

Investor Presentation

SBAB Bank AB (publ)
Jan-Dec 2019

SBAB!

Executive summary



- 100% owned by the Kingdom of Sweden
- Swedish mortgage portfolio, predominantly residential mortgages. 5th largest residential mortgage provider in Sweden
- Savings accounts offered to retail customers, corporate clients and tenant-owners' associations
- Ecosystem; creating a platform with value adding services relating to housing and household finances
- Financial targets from owner covering profitability, capitalisation & dividend
- Total funding needs for 2020 expected to be around SEK 60 billion

MOODY'S

A1

AAA

STANDARD & POOR'S
RATINGS SERVICES
MUBRAW HILL FINANCIAL

A

Total lending, SEK bn

384

Total deposits, SEK bn

131

SBAB!

booli!

En tjänst från SBAB

hittamäklare!

En tjänst från SBAB

11.7%

Stable profitability
ROE

0.01%

Superior asset quality
ECL

13.1%

Solid capitalisation
CET1 ratio

33.7%

High cost efficiency
C/I ratio



Vision

To offer the best residential mortgages in Sweden

Mission

To contribute to better housing and household finances





Sweden's most satisfied customers

SBAB has Sweden's most satisfied residential mortgage customers according to Swedish Quality Index (Svenskt Kvalitetsindex, SKI), which each year measures customer satisfaction in the banking and finance sector. With a customer satisfaction score of 76.3 out of 100, SBAB ranks well above the sector average of 69.3. For the second consecutive year, SBAB also has Sweden's most satisfied customers in terms of property loans to corporates and tenant-owners' associations.



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About SBAB

SBAB at a glance

- 1 Swedish mortgage bank operating in a supportive macro environment → AAA country with strong fiscal balances and low unemployment
- 2 Supportive ownership structure → SBAB was founded in 1985 & 100% owned by the Kingdom of Sweden. No specific social mandate from owner
- 3 Low risk & stable business model with superior asset quality → Mortgage bank with >98% collateralized lending & <1bps credit losses last 10 years
- 4 Focused strategy of mortgages & housing financing → Home owners, tenant-owners' associations and property companies prime focus. Limited exposure to commercial/SMEs
- 5 Cost efficient lending origination → No traditional retail bank branches, products and services offered online or by telephone. Personal service offered to corporate clients
- 6 Resilient funding model with a stable investor base → Mortgage lending primarily funded by covered bonds (SEK & EUR)
- 7 Proven track record of strong and capable management team → Delivering on financial targets from owner & business targets

Strategic objectives

- Grow market shares over the coming years
- Continue deposit growth in order to reduce reliance on wholesale funding
- Keep strong asset quality with low loan losses & problem loans
- Meet & exceed financial targets from owner;
 - Profitability (RoE > 10%)
 - Capitalisation (CET1 > 0.6% above regulatory requirement from the Swedish FSA)
 - Dividend (40% of profit after tax)
- Ecosystem; creating a platform with value adding services relating to housing and household finances
- Continued focus on sustainability



SBAB assigns priority to four SDGs

The business sector, including SBAB, has an important role to play in achieving the SDGs within the 2030 Agenda. We have identified and chosen four of the 17 SDGs that we consider particularly important and relevant to our operations. The prioritised goals have been chosen based on extensive analysis in the form of internal workshops and ranking exercises within operations, the Executive Management and the Board, and today comprise an important and integrated part of our sustainable governance model.

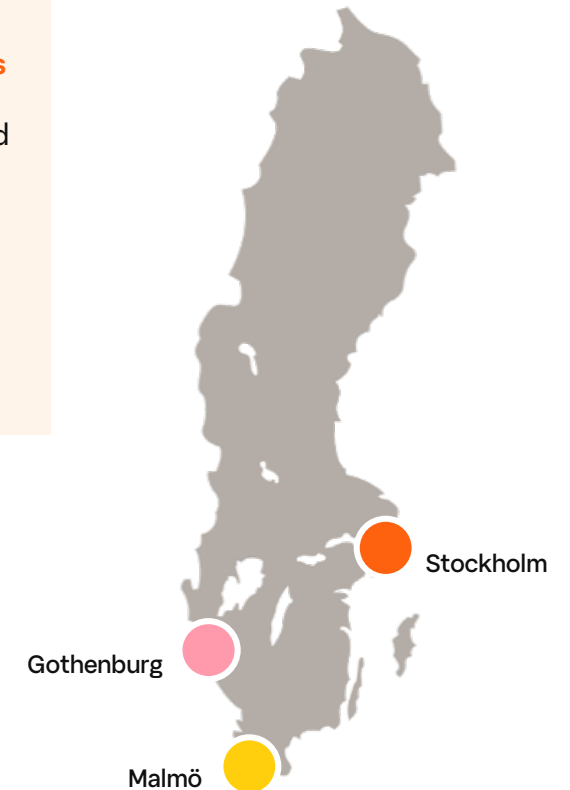
Financial highlights

	2019	2018	YoY ▲	
1 Net interest income	3,473	3,362	+3.3%	→ Primary source of income. Development driven by larger lending volumes. Some margin pressure expected ahead
2 Costs	-1,187	-1,049	+13.2%	→ Continued investments for future competitiveness according to plan (mainly IT, digitalisation & customer offering/experience/service)
3 Credit losses	-26	11	+37 mn	→ Very low credit losses as expected with SBAB's concentration on mortgages
4 Operating profit	2,308	2,241	+3.0%	→ Satisfactory development
5 ROE	11.7%	12.1%	-0.4 pp	→ Risk/return trade off – competitive profitability and returns given SBAB's low risk business. Well above target (>10%) last 5 years
6 C/I ratio	33.7%	32.0%	+1.7 pp	→ Best in class cost efficiency. Successful lending origination through call centre and internet platform
7 CET1 capital ratio	13.1%	12.5%	+0.6 pp	→ Retained earnings in 2019 has strengthened capitalisation. Comfortable margin to external and internal requirements

Business overview

- Founded in 1985 & 100% owned by the Kingdom of Sweden
- Mortgage bank with >98% collateralized lending (SEK 384 billion)
- Straightforward business model (mortgage lending & savings) & customer operations only in Sweden
- 695 employees in five offices
- Two business areas;
 - Retail business area
 - Corporate Clients & Tenant -owners' Associations business area

SBAB's lending is geographically concentrated to the economic hubs in Sweden (metropolitan areas including Stockholm, Gothenburg and Malmö as well as other university cities and growth regions). Lending is only offered in Sweden and in Swedish Kronor (SEK).



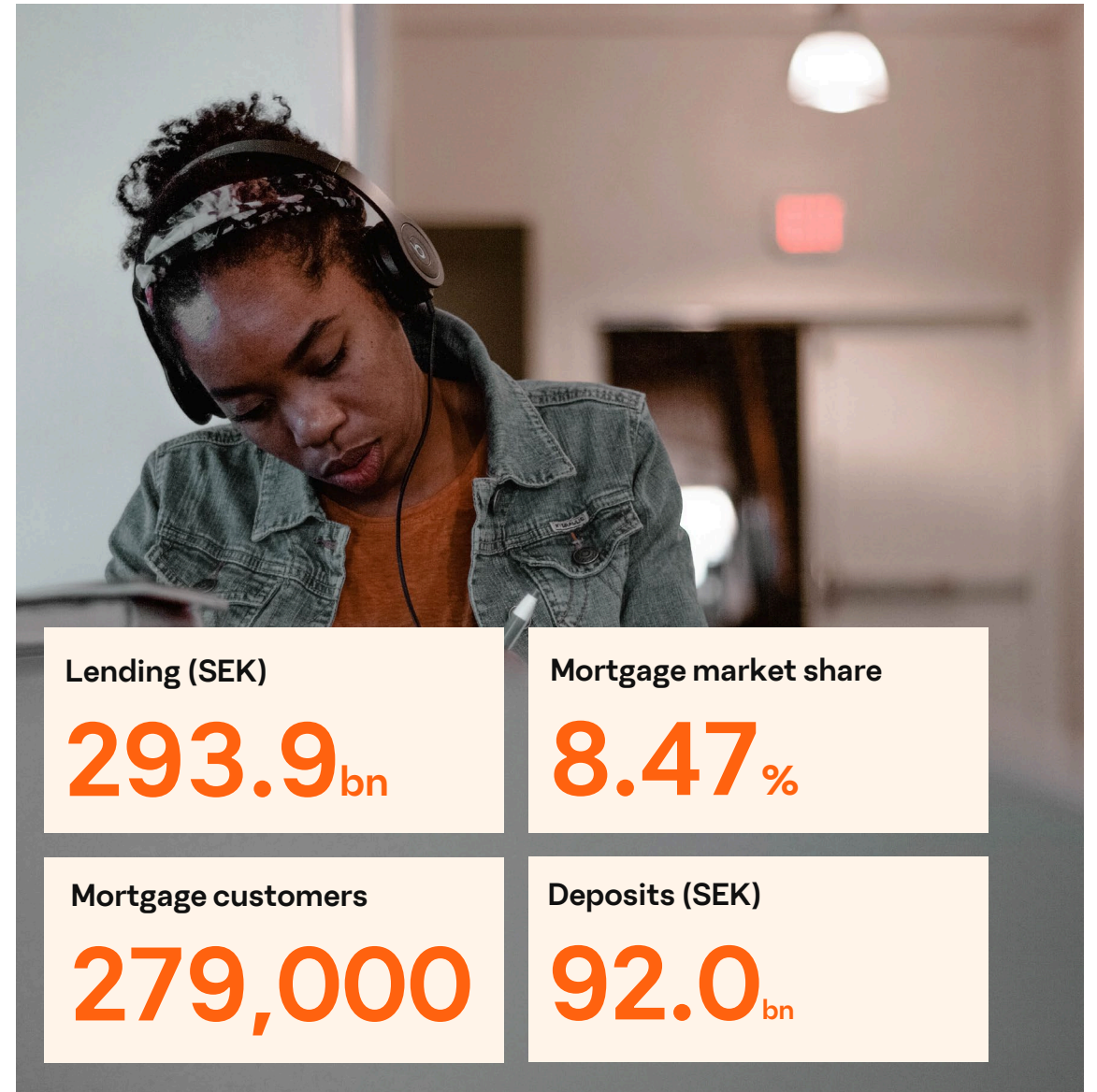
Retail business area

- Services within housing and household finances, such as savings and loan products, insurance mediation, housing search engine services and real estate-agent services. The core product is residential mortgages (5th largest player in Sweden)
- Activities are operated under the SBAB, Booli and HittaMäklare brands
- No traditional bank branches, products and services offered online or by telephone
- Customers primarily located in areas around Stockholm, Gothenburg, Malmö, and other university cities and growth regions

SBAB!

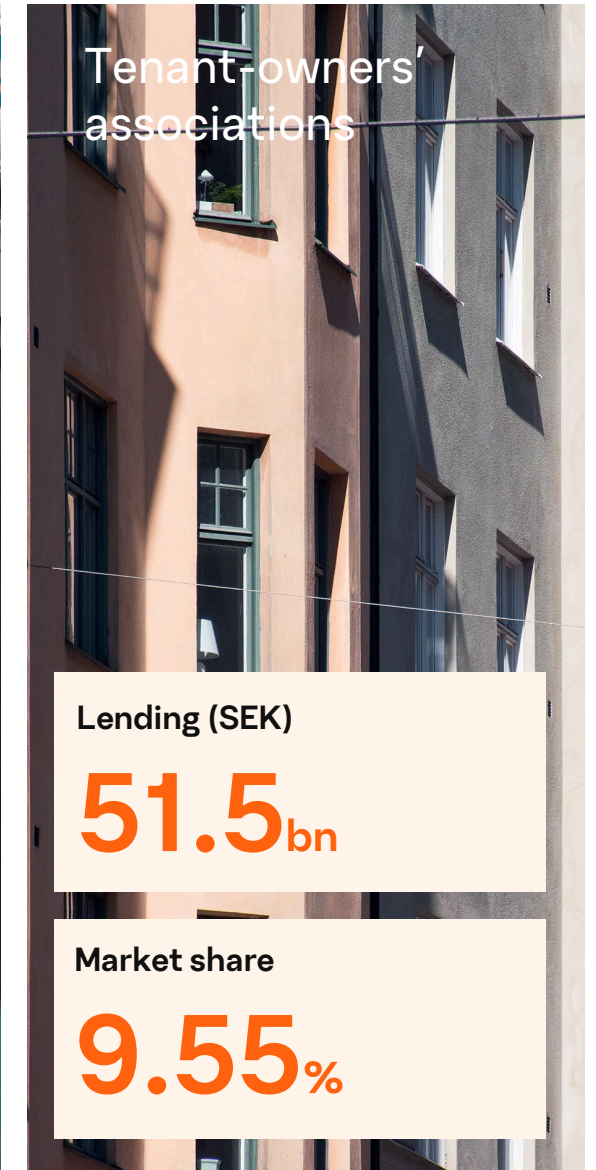
booli!
En tjänst från SBAB

hittamäklare!
En tjänst från SBAB

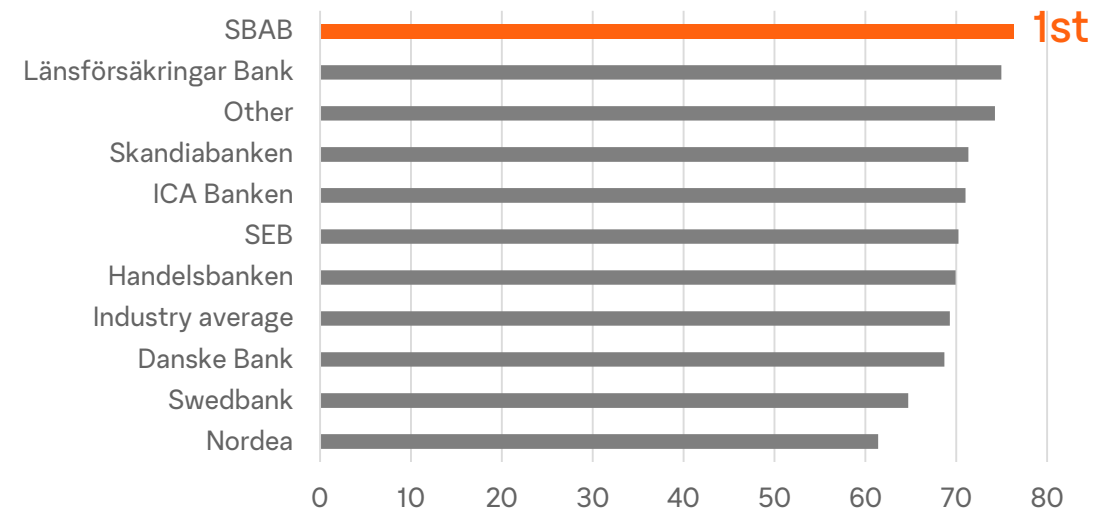
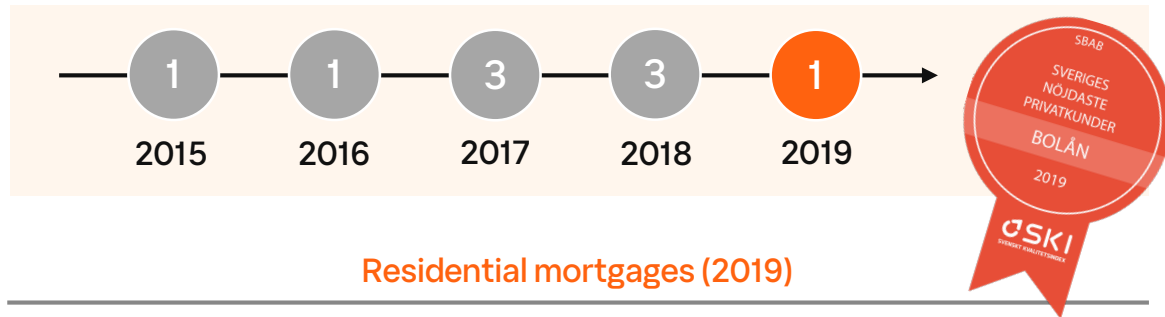


Corporate clients & ToA

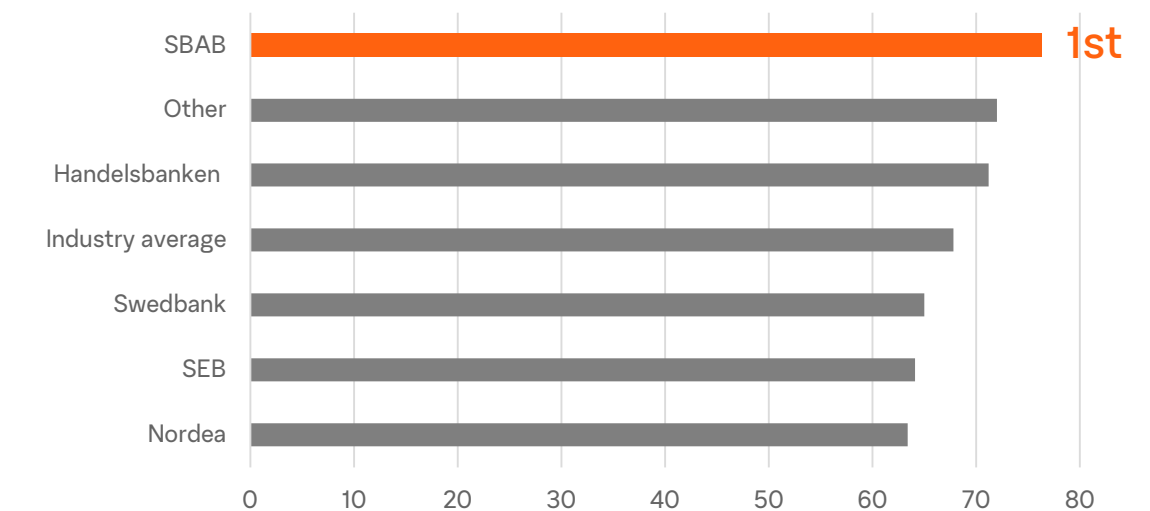
- Housing financing and savings products to **property companies** (“corporates”) and **tenant-owners’ associations**
- Multi-family dwellings, both privately owned and owned by tenant-owners’ associations
- Existing buildings or new construction
- Personal service. Three offices in Stockholm, Gothenburg and Malmö
- Primarily target major residential developers, property owners and tenant-owners’ associations
- Credit granting concentrated to growth regions surrounding our three offices in Stockholm, Gothenburg and Malmö



Customer satisfaction



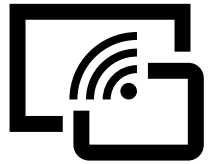
Source: Svenskt Kvalitetsindex (SKI)



31/12/2019



SBAB's value proposition



Accessibility

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



Transparency

Fair prices and appropriate terms and conditions from the start.



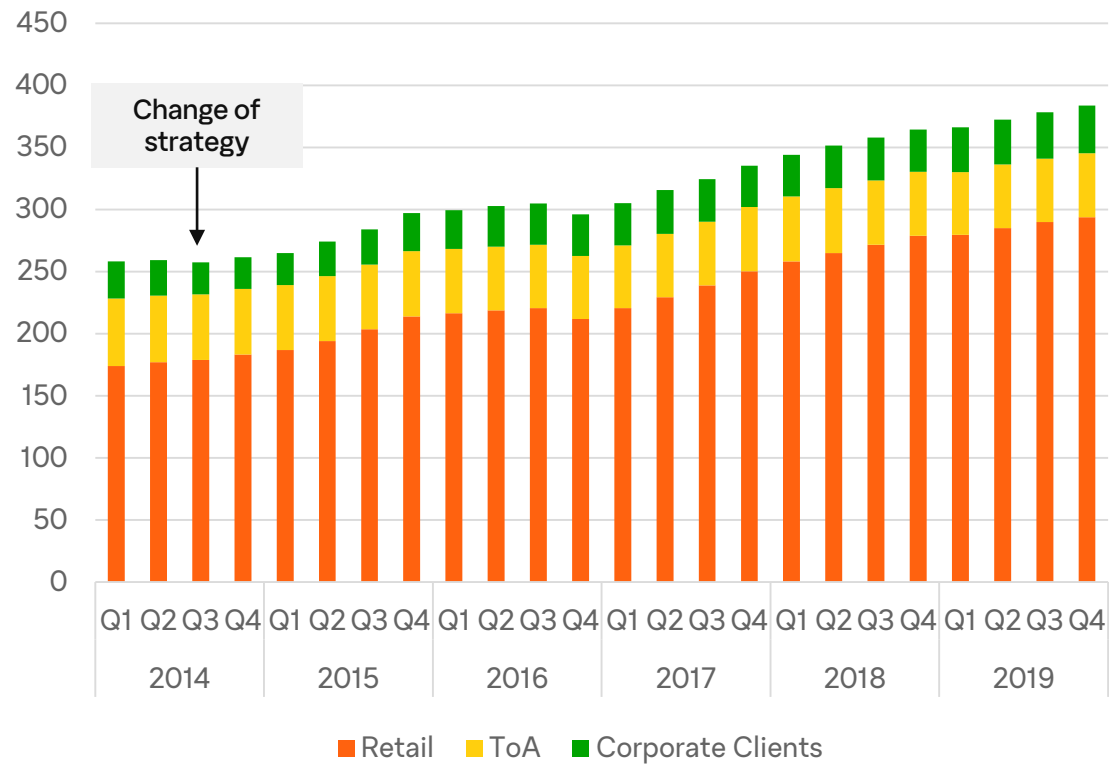
Consideration

Housing specialists who care.

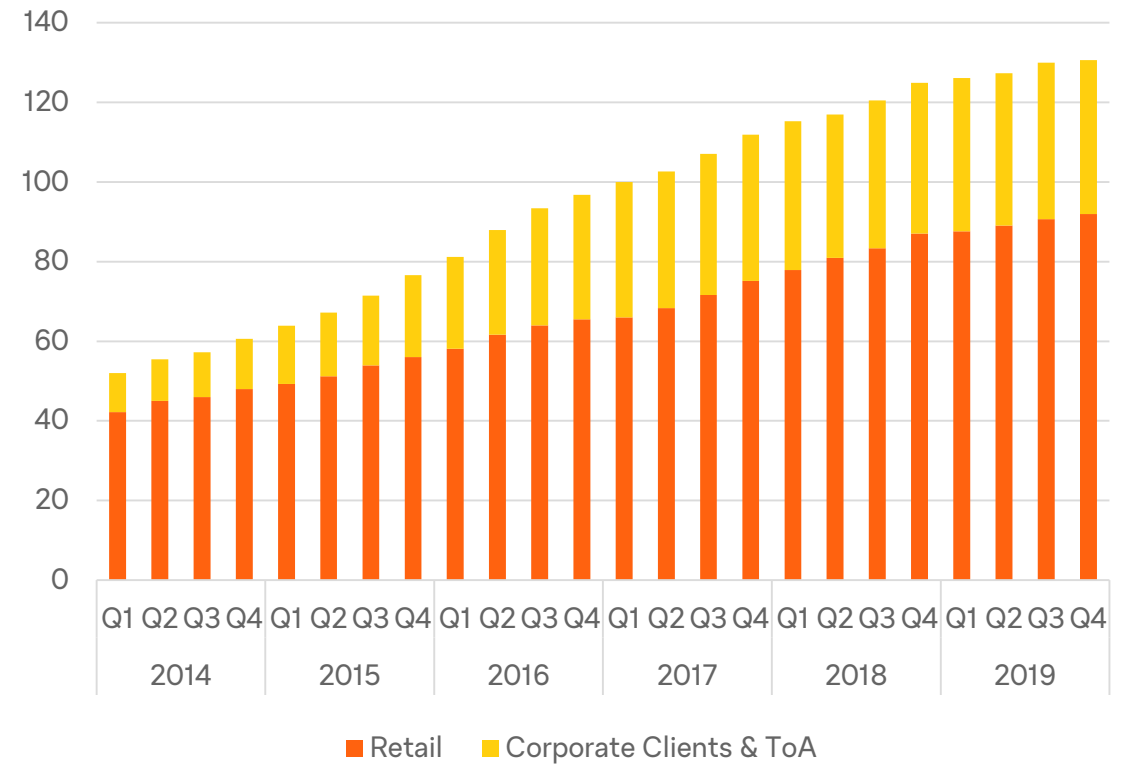


Sustainable & strong growth

Lending (SEK bn)

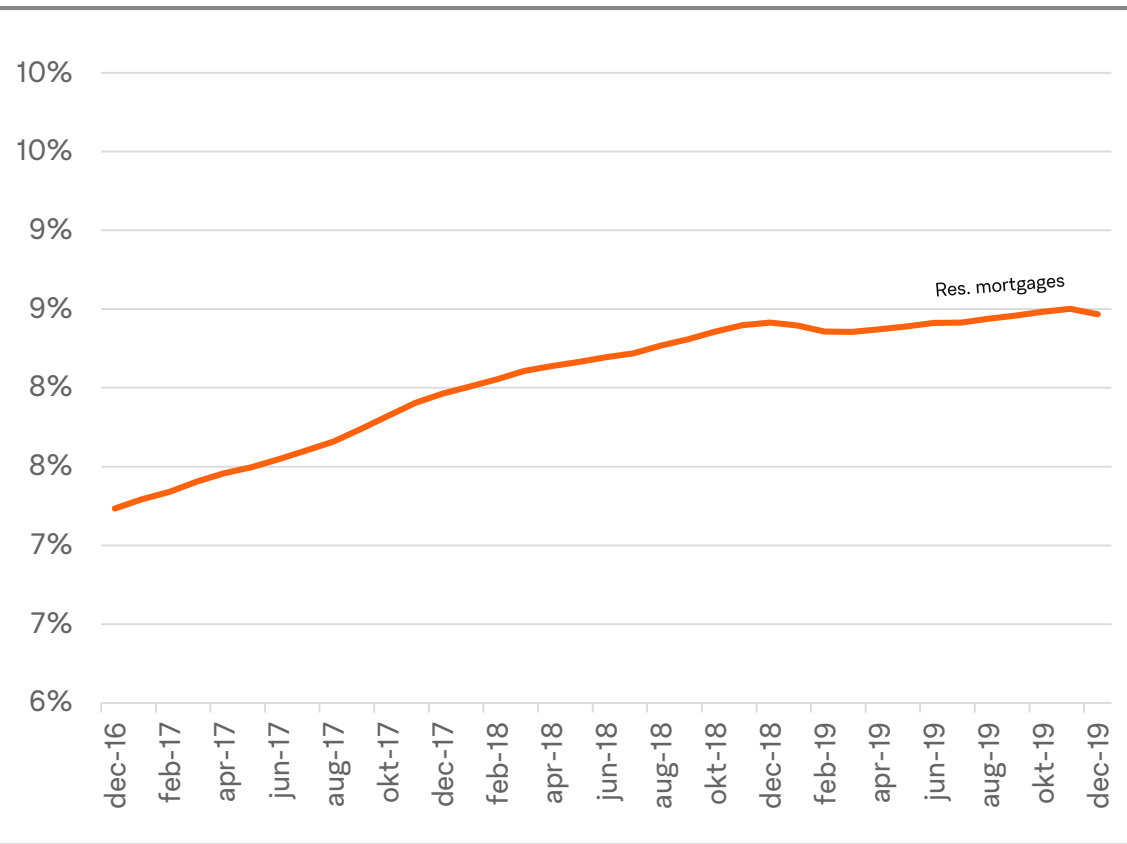


Deposits (SEK bn)

