

Disclosure of capital, liquidity and leverage ratio

June 2021



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Consolidated situation



The information in this report is based on the disclosure requirements under Part 8 of regulation (EU) 575/2013 and Swedish Financial Supervisory Authority's Regulatory Code FFFS 2014:18 and FFFS 2014:12. According to these regulations, SBAB Bank AB (publ) (SBAB) shall publish the structure of own funds, risk exposure amount per exposure class, information about capital adequacy and buffers as well as internally assessed capital requirement. In addition, leverage ratio and detailed information about liquidity coverage ratio are reported on a consolidated level. In accordance with FFFS 2010:7, liquidity reserve is also disclosed.

SBAB reports credit risk mainly in accordance with the IRB approach, and reports operational risk, market risk and CVA risk in accordance with the standardised approach.

1 Capital position

1.1 Key metrics

Amendments to the Banking Package

The EU Official Journal has on 7 June 2019 published amendments to the Capital Requirements Regulation, the Capital Requirements Directive and the Bank Recovery & Resolution Directive (the 'Banking Package') which entered into force on 27 June 2019. The Banking Package includes changes to capital requirements and changes in the loss-absorbing and recapitalisation capacity of credit institutions. Most of the changes in the Capital Requirements Regulation entered into force from 28 June 2021. Amendments in Swedish law due to the Capital Adequacy Directive entered into force on 29 December 2020.

Due to the corona pandemic, the EU made amendments to the CRR with effect from 27 June 2020. SBAB was affected by an earlier introduction of a reduction of the capital requirement for loans to small and medium-sized en-

terprises (SME factor). For SBAB the changes has a limited effect on the capital requirement. In addition, adjustments to amortization of intangible assets in the CET1-capital have been implemented by amending the delegated act (EU) 241/2014. The changes have a limited effect on the CET1-capital.

Buffer requirements

During the first quarter 2020, the Swedish FSA reduced the countercyclical buffer requirement for banks from 2.5 percent to 0 percent, due to the current corona pandemic. On 22 March 2021, the Swedish FSA decided to keep the countercyclical capital buffer requirement for banks unchanged at 0 percent. Furthermore, decisions will not be made quarterly but only in the event of a change.

(EU KM1)

	CONSOLIDATED SITUATION
SEK million	30 Jun 2021
Available own funds (amounts)	
Common Equity Tier 1 (CET1) capital	18,039
Tier 1 capital	22,339
Total capital	24,334
Risk-weighted exposure amounts	
Total risk exposure amount	138,024
Capital ratios (as a percentage of risk-weighted exposure amount)	
Common Equity Tier 1 ratio (%)	13.1
Tier 1 ratio (%)	16.2
Total capital ratio (%)	17.6
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)	
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.6
of which: to be made up of CET1 capital (percentage points)	0.9
of which: to be made up of Tier 1 capital (percentage points)	1.2
Total SREP own funds requirements (%)	9.6
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)	
Capital conservation buffer (%)	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-
Institution specific countercyclical capital buffer (%)	0.0
Systemic risk buffer (%)	-
Global Systemically Important Institution buffer (%)	-
Other Systemically Important Institution buffer (%)	-
Combined buffer requirement (%)	2.5
Overall capital requirements (%)	12.1
CET1 available after meeting the total SREP own funds requirements (%)	7.7

1.1

Key metrics, Cont.

SEK million	CONSOLIDATED SITUATION 30 Jun 2021
Leverage ratio	
Total exposure measure	558,051
Leverage ratio (%)	4.0
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)	
Additional own funds requirements to address the risk of excessive leverage (%)	–
of which: to be made up of CET1 capital (percentage points)	–
Total SREP leverage ratio requirements (%)	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)	
Leverage ratio buffer requirement (%)	–
Overall leverage ratio requirement (%)	3.0
Liquidity Coverage Ratio	
Total high-quality liquid assets (HQLA) (Weighted value -average)	76,879
Cash outflows - Total weighted value	42,464
Cash inflows - Total weighted value	8,777
Total net cash outflows (adjusted value)	33,688
Liquidity coverage ratio (%)	228
Net Stable Funding Ratio	
Total available stable funding	485,638
Total required stable funding	351,207
NSFR ratio (%)	138.3

1.2 Composition of regulatory own funds - Consolidated situation

(EU CC1)

SEK million	CONSOLIDATED SITUATION		
	30 Jun 2021	31 Dec 2020	30 Jun 2020
Common Equity Tier 1 (CET1) capital : Instruments and reserves			
Capital instruments and the related share premium accounts	1,958	1,958	1,958
Retained earnings	15,726	13,995	14,066
Accumulated other comprehensive income (and other reserves)	1,498	2,321	2,614
Additional Tier 1 instruments	4,300	3,500	3,500
Independently reviewed interim profits net of any foreseeable charge or dividend ¹⁾	669	1,855	521
Common Equity Tier 1 (CET1) capital before regulatory adjustments	24,151	23,629	22,659
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	-48	-51	-55
Intangible assets (net of related tax liability) (negative amount)	-243	-204	-221
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	-1,446	-2,307	-2,676
Negative amounts resulting from the calculation of expected loss amounts	-35	-51	-45
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-40	-24	-24
Additional Tier 1 instruments in equity	-4,300	-3,500	-3,500
Other regulatory adjustments ²⁾	-	-	-
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-6,112	-6,137	-6,521
Common Equity Tier 1 (CET1) capital	18,039	17,492	16,138
Additional Tier 1 (AT1) capital: Instrument			
Capital instruments and the related share premium accounts	4,300	3,500	3,500
– of which, classified as equity under applicable accounting standards	4,300	3,500	3,500
– of which, classified as liabilities under applicable accounting standards	-	-	-
Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1	-	-	-
Additional Tier 1 (AT1) capital before regulatory adjustments	4,300	3,500	3,500
Additional Tier 1 (AT1) capital: regulatory adjustments			
Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	-	-
Additional Tier 1 capital (AT1) capital	4,300	3,500	3,500
Tier 1 capital (T1=CET1+AT1)	22,339	20,992	19,638
Tier 2 (T2) capital: instruments			
Capital instruments and the related share premium accounts	1,995	1,995	4,442
Credit risk adjustments	0	5	6
Tier 2 (T2) capital before regulatory adjustments	1,995	2,000	4,448
Tier 2 capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	-	-	-
Tier 2 (T2) capital	1,995	2,000	4,448
Total capital (TC=T1+T2)	24,334	22,992	24,086
Total risk-exposure amount	138,024	130,267	127,074

1.2 Composition of regulatory own funds - Consolidated situation, Cont.

SEK million	CONSOLIDATED SITUATION		
	30 Jun 2021	31 Dec 2020	30 Jun 2020
Capital ratios and requirements including buffers %			
Common Equity Tier 1 capital	13.1	13.4	12.7
Tier 1 capital	16.2	16.1	15.5
Total capital	17.6	17.6	19.0
Institution-CET1 overall capital requirements	7.0	7.0	7.0
– of which, capital conservation buffer requirement	2,5	2,5	2,5
– of which, countercyclical buffer requirement	0,0	0,0	0,0
– of which, systemic risk buffer requirement	–	–	–
– of which, G-SII buffer and O-SII buffer	–	–	–
– of which, additional own funds requirements to address the risk other than the risk of excessive leverage	–	–	–
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	8.6	8.9	8.2
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2014 and 1 January 2022)			
Current cap on AT1 instruments subject to phase-out arrangements	–	–	–
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–	–	–
Current cap on T2 instruments subject to phase-out arrangements	–	–	–

1) The results have been verified by Deloitte AB pursuant to Article 26, Point 2a of the Capital Requirements Regulation.

2) There are not results that generates deduction of NPL backstop since entry into force.

