Skandiabanken

Investor presentation – Q3 2025

Updated 2025-11-15

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This is Skandiabanken

- Swedish retail bank established in 1994
- Wholly owned subsidiary of the Skandia Group
- High customer satisfaction
- High quality of assets
- Strong capital and liquidity position
- Three core business lines:

Loans
Mortgages with transparent pricing model

Payments
Debit card, Swish, Apple Pay

Savings
Funds, stocks and savings accounts

Lending
SEK 113bn
Market share 2,7%

Deposit
SEK 55bn
Market share 1,9%

291
Employees

379 000
Customers

132bn
Assets

Rating by Moody's
Issuer rating A2 (stable)
Covered bond rating AAA

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Business model focused on Swedish mortgages

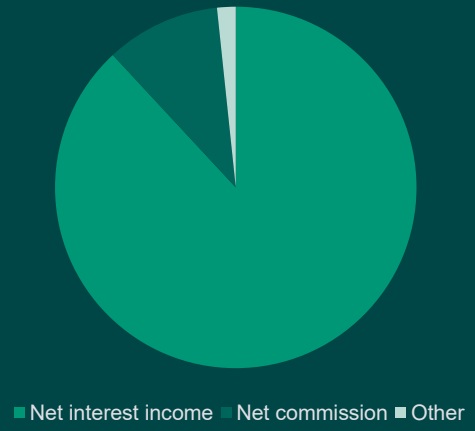
- All business in Sweden
- Lending only in SEK
- No corporate lending

- Digital business
- No private banking
- No handling of cash

- Most of the income from secured lending

Assets

Distribution of income



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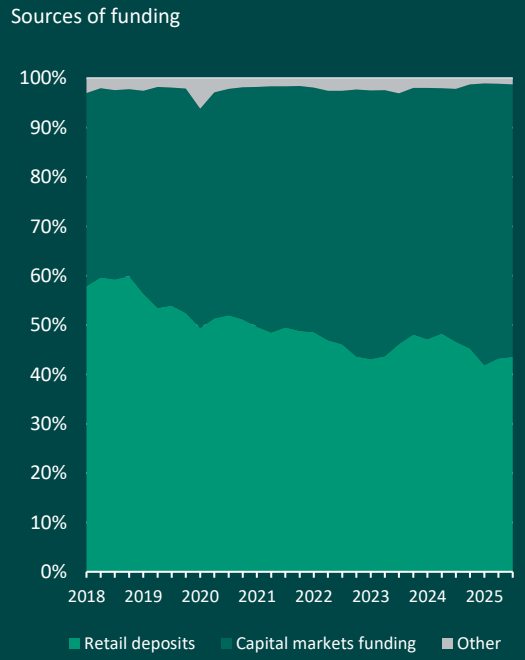
Funded by retail deposits and covered bonds

Combining retail deposits and covered bonds

- Retail deposits and covered bonds account for most of the funding
- In recent years, lending growth has mainly been funded by covered bonds
- Covered bonds and deposits will remain most important funding sources



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Strong lending and deposit growth

Releasing potential

- Strong lending increase over recent years albeit a more challenging first nine months of 2025
- Utilising economies of scale
- Challenging competitors with fair and transparent pricing
- Access to customers of the Skandia Group

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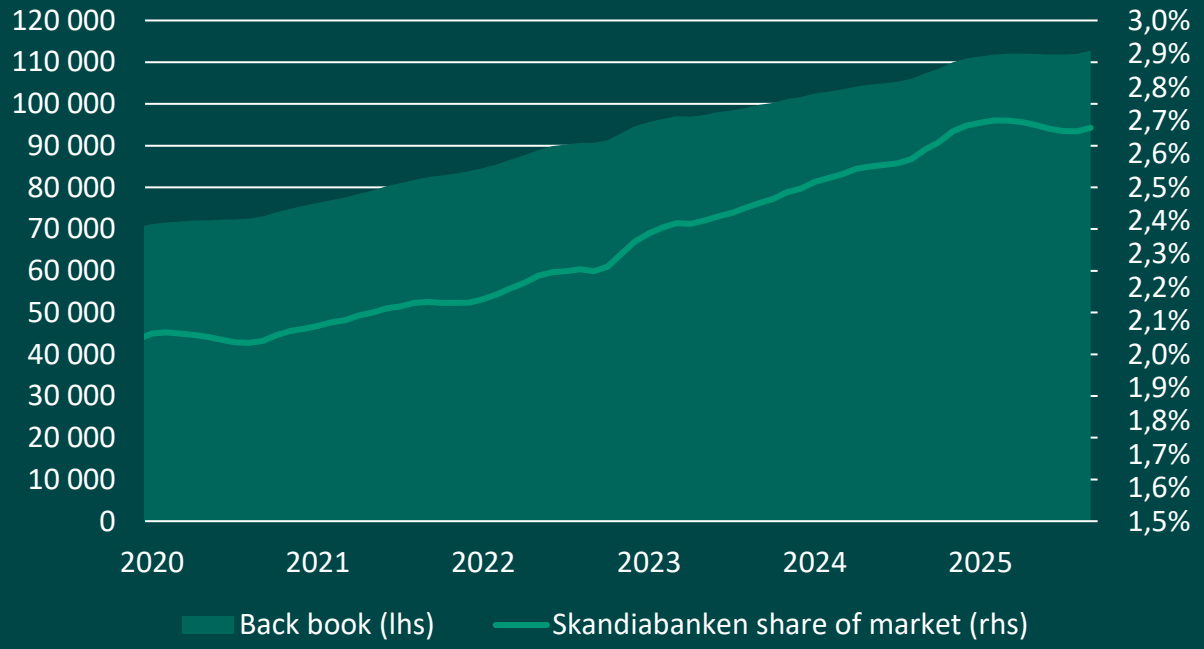
Increased market share

- Gradually increasing our share of the market
- Managed to add volumes in periods with low market growth
- Ambitions to continue to gain market shares



Source: Statistics Sweden

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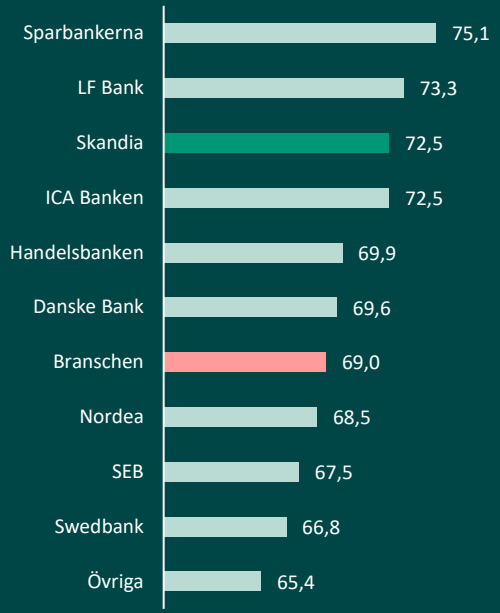
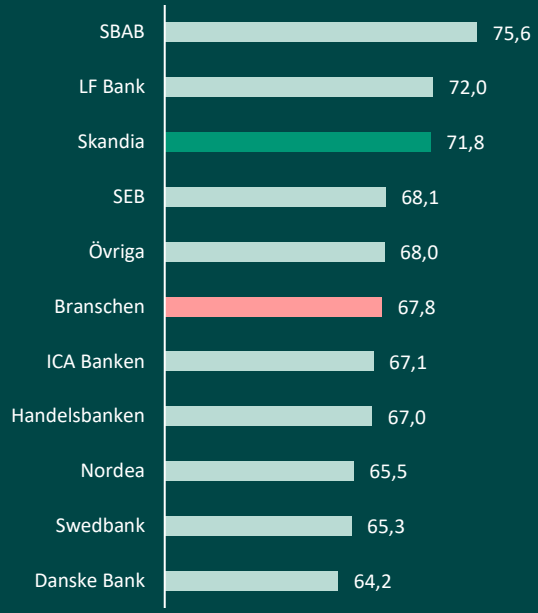
Swedish quality index (SKI) 2024

