

Disclosure of capital, liquidity and leverage ratio

September 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 corona pandemic. The Swedish FSA announced on 29 September 2021 an increase in the countercyclical capital buffer requirement to 1 percent with application from 29 September 2022.

(EU KM1)

SEK million	CONSOLIDATED SITUATION	
	30 Sep 2021	30 Jun 2021
Available own funds (amounts)		
Common Equity Tier 1 (CET1) capital	18,318	18,039
Tier 1 capital	22,618	22,339
Total capital	24,613	24,334
Risk-weighted exposure amounts		
Total risk exposure amount	137,666	138,024
Capital ratios (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	13.3	13.1
Tier 1 ratio (%)	16.4	16.2
Total capital ratio (%)	17.9	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 (%)	3.4	1.6
of which: to be made up of CET1 capital (percentage points)	2.2	0.9
of which: to be made up of Tier 1 capital (percentage points)	2.5	1.2
Total SREP own funds requirements (%)	11.4	9.6
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)		
Capital conservation buffer (%)	2.5	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	–	–
Institution specific countercyclical capital buffer (%)	0.0	0.0
Systemic risk buffer (%)	–	–
Global Systemically Important Institution buffer (%)	–	–
Other Systemically Important Institution buffer (%)	–	–
Combined buffer requirement (%)	2.5	2.5
Overall capital requirements (%)	13.9	12.1
CET1 available after meeting the total SREP own funds requirements (%)	6.6	7.7

1.1

Key metrics, Cont.

SEK million	CONSOLIDATED SITUATION	
	30 Sep 2021	30 Jun 2021
Leverage ratio		
Total exposure measure	581,249	558,051
Leverage ratio (%)	3.9	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	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	3.0
Liquidity Coverage Ratio		
Total high-quality liquid assets (HQLA) (Weighted value - average)	77,236	76,879
Cash outflows - Total weighted value	42,713	42,464
Cash inflows - Total weighted value	8,722	8,777
Total net cash outflows (adjusted value)	33,991	33,687
Liquidity coverage ratio (%)	227.2	228.2
Net Stable Funding Ratio		
Total available stable funding	483,891	469,032
Total required stable funding	360,419	351,207
NSFR ratio (%)	134.3	133.5

1.2 Composition of regulatory own funds - Consolidated situation

(EU CC1)

SEK million	CONSOLIDATED SITUATION		
	30 Sep 2021	31 Dec 2020	30 Sep 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	15,701	13,995	14,041
Accumulated other comprehensive income (and other reserves)	1,335	2,321	2,550
Independently reviewed interim profits net of any foreseeable charge or dividend ¹⁾	989	1,855	821
Common Equity Tier 1 (CET1) capital before regulatory adjustments	19,983	20,129	19,370
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	-57	-51	-54
Intangible assets (net of related tax liability) (negative amount)	-262	-204	-226
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	-1,281	-2,307	-2,605
Negative amounts resulting from the calculation of expected loss amounts	-42	-51	-45
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-23	-24	-21
Other regulatory adjustments ²⁾	-	-	-
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-1,665	-2,637	-2,951
Common Equity Tier 1 (CET1) capital	18,318	17,492	16,419
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)	22,618	20,992	19,919
Tier 2 (T2) capital: instruments			
Capital instruments and the related share premium accounts	1,995	1,995	1,995
Credit risk adjustments	0	5	5
Tier 2 (T2) capital before regulatory adjustments	1,995	2,000	2,000
Tier 2 capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	-	-	-
Tier 2 (T2) capital	1,995	2,000	2,000
Total capital (TC=T1+T2)	24,613	22,992	21,919
Total risk-exposure amount	137,666	130,267	129,424

