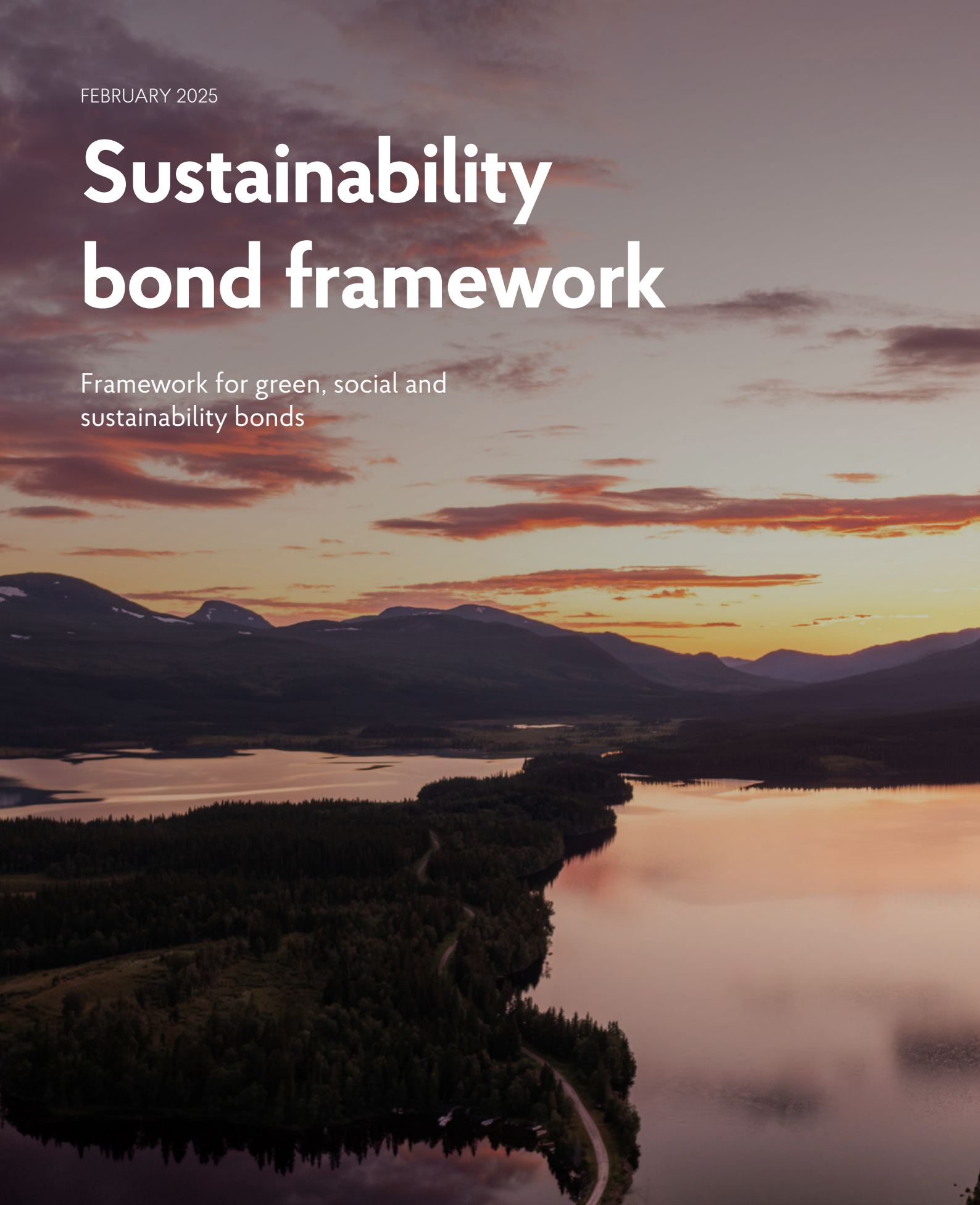


FEBRUARY 2025

# Sustainability bond framework

Framework for green, social and  
sustainability bonds



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# 1. Introduction

The Swedish Export Credit Corporation (SEK) is a commercially driven, state-owned credit institution that finances Swedish exporters, their sub-contractors, subsidiaries, and international buyers of Swedish products and services. Since 1962, SEK has offered loans that have enabled thousands of Swedish companies to grow by increasing their production, completing acquisitions, increasing their number of employees, and selling goods and services to customers across the globe.

SEK is representing a part of the Swedish export finance system and is present on a global basis with lending in approximately 60 different countries. SEK provides long-term funding often combined with a guarantee from the Swedish Export Credit Guarantee Board (EKN). Lending comprises the foundation of SEK's operations and is the part where SEK exerts the greatest opportunity to contribute by allocating capital to address society's sustainability challenges.

SEK is financed through the international capital market by issuing bonds. Our goal is to be able to offer investors customized solutions, in several currencies and in different structures. By issuing Green, Social and Sustainability Bonds, capital from international capital markets can be earmarked for projects and businesses that promote a just climate

transition and contribute to social benefits.

This Sustainability Bond Framework ("the Framework") covers export credits and other types of financing solutions that contribute to sustainable development targeting environmental and social benefits.

Reaching the goals of the Paris Agreement and the Agenda 2030 requires a substantial increase in investments on a global scale. The Swedish and international export finance systems can act as catalysts for the investments required.

SEK has for many years promoted companies that are already low-emitting or that have established solutions for the reduction of emissions. SEK is also continuously developing our ability to support projects in renewable energy, energy efficiency improvements, sustainable transport solutions and more. In order to limit global warming, it is necessary that businesses in sectors with a more challenging and complex transition also have access to financing. SEK wants to be a driving force in the sectors that matter the most in terms of emissions and will focus on increasing the proportion of lending to companies with ambitious and credible plans to reduce their emissions in line with the Paris Agreement.



### 1.1 Sustainability governance and strategy

SEK has integrated sustainability into the company's overall business model, strategy, and financial planning. The Board of Directors is ultimately responsible for ensuring that active and forward-looking sustainable development is conducted at SEK. The Board resolves on the strategy and goals in conjunction with the business plan, the risk strategy including the management of sustainability risks. The Board of Directors has adopted sustainability targets stipulating that SEK's balance sheet shall reach net zero GHG emissions by 2045 and SEK's own operations shall be net zero by 2030. To enable a climate transition in line with the Paris Agreement's 1.5°C target, SEK has started to phase out fossil fuel financing<sup>1</sup>.

As a state-owned company, SEK is to set a positive example for sustainable business. This means that operations must be run with sustainable terms. Sustainable terms means that projects and activities financed by SEK comply with local laws as well as international guidelines in the areas of environmental considerations, anti-corruption, human rights, working conditions and business conduct. The international sustainability guidelines that govern SEK's operations are the following:

- The Equator Principles
- The Ten Principles of the UN Global Compact
- The UN Guiding Principles on Business and Human Rights
- The UN Convention on the Rights of the Child
- The OECD Guidelines for Multinational Enterprises
- The OECD's Conventions and Guidelines within Anti-corruption
- The OECD's Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence
- The OECD's Principles and Guidelines to Promote Sustainable Lending in the Provision of Official Export Credits to Low Income Countries.