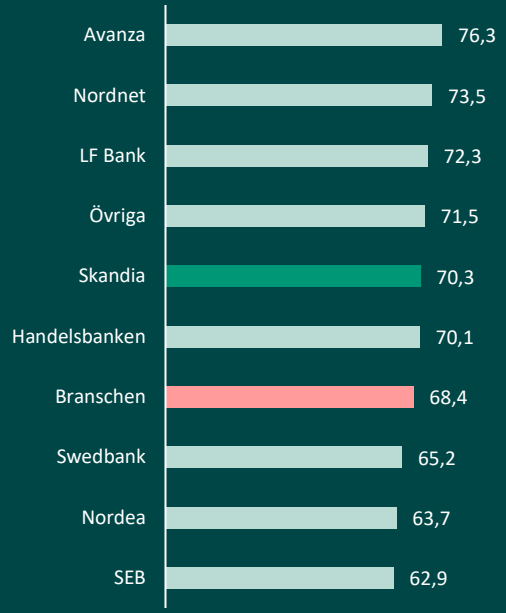
SKI retail bank customers



SKI mortgages



SKI savings in securities



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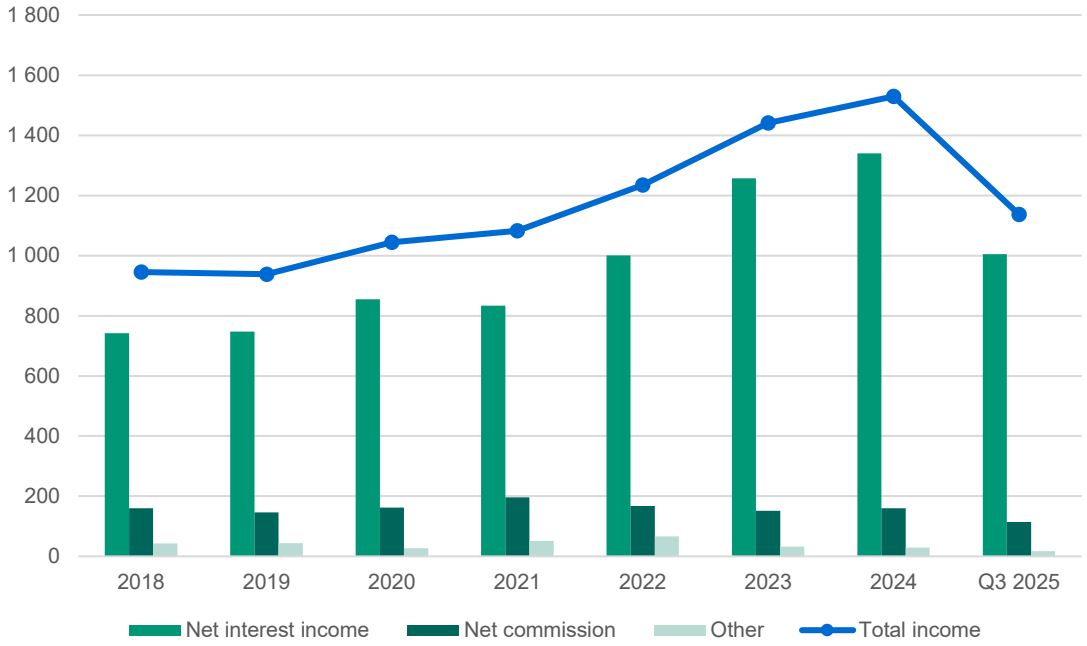
2. Financial update

Income development



- Net interest income constitutes some 88 per cent of total income
- Net commission comprises both brokerage and payments
- Gradual increase of total income over past years

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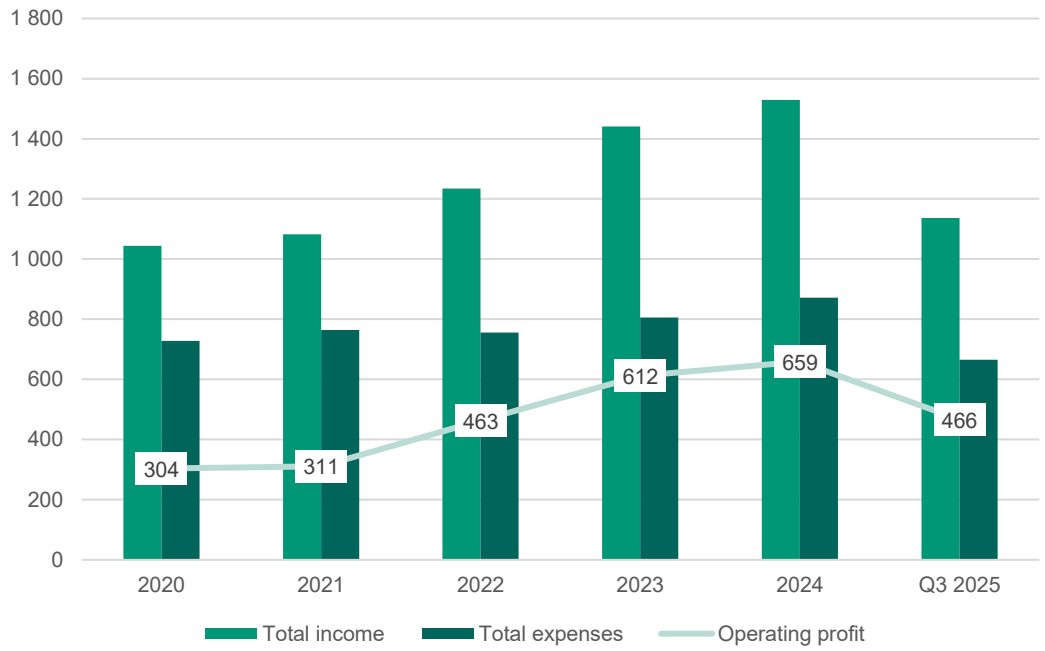
Utilising economies of scale

Increasing income, controlling costs, gaining profit



- Our digital concept enables growth at a low cost
- A scalable model encourages long-term growth
- Increased in costs over last couple of years attributable to
  - Increased number of employees
  - Regulatory compliance
  - Digitalisation and customer offering

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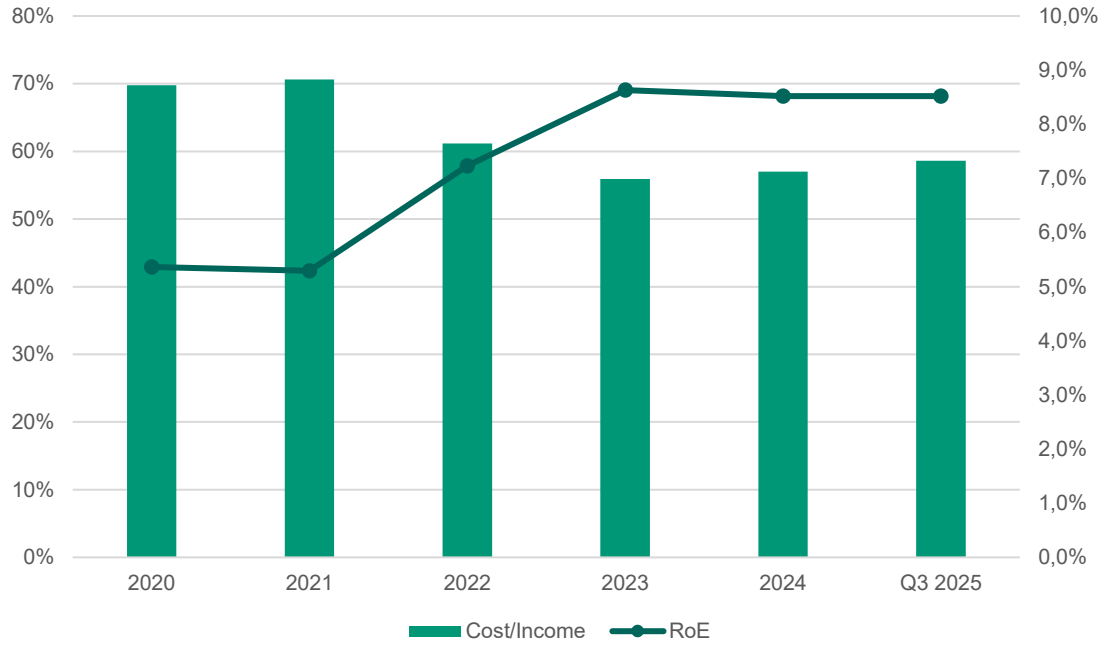
Improved RoE and Cost/income



- Improved trend on RoE and Cost/Income ratios has flattened out over last couple of years
- Main drivers
  - 2020-2023: Cost control and improved income due to lending growth and higher deposit margins
  - 2024 – Q3 2025: Income growth due to lending growth countered by lower deposit margins and higher costs