1.3 Overview of total risk exposure amounts

(EU OV1 table)

SEK million	CONSOLIDATED SITUATION		
	30 Jun 2021	31 Mar 2021	
	Total risk exposure amounts	Total own funds requirements	Total own funds requirements
Credit risk (excl. counterparty risk)	39,675	3,174	3,138
– of which, the standardised approach	9,205	736	721
– of which, the Foundation IRB(F-IRB) approach	17,969	1,438	1,410
– of which, the Advanced IRB (A-IRB) approach	12,501	1,000	1,007
Counterparty credit risk- CCR	6,152	492	460
– of which, standardised approach	1,165	93	106
– of which exposures to a CCP	2,857	229	226
– of which, credit valuation adjustment risk (CVA)	2,130	170	127
Market risk	352	28	51
– of which, the standardised approach	352	28	51
Operational risks	5,547	444	444
– of which, the standardised approach	5,547	444	444
Additional stricter prudential requirements under Article 458 of the CRR	85,008	6,801	6,730
Additional stricter prudential requirements under Article 3 of the CRR	1,290	103	63
Total	138,024	11,042	10,886

1.4 Risk exposure amounts and capital requirements

At the start of 2019, SBAB's Board decided to apply Article 3 of the Regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR) for corporate exposures to small and medium-sized enterprises. The aim is to compensate for the current pro-cyclical effect that exists in the bank's internal models for credit risk, which has resulted in PD declining in line with the favourable economic climate. As a result, the bank has introduced a REA surcharge of SEK

792 million under Pillar 1, since 31 March 2019. In May 2020, SBAB started to apply a new definition of default according to guidelines submitted by the European banking authority (EBA) aimed to harmonize calculations for credit risk between banks. At the transition to the new definition of default in May 2020 the share of defaulted exposures was reduced and the impact on REA was very limited which was in line with the bank's expectations.

SEK million	CONSOLIDATED SITUATION					
	30 Jun 2021		31 Dec 2020		30 Jun 2020	
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement
Credit risk recognised in accordance with IRB approach						
Exposures to corporates	17,969	1,438	16,578	1,326	14,793	1,183
Retail exposures	12,501	1,000	12,181	975	12,461	997
– of which, exposures to SMEs	930	74	913	73	895	72
– of which, retail exposures secured by immovable property	11,571	926	11,268	902	11,566	925
Total exposures recognised with the IRB approach	30,470	2,438	28,759	2,301	27,254	2,180
Credit risk recognised with the standardised approach						
Exposures to governments and central banks	0	0	0	0	0	0
Exposures to regional governments or local authorities or agencies	0	0	0	0	0	0
Exposures to multilateral development banks	0	0	0	0	0	0
Exposures to international organisations	0	0	0	0	0	0
Exposures to institutions ¹⁾	4,022	322	4,042	323	4,544	364
– of which, derivatives according to CRR, Appendix 2	3,940	315	4,014	321	4,503	361
– of which, repos	82	7	28	2	40	3
– of which, other	0	0	0	0	1	0
Retail exposures	2,842	227	2,613	209	2,454	196
Exposures in default	6	0	7	1	7	1
Exposures in the form of covered bonds	3,709	297	3,738	299	3,822	306
Exposures to institutions and corporates with a short-term credit rating	57	5	10	1	118	9
Equity exposures	2,131	170	1,266	101	1,266	101
Other items	460	37	327	26	533	43
Total exposures recognised with standardised approach	13,227	1,058	12,003	960	12,744	1,020
Market risk	352	28	348	28	794	64
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	352	28	348	28	794	64
Operational risk	5,547	444	5,212	417	5,212	417
– of which, standardised approach	5,547	444	5,212	417	5,212	417
Credit valuation adjustment risk (CVA risk)	2,130	170	1,504	120	1,976	158
Additional requirements under Article 458 of the CRR	85,008	6,801	81,649	6,532	78,302	6,264
Additional requirements under Article 3 of the CRR	1,290	103	792	63	792	63
Total risk exposure amount and minimum capital requirements	138,024	11,042	130,267	10,421	127,074	10,166
Capital requirements for capital conservation buffer	3,709	3,451		3,257		3,177
Capital requirements for countercyclical buffer		16		17		12
Total capital requirements		14,509		13,695		13,355

1) The risk-weighted amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 4,022 million (4,042).

1.5

Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

(EUCCyB1)

CONSOLIDATED SITUATION														
SEK million	General credit exposures		Relevant credit exposures – Market risk				Own fund requirements							
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures	Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
Breakdown by country:														
Sweden	35,862	513,423	-	-	-	-	-	3,112	-	-	3,112	38,899	98.04	0.00
Norway	4,834	-	-	-	-	-	-	39	-	-	39	483	1.22	1.00
Other	2,928	-	-	-	-	-	-	23	-	-	23	293	0.74	0.00
Total	43,624	513,423	-	-	-	-	-	3,174	-	-	3,174	39,675	100.00	-

1.6

Amount of institution-specific countercyclical capital buffer

(EU CCyB2)

CONSOLIDATED SITUATION	
SEK million	
Total risk exposure amount	138,024
Institution specific countercyclical capital buffer rate	0.01
Institution specific countercyclical capital buffer requirement	16

1.7

Summary reconciliation of accounting assets and leverage ratio exposures

The CRR introduced a non-risk-sensitive metric to avoid excessive indebtedness. This metric is calculated as Tier 1 capital in relation to total assets and off-balance sheet exposures restated with the application of credit conversion factors (CCF). Leverage ratio for the consolidated situation, calculated according to article 429 in Regulation (EU) No 575/2013 of the European Parliament and of the council (CRR), amounted to 4.00 percent.

(EU LR1- LRSum)

SEK million	CONSOLIDATED SITUATION Applicable amount
Total assets as per published financial statements	537,626
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-12
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
Adjustment for eligible cash pooling transactions	-
Adjustment for derivative financial instruments	589
Adjustment for securities financing transactions (SFTs)	3,012
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	17,824
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-1,535
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	0
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
Other adjustments	547
Total exposure measure	558,051

1.8 Leverage ratio common disclosure

(EU LR2-LRCom)

SEK million	CONSOLIDATED SITUATION	
	CRR leverage ratio exposures	
	30 Jun 2021	31 Mar 2021
On-balance sheet exposures (excluding derivatives and SFTs)		
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	533,668	508,455
Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	- 7,599	-1,253
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
(General credit risk adjustments to on-balance sheet items)	-	-
(Asset amounts deducted in determining Tier 1 capital)	-243	-228
Total on-balance sheet exposures (excluding derivatives and SFTs)	525,826	506,974
Derivative exposures		
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	8,972	4,996 ¹⁾
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	2,417	5,513 ¹⁾
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	-	n/a
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	n/a
Exposure determined under Original Exposure Method	-	n/a
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	n/a
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	n/a
(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	n/a
Adjusted effective notional amount of written credit derivatives	-	n/a
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	n/a
Total derivatives exposures	11,389	9,256
Securities financing transaction (SFT) exposures		
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	3,012	5,831
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
Counterparty credit risk exposure for SFT assets	-	-
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
Agent transaction exposures	-	-
(Exempted CCP leg of client-cleared SFT exposure)	-	-
Total securities financing transaction exposures	3,012	5,831
Other off-balance sheet exposures		
Off-balance sheet exposures at gross notional amount	76,894	75,871
(Adjustments for conversion to credit equivalent amounts)	-59,070	-58,753
(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	n/a
Off-balance sheet exposures	17,824	17,118
Excluded exposures		
(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	0	0
(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	n/a
(Excluded exposures of public development banks (or units) - Public sector investments)	-	n/a
(Excluded exposures of public development banks (or units) - Promotional loans)	-	n/a
(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	n/a
(Excluded guaranteed parts of exposures arising from export credits)	-	n/a
(Excluded excess collateral deposited at triparty agents)	-	n/a