### 1.2 Sustainability risk management

Sustainability risk is the risk that SEK's lending has a negative effect in the areas of ethics, corruption, environment and climate, human rights or labour conditions. Sustainability risks are identified and assessed at transaction level. In the event of elevated sustainability risk, an in-depth sustainability review is conducted by a Sustainability Analyst. Sustainability risk is monitored through regular analysis of elevated risks and reporting to the Board of Directors<sup>2</sup>.

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<sup>1</sup> Sustainable finance policy 2024

<sup>2</sup> <https://www.sek.se/en/sustainability/responsible-credit-granting/>



## 2. The Sustainability Bond Framework 2025

The goal of this Framework is to finance and refinance projects corresponding to the trajectory of the Paris Agreement and projects contributing to a sustainable, inclusive economy and society in line with the UN Sustainable Development Goals (“UN SDGs”).

SEK first established a Green Bond Framework in 2015, and later developed a Sustainability Bond Framework in 2021.

The purpose of this Framework update is to align with the latest market principles, and further enhance as well as expand the eligibility criteria.

Under this Framework, SEK can issue Green Bonds, Social Bonds or Sustainability Bonds.

Any Sustainable Financing Instrument will be aligned to the most recent version of the Framework published at the time of issue. Any transaction issued or entered into prior to the publication of this Framework and expressed to be aligned to the SEK Sustainability Bond Framework 2021 or Green Bond Framework 2015 will continue to be reported on in accordance with the relevant Framework.

### 2.1 Alignment with Market Principles

- Green Bonds align with the Green Bond Principles<sup>3</sup> (“GBP”) published in June 2021 (with June 2022 Appendix 1), administered by the International Capital Market Association (“ICMA”).
- Social Bonds will align to the Social Bond Principles<sup>4</sup> (“SBP”) published in June 2023 and administered by ICMA.

- Sustainability Bonds align with ICMA Sustainability Bond Guidelines June 2021 (“SBG”) and the applicable principles for Green and Social bonds above.

### 2.2 Alignment with the EU Taxonomy Regulation

SEK intends to take into account the most recent market practices, in particular the EU Taxonomy to the extent possible.

The Substantial Contribution criteria (“SC criteria”) outlined in the latest EU Taxonomy Delegated Acts will be used to identify Eligible Green Projects within the European Union (“EU”). For Eligible Green Projects outside of the EU, the SC criteria will be applied if feasible. Where this is not possible, SEK will use the minimum accepted “Other criteria” outlined in the Framework’s green use of proceeds tables.

In addition, Eligible Green Projects within the EU will follow the Do No Significant Harm (“DNSH”) criteria of the EU Taxonomy on a best effort basis. The Minimum Social Safeguards (“MSS”) will be applied to Eligible Green Projects within and outside of the EU.

It is the intention of SEK to follow the development of the EU sustainable finance regulations (including the EU Green Bond Standard) and market developments as the standards evolve, updating this Framework and its methodology documents accordingly.

3 [ICMA Green Bond Principles \(GBP\) 2021](#) (with June 2022 Appendix 1). The possible types of Green Bonds to be issued against the framework are as defined in Appendix 1, with the associated disclosure requirements for covered bonds to be followed if relevant.

4 [ICMA Social Bond Principles \(SBP\) 2023](#)



## 3. Use of Proceeds

An amount equal to the proceeds of the Green, Social and Sustainability Bonds will be exclusively used to finance, or refinance, in whole or in part, projects or businesses that promote a sustainable economy and provide clear environmental and social benefits (the “Eligible Projects”).

The distribution of allocated eligible projects by category will be shared to investors as soon as possible, or at the latest in the relevant allocation and impact report corresponding to a specific date of issuance.

### 3.1 CapEx and OpEx

Proceeds from SEK’s Green, Social and Sustainability Bonds will primarily be allocated to capital expenditures (“CapEx”), but could also include operating expenditures (“OpEx”) related to R&D, maintenance, procurement, purchasing and other direct costs explicitly tied to Eligible Projects. Eligible OpEx shall qualify for refinancing with a maximum three-year look-back period prior to the issuance year of any Green, Social and/or Sustainability Bond.

### 3.2 Pure player approach

While SEK aims to track proceeds to an exact project or asset financed, SEK’s Green, Social and Sustainability Bonds may be used for financing of general corporate purposes of dedicated businesses whose business activities are exclusively focused on the sustainable economy (the “Pure Players”) meeting specific eligibility criteria. These dedicated businesses are required to derive more than 90% of their turnover or revenue from activities that meet SEK’s eligibility criteria (as defined below). Moreover, the part of the turnover or revenue that is not classified as “sustainable” will not be inconsistent with this framework, and will not finance any activities listed in the exclusion criteria below.

### 3.3 Financing and refinancing

Under this Framework, financing is defined as the disbursed volume of Eligible Green and Social Projects during the reporting year. Refinancing is defined as the disbursed volume of Eligible Green

and Social Projects prior to the reporting year. The distribution between financing and refinancing will be reported on in SEK’s annual reporting.

### 3.4 Exclusion criteria

The proceeds of the Green, Social and Sustainability Bonds are not allocated to projects dedicated to palm oil, weapons, fossil fuel extraction, coal power generation, gambling and betting, tobacco and alcohol or any potential high-risk projects or assets defined in SEK’s Sustainable finance policy<sup>5</sup>.

### 3.5 Eligible green projects

SEK’s Eligible Green Projects are categorized as eligible as per two sets of criteria:

- SC criteria of the EU Taxonomy: fulfil the latest SC criteria for eligible economic activities, as outlined in the EU Taxonomy Delegated Acts, which may be subject to amendments, supplements, or replacements. These will apply to all projects within the EU, but the SC criteria can also be used for projects outside of the EU when applicable
- Other criteria: based on the best market practices within different sectors (including the Climate Bonds Taxonomy by CBI<sup>6</sup>). These will be applied to projects outside the EU where it is not feasible to determine the compliance to the SC criteria of the EU Taxonomy

Eligible Green Projects within the EU will also comply on a best effort basis with the DNSH criteria. Furthermore, all Eligible Green Projects within and outside of the EU will follow the MSS.


The table below illustrates the Eligible Green Project Categories and associated eligibility criteria, as well as relevant EU environmental objectives and UN SDGs. The mapping of EU environmental objectives and UN SDGs for Eligible Green Project Categories are in line with the mapping proposed by the Nordic Position Paper on Green Bonds Impact Reporting 2024<sup>7</sup>.