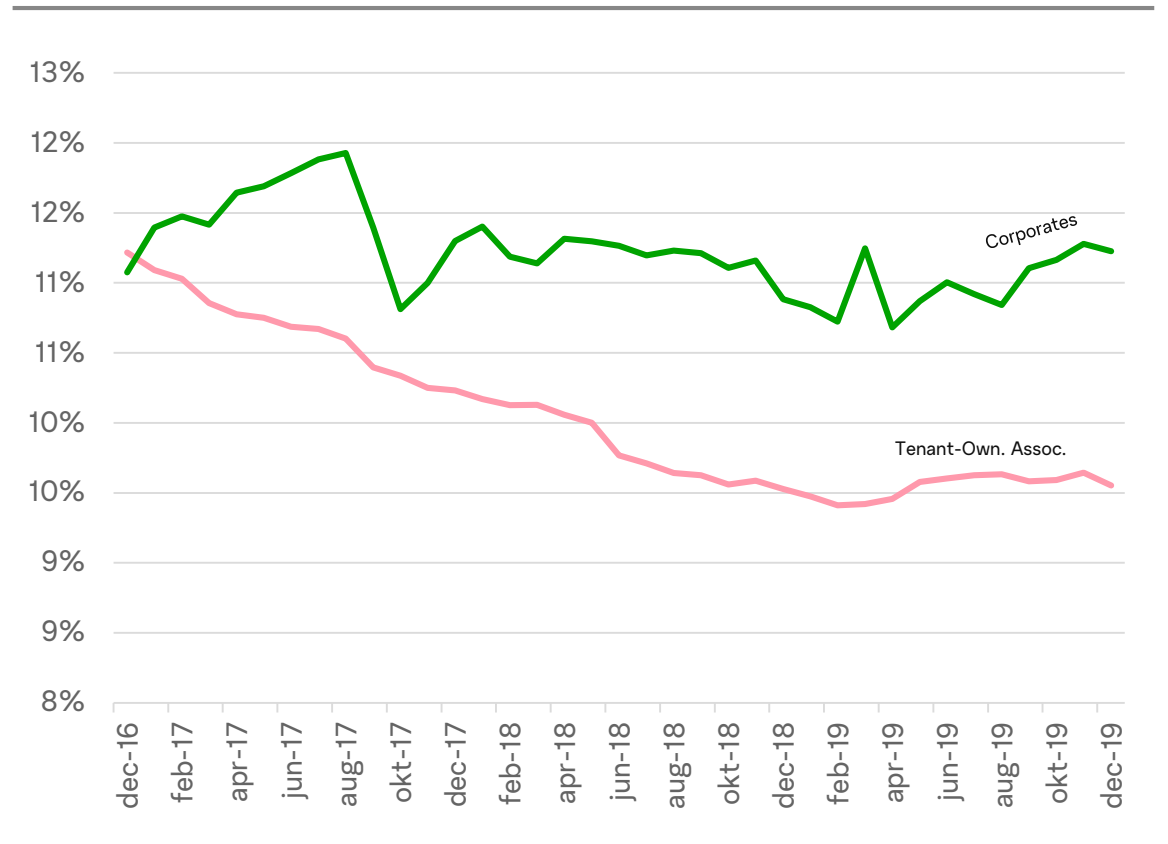


Market share development

Market share, Residential mortgages (Dec 2019)



Market shares, Corporate clients & ToA (Dec 2019)



Swedish mortgages – a low risk business

– Mortgage lending in Sweden a low risk business for a number of structural reasons

Affordability Assessment

Mortgage lending in Sweden is based on household affordability in the long term, i.e. funds left to live on after interest payments (including stressed interest rate), housing expenses and other general living expenses

Credit Information Agency

National computerized data base with information regarding civil status, income and changes in income, assets, debt, payment complaints and recent inquiries at the agency. Used in every credit process regarding loans

Mortgage Deed System

A Mortgage Deed for every house is registered and controlled by the Swedish mapping, cadastral and land registration authority (Lantmäteriet)

Enforcement Authority

Lender can initiate an enforcement order with this office to enforce his claim, this process normally takes up to 90 days

“Originate and hold” model

No “originate to distribute” model, no subprime lending

Restricted Buy-to-Let Market

Restricted buy-to-let market due to regulated rental market and tenant owner subletting restrictions

Personal Liability

A borrower is personally liable even after a default and foreclosure procedure, i.e. full and personal recourse

Social Security

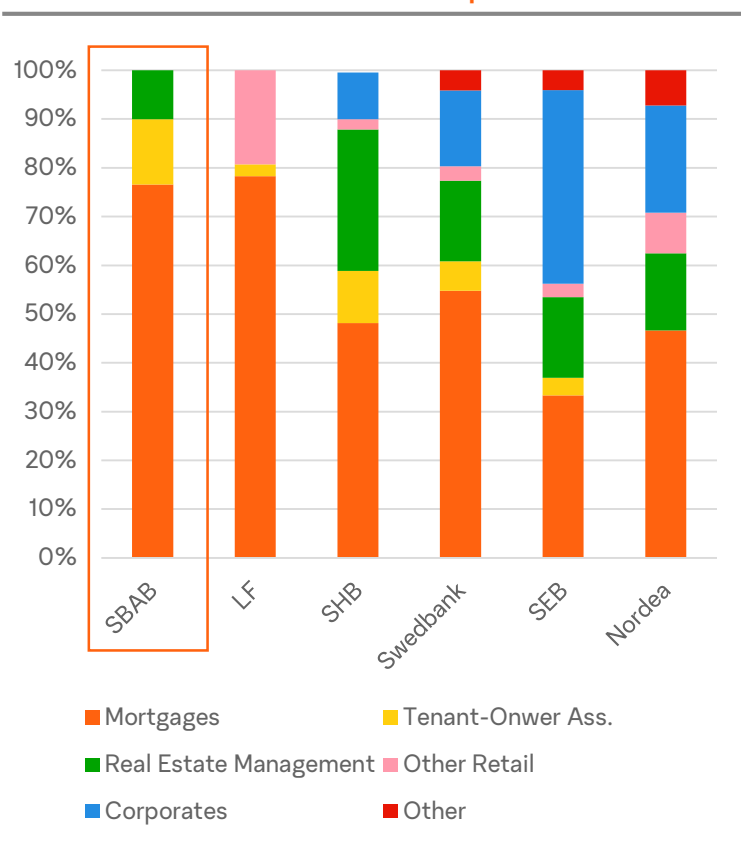
Well developed welfare system raising households’ ability to service debt even during times of unemployment



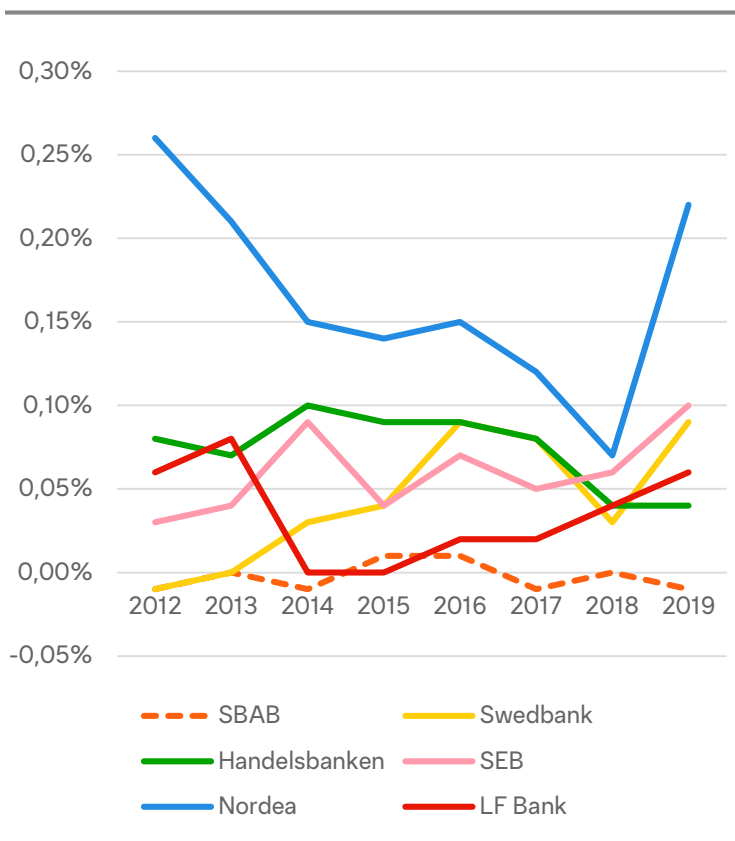
Swedish mortgages – a low risk business

– High concentration on Swedish residential mortgages – very low loan losses/problem loans over time

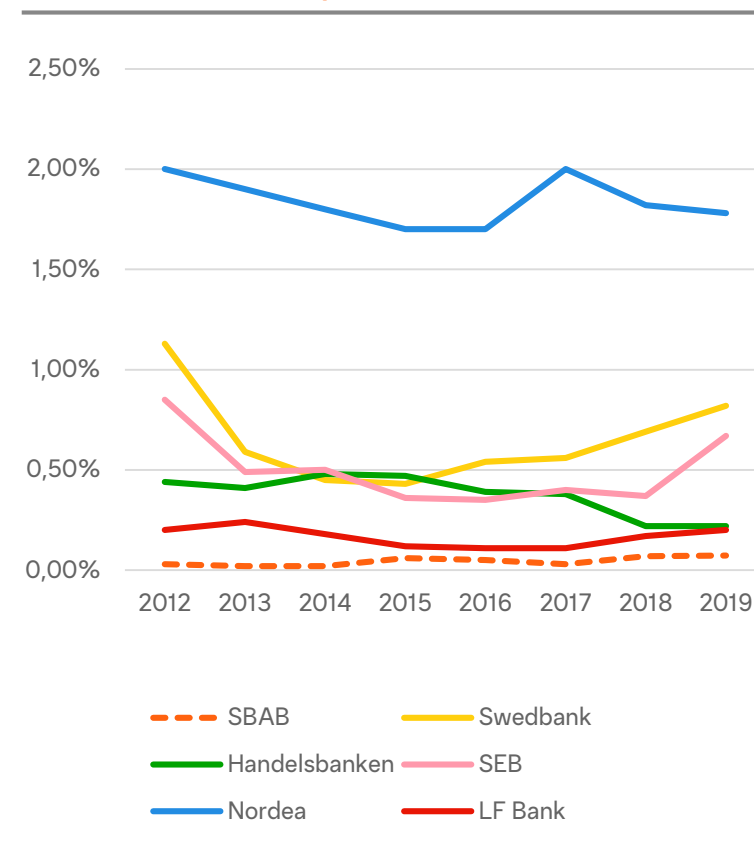
Loan Portfolio Split



Credit losses



Impaired loans



Financial targets from the owner

	Target 2019	Result 2019	Result 2018
Profitability: Return on equity over a business cycle	≥ 10%	11.7%	12.1%
Dividend: Ordinary dividend based on profit for the year after tax, taking the Group's capital structure into account	≥ 40%	0% (revised)	40%
Capitalisation: CET1 capital ratio and total capital ratio above regulatory requirement communicated by the Swedish FSA	CET1 capital ratio: ≥ 0.6%*	2.4%	2.2%
	Total capital ratio: ≥ 0.6%*	5.2%	3.7%

* Adjusted for the Swedish FSA's new method for applying risk-weight floors for Swedish residential mortgages, which entered force 31 December 2018. Previous target = 1.5%



Update on COVID-19 outbreak (1/3)

– Impact on the Swedish economy

- We expect Sweden's GDP to develop negatively this year and that unemployment will rise in the coming quarters. Different parts of the economy will be subject to great pressure during 2020
- Simultaneously, we believe there are many factors supporting the economy:
 - Households have for a long time had a high saving rate, and currently large financial assets in addition to housing assets
 - Export-dependent companies are supported by a weak currency in times of weak international demand
 - The central government has a low debt and sound finances
 - Swedish authorities have for a long time worked to secure financial stability



Update on COVID-19 outbreak (2/3)

– Swedish initiatives to combat the economic consequences

Government

- Qualifying day for sick pay to be discontinued & central government to assume sick pay responsibility for two months
- Liquidity reinforcement via tax accounts proposed. Under this proposal, companies can defer payment of employers' social security contributions, preliminary tax on salaries and value added tax that are reported monthly or quarterly
- A new system for short-term layoffs to be introduced. Central government will cover three quarters of the costs when staff working hours are reduced
- Municipalities and regions to receive compensation for extraordinary measures and extra costs in health and medical care. Additional funding for relevant government agencies
- Airline companies are given state credit guarantees
- The credit guarantee framework for the Export Credit Board is extended

S-FSA

- Bank's cyclical buffers have been lowered to 0% from 2.5%. The measure is being taken pre-emptively to avoid a credit crunch due to recent developments surrounding the coronavirus disease and the spread of COVID-19 and their impact on the economy. The new buffer rate will be applied as of 16 March 2020. FI does not expect to change the new buffer rate for at least the next twelve months. This means that any subsequent increases will not be expected to go into effect earlier than March 2022
- Amortisation rules have been eased. Loss of income associated with COVID-19 to qualify as special grounds that allow the bank and borrower to reach an agreement to reduce or suspend amortisation payments for a limited period of time

Riksbank

- The Riksbank has increased its bond purchases by SEK 300 billion in 2020, including government, corporate, covered and municipal bonds
- The Riksbank lends up to SEK 500 billion to corporates through banks
- Liquidity support: Reduce the lending rate for overnight loans to banks from 0.75 to 0.20 percentage points above the repo rate. A weekly, unlimited 3m repo transactions at 0,2% rate is introduced, and rules for collaterals are relaxed
- The Riksbank enables loans in US dollars against collateral. The framework amount is USD 60 billion for the period 19 March 2020 up to and including 18 September 2020
- The repo rate remains at 0%



Update on COVID-19 outbreak (3/3)

– Impact on SBAB

SBAB

- SBAB is monitoring ongoing developments and have implemented necessary plans and measures to ensure that all the bank's essential functions are operated as normal. SBAB's capital and liquidity positions are assessed as strong (refer to Funding, liquidity & Capital section later in this presentation)
- In accordance with recommendations from authorities in Sweden (such as the Public Health Agency), we have asked those of our employees who are able to, to work from home. This is solved using available technology, split teams and separate locations
- Retained earnings 2019 (for more information, refer to next slide)
- We are monitoring the situation around the corona outbreak closely, and will make ongoing assessments of the bank's risk. SBAB is a mortgage bank that provides loans and savings services to private individuals, corporate clients (property companies & property developers) and tenant-owner associations in Sweden. As such, we have very limited exposure to unsecured corporate lending, including SMEs

Customers

- SBAB has a responsibility towards customers and the society in general for a well-functioning housing credit market in Sweden
- SBAB's ambition is to assist, as far as possible, all customers who are somehow affected by the prevailing situation in the market linked to the corona virus
- SBAB offers customers affected by the corona virus, e.g. loss of income, the possibility to apply for reduced or suspended amortisation payments for a limited period of time (3 or 6 months)
- An extensive customer Q&A regarding the corona virus available on the following link on sbab.se:
 - <https://www.sbab.se/1/privat/kundservice/service/coronaviruset.html>



Retained earnings 2019

– SBAB's Board of Directors does not propose a dividend for 2019

- In the Year-end Report 2019, published on February 14, 2020, SBAB communicated that the Board of Directors proposed a dividend for 2019 of 40% of net profit, corresponding to SEK 715 million
- At an Extraordinary Board Meeting held on March 17, 2020, the Board of Directors resolved to not propose a dividend for the financial year 2019
- The ongoing development regarding the Corona virus has so far had a negative impact on the economic development. SBAB's intends to continue to take responsibility for a well-functioning housing credit market in Sweden. To achieve this and to ensure continued growth in credits provided to its customers, SBAB intends to strengthen its CET1 capital by retaining the entirety of the 2019 earnings

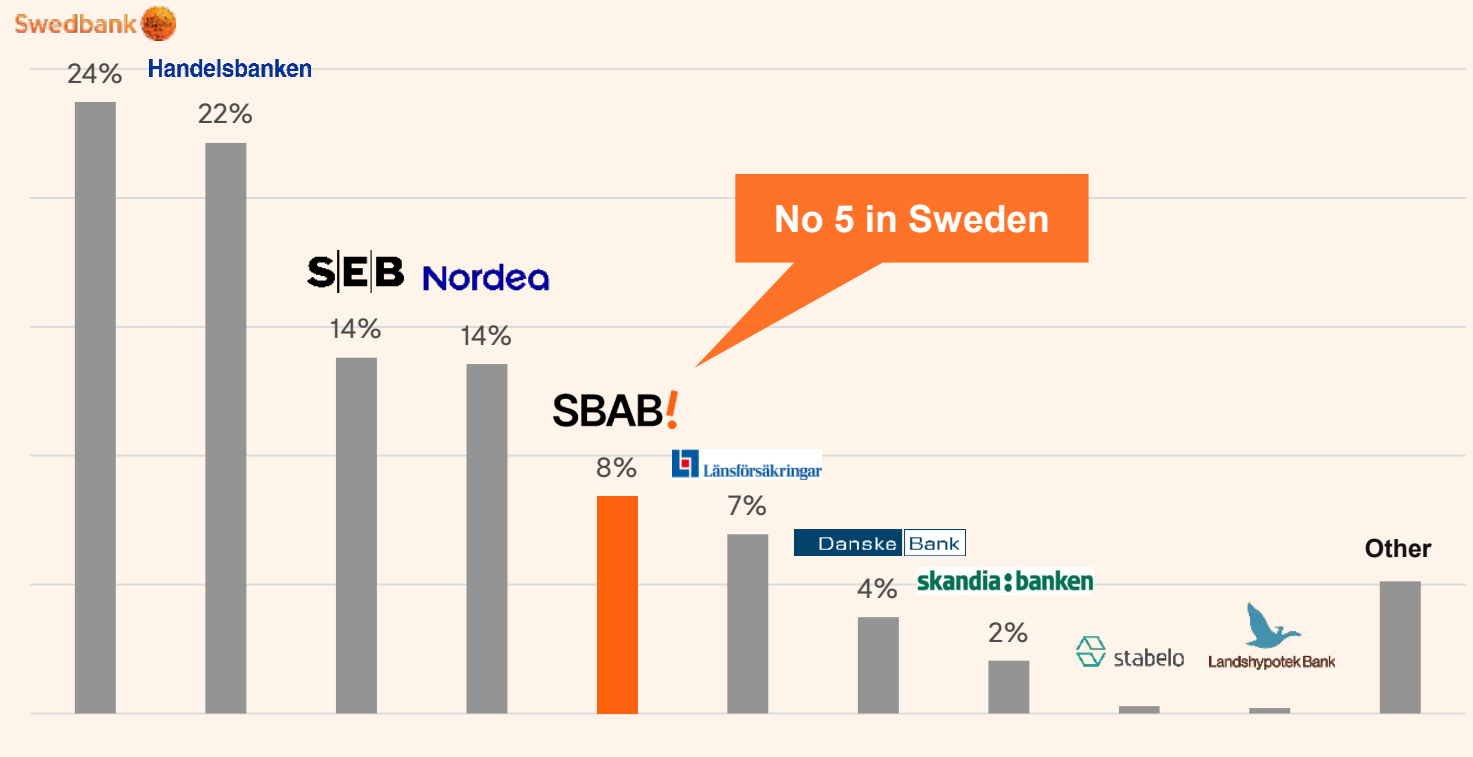


Strategic direction

Overview residential mortgage market

Market shares the Swedish residential mortgage market

(Total market SEK 3,455 bn)



Comments

- The Swedish residential mortgage market consists of traditional banks and niche players (such as SBAB). SBAB is the fifth largest player
- The larger banks have almost 75 percent of the total market. The distance between the major banks and the niche banks in terms of market share has decreased in recent years, although the gap is still large.
- Pricing is a clear indicator of market share momentum – unsurprisingly. However, reputation and customer confidence also play a big role. Digital accessibility, user-friendliness, simplicity, transparency and sustainability, as well as the overall customer experience, are considered important for future competitiveness
- The yearly (YoY, %) credit growth on the Swedish residential mortgage market has slowed down. Currently at 4.9% (Dec 2019). According to SBAB's forecast, credit growth is expected to fall to 4.5 percent for the year 2020 and 4.6 percent for 2021, mainly as a result of lower housing production, more or less stagnant housing prices and lower housing turnover rate

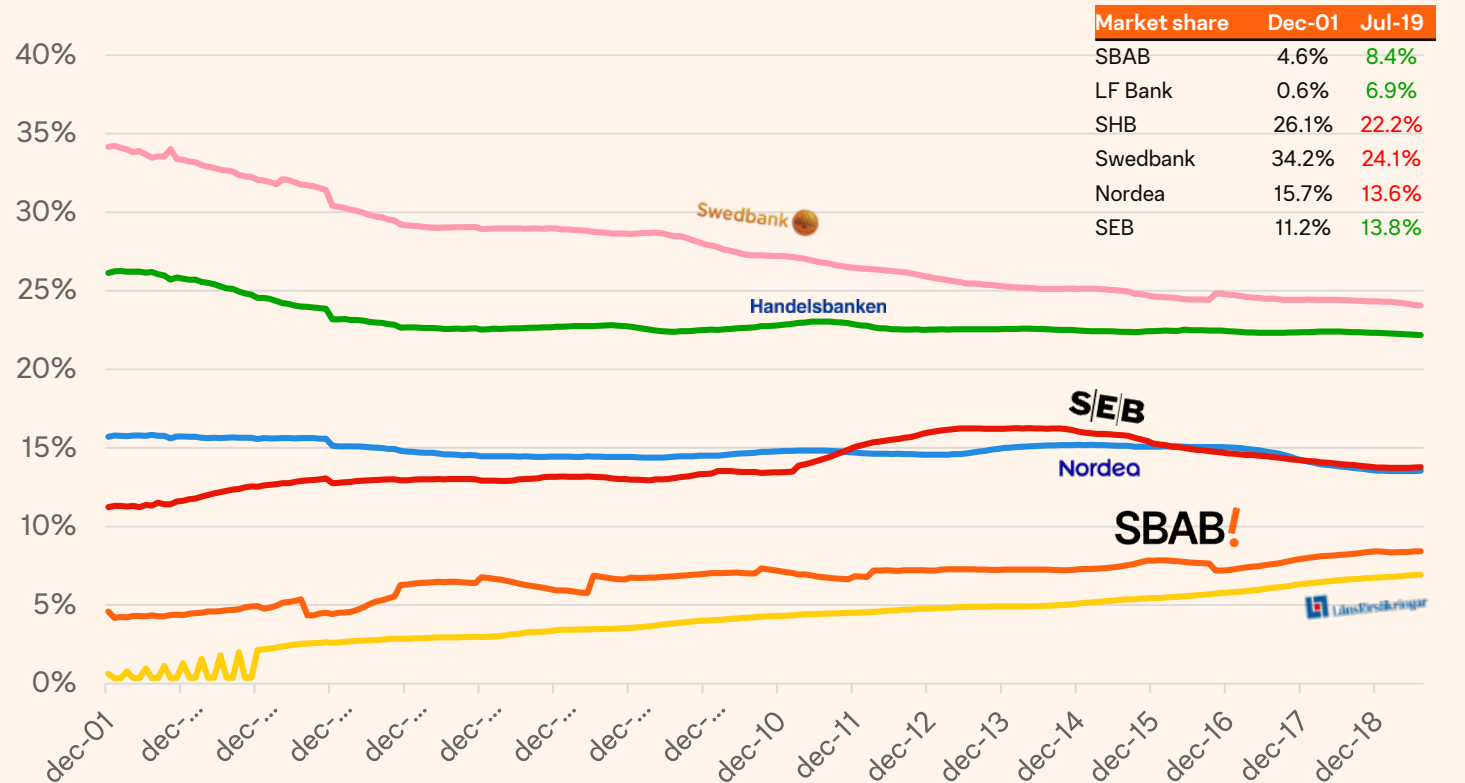
Overview residential mortgage market

- YoY performance

SBAB – mortgage market share (2001-Jul 2019)

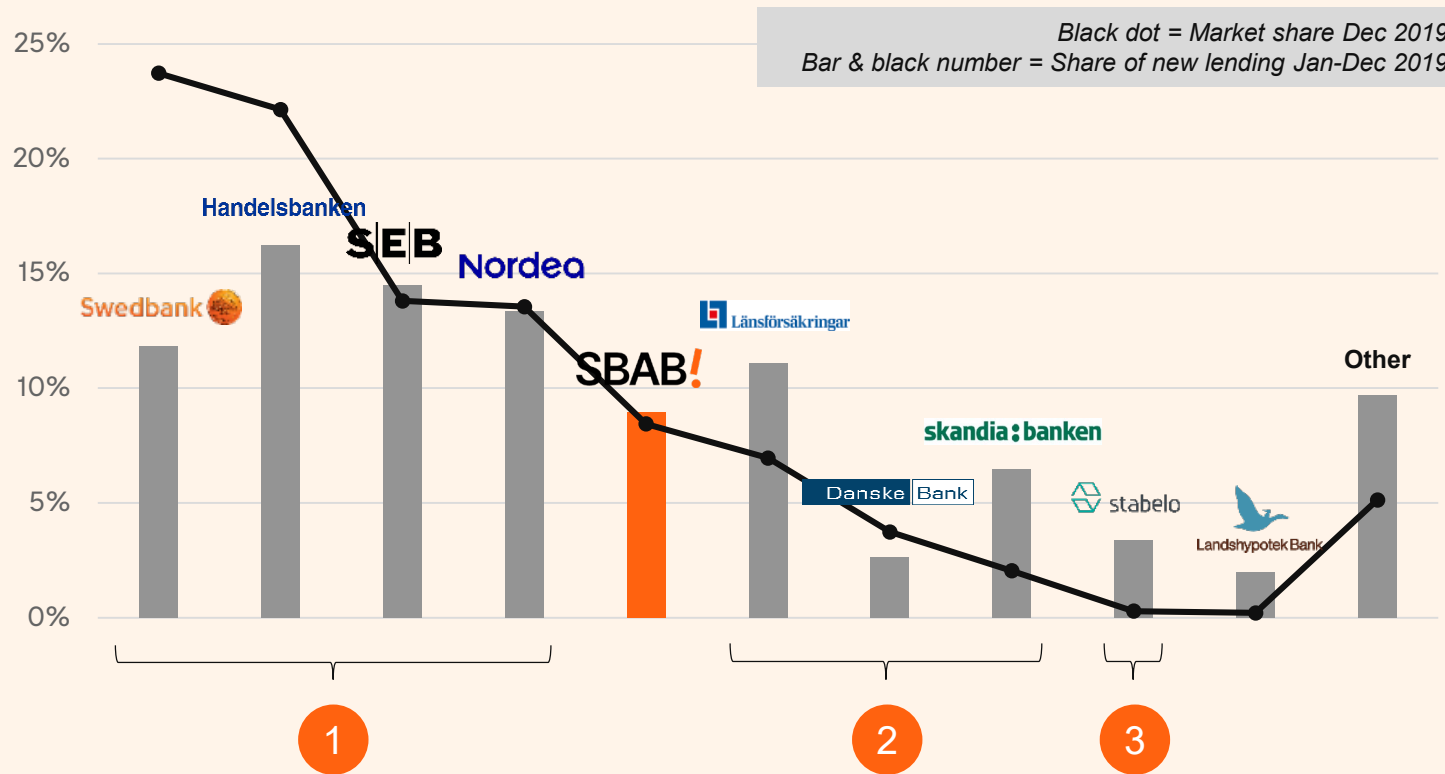


SBAB vs. peers – mortgage market share (2001-Jul 2019)



