

Green Bond Letter 2022

Green Bond Framework and Sustainability Bond Framework

SEK raises capital on international capital markets to projects with green and social benefits

SEK has currently two frameworks enabling SEK to raise capital on the international capital market to projects with green and social benefits. The frameworks are described in short below and further in detail in this report.

The rationale for SEK to issue green and social bonds is to promote Swedish environmental and social solutions in international projects as well as to promote the transition of Sweden to become a climate neutral export nation. SEK has a long term goal to have a climate neutral lending portfolio latest by 2045.

SEK launched its first Green Bond Framework ("GBF2015") already in 2015. This framework is described in detail on pages 3–6.

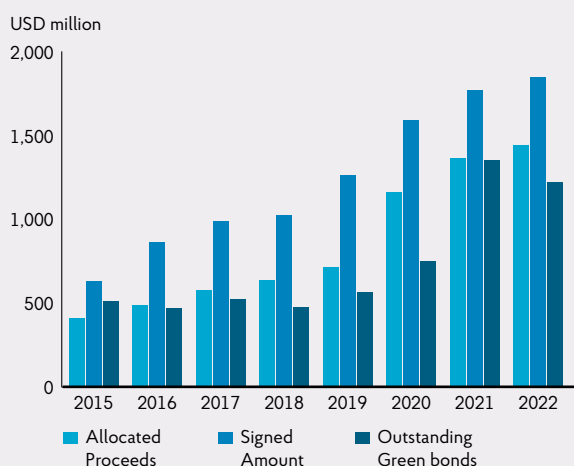
The Sustainability Bond Framework ("SBF 2021") launched in 2021 is an umbrella framework, including different types of bonds. Under this framework SEK can issue green bonds, social bonds or sustainability bonds (where the latter is a combination of green and social bonds). The goal of the Sustainability Bond Framework is to finance and refinance projects corresponding to the trajectory of the Paris Agreement and projects contributing to social benefits. This new framework includes several developments such as social bonds; alignment with the EU taxonomy and UN:s Sustainable Development Goal ("SDG") mapping methodology. This framework is described in detail on pages 7–10.

In short

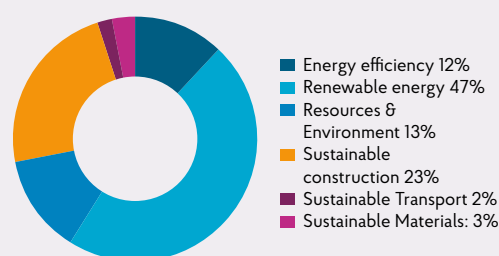
- The green project portfolio consists of green loans supporting Swedish exports. Each loan is selected according to SEK:s Green Bond Framework (GBF2015) or alternatively SEK:s Sustainability Bond Framework (SBF2021). Both frameworks are available online at www.sek.se.
- SEK reports on a portfolio basis in USD millions. F/X rate as per 31 December 2022.
- SEK reports impact based on the share of the project's total investment cost financed with green bonds. Impacts are based on outstanding allocated proceeds to projects (net of redemptions).
- The calculation of emissions reduction adhere to the methods stated in the "International Financial Institution Framework for a Harmonised Approach to Greenhouse Gas Accounting, November 2015."
- The estimated emission reduction is based on calculations disclosed to SEK from project owners, exporters or from environmental reports prepared in connection with the project.
- Reporting is undertaken in accordance with recommendations outlined in the Nordic Public Sector Issuers: "Position Paper on Green Bonds Impact Reporting".

Executive summary as of 31 December 2022

Green bond issuance and green project portfolio



Green project distribution based on allocated proceeds



tCO₂e impact and green indicators, based on allocated proceeds*

Project category Green Bond Framework 2015	GHG emission avoided, tCO ₂ e. Signed amount	GHG emission avoided, tCO ₂ e. Allocated proceeds	Allocated proceeds MUSD	Impact tCO ₂ e per MUSD
Energy Efficiency	0	0	173	0
Renewable Energy	4,365,119	1,799,011	680	2,645
Resources & Environment	0	0	192	0
Sustainable Construction	0	1	327	0
Sustainable Transport	11,458	3,581	20	177
Sustainable Materials	0	1	44	0
Grand Total	4,376,577	1,802,593	1,436	2,822
Allocated proceeds with tCO₂ e impact			700	3.68

* This table presents the calculated impact in terms of tCO₂ e avoided. Aggregated project data reported represent ex-ante estimates.