1.8 Leverage ratio common disclosure, Cont.

SEK million	CONSOLIDATED SITUATION	
	CRR leverage ratio exposures	
	30 Jun 2021	31 Mar 2021
(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	–	n/a
(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	–	n/a
(Reduction of the exposure value of pre-financing or intermediate loans)	–	n/a
(Total exempted exposures)	0	0
Capital and total exposure measure		
Tier 1 capital	22,339	22,112
Total exposure measure	558,051	540,432
Leverage ratio		
Leverage ratio (%)	4.00	4.09
Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	–	n/a
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	–	n/a
Regulatory minimum leverage ratio requirement (%)	3.00	n/a
Additional own funds requirements to address the risk of excessive leverage (%)	–	n/a
of which: to be made up of CET1 capital	–	n/a
Leverage ratio buffer requirement (%)	–	n/a
Overall leverage ratio requirement (%)	–	n/a
Choice on transitional arrangements and relevant exposures		
Choice on transitional arrangements for the definition of the capital measure	Fully Phased in	Fully Phased in
Disclosure of mean values		
Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	3,169	n/a
Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	3,009	n/a
Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	n/a
Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	n/a
Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	n/a
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	–	n/a

1) According to Mark-to-Market Method
n/a=Not Applicable (New regulations come i force on 28 June 2021)

Description of the processes used to manage the risk of excessive leverage

Leverage ratio is included in SBAB:s forward looking capital planning in order to proactively manage the risk of excessive leverage. The ratio is targeted in SBAB:s capital policy. The outcome and development of the ratio is monitored and reported monthly to the CEO and Board. In a situation of excessive leverage where the ratio is in cause of concern, actions in the form of reduced dividend, capital injection from owner or emission of Additional Tier 1 Capital instruments could be implemented. In addition and if necessary, balance sheet actions could also be implemented to reduce the exposure measure.

Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers

The leverage ratio amounted to 4.00 percent on 30 June 2021 in comparison to 4.09 percent on 31 March 2021. This change is explained by:

- Tier 1 capital has increased due to accrued earnings and new emission of AT1 instrument, which had a positive impact on the leverage ratio by 0.04 percent.
- The effect on the exposure measure attributable to SFTs has decreased and impacted the ratio positively by 0.02 percent.
- The effect on the exposure measure attributable to Derivatives has decreased and impacted the ratio positively by 0.05 percent.
- The effect on the exposure measure attributable to off balance items has increased and impacted the ratio negatively by 0.01 percent.
- The effect on the exposure measure attributable to other assets has increased and impacted the ratio negatively by 0.19 percent.

1.9 Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)**(EU L3 - LRSpl)**

SEK million	CONSOLIDATED SITUATION
	CRR leverage ratio exposures
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	529,105
Trading book exposures	-
Banking book exposures, of which:	529,105
Covered bonds	37,094
Exposures treated as sovereigns	49,533
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-
Institutions	1
Secured by mortgages of immovable properties	437,723
Retail exposures	3,397
Corporate	-
Exposures in default	189
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	1,168

1.10

Internally calculated capital requirements per risk type

The internal capital adequacy assessment aims to ensure that SBAB has adequate capital to deal with any financial problems that arise. The internally assessed capital requirement for the Group amounted to SEK 16,042 million (SEK 15,206 million on 31 December 2020). The internal capital requirement is assessed using SBAB's internal models for economic capital and is not fully comparable to the estimated capital published by the Swedish FSA (Finansinspektionen) due to differences in assumptions and methodologies. SBAB estimates that the Swedish FSA's expected total capital requirement as of 30 June 2021 amounted to SEK 16,758 million, of which SEK 2,249 million comprised the capital requirement in Pillar 2. The Swedish FSA will publish updated capital

requirements of the largest Swedish banks and credit institutions that belong to supervisory categories 1 and 2 at the end of Q2 2021 during August.

SBAB quantifies the capital requirement for its risks using a model for economic capital within the scope of the internal capital adequacy assessment process (ICAAP). Economic capital is defined as the amount of capital needed to ensure solvency over a one year period. The internal capital requirement is defined as the higher of economic capital and the regulatory requirements for each type of risk.

		CONSOLIDATED SITUATION			
		30 Jun 2021		31 Dec 2020	
SEK million		Internally assessed capital requirement		Internally assessed capital requirement	
		Incl. risk-weight floor, SEK million	Incl. risk-weight floor, %	Incl. risk-weight floor, SEK million	Incl. risk-weight floor, %
Pillar 1	Credit risk & CVA risk	3,666	2.7	3,381	2.6
	Market risk	28	0.0	28	0.0
	Operational risk	444	0.3	417	0.3
	Risk-weight floor ¹⁾	6,801	4.9	6,532	5.0
	Surcharge, corporate exposures ²⁾	103	0.1	63	0.1
	Total Pillar 1	11,042	8.0	10,421	8.0
Pillar 2	Credit risk	–	–	–	–
	Market risk	378	0.3	387 ³⁾	0.3 ³⁾
	Operational risk	–	–	–	–
	Concentration risk	1,068	0.7	1,046	0.8
	Sovereign risk	87	0.1	78	0.1
	Pension risk	–	–	–	–
	Total Pillar 2	1,533	1.1	1,511³⁾	1.2³⁾
Buffers	Capital conservation buffer	3,451	2.5	3,257	2.5
	Capital planning buffer	–	–	–	–
	Countercyclical buffer	16	0.0	17	0.0
	Total Buffers	3,467	2.5	3,274	2.5
Total	16,042	11.6	15,206³⁾	11.7³⁾	
Total own funds	24,334		22,992		

1) On 23 August 2018, the Swedish FSA decided to amend the method for applying the risk-weight floor for Swedish mortgages, which was previously applied in Pillar 2, by replacing it with the corresponding requirement within the framework of Article 458 of the Regulation on Prudential Requirements for Credit Institutions and Investment Firms. The change means the capital requirement is set as a requirement in Pillar 1. The amendment entered force from 31 December 2018 and applies for two years. Finansinspektionen has notified the Council, the European Commission and the EBA of its plans to continue to apply the risk weight floor for mortgages for another year, in accordance with Article 458 of the CRR. The European Commission approved FI's proposed measure in November 2020 and FI subsequently decided to extend the application of the floor within Pillar 1 until 30 December 2021.

2) Surcharge after decision by the Board pursuant to Article 3 of the CRR.

3) The amount has been adjusted compared to the amount in the table published in the December 2020 report.

2 Credit risk

2.1 Standardised approach – Credit risk exposure and CRM effects

(EU CR4)

Exposure classes, SEK million	CONSOLIDATED SITUATION					
	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	On-balance sheet amount	Off-balance-sheet amount	On-balance sheet amount	Off-balance-sheet amount	RWAs	RWA density, %
Central governments or central banks	30,856	-	30,856	-	-	-
Regional government or local authorities	14,701	-	15,156	-	-	-
Multilateral development banks	1,642	-	1,642	-	-	-
International organisations	1,879	-	1,879	-	-	-
Institutions ¹⁾	1	-	1	-	0	20
Corporates	-	-	-	-	-	-
Retail	3,397	1,960	3,397	392	2,842	75
Exposures in default	6	-	6	-	6	101
Covereds bonds	37,094	-	37,094	-	3,709	10
Institutions and corporates with a short-term credit assessment	216	-	216	-	58	27
Equity	170	-	170	-	2,131	1,250
Other items	781	-	781	-	460	59
Total	90,744	1,960	91,198	392	9,205	10

¹⁾ Exposure classes institutions does not cover derivatives and repurchase transactions

2.2 Standardised approach

(EU CR5)¹⁾

Exposure classes, SEK million	CONSOLIDATED SITUATION															Total	Of which unrated	
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Other			
Central governments or central banks	30,856	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,856	-
Regional governments or local authorities	15,156	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,156	-
Multilateral development banks	1,642	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,642	-
International organisations	1,879	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,879	-
Institutions ¹⁾	-	-	-	-	833	-	7,711	-	-	-	-	-	-	-	-	-	8,543	-
Corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-
Retail	-	-	-	-	-	-	-	-	3,789	-	-	-	-	-	-	-	3,789	3,789
Exposures in default	-	-	-	-	-	-	-	-	-	5	0	-	-	-	-	-	6	6
Covered bonds	-	-	-	37,094	-	-	-	-	-	-	-	-	-	-	-	-	37,094	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	168	-	48	-	-	-	-	-	-	-	-	-	216	-
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	170	-	-	170	781
Other items	322	-	-	-	-	-	-	-	-	460	-	-	-	-	-	-	781	-
Total	49,854	-	-	37,094	1,001	-	7,759	-	3,789	465	0	-	-	170	-	-	100,132	4,576

1) Exposures to institutions including counterparty risk.

