

## SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Sustainable Funding Framework

Swedbank AB

15 December 2025

### VERIFICATION PARAMETERS

Type(s) of instruments contemplated

- Green Bonds, Social Bonds, and Sustainability Bonds

Relevant standards

- Green Bond Principles (GBP) and Social Bond Principles (SBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)
- Sustainability Bond Guidance (SBG), as administered by the International Capital Market Association (ICMA) (as of June 2021)
- EU Taxonomy Climate Delegated Act, Annex I (as of June 2023)

Scope of verification

- Swedbank Sustainable Funding Framework (as of December 8, 2025)
- Swedbank selection criteria (as of December 8, 2025)

Lifecycle

- Pre-issuance verification

Validity

- Valid as long as the cited Framework remains unchanged

## CONTENTS

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SCOPE OF WORK.....	3
SWEDBANK OVERVIEW .....	4
ASSESSMENT SUMMARY .....	5
SPO ASSESSMENT.....	7
PART I: ALIGNMENT WITH THE GBP, SBP, AND SBG.....	7
PART II: SUSTAINABILITY QUALITY OF THE SELECTION CRITERIA .....	9
A. CONTRIBUTION OF THE GREEN BONDS, SOCIAL BONDS, AND SUSTAINABILITY BONDS TO THE U.N. SDGs.....	9
B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE FINANCIAL INSTITUTION AND THE SELECTION CRITERIA .....	22
PART III: ELIGIBILITY OF THE SELECTION CRITERIA AGAINST THE EU TAXONOMY CLIMATE DELEGATED ACT .....	25
PART IV: CONSISTENCY OF GREEN BONDS, SOCIAL BONDS, AND SUSTAINABILITY BONDS WITH SWEDBANK'S SUSTAINABILITY STRATEGY.....	30
ANNEX 1: METHODOLOGY .....	34
ANNEX 2: QUALITY MANAGEMENT PROCESSES.....	35
About this SPO.....	36

## SCOPE OF WORK

Swedbank AB (“the Issuer”, “the Bank” or “Swedbank”) commissioned ISS-Corporate to assist with its Green Bonds, Social Bonds, and Sustainability Bonds by assessing three core elements to determine the sustainability quality of the instruments:

1. Swedbank’s Sustainable Funding Framework (as of December 8, 2025), benchmarked against the ICMA GBP, SBP, SBG.
2. The selection criteria — whether the project categories contribute positively to the United Nations Sustainable Development Goals (U.N. SDGs) and how they perform against ISS-Corporate’s proprietary issuance-specific key performance indicators (KPIs) (see Annex 1).
3. The eligibility of the project categories against the EU Taxonomy based on ISS Corporate’s methodology — whether the nominated project categories satisfy the EU Taxonomy Technical Screening Criteria for a Substantial Contribution to Climate Change Mitigation.
4. Consistency of the Green Bonds, Social Bonds, and Sustainability Bonds with Swedbank’s sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

## SWEDBANK OVERVIEW

Swedbank AB provides a broad range of financial products and services and operates through four business areas: Swedish Banking, Premium and Private Banking, Corporates and Institutions, and Baltic Banking. Swedish Banking is the largest business area, accounting for just over half of the Group's overall profit. Premium and Private Banking, established in 2024, offers tailored financial services and advice to customers in Sweden who require qualified guidance. Corporates and Institutions is responsible for Swedbank's offering to corporates, financial institutions, organisations, and banks. Baltic Banking operates in all three Baltic countries and serves both private and corporate customers. Founded in 1820, Swedbank AB is headquartered in Sundbyberg, Sweden.

### *ESG risks associated with the Issuer's industry*

Swedbank is classified in the Commercial Banks and Capital Markets industry, as per ISS Sustainability's sector classification. Key sustainability issues faced by companies<sup>1</sup> in this industry are business ethics, labor standards and working conditions, sustainable investment criteria, customer and product responsibility, and sustainability impacts of lending and other financial services/ products.

This report focuses on the sustainability credentials of the issuance. Part IV of this report assesses the consistency between the issuance and the Issuer's overall sustainability strategy.

### *Rationale for Issuance*

The Issuer first established a Green Bond Framework in 2017 and developed a Sustainable Funding Framework in 2022. Swedbank has set the objective to triple sustainable lending volumes to 2027 compared to 2022. The purpose of this 2025 Framework update is to align with the latest market principles and further clarify the eligibility criteria.

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<sup>1</sup> Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within this industry.



SPO SECTION	SUMMARY	EVALUATION <sup>2</sup>
<p><b>Part III:</b> <b>Eligibility against the EU Taxonomy</b></p>	<p>Swedbank’s project characteristics, due diligence processes and policies have been assessed against the requirements of the EU Taxonomy (Climate Delegated Act of June 2023). The nominated project categories are considered to be:</p> <ul style="list-style-type: none"> <li>▪ Aligned with the Criteria for a Substantial Contribution to Climate Change Mitigation.<sup>6</sup></li> <li>▪ Not assessed against the Do No Significant Harm Criteria, and the Minimum Safeguards requirements, due to lack of data and information.</li> </ul> <p>The nominated project categories are eligible for assessing full alignment against all dimensions listed above at a later date.</p>	
<p><b>Part IV:</b> <b>Swedbank’s Sustainability Strategy</b></p>	<p>The key sustainability objectives and the rationale for issuing Green Bonds, Social Bonds, and Sustainability Bonds are clearly described by the Issuer. The majority of the project categories considered are in line with the Issuer’s sustainability objectives.</p>	

<sup>6</sup> Except for activities 7.1 and 7.7, for which large buildings are not aligned.

## SPO ASSESSMENT

### PART I: ALIGNMENT WITH THE GBP, SBP, AND SBG

This section evaluates the alignment of Swedbank’s Sustainable Funding Framework (as of December 8, 2025) with the GBP, SBP, and SBG.

GBP, SBP, AND SBG	ALIGNMENT	OPINION
<p><b>1. Use of proceeds</b></p>	<p>✓</p>	<p>The use of proceeds description provided by Swedbank’s Sustainable Funding Framework is <b>aligned</b> with the GBP, SBP, and SBG.</p> <p>The Issuer’s green and social categories align with the project categories as proposed by the GBP, SBP, and SBG. Criteria are defined clearly and transparently. Proceeds are allocated immediately upon issuance and commitment to report by project category has been provided, and environmental and social benefits are described and quantified.</p>
<p><b>2. Process for project evaluation and selection</b></p>	<p>✓</p>	<p>The process for project evaluation and selection description provided by Swedbank’s Sustainable Funding Framework is <b>aligned</b> with the GBP, SBP, and SBG.</p> <p>The project selection process is defined and structured in a congruous manner. ESG risks associated with the project categories are identified and managed appropriately. Moreover, the projects selected show alignment with the Issuer’s sustainability strategy and clearly show the intended benefit to the relevant population. The Issuer defines exclusion criteria for harmful project categories.</p> <p>The Issuer clearly defines responsibilities in the process for project evaluation and selection and is transparent about it. The Issuer involves various stakeholders in this process, in line with best market practice.</p> <p>Finally, the Issuer identifies the alignment of their Sustainable Funding Framework and their green projects with the EU Taxonomy and references</p>

GBP, SBP, AND SBG	ALIGNMENT	OPINION
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any green standards or certifications used, in line with best market practice.