Residential mortgage market 2019

Shares of net growth in the Swedish residential mortgage market Jan-Dec 2019

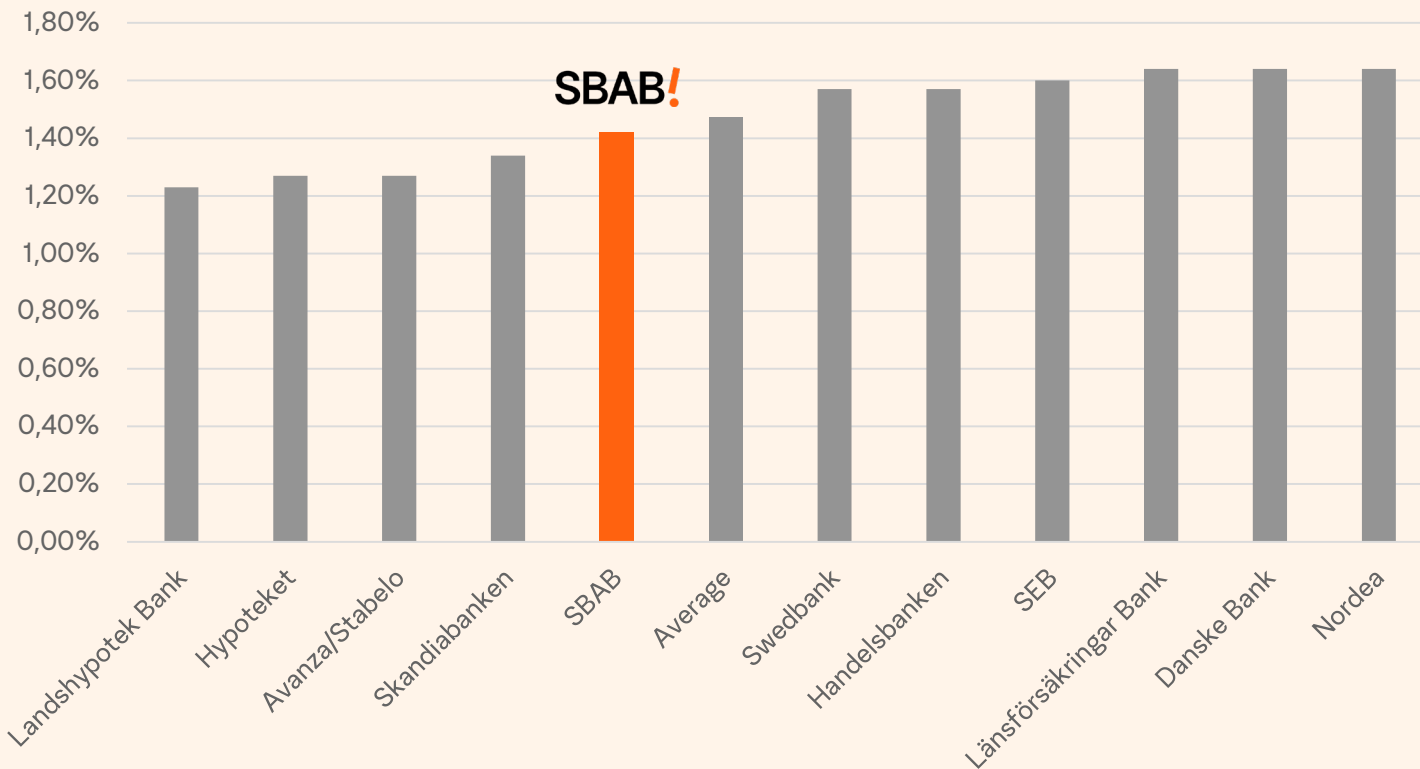


Comments

- 1
 - More (and more aggressive) offers on fixed interest periods
 - Campaigns aimed at big cities where SBAB has a strong position
 - More banks highlighting mortgage offerings on home pages
- 2
 - Länsförsäkringar continues to gain market share
 - Skandia has a competitive offer for "bundled" services
- 3
 - Mortgage funds (Stabelo & Hypoteket – targeting only low LTV's) began to gain market shares during the beginning of 2019, but lower growth during the rest of the year

Competitive landscape

Average actual mortgage rates Dec 2019



Comments

- Increased competition in the Swedish residential mortgage market
- Many established players are working intensively to retain and defend their positions, and several new competitors have emerged as serious contenders for the residential mortgage customers
- Market growth has slowed down. Currently at 4.9% YoY (Dec 2019)
- Price important, but not the whole story

Transparency key in customer offering

Value proposition



Accessibility

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



Transparency

Fair prices and appropriate terms and conditions from the start.



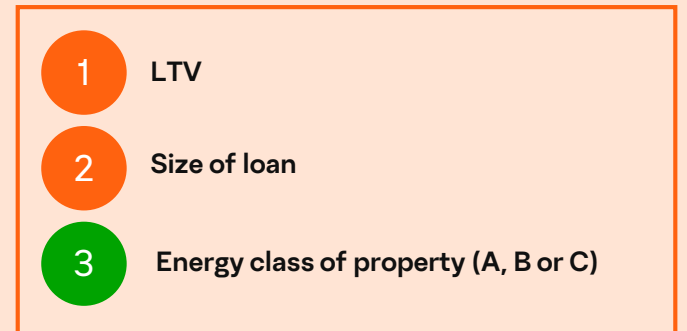
Consideration

Housing specialists who care.

Transparent & straightforward offering

- Pricing of residential mortgages is based on current list rates for each maturity, as published on www.sbab.se
- The customer's specific interest rate is presented as a deviation from the list rate based on LTV (proportion of loans in relation to the market value of the property), size of loan and the energy classification of the property
- Lower risk = better price
- No time limited discounts, no negotiation
- Transparent offering – small difference between SBAB's list rates and average rates

Increased rebates for low LTV's & less focus on size of loan



SBAB's ecosystem

Challenges for mortgages

Differentiation

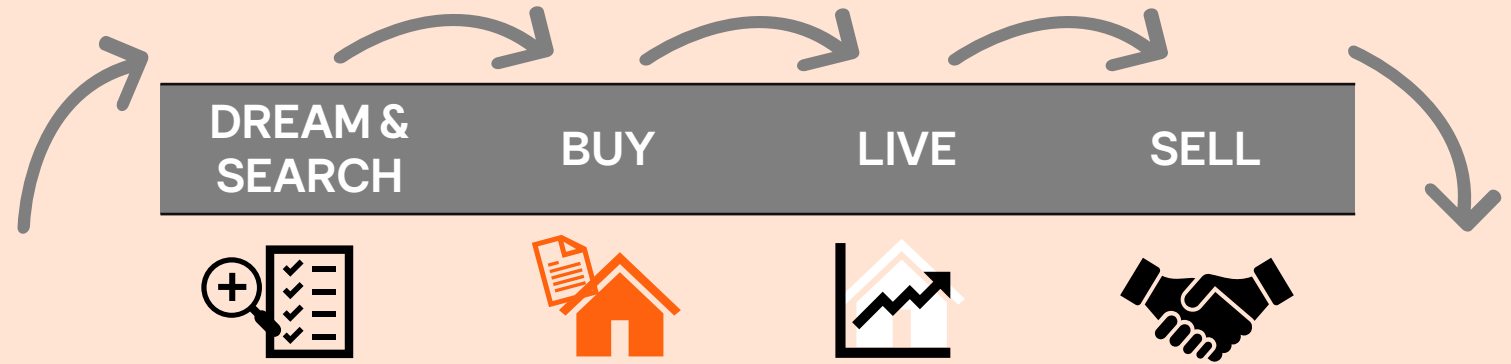
1,33%
1,37% 1,51%
1,44% 1,62%

Frequency of engagement



Ecosystem of services relating to housing and household finances

The Housing Journey



SBAB!

booli!

En tjänst från SBAB

hittamäklare!

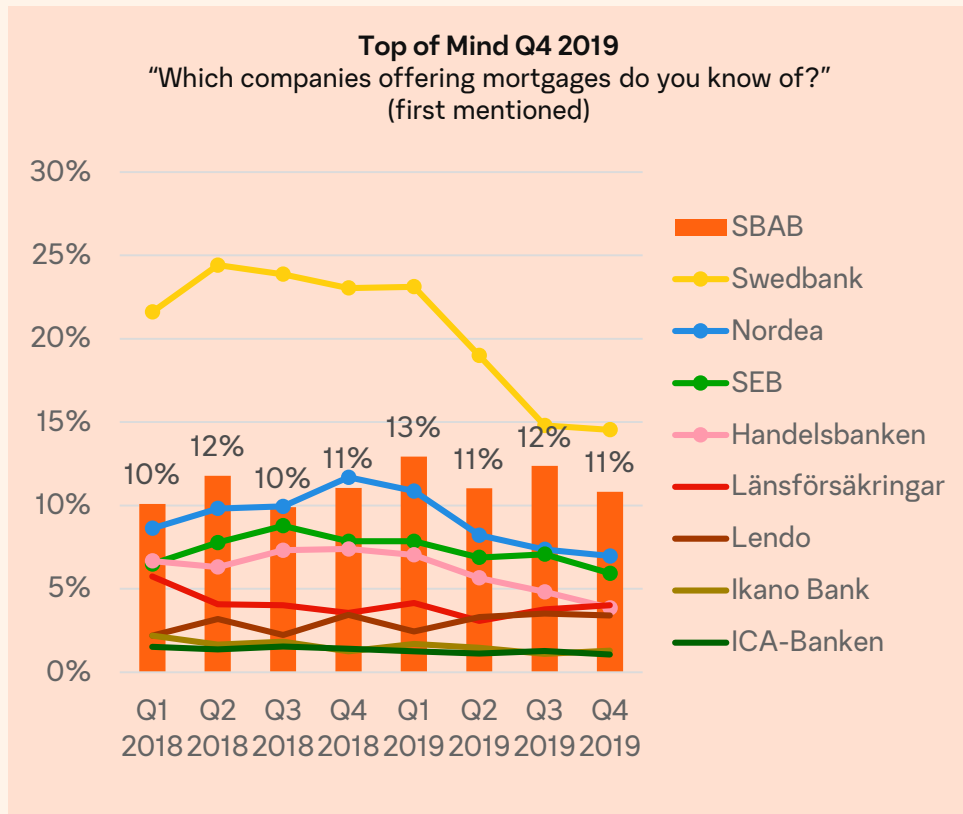
En tjänst från SBAB

- Residential mortgages & housing financing main focus and primary source of income
- Strategy to strengthen customer relationship/loyalty by adding valuable services throughout the housing journey

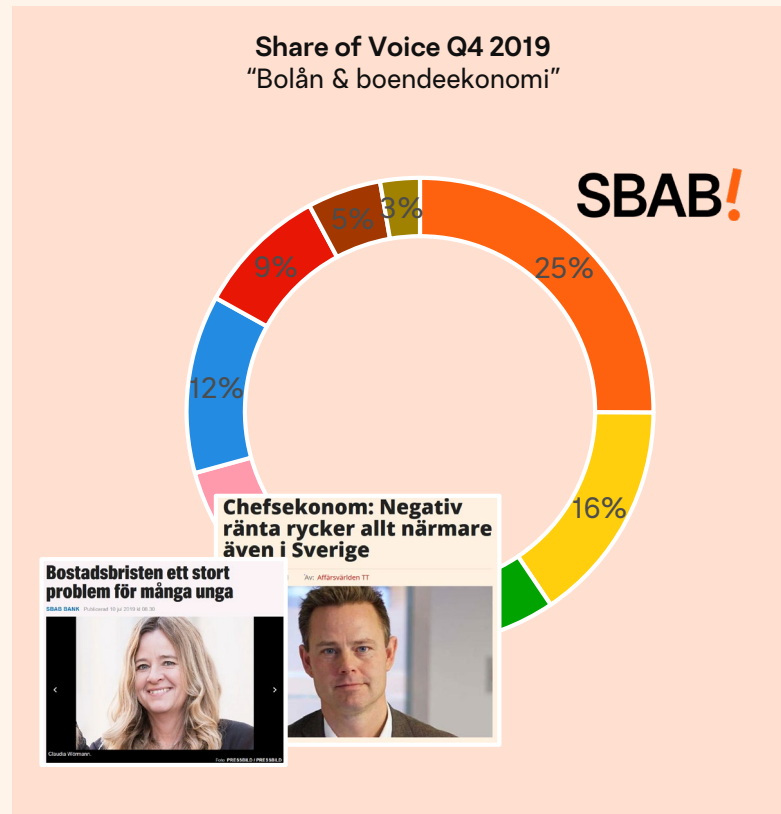
Strong brand recognition

- Strong brand recognition (2nd in Sweden) supporting further growth

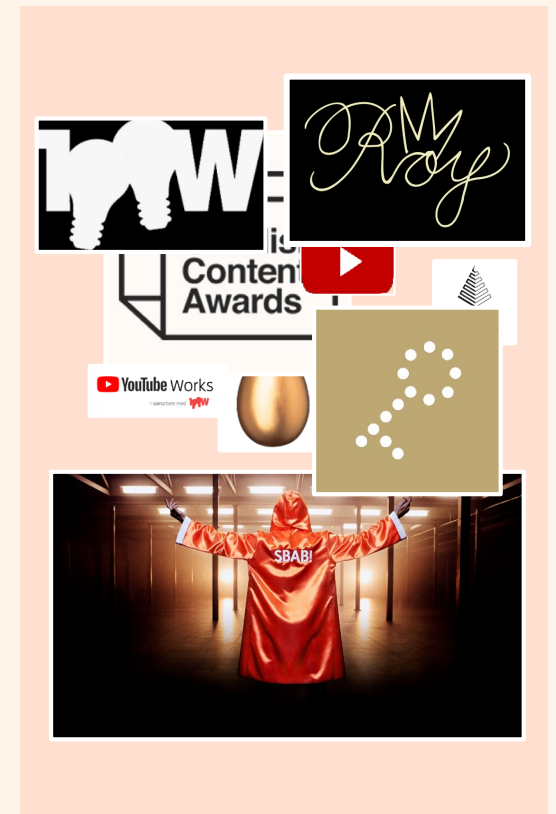
Strong brand recognition



Strong media presence



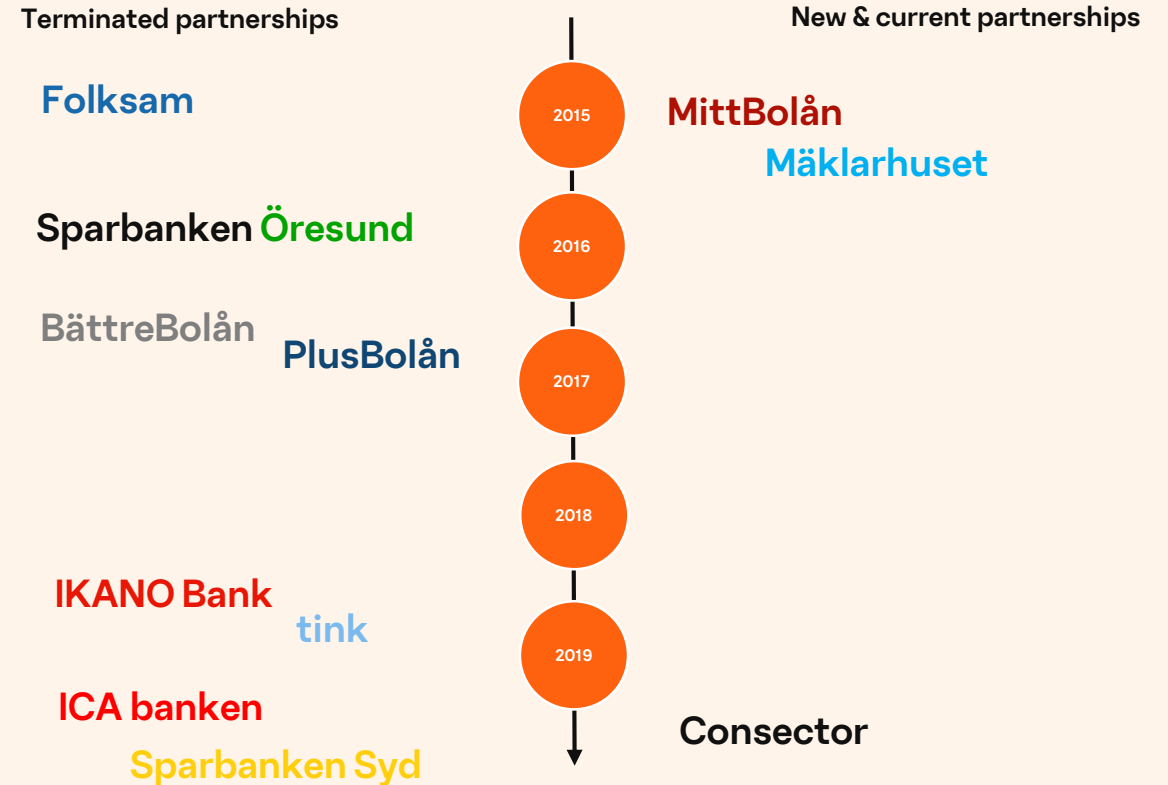
Award winning communication



Distribution strategy for mortgages

– Increased investments in own distribution capacity

- Since 2015, SBAB has prioritised new lending in its own brand (where SBAB is able to add most customer value and build the strongest customer relationships)
- As a result, all white label partnerships have been terminated
- Future focus on partnerships with players (intermediaries) using digital business models



Summary corporate lending (1/2)

Comment

- Different market dynamics compared to the residential mortgage market. Personal service & relationships important
- 300 construction and property companies within 70-80 larger construction groups
- 1,800 tenant-owners' associations with approx. 150,000 apartments
- New construction: approx. 2,500 apartments/year

Tenant-owners' associations (lending & market share)

SEK **52** bn

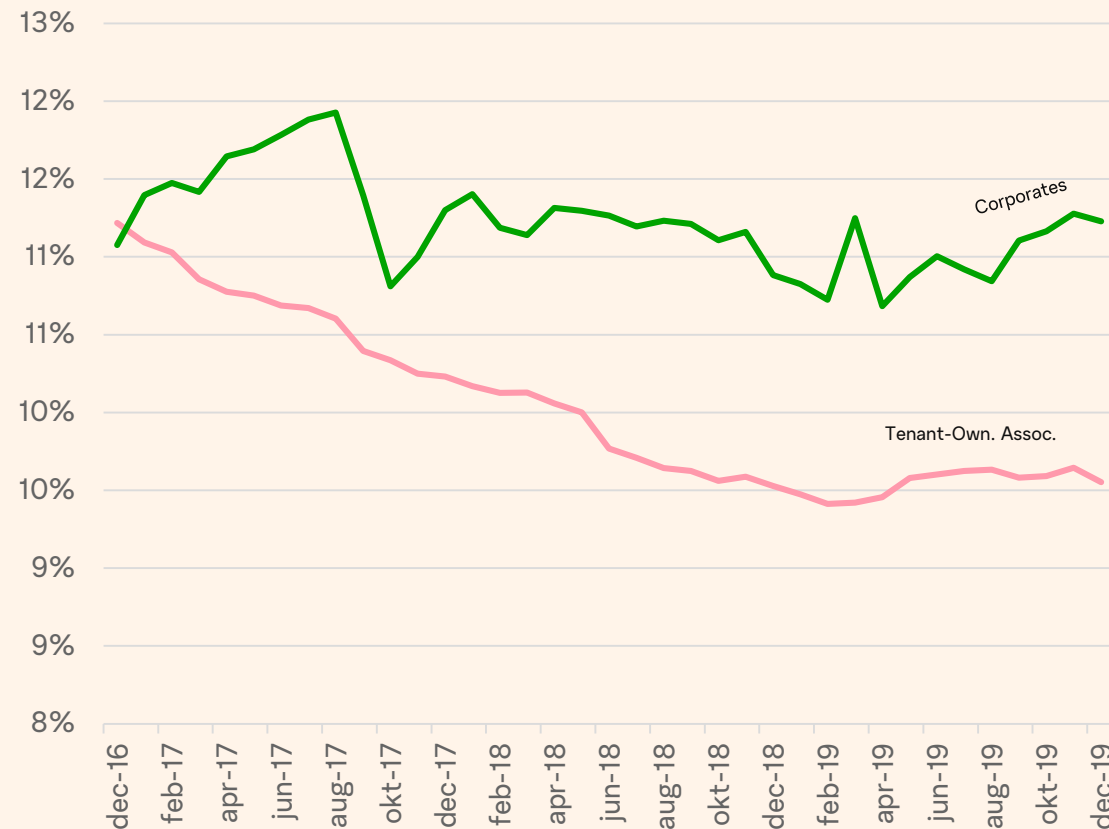
9.55%

Corporate clients (lending & market share)

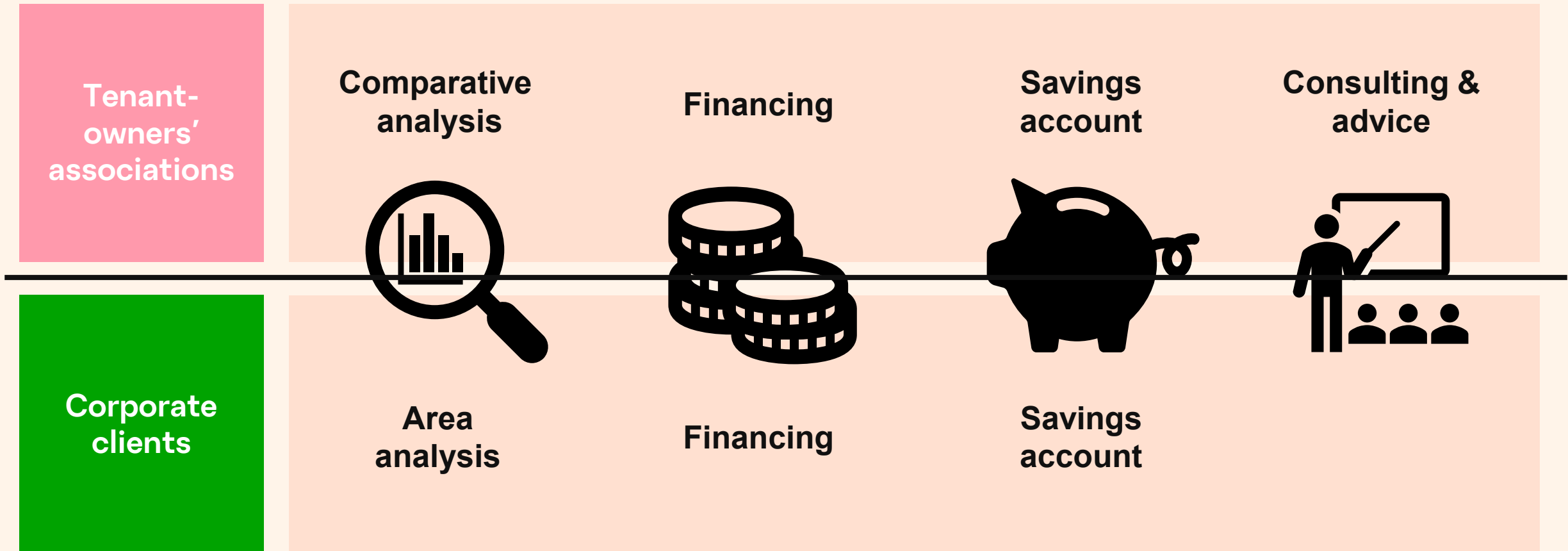
SEK **38** bn

11.23%

Market shares, Corporate clients & ToA (Dec 2019)



Summary corporate lending (2/2)



Our view on sustainability

Sustainability on the agenda

- Comprehensive business transformation since autumn 2014 in connection with the strategy change from full-service bank to focus on housing and household finances (Sw. "Boende och boendekonomi")
- At SBAB, we do not distinguish between business objectives and sustainability objectives. Sustainability fully integrated in SBAB's business plan/governance structure since 2017
- Three overall (commercial & sustainable) target areas for our operations. Together, they form the basis of a common approach to SBAB's contribution to sustainable societal development:
 - **Responsibility & transparency**
 - **Attractive workplace**
 - **Sound finances**



SBAB assigns priority to four SDGs

The business sector, including SBAB, has an important role to play in achieving the SDGs within the 2030 Agenda. We have identified and chosen four of the 17 SDGs that we consider particularly important and relevant to our operations. The prioritised goals have been chosen based on extensive analysis in the form of internal workshops and ranking exercises within operations, the Executive Management and the Board, and today comprise an important and integrated part of our sustainable governance model.

A truly sustainable strategy

Materiality assessment

Gap analysis

Process for defining target areas

Based on demands from our operating environment, materiality assessment and continuously ongoing stakeholder dialogues, SBAB has established three overall commercial and sustainable target areas for the operations: Responsibility and transparency; Attractive workplace; and Sound finances. Together, they form the basis of a common approach to SBAB's contribution to sustainable societal development.