<sup>5</sup> [Sustainable finance policy 2024](#)

<sup>6</sup> [The CBI Climate Bonds Taxonomy](#) from Sep 2021

<sup>7</sup> [Nordic Position Paper on Green Bonds Impact Reporting 2024](#)

## Eligible Green Project Categories

Renewable energy	
<b>Description</b> Projects dedicated to the development, manufacturing, construction, operation, and maintenance of renewable energy	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>Climate change mitigation</li> </ul>  Targets 7.2 and 7.4
Eligibility criteria	
In line with SC criteria of the Climate Change Delegated Act <sup>8</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li><b>Electricity generation</b> <ul style="list-style-type: none"> <li>Wind power in accordance with activity 4.3</li> <li>Solar energy (photovoltaic and CSP) either in accordance with activities 4.1 or 4.2</li> <li>Hydropower energy in accordance with activity 4.5<sup>9</sup></li> <li>Bioenergy exclusively from biomass, biogas or bioliquids (methanisation) in accordance with activity 4.8</li> </ul> </li> <li><b>Manufacturing of hydrogen</b> <ul style="list-style-type: none"> <li>Manufacture of equipment for the production and use of hydrogen in accordance with activity 3.2</li> <li>Manufacture of hydrogen and hydrogen-based synthetic fuels in accordance with activity 3.10</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Electricity generation<sup>10</sup></b>  Electricity generation facilities for bioenergy provided that the conditions below are met: <ul style="list-style-type: none"> <li>80% GHG emission reduction compared to fossil fuel baseline</li> </ul> AND <ul style="list-style-type: none"> <li>Biofuel must be sourced from a sustainable feedstock</li> </ul> </li> <li><b>Manufacturing of hydrogen</b>  Production of hydrogen if meeting the CertifHy criteria, i.e. it originates from renewable sources and it has a greenhouse gas balance min. 60% below the production of hydrogen through steam reforming of natural gas</li> </ul>



<sup>8</sup> The EU Taxonomy economic activities are defined in the [Climate Change Delegated Act](#) (as published in the Official Journal in December 2021)

<sup>9</sup> Large hydropower >20MW is excluded in line with [IFC's guidance on Hydroelectric Power](#)

<sup>10</sup> In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)






Green buildings	
<b>Description</b> Projects dedicated to green buildings	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>Climate change mitigation</li> <li>Climate change adaptation</li> </ul> <div>   </div> Target 7.3 and 11.3
<b>Eligibility criteria</b>	
In line with the SC criteria of the Climate Change Delegated Act <sup>11</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li> <b>Acquisition, construction and renovation of buildings</b> <ul style="list-style-type: none"> <li>Acquisition and ownership of buildings in accordance with activity 7.7</li> <li>Construction of new buildings in accordance with activity 7.1</li> <li>Renovation of existing buildings in accordance with activity 7.2</li> </ul> </li> <li> <b>Individual renovation measures</b> <ul style="list-style-type: none"> <li>Installation, maintenance and repair of energy efficiency equipment in accordance with activity 7.3</li> <li>Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) in accordance with activity 7.4</li> <li>Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings in accordance with activity 7.5</li> <li>Installation, maintenance and repair of renewable energy technologies in accordance with activity 7.6</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li> <b>Building acquisition</b> <ul style="list-style-type: none"> <li>Acquisition of buildings that have obtained or will obtain one of the following certifications: <ul style="list-style-type: none"> <li>LEED “gold” or better</li> <li>BREEAM “very good” with a minimum score of 70% in the Energy section or better</li> <li>or any other equivalent regional recognized certification with similar standards and approved by the Sustainability Bond Committee</li> </ul> </li> </ul> </li> <li> <b>Building construction and renovation</b> <p>Construction of new buildings or buildings under renovation that have obtained or will obtain one of the following certifications:</p> <ul style="list-style-type: none"> <li>LEED “platinum” or better for new construction</li> <li>LEED “gold” or better for renovation</li> <li>BREEAM “excellent” or better</li> <li>or any other equivalent regional recognized certification with similar standards and approved by the Sustainability Bond Committee</li> </ul> </li> </ul>

<sup>11</sup> The EU Taxonomy economic activities are defined in the [Climate Change Delegated Act](#) (as published in the Official Journal in December 2021)







Energy efficiency	
<b>Description</b> Projects dedicated to: <ul style="list-style-type: none"> <li>energy efficiency that significantly reduce energy consumption or increase energy efficiency</li> <li>industry manufacturing operations with low energy consumption or high energy efficiency</li> </ul>	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>Climate change mitigation</li> </ul>  <p>Target 7.3 and 9.4</p>
Eligibility criteria	
In line with the SC criteria of the Climate Change Delegated Act <sup>12</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li> <b>Energy storage</b>  Construction and operation of electricity storage in accordance with one of the following criteria: <ul style="list-style-type: none"> <li>Generated by renewable energy in line with activity 7.6</li> <li>Storage of electricity in line with activity 4.10</li> <li>Storage of hydrogen in line with activity 4.12</li> </ul> </li> <li> <b>District heating/cooling</b> <ul style="list-style-type: none"> <li>District heating/cooling networks (ground source heat pump and district heating networks with energy capture) in accordance with activity 4.15</li> </ul> </li> <li> <b>Transmission of energy</b> <ul style="list-style-type: none"> <li>Transmission and distribution of electricity in accordance with activity 4.9</li> <li>Transmission and distribution networks for renewable and low-carbon gases in accordance with activity 4.14</li> </ul> </li> <li> <b>Carbon Capture &amp; Storage (CCS)</b> <ul style="list-style-type: none"> <li>Transport of CO<sub>2</sub> in accordance with activity 5.11</li> <li>Underground permanent geological storage of CO<sub>2</sub> in accordance with activity 5.12</li> <li>Research, development and innovation for direct air capture of CO<sub>2</sub> in accordance with activity 9.2</li> </ul> </li> <li> <b>Energy efficient industrial processes</b> <ul style="list-style-type: none"> <li>Manufacture of batteries in accordance with activity 3.4</li> <li>Manufacture of other low carbon technologies in accordance with activity 3.6</li> <li>Manufacture of iron and steel in accordance with activity 3.9</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li> <b>Energy storage</b> <ul style="list-style-type: none"> <li>Storage of electricity and thermal energy</li> </ul> </li> <li> <b>Transmission of energy<sup>13</sup></b> <ul style="list-style-type: none"> <li>Transmission or distribution of electricity infrastructure or equipment that allows higher inflows of renewable energy into the grid</li> </ul> </li> <li> <b>Carbon Capture &amp; Storage (CCS)<sup>14</sup></b>  Underground permanent geological storage of CO<sub>2</sub> for projects outside the EU, if the criteria below are met: <ul style="list-style-type: none"> <li>If the CO<sub>2</sub> is transported or stored, a plan to monitor and mitigate leakage is in place</li> <li>Transparency on the sequestration capacities and their suitability in line with local regulatory and certification processes is provided</li> </ul> </li> </ul>

<sup>12</sup> The EU Taxonomy economic activities are defined in the [Climate Change Delegated Act](#) (as published in the Official Journal in December 2021)

<sup>13</sup> Energy infrastructures fueled by fossil fuels will be excluded

<sup>14</sup> In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)