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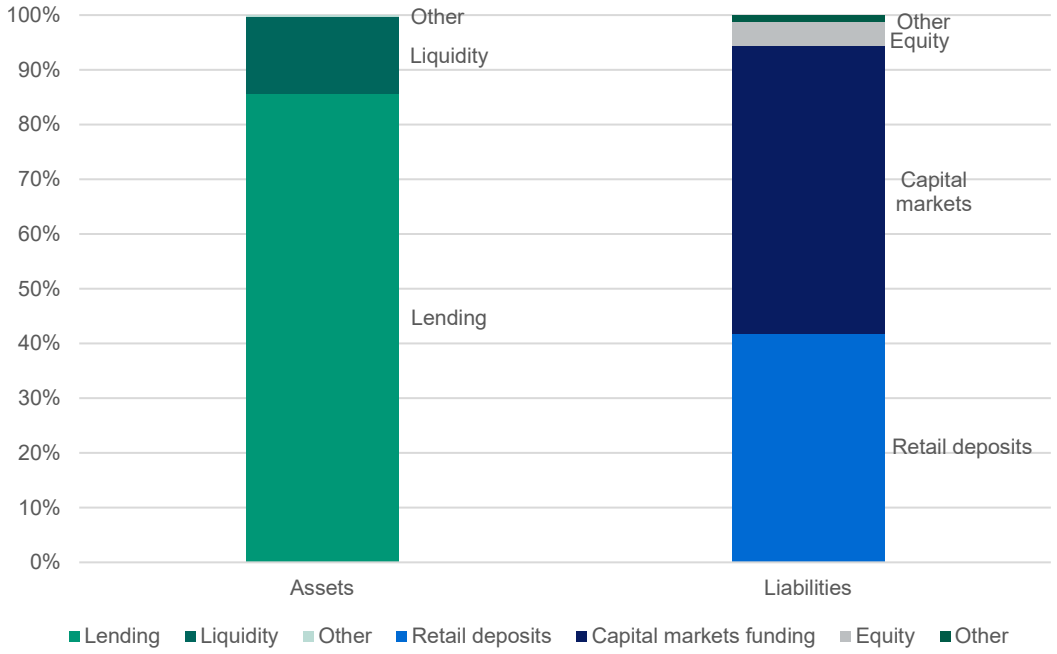
3. Asset quality

Balance sheet

High quality lending and liquidity accounts for most of the assets



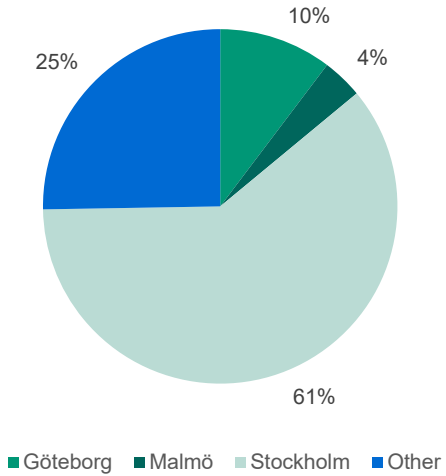
- Transparent balance sheet
- Approx. 99% mortgages and liquidity reserve

- No corporate lending
- Negligible unsecured lending (<1%)

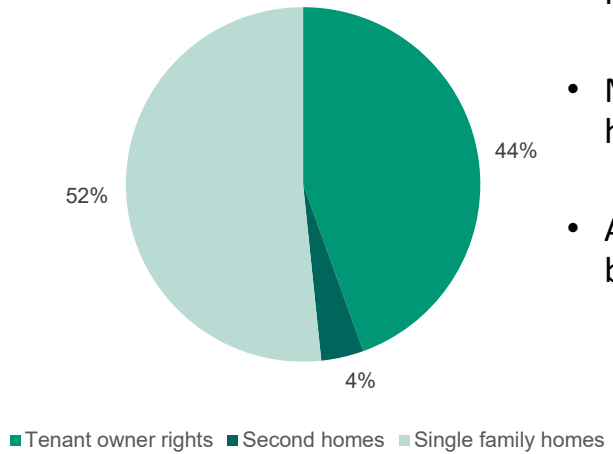
- Sound funding structure
- Loan to deposit ratio 207%
- Deposits and covered bonds account for over 90% of total funding

Distribution of mortgages

Geography



Category



- Majority of lending to urban areas
- Most lending to single-family houses and tenant owner rights
- Approximately 85 per cent of the back book in variable rates

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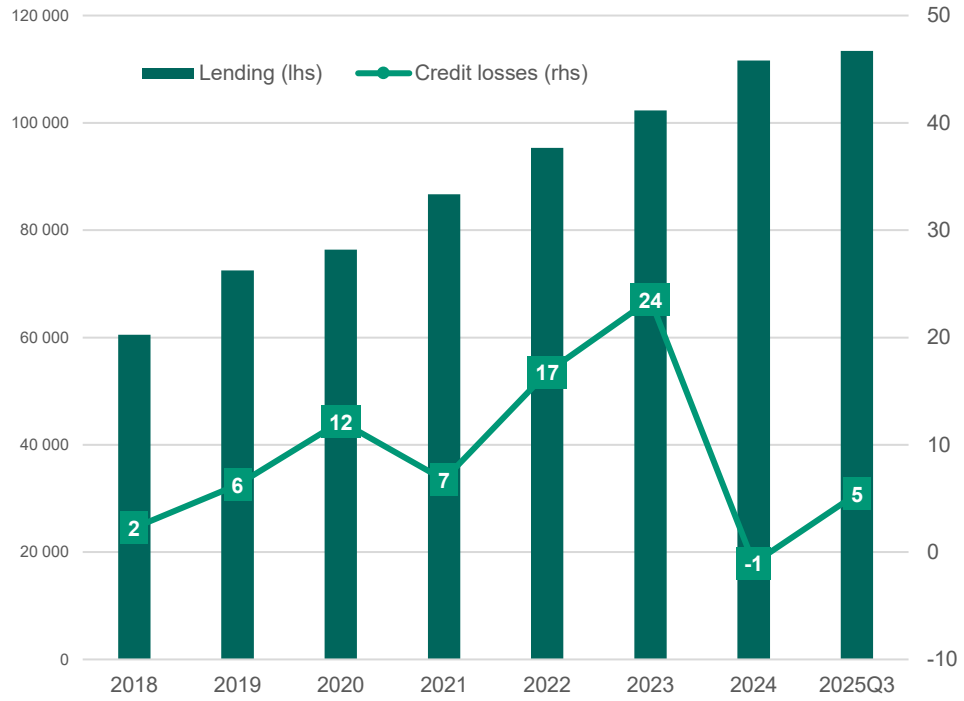
Credit losses remaining low



- Slightly higher numbers 2022-2023
- Lower in 2024 due to change in categorisation
- Granted amortisation reliefs no longer automatically categorised as ”stage 3”

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Capital and MREL position

	Q3 2025	Requirement
Own funds	19,4%	14,3%
Tier 1	17,9%	12,0%
CET 1	17,9%	10,4%
Leverage ratio	4,2%	3,5%
Risk-weighted MREL	29,0%	21,7%
Non-risk-weighted MREL	8,2%	6,0%
Risk-weighted subordination	24,2%	18,7%
Non-risk-weighted subordination	7,0%	6,0%

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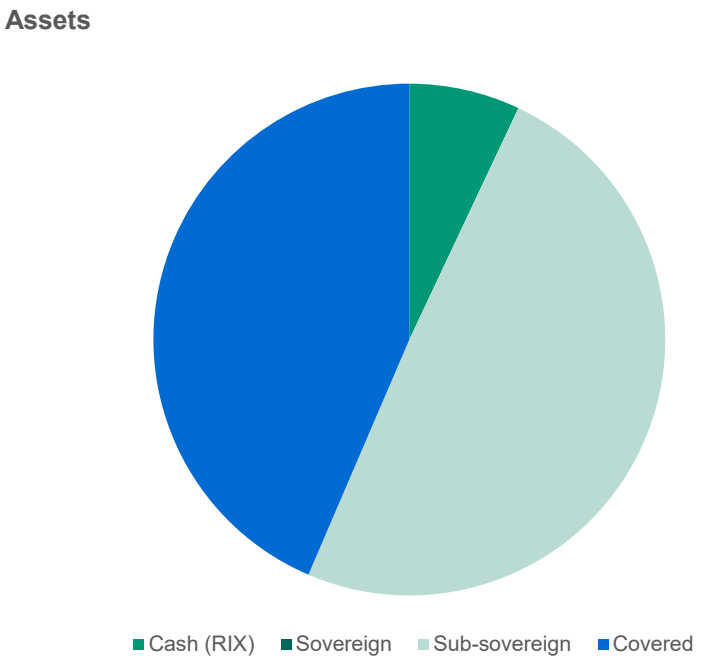
4. Funding and liquidity

Liquidity position



- Low appetite for liquidity risk
- High and stable LCR and NSFR
- LCR 302%
- NSFR 132%

- High quality liquidity reserve (Riksbank certificates, municipal bonds, covered bonds)
- Holdings eligible as collateral at the central bank