 [Read more in Appendix III](#)

Responsibility and transparency

- Responsible & transparent offering
- Our business is based on trust

- Together for the climate
- Inclusive housing market

Attractive workplace

- Corporate culture
- Leadership
- Respect & equality
- Attract & recruit

- Learning & development
- Health
- Remuneration

Sound finances

- Sustainable growth & funding
- Cost efficiency
- Capitalisation

- Dividend
- Profitability

SBAB's business/sustainability goals

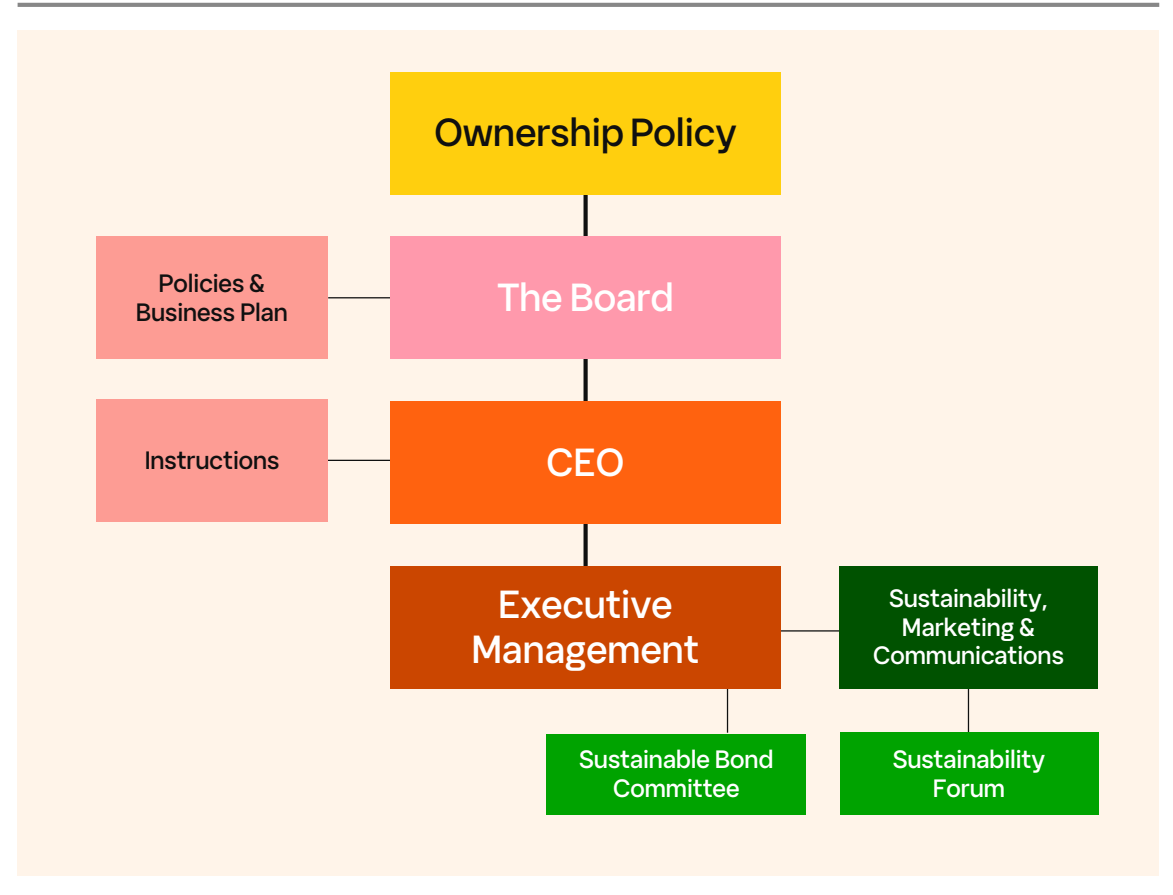
		Goal 2019	Results 2019	
Responsibility & transparency 	Responsibility: SBAB's ranking in Sustainable Brand Index	Top 4	8 th	
	Transparency: Number of customers who find SBAB's offering straightforward and easy to understand	85%	83%	
	Customer satisfaction: Sweden's most satisfied customers according to Swedish Quality Index (Svenskt Kvalitetsindex, SKI)	Residential mortgages	1 st	1 st
		Property loans	1 st	1 st
Attractive workplace 	Equality & diversity: Equality between women/men in management positions (within the range)	45-55%	43/57%	
	Employee experience: Percentage of employees who consider SBAB a great place to work	85%	91%	
	Committed employees: Total Trust Index (GPTW)	81%	86%	
Sound finances 	Profitability: Return on equity over time	≥10%	11.7%	
	Dividend: Ordinary dividend based on profit for the year after tax, taking the Group's capital structure into account	≥40%	0%	
	Capitalisation: CET1 capital ratio & total capital ratio above regulatory requirement communicated by the Swedish FSA	CET1 capital ratio	≥0.6%	2.4%
Total capital ratio		≥0.6%	5.2%	

Governance structure

SBAB's sustainable governance model



Governance structure

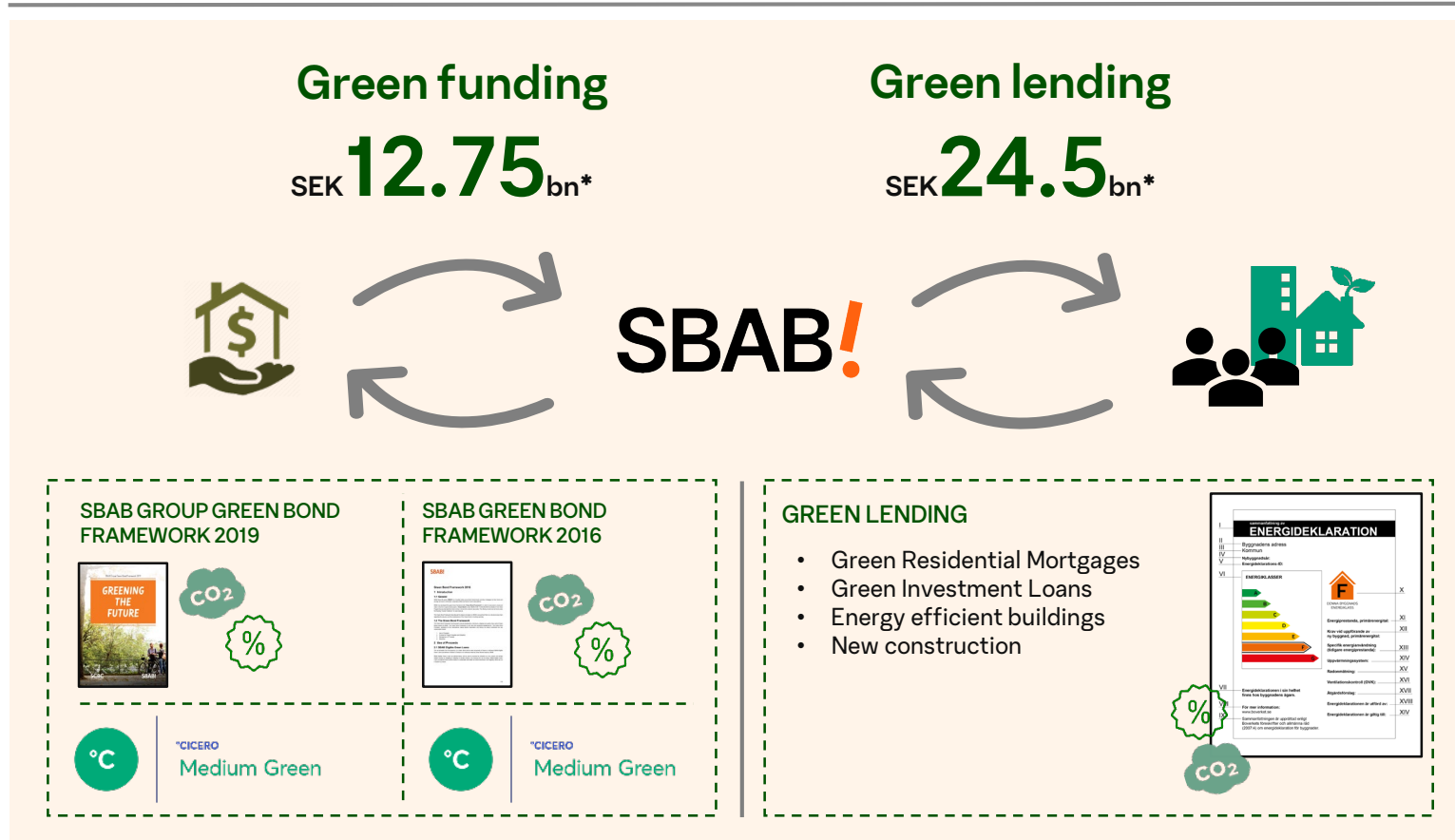


INSIGHT: Green lending & funding



Linking green lending to green funding

Rationale behind green efforts



- **Green lending:** Stimulate demand for energy efficient housing as well as creating opportunities and incentives (e.g. by offering discounted loans) for customers to invest and implement energy improving measures in their homes and properties
- **Green funding:** Offer investors the opportunity to actively participate in the sustainable transition of the Swedish housing and real estate market

INSIGHT: Impact reporting

Green Bonds Impact Report 2019

GREENING THE FUTURE

Issuer	Issue date	Amount issued	Format	Maturity	Coupon	ISIN	Framework
SBAB	16 June, 2016	SEK 1.0bn	Senior unsecured	23 June, 2021	1.048%	XS1436518606	SBAB Green Bond Framework 2016
		SEK 1.0bn		23 June, 2021	3M Stibor +95 bps	XS1436728916	
SBAB	4 October, 2017	SEK 1.0bn	Senior unsecured	11 October, 2022	0.98%	XS1697577556	SBAB Green Bond Framework 2016
		SEK 750mn		11 October, 2022	3M Stibor +75 bps	XS1697766951	
SCBC	23 January, 2019	SEK 6.0bn	Covered bond	28 March, 2024	0.75%	XS1943443769	SBAB Group Green Bond Framework 2019
SBAB	13 June, 2019	SEK 2.25bn	Senior Non-Preferred	06 June, 2024	3M Stibor +90 bps	XS2015229516	SBAB Group Green Bond Framework 2019
		SEK 750mn		06 June, 2024	1.0%	XS2015229862	
TOTAL		SEK 12.75bn					

13 CLIMATE ACTION



11 SUSTAINABLE CITIES AND COMMUNITIES



SBAB Green Bond Framework 2016

SBAB Group Green Bond Framework 2019

SEK 4.7bn → 589 tCO_{2e}

Eligible Green Loans
& Estimated annual avoidance of GHG emissions

SEK 19.8bn → 6,970 tCO_{2e}

Eligible Green Loans
& Estimated annual avoidance of GHG emissions

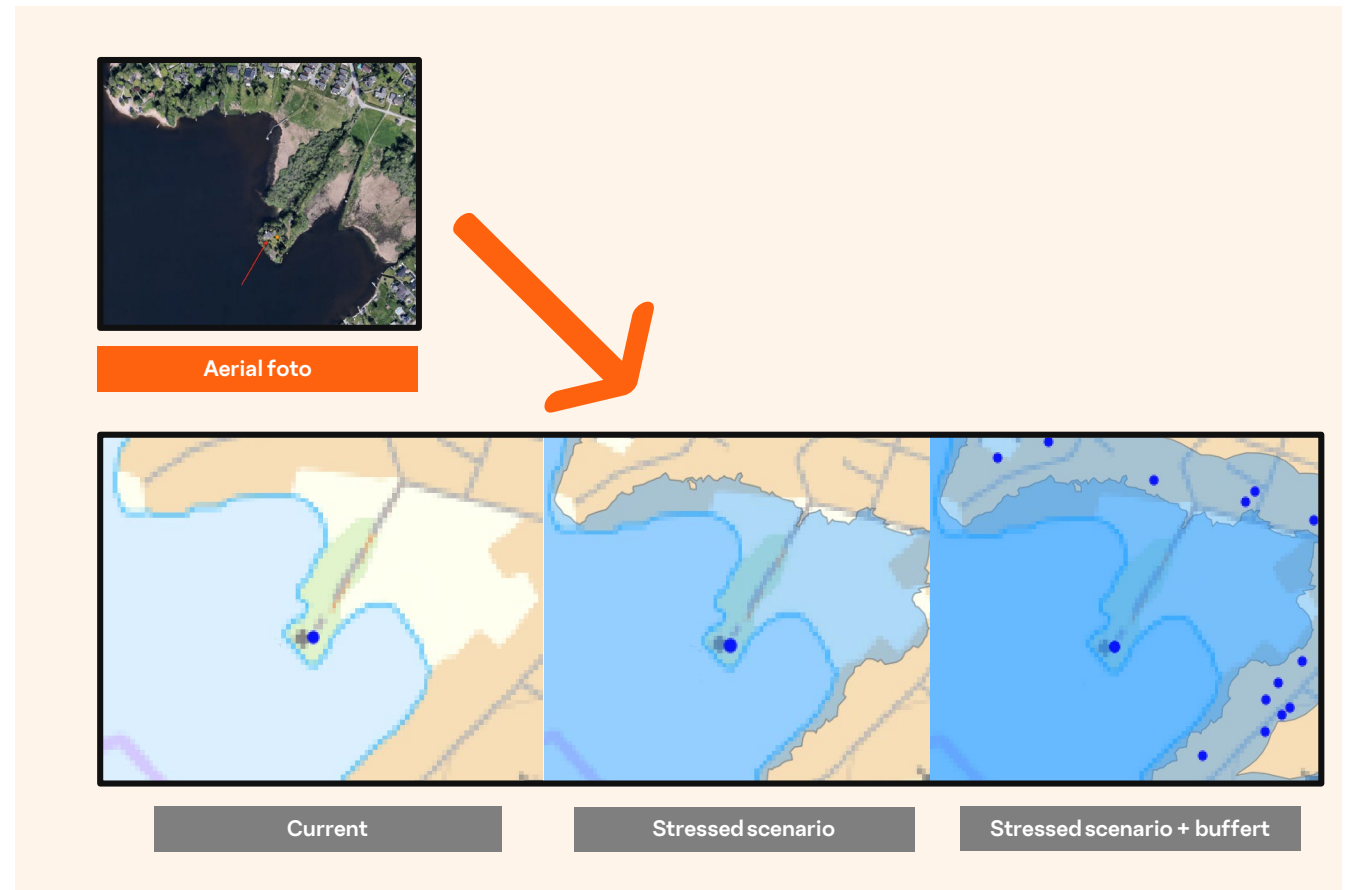
INSIGHT: Climate risk analysis



– Initial climate risk analysis of SBAB’s mortgage portfolio based on RCP8.5 (SMHI) & “100-årsflöden” (MSB)

Comments

- **Scenario 1:** Stressed scenario of collateral affected by increased seawater level (RCP8.5) and / or “100-year flows” (Sw. 100-årsflöden”) in Swedish watercourses
- **Scenario 2:** Stressed scenario described above +100 meters buffer
- **Result:** Small proportion of SBAB’s portfolio in risk zones





Kraftsamling för en
sund kreditgivning till
en sund byggbransch

“Tax avoidance, money
laundering and unhealthy
competition in the
construction industry”

SBAB!

INSIGHT: Responsible credit granting

- Several investigations have shown that building practices often involve unreported employment and salary dumping, as well as a lack of respect for human rights along the supply chain
- During 2018, SBAB initiated a project together with representatives from property developers, workers' and employers' organisations and professional bodies to produce changes with the aim of tackling the issues
- The result of the project is a declaration of intent signed by the above, requesting banks to take increased responsibility in their credit granting (e.g. by more stringent requirements)
- SBAB has initiated a dialogue with other banks in Sweden involved in financing new construction with the aim of them supporting the declaration of intent



Great Place To Work®

Sweden's Best Workplaces

SWEDEN

2019

One of Sweden's best Workplaces



Total Trust Index: **81%** (74)

Camaraderie
87% (82)

Respect
78% (71)

Fairness
79% (74)

Credibility
79% (71)

Pride
83% (74)

INSIGHT: Attractive workplace

- 4th place in Great Place to Work's list of Sweden's best workplaces 2019 (larger companies)
- 20th place in Great Place to Work's list of Europe's best workplaces 2019 (larger companies)

SBAB rewarded for its work with respect and equality



Jämställdhetsindex JÄMIX®



Sustainability ratings

ISS-Oekom

Prime C

ISS-Oekom Research AG has issued a sustainability rating of C (on a scale of A+ to D-) to SBAB. With this rating, SBAB classifies as 'Prime'.

(Latest update in April 2018)



Imug

Positive BB

Imug Beratungsgesellschaft has issued a sustainability rating of positive BB (on a scale of AAA to DDD) to SBAB. SBAB ranks number 5 of 41 in its peer group (banks) and 22 of 121 in the region.

(Latest update in March 2020)

Sustainalytics

Medium Risk

According to the ESG report from Sustainalytics, SBAB is at medium risk (22.7/100) of experiencing material financial impacts from ESG factors.

(Latest update in 2019)

Financial development

Overview of financial performance





SEK million	FY 2019	FY 2018	▲	Q4 2019	Q3 2019	▲
NII	3,473	3,362	+3.3%	877	861	+1.9%
Costs	-1,187	-1,049	+13.2%	-327	-280	+16.8%
Loan losses	-26	11	+37 mn	-10	0	+10 mn
Operating profit	2,308	2,241	+3.0%	540	601	-10.1%
Lending (SEK bn)	383.8	364.2	+5.4%	383.8	378.2	+1.5%
Deposits (SEK bn)	130.5	124.9	+4.5%	130.5	130.0	+0.4%
Deposit/lending, %	34.0%	34.3%	-0.3 pp	34.0%	34.4%	-0.4 pp
C/l ratio, %	33.7%	32.0%	+1.7 pp	37.2%	31.8%	+5.4 pp
RoE, %	11.7%	12.1%	-0.4 pp	10.5%	12.0%	-1.5 pp
Loan loss ratio, %	-0.01%	0.00%	+0.01 pp	-0.01%	0.00%	+0.01 pp
CET1 capital ratio, %	13.1%	12.5%	+0.6 pp	13.1%	12.2%	+0.9 pp



SBAB vs. Peers FY2019

– Continued best in class asset quality & high cost efficiency

SBAB vs. Peers - Snapshot of FY2019

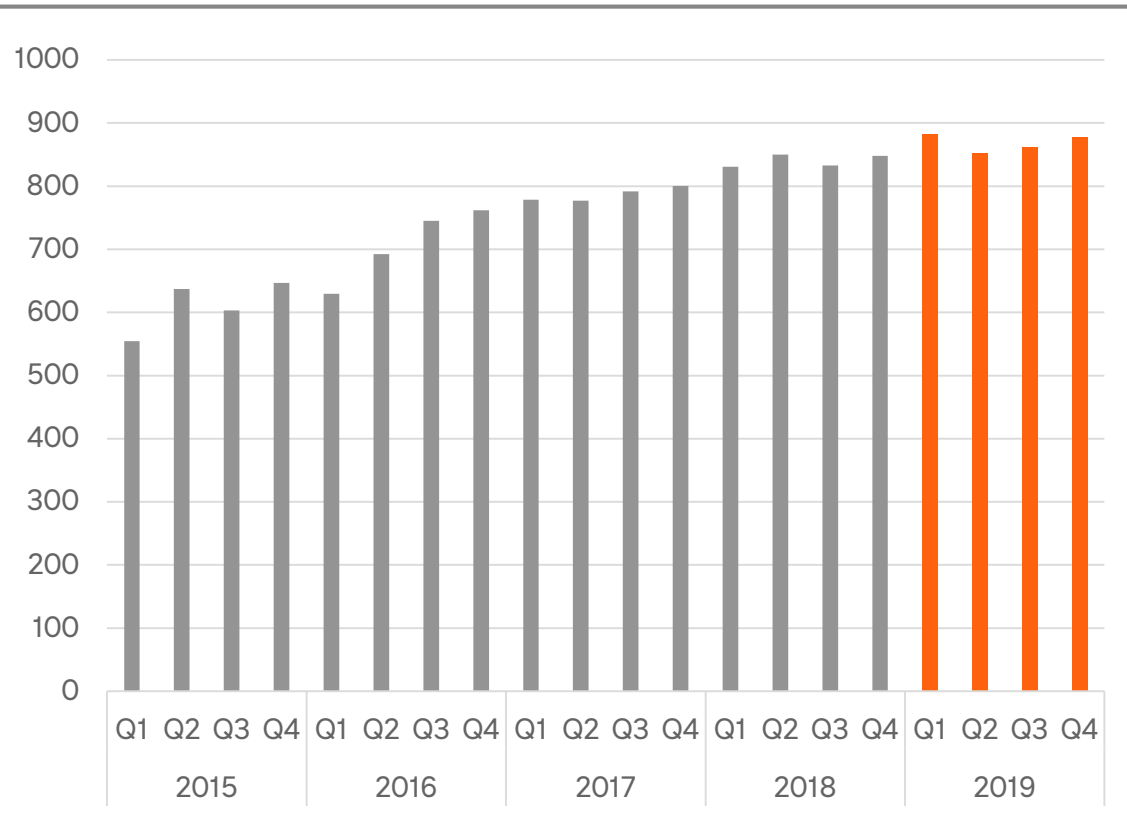
	SBAB!	 Länsförsäkringar	Nordea	 DNB	Handelsbanken	Swedbank 	SEB	 Danske Bank
Total Income / Total Assets	0.74%	1.06%	1.56%	1.96%	1.45%	1.91%	1.75%	1.20%
Net Income / Total Assets	0.38%	0.38%	0.28%	0.92%	0.55%	0.82%	0.71%	0.40%
Net Income / RWAs	1.48%	1.18%	1.03%	2.68%	2.36%	3.03%	2.71%	1.96%
C/I	33.7%	48%	69%	42%	49%	43%	46%	65%
ROE	11.70%	9.48%	5.00%	11.70%	11.90%	14.70%	13.70%	9.60%
ECL	0.01%	0.06%	0.22%	0.13%	0.04%	0.09%	0.10%	0.09%
Stage 3 Loans / NPL	0.07%	0.20%	1.78%	1.09%	0.22%	0.82%	0.67%	1.40%



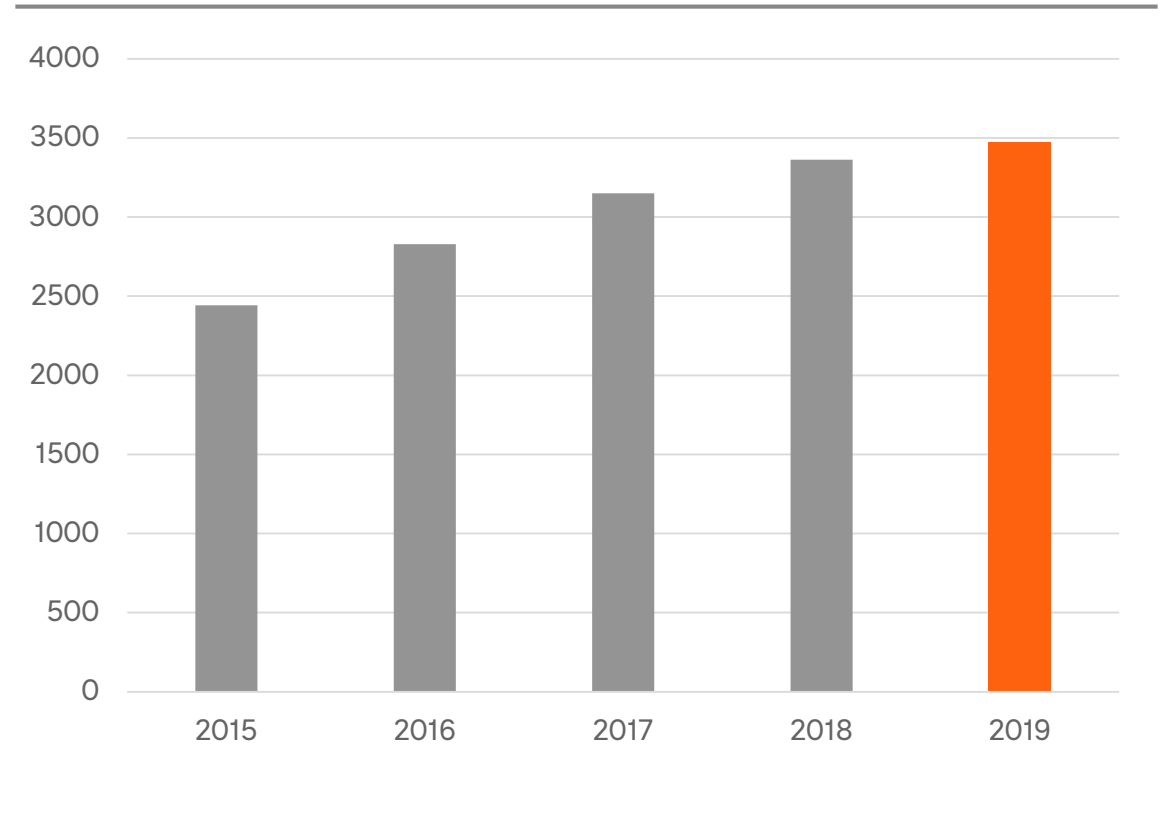
NII development

– Continued growth and stability. Recurring income dominates SBAB's revenue stream

Net interest income QoQ (SEK mn)



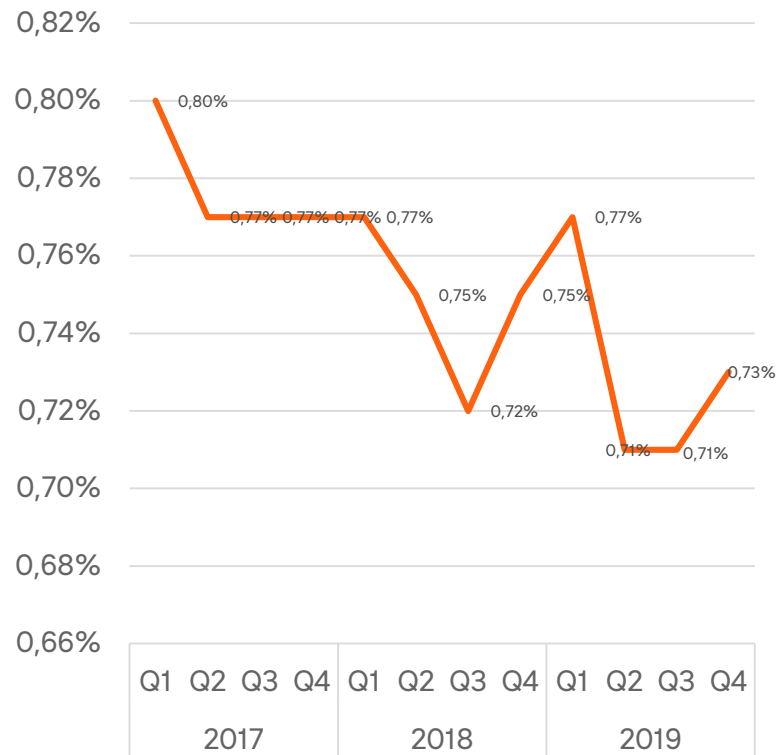
Net interest income YoY (SEK mn)



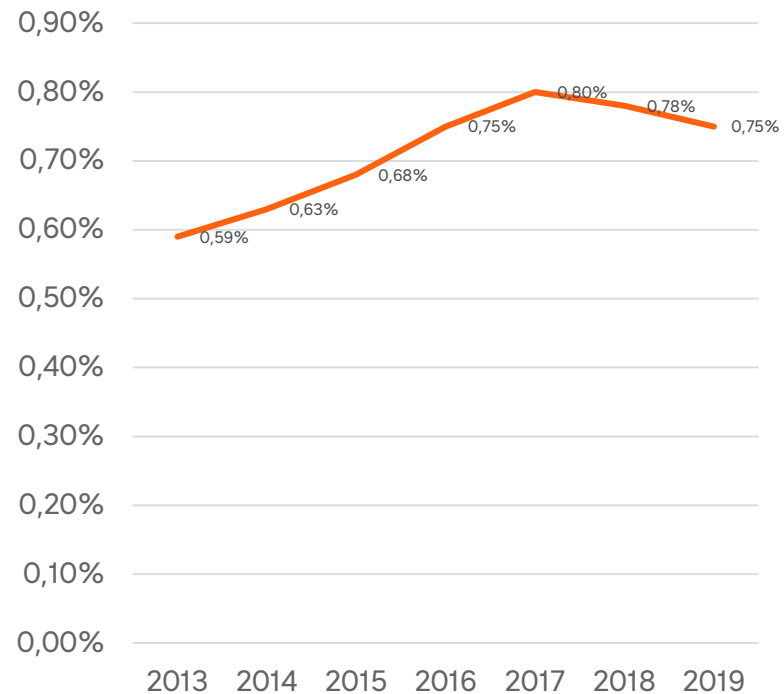
NIM development

- Declining lending margins

Net interest margin QoQ (%)



Net interest margin YoY (%)



Comments

- Increased competition in the retail mortgage market. Lending margins are expected to come down further during the next 12 months
- Stable lending margins expected for corporate lending and lending to tenant-owners' associations

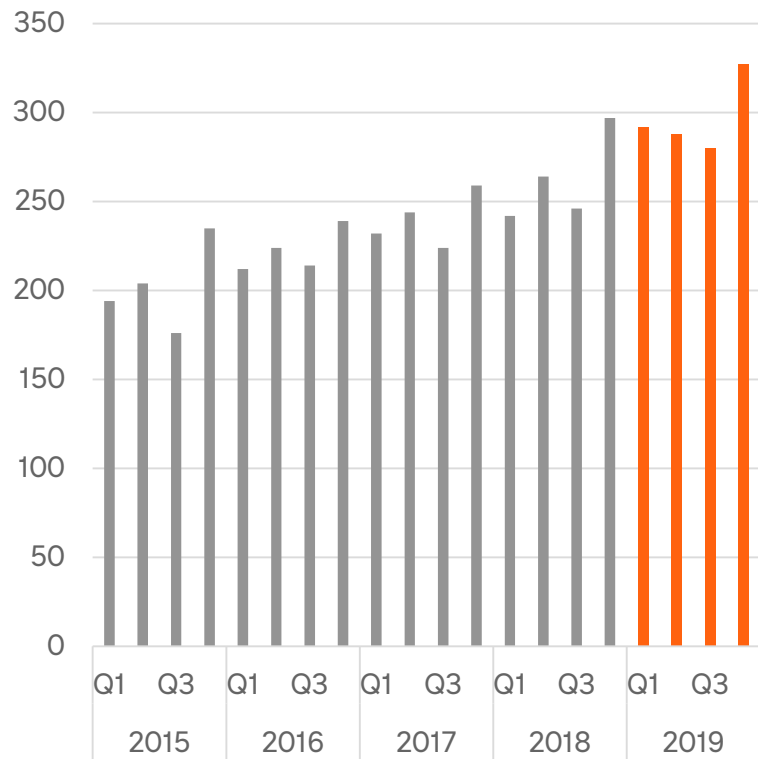
NIM calculated as net interest income in relation to total assets



