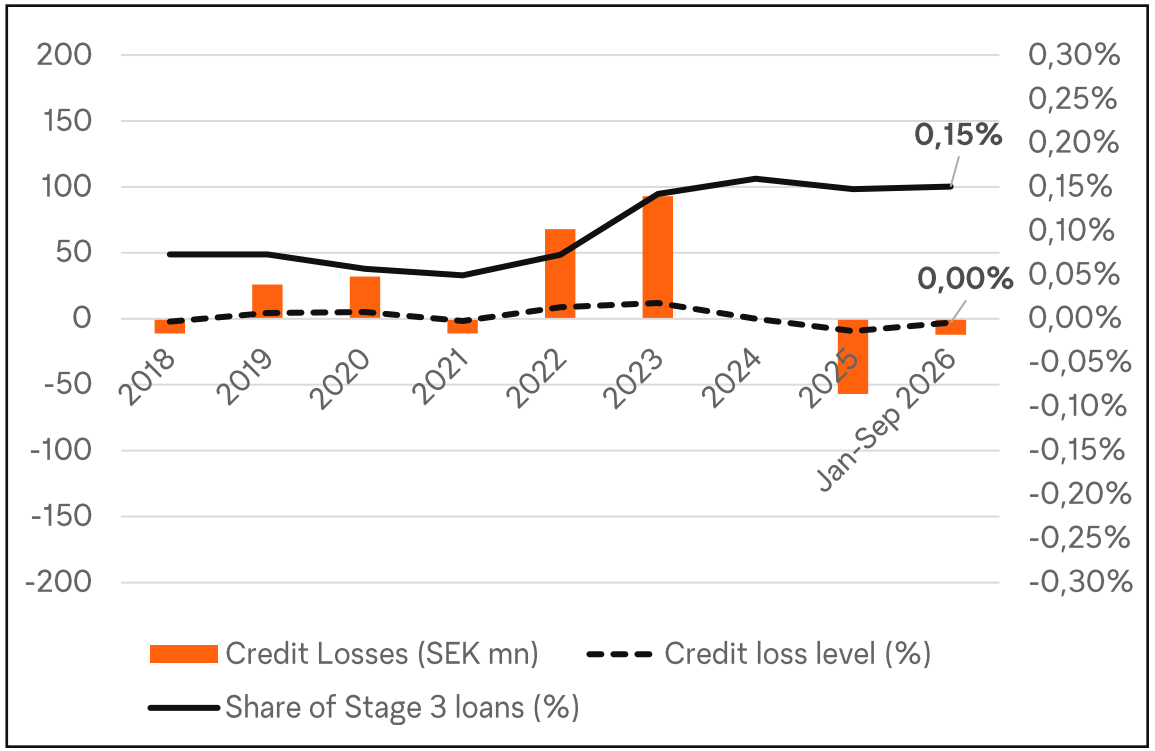
1) Revised internal definition of commercial lending during Q3 2022 (the corresponding figure for Q2 2022 was 0.3%)

LTV ratios in loan book



Exceptional asset quality through economic cycles

Credit quality metrics*



- Low-risk loan portfolio focused on collateralised residential lending in Sweden
- Prudent underwriting criteria (incl. affordability assessment with stressed interest rate)
- Proven track record over time & strong resilience towards economic downturns

+12 MSEK
Credit losses
Jan-Sep 2026

0.00%
Credit loss ratio
Jan-Sep 2026

0.15%
Share of stage 3 loans
30 Sep 2026

*A negative figure for credit losses implies a recovery (positive figure) in the income statement

Strong and resilient cover pool

SCBC!
Covered bonds of SBAB

Overall key metrics

380 bn
Cover Pool (SEK)

395,503
No. of loans

956,961
Average loan size

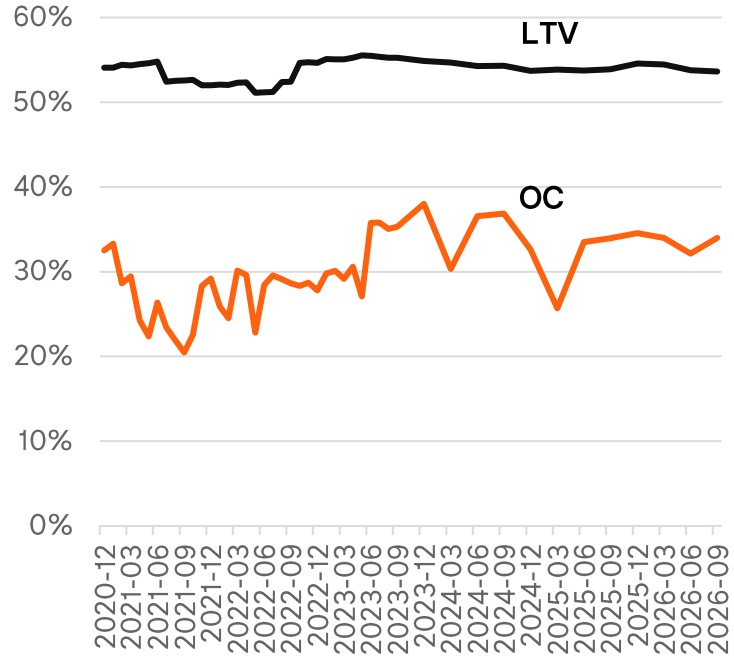
33.1 %
OC

53.6 %
WA LTV

6.7 y
WA seasoning

- Assets spread throughout Sweden; concentrated to economic hubs
- 61.2% floating, 38.8% fixed
- 50.3% amortising, 49.7% interest only

Development of OC and WA LTV



Additional lending that qualifies into the cover pool but is not included in the cover pool amounts to 141.4 bn SEK. This lending could be transferred into the cover pool if needed.

Simulation of decline in house prices

House-price change	Mortgage assets in cover pool (SEK bn)	WA LTV (%)	OC* (%)
0%	378.7	53.6	33.1
-5%	376.8	55.9	32.4
-10%	374.0	58.2	31.5
-15%	369.9	60.4	30.0
-20%	363.9	62.6	28.0
-25%	355.6	64.6	25.1
-30%	343.9	66.3	21.1

**OC calculated in accordance with requirements from the Swedish FSA*

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Financial highlights

– Solid performance despite continued pressure on margins and subdued market growth

Operating Profit Jan-Sep 2026	2.1 bn	ROE Jan-Sep 2026	9.7%	CET1 30 Sep 2026	14.0%

Jan-Sep 2026

- **Revenue**: NII down 3% YoY, mainly due to continued compressed lending margins
- **Cost discipline**: Increased internal focus on cost development. Costs down 3% YoY despite continued investments for future competitiveness
- **Asset quality**: Credit losses remains exceptionally low at 0.00%

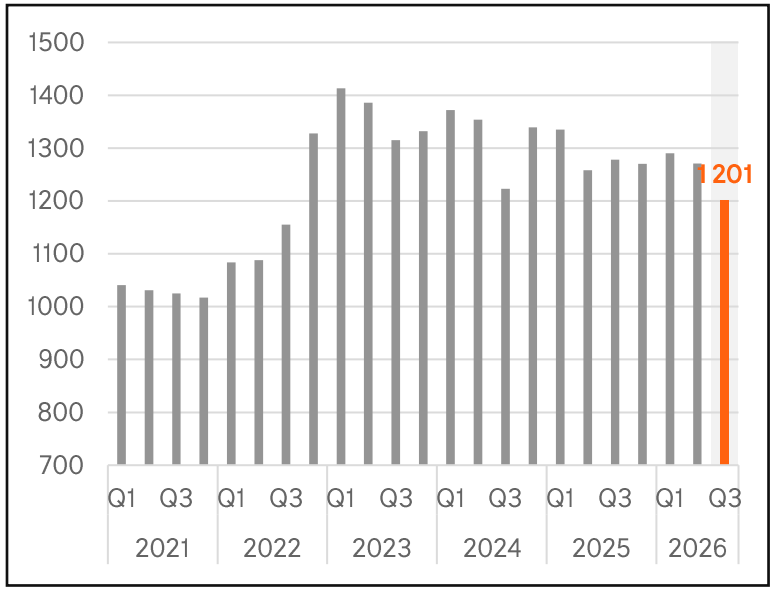
SEK mn	Jan-Sep 2026	YoY	Q3 2026	QoQ	FY 2025	YoY
Lending (SEK bn)	550.8	+1.1%	550.8	+0.6%	544.9	+1.3%
Deposits (SEK bn)	277.0	+4.6%	277.0	+1.2%	264.7	+3.4%
Net interest income	3,762	–2.8%	1,201	–5.5%	5,141	–2.8%
Costs	–1,366	–2.9%	–456	–0.9%	–1,927	+1.0%
Loan losses	12	–28 mn	32	+46 mn	57	+57 mn
Operating profit	2,059	–1.4%	640	–3.0%	2,764	–4.7%
Return on equity (%)	9.7%	+0.1 pp	8.9%	–0.4 pp	9.5%	–0.9 pp
C/I ratio (%)	35.9%	–0.3 pp	38.4%	+2.5 pp	36.8%	+1.3 pp
Loan loss ratio (%)	0.00%	–0.01 pp	0.02%	+0.03 pp	0.01%	+0.01 pp
CET1 capital ratio (%)	14.0%	–0.8 pp	14.0%	–0.1 pp	14.2%	+1.5 pp

Revenue & margin development

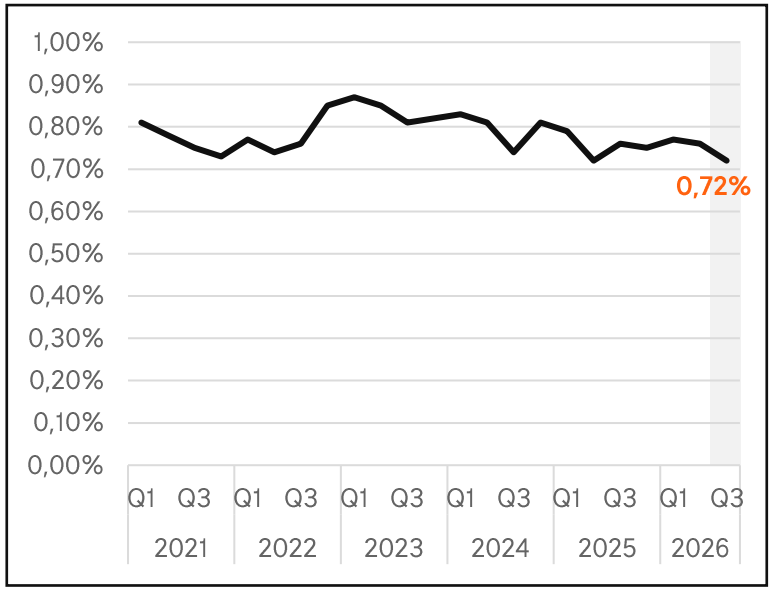
– NII has gradually declined from peak levels, but still highly resilient earnings profile

NII Q3 2026	1.2 bn	NIM Q3 206	0.72%

Net Interest Income (NII) QoQ (SEK mn)



Net Interest Margin* (NIM) QoQ (%)



* Calculated as NII in relation to total assets in balance sheet

Comments

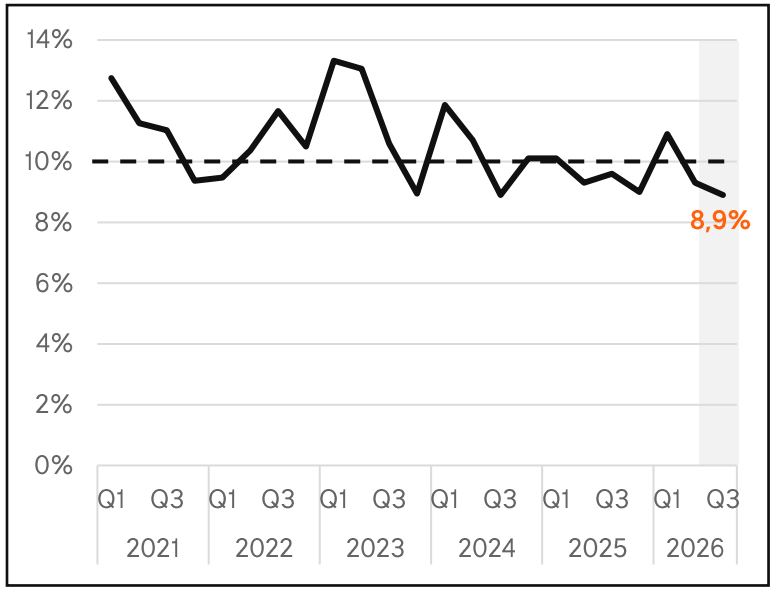
- NII has gradually declined from peak levels as lower market rates and competitive pressure have compressed lending margins
- Strong growth in deposits and corporate lending and has changed NII composition over time, reducing earnings volatility and partly offsetting compressed lending margins

