SEK Pillar 3 disclosure for Q2 2025
ESG risks

Contents

ESG risks

SEK is indirectly exposed to Environmental, Social or Governance ("ESG") factors and risks mainly in connection to its lending activities. ESG factors can influence the financial stability and solvency of SEK's counterparties, potentially impacting SEK's financial risks either positively or negatively. The potential financial impact is currently not assessed to be significant for SEK.

Definitions

ESG factors

Example of environmental, social and governance ("ESG") factors are:

- *Environmental factors:* climate change, pollution, water and marine resources, biodiversity and ecosystems resource use and circular economy,
- *Social factors:* labor conditions, equality, affected communities, consumers and end-users.
- *Governance factors:* Business conduct and anti-corruption, financial crime and the way in which companies or entities include environmental and social factors in their policies and procedures.

ESG risk (financial perspective)

ESG factors can influence the financial stability and solvency of SEK's counterparties, potentially impacting SEK's financial risks either positively or negatively. ESG Transmission Channels are causal links that enable adverse realizations of ESG Factors to translate into ESG Risks. Examples of transmission channels are: Lower Profitability, Lower Household Wealth, Lower Asset Performance, Increased Cost of Compliance and Increased Legal Costs.

ESG risk (impact perspective) ("Sustainability risk")

Environmental and social risks from an impact perspective are defined as the risk that SEK's operations directly or indirectly impact their surroundings negatively with respect to the environment and social matters. Social matters include human rights and working conditions. Human rights include the rights of the child. Working conditions include gender equality and diversity. Governance risk is defined as the risk that SEK's operations directly or indirectly impact or are impacted by governance-related matters. Examples of areas included are business conduct and financial crime. Business conduct includes tax transparency and financial crime includes corruption.

Double materiality

The concept for distinguishing the impact and financial perspective and how the former can affect the latter, is described as 'double materiality'. The impact perspective could become financially material if it affects SEK's counterparties, SEK's own activities and reputation.

Further, ESG factors and risks can be interlinked to each other. For example, climate change is interlinked to other environmental factors and also to social factors and risks. As an example, the increase of temperature is likely to have an impact on biodiversity and ecosystems. At the same time, healthy ecosystems contribute to resilience and adaptation to conditions caused by climate change, such as higher temperatures, rising sea levels, storms, more unpredictable rainfall and acidification of ocean water. In addition, climate change is expected to have an impact on well-being and interests of people and communities as well as on health and safety. This means that combined analyses of ESG factors and risks are necessary to ensure sufficient risk management procedures.

Double materiality assessment

In 2024, SEK has performed a double materiality assessment in which SEK's direct and indirect impact on the environment and society as well as the potential financial effect of ESG factors and risks on SEK were considered. For details, please refer to SEK's Annual and Sustainability Report 2024 Sustainability Note 3.

Business strategy and processes

SEK, as a state-owned company, shall act in an exemplary manner in its industry as regards environmental and climate matters, aligning with national climate goals, the Paris Agreement, and the Kunming-Montreal Global Biodiversity Framework. SEK shall also act in an exemplary manner in social responsibility and corporate social responsibility with a focus on good business ethics and systematic risk-based regulatory compliance. Furthermore, projects and activities financed by SEK must comply with local laws as well as international guidelines in the areas of environmental considerations, anti-corruption, human rights, labor conditions, and business conduct.

SEK has integrated ESG factors and risks from both a financial and impact perspective into the company's overall business model, strategy, and financial planning. It is primarily in SEK's lending transactions that ESG risks arise in SEK's business model.

SEK's main strategy for managing ESG risks and opportunities is to focus on increasing new lending to:

- Companies with ambitious and credible plans to reduce their GHG emissions in line with scientifically based climate targets.
- Activities assessed as green, social or sustainability-linked in accordance with SEK's framework for sustainable bonds and internal criteria. By issuing green and social bonds, SEK can earmark capital for projects that have a positive impact on the environment and/or create better social conditions.

The following activities support SEK's strategy:

- ***Work strategically to ensure adherence to*** SEK's principles for credit granting and liquidity investments that are stated in ***SEK's Sustainable Finance Policy***.