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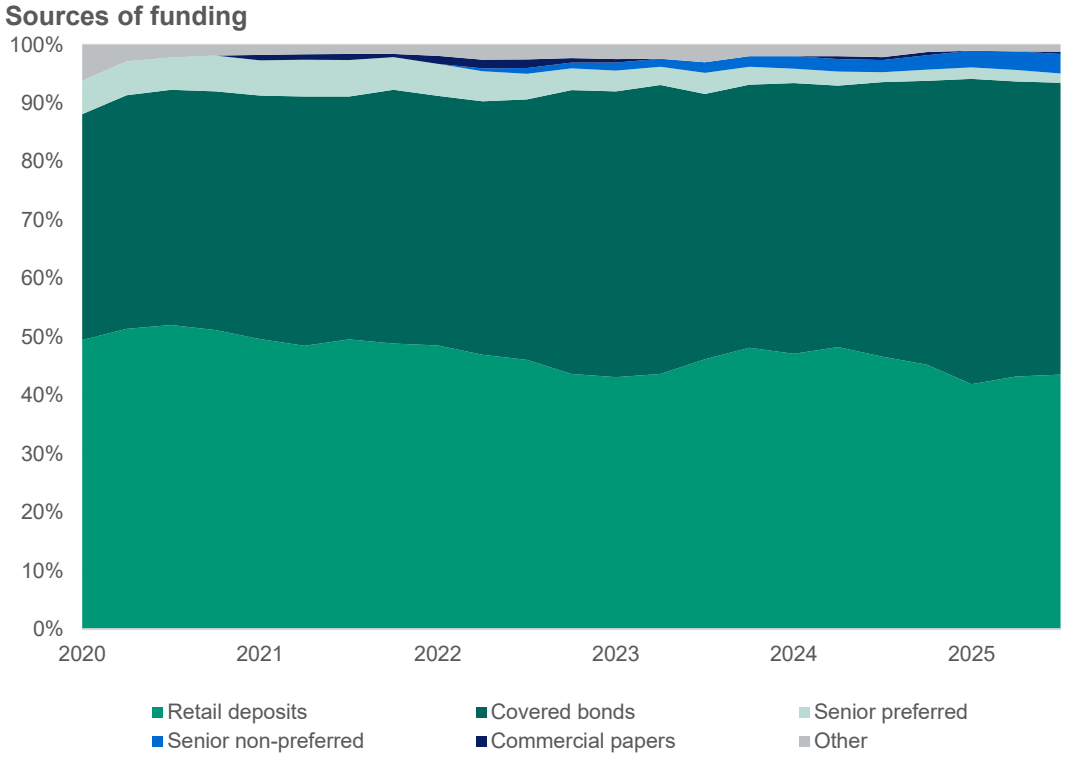
Sources of funding

Foundation in retail deposits and covered bonds



- Retail deposits and covered bonds account for most of the funding
- In recent years lending growth mainly funded by covered bonds
- Covered bonds and deposits will remain most important funding sources

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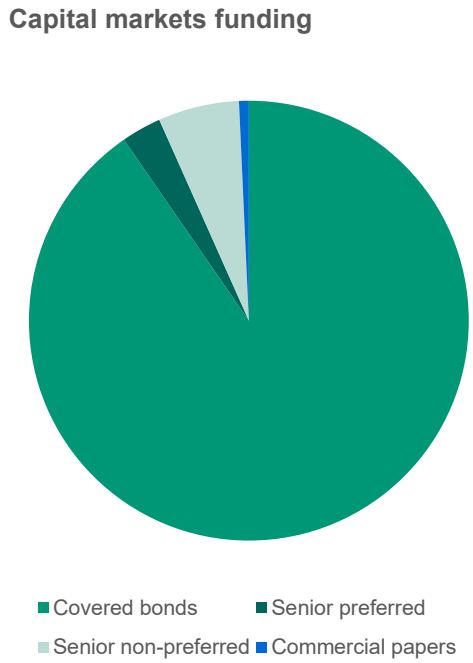
Funding in the capital markets

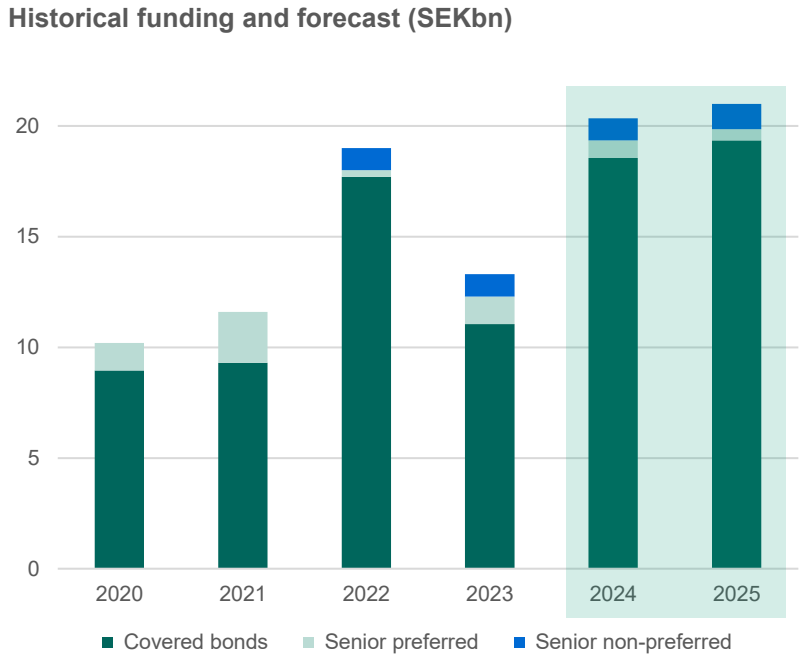
- Covered bonds constitute about 90% of capital markets funding
- Senior bonds for regulatory purposes and rating
- Commercial paper market presence
- Regular activity in the SEK primary market
- Green bond issuance
- Striving for transparency in communication
- Long-term commitment



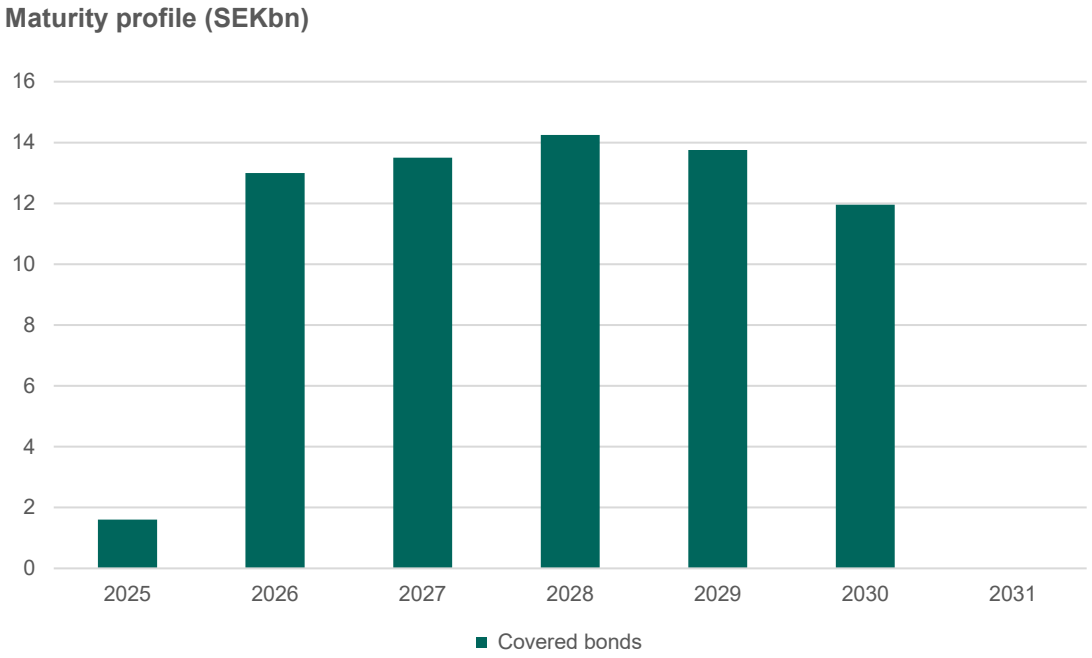
Funding plan - 2025

Forecast and historical outcome

- Continued growth will be financed using retail deposits and covered bonds
- Senior preferred primarily to support rating
- Senior non-preferred to comply with MREL-requirements
- Issuance of green bonds
- Estimated funding need around SEK 22 bn