**3. Management of proceeds**



The management of proceeds provided by Swedbank’s Sustainable Funding Framework is **aligned** with the GBP, SBP, and SBG.

The net proceeds collected will equal the amount allocated to eligible projects. The net proceeds are tracked appropriately and attested in a formal internal process. The net proceeds are managed on an aggregated basis for multiple bonds (portfolio approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.

The Issuer discloses ESG criteria for temporary investments, in line with best market practice.

**4. Reporting**



The allocation and impact reporting provided by Swedbank’s Sustainable Funding Framework is **aligned** with the GBP, SBP, and SBG.

The Issuer commits to disclose the allocation of proceeds transparently and report with appropriate frequency. The reporting will be publicly available on the Issuer’s website. Swedbank has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the project category level. Moreover, the Issuer commits to report annually until the bonds mature.

The Issuer is transparent on the level of impact reporting and the information reported and further defines the duration and frequency of the impact reporting, in line with best market practice.

Additionally, the Issuer discloses the location and link of the report(s), and commits to getting the allocation report audited by an external party, in line with best market practices.

## PART II: SUSTAINABILITY QUALITY OF THE SELECTION CRITERIA

### A. CONTRIBUTION OF THE GREEN BONDS, SOCIAL BONDS, AND SUSTAINABILITY BONDS TO THE U.N. SDGs<sup>7</sup>


The Issuer can contribute to the achievement of the SDGs by providing specific services/products that help address global sustainability challenges, and by being a responsible actor, working to minimize negative externalities in its operations along the entire value chain.

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as ISS Sustainability’s SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer’s products or services on the U.N. SDGs, as well as other ESG benchmarks (the EU taxonomy Climate Delegated Act, the Green/Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of UoP categories for (re)financing in specific products and services is displayed on a three-point scale:





Each of the Sustainability Bonds’ use of proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><b>Renewable Energy</b></p> <ul style="list-style-type: none"> <li>▪ <i>Wind power (offshore and onshore).</i></li> <li>▪ <i>Solar energy (photovoltaic, concentrated solar power and solar thermal heating).</i></li> <li>▪ <i>Ocean energy (wave and tidal).</i></li> <li>▪ <i>Geothermal energy, where life cycle GHG emissions are lower than 100g CO<sub>2</sub>e/kWh.</i></li> <li>▪ <i>Hydropower<sup>9</sup> which complies with one of the following criteria:</i></li> </ul>	<p><b>Contribution</b></p>	

<sup>7</sup> The impact of the UoP categories on U.N. SDGs is assessed with proprietary methodology and may therefore differ from the Issuer’s description in the Framework.

<sup>8</sup> The review is limited to the examples of projects spelled out in the Framework.


<sup>9</sup> Hydropower must be generated in the Nordic and/or in the Baltic countries by hydropower plants <1000 MW.

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> <li>• <i>The electricity generation facility is a run-of-river plant and does not have an artificial reservoir.</i></li> <li>• <i>The power density of the electricity generation facility is more than 5 W/m<sup>2</sup>.</i></li> <li>• <i>The lifecycle GHG emissions from the generation of electricity from hydropower are lower than 100g CO<sub>2</sub>e/kWh.</i></li> <li>▪ <i>Green hydrogen: hydrogen produced with 100% renewable electricity.</i></li> <li>▪ <i>Biomass, biogas and biofuels.<sup>10</sup> A prerequisite is that the waste hierarchy is taken into account in relation to energy from biomass and that the principle of cascading use of biomass is applied.</i></li> </ul>	<p><b>Contribution</b></p>	 
<p><b>Energy Efficiency</b></p> <p><i>The promotion of electrification and improved energy efficiency<sup>11</sup> through the following activities:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Electricity transfer and energy storage<sup>12</sup> from renewable sources, including construction of:</i> <ul style="list-style-type: none"> <li>• <i>Energy transfer: infrastructure for transmission and distribution of electricity, including smart grid solutions.</i></li> <li>• <i>Energy storage: facilities that store electricity and return it later, in the form of electricity, heat or cooling (including batteries, thermal energy storage, pumped hydropower</i></li> </ul> </li> </ul>		

<sup>10</sup> To be eligible, energy from biofuels, bioliquids and biomass fuels must fulfil Article 29 §6-7 of the [EU Renewable Energy Directive \(EU\) 2018/2001](#). Feedstocks as defined in Annex IX of the Directive, but excluding (a) cultivated algae, (i) crude glycerin and (q) other lignocellulosic material except saw logs and veneer logs. A prerequisite is that food-and feed crops are not used. Compliance will be verified on a best effort basis.

<sup>11</sup> Swedbank has not established a minimum threshold for “Energy efficiency projects” since the goal of an efficiency improvement can vary significantly depending on the Eligible Green Asset in scope. Each potential case will be reviewed to decide whether the efficiency improvement is ambitious enough.

<sup>12</sup> To prevent fossil fuel investment lock-ins, fossil fuel power plants are excluded.

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>storage,<sup>13</sup> green hydrogen storage<sup>14</sup>).</i></p> <ul style="list-style-type: none"> <li>▪ <i>Energy efficiency projects for buildings: targeting larger energy-efficient equipment upgrades concerning insulation, replacement of energy-efficient windows and doors, LED lighting, heating, ventilation and air conditioning (HVAC).<sup>15</sup></i></li> <li>▪ <i>District heating/cooling distribution where the system uses at least 50% renewable energy or 50% waste heat or 75% cogenerated heat or 50% of a combination of such energy and heat.<sup>16</sup></i></li> </ul> <p><b>Energy Efficiency</b></p> <p><i>The promotion of electrification and improved energy efficiency<sup>17</sup> through the following activities:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Electricity transfer and energy storage<sup>18</sup> from combined sources with lifecycle emissions below 100g CO<sub>2</sub>e/kWh, including construction of:</i> <ul style="list-style-type: none"> <li>• <i>Energy transfer: infrastructure for transmission and distribution of electricity, including smart grid solutions.</i></li> <li>• <i>Energy storage: facilities that store electricity and return it later, in the form of electricity, heat or cooling (including batteries, thermal energy storage).</i></li> </ul> </li> </ul>	<p><b>Contribution</b></p>	

<sup>13</sup> Storage from hydropower generated in the Nordic and/or in the Baltic countries by hydropower plants <1000 MW.



<sup>14</sup> Produced with 100% renewable electricity.

<sup>15</sup> To be eligible, the individual measures must comply with the minimum requirements set for individual components and systems under the applicable national measures implementing Directive 2010/31/EU (EPBD). Where applicable, they must also be rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 (Energy Labelling) and its delegated acts. Compliance will be verified on a best effort basis.