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

SEK million	CONSOLIDATED SITUATION		
	30 Sep 2021	31 Dec 2020	30 Sep 2020
Capital ratios and requirements including buffers %			
Common Equity Tier 1 capital	13.3	13.4	12.7
Tier 1 capital	16.4	16.1	15.4
Total capital	17.9	17.6	16.9
Institution-CET1 overall capital requirements	9.2	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	2.2	–	–
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	6.6	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 Sep 2021		30 Jun 2021	
	Total risk exposure amounts	Total own funds requirements	Total risk exposure amounts	Total own funds requirements
Credit risk (excl. counterparty risk)	37,688	3,015	39,675	3,174
– of which, the standardised approach	6,876	550	9,205	736
– of which, the Foundation IRB(F-IRB) approach	18,197	1,456	17,969	1,438
– of which, the Advanced IRB (A-IRB) approach	12,615	1,009	12,501	1,000
Counterparty credit risk- CCR	5,413	433	6,152	492
– of which, standardised approach	1,036	83	1,165	93
– of which exposures to a CCP	2,844	227	2,857	229
– of which, credit valuation adjustment risk (CVA)	1,533	123	2,130	170
Market risk	348	28	352	28
– of which, the standardised approach	348	28	352	28
Operational risks	5,547	444	5,547	444
– of which, the standardised approach	5,547	444	5,547	444
Additional stricter prudential requirements under Article 458 of the CRR	86,765	6,941	85,008	6,801
Additional stricter prudential requirements under Article 3 of the CRR	1,905	152	1,290	103
Total	137,666	11,013	138,024	11,042

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

under Pillar 1, since 31 March 2019 amounted to SEK 1,905 million in September 2021. 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 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 Sep 2021		31 Dec 2020		30 Sep 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	18,197	1,456	16,578	1,326	15,462	1,237
Retail exposures	12,615	1,009	12,181	975	12,447	996
– of which, exposures to SMEs	985	79	913	73	926	74
– of which, retail exposures secured by immovable property	11,639	930	11,268	902	11,521	922
Total exposures recognised with the IRB approach	30,812	2,465	28,759	2,301	27,909	2,233
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⁾	3,880	310	4,042	323	4,488	359
– of which, derivatives according to CRR, Appendix 2	3,762	301	4,014	321	4,461	357
– of which, repos	118	9	28	2	27	2
– of which, other	0	0	0	0	0	0
Retail exposures	2,669	214	2,613	209	2,520	202
Exposures in default	5	0	7	1	7	1
Exposures in the form of covered bonds	3,537	283	3,738	299	3,796	304
Exposures to institutions and corporates with a short-term credit rating	72	6	10	1	28	2
Equity exposures	175	14	1,266	101	1,266	101
Other items	418	33	327	26	502	40
Total exposures recognised with standardised approach	10,756	860	12,003	960	12,607	1,009
Market risk	348	28	348	28	759	61
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	348	28	348	28	759	61
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)	1,533	123	1,504	120	1,989	159
Additional requirements under Article 458 of the CRR	86,765	6,941	81,649	6,532	80,156	6,412
Additional requirements under Article 3 of the CRR	1,905	152	792	63	792	63
Total risk exposure amount and minimum capital requirements	137,666	11,013	130,267	10,421	129,424	10,354
Capital requirements for capital conservation buffer		3,442		3,257		3,236
Capital requirements for countercyclical buffer		18		17		18
Total capital requirements		14,473		13,695		13,608

1) The risk-weighted amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 3,880 million (4,042).

1.5

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

(EUCCyB1)

SEK million	CONSOLIDATED SITUATION												
	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	33,650	522,411	-	-	-	556,061	2,953	-	-	2,953	36,911	97.94	0.00
Norway	4,837	-	-	-	-	4,837	39	-	-	39	483	1.28	1.00
Danmark	2,619	-	-	-	-	2,619	21	-	-	21	262	0.69	0.00
Canada	308	-	-	-	-	308	2	-	-	2	31	0.08	0.00
Total	41,414	522,411	-	-	-	563,825	3,015	-	-	3,015	37,687	100.00	-

1.6

Amount of institution-specific countercyclical capital buffer

(EU CCyB2)

SEK million	CONSOLIDATED SITUATION
Total risk exposure amount	137,666
Institution specific countercyclical capital buffer rate	0.01
Institution specific countercyclical capital buffer requirement	18

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 3.89 percent.

(EU LR1- LRSum)

SEK million	CONSOLIDATED SITUATION Applicable amount
Total assets as per published financial statements	557,828
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-11
(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	-4 421
Adjustment for securities financing transactions (SFTs)	-8 894
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	17,625
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-56
(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	19,178
Total exposure measure	581,249

1.8 Leverage ratio common disclosure

(EU LR2-LRCom)