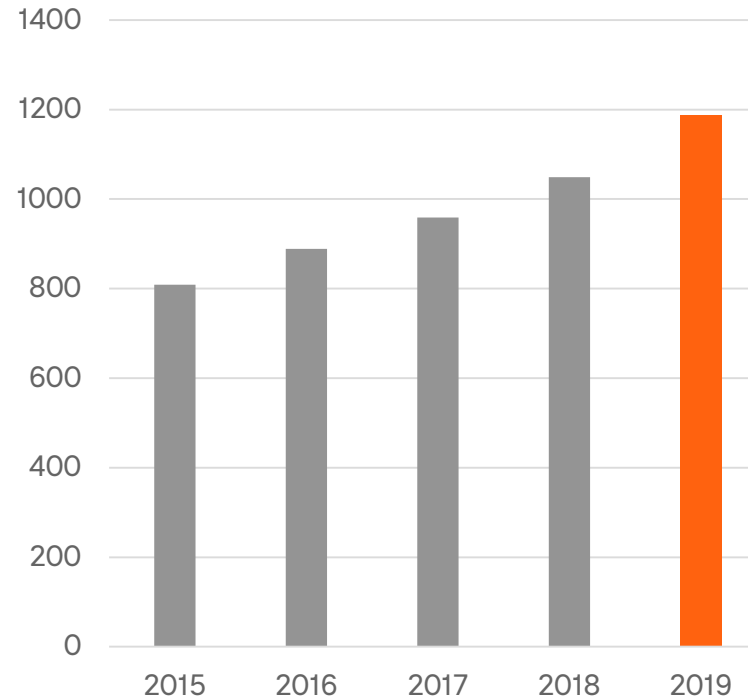
Cost management

– Increased investments for future competitiveness

Cost development QoQ (SEK mn)



Cost development YoY (SEK mn)



Comments

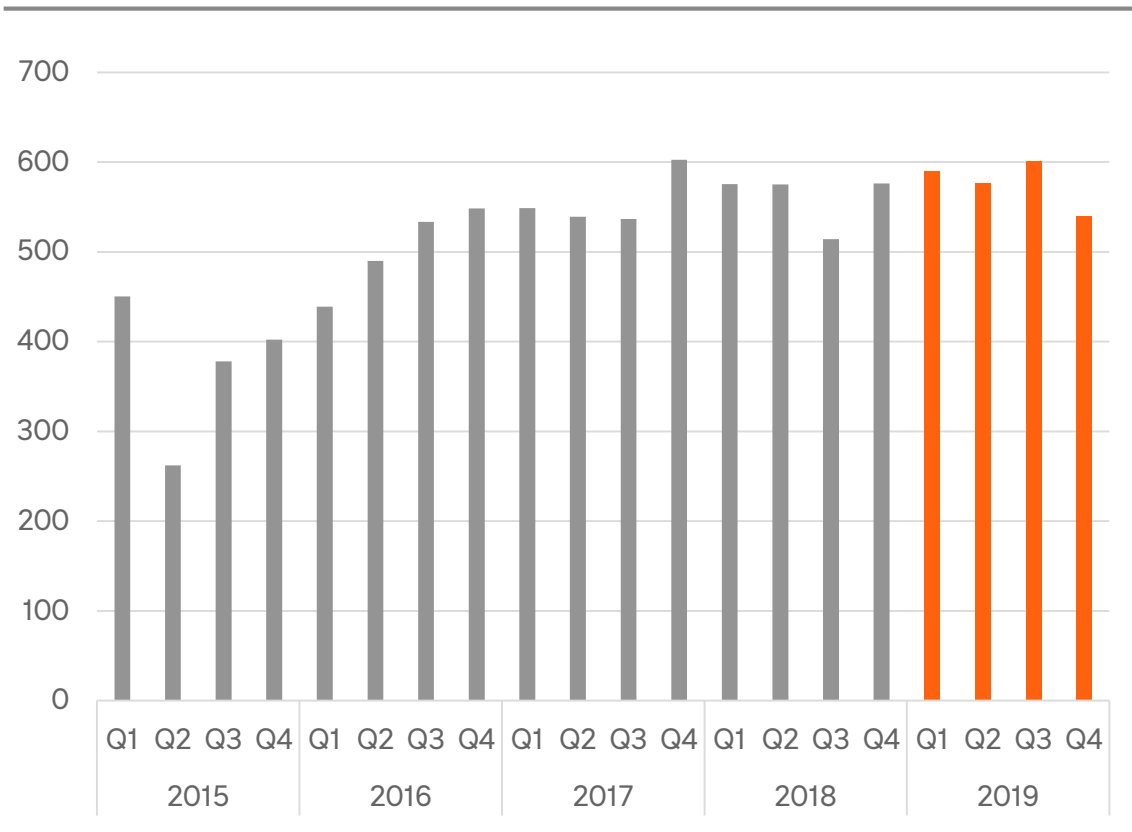
- Increased investments for future competitiveness:
 - Customer offering (incl. customer service & customer experience)
 - Digitalisation
 - Replacement of IT-infrastructure (core banking platform)
 - Increased compliance & regulatory requirements



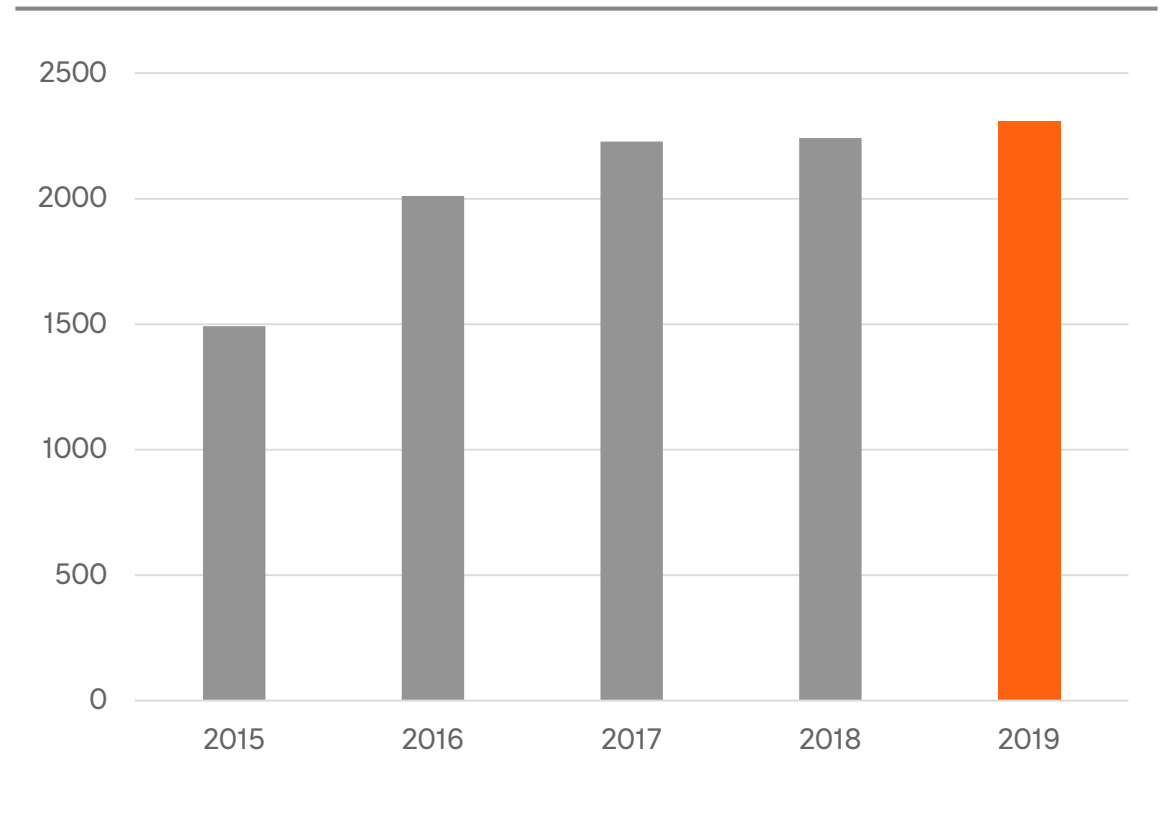
Operating profit development

– Continued growth and stability. Increased costs affected operating profit in Q4

Operating profit QoQ (SEK mn)



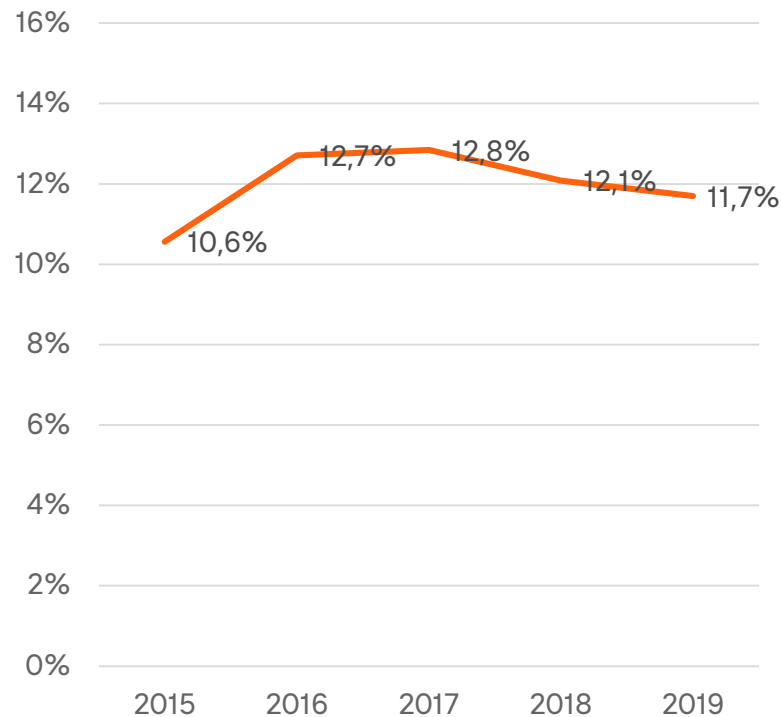
Operating profit YoY (SEK mn)



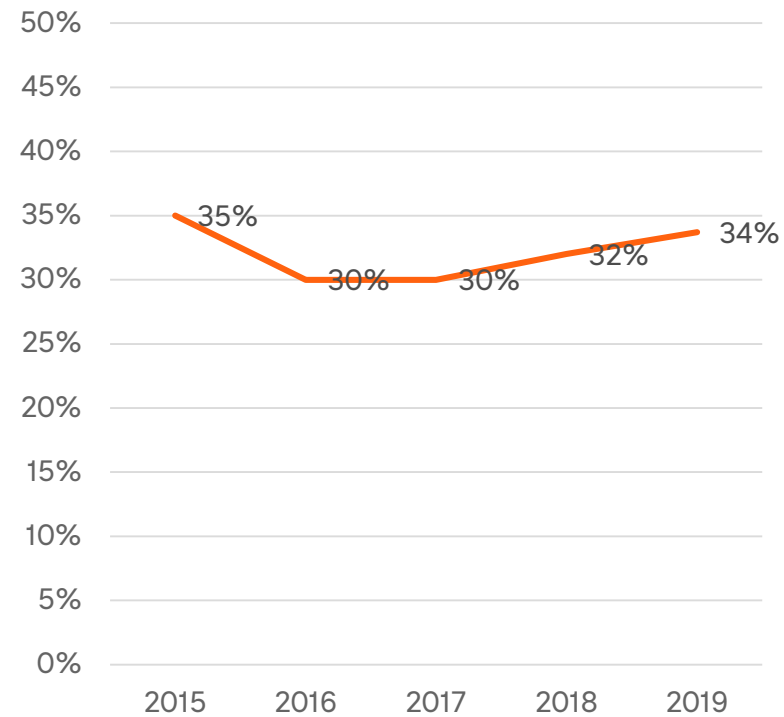
Financial KPIs

– Best in class cost efficiency & competitive returns given SBAB’s low risk business

Return on equity, % *



C/I-ratio, %



Comments

- Strong underlying profitability (above profitability target of RoE>10% last 5 years)
- Risk/return trade off – competitive profitability and returns given SBAB’s low risk business
- Successful and cost efficient retail lending origination through call centre and internet platform (since 1998)

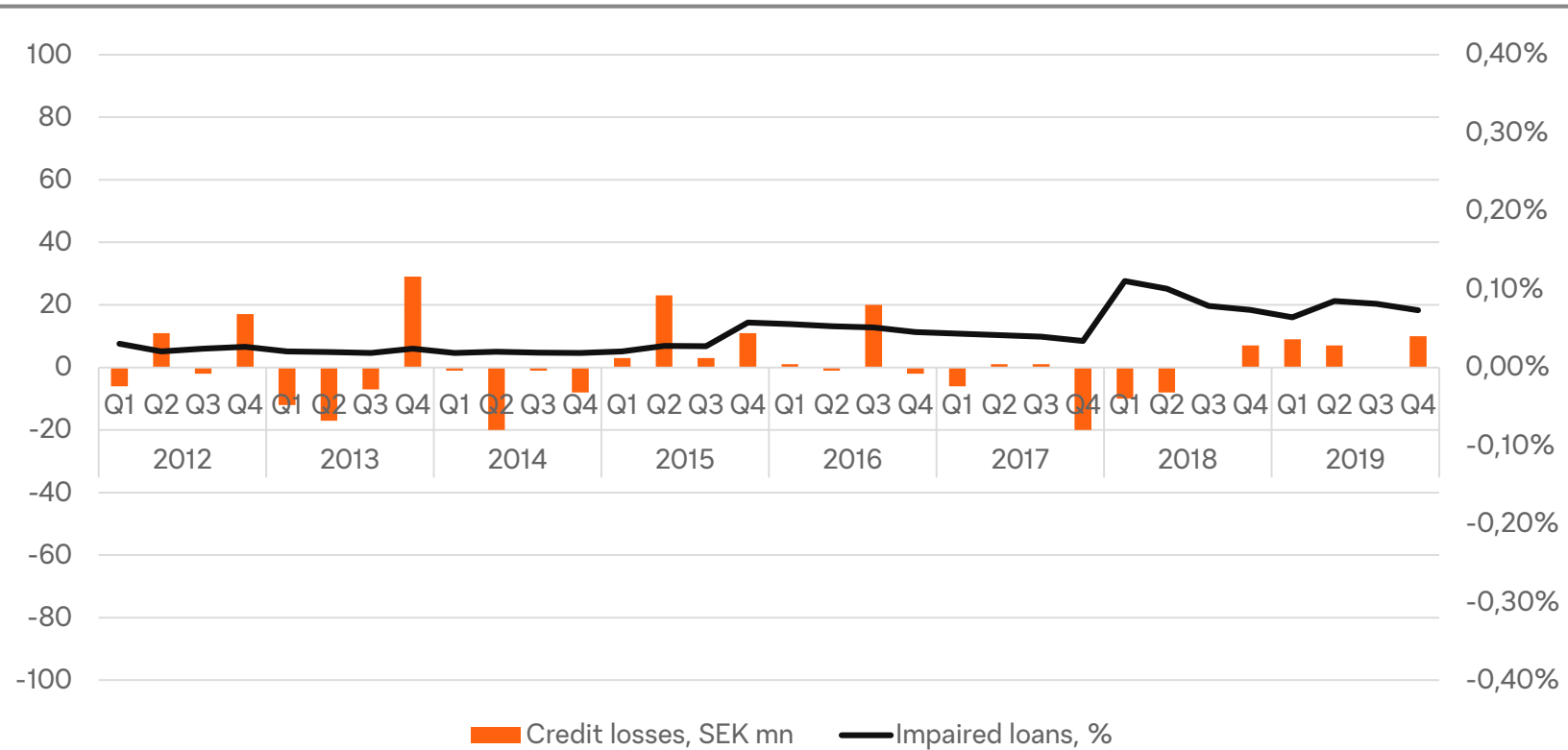
* From 31 March 2017, return on equity calculated as earnings after tax in relation to average equity, after adjustment for additional Tier 1 securities, value changes in financial assets recognised in equity & dividend (opening balance adjusted for dividend the year before). Comparative figures before 2017 have been recalculated according to new calculation method.



Superior asset quality

- High concentration on Swedish residential mortgages - very low loan losses/problem loans over time

Credit losses (LHS) & Impaired loans (RHS) QoQ 2012-2019



Key metrics

Credit losses FY 2019

-26 million

Credit loss level FY 2019

-0.01%

Average LTV (mortgage book)

60%

LTV in new lending during Q4

70%



Funding, liquidity & capital

Rating overview

Senior Unsecured Rating

Moody's **A1** Stable Outlook

STANDARD & POOR'S RATINGS SERVICES **A** Stable Outlook
McGRAW HILL FINANCIAL

Short-term rating: P-1 / A-1

MOODY'S

STANDARD & POOR'S
RATINGS SERVICES
McGRAW HILL FINANCIAL

Investment Grade

Aaa *Sov. rating*

AAA *Sov. rating*

Aa1

AA+

Aa2

AA

Aa3

AA-

A1 *Senior Preferred*

A+

A2

A *Senior Preferred*

A3

A- *SACP*

Baa1 *BCA*

BBB+ *SNP*

Baa2 *T2/SNP*

BBB *T2*

Baa3

BBB-

Non Investment Grade

Ba1 *AT1*

BB+

Ba2

BB *AT1**

[...]

[...]

* Revised 2019/22/05 from BB+



SBAB's rating composition for senior debt

MOODY'S

STANDARD & POOR'S
RATINGS SERVICES
McGRAW HILL FINANCIAL

Stand-alone rating

Macro profile	Strong+
Financial profile	a3
Qualitative	-1
- <i>Opacity and complexity / Corporate Beh.</i>	0
- <i>Diversification</i>	-1
Baseline Credit Assessment (BCA)	baa1

Stand-alone rating

Anchor	a-
Business Position	-1
Capital and Earnings	+1
Risk Position	0
Funding & liquidity	0
Stand-Alone Credit Profile (SACP)	a-

Notching

Loss Given Failure (LGF)	+2
Government Support	+1
Total notching	+3

Notching

ALAC Support	+1
GRE Support	0
Group Support	0
Sovereign Support	0
Total notching	+1

Rating

Rating	A1
Outlook	STABLE

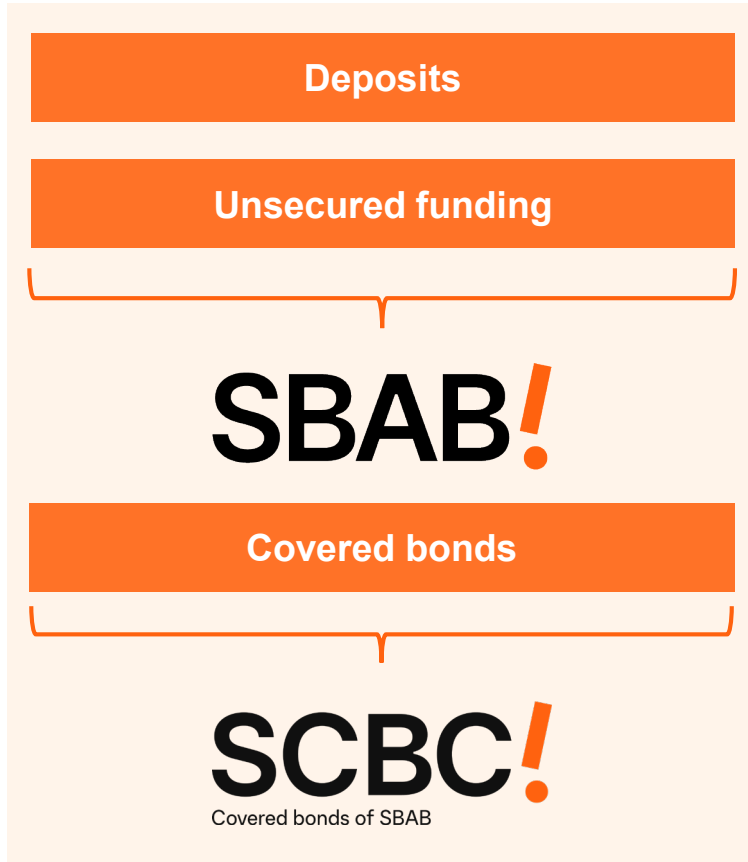
Rating

Rating	A
Outlook	STABLE

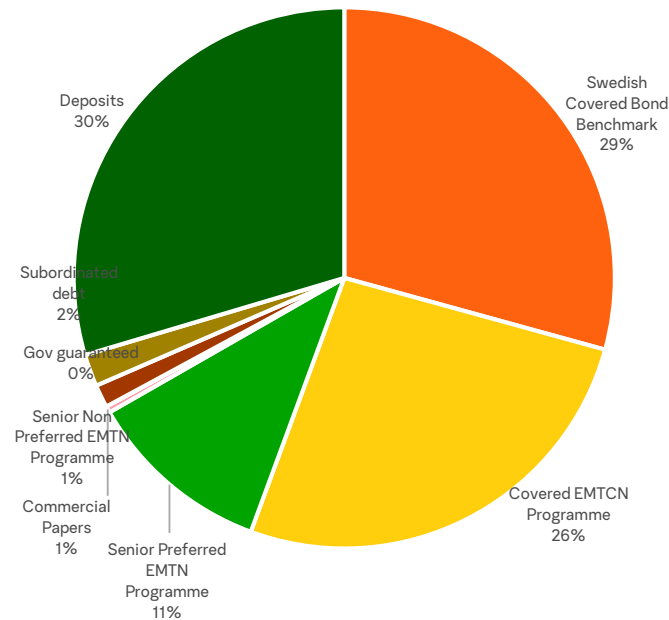


Overview of funding

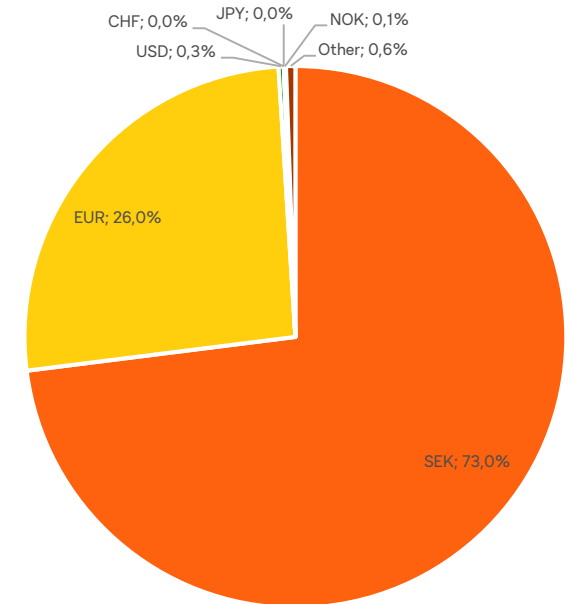
– Total funding portfolio SEK 441 billion (as of 31 December 2019)



Funding sources



Funding sources

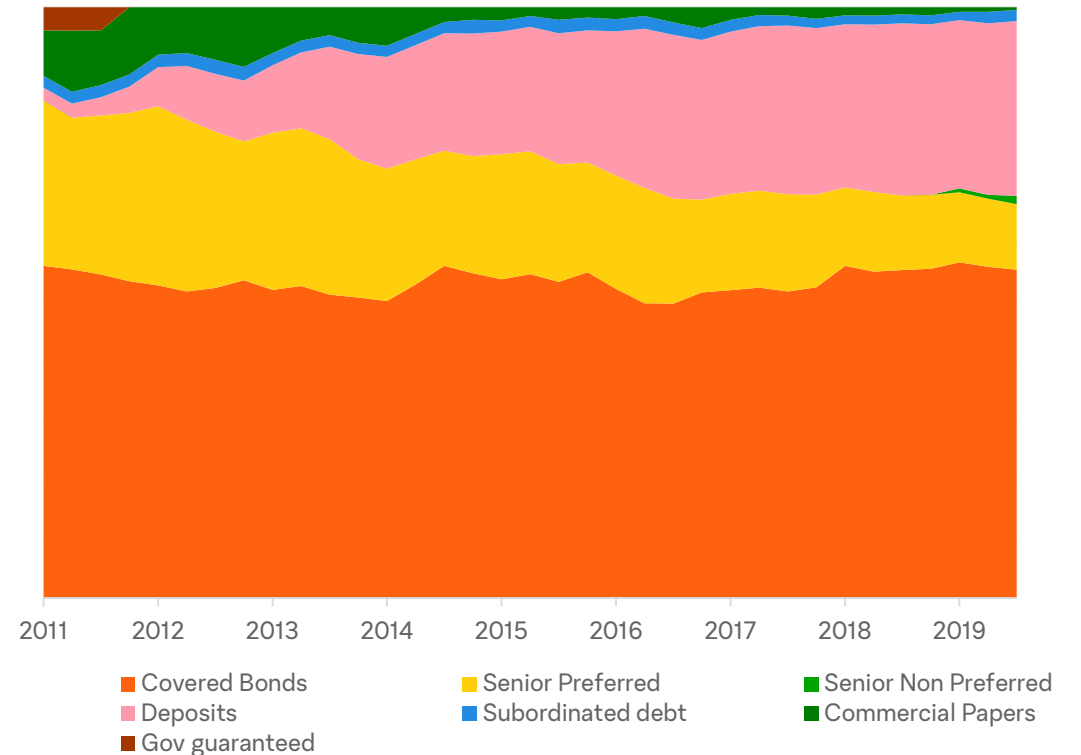


Funding strategy & development

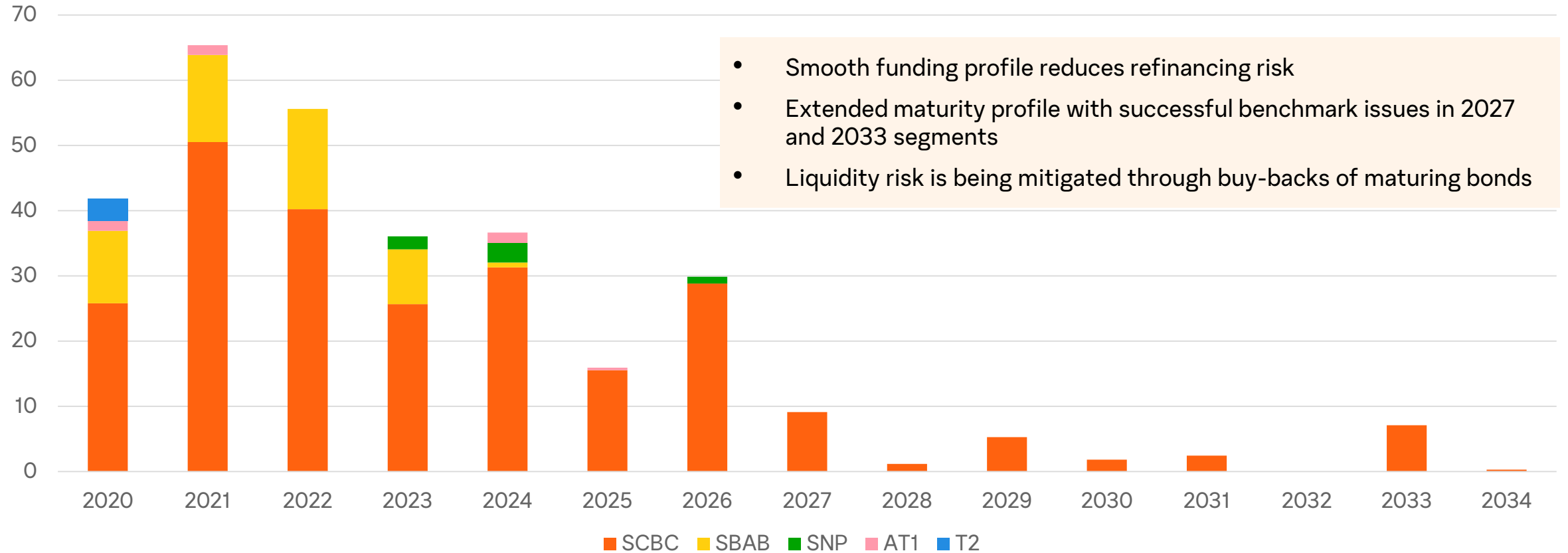
Funding strategy

- Maintain access to core funding markets - SEK- and EUR-market
 - Regular benchmark issuance in Covered Bond format as well as in Senior Unsecured format
 - Private placements in niche currencies
- Reduced wholesale funding reliance due to growing deposit volumes. Maintain a low reliance on foreign currency funding
- Continuous and committed investor work in core markets and towards core investors to further increase name recognition and transparency
- Efficient use of Covered Bond Funding ~ 50% of total funding. Utilising the depth and stability of the Swedish Covered Bond Market
- Limited use of short dated funding through CP-programs and of interbank funding
- Intermediate (5y+) bond tenors to support funding duration
- Committed to increase green bond issuances subject to green lending volumes