2.3 IRB approach – Credit risk exposures by exposure class and PD range

(EU CR6 table)

CONSOLIDATED SITUATION													
SEK million	PD scale	Original on-balance-sheet exposure	Off-balance-sheet exposures pre-CCF	Average CCF, %	Exposure value after CCF and post CRM	Average PD, %	Number of borrowers	Average LGD, %	Average maturity	Risk exposure amount	Risk exposure amount density, %	Expected loss	Value adjustments and provisions
Exposure class													
	0.00 to <0.15	28,602	174	20	28,629	0.09	161	35.3	2.5	4,296	15	9	1
	<i>0.00 to <0.10</i>	<i>28,602</i>	<i>174</i>	<i>20</i>	<i>28,629</i>	<i>0.09</i>	<i>161</i>	<i>35.3</i>	<i>2.5</i>	<i>4,296</i>	<i>15</i>	<i>9</i>	<i>1</i>
	<i>0.10 to <0.15</i>	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	10,423	253	20	10,473	0.21	96	35.4	2.5	2,467	24	8	1
	0.25 to <0.50	3,414	125	20	3,439	0.45	77	35.3	2.5	1,182	34	5	1
	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	307	–	–	306	1.16	17	38.1	2.5	165	54	1	0
	<i>0.75 to <1.75</i>	<i>307</i>	–	–	<i>306</i>	<i>1.16</i>	<i>17</i>	<i>38.1</i>	<i>2.5</i>	<i>165</i>	<i>54</i>	<i>1</i>	<i>0</i>
	<i>1.75 to <2.5</i>	–	–	–	–	–	–	–	–	–	–	–	–
Of which, Corporate SME	2.50 to <10.00	126	–	–	124	3.05	8	35.1	2.5	77	62	1	0
	<i>2.5 to <5</i>	<i>126</i>	–	–	<i>124</i>	<i>3.05</i>	<i>7</i>	<i>35.1</i>	<i>2.5</i>	<i>77</i>	<i>62</i>	<i>1</i>	<i>0</i>
	<i>5 to <10</i>	<i>0</i>	–	–	<i>0</i>	<i>8.15</i>	<i>1</i>	<i>45.0</i>	<i>2.5</i>	<i>0</i>	<i>109</i>	<i>0</i>	<i>0</i>
	10.00 till <100.00	144	–	–	144	27.04	2	35.0	2.5	199	138	14	3
	<i>10 to <20</i>	–	–	–	–	–	–	–	–	–	–	–	–
	<i>20 to <30</i>	<i>144</i>	–	–	<i>144</i>	<i>27.04</i>	<i>2</i>	<i>35.0</i>	<i>2.5</i>	<i>199</i>	<i>138</i>	<i>14</i>	<i>3</i>
	<i>30.00 to <100.00</i>	–	–	–	–	–	–	–	–	–	–	–	–
	100.00 (Default)	0	–	–	0	100.00	1	35.0	2.5	–	–	0	0
	Portfolio subtotal	43,017	551	20	43,117	0.26	363	35.3	2.5	8,386	19	39	5
Corporates (foundation approach)	0.00 to <0.15	16,350	5,641	75	20,556	0.09	128	39.0	2.5	5,320	26	7	2
	<i>0.00 to <0.10</i>	<i>16,350</i>	<i>5,641</i>	<i>75</i>	<i>20,556</i>	<i>0.09</i>	<i>128</i>	<i>39.0</i>	<i>2.5</i>	<i>5,320</i>	<i>26</i>	<i>7</i>	<i>2</i>
	<i>0.10 to <0.15</i>	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	3,773	1,221	75	4,688	0.21	28	39.6	2.5	1,969	42	4	2
	0.25 to <0.50	1,889	871	75	2,518	0.45	19	42.7	2.5	1,674	66	5	3
	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	288	418	75	601	1.16	3	45.0	2.5	619	103	3	5
	<i>0.75 to <1.75</i>	<i>288</i>	<i>418</i>	<i>75</i>	<i>601</i>	<i>1.16</i>	<i>3</i>	<i>45.0</i>	<i>2.5</i>	<i>619</i>	<i>103</i>	<i>3</i>	<i>5</i>
	<i>1.75 to <2.5</i>	–	–	–	–	–	–	–	–	–	–	–	–
Of which, Corporates Other	2.50 to <10.00	–	1	75	1	3.05	1	45.0	2.5	1	137	0	0
	<i>2.5 to <5</i>	–	<i>1</i>	<i>75</i>	<i>1</i>	<i>3.05</i>	<i>1</i>	<i>45.0</i>	<i>2.5</i>	<i>1</i>	<i>137</i>	<i>0</i>	<i>0</i>
	<i>5 to <10</i>	–	–	–	–	–	–	–	–	–	–	–	–
	10.00 till <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	<i>10 to <20</i>	–	–	–	–	–	–	–	–	–	–	–	–
	<i>20 to <30</i>	–	–	–	–	–	–	–	–	–	–	–	–
	<i>30.00 to <100.00</i>	–	–	–	–	–	–	–	–	–	–	–	–
	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
	Portfolio subtotal	22,300	8,152	75	28,364	0.17	179	39.6	2.5	9,583	34	19	12

2.3

IRB approach – Credit risk exposures by exposure class and PD range, Cont.