SEK million	CONSOLIDATED SITUATION	
	CRR leverage ratio exposures	
	30 Sep 2021	31 Jun 2021
On-balance sheet exposures (excluding derivatives and SFTs)		
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	554,568	533,967
Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	672	759
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-892	-1,059
(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)	-262	-243
Total on-balance sheet exposures (excluding derivatives and SFTs)	554,086	533,425
Derivative exposures		
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	924	1,373
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	2,435	2,417
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
Exposure determined under Original Exposure Method	-	-
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
Total derivatives exposures	3,359	3,790
Securities financing transaction (SFT) exposures		
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	21,247	18,091
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-15,071	-15,082
Counterparty credit risk exposure for SFT assets	3	3
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	6,179	3,012
Other off-balance sheet exposures		
Off-balance sheet exposures at gross notional amount	75,777	76,894
(Adjustments for conversion to credit equivalent amounts)	-58,152	-59,070
(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
Off-balance sheet exposures	17,625	17,824
Excluded exposures		
(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
(Excluded guaranteed parts of exposures arising from export credits)	-	-
(Excluded excess collateral deposited at triparty agents)	-	-

1.8 Leverage ratio common disclosure, Cont.

SEK million	CONSOLIDATED SITUATION	
	CRR leverage ratio exposures	
	30 Sep 2021	31 Jun 2021
(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	–	–
(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	–	–
(Reduction of the exposure value of pre-financing or intermediate loans)	–	–
(Total exempted exposures)	–	–
Capital and total exposure measure		
Tier 1 capital	22,618	22,339
Total exposure measure	581,249	558,051
Leverage ratio		
Leverage ratio (%)	3.89	4.00
Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	3.89	4.00
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	3.89	4.00
Regulatory minimum leverage ratio requirement (%)	3.00	3.00
Additional own funds requirements to address the risk of excessive leverage (%)	–	–
of which: to be made up of CET1 capital	–	–
Leverage ratio buffer requirement (%)	–	–
Overall leverage ratio requirement (%)	3.00	3.00
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	5,950	3,169
Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	6,176	3,009
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)	581,023	558,211
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)	581,023	558,211
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)	3.89	4.00
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)	3.89	4.00

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 3.89 percent on 30 September 2021 in comparison to 4.00 percent on 30 June 2021. This change is explained by:

- The Tier 1 capital has increased due to accrued earnings, which had a positive impact on the leverage ratio by 0.05 percent.
- The effect on the exposure measure attributable to SFTs has increased and impacted the ratio negatively by 0.02 percent.
- The effect on the exposure measure attributable to Derivatives has decreased and impacted the ratio positively by 0.00 percent.
- The effect on the exposure measure attributable to off balance items has decreased and impacted the ratio positively by 0.00 percent..
- The effect on the exposure measure attributable to other assets has increased and impacted the ratio negatively by 0.14 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:	549,718
Trading book exposures	–
Banking book exposures, of which:	549,718
Covered bonds	35,375
Exposures treated as sovereigns	62,241
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	–
Institutions	2
Secured by mortgages of immovable properties	447,559
Retail exposures	3,223
Corporate	–
Exposures in default	183
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	1,135

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 17,028 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 September 2021 amounted to SEK 19,085 million, of which SEK 4,612 million comprised the capital requirement in Pillar 2. 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.

SEK million		CONSOLIDATED SITUATION			
		30 Sep 2021		31 Dec 2020	
		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	3,448	2.5	3,381	2.6
	Market risk	28	0.0	28	0.0
	Operational risk	444	0.3	417	0.3
	Risk-weight floor ¹⁾	6,941	5.1	6,532	5.0
	Surcharge, corporate exposures ²⁾	152	0.1	63	0.1
	Total Pillar 1	11,013	8.0	10,421	8.0
Pillar 2	Credit risk	1,127	0.9	1,124	0.9
	Market risk	1,428	1.0	387 ³⁾	0.3 ³⁾
	Operational risk	-	-	-	-
	Pension risk	-	-	-	-
	Total Pillar 2	2,555	1.9	1,511³⁾	1.2³⁾
Buffers	Capital conservation buffer	3,442	2.5	3,257	2.5
	Capital planning buffer	-	-	-	-
	Countercyclical buffer	18	0.0	17	0.0
	Total Buffers	3,460	2.5	3,274	2.5
	Total	17,028	12.4	15,206³⁾	11.7³⁾
	Total own funds	24,613		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. The Swedish FSA then decided to extend the capital requirement of the risk weight floor in Pillar 1 until 30 December 2021. In September 2021, the Swedish FSA notified the European Commission and the European Systemic Risk Board (ESRB) that it intends to adopt a decision to extend the current risk weight floor for Swedish Mortgages for a period of another two years, in accordance with Article 458 of the CRR.