Clean transportation	
<b>Description</b> Projects dedicated to clean transportation (excluding transportation dedicated to the transport of fossil fuels)	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>Climate change mitigation</li> </ul> <div>   </div> Targets 9.4 and 11.2
Eligibility criteria	
In line with the SC criteria of the Climate Change Delegated Act <sup>15</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li> <b>Low carbon transport</b> <ul style="list-style-type: none"> <li>Rail transport (passenger and freight) in accordance with activities 6.1 or 6.2</li> <li>Urban and suburban transport, road passenger transport in accordance with activity 6.3</li> <li>Transport by motorbikes, passenger cars and light commercial vehicles in accordance with activity 6.5<sup>16</sup></li> <li>Road transport (freight) in accordance with activity 6.6</li> <li>Sea and coastal water transport (passenger and freight) in accordance with activities 6.10 or 6.11</li> <li>Retrofitting of sea and coastal (passenger and freight) in accordance with activity 6.12</li> </ul> </li> <li> <b>Infrastructure for low carbon transport</b> <ul style="list-style-type: none"> <li>Infrastructure for personal mobility, cycle logistics with activity 6.13</li> <li>Infrastructure for rail transport in accordance with activity 6.14</li> <li>Infrastructure enabling low-carbon road transport and public transport in accordance with activity 6.15</li> <li>Infrastructure enabling low carbon water transport in accordance with activity 6.16</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li> <b>Low carbon transport<sup>17 18</sup></b> <ul style="list-style-type: none"> <li>Rolling stock and vehicles for electrified passenger transport, such as electrified rail, trams, trolleybuses and cable cars</li> <li>Rolling stock for electrified freight rail</li> <li>Buses with no direct emissions (electric or hydrogen)</li> <li>Electric or hydrogen passenger and freight vehicles</li> <li>Zero emissions vessels</li> </ul> </li> <li> <b>Infrastructure for low carbon transport<sup>19 20</sup></b> <ul style="list-style-type: none"> <li>Dedicated infrastructure for electrified passenger and freight transport</li> <li>Dedicated charging and alternative fuel infrastructure (when separate from fossil fuel filling stations and garages)</li> <li>Public walking and cycling infrastructure and cycling schemes</li> <li>Bus rapid transit systems</li> </ul> </li> </ul>

<sup>15</sup> The EU Taxonomy economic activities are defined in the [Climate Change Delegated Act](#) (as published in the Official Journal in December 2021)



<sup>16</sup> Hybrid cars will be excluded

<sup>17</sup> In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)

<sup>18</sup> Vehicles dedicated to transport of fossil fuels will be excluded

<sup>19</sup> In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)

<sup>20</sup> Infrastructure dedicated to transport or storage of fossil fuels will be excluded

Pollution prevention and control	
<b>Description</b> Projects dedicated to waste management and circular economy	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>• Transition to a circular economy</li> <li>• Pollution prevention and control</li> <li>• Climate change mitigation</li> </ul> <div>   </div> Targets 11.6, 12.2 and 12.5
<b>Eligibility criteria</b>	
In line with the SC criteria of the Climate Change Delegated Act <sup>21</sup> and Commission Delegated Act <sup>22</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li>• <b>Waste management</b> <ul style="list-style-type: none"> <li>– Collection and transport of non-hazardous waste source segregated fractions in accordance with activity 5.5</li> <li>– Material recovery from non-hazardous waste in accordance with activity 5.9</li> <li>– Treatment of hazardous waste in accordance with activity 2.4</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Waste preparation<sup>23</sup></b> Facilities for collection, sorting and material recovery provided that the conditions below are met: <ul style="list-style-type: none"> <li>– Made from 100% recycled and recyclable materials</li> <li>– Supporting source segregation of waste</li> </ul> </li> <li>• <b>Re-use of waste<sup>24</sup></b> Facilities for the re-use of materials provided that the conditions below are met: <ul style="list-style-type: none"> <li>– The products are put back to their original use without any further pre-processing required</li> <li>– For waste electrical and electronic equipment (WEEE), the product is covered by ecolabelling scheme and only those products meeting the three lowest energy use categories are eligible</li> </ul> </li> <li>• <b>Recycling<sup>25</sup></b> <ul style="list-style-type: none"> <li>– Facilities for the recycling of materials. The secondary raw materials (such as steel, aluminum, glass, plastics) shall cease to be waste and sold to be used as secondary raw materials</li> </ul> </li> </ul>

21 The EU Taxonomy economic activities 5.5 and 5.9 are defined in the [Climate Change Delegated Act](#) (as published in the Official Journal in December 2021)


22 The EU Taxonomy economic activities 2.3, 2.4 and 2.7 are defined in [Annex II of the Commission Delegated Act \(2023/2486\)](#) establishing technical screening criteria for the remaining environmental objectives (as published in the Official Journal in November 2023)

23 In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)

24 In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)


25 In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)



Circular economy	
<b>Description</b> Projects dedicated to circular economy	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>Transition to a circular economy</li> </ul>  Targets 12.2 and 12.5
<b>Eligibility criteria</b>	
In line with the SC criteria of the Commission Delegated Act <sup>26</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li><b>Circular economy</b> <ul style="list-style-type: none"> <li>Repair, refurbishment and remanufacturing in accordance with activity 5.1</li> <li>Preparation for re-use of end-of-life products and product components in accordance with activity 5.3</li> <li>Marketplace for the trade of second-hand goods for reuse in accordance with activity 5.6</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Circular economy</b> <p>Circular use and value recovery of use of goods and/or materials, meeting one of the following criteria:</p> <ul style="list-style-type: none"> <li>Production of new products or assets from redundant products and assets that have been repurposed, refurbished, remanufactured or recycled</li> <li>Development and sustainable production of new materials from secondary raw materials, by-products and/or waste</li> <li>Substitution of virgin materials with secondary raw materials and byproducts i.e. substitute virgin raw materials with secondary (recycled and/ or raw) materials originating from recovered materials and resources, and/ or responsibly sourced renewable materials</li> </ul> </li> </ul>

26 The EU Taxonomy economic activities are defined in [Annex II of the Commission Delegated Act \(2023/2486\)](#) establishing technical screening criteria for the remaining environmental objectives (as published in the Official Journal in November 2023)