CONSOLIDATED SITUATION													
SEK million	PD scale	Original on-balance-sheet exposure	Off-balance-sheet exposures pre-CCF	Average CCF, %	Exposure value after CCF and post CRM	Average PD, %	Number of borrowers	Average LGD, %	Average maturity	Risk exposure amount	Risk exposure amount density, %	Expected loss	Value adjustments and provisions
	0.00 to <0.15	37,118	109	85	36,958	0.09	1,254	6.9	–	458	1	2	0
	0.00 to <0.10	37,118	109	85	36,958	0.09	1,254	6.9	–	458	1	2	0
	0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	12,079	100	71	12,041	0.21	554	7.4	–	299	2	2	0
	0.25 to <0.50	2,683	181	94	2,853	0.45	126	8.8	–	146	5	1	0
	0.50 till <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	96	–	–	96	1.16	18	9.2	–	10	10	0	0
	0.75 to <1.75	96	–	–	96	1.16	18	9.2	–	10	10	0	0
	Of which, Retail SME	–	–	–	–	–	–	–	–	–	–	–	–
	1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
	2.50 to <10.00	23	–	–	6	3.05	4	10.5	–	1	21	0	0
	2.5 to <5	23	–	–	6	3.05	4	10.5	–	1	21	0	0
	5 to <10	–	–	–	–	–	–	–	–	–	–	–	–
	10.00 till <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	10 to <20	–	–	–	–	–	–	–	–	–	–	–	–
	20 to <30	–	–	–	–	–	–	–	–	–	–	–	–
	30.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	100.00 (Default)	17	–	–	17	100.00	2	14.8	–	15	85	8	8
	Portfolio subtotal	52,018	390	85	51,971	0.17	1,959	7.1	–	929	2	13	9
Retail (advanced approach)	0.00 to <0.15	229,867	37,198	23	238,536	0.04	142,296	10.0	–	3,011	1	10	6
	0.00 to <0.10	229,867	37,198	23	238,536	0.04	142,296	10.0	–	3,011	1	10	6
	0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	49,637	20,302	29	55,537	0.16	35,334	11.5	–	2,306	4	10	10
	0.25 to <0.50	27,420	7,810	25	29,394	0.42	17,829	11.3	–	2,425	8	14	21
	0.50 till <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	11,346	455	71	11,667	1.55	6,417	11.4	–	2,347	20	21	29
	0.75 to <1.75	11,346	455	71	11,667	1.55	6,417	11.4	–	2,347	20	21	29
	Of which, Retail Other	–	–	–	–	–	–	–	–	–	–	–	–
	2.50 to <10.00	1,691	39	79	1,721	4.17	1,055	11.0	–	602	35	8	12
	2.5 to <5	1,691	39	79	1,721	4.17	1,055	11.0	–	602	35	8	12
	5 to <10	–	–	–	–	–	–	–	–	–	–	–	–
	10.00 till <100.00	1,004	37	38	1,017	24.67	723	11.1	–	694	68	28	24
	10 to <20	–	–	–	–	–	–	–	–	–	–	–	–
	20 to <30	1,004	37	38	1,017	24.67	723	11.1	–	694	68	28	24
	30.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
	100.00 (Default)	189	0	78	189	100.00	156	14.0	–	186	99	15	15
	Portfolio subtotal	321,153	65,842	26	338,061	0.30	203,811	10.4	–	11,571	3	106	117
Total (all exposures classes)		438,489	74,936	31	461,515	0.30	206,315	14.2	–	30,470	7	177	142

2.4 RWEA flow statements of credit risk exposures under the IRB approach

(EU CR8)

SEK million	CONSOLIDATED SITUATION	
	30 Jun 2021	31 Mar 2021
	Risk weight- ed exposure amount	Risk weight- ed exposure amount
Risk exposure amount at the end of the previous quarter	30,209	28,759
Asset size	1,112	1,797
Asset quality	-851	-337
Model updates	-	-
Methodology and policy	-	-
Acquisitions and disposals	-	-
Foreign exchange movements	-	-
Other	-0	-10
Risk exposure amount at the end of the reporting quarter	30,470	30,209

2.5 CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

(EU CR3)

SEK million	CONSOLIDATED SITUATION				
	Unsecured carrying amount	Secured carrying amount			
		Of which secured by collateral	Of which secured by financial guarantees		Of which secured by credit derivatives
Loans and advances	11,174	430,734	430,292	442	-
Debt securities	84,837	-	-	-	-
Total	96,011	430,734	430,292	442	-
<i>Of which non-performing exposures</i>	7	196	196	0	-
<i>Of which defaulted</i>	7	183	183	0	-

2.6 Credit quality of forborne exposures

(EU CQ1)¹

SEK million	CONSOLIDATED SITUATION							
	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	Per-forming forborne	Non-performing forborne		On per-forming forborne exposures	On non per-forming forborne exposure	Of which collateral and financial guarantees received on non-per-forming exposures with forbearance measures		
		Of which default-ed	Of which impaired					
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	16	67	67	67	-0	-3	79	-
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-
Non-financial corporations	7	-	-	-	-0	-	7	-
Household	8	67	67	67	-0	-3	72	-
Debt securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
Total	16	67	67	67	-0	-3	79	-

2.7

Performing and non-performing exposures and related provisions.

(EU CR1)

SEK million	CONSOLIDATED SITUATION												Collateral received and financial guarantees received			
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions									
	Performing exposures			Non-performing exposures			Performing exposures - accumulated impairment and provision			Non-performing exposures accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Ac-cumulated partial write-off	On performing exposures	On non performing exposures	
	Of which stage 1	of which stage 2		Of which stage 2	of which stage 3		Of which stage 1	of which stage 2		Of which stage 2	of which stage 3					
Cash balances at central banks and other demand deposits	1,141	1,141	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	442,417	424,747	17,669	230	-	230	-113	-48	-66	-30	-	-30	-1	-	0	
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Credit institutions	759	759	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	117,305	115,500	1,805	18	-	18	-8	-5	-3	-8	-	-8	-	-	-	
– of which, SMEs	92,485	91,516	970	18	-	18	-6	-4	-3	-8	-	-8	-	-	-	
Household	324,352	308,488	15,864	212	-	212	-106	-43	-62	-22	-	-22	-1	-	0	
Debt securities	48,046	48,046	-	-	-	-	-1	-1	-	-	-	-	-	-	-	
Central banks	18,668	18,668	-	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	16,191	16,191	-	-	-	-	-1	-1	-	-	-	-	-	-	-	
Credit institutions	13,187	13,187	-	-	-	-	-1	-1	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Off balance sheet exposures	76,903	76,050	853	0	-	0	-16	-13	-2	-0	-	-0	-	-	-	
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	9,101	8,817	284	-	-	-	-11	-9	-2	-	-	-	-	-	-	
Household	67,802	67,233	569	0	-	0	-5	-4	-1	-0	-	-0	-	-	-	
Total	568,507	549,985	18,522	230	-	230	-130	-62	-68	-30	-	-30	-1	-	0	

2.8

Information on loans and advances subject to legislative and non-legislative moratoria

CONSOLIDATED SITUATION																	
SEK million	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk						Gross carrying amount			
	Performing				Non performing			Performing			Non performing						
			<i>Of which: Instruments with Of significant which: increase in exposure credit risk since initial with forbearance measures (Stage 2)</i>		<i>Of which: exposures to pay with forbearance measures</i>			<i>Of which: exposures to pay with forbearance measures <= 90 days</i>			<i>Of which: Instruments with Of significant which: increase in exposure credit risk since initial with forbearance measures (Stage 2)</i>				<i>Of which: exposures to pay with forbearance measures <= 90 days</i>		
Loans and advances subject to moratorium	48,693	48,677	-	2,939	16	-	2	25	24	-	14	1	-	0	15		
- of which, households	48,693	48,677	-	2,939	16	-	2	25	24	-	14	1	-	0	15		
- of which, collateralised by residential immovable property	48,693	48,677	-	2,939	16	-	2	25	24	-	14	1	-	0	15		
- of which, non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
- of which, SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
- of which, Collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

2.9

Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

CONSOLIDATED SITUATION									
SEK million	Number of obligors	Gross carrying amount							
		Of which: legislative moratoria	Of which: Expired	Residual maturity of moratoria					
				<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year	
Loans and advances for which moratorium was offered	22,067	48,721							
Loans and advances subject to moratorium (granted)	22,044	48,693	48,693	17,406	48,693	-	-	-	-
- of which, households	-	48,693	48,693	17,406	48,693	-	-	-	-
- of which, collateralised by residential immovable property	-	-	48,693	17,406	48,693	-	-	-	-
- of which, non-financial corporations	-	-	-	-	-	-	-	-	-
- of which, SMEs	-	-	-	-	-	-	-	-	-
- of which, Collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-

3 Counterparty Creditrisk

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

(EU CCR3)

Exposure class, SEK million	CONSOLIDATED SITUATION											Total exposure value
	Risk weight											
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	831	7 711	-	-	-	-	-	8 542
Corporates	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
Total exposure value	-	-	-	-	831	7 711	-	-	-	-	-	8 542

3.2 Analysis of CCR exposure by approach

(EU CCR1)