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	44,961	-	44,961	-	-	-
Regional government or local authorities	13,508	-	13,959	-	-	-
Multilateral development banks	1,433	-	1,433	-	-	-
International organisations	1,888	-	1,888	-	-	-
Institutions ¹⁾	2	-	2	-	0	20
Corporates	-	-	-	-	-	-
Retail	3,224	1,675	3,224	335	2,669	75
Exposures in default	5	-	5	-	5	101
Covereds bonds	35,375	-	35,375	-	3,537	10
Institutions and corporates with a short-term credit assessment	198	-	198	-	72	36
Equity	175	-	175	-	175	100
Other items	762	-	762	-	417	55
Total	101,531	1,675	101,981	335	6,875	7

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	44,961	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,961	-
Regional governments or local authorities	13,959	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,959	-
Multilateral development banks	1,433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,433	-
International organisations	1,888	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,888	-
Institutions ¹⁾	-	-	-	-	1,047	-	7,341	-	-	-	-	-	-	-	-	-	8,388	-
Corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	3,559	-	-	-	-	-	-	-	3,559	3,559
Exposures in default	-	-	-	-	-	-	-	-	-	5	0	-	-	-	-	-	5	5
Covered bonds	-	-	-	35,375	-	-	-	-	-	-	-	-	-	-	-	-	35,375	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	90	-	108	-	-	-	-	-	-	-	-	-	198	-
Equity	-	-	-	-	-	-	-	-	-	175	-	-	-	-	-	-	175	-
Other items	345	-	-	-	-	-	-	-	-	417	-	-	-	-	-	-	762	762
Total	62,586	-	-	35,375	1,137	-	7,449	-	3,559	597	0	-	-	-	-	-	110,703	4,326