Profitability & efficiency

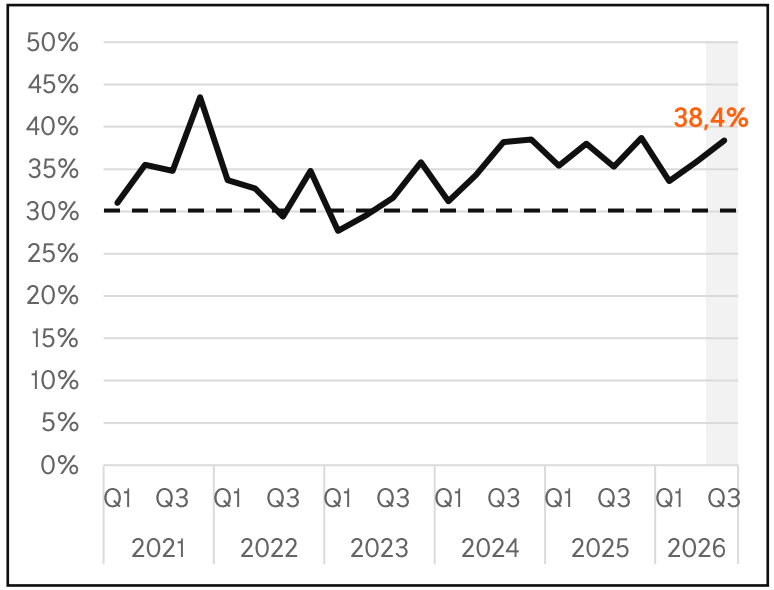
– Stable profitability supported by low credit losses and disciplined cost management

ROE Q3 2026	8.9%	C/I ratio Q3 2026	38.4%

Return on equity, %



C/I-ratio, %



Comments

- Lower interest rates and continued compressed lending margins adds pressure to profitability. Stable profitability supported by low credit losses and disciplined cost management
- Increased internal focus on cost development given pressure on revenue (i.e. prolonged compression of mortgage margins)

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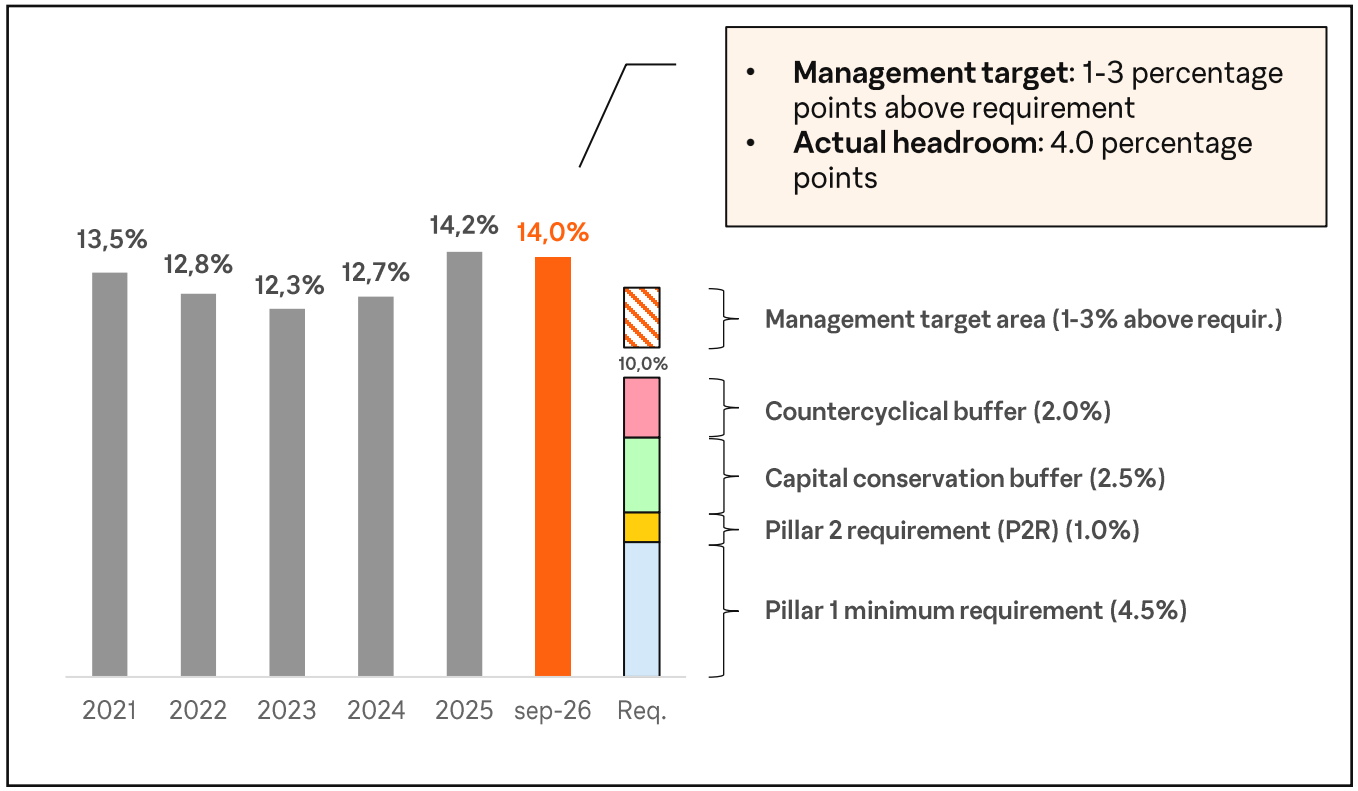
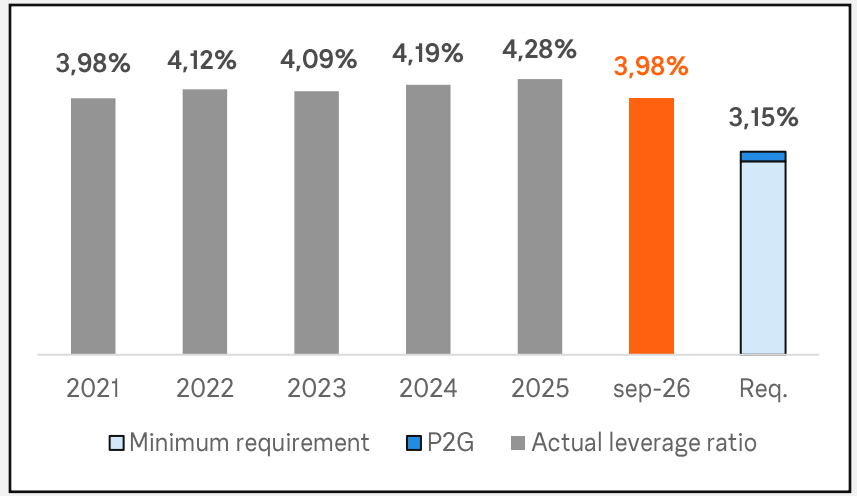
Capital position

– CET1 ratio well above regulatory requirement and management target

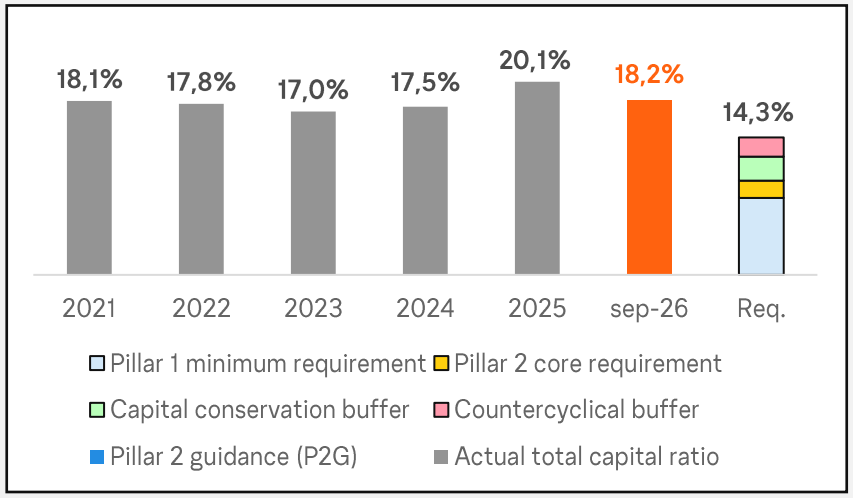
Components of SBAB's CET1 capital target & actual CET1 capital ratio



Leverage ratio vs. requirement



Total capital ratio vs. requirement

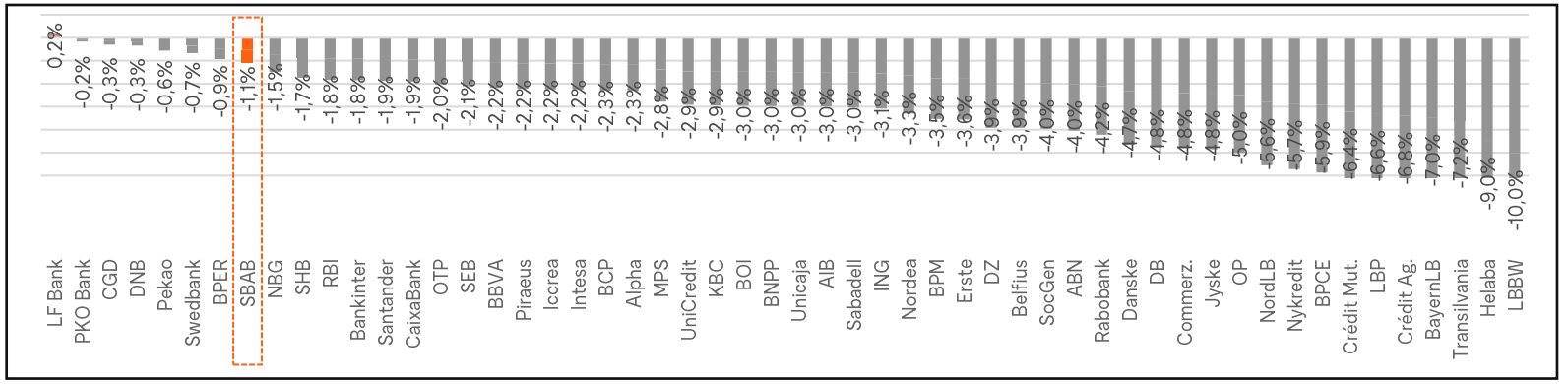


Strong resilience confirmed by EBA

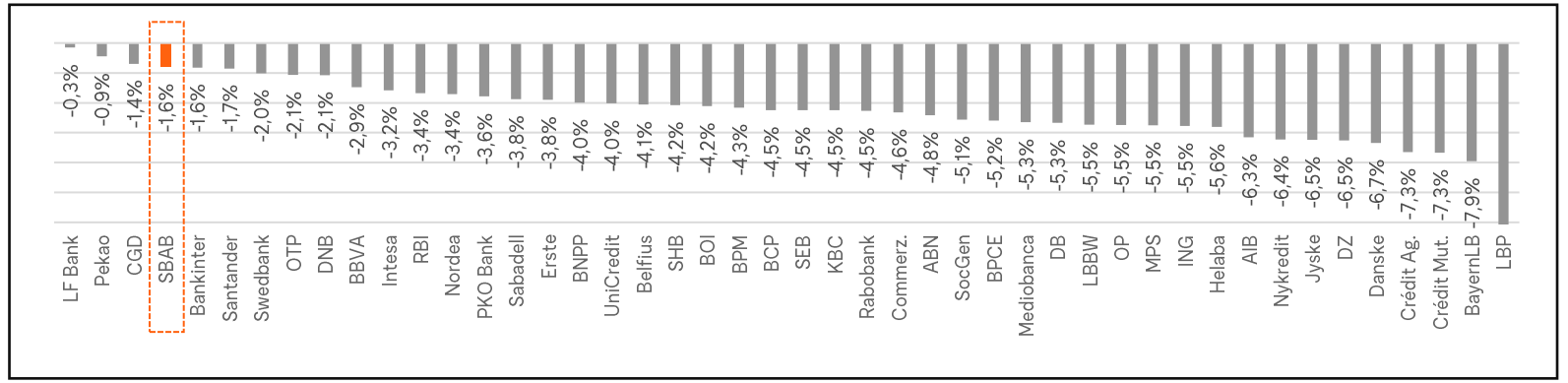
– SBAB's robust business and resilient capital position confirmed in EBA stress test