SEK million	CONSOLIDATED SITUATION							
	Replace- ment cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regu- latory exposure value	Exposure value pre- CRM	Exposure value post- CRM	Exposure value	RWEA
EU - Original Exposure Method (for derivatives)	-	-	-	-	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-	-	-	-	-	-	-
SA-CCR (for derivatives)	4,421	1,545	-	1.4	8,352	8,352	8,352	3,940
IMM (for derivatives and SFTs)	-	-	-	-	-	-	-	-
Of which securities financing transactions netting sets	-	-	-	-	-	-	-	-
Of which derivatives and long settlement transactions netting sets	-	-	-	-	-	-	-	-
Of which from contractual cross-product netting sets	-	-	-	-	-	-	-	-
Financial collateral simple method (for SFTs)	-	-	-	-	-	-	-	-
Financial collateral comprehensive method (for SFTs)	-	-	-	-	190	190	190	82
VaR for SFTs	-	-	-	-	-	-	-	-
Total					8,542	8,542	8,542	4,022

3.3 Composition of collateral for CCR exposures

(EU CCR5)

SEK million	CONSOLIDATED SITUATION							
	Collateral used in derivative transaction				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
Cash – domestic currency	-	402	-	375	-	-	-	-
Cash – other currencies	-	5,342	-	1,712	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	2,100	-	3,083	-	3,149
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	-
Total	-	5,744	-	4,187	-	3,083	-	3,149

4 Market risk

4.1 Market risk under the standardised approach

(EU MR1)

Risk class, SEK million	CONSOLIDATED SITUATION	
	RWEAs	
Outright products		
Interest rate risk (general and specific)		-
Equity risk (general and specific)		-
Foreign exchange risk		352
Commodity risk		-
Options		
Simplified approach		-
Delta-plus approach		-
Scenario approach		-
Securitisation (specific risk)		-
Total		352

4.2 Interest rate risks of non-trading book activities

(EU IRRBB1)

SEK million	CONSOLIDATED SITUATION			
	Changes of the economic value of equity		Changes of the net interest income	
	Current period	Last period	Current period	Last period
Parallel up	-481	12	32	-41
Parallel down	98	-78	-32	41
Steeper	125	164		
Flattener	-529	-477		
Short rates up	-661	-414		
Short rates down	163	16		

4.3 Qualitative information on interest rate risks of non-trading book activities

(EU IRRBBA)

Qualitative information	Legal basis
<p>(a) A description of how the institution defines IRRBB for purposes of risk control and measurement. <i>Answer:</i> Interest rate risk pertains to the risk of variations in general interest rate levels leading to a negative earnings impact due to future income and expenses having different fixed-interest periods or interest terms. The general principle governing SBAB's exposure to interest rate risk is to limit it through direct borrowing and the use of derivatives. As far as possible, fixed interest liabilities are matched with fixed interest assets, but since SBAB's residential mortgage customers generally choose floating interest (three month fixed interest period) while a large portion of the liability is fixed to longer maturities, a large portion of the debt must be swapped down to a three-month fixed-interest period. As a general principle, the interest-rate risk associated with mortgage lending and the liquidity portfolio, including the debt allocated to the respective portfolios, should be matched. SBAB's equity is invested using a guide value determined by SBAB's Board and therefore includes a strategic long term interest rate risk.</p>	Article 448.1 (e), first paragraph
<p>(b) A description of the institution's overall IRRBB management and mitigation strategies. <i>Answer:</i> SBAB is characterised by low risk taking, with the Board determining the overall risk appetite and setting the limits related to interest rate risk in the banking book (IRRBB). In addition to the Board decided limits, a number of supplementary risk-based metrics set by the CEO of SBAB are also subject to limitation. Risk control checks compliance with current risk levels and limits on a daily basis. The general principle governing SBAB's exposure to IRRBB and market risk in general is that the level of risk taking should be low. As a general principle, interest rate risk is to be mitigated through direct funding or the use of derivatives.</p>	Article 448.1 (f)
<p>(c) The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB. <i>Answer:</i> SBAB uses parallel shifts, flattener, steepener of the yeild curve and also value at risk to measure interest rate risk in the banking book on a daily basis. On monthly bases SBAB calculates interest rate risk in the banking book according to FI dnr 19-4433 and EBA/GL/2018/02 which include NII scenarios.</p>	Article 448.1 (e) (i) and (v); Article 448.2
<p>(d) A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable). <i>Answer:</i> SBAB calculates six stress scenarios according to FI dnr 19-4433 and EBA/GL/2018/02 which includes NII scenarios with a parallel shift of +/- 100 basis points and a time horizon of one year. The change in economic value is also measured with a parallel shift of +/- 200 basis points.</p>	Article 448.1 (e) (iii); Article 448.2
<p>(e) A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable). <i>Answer:</i> SBAB dosent make any key modelling nor parametric assumptions different from those used for disclosure of template EU IRRBB1.</p>	Article 448.1 (e) (ii); Article 448.2
<p>(f) A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable). <i>Answer:</i> See question (a)</p>	Article 448.1 (e) (iv); Article 448.2
<p>(g) A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable). <i>Answer:</i> When SBAB measures risk for the templaie EU IRRBB1 a few assumptions are made: - No behavioural modelled assumptions are made for NMDs. - Commercial margins are included. - Positive changes are calculated both weighted by a factor of 50% (EBA/GL/2018/02) and by a factor of 100% (FI dnr 19-4434). - Behavior options for lending is not reflected on the calculation. The reason is that SBAB assess that behavior options for lending is counteracted by interest rate differential compensation.</p>	Article 448.1 (c); Article 448.2
<p>(h) Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures <i>Answer:</i> SBAB is well hedged and most of the interesest rate risk lie in the short end of the interest rate curve. Therefore the bank is sensitive to short rate shifts i.e. "flattener" and "short rates up". Since 2021-03-31 the interest rate risk has slightly increased and the worst scenario has shifted from "flattener" to "short rates up".</p>	Article 448.1 (d)
<p>(i) Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional) <i>Answer:</i> N/A</p>	
<p>(1) Disclosure of the average and longest repricing maturity assigned to non-maturity deposits (2) <i>Answer:</i> SBAB uses over night as repricing maturity on non-maturity deposits.</p>	Article 448.1 (g)

5 Liquidity risk

5.1 Liquidity reserve

The assets in SBAB's liquidity reserve comprise liquid, interest-bearing securities with high ratings and form an integrated part of the Group's liquidity risk management. Securities holdings are limited by asset class and by country, and must at least have an AA rating on acquisition. In addition to these collective limits, limits for individual issuers may also be set. The following table is reported according to the Swedish Bankers' Association's template for liquidity reserve disclosures.

SBAB and SCBC are managed collectively as one sub-consolidated liquidity group with regard to liquidity management and control in accordance with Regulation (EU) No. 575/2013 of the European Parliament and of the Council (CRR), which allows free disposition of liquid funds in the liquidity group. That means that the liquidity requirements in the CRR only are applicable for the consolidated situation and not for the individual entities within the group.

SEK billion		CONSOLIDATED SITUATION									
		30 Jun 2021					31 Dec 2020				
		Total	Distribution by currency				Total	Distribution by currency			
SEK	EUR		USD	Other	SEK	EUR		USD	Other		
	Level 1 assets	82.3	61.7	15.3	5.3	-	67.8	47.6	14.7	5.5	-
	Cash and balances with central banks	2.4	2.4	-	-	-	7.7	7.7	-	-	-
Level 1	Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	32.3	24.0	5.7	2.6	-	13.9	6.6	4.8	2.5	-
	Securities issued by municipalities and PSEs	14.5	6.1	5.8	2.6	-	15.3	6.9	5.5	2.9	-
	Extremely high quality covered bonds	33.1	29.2	3.8	0.1	-	30.9	26.4	4.4	0.1	-
	Other assets	-	-	-	-	-	-	-	-	-	-
	Level 2 assets	2.9	2.6	0.3	-	-	3.1	2.6	0.5	-	-
	Level 2A assets	2.9	2.6	0.3	-	-	3.1	2.6	0.5	-	-
	Securities issued or guaranteed by sovereigns, central banks, municipalities and PSEs	-	-	-	-	-	-	-	-	-	-
	High quality covered bonds	2.9	2.6	0.3	-	-	3.1	2.6	0.5	-	-
Level 2	Corporate debt securities (lowest rating AA-)	-	-	-	-	-	-	-	-	-	-
	Other assets	-	-	-	-	-	-	-	-	-	-
	Level 2B assets	-	-	-	-	-	-	-	-	-	-
	Asset-backed securities	-	-	-	-	-	-	-	-	-	-
	High quality covered bonds	-	-	-	-	-	-	-	-	-	-
	Corporate debt securities (rated A+ to BBB-)	-	-	-	-	-	-	-	-	-	-
	Shares (major stock index)	-	-	-	-	-	-	-	-	-	-
	Other assets ¹⁾	-	-	-	-	-	-	-	-	-	-
	Liquidity reserve	85.2	64.3	15.6	5.3	-	70.9	50.2	15.2	5.5	-

1) Includes central bank facilities.