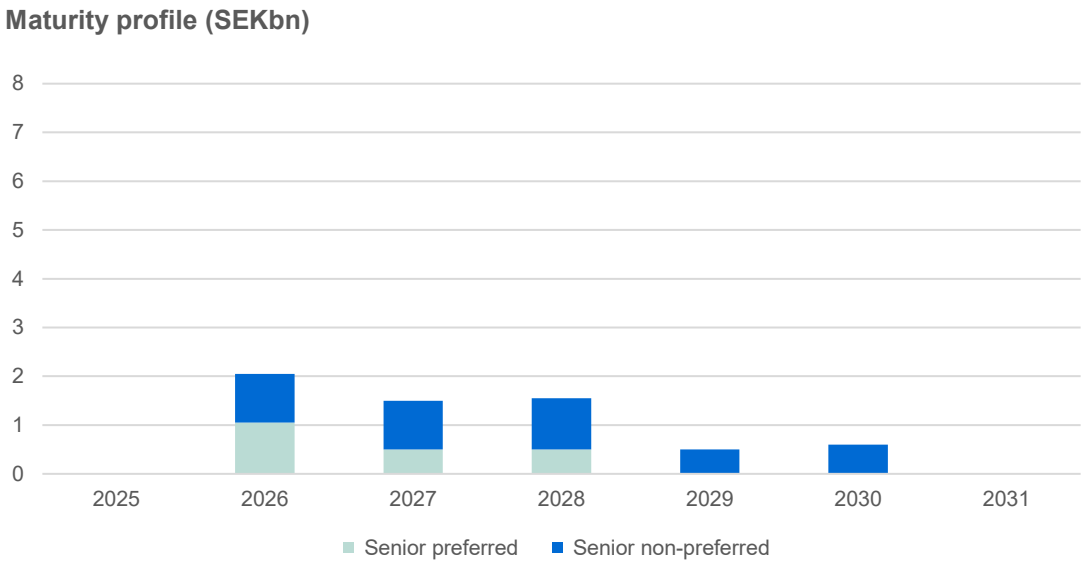


Secured funding



- Covered bonds
  - Soft-bullet structures
  - Focus on FRNs in SEK
    - Tap issuance
    - Buy-back policy (3-6 months to maturity)
- Stable over-collateralisation
- Larger individual bond size
  - Improved liquidity to be expected with increased volumes
- Maturities in 2025 reduced to below SEK 5 bn through buy backs
- Outstanding covered bonds amounts to around SEK 65 bn

Unsecured funding



Senior preferred

- Support of rating
- FRNs or Fixed
- High quality exposure

Senior non-preferred

- MREL-regulation
- Shifting from senior preferred

Commercial paper

- Source of short-term liquidity
- Maintain presence

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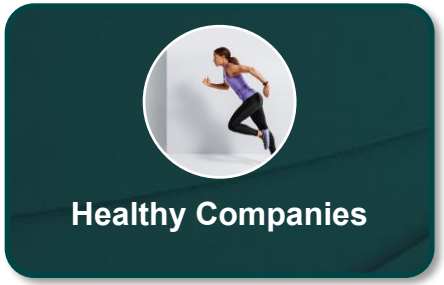
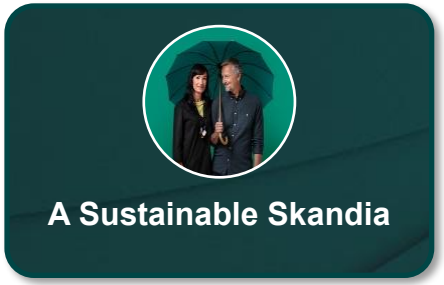
5. Sustainability and green bond framework

Sustainability at Skandiabanken

An active pillar in Skandia's sustainability framework

Skandia's sustainability framework





Responsible Banking Services

Skandiabanken offers simple, transparent and sustainable products and services that benefit our clients and contribute to society

Responsible lending

Transparent and fair pricing model. Green mortgage offering. Shaping public opinion on the housing situation for young people. Code of conduct for mortgage brokers.

Sustainable savings

Mutual fund portfolios with sustainability focus. Facilitating the choice of sustainable funds by providing sustainability information and web-based tools.

Sustainable operations and business

Code of conduct for suppliers and partners. Contributing to Skandia Group's goal of halving carbon dioxide emissions and waste from 2019 to 2030.

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Our sustainability journey

2020	2021	2022	2023	2024	2025
✓ Head of Sustainability appointed	✓ Committed to the Principles for Responsible Banking (PRB)	✓ First PRB impact analysis completed and first progress report to PRB	✓ PCAF Signatory (Partnership for Carbon Accounting Financials)	✓ First green bonds issued	✓ First Green Bond Investor Report published
✓ Inaugural publication of Annual Sustainability Report	✓ Sustainability training for licensed employees	✓ Climate risk analysis of the lending portfolio	✓ Published Green Bond Framework and Second-Party Opinion	✓ Skandiabanken's first climate report, measuring financed emissions from the mortgage portfolio	✓ First Green Covered bond issued
✓ Adopted bank-specific sustainability policy	✓ Employment of a sustainability specialist	✓ Gathered energy performance classifications of mortgage portfolio for the first time	✓ Introduction of green mortgages	✓ Restructuring of sustainability function	▪ Development of 2030 climate targets
✓ Stakeholder dialogues and inaugural materiality analysis			✓ Launch of a web-based energy saving tool for homeowners	✓ Preparations for upcoming CSRD reporting (Corporate Sustainability Reporting Directive)	▪ Preparation of CSRD-like report (due to stop-the-clock)

Other sustainability initiatives: Financial inclusion

Working actively for improved access to the Swedish housing market

- Annual mapping of young adults' access to the Swedish housing market (<35 years) in *Lön utan Lägenhet*
- Advocacy for policy changes to enable young adults to buy property
- Cooperation with different partners that offer alternative forms of property ownership (”hyrköp” or ”deläga”)

Bodil

OBOS

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The Green Bond Framework

Key Highlights

- Foundation for the issuance of Skandiabanken's green bonds
- Aligned with the core components of the ICMA Green Bond Principles (2021)
- Financing of green assets selected from 3 project categories:
  - New residential buildings (built after 31 Dec 2020)
  - Existing residential buildings (built before 31 Dec 2020)
  - Major renovations of residential buildings
- Eligibility assessed via energy performance certificates (EPC)
- Broadly aligned with the EU Taxonomy for sustainable activities[1]
- Second-Party Opinion from Sustainalytics

[1]Green project categories with intention to follow relevant Technical screening criteria for substantial contribution to climate change mitigation, see EU-taxonomy

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Reporting

Annual green bond investor report

Allocation reporting

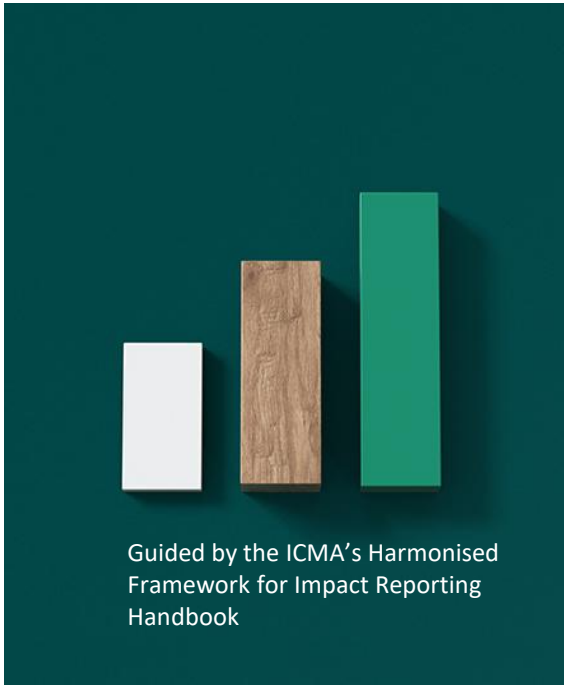
- Green bonds outstanding
- The amount of net proceeds allocated
- A breakdown of the Eligible loans by sub-category
- Distribution of new financing to refinancing

Impact reporting

The environmental impact of the Eligible loan portfolio

Impact indicators

- Annual energy savings (MWh or GWh)
- Annual CO_2 emissions reduced/avoided
- Distribution of EPC labels



Second party opinion by Sustainalytics

Key Highlights

SUSTAINALYTICS

- Confirms our commitment to sustainability
- Supports our choice of method for selecting green assets
- Ensures credibility and relevance as well as alignment with ICMA Green Bond Principles (GBP)

"Sustainalytics considers that investments in the eligible category will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7."

"…Skandiabanken's financing of green buildings will contribute to emissions reduction in the buildings sector and will further support Sweden in achieving its climate targets."

"…the Skandiabanken Green Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021."

The ICMA Green Bond Principles recommend an external review of the Green Bond Framework prior to the first issuance.