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	33,105	845	20	33,265	0.09	187	35.1	2.5	5,037	15	11	1
	<i>0.00 to <0.10</i>	<i>33,105</i>	<i>845</i>	<i>20</i>	<i>33,265</i>	<i>0.09</i>	<i>187</i>	<i>35.1</i>	<i>2.5</i>	<i>5,037</i>	<i>15</i>	<i>11</i>	<i>1</i>
	<i>0.10 to <0.15</i>	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	10,753	–	–	10,753	0.21	98	35.4	2.5	2,492	23	7	1
	0.25 to <0.50	3,277	–	–	3,277	0.45	74	35.6	2.5	1,114	34	5	1
	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	223	–	–	223	1.16	16	39.0	2.5	124	56	1	0
	<i>0.75 to <1.75</i>	<i>223</i>	–	–	<i>223</i>	<i>1.16</i>	<i>16</i>	<i>39.0</i>	<i>2.5</i>	<i>124</i>	<i>56</i>	<i>1</i>	<i>0</i>
	Of which, Corporate SME	–	–	–	–	–	–	–	–	–	–	–	–
	2.50 to <10.00	73	–	–	71	3.05	6	35.1	2.5	44	62	1	0
	<i>2.5 to <5</i>	<i>73</i>	–	–	<i>71</i>	<i>3.05</i>	<i>6</i>	<i>35.1</i>	<i>2.5</i>	<i>44</i>	<i>62</i>	<i>1</i>	<i>0</i>
	<i>5 to <10</i>	<i>0</i>	–	–	<i>0</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	47,575	845	20	47,733	0.23	385	35.2	2.5	9,010	19	39	5
Corporates (foundation approach)	0.00 to <0.15	15,406	5,996	75	19,877	0.09	129	40.1	2.5	5,286	27	7	2
	<i>0.00 to <0.10</i>	<i>15,406</i>	<i>5,996</i>	<i>75</i>	<i>19,877</i>	<i>0.09</i>	<i>129</i>	<i>40.1</i>	<i>2.5</i>	<i>5,286</i>	<i>27</i>	<i>7</i>	<i>2</i>
	<i>0.10 to <0.15</i>	–	–	–	–	–	–	–	–	–	–	–	–
	0.15 to <0.25	2,917	1,218	75	3,831	0.21	25	40.0	2.5	1,626	42	3	2
	0.25 to <0.50	1,961	684	75	2,450	0.45	19	42.8	2.5	1,634	67	5	5
	0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	–
	0.75 to <2.50	372	333	75	622	1.16	3	45.0	2.5	640	103	3	4
	<i>0.75 to <1.75</i>	<i>372</i>	<i>333</i>	<i>75</i>	<i>622</i>	<i>1.16</i>	<i>3</i>	<i>45.0</i>	<i>2.5</i>	<i>640</i>	<i>103</i>	<i>3</i>	<i>4</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	20,656	8,232	75	26,781	0.17	177	40.4	2.5	9,187	34	18	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	
Retail (advanced approach)	0.00 to <0.15	37,638	146	87	37,526	0.09	1,270	7.3	–	488	1	2	0	
	0.00 to <0.10	37,638	146	87	37,526	0.09	1,270	7.3	–	488	1	2	0	
	0.10 to <0.15	–	–	–	–	–	–	–	–	–	–	–	–	
	0.15 to <0.25	12,642	116	73	12,614	0.21	565	7.7	–	328	3	2	0	
	0.25 to <0.50	2,741	32	94	2,747	0.45	130	8.9	–	142	5	1	0	
	0.50 till <0.75	–	–	–	–	–	–	–	–	–	–	–	–	
	0.75 to <2.50	92	–	–	92	1.16	16	9.5	–	10	11	0	0	
	0.75 to <1.75	92	–	–	92	1.16	16	9.5	–	10	11	0	0	
	Of which, Retail SME	1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
	2.50 to <10.00	3	–	–	2	3.05	3	10.8	–	0	22	0	0	
	2.5 to <5	3	–	–	2	3.05	3	10.8	–	0	22	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	15.8	–	16	94	8	8	
	Portfolio subtotal		53,133	293	82	52,999	0.17	1,987	7.5	–	985	2	13	8
	Retail (Other)	0.00 to <0.15	234,808	36,592	25	244,011	0.04	142,375	9.9	–	3,066	1	10	5
		0.00 to <0.10	234,808	36,592	25	244,011	0.04	142,375	9.9	–	3,066	1	10	5
0.10 to <0.15		–	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25		50,313	19,908	30	56,259	0.16	35,391	11.6	–	2,364	4	11	10	
0.25 to <0.50		27,712	7,690	27	29,767	0.42	17,775	11.3	–	2,463	8	14	20	
0.50 till <0.75		–	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50		11,342	451	72	11,667	1.55	6,326	11.3	–	2,330	20	20	26	
0.75 to <1.75		11,342	451	72	11,667	1.55	6,326	11.3	–	2,330	20	20	26	
Of which, Retail Other		1.75 to <2.5	–	–	–	–	–	–	–	–	–	–	–	–
2.50 to <10.00		1,619	38	78	1,648	4.17	1,001	11.0	–	573	35	8	11	
2.5 to <5		1,619	38	78	1,648	4.17	1,001	11.0	–	573	35	8	11	
5 to <10		–	–	–	–	–	–	–	–	–	–	–	–	
10.00 till <100.00		965	52	41	985	24.67	721	10.7	–	647	66	26	20	
10 to <20		–	–	–	–	–	–	–	–	–	–	–	–	
20 to <30		965	52	41	985	24.67	721	10.7	–	647	66	26	20	
30.00 to <100.00		–	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)		187	0	10	187	100.00	157	14.4	–	187	100	20	19	
Portfolio subtotal			326,945	64,732	27	344,524	0.29	203,746	10.4	–	11,630	3	109	111
Total (all exposures classes)			448,309	74,102	33	472,036	0.29	206,295	13.9	–	30,812	7	179	136

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

(EU CR8)

SEK million	CONSOLIDATED SITUATION	
	30 Sep 2021	31 Jun 2021
	Risk weight- ed exposure amount	Risk weight- ed exposure amount
Risk exposure amount at the end of the previous quarter	30,470	30,209
Asset size	1,299	1,112
Asset quality	-961	-851
Model updates	-	-
Methodology and policy	-	-
Acquisitions and disposals	-	-
Foreign exchange movements	-	-
Other	4	0
Risk exposure amount at the end of the reporting quarter	30,812	30,470

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	12,328	439,089	430,650	438	-
Debt securities	95,319	-	-	-	-
Total	107,647	439,089	438,650	438	-
<i>Of which non-performing exposures</i>	6	201	201	0	-
<i>Of which defaulted</i>	6	177	177	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	15	67	67	67	0	-3	78	-
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-
Non-financial corporations	7	-	-	-	0	-	7	-
Household	8	67	67	67	0	-3	71	-
Debt securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
Total	15	67	67	67	0	-3	78	-