- ***Restrictive approach to transactions with a negative impact on the climate:*** SEK shall gradually phase out fossil fuel financing. SEK does not finance coal mining, transport, or storage of coal. Further, SEK does not finance oil and gas exploration, production, transport, or storage thereof. SEK's approach to fossil fuels including exceptions is established in SEK's Sustainable Finance Policy.
- ***Sustainable financing:*** Sustainable finance is an integrated component of SEK's strategy. The transition to a society in line with the Paris Agreement creates new export opportunities and contributes to jobs and growth. SEK offers green, social, and sustainability linked loans. The categorization of "green loans", "social loans" and "sustainability-linked loans" is reviewed and approved by the Sustainability Bond Committee. Financing comprises the foundation of SEK's operations and is the aspect where SEK exerts the greatest opportunity to be a driving force in the transition.
  Green loans promote the transition to a low-carbon society. Activities are classified as green in accordance with SEK's Sustainability Bond Framework. SEK's new green loans (since 2021) must meet the eligibility criteria of the EU Taxonomy for environmentally sustainable economic activities, although financing inside and outside the European Union is handled somewhat differently. Green loans are financed via SEK's green bonds.
  Social loans are offered to exporters and suppliers for projects, often in developing countries, whose aim is to improve social conditions. Social loans are categorized under SEK's Sustainability Bond Framework. The categorization is reviewed and approved by the Sustainable Bond Committee.
  Sustainability-linked loans concern working capital connected to the borrower's sustainability targets, for example improved work environment or reduced number of accidents. If borrowers reach their targets, they are rewarded with a lower interest rate. SEK's sustainability-linked loans are based on the International Loan Market Association's (LMA) Sustainability-Linked Loan Principles.
- ***Client and international engagement:***
  SEK's strategy and sustainability related policies (for detailed description please refer to section 9.3 in the Capital Adequacy and Risk Management (Pillar 3) Report 2024) set the basis for the company's engagement with its counterparties. SEK is active in several initiatives and working groups with the aim of both exerting influence and increasing the company's own knowledge in the field. Please also refer to section "Engagement in clients in transition" and "Networks in sustainable business".

Sustainability targets

To support SEK's strategy and contribute to a climate transition and reduce greenhouse gas emissions, in line with the Paris Agreement, SEK has adopted the following targets:

- SEK's sustainability-classified lending shall reach Skr 150 billion by 2035.
- SEK shall achieve net zero emissions in its own operations by 2030.
- SEK's balance sheet shall reach net zero greenhouse gas emissions by 2045.

For follow-up on targets please see SEK's Annual and Sustainability Report 2024.

SEK's climate impact

During 2025, SEK has continued the work on expanding the calculation of financed GHG emissions, referred to as scope 3.15, to a larger part of the lending portfolio. For a detailed description of the methodology used and SEK's calculated financed emissions please refer to SEK's Annual and Sustainability Report 2024, Sustainability Note 5 and Reporting principles. SEK's calculated financed emissions towards sectors that highly contribute to climate change are presented in Pillar 3, "Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity".

The work to improve data within the scope 3 categories will be developed further in the coming years.

More information regarding the scope and system limitations is described under Accounting Principles, and the company's overall climate impact is presented in detail in a separate Climate Report available at www.sek.se.

Engagement in clients' climate transition

SEK continuously works to improve its understanding and management of ESG risks from both a financial and impact perspective in general. Further, SEK works strategically to increase its outreach to key industries for the climate transition as well as to industries with high potential to reduce GHG emissions.

By offering financing solutions to companies that are realigning their operations based on science-based targets, SEK can help enable the transition or reduce other ESG risks.

In addition, SEK performs stakeholder dialogues with counterparties on their general sustainability related expectations on SEK. For information on general expectations please refer to the Annual and Sustainability Report 2024, Sustainability Note 2.

Networks in sustainable business

Through collaboration with different organizations, SEK can share experiences and discuss challenges and solutions for various ESG-related matters SEK participates in the following networks:

- Sustainable business network for state-owned companies
- The Equator Principles
- The OECD's working groups for Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence
- ICC Sweden's CSR reference group
- UN Global Compact's Swedish network
- Enact, sustainability reporting network
- Mistra BIOPATH, a research program with a focus on biodiversity
- Fossil Free Sweden, which aims to collaborate with the aim of solving climate issues and reaching the goal of a fossil-free society
- Net Zero ECA Alliance (NZECA)
- Export Finance for Future (E3F)
- Finance Sweden's sustainability group
- Finance Sweden's EU taxonomy group
- Swedish Securities Markets Association's sustainability group