- On 1 August 2025, the EBA published the results of its EU-wide stress test involving 64 banks from 17 EU and EEA countries and covering 75% of EU banking sector assets
- As in 2021 and 2023, the 2025 EBA stress test confirms that SBAB is robust and resilient even under a severely stressed scenario
- SBAB's business model (low-risk lending portfolio with focus on residential mortgages) as well as 25% risk-weight floor for mortgage lending in Sweden important factors for the strong results

Maximum negative CET1 ratio impact in adverse scenario (%) (2025 Transitional))



Maximum negative CET1 ratio impact in adverse scenario (%) (2023)



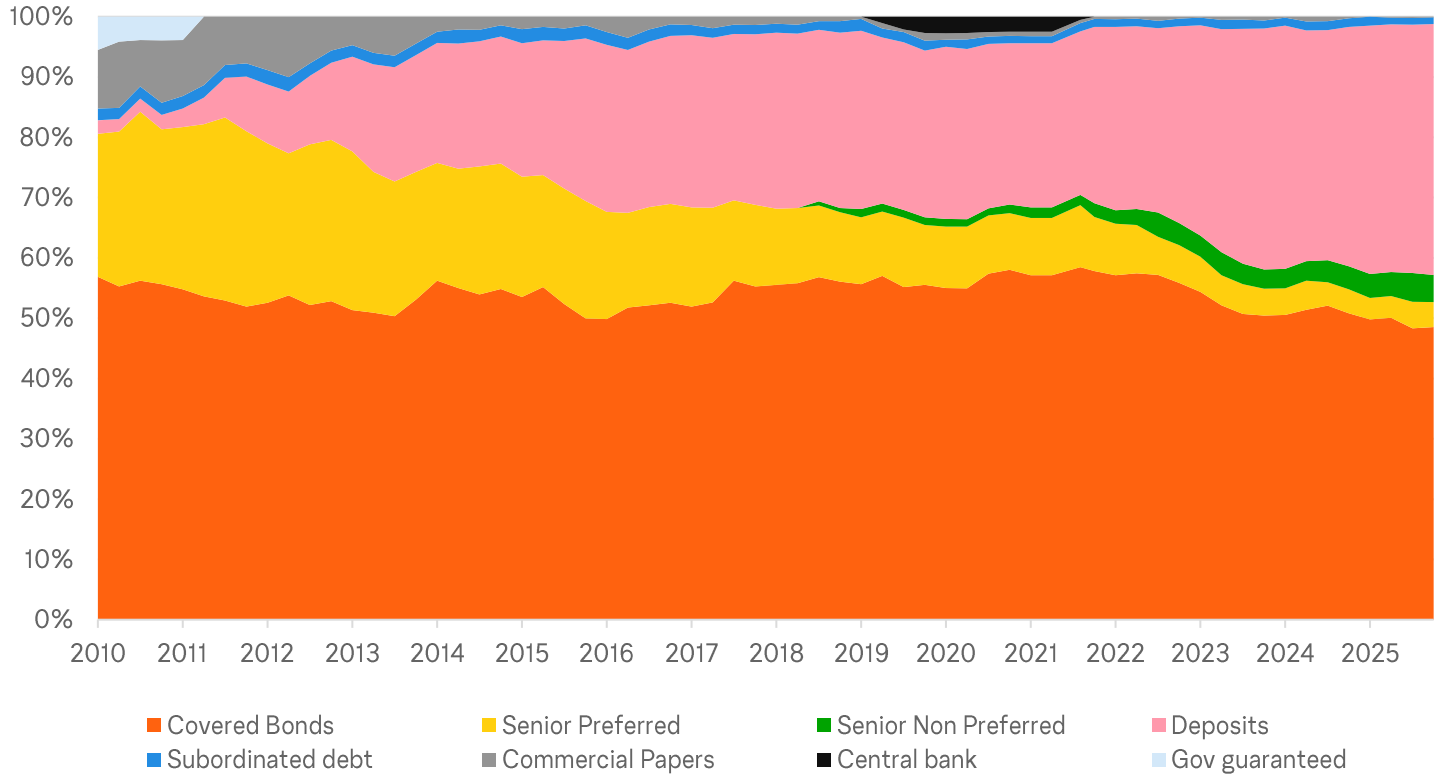
Source: EBA, 2023 & 2025 EU-Wide Stress Test – Results, 28-Jul-2023 & 01-Aug-2025 (excl. US banks' European entities and Volkswagen Bank)

Funding overview & strategy

Funding strategy

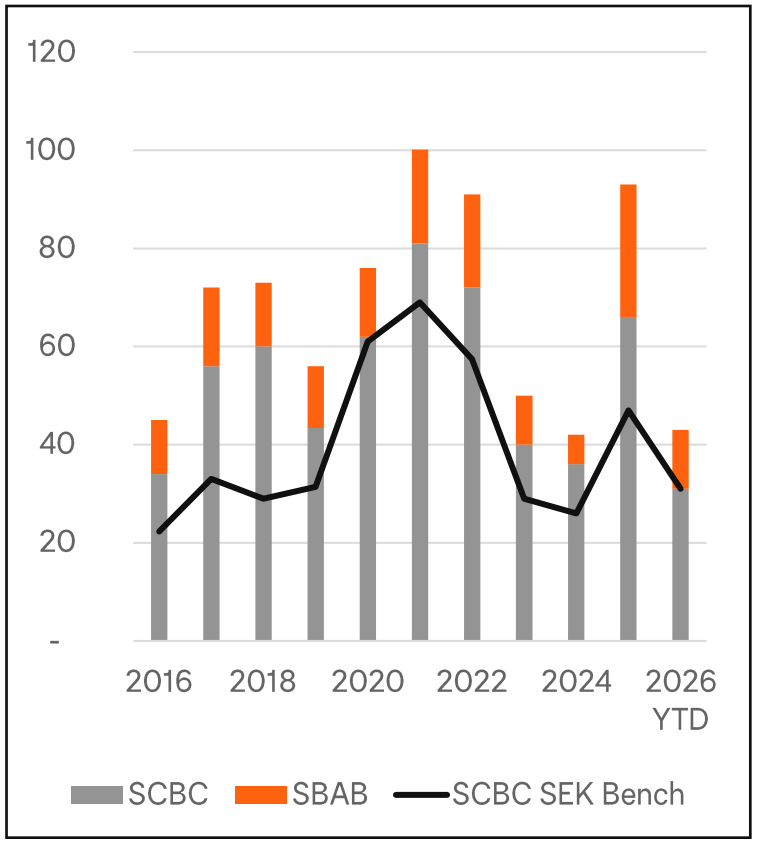
- Mortgage lending primarily funded by covered bonds and to a growing extent deposits from the public. Efficient use of CB funding (~50% of total funding), utilizing the depth and stability of the Swedish CB market
- Strategy to maintain access to core funding markets; SEK- and EUR-market with regular benchmark issuances in different formats (*please view next slide*)
- Limited use of short dated funding through CP-programs, interbank funding and central bank facilities. Liquidity risk mitigated through buy-backs of maturing bonds
- Dedicated green bond issuer subject to eligible green lending volumes

Development of funding sources over time

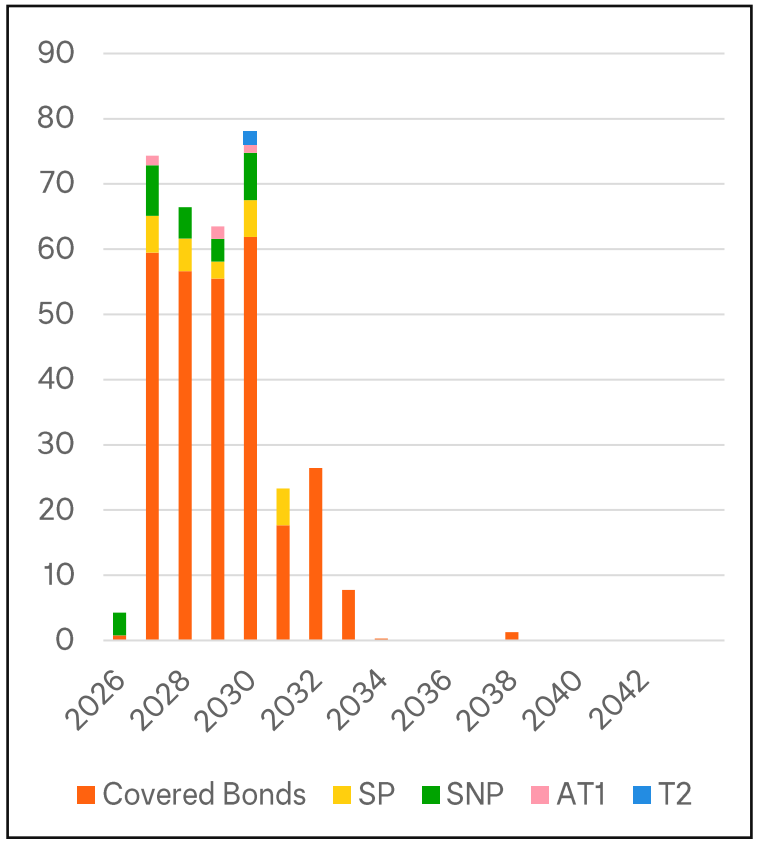


Future funding activity

Annual issuance, SEK bn



Maturity profile Q2 2026 (SEK bn)



Future issuance

- Expected funding needs for 2026 revised down to approx. SEK 60 billion (vs. SEK 90bn in 2025 and SEK 35 bn in 2024)
- Regular benchmark issuance in CB (through subsidiary SCBC) and SP/SNP (through SBAB) in SEK and EUR. Private placements as a complement
  - Regular issuance from the domestic CB programme (including one new SEK covered bond benchmark per year)
  - One to two public EUR transactions (CB/SP/SNP) in international funding markets per year
  - SNP issuance predominately in SEK, EUR as a complement. Capital issuance (AT1 & T2) predominately in SEK
- SBAB's focus is to use intermediate (5y+) tenors to support duration in covered bonds and mainly short to intermediate (3 to 5y) in the senior and subordinated formats

MREL position

– Significant buffers to both MREL and subordination requirements

- As per Q3 2026, the total MREL requirement amounted to 26.5% of REA, corresponding to 41.8 billion. The subordinated requirement for SBAB amounted to 6% of LRE (incl. the ban on double counting), corresponding to SEK 40.4 billion
- Ample buffers to both requirements and internal targets
- SNP issuance predominately in SEK, EUR as a complement

MREL requirement
(Q3 2026)

	%	SEK bn
REA	26.5%	41.8
LRE	6%	40.4
Buffer		**25.9**

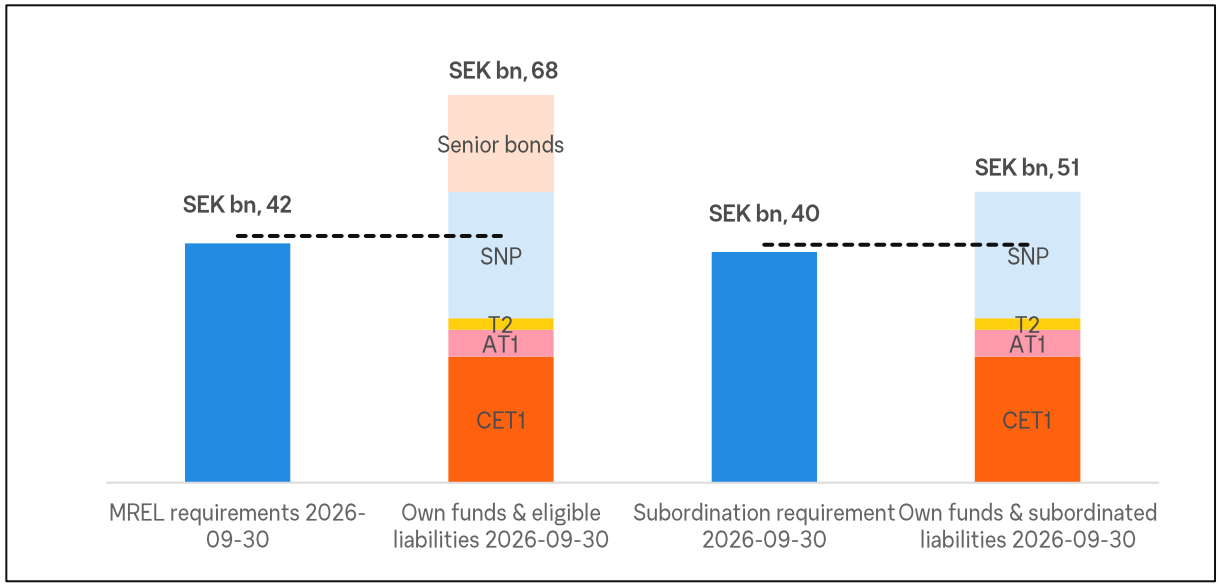
Subordination requirement
(Q3 2026)