<sup>16</sup> Eligible activities must be in compliance with the [Energy Efficiency Directive \(EU\) 2023/1791](#).

<sup>17</sup> Swedbank has not established a minimum threshold for “Energy efficiency projects” since the goal of an efficiency improvement can vary significantly depending on the Eligible Green Asset in scope. Each potential case will be reviewed to decide whether the efficiency improvement is ambitious enough or not.

<sup>18</sup> To prevent fossil fuel investment lock-ins, fossil fuel power plants are excluded.



USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> <li>▪ <i>Energy efficiency projects for buildings: targeting larger energy-efficient equipment upgrades concerning instruments for measurement, in combination with controlling energy performance of buildings.<sup>19</sup></i></li> <li>▪ <i>Heat pumps: energy efficient electric heat pumps, for which the refrigerant used has a Global Warming Potential not exceeding 675 GWP.<sup>20</sup></i></li> <li>▪ <i>Production of heat/cool using waste heat.</i></li> </ul>	<p style="text-align: center;"><b>Contribution</b></p>	
<p><b>Green Buildings</b></p> <p><i>New buildings (buildings built after 31 December 2020). Acquisition, ownership or construction of buildings, either residential or commercial, that meet the following criteria:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Primary Energy Demand (PED) that is or is expected to be at least 10% lower than the PED resulting from the current national building regulation in accordance with NZEB requirements.<sup>21</sup> The energy performance is or will be (if under construction) certified with an Energy Performance Certificate (EPC) from the applicable national register for buildings.<sup>22</sup></i></li> </ul>		
<p><b>Green Buildings</b></p> <p><i>New buildings (buildings built after 31 December 2020). Acquisition, ownership or construction of</i></p>	<p style="text-align: center;"><b>Contribution</b></p>	

<sup>19</sup> To be eligible, the individual measures must comply with the minimum requirements set for individual components and systems under the applicable national measures implementing Directive 2010/31/EU (EPBD). Where applicable, they must also be rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 (Energy Labelling) and its delegated acts. Compliance will be verified on a best effort basis.

<sup>20</sup> According to the EU Taxonomy Activity: Installation and operation of electric heat pumps, substantial contribution criterion 4.16 (a).



<sup>21</sup> NZEB means "nearly zero-energy building", a building that has a high energy performance according to the Energy Performance of Buildings Directive (EPBD). The requirements are ensured through the current national building regulations for [Sweden](#), [Estonia](#), [Latvia](#), [Lithuania](#) and [Norway](#).

<sup>22</sup> [Sweden](#), [Estonia](#), [Latvia](#), [Lithuania](#) and [Norway](#).

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>buildings, either residential or commercial, that meet the following criteria:<sup>23</sup></i></p> <ul style="list-style-type: none"> <li>▪ <i>Have or are expected to have at least one of the following recognized environmental certifications listed below and demonstrates or is expected to demonstrate compliance with national NZEB requirement:</i> <ul style="list-style-type: none"> <li>• <i>BREEAM (minimum certification "Excellent")</i></li> <li>• <i>LEED (minimum certification "Gold")</i></li> <li>• <i>Miljöbyggnad (minimum certification "Silver")</i></li> <li>• <i>Nordic Swan Ecolabel</i></li> <li>• <i>Passive House</i></li> </ul> </li> </ul>	<p><b>Contribution</b></p>	
<p><b>Green Buildings</b></p> <p><i>Existing buildings (buildings built before 31 December 2020). Acquisition or ownership of buildings, either residential or commercial, that meet one of the following criteria:</i></p> <ul style="list-style-type: none"> <li>▪ <i>EPC class A</i></li> <li>▪ <i>En energy performance within the top 15%<sup>24</sup> of the national building stock expressed by PED.</i></li> <li>▪ <i>Has a recognized environmental certification with the specified levels (same list as above for new buildings) and demonstrating alignment with the applicable energy requirements for new construction valid at the EPC issuance date.</i></li> </ul> <p><i>Property upgrades of buildings, either residential or commercial, that meet one of the following criteria:</i></p> <ul style="list-style-type: none"> <li>▪ <i>The renovation is compliant with the applicable national regulations for major</i></li> </ul>		 

<sup>23</sup> Swedbank promotes the use of green certifications as a holistic approach to sustainability in property, including environmental and social criteria beyond energy use. For additional detail, see: [BREEAM](#), [LEED](#), [Passive House](#), [Miljöbyggnad](#), [Nordic Swan Ecolabel](#).


<sup>24</sup> Based on national top 15%-studies provided by external parties that have been approved by Swedbank's Sustainable Bond Committee.

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>renovations. The energy performance of the building or the renovated part that is upgraded meets cost-optimal minimum energy performance requirements in accordance with the respective directive.<sup>25</sup></i></p> <ul style="list-style-type: none"> <li><i>The renovation achieves energy savings of at least 30% in PED, in comparison to the baseline performance of the building before the renovation.</i></li> </ul> <p><b>Sustainable Management of Living Natural Resources and Land Use</b></p> <ul style="list-style-type: none"> <li><i>Sustainable management of forestry that is certified according to the Forest Stewardship Council (FSC) and/or the Programme for the Endorsement of Forest Certification (PEFC).</i></li> </ul> <p><i>Rehabilitation, restoration and conservation under the following criteria:<sup>26</sup></i></p> <ul style="list-style-type: none"> <li><i>Conservation of terrestrial biodiversity (e.g. primary forest conservation).</i></li> <li><i>Rehabilitation and restoration of ecosystems from a degraded state (e.g. wetland restorations, reforestation, species rehabilitation).</i></li> </ul>	<p style="text-align: center;"><b>Contribution</b></p>	
<p><b>Sustainable Management of Living Natural Resources and Land Use</b></p> <p><i>Rehabilitation, restoration and conservation under the following criteria:<sup>27</sup></i></p> <ul style="list-style-type: none"> <li><i>Conservation of aquatic biodiversity (e.g. the protection of coastal, marine and watershed environments).</i></li> </ul>		

<sup>25</sup> A “major renovation” means a renovation of a building where: (a) the total cost of the renovation relating to the building envelope or the technical building systems exceeds 25% of the value of the building, excluding the value of the land upon which the building is situated; or (b) more than 25% of the surface of the building envelope undergoes renovation, according to [Directive 2010/31/EU](#).

<sup>26</sup> The activities shall accelerate the recovery of various ecosystems, without involving exploitation or having previously caused harm or degradation to the ecosystems concerned. Furthermore, the activities shall not be used to remedy any harm caused by Swedbank’s lending counterparty.



<sup>27</sup> The activities shall accelerate the recovery of various ecosystems, without involving exploitation or having previously caused harm or degradation to the ecosystems concerned. Furthermore, the activities shall not be used to remedy any harm caused by Swedbank’s lending counterparty.