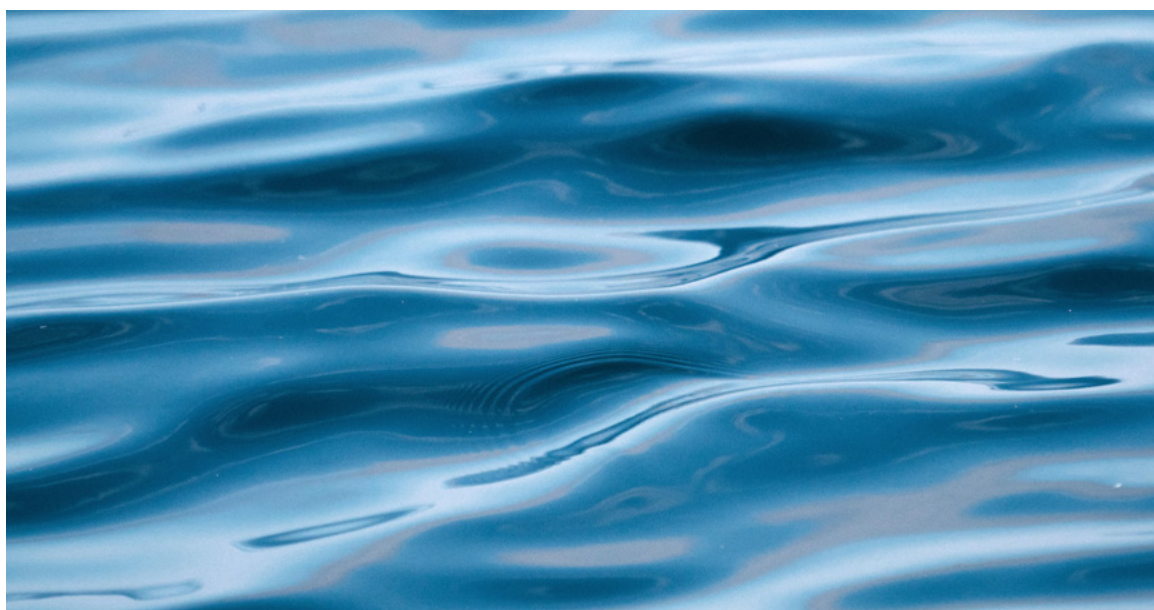



Water and wastewater management	
<b>Description</b> Projects dedicated to water and wastewater management	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>• Sustainable use and protection of water and marine resources</li> <li>• Climate change mitigation</li> </ul>  Targets 6.3 and 6.4
<b>Eligibility criteria</b>	
In line with the SC criteria of the Climate Change Delegated Act <sup>27</sup> and Commission Delegated Act <sup>28</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li>• <b>Water and wastewater management</b> <ul style="list-style-type: none"> <li>– Construction, extension and operation of water collection, treatment and supply systems in accordance with activity 5.1</li> <li>– Renewal of water collection, treatment and supply systems in accordance with activity 5.2</li> <li>– Construction, extension and operation of waste water collection and treatment in accordance with activity 5.3</li> <li>– Renewal of waste water collection and treatment in accordance with activity 5.4</li> <li>– Urban waste water treatment in accordance with activity 2.2</li> <li>– Sustainable urban drainage systems (SUDS) in accordance with activity 2.3</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Water and wastewater management<sup>29</sup></b> <ul style="list-style-type: none"> <li>– Water and wastewater collection and treatment supply systems. Impact of the project/asset on GHG emissions and degree of mitigation over the operational lifetime of the project/asset should be disclosed</li> </ul> </li> </ul>

27 The EU Taxonomy economic activities 5.1, 5.2, 5.3, and 5.4 are defined in the [Climate Change Delegated Act](#) (as published in the Official Journal in December 2021)

28 The EU Taxonomy economic activities 2.1, 2.2 and 2.3 are defined in [Annex II of the Commission Delegated Act](#) (2023/2486) establishing technical screening criteria for the remaining environmental objectives (as published in the Official Journal in November 2023)

29 In line with the criteria of the [CBI Climate Bonds Taxonomy from Sep 2021](#)





Environmentally sustainable management of living natural resources and land use	
<b>Description</b> Projects dedicated to environmentally sustainable management of living natural resources and land use or targeting biodiversity	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>Protection and restoration of biodiversity and ecosystems</li> <li>Climate change mitigation</li> </ul>  Targets 15.2 and 15.2
<b>Eligibility criteria</b>	
In line with the SC criteria of the Climate Change Delegated Act <sup>30</sup> of the EU Taxonomy with the relevant activity specified	In line with other criteria
<ul style="list-style-type: none"> <li><b>Sustainable forestry</b> <ul style="list-style-type: none"> <li>Afforestation in accordance with activity 1.1</li> <li>Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event in accordance with activity 1.2</li> <li>Forest Management in accordance with activity 1.3</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Sustainable forestry</b> Sustainable forestry with a certification from FSC or PEFC</li> <li><b>Biodiversity</b> <ul style="list-style-type: none"> <li>Preservation and rehabilitation of natural ecosystems</li> <li>Preservation and protection of protected areas (e.g. regional natural parks), or according to the IUCN Protected Area Categories System - Natura 2000, Other Effective area-based Conservation Measure (OECM)</li> </ul> </li> </ul>

30 The EU Taxonomy economic activities are defined in the [Climate Change Delegated Act](#) (as published in the Official Journal in December 2021)





Climate adaption	
<b>Description</b> Projects and businesses dedicated to climate change adaptation	<b>EU environmental objective</b> <ul style="list-style-type: none"> <li>Climate change adaptation</li> </ul>   Targets 11.5 and 13.1
<b>Eligibility criteria</b>	
In line with the SC criteria of the Commission Delegated Act <sup>31</sup> of the EU Taxonomy with the relevant activity specified	In line with internal criteria
<ul style="list-style-type: none"> <li>• <b>Observation systems</b> <ul style="list-style-type: none"> <li>– Software enabling physical climate risk management and adaptation in accordance with activity 8.4</li> <li>– Consultancy for physical climate risk management and adaptation in accordance with activity 9.3</li> </ul> </li> <li>• <b>Infrastructure resilience</b> <ul style="list-style-type: none"> <li>– Flood risk prevention and protection infrastructure in accordance with activity 14.2</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Observation systems</b> <ul style="list-style-type: none"> <li>– Efforts to enhance infrastructure resilience to climate change impacts, including climate observation systems, early warnings and data-driven climate monitoring and reporting systems</li> </ul> </li> <li>• <b>Infrastructure resilience</b> <ul style="list-style-type: none"> <li>– Adaptation measures to reduce harm from climate-related events, such as integrating climate resilience in buildings and infrastructure design, e.g. flood prevention</li> </ul> </li> </ul>

### 3.6. Eligible Social Projects

The ownership policy and principles for companies with state ownership, that SEK adheres to, stipulates that state owned companies shall identify business opportunities that contribute to achieving the Sustainable Development Goals<sup>32</sup>. In line with this assignment, SEK aims to mobilize capital to support their mission to generate lasting impact by providing financing that contribute to solving global challenges also in the social dimension.

Social loans are offered to export companies and suppliers for projects, often in developing countries, whose purpose is to improve social conditions. The SEK social project loan portfolio addresses social challenges that threatens, hinders or damages the well-being in the society related to access to basic infrastructure, access to essential services, affordable housing, employment generation and food security and sustainable food systems, primarily for the target population(s).

Eligible Social Projects must bring additionality to the target population, i.e. the social benefits strived

for would not have occurred if the project was not funded and implemented. Additionality is a part of the process for evaluation and selection, and will be described in the impact reporting.

The tables below illustrates the Eligible Social Project Categories, associated eligibility criteria and target populations, as well as relevant UN SDGs.

#### 3.6.1 Target population

For each individual social loan, the target group(s) will be specified. The definition of target population can vary depending on the local context. Where there is a clear need of the project, the general public could be included as important beneficiary of the project together with or without a specific targeted population. This would typically, but not exclusively, occur in developing countries such as DAC recipient countries<sup>33</sup>. The identified target population(s) is a part of the process for evaluation and selection, and will be described in the impact reporting.