The Swedish export credit system and cooperation with EKN

SEK is part of the Swedish export credit system, and a significant part of SEK's international lending operations are guaranteed by the Swedish Export Credit Agency (EKN). ESG-related issues in SEK's business model are therefore linked to the Swedish export credit system. For Sweden's export and investment strategy, the government expressed that Sweden must drive international and European regulation for, inter alia, export credits and other public trade finance to contribute to sustainability and the realization of the goals set by the Paris Agreement. Hence, SEK and EKN are conducting joint efforts to adapt the export credit system to the Paris Agreement, for instance by ceasing to support exports for the extraction of fossil fuels, by stimulating transactions that contribute to the climate transition and by considering lock-in effects and transition opportunities in export transactions. In 2023, SEK and EKN developed a method to assess whether projects and activities are aligned with the Paris Agreement's 1.5°C target. The method was tested on a selection of transactions during 2024, and climate assessments have been carried out for all export credits and project finance transactions that SEK approved during 2025. The methodology is now an integrated part of SEK's risk framework and will continue to be rolled out for transactions identified as having high climate risk.

Together with a handful of other export credit agencies, SEK and EKN are founding members of the NZECA Alliance, a net-zero finance alliance comprising public finance institutions. During 2024, SEK and EKN participated in a working group to develop a common standard for setting climate targets for export credit agencies, which was launched at COP29 in Baku. In 2025, SEK will set decarbonization targets in accordance with the NZECA Target Setting Protocol.

SEK's and EKN's joint scientific climate council

To raise the level of expertise of the export credit system on climate issues and to connect this to scientific findings, SEK and EKN established a joint scientific climate council in 2021 consisting of four climate researchers. The climate council acts as a specialist advisory body with the aim of guiding the Swedish export credit system in climate- related matters.

Governance

ESG risk management is integrated into SEK's overall corporate governance procedures. The Board of Directors has the ultimate responsibility for SEK's organizational structure and administration of SEK's affairs which includes ESG-related issues. For detailed information regarding SEK's corporate governance structure, please refer to chapter 2 in the Capital Adequacy and Risk Management (Pillar 3) Report 2024and *the Corporate Governance Repor*t in SEK's Annual and Sustainability Report 2024. ESG risk management is structured in accordance with the three lines model. For a detailed description of the model, see chapter 2 in the Capital Adequacy and Risk Management (Pillar 3) Report 2024.

Internal reporting procedures and frequencies

ESG risks are monitored by *the Risk function* and *the Compliance function* through regular analysis and reporting to the Board or its designated committees and the CEO. These reports include follow-up on ESG risks, the result from control testing, observations as well as follow-up on ESG-related regulations.

The Sustainability function with overall responsibility for sustainability matters reports directly to the CEO.

The CFO function is responsible for assessing the current performance against sustainability goals and objectives and reports on a monthly basis to the CEO and on a quarterly basis to the Board. The CFO function is also responsible for the annual and sustainability report.

The Internal audit function provides independent assurance of SEK's risk management, including ESG risks, based on an audit plan approved by the Board. The Internal audit function reports directly to the Board.

Policy framework for ESG risk from a financial and impact perspective

The policy framework stipulates a long-term direction for SEK towards a more sustainable business and portfolio, and limits activities or businesses that are neither in accordance nor deemed to be able to transition into being in accordance with SEK's policies and mission. SEK's policy documents lay the foundation for SEK to ensure ESG factors and sustainability matters are included and considered in the business operations. The integration and management of the short-, medium- and long- term effects of climate-related risks in SEK's risk framework is described in section 9.4 in the Capital Adequacy and Risk Management (Pillar 3) Report 2024.

As set out in *the State's ownership policy,* as a state-owned company, SEK shall set a positive example for sustainable value creation, which primarily means that the company is to:

- operate in a way that promotes sustainable development, i.e. a development that meets the needs of the present without compromising the ability of future generations to meet their needs
- permeate the company's business model, strategy and corporate governance. Based on a materiality analysis, the company must exploit business opportunities and manage sustainability-related risks.
- observe international agreements, principles and guidelines on environmental and climate considerations, human rights, working conditions, anti-corruption and business ethics that are relevant to the company's operations.

The Risk Policy sets out the main features of SEK's framework for risk management and stipulates requirements with regards to the identification, measurement, governance, reporting and control of the material risks that the company is or could become exposed to which includes ESG risks.