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> <li>Sustainable fisheries<sup>28</sup> with certification under the Marine Stewardship Council (MSC) for fisheries or the Aquaculture Stewardship Council (ASC) for aquaculture or other equivalent certification schemes.</li> </ul>	<p style="text-align: center;"><b>Contribution</b></p>	
<p><b>Pollution Prevention and Control</b></p> <p>Sustainable waste management including development, construction or upgrade of:</p> <ul style="list-style-type: none"> <li>Recycling and reuse facilities, including collection and transport, for sorting and processing of separately collected non-hazardous waste, including but not limited to, metal, plastic and paper. The recycling must convert at least 50% of the waste in terms of weight, into secondary raw materials that are suitable for the substitution of virgin materials in production processes.</li> </ul>		
<p><b>Pollution Prevention and Control</b></p> <p>Carbon Capture and Storage (CSS) and Carbon Capture and Utilization (CCU).</p> <ul style="list-style-type: none"> <li>CCS facilities for CO<sub>2</sub> emissions from biogenic sources, dedicated to the reduction, avoidance or removal of GHG emissions.<sup>29</sup></li> <li>CCU facilities for CO<sub>2</sub> emissions from biogenic sources, processing separated carbon dioxide into new secondary raw material, creating sustainable carbon cycles.<sup>30</sup></li> </ul>		
<p><b>Pollution Prevention and Control</b></p> <p>Sustainable waste management including development, construction or upgrade of:</p>	<p style="text-align: center;"><b>No Net Impact</b></p>	

<sup>28</sup> Excluding the following activities: bottom-trawling, high by-catch gear, or excessive sea-lice treatments.


<sup>29</sup> The activities must be in compliance with the Technical Screening Criteria in Section 5.12 of the EU Taxonomy (Underground permanent geological storage of CO<sub>2</sub> contribution to climate mitigation).

<sup>30</sup> The activities must be in compliance with the Technical Screening Criteria in Section 5.12 of the EU Taxonomy (Underground permanent geological storage of CO<sub>2</sub> contribution to climate mitigation).

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> <li>▪ <i>Non-recyclable municipal waste for incineration to produce energy, given that the waste hierarchy principle is followed.<sup>31</sup></i></li> </ul>		
<p><b>Sustainable Water and Wastewater Management</b></p> <p><i>Development, construction, extension and/or renewal of water systems or wastewater management facilities that increase water-use efficiency, improve water-quality, or increase water recycling and reuse in a sustainable manner:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Water collection, treatment and supply systems or wastewater collection and treatment facilities, such as sanitation facilities and wastewater treatment plants.</i></li> <li>▪ <i>Supporting infrastructure to water systems or wastewater networks such as pipelines, pumping stations and control devices.</i></li> <li>▪ <i>Water savings and efficiency systems and technologies. For example, leak detection and water reclaim systems.</i></li> </ul>	<p><b>Contribution</b></p>	
<p><b>Clean Transportation</b></p> <p><i>Public and passenger transport:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Public passenger transport (e.g., metro, tram, bus, train, ferry) with zero direct tailpipe CO<sub>2</sub> emissions.</i></li> <li>▪ <i>Passenger cars and commercial vehicles, or mopeds and motorbikes with zero direct tailpipe CO<sub>2</sub> emissions (e.g., hydrogen, fuel cell, electric).</i></li> </ul> <p><i>Freight:<sup>32</sup></i></p> <ul style="list-style-type: none"> <li>▪ <i>Rail, road or water transport vehicles with zero direct tailpipe CO<sub>2</sub> emissions (e.g., electric, hydrogen).</i></li> </ul> <p><i>Infrastructure:</i></p>	<p><b>Contribution</b></p>	

<sup>31</sup> Waste hierarchy principle of the [Waste Framework Directive 2008/98/EC](#).

<sup>32</sup> Excluding systems and infrastructure used primarily for the transportation of fossil fuels.


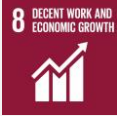
USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> <li>▪ Infrastructure that is required for zero direct tailpipe CO<sub>2</sub> emissions transport (e.g., electric charging points, electricity grid connection upgrades, hydrogen fuelling stations or electric highways, bicycle paths).</li> <li>▪ Infrastructure and installations that are dedicated to urban and suburban public passenger transport, including associated signaling systems for metro, tram and rail systems.</li> </ul>	<p><b>Contribution</b></p>	
<p><b>Climate Change Adaptation</b></p> <p>Activities or assets that demonstrate improvement of climate resilience by developing and implementing relevant adaptation measures. Investments in climate-related adaptation measures must be supported by climate risk and vulnerability analysis to ensure relevance.</p> <p>Swedbank will assess<sup>33</sup> activities under climate change adaptation using a case-by-case approach to identify whether climate related risks and vulnerabilities have been investigated, to define the contribution of the proposed investment in relation to climate risks, and to evaluate the alignment of the activity with local, regional and national strategies and climate adaptation plans.</p> <p>Activities and assets in various sectors that contribute to climate change adaptation, including but not limited to:</p> <p>Renewable energy:</p> <ul style="list-style-type: none"> <li>▪ Resilient water dams for adapting to water stress, water shortage and water surplus.</li> </ul> <p>Green buildings:</p> <ul style="list-style-type: none"> <li>▪ Flood defense and stormwater management systems.</li> </ul>		

<sup>33</sup> The assessment will be based on the requirements for substantial Climate Change Adaptation in the EU Taxonomy Regulation of the Delegated Act EU 2021/2139.

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> <li>▪ <i>Constructing resilient buildings in high-risk environments (e.g., in areas affected by landslide, coastal erosion, sea level rise, heavy precipitation).</i></li> </ul> <p><i>Forestry and agriculture:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Alternative pest control to deal with the projected acceleration of pest growth rates.</i></li> <li>▪ <i>Forest fire risk prevention.</i></li> <li>▪ <i>Measures to protect against flooding, such as sustainable drainage systems, subsoil drainage, stormwater management systems and dams.</i></li> <li>▪ <i>Drought risk prevention and protection such as irrigation.</i></li> <li>▪ <i>Infrastructure and equipment such as firefighting airplanes, new forest roads, firefighting equipment.</i></li> </ul> <p><i>Transportation:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Acute and preventive measures for transport infrastructure (roads, bridges, terminals) for adapting to changed weather patterns (e.g., wind, water, snow).</i></li> </ul>		
<p><b>Circular Economy</b></p> <p><i>To qualify, activities or assets must demonstrate a material<sup>34</sup> contribution to a circular economy, within at least one of the following sub-categories:</i></p> <p><i>Circular design: Design of products focused on durability, modularity and repairability to extend product life and enable reuse. For example, design for long lifetime in manufacture of</i></p>	<p><b>No Net Impact<sup>35</sup></b></p>	

<sup>34</sup> To be verified by an authorized independent external party, or equivalent. Activities included in EU Taxonomy objective "Transition to a circular economy" must show a material contribution, broadly aligned with the relevant substantial contribution criteria.

<sup>35</sup> Because the scope of the activities is inherently broad, quantifying the net environmental benefit entails enough uncertainties for the assessment to classify as "no-net-impact," pending the availability of more detailed lifecycle data.