Impact attributable to green bond investors* 100%

* Total outstanding green bonds divided by total outstanding allocated proceeds to projects. Whereof impact attributable to green bond maturing:

26 Jun 2023	16%
13 Nov 2023	1%
18 Mar 2024	4%
17 Mar 2025	8%
14 Apr 2025	7%
26 Jun 2025	12%
15 Sep 2025	27%
14 Sep 2026	13%
18 Jan 2028	12%

Basic information

Green Bond Frameworks applied: Report comprises projects financed under Green Bond Framework (GBF2015).

External verifier of allocation report: PwC

Reporting period: Reporting for calendar year 2022. Comprises all eligible projects financed under SEK's Green Bond Framework. From 2015 until year-end 2022.

Report publication date: Q2 2023

Frequency of reporting: Annual

Next reporting planned for: Q1 2024

Reporting approach: Portfolio-based and project-by-project reporting

Case: The fashion industry is becoming circular

Equipped with ground-breaking technology, the listed Swedish company Renewcell is manufacturing its pulp product Circulose®, which enables clothes to be recycled for use in the manufacture of new clothing.

Renewcell uses a technology that was developed by researchers at the KTH Royal Institute of Technology. The technology is similar to what is used in the paper and pulp industry.

The plan is for Renewcell to export essentially all of its production of Circulose® to spinning and weaving mills, which will then sell the products to brands such as H&M and Levi's. Soon- it will be possible to purchase new jeans and T-shirts that have been manufactured from old jeans and T-shirts! The fashion industry is becoming circular instead of linear.

SEK has financed Renewcell's construction of its first industry capacity plant. The plant has been constructed in recently discontinued industrial premises at SCA's paper mill in Ortviken outside of Sundsvall. By using SCA's old facility, existing infrastructure, logistics solutions and, not least, process industry expertise that are present at the location can be reused. In addition, new jobs

have been created replacing jobs lost when SCA recently discontinued its newsprint machine as a result of declining demand.

The commercialization of Renewcell's Circulose® pulp products is ongoing and global clothing brands, including H&M and Levi's have already launched smaller collections produced with textiles made from Circulose®. There is a high level of interest from other global clothing brands and customer contracts have been signed.

Facts

Transaction: Export credit

Amount: Skr 520 million

Maturity: 10.5 years

Borrower: Renewcell

Guaranteed by: Finnvera

"I am proud that Renewcell meets SEK's requirements to finance the development of a circular and sustainable textile industry. SEK is well versed in the pulp industry, which is important for our continued efforts to develop our innovation."

Patrik Lundström, CEO of Renewcell



Outstanding green loans

Category	UN Sustainable Development Goal	Country
Energy Efficiency	7 Affordable and clean energy	Sweden and UK
Renewable Energy	7 Affordable and clean energy	Chile, India, Sweden, UK, and Zambia
Resources & Environment	15 Life on land	Sweden
Sustainable Construction	12 Responsible consumption and production	Sweden and USA
Sustainable Transport	11 Sustainable cities and communities	Turkey
Sustainable Materials	12 Responsible consumption and production	Sweden

Category and sub category	Signed amount MUSD	Allocated proceeds MUSD	GHG emissions avoided, tCO ₂ e ¹	Installed capacity, GWh ²	Energy capacity added, MW ³
Energy Efficiency:	178	173	0	0	0
Heating and Cooling	158	156	0	0	0
Lighting	20	17	0	0	0
Renewable Energy:	1,037	680	4,365,119	39,978	7,243
Bioenergy	27	22	16,758	123	0
Hydro and Marine Power	715	399	4,282,233	34,402	5,369
Wind	295	259	66,128	5,453	1,874
Resources and Environment:	192	192	0	0	0
Forestry	192	192	0	0	0
Sustainable Construction:	327	327	0	0	0
Green buildings	327	327	0	0	0
Sustainable Transport:	65	20	11,458	0	0
Transport Management	65	20	11,458	0	0
Sustainable Materials:	45	44	0	0	0
Green Chemistry	45	44	0	0	0
Grand total:	1,844	1,436	4,376,577	39,978	7,243