SEK's Sustainable Finance Policy sets out the following principles for SEK's credit granting and liquidity investments:

- SEK shall participate in transactions that are handled in a responsible and sustainable manner.
- SEK's transactions and relationships shall be characterized by good business ethics.
- SEK does not accept corruption or other financial crime in transactions financed by SEK.

- Human rights shall be respected in transactions financed by SEK.
- SEK shall have a restrictive approach to transactions with a negative impact on the climate.
- SEK shall apply a risk-based approach to sustainability risk management.
- SEK shall integrate ESG factors into credit assessments of counterparties.
- SEK shall work proactively to enable transactions that contribute to the UN Sustainable Development Goals and implementation of the Paris Agreement.
- SEK shall promote collaboration and dialogue on sustainable finance.
- SEK shall promote openness and transparency.

The Credit Policy sets the preconditions for SEK's lending transactions and credit risk management. The Credit Policy sets out that credit granting must also be aligned with SEK's mission based on its owner instruction. SEK exercises overall control of its credit risks pursuant to a number of fundamental principles, including SEK's risk appetite for sustainability and its Sustainable Finance Policy. The Credit Policy states specifically that credit granting must be on sustainable terms and based on in-depth knowledge of SEK's counterparties and business transactions. Sustainability risks and ESG factors and risks must be identified, analyzed, and managed prior to granting credit.

SEK's remuneration guidelines aim to create the preconditions to promote an attractive and healthy workplace. SEK has a remuneration system that is consistent with the company's business objectives and risk strategy (were sustainability matters are included), its corporate culture and values, and the actions taken to avoid conflicts of interest. See further description in chapter 10 in the Capital Adequacy and Risk Management (Pillar 3) Report 2024.

The *Anti-corruption Policy* further clarifies SEK's position in the area and provides guidelines in the work against corruption. SEK's anti-corruption policy complies with Swedish bribery legislation as well as national and international initiatives aimed to fight corruption and other financial crime. SEK operates its lending globally and complies with anti-corruption legislation in the countries and jurisdictions where the company operates. For further information, please refer to SEK's Annual and sustainability report 2024.

The Code of Conduct guides SEK in terms of ethical behavior in daily activities and in the organization's interactions with external parties. SEK's code of conduct stipulates how conflicts of interest are to be handled. Any breach of the Code of Conduct could lead to proceedings.

The Code of Conduct for suppliers outlines SEK's expectations for all its suppliers, including any approved subcontractors used by its suppliers. Suppliers must comply with all applicable laws, regulations and standards in the countries in which they operate. SEK expects suppliers to maintain high ethical standards in their business practices in general and to comply with and adhere to the principles for ethical behavior, conflicts of interest, anti-corruption, human rights, labor standards, environment, compliance and monitoring as set out in this Code.

SEK's whistleblower system enables employees and external consultants, suppliers or other parties to anonymously report suspected regulatory breaches or crimes. New cases received through the whistleblower system are initially processed and assessed by the Head of the Compliance function or the General Counsel.

International guidelines and frameworks

The international sustainability guidelines that govern SEK's operations in the context of sustainability risk as well as ESG risk are the following:

- The ten Principles in 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 Recommendation on Sustainable Lending Practices and Officially Supported Export Credits.
- The Equator Principles and the OECD's Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence, which are based on the sustainability standards of the International Finance Corporation (IFC) and which include thresholds for greenhouse gas emissions for project-related financing.
- The Kunming-Montreal Global Biodiversity Framework
- SEK's new green loans (since 2021) are assessed according to the eligibility criteria of the EU Taxonomy for environmentally sustainable economic activities.
- SEK's sustainability-linked loans must comply with LMA's standards for sustainability-linked loans.
- SEK reports in accordance with the Global Reporting Initiative standards ("GRI standards") and Sector Supplement for Financial Services on the basis of the topics identified as material for SEK's operations. SEK has focused on integrating sustainability reporting into its financial reporting.
- SEK discloses information about climate-related risks and opportunities according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- Stress tests are based on scenarios developed by the International Energy Agency's (IEA's) future forecast, World Energy Outlook and by the Network for Greening the Financial System ("NGFS").
- SEK works continuously on developing its operations to support clients and society with financing for a sustainable transition in line with the Paris Agreement and the 2030 Agenda for Sustainable Development.
- The Sustainability Report is performed in accordance with the Swedish Annual Accounts Act.