	%	SEK bn
REA	24.0%	37.9
LRE	6%	40.4
Buffer		**10.5**

Own funds & eligible liabilities
(Q3 2026)

	SEK bn
CET1	22.1
AT1	4.7
T2	2.0
SNP	22.1
Senior bonds	16.9
Total	**67.8**

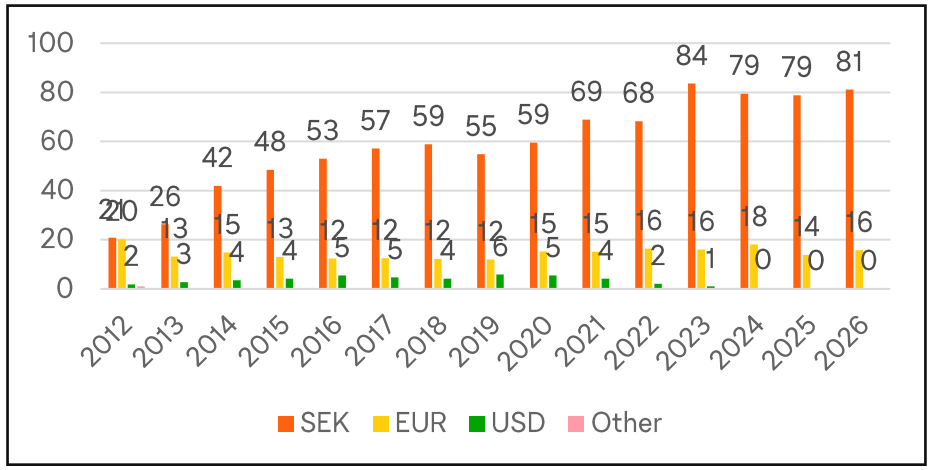
51



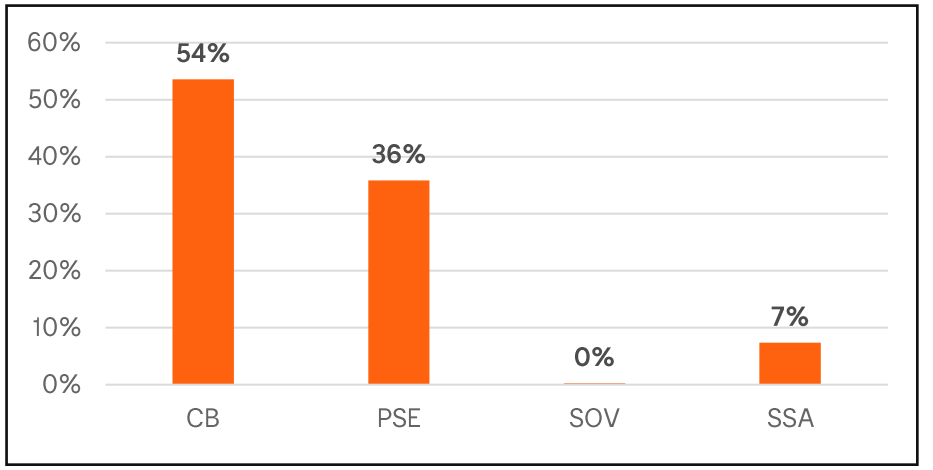
Liquidity position

- At the end Q3 2026, the market value of the assets in the liquidity reserve amounted to SEK 83.8 billion. Taking the Riksbank's and the ECB's haircuts into account, the liquidity value of the assets was SEK 81.1 billion
- LCR and NSFR well above regulatory requirements. Survival horizon implies liquidity need coverage for 251 days under stressed scenario (unchanged lending portfolio, severe deposit outflow and no new funding added)
- High quality and diversified liquidity portfolio within relevant currencies (of which the vast majority AAA-rated)

Total liquidity reserve* (Currency distribution)



Total liquidity reserve* (Securities type)



Key metrics

181%
LCR

127%
NSFR

251 days
Survival horizon

*Gross liquidity reserve, not considering regulations on LCR

Ratings overview

Senior Unsecured Rating

Moody's	Stable Outlook	A1
S&P Global Ratings (Standard & Poor's Ratings Services, McGraw Hill Financial)	Stable Outlook	A+

	Moody's		S&P Global Ratings	
Investment Grade	Aaa	Sov. rating	AAA	Sov. rating
	Aa1		AA+	
	Aa2		AA	
	Aa3		AA-	
	A1	Senior Preferred	A+	Senior Preferred
	A2		A	
	A3		A-	SACP
	Baa1	BCA and SNP	BBB+	SNP
	Baa2	T2	BBB	T2
	Baa3		BBB-	
Non Investment Grade	Ba1	AT1	BB+	AT1
	Ba2		BB	
	[...]		[...]	

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Sustainability strategy & climate ambition

– Sustainability integrated into SBAB's long-term strategy and business operations

Guided by five strategic target areas

- Long-term Value Creation
- Sustainable Society
- Customer Satisfaction
- Efficient Operations
- Attractive Workplace

Focused on six material sustainability areas

- **Climate & energy transition** *Energy-efficient housing stock*
- **Information security** *Protecting data and digital services*
- **Inclusive housing market & safe residential neighbourhoods** *Responsible lending and housing accessibility*
- **Attractive workplace** *Engagement, inclusion and long-term competence*
- **Working conditions in the construction sector** *Responsible value chain practices*
- **Counteracting financial crime** *Combatting money laundering and fraud*

Climate Ambition

–50%

Reduction in financed emissions intensity by 2030 (Base year 2022)

Material sustainability areas identified through SBAB's double materiality assessment conducted in accordance with ESRS.

Sustainable lending platform

Green lending products

Green Residential Mortgages	81 bn
The kW Loan	216 mn
Green Property Loans	30 bn
Green Construction Loans	810 mn
Green Investment Loans	124 mn

Green guides and tools

"The KW Calculation"
- Advice (based on user input) on measures to reduce energy consumption, including cost of investment and potential savings in SEK & kW

EPC discount
- Discounted Energy Performance Certificate (EPC) via business partner

Other sustainable lending products

Sustainability Linked Loans (SLLs)	6 bn
Social Loans	n/a

Green bond platform

– First bank in Sweden to issue a green bond in 2016, maintaining a recurring presence in the green bond market ever since

Green Loan Categories included in framework

1	• **New buildings** (built after 2020): Primary Energy Demand (PED) 10% lower than the level required by the Swedish building regulation ("BBR")
2	• **Existing buildings** (built before 2021): EPC A or top 15% of the national or regional building stock
3	• **Major renovations**: Meets minimum energy performance requirements of the national building regulation or a reduction in energy use of at least 30%
4	• **Building energy efficiency measures:** Direct costs (e.g. material, installation and labour costs) for installing energy efficient technologies or other energy saving measures during the construction, maintenance and service phase of a building

47 bn

Outstanding Green Bonds

105 bn

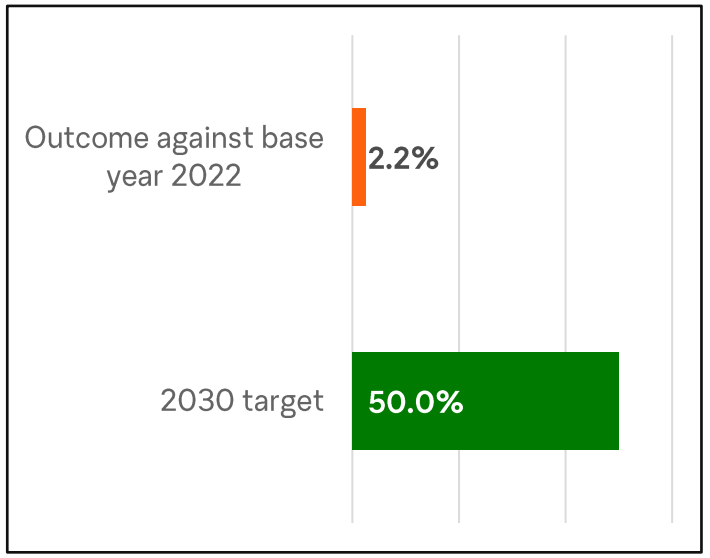
Eligible Green Loans

Recurrent issuer from 2016

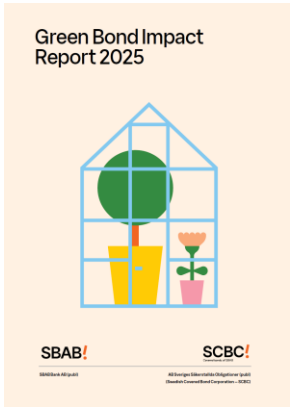
Green metrics & external validation

Climate ambition

–50%



Green Bond Impact Reporting



Outstanding Green Bonds & Estimated annual avoidance of GHG emissions	46.6 SEK bn	1,976 tCO_2e
Eligible Green Loans & Estimated annual avoidance of GHG emissions	105.5 SEK bn	4,472 tCO_2e
Alignment with the EU Taxonomy[1)]	56.4 SEK bn	53.4%

[1)] Corporate clients not subject to CSRD, as well as tenant-owners' associations, fall outside the scope of the EU Taxonomy. Consequently, even assets with a known use of proceeds that meet the technical screening criteria cannot be classified as Taxonomy-aligned. SBAB nevertheless has substantial loan volumes to these counterparties that meet the technical screening criteria.

Contents

1	Business update
2	Credit portfolio and asset quality
3	Financial update
4	Capital, funding & liquidity
5	SBAB's commitment to sustainability
6	**Macro development**

Overview of the Swedish economy

– Economic recovery gains momentum amid resilient growth and subdued inflation (so far)

GDP Growth (2026E)

+2.5%

CPIF (2026E)

2.3%

Policy Rate YE (2026E)

2.00%

Forecast key figures Sweden

	2025	2026	2027	2028
Real GDP, actual	1.5 (1.5)	2.5 (2.4)	2.6 (2.7)	2.1 (2.2)
Household consumption	1.9 (1.6)	2.9 (2.5)	2.8 (3.2)	2.7 (2.8)
Public consumption	1.0 (0.7)	2.4 (2.6)	2.1 (1.4)	1.3 (0.8)
Investments	3.0 (2.8)	3.5 (3.2)	3.3 (4.8)	2.8 (2.7)
Unemployment rate (%)	8.8 (8.8)	8.6 (8.4)	8.0 (7.9)	7.3 (7.3)
Inflation, CPIF growth	2.1 (2.1)	2.3 (1.9)	3.3 (1.8)	2.7 (2.6)
Policy rate, yearly average (%)	2.08 (2.08)	1.78 (1.75)	2.22 (1.95)	2.05 (2.00)

Note: Annual percentage growth unless indicated otherwise. Light orange background indicates SBAB Q3 forecast in September 2026. Figures in brackets are SBAB Q2 forecast in April 2026.