1 Signed amount

2 Entire project

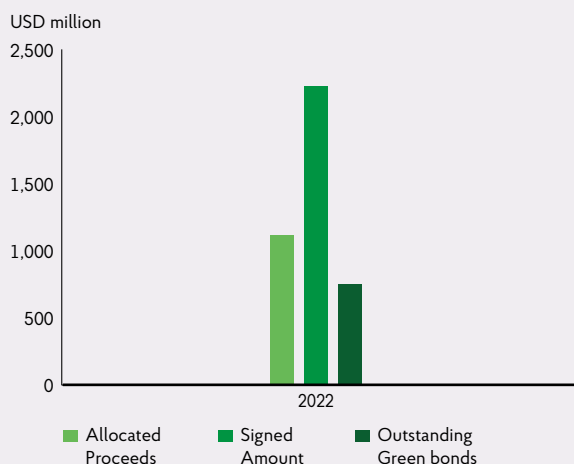
3 Entire project

Outstanding Green Bonds

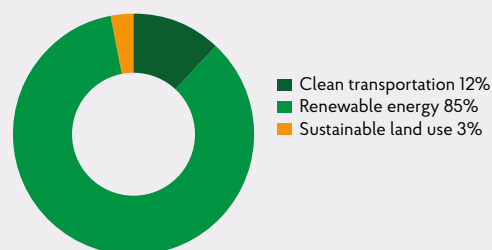
Issue Date	Amount issued in MSkr	Amount issued in eq. MUSD	Maturity Date	ISIN
26 Jun 2020	1,000	96	26 Jun 2023	XS2194279134
14 Sep 2020	500	48	26 Jun 2023	XS2194279134
24 Aug 2021	500	48	26 Jun 2023	XS2194279134
13 Nov 2020	200	19	13 Nov 2023	XS2257857081
18 Mar 2022	500	48	18 Mar 2024	XS2458567505
17 Mar 2022	1,000	96	17 Mar 2025	XS2458332538
14 Apr 2020	500	48	14 Apr 2025	XS2155670446
2 Mar 2021	400	38	14 Apr 2025	XS2155670446
26 Jun 2020	700	67	26 Jun 2025	XS2194282278
15 Sep 2020	300	29	26 Jun 2025	XS2194282278
14 May 2021	600	58	26 Jun 2025	XS2194282278
15 Sep 2020	500	48	15 Sep 2025	XS2231047205
9 Oct 2020	500	48	15 Sep 2025	XS2231047205
12 Nov 2020	400	38	15 Sep 2025	XS2231047205
7 Dec 2020	500	48	15 Sep 2025	XS2231047205
18 Jan 2021	500	48	15 Sep 2025	XS2231047205
1 Jul 2021	1,000	96	15 Sep 2025	XS2231047205
14 Sep 2021	1,600	154	14 Sep 2026	XS2386184878
18 Jan 2021	500	48	18 Jan 2028	XS2289549938
18 Jan 2021	1,000	96	18 Jan 2028	XS2289549938
Total	12,700	1,221		

Executive summary as of 31 December 2022

Green bond issuance and green project portfolio



Green project distribution based on allocated proceeds



tCO₂e impact and green indicators, based on allocated proceeds*

Project category Sustainable Bond Framework 2021	GHG emission avoided, tCO ₂ e. Signed amount	GHG emission avoided, tCO ₂ e. Allocated proceeds	Allocated proceeds MUS\$	Impact tCO ₂ e per MUS\$
Renewable Energy	661,080	473,532	948	500
Clean Transportation	0	0	129	0
Sustainable Land Use	0	0	38	0
Grand Total	661,080	473,532	1,115	500
Allocated proceeds with tCO₂ e impact.			948	0.53

* This table presents the calculated impact in terms of tCO₂ e avoided. Aggregated project data reported represent ex-ante estimates.

Impact attributable to green bond investors* 100%

* Total outstanding green bonds divided by total outstanding allocated proceeds to projects. *Whereof impact attributable to Green Bond maturing:*

30 Jun 2027 100%

Basic information

Sustainable Bond Framework applied: Report comprises projects financed under Sustainable Bond framework (SBF 2021).

External verifier of allocation report: PwC

Reporting period: Reporting for calendar year 2022. Comprises all eligible projects financed under SEK's Sustainable Bond Framework, From 2019 until year-end 2022.