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>electrical and electronic equipment, and design for adaptability in construction of new buildings.</i></p> <p><i>Circular use: Repair, refurbishment and remanufacturing activities to restore products for continued use.</i></p>		
<p><b>Circular Economy</b></p> <p><i>To qualify, activities or assets must demonstrate a material<sup>36</sup> contribution to a circular economy, within at least one of the following sub-categories:</i></p> <ul style="list-style-type: none"> <li>▪ <i>Circular production: Production processes that significantly substitute virgin raw materials with secondary materials and/or significantly improve resource efficiency. For example, use of recycled materials in manufacturing of plastic packaging goods.</i></li> </ul>	<p><b>Contribution</b></p>	
<p><b>Employment Generation</b></p> <p><i>Generating employment in socioeconomically weak areas<sup>37</sup> or rural areas<sup>38</sup> with above-average unemployment rates<sup>39</sup> through financing of SMEs.<sup>40</sup></i></p> <p><i>Target population: Populations in socioeconomically weak areas or rural areas<sup>41</sup> with high unemployment.</i></p>	<p><b>Contribution</b></p>	

<sup>36</sup> To be verified by an authorized independent external party, or equivalent. Activities included in EU Taxonomy objective “Transition to a circular economy” must show a material contribution, broadly aligned with the relevant substantial contribution criteria.



<sup>37</sup> Sweden: as per SBC and Delmos methodology detailed in the appendix. Baltic: Socioeconomically weak areas are defined as counties/regions with both an unemployment rate [Estonia, Latvia, Lithuania](#) higher than the national average and an average gross wage [Estonia, Latvia, Lithuania](#) below the national average. See method in appendix

<sup>38</sup> Sweden: Rural areas determined by the municipality division by [SKR](#) using rural municipality and commuting municipality. For additional detail, see appendix

<sup>39</sup> Sweden: Higher than the average national unemployment rate. [Arbetsförmedlingen - Statistik](#)

<sup>40</sup> Using the [EU definition](#) for micro and small companies ranging up to 10 MEUR in turnover and less than 50 employees

<sup>41</sup> Regions and areas will be validated by the Sustainable Bond Committee and third-party auditing to ensure alignment to the objective of enabling access to underserved communities

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS	
<p><b>Affordable Housing</b></p> <p><i>Activities and/or companies providing or improving access to affordable housing.</i></p> <p><i>Target population: Students, low-income individuals and/or unhoused individuals.</i></p> <p><i>Examples of eligible activities: Financing of apartment buildings and detached houses leased with affordable tenancy<sup>42</sup> as per local regulations, or financing housing organizations enabling affordable housing.</i></p>	<p style="text-align: center;"><b>Contribution</b></p>		
<p><b>Socioeconomic Advancement and Empowerment</b></p> <p><i>Activities and/or companies empowering vulnerable groups: Activities, products or business operations dedicated to specific groups in need of empowerment to reduce inequality in the areas of diversity, equity and inclusion and/or protecting the rights of beneficiaries.</i></p> <p><i>Target population: Groups legally protected from discrimination regarding gender, age, sexual orientation, sexual identity, ethnicity/background, religion and physical or mental ability.</i></p> <p><i>Examples of eligible activities: Financing activities to empower the target population, such as assistive technologies (e.g., mobility aids, hearing aids, speech to text software) enabling access to society.</i></p>		<p style="text-align: center;"><b>Contribution</b></p>	
<p><b>Socioeconomic Advancement and Empowerment</b></p> <p><i>Female-owned SMEs: Female-owned (majority owned by women) SME.<sup>43</sup> A woman owned</i></p>			<p style="text-align: center;"><b>Contribution</b></p>

<sup>42</sup> With affordable tenancy we refer to rental arrangements where the rents are clearly below the local market rents/regulated rents. In addition, this criterion includes subsidized housing schemes by government programmes that provides affordable tenancy to selected target groups.

<sup>43</sup> Using the [EU definition](#) for micro and small companies ranging up to 10 MEUR in turnover and less than 50 employees.

USE OF PROCEEDS (PRODUCTS/SERVICES) <sup>8</sup>	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>enterprise meets the criteria if: ≥ 51% owned by woman/women.<sup>44</sup></i></p> <p><i>Target population: Female individuals.</i></p> <p><b>Socioeconomic Advancement and Empowerment</b></p> <p><i>Advancing the residential life in socioeconomically weak areas through new constructions, refurbishments and improvements of the surrounding areas with a clear benefit for the target population. The work should also include other relevant measures, such as to increase security and social inclusion. The activities should promote the development of best practises, be part of a systematic work to reduce or solve the social challenge, be long-term, have clear objectives and include measurement of results.</i></p> <p><i>Target population: Populations in socioeconomically weak areas.<sup>45</sup></i></p> <p><i>Examples of eligible activities: Financing residential properties or commercial centre properties that are managed in accordance with ambitious social strategies and objectives, such as enhancing security, that provide tangible benefits to the target population.</i></p>	<p><b>Contribution</b></p>	

<sup>44</sup> IFC definition of [Women-Owned Enterprise](#) (option A)

<sup>45</sup> For definition of socioeconomically weak areas see in the Sustainable Funding Framework the Appendix Social Asset definitions.

## B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE FINANCIAL INSTITUTION AND THE SELECTION CRITERIA

The table below evaluates the selection criteria against issuance-specific KPIs. The entirety of the assets are and will be located in Sweden, the Baltic countries (Estonia, Latvia, Lithuania), Norway and Finland.

### ASSESSMENT AGAINST KPIs

#### Integration of ESG guidelines into the financing process

Swedbank integrates ESG factors across the different stages of the credit lifecycle, from client onboarding, risk assessment, transaction approval, transaction monitoring, collateral valuation and portfolio analysis. This approach is documented in the [Credit Policy](#), Group Instruction on Credits, Enterprise Risk Management Policy, Directive on ESG Risk Assessment, and [Climate Transition Plan](#), among others.<sup>46</sup>

According to Pillar 3 disclosures, Swedbank carries out due diligence for new loans through a low-risk appetite for credit risk. Relevant ESG factors are included in the risk analysis at customer and transaction level with mandatory ESG risk assessment for corporate customers. The bank uses a SASB-based ESG analysis tool to evaluate industry-specific environmental, social, and governance risks, producing a sustainability score (low/medium/high), and checks compliance with Swedbank's [Position Statements](#). For large corporates<sup>47</sup> in sectors where Swedbank has set climate targets, an enhanced transition plan assessment is required.

A multi-tiered committee system reviews credit decisions and escalates higher-risk proposals for further scrutiny. Governance is structured with an independent oversight from Group Risk, Compliance, and Internal Audit. Furthermore, Swedbank has an exclusion strategy that seeks to minimize the risk of financing environmentally or socially controversial projects.

Swedbank confirms that the vast majority<sup>48</sup> of the bank's portfolio is in Europe, where aspects related to human rights, health and labor, safety standards, biodiversity protection and participation of affected communities are subject to strict laws and policies. Furthermore, per its Sustainability Policy, covering [human rights](#), risks related to child labor and forced labor are minimized through preventing financial abuse, enforcing non-discrimination policies, ensuring fair labor practices and encouraging whistleblowing to address violations, among others.