Source: Macrobond, National Institute of Economic Research, The Riksbank and SBAB

Housing market conditions (1/2)

– Housing market activity and prices continue to recover

House Prices YoY

+4.8%

Housing Market Conditions

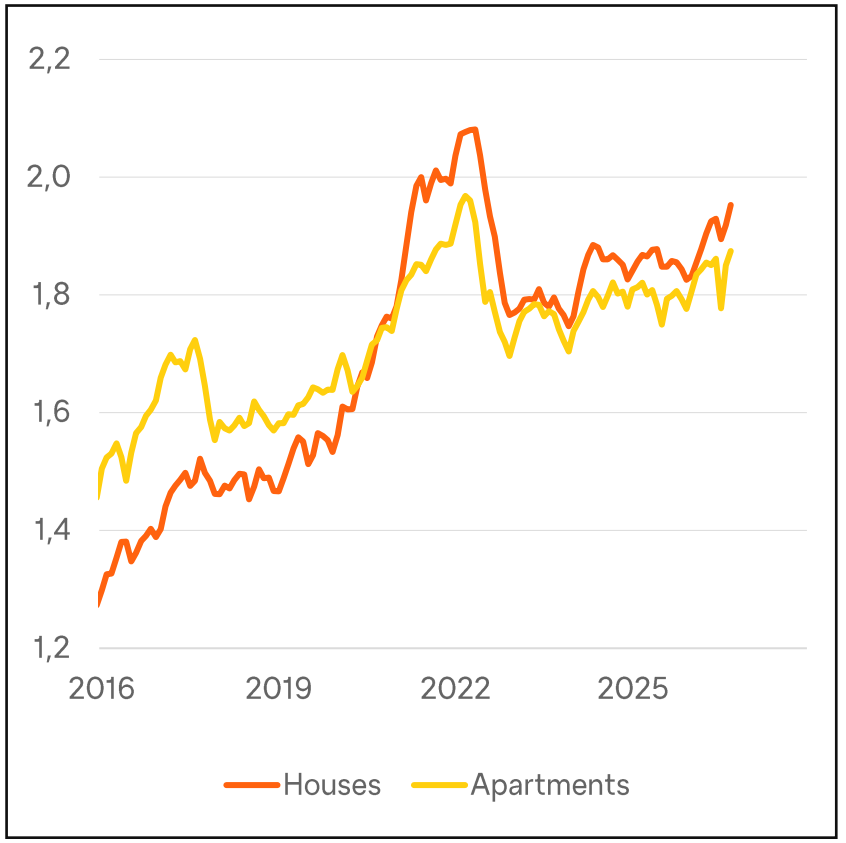
Normal / Cold

House Prices YoY (2026E)

+4.2%

SBAB Booli Housing Market Temperature

SBAB Booli HPI (January 2013=1)



Source: Booli and SBAB

Housing market conditions (2/2)

– Housing market activity already above normal levels (according to 1-month trends), whereas housing construction continues to recover gradually

Turnover Rate, Houses

3.4%

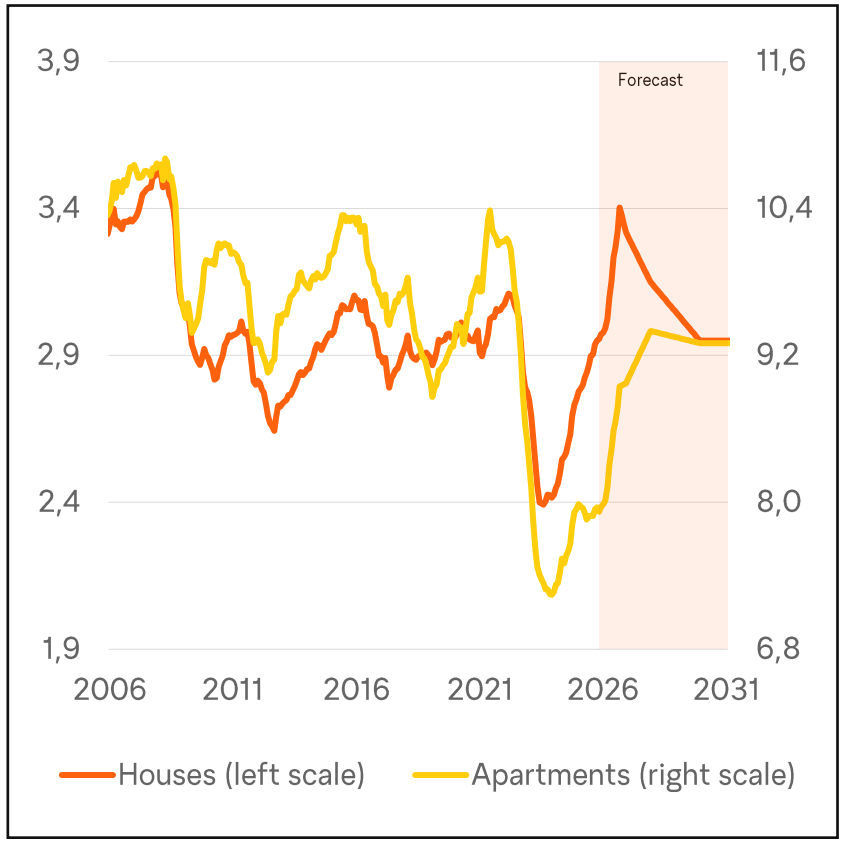
Turnover Rate, Apartments

8.9%

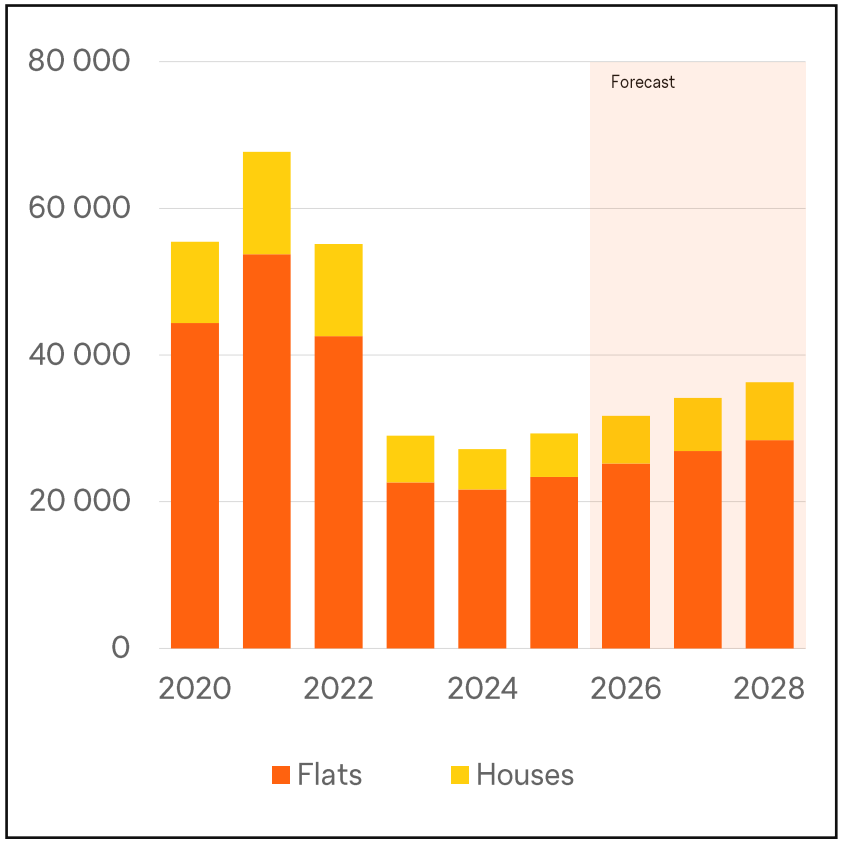
Housing Starts (2026E)

32k

Housing turnover rate (%)*



Housing construction (number of homes)



Source: Macrobond, Statistics Sweden, SBAB and Booli

*Share per 12M of each stock

Credit growth

– Credit growth expected to strengthen amid improving housing market fundamentals

Res. Mortgage Growth (2026E)

+3.7%

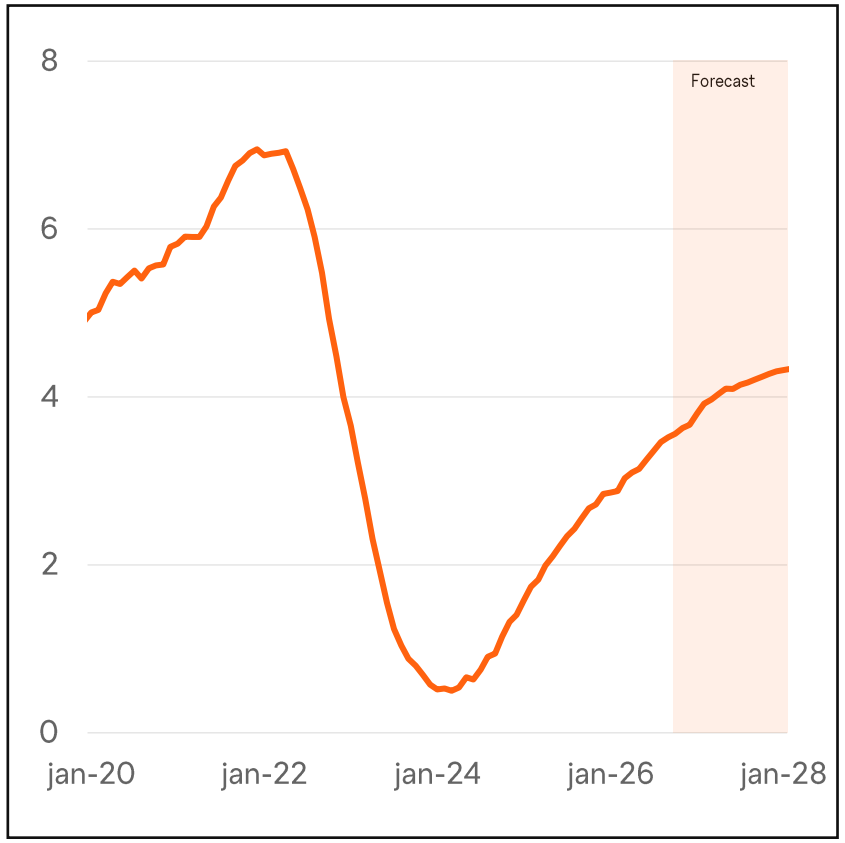
Res. Mortgage Growth (2027E)

+4.3%

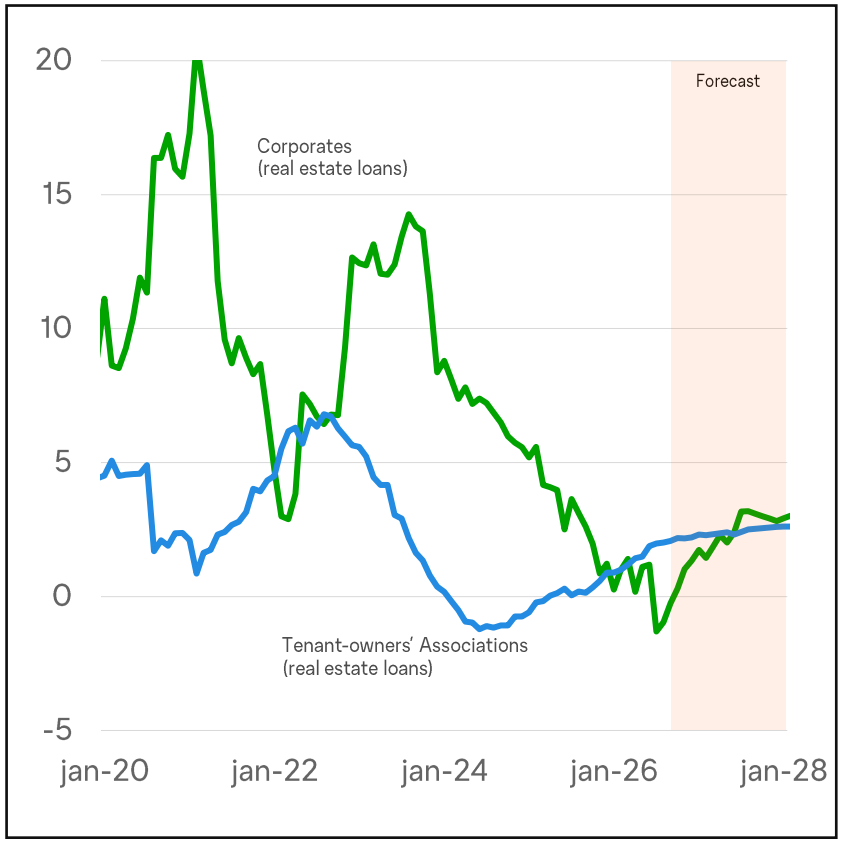
Real estate loans (2026E)

+1.3%

Credit growth res. mortgages (YoY, %)



Credit growth ToA & Corporates (YoY, %)