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			Accumulated 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	1,379	1,379	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	453,219	436,414	16,805	238	-	238	-103	-45	-59	-33	-	-33	-1	-	0	
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Credit institutions	674	674	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	121,203	119,765	1,438	17	-	17	-10	-4	-5	-7	-	-7	-	-	-	
– of which, SMEs	95,056	94,308	748	17	-	17	-6	-3	-3	-7	-	-7	-	-	-	
Household	329,963	314,596	15,367	221	-	221	-94	-40	-53	-26	-	-26	-1	-	0	
Debt securities	49,078	49,078	-	-	-	-	-1	-1	-	-	-	-	-	-	-	
Central banks	19,998	19,998	-	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	16,302	16,302	-	-	-	-	-1	-1	-	-	-	-	-	-	-	
Credit institutions	12,778	12,778	-	-	-	-	0	0	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Off balance sheet exposures	75,777	75,551	227	0	-	0	-14	-13	-1	-0	-	0	-	-	-	
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-financial corporations	9,370	9,173	197	-	-	-	-9	-8	-1	-	-	-	-	-	-	
Household	66,408	66,378	30	0	-	0	-5	-5	0	0	-	0	-	-	-	
Total	579,453	562,422	17,032	238	-	238	-119	-59	-60	-33	-	-33	-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 recognition but not credit-impaired (Stage 2)</i>		<i>Of which: exposure to pay with forbearance measures</i>	<i>Of which: Unlikely to pay that are not past-due or past-due <= 90 days</i>				<i>Of which: Instruments with Of significant exposure credit risk since initial with forbearance measures (Stage 2)</i>		<i>Of which: exposure to pay that are not past-due or past-due <= 90 days</i>		<i>Inflows to non-performing exposures</i>	
Loans and advances subject to moratorium	47,234	47,216	-	2,654	18	-	3	21	20	-	12	2	-	1	17
- of which, households	47,234	47,216	-	2,654	18	-	3	21	20	-	12	2	-	1	17
- of which, collateralised by residential immovable property	47,234	47,216	-	2,654	18	-	3	21	20	-	12	2	-	1	17
- 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	21,597	47,262							
Loans and advances subject to moratorium (granted)	21,597	47,234	47,234	47,234	47,234	-	-	-	-
- of which, households	-	47,234	47,234	47,234	47,234	-	-	-	-
- of which, collateralised by residential immovable property	-	47,234	47,234	47,234	47,234	-	-	-	-
- 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	-	-	-	-	1,045	7,341	-	-	-	-	-	8,386
Corporates	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
Total exposure value	-	-	-	-	1,045	7,341	-	-	-	-	-	8,386

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)	4,163	1,544	-	1.4	7,989	7,989	7,989	3,762
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)	-	-	-	-	397	397	397	118
VaR for SFTs	-	-	-	-	-	-	-	-
Total					8,386	8,386	8,386	3,880

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	-	530	-	334	-	-	-	-
Cash – other currencies	-	5,396	-	1,536	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	2,261	-	9,413	-	10,406
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	-
Total	-	5,926	-	4,131	-	9,413	-	10,406

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		348
Commodity risk		-
Options		
Simplified approach		-
Delta-plus approach		-
Scenario approach		-
Securitisation (specific risk)		-
Total		348

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	-459	-481	1	32
Parallel down	81	98	-1	-32
Steeper	196	125		
Flattener	-665	-529		
Short rates up	-769	-661		
Short rates down	172	163		