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Portfolio of eligible loans

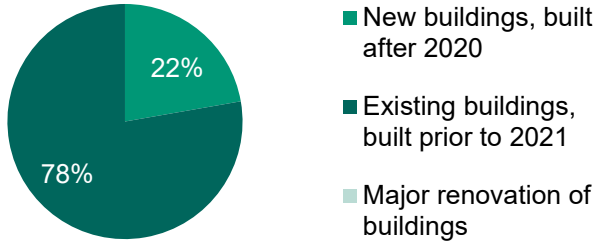
Category	Volume (SEK)	Max PED [1] (kWh/m^2)
Existing tenant-owner rights	4.7 bn	81
Existing single-family homes	2.7 bn	78
New tenant-owner rights	1.7 bn	67
New single-family homes	0.3 bn	81
Major renovations	0 bn	N/A
Total	**9.6 bn**	

No projects qualify currently under the category “Major renovations”

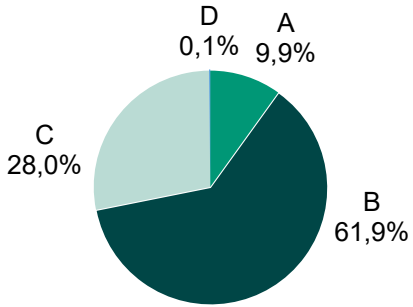
Selection based on energy performance certificates issued on or after September 1st 2020 (BBR29)

[1] PED, or Primary Energy Demand, is the indicator set for the energy performance of buildings in the EU Taxonomy. PED thresholds differ between EU member states. The Swedish National Building Standard (BBR) determines the baseline PED for Swedish buildings.

Category distribution



EPC class distribution



Eligible loan portfolio as of November 2024, information updated annually.

Selection of eligible loans

Eligible loan

Valid Energy Performance Certificate (EPC) and fulfills criterias for one of the categories below

New buildings

Built after 31 Dec 2020

PED 10% lower than BBR29 (NZEB)

Existing buildings

Built before 31 Dec 2020

EPC class A or PED top 15% of national stock

Single family home

Max PED = 81 kWh/m^2

Tenant-owner rights

Max PED = 67 kWh/m^2

Single family home

Max PED = 78 kWh/m^2

Tenant-owner rights

Max PED = 81 kWh/m^2

- PED thresholds for new buildings based on requirements in the Swedish National Building Code (BBR29)
- Primary energy demand within the top 15% of Swedish national building stock was determined by a study from the Swedish Property Federation ”Fastighetsägarna”)
- Selection based only on EPCs issued on or after September 1, 2020 (BBR29)

Skandiabanken does currently not determine eligible loans under the third category in its Green Bond Framework, Major Renovations.

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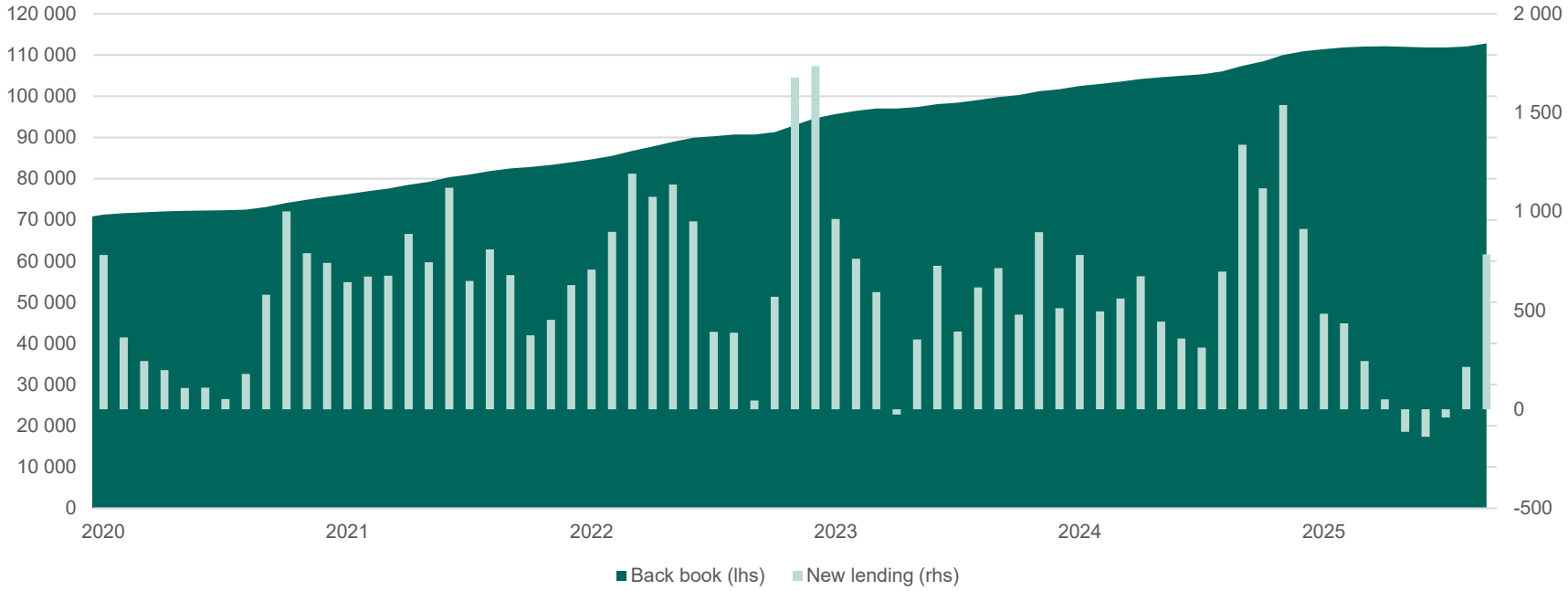
6. Appendix

Skandiabanken mortgage lending (SEKmn)



Source: Statistics Sweden

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Rating

Rated by Moody's Investor Services

- Long term deposit rating: A2 (Stable)
- Issuer Rating: A2 (Stable)

- Covered bonds - Rating: AAA

Rating policy

- All covered bonds are rated
- Senior bonds will not be rated unless that is explicitly negotiated

"Credit strengths

- *Very strong asset quality*
- *Strong capitalisation*
- *Very high support from Skandia group*

Credit challenges

- *Monoline business focused on mortgages*
- *Historical high lending growth*
- *Moderate efficiency compared to peers"*

Source: Moody's credit opinion, December 2024

Cover pool details

Fact Sheet

Cover pool data*	
Cover pool size	SEK 87 700 M
Outstanding covered bonds	SEK 62 672 M
Collateral	100 percent Swedish residential mortgages
Over collateralisation	40%
Weighted average LTV	53%
Average loan size	SEK 1 940 434
Interest rate type	Floating & Fixed
Weighted average seasoning	60 months
Pool type	Dynamic
Originator	Skandiabanken AB

*Figures as of Q3 2025

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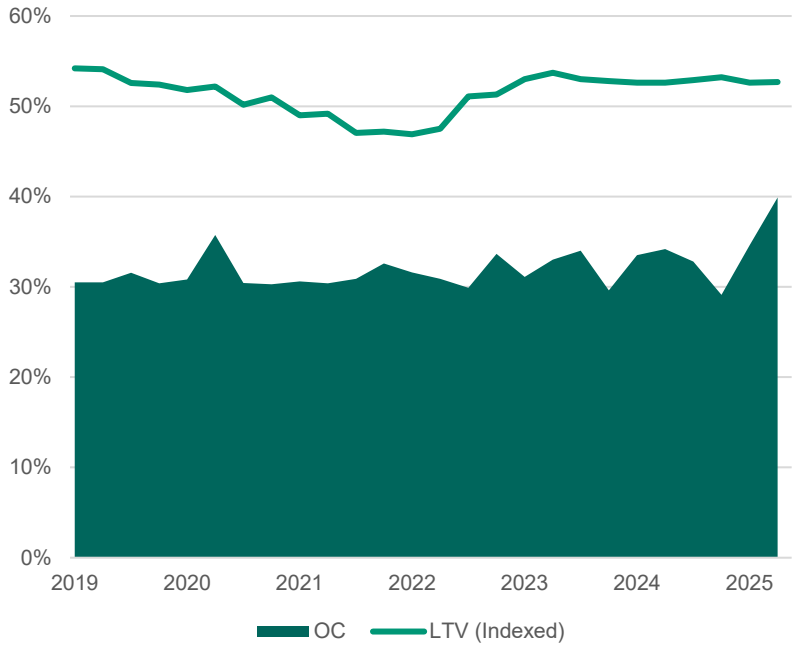
Cover pool: Stable LTV ratio & OC



Over-collateralisation

- Soft target of around 30 percent
- Creating a healthy cushion for owners of both secured and unsecured debt

Loan-to-value

- Asset revaluation twice every year
- Borrowers with low LTV are offered the lowest rates