Source: Statistics Sweden, SBAB

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Appendix

Overview of mortgage lending

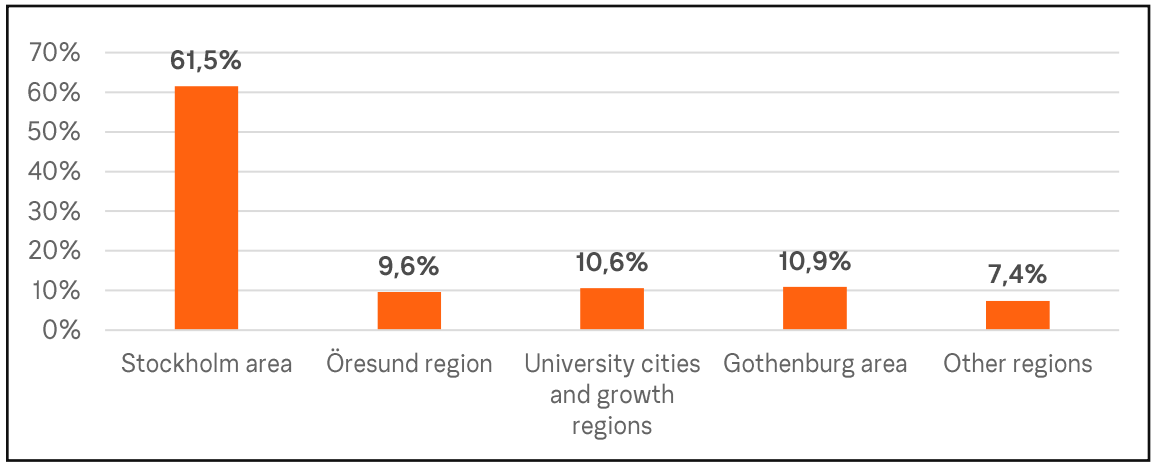
New mortgage rules (effective as of 1 April 2026):

- Maximum LTV of 90% (previously 85%)
- Regulatory amortization requirements remains (amortization of 2% per year if LTV = 70-85% and 1% per year if LTV = 50-70%)
- The extra 1% amortisation for borrowers with mortgages exceeding 4.5x gross annual income removed
- A property may only be revalued every five years for the purpose of lowering amortisation or increasing loan amounts

SBAB underwriting criteria:

- Credit granting based on an affordability assessment, i.e. funds left to live on post interest payments (including stressed interest rate), housing expenses and other general living expenses
- Affordability assessment (KALP) revised frequently to factor in changes in general living- and housing expenses
- Credits granted to at most a DTI of 5.5x (irrespective of LTV)
- At Q2 2026, the average LTV ratio in the mortgage portfolio amounted to 60%. At the same date, the average residential mortgage loan amounted to SEK 2.0 million. LTV and DTI for new lending during Q2 2026 was 71% and 3.6x respectively

Geographical distribution of lending (%)



60%
Average LTV

SEK 2.0 mn
Average loan

Mortgage lending in Sweden – a low-risk business for several reasons

1. **Personal Liability:** A borrower is personally liable even after a default and foreclosure procedure, i.e., full and personal recourse
2. **Affordability Assessment:** Mortgage lending in Sweden is based on household affordability in the long term, i.e. funds left to live on after interest payments (including stressed interest rate), housing expenses and other general living expenses

1. **"Originate and hold" model:** No "originate to distribute" model, no subprime lending
2. **Restricted Buy-to-Let Market:** Restricted buy-to-let market due to regulated rental market and tenant-owner subletting restrictions

1. **Social Security:** Well developed welfare system raising households' ability to service debt even during times of unemployment
2. **Mortgage Deed System:** A Mortgage Deed for every house is registered and controlled by the Swedish mapping, cadastral and land registration authority (*Sw* Lantmäteriet)
3. **Credit Information Agency:** National computerized data base with information regarding civil status, income and changes in income, assets, debt, payment complaints and recent inquiries at the agency. Used in every credit process regarding loans
4. **Enforcement Authority:** Lender can initiate an enforcement order with this office to enforce his claim, this process normally takes up to 90 days

Key changes in the new mortgage rules

– Effective April 1, 2026

Loan-to-Value (LTV) cap raised to 90%

- Borrowers can now finance up to 90% of a property's value, reducing the minimum cash down payment from 15% to 10%

Stricter rules for top-up / additional loans

- Additional borrowing on an existing property (e.g., for renovations) is capped at 80% of the property's value (down from 85%)

Abolition of the stricter amortisation requirement

- The extra 1% amortisation for borrowers with mortgages exceeding 4.5x gross annual income is removed. Only the standard amortisation based on LTV remains (0–2% yearly)

Standard amortisation rules remain unchanged

- LTV > 70% → 2% amortisation per year
- LTV 50–70% → 1% amortisation per year
- LTV < 50% → No mandatory amortisation

New five-year "revaluation lock-in" rule

- A property may only be revalued every five years for the purpose of lowering amortisation or increasing loan amounts.

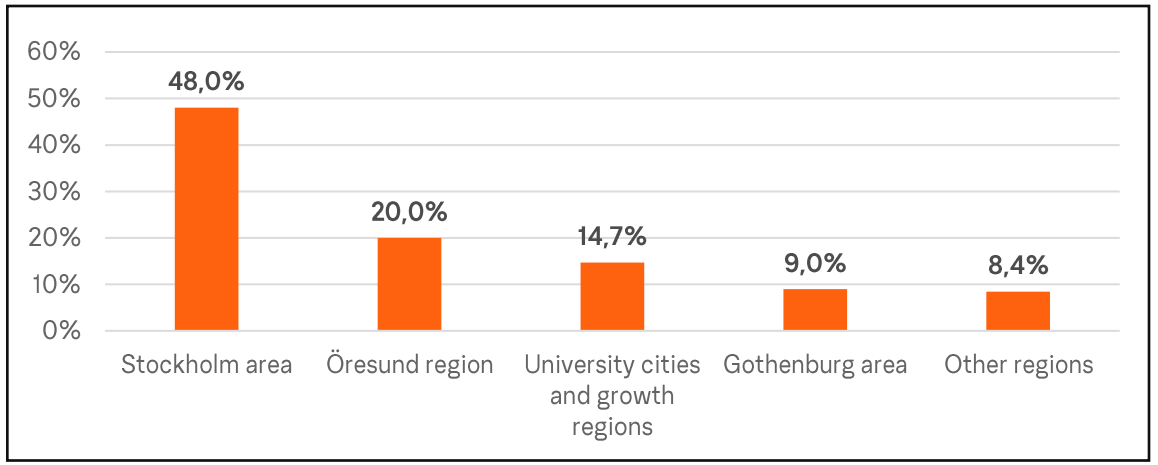
New legal framework replaces previous FI regulations

- Rules on LTV limits and amortisation are moved from the FI regulations (Swedish FSA) into a new national law.

Corporate & TOA lending

- Primary focus is on financing multi-family dwellings ("housing"/"residential") in geographies with strong demand. Focus on large and experienced property companies/groups with strong balance sheets
- Internal limits for construction loans (*Sw* "kreditiv") vs. total lending and commercial lending vs. total lending
- Strong volume growth, especially during 2020-2023, but no significantly increased asset risk in line with long-term strategy of growing with selected reputable and financially strong customers
- Increased frequency of monitoring of property companies/groups with high share of capital market financing and/or customers with construction loans (which could be negatively impacted by rising interest rates and increased prices of input goods and construction material)

Geographical distribution of lending (%)



58% Average LTV (Corporate)

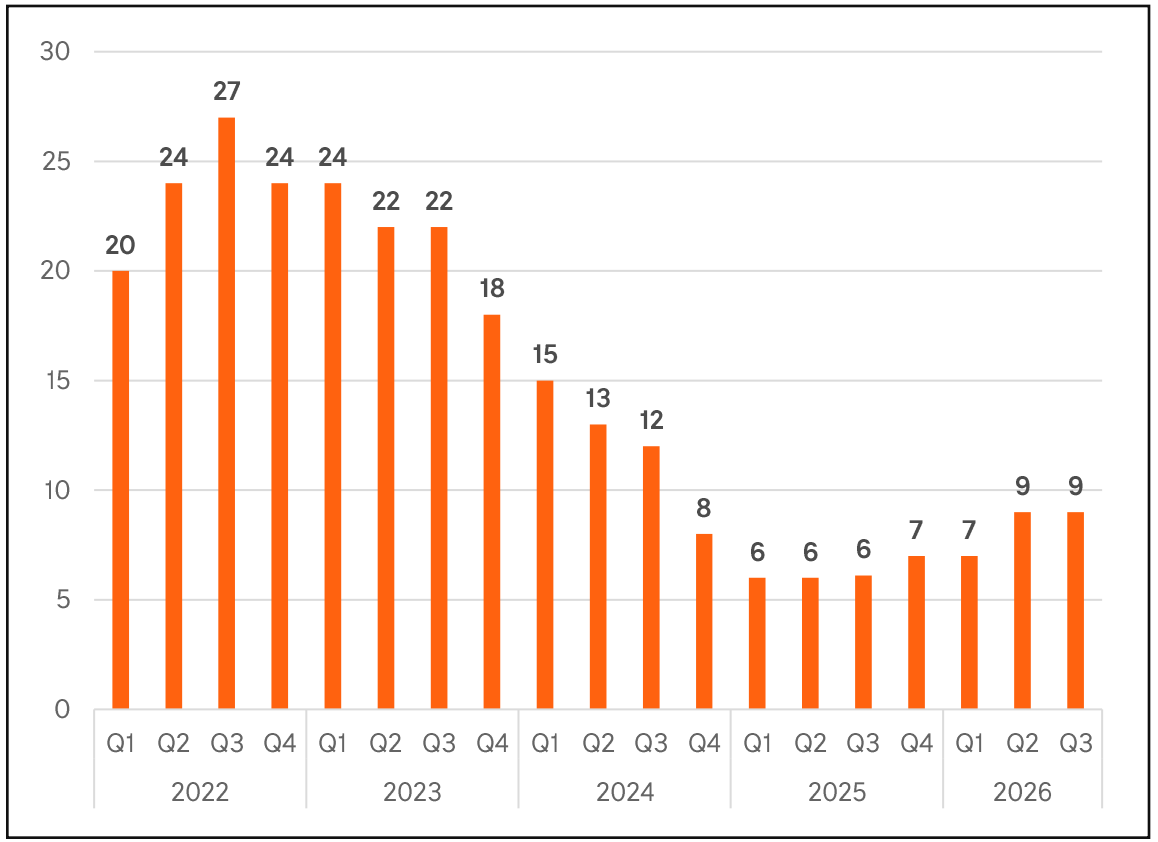
31% Average LTV (ToA)

Construction loans

Comments

- Rapid fall in new construction (i.e. existing projects being finalised but low inflow of new projects)
- Approved outstanding construction loans totalling SEK 9.3 billion (of which SEK 3.6 billion disbursed)
- Focus on major residential developers and existing relationships with solid track records
- Most of the construction loans are to companies with diversified revenue streams (i.e not only from real estate development, but from rental apartments, infrastructure projects and real estate management)
- Prudent acceptance levels for smaller residential developers, e.g., higher levels of equity, number of sales agreements
- Analysis of the construction loan portfolio carried out on an ongoing basis

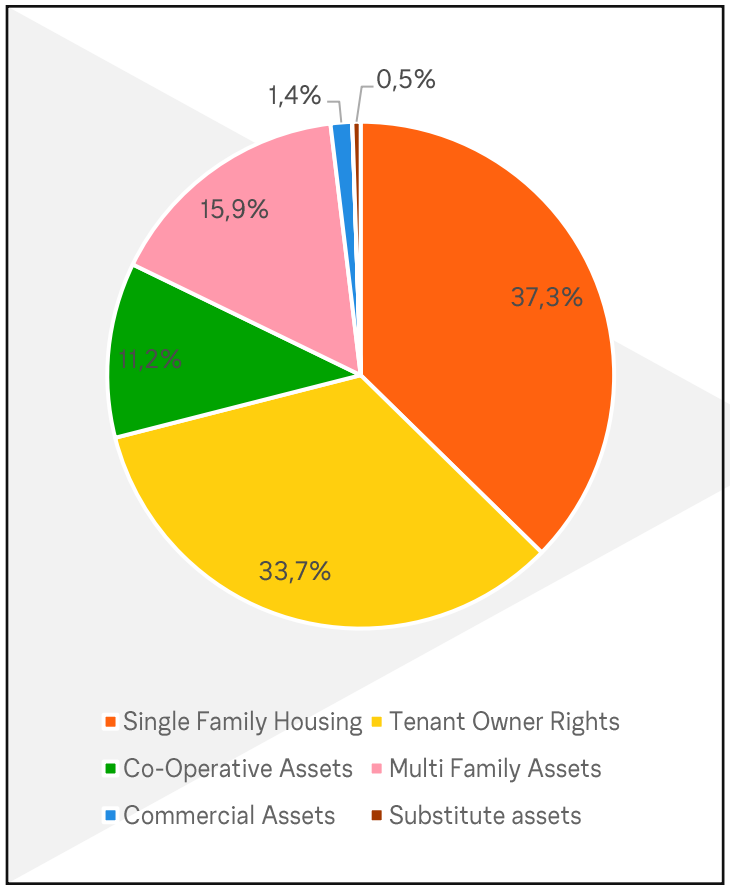
Construction loan portfolio (SEK bn) (approved loans)