Development of funding sources



Maturity profile

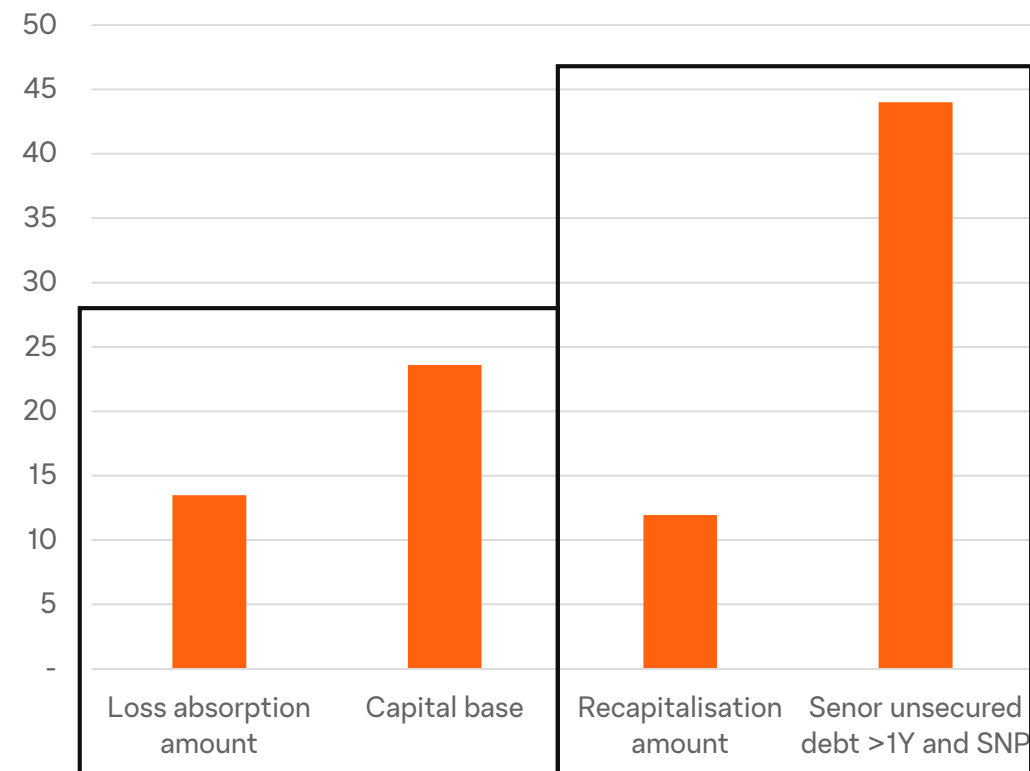


MREL-requirement

Background

- In June 2018, SNDO (Riksgälden) made public that the principle of subordinated liabilities shall also apply to the six mid-sized institutions that are critical for the financial system. Phase in period until end 2021
- SBAB's total MREL-requirement is currently set at 5,35% of Total Liabilities and Own Funds (TLOF)*
 - Total need for MREL debt around SEK 25 bn, where approximately SEK 12 bn is the recapitalisation amount (to be covered with senior non preferred debt)
 - Compliant with requirement with current outstanding senior unsecured debt
 - SBAB's estimated balance sheet growth and buffer will add to MREL requirement
- Senior non preferred need (requirement and buffer) of approximately SEK 15-17 bn by end of 2021
- Gradual build up of eligible liabilities (senior non preferred) over coming years (subject to regulatory developments)
 - Outstanding amount SNP debt as of YE 2019 approximately SEK 6 bn

MREL requirement Q3 2019, SEK (bn)

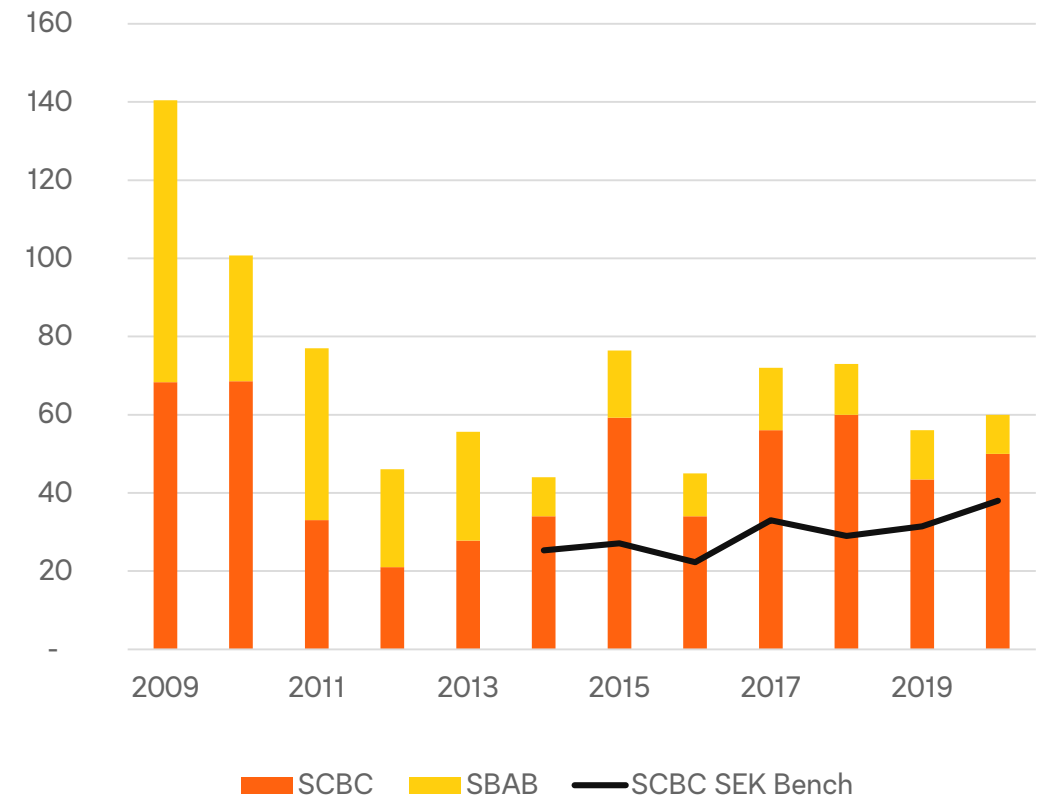


Future issuance

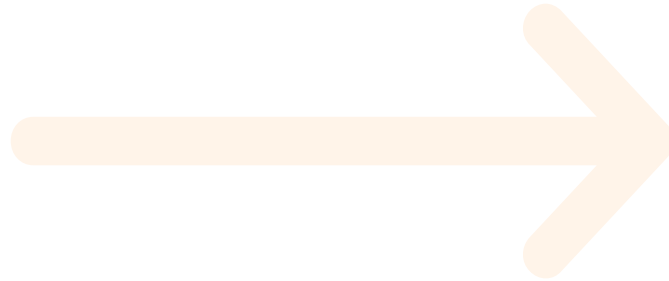
Future issuance

- Total long term funding for 2020 expected to approximately SEK 60 bn
- Overall strategy is to long term maintain presence and regularity in core funding markets (predominantly EUR and SEK)
 - New SEK covered bond benchmark/benchmarks per year
 - One EUR covered transaction in international funding markets per year & one EUR public senior preferred in international funding markets per year
 - Private placements in SEK and international funding markets
 - Senior non preferred issuances – SEK issuance, EUR and other currencies as a complement
- Capital issuances (AT1 & T2) predominately in SEK
- SBAB's focus is to use intermediate (5y+) tenors to support duration
- Regular future issuance: Dedicated to SEK and expected to return to EUR senior and covered bond market once a year going forward

Annual issuance, SEK (bn)



Regular presence in EUR market



SBAB!

Senior Unsecured
€500mn

0.50%
5y due May '21

April 2016

SBAB!

Senior Unsecured
€500mn

0.25%
5y due Sept '22

August 2017

SBAB!

Senior Unsecured
€500mn

0.75%
5y due June '23

June 2018



SCBC!
Covered bonds of SBAB

Covered Bond
€750 mn

0.25%
5y due April '23

April 2018

SCBC!
Covered bonds of SBAB

Covered Bond
€675 mn

1.25%
15y April '33

Apr 2018
(tap Oct 2018)

SCBC!
Covered bonds of SBAB

Covered Bond
€650 mn

0.625%
7y due Oct '25

October 2018

SCBC!
Covered bonds of SBAB

Covered Bond
€500 mn

0.375%
10y due Jun '29

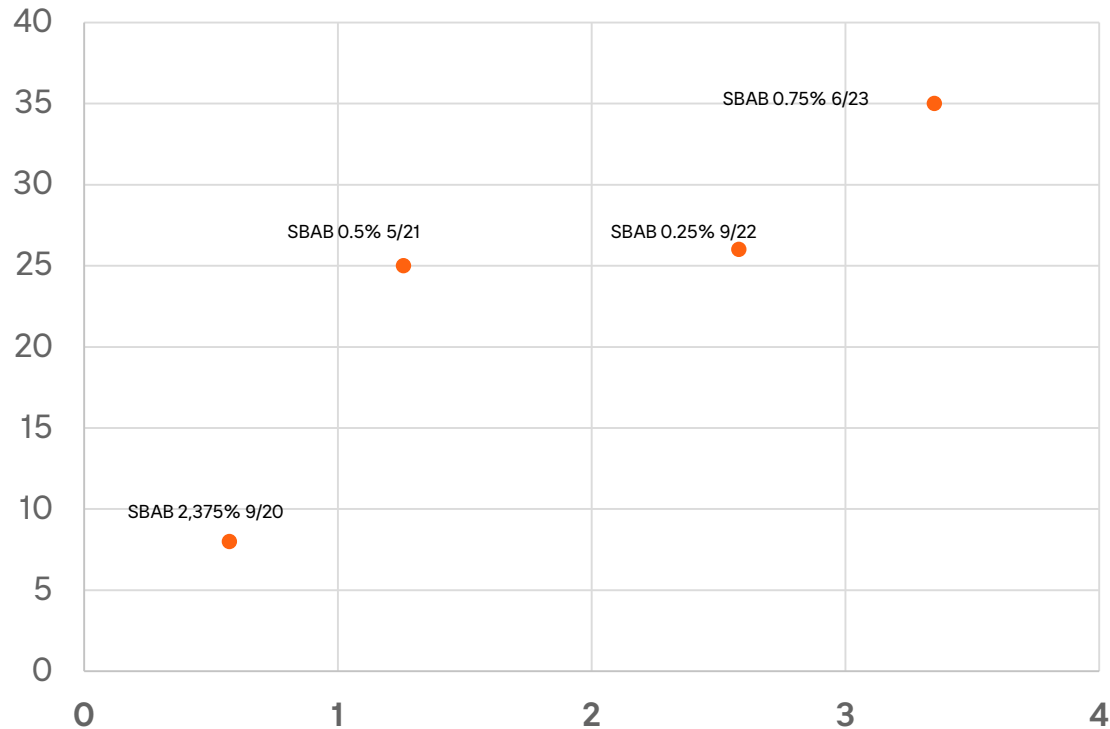
June 2019



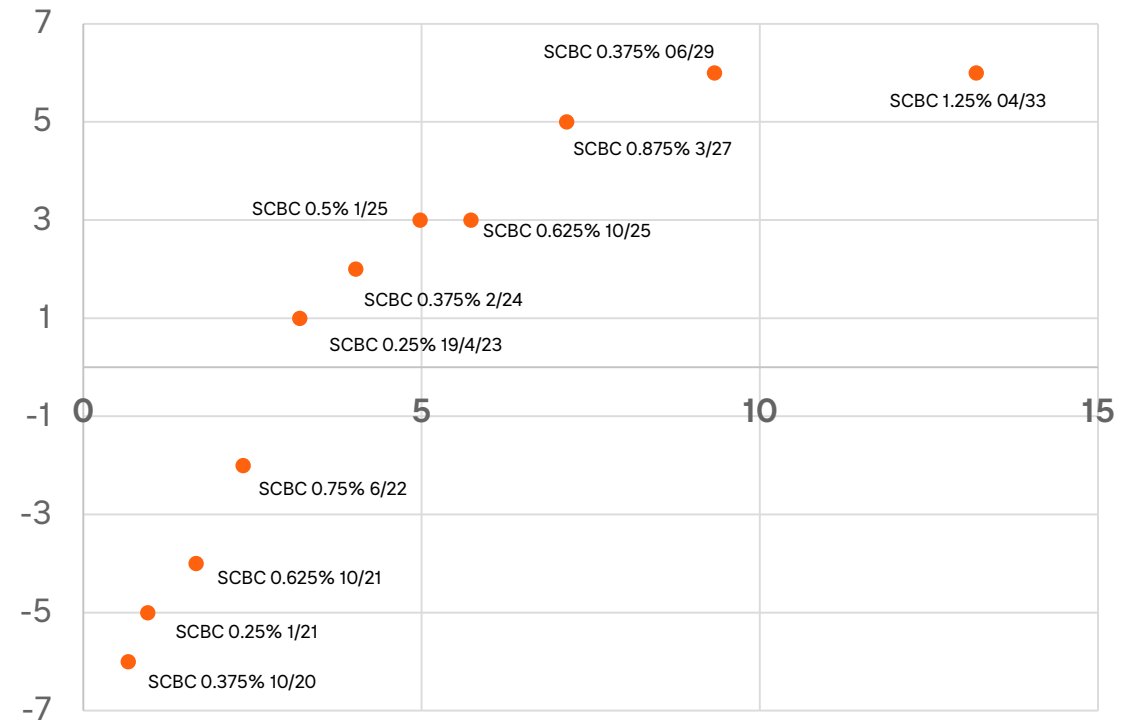
Outstanding SP and CB (EUR)

- Spread vs MS

Senior Unsecured (SP)



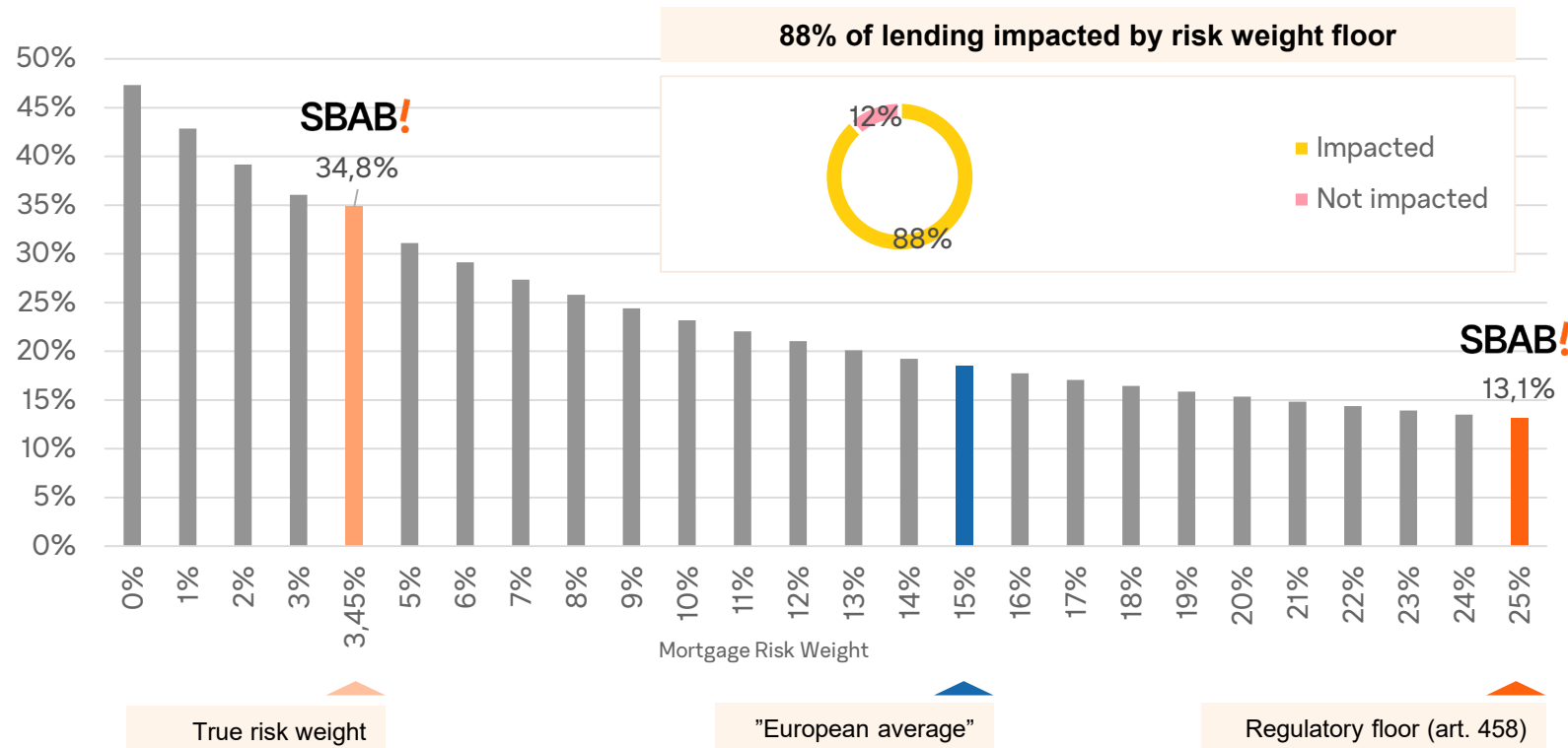
Covered Bonds (CB)



Capital position

– Solid capitalisation, SBAB well above external and internal requirements

Move of RW-floor (art. 458) & impact on SBAB's CET1 ratio



Comments

- Capital target: CET1 and total capital ratio at least 0.6% above the requirement communicated by the Swedish FSA *
- SBAB well above external and internal requirements in Q4
- Retained earnings in 2019 has strengthened capitalization levels

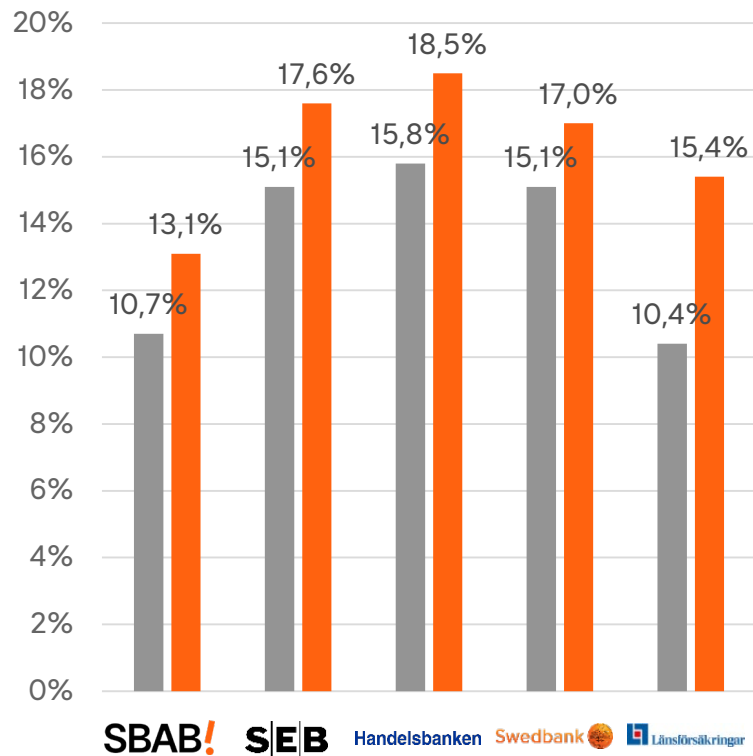
* Adjusted from 1.5% as per 31 Dec 2018 as a result of decision from the Swedish FSA to change the method it uses to apply the 25% risk weight floor for Swedish mortgages previously captured through Pillar 2 by replacing it with a capital requirement within the framework of Article 458 of CRR. In nominal terms, a buffer level of 0.6% corresponds to 1.5% before moving the risk-weight floor.



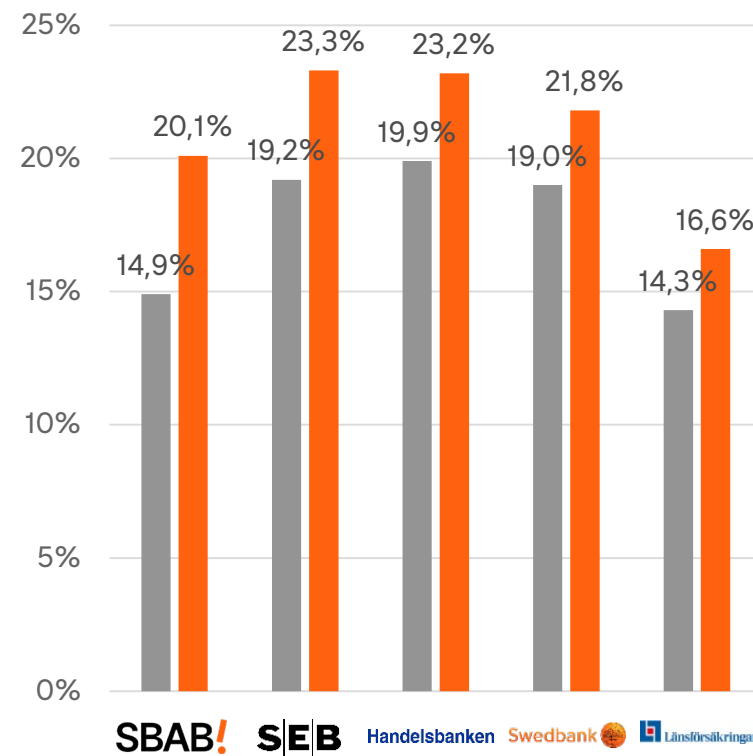
Capital buffers vs peers

- Continued strong capital buffers: SBAB well above external requirements

CET 1 capital ratio, %



Total capital ratio, %



Comments

- Capital target: CET1 and total capital ratio at least 0.6% above the requirement communicated by the Swedish FSA *
- SBAB well above external and internal requirements in Q4
- CCB increased in Q3 2019 (+0.5% to 2.5%). Lowered to 0% in March 2020

— Available Q4 2019
 — Requirement Q4 2019

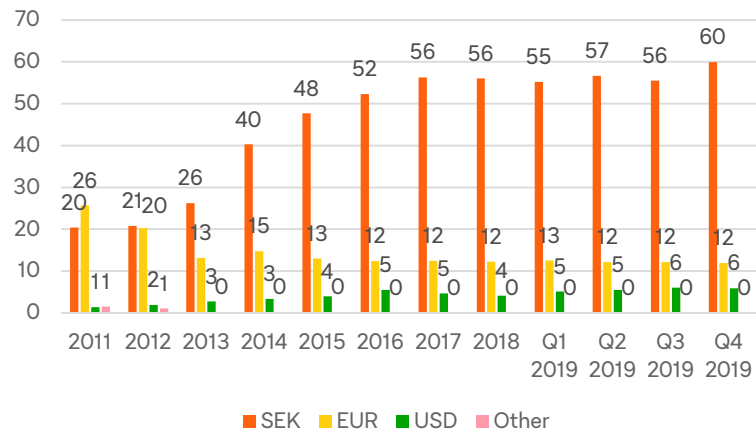
* Adjusted from 1.5% as per 31 Dec 2018 as a result of decision from the Swedish FSA to change the method it uses to apply the 25% risk weight floor for Swedish mortgages previously captured through Pillar 2 by replacing it with a capital requirement within the framework of Article 458 of CRR. In nominal terms, a buffer level of 0.6% corresponds to 1.5% before moving the risk-weight floor.