Swedbank also integrates ESG factors into its risk appetite framework and risk management policies. Accordingly, it has set early warning indicators for ESG risks and escalation

<sup>46</sup> Group instruction on Credits, Enterprise Risk Management Policy and the Directive on ESG Risk Assessment are not publicly disclosed by Swedbank.

<sup>47</sup> All corporate customers with an annual turnover >SEK 500m and/or Assets >SEK 1000m (turnover >EUR 50m and/or Assets >EUR 100m in a Baltic entity) where the Bank has a credit exposure ≥SEK 8m (≥EUR 0,8m in a Baltic entity).

<sup>48</sup> As of 2025, over 99% of the Issuer's portfolio is located in Europe.

mechanisms. ESG risks are further included in the institution's internal capital adequacy assessment process (ICAAP) and internal liquidity adequacy assessment process (ILAAP) and regular stress tests are performed regarding ESG risks. The Risk Management function monitors ESG factors across all relevant risks (including credit risk) on a regular basis and regular risk reports including ESG aspects are submitted to the institution's board.

### **Data Security**

Swedbank confirms that it adheres to EU legislation related to data protection and privacy, including the [Digital Operational Resilience Act \(DORA\)](#), and the [General Data Protection Regulation \(GDPR\)](#).

DORA mandates Swedbank to implement comprehensive ICT-risk management along with continuous monitoring, incident reporting, regular testing, and strict oversight of third-party providers. GDPR mandates Swedbank to process personal data with a lawful basis, balancing Swedbank's legitimate interests against individuals' fundamental rights to privacy, and to transparently inform data subjects through detailed notices and accessible contact channels.

### **Inclusion (non-discrimination)**

Swedbank confirms that it adheres to EU legislation related to anti-discrimination such as the Consumer Credit Directive ([Directive 2023/2225](#)). The Directive explicitly prohibits lenders from discriminating on grounds such as gender, age, ethnicity, disability, sexual orientation, religion or socioeconomic status when granting credit, setting terms, or assessing risk. It requires transparent, objective criteria and equal-treatment safeguards. Moreover, Swedbank has an internal policy on [Diversity, Equity and Inclusion](#). The policy focuses on the working conditions, salaries, benefits, recruitment, career development and other employment terms with the objective of providing equal opportunities and making it easier for all employees to combine work, private life, and parenthood.

### **Sales practices**

Swedbank implements a [remuneration policy](#) that defines criteria to assess performance of sales staff, taking into consideration the rights and interests of customers, thereby reducing risk of potential mis-selling.

Oversight of the remuneration system is handled by the Remuneration and Sustainability Committee.

## Responsible marketing

Swedbank [responsible marketing practices](#) mandates that correct information about financial product characteristics, risks, total price, including all related fees, charges, and expenses, as well as any other relevant additional materials, must be disclosed to customers.

Swedbank aims to communicate product and service information clearly and transparently, and to avoid omitting essential details or using ambiguous or unclear language in its advertising. The Bank minimizes the use of small print and ensures that any calculation examples are presented in a clear and concise manner. It also discloses effective interest rates and mortgage loan terms without relying on hidden conditions in fine print.

## Responsible treatment of customers with debt repayment problems

Financial institutions must ensure that the products offered to customers don't contribute to over-indebtedness. Forbearance measures take into account the interests of consumers and comply with consumer protection requirements as in the [EBA Guidelines on arrears and foreclosure](#). Foreclosure is used as last option, if no viable forbearance solution has been found.

Banks are required to comply with rules issued by the Swedish Financial Supervisory Authority ([Finansinspektionen](#)). These include binding regulations on capital adequacy, risk management, and consumer protection. Specific measures such as loan-to-value (LTV) limits and amortization requirements are enforced to reduce household debt and ensure that borrowers are not exposed to excessive financial risk. These rules are part of a broader regulatory framework designed to promote financial stability and responsible credit practices.

While Sweden provides public debt counselling services through municipalities, banks themselves are not legally required to offer such services. However, they are expected to assess a borrower's ability to repay before issuing credit, in line with responsible lending principles.

Banks must also operate within the legal framework for debt restructuring and insolvency, which includes the [Act on Company Restructuring](#) and the [Bankruptcy Act](#). They do require banks to participate in court-supervised processes that aim to restore debtor viability and ensure fair treatment of creditors.

In the context of mortgage lending and foreclosure, banks are allowed to transfer or enforce mortgages without borrower consent, as governed by the Swedish Land Code ([Jordabalken](#)). However, they must adhere to legal procedures, including public auctions managed by the Swedish Enforcement Authority, and are subject to a general duty of care to avoid selling properties below market value.

## PART III: ELIGIBILITY OF THE SELECTION CRITERIA AGAINST THE EU TAXONOMY CLIMATE DELEGATED ACT

Swedbank's project characteristics, due diligence processes and policies for the nominated Use of Proceeds project categories have been assessed against the relevant Substantial Contribution to Climate Change Mitigation requirements of the EU Taxonomy Climate Delegated Act<sup>49</sup> (June 2023), based on information provided by Swedbank. Where Swedbank's project characteristics, due diligence processes and policies meet the EU Taxonomy Criteria requirements, a tick is shown in the table below.

The Do No Significant Harm Criteria and Minimum Safeguards requirements as included in the EU Taxonomy Climate Delegated Act have not been assessed, due to lack of data and information.

Swedbank's project selection criteria overlap with the following economic activities in the EU Taxonomy:

- 4.1 Electricity generation using solar photovoltaic technology
- 4.2 Electricity generation using concentrated solar power (CSP) technology
- 4.3 Electricity generation from wind power
- 6.3 Urban and suburban transport, road passenger transport
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles
- 7.1 Construction of new buildings
- 7.2 Renovation of existing buildings
- 7.7 Acquisition and ownership of buildings

All projects financed under the Sustainable Funding Framework are and will be located in Sweden, Baltic countries (Estonia, Latvia, Lithuania), Norway and Finland.

This analysis only displays how the EU Taxonomy criteria are fulfilled. For ease of reading, the original text of the EU Taxonomy criteria is not shown. Readers can recover the original criteria at the following [link](#).