Cover Pool composition

SCBC
Covered bonds of SBAB

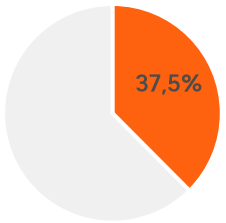
Asset types in cover pool



Cover Pool Information - Single Family Housing

Asset balance (SEK bn)	142.1
# of loans	212,641
Average loan (SEK)	668,101
WA indexed LTV	54.8%

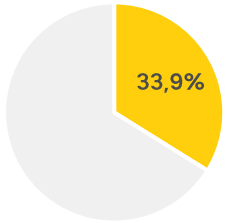
% of cover pool



Cover Pool Information - Tenant Owner Rights

Asset balance (SEK bn)	128.2
# of loans	177,636
Average loan (SEK)	721,570
WA indexed LTV	58.0%

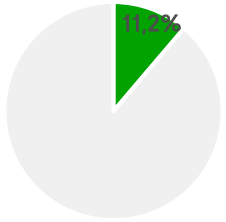
% of cover pool



Cover Pool Information - Co-Operative Assets

Asset balance (SEK bn)	42.5
# of loans	4,687
Average loan (SEK)	9,066,699
WA indexed LTV	30.7%

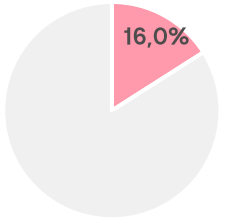
% of cover pool



Cover Pool Information - Multi Family Assets

Asset balance (SEK bn)	60.5
# of loans	484
Average loan (SEK)	124,965,870
WA indexed LTV	57.8%

% of cover pool

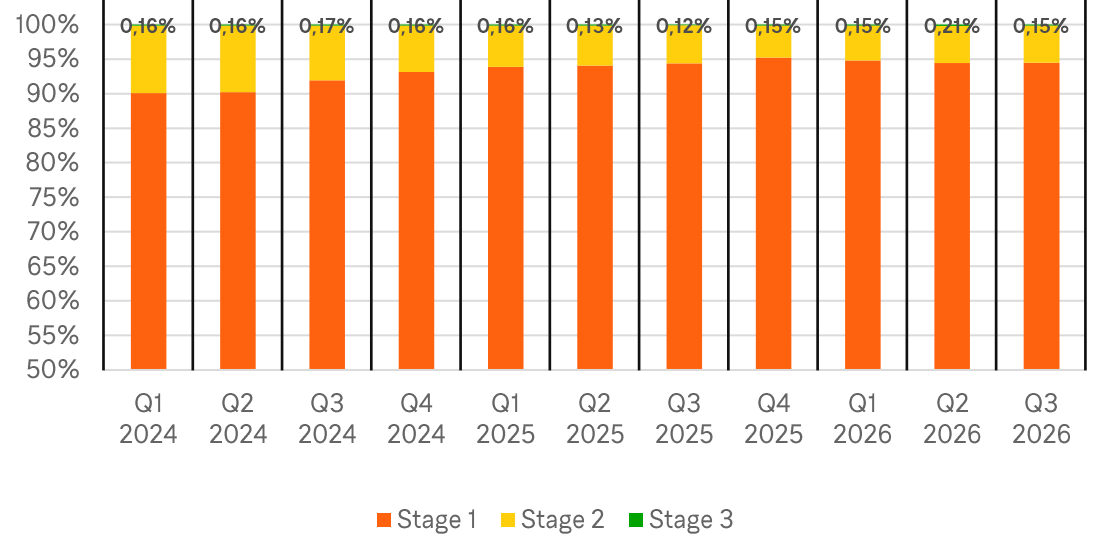


Percentage of loan portfolio in the cover pool (not including substitute assets and public-sector assets)

Development of provisions

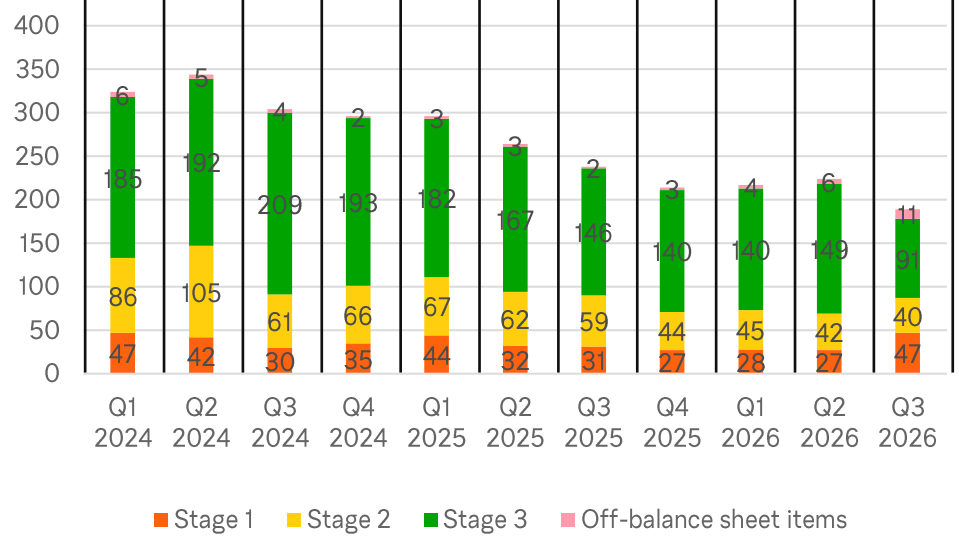
Lending to the public by credit stage (gross)

Gross lending	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Stage 1	469,724	476,611	492,008	501,116	507,418	508,897	514,084	518,999	516,220	517,293	520,506
Stage 2	51,075	50,867	42,401	36,157	32,396	31,561	30,025	25,320	27,429	29,259	29,612
Stage 3	813	832	891	857	839	723	652	803	797	1,150	828
Total	**521,612**	**528,310**	**535,300**	**538,130**	**540,653**	**541,181**	**544,761**	**545,122**	**544,446**	**547,702**	**550,946**



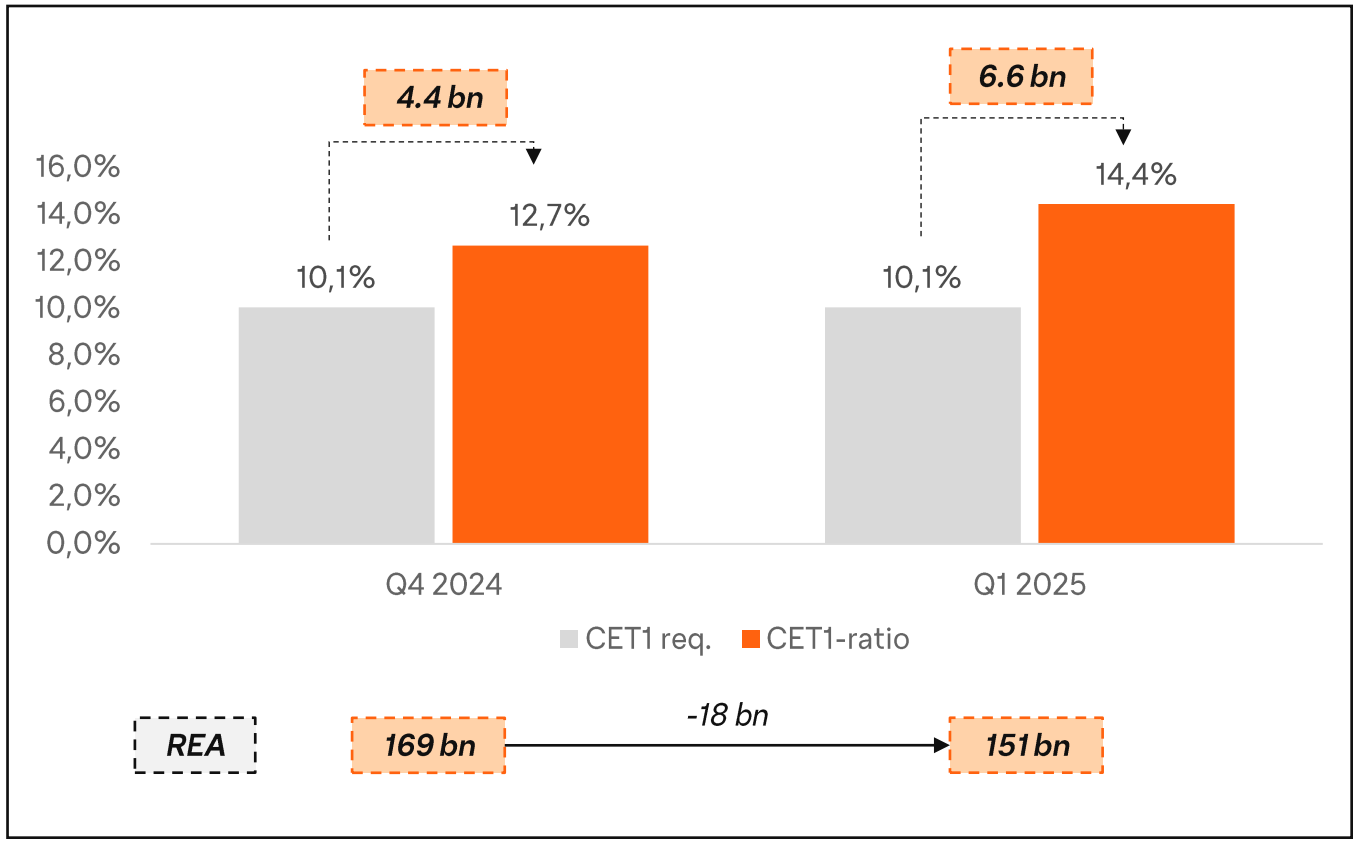
Development on provisions

Provisions	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Stage 1	47	42	30	35	44	32	31	27	28	27	47
Stage 2	86	105	61	66	67	62	59	44	45	42	40
Stage 3	185	192	209	193	182	167	146	140	140	149	91
Off-balance-sheet	6	5	4	2	3	3	2	3	4	6	11
Total	**324**	**344**	**304**	**296**	**296**	**264**	**238**	**214**	**217**	**224**	**189**