5.2 Liquidity coverage ratio under the CRR

(EU LIQ1)¹⁾

SEK million	CONSOLIDATED SITUATION							
	Total unweighted value (average)				Total weighted value (average)			
	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020
Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets (HQLA)								
Total HQLA	-	-	-	-	76,879	80,016	85,402	85,848
Cash outflows								
Retail deposits and deposits from small business customers, of which:	110,925	109,823	108,403	107,485	8,808	8,757	8,693	8,676
– Stable deposits	76,420	74,852	73,153	72,129	3,821	3,743	3,658	3,606
– Less stable deposits	33,777	34,177	34,618	34,933	4,987	5,015	5,035	5,069
Unsecured wholesale funding	28,325	26,788	26,373	25,624	13,198	12,050	11,866	11,391
– Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
– Non-operational deposits (all counterparties)	24,972	24,350	24,009	23,614	9,846	9,612	9,502	9,381
– Unsecured debt	3,353	2,438	2,364	2,010	3,353	2,438	2,364	2,010
Secured wholesale funding	-	-	-	-	47	39	33	34
Additional requirements	60,618	58,386	55,874	53,878	14,314	15,722	15,796	15,348
– Outflows related to derivative exposures and other collateral requirements	8,003	9,319	10,026	10,210	8,003	9,319	10,026	10,210
– Outflows related to loss of funding on debt products	3,874	4,158	3,660	3,110	3,874	4,158	3,660	3,110
– Credit and liquidity facilities	48,741	44,909	42,187	40,558	2,437	2,245	2,109	2,028
Other contractual funding obligations	173	215	213	206	8	17	17	17
Other contingent funding obligations	16,677	16,308	15,702	14,871	6,089	6,075	5,874	5,501
Total cash outflows	-	-	-	-	42,464	42,660	42,274	40,960
Cash inflows								
Secured lending (e.g. reverse repos)	-	-	2,435	3,776	-	-	149	231
Inflows from fully performing exposures	1,958	1,866	1,812	1,760	1,247	1,201	1,172	1,142
Other cash inflows	7,396	7,823	8,153	8,623	7,396	7,823	8,153	8,623
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)	-	-	-	-	-	-	-	-
(Excess inflows from a related specialised credit institution)	-	-	-	-	-	-	-	-
Total cash inflows	20,625	23,372	28,332	31,327	17,420	18,324	19,190	20,198
Fully exempt inflows	-	-	-	-	-	-	-	-
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	11,272	13,683	15,932	17,168	8,777	9,299	9,716	10,202
					Total adjusted value			
Liquidity buffer					76,879	80,016	85,402	85,848
Total net cash outflows					33,688	33,361	32,558	30,758
Liquidity coverage ratio (%)					228%	240%	262%	279%

¹⁾ Previously published values for 31 dec 2020, 30 sep 2020 and 30 jun 2020 have been corrected. SBAB does not consider the adjustment to have any significant impact on liquidity risk.

5.2 Liquidity coverage ratio under the CRR, Cont.

In accordance with the EBA's guidelines (EBA/GL/2017/01), detailed information is reported about the liquidity coverage ratio (LCR) as defined in the European Commission delegated regulation (EU) 2015/61. LCR calculates the degree to which a bank's liquid assets cover its net cash flows for the coming 30 days in a stressed scenario and is calculated as liquid assets/(cash outflows - cash inflows). The values presented are simple averages for observations at the end of each month over the 12-month period preceding the end of each quarter.

During the past 12 months, the item "Outflows related to derivative exposures and other collateral requirements" averaged SEK 8 billion. The majority of the amount pertains to derivative liabilities for which SBAB has posted collateral. Slightly more than SEK 599 million corresponds to a simulated outflow as a result of additional collateral being required in extremely stressed market scenarios pursuant to Article 30 (3) of the European Commission delegated regulation (EU) 2015/61.

Parent Company

The information in this report is based on the disclosure requirements under Part 8 of regulation (EU) 575/2013 and Swedish Financial Supervisory Authority's Regulatory Code FFFS 2014:18 and FFFS 2014:12. According to these regulations, SBAB Bank AB (publ) (SBAB) shall publish the structure of own funds, risk exposure amount per exposure class, information about capital adequacy and buffers as well as internally assessed capital re-

quirement. In addition, leverage ratio and detailed information about liquidity coverage ratio are reported on a consolidated level. In accordance with FFFS 2010:7, liquidity reserve is also disclosed.

SBAB reports credit risk mainly in accordance with the IRB approach, and reports operational risk, market risk and CVA risk in accordance with the standardised approach.



1 Capital position

1.1 Capital adequacy

Amendments to the Banking Package

The EU Official Journal has on 7 June 2019 published amendments to the Capital Requirements Regulation, the Capital Requirements Directive and the Bank Recovery & Resolution Directive (the 'Banking Package') which entered into force on 27 June 2019. The Banking Package includes changes to capital requirements and changes in the loss-absorbing and recapitalisation capacity of credit institutions. Most of the changes in the Capital Requirements Regulation entered into force in 28 June 2021. Amendments in Swedish law due to the Capital Adequacy Directive entered into force on 29 December 2020.

Due to the corona pandemic, the EU made amendments to the CRR with effect from 27 June 2020. SBAB was affected by an earlier introduction of a reduction of the capital requirement for loans to small and medium-sized en-

terprises (SME factor). For SBAB the changes has a limited effect on the capital requirement. In addition, adjustments to amortization of intangible assets in the CET1-capital have been implemented by amending the delegated act (EU) 241/2014. The changes have a limited effect on the CET1-capital.

Buffer requirements

During the first quarter 2020, the Swedish FSA reduced the countercyclical buffer requirement for banks from 2.5 percent to 0 percent, due to the current corona pandemic. On 22 March 2021, the Swedish FSA decided to keep the countercyclical capital buffer requirement for banks unchanged at 0 percent. Furthermore, decisions will not be made quarterly but only in the event of a change.