ESG Risk management

SEK manages ESG risks from a financial and impact perspective as described in section 9.1 in the Capital Adequacy and Risk Management (Pillar 3) Report 2024). In the financial perspective, ESG risk is mainly considered to impact credit risk and ESG factors are embedded in the credit risk management framework.

Furthermore, SEK has integrated short-, medium-, and long-term ESG risks into its risk management framework through the following measures:

- Integrated the responsibility for managing ESG risks into the overall governance arrangements;
- Included requirements for the management of ESG risks

in the Risk Policy, risk appetite, risk strategy, as well as in SEK's Credit Policy and Sustainable Finance Policy;
- Established client due diligence procedures to identify and measure ESG factors and risks;
- Included ESG risk assessment in the loan origination process;
- Established processes for collecting data and assessing ESG risks.
- Included ESG risks in scenario analyses and stress tests;
- Establishing lending criteria that phase out and discontinue fossil fuel financing and restrict lending to high-emission activities and projects without credible transition plans; and
- Included ESG risks in the internal control framework.

Risk identification and measurement

ESG factors and risks are identified in transactions, products, processes, systems and in external changes in SEK's operating environment. When assessing the risks in individual transactions, SEK applies a risk-based approach. This means that analysis and risk-mitigation measures are based on the risk picture and are more detailed for transactions that have a higher inherent risk.

General Risk assessments and RCSA

SEK performs yearly comprehensive business-wide risk assessments (from an impact perspective) within the following areas: environment, climate, human rights, bribery and corruption, money laundering and sanctions. These assessments include an analysis of the type of financial products and services offered, the customers and distribution channels used and the countries to which SEK lends. They also form the basis for SEK's procedures, guidelines, and other measures to manage ESG risks. Further, SEK performs risk and control self assessments ("RCSA") with all functions which include identification and measurement of ESG factors and risks from an operational risk perspective.

Incident management

All operational incidents are reported by SEK's employees. These incidents can include ESG causes or impacts.

ESG factors in the loan origination process (financial perspective)

At the customer level, SEK collects relevant ESG information to evaluate the customer's repayment capacity and creditworthiness in the loan origination process. In the credit assessment, ESG risk drivers, for example policy changes, technology development and changes in consumer preferences and transmission channels such as lower profitability and increased costs for development, compliance, and litigation are analyzed for each transaction as part of the internal risk classification process for corporate counterparties. SEK's risk classification process incorporates analysis based on publicly available information, such as annual and sustainability reports, as well as insights gathered through through dialogue with counterparties.

Initial screening of ESG risk (impact perspective)

ESG risks are managed according to a risk-based approach. When a business enquiry is received, potential ESG risks are identified using the compiled information about the transaction. Such information includes, inter alia, the purpose of the financial and commercial transaction, the parties to the transaction as well as their location, the payment flows linked to the transaction, the goods or services encompassed by the transaction, and the end use of the goods or services. For more information refer to SEK's Annual and Sustainability Report 2024, Sustainability Note 5.

In-depth analysis of ESG risk and capacity (impact perspective)

Potential ESG risks are identified and assessed based on risk indicators for the country, counterparty or transaction. Countries are assessed according to the risk of corruption, negative impact on human rights, including working conditions, and the risk of money laundering, terrorist financing and tax jurisdiction. Controls are conducted as part of SEK's "know your customer" routines, including controls of ownership and international sanction lists as well as whether the counterparty has been involved in sustainability-related incidents that could indicate a deficient capacity to manage ESG risks. For more information refer to SEK's Annual and Sustainability Report 2024, Sustainability Note 9. If the assessment identifies an elevated ESG risk, an in-depth assessment is conducted by a sustainability analyst. This entails, inter alia, assessment of the parties' capacity to manage identified risks and, if relevant, recommendations of actions in order to decrease identified risks to within SEK's risk appetite until maturity. Based on the above analysis, a decision is taken of whether or not SEK should participate in the transaction. The results of transactions analyzed in 2024 are presented in SEK's Annual and Sustainability Report 2024. For human rights, refer to Sustainability Note 7, for corruption refer to Sustainability Note 8 and for A and B projects refer to Sustainability Note 12.

ESG scenario analyses and stress tests

Scenario analyses and stress tests are conducted at least annually to evaluate ESG risks at organizational, sectoral, and counterparty levels. The main focus is on climate risks, i.e. transition risks and physical risks, and their potential impact on activities financed by SEK, as well as SEK's capital ratio and financial position.