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 2021-06-30 the interest rate risk has slightly increased but the worst scenario remain as "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 Sep 2021					31 Dec 2020				
		Total	Distribution by currency				Total	Distribution by currency			
SEK	EUR		USD	Other	SEK	EUR		USD	Other		
	Level 1 assets	93.3	73.6	15.1	4.6	-	67.8	47.6	14.7	5.5	-
	Cash and balances with central banks	2.7	2.7	-	-	-	7.7	7.7	-	-	-
Level 1	Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	45.7	38.4	5.5	1.8	-	13.9	6.6	4.8	2.5	-
	Securities issued by municipalities and PSEs	13.3	4.8	5.8	2.7	-	15.3	6.9	5.5	2.9	-
	Extremely high quality covered bonds	31.6	27.7	3.8	0.1	-	30.9	26.4	4.4	0.1	-
	Other assets	-	-	-	-	-	-	-	-	-	-
	Level 2 assets	2.7	2.4	0.3	-	-	3.1	2.6	0.5	-	-
	Level 2A assets	2.7	2.4	0.3	-	-	3.1	2.6	0.5	-	-
	Securities issued or guaranteed by sovereigns, central banks, municipalities and PSEs	-	-	-	-	-	-	-	-	-	-
	High quality covered bonds	2.7	2.4	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	96.0	76.0	15.4	4.6	-	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 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 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	-	-	-	-	77,236	76,879	80,016	85,402
Cash outflows								
Retail deposits and deposits from small business customers, of which:	112,190	110,925	109,823	108,404	8,881	8,808	8,757	8,693
– Stable deposits	77,993	76,420	74,852	73,153	3,900	3,821	3,743	3,658
– Less stable deposits	33,555	33,777	34,177	34,618	4,981	4,987	5,015	5,035
Unsecured wholesale funding	28,022	28,325	26,788	26,373	12,689	13,198	12,050	11,866
– Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
– Non-operational deposits (all counterparties)	25,302	24,972	24,350	24,008	9,969	9,846	9,612	9,502
– Unsecured debt	2,720	3,353	2,438	2,364	2,720	3,353	2,438	2,364
Secured wholesale funding	-	-	-	-	47	47	39	33
Additional requirements	62,515	60,618	58,386	55,874	14,936	14,314	15,722	15,796
– Outflows related to derivative exposures and other collateral requirements	7,001	8,003	9,319	10,026	7,001	8,003	9,319	10,026
– Outflows related to loss of funding on debt products	5,431	3,874	4,158	3,660	5,431	3,874	4,158	3,660
– Credit and liquidity facilities	50,083	48,741	44,909	42,187	2,504	2,437	2,245	2,109
Other contractual funding obligations	190	182	215	213	13	8	17	17
Other contingent funding obligations	17,354	16,677	16,308	15,702	6,149	6,089	6,075	5,874
Total cash outflows	-	-	-	-	42,713	42,464	42,660	42,274
Cash inflows								
Secured lending (e.g. reverse repos)	-	-	-	2,435	-	-	-	149
Inflows from fully performing exposures	1,999	1,958	1,866	1,812	1,266	1,247	1,201	1,172
Other cash inflows	7,353	7,396	7,823	8,153	7,353	7,396	7,823	8,153
(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	20,170	20,625	23,372	28,332	17,341	17,420	18,324	19,190
Fully exempt inflows	-	-	-	-	-	-	-	-
Inflows subject to 90% cap	-	-	-	-	-	-	-	-
Inflows subject to 75% cap	10,818	11,272	13,683	15,932	8,722	8,777	9,299	9,716
					Total adjusted value			
Liquidity buffer					77,236	76,879	80,016	85,402
Total net cash outflows					33,992	33,688	33,361	32,558
Liquidity coverage ratio (%)					227	228	240	262

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 corona pandemic. The Swedish FSA announced on 29 September 2021 an increase in the countercyclical capital buffer requirement to 1 percent with application from 29 September 2022.

(EU KM1)

SEK million	PARENT COMPANY	
	30 Sep 2021	30 Jun 2021
Available own funds (amounts)		
Common Equity Tier 1 (CET1) capital	10,407	10,579
Tier 1 capital	14,707	14,879
Total capital	16,702	16,874
Risk-weighted exposure amounts		
Total risk exposure amount	37,604	39,630
Capital ratios (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	27.7	26.7
Tier 1 ratio (%)	39.1	37.5
Total capital ratio (%)	44.4	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 (%)	4.6	2.7
of which: to be made up of CET1 capital (percentage points)	2.7	1.5
of which: to be made up of Tier 1 capital (percentage points)	3.5	2.0
Total SREP own funds requirements (%)	12.6	10.7
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)		
Capital conservation buffer (%)	2.5	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-
Institution specific countercyclical capital buffer (%)	0.0	0.0
Systemic risk buffer (%)	-	-
Global Systemically Important Institution buffer (%)	-	-
Other Systemically Important Institution buffer (%)	-	-
Combined buffer requirement (%)	2.5	2.5
Overall capital requirements (%)	15.2	13.2
CET1 available after meeting the total SREP own funds requirements (%)	20.5	20.7