CRR 3 effects on capital position

Impact on REA and CET1 capital ratio



Comments

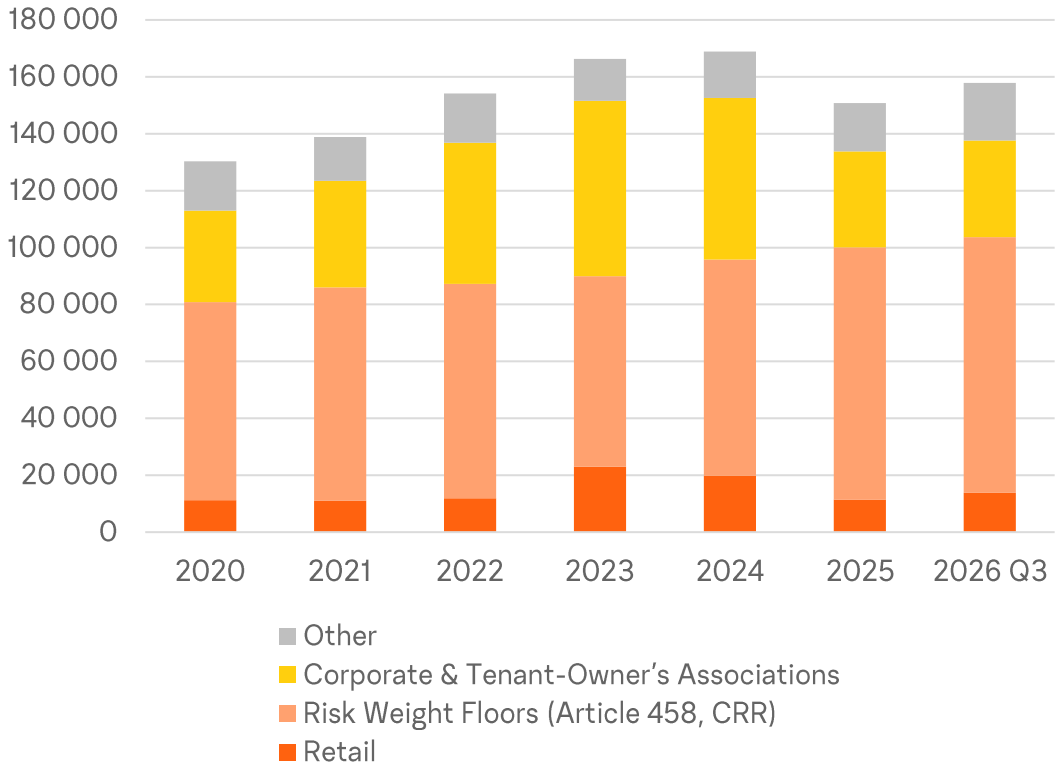
- Changes in the standardised values for loss given default (LGD) in CRR 3 significantly improve SBAB's risk weights for corporates and tenant-owners' associations, owing primarily to lower standardised LGD values for exposures secured by immovable property
- In Q1 2025, compared with Q4 2024, REA decreased by SEK 17.6 bn
- SBAB is not bound by the aggregated output floor, due to the current risk weight floors in Sweden (Article 458)
- In summary, the above has resulted in a significant improvement in margin to CET1 requirement (approx. 1.7 percentage points or SEK 2.2 bn) Q1 2025 vs Q4 2024
- Due to the relief in REA from CRR 3, leverage ratio will be the requirement with the lowest CET1 headroom going forward

Development of REA

Comments

- Slight increase in REA during 2026 mainly attributable to growth in mortgage volumes and temporary increase for CCR and CVA as a result of the Swedish FSA's decision not to extend the transitional rule allowing implicit government support in credit ratings (Article 495e of the CRR)
- True risk weights (internally calculated) significantly lower than mandatory risk weight floor applied by the Swedish FSA of 25% for Swedish residential mortgages (article 458). The mortgage portfolio, represent ~70% of total lending, thus contributes to stability in REA
- The reduction in REA from 2024 to 2025 primarily driven by the implementation of the Banking Package, resulting in lower standardised LGD values for corporates and tenant-owners' associations
- As part of the implementation of the Banking Package, REA for retail exposures (excluding the mortgage risk-weight floor) declined due to a lower LGD floor. However, this effect was fully offset by a corresponding increase in REA arising from the mortgage floor. Other regulatory changes in CRR 3 had a minor impact on REA

Development and composition of REA (SEK mn)



Overview of funding

Deposits

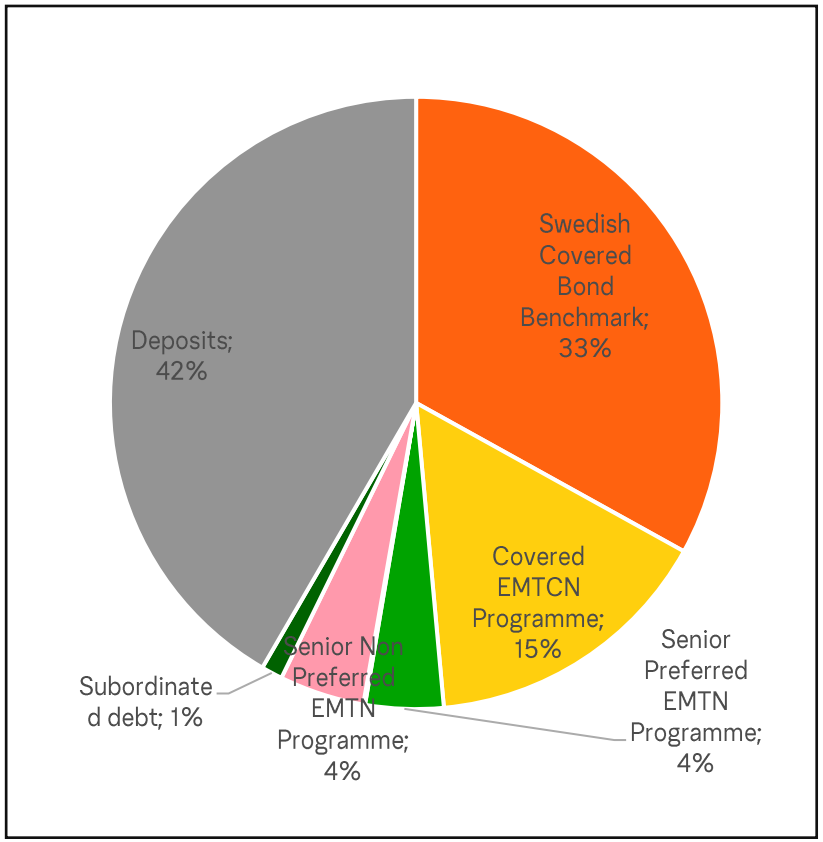
Unsecured funding

SBAB

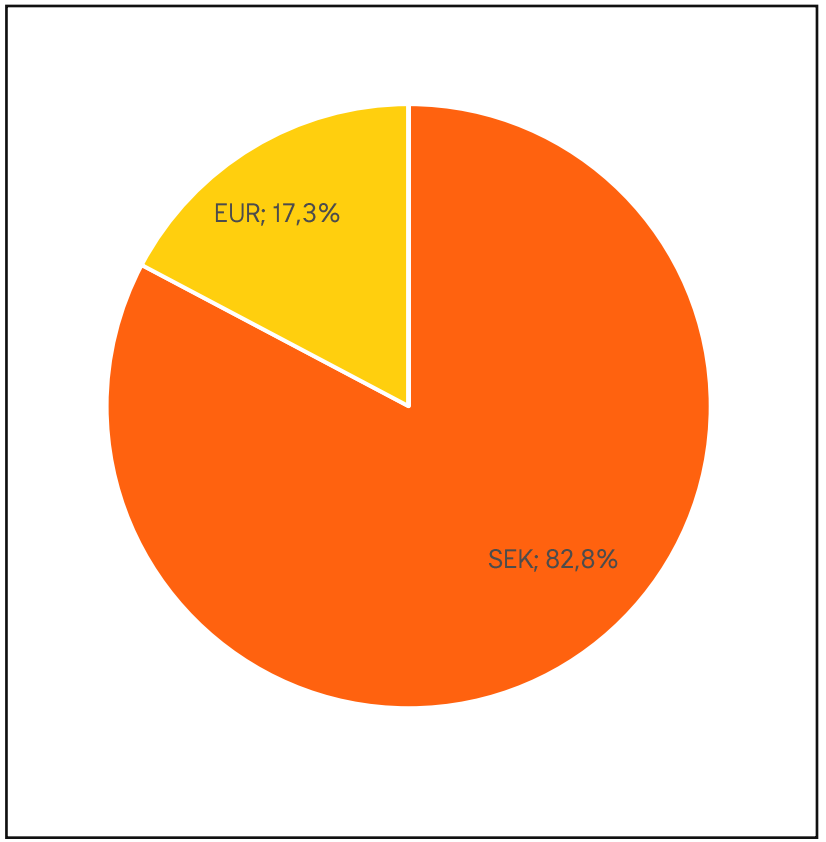
Covered bonds

SCBC
Covered bonds of SBAB

Funding sources



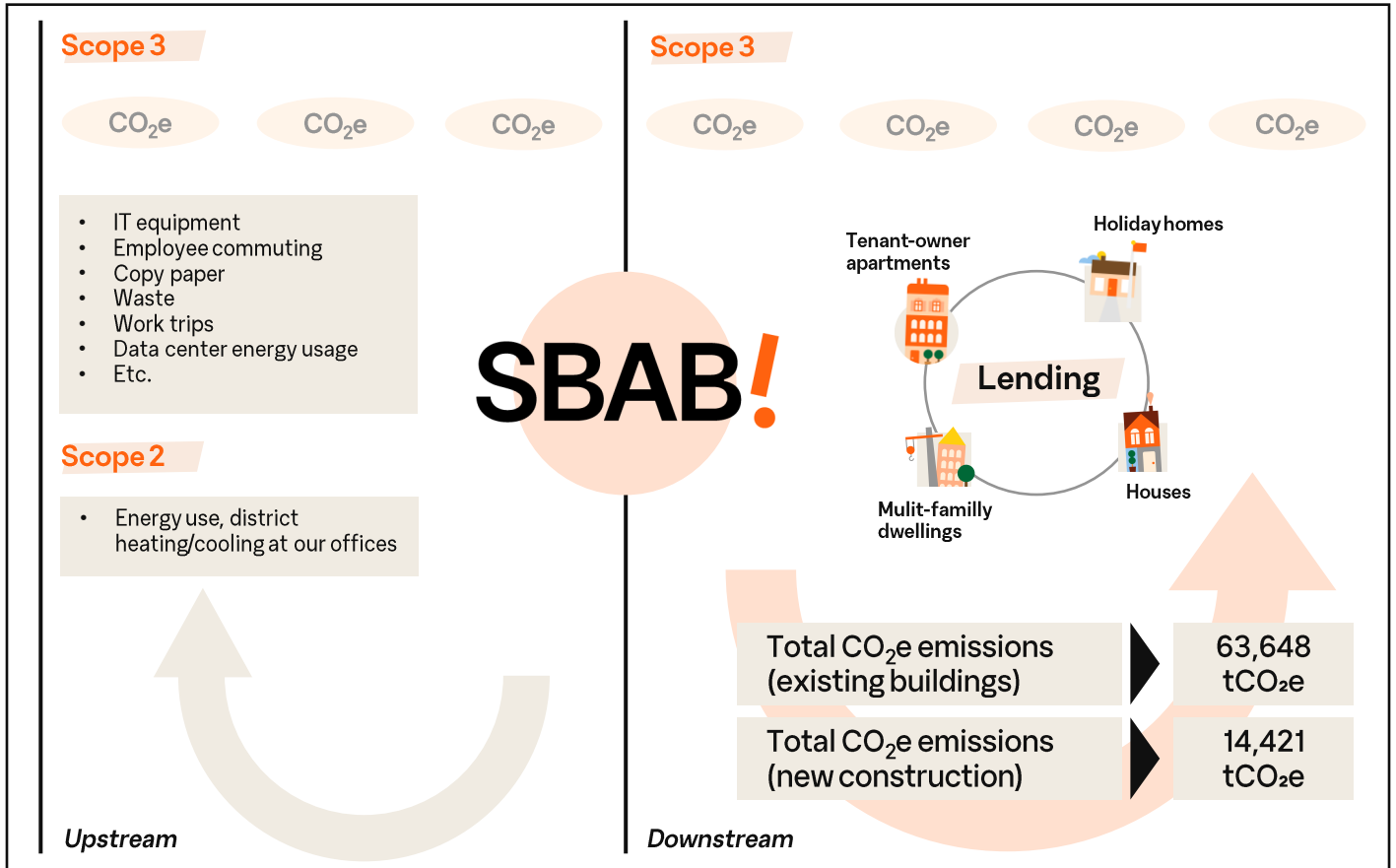
Funding currencies



Long-term climate goal

- In 2024, SBAB adopted a target of reducing financed emissions intensity ($kgCO_2e/m^2$) from lending against collateral in immovable property 50% by 2030, compared with the base year 2022
- The target is not validated by an external party but is based on the SBTi's methodologies[1)]
- 100% of SBAB's lending secured by immovable real estate is covered by the target, corresponding to 99% of total lending and 79% of SBAB's total emissions
- To support the long-term emissions reduction pathway, SBAB has adopted a complementary activity-based target to measure progress: "Contributing to the climate transition of properties"

Target 2030 vs. base year 2022	Outcome 2025 vs. base year 2022	Outcome 2025 (financed kgCO2e/m2)	Outcome base year 2022 (financed kgCO2e/m2)
-50%	-2,2%	3.85	3.93



1) Based on SBTi's *Financial Institutions' Near-term Criteria, version 2.0 from May 2024* and draws on the Sectoral Decarbonization Approach (SDA) for the real estate sector, which is based on the Carbon Risk Real Estate Monitor (CRREM). SBAB's target is derived from a volume-weighted consolidation of the decarbonization pathways for single-family houses, multi-family dwellings and commercial properties.

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