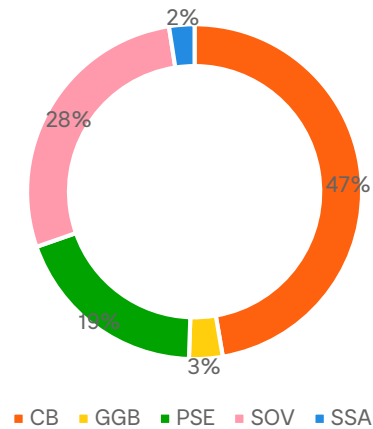
Liquidity position

- LCR compliant since 1st January 2013
- 97% AAA and 3% AA+
- Maximum 10y maturity
- Increased portfolio to extend survival horizon

Liquidity portfolio (Currency distribution)



Liquidity portfolio (Securities type)



Key metrics

Liquidity reserve

78_{bn}

LCR

271%

NSFR

134%

Survival horizon

290_{days}



Swedish economy & housing market

Summary Sweden



Sweden
AAA / Aaa / AAA (stable)

Affordability Assessment

- Solid GDP growth of on average around 2% for the last 10 years. Slowdown in 2019 due to a decline in constructing, and in 2020 due to a weak demand
- Unemployment is expected to remain at a fairly low level but somewhat increasing
- Public finances are very strong in an international comparison

Real estate

- Strong house price increase with turning point in 2017. Slow but steady recovery in 2018 and 2019
- The decline in housing constructing in 2018 and 2019 is expected to turn up slightly in 2020

Interest rates

- Expansionary monetary policy with a Repo rate at currently 0 percent, an upturn is not expected until early 2022
- Still low mortgage lending rates in the near future

Credit

- Debt-to-income ratio has risen for a number of years, but low debt service costs-to-income ratio and high net wealth
- High private debt mitigated by low and declining government debt
- Gradually declining lending growth is now at a level that could be considered sustainable

Demography

- Population grow due to strong birth excess and migration with a marked urbanization trend
- Demographic aspects indicate strong demand for new housing

The Swedish economy

Forecast key figures Sweden

	2018	2019	2020	2021	2022
Real GDP, actual	2.2	1.2	0.8	1.6	1.7
Household consumption	1.7	0.9	1.4	1.8	2.0
Public consumption	0.4	0.7	0.7	1.1	1.3
Investments	5.2	-2.2	-0.6	1.0	1.7
Net export, GDP-contribution (pp)	-0.1	1.2	0.1	0.2	0.1
Employment	1.5	0.6	0.4	0.4	0.8
Unemployment rate (%)	6.3	6.8	7.2	7.4	7.2
Inflation, CPIF growth	2.1	1.7	1.6	1.5	1.7
Policy rate, yearly average (%)	-0.50	-0.25	0.00	0.00	0.21
KIX-index (-)	117.6	122.1	120.4	119.1	117.5

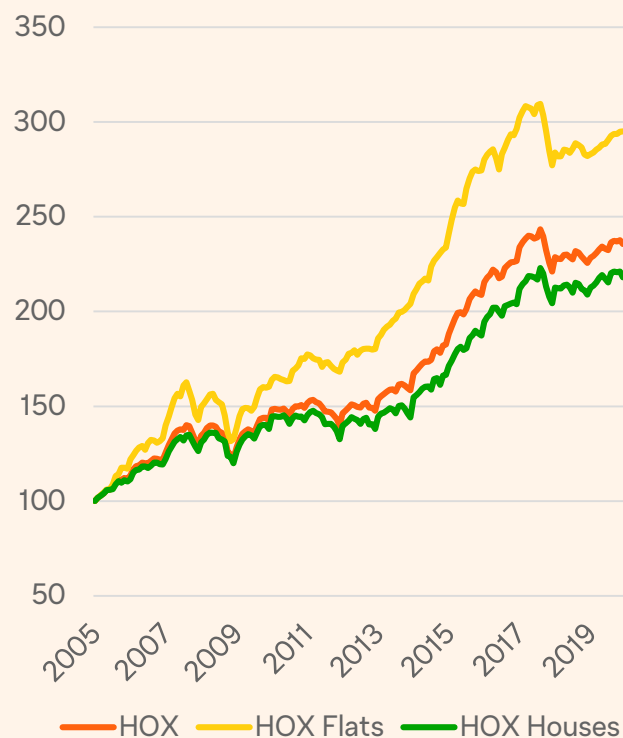
Note: Annual percentage growth unless indicated otherwise, light orange background indicates SBAB's January forecast

Comments

- Further slowdown in economic growth expected in 2020 followed by an upturn in 2021
 - Over the past ten years the economy has been characterized by strong population growth, increasing employment, stable public finances, low inflation, low interest rates and rising house prices
 - The decline in GDP growth in 2019 can to a large extent be explained by an expected fall in housing production and thereby investment, and the decline in 2020 by a weak external demand
 - Unemployment is low but is expected to rise somewhat in the coming years

Slightly increasing housing prices

Housing price index (index January 2005=100)



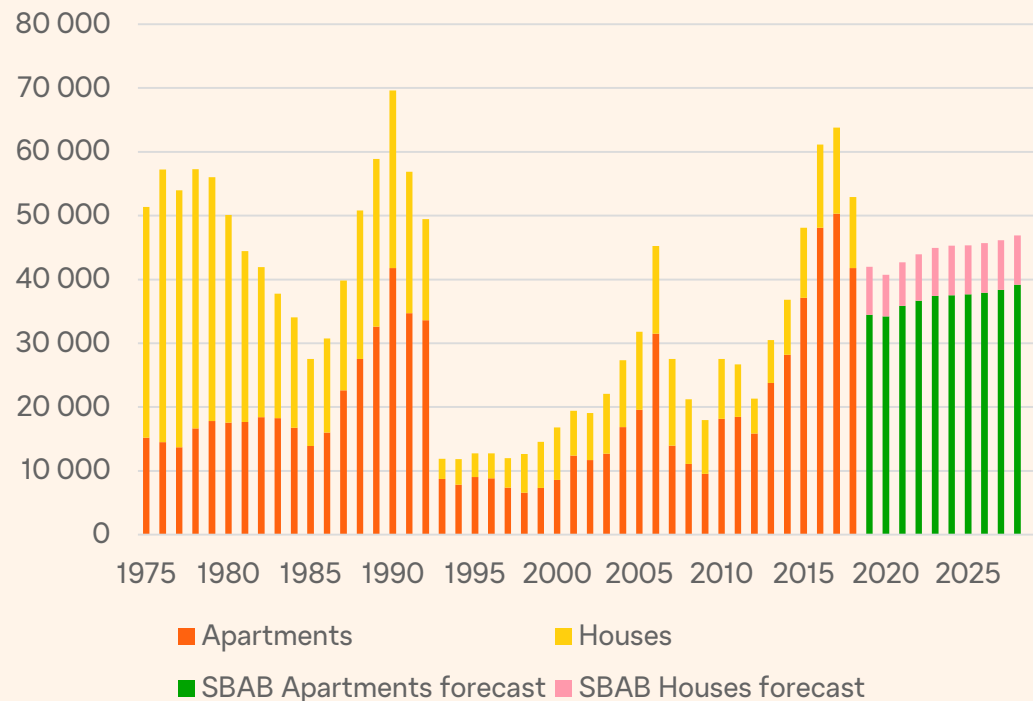
	Index Dec-19	Change since		
		1m	3m	12m
Sweden (HOX)	236	-0.8%	-0.7%	+4.5%
Flats	295	0.0%	+0.4%	+4.6%
Stockholm	282	-0.1%	+1.1%	+5.2%
Gothenburg	335	+0.1%	-0.2%	+4.4%
Malmö	258	+0.1%	+0.5%	+6.4%
Houses	218	-1.4%	-1.4%	+4.4%
Stockholm	219	+0.2%	+0.2%	+4.2%
Gothenburg	226	-1.8%	-0.2%	+6.3%
Malmö	204	-0.6%	-0.8%	+5.4%

Stable prices in the coming years

- Housing prices have increased by an average of 5.2 percent over the past ten years, turning point in 2017
 - Construction of new housing is clearly influenced by the development of housing prices
- SBAB's forecast is that housing prices for the country as a whole will increase by a few percentage points in 2020, and then fall back with about the same in the following year
 - The house price forecast depends largely on SBAB's forecasts on household disposable income and mortgage interest rates

Reduced housing constructing

Housing construction (number of homes)

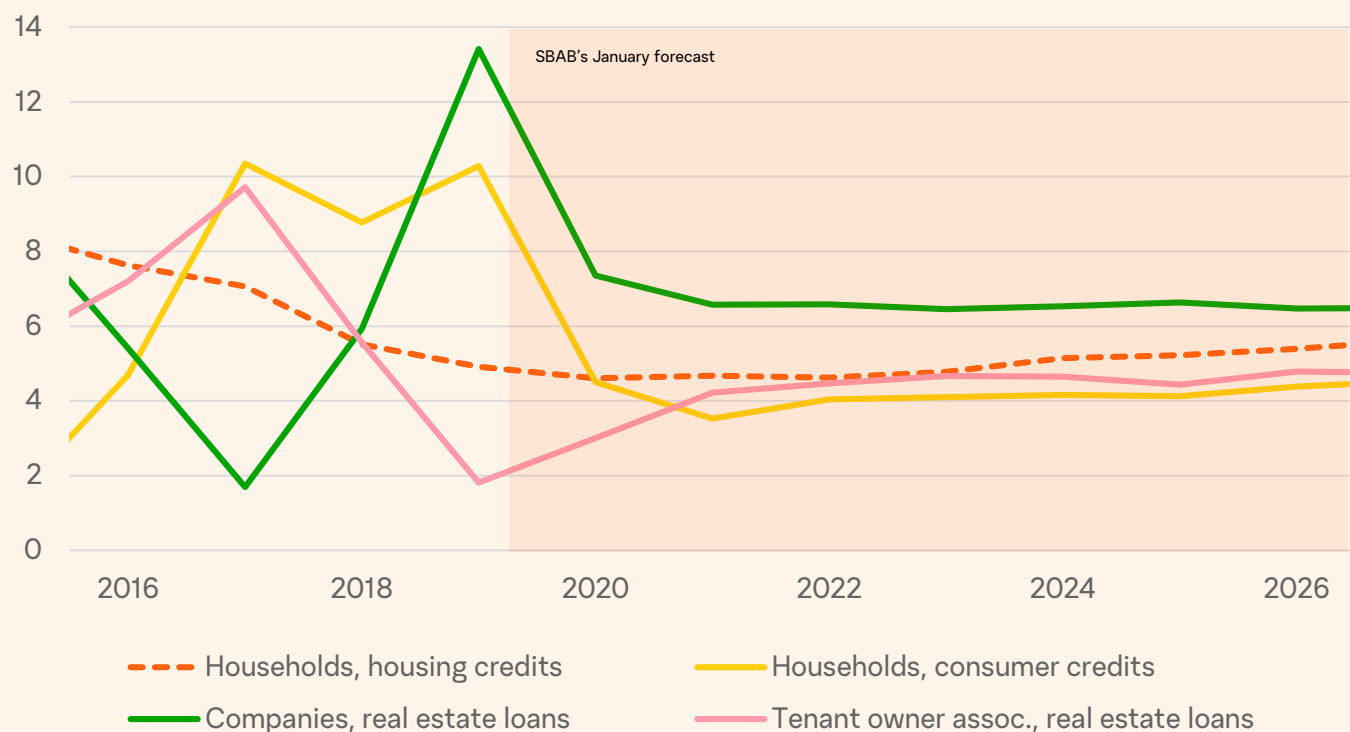


Remaining need for new housing

- Housing construction peaked in 2017
 - Relatively low level of housing constructing since the crisis of the 1990s
 - Rapid rise in 2015
 - The housing shortage in Sweden is currently estimated to amount to around 1600 00 homes, despite the high rate of construction in recent years
 - Housing construction is expected to decrease by 33 percent by 2020 compared to 2017
- Strong demographic growth, good access to financing and low interest rates support the high rate of new construction
 - Some concern about the affordability of new housing and the ability to pay / willingness to buy
 - Approximately 40 000 new homes are needed per year in the coming years in order for the housing stock to grow at the same rate as the number of households.

Slowdown in credit growth

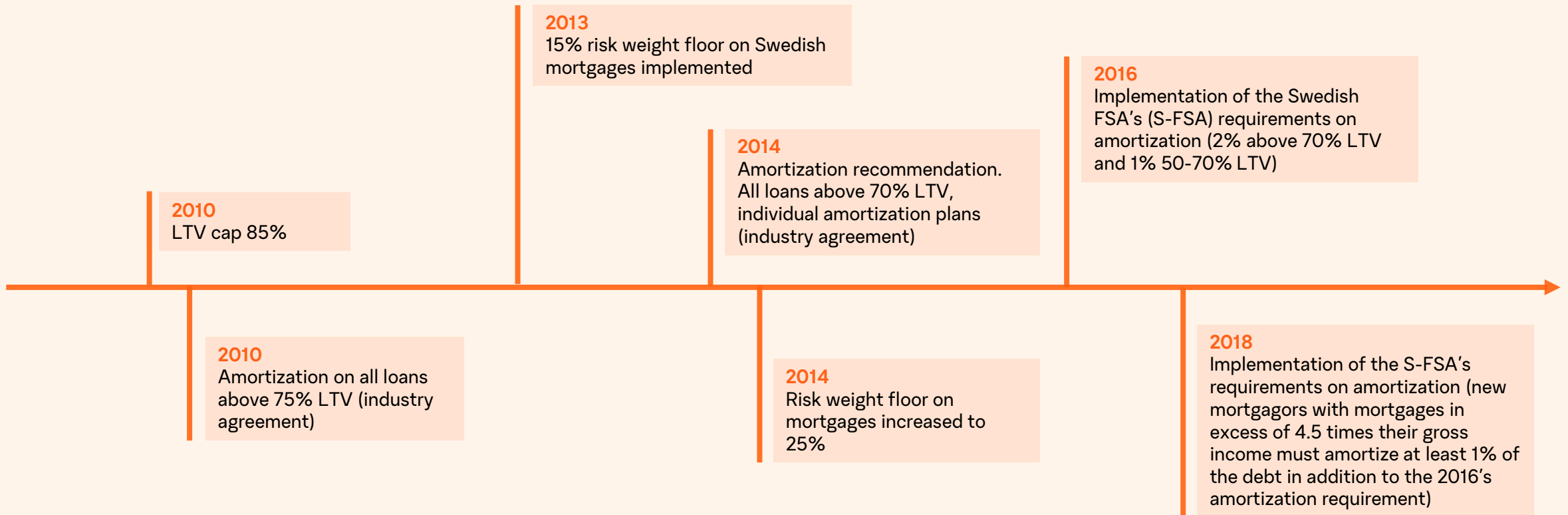
Credit growth, annual growth rates (%)



Comments

- Credit growth in the mortgage market (red line) has slowed down since 2015
- The annual (YoY) percentage credit growth in the mortgage market in December 2019 was 4.9 percent
- According to SBAB's forecast, growth is expected to fall to 4.5 percent for the year 2020 and 4.6 percent for 2021, mainly as a result of lower housing production, more or less stagnant housing prices and lower housing turnover rate

Measures to slow down the market



Appendix

Chapter 7 (7)

SBAB!

SCBC!
Covered bonds of SBAB

Appendix I
About SCBC



About SCBC

SCBC overview

- 100% owned subsidiary of SBAB Bank AB (publ)
- Long-term loans to Swedish households, property companies and tenant-owners' associations
- Licensed by the S-FSA to issue covered bonds (Säkerställda Obligationer) according to the Swedish Covered Bond Act
- Covered bonds rated Aaa by Moody's
- Details about the covered pool ("National Template") published monthly on sbab.se

Eligible cover pool assets

- SCBC does not conduct any new lending itself. Lending is originated by SBAB and assets are transferred to SCBC via a true sale on a continuous basis
- Large buffer in Cover Pool to a significant fall in house prices. Eligible assets in SCBC can be moved to cover pool to increase OC

Simulation of decline in house prices

Houseprice change	Eligible assets in cover pool (SEK bn)	WALTV (%)	OC* (%)
0%	312.4	55.4	30.4
-5%	309.2	57.3	29.0
-10%	304.7	59.1	27.2
-15%	299.0	60.7	24.8
-20%	291.6	62.3	21.7
-25%	282.3	63.7	17.8
-30%	270.1	65.0	12.8

* OC calculated in accordance with requirements from the Swedish FSA

Key metrics

Cover Pool (SEK)

312.4_{bn}

No. of loans

409,336

OC

30.4%

WALTV

55.4%



Overview SCBC

The Swedish covered bond market

- One of the best functioning bond markets in the world
- The bond market has been open and well functioning throughout the crisis, providing reliability and liquidity
- Key distinction of the market is the tap issuance format via contracted market makers. Tap issuances can be made on a daily basis in small to medium sizes
- Market is supported by market makers with separate market making agreements and repo functionality providing issuers with enhanced liability management options
- Typically issuers start reducing their outstanding debt about 6-9 months before maturity via successive buy-backs and switches

Source: ASCB, Association of Swedish Covered Bond Issuers

SCBC Cover pool characteristics (from "National Template")

Collateral	100% Swedish residential mortgages *
Over Collateralization	28.6%
Weighted average LTV	55.4%
Weighted average seasoning	5 years
Loans in arrears	0.07%. Arrears below 0.01% (loans in arrears > 30 days are excluded from the Cover Pool)
Number of loans	408,428
Average loan size	SEK 766,397
Geographical location	Spread throughout Sweden; concentrated to economic hubs
Pool type	Dynamic
Originator	SBAB Bank Group
Interest rate type	66,2% floating, 33,8% fixed / 53,5% amortising, 46,5% interest only

* Occasionally, minor volumes of substitute collateral consisting of AAA rated securities, can be included in the cover pool



The SCBC product

The limited activities of SCBC provide additional benefits to investors

Robust structure

- Strength of a regulated entity combined with a restricted activity vehicle reduces number of other potential creditors
- As a result, in addition to the eligible assets, investors also benefit from over-collateralisation provided by:
 - Non-eligible assets
 - Regulatory capital held by SCBC

Subordination of SBAB interests

- Fees for services provided by SBAB are subordinated to SCBC's senior creditors
- Where a mortgage certificate serves as collateral for 2 different mortgage loans, SBAB has subordinated its interest to SCBC

Loans in arrears

- Loans 30 days in arrears are normally removed from the cover pool in SCBC

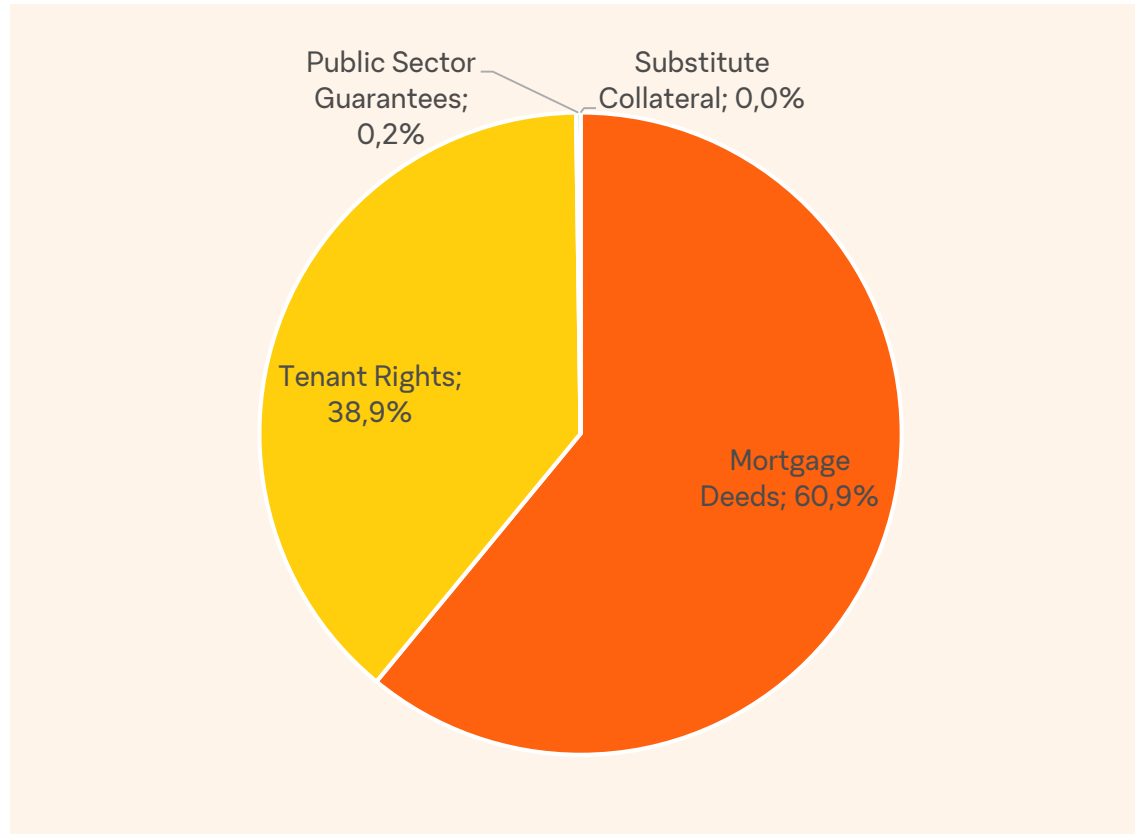
Other features

- Dynamic OC in compliance with Aaa requirements
- UCITS Compliant
- Swedish covered bonds are eligible for repo at Riksbank
- ECBC Harmonised Transparency Template, HTT
- National Template, NTT

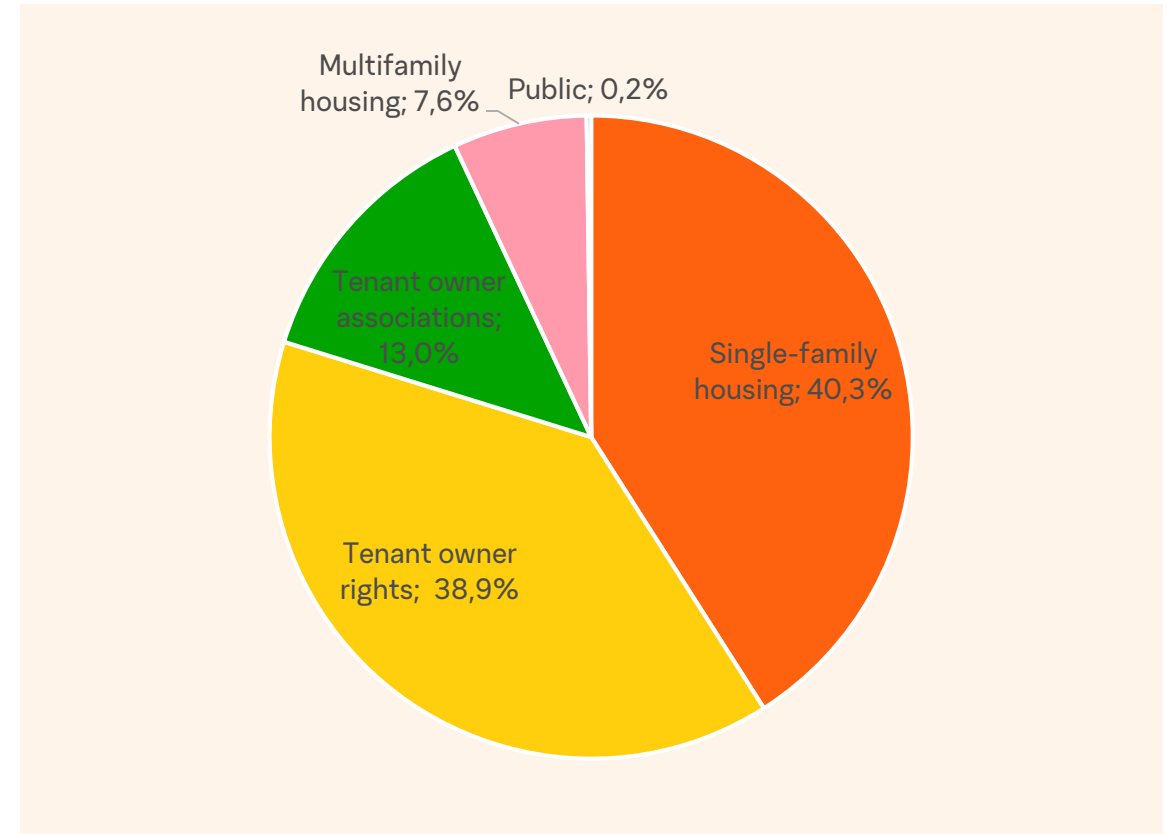


Cover pool characteristics (1/2)

Breakdown by collateral

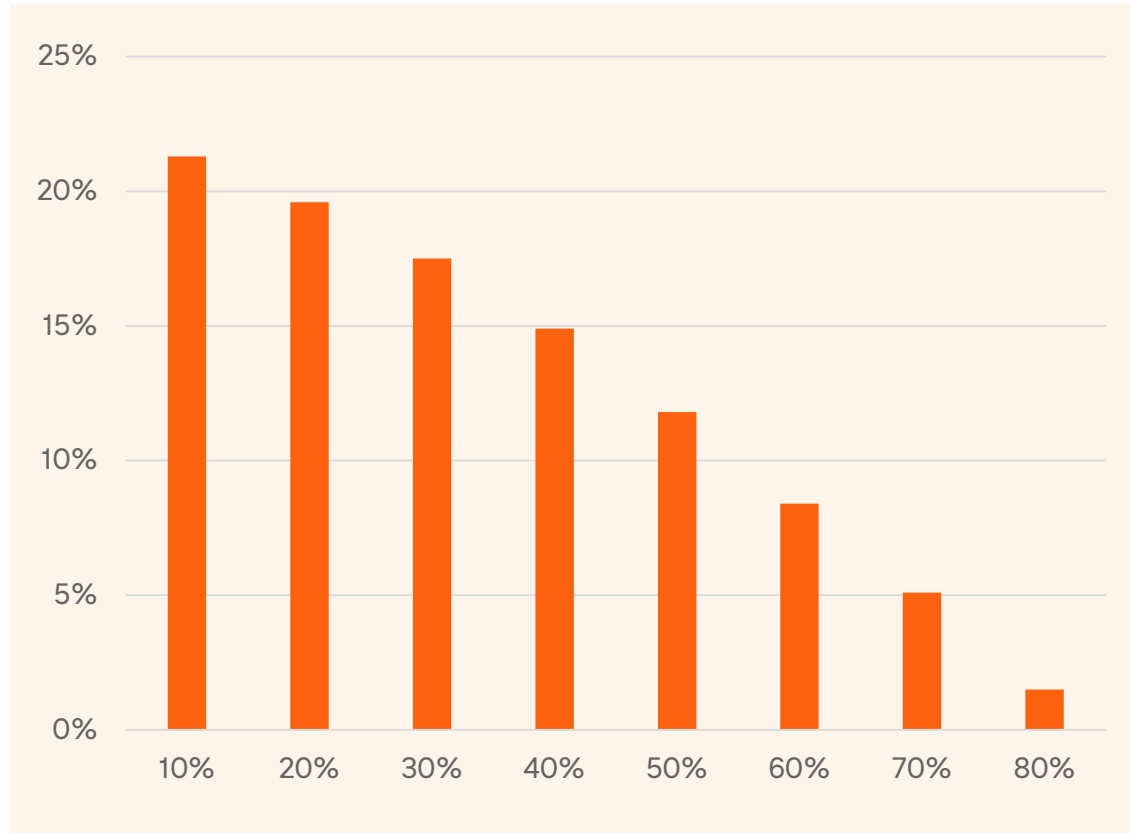


Breakdown by owner



Cover pool characteristics (2/2)