31 The EU Taxonomy economic activities are defined in the [Commission Delegated Act \(2023/2485\)](#) establishing additional criteria for Climate Change Mitigation & Adaptation (as published in the Official Journal in November 2023)

32 [Statens ägarpolicy och principer för bolag med statligt ägande](#)

33 Including the first three columns (least developed, other low income and lower middle income countries territories) of the DAC List of ODA Recipients Effective for reporting on the year applicable at the time of loan approval. The DAC List of ODA Recipients shows all countries and territories eligible to receive official development assistance (ODA). These consist of all low and middle income countries based on gross national income (GNI) per capita as published by the World Bank.

## Eligible Social Project Categories:

Affordable basic infrastructure	
<b>Description</b> Projects and solutions contributing to improved access to basic infrastructure.	<div> <div>6 CLEAN WATER AND SANITATION</div> <div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> </div> Targets 6.1, 7.1 and 11.2
Eligibility criteria	
<ul style="list-style-type: none"> <li> <b>Clean drinking water, sewage and sanitation</b>            Facilities, technologies and infrastructure designed to treat, distribute and conserve water. Projects could include, but are not limited to; processing of wastewater, urban drainage systems, water purification processes, improved drinking water quality, improved reliability of fresh water supply and increased water use efficiency, upgrades in sewage infrastructure and processing of sanitation waste         </li> <li> <b>Public transportation</b> <ul style="list-style-type: none"> <li>Projects and services related to mobility and passenger transportation</li> <li>The construction, modernisation and maintenance of transport infrastructure</li> </ul> </li> <li> <b>Waste management</b>            Projects and solutions that create or improve the management of waste in ways that reduce the harmful impacts on health and well-being for targeted communities         </li> <li> <b>Recovery and reconstruction</b>            Projects to develop and restore essential infrastructures to the operation of society that has been damaged or destroyed due to natural disasters (e.g. flooding) or man-made disasters (e.g. war). Examples of infrastructures could include, but not limited to; the legal system and community information services         </li> <li> <b>Information technologies</b>            Projects and solutions that creates, extends or improves access to technology services and related infrastructures. Examples could include, but are not limited to; cybersecurity, internet of things and databases         </li> </ul>	
Target Population	
<ul style="list-style-type: none"> <li>Populations having unreliable, limited or no access to clean drinking water, sewage and sanitation</li> <li>Populations in rural, semi-rural or urban areas that have limited access to public transportation</li> <li>Populations having unreliable, limited or no access to electricity services</li> <li>Local communities with unreliable, limited or no access to waste management services</li> <li>Populations affected by disasters as a result of climate change or human activities</li> <li>People or populations with insufficient capacity of information technologies</li> </ul>	



## Access to essential services

### Description

Projects and solutions contributing to improved access to essential services such as healthcare, education and financial services.



Targets 3.8, 4.4, 8.5 and 10.2.

### Eligibility criteria

#### • Healthcare

- Healthcare facilities including hospitals, health centres, inpatient and outpatient clinics nursing homes and related health service equipment/hardware
- Products and services focused on providing improved quality of and access to healthcare and vocational training

#### • Education

- Education facilities such as schools, higher education campuses, education centres and related hardware
- Products and services focused on providing improved quality of and access to education and vocational training

#### • Public safety services

Emergency response services (EMS) including equipment, hardware as well as communication intended to prevent, mitigate and recover from fire, crime and disasters

#### • Financing and financial services

Projects and solutions focused on providing improved access to financing and financial services

#### • Target population

- Under-served populations in the hospital or health centre district
- Children, young people, displaced workers, under-educated population(s)
- Populations exposed to the risk of fire, crime and disasters
- Population having limited or no access to financing and financial services

## Affordable housing

### Description

Projects and solutions contributing to improved access to affordable housing and related services.



Targets 1.4 and 11.1

### Eligibility criteria

#### • Affordable housing

Development and/or provision of housing that is in line with respective country's national housing program for social or affordable housing

#### • Target population

- Population targeted by each country's social and affordable housing programs, commonly people and families with a lower income than average, elderly people and pensioners, single parents and young families, ethnic minorities and immigrants and people with disabilities



## Employment generation

### Description

Projects and solutions contributing to increased employment. Businesses should be committed to high standards in labour and working conditions, human rights and gender equality.



Targets 8.5 and 10.2

### Eligibility criteria

#### • Employment generation

Initiatives and solutions contributing to mitigation of unemployment, under-employment or promotion of employment creation. Projects include, but are not limited to, promoting agricultural SMEs, driving economic growth and sustainable jobs, crafting skilled workforces, entrepreneurship support and financial inclusion, quality education and skills development and assisting displaced workers

#### • Target population

- Local communities benefiting from job creation or other economic opportunities created by a project

## Food security and sustainable food systems

### Description

Solutions contributing to food security and sustainable food systems.



Target 2.1

### Eligibility criteria

#### • Food security and sustainable food systems

Projects and solutions dedicated to agricultural transformation aiming at ensuring food security. Examples could include, but are not limited to; agricultural value chain development, creating jobs and ensuring food security under a changing climate, build resilience of vulnerable populations to adapt to changing livelihoods and environment, water management, improved access to road networks and market infrastructure, implement hydro-agricultural development projects for sustainable water use and construction of warehouses. The agricultural projects should have a sustainable certification where applicable<sup>34</sup>

#### • Target population

- Population in DAC countries having unreliable or limited access to agricultural growth and development<sup>35</sup>

<sup>34</sup> Certification depends on the type of activity, examples could be MSC for fishery or UTZ for coffee, cocoa and tea.

<sup>35</sup> As mentioned above, this will include the first three columns (least developed, other low income and lower middle income countries territories) of the DAC List of ODA Recipients Effective for reporting on the year applicable at the time of loan approval.

## 4. Process for Project Evaluation and Selection

SEK has established a Sustainability Bond Committee (the “Committee”) which is a subcommittee of the Asset Liability Committee (“ALCO”) that prepares, decides and follows up matters relating to the classification and allocation of Eligible Projects.

The Committee is chaired by the Head of Sustainability and includes the Head of Treasury, Sustainability Analyst, Head of Customer Relations and Head of International Finance. The Committee is supported by other members in Sustainability, Non-Financial Risks and Communications department and may call upon other members as required. The Committee meets on a quarterly basis, and more frequently if required for specific issuances.