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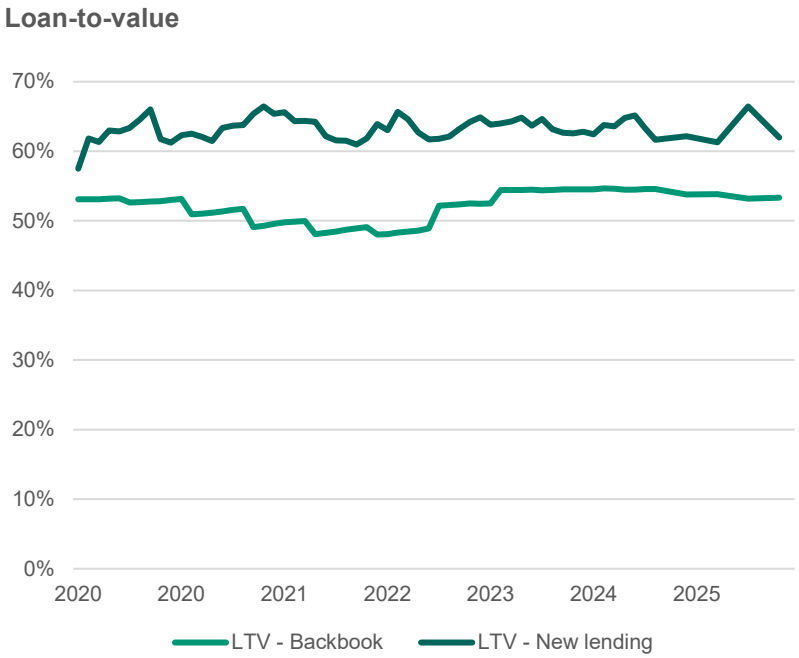
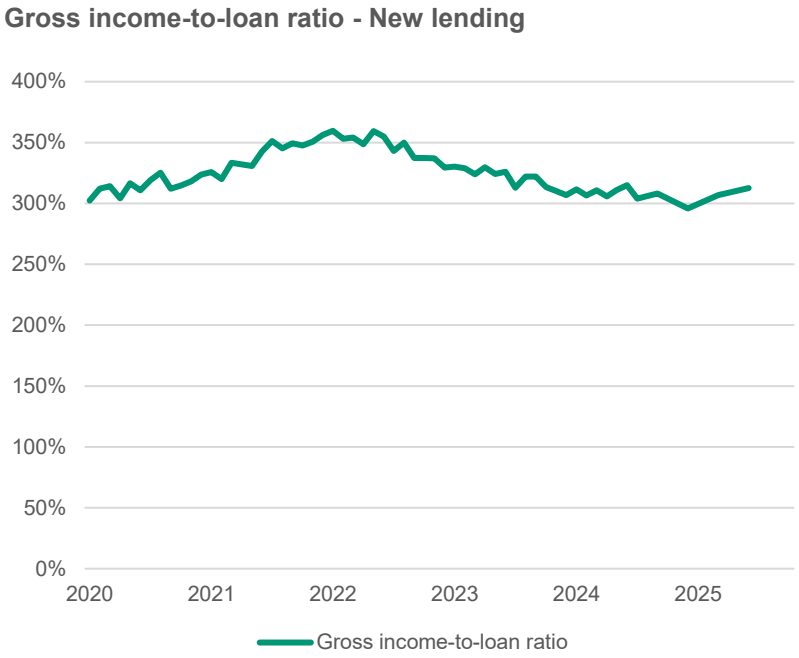
Asset quality





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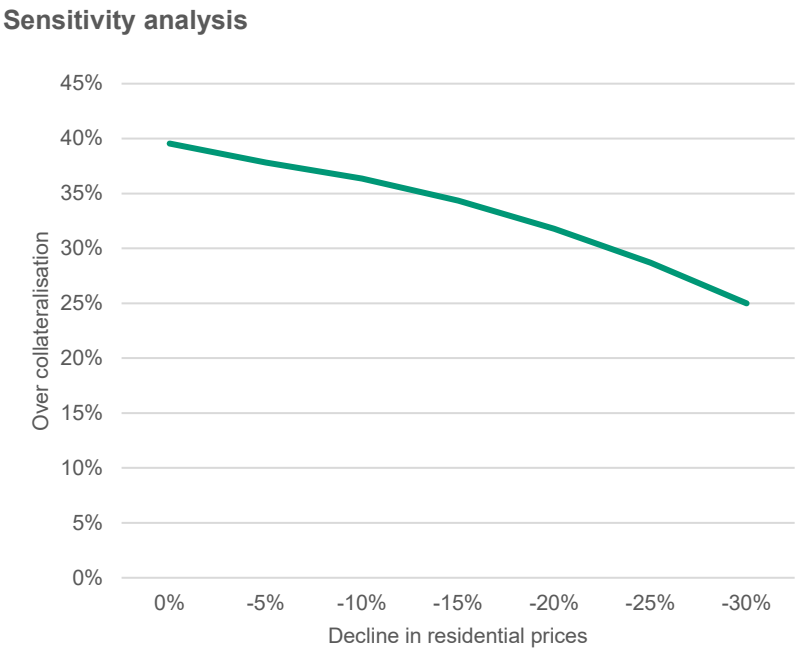
Resilient cover pool



Outstanding covered bonds

Bond	Maturity	Coupon type	Amount issued	Min piece (MM)
SKANBK Float 11/24/25	2025-11-24	FLOATING	6 200 000 000	2
SKANBK Float 04/23/26	2026-04-23	FLOATING	6 250 000 000	2
SKANBK Float 11/24/26	2026-11-24	FLOATING	7 250 000 000	2
SKANBK 1.97 02/02/27	2027-02-02	FIXED	250 000 000	1
SKANBK Float 06/23/27	2027-06-23	FLOATING	6 750 000 000	2
SKANBK Float 12/22/27	2027-12-22	FLOATING	6 500 000 000	2
SKANBK 2.684 04/18/28	2028-04-18	FIXED	400 000 000	2
SKANBK Float 05/23/28	2028-05-23	FLOATING	7 000 000 000	2
SKANBK 3 09/15/28	2028-09-15	FIXED	500 000 000	2
SKANBK Float 12/21/28	2028-12-21	FLOATING	6 350 000 000	2
SKANBK Float 05/15/29	2029-05-15	FLOATING	6 400 000 000	2
SKANBK Float 12/05/29	2029-12-05	FLOATING	7 350 000 000	2
SKANBK 2.855 02/04/30	2030-02-04	FIXED	1 000 000 000	2
SKANBK Float 05/08/30	2030-05-08	FLOATING	6 250 000 000	2
SKANBK Float 10/08/30	2030-10-08	FLOATING	3 000 000 000	2
SKANBK Float 11/29/30	2030-11-29	FLOATING	1 700 000 000	2

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Outstanding senior bonds

Bond	Maturity	Coupon type	Payment rank	Amount issued	Min piece (MM)
SKANBK Float 03/16/26	2026-03-16	FLOATING	Sr Non Preferred	500 000 000	2
SKANBK Float 05/05/26	2026-05-05	FLOATING	Sr Preferred	500 000 000	2
SKANBK Float 09/07/26	2026-09-07	FLOATING	Sr Non Preferred	500 000 000	2
SKANBK Float 10/09/26	2026-10-09	FLOATING	Sr Preferred	250 000 000	2
SKANBK Float 10/30/26	2026-10-30	FLOATING	Sr Preferred	300 000 000	2
SKANBK Float 02/01/27	2027-02-01	FLOATING	Sr Preferred	500 000 000	2
SKANBK Float 04/14/27	2027-04-14	FLOATING	Sr Non Preferred	500 000 000	2
SKANBK Float 09/01/27	2027-09-01	FLOATING	Sr Non Preferred	500 000 000	2
SKANBK Float 02/03/28	2028-02-03	FLOATING	Sr Preferred	500 000 000	2
SKANBK Float 08/04/28	2028-08-04	FLOATING	Sr Non Preferred	550 000 000	2
SKANBK Float 11/14/28	2028-11-14	FLOATING	Sr Non Preferred	500 000 000	2
SKANBK Float 02/01/29	2029-02-01	FLOATING	Sr Non Preferred	500 000 000	2
SKANBK Float 02/06/30	2030-02-06	FLOATING	Sr Non Preferred	600 000 000	2