SEK performs scenario analyses and stress test on a yearly basis. The current methodology is based on a quantitative score at counterpart level. Counterparts with a high ESG score are assumed to have a higher risk for negative rating migration in different scenarios. The scenario analyses are based on three scenarios that have been developed by the Network for greening the financial system (NGFS) and the International Energy Agency's (IEA): "The Current Policies Scenario", "The Net Zero by 2050 Scenario" and "The Delayed transition scenario".

The historical results of the stress tests show that all analyzed scenarios have a limited impact on SEK's capital ratio and financial position.

ESG Materiality assessment per financial risk type

Credit risk

As elaborated in SEK's materiality assessment (refer to SEK's Annual and Sustainability Report 2024, Sustainability Note 3) SEK is indirectly exposed to ESG risk through its borrowers' exposure to ESG factors, which could potentially materialize in the form of an adverse impact on the counterparties repayment capacity. Based on the scenario analyses conducted in 2024, the potential financial impact is currently not assessed to be significant for SEK. However, this conclusion could change due to increased insight in terms of the financial impact of specific ESG issues on counterparties as well as due to increased insight into the impact over a longer time horizon.

Market risk

ESG factors can effect market risk, such as interest rate and FX, indirectly through multiple transmission channels leading to increased volatility in the underlying risk factors which in turn might indicate that the impact of historical patterns should be interpreted more carefully. The conclusion of this year's assessments of ESG factors, transmission channels and risks is, however, that they currently do not have a material impact on SEK's market risk.

Liquidity risk

ESG factors can impact liquidity risks directly, through transmission channels like limitation to raise funds or difficulties to divest liquid assets, or indirectly in form of increased draw downs on credit lines from customers. Considering SEK's assets, the conclusion of this year's assessment of ESG factors, transmission channels and risks is that ESG risks currently do not have a material impact on SEK's liquidity risk.

Operational risk

As part of risk and control self-assessments, the role of ESG factors as potential causes for or impacts of operational risk events are analyzed. For example, one operational risk event related to ESG matters could be the failure to assess compliance with existing ESG standards, potentially leading to financial repercussions from reputational or legal damage.

The conclusion of this year's assessment of ESG factors, transmission channels and risks is that ESG risks do not have a material impact on SEK's operational risk. However, this could change in the future, especially as new policies and regulations emerge or as the effects of climate change become more clear.

ESG data availability

The availability, quality, and accuracy of ESG data, along with efforts to improve these aspects, are critical to SEK's ability to manage ESG risks. Transaction and counterparty data are managed within business systems and supplemented by master data services and databases. ESG data is stored in SEK's data warehouse, from which reporting and analysis tools are developed. This ensures consistency between external and internal reporting and analyses.

SEK relies on data from two external vendors for physical risks and GHG emissions. Efforts are currently underway to automate the collection of CO2e data and climate scenario data.

Risk monitoring and risk control

Progress toward sustainability goals is monitored regularly and reported to the Board at least quarterly by the Chief Financial Officer.

SEK has established internal controls to ensure that identified risks are reduced to an acceptable level in accordance with risk appetite formulated by the Board. Process owners are responsible for designing, implementing, and executing controls, while independent control functions are tasked with testing and reporting the results.

Monitoring of transactions

SEK monitors transaction on a risk based approach. Within project finance sustainability analysts regularly monitor adherence of A and B projects to sustainability clauses in the credit agreement during the term of the loan agreement. Non-compliance with the agreed conditions results in the initiation of a dialogue with the borrower and requirements for the preparation of an action plan that addresses the deviations and which is monitored on an ongoing basis. Other non-project-related transactions are continuously monitored through adverse media scanning and whenever an event triggers the invocation of covenants in the loan agreement.

The exposure to fossil-fuels is limited in the Sustainable finance policy and monitored and reported on a quarterly basis.

For further details on SEK's handling of Environmental risk, refer to SEK's Annual and Sustainability Report 2024, Sustainability note 2, 3, 4, 5, 11, 12 and 13.

For further details on SEK's handling of Social risks, refer to SEK's Annual and Sustainability Report 2024, Sustainability note 2, 3, 4, 6, 7, 11, and 12.

For further details on SEK's handling of Governance risk, refer to SEK's Annual and Sustainability Report 2024, Sustainability note 2, 3, 4, 8-12.