Eligible Projects are evaluated and approved by the Committee through the best of SEK’s capabilities and knowledge and selected as follows:

- 1) The Client Relationship Management team identifies and proposes possible Eligible Projects.
- 2) Sustainability Analysts assess if a project qualifies as an Eligible Project according to the criteria specified in this Framework. The sustainability analyst evaluates:
  - a. Eligible Green Projects within the EU will be identified using the SC criteria of the EU Taxonomy. Other criteria defined in the green use of proceeds tables will apply to Eligible Green Projects outside the EU if compliance with the SC criteria is not possible. In addition, Eligible Green Projects within the EU will comply with the DNSH criteria on a best effort basis. All Eligible Green Projects will comply with the MSS.
  - b. Eligible Social Projects are in line with the eligibility criteria specified in this framework.
    - Eligible Social Projects will also be assessed against the AAAQ model with consideration given to the additionality of the projects. The AAAQ model stands for Availability, Accessibility, Acceptability and Quality. The focus of the evaluation is the end use of the product/service (end-use) and when applied. Availability means that a certain good is available in a sufficient quantity. Accessibility means that a product or service is economically affordable and physically accessible without any discrimination. Acceptability means that the provision of goods and services should be ethically and culturally appropriate. Quality means that the good or service is safe and that it meets internationally recognized quality standards that are scientifically approved. The aim of the AAAQ approach is to address possible obstacles to the fulfillment of social, economic, and cultural rights and to find what is needed to overcome these. The AAAQ approach is an internationally recognized way to implement and test the fulfilment of these rights<sup>36</sup>.
- c. Eligible Green and Social Projects against the exclusion criteria outlined in the Use of Proceeds section.
- 3) Projects are also screened in line with SEK’s Environmental, Social and Governance due diligence processes as outlined on its website<sup>37</sup>. For example, SEK is an Equator Principles signatory and subject to OECD Common Approaches for environmental and social due diligence for export credits. All Eligible Projects also need be compliant with SEK’s Sustainable Finance Policy<sup>38</sup>, and are screened for ESG controversies and risks during the lending due diligence process, as outlined in the annual report<sup>39</sup>.
- 4) Eligible Projects are approved by SEK’s Sustainability Bond Committee.
- 5) Eligible Projects are identified and flagged in either the SEK Green Portfolio or the SEK Social Portfolio.

Projects approved, based on the most updated criteria of the EU Taxonomy at time of approval, will remain eligible and in the portfolio notwithstanding the future updates to the criteria.

SEK will check the eligibility of Eligible Projects on an annual basis. If, for any reason, a Project ceases to meet the eligibility criteria, it will be excluded from the Eligible Portfolio and replaced with an eligible project as soon as feasible.

36 Platform on Sustainable Finance, Final report on Social Taxonomy, February 2022

37 <https://www.sek.se/en/governance-and-reporting/>

38 <https://www.sek.se/app/uploads/2023/04/Sustainability-finance-policy.pdf>

39 <https://www.sek.se/app/uploads/2024/02/Annual-and-sustainability-report-2023.pdf> page 121

## 5. Management of Proceeds

An amount equivalent to the proceeds of any SEK Green, Social or Sustainability Bonds issued under this Framework will be managed by the Finance Department on a portfolio basis.

As long as Bonds are outstanding and proceeds from issues are available SEK will, at the end of every fiscal quarter, deduct funds in an amount equal to disbursements for the financing of Eligible Projects made during such quarter.

Pending the allocation of an amount equivalent

to the proceeds of SEK Bonds to the Eligible Projects, the balance of the net proceeds will be held in cash, other Green, Social or Sustainability Bonds, or municipality and/or government risk with a minimum credit rating of AA. Temporary investments will not support activities referenced in the exclusion criteria in the Use of proceeds section of the framework. SEK will strive to allocate proceeds within 12 months.

## 6. Reporting

To enable investors and other stakeholders to follow the development of SEK's Eligible Green and Social Projects, and to give insight into prioritized areas, SEK will publish annually an Allocation and Impact Report on SEK's website, until maturity<sup>40</sup>.

SEK is a signatory of the Nordic Position Paper on Green Bonds Impact Reporting (2024)<sup>41</sup> and will aim to follow the reporting guidelines and recommendation of that paper. The reporting will include:

### 6.1 Allocation Reporting:

SEK will provide the following information on the allocation of the proceeds of its Green, Social and Sustainability Bonds to Eligible Projects.

- a) The total amount of Green, Social and Sustainability Bonds issued and outstanding
- b) A list of Eligible Projects financed with proceeds from Bonds including allocated and disbursed amounts to each Eligible Project, as well as a brief description of the projects
- c) The distribution of allocation between different Eligible Project Portfolios, categories and geographies
- d) A description of the allocation between financing and refinancing
- e) The remaining balance of unallocated proceeds (if any)
- f) Percentage of alignment of Eligible Green Projects with the EU Taxonomy (if any)

### 6.2 Impact Reporting

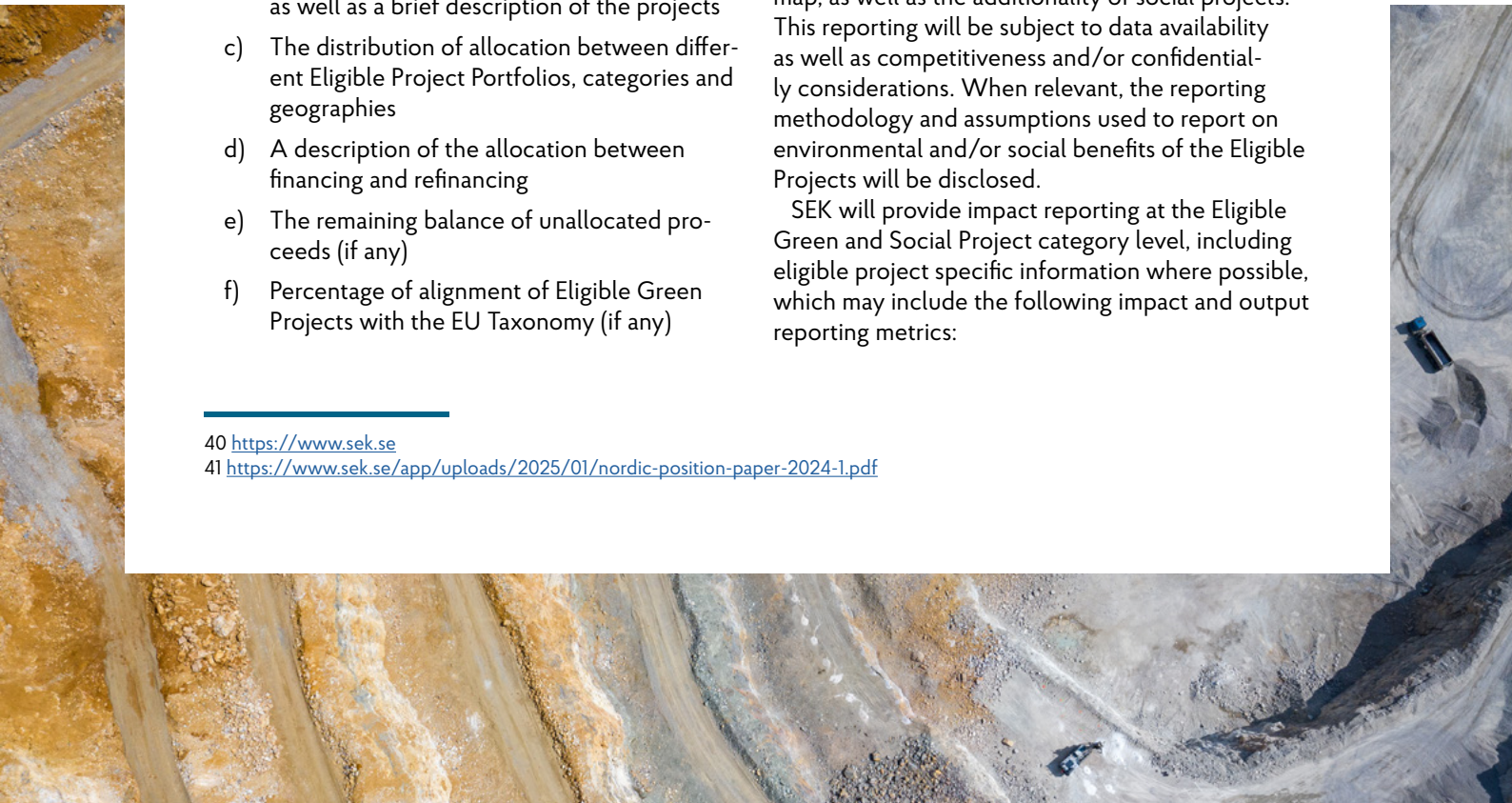
SEK will provide expected and/or actual environmental and social outputs and impacts from Eligible Projects when relevant and feasible. SEK's reporting on Eligible Green Projects will besides the Nordic Position Paper on Green Bonds Impact Reporting (2024) also aim to implement the ICMA guidelines in the "Handbook-Harmonized Framework for Impact Reporting" (2024), considering the updates associated with the guideline. When reporting on Eligible Social Projects, SEK will make use of the ICMA's "Harmonized Framework for Impact Reporting for Social Bonds (2024)", considering the updates associated with the guideline.