Loan to value (LTV) distribution

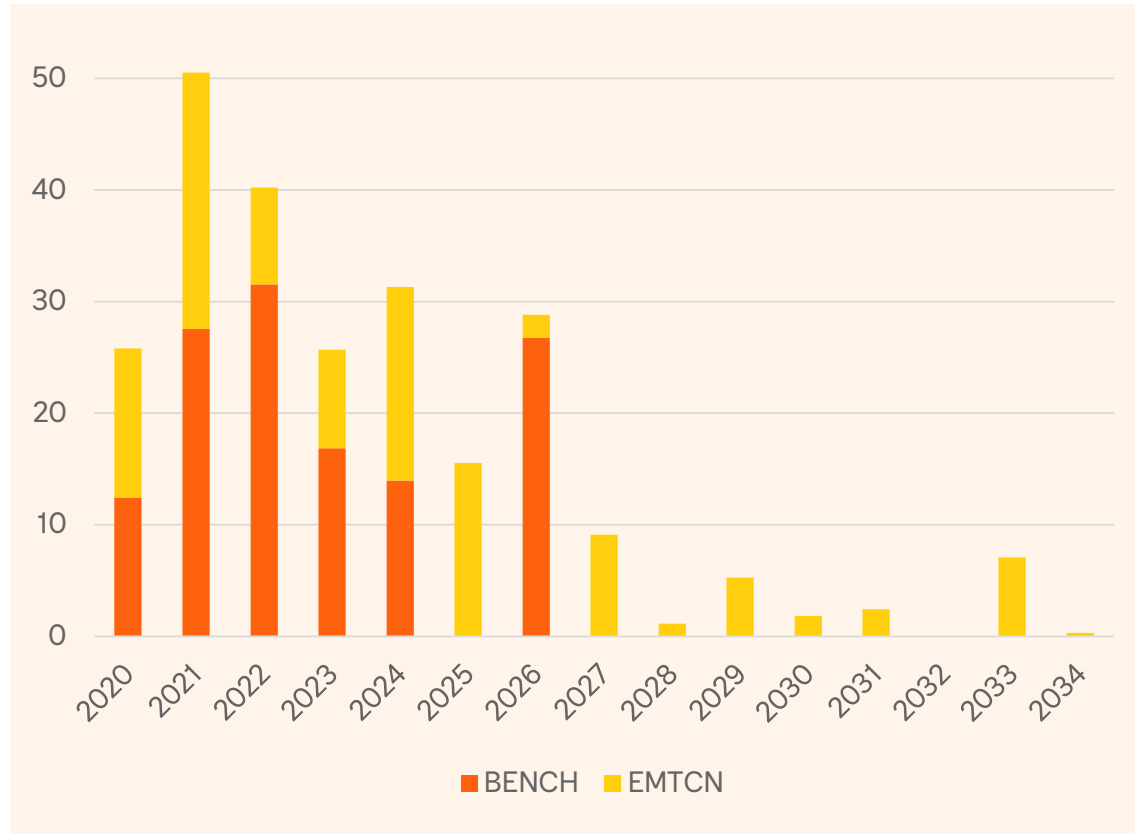


Rate type

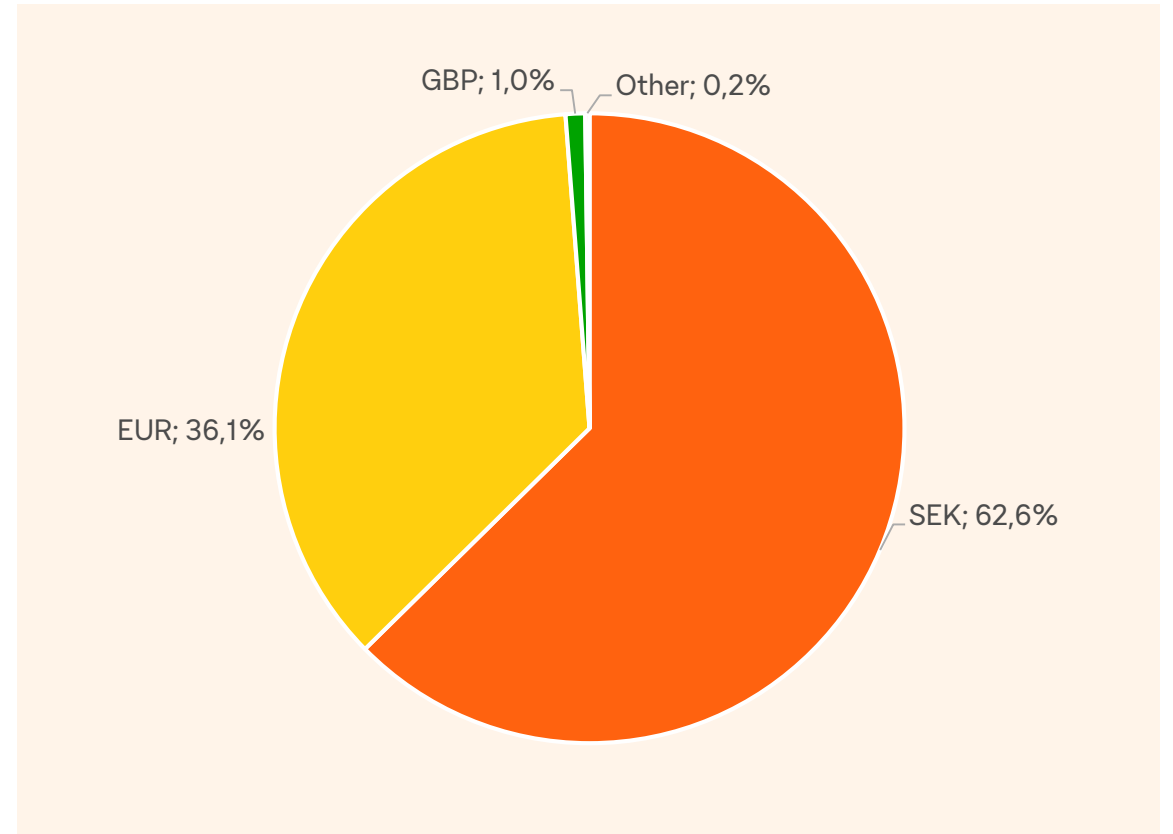


Funding overview

Maturity profile



Currency profile



Appendix II

The Swedish economy
& housing market



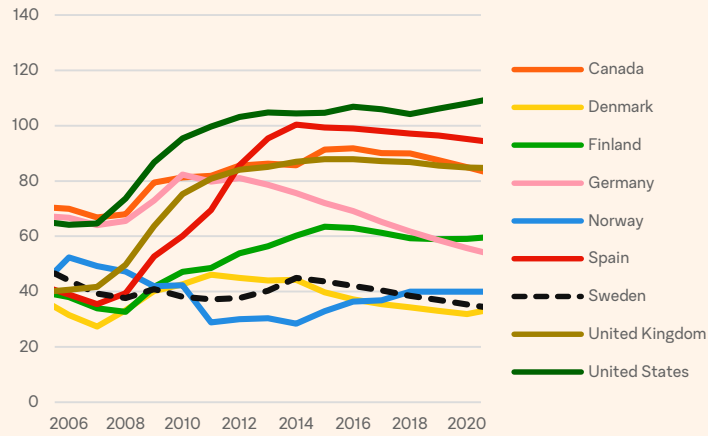
Summary Sweden



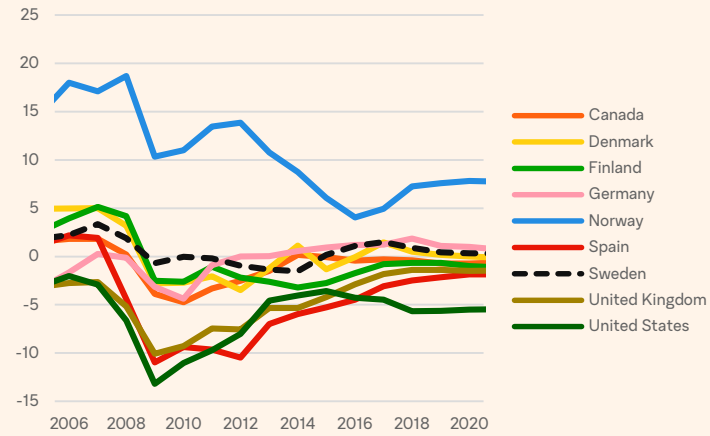
Sweden
AAA / Aaa / AAA (stable)

- Area: 450 295 sq km
- Population: 10 323 857 (November 2019)
- Urban population: 85% of total population
- 21 Counties, 290 Municipalities
- Capital: Stockholm
- Constitutional monarchy
- Unicameral Parliament (Riksdag) with 349 seats
- General elections: Last held on 9 September 2018 (next to be held on 11 September 2022)
- Government: Social Democrats (S) and Green Party (MP) with the support from Centre Party (C) and Liberals (L)
- The Swedish economy rests on a capitalist system mixed with public-private partnership, centralized wage negotiations and substantial welfare elements
- Sweden has one of the world's highest per capita income (IMF)

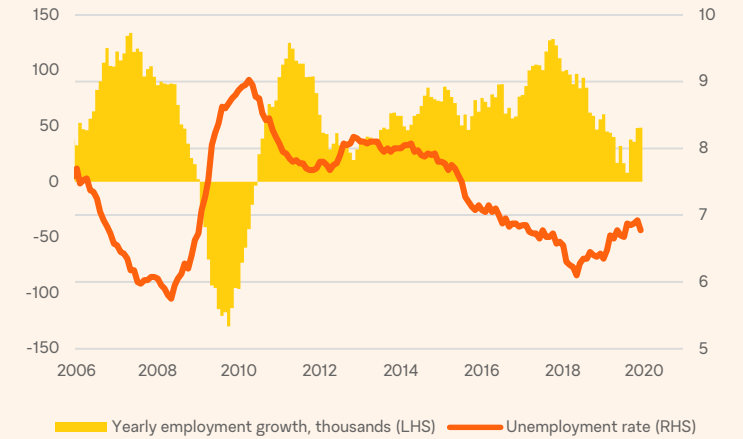
General government gross debt (% of GDP)



General government net lending (% of GDP)



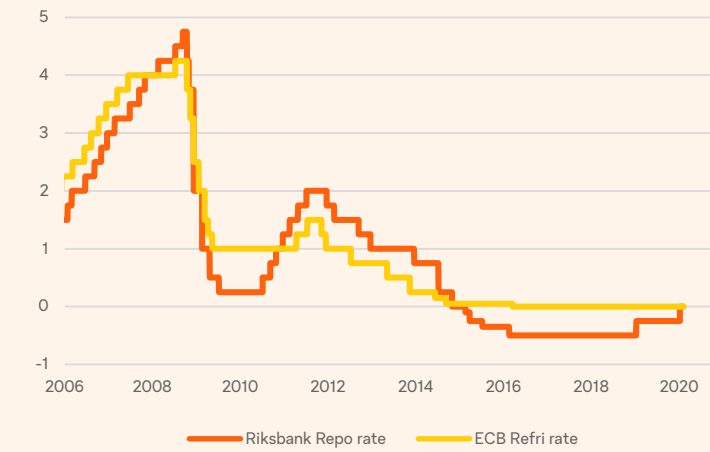
General government net lending (% of GDP)



Inflation (y/y)



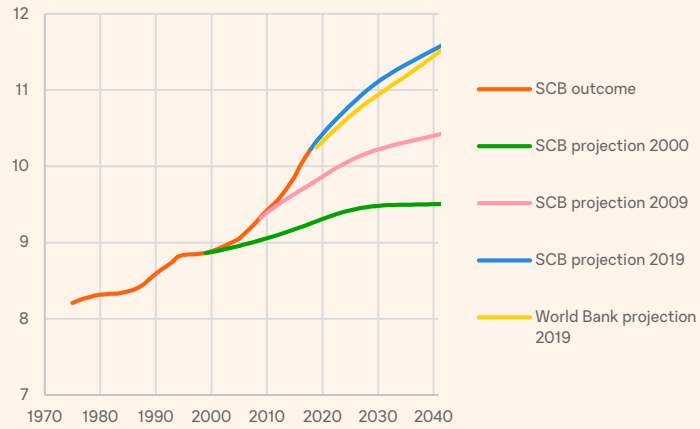
Policy rates



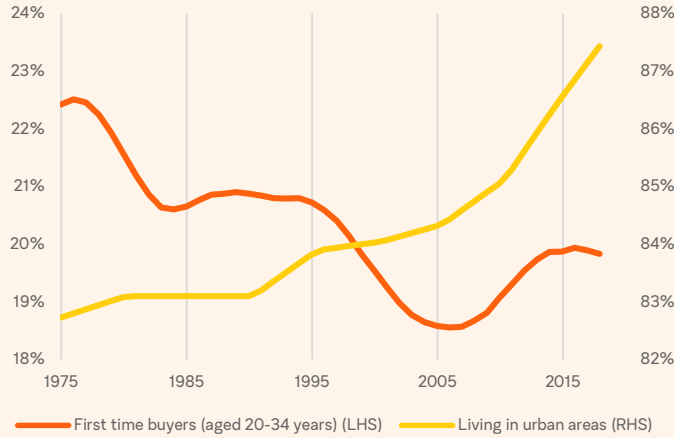
10y government bond rates



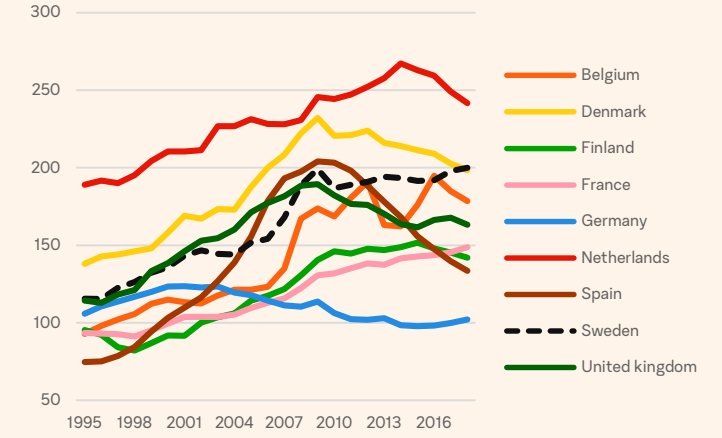
Total population (millions)



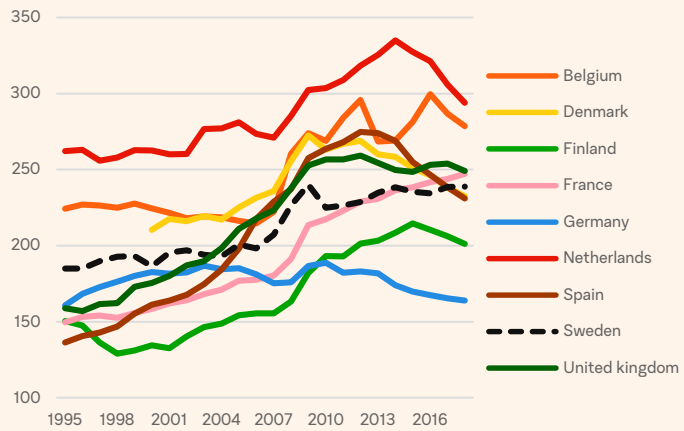
Population composition (% of population)



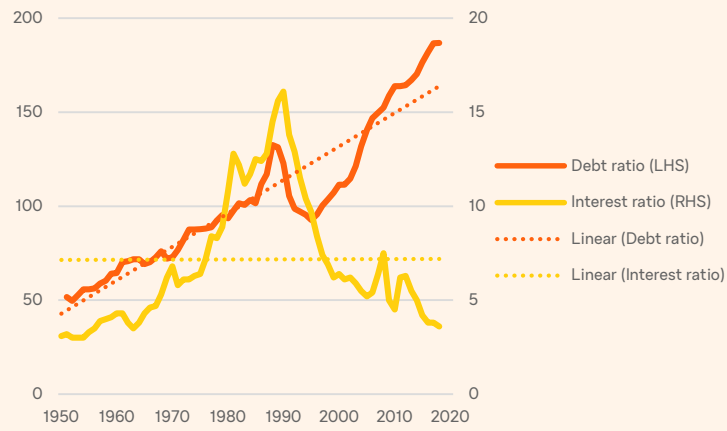
Private debt (% of GDP)



Private and public debt (% of GDP)



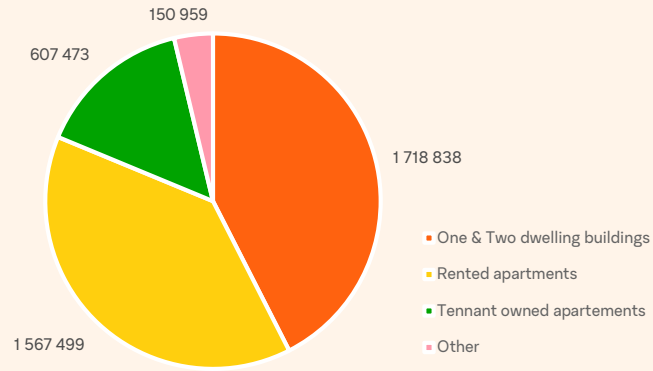
Household debt and interest cost share of income



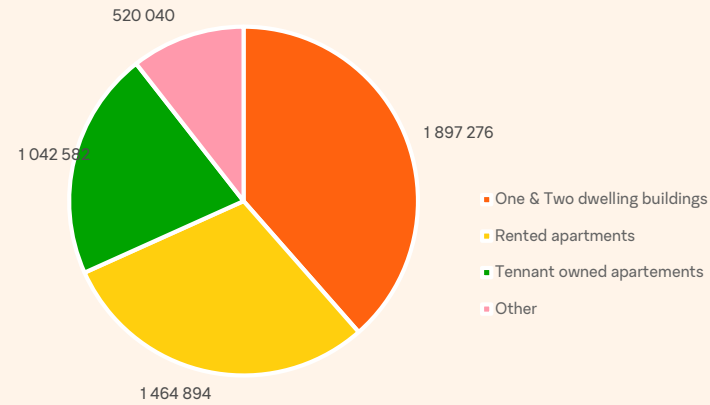
Share of mortgage loans with floating interest rates



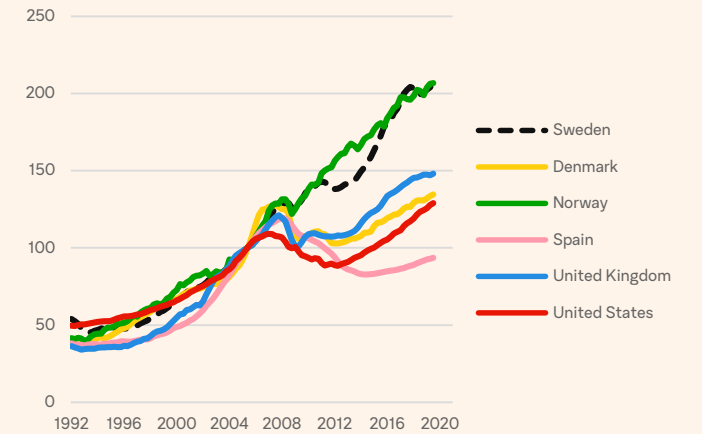
Number of dwellings 1990



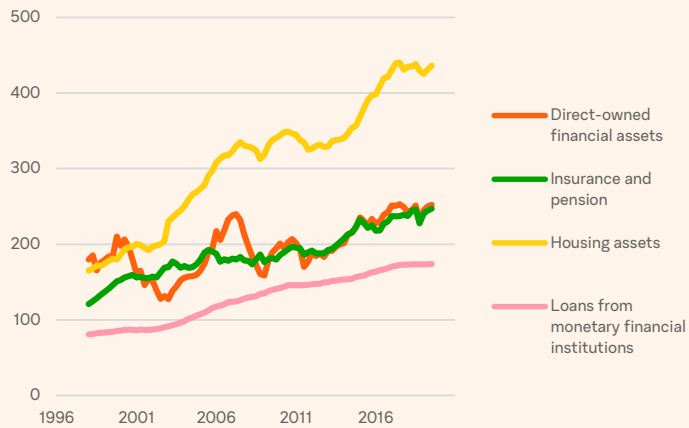
Number of dwellings 2018



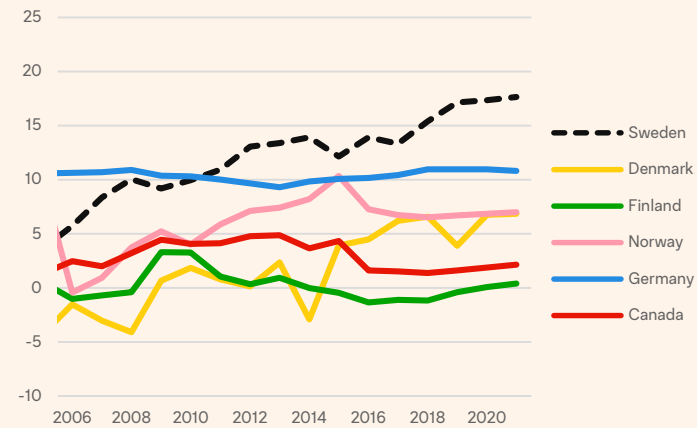
House prices (index 2005=100)



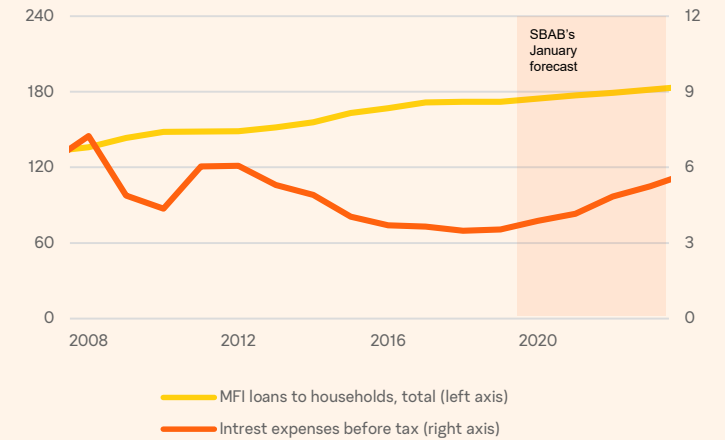
Household debt and assets (% of disposable income)



Household net savings (% of disposable income)



Interest expenditure (% of disposable income)



Appendix III

Our view on
sustainability



Guidelines and obligations

Guidelines & obligations

- **State's ownership policy**

- SBAB follows the state's ownership policy and guidelines for state-owned enterprises 2017, which also encompasses the Guidelines for external reporting in state-owned enterprises and Guidelines for remuneration and other terms of employment for senior executives in state-owned enterprises

- **SBAB's policies, instructions and directions**

- Each year, SBAB's Board of Directors adopts a number of policies and instructions at the statutory Board meeting. These are an important part of the internal governance and help the company to promote sustainable business and to create a consensus on company-wide issues and areas

- **SBAB's Code of Conduct**

- **UN Global Compact, Communication on Progress (COP)**

- **UN 2030 Agenda and Sustainable Development Goals (SDGs)**

- **Sweden's environmental objectives**

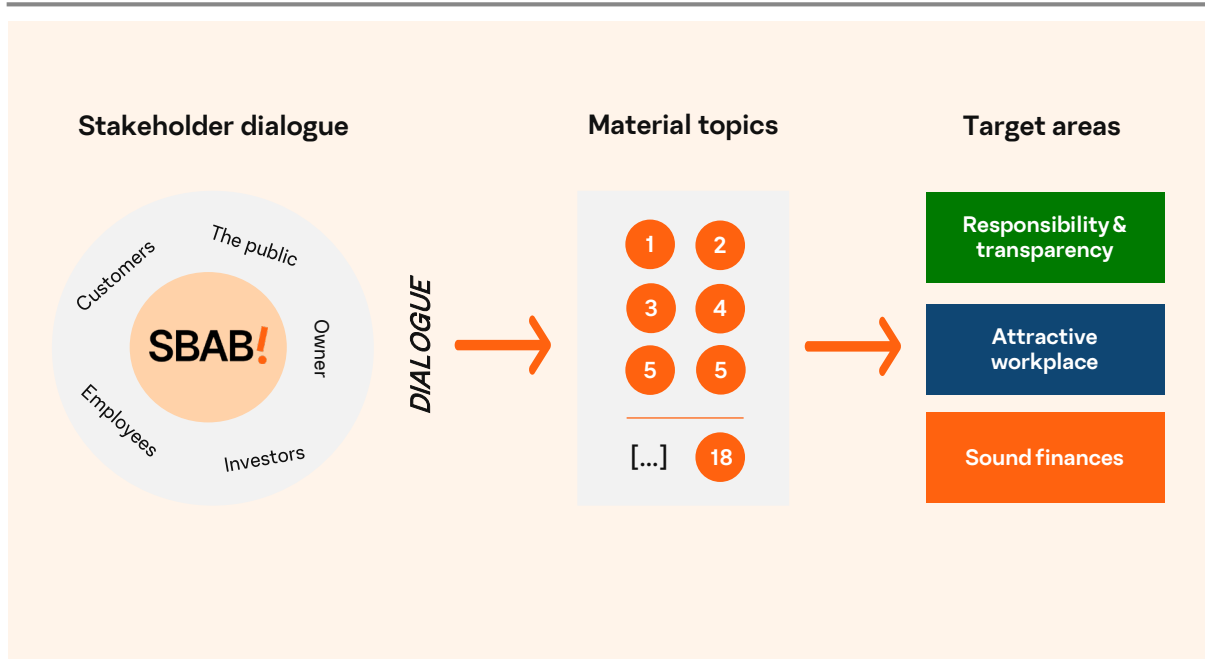
- **The Paris agreement and the EU action plan for financing sustainable growth**

- **SBAB has started to review the possibility of joining the reporting framework of the Task Force on Climate-related Financial Disclosures (TCFD)**

Process for defining target areas

– Materiality assessment basis for defining strategy, goals & target areas

Overview of process for defining SBAB's target areas



Materiality assessment

- Materiality assessment completed in late 2016 and early 2017
- Interviews & online survey with prioritized stakeholders (e.g. Board members, Executive Management, employees, owner, retail customers, corporate clients, business partners & NGOs)
- With input from the above, together with secondary sources, such as employee and brand surveys, internal exercises were carried out with representatives from operations and Executive Management in order to agree on SBAB's material sustainability topics (a total of 18 topics identified)

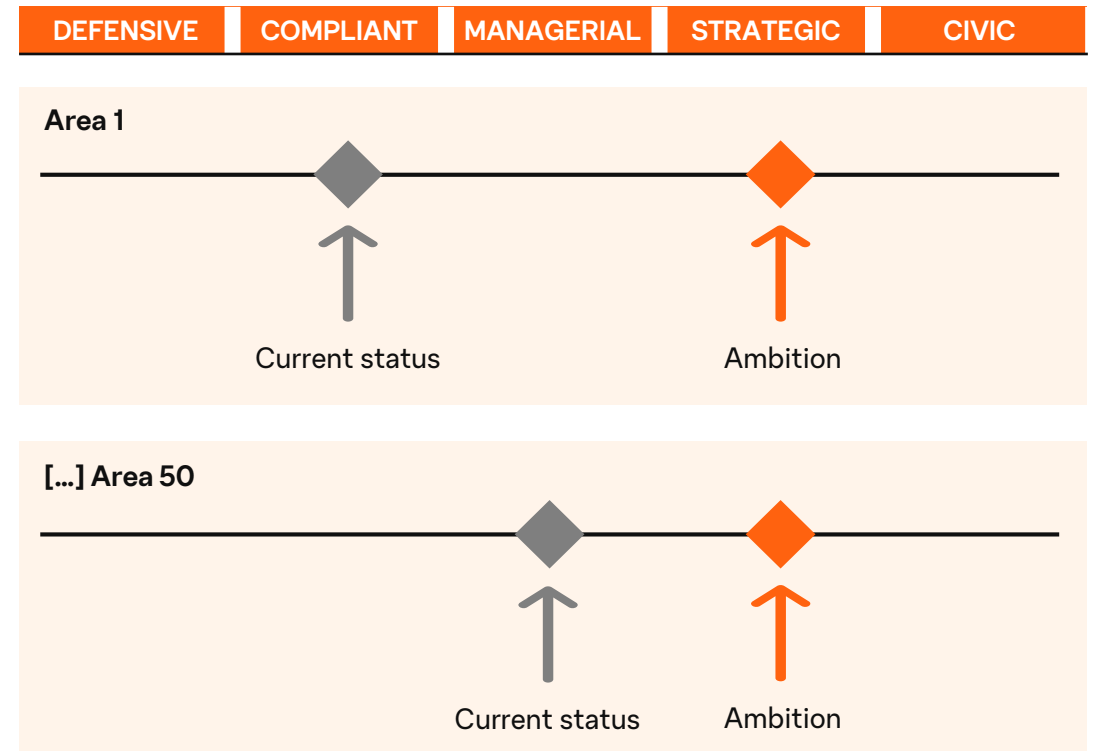
SBAB's target areas

- Based on the materiality assessment, as well as demands from our operating environment and continuously ongoing stakeholder dialogues, SBAB has established three overall commercial and sustainable target areas for the operations: Responsibility and transparency; Attractive workplace; and Sound finances

Gap analysis

– Tool for addressing sustainability challenges and/or opportunities within SBAB’s target areas

- In 2018, an extensive sustainability analysis (“gap analysis”) was conducted with the aim of identifying challenges and/or possibilities within our three target areas
- In the analysis, 50 areas were identified within which SBAB faces challenges and/or possibilities of varying scope
- The analysis include the current status and ambition level for each identified area, together with an action plan (which include activities aimed at reaching the objective)
- The results of the gap analyses were discussed and prepared by the Executive Management for decision by the Board and constitutes an important tool for governance, follow-up & prioritisation



Thank you!



SBAB!

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