1.1 Capital adequacy, Cont.

SEK million	PARENT COMPANY	
	30 Sep 2021	30 Jun 2021
Leverage ratio		
Total exposure measure	158,213	147,709
Leverage ratio (%)	9.30	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 (%)	3.00	3.00
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)		
Leverage ratio buffer requirement (%)	-	-
Overall leverage ratio requirement (%)	3.00	3.00
Liquidity Coverage Ratio		
Total high-quality liquid assets (HQLA) (Weighted value -average)	77,236	76,879
Cash outflows - Total weighted value	52,419	52,656
Cash inflows - Total weighted value	8,210	9,003
Total net cash outflows (adjusted value)	44,209	43,653
Liquidity coverage ratio (%)	174.7	176.1
Net Stable Funding Ratio		
Total available stable funding	196,729	196,612
Total required stable funding	133,920	140,935
NSFR ratio (%)	146.9	139.5

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 Sep 2021	31 Dec 2020	30 Sep 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	8,808	7,983	8,006
Accumulated other comprehensive income (and other reserves)	157	241	226
Independently reviewed interim profits net of any foreseeable charge or dividend ¹⁾	-356	973	-276
Common Equity Tier 1 (CET1) capital before regulatory adjustments	10,567	11,155	9,914
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	-65	-71	-78
Intangible assets (net of related tax liability) (negative amount)	-14	-14	-15
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	-41	-89	-114
Negative amounts resulting from the calculation of expected loss amounts	-18	-39	-40
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-22	-25	-21
Other regulatory adjustments ²⁾	-	-	-
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-160	-238	-268
Common Equity Tier 1 (CET1) capital	10,407	10,917	9,646
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+A1)	14,707	14,417	13,146
Tier 2 (T2) capital: instruments			
Capital instruments and the related share premium accounts	1,995	1,995	1,995
Credit risk adjustments	-	-	-
Tier 2 (T2) capital before regulatory adjustments	1,995	1,995	1,995
Tier 2 (T2) capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	-	-	-
Tier 2 (T2) capital	1,995	1,995	1,995
Total capital (TC=T1+T2)	16,702	16,412	15,141
Total risk-exposure amount	37,604	38,322	40,059

1.2 Own funds, Cont.

SEK million	PARENT COMPANY		
	30 Sep 2021	31 Dec 2020	30 Sep 2020
Capital ratios and requirements including buffers			
Common Equity Tier 1 capital	27.7	28.5	24.1
Tier 1 capital	39.1	37.6	32.8
Total capital	44.4	42.8	37.8
Institution CET1 overall capital requirements	9.7	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	2.7	–	–
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	20.5	24.0	19.6
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 Sep 2021		31 Dec 2020		30 Sep 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	7,829	626	7,740	619	7,730	618
Retail exposures	1,171	94	941	75	1,044	84
– of which, exposures to SMEs	68	6	58	5	111	9
– of which, retail exposures secured by immovable property	1,103	82	883	70	933	75
Total exposures recognised with the IRB approach	9,000	720	8,681	694	8,774	702
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⁾	3,300	264	3,934	315	4,348	348
– of which, derivatives according to CRR, Appendix 2	3,300	264	3,899	312	4,324	346
– of which, repos	–	–	19	2	12	1
– of which, other	–	–	16	1	12	1
Retail exposures	2,669	214	2,613	209	2,520	202
Exposures in default	5	0	7	1	7	1
Exposures in the form of covered bonds	3,537	283	3,738	299	3,796	304
Exposures to institutions and corporates with a short-term credit rating	19	1	11	1	29	2
Equity exposures	10,475	838	11,566	925	11,566	925
Other items	136	11	96	7	108	10
Total exposures recognised with standardised approach	20,141	1,611	21,965	1,757	22,374	1,792
Market risk	57	5	74	6	81	6
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	57	5	74	6	81	6
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)	630	50	1,286	103	1,728	138
Additional requirements under Article 458 of the CRR	4,935	395	3,992	320	4,778	382
Additional requirements under Article 3 of the CRR	274	22	176	14	176	14
Total risk exposure amount and minimum capital requirements	37,604	3,008	38,322	3,066	40,059	3,206
Capital requirements for capital conservation buffer		940		958		1,001
Capital requirements for countercyclical buffer		7		7		7
Total capital requirements		3,955		4,031		4,214

1) The risk exposure amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 3,300 million (3,918).

1.4 Internally calculated capital requirements per risk type

For the Parent Company, SBAB Bank AB (publ), the internal capital requirement amounted to SEK 6,064 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 9.30 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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