(EU KM1)

SEK million	PARENT COMPANY 30 Jun 2021
Available own funds (amounts)	
Common Equity Tier 1 (CET1) capital	10,579
Tier 1 capital	14,879
Total capital	16,874
Risk-weighted exposure amounts	
Total risk exposure amount	39,630
Capital ratios (as a percentage of risk-weighted exposure amount)	
Common Equity Tier 1 ratio (%)	26.7
Tier 1 ratio (%)	37.5
Total capital ratio (%)	42.6
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)	
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.7
of which: to be made up of CET1 capital (percentage points)	1.5
of which: to be made up of Tier 1 capital (percentage points)	2.0
Total SREP own funds requirements (%)	10.7
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)	
Capital conservation buffer (%)	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-
Institution specific countercyclical capital buffer (%)	0.0
Systemic risk buffer (%)	-
Global Systemically Important Institution buffer (%)	-
Other Systemically Important Institution buffer (%)	-
Combined buffer requirement (%)	2.5
Overall capital requirements (%)	13.2
CET1 available after meeting the total SREP own funds requirements (%)	20.7

1.1 Capital adequacy, Cont.

SEK million	PARENT COMPANY
	30 Jun 2021
Leverage ratio	
Total exposure measure	147,709
Leverage ratio (%)	10.1
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)	
Additional own funds requirements to address the risk of excessive leverage (%)	–
of which: to be made up of CET1 capital (percentage points)	–
Total SREP leverage ratio requirements (%)	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)	
Leverage ratio buffer requirement (%)	–
Overall leverage ratio requirement (%)	3.0
Liquidity Coverage Ratio	
Total high-quality liquid assets (HQLA) (Weighted value - average)	76,879
Cash outflows - Total weighted value	52,656
Cash inflows - Total weighted value	9,003
Total net cash outflows (adjusted value)	43,653
Liquidity coverage ratio (%)	176.1
Net Stable Funding Ratio	
Total available stable funding	200,905
Total required stable funding	140,935
NSFR ratio (%)	142.6

1.2 Composition of regulatory own funds

Disclosures in accordance with Article 4 of Commission Implementing Regulation (EU) No 637/2021, Annex VII.

(EU CC1)

SEK million	PARENT COMPANY		
	30 Jun 2021	31 Dec 2020	30 Jun 2020
Common Equity Tier 1 (CET1) capital: instruments and reserves			
Capital instruments and the related share premium accounts	1,958	1,958	1,958
Retained earnings	8,833	7,983	8,032
Accumulated other comprehensive income (and other reserves)	162	241	200
Additional Tier 1 instruments	4,300	3,500	3,500
Independently reviewed interim profits net of any foreseeable charge or dividend ¹⁾	-214	973	-161
Common Equity Tier 1 (CET1) capital before regulatory adjustments	15,039	14,655	13,529
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	-66	-71	-78
Intangible assets (net of related tax liability) (negative amount)	-3	-14	-21
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	-51	-89	-117
Negative amounts resulting from the calculation of expected loss amounts	-18	-39	-35
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-22	-25	-25
Additional Tier 1 instruments in equity	-4,300	-3,500	-3,500
Other regulatory adjustments ²⁾	0	-	-
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-4,460	-3,738	-3,776
Common Equity Tier 1 (CET1) capital	10,579	10,917	9,753
Additional Tier 1 (AT1) capital: instruments			
Capital instruments and the related share premium accounts	4,300	3,500	3,500
– of which, classified as equity under applicable accounting standards	4,300	3,500	3,500
– of which, classified as liabilities under applicable accounting standards	-	-	-
Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1	-	-	-
Additional Tier 1 (AT1) capital before regulatory adjustments	4,300	3,500	3,500
Additional Tier 1 (AT1) capital: regulatory adjustments			
Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	-	-
Additional Tier 1 (AT1) capital	4,300	3,500	3,500
Tier 1 capital (T1=CET1+AT1)	14,879	14,417	13,253
Tier 2 (T2) capital: instruments			
Capital instruments and the related share premium accounts	1,995	1,995	4,442
Credit risk adjustments	-	-	-
Tier 2 (T2) capital before regulatory adjustments	1,995	1,995	4,442
Tier 2 (T2) capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	-	-	-
Tier 2 (T2) capital	1,995	1,995	4,442
Total capital (TC=T1+T2)	16,874	16,412	17,685
Total risk-exposure amount	39,630	38,322	39,897

1.2 Own funds, Cont.

SEK million	PARENT COMPANY		
	30 Jun 2021	31 Dec 2020	30 Jun 2020
Capital ratios and requirements including buffers			
Common Equity Tier 1 capital	27.6	28.5	24.4
Tier 1 capital	37.5	37.6	33.2
Total capital	42.6	42.8	44.4
Institution CET1 overall capital requirements	7.0	7.0	7.0
– of which: capital conservation buffer requirement	2.5	2.5	2.5
– of which: countercyclical buffer requirement	0.0	0.0	0.0
– of which: systemic risk buffer requirement	–	–	–
– of which: G-SII buffer or O-SII buffer requirement	–	–	–
– of which: additional own funds requirements to address the risk other than the risk of excessive leverage	–	–	–
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	22.2	24.0	19.9
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2014 and 1 January 2022)			
Current cap on AT1 instruments subject to phase-out arrangements	–	–	–
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–	–	–
Current cap on T2 instruments subject to phase-out arrangements	–	–	–

1) The results have been verified by Deloitte AB pursuant to Article 26, Point 2a of the Capital Requirements Regulation.

2) There are no results that generates deduction of NPL backstop since entry into force.

1.3 Risk exposure amounts and capital requirements

Risk exposure amounts and capital requirements

SEK million	PARENT COMPANY					
	30 Jun 2021		31 Dec 2020		30 Jun 2020	
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement
Credit risk recognised in accordance with IRB approach						
Exposures to corporates	7,641	612	7,740	619	8,003	640
Retail exposures	1,105	88	941	75	1,028	82
– of which, exposures to SMEs	81	6	58	5	88	7
– of which, retail exposures secured by immovable property	1,024	82	883	70	940	75
Total exposures recognised with the IRB approach	8,746	700	8,681	694	9,031	722
Credit risk recognised with the standardised approach						
Exposures to governments and central banks	0	0	0	0	0	0
Exposures to regional governments or local authorities or agencies	0	0	0	0	0	0
Exposures to multilateral development banks	0	0	0	0	0	0
Exposures to international organisations	0	0	0	0	0	0
Exposures to institutions ¹⁾	3,361	269	3,934	315	4,406	352
– of which, derivatives according to CRR, Appendix 2	3,324	266	3,899	312	4,367	349
– of which, repos	37	3	19	2	29	2
– of which, other	0	0	16	1	10	1
Retail exposures	2,842	227	2,613	209	2,455	196
Exposures in default	6	0	7	1	7	1
Exposures in the form of covered bonds	3,709	297	3,738	299	3,822	306
Exposures to institutions and corporates with a short-term credit rating	34	4	11	1	118	9
Equity exposures	12,431	994	11,566	925	11,566	925
Other items	143	11	96	7	131	11
Total exposures recognised with standardised approach	22,526	1,802	21,965	1,757	22,505	1,800
Market risk	111	9	74	6	116	9
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	111	9	74	6	116	9
Operational risk	2,567	205	2,148	172	2,148	172
– of which, standardised approach	2,567	205	2,148	172	2,148	172
Credit valuation adjustment risk (CVA risk)	680	54	1,286	103	1,714	137
Additional requirements under Article 458 of the CRR	4,816	385	3,992	320	4,207	338
Additional requirements under Article 3 of the CRR	184	15	176	14	176	14
Total risk exposure amount and minimum capital requirements	39,630	3,170	38,322	3,066	39,897	3,192
Capital requirements for capital conservation buffer		991		958		997
Capital requirements for countercyclical buffer		7		7		5
Total capital requirements		4,168		4,031		4,194

1) The risk exposure amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 3,361 million (3,934).

1.4 Internally calculated capital requirements per risk type

For the Parent Company, SBAB Bank AB (publ), the internal capital requirement amounted to SEK 5,656 million.

1.5 Leverage ratio

Leverage ratio for the Parent Company, calculated according to article 429 in Regulation (EU) No 575/2013 of the European Parliament and of the council (CRR), amounted to 10.07 percent.



Financial calender

SBAB Interim Report Jan–Jun 2021	16 Jul 2021
SBAB Interim Report Jan–Sep 2021	26 Oct 2021
SBAB Year-end Report 2021	3 Feb 2022

Credit ratings

	Moody's	Standard & Poor's
Long-term funding, SBAB	A1	A
Long-term funding, SCBC	Aaa	-
Short-term funding, SBAB	P-1	A-1



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