Report publication date: Q2 2023

Frequency of reporting: Annual

Next reporting planned for: Q1 2024

Reporting approach: Portfolio-based and project-by-project reporting

Case: Financing the world's largest offshore wind farm

Dogger Bank, located off the east coast of the UK, is the world's largest offshore wind farm under construction. The project financing encompasses all three phases, each with a capacity of 1.2 GW, totaling 3.6 GW. The project will become UK's largest source of renewable energy and is a part of the country's efforts to achieve important climate goals.

Dogger Bank's total supply of electricity will be able to power approximately six million households in the UK. Swedish Hitachi ABB Power Grids and NKT are delivering transmission equipment in the form of high voltage direct current (HVDC) converter stations and high-voltage cables for power transmission from the wind farms to the grid.

The financing comprises a number of facilities, export credits and commercial project financing facilities, where it is natural for parties like SEK to participate in supporting the financing of Swedish exports.

"SEK's focus on supporting energy transition projects in Sweden and internationally is a very important part of our mission. Our participation in the financing of Dogger Bank is one example of this," says Birgitta Lindström Kruk, Head of Export & Project Finance at SEK.

Facts

Business: Project financing

Currency: GBP

Lender: Doggerbank Offshore Wind Farm Project

Financial advisor: BNP Paribas

Sustainability

Participation in the project is entirely in line with SEK's focus on supporting the energy sector's transition. The transaction is in line with the Sustainable Bond Framework and the UN's SDG 7 concerning ensuring access to affordable, reliable, sustainable and modern energy for all as well as target 7.2 to increase substantially the share of renewable energy in the global energy mix.



Outstanding green loans

Category	UN Sustainable Development Goal	Country
Clean Transportation	9 Industry, innovation and infrastructure	Sweden and Turkey
Renewable Energy	9 Industry, innovation and infrastructure	Angola, Chile, Sweden and UK
Sustainable Land Use	7 Affordable and clean energy	Sweden

Category and sub category	Signed amount MUSD	Allocated proceeds MUSD	GHG emissions avoided, tCO ₂ e ¹	Installed capacity, GWh ²	Energy capacity added, MW ³
Clean Transportation:	631	129	0	0	0
Renewable Energy:	1,555	948	661,080	21,554	5,449
Sustainable Land Use:	38	38	0	0	0
Sustainable Forest Management	38	38	0	0	0
Grand Total	2,224	1,115	661,080	21,554	5,449

1 Signed amounts

2 Entire project

3 Entire project

Outstanding Green Bonds

Issue Date	Amount issued in EUR	Amount issued in eq. USD	Maturity Date	ISIN
30 Jun 2022	700	747	30 Jun 2027	XS2491737461
Total	700	747		

About SEK

SEK finances the Swedish export industry on sustainable and commercial terms.

The Swedish Export Credit Corporation finances Swedish exporters, their subsidiaries, and foreign customers. With lending in about 60 countries, the company has substantial knowledge of international transactions and we are a natural business partner with export financing.

The Swedish Export Credit Corporation's mission is to ensure access to financial solutions with the aim of supporting the Swedish export industry on commercial and sustainable terms. The target group is Swedish exporters, their subsidiaries and international buyers of Swedish products and services. Sustainability is central to operations, and therefore it is a natural step to finance the industry's transition to a fossil-free society; a development that also creates new export possibilities.

SEK is a credit market institution owned by the Swedish government and acts as a complement to banks. All lending is made on commercial grounds. Operations are governed, inter alia, by the owner instruction and ownership policy.

SEK is a member of Team Sweden, which is made up of a number of government export promotion agencies. Together, these organizations collaborate to create favorable conditions for Swedish companies in international markets.

SEK wants to set an example with regards to sustainability topics and to drive development in sustainable business forward. SEK does this mainly by setting requirements when lending.

Know your customer and sustainability assessments are conducted for all transactions prior to granting credit. In conjunction with its lending, SEK's most material sustainability topics are anti-corruption, environmental and climate impact, labor conditions and human rights.

As lender, SEK has a responsibility for ensuring that the financed transactions comply with international sustainability guidelines.

The UN Sustainable Development Goals (SDGs) are part of the 2030 Agenda for Sustainable Development. The Agenda contains 17 Global Goals aimed at eradicating poverty and hunger, realizing human rights, and securing lasting protection for the planet and its natural resources. SEK works with the Global Goals in its strategy and its operations.

Find out more in our [Annual and Sustainability Report](#).

Would you like to know more?

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SEK

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