As of 2025-11-03

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Key Dates

Q2 report
July 18th
Year-end report
February 12th 2026
October 21st
Q3 report

Compliant with established market standard

Aligned with the core components of the ICMA Green Bond Principles

ICMA Green bond principles

1. Use of Proceeds

The net proceeds of green bonds will finance or refinance eligible loans

2. Process for project evaluation and selection

The Green Bond Committee (GBC) determines which loans constitute eligible loans

3. Management of Proceeds

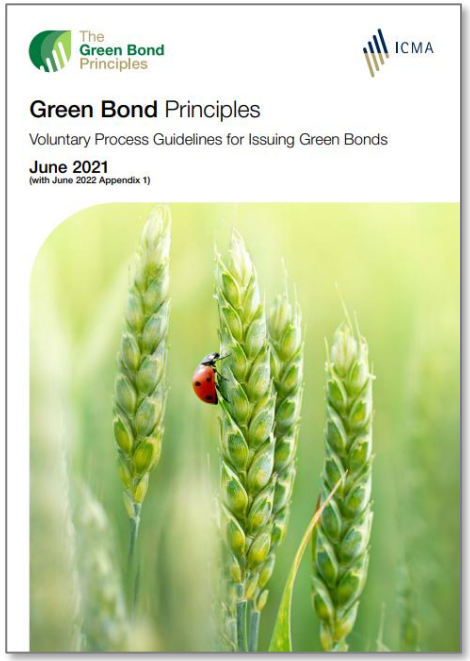
An amount equal to the proceeds is separately identified and applied in the financing of eligible loans

4. Reporting

The allocation of proceeds and the expected or actual outputs and environmental impacts of the eligible loans (impact report)

5. External Review

Second-party opinion by Sustainalytics



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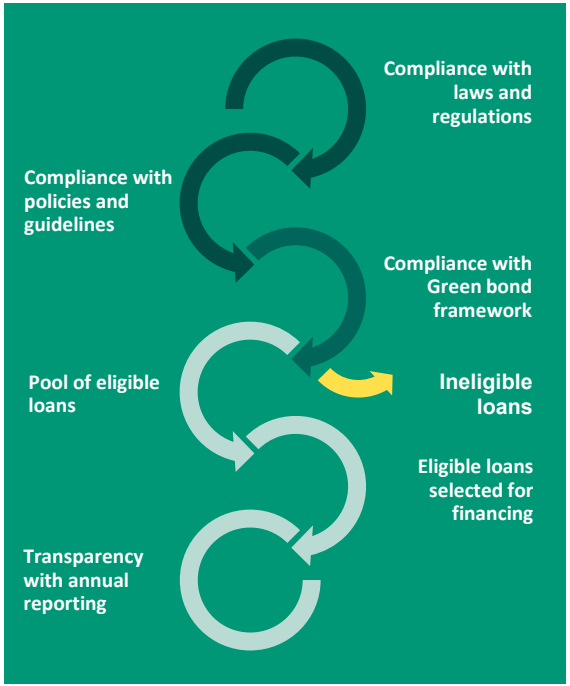
Process for Project Evaluation and Selection

The process for selecting eligible loans

- Foundation in market standards, green bond principles and the EU-taxonomy
- Energy performance certificates as source of information
- Using only EPCs issued on or after September 1st 2020[5]
- This creates a conservative, transparent and robust selection method



[5]*New building regulations (BFS 2020:4, BBR29) were introduced by Boverket on September 1, 2020. EPCs issued before this date are not directly comparable.*

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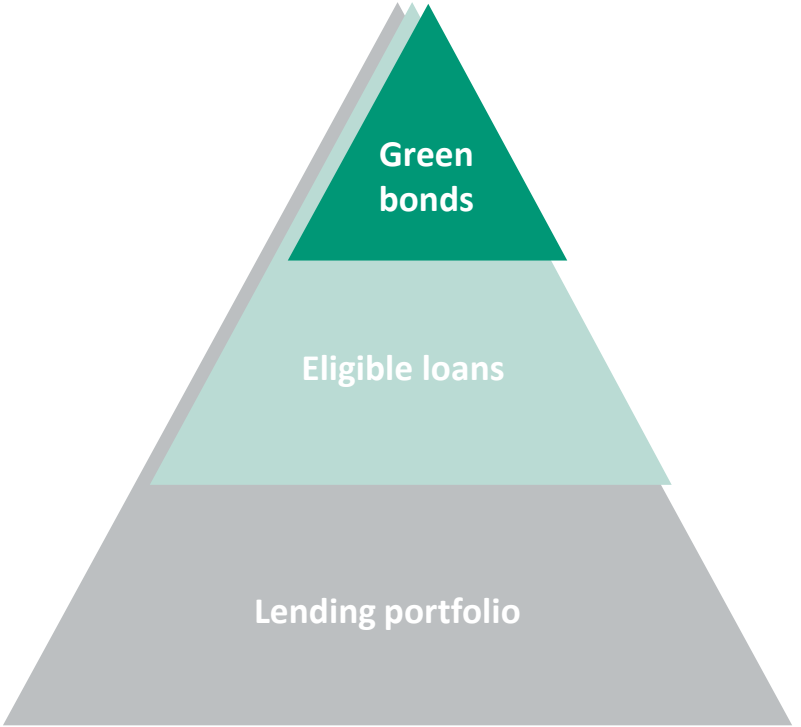
Management of Proceeds

- Proceeds from green bonds earmarked for Eligible loans
- In practice the eligible loans will be identified first
- May be temporarily invested in the liquidity reserve



Use of proceeds (Eligible loans)

Three categories based on EU Taxonomy Technical Screening Criteria

New buildings

- Built after 2020
- Primary Energy Demand (PED) at least 10 percent lower than the Swedish building regulation-threshold (BBR)[2]
- Energy performance certified using a valid Energy Performance Certificate (EPC)

Existing buildings

- Built before 2021
- Valid EPC class A, or;
- PED within the top 15 percent of the national or regional building stock[3]

Major renovation of buildings

- Renovations of existing buildings that lead to a reduction in the PED of at least 30 percent, or;
- Renovations that complies with the applicable requirements for major renovations

Exclusion

Proceeds from Skandiabanken's green bonds will not be used to finance fossil-based energy generation

[2] The EU Taxonomy requires the primary energy demand for new buildings to be 10 per cent lower than the level required for Nearly Zero Energy Buildings (NZEB). Requirements for NZEB and BBR are, according to Skandiabanken's interpretation, equivalent to each other

[3] Until further notice, Skandiabanken will use the Swedish Property Federation's study to determine which building's primary energy demand (PED) is within the top 15 per cent threshold. Skandiabanken can also seek guidance from other appropriate external benchmarks to determine the top 15 per cent threshold if such a report is issued by a national government or industry specialist.

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Sources of limit values

BBR29

Tabell 9:2a Högsta tillåtna primärenergital, installerad eleffekt för uppvärmning, genomsnittlig värmegenomgångskoefficient och genomsnittligt luftläckage, för småhus, flerbostadshus och lokaler.

	Energi-prestanda uttryckt som primärenergi-tal (EP_{pet}) [kWh/m² A_{temp} och år]	Installerad eleffekt för uppvärmning (kW)	Genomsnittlig värmegenom-gångskoeffi-cient (U_m) [W/m² K]	Klimatskärmens genomsnittliga luftläckage vid 50 Pa tryckskillnad (l/s m²)
Bostäder				
Småhus >130 m² A_{temp}	90	4,5 + 1,7 x (F_{geo} – 1)[1)]	0,30	Enligt avsnitt 9:26
Småhus >90–130 m² A_{temp}	95			
Småhus >50–90 m² A_{temp}	100			
Småhus ≤50 m² A_{temp}	Inget krav	Inget krav	0,33	0,6
Flerbostadshus	75[4)]	4,5 + 1,7 x (F_{geo} – 1)[1), 5)]	0,40	Enligt avsnitt 9:26
Lokaler				
Lokaler	70[2)]	4,5 + 1,7 x (F_{geo} – 1)[1), 3)]	0,50	Enligt avsnitt 9:26

the Swedish Property Federation's study

Byggnadskategori	Primärenergital (kWh/m² A_{temp} och år)	
	Topp 15 procent	Topp 30 procent
Småhus	78	96
Flerbostadshus	81	93
Kontor och förvaltning	80	98
Skolor	89	108
Hotell, pensionat och elevhem	91	114
Restaurang	100	124
Vård dagtid	84	100
Vård dygnet runt	86	103
Köpcentrum	87	110
Butik och lagerlokaler för livsmedel	75	101
Butik och lagerlokaler för övrig handel	67	85
Bad-, sport- och idrottsanläggningar	78	100
Teater-, konsert, biograflokaler och övriga samlingslokaler	85	104
Övriga lokaler	77	98

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Sources on sustainable housing

- Skandiabanken Green bond framework
- Sustainalytics Second-Party Opinion
- The Swedish Property Federation's study
- The EU-taxonomy
- The Swedish National Board of Housing, Building and Planning – Building regulations (BBR29)
- The Swedish Property Federation and The Swedish Construction Federation – Interpretation of the EU-taxonomy

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