<sup>49</sup> Commission Delegated Regulation (EU) 2020/852, URL [https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts\\_en](https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts_en)

a) Assessment of the project categories against the EU Taxonomy’s Technical Screening Criteria for a Substantial Contribution to Climate Change Mitigation

GREEN FINANCE FRAMEWORK PROJECT CATEGORY	EU TAXONOMY ACTIVITY	PROJECT CHARACTERISTICS AND SELECTION PROCESSES <sup>50</sup>	ASSESSMENT AGAINST THE EU TAXONOMY’S TECHNICAL SCREENING CRITERIA
Renewable Energy	4.1 Electricity generation using solar photovoltaic technology	<p>The project category consists of generating electricity using solar PV technology.</p> <p>Thus, it aligns with the EU Taxonomy TSC for a Substantial Contribution to Climate Change Mitigation of category 4.1 “Electricity generation using solar photovoltaic technology”.</p>	✓
Renewable Energy	4.2 Electricity generation using concentrated solar power (CSP) technology	<p>The project category consists of generating electricity using solar power (CSP) technology.</p> <p>Thus, it aligns with the EU Taxonomy TSC for a Substantial Contribution to Climate Change Mitigation of category 4.2 “Electricity generation using solar photovoltaic technology”.</p>	✓
Renewable Energy	4.3 Electricity generation from wind power	<p>The project category consists of generating electricity from wind power.</p> <p>Thus, it aligns with the EU Taxonomy TSC for a Substantial Contribution to Climate Change Mitigation of category 4.3 “Electricity generation from wind power”.</p>	✓
Clean Transportation	6.3 Urban and suburban transport, road passenger transport	<p>The project category consists of providing urban or suburban passenger transport and its direct (tailpipe) CO<sub>2</sub> emissions are zero.<sup>51</sup></p> <p>Thus, it aligns with the EU Taxonomy TSC for a Substantial Contribution to Climate Change Mitigation of category 6.3 “Urban and suburban transport, road passenger transport”.</p>	✓

<sup>50</sup> This column is based on input provided by the Issuer.

<sup>51</sup> This includes Motor buses with type of bodywork classified as ‘CE’ (low-floor single-deck vehicle), ‘CF’ (low-floor double-deck vehicle), ‘CG’ (Articulated low-floor single-deck vehicle), ‘CH’ (Articulated low-floor double-deck vehicle), ‘CI’ (open top single deck vehicle) or ‘CJ’ (open top double deck vehicle), as set out in point 3 of part C of Annex I to Regulation (EU) 2018/858.

<p>Clean Transportation</p>	<p>6.5 Transport by motorbikes, passenger cars and light commercial vehicles</p>	<p>The project category consists of vehicles of category M1 and N1, both falling under the scope of Regulation (EC) No 715/2007, where, from 1 January 2026, specific emissions of CO<sub>2</sub>, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631, are zero.</p> <p>For vehicles of category L, the tailpipe CO<sub>2</sub> emissions equal to 0g CO<sub>2</sub>e/km calculated in accordance with the emission test laid down in Regulation (EU) 168/2013.</p> <p>Thus, it aligns with the EU Taxonomy TSC for a Substantial Contribution to Climate Change Mitigation of category 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles".</p>	<p>✓</p>
<p>Green Buildings</p>	<p>7.1 Construction of new buildings</p>	<p>The project category consists of buildings with a PED 10% lower than the threshold set for NZEB requirements in the asset location, in line with <a href="#">Directive 2010/31/EU</a>. This is ensured through respective national measures.<sup>52</sup></p> <p>Energy performance is certified using EPC.</p> <p>For commercial buildings larger than 5,000 m<sup>2</sup> and built after 31 December 2020, the building does not meet the criteria specified in Section 7.1 of the EU Taxonomy Annex. Swedbank currently does not possess the relevant data to prove alignment with these additional EU Taxonomy criteria.</p>	<p>✓ except for buildings larger than 5,000 m<sup>2</sup></p>

<sup>52</sup> National building regulations:

Sweden: [Boverket's Building Regulation 29](#),

Estonia: [Hoone energiatõhususe miinimumnõuded](#),

Latvia: Cabinet of Ministers regulation on the energy efficiency calculations: [Ēku energoefektivitātes aprēķina metodes un ēku energosertifikācijas noteikumi](#).

Lithuania: [Technical Building Regulation STR 2.01.02:2016 "Design and certification of the energy performance of buildings"](#),

Norway: [TEK 17, "Byggeteknisk forskrift"](#)

National register for buildings:

Sweden: [Swedish National Board of Housing](#),

Estonia: [Ministry of Climate: e-ehituse platvorm](#)

Latvia: [Building information system Energy performance certificate register](#) (under the Ministry of Economics).

Lithuania: [Registry of energy performance certificates of the Lithuanian Construction Sector Development Agency](#),

Norway: [Enova SE](#), owned by the Ministry of Climate and Environment

<p>Green Buildings</p>	<p>7.2 Renovation of existing buildings</p>	<p>The project category consists of building renovation complying with the applicable requirements for major renovations.</p> <p>Alternatively, it leads to a reduction of primary energy demand (PED) of at least 30%.</p> <p>The initial (baseline) PED must be verified by a valid EPC and the pre-assessment of the energy savings must be conducted by an independent energy expert. The 30% reduction is calculated by excluding reductions in net PED through renewable energy sources from consideration. The 30% improvement can be achieved through measures within a maximum of three years. Controls are done of respective asset included in the register yearly in connection with the Impact Report. Assets not complying with the qualification criteria and requirements are excluded.</p>	<p>✓</p>
<p>Green Buildings</p>	<p>7.7 Acquisition and ownership of buildings</p>	<p>The project category consists of buildings built before 31 December 2020, with at least EPC class A (verified by a valid EPC) or are adequately demonstrated to be within the top 15% of the relevant type of national building stock as expressed by PED (verified by a valid EPC).</p> <p>For buildings built after 31 December 2020, the PED is at least 10% lower than the threshold set for the NZEB requirements set by national building regulations, and Swedbank always verifies the energy performance by valid EPC's or an extract from a national register.</p> <p>For commercial buildings larger than 5,000 m<sup>2</sup> and built after 31 December 2020, the building does not meet the criteria specified in Section 7.1 of the EU Taxonomy Annex. Swedbank currently does not possess the relevant data to prove alignment with these additional EU Taxonomy criteria.</p>	<p>✓ except for buildings larger than 5,000 m<sup>2</sup>, and larger non-residential buildings with an effective rated output of over 290kW</p>

b. Do No Significant Harm Criteria and Minimum Safeguards

Since the Issuer cannot currently demonstrate full compliance, there is no information as to whether the project categories fulfill the Do No Significant Harm Criteria and/or the Minimum Safeguards requirements of the EU Taxonomy. The Issuer states that some aspects of the Do No Significant Harm Criteria are managed with the environmental impact assessments conducted for the project categories. Additionally, the Issuer is considering adding the Do No Significant Harm Criteria and/or the Minimum Safeguards requirements to its Framework in the future.