Qualitative performance indicators and, where feasible, quantitative performance measures from Eligible Green and Social Projects will be reported to investors, and other stakeholders, with indicators and metrics that capture positive impacts for the fulfillment of the SDGs as outlined in ICMA's SDG map, as well as the additionality of social projects. This reporting will be subject to data availability as well as competitiveness and/or confidentially considerations. When relevant, the reporting methodology and assumptions used to report on environmental and/or social benefits of the Eligible Projects will be disclosed.

SEK will provide impact reporting at the Eligible Green and Social Project category level, including eligible project specific information where possible, which may include the following impact and output reporting metrics:

<sup>40</sup> <https://www.sek.se>

<sup>41</sup> <https://www.sek.se/app/uploads/2025/01/nordic-position-paper-2024-1.pdf>





Eligible Green Categories	Potential Output and Impact Indicators
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>Capacity of energy generation of plant (MW)</li> <li>Annual renewable energy generation in MWh or GWh</li> <li>Annual GHG emissions reduced/avoided, in tonnes of CO<sub>2</sub>-equivalent</li> </ul>
<b>Green Buildings</b>	<ul style="list-style-type: none"> <li>Avoided kWh/sq m, or in percentage terms (%) below national building standards</li> <li>Annual GHG emissions reduced/avoided, in tonnes of CO<sub>2</sub>-equivalents</li> </ul>
<b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>Annual energy reduced/avoided in MWh or GWh (electricity) and MWh or GWh (other energy savings)</li> <li>Annual GHG emissions reduced/avoided, in tonnes of CO<sub>2</sub>-equivalent</li> </ul>
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>Annual GHG emissions reduced/avoided, from cars and other vehicles, due to the investment (by comparison to average emissions by km for alternative transportation)</li> <li>Number of km of new train lines, bicycle lanes etc. created</li> </ul>
<b>Pollution Prevention and Control</b>	<ul style="list-style-type: none"> <li>Estimate of the reduction in greenhouse gas emissions avoided as a result of the investment</li> <li>Waste that is prevented, minimised, reused or recycled before and after the project in % of total waste and/or in absolute amount in tonnes per year.</li> <li>Annual absolute (gross) amount of waste that is separated and/or collected and treated (including composted) or disposed of (in tonnes per year. and in % of total waste)</li> </ul>
<b>Circular economy adapted products, production technologies and processes and/or certified eco-efficient products</b>	<ul style="list-style-type: none"> <li>The % increase in materials, components and products that are reusable, recyclable, and/or certified compostable as a result of the project and/or in absolute amount in tonnes p.a.</li> <li>The % and/or absolute amount in tonnes p.a. of virgin raw materials that are substituted by secondary raw materials and by-products from manufacturing processes</li> <li>The expected extension of lifetime in years (compared to the equivalent linear product's expected lifetime)</li> </ul>
<b>Sustainable Water and Wastewater Management</b>	<ul style="list-style-type: none"> <li>Annual water savings</li> <li>Annual volume of wastewater treated or avoided</li> <li>Capacity of plants being built</li> </ul>
<b>Environmentally Sustainable Management of Living Natural Resources and Land Use</b>	<ul style="list-style-type: none"> <li>Number of species</li> <li>Number of individuals in target population</li> <li>Area reforested or converted</li> <li>Area of habitat or wetland restored</li> <li>Certified sustainable land area</li> </ul>
<b>Climate Change Adaptation</b>	<ul style="list-style-type: none"> <li>Areas protected against heat (such as building facades) or number of heat shields etc m<sup>2</sup> or number of items of heat protection</li> <li>Areas protected against storms (building facades or land such as school yards, hospital facilities, city centres) m<sup>2</sup> or number of items</li> <li>Capacity of system or area covered, for example for water management or regarding enhanced resilience</li> </ul>



Eligible Social Categories	Potential Output and Impact Indicators
<b>Affordable Basic Infrastructure</b>	<ul style="list-style-type: none"> <li>• Number of water infrastructure projects built/upgraded</li> <li>• Number of people provided with adequate and equitable sanitation</li> <li>• Number of people with access to affordable transport systems</li> <li>• Number of new household power connections</li> <li>• Number of people provided access to clean and affordable energy</li> </ul>
<b>Access to Essential Services</b>	<ul style="list-style-type: none"> <li>• Number of patients benefitting from healthcare or medical treatment</li> <li>• Number of hospitals and other healthcare facilities built/upgraded</li> <li>• Number of health-related R&amp;D programs funded</li> <li>• Students reached (breakdown by gender)</li> <li>• Number of people provided with skill development and/or vocational training ideally for in demand subjects (breakdown by gender)</li> </ul>
<b>Affordable Housing</b>	<ul style="list-style-type: none"> <li>• Number of dwellings</li> <li>• Number of individuals/families benefitting from subsidised housing</li> </ul>
<b>Employment Generation</b>	<ul style="list-style-type: none"> <li>• Number of people benefiting from improved employment</li> <li>• Number of people with upskilled employment resulting from training</li> </ul>
<b>Food Security and Sustainable Food System</b>	<ul style="list-style-type: none"> <li>• Number of people provided with access to affordable, safe, nutritious, and sufficient food</li> </ul>

## 7. External review

### Second party opinion

SEK has received a second party opinion from Sustainable Fitch confirming the alignment of the SEK Sustainability Bond Framework with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines. The second party opinion is published on [www.sek.se](http://www.sek.se).

### External audit

SEK will request on an annual basis until maturity, a limited assurance report on the allocation of use of proceeds, provided by an external auditor.

# SEK

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