## PART IV: CONSISTENCY OF GREEN BONDS, SOCIAL BONDS, AND SUSTAINABILITY BONDS WITH SWEDBANK'S SUSTAINABILITY STRATEGY

*Key sustainability objectives and priorities defined by the Issuer*

TOPIC	ISSUER APPROACH
<b>Core ESG pillars</b>	<p>The Issuer focuses on the following ESG pillars:</p> <ul style="list-style-type: none"> <li>Energy Transition</li> </ul> <p>The Energy Transition pillar focuses on financing solutions to help accelerate the shift to more sustainable energy consumption and production. Examples include initiatives to support energy-efficient property upgrades and advisory services to corporate customers to support the transformation into zero-emission buildings by 2050.</p> <ul style="list-style-type: none"> <li>Financial Health</li> </ul> <p>In 2024, Swedbank established the <a href="#">Institute for Financial Health</a>. The Institute works closely with Swedbank's ownership foundations and focuses on empowering children and young people to make informed financial decisions. Further initiatives include lecture series aimed at strengthening the financial health of women or newcomers.</p>
<b>Definition of core ESG pillars</b>	<p>The ESG pillars of the Issuer have been defined through a materiality assessment<sup>53</sup> and alignment with its strategy and customer base.</p>
<b>ESG targets and timeline</b>	<p>To achieve its ESG commitments, the Issuer has set the following targets and timeline:</p> <ul style="list-style-type: none"> <li>Sustainability-related targets including achieving net-zero by 2050.<sup>54</sup></li> <li>Social-related targets including equity and diversity.<sup>55</sup></li> </ul>
<b>Science-Based Targets</b>	<p>To achieve its ESG commitments, the Issuer has set the following science-based targets and timeline:</p> <ul style="list-style-type: none"> <li>Swedbank has set 2030 sector targets in line with 1.5 degree pathway.<sup>56</sup></li> </ul>

<sup>53</sup> Strategy, Swedbank Annual and Sustainability [Report](#), 2024, page 75.

<sup>54</sup> Sustainability-related targets, Swedbank Annual and Sustainability [Report](#), 2024, page 77.

<sup>55</sup> Social Information, Swedbank Annual and Sustainability [Report](#), 2024, page 119.

<sup>56</sup> <https://sciencebasedtargets.org/target-dashboard>.

TOPIC	ISSUER APPROACH
<p><b>Financial budget to achieve the ESG targets (CapEx, OpEx, Product Mix)</b></p>	<p>Swedbank has not set specific CapEx or OpEx.</p> <p>Instead, Swedbank has set the objective to triple sustainable lending volumes to 2027 compared to 2022.<sup>57</sup></p> <p>The Issuer is a member of/signatory to:</p>
<p><b>Industry associations, collective commitments</b></p>	<ul style="list-style-type: none"> <li>▪ UN Global Compact since 2002.</li> <li>▪ UN Principles for Responsible Banking since 2019 (founding signatory).</li> <li>▪ Net-Zero Banking Alliance since 2021.</li> </ul>
<p><b>Sustainability reporting</b></p>	<p>The Issuer reports on its ESG performance and initiatives annually. The report is prepared according to the CSRD requirements. The report is available on the Issuer <a href="#">website</a>.</p>
<p><b>Previously issued sustainable/sustainability-linked issuances or transactions and publication of sustainable financing framework</b></p>	<p>The Issuer first established a Green Bond Framework in 2017 and developed a Sustainable Funding Framework in 2022. The Bank issued the first Social bond by a Nordic bank in 2023. To diversify its ESG investor base, the Issuer has issued ESG-labelled bonds in EUR, GBP, USD, CHF and SEK currencies</p>

<sup>57</sup> Sustainable products and services, Swedbank Annual and Sustainability [Report](#), 2024, page 78.

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## ANNEX 1: METHODOLOGY

The ISS-Corporate SPO provides an assessment of labeled transactions against international standards using ISS-Corporate's proprietary methodology.

### EU Taxonomy

The assessment evaluates whether the details of the nominated projects and assets or project selection eligibility criteria included in the Framework\_name meet the criteria listed in relevant Activities in the EU Taxonomy Climate Delegated Act (June 2023).

If the client is seeking a full alignment with certain EU taxonomy activities, the evaluation is structured in two steps:

- The first step requires establishing whether the economic activity qualifies as taxonomy-eligible. This implies checking whether the activity is listed in the EU taxonomy and whether it contributes to one of the six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, or the protection and restoration of biodiversity and ecosystems;
- The second step constitutes the core of the assessment, and it consists in evaluating (i) the compliance of the activity with the relevant substantial contribution criteria, (ii) whether the activity does not harm other environmental objectives, meeting the Do No Significant Harm requirements, assessing for instance industry-specific sustainability thresholds, mitigation measures, compliance with international environmental standards, and any history of relevant controversies, and (iii) the adherence with the Minimum Safeguards, ensuring that operations comply with recognized human rights, labor rights, and governance standards. These safeguards ensure that the activity is conducted responsibly and ethically.

The evaluation shows if the client's project categories are indicatively in line with the entirety (or some of) the requirements listed in the EU Taxonomy Technical Annex. If both steps are carried out with a positive outcome, the activity is assessed as fully aligned (with final output being aligned/not aligned for each component of the second step).

If, instead, the client wishes to limit the evaluation only to the eligibility of the financed categories for a future alignment with certain EU taxonomy activities, the assessment consists in evaluating (i) the compliance of the activity with the relevant substantial contribution criteria, or (ii) the compliance of the activity with the relevant substantial contribution criteria and whether the activity does not harm other environmental objectives, meeting the Do No Significant Harm requirements, or (iii) the compliance of the activity with the relevant substantial contribution criteria and the adherence with the Minimum Safeguards, based on the client's request. In this case, should the evaluation be carried out positively, the relevant activity will be assessed as aligned with the requirements that were within the scope of the evaluation, while the remaining one(s) will not be assessed.

The evaluation is carried out using information and documents provided on a confidential basis by Client\_name, including due diligence reports, questionnaires' responses, internal policies and processes, as well as public documents. Further, international, national, and local legislation and standards, depending on the project category location, are drawn on to complement the information provided by the Issuer.

## ANNEX 2: QUALITY MANAGEMENT PROCESSES

### SCOPE

Swedbank commissioned ISS-Corporate to compile Green a Bonds, Social Bonds, and Sustainability Bonds SPO. The second-party opinion process includes verifying whether the Sustainable Funding Framework aligns with the GBP, SBP, and SBG and assessing the sustainability credentials of its Green Bonds, Social Bonds, and Sustainability Bonds, as well as the Issuer's sustainability strategy.

### CRITERIA

Relevant standards for this second-party opinion:

- Green Bond Principles (GBP) and Social Bond Principles (SBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)
- Sustainability Bond Guidance (SBG), as administered by the International Capital Market Association (ICMA) (as of June 2021)
- EU Taxonomy Climate Delegated Act, Annex I (as of June 2023)

### ISSUER'S RESPONSIBILITY

Swedbank's responsibility was to provide information and documentation on:

- Sustainable Funding Framework
- Selection criteria
- Documentation of ESG risk management

### ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS STOXX, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the Green Bonds, Social Bonds, and Sustainability Bonds to be issued by Swedbank has been conducted based on proprietary methodology and in line with the ICMA GBP, SBP, and SBG.

The engagement with Swedbank took place from October to December 2025.

### ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS STOXX Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS STOXX.

## About this SPO

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan from a sustainability perspective.

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For more information on SPO services, please contact [SPOsales@iss-corporate.com](mailto:SPOsales@iss-